



Annual Comprehensive Financial Report

Year Ended 2022

CITY OF SHAWNEE, OKLAHOMA

**Annual Comprehensive Financial Report
And Accompanying Independent Auditor's Report**

**For the Fiscal Year Ended
June 30, 2022**

Prepared by:
Department of Finance

Lindsey McNabb-Fox
Finance Director

THIS PAGE INTENTIONALLY LEFT BLANK

Introduction Section:

Letter of Transmittal.....	1-3
List of Principal Officials	5
City Governmental Organization Chart.....	6
Certificate of Achievement for Excellence in Financial Reporting.....	7

Financial Section:

Independent Auditor’s Report.....	9-11
Management’s Discussion and Analysis.....	13-22

Basic Financial Statements:

Statement of Net Position	24
Statement of Activities	25
Balance Sheet - Governmental Funds	26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Net Position - Proprietary Funds	30
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	31
Statement of Cash Flows - Proprietary Funds	32
Notes to the Basic Financial Statements.....	33-76

Required Supplementary Information:

General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – (Budgetary Basis) Budget and Actual	78
Notes to Required Supplementary Information on Budgetary Accounting and Control.....	79-80
Schedules of Required Supplementary Information – Oklahoma Police Pension & Retirement System.....	81-82
Schedules of Required Supplementary Information – Oklahoma Fire Pension & Retirement System.....	83-84
Schedules of Required Supplementary Information – Oklahoma Municipal Retirement Fund.....	85-86
Schedule of Changes in Total OPEB Liability and Related Ratios.....	87

Other Supplementary Information:

General Fund Combining Schedules:

Combining Balance Sheet - General Fund Accounts	89
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund Accounts	90
Budget and Actual General Fund Accounts.....	91-93

Nonmajor Governmental Funds:

Combining Balance Sheet - Nonmajor Governmental Funds	94-95
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	96-97
Budget and Actual Nonmajor Governmental Funds.....	98-104
Budget and Actual Major Capital Project Funds.....	105-108

Statistical Section:

Net Position by Component.....	111
Changes in Net Position.....	112-113
Fund Balances, Governmental Funds.....	114-115

CITY OF SHAWNEE, OKLAHOMA
TABLE OF CONTENTS
JUNE 30, 2022

Tax Revenues by Source.....	117
Sales & Use Tax Rates of Direct and Overlapping Governments.....	118
Sales Tax Collected by SIC Code.....	119
Water & Sewer Rates.....	120
Water Utility User Categories.....	121
Construction Permits.....	122
Ratios of Outstanding Debt by Type.....	124
Debt Coverage.....	125
Demographic and Economic Statistics.....	127
Ethnic Demographic Statistics.....	128
Principal Employers.....	129
Full-time Equivalent City Government Employees by Function/Program.....	130
Operating Asset Statistics by Function/Program.....	131
Operating Indicators by Function/Program.....	132

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTION SECTION



Office of the City Manager

April 17, 2023

To the Honorable Mayor and Members of the Shawnee City Commission:

In accordance with State Statutes and the Charter of the City of Shawnee, Oklahoma ("City"), we are pleased to present the 2021-2022 Annual Comprehensive Financial Report (ACFR) to the Mayor and City Commission and the people of Shawnee. The ACFR provides a formal report on the status of the City's financial position and results of operations for the past fiscal year ended June 30, 2022. The report has been prepared in accordance with the requirements of the Governmental Accounting Standards Board (GASB). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the financial activity of the City's various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

Management assumed full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse, and to compile sufficiently reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reliable assurance that the financials will be free from material misstatement. To the best of our knowledge and beliefs, this financial report is complete and accurate in all material respects.

The City's financial statements have been audited by Arledge & Associates, P.C., certified public accountants. The independent audit was conducted to provide reasonable assurance that the financial statements are free from material misstatement. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended June 30, 2022. The independent auditor's report is presented as the first component of the financial section of the ACFR.

Management's Discussion and Analysis required by GASB includes summarized financial information about the City, an analysis of the past year's operations of general government and major enterprise activities and an overview of the City's current and future economic picture as well as its major initiatives and financial accomplishments for the year.

The Financial Section includes the City's independent auditor's report expressing an opinion as to the accuracy and fairness of the financial statements, and the accompanying footnotes to the financial statements. The combined and individual fund financial statements present financial data of each separate fund of the City. The footnotes provide certain other information summarized in the financial statements. The notes are an integral part of the financial statements and provide additional information which is essential to an accurate understanding of the City's financial condition.

PROFILE OF THE CITY

The City of Shawnee is in Pottawatomie County approximately 35 miles east of Oklahoma City, Oklahoma. The City was incorporated in 1894 and encompasses 44 square miles. The City is a full-service municipality and

operates under a Council-Manager form of government consisting of six wards. Each ward is represented by a City Commissioner who is elected at-large in addition to an independently elected Mayor.

The City provides many municipal services for the health and well-being of its citizens, including public safety, emergency management for both the City and county, water, sewer and sanitation services, street construction and maintenance, street lighting, parks, lake and recreational facilities, planning, community development, code enforcement, and general administration.

The City Commission is required by State Statutes to adopt a budget no later than seven days prior to the first day of the fiscal year (July 1). The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, by department. The City Manager may authorize transfers between departments without City Commission approval. Supplemental appropriations require City Commission approval and must 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. For financial reporting purposes, all funds, agencies, boards, commissions, and authorities which the City Commission has financial accountability are included in this report. Financial accountability is determined by several different factors including fiscal dependence, ability to impose will upon the entity's governing body, provision of specific financial burdens or benefits, and separate legal entities. After careful evaluation of these factors, the City has included in this financial report the Shawnee Municipal Authority, Shawnee Airport Authority, all funds of the City, and the Shawnee Civic and Cultural Development Authority which is a discretely presented component unit of the City.

GOVERNMENTAL STRUCTURE

The City of Shawnee operates as a Council-Manager form of government as defined by Oklahoma State Statutes. The governing body of the City consists of a mayor, who shall be elected from the City at large; and six (6) commissioners from prescribed wards. The City Commission also serves as trustees of the Shawnee Municipal Authority and Shawnee Airport Authority. The Mayor and Commissioners appoint the City Manager, who is the chief executive officer of the City, the City Treasurer, who is the chief financial officer of the City, the Municipal Court Judge, and the City Attorney.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City Commission recently adopted a new Budgeting and Financial Policy which states the General Fund shall maintain operating reserves in the General Fund of between 14-20% of budgeted expenditures. All other funds that support personnel and other ongoing expenditures have a target level of 5-20%. The estimated fund balance reserves as of June 30, 2022, used for budgetary purposes, were 14% for the General Fund, 7.8% for the Shawnee Municipal Authority, and 22.9% for the Shawnee Airport Authority.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES, CONTINUED

During FY-2022, the City moved forward several important community projects, including the construction of the Independence sidewalk, design for the Main Street Bridge Replacement project, as well as the implementation of wayfinding signage and construction of restrooms at the Shawnee Twin Lakes.

In June 2018, Shawnee citizens voted to enact a half-cent sales tax for capital improvements related to parks and facilities, roadways, and public safety to enhance the City's core services and quality of life. The tax will be collected until September 2028 and, based on the latest projections, is expected to generate approximately \$34 million for the projects. In FY-2022, the City completed the renovation of the former bank building to serve as the new Police Department headquarters. Additionally, the sales tax receipts funded the replacement of the perimeter fence and the roof rehabilitation project at the Heart of Oklahoma Expo Center. Progress also continued on the major parks projects, with the construction bid for KidSpace Park awarded in the last quarter of FY-2022 and the bid documents for Woodland Veterans Park readied for publication.

The Shawnee Municipal Authority continued the implementation of its capital improvements, including repair and replacement of segments of its water delivery and wastewater collection systems, as well as the continued construction of the new water treatment plant and the finalization of the design for the wastewater treatment plant project.

Lastly, in FY-2022, the Shawnee Airport Authority completed appraisals to assess the fair market value of select airport rental properties.

ECONOMIC CONDITION AND OUTLOOK

The City's top priority is to provide the highest level of public services possible. Like other Oklahoma municipalities, long-term municipal finance is a concern as the principal revenue source is sales taxes which can fluctuate based on the state of the economy and consumer spending. For FY-2022, approximately 69% of the General Fund revenues were provided by sales and use tax. The City depends significantly on sales and use tax to fund all general government operations. A broad analysis of the current and future expenditure needs of the City must be considered when appropriating revenues to maintain and build fund balances in the event of economic fluctuations that could impact sales tax. Other major sources include intergovernmental revenues which comprised approximately 13% of the General Fund revenues. These revenues come from grants and other governmental agencies and have increased during FY-2022 due to State and Federal pandemic relief funding.

In FY-2022, overall economic conditions remained stable despite uncertainty caused by the pandemic. During FY-2022, the City saw an increase in sales tax collections of approximately 5% from prior year, and use tax collections increase of approximately 25% from prior year. Budgeting conservatively, the original FY-2023 sales tax projection was based on an average of historical collections over the last three years, which the City is expected to exceed by over 12%.

The City's FY-2023 budget estimates for General Fund revenues are approximately \$23.8 million. Additionally, the Shawnee Municipal Authority utility revenues are projected at approximately \$15.4 million. The City Commission approves annually appropriated budgets for the combined General Fund accounts, special revenue funds, proprietary funds, and debt service fund. The budgets are approved for each fund by department and expenditure category. For additional information, please see the notes to the financial statements.


AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (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, 2021. To be awarded the Certificate of Achievement, the City must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine eligibility for the current report. The preparation of the Annual Comprehensive Financial Report was made possible by the staff dedication of the Finance Department. Management applauds the Mayor, Commission Members, and the department directors for their cooperation and outstanding assistance in matters pertaining to the financial affairs of the City.

Respectfully submitted,


Andrea Weckmueller-Behringer
City Manager


Lindsey McNabb-Fox
Finance Director

THIS PAGE INTENTIONALLY LEFT BLANK

City of Shawnee, Oklahoma

List of Principal Officials

June 30, 2022

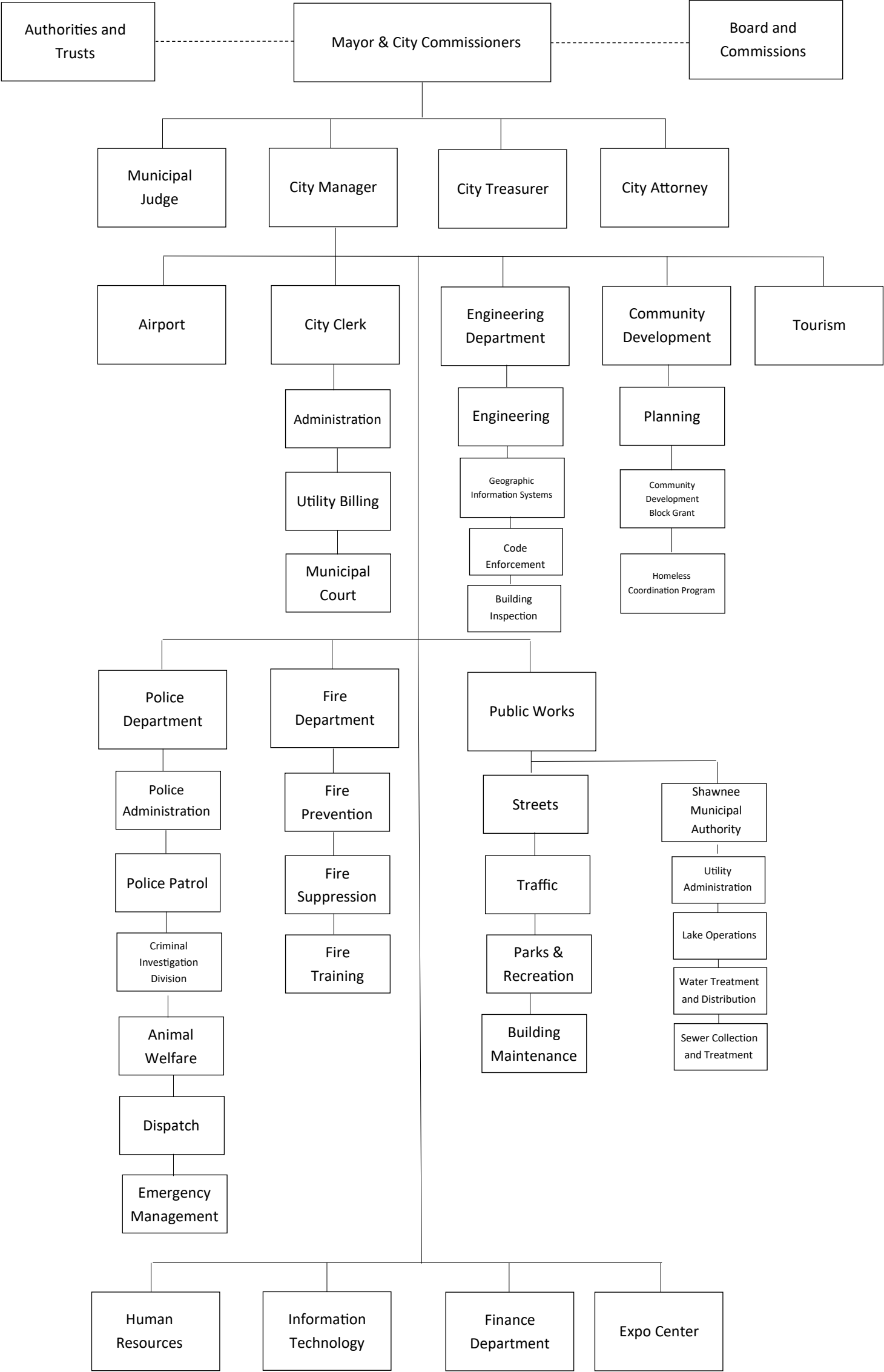
Mayor and City Commission

Ed Bolt	Mayor
Daniel Matthews	Commissioner
Cami Engles	Commissioner
Travis Flood	Commissioner
Darren Rutherford	Commissioner
Mark Sehorn	Commissioner
Lauren Richter	Commissioner

Administration

Andrea Weckmueller-Behringer	City Manager
Lindsay McNabb-Fox	Finance Director/Treasurer
Lisa Lasyone	City Clerk
Mason Wilson	Police Chief
Tony Wittmann	Fire Chief
Jennifer Greenland	Human Resource Director
Rian Harkins	Community Development Director
Seth Barkhimer	Director of Engineering
Brad Schmidt	Public Works Director
Bonnie Wilson	Airport Manager Tourism
Stacy Cramer-Moore	Director

City of Shawnee Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Shawnee
Oklahoma**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Shawnee, Oklahoma (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Emphasis of Matter

As discussed in Note III-G to the financial statements, a prior period adjustment was made to correct capital assets to records from inventory. Our opinion is not modified with respect to this matter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Arledge & Associates, P.C.

Edmond, Oklahoma
March 27, 2023



THIS PAGE INTENTIONALLY LEFT BLANK

As Management of the City of Shawnee, we offer readers this narrative overview and analysis of the financial activities of the City of Shawnee for the fiscal year ended June 30, 2022. 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 \$12,817,985 or 13.6% from the prior year and the assets and deferred outflows of the City continued to exceed its liabilities and deferred inflows at June 30, 2022, by \$106.8 million (net position).
- Of the \$106.8 million in total net position, \$101.6 million is the net investment in capital assets. Another \$18.7 million is restricted for capital projects, debt service, economic development, public safety, and other. The remaining unrestricted net position for governmental activities is a deficit of approximately \$13.5 million, while unrestricted net position of the business-type activities is a deficit \$0.04 million. The deficit, in large part, is caused by GASB Statements 68 and 71 related to employer pension accounting and GASB Statement 75 related to other post-employment benefits.
- At June 30, 2022, the City's governmental funds reported total combined ending fund balances of \$42.3 million. Of this amount, \$34.7 million is restricted by outside sources and enabling legislation, leaving \$7.6 million as unassigned fund balance.
- At June 30, 2022, enterprise funds reported \$45.0 million of total net position. \$43.0 million is the net investment in capital assets, and \$2.1 million is restricted for debt service, leaving \$0.04 million in unrestricted deficit net position.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Shawnee (City), the Shawnee Municipal Authority (SMA), Shawnee Airport Authority (SAA), the Shawnee Urban Renewal Authority (accounted for in the CDBG fund) and one discretely presented component unit. Included in this report are government-wide statements for each of two categories of activities – governmental and business-type, along with the discretely presented component unit, the Shawnee Civic and Cultural Authority (SCCDA or Expo).

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. Government-wide financial statements also report the City's operations in more detail than the fund level statements by providing information about the City's most significant funds. These statements include all assets of the City (including infrastructure), along with deferred outflows, as well as all liabilities (including long-term debt), along with deferred inflows.

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

This discussion and analysis is intended to serve as an introduction to the City of Shawnee's basic financial statements. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer financial questions. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities and deferred inflows of resources – 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 public safety, street improvements, community planning and development, civic and cultural activities, and economic development. Sales and use taxes, franchise fees, fines, and state and federal grants finance most of these activities. The Shawnee Urban Renewal Authority is included within the financial statements as a part of Other Governmental Funds within a grouping of Special Revenue Funds titled CDBG & Home Grant Funds. All of the activity of the Shawnee Urban Renewal Authority is in the CDBG & Home Grant Funds and the Shawnee Urban Renewal Authority (a blended component unit) does not have any of its own assets or liabilities.
- **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, sanitation, and airport services are reported here. The Shawnee Municipal Authority and the Shawnee Airport Authority are enterprise funds and are blended component units of the City.
- **Discretely presented component unit** - This component unit, the Shawnee Civic and Cultural Development Authority, accounts 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 Shawnee, 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 Shawnee can be divided into two categories: governmental funds and proprietary funds.

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 the Governmental Fund financial statements.

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 government-wide financial statements. The City has two enterprise funds -- the Shawnee Municipal Authority and the Shawnee Airport Authority -- to account for its water, sewer, sanitation, and airport operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.
- *Internal service funds* are another type of proprietary fund used to account for services provided to other departments on a cost reimbursement basis. The City has one internal service fund – the Self-Insured Workers’ Compensation Fund -- to account for its workers’ compensation costs. The revenues and expenditures reported in this internal service fund are included with governmental activities at the government-wide level of reporting.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to gain an understanding of the data provided in the government-wide and fund financial statements.

Other Information

The City has included other information (OI), on pages 1-4, the letter of transmittal and the 10-year statistical tables beginning on page 111. The Required Supplementary Information (RSI) section, starting on page 77, reports the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – and the related Notes to the Required Supplementary Information on Budgetary Accounting and Control for the fiscal year ended June 30, 2022. Also reported here is actuarial information related to the City’s defined benefit pension plan, the City’s Other Postemployment Benefits (OPEB) and the city’s cost sharing pension plans schedules.

Other Supplementary Information (SI) is provided on pages 88-107. Other Supplementary Information contains combining schedules on the general fund and combining statements and schedules of other governmental funds.

THE CITY AS A WHOLE

For the year ended June 30, 2022, net position for the governmental activities and business-type activities increased \$12,817,985. The results indicate the City’s financial condition improved over the prior year.

**MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SHAWNEE, OKLAHOMA
JUNE 30, 2022**

Following is a summary of net position for the City of Shawnee as of June 30, 2022 and June 30, 2021:

**TABLE 1
NET POSITION (In Thousands)**

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	<u>2022</u>	Restated, <u>2021</u>		<u>2022</u>	<u>2021</u>		<u>2022</u>	Restated, <u>2021</u>	
Current assets	\$ 60,338	\$ 46,567	30%	\$ 8,255	\$ 5,861	41%	\$ 68,593	\$ 52,428	31%
Capital assets, net	58,083	57,466	1%	60,660	53,632	13%	118,743	111,098	7%
Total assets	<u>118,421</u>	<u>104,033</u>	14%	<u>68,915</u>	<u>59,493</u>	16%	<u>187,336</u>	<u>163,526</u>	15%
Deferred outflows	<u>5,958</u>	<u>7,051</u>	-16%	<u>449</u>	<u>745</u>	-40%	<u>6,407</u>	<u>7,796</u>	-18%
Current liabilities	13,442	8,946	50%	5,397	4,163	30%	18,839	13,109	44%
Non-current liabilities	32,321	46,616	-31%	16,405	13,897	18%	48,726	60,513	-19%
Total liabilities	<u>45,763</u>	<u>55,562</u>	-18%	<u>21,802</u>	<u>18,060</u>	21%	<u>67,565</u>	<u>73,622</u>	-8%
Deferred inflows	<u>16,848</u>	<u>3,135</u>	437%	<u>2,543</u>	<u>596</u>	327%	<u>19,391</u>	<u>3,731</u>	420%
Net position									
Net investment capital assets	58,645	57,479	2%	42,971	40,093	7%	101,616	97,572	4%
Restricted	16,602	10,388	60%	2,090	2,379	-12%	18,692	12,767	46%
Unrestricted (deficit)	(13,479)	(15,480)	-13%	(42)	(890)	-95%	(13,521)	(16,370)	-17%
Total net position	<u>\$ 61,768</u>	<u>\$ 52,387</u>	18%	<u>\$ 45,019</u>	<u>\$ 41,582</u>	8%	<u>\$ 106,787</u>	<u>\$ 93,969</u>	14%

As shown in Table 1 above, the largest portion of the City's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. This year the net investment in capital assets amounted to \$101.6 million. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's net position, \$18.7 million, represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position, may be used to meet the government's ongoing obligations to citizens and creditors. The total remaining unrestricted net position is a deficit amount, with the governmental unrestricted net position having a deficit balance of \$13.5 million, a 13% decrease in the size of the deficit of the prior year, primarily due to an increase in the net investment in capital assets and an increase in current assets. The business-type activities has negative unrestricted net position of \$0.04 million, a 95% decrease in the size of the deficit of the prior year, primarily due to an increase in total assets.

Changes in Net Position:

Table 2 summarizes the City's changes in net position for fiscal year 2022 compared to fiscal year 2021.

MANAGEMENT'S DISCUSSION & ANALYSIS
CITY OF SHAWNEE, OKLAHOMA
JUNE 30, 2022

TABLE 2
CHANGES IN NET POSITION (In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2022	Restated, 2021		2022	2021		2022	Restated, 2021	
Revenues									
Charges for service	\$ 1,427	\$ 1,438	-1%	\$ 16,196	\$ 15,518	4%	\$ 17,623	\$ 16,956	4%
Operating grants and contributions	3,540	3,243	9%	-	2	-100%	3,540	3,245	9%
Capital grants and contributions	85	2,323	-96%	909	774	17%	994	3,097	-68%
Taxes	31,979	29,455	9%	-	-	-	31,979	29,455	9%
Intergovernmental revenue	424	438	-3%	-	-	-	424	438	-3%
Investment income	22	16	38%	26	66	-61%	48	82	-41%
Miscellaneous	402	562	-28%	120	219	-45%	522	781	-33%
Total revenues	37,879	37,475	1%	17,251	16,579	4%	55,130	54,054	2%
Expenses									
General government	4,126	4,376	-6%	-	-	-	4,126	4,376	-6%
Public safety	15,209	18,764	-19%	-	-	-	15,209	18,764	-19%
Streets	5,666	5,511	3%	-	-	-	5,666	5,511	3%
Culture and recreation	2,156	2,293	-6%	-	-	-	2,156	2,293	-6%
Community development	96	376	-74%	-	-	-	96	376	-74%
Economic development	2,013	1,595	26%	-	-	-	2,013	1,595	26%
Interest	431	401	7%	-	-	-	431	401	7%
Water	-	-	-	4,421	3,576	24%	4,421	3,576	24%
Wastewater	-	-	-	3,266	3,472	-6%	3,266	3,472	-6%
Sanitation	-	-	-	3,582	2,732	31%	3,582	2,732	31%
Administration	-	-	-	-	680	-100%	-	680	-100%
Airport	-	-	-	1,194	1,290	-7%	1,194	1,290	-7%
Lake	-	-	-	152	138	10%	152	138	10%
Total expenses	29,697	33,316	-11%	12,615	11,888	6%	42,312	45,204	-6%
Excess (deficiency) before transfers	8,182	4,159	97%	4,636	4,691	-	12,818	8,850	45%
Transfers	1,199	3,424	-65%	(1,199)	(3,424)	65%	-	-	-
Change in net position	9,381	7,583	24%	3,437	1,267	-171%	12,818	8,850	45%
Beginning net position, restated	52,387	44,804	17%	41,582	40,315	3%	93,969	85,119	10%
Ending net position	\$ 61,768	\$ 52,387	18%	\$ 45,019	\$ 41,582	8%	\$ 106,787	\$ 93,969	14%

Governmental Activities

The City's governmental activities (as shown in Table 2 above) increased net position by \$9.4 million, representing an 24% increase in the change in net position of the prior year. The current year increase is due primarily to a decrease in public safety expenses.

Fiscal year 2021-2022 tax revenues totaled \$32.0 million compared to \$29.5 million in fiscal year 2020-2021.

Capital grants and contributions decreased 96% from the prior year, as the City received funds related to the American Rescue Plan being used for infrastructure improvements in fiscal year 2020-2021.

Business-type Activities

Operational net revenues of the business-type activities showed an increase in the change in net position of the prior year. Utility revenue collections were slightly increased and expenses showed a slight decrease.

Tables 3 and 4 summarize the total cost of providing services from governmental activities and business-type activities for fiscal years 2022 and 2021.

TABLE 3
Net Revenue (Expense) of Governmental Activities
(In Thousands)

	Total Expense of Services		% Inc. (Dec.)	Net Revenue (Expense) of Services		% Inc. (Dec.)
	<u>2022</u>	<u>2021</u>		<u>2022</u>	<u>2021</u>	
General government	\$ 4,126	\$ 4,376	-6%	\$ (1,954)	\$ (1,348)	45%
Public safety	15,209	18,764	-19%	(13,217)	(16,133)	-18%
Streets	5,666	5,511	3%	(5,326)	(4,994)	7%
Culture, parks and recreation	2,156	2,293	-6%	(1,851)	(1,932)	-4%
Community development	96	376	-74%	103	30	243%
Economic development	2,013	1,595	26%	(1,969)	(1,533)	28%
Interest on long-term debt	431	401	7%	(431)	(401)	7%
Total	<u>\$ 29,697</u>	<u>\$ 33,316</u>	-11%	<u>\$ (24,645)</u>	<u>\$ (26,311)</u>	-6%

Total costs of services provided by governmental activities totaled \$29.7 million and \$33.3 million for fiscal years 2022 and 2021, respectively.

Total costs of services provided by business-type activities totaled \$12.6 million for fiscal year 2022 and \$11.9 million for fiscal year 2021.

TABLE 4
Net Revenue (Expense) of Business-Type Activities
(In Thousands)

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	<u>2022</u>	<u>2021</u>		<u>2022</u>	<u>2021</u>	
Water	\$ 4,421	\$ 3,576	24%	\$ 4,156	\$ 4,621	-10%
Wastewater	3,266	3,472	-6%	1,566	602	160%
Sanitation	3,582	2,732	31%	(599)	51	-1,275%
Administration	-	680	-100%	-	(604)	-100%
Airport	1,194	1,290	-7%	(522)	(163)	220%
Lake	152	138	10%	(110)	(103)	7%
Total	<u>\$ 12,615</u>	<u>\$ 11,888</u>	6%	<u>\$ 4,491</u>	<u>\$ 4,404</u>	2%

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2022 fiscal year, the governmental funds reported a combined fund balance of \$42.3 million. The enterprise funds reported combined net position of \$45.0 million. The fund balance constraints and net position restrictions are listed below:

Governmental Funds:

Fund Balance:

Non-spendable	\$109,440
Restricted	<u>34,547,266</u>
Total governmental fund balance constraints	<u>\$34,656,706</u>

Proprietary Funds:

Net Position Restrictions:

Debt service	<u>\$2,089,763</u>
--------------	--------------------

Other Fund Highlights Include:

- For the year ended June 30, 2022, the General Fund's total fund balance increased by \$683,145. This increase is primarily the result of an increase in sales tax, a decrease in intergovernmental revenues, an increase in police expenses, and a decrease in transfers from other funds.
- General fund fire department total expenditures include \$1,089,854, while police department total expenditures include \$517,271, for pension payments made on behalf of the City by the State. The total amount of \$1,607,125 of the on-behalf payments has been included as both revenue and expenditures of the City for the year ended June 30, 2022.
- The Street Improvement Fund's total fund balance increased by \$2.1 million due to an increase in sales tax and issuance of long-term debt.
- The Capital Improvement Fund's total fund balance increased by \$0.9 million related to an increase in sales taxes and a decrease in debt service.
- The 2018 Capital Improvement Fund is used to account for the proceeds of a \$10 million Sales Tax Revenue Note and a \$16.9 million Sales Tax Revenue Note. The fund ended the year with \$20.8 million in fund balance and most of the proceeds had not been spent.
- The Shawnee Municipal Authority reported a net income of \$3,728,130 before contributed capital, transfers in, and transfers out.

General Fund Budgetary Highlights

Fiscal year 2022 General Fund revenues of \$22.6 million were \$2.94 million above budgeted revenues. Revenues were above budget due to taxes coming in above budget.

Fiscal year 2022 General Fund expenditures were 2.49% below budgeted expenditures due to the city implementing conservative measures.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2022, the City had \$119 million invested in capital assets including land, buildings, machinery and equipment, park facilities, water, sewer and stormwater systems, roads and bridges, net of accumulated depreciation. This represents a net increase of \$7.6 million from last year.

Below are details regarding the change in the City's capital assets for the year ending June 30, 2022.¹

TABLE 5
Capital Assets
(In Thousands)
(Net of accumulated depreciation)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	Restated				Restated	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 3,638	\$ 3,638	\$ 1,482	\$ 1,482	5,120	\$ 5,120
Buildings	13,573	10,029	4,754	5,214	18,327	15,243
Machinery, furniture and equipment	7,113	7,416	1,442	1,768	8,555	9,184
Lease machinery, furniture and equipment	125	-	448	-	573	-
Infrastructure	32,898	33,380	24,761	26,648	57,659	60,028
Water rights	-	-	12,968	12,968	12,968	12,968
Construction in progress	736	3,003	14,805	5,556	15,541	8,559
Totals	<u>\$ 58,083</u>	<u>\$ 57,466</u>	<u>\$ 60,660</u>	<u>\$ 53,636</u>	<u>\$ 118,743</u>	<u>\$ 111,102</u>

This year's more significant capital asset additions include various water, wastewater and street improvement projects as well as upgrades to various city buildings. The most significant additions were related to street improvements, exposition center roof, purchase of equipment, water treatment plant and the wastewater project.

Debt Administration

At year-end, the City had \$43.9 million in long-term debt outstanding, which represents a \$1.8 million increase from the prior year. The overall increase is due to the payment of scheduled principal payments on debt outstanding, offset by new debt issues and implementation of the GASB 87 lease standard. The City issued \$7.6 million in new notes payable during the fiscal year. These debts are further detailed below as follows: ²

¹ For more detailed information on capital asset activity please refer to page 46-47 Note II.D. Capital Assets

² For more detailed information on long-term debt activity please refer to page 48-51, Note II.E. Long-Term Debt

TABLE 6
Long-Term Debt
(In Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accrued absences	\$ 2,410	\$ 2,355	\$ 223	\$ 213	\$ 2,633	\$ 2,568
Notes payable	20,146	23,115	17,668	13,457	37,814	36,572
Claims and judgments payable	2,907	2,907	-	-	2,907	2,907
Lease liability	124	-	453	-	577	-
Totals	<u>\$ 25,587</u>	<u>\$ 28,377</u>	<u>\$ 18,344</u>	<u>\$ 13,670</u>	<u>\$ 43,931</u>	<u>\$ 42,047</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In FY-2022, economic conditions ended on a positive trend following the economic uncertainty post-pandemic. Sales taxes, the primary revenue source of the general government, increased by approximately 5% during FY-2022. Likewise, use taxes also had an increase of approximately 25% over FY-2021.

Although the City is experiencing genuine growth in its tax base, we are aware that much of the FY-2022 tax revenue increase may be attributable to high inflation that has occurred across the nation. Due to the nature of FY-2022 tax revenue increases, we projected revenues conservatively for FY-2023 budget and will continue for the FY-2024 budget year.

Over the last year, City management has focused on developing sound financial policies to guide the decisions for budgeting and long-term planning. The first policy that was adopted by the City Commission in March 2022, was the Budgeting and Financial Planning Policies. The policy is an amalgamation of City policies and procedures accompanied by applicable sections of State law. It also includes guidance and framework that are based on best practices for municipalities.

The second policy is the Capital Improvement Plan Policy adopted in December 2022. This policy will guide the City in developing the City's first Five-year Capital Improvement Plan for FY-2024-2028. The goals of the plan are to make decisions that align with City goals and objectives, bring focus to the City's long-term capital needs, and communicate the City's priorities and plans for capital projects.

The FY-2023 General Fund budget is a 3.9% increase from the FY-2022 budget. Total FY-2023 General Fund revenues are estimated at \$30.1 million, including \$5.2 million in transfers from other funds. As noted above, sales tax and use tax collections, representing approximately 62% percent of the total General Fund revenues, are continuing the trend of running above budgeted projections as of December 2022.

Total FY-2023 Shawnee Municipal Authority utility revenues are projected at \$39.7 million with approximately \$20 million budgeted for water and wastewater treatment plant upgrades

and related engineering services. We are projecting construction to continue throughout FY-2023, with the Water Treatment Plant project finishing in the summer of 2023 and the Wastewater Treatment Plant project finishing sometime in early 2026.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's Office at 16 W 9th, Shawnee, Oklahoma or phone at (405) 878-1610.

BASIC FINANCIAL STATEMENTS

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

				Component Unit
	Governmental Activities	Business-type Activities	Total	Civic & Cultural Development Authority
ASSETS				
Cash and cash equivalents	\$ 44,690,018	\$ 4,689,769	\$ 49,379,787	\$ 39,550
Investments	457,016	1,469,477	1,926,493	-
Interest receivable	1,855	-	1,855	-
Accounts receivable, net of allowance	1,241,297	1,948,472	3,189,769	-
Notes receivable, net of allowance	308,966	-	308,966	-
Internal balances	1,334,554	(1,334,554)	-	-
Due from other governmental agencies	3,988,829	3,490	3,992,319	-
Inventories	-	42,472	42,472	-
Prepaid items	109,440	-	109,440	-
Net pension asset	8,206,188	1,436,569	9,642,757	-
Capital assets:				
Land, construction in progress, and water rights	4,374,144	29,254,980	33,629,124	-
Other capital assets, net of depreciation	53,709,114	31,404,715	85,113,829	3,560,089
Total Assets	<u>118,421,421</u>	<u>68,915,390</u>	<u>187,336,811</u>	<u>3,599,639</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred amounts on refunding	-	23,225	23,225	-
Deferred amounts related to pensions	4,373,213	149,603	4,522,816	-
Deferred amounts related to OPEB	1,585,248	276,175	1,861,423	-
Total deferred outflow of resources	<u>5,958,461</u>	<u>449,003</u>	<u>6,407,464</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued expenses	2,300,306	1,190,656	3,490,962	13,391
Accrued interest payable	31,501	110,370	141,871	-
Due to depositors	-	1,415,621	1,415,621	-
Due to bondholders	19,324	-	19,324	-
Unearned revenue	6,653,865	-	6,653,865	-
Long-term liabilities				
Due within one year	4,436,907	2,680,470	7,117,377	12,280
Due in more than one year	32,321,422	16,404,700	48,726,122	-
Total liabilities	<u>45,763,325</u>	<u>21,801,817</u>	<u>67,565,142</u>	<u>25,671</u>
DEFERRED INFLOW OF RESOURCES				
Deferred amounts related to pensions	14,376,685	1,863,394	16,240,079	-
Deferred amounts related to OPEB	2,471,629	680,005	3,151,634	-
Total deferred inflow of resources	<u>16,848,314</u>	<u>2,543,399</u>	<u>19,391,713</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	58,644,805	42,971,590	101,616,395	3,547,809
Restricted for:				
Debt service	542,157	2,089,763	2,631,920	-
Public safety	401,200	-	401,200	-
Capital projects	13,585,795	-	13,585,795	-
Economic development	1,775,226	-	1,775,226	-
Other	297,969	-	297,969	-
Unrestricted (deficit)	(13,478,909)	(42,176)	(13,521,085)	26,159
Total net position	<u>\$ 61,768,243</u>	<u>\$ 45,019,177</u>	<u>\$ 106,787,420</u>	<u>\$ 3,573,968</u>

The accompanying notes are an integral part of these financial statements.

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

		<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>				<u>Component Unit</u>
<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Civic & Cultural Development Authority</u>
Primary government								
Governmental Activities								
General government	\$ 4,125,300	\$ 518,038	\$ 1,568,849	\$ 84,850	\$ (1,953,563)	\$ -	\$ (1,953,563)	\$ -
Public safety	15,209,123	505,512	1,486,356	-	(13,217,255)	-	(13,217,255)	-
Streets	5,666,302	35,482	304,462	-	(5,326,358)	-	(5,326,358)	-
Culture and recreation	2,155,669	250,748	53,983	-	(1,850,938)	-	(1,850,938)	-
Community development	95,999	74,494	124,556	-	103,051	-	103,051	-
Economic development	2,012,963	42,384	1,558	-	(1,969,021)	-	(1,969,021)	-
Interest on long-term debt	431,157	-	-	-	(431,157)	-	(431,157)	-
Total governmental activities	29,696,513	1,426,658	3,539,764	84,850	(24,645,241)	-	(24,645,241)	-
Business-type activities:								
Water	4,421,243	8,241,018	-	336,057	-	4,155,832	4,155,832	-
Wastewater	3,265,604	4,296,313	-	535,327	-	1,566,036	1,566,036	-
Sanitation	3,582,033	2,982,682	-	-	-	(599,351)	(599,351)	-
Airport	1,193,787	634,855	-	37,350	-	(521,582)	(521,582)	-
Lake	152,299	42,698	-	-	-	(109,601)	(109,601)	-
Total business-type activities	12,614,966	16,197,566	-	908,734	-	4,491,334	4,491,334	-
Total primary government	\$ 42,311,479	\$ 17,624,224	\$ 3,539,764	\$ 993,584	(24,645,241)	4,491,334	(20,153,907)	-
Component Unit								
Civic & Cultural Development	\$ 897,644	\$ 659,961	\$ 12,709	\$ -	-	-	-	(224,974)
General revenues:								
Taxes:								
Sales and use taxes					29,110,218	-	29,110,218	-
Franchise taxes and public service taxes					1,725,216	-	1,725,216	-
Hotel/motel taxes					603,589	-	603,589	-
Property tax					203,331	-	203,331	-
Other					336,892	-	336,892	-
Intergovernmental revenue not restricted to specific programs					423,905	-	423,905	-
Unrestricted investment earnings					22,089	25,919	48,008	111
Miscellaneous					401,122	119,611	520,733	-
Transfers					1,199,411	(1,199,411)	-	-
Total general revenues and transfers					34,025,773	(1,053,881)	32,971,892	111
Change in net position					9,380,532	3,437,453	12,817,985	(224,863)
Net position - beginning, restated					52,387,711	41,581,724	93,969,435	3,798,831
Net position - ending					\$ 61,768,243	\$ 45,019,177	\$ 106,787,420	\$ 3,573,968

The accompanying notes are an integral part of these financial statements.

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

	<u>General Fund</u>	<u>American Rescue Plan Fund</u>	<u>Capital Improvement Fund</u>	<u>Street Improvement Fund</u>	<u>2018 Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and cash equivalents	\$ 7,479,068	\$ 8,268,224	\$ 2,349,112	\$ 2,854,734	\$ 20,985,205	\$ 2,451,059	\$ 44,387,402
Investments	432	-	380,091	76,493	-	-	457,016
Interest receivable	1,057	-	204	241	260	93	1,855
Receivable from other governments	69,262	-	-	10,000	-	124,864	204,126
Due from other funds	1,803,489	-	65,000	3,988,343	-	4,023	5,860,855
Taxes receivable, net	2,340,620	-	378,145	426,937	487,928	269,634	3,903,264
Court fines receivable, net	218,449	-	-	-	-	-	218,449
Other receivables	382,294	-	-	494,990	-	335,969	1,213,253
Prepaid items	109,440	-	-	-	-	-	109,440
Total assets	<u>\$ 12,404,111</u>	<u>\$ 8,268,224</u>	<u>\$ 3,172,552</u>	<u>\$ 7,851,738</u>	<u>\$ 21,473,393</u>	<u>\$ 3,185,642</u>	<u>\$ 56,355,660</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,332,308	\$ 1,600	\$ 70,261	\$ 161,966	\$ 253,751	\$ 167,176	\$ 1,987,062
Accrued payroll payable	307,070	-	-	-	-	-	307,070
Due to other funds	2,642,412	-	1,604,878	-	470,813	261,342	4,979,445
Due to bondholders	17,392	-	-	-	-	-	17,392
Unearned revenue	212,500	6,132,399	-	-	-	308,966	6,653,865
Total liabilities	<u>4,511,682</u>	<u>6,133,999</u>	<u>1,675,139</u>	<u>161,966</u>	<u>724,564</u>	<u>737,484</u>	<u>13,944,834</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	<u>140,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,017</u>
Fund balances:							
Nonspendable	109,440	-	-	-	-	-	109,440
Restricted	8,473	2,134,225	1,497,413	7,689,772	20,748,829	2,468,554	34,547,266
Unassigned	7,634,499	-	-	-	-	(20,396)	7,614,103
Total fund balances	<u>7,752,412</u>	<u>2,134,225</u>	<u>1,497,413</u>	<u>7,689,772</u>	<u>20,748,829</u>	<u>2,448,158</u>	<u>42,270,809</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 12,404,111</u>	<u>\$ 8,268,224</u>	<u>\$ 3,172,552</u>	<u>\$ 7,851,738</u>	<u>\$ 21,473,393</u>	<u>\$ 3,185,642</u>	<u>\$ 56,355,660</u>

The accompanying notes are an integral part of these financial statements.

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

Total fund balance, governmental funds	\$	42,270,809
--	----	------------

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 this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		58,083,258
---	--	------------

Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds.		140,017
---	--	---------

Deferred outflows and the net pension asset are not available to pay current period expenditures and therefore are not reported in these fund financial statements, but are reported in the governmental activities of the Statement of Net Position.

Net pension asset		8,206,188
Pension related deferred outflows		4,373,213
OPEB related deferred outflows		1,585,248

Some liabilities are not due and payable in the current period, and along with deferred inflows, are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position:

Interest payable		(31,501)
Pension related deferred inflows		(14,376,685)
OPEB related deferred inflows		(2,471,629)
Total OPEB liability		(3,910,181)
Net pension liability		(7,260,873)
Accrued compensated absences		(2,410,271)
Note payable		(20,146,175)
Capital lease obligations payable		(124,072)

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

Internal service fund net position		(2,159,103)
------------------------------------	--	-------------

Net Position of Governmental Activities in the Statement of Net Position	\$	61,768,243
--	----	------------

The accompanying notes are an integral part of these financial statements.

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

	<u>General Fund</u>	<u>American Rescue Plan Fund</u>	<u>Capital Improvement Fund</u>	<u>Street Improvement Fund</u>	<u>2018 Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
Taxes	\$ 19,749,542	\$ -	\$ 2,863,856	\$ 3,233,385	\$ 3,695,297	\$ 2,692,452	\$ 32,234,532
Intergovernmental	2,644,691	84,850	-	494,990	-	254,380	3,478,911
Licenses and permits	485,238	-	-	-	-	-	485,238
Charges for services	292,980	-	-	-	-	1,088	294,068
Fees and fines	431,688	-	-	-	-	933	432,621
Investment earnings	15,714	-	1,528	13	4,242	592	22,089
Miscellaneous	890,694	-	127	359,367	256	95,136	1,345,580
Total revenues	<u>24,510,547</u>	<u>84,850</u>	<u>2,865,511</u>	<u>4,087,755</u>	<u>3,699,795</u>	<u>3,044,581</u>	<u>38,293,039</u>
EXPENDITURES							
Current:							
General government	4,104,454	-	2,745	-	-	184,488	4,291,687
Engineering	370,505	-	-	-	-	-	370,505
Equipment and building maintenance	478,996	-	-	-	-	-	478,996
Police	9,351,132	-	-	-	-	-	9,351,132
Fire	7,183,447	-	-	-	-	12,287	7,195,734
Municipal court	379,256	-	-	-	-	-	379,256
Emergency management	279,003	-	-	-	-	-	279,003
Streets	1,158,444	-	-	-	-	514,958	1,673,402
Parks and recreation	1,205,382	-	-	-	-	291	1,205,673
Culture and recreation	172,780	-	-	-	-	-	172,780
E911	657,942	-	-	-	-	197,301	855,243
Cemetery	242,341	-	-	-	-	-	242,341
Library	125,463	-	-	-	-	-	125,463
Economic development	1,067,092	-	-	-	-	940,997	2,008,089
Capital Outlay	150,340	84,850	513,424	2,148,971	3,696,777	63,465	6,657,827
Debt Service:							
Principal	-	-	560,000	114,006	2,740,000	-	3,414,006
Interest and other charges	-	-	25,787	23,467	378,281	-	427,535
Total expenditures	<u>26,926,577</u>	<u>84,850</u>	<u>1,101,956</u>	<u>2,286,444</u>	<u>6,815,058</u>	<u>1,913,787</u>	<u>39,128,672</u>
Excess (deficiency) of revenues over expenditures	<u>(2,416,030)</u>	<u>-</u>	<u>1,763,555</u>	<u>1,801,311</u>	<u>(3,115,263)</u>	<u>1,130,794</u>	<u>(835,633)</u>
OTHER FINANCING SOURCES (USES)							
Issuance of long-term debt	-	-	96,815	465,406	-	-	562,221
Transfers in	3,516,609	-	-	350,000	-	203,292	4,069,901
Transfers out	(417,434)	-	(964,382)	(500,000)	-	(920,971)	(2,802,787)
Total other financing sources and uses	<u>3,099,175</u>	<u>-</u>	<u>(867,567)</u>	<u>315,406</u>	<u>-</u>	<u>(717,679)</u>	<u>1,829,335</u>
Net change in fund balances	683,145	-	895,988	2,116,717	(3,115,263)	413,115	993,702
Fund balances - beginning	7,069,267	2,134,225	601,425	5,573,055	23,864,092	2,035,043	41,277,107
Fund balances - ending	<u>\$ 7,752,412</u>	<u>\$ 2,134,225</u>	<u>\$ 1,497,413</u>	<u>\$ 7,689,772</u>	<u>\$ 20,748,829</u>	<u>\$ 2,448,158</u>	<u>\$ 42,270,809</u>

The accompanying notes are an integral part of these financial statements.

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

Net change in fund balances - total governmental funds: \$ 993,702

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

Capital asset purchases capitalized	6,172,212
Depreciation expense	(5,555,345)

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

4,310,516

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

Change in unavailable revenue	37,490
-------------------------------	--------

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:

Change in accrued compensated absences	(54,928)
Change in total OPEB liability	308,935
Principal paid on long-term debt	3,364,440
Proceeds from issuance of debt	(465,406)
Lease obligation principal payments	49,566

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

Change in accrued interest payable	(100,437)
------------------------------------	-----------

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

Total change in net position of governmental activities - proprietary funds	319,787
---	---------

Change in net position of governmental activities	\$ 9,380,532
---	--------------

The accompanying notes are an integral part of these financial statements.

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

	Enterprise Funds			
	Shawnee Municipal Authority	Shawnee Airport Authority	Total	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,080,176	\$ 567,146	\$ 2,647,322	\$ 302,616
Investments	122,454	-	122,454	-
Restricted:				
Cash and cash equivalents	2,042,447	-	2,042,447	-
Due from other funds	953,897	-	953,897	453,144
Accounts receivable, net	1,939,309	7,049	1,946,358	-
Receivables from other governments	-	3,490	3,490	-
Net pension asset	1,436,569	-	1,436,569	-
Assessments receivable	2,114	-	2,114	-
Inventories	-	42,472	42,472	-
Total current assets	8,576,966	620,157	9,197,123	755,760
Non-current assets:				
Restricted:				
Investments	1,347,023	-	1,347,023	-
Capital assets:				
Land, construction in progress, and water rights	28,704,619	550,361	29,254,980	-
Other capital assets, net of accumulated depreciation	26,743,226	4,661,489	31,404,715	-
Total non-current assets	56,794,868	5,211,850	62,006,718	-
Total assets	65,371,834	5,832,007	71,203,841	755,760
DEFERRED OUTFLOW OF RESOURCES				
Deferred amounts on refunding	23,225	-	23,225	-
Deferred amounts related to pensions	149,603	-	149,603	-
Deferred amounts related to OPEB	276,175	-	276,175	-
Total deferred outflows of resources	449,003	-	449,003	-
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,072,986	15,793	1,088,779	8,106
Salaries payable	93,810	8,067	101,877	-
Accrued interest payable	110,370	-	110,370	-
Due to other funds	1,536,560	751,891	2,288,451	-
Deposits	220,766	5,518	226,284	-
Deposits subject to refund	237,867	-	237,867	-
Compensated absences	40,786	3,827	44,613	-
Lease liability	158,260	-	158,260	-
Claims and judgments	-	-	-	425,554
Notes payable	2,477,597	-	2,477,597	-
Total current liabilities	5,949,002	785,096	6,734,098	433,660
Non-current liabilities:				
Compensated absences, net of current portion	163,142	15,305	178,447	-
Lease liability	294,929	-	294,929	-
Deposits subject to refund	951,470	-	951,470	-
Claims and judgments, net of current portion	-	-	-	2,481,203
Total OPEB liability	697,591	-	697,591	-
Notes payable, net of current portion	15,233,733	-	15,233,733	-
Total non-current liabilities	17,340,865	15,305	17,356,170	2,481,203
Total liabilities	23,289,867	800,401	24,090,268	2,914,863
DEFERRED INFLOW OF RESOURCES				
Deferred amounts related to pensions	1,863,394	-	1,863,394	-
Deferred amounts related to OPEB	680,005	-	680,005	-
Total deferred inflows of resources	2,543,399	-	2,543,399	-
NET POSITION				
Net investment in capital assets	37,759,738	5,211,852	42,971,590	-
Restricted for debt service	2,089,763	-	2,089,763	-
Unrestricted (deficit)	138,070	(180,246)	(42,176)	(2,159,103)
Total net position	\$ 39,987,571	\$ 5,031,606	\$ 45,019,177	\$ (2,159,103)

The accompanying notes are an integral part of these financial statements.

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

	Shawnee Municipal Authority	Shawnee Airport Authority	Total	Internal Service Fund
REVENUES				
Water	\$ 7,955,031	\$ -	\$ 7,955,031	\$ -
Sewer	4,114,881	-	4,114,881	-
Sanitation	2,871,468	-	2,871,468	-
Rents and royalties	-	305,527	305,527	-
Fuel Sales	-	318,688	318,688	-
Lake	42,698	-	42,698	-
Charges for services				692,513
Miscellaneous	578,633	10,640	589,273	-
Total operating revenues	<u>15,562,711</u>	<u>634,855</u>	<u>16,197,566</u>	<u>692,513</u>
OPERATING EXPENSES				
General government	823,713	-	823,713	-
Lake	105,517	-	105,517	-
Water	4,257,392	-	4,257,392	-
Wastewater	1,502,800	-	1,502,800	-
Sanitation	1,352,213	-	1,352,213	-
Airport	-	698,233	698,233	-
Claims expense	-	-	-	394,324
Depreciation	3,101,304	495,554	3,596,858	-
Total operating expenses	<u>11,142,939</u>	<u>1,193,787</u>	<u>12,336,726</u>	<u>394,324</u>
Operating income (loss)	<u>4,419,772</u>	<u>(558,932)</u>	<u>3,860,840</u>	<u>298,189</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest and investment revenue	25,918	1	25,919	-
Miscellaneous revenue	112,630	6,981	119,611	21,598
Interest expense	(278,240)	-	(278,240)	-
Total non-operating revenue (expenses)	<u>(139,692)</u>	<u>6,982</u>	<u>(132,710)</u>	<u>21,598</u>
Net income (loss) before contributions and transfers	<u>4,280,080</u>	<u>(551,950)</u>	<u>3,728,130</u>	<u>319,787</u>
Capital grants and contributions	956,234	37,350	993,584	-
Transfers in	1,136,169	192,355	1,328,524	-
Transfers out	(2,612,785)	-	(2,612,785)	-
Change in net position	<u>3,759,698</u>	<u>(322,245)</u>	<u>3,437,453</u>	<u>319,787</u>
Total net position - beginning	36,227,873	5,353,851	41,581,724	(2,478,890)
Total net position - ending	<u>\$ 39,987,571</u>	<u>\$ 5,031,606</u>	<u>\$ 45,019,177</u>	<u>\$ (2,159,103)</u>

The accompanying notes are an integral part of these financial statements.

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

	Enterprise Funds			
	Shawnee Municipal Authority	Shawnee Airport Authority	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 15,591,877	\$ 642,377	\$ 16,234,254	\$ 714,111
Payments to employees	(2,800,249)	(235,892)	(3,036,141)	-
Payments to suppliers	(4,844,719)	(458,609)	(5,303,328)	-
Claims and judgments paid	-	-	-	(391,252)
Receipts of customer meter deposits	209,201	-	209,201	-
Refunds of customer meter deposits	(190,400)	-	(190,400)	-
Interfund receipts	-	-	-	(20,243)
Deposits subject to refund	-	5,518	5,518	-
Net cash provided by (used in) operating activities	7,965,710	(46,606)	7,919,104	302,616
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	1,136,169	192,355	1,328,524	-
Transfers to other funds	(2,612,785)	-	(2,612,785)	-
Net cash provided by (used in) noncapital financing activities	(1,476,616)	192,355	(1,284,261)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(9,765,446)	(2,850)	(9,768,296)	-
Proceeds of capital grants	100,000	37,350	137,350	-
Proceeds from debt	6,511,078	-	6,511,078	-
Principal paid on debt	(2,300,899)	-	(2,300,899)	-
Interest and fiscal agent fees paid on debt	(365,908)	-	(365,908)	-
Net cash provided by (used in) capital and related financing activities	(5,821,175)	34,500	(5,786,675)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(175,593)	-	(175,593)	-
Interest and dividends	25,918	1	25,919	-
Net cash provided by (used in) investing activities	(149,675)	1	(149,674)	-
Net increase in cash and cash equivalents	518,244	180,250	698,494	302,616
Balances - beginning of year	3,604,379	386,896	3,991,275	-
Balances - end of year	\$ 4,122,623	\$ 567,146	\$ 4,689,769	\$ 302,616
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 2,080,176	\$ 567,146	\$ 2,647,322	\$ 302,616
Restricted cash and cash equivalents - current	2,042,447	-	2,042,447	-
Total cash and cash equivalents, end of year	\$ 4,122,623	\$ 567,146	\$ 4,689,769	\$ 302,616
Reconciliation of operating income (loss) to net cash provided (used in) by operating activities:				
Operating income (loss)	\$ 4,419,772	\$ (558,932)	\$ 3,860,840	\$ 298,189
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	3,101,304	495,554	3,596,858	-
Miscellaneous revenue	112,630	6,981	119,611	21,598
Deposits subject to refund	-	5,518	5,518	-
Change in assets, liabilities and deferrals:				
Due from other governments	-	(3,490)	(3,490)	-
Due to other funds	-	-	-	(20,243)
Accounts receivable	(84,536)	541	(83,995)	-
Inventory	-	(2,673)	(2,673)	-
Prepaid items	18,397	-	18,397	-
Deferred outflows related to pension	341,648	-	341,648	-
Deferred outflows related to OPEB	(115,655)	-	(115,655)	-
Accounts payable	761,637	(1,966)	759,671	3,072
Accrued payroll payable	453,189	3,058	456,247	-
Lease liability	26,022	-	26,022	-
Deposits subject to refund	18,801	-	18,801	-
Claims and judgments liability	1,072	-	1,072	-
Net Pension liability/asset	(2,980,077)	-	(2,980,077)	-
Total OPEB liability	(56,713)	-	(56,713)	-
Accrued compensated absences	1,239	8,803	10,042	-
Deferred inflows related to OPEB	83,586	-	83,586	-
Deferred inflows related to pension	1,863,394	-	1,863,394	-
Net cash provided by (used in) operating activities	\$ 7,965,710	\$ (46,606)	\$ 7,919,104	\$ 302,616

The accompanying notes are an integral part of these financial statements.

I. Organization

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

II. Summary of significant accounting policies

A. Reporting entity

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operation. The City's financial statements include one discretely presented component unit, which is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City's primary government.

Blended component units. The Shawnee Municipal Authority (SMA) was created November 11, 1968, to finance, develop, and operate the water, sewer, and solid waste activities. The current City Commission serves as its entire governing body (trustees) of the SMA and management of the city has operational responsibility of the SMA. Any issuance of debt would require a two-thirds approval of the City Commission. SMA is reported as an enterprise fund.

The Shawnee Airport Authority (SAA) was created March 18, 1974, to develop, construct, plan, establish, install, enlarge, improve, maintain, equip, operate, control, and regulate air transportation facilities. The current City Commission serves as its entire governing body (trustees) of the SAA and management of the city has operational responsibility of the SAA. Any issuance of debt would require a two-thirds approval of the City Commission. SAA is reported as an enterprise fund.

The Shawnee Urban Renewal Authority is included within the financial statements as a part of Other Governmental Funds within a grouping of Special Revenue Funds titled CDBG & Home Grant Funds. All of the activity of the Shawnee Urban Renewal Authority is in the CDBG & Home Grant Funds and the Shawnee Urban Renewal Authority does not have any of its own assets or liabilities and management of the city has operational responsibility of authority. Any issuance of debt would require a two-thirds approval of the City Commission.

Separate financial statements have not been prepared for the blended component units.

Discretely presented component unit. Shawnee Civic & Cultural Development Authority (SCCDA) was created January 5, 1976, to acquire by lease and to operate, regulate and administer all physical properties, real or personal which shall be of public use or of civic and/or cultural benefit or incident to carry out an authority or proper function of the City of Shawnee, the beneficiary of the SCCDA. The governing body consists of seven members; the City Manager of the City of Shawnee, four (4) citizens representing the general public to be selected by the Governing Board of the Beneficiary, and two (2) residents of Pottawatomie County appointed by the Commissioners of Pottawatomie County and approved by the SCCDA Trustees. The SCCDA does not have the same

Board nor does it provide services exclusively to the City of Shawnee. However, any issuance of debt requires a two-thirds approval of the City Commission. The management of the primary government has operational responsibility for the component unit. If the SCCDA was not included in the financial statements of the City of Shawnee, the accompanying financial statements would be misleading and incomplete.

The SCCDA issued separate audited financial statements, which are available by contacting that entity at (405) 275-7020.

The SCCDA has adopted a December 31 year-end to better represent its business cycle. Accordingly, the financial information contained in these financial statements for the SCCDA is as of December 31, 2021 and for the year then ended.

Related organizations. These organizations have a close association with the City of Shawnee; however, the relationship does not meet the requirements for inclusion in the City of Shawnee's Annual Financial Report. Separate financial statements for these entities can be obtained by contacting the entities as indicated:

Shawnee Industrial Authority	(405) 273-7490
Shawnee Economic Development	(405) 273-7490

B. Government-wide and fund financial statements

The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Combined and/or individual financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for reimbursement type grants that are recorded as revenues when the related expenditures are recognized. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments are recorded only when payment is due.

Sales and use taxes, property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following fund types:

General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for certain purposes.

Capital Project Funds are used to account for resources restricted to the acquisition or construction of specific capital projects for items.

Proprietary funds include both enterprise funds and internal service funds. Enterprise funds are used to account for business-type activities provided to the general public. Internal service funds are used to account for business-like activities provided and charged to other funds or entities within the reporting entity. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Non-operating revenues of the proprietary funds include such items as investment earnings, interest expense and subsidies.

The funds of the financial reporting entity are described below:

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The most significant operating revenue is sales tax. For reporting purposes the General Fund includes the activities of the following accounts: Revolving Oil and Gas account, Spay and Neuter account, Aquatic Center account, Library Account, and Sister Cities account.
- American Rescue Plan Fund accounts for the proceeds received from the federal governments American Rescue Plan. The funds major funding source is grant revenue.
- The Street Improvement Fund accounts for the construction or major reconstruction of street projects, economic development or debt service. The funds major funding source is sales tax.
- The Capital Improvement Fund accounts for the purchase of capital equipment and construction of facilities, economic development, or debt service. The funds major funding source is sales tax.
- The 2018 Capital Improvement Fund accounts for the addition half-cent sales tax that was passed in June 2018. The proceeds are to be used for capital improvements, specifically public safety, parks and public facilities and streets.

The City reports the following major proprietary funds:

- The Shawnee Municipal Authority accounts for the City's water, sewer, and sanitation operations. The funds major funding source is user charges.
- The Shawnee Airport Authority accounts for the City's airport operations. The funds major funding source is user charges.

The City also reports the following proprietary fund:

- Internal service fund accounts for workers' compensation insurance services provided to other departments or agencies of the City on a cost reimbursement basis.

Included in the aggregated other governmental fund totals are the following funds:

- The Street and Alley Fund accounts for the operation and maintenance of local streets and thoroughfares through dedicated taxes.
- The E-911 Fund accounts for the operations and maintenance of the City's 911 emergency services through dedicated taxes.
- The Economic Development Fund accounts for the promotion of economic development through dedicated taxes.
- The Hotel/Motel Fund accounts for the collection of the City's hotel/motel surcharge, used to encourage, promote and foster tourism.

- The Police Sales Tax Fund accounts for the 1/16 cent of a one-cent dedicated sales tax revenue for police officers.
- The Fire Sales Tax Fund accounts for the 1/16 cent of a one-cent dedicated sales tax revenue for firefighters.
- The CDBG & HOME Grant Funds account for federal funds received by the City and expenditures related to the operation of these grants.
- The Cemetery Care Fund accounts for the continuing care and maintenance as well as future capital investments of the City owned cemetery funded with fees restricted by external sources.
- The Gifts & Contributions Fund accounts for monies donated for various park projects, economic development, civic events, police, and fire donations.
- The Tax Increment Finance Fund accounts for ad valorem taxes paid to the City on properties located in the Shawnee Downtown Revitalization Area and Increment District to be used for economic development projects within that District.
- The Drug Forfeiture Fund accounts for funds received from Pottawatomie County drug enforcement activities to help fund City drug-related law enforcement efforts.
- The HUD Fund accounts for the pass through grant from ODOC for mortgage/rental assistance, utility assistance, nutrition assistance, and mental health support.
- The Emergency Shelter Fund accounts for a pass through grant from HUD via ODOC for homeless assistance-emergency shelter, street outreach, and rapid re-housing.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payment-in-lieu of taxes and other charges between the City's utility functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include, 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position/fund balance

1. Deposits and investments

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

State statutes authorize the City to invest in obligations of the U.S. Treasury; time deposits with financial institutions, if such deposits are fully insured by federal depository insurance or pledged collateral; and debt securities issued by the State of Oklahoma, an Oklahoma County, school district, or municipality. A copy of the City of Shawnee's investment policy may be obtained by contacting the City of Shawnee, Post Office Box 1448, Shawnee, Oklahoma 74802-1448.

Investments for the City, as well as for its component units, are reported at fair value.

2. Receivable and payable

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

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, grant, 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 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.

3. Restricted assets

Certain proceeds of the Shawnee Municipal Authority's enterprise fund promissory notes, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts, and their use is limited by applicable loan covenants. The projects fund account is used to report those proceeds that are restricted for use in construction. The debt service fund account is used to segregate resources accumulated for debt service payments over the next 12 months. The debt service reserve account is used to report resources set aside to make up potential future deficiencies in the debt services account.

4. *Inventories and Prepaids*

The Airport Authority (SAA) maintains a fuel inventory for aircraft. Inventory is valued at cost.

Prepaids are payments to vendors that benefit future reporting periods and are reported on the consumption basis.

5. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements other than buildings	20-50
Infrastructure	20-100
Furniture, equipment, and vehicles	3-10

6. *Compensated absences*

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Full-time employees with at least one year of service earn vacation of ten to twenty days per year depending on years of service completed. A maximum of ten to thirty days may be carried over from one benefit year into another, depending on years of service completed. Sick leave may be accumulated up to a maximum of 120 days. Accumulated sick leave is paid to employees only upon retirement at a rate of one day's pay for every three day's accumulated sick leave, up to a maximum of 40 days. A liability for these amounts is reported in governmental funds when they have matured as a result of employee resignations and retirements. The General Fund, the Hotel/Motel Fund and the CDBG Grant Fund are used to liquidate compensated absences in the governmental activities.

7. *Long-term obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statements of Net

Position. Bond premiums and discounts are unearned and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of bond premium or discount.

8. *Deferred Outflow/Inflows of Resources:*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expenses/expenditure) until then. The government reports the following deferred outflows. Deferred amounts on refunding reported in the government-wide statement of net position and the proprietary fund statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the new debt or the remaining life of the refunded debt. The city also reports deferred outflows related to pension and OPEB contributions subsequent to the measurement date, the change in proportion, and the difference between expected and actual plan experience.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as in inflow of resources (revenues) until that time. The government reports deferred inflows related to pension accounting and OPEB accounting for the net difference between projected and actual earnings on pension plan investments, the change in proportion, changes in assumptions, and deferred differences between expected and actual plan experience.

9. *Fund equity*

Government-Wide and Proprietary Fund Financial Statements:

Net Position is displayed in three components:

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental Fund Financial Statements:

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

- a. Nonspendable – includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- b. Restricted – consists of fund balance with constraints placed on the use of resources either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation.
- c. Committed – included 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 which must be approved or rescinded by a vote of the City Council.
- d. Assigned – includes amounts that are constrained by the city's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action, motion or resolution, or by management decision when the city council has authorize management (city manager) to make the decision. Assignments for transfers and interest income for governmental funds are made through 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. The general fund is the only fund that reports a positive unassigned fund balance.

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

E. REVENUES, EXPENDITURES AND EXPENSES

Sales Tax

The City levies a three and a half cent sales tax on taxable sales within the city. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. One and one-half cent is legally restricted by the voters. Sales tax is recorded as follows:

- Two-cents recorded in the General Fund for operations
- .3875 recorded in the Capital Improvement Fund restricted by ordinance for capital improvements, economic development or debt service
- .4375 recorded in the Street Improvement Fund and restricted by ordinance for capital improvements, economic development or debt service

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

- .0500 recorded in the Economic Development Fund and restricted by ordinance for capital improvements, economic development or debt service
- .0625 recorded in the Police Sales Tax Fund and restricted for police operations
- .0625 recorded in the Fire Sales Tax Fund and restricted for fire operations
- .5000 recorded in the 2018 Capital Improvement Fund and restricted for capital improvements or debt service

Property Tax

Under State statutes, 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. For the year ended June 30, 2022, the City did not levy a tax.

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	Licenses and permits and state operating and capital grants
Public safety	Fines and forfeitures, court cost and fees, fire protection fees, animal control fees, and operating and capital grants
Streets	Permits, motor fuel and commercial vehicle revenue, capital and operating grants
Culture and recreation	Lake permits, park and recreation fees, state operating and capital grants
Community development	Zoning charges and Community Development Block Grants
Economic development	Rental fees and grants

Pledge of Future Revenues

Sales Tax Pledge - The City has pledged seven-eighths of one penny (or .875%) of future sales tax revenues to repay the \$3,565,000 Series 2016 Sales Tax Revenue Note. Proceeds from the notes provided financing for capital assets. The notes are payable from pledged sales tax revenues. The note is payable through fiscal year 2024. The total principal and interest payable for the remainder of the life of this note is \$844,880. Pledged sales taxes received in the current year were \$6,401,684. Debt service payments of \$550,787 for the current fiscal year were 9% of pledged sales taxes.

Sales Tax Pledge - The City levied a new sales tax beginning October 1, 2018 of one-half percent (.50%). The City has pledged the future sales tax revenues to repay the \$10,000,000 and \$16,875,000 Series 2018 Sales Tax Revenue Note and the 2020 Sales Tax Revenue Notes, respectively. Proceeds from the notes provided financing for capital improvements. The notes are payable from pledged sales tax revenues through fiscal year 2029. The total principal and interest payable for the remainder of the life of the note is \$20,261,383. Pledged sales taxes received in the current year were \$3,658,105. Debt service payments of \$3,118,281 for the current fiscal year were 85% of pledged sales taxes.

Utility Revenues Pledge – The City has also pledged future gross water and wastewater revenues to repay \$1,485,000 of the 2010A OWRB Note Payable, \$12,070,000 of the 2013 OWRB Note Payable, \$5,410,000 of the 2016 Municipal Authority Revenue Note, \$5,380,000 of the 2019 OWRB Note Payable, \$37,920,000 of the 2019A OWRB Note Payable, \$13,500,000 of the 2021 OWRB Note Payable, and \$17,460,000 of the 2021 OWRB Note Payable. Proceeds from the notes provided financing for utility system capital assets. The notes are payable through 2031, 2022, 2031, 2031, 2052, 2053, and 2053, respectively. The total principal and interest payable for the remainder of the life of these notes is \$109,425,688. The notes are payable from the above-mentioned utility revenues. The debt service payments on the notes this year were \$2,620,373 which was 21% of pledged utility revenues of \$12,069,912.

Expenditures and Expenses

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

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.

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

Government-Wide Financial Statements:

Interfund activity, 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 receivable 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 in the fund financial statements as interfund transfers 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 is 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 and are classified separately from internal balances and activities within the primary government.

G. USE OF ESTIMATES

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

III. Detailed Notes On All Funds

A. Deposits and investments – The City held the following deposits/investments at June 30, 2022:

PRIMARY GOVERNMENT:

Schedule of Deposits and Investments by Type

Type	Fair Value	Credit Rating	Maturities in Years		
			On Demand	Less Than One	1 - 5
Demand accounts	\$ 25,701,319	n/a	\$ 25,701,319	\$ -	\$ -
Time deposits	1,662,735	n/a	-	-	1,662,735
Money market mutual fund	23,937,395	AAAm	-	23,937,395	-
Sub-total	51,301,449		<u>\$ 25,701,319</u>	<u>\$ 23,937,395</u>	<u>\$ 1,662,735</u>
Cash on hand	4,831				
Total Investments and Deposits	<u>\$ 51,306,280</u>				
Reconciliation to Statement of Net Position:					
Cash and cash equivalents	\$ 49,379,787				
Investments	1,926,493				
	<u>\$ 51,306,280</u>				

GASB Statement No. 72, *Fair Value Measurement and Application*, established a fair value hierarchy for investments. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2022: Money Market Mutual Funds of \$23,937,395 are valued using quoted market prices (Level 1 input).

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City requires that all deposits be collateralized by either FDIC insurance or pledged collateral. At June 30, 2022 the City's deposits were under collateralized by \$3,409,201.

Interest Rate Risk. The City of Shawnee's formal investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investment maturities limit policy is as follows:

- The portfolio, as a whole, shall have an average maturity of not more than two (2) years, unless specifically otherwise designated by the Treasurer.
- Banker's acceptances shall not exceed one hundred (180) days to maturity.

The City complied with this policy in all material respects.

Credit Risk. The City of Shawnee's policy limits investments to the following: a) obligations of the U.S. Government, its agencies or instrumentalities; b) collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state; c) negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association, or a state licensed branch of a foreign bank; d) prime bankers' acceptances which are eligible for purchase by the Federal Reserve System; e) prime commercial paper; f) investment grade obligations of state and local governments, including certain highly rated obligations of state- beneficiary public trusts; g) repurchase agreements; and h) money market funds regulated by the Securities and Exchange Commission which investments consist of those items and those restrictions specified in the investment policy of the City of Shawnee, Oklahoma. The City complied with this policy in all material respects.

Concentration of 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 places the following limit on the amount it may invest in any one issuer:

- With the exception of U.S. Treasury securities and authorized money market mutual funds, no more than 50% of the of City's total investment portfolio will be invested in a single security type or with a single financial institution. Individual securities shall be limited as follows:

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

<u>Type of Investment</u>	<u>Percentage of Cash Available for Investment Not to Exceed</u>
Negotiable certificates of deposit	50%
Bankers' acceptances	50%
Commercial paper	50%
Obligations of state and local government	50%

The City complied with this policy in all material respects.

COMPONENT UNIT:

The SCCDA was not exposed to custodial credit risk at December 31, 2021. The \$39,550 of cash and cash equivalents was invested in cash deposits and interest-bearing certificate of deposit fully insured by Federal Depository Insurance (FDIC) or direct obligations of the U.S. government. The SCCDA does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. There is no limit placed on the amount it may invest in any one issuer and is exposed to concentration of credit risk by being 100% invested in money market funds.

B. Receivables

Receivables as of June 30, 2022, including the applicable allowances for uncollectible accounts are as follows:

	<u>Accounts Receivable</u>	<u>Less: Allowance for Uncollectible Accounts</u>	<u>Net Accounts Receivable</u>
Governmental Activities:			
Taxes	\$ 3,998,784	\$ -	\$ 3,998,784
Due from other governments	167,235	-	167,235
Court fines	2,184,495	(1,966,046)	218,449
Other	1,154,624	-	1,154,624
Total Governmental Activities	<u>\$ 7,505,138</u>	<u>\$ (1,966,046)</u>	<u>\$ 5,539,092</u>
Reconciliation to Statement of Net Position:			
Accounts receivable, net			\$ 1,241,297
Due from other governmental agencies			3,988,829
Notes receivable, net			<u>308,966</u>
Total			<u>\$ 5,539,092</u>
Business-Type Activities:			
Utilities	<u>\$ 3,716,019</u>	<u>\$ (1,767,547)</u>	<u>\$ 1,948,472</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

C. Restricted assets

The amounts reported as restricted assets of the business-type activities are comprised of assets held by the trustee bank on behalf of the Shawnee Municipal Authority related to their required revenue note and bond accounts, as well as deposits held for refund.

<u>Type of Restricted Assets</u>	<u>Current</u>	<u>Noncurrent</u>	<u>Total</u>
	<u>Cash and Cash Equivalents</u>	<u>Investments</u>	
Due to Depositors	\$ 1,189,337		\$ 1,189,337
Trustee Accounts:			
OWRB 2013 Debt Service Account	709,225	-	709,225
OWRB 2010 Debt Service Account	35,790	-	35,790
SMA 2016 Debt Service Account	108,095	-	108,095
OWRB 2013 Debt Service Reserve	-	1,347,023	1,347,023
Total Restricted Assets	<u>\$ 2,042,447</u>	<u>\$ 1,347,023</u>	<u>\$ 3,389,470</u>

D. Capital Assets

The following is a summary of changes in capital assets during fiscal year 2022 for the primary government:

PRIMARY GOVERNMENT:

	<u>Restated, Balance at July 1, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at June 30, 2022</u>
<i>Governmental activities:</i>				
Capital assets not being depreciated:				
Land	\$ 3,638,460	\$ -		\$ 3,638,460
Construction in progress	3,002,501	856,816	3,123,633	735,684
Total capital assets not being depreciated	<u>6,640,961</u>	<u>856,816</u>	<u>3,123,633</u>	<u>4,374,144</u>
Depreciable assets:				
Buildings	22,770,185	4,358,599	69,000	27,059,784
Machinery, furniture and equipment	22,323,323	1,120,666	696,451	22,747,538
Infrastructure	71,756,573	2,837,121	-	74,593,694
Total depreciable assets	<u>116,850,081</u>	<u>8,316,386</u>	<u>765,451</u>	<u>124,401,016</u>
Less accumulated depreciation:				
Buildings	12,741,480	814,311	69,000	13,486,791
Machinery, furniture and equipment	14,907,050	1,379,350	652,489	15,633,911
Infrastructure	38,376,122	3,320,032	-	41,696,154
Total accumulated depreciation	<u>66,024,652</u>	<u>5,513,693</u>	<u>721,489</u>	<u>70,816,856</u>
Net depreciable assets	<u>50,825,429</u>	<u>2,802,693</u>	<u>43,962</u>	<u>53,584,160</u>
Capital assets, net	<u>57,466,390</u>	<u>3,659,509</u>	<u>3,167,595</u>	<u>57,958,304</u>
Lease assets:				
Machinery, furniture and equipment	-	166,606	-	166,606
Total lease assets being amortized	<u>-</u>	<u>166,606</u>	<u>-</u>	<u>166,606</u>
Less accumulated amortization:				
Machinery, furniture and equipment	-	41,652	-	41,652
Total accumulated amortization	<u>-</u>	<u>41,652</u>	<u>-</u>	<u>41,652</u>
Total lease assets, net	<u>-</u>	<u>124,954</u>	<u>-</u>	<u>124,954</u>
Governmental activities capital assets, net	<u>\$ 57,466,390</u>	<u>\$ 3,784,463</u>	<u>\$ 3,167,595</u>	<u>\$ 58,083,258</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

	Balance at July 1, 2021	Additions	Disposals	Balance at June 30, 2022
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 1,481,715	\$ -	\$ -	\$ 1,481,715
Water rights	12,967,959	-	-	12,967,959
Construction in progress	5,556,778	9,248,528	-	14,805,306
Total capital assets not being depreciated	20,006,452	9,248,528	-	29,254,980
Other capital assets:				
Buildings	17,352,413	46,176	15,325	17,383,264
Machinery, furniture and equipment	9,169,070	34,183	348,265	8,854,988
Utility property	68,782,244	821,900	-	69,604,144
Total other capital assets at historical cost	95,303,727	902,259	363,590	95,842,396
Less accumulated depreciation for:				
Buildings	12,138,062	506,547	15,325	12,629,284
Machinery, furniture and equipment	7,401,550	336,878	325,706	7,412,722
Utility property	42,134,544	2,709,222	-	44,843,766
Total accumulated depreciation	61,674,156	3,552,647	341,031	64,885,772
Net depreciable assets	33,629,571	(2,650,388)	22,559	30,956,624
Capital assets, net	53,636,023	6,598,140	22,559	60,211,604
Lease assets:				
Machinery, furniture and equipment	-	492,302	-	492,302
Total lease assets being amortized	-	492,302	-	492,302
Less accumulated amortization:				
Machinery, furniture and equipment	-	44,211	-	44,211
Total accumulated amortization	-	44,211	-	44,211
Total lease assets, net	-	448,091	-	448,091
Business-type activities capital assets, net	\$ 53,636,023	\$ 7,046,231	\$ 22,559	\$ 60,659,695

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

Governmental Activities:

General government	\$ 91,115
Culture and recreation	760,838
Community development	22,506
Public safety	1,147,769
Public works	3,533,117
	<u>\$ 5,555,345</u>

Business-Type Activities:

Water	\$ 1,341,731
Wastewater	1,497,838
Sanitation	209,673
Administration	5,280
Lake	46,782
Airport	495,554
	<u>\$ 3,596,858</u>

COMPONENT UNIT:

	Balance, January 1, 2021	Increases	Decreases	Balance, December 31, 2021
Shawnee Civic and Cultural Development Authority:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 11,152,878	\$ -	\$ -	\$ 11,152,878
Equipment	989,405	-	-	989,405
Total capital assets, being depreciated	12,142,283	-	-	12,142,283
Less accumulated depreciation	(8,335,198)	(246,996)	-	(8,582,194)
Governmental activities capital assets, net	\$ 3,807,085	\$ (246,996)	\$ -	\$ 3,560,089

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

E. Long-term debt

Long-term liabilities of the City of Shawnee as of June 30, 2022, are summarized as follows:

Governmental activities

Notes Payable (direct placements):

\$3,565,000 2016 Sales Tax Revenue Note, to a financial institution, dated December 21, 2016, payable semi-annually each June and December, interest at 2.140%, through December 1, 2023. The Shawnee Municipal Authority collects funding from the capital improvement fund in the form of sales tax transferred to liquidate this liability.	\$ 810,000
--	------------

\$10,000,000 2018 Sales Tax Revenue Note, to a financial institution, dated December 12, 2018, payable semi-annually each June and December, interest at 2.90%, through December 12, 2028. The Shawnee Municipal Authority collects funding from the capital improvement fund in the form of sales tax transferred to liquidate this liability.	5,470,000
---	-----------

\$16,875,000 2020 Sales Tax Revenue Note, to a financial institution, dated September 1, 2020 payable semi-annually each June and December, interest at 1.35%, through December 12, 2028. The Shawnee Municipal Authority collects funding from the capital improvement fund in the form of sales tax transferred to liquidate this liability.	13,570,000
--	------------

\$298,800 street sweeper note payable, to a financial institution, dated January 27, 2021 payable quarterly each January, April, July and October, interest at 4.00%, through October 27, 2024.	234,360
---	---------

\$96,815 radio note payable, to a financial institution, dated April 12, 2022 payable annually, interest at 4.86% through April 2023	61,815
--	--------

	\$ 20,146,175
--	---------------

Current portion	\$ 3,488,374
-----------------	--------------

Noncurrent portion	16,657,801
--------------------	------------

	\$ 20,146,175
--	---------------

Accrued compensated absences. The general fund typically has been used to liquidate this liability.	\$ 2,410,271
---	--------------

Current portion	\$ 482,054
-----------------	------------

Noncurrent portion	1,928,217
--------------------	-----------

	\$ 2,410,271
--	--------------

Claims and judgments payable. The general fund typically has been used to liquidate this liability.	\$ 2,906,757
---	--------------

Current portion	\$ 425,554
-----------------	------------

Noncurrent portion	2,481,203
--------------------	-----------

	\$ 2,906,757
--	--------------

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

Leases payable. The general fund typically has been used to liquidate this liability.

\$ 124,072

Current portion

\$ 40,925

Noncurrent portion

83,147

\$ 124,072

Business-type Activities

Notes payable (direct placement/direct borrowing) :

\$12,070,000 Series 2013A OWRB FAP Loan dated April 24, 2013, payable in semiannual installments ranging from \$330,000 to \$1,470,000, interest from 2.4% to 5.4% through September 15, 2022, to refund the 2003 note. The Shawnee Municipal Authority typically has been used to liquidate this liability. (direct borrowing)

\$ 1,325,000

\$5,410,000 2016 Municipal Authority Revenue Note, dated June 8, 2016, payable in semiannual installments of \$150,000 to \$215,000, interest at 2.35%, final maturity April 2031. The Shawnee Municipal Authority typically has been used to liquidate this liability. (private placement)

3,500,000

\$1,485,000 2010A Promissory Note to Oklahoma Water Resources Board, dated October 14, 2010, payable in semiannual installments of approximately \$39,489, including principal and interest at 2.76%. The Shawnee Municipal Authority typically pays this liability. (direct borrowing)

624,431

\$5,380,000 2019 Promissory Note to Oklahoma Water Resources Board, dated May 28, 2019, payable in semiannual installments of approximately \$179,000, Interest from 3.895% to 2.35% through April 2031. The note is secured with pledged revenues from the Shawnee Municipal Authority.

3,602,173

\$37,920,000 2019A Promissory Note to Oklahoma Water Resources Board, dated September 19, 2019, payable in semiannual installments of approximately \$172,000 to \$2,078,000, Interest of 1.58% through September 2051. The note is secured with pledged revenues from the Shawnee Municipal Authority. The SMA has drawn \$574,300 of the note as of June 30. (direct borrowing)

2,204,953

\$13,500,000 2021 Promissory Note to Oklahoma Water Resources Board, dated June 24, 2021, payable in semiannual installments of approximately \$198,000 to \$253,000, interest of 1.65% through March 2053. The note is secured with pledged revenues from the Shawnee Municipal Authority. The SMA has drawn \$208,000 of the note as of June 30. (direct borrowing)

208,000

\$17,460,00 2021 Promissory Note to Oklahoma Water Resources Board, dated May 28, 2021, payable in semiannual installments of approximately \$291,000, interest of 1.98% through March 2053. The note is secured with pledged revenues from the Shawnee Municipal Authority. The SMA has drawn \$6,303,078 of the note as of June 30. (direct borrowing)

6,203,078

Total notes payable before bond premium

\$ 17,667,635

Bond premium

43,695

Total notes payable

\$ 17,711,330

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

Current portion	\$ 2,477,597
Noncurrent portion	15,233,733
	<u>\$ 17,711,330</u>

Accrued compensated absences. The Shawnee Municipal and Airport Authorities typically have been used to liquidate this liability.

\$ 223,060

Current portion	\$ 44,613
Noncurrent portion	178,447
	<u>\$ 223,060</u>

Lease liability. The Shawnee Municipal and Airport Authorities typically have been used to liquidate this liability.

\$ 453,189

Current portion	\$ 158,260
Noncurrent portion	294,929
	<u>\$ 453,189</u>

The 2013, 2016, 2018, and 2021 Sales Tax Revenue Notes are secured by pledged sales tax and contain the following remedies in the event of default: 1) suit for specific performance of any or all covenants of the Authority contained in the Note Indentures, the sales tax agreements or the notes; 2) deposit the sales tax revenue directly with the bank; 3) acceleration of the payment of principal and interest; or 4) file suit to enforce or enjoin action or inaction of parties under provisions of the agreement.

Notes of the Shawnee Municipal Authority Enterprise Fund are secured with pledged revenues and contain the following remedies in the event of default: 1) suit for specific performance of any or all covenants of the Authority contained in the Note Indentures or the notes; 2) acceleration of the payment of principal and interest; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action or inaction of parties under provisions of the agreement.

Long-term liability transactions for the year ended June 30, 2022 and changes therein were as follows:

<u>Type of Debt</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Governmental Activities:					
Notes payable (direct placements)	\$ 23,115,000	\$ 395,615	\$ 3,364,440	\$ 20,146,175	\$ 3,488,374
Claims and judgments	2,906,757	394,324	394,324	2,906,757	425,554
Lease liability	-	163,398	39,326	124,072	40,925
Accrued compensated absences	2,355,343	3,378,308	3,323,380	2,410,271	482,054
Total Governmental Activities	<u>\$ 28,377,100</u>	<u>\$ 4,331,645</u>	<u>\$ 7,121,470</u>	25,587,275	<u>\$ 4,436,907</u>
				Add: Total OPEB liability	3,910,181
				Add: Net Pension liability	7,260,873
				<u>\$ 36,758,329</u>	
Business-Type Activities:					
Notes payable (direct placement/direct borrowings)	\$ 13,457,456	\$ 6,511,078	\$ 2,300,899	\$ 17,667,635	\$ 2,477,597
Lease liability	-	492,301	39,112	453,189	158,260
Accrued compensated absences	213,018	320,382	310,340	223,060	44,613
Total Business-Type Activities	<u>\$ 13,670,474</u>	<u>\$ 7,323,761</u>	<u>\$ 2,650,351</u>	18,343,884	<u>\$ 2,680,470</u>
				Add: Total OPEB liability	697,591
				Add: Unamortized premium	43,695
				<u>\$ 19,085,170</u>	
Total Long-Term Debt	<u>\$ 42,047,574</u>	<u>\$ 11,655,406</u>	<u>\$ 9,771,821</u>	<u>\$ 55,843,499</u>	<u>\$ 7,117,377</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

Annual debt service requirements to maturity for long-term debt are as follows:

Fiscal Year Ending June 30	Governmental Activities			
	Notes Payable (direct placements)		Lease Liability	
	Principal	Interest	Principal	Interest
2023	\$ 3,488,374	\$ 354,937	\$ 40,925	\$ 42,007
2024	3,215,707	286,272	42,588	2,544
2025	2,917,094	246,406	40,559	814
2026	2,940,000	176,684	-	-
2027	2,995,000	123,612	-	-
2028-2029	4,590,000	83,365	-	-
	<u>\$ 20,146,175</u>	<u>\$ 1,271,276</u>	<u>\$ 124,072</u>	<u>\$ 45,365</u>

Fiscal Year Ending June 30	Business-Type Activities			
	Notes Payable (direct placements/direct borrowings)		Lease Liability	
	Principal	Interest	Principal	Interest
2023	\$ 2,477,597	\$ 1,857,776	\$ 158,260	\$ 16,599
2024	2,233,168	1,783,618	165,267	9,592
2025	2,256,748	1,736,458	129,662	2,457
2026	2,278,202	1,688,721	-	-
2027	2,299,736	1,640,436	-	-
2028-2032	11,834,751	7,456,964	-	-
2033-2037	12,466,842	6,087,331	-	-
2038-2042	13,191,119	4,539,443	-	-
2043-2047	14,278,542	2,839,909	-	-
2048-2052	14,381,265	1,003,081	-	-
2053	1,086,129	7,853	-	-
Amount to be drawn	(61,116,464)	-	-	-
	<u>\$ 17,667,635</u>	<u>\$ 30,641,590</u>	<u>\$ 453,189</u>	<u>\$ 28,648</u>

Water Agreement

The Shawnee Municipal Authority (SMA) entered into an agreement with the Pottawatomie County Development Authority (PCDA) for the development of the North Deer Creek Reservoir Project (Reservoir) in which the PCDA issued bonds totaling \$18,180,000 for the construction of the Reservoir. SMA issued its Utility Revenue Note, Series 1990B in the amount of \$18,180,000 to the PCDA. (These notes were defeased during the 1993 fiscal year with the issuance of the SMA Utility Revenue Note, Series 1993A in the amount of \$21,165,000.) During the 2003 fiscal year, the 1993 notes were defeased in the amount of \$18,850,000. During fiscal 2013 the SMA issued the 2013A OWRB Note payable to refund the outstanding notes.

SMA acquired a contractual interest in the water of the reservoir by issuing their Series 1990B Note. They issued the note totaling \$18,180,000 and received restricted funds back from PCDA to establish a reserve fund totaling \$1,263,881. The net amount of the note face value less the reserve fund, which totals \$16,916,119, represented SMA's investment in the water contract with PCDA and a trustee Bank. During a prior fiscal year, the SMA received \$3,948,160 in surplus bond proceeds remaining in the PCDA trust funds to be used for SMA utility system improvements. These proceeds have been accounted for as a reduction in the investment in the water contract with PCDA to \$12,967,959.

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

The term of the water agreement shall be for a period of one hundred (100) years from its effective date and may be extended by written agreement of the parties. Upon the expiration of the term of this agreement and any extension thereof, PCDA shall by quit claim deed and bill of sale, convey to each party, an undivided fractional interest in the facilities and all personal property titled in PCDA that is used in the operation of the facilities except PCDA's files and records.

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

F. Interfund receivables, payables, and transfers

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

Due To	Due From						Total Due To
	General Fund	Major -CIF Fund	Major -Street Fund	Nonmajor Governmental Funds	Enterprise Funds	Internal Service Fund	
General Fund		\$ -	\$ 1,518,165	\$ -	\$ 953,897	\$ 170,350	\$ 2,642,412
2018 Capital Improvement Fund	470,813	-	-	-	-	-	470,813
Capital Improvement Fund	-	-	1,600,855	4,023	-	-	1,604,878
Nonmajor Governmental Funds	78,910	-	182,432	-	-	-	261,342
Enterprise Funds	1,253,766	65,000	686,891	-	-	282,794	2,288,451
Internal Service Funds	-	-	-	-	-	-	-
Total Due From	<u>\$ 1,803,489</u>	<u>\$ 65,000</u>	<u>\$ 3,988,343</u>	<u>\$ 4,023</u>	<u>\$ 953,897</u>	<u>\$ 453,144</u>	<u>\$ 7,267,896</u>

Interfund transactions are used for varying reasons including, but not limited to, offset negative pooled cash and posting corrections. Interfund transactions between funds and the reason for those transactions are as follows:

Receivable Fund	Payable Fund	Amount	Nature of Interfund Balance
Worker's Comp Fund	General Fund	\$ 170,350	Self insurance funding
Worker's Comp Fund	SMA	282,794	Self insurance funding
General Fund	SMA	1,253,766	Negative pooled cash
General Fund	2018 Capital Improvement Fund	470,813	Negative pooled cash
General Fund	HUD	39,570	Negative pooled cash
General Fund	Emergency Shelter	39,340	Negative pooled cash
SMA	General	953,897	Posting correction
Gifts and Contributions	Capital Improvement	4,023	Posting correction
Street Improvement Fund	CDBG & Home Grants Fund	182,432	Negative pooled cash
Street Improvement Fund	Capital Improvement	1,600,855	Negative pooled cash
Street Improvement Fund	Shawnee Airport Authority	686,891	Negative pooled cash
Street Improvement Fund	General	1,518,165	Negative pooled cash
Capital Improvement Fund	Shawnee Airport Authority	65,000	Federal grant match on future projects
		<u>\$ 7,267,896</u>	

Reconciliation to Fund Financial Statements:

	Due From	Due to	Net Interfund Balances
Governmental Funds	\$ 5,860,855	\$ 4,979,445	\$ 881,410
Proprietary Funds	953,897	2,288,451	(1,334,554)
Internal Service Funds	453,144	-	453,144
	<u>\$ 7,267,896</u>	<u>\$ 7,267,896</u>	<u>\$ -</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

Transfers for the year ended June 30, 2022, consisted of the following:

Transfers Out	Transfers In					Total Transfer Out
	General Fund	Major -CIF Fund	Major -Street Fund	Nonmajor Governmental Funds	Enterprise Funds	
General Fund	\$ -	\$ -	\$ -	\$ 203,292	\$ 214,142	\$ 417,434
Street Improvement Fund	-	-	-	-	500,000	500,000
Capital Improvement Fund	-	-	350,000	-	614,382	964,382
Nonmajor Governmental Funds	920,971	-	-	-	-	920,971
Enterprise Funds	2,595,638	-	-	-	-	2,595,638
Total Transfer In	<u>\$ 3,516,609</u>	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ 203,292</u>	<u>\$ 1,328,524</u>	<u>\$ 5,398,425</u>

Transfers are used for varying reasons including but not limited to operational subsidies, capital funding, and debt service. Transfers between funds and the reason for those transfers are as follows:

Transfer From	Transfer To	Amount	Purpose of Transfer
SMA	General	\$ 2,595,638	Operating subsidy
Police Tax Fund	General	457,471	Restricted sales tax transfer
Fire Tax Fund	General	457,471	Restricted sales tax transfer
Hote/Motel	General	6,029	Operating subsidy
General	Street and Alley	203,292	Operating subsidy
General	SMA	41,787	Operating subsidy
Capital Improvement	Street Improvement Fund	350,000	Operating subsidy
Capital Improvement	SMA	594,382	Operating subsidy
Street Improvement Fund	SMA	500,000	Operating subsidy
Capital Improvement	SAA	20,000	Capital Funding
General	SAA	172,355	Operating subsidy
Total		<u>\$ 5,398,425</u>	

Reconciliation to Fund Financial Statements:

	Transfers In	Transfers Out	Net Transfers
Governmental Funds	\$ 4,069,901	\$ (2,802,787)	\$ 1,267,114
Proprietary Funds	1,328,524	(2,612,785)	(1,284,261)
	<u>\$ 5,398,425</u>	<u>\$ (5,415,572)</u>	<u>\$ (17,147)</u>

Reconciliation to Statement of Activities:

Net transfers	\$ 1,267,114
Transfer of capital assets to governmental activities	17,147
Transfer of capital assets from governmental activities	(84,850)
Transfers - internal activity	<u>\$ 1,199,411</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

G. Net Position/Fund Equity

Government-Wide and Proprietary Fund Financial Statements

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 is available.

The following table shows the net position restricted for other purposes shown on the Statement of Net Position:

Fund	Restricted By	Amount
Governmental Activities:		
Tax Increment Financing Fund	Enabling legislation	\$ 661,574
Technology Fees	Enabling legislation	8,473
		<u>670,047</u>
Cemetery Fund	Statutory requirements	180,871
E911 Fund	Statutory requirements	272,979
Drug Forfeiture Fund	Statutory requirements	6,165
		<u>460,015</u>
CDBG Fund	External sources	299,890
Gifts and Contributions	External sources	108,625
Police Sales Tax Fund	External sources	61,028
Fire Sales Tax Fund	External sources	61,028
Hotel/Motel Fund	External sources	624,270
Economic Development Fund	External sources	189,104
HUD	External sources	388
Street Improvement Fund	External sources	7,689,772
2018 Capital Improvement Fund	External sources	(236,376)
Debt Service Fund	External sources	542,157
American Rescue Plan Fund	External sources	6,132,399
		<u>15,472,285</u>
Total Governmental Restricted		<u>\$ 16,602,347</u>
<i>Reconciliation to Statement of Net Position:</i>		
Restricted for:		
Debt service		\$ 542,157
Public Safety		401,200
Capital projects		13,585,795
Economic development		1,775,226
Other		297,969
Total Governmental Restricted		<u>\$ 16,602,347</u>
Business Type Activities:		
Debt Service Reserves	Enabling legislation	<u>\$ 2,089,763</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

Governmental Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned.

It is the City's policy to first use restricted fund balance prior to the use of the unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The City's policy for the use of fund balance amounts require that restricted amounts would be reduced first, followed by committed amounts, 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.

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

	General Fund	American Rescue Plan Fund	Street Improvement Fund	Capital Improvement Fund	2018 Capital Improvement Fund	Other Governmental Funds	Total
Fund Balance:							
Nonspendable:							
Prepaid items	\$ 109,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,440
	<u>109,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,440</u>
Restricted for:							
Street improvements	-	-	7,689,772	-	-	-	7,689,772
Fire operations	-	-	-	-	-	61,028	61,028
Police operations	-	-	-	-	-	334,007	334,007
Debt service	-	-	-	-	-	664,206	664,206
Capital improvements	-	2,134,225	-	1,497,413	20,748,829	-	24,380,467
Culture and rec programs	-	-	-	-	-	108,625	108,625
Cemetery improvements	-	-	-	-	-	180,871	180,871
Police - drug programs	-	-	-	-	-	6,165	6,165
Court - technology fees	8,473	-	-	-	-	-	8,473
Economic development	-	-	-	-	-	1,113,652	1,113,652
Sub-total restricted	<u>8,473</u>	<u>2,134,225</u>	<u>7,689,772</u>	<u>1,497,413</u>	<u>20,748,829</u>	<u>2,468,554</u>	<u>34,547,266</u>
Unassigned (deficit)	7,634,499	-	-	-	-	(20,396)	7,614,103
TOTAL FUND BALANCE	<u>\$ 7,752,412</u>	<u>\$ 2,134,225</u>	<u>\$ 7,689,772</u>	<u>\$ 1,497,413</u>	<u>\$ 20,748,829</u>	<u>\$ 2,448,158</u>	<u>\$ 42,270,809</u>

Prior Period Adjustment:

	Governmental Activities
Beginning net position as previously reported	\$ 48,775,100
Correction of capital assets records from inventory	<u>3,612,611</u>
Beginning net position as restated	<u>\$ 52,387,711</u>

H. Postemployment Healthcare Plan

Plan Description. The City sponsors Medical, Rx, Dental, Vision and Life insurance to qualifying retirees and their dependents under the age of 65 (for health benefits) and for life insurance that elect to make required premium benefit payments on a monthly basis. Coverage is provided through fully-insured arrangements that collectively operate as a substantive single-employer defined benefit plan. A substantive plan is one in which the plan terms are understood by the employer and the plan members.

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

This understanding is based on communications between the employer and plan member and the historical pattern of practice with regard to the sharing of benefit costs. Qualifying retirees are those employees who are eligible for immediate disability or retirement benefits under the Oklahoma Police Pension and Retirement System, Oklahoma Firefighter's Pension and Retirement System, or the Oklahoma Municipal Retirement Fund Employee Retirement System of Shawnee, Oklahoma. Retirees may continue coverage with the City by paying the carrier premium rate. Authority to establish and amend benefit provisions rests with the City Commission. Benefits are paid from general operating assets of the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided - The plan covers all current retirees of the City who elected postretirement medical, RX, dental, vision or life insurance coverage through the City's plan, and future retirees of the City's fully insured plans. In accordance with administrative policy, the benefit levels are the same as those afforded to active employees; this creates an implicit rate subsidy. The retiree retains coverage with the City, by making an election upon retirement.

The amount of benefit payments during fiscal year June 30, 2022 were \$417,000.

Employees Covered by Benefit Terms

Active Employees	251
Inactive or beneficiaries receiving benefits	<u>110</u>
Total	<u>361</u>

Total OPEB Liability - The total OPEB liability was determined based on an alternative measurement method valuation performed as of June 30, 2022, which is also the measurement date.

Actuarial Assumptions- The total OPEB liability was determined based on an actuarial valuation prepared as of June 30, 2022, using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age
- Discount Rate - 2.6% based on the 20 year municipal bond yield
- Retirement Age - Civilians - 55 with 10 years of service, Police and Fire 20 years of service
- Medical Trend Rates

<u>Year</u>	<u>Rate</u>
2023	6.50%
2024	6.25%
2025	6.00%
2026	5.75%
2027	5.50%
2028	5.25%
2029	5.00%
2030	4.75%
2031+	4.50%

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

Changes in Total OPEB Liability –

Balances at Beginning of Year	<u>\$ 5,164,083</u>
Changes for the Year:	
Service cost	248,240
Interest expense	117,669
Difference between expected and actual experience	30,446
Change in assumptions	(1,215,286)
Benefit Payments	(417,000)
Other changes	679,620
Net Changes	<u>(556,311)</u>
Balances End of Year	<u><u>\$ 4,607,772</u></u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2022, the City recognized OPEB expense of \$152,195. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 130,433	\$ 1,595,335
Changes of assumptions	1,452,822	1,194,893
Net difference between projected and actual earnings on OPEB plan investments	-	-
Change in porportion	269,256	269,257
City benefit payments during the measurement date	8,912	92,149
Total	<u><u>\$ 1,861,423</u></u>	<u><u>\$ 3,151,634</u></u>

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

Year Ended June 30:

2023	\$ (235,060)
2024	(235,060)
2025	(235,060)
2026	(232,919)
2027	(213,711)
Thereafter	(138,401)
	<u><u>\$ (1,290,211)</u></u>

Sensitivity of the City's total OPEB liability to changes in the discount rate- The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.0 percent) or 1-percentage-point higher (4.0 percent) than the current discount rate:

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

	1% Decrease (2.9%)	Current Discount Rate (3.9%)	1% Increase (4.9%)
Employers' total OPEB liability	\$ 5,123,398	\$ 4,607,772	\$ 4,167,703

Sensitivity of the City's total OPEB liability to changes in the healthcare cost trend rates - The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.09 percent decreasing to 3.87 percent) or 1-percentage-point higher (7.09 percent decreasing to 5.87 percent) than the current healthcare cost trend rates:

	1% Decrease (5.09% decreasing to 3.87%)	Current Discount Rate (6.09% decreasing to 4.87%)	1% Increase (7.09% decreasing to 5.87%)
Employers' total OPEB liability	\$ 4,309,678	\$ 4,607,772	\$ 4,964,561

IV. Other Information

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City has insurance for the major risks such as property and general liability, and is self-insured for workers' compensation and unemployment, with applicable excess loss coverage for workers' compensation. A third party worker's compensation administrator is used to evaluate claims and estimate the City's liability for outstanding claims not assumed by the issuer. The City is self-insured up to \$750,000 per occurrence and \$1,000,000 in the aggregate, and has obtained overlying insurance coverage for claims in excess of these amounts. Commercial insurance is used to cover general liability claims and the risk of loss to buildings and mobile equipment. Judgments against the City may be paid by a property tax assessment over a three-year period. Claims have not exceeded coverage in the past three years.

Claims Liability Analysis

The claims liabilities related to the above noted risk of loss that is retained is determined in accordance with Generally Accepted Accounting Principles, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. For the internal service self-insurance workers' compensation fund, changes in the claims liability for the City from July 1, 2020 to June 30, 2022, are as follows:

CLAIMS LIABILITY ANALYSIS

Claims liability, June 30, 2020	\$ 2,906,757
Claims and changes in estimates	338,313
Claims payments	(338,313)
Claims liability, June 30, 2021	\$ 2,906,757
Claims and changes in estimates	394,324
Claims payments	(394,324)
Claims liability, June 30, 2022	<u>\$ 2,906,757</u>

B. Commitments and contingent liabilities

Grant Program Involvement

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

Litigation

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

Asset Retirement Obligations

The City has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the wastewater utility system cannot be reasonably estimated as of June 30, 2022, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs and obtaining an estimate of those costs in a subsequent fiscal year, and if significant will record those amounts in the financial statements.

Construction Commitments

The City/SMA had the following construction commitments at June 30, 2022:

Fund/Project	Balance Remaining at June 30, 2022
45th Street Transportation Project	101,395.15
Cammack and Georgia Gravity Relief Lines	41,291.52
Highland Street Sidewalk Enhancement (Harrison to Bryan)	18,000.00
Independence St- Water System Improvements-DESIGN	255,750.00
Independence Street Sidewalks (Kickapoo to Harrison)	3,420.80
Kickapoo Street Sidewalk Enhancement (I-40 to MacArthur)	680,240.90
Macarthur St Sidewalk	11,550.00
Main Street Bridge	39,084.20
Park - Kids Space Park	2,767,081.97
Park- Woodland Veteran Park	179,136.30
Shawnee Lake Dams	22,350.26
Street Sidewalk Enhancements-Independence, Highland, and Kickapoo	18,784.79
Wastewater Treatment System Improvements	1,635,732.45
Water Treatment Plant Expansion	6,116,327.17

Subsequent Events

The voters of the City of Shawnee passed a one half of one percent (0.5%) sales tax known as the City of Shawnee Sales Tax Ordinance of 2023 (Ordinance No. 2771NS). This sales tax is in addition to any other excise taxes currently in force and the effective date is April 1, 2023. The purpose of this new sales tax is to provide revenues to be used for funding of capital expenditures, including but not limited to water, wastewater, and streets, all for the benefit of the City of Shawnee.

C. Tax Abatements

The City enters into sales tax rebate agreements with local businesses as allowed in the Oklahoma State Constitution, Article 10, Section 14. Under this law, the City may establish economic development programs and provide sales tax increments for development as part of its economic development plan.

The sales tax rebate program allows a developer to receive rebated sales tax in varying amounts. To be eligible for this program, the project area should be occupied by occupants operating a retail store of a requisite quality which are new businesses. The sales tax rebate period varies with each agreement.

Due to confidentiality laws in Oklahoma statutes Title 68, Section 1354.11, the amounts of sales taxes rebated will not be disclosed. The following businesses had rebate agreements with the City as of June 30, 2022:

A developer received rebated sales taxes during 2022. The rebate is related to the Shawnee Market Place project. Businesses located within the project area whose sales taxes were included in the rebate were: Hobby Lobby, PetsMart, TJ Maxx, Ulta Beauty, Famous Footwear, Aldi, T-Mobile, Freddy's Frozen Custard and Harbor Freight. The sales tax rebate will be two percent (2%) of taxable sales for six years, then 1.5% for an additional three years for a total period not to exceed nine years. The sales tax rebated cannot exceed \$3,750,000. Rebated sales tax in fiscal year 2022 was \$260,797.

A fuel station entered into a sales tax rebate agreement on November 22, 2016, for a convenience store project. The sales tax rebate is for 1.5% of taxable sales on the second building constructed in the project up to a maximum of \$785,000 in sales tax. This sales tax rebate period is for seven years. The developer is also eligible for a sales tax rebate on construction materials purchased within city limits in conjunction with the construction of the Service Station (building 1). No sales tax was rebated in fiscal year 2022.

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

D. Employee retirement systems and pensions plans

The City of Shawnee participates in the Oklahoma State Police Pension and Retirement System and the Oklahoma State Firefighters' Pension and Retirement System, both of which are cost-sharing multiple-employer defined benefit pension plans administered by the State of Oklahoma. Additionally, for other City employees not covered by the other plans, the City of Shawnee maintains the Oklahoma Municipal Retirement Fund, an agent multiple employer defined benefit pension plan. For the year ended June 30, 2022 the following amounts were reported for each pension plan:

	Governmental		Business Type		Total
Deferred Outflows:					
Police Pension	\$ 790,798	\$	-	\$	790,798
Fire Pension	3,344,587		-		3,344,587
OMRF	237,828		149,603		387,431
Total	<u>\$ 4,373,213</u>	\$	<u>149,603</u>	\$	<u>4,522,816</u>
Deferred Inflows:					
Police Pension	\$ 4,573,676	\$	-	\$	4,573,676
Fire Pension	6,840,745		-		6,840,745
OMRF	2,962,264		1,863,394		4,825,658
Total	<u>\$ 14,376,685</u>	\$	<u>1,863,394</u>	\$	<u>16,240,079</u>
Net Pension Asset:					
Police Pension	\$ 5,922,451	\$	-	\$	5,922,451
OMRF	2,283,737		1,436,569		3,720,306
Total	<u>\$ 8,206,188</u>	\$	<u>1,436,569</u>	\$	<u>9,642,757</u>
Net Pension Liability:					
Fire Pension	\$ 7,260,873	\$	-	\$	7,260,873
Total	<u>\$ 7,260,873</u>	\$	<u>-</u>	\$	<u>7,260,873</u>
Pension Expense (Benefit):					
Police Pension	\$ (589,498)	\$	-	\$	(589,498)
Fire Pension	(184,402)		-		(184,402)
OMRF	(977,863)		(615,119)		(1,592,982)
Total	<u>\$ (1,751,763)</u>	\$	<u>(615,119)</u>	\$	<u>(2,366,882)</u>

The General Fund, Police Sales Tax Fund, and Fire Sales Tax Fund are used to liquidate pension liabilities of the Governmental Activities.

Oklahoma State Police Pension and Retirement System (OPPRS)

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

Benefits provided - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later. Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$600,390. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$517,271 during the calendar year and this is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$350,224. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the City reported a net pension asset of \$5,922,451 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2021. The City's proportion of the net pension asset was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2021. Based upon this information, the City's proportion was 1.2346%.

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

For the year ended June 30, 2022, the City recognized pension expense (benefit) of (\$589,498). At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 85,032	\$ 233,758
Changes of assumptions	90,061	-
Net difference between projected and actual earnings on pension plan investments	-	4,320,223
Changes in proportion and differences between City contributions and proportionate share of contributions	12,495	3,597
City contributions during measurement date	2,820	16,098
City contributions subsequent to the measurement date	600,390	-
Total	<u>\$ 790,798</u>	<u>\$ 4,573,676</u>

The \$600,390 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of or an addition to the net pension liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2023	\$ (986,455)
2024	(866,297)
2025	(1,095,390)
2026	(1,442,875)
2027	7,749
	<u>\$ (4,383,268)</u>

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

Inflation:	2.75%
Salary increases:	3.5% to 12% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

Cost-of-living adjustments:	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
Mortality rates:	<p>Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.</p> <p>Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.</p> <p>Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.</p>

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	3.22%
Domestic equity	4.55%
International equity	8.50%
Real estate	7.97%
Private Equity	9.36%
Commodities	0.00%

The current allocation policy is that approximately 60% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 25% of assets in fixed income to include investment grade bonds, high yield and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ (2,221,098)	\$ (5,922,451)	\$ (9,052,222)

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

Oklahoma State Firefighters' Pension and Retirement System (OFPRS)

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

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

Normal Retirement:

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

- Hired After November 1, 2013

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

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$569,591. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$1,089,854 which is reported as both a revenue and an expenditure in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$804,006. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the City reported a liability of \$7,260,873 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2021. Based upon this information, the City's proportion was 1.102527%.

For the year ended June 30, 2022, the City recognized pension expense (benefit) of (\$184,402). At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,633,354	\$ 127,513
Changes of assumptions	-	161,046
Net difference between projected and actual earnings on pension plan investments	-	5,772,084
Changes in proportion and differences between City contributions and proportionate share of contributions	134,007	767,112
City Contributions during the measurement period	7,635	12,990
City contributions subsequent to the measurement date	569,591	-
Total	<u>\$ 3,344,587</u>	<u>\$ 6,840,745</u>

The \$569,591 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2023	\$ (705,004)
2024	(922,610)
2025	(1,015,756)
2026	(1,422,379)
	<u>\$ (4,065,749)</u>

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

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

Mortality rates were based on the following:

- Active members—Pub-2010 Public Safety Table with generational mortality improvement using MP-2018.
- Retired members—Pub-2010 Public Safety Below Median Table with generational mortality improvement using Scale MP-2018.
- Disabled members—Pub-2010 Public Safety Disabled Table set forward 2 years

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	3.53%
Domestic equity	47%	5.73%
International equity	15%	8.50%
Real estate	10%	7.97%
Other assets	8%	4.73%

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

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

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Employers' net pension liability	\$ 11,346,619	\$ 7,260,873	\$ 3,840,269

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

Oklahoma Municipal Retirement Fund (OkMRF) Employee Retirement System of Shawnee, Oklahoma

Plan Description – The City contributes to an agent multiple employer defined benefit retirement plan, the Oklahoma Municipal Retirement Fund Employee Retirement System of Shawnee, Oklahoma (the Plan), which covers employees not covered by other plans, hired prior to July 1, 2013. The Plan operates as a trust maintained by the Oklahoma Municipal Retirement Fund (OkMRF). The OkMRF board of trustees retains BankOne as custodian to hold the Plan's assets which are invested by various professional managers. OkMRF issues separate plan financial statements which may be obtained by contacting the Oklahoma Municipal Retirement Fund, 100 N., Broadway, Oklahoma City, OK 73102 or from their website: www.okmrf.org/reports.html. Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

Summary of Significant Accounting Policies – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's plan and additions to/deduction from the City's fiduciary net position have been determined on the same basis as they are reported by OkMRF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value based on published market prices. Detailed information about the OkMRF plans' fiduciary net position is available in the separately issued OkMRF financial report.

Eligibility Factors and Benefit Provisions - All regular, full-time City employees not covered by other plans are required to participate in the Plan. Benefits vest after seven years of service. Employees, who retire at age 65 with completion of seven years of service, are entitled to an annual retirement benefit, payable monthly in an amount equal to 2.625% of final average compensation multiplied by the number of years of credited service. Final average compensation is defined as the average of the five highest consecutive annual salaries out of the last ten calendar years of service.

An employee is eligible for an early retirement benefit once he has attained age 55 and has completed seven years of service. The amount of benefit is determined based on the final average salary and credited service as of the date of termination. If benefit payments are to begin before age 65, the amount of benefit will be actuarially reduced. A late retirement benefit is computed in the same manner as a normal retirement based on average salary and credited service as of the termination of employment.

A participant who becomes totally and permanently disabled after completion of seven years of service will be entitled to a disability benefit based on average salary and service as of the date of disability but without actuarial reduction for payments beginning prior to normal retirement age.

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

The plan was frozen on September 1, 2013. All participants who elected to cease participation in the Plan by making a one-time election to participate in the City of Shawnee Defined Contribution Plan ceased accrual of Service for purposes of calculating pension benefits under the Plan. Any such Plan participant who was an active participant prior to July 1, 2013, may continue to earn years of service for vesting purposes and satisfying modified Rule of 80 after August 31, 2013, under this Plan but will not continue to earn years of service for calculating pension benefits under the Plan. Plan participants who

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

elected to cease participation in the plan by making a one-time election to participate in the City of Shawnee Defined Contribution Plan will have their benefit calculation for average monthly compensation by using compensation through August 31, 2013. New hires beginning on July 1, 2013, participate in a Defined Contribution Plan.

Contribution Requirements – The City Commission has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. For the year ended June 30, 2022, employees were required to contribute 4.25% of annual compensation while the City contributed 37.17%, the actuarially required contribution rate. Contributions to the Plan for the year ended June 30, 2022, for employees and employer were \$44,252 and \$387,431, respectively. For the year ended June 30, 2022, the City's covered payroll was \$1,041,225. Covered payroll refers to all compensation paid by the City of Shawnee to active employees covered by the Plan on which contributions are based.

Actuarial Assumptions

Date of Last Actuarial Valuation	July 1, 2021
Actuarial Cost Method	Entry age normal
Rate of return on investments and Discount Rate	7.25% compounded annually
Projected salary increases	Varies between 7.472% and 4% based upon age
Post Retirement Cost-of-Living Increase	None
Inflation rate	2.75% per annum
Percentage of married employees	100%
Mortality rates – before and after retirement	UP 1994, with projected mortality improvement
Spouse age difference	3 years (female spouses younger)
Turnover	Select and ultimate rates. Ultimate rates are age-related as shown: Additional rates per thousand are added during the first 5 years: Year 1: 225 Year 2: 140 Year 3: 100 Year 4: 70 Year 5: 40
Date of last experience study	September 2012 for fiscal years 2007 through 2011

Discount Rate – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.50% since the plan's net fiduciary position is projected to be sufficient to make projected benefit payments.

The City has adopted a funding method that is designed to fund all benefits payable to participants over the course of their working careers. Any differences between actual and expected experience are funded over a fixed period to ensure all funds necessary to pay benefits have been contributed to the trust before those benefits are payable. Thus, the sufficiency of pension plan assets was made without a separate projection of cash flows.

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.75%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of July 1, 2021 are summarized in the following table:

	<u>Target Allocation</u>	<u>Real Return</u>	<u>Weighted Return</u>
Large cap stocks S&P 500	25%	5.80%	1.45%
Small/mid cap stocks Russell 2500	10%	6.40%	0.64%
Long/short equity MSCI ACWI	10%	5.00%	0.50%
International stocks MSCI EAFE	20%	6.20%	1.24%
Fixed income bonds Barclay's Capital Aggregate	30%	2.30%	0.69%
Real estate NCREIF	5%	4.60%	0.23%
Cash equivalents 3 month Treasury	0%	0.00%	0.00%
TOTAL	<u>100%</u>		
Average Real Return			4.75%
Inflation			<u>2.75%</u>
Long-term expected return			<u>7.50%</u>

Changes in Net Pension Liability (Asset) – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2021 which is also the measurement date. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2021 and the City's report ending date of June 30, 2022, that would have had a significant impact on the net pension liability (asset). The following table reports the components of changes in net pension liability (asset):

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances Beginning of Year	\$ 40,121,360	\$ 36,152,985	\$ 3,968,375
Changes for the Year:			
Service cost	137,760	-	137,760
Interest expense	2,911,076	-	2,911,076
Benefit changes	-	-	-
Experience losses (gains) -	(614,553)	-	(614,553)
Changes of assumptions	-	-	-
Contributions--City	-	422,370	(422,370)
Contributions--members	-	50,433	(50,433)
Net investment income	-	9,724,030	(9,724,030)
Benefits paid	(2,662,141)	(2,662,141)	-
Plan administrative expenses	-	(73,869)	73,869
Benefit changes due to plan amendments	-	-	-
Change in deferred contributions made subsequent to the measurement date	-	-	-
Net Changes	<u>(227,858)</u>	<u>7,460,823</u>	<u>(7,688,681)</u>
Balances End of Year	<u>\$ 39,893,502</u>	<u>\$ 43,613,808</u>	<u>\$ (3,720,306)</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate - The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.50 percent, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability (Asset)	\$ 737,772	\$ (3,720,306)	\$ (7,460,344)

The City reported (\$180,376) in pension expense (benefit) of the year ended June 30, 2022. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 4,825,658
City contributions subsequent to the measurement date	387,431	-
Total	<u>\$ 387,431</u>	<u>\$ 4,825,658</u>

The \$387,431 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Any amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTES TO FINANCIAL STATEMENTS
CITY OF SHAWNEE, OKLAHOMA
YEAR ENDED JUNE 30, 2022

Year ended June 30:

2023	\$	(1,114,576)
2024		(1,119,251)
2025		(1,172,653)
2026		(1,419,178)
	\$	<u>(4,825,658)</u>

Oklahoma Municipal Retirement Fund Defined Contribution Plan (the Plan, original plan prior to July 1, 2013 as amended)

Plan Description – The City has also provided a defined contribution plan and trust known as the City of Shawnee Plan and Trust (the Plan) in the form of The Oklahoma Municipal Retirement Fund Master Defined Contribution Plan (OMRF). The Plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. The defined contribution plan is available to all full-time employees except those participating in the state of Oklahoma fire or police program. Separately audited financial statements are not available.

OMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. Benefits depend solely on amounts contributed to the Plan plus investment earnings.

Funding Policy – Benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate upon employment, and must make a mandatory minimum pre-tax contribution of 4.25%. Employees are allowed to contribute in excess of the 4.25%; however, these contributions are not pre-tax. Beginning July 1, 2013, by City ordinance, the City, as the employer, is required to make variable contributions to the Plan, based on employee's years of service. Employer contributions for employees hired prior to July 1, 2013 were as follows: zero to five years of service 5%, five to ten years of service 10%, and ten or more years of service 15%. Employer contributions for employees hired after July 1, 2013 were as follows: zero to five years of service 3%, five to ten years of service 6%, and ten or more years of service 9%. The employee is fully vested after 7 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. The authority to establish and amend the provisions of the Plan rests with the City Commission. Contributions to the Plan for the year ended June 30, 2022, for employees who were hired prior to July 1, 2013 employee and employer were \$45,274 and \$146,946, respectively on covered wages of \$1,118,074. Contributions for employees hired after July 1, 2013 employee and employer were \$182,641 and \$158,138, respectively on covered wages of \$4,363,907.

Oklahoma Municipal Retirement Fund Defined Contribution Department Head and City Manager Plan (the DH Plan)

CMO and DH Plan Description – Effective May 1, 2008, the City has also provided a defined contribution plan and trust known as the City of Shawnee Department Head and City Manager Retirement Plan and Trust (the DH Plan) in the form of The Oklahoma Municipal Retirement Fund Master Defined Contribution Plan (OMRF). The DH Plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. The DH Plan is available to all full-time employees defined as Department Head or City

Manager except those participating in the state of Oklahoma fire or police program. Separate audited GAAP – basis financial statements are not available.

OMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. Benefits depend solely on amounts contributed to the DH Plan plus investment earnings.

Funding Policy – Benefits depend solely on amounts contributed to the DH Plan plus investment earnings. Employees are eligible to participate upon employment, and must make a mandatory minimum pre-tax contribution of 3.75% with the police and fire chief contributing 8%. Employees are allowed to contribute in excess of the 8%; however, these contributions are not pre-tax. By City ordinance, the City, as the employer, is required to make at least 5% contributions to the DH Plan and could be higher, based on availability of funds. The employee is fully vested upon employment. The authority to establish and amend the provisions of the DH Plan rests with the City Commission. Contributions to the DH Plan for the year ended June 30, 2022, for employees and employer were \$55,158 and \$58,773, on covered wages of \$1,219,005.

Oklahoma Municipal Retirement Fund Defined Contribution Special Incentive Plan

Effective July 1, 2013, the City has also provided a defined contribution plan and trust known as the City of Shawnee Special Incentive Plan (the Plan) in the form of The Oklahoma Municipal Retirement Fund Master Defined Contribution Plan (OMRF). The Plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. The Plan is available to any employee in the position of Department Head or City Manager on July 1, 2013 except those participating in the state of Oklahoma fire or police program, or any person in the position of Fire Chief or Police Chief and who is covered under another retirement program. Separate audited GAAP – basis financial statements are not available.

OMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. Benefits depend solely on amounts contributed to the Plan plus investment earnings.

Funding Policy – Benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees do not contribute to the plan. By City ordinance, the City, as the employer, is required to make a \$5,000 contribution for each of the five plan years during the period beginning July 1, 2013 and ending June 30, 2018, provided that the employee will be entitled to the employer contribution only if he or she was employed on the last day of the applicable plan year in the same or higher position as he/she had on the effective date of the plan. The employee is fully vested upon five years of service beginning on July 1, 2013, service prior to July 1, 2013 will not be counted. The authority to establish and amend the provisions of the Plan rests with the City Commission. Contributions to the Plan for the year ended June 30, 2022, totaling \$-0-.

City of Shawnee 457 Deferred Compensation Plan (DC Plan)

Plan Description – The City of Shawnee makes available to all full-time employees two Section 457 deferred compensation plans. The DC Plan was created in accordance with Section 457 of the *Internal Revenue Code*, and permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to the employee until retirement, termination, death, or unforeseeable emergency. Employees may choose investments offered by Mission Square Retirement (formerly ICMA-RC) or Nationwide Retirement Solutions, Inc. Separate audited GAAP – basis financial statements are not available.

Funding Policy – In FY22, DC Plan participants could contribute up to a maximum \$20,500 of eligible compensation. During the year ended June 30, 2022, employees contributed \$323,351 to the DC Plans. The City contributed \$5,076 to the DC Plan as employer contributions for the City Manager.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF SHAWNEE, OKLAHOMA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
(BUDGETARY BASIS) BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 16,678,143	\$ 17,937,330	\$ 19,749,542	\$ 1,812,212
Licenses and permits	272,400	272,400	485,238	212,838
Intergovernmental	464,900	596,562	1,037,566	441,004
Charges for services	169,997	169,997	55,265	(114,732)
Fees and fines	541,860	541,860	429,033	(112,827)
Investment earnings	16,751	16,751	15,714	(1,037)
Miscellaneous	128,500	189,766	889,469	699,703
Total revenues	18,272,551	19,724,666	22,661,827	2,937,161
EXPENDITURES				
Departmental:				
<i>General Government:</i>				
City manager	651,672	711,908	1,089,676	(377,768)
City attorney	250,000	302,263	242,145	60,118
Human resources	354,606	379,011	372,942	6,069
City clerk	304,400	339,055	325,876	13,179
Finance	666,319	655,207	582,722	72,485
Municipal court	428,527	477,075	379,256	97,819
Information services	572,100	570,125	541,590	28,535
Planning and zoning	959,185	1,283,399	951,213	332,186
Engineering	274,000	374,368	370,505	3,863
Equipment services	300,690	251,455	192,302	59,153
Building maintenance	258,046	314,981	285,234	29,747
<i>Total General Government</i>	5,019,545	5,658,847	5,333,461	325,386
<i>Public Safety:</i>				
Police administration	699,065	739,022	714,412	24,610
Police operations	5,715,006	6,778,872	6,723,382	55,490
Disptach	743,509	666,228	657,942	8,286
Criminal investigations	1,172,021	1,163,399	1,146,004	17,395
Animal Control	252,238	250,588	244,378	6,210
Fire suppression	5,053,646	5,368,179	5,189,824	178,355
Fire prevention	624,830	691,703	721,062	(29,359)
Emergency Management	274,909	281,260	279,003	2,257
Fire Training	207,644	202,234	182,707	19,527
L.E.P.C	-	1,000	1,108	(108)
<i>Total Public Safety</i>	14,742,868	16,142,485	15,859,822	282,663
<i>Street:</i>				
Street	871,690	911,730	888,242	23,488
Traffic control	269,184	286,661	270,202	16,459
<i>Total Street</i>	1,140,874	1,198,391	1,158,444	39,947
<i>Culture and Recreation:</i>				
Expo Operations	610,500	788,944	1,067,092	(278,148)
Municipal auditorium	42,088	45,033	44,274	759
Senior citizens	67,517	82,508	73,493	9,015
Community center	47,632	52,123	55,013	(2,890)
Cemetery	357,113	273,962	242,341	31,621
Parks	870,459	1,194,693	970,220	224,473
<i>Total Culture and Recreation</i>	1,995,309	2,437,263	2,452,433	(15,170)
Total Expenditures	22,898,596	25,436,986	24,804,160	632,826
Excess (deficiency) of revenues over expenditures	(4,626,045)	(5,712,320)	(2,142,333)	3,569,987
OTHER FINANCING SOURCES (USES)				
Transfers in	5,360,471	5,396,109	3,516,609	(1,879,500)
Transfers out	(734,362)	(853,849)	(763,849)	90,000
Total other financing sources and uses	4,626,109	4,542,260	2,752,760	(1,789,500)
Net change in fund balances	64	(1,170,060)	610,427	1,780,487
Fund balances - beginning	3,313,908	3,313,908	7,004,830	3,690,922
Fund balances - ending	\$ 3,313,972	\$ 2,143,848	\$ 7,615,257	\$ 5,471,409

**CITY OF SHAWNEE, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

BUDGETARY ACCOUNTING AND CONTROL

Budget Law

The City prepares its annual operating budget under the provisions of the Oklahoma 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 Commission a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at regular Commission meetings to obtain taxpayer comments. Public hearings are held no later than 15 days prior to the beginning of the budget year.
- c. Subsequent to the public hearings but no later than seven days prior to July 1, the budget is legally enacted through the passage of a resolution by the City Commission.
- d. Subsequent to City Commission enactment, the adopted budget is filed with the office of the State Auditor and Inspector.

All funds with revenues and/or expenditures/expenses as defined by State law are required to have annual budgets under this section of state law, except funds of public trusts or authorities. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund. The budget had no departments over the legal limit.

CITY OF SHAWNEE, OKLAHOMA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

All supplemental appropriations require the approval of the City Commission. All transfers of appropriation between departments also require the approval of the City Commission. The City prepared and adopted a legal annual budget for all governmental funds.

In accordance with Title 60 of the Oklahoma State Statutes, the Shawnee Municipal Authority, Shawnee Airport Authority, and the SCCDA 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 spending limit.

Budgetary Accounting

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

The following is a reconciliation of the difference in budget and actual:

	General Fund
Total revenue - budgetary basis	\$ 26,178,436
Total expenses - budgetary basis	(25,568,009)
Change in fund balance - budgetary basis	610,427
Add change in fund balance of accounts combined for reporting purposes:	
Spay and Neuter account	(1,752)
Aquatic center	75,645
Library account	(1,175)
Change in fund balance - GAAP basis	<u>\$ 683,145</u>

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. The City considers most all appropriations to lapse at year-end; any open purchase orders to be honored in the subsequent budget year are reappropriated in the next year's budget. As a result, encumbrances are not treated as the equivalent of expenditures in the budget and actual financial statements.

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedules of Required Supplementary Information

**Schedule of the City of Shawnee Proportionate Share of the Net Pension Liability (Asset) –
Oklahoma Police Pension & Retirement System
Last Ten Fiscal Years***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City's proportion of the net pension liability (asset)	1.0829%	1.1417%	1.1244%	1.1495%	1.1880%	1.1515%	1.1431%	1.2346%
City's proportionate share of the net pension liability (asset)	\$ (364,603)	\$ 46,554	\$ 1,721,954	\$ 88,416	\$ (566,064)	\$ (73,514)	\$ 1,312,791	\$ (5,922,451)
City's covered payroll	\$ 3,199,606	\$ 2,709,674	\$ 3,407,053	\$ 3,546,599	\$ 3,632,653	\$ 3,739,551	\$ 3,788,454	\$ 4,101,068
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	11.40%	1.72%	50.54%	2.49%	-15.58%	-1.97%	34.65%	-144.41%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%	95.80%	117.07%

Notes to Schedule:

* Only eight fiscal years are presented because 10-year data is not yet available.

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of City Contributions
Oklahoma Police Pension & Retirement System
Last Ten Fiscal Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Statutorily required contribution	\$ 414,687	\$ 442,917	\$ 461,058	\$ 472,245	\$ 486,142	\$ 492,499	\$ 533,139	\$ 597,319
Contributions in relation to the statutorily required contribution	<u>414,687</u>	<u>446,667</u>	<u>461,015</u>	<u>472,245</u>	<u>487,579</u>	<u>498,047</u>	<u>536,359</u>	<u>600,390</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (3,750)</u>	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ (1,437)</u>	<u>\$ (5,548)</u>	<u>\$ (3,220)</u>	<u>\$ (3,071)</u>
City's covered payroll	\$ 2,709,674	\$ 3,407,053	\$ 3,546,599	\$ 3,632,653	\$ 3,739,551	\$ 3,788,454	\$ 4,101,068	\$ 4,594,763
Contributions as a percentage of covered payroll	15.30%	13.11%	13.00%	13.00%	13.04%	13.15%	13.08%	13.07%

Notes to Schedule:

* Only eight fiscal years are presented because 10-year data is not yet available.

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of the City of Shawnee Proportionate Share of the Net Pension Liability – Oklahoma
Fire Pension & Retirement System
Last Ten Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022
City's proportion of the net pension liability	1.121621%	1.148883%	1.178677%	1.229817%	1.222407%	1.154816%	1.156144%	1.102527%
City's proportionate share of the net pension liability	\$ 11,534,169	\$ 12,194,345	\$ 14,400,062	\$ 15,467,706	\$ 13,759,987	\$ 12,202,550	\$ 14,242,697	\$ 7,260,873
City's covered payroll	\$ 3,140,982	\$ 3,080,579	\$ 3,431,628	\$ 3,371,624	\$ 3,602,848	\$ 3,569,554	\$ 3,620,909	\$ 3,632,574
City's proportionate share of the net pension liability as a percentage of its covered payroll	367%	396%	420%	459%	382%	342%	393%	200%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%	72.85%	69.98%	84.24%

Notes to Schedule:

* Only eight fiscal years are presented because 10-year data is not yet available.
The amounts present for each fiscal year were determined as of 6/30

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2022**

**Schedule of City Contributions
Oklahoma Fire Pension & Retirement System
Last Ten Fiscal Years***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Statutorially required contribution	\$ 439,463	\$ 480,428	\$ 472,027	\$ 504,398	\$ 499,737	\$ 506,928	\$ 508,560	\$ 553,459
Contributions in relation to the statutorially required contribution	<u>439,463</u>	<u>480,428</u>	<u>472,027</u>	<u>505,981</u>	<u>499,737</u>	<u>506,928</u>	<u>508,323</u>	<u>569,591</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,583)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237</u>	<u>\$ (16,132)</u>
City's covered payroll	\$ 3,080,579	\$ 3,431,628	\$ 3,371,624	\$ 3,602,848	\$ 3,569,554	\$ 3,620,909	\$ 3,632,574	\$ 3,953,281
Contributions as a percentage of covered payroll	14.27%	14.00%	14.00%	14.04%	14.00%	14.00%	13.99%	14.41%

Notes to Schedule:

* Only eight fiscal years are presented because 10-year data is not yet available.

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule of Changes in Net Pension Liability and Related Ratios
Oklahoma Municipal Retirement Fund
Last Ten Fiscal Years*

Schedule of Changes in Net Pension Liability and Related Ratios

	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service cost	\$ 527,985	\$ 477,546	\$ 479,520	\$ 423,579	\$ 380,092	\$ 347,372	\$ 153,804	\$ 137,760
Interest	2,818,812	2,733,100	2,781,930	2,820,530	2,845,818	2,831,260	2,995,438	2,911,076
Changes of benefit terms	(1,902,290)	39,435	-	-	-	-	-	-
Differences between expected and actual experience	-	(543,326)	(704,232)	98,897	(708,559)	956,055	(1,590,368)	(614,553)
Changes of assumptions	-	-	-	424,835	-	873,450	-	-
Benefit payments, including refunds of member contributions	(2,057,807)	(1,985,814)	(2,171,033)	(1,942,998)	(2,501,051)	(2,929,614)	(2,704,493)	(2,662,141)
Net change in total pension liability	(613,300)	720,941	386,185	1,824,843	16,300	2,078,523	(1,145,619)	(227,858)
Total pension liability - beginning	<u>36,853,488</u>	<u>36,240,187</u>	<u>36,961,128</u>	<u>37,347,313</u>	<u>39,172,156</u>	<u>39,188,456</u>	<u>41,266,979</u>	<u>40,121,360</u>
Total pension liability - ending (a)	<u>\$ 36,240,188</u>	<u>\$ 36,961,128</u>	<u>\$ 37,347,313</u>	<u>\$ 39,172,156</u>	<u>\$ 39,188,456</u>	<u>\$ 41,266,979</u>	<u>\$ 40,121,360</u>	<u>\$ 39,893,502</u>
Plan fiduciary net position								
Contributions - employer	\$ 842,919	\$ 714,030	\$ 591,793	\$ 510,788	\$ 462,235	\$ 318,345	\$ 196,900	\$ 422,370
Contributions - member	139,787	167,474	150,337	141,609	130,099	87,108	54,705	50,433
Net investment income	5,094,596	974,198	280,077	4,119,111	2,656,445	2,440,556	1,465,500	9,724,030
Benefit payments, including refunds of member contributions	(2,057,807)	(1,985,814)	(2,171,033)	(1,942,998)	(2,501,051)	(2,929,614)	(2,704,493)	(2,662,141)
Administrative expense	(131,982)	(72,769)	(68,578)	(72,412)	(74,158)	(77,471)	(76,617)	(73,869)
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	3,887,513	(202,881)	(1,217,404)	2,756,098	673,570	(161,076)	(1,064,005)	7,460,823
Plan fiduciary net position - beginning	<u>31,481,172</u>	<u>35,368,684</u>	<u>35,165,803</u>	<u>33,948,399</u>	<u>36,704,496</u>	<u>37,378,066</u>	<u>37,216,990</u>	<u>36,152,985</u>
Plan fiduciary net position - ending (b)	<u>\$ 35,368,685</u>	<u>\$ 35,165,803</u>	<u>\$ 33,948,399</u>	<u>\$ 36,704,497</u>	<u>\$ 37,378,066</u>	<u>\$ 37,216,990</u>	<u>\$ 36,152,985</u>	<u>\$ 43,613,808</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 871,503</u>	<u>\$ 1,795,325</u>	<u>\$ 3,398,914</u>	<u>\$ 2,467,659</u>	<u>\$ 1,810,390</u>	<u>\$ 4,049,989</u>	<u>\$ 3,968,375</u>	<u>\$ (3,720,306)</u>
Plan fiduciary net position as a percentage of the total pension liability	97.60%	95.14%	90.90%	93.70%	95.38%	90.19%	90.11%	109.33%
Covered payroll	\$ 3,765,863	\$ 3,723,501	\$ 3,323,837	\$ 3,144,344	\$ 2,898,608	\$ 1,381,807	\$ 1,173,220	\$ 1,128,818
Net pension liability as a percentage of covered payroll	23.14%	48.22%	102.26%	78.48%	62.46%	293.09%	338.25%	-329.58%

Notes to Schedule:

* Only eight fiscal years are presented because 10-year data is not yet available.

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
ON PENSION PLAN FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2022**

**Schedule of City Contributions
Oklahoma Municipal Retirement Fund
Last Ten Fiscal Years***

Schedule of Employer Contributions

	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 688,665	\$ 617,158	\$ 532,419	\$ 462,235	\$ 278,433	\$ 196,552	\$ 447,635	\$ 387,023
Contributions in relation to the actuarially determined contribution	688,665	617,158	532,419	462,235	289,727	197,259	415,345	387,431
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,294)</u>	<u>\$ (707)</u>	<u>\$ 32,290</u>	<u>\$ (408)</u>
Covered payroll	\$ 3,800,578	\$ 3,677,301	\$ 3,461,242	\$ 3,061,160	\$ 1,886,400	\$ 1,287,177	\$ 1,204,291	\$ 1,041,225
Contributions as a percentage of covered payroll	18.12%	16.78%	15.38%	15.10%	15.36%	15.32%	34.49%	37.21%

Notes to Schedule:

- Only eight fiscal years are presented because 10-year data is not yet available.
- Latest Valuation Date: July 1, 2021
- Actuarially determined contribution rate is calculated as of July 1, 2021
July 2021 through June 2022 contributions were at a rate of 37.21%.
- Methods and assumptions used to determine contribution rates:
Actuarial cost method - Entry age normal
Amortization method - Level percent of payroll, closed
Remaining amortization period - 26 years
Asset valuation method - Actuarial:
Smoothing period - 4 years
Recognition method - Non-asymptotic
Corridor - 70% - 130%
Salary increases - 4.00% to 7.42% (varies by attained age)
Investment rate of return - 7.25%

**CITY OF SHAWNEE, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
JUNE 30, 2022**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB Liability					
Service cost	\$ 256,280	\$ 256,280	\$ 235,954	\$ 286,205	\$ 248,240
Interest	163,195	145,051	199,040	137,964	117,669
Difference between expected and actual experience	-	-	(19,915)	(2,012,531)	30,446
Changes in assumptions	(300,133)	105,976	425,305	361,406	(1,215,286)
Changes om benefit terms	-	-	1,569,912	-	-
Other changes	-	-	125,891	(508,384)	679,620
Benefit Payments	<u>(190,000)</u>	<u>(190,000)</u>	<u>(332,000)</u>	<u>(190,000)</u>	<u>(417,000)</u>
Net change in total OPEB liability	(70,658)	317,307	2,204,187	(1,925,340)	(556,311)
Balances at Beginning of Year	<u>4,638,587</u>	<u>4,567,929</u>	<u>4,885,236</u>	<u>7,089,423</u>	<u>5,164,083</u>
Balances End of Year	<u>\$ 4,567,929</u>	<u>\$ 4,885,236</u>	<u>\$ 7,089,423</u>	<u>\$ 5,164,083</u>	<u>\$ 4,607,772</u>
Covered employee payroll	\$ 13,471,000	\$ 14,434,000	\$ 13,938,784	\$ 13,938,784	\$ 13,964,843
Total OPEB liability as a percentage of covered employee payroll	33.90%	33.85%	50.86%	37.05%	33.00%

Notes to Schedule:

Only five fiscal years are presented because 10-year data is not yet available.

No assets are accumulated in a qualifying trust for the OPEB plan.

SUPPLEMENTARY INFORMATION

City of Shawnee, Oklahoma
Combining Balance Sheet – General Fund Accounts
June 30, 2022

	General Fund	Revolving Oil & Gas	Spay and Neuter	Aquatic Center	Library	Sister Cities	Total General Fund
ASSETS							
Cash and cash equivalents	\$ 7,323,252	\$ -	\$ 9,090	\$ 133,789	\$ 12,616	\$ 321	\$ 7,479,068
Investments	432	-	-	-	-	-	432
Interest receivable	1,057	-	-	-	-	-	1,057
Receivable from other governments	69,262	-	-	-	-	-	69,262
Due from other funds	1,803,489	-	-	-	-	-	1,803,489
Taxes receivable, net	2,340,620	-	-	-	-	-	2,340,620
Court fines receivable, net	218,449	-	-	-	-	-	218,449
Other receivables	340,044	42,250	-	-	-	-	382,294
Prepaid items	109,440	-	-	-	-	-	109,440
Total assets	<u>12,206,045</u>	<u>42,250</u>	<u>9,090</u>	<u>133,789</u>	<u>12,616</u>	<u>321</u>	<u>12,404,111</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	1,271,397	-	75	53,687	7,149	-	1,332,308
Accrued payroll payable	307,070	-	-	-	-	-	307,070
Due to other funds	2,642,412	-	-	-	-	-	2,642,412
Due to bondholders	17,392	-	-	-	-	-	17,392
Unearned revenue	212,500	-	-	-	-	-	212,500
Total liabilities	<u>4,450,771</u>	<u>-</u>	<u>75</u>	<u>53,687</u>	<u>7,149</u>	<u>-</u>	<u>4,511,682</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	<u>140,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,017</u>
Fund balances:							
Nonspendable	109,440	-	-	-	-	-	109,440
Restricted	8,473	-	-	-	-	-	8,473
Unassigned	7,497,344	42,250	9,015	80,102	5,467	321	7,634,499
Total fund balances	<u>7,615,257</u>	<u>42,250</u>	<u>9,015</u>	<u>80,102</u>	<u>5,467</u>	<u>321</u>	<u>7,752,412</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 12,206,045</u>	<u>\$ 42,250</u>	<u>\$ 9,090</u>	<u>\$ 133,789</u>	<u>\$ 12,616</u>	<u>\$ 321</u>	<u>\$ 12,404,111</u>

City of Shawnee, Oklahoma
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – General Fund Accounts
Year Ended June 30, 2022

	<u>General Fund</u>	<u>Revolving Oil & Gas</u>	<u>Spay and Neuter</u>	<u>Aquatic Center</u>	<u>Library</u>	<u>Sister Cities</u>	<u>Total General Fund</u>
REVENUES							
Taxes	\$ 19,749,542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,749,542
Intergovernmental	2,644,691	-	-	-	-	-	2,644,691
Licenses and permits	485,238	-	-	-	-	-	485,238
Charges for services	55,265	-	-	237,715	-	-	292,980
Fees and fines	429,033	-	2,655	-	-	-	431,688
Investment earnings	15,714	-	-	-	-	-	15,714
Miscellaneous	889,469	-	170	1,054	1	-	890,694
Total revenues	<u>24,268,952</u>	<u>-</u>	<u>2,825</u>	<u>238,769</u>	<u>1</u>	<u>-</u>	<u>24,510,547</u>
EXPENDITURES							
Current:							
General government	4,104,454	-	-	-	-	-	4,104,454
Engineering	370,505	-	-	-	-	-	370,505
Equipment and building maintenance	478,996	-	-	-	-	-	478,996
Police	9,346,555	-	4,577	-	-	-	9,351,132
Fire	7,183,447	-	-	-	-	-	7,183,447
Municipal court	379,256	-	-	-	-	-	379,256
Emergency management	279,003	-	-	-	-	-	279,003
Streets	1,158,444	-	-	-	-	-	1,158,444
Parks and recreation	824,420	-	-	380,962	-	-	1,205,382
Culture and recreation	172,780	-	-	-	-	-	172,780
E911	657,942	-	-	-	-	-	657,942
Cemetery	242,341	-	-	-	-	-	242,341
Library	-	-	-	-	125,463	-	125,463
Economic development	1,067,092	-	-	-	-	-	1,067,092
Capital Outlay	<u>146,050</u>	<u>-</u>	<u>-</u>	<u>4,290</u>	<u>-</u>	<u>-</u>	<u>150,340</u>
Total expenditures	<u>26,411,285</u>	<u>-</u>	<u>4,577</u>	<u>385,252</u>	<u>125,463</u>	<u>-</u>	<u>26,926,577</u>
Excess (deficiency) of revenues over expenditures	<u>(2,142,333)</u>	<u>-</u>	<u>(1,752)</u>	<u>(146,483)</u>	<u>(125,462)</u>	<u>-</u>	<u>(2,416,030)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in - interaccount	-	-	-	222,128	124,287	-	346,415
Transfers out - interaccount	(346,415)	-	-	-	-	-	(346,415)
Transfers in	3,516,609	-	-	-	-	-	3,516,609
Transfers out	(417,434)	-	-	-	-	-	(417,434)
Total other financing sources and uses	<u>2,752,760</u>	<u>-</u>	<u>-</u>	<u>222,128</u>	<u>124,287</u>	<u>-</u>	<u>3,099,175</u>
Net change in fund balances	610,427	-	(1,752)	75,645	(1,175)	-	683,145
Fund balances - beginning	7,004,830	42,250	10,767	4,457	6,642	321	7,069,267
Fund balances - ending	<u>\$ 7,615,257</u>	<u>\$ 42,250</u>	<u>\$ 9,015</u>	<u>\$ 80,102</u>	<u>\$ 5,467</u>	<u>\$ 321</u>	<u>\$ 7,752,412</u>

City of Shawnee, Oklahoma
Budget versus Actual – General Fund Accounts
Year Ended June 30, 2022

	Revolving Oil & Gas Account				Spay and Neuter Account			
	Budgeted Amounts		Actual Amounts.	Variance with	Budgeted Amounts		Actual Amounts.	Variance with
	Original	Final	Budgetary Basis	Final Budget - Positive	Original	Final	Budgetary Basis	Final Budget - Positive
REVENUES								
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	7,000	7,000	2,655	(4,345)
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	16,750	16,750	-	(16,750)	-	-	170	170
Total revenues	16,750	16,750	-	(16,750)	7,000	7,000	2,825	(4,175)
EXPENDITURES								
Departmental:								
Animal Control	-	-	-	-	7,000	7,000	4,577	2,423
Economic Development	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-	-
Senior Citizens	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	7,000	7,000	4,577	2,423
Excess (deficiency) of revenues over expenditures	16,750	16,750	-	(16,750)	-	-	(1,752)	(1,752)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(16,750)	(16,750)	-	16,750	-	-	-	-
Total other financing sources and uses	(16,750)	(16,750)	-	16,750	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	(1,752)	(1,752)
Fund balances - beginning	-	-	42,250	42,250	11,840	11,840	10,767	(1,073)
Fund balances - ending	\$ -	\$ -	\$ 42,250	\$ 42,250	\$ 11,840	\$ 11,840	\$ 9,015	\$ (2,825)

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – General Fund Accounts
Year Ended June 30, 2022

	Library Account				Aquatic Center Account			
			<u>Actual Amounts.</u>	<u>Variance with</u>			<u>Actual Amounts.</u>	<u>Variance with</u>
			<u>Budgetary Basis</u>	<u>Final Budget -</u>			<u>Budgetary Basis</u>	<u>Final Budget -</u>
	<u>Budgeted Amounts</u>			<u>Positive</u>	<u>Budgeted Amounts</u>			<u>Positive</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	141,000	141,000	237,715	96,715
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	-	-	1	1	57,000	57,000	1,054	(55,946)
Total revenues	-	-	1	1	198,000	198,000	238,769	40,769
EXPENDITURES								
Departmental:								
Animal Control	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Library	114,625	124,287	125,463	(1,176)	-	-	-	-
Parks and Recreation	-	-	-	-	410,897	420,030	385,252	34,778
Senior Citizens	-	-	-	-	-	-	-	-
Total Expenditures	114,625	124,287	125,463	(1,176)	410,897	420,030	385,252	34,778
Excess (deficiency) of revenues over expenditures	(114,625)	(124,287)	(125,462)	(1,175)	(212,897)	(222,030)	(146,483)	75,547
OTHER FINANCING SOURCES (USES)								
Transfers in	114,625	124,287	124,287	-	212,995	222,128	222,128	-
Total other financing sources and uses	114,625	124,287	124,287	-	212,995	222,128	222,128	-
Net change in fund balances	-	-	(1,175)	(1,175)	98	98	75,645	75,547
Fund balances - beginning	-	-	6,642	6,642	11,136	11,136	4,457	(6,679)
Fund balances - ending	\$ -	\$ -	\$ 5,467	\$ 5,467	\$ 11,234	\$ 11,234	\$ 80,102	\$ 68,868

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – General Fund Accounts
Year Ended June 30, 2022

	Sister Cities Account			Variance with
				Final Budget -
				Positive
				(Negative)
	Budgeted Amounts		Actual Amounts,	
	Original	Final	Budgetary Basis	
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	15,000	15,000	-	(15,000)
Total revenues	15,000	15,000	-	(15,000)
EXPENDITURES				
Departmental:				
Animal Control	-	-	-	-
Economic Development	-	-	-	-
Library	-	-	-	-
Parks and Recreation	60,000	60,000	-	60,000
Senior Citizens	-	-	-	-
Total Expenditures	60,000	60,000	-	60,000
Excess (deficiency) of revenues over expenditures	(45,000)	(45,000)	-	45,000
OTHER FINANCING SOURCES (USES)				
Transfers in	45,000	45,000	-	(45,000)
Transfers out	-	-	-	-
Total other financing sources and uses	45,000	45,000	-	(45,000)
Net change in fund balances	-	-	-	-
Fund balances - beginning	321	321	321	-
Fund balances - ending	\$ 321	\$ 321	\$ 321	\$ -

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

	<u>Street and Alley Fund</u>	<u>E-911 Fund</u>	<u>Economic Development Fund</u>	<u>Hotel/Motel Fund</u>	<u>Police Sales Tax Fund</u>	<u>Fire Sales Tax Fund</u>	<u>CDBG/Home Grants Funds</u>
ASSETS							
Cash and cash equivalents	\$ 123	\$ 284,971	\$ 140,292	\$ 584,722	\$ -	\$ -	\$ 501,186
Interest receivable	-	-	19	-	37	37	-
Receivable from other governments	-	-	-	-	-	-	21,915
Due from other funds	-	-	-	-	-	-	-
Taxes receivable, net	-	22,620	48,793	60,160	60,991	60,991	-
Other receivables	27,003	-	-	-	-	-	308,966
Total assets	<u>27,126</u>	<u>307,591</u>	<u>189,104</u>	<u>644,882</u>	<u>61,028</u>	<u>61,028</u>	<u>832,067</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	42,620	34,612	-	20,612	-	-	40,779
Due to other funds	-	-	-	-	-	-	182,432
Unearned revenue	-	-	-	-	-	-	308,966
Total liabilities	<u>42,620</u>	<u>34,612</u>	<u>-</u>	<u>20,612</u>	<u>-</u>	<u>-</u>	<u>532,177</u>
Fund balances:							
Restricted	-	272,979	189,104	624,270	61,028	61,028	299,890
Unassigned (deficit)	(15,494)	-	-	-	-	-	-
Total fund balances	<u>(15,494)</u>	<u>272,979</u>	<u>189,104</u>	<u>624,270</u>	<u>61,028</u>	<u>61,028</u>	<u>299,890</u>
Total liabilities and fund balances	<u>\$ 27,126</u>	<u>\$ 307,591</u>	<u>\$ 189,104</u>	<u>\$ 644,882</u>	<u>\$ 61,028</u>	<u>\$ 61,028</u>	<u>\$ 832,067</u>

(continued)

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

	Cemetery Care Fund	HUD	Gifts and Contribution Fund	Emergency Shelter	Tax Increment Financing Fund	Drug Forfeiture Fund	Total Other Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 180,871	\$ -	\$ 104,602	\$ -	\$ 648,127	\$ 6,165	\$ 2,451,059
Interest receivable	-	-	-	-	-	-	93
Receivable from other governments	-	45,053	-	57,896	-	-	124,864
Due from other funds	-	-	4,023	-	-	-	4,023
Taxes receivable, net	-	-	-	-	16,079	-	269,634
Other receivables	-	-	-	-	-	-	335,969
Total assets	<u>180,871</u>	<u>45,053</u>	<u>108,625</u>	<u>57,896</u>	<u>664,206</u>	<u>6,165</u>	<u>3,185,642</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	-	5,095	-	23,458	-	-	167,176
Due to other funds	-	39,570	-	39,340	-	-	261,342
Unearned revenue	-	-	-	-	-	-	308,966
Total liabilities	<u>-</u>	<u>44,665</u>	<u>-</u>	<u>62,798</u>	<u>-</u>	<u>-</u>	<u>737,484</u>
Fund balances:							
Restricted	180,871	388	108,625	-	664,206	6,165	2,468,554
Unassigned (deficit)	-	-	-	(4,902)	-	-	(20,396)
Total fund balances	<u>180,871</u>	<u>388</u>	<u>108,625</u>	<u>(4,902)</u>	<u>664,206</u>	<u>6,165</u>	<u>2,448,158</u>
Total liabilities and fund balances	<u>\$ 180,871</u>	<u>\$ 45,053</u>	<u>\$ 108,625</u>	<u>\$ 57,896</u>	<u>\$ 664,206</u>	<u>\$ 6,165</u>	<u>\$ 3,185,642</u>

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

	Street and Alley Fund	E-911 Fund	Economic Development Fund	Hotel/Motel Fund	Police Sales Tax Fund	Fire Sales Tax Fund	CDBG/Home Grants Funds
REVENUES							
Taxes	\$ 304,462	\$ 287,716	\$ 369,530	\$ 603,589	\$ 461,912	\$ 461,912	\$ -
Fees and fines	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	74,406
Charges for services	-	-	-	-	-	-	-
Investment earnings	-	-	168	-	212	212	-
Miscellaneous	6,361	-	-	1,558	-	-	74,494
Total revenues	<u>310,823</u>	<u>287,716</u>	<u>369,698</u>	<u>605,147</u>	<u>462,124</u>	<u>462,124</u>	<u>148,900</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-
Equipment and building maintenance	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-
Municipal court	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-
Streets	514,958	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
E-911	-	197,301	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-
Economic development	-	-	307,496	429,442	-	-	204,059
Library	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-
Capital Outlay	-	56,119	-	7,346	-	-	-
Total Expenditures	<u>514,958</u>	<u>253,420</u>	<u>307,496</u>	<u>436,788</u>	<u>-</u>	<u>-</u>	<u>204,059</u>
Excess (deficiency) of revenues over expenditures	<u>(204,135)</u>	<u>34,296</u>	<u>62,202</u>	<u>168,359</u>	<u>462,124</u>	<u>462,124</u>	<u>(55,159)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	203,292	-	-	-	-	-	-
Transfers out	-	-	-	(6,029)	(457,471)	(457,471)	-
Total other financing sources and uses	<u>203,292</u>	<u>-</u>	<u>-</u>	<u>(6,029)</u>	<u>(457,471)</u>	<u>(457,471)</u>	<u>-</u>
Net change in fund balances	(843)	34,296	62,202	162,330	4,653	4,653	(55,159)
Fund balances - beginning	(14,651)	238,683	126,902	461,940	56,375	56,375	355,049
Fund balances - ending	<u>\$ (15,494)</u>	<u>\$ 272,979</u>	<u>\$ 189,104</u>	<u>\$ 624,270</u>	<u>\$ 61,028</u>	<u>\$ 61,028</u>	<u>\$ 299,890</u>

(continued)

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

	Cemetery Care Fund	HUD	Gifts and Contribution Fund	Emergency Shelter	Tax Increment Financing Fund	Drug Forfeiture Fund	Total Other Governmental Funds
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 203,331	\$ -	\$ 2,692,452
Fees and fines	-	-	-	-	-	933	933
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	45,053	-	134,921	-	-	254,380
Charges for services	1,088	-	-	-	-	-	1,088
Investment earnings	-	-	-	-	-	-	592
Miscellaneous	3,590	-	9,133	-	-	-	95,136
Total revenues	<u>4,678</u>	<u>45,053</u>	<u>9,133</u>	<u>134,921</u>	<u>203,331</u>	<u>933</u>	<u>3,044,581</u>
EXPENDITURES							
Current:							
General government	-	44,665	-	139,823	-	-	184,488
Engineering	-	-	-	-	-	-	-
Equipment and building maintenance	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-
Fire	-	-	12,287	-	-	-	12,287
Municipal court	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-
Streets	-	-	-	-	-	-	514,958
Parks and recreation	-	-	291	-	-	-	291
Culture and recreation	-	-	-	-	-	-	-
Animal Control/E911	-	-	-	-	-	-	197,301
Cemetery	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	940,997
Library	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	63,465
Total Expenditures	<u>-</u>	<u>44,665</u>	<u>12,578</u>	<u>139,823</u>	<u>-</u>	<u>-</u>	<u>1,913,787</u>
Excess (deficiency) of revenues over expenditures	<u>4,678</u>	<u>388</u>	<u>(3,445)</u>	<u>(4,902)</u>	<u>203,331</u>	<u>933</u>	<u>1,130,794</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	203,292
Transfers out	-	-	-	-	-	-	(920,971)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(717,679)</u>
Net change in fund balances	4,678	388	(3,445)	(4,902)	203,331	933	413,115
Fund balances - beginning	176,193	-	112,070	-	460,875	5,232	2,035,043
Fund balances - ending	<u>\$ 180,871</u>	<u>\$ 388</u>	<u>\$ 108,625</u>	<u>\$ (4,902)</u>	<u>\$ 664,206</u>	<u>\$ 6,165</u>	<u>\$ 2,448,158</u>

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	Street And Alley Fund				E-911 Fund			
			<u>Variance with Final</u>				<u>Variance with Final</u>	
			<u>Budget - Positive</u>				<u>Budget - Positive</u>	
			<u>(Negative)</u>				<u>(Negative)</u>	
	<u>Budgeted Amounts</u>		<u>Actual Amounts.</u>		<u>Budgeted Amounts</u>		<u>Actual Amounts.</u>	
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>		<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	
REVENUES								
Taxes	\$ 275,000	\$ 303,348	\$ 304,462	\$ 1,114	\$ 280,000	\$ 280,000	\$ 287,716	\$ 7,716
Licenses and permits	2,000	2,000	-	(2,000)	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	6,360	6,360	6,361	1	-	-	-	-
Total revenues	283,360	311,708	310,823	(885)	280,000	280,000	287,716	7,716
EXPENDITURES								
Departmental:								
Streets	445,000	515,000	514,958	42	-	-	-	-
Animal Control/911	-	-	-	-	279,849	279,849	253,420	26,429
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	445,000	515,000	514,958	42	279,849	279,849	253,420	26,429
Excess (deficiency) of revenues over expenditures	(161,640)	(203,292)	(204,135)	(843)	151	151	34,296	34,145
OTHER FINANCING SOURCES (USES)								
Transfers in	161,640	203,292	203,292	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	161,640	203,292	203,292	-	-	-	-	-
Net change in fund balances	-	-	(843)	(843)	151	151	34,296	34,145
Fund balances - beginning	5,008	5,008	(14,651)	(19,659)	158,792	158,792	238,683	79,891
Fund balances - ending	\$ 5,008	\$ 5,008	\$ (15,494)	\$ (20,502)	\$ 158,943	\$ 158,943	\$ 272,979	\$ 114,036

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	Economic Development Fund				Hotel/Motel Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final			Original	Final		
REVENUES								
Taxes	\$ 311,277	\$ 311,277	\$ 369,530	\$ 58,253	\$ 475,000	\$ 492,000	\$ 603,589	\$ 111,589
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	311	311	168	(143)	-	-	-	-
Miscellaneous	-	-	-	-	-	-	1,558	1,558
Total revenues	311,588	311,588	369,698	58,110	475,000	492,000	605,147	113,147
EXPENDITURES								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	295,000	295,000	307,496	(12,496)	413,624	460,624	436,788	23,836
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	295,000	295,000	307,496	(12,496)	413,624	460,624	436,788	23,836
Excess (deficiency) of revenues over expenditures	16,588	16,588	62,202	45,614	61,376	31,376	168,359	136,983
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(45,000)	(45,000)	-	45,000	(4,750)	(4,750)	(6,029)	(1,279)
Total other financing sources and uses	(45,000)	(45,000)	-	45,000	(4,750)	(4,750)	(6,029)	(1,279)
Net change in fund balances	(28,412)	(28,412)	62,202	90,614	56,626	26,626	162,330	135,704
Fund balances - beginning	29,000	29,000	126,902	97,902	402,814	402,814	461,940	59,126
Fund balances - ending	\$ 588	\$ 588	\$ 189,104	\$ 188,516	\$ 459,440	\$ 429,440	\$ 624,270	\$ 194,830

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	Police Sales Tax Fund				Fire Sales Tax Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final			Original	Final		
REVENUES								
Taxes	\$ 389,096	\$ 457,263	\$ 461,912	\$ 4,649	\$ 389,096	\$ 457,263	\$ 461,912	\$ 4,649
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	389	208	212	4	389	208	212	4
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>389,485</u>	<u>457,471</u>	<u>462,124</u>	<u>4,653</u>	<u>389,485</u>	<u>457,471</u>	<u>462,124</u>	<u>4,653</u>
EXPENDITURES								
Departmental:								
Police	-	-	-	-	-	-	-	-
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>389,485</u>	<u>457,471</u>	<u>462,124</u>	<u>4,653</u>	<u>389,485</u>	<u>457,471</u>	<u>462,124</u>	<u>4,653</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u>(389,485)</u>	<u>(457,471)</u>	<u>(457,471)</u>	<u>-</u>	<u>(389,485)</u>	<u>(457,471)</u>	<u>(457,471)</u>	<u>-</u>
Total other financing sources and uses	<u>(389,485)</u>	<u>(457,471)</u>	<u>(457,471)</u>	<u>-</u>	<u>(389,485)</u>	<u>(457,471)</u>	<u>(457,471)</u>	<u>-</u>
Net change in fund balances	-	-	4,653	4,653	-	-	4,653	4,653
Fund balances - beginning	-	-	56,375	56,375	-	-	56,375	56,375
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,028</u>	<u>\$ 61,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,028</u>	<u>\$ 61,028</u>

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	CDBG/Home Grants Fund				Cemetery Care Fund			
	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with Final</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u>	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u>
				<u>(Negative)</u>				<u>(Negative)</u>
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	721,269	721,269	74,406	(646,863)	-	-	-	-
Charges for services	-	-	-	-	4,500	4,500	1,088	(3,412)
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	16,535	16,535	74,494	57,959	-	-	3,590	3,590
Total revenues	<u>737,804</u>	<u>737,804</u>	<u>148,900</u>	<u>(588,904)</u>	<u>4,500</u>	<u>4,500</u>	<u>4,678</u>	<u>178</u>
EXPENDITURES								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	721,269	721,269	204,059	517,210	-	-	-	-
Cemetery	-	-	-	-	126,000	126,000	-	126,000
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>721,269</u>	<u>721,269</u>	<u>204,059</u>	<u>517,210</u>	<u>126,000</u>	<u>126,000</u>	<u>-</u>	<u>126,000</u>
Excess (deficiency) of revenues over expenditures	<u>16,535</u>	<u>16,535</u>	<u>(55,159)</u>	<u>(71,694)</u>	<u>(121,500)</u>	<u>(121,500)</u>	<u>4,678</u>	<u>126,178</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	16,535	16,535	(55,159)	(71,694)	(121,500)	(121,500)	4,678	126,178
Fund balances - beginning	45,381	45,381	355,049	309,668	138,806	138,806	176,193	37,387
Fund balances - ending	<u>\$ 61,916</u>	<u>\$ 61,916</u>	<u>\$ 299,890</u>	<u>\$ 237,974</u>	<u>\$ 17,306</u>	<u>\$ 17,306</u>	<u>\$ 180,871</u>	<u>\$ 163,565</u>

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	Gifts and Contribution Fund				Tax Increment Financing Fund			
	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with Final</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with Final</u>
			<u>Budgetary Basis</u>	<u>Budget - Positive</u>			<u>Budgetary Basis</u>	<u>Budget - Positive</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 203,331	\$ 103,331
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	-	5,000	9,133	4,133	-	-	-	-
Total revenues	-	5,000	9,133	4,133	100,000	100,000	203,331	103,331
EXPENDITURES								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Public Safety	-	15,000	12,287	2,713	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	400	291	109	-	-	-	-
Capital outlay	-	-	-	-	41,600	41,600	-	41,600
Total Expenditures	-	15,400	12,578	2,822	41,600	41,600	-	41,600
Excess (deficiency) of revenues over expenditures	-	(10,400)	(3,445)	6,955	58,400	58,400	203,331	144,931
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-	-	-
Net change in fund balances	-	(10,400)	(3,445)	6,955	58,400	58,400	203,331	144,931
Fund balances - beginning	-	-	112,070	112,070	584,208	584,208	460,875	(123,333)
Fund balances - ending	\$ -	\$ (10,400)	\$ 108,625	\$ 119,025	\$ 642,608	\$ 642,608	\$ 664,206	\$ 21,598

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	Drug Forfeiture Fund				HUD			
	Budgeted Amounts		Actual Amounts.	Variance with Final	Budgeted Amounts		Actual Amounts.	Variance with Final
			Budgetary Basis	Budget - Positive			Budgetary Basis	Budget - Positive
	Original	Final		(Negative)	Original	Final		(Negative)
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	750,350	45,053	(705,297)
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	933	933	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	-	-	933	933	-	750,350	45,053	(705,297)
EXPENDITURES								
Departmental:								
General government	-	-	-	-	-	750,350	44,665	705,685
Police	-	-	-	-	-	-	-	-
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	750,350	44,665	705,685
Excess (deficiency) of revenues over expenditures	-	-	933	933	-	-	388	388
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	933	933	-	-	388	388
Fund balances - beginning	-	-	5,232	5,232	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 6,165	\$ 6,165	\$ -	\$ -	\$ 388	\$ 388

(continued)

City of Shawnee, Oklahoma
Budget versus Actual – Nonmajor Funds
Year Ended June 30, 2022

	Emergency Shelter			Variance with Final
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	254,782	134,921	(119,861)
Charges for services	-	-	-	-
Fees and fines	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	254,782	134,921	(119,861)
EXPENDITURES				
Departmental:				
General government	-	254,782	139,823	114,959
Streets	-	-	-	-
Animal Control/911	-	-	-	-
Economic Development	-	-	-	-
Cemetery	-	-	-	-
Park and Recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total Expenditures	-	254,782	139,823	114,959
Total Expenditures	-	254,782	139,823	114,959
Excess (deficiency) of revenues over expenditures	-	-	(4,902)	(4,902)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	-	-	(4,902)	(4,902)
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ (4,902)	\$ (4,902)

City of Shawnee, Oklahoma
Budget versus Actual – Major Capital Project Fund – Street Improvement
Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,723,674	\$ 2,723,674	\$ 3,233,385	\$ 509,711
Intergovernmental	1,075,000	1,075,000	494,990	(580,010)
Investment earnings	3,724	3,724	13	(3,711)
Miscellaneous	-	-	359,367	359,367
Total revenues	<u>3,802,398</u>	<u>3,802,398</u>	<u>4,087,755</u>	<u>285,357</u>
EXPENDITURES				
Departmental:				
Streets	<u>3,679,417</u>	<u>3,824,417</u>	<u>2,286,444</u>	<u>1,537,973</u>
Total Streets	<u>3,679,417</u>	<u>3,824,417</u>	<u>2,286,444</u>	<u>1,537,973</u>
Total Expenditures	<u>3,679,417</u>	<u>3,824,417</u>	<u>2,286,444</u>	<u>1,537,973</u>
Excess (deficiency) of revenues over expenditures	<u>122,981</u>	<u>(22,019)</u>	<u>1,801,311</u>	<u>1,823,330</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	465,406	465,406
Transfers in	350,000	350,000	350,000	-
Transfers out	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(150,000)</u>	<u>(150,000)</u>	<u>315,406</u>	<u>465,406</u>
Net change in fund balances	(27,019)	(172,019)	2,116,717	2,288,736
Fund balances - beginning	<u>228,153</u>	<u>228,153</u>	<u>5,573,055</u>	<u>5,344,902</u>
Fund balances - ending	<u>\$ 201,134</u>	<u>\$ 56,134</u>	<u>\$ 7,689,772</u>	<u>\$ 7,633,638</u>

City of Shawnee, Oklahoma
Budget versus Actual – Major Capital Project Fund – Capital Improvement Fund
Year Ended June 30, 2022

	Capital Improvement Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,412,397	\$ 2,412,397	\$ 2,863,856	\$ 451,459
Intergovernmental	-	-	-	-
Investment earnings	3,412	3,412	1,528	(1,884)
Miscellaneous	294,875	294,875	127	(294,748)
Total revenues	<u>2,710,684</u>	<u>2,710,684</u>	<u>2,865,511</u>	<u>154,827</u>
EXPENDITURES				
Departmental:				
Finance	2,000	2,000	2,745	(745)
Animal Control/911	-	-	-	-
Economic Development	-	-	-	-
Cemetery	-	-	-	-
Park and Recreation	-	-	-	-
Capital outlay	905,375	940,375	513,424	426,951
Debt service	790,787	790,787	585,787	205,000
Total Expenditures	<u>1,698,162</u>	<u>1,733,162</u>	<u>1,101,956</u>	<u>631,206</u>
Total Expenditures	<u>1,698,162</u>	<u>1,733,162</u>	<u>1,101,956</u>	<u>631,206</u>
Excess (deficiency) of revenues over expenditures	<u>1,012,522</u>	<u>977,522</u>	<u>1,763,555</u>	<u>786,033</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	96,815	96,815
Transfers out	(942,700)	(942,700)	(964,382)	(21,682)
Total other financing sources and uses	<u>(942,700)</u>	<u>(942,700)</u>	<u>(867,567)</u>	<u>75,133</u>
Net change in fund balances	69,822	34,822	895,988	861,166
Fund balances - beginning	<u>137,720</u>	<u>137,720</u>	<u>601,425</u>	<u>463,705</u>
Fund balances - ending	<u>\$ 207,542</u>	<u>\$ 172,542</u>	<u>\$ 1,497,413</u>	<u>\$ 1,324,871</u>

City of Shawnee, Oklahoma
Budget versus Actual – Major Capital Project Fund – 2018 Capital Improvement Fund
Year Ended June 30, 2022

	2018 Capital Improvement Fund			
	Budgeted Amounts		Actual Amounts,	Variance with
	Original	Final	Budgetary Basis	Final Budget -
				Positive (Negative)
REVENUES				
Taxes	\$ 3,112,771	\$ 3,112,771	\$ 3,695,297	\$ 582,526
Intergovernmental	-	-	-	-
Investment earnings	4,113	4,113	4,242	129
Miscellaneous	-	-	256	256
Total revenues	<u>3,116,884</u>	<u>3,116,884</u>	<u>3,699,795</u>	<u>582,911</u>
EXPENDITURES				
Departmental:				
Park and Recreation	164,000	164,000	-	164,000
Capital outlay	21,195,000	21,195,000	3,696,777	17,498,223
Debt service	<u>3,118,281</u>	<u>3,118,281</u>	<u>3,118,281</u>	<u>-</u>
Total Expenditures	<u>24,477,281</u>	<u>24,477,281</u>	<u>6,815,058</u>	<u>17,662,223</u>
Total Expenditures	<u>24,477,281</u>	<u>24,477,281</u>	<u>6,815,058</u>	<u>17,662,223</u>
Excess (deficiency) of revenues over expenditures	<u>(21,360,397)</u>	<u>(21,360,397)</u>	<u>(3,115,263)</u>	<u>18,245,134</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(21,360,397)	(21,360,397)	(3,115,263)	18,245,134
Fund balances - beginning	<u>22,115,398</u>	<u>22,115,398</u>	<u>23,864,092</u>	<u>1,748,694</u>
Fund balances - ending	<u>\$ 755,001</u>	<u>\$ 755,001</u>	<u>\$ 20,748,829</u>	<u>\$ 19,993,828</u>

City of Shawnee, Oklahoma
Budget versus Actual – Major Capital Project Fund – American Rescue Plan Fund
Year Ended June 30, 2022

	American Rescue Plan Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	84,850	84,850
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	84,850	84,850
EXPENDITURES				
Departmental:				
Park and Recreation	-	-	-	-
Capital outlay	1,000,000	1,000,000	84,850	915,150
Debt service	-	-	-	-
Total Expenditures	1,000,000	1,000,000	84,850	915,150
Total Expenditures	1,000,000	1,000,000	84,850	915,150
Excess (deficiency) of revenues over expenditures	(1,000,000)	(1,000,000)	-	1,000,000
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(1,000,000)	(1,000,000)	-	1,000,000
Fund balances - beginning	4,175,737	4,175,737	2,134,225	(2,041,512)
Fund balances - ending	\$ 3,175,737	\$ 3,175,737	\$ 2,134,225	\$ (1,041,512)

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Shawnee's *Annual Comprehensive Financial Report* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health

Such statistical information includes:

FINANCIAL TRENDS – These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time

REVENUE CAPACITY – These schedules contain information to help the reader assess the city's most significant local revenue sources, gas and sales tax revenues.

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

DEMOGRAPHIC AND ECONOMIC INFORMATION – These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place

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

FINANCIAL TRENDS

**CITY OF SHAWNEE, OKLAHOMA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

Description	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net investment in capital assets	\$ 58,644,805	\$ 53,866,950	\$ 49,478,555	\$ 50,230,949	\$ 46,204,941	\$ 50,130,815	\$ 42,924,896	\$ 41,393,436	\$ 38,706,710	\$ 37,074,018
Restricted for (by):										
Capital Projects	13,585,795	7,814,617	9,394,885	7,625,200	5,489,701	8,289,801	8,813,042	8,036,373	7,580,368	5,962,728
Debt Service	542,157	500,961	258,764	415,847	207,587	379,861	112,213	74,769	140,460	136,426
Economic Development	1,775,226	1,404,766	885,198	546,262	444,008	852,575	644,796	969,384	946,696	890,628
Public Safety	401,200	356,665	406,328	227,327	158,093	192,686	137,251	156,884	656,521	548,047
Other purposes	297,969	311,140	286,545	267,069	269,945	257,040	275,019	271,109	267,367	280,788
Unrestricted	(13,478,909)	(15,479,999)	(19,518,310)	(21,030,693)	(19,637,686)	(20,566,194)	(17,360,205)	(15,740,961)	(16,816,708)	90,410
Total Governmental Activities Net Position	61,768,243	48,775,100	41,191,965	38,281,961	33,136,589	39,536,584	35,547,012	35,160,994	31,481,414	44,983,045
Business-type Activities:										
Net investment in capital assets	42,971,590	40,092,683	40,068,042	40,904,699	41,647,640	42,194,834	40,438,633	40,268,422	38,355,889	37,685,878
Restricted for:										
Capital Projects	-	-	-	-	-	-	-	-	-	-
Debt Service	2,089,763	2,379,196	2,329,383	2,343,067	2,563,339	2,470,269	2,578,084	2,611,396	2,533,205	1,380,561
Other purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	(42,176)	(890,155)	(2,081,721)	(999,491)	(2,504,186)	(2,709,448)	(1,172,742)	(597,374)	1,209,339	4,365,448
Total Business-type Activities Net Position	45,019,177	41,581,724	40,315,704	42,248,275	41,706,793	41,955,655	41,843,975	42,282,444	42,098,433	43,431,887
Primary Government:										
Net investment in capital assets	101,616,395	93,959,633	89,546,597	91,135,648	87,852,581	92,325,649	83,363,529	81,661,858	77,062,599	74,759,896
Restricted for:										
Statutory requirements	-	-	-	-	-	-	-	-	-	-
Enabling legislation	-	-	-	-	-	-	-	-	-	-
External Contracts	-	-	-	-	-	-	-	-	-	-
Capital Projects	13,585,795	7,814,617	9,394,885	7,625,200	5,489,701	8,289,801	8,813,042	8,036,373	7,580,368	5,962,728
Debt Service	2,631,920	2,880,157	2,588,147	2,758,914	2,770,926	2,850,130	2,690,297	2,686,165	2,673,665	1,516,987
Economic Development	1,775,226	1,404,766	885,198	546,262	444,008	852,575	644,796	969,384	946,696	890,628
Public Safety	401,200	356,665	406,328	227,327	158,093	192,686	137,251	156,884	656,521	548,047
Other purposes	297,969	311,140	286,545	267,069	269,945	257,040	275,019	271,109	267,367	280,788
Unrestricted	(13,521,085)	(16,370,154)	(21,600,031)	(22,030,184)	(22,141,872)	(23,275,642)	(18,532,947)	(16,338,335)	(15,607,369)	4,455,858
Total Primary Government Net Position	\$ 106,787,420	\$ 90,356,824	\$ 81,507,669	\$ 80,530,236	\$ 74,843,382	\$ 81,492,239	\$ 77,390,987	\$ 77,443,438	\$ 73,579,847	\$ 88,414,932

**CITY OF SHAWNEE, OKLAHOMA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
<i>Governmental Activities:</i>										
General Government	\$4,125,300	\$4,375,584	\$5,141,777	\$4,330,793	\$3,911,602	\$4,463,197	\$4,508,182	\$3,456,722	\$2,988,475	\$3,524,112
Public Safety	15,209,123	18,764,114	18,139,108	15,758,461	18,346,950	17,191,910	15,415,142	14,474,658	13,751,434	14,449,249
Streets	5,666,302	5,511,233	5,188,779	3,814,430	4,596,100	4,271,930	4,407,895	3,233,282	3,469,889	3,386,963
Culture and Recreations	2,155,669	2,292,685	2,442,207	1,965,351	2,346,402	2,229,120	2,482,246	1,658,533	1,348,343	1,083,872
Community Development	95,999	375,677	557,841	560,022	849,031	552,420	601,559	613,123	702,356	667,112
Economic Development	2,012,963	1,594,503	1,576,372	1,304,607	1,545,652	1,285,974	1,348,482	1,235,834	1,287,972	1,401,717
Interest on long-term debt	431,157	401,373	298,082	415,794	127,734	120,009	-	-	-	-
Total governmental activities expenses	\$29,696,513	\$33,315,169	\$33,344,166	\$28,149,458	\$31,723,471	\$30,114,560	\$28,763,506	\$24,672,152	\$23,548,469	\$24,513,025
<i>Business-type activities:</i>										
Water operations	4,421,243	3,576,520	4,215,635	4,468,752	5,591,766	5,792,312	5,903,556	5,307,131	5,829,372	6,034,550
Wastewater operations	3,265,604	3,471,685	4,551,583	3,555,364	4,014,009	3,732,123	3,486,831	3,003,781	2,724,937	2,877,353
Sanitation operations	3,582,033	2,732,373	2,325,193	1,564,494	1,716,769	1,651,800	1,618,679	1,520,472	2,018,186	1,649,687
Administration	-	679,885	827,968	665,967	834,889	672,199	634,203	561,772	529,636	585,602
Airport	1,193,787	1,290,656	1,287,795	1,261,117	1,416,774	1,357,326	1,670,545	1,462,400	1,521,292	1,417,058
Lake	152,299	138,721	113,265	136,066	191,970	152,926	145,205	111,992	473,574	250,495
Total business-type activities expenses	12,614,966	11,889,840	13,321,439	11,651,760	13,766,177	13,358,686	13,459,019	11,967,548	13,096,997	12,814,745
Total primary government expenses	42,311,479	45,205,009	46,665,605	39,801,218	45,489,648	43,473,246	42,222,525	36,639,700	36,645,466	37,327,770
Program Revenues										
<i>Governmental Activities:</i>										
Charges for Services										
General Government	518,038	407,462	255,275	308,368	272,116	278,887	250,162	177,550	163,616	346,213
Public Safety	505,512	582,869	466,983	602,059	486,743	635,624	820,025	810,266	743,581	887,155
Streets	35,482	71,066	29,435	26,848	39,240	42,223	24,076	36,360	37,373	1,470
Culture and Recreations	250,748	293,654	273,893	351,033	301,536	310,277	236,330	42,010	43,338	-
Community Development	74,494	47,531	57,383	16,245	38,501	103,249	91,740	99,121	96,825	89,084
Economic Development	42,384	35,303	28,836	37,067	34,266	35,273	25,321	26,167	27,367	29,446
Operating Grants and Contributions	3,539,764	3,242,833	5,348,846	3,132,343	2,802,355	2,914,491	3,000,696	2,884,772	3,801,276	2,380,524
Capital Grants and Contributions	84,850	2,322,958	143,000	142,558	1,109,955	5,326,598	743,035	1,039,321	860,593	50,417
Total governmental activities program revenues	5,051,272	7,003,676	6,603,651	4,616,521	5,084,712	9,646,622	5,191,385	5,115,567	5,773,969	3,784,309
<i>Business-type Activities:</i>										
Water operations	8,241,018	8,197,495	7,617,507	7,020,949	6,783,572	6,770,307	6,790,882	6,726,479	7,047,846	7,916,456
Wastewater operations	4,296,313	4,073,904	3,808,289	3,721,186	3,773,089	3,762,947	3,821,499	3,889,446	3,952,233	3,957,896
Sanitation operations	2,982,682	2,783,660	2,385,452	2,286,832	2,264,895	2,251,610	2,230,252	2,187,365	1,926,114	1,795,760
Airport	634,855	427,390	469,298	571,367	504,412	559,345	560,835	498,744	583,745	476,369
Lake	42,698	35,671	33,463	27,280	96,997	85,443	166,069	138,350	92,583	99,756
Operating Grants and Contributions	-	1,908	6,411	-	4,300	-	5,300	6,600	7,124	10,180
Capital Grants and Contributions	908,734	774,281	13,764	550,701	74,277	1,618,038	794,229	71,041	396,650	1,955,289
Total business-type activities program revenues	17,106,300	16,294,309	14,334,184	14,178,315	13,501,542	15,047,690	14,369,066	13,518,025	14,006,295	16,211,706
Total primary government program revenues	22,157,572	23,297,985	20,937,835	18,794,836	18,586,254	24,694,312	19,560,451	18,633,592	19,780,264	19,996,015

CITY OF SHAWNEE, OKLAHOMA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(continued)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (Expenses) Revenues										
<i>Governmental Activities</i>	(\$24,645,241)	(\$26,311,493)	(\$26,740,515)	(\$23,532,937)	(\$26,638,759)	(\$20,467,938)	(\$23,572,121)	(\$19,556,585)	(\$17,774,500)	(\$20,728,716)
<i>Business-type Activities</i>	4,491,334	4,404,469	1,012,745	2,526,555	(264,635)	1,689,004	910,047	1,550,477	909,298	3,396,961
Total Primary Government Net (Expenses)	(20,153,907)	(21,907,024)	(25,727,770)	(21,006,382)	(26,903,394)	(18,778,934)	(22,662,074)	(18,006,108)	(16,865,202)	(17,331,755)
General Revenues and Other Changes in Net Position										
<i>Governmental Activities:</i>										
Taxes:										
Sales and Use taxes	29,110,218	26,994,070	24,545,249	22,541,481	19,549,624	19,660,405	19,530,708	18,622,852	18,346,711	18,013,946
Franchise and public service taxes	1,725,216	1,457,288	1,422,490	1,482,916	1,703,963	1,553,935	1,543,454	1,698,127	1,626,635	1,601,416
Hotel/motel taxes	603,589	497,012	415,242	478,427	423,584	490,032	496,772	505,637	578,275	561,558
Property taxes	203,331	171,902	74,767	59,335	51,133	49,131	74,882	56,623	54,312	104,734
Other	336,892	334,458	-	973	25,055	54,317	27,323	26,830	23,687	24,062
Intergovernmental revenue	423,905	438,423	781,373	713,237	648,963	704,601	587,146	600,384	580,595	630,035
Investment Income	22,089	15,765	172,138	73,603	63,854	52,960	65,921	52,749	55,541	41,157
Miscellaneous	401,122	562,170	195,688	298,421	15,435	160,315	244,153	179,409	351,461	341,444
Transfers - Internal Activity	1,199,411	3,423,540	3,184,029	3,029,916	(273,186)	1,731,814	1,387,780	1,493,554	1,023,788	248,694
Total Governmental Activities	34,025,773	33,894,628	30,790,976	28,678,309	22,208,425	24,457,510	23,958,139	23,236,165	22,641,005	21,567,046
<i>Business-type Activities:</i>										
Investment Income	25,919	66,395	66,826	74,354	73,172	55,508	36,055	56,418	57,785	45,302
Miscellaneous	119,611	218,696	171,887	970,489	43,972	98,982	3,209	70,670	591,569	14,361
Transfers - Internal Activity	(1,199,411)	(3,423,540)	(3,184,029)	(3,029,916)	273,186	(1,731,814)	(1,387,780)	(1,493,554)	(1,023,788)	(248,694)
Total Business-type Activities	(1,053,881)	(3,138,449)	(2,945,316)	(1,985,073)	390,330	(1,577,324)	(1,348,516)	(1,366,466)	(374,434)	(189,031)
Total Primary Government	32,971,892	30,756,179	27,845,660	26,693,236	22,598,755	22,880,186	22,609,623	21,869,699	22,266,571	21,378,015
Change in Net Position										
<i>Governmental Activities</i>	9,380,532	7,583,135	4,050,461	5,145,372	(4,430,334)	3,989,572	386,018	3,679,580	4,866,505	838,330
<i>Business-type Activities</i>	3,437,453	1,266,020	(1,932,571)	541,482	125,695	111,680	(438,469)	184,011	534,864	3,207,930
Total Primary Government	\$12,817,985	\$8,849,155	\$2,117,890	\$5,686,854	(\$4,304,639)	\$4,101,252	(\$52,451)	\$3,863,591	\$5,401,369	\$4,046,260

**CITY OF SHAWNEE, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ 109,440	\$ 179,275	\$ 117,985	\$ 154,869	\$ 143,073	\$ 118,542	\$ 106,313	\$ 182,557	\$ 1,500	\$ 5,947
Restricted	8,473	22,877	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	338,351	326,388	337,128	305,382	293,121
Unreserved/Unassigned	7,634,499	6,867,115	941,490	(243,054)	(1,303,688)	2,321,252	4,767,436	5,758,830	6,472,218	6,177,557
Total General Fund	7,752,412	7,069,267	1,059,475	(88,185)	(1,160,615)	2,778,145	5,200,137	6,278,515	6,779,100	6,476,625
Other Governmental Funds:										
Nonspendable	-	-	-	-	10,586	20,479	48,976	38,367	-	-
Restricted	34,538,793	34,222,491	18,731,907	17,604,861	7,970,237	11,008,113	9,982,211	9,555,742	12,604,440	7,790,716
Assigned	-	-	-	-	-	-	-	-	-	147,571
Unreserved/Unassigned	(20,396)	(14,651)	-	(393,223)	(94,737)	(153,388)	(1,723,280)	(140,605)	(3,004)	-
Total Other Governmental Funds	34,518,397	34,207,840	18,731,907	17,211,638	7,886,086	10,875,204	8,307,907	9,453,504	12,601,436	7,938,287
Total Governmental Funds	\$42,270,809	\$41,277,107	\$19,791,382	\$17,123,453	\$6,725,471	\$13,653,349	\$13,508,044	\$15,732,019	\$19,380,536	\$14,414,912

CITY OF SHAWNEE, OKLAHOMA
CHANGES FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Taxes	\$32,234,532	\$29,757,326	\$27,112,510	\$25,217,144	\$22,315,774	\$22,384,463	\$22,190,229	\$21,453,412	\$21,160,794	\$20,852,810
Intergovernmental	3,478,911	7,087,895	2,655,059	2,806,329	3,576,360	3,512,796	3,190,305	3,799,115	2,699,312	2,356,804
Charges for services	485,238	652,625	608,344	283,027	233,014	551,788	456,508	189,682	169,761	208,273
Fines and forfeitures	294,068	553,996	398,662	704,527	563,851	653,067	783,726	268,603	225,719	845,413
Licenses and permits	432,621	358,431	229,050	537,397	509,854	255,978	214,645	685,403	655,468	184,211
Investment income	22,089	15,765	172,138	73,603	63,854	52,960	65,921	52,749	55,541	41,157
Miscellaneous	1,345,580	931,769	431,838	522,065	341,420	1,095,304	1,049,941	495,235	5,449,644	647,267
Total Revenues	38,293,039	39,357,807	31,607,601	30,144,092	27,604,127	28,506,356	27,951,275	26,944,199	30,416,239	25,135,935
Expenditures:										
Current:										
General Government	4,291,687	3,943,141	3,486,052	4,231,072	3,927,125	3,701,806	3,647,130	2,981,912	3,080,038	2,988,152
Engineering	370,505	216,897	282,428	394,315	488,407	472,231	443,180	384,817	415,147	418,707
Equipment and building maint.	478,996	455,598	352,395	428,006	484,007	489,256	505,625	459,714	438,176	449,277
Police	9,351,132	7,738,775	7,189,184	7,283,142	7,280,113	6,963,276	6,558,413	6,412,075	5,952,358	5,915,408
Fire	7,195,734	6,522,865	6,720,874	6,567,034	7,122,466	6,942,221	6,439,770	5,787,238	5,337,455	5,251,981
Municipal court	379,256	346,800	343,789	400,392	586,920	586,583	576,918	538,902	536,695	517,389
Emergency management	279,003	218,916	418,762	468,604	426,293	354,018	345,722	317,177	329,579	285,349
Streets	1,673,402	1,565,384	1,476,496	1,538,432	1,733,962	1,681,767	1,643,213	1,604,637	1,492,117	1,443,660
Parks and recreation	1,205,673	1,504,429	1,520,019	1,157,034	1,321,448	1,211,469	1,066,234	940,805	713,761	535,527
Culture and recreation	172,780	117,355	122,743	161,105	153,209	147,024	185,034	161,930	157,673	162,490
Animal control/E911	855,243	1,082,690	1,034,565	985,767	1,175,956	1,144,745	1,161,238	1,046,961	923,145	1,104,086
Cemetery	242,341	435,970	196,829	201,044	233,876	217,845	209,430	194,928	190,676	191,523
Library	125,463	100,753	90,657	91,294	101,563	88,960	86,566	95,372	88,424	88,224
Economic development	2,008,089	1,487,693	1,739,440	1,647,107	1,915,243	1,644,197	1,593,967	1,740,676	1,779,650	1,870,353
Capital outlay	6,657,827	8,937,247	4,321,501	4,459,483	5,962,579	6,839,201	6,049,430	8,457,080	6,662,187	6,270,385
Debt service:										
Principal retirement	3,414,006	3,103,888	2,985,285	2,574,631	1,206,383	1,048,789	620,844	925,193	389,365	191,126
Interest and fiscal charges	427,535	392,221	314,402	245,687	139,269	124,477	430,316	21,212	53,703	12,935
Total Expenditures	39,128,672	38,170,622	32,595,421	32,834,149	34,258,819	33,657,865	31,563,030	32,070,629	28,540,149	27,696,572
Excess of revenues over(under) expenditures	(835,633)	1,187,185	(987,820)	(2,690,057)	(6,654,692)	(5,151,509)	(3,611,755)	(5,126,430)	1,876,090	(2,560,637)
Other Financing Sources (Uses):										
Transfers in	4,069,901	6,006,786	4,330,041	5,303,579	4,435,888	3,037,868	3,701,191	3,170,107	2,928,664	2,370,474
Transfers out	(2,802,787)	(2,583,246)	(1,146,012)	(2,215,540)	(4,709,074)	(1,306,054)	(2,313,411)	(1,692,194)	(1,904,876)	(2,121,780)
Capital Lease/bond proceeds	562,221	16,875,000	-	10,000,000	-	3,565,000	-	-	2,065,746	-
Total Other Financing Sources (Uses)	1,829,335	20,298,540	3,184,029	13,088,039	(273,186)	5,296,814	1,387,780	1,477,913	3,089,534	248,694
Net change in fund balances	\$993,702	\$21,485,725	\$2,196,209	\$10,397,982	(\$6,927,878)	\$145,305	(\$2,223,975)	(\$3,648,517)	\$4,965,624	(\$2,311,943)
Debt Service as a Percentage of Non-Capital Expenditures	12.43%	11.67%	11.46%	9.85%	4.64%	4.33%	3.97%	3.97%	2.01%	0.95%

(1) This schedule reports using the modified accrual basis of accounting.

REVENUE CAPACITY

**CITY OF SHAWNEE, OKLAHOMA
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Tax (2)	Sales Tax	Use Tax	Hotel/ Motel Tax	Alcoholic Beverage Tax	Franchise Taxes	Cigarette Tax	Other Taxes	Totals
2022	\$ 203,331	\$ 25,867,080	\$ 3,243,138	\$ 603,589	\$ 220,012	\$ 1,725,216	\$ 203,893	\$ 387,089	\$ 32,453,348
2021	171,902	24,334,925	2,659,145	497,012	215,071	1,457,288	223,352	403,715	29,962,410
2020	74,767	22,194,482	2,350,767	415,242	196,385	1,422,490	204,260	380,728	27,239,121
2019	60,424	20,356,811	1,772,979	481,194	161,993	1,483,257	173,971	602,704	25,093,333
2018	51,133	18,156,475	1,456,101	468,365	125,082	1,703,962	213,534	529,072	22,703,724
2017	49,131	18,131,600	1,528,805	490,032	123,110	1,553,935	220,827	360,664	22,458,104
2016	74,882	17,950,304	1,580,404	496,772	116,715	1,543,454	213,753	27,323	22,003,607
2015	46,623	17,312,309	1,310,543	506,637	118,209	1,698,127	203,841	26,830	21,223,119
2014	-	17,203,546	1,143,165	578,275	115,514	1,626,635	102,356	45,133	20,814,624
2013	-	17,016,609	997,336	663,905	111,929	1,601,415	215,397	74,628	20,681,219

**CITY OF SHAWNEE, OKLAHOMA
SALES & USE TAX RATES
OF DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
SALES TAX RATES										
General Fund	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%
Capital Improvement Fund	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%
Street Improvement Fund	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%
Parks/Public Safety/Street Improvement Fund	0.5000%	0.5000%	0.5000%	0.5000%	0.5000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Economic Development Fund	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%
Police Sales Tax Fund	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
Fire Sales Tax Fund	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
Debt Service										
City of Shawnee Total (1)	3.5000%	3.5000%	3.5000%	3.5000%	3.5000%	3.0000%	3.0000%	3.0000%	3.0000%	3.0000%
Pottawatomie County (3)	1.4995%	1.4995%	1.4995%	1.4995%	1.4995%	1.4995%	1.0000%	1.0000%	1.0000%	1.0000%
State of Oklahoma (3)	4.5000%	4.5000%	4.5000%	4.5000%	4.5000%	4.5000%	4.5000%	4.5000%	4.5000%	4.5000%
Total	9.4995%	9.4995%	9.4995%	9.4995%	9.4995%	8.9995%	8.5000%	8.5000%	8.5000%	8.5000%
Use Tax Rates (3)	3.5000%	3.5000%	3.5000%	3.5000%	3.5000%	3.0000%	3.0000%	3.0000%	3.0000%	3.0000%

(1) The source for City sales tax rate is the City Code.

(2) City sales tax increases must be approved by voters.

(3) The source for other sales tax rates is the State of Oklahoma Tax Commission. The Pottawatomie County 1.4495% sales tax rate became effective July 2016.

CITY OF SHAWNEE, OKLAHOMA
Sales Taxes Collected by Category
Last Ten Fiscal Years

Group	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Agriculture, Forestry, Fishing and Hunting	\$ 4,606	\$ 17,990	\$ 17,604	\$ 823	\$ 508	\$ -	\$ -	\$ 71	\$ -	\$ -
Mining, Quarrying, and Oil and Gas Extraction	112	110	3,912	10,693	389	-	-	840	-	-
Utilities	1,216,674	1,032,759	1,010,076	998,673	990,298	905,722	880,010	1,007,967	1,044,037	1,122,586
Construction	26,310	7,598	30,716	5,323	4,505	12,252	7,416	16,440	22,958	-
Manufacturing	310,104	288,177	366,652	241,579	313,305	397,362	268,594	342,461	210,527	-
Wholesale Trade	1,918,229	1,680,064	1,430,054	1,410,140	1,172,023	1,164,915	1,057,215	1,095,325	1,110,617	1,115,623
Retail Trade	15,635,564	15,230,050	13,780,076	12,761,944	11,010,658	11,074,640	11,091,922	10,477,678	10,683,826	10,604,463
Transportation and Warehousing	38,990	34,231	20,135	22,182	19,858	20,326	13,013	16,389	19,849	-
Information	619,067	579,373	557,209	659,093	623,525	659,099	719,841	700,499	641,849	581,966
Finance and Insurance	42,319	47,656	62,383	86,828	64,977	47,983	45,282	45,516	56,526	-
Real Estate and Rental and Leasing	290,300	299,975	286,894	236,620	272,369	270,509	221,888	222,174	196,723	354,754
Professional, Scientific, and Technical Services	40,626	37,879	29,176	35,789	30,473	41,226	42,697	33,472	53,242	-
Administrative and Support and Waste Management and Remediation Services	13,148	13,540	10,681	11,460	8,534	6,652	8,497	8,600	-	-
Educational Services	8,021	2,234	5,965	7,160	5,479	8,461	7,270	7,460	7,515	-
Health Care and Social Assistance	140,477	23,837	76,931	30,203	26,392	30,647	28,965	28,003	31,223	-
Arts, Entertainment, and Recreation	270,566	247,047	241,370	200,191	87,114	76,510	67,929	64,420	71,776	132,781
Accommodation and Food Services	4,899,262	4,455,812	3,915,062	3,734,655	3,256,976	3,159,022	3,097,518	3,021,167	2,950,196	2,691,304
Other Services (except Public Administration)	334,042	366,510	233,172	175,369	158,579	163,531	158,162	161,421	161,892	145,861
Public Administration	11,453	16,875	6,202	2,248	4,905	-	-	-	-	-
Unclassified	87,698	68,776	89,849	76,090	65,611	176,403	343,101	162,624	384,102	267,271
	\$25,907,568	\$ 24,450,493	\$ 22,174,119	\$ 20,707,063	\$ 18,116,478	\$ 18,215,260	\$ 18,059,320	\$ 17,412,527	\$ 17,646,858	\$ 17,016,609
Total Sales Taxes	\$25,907,568	\$ 24,450,493	\$ 22,174,119	\$ 20,707,063	\$ 18,116,478	\$ 18,215,260	\$ 18,059,320	\$ 17,412,527	\$ 17,646,858	\$ 17,016,609
Percent Change	5.96%	10.27%	7.08%	14.30%	-0.54%	0.86%	3.71%	-1.33%	3.70%	5.15%

The Oklahoma Tax Commission changed the way they are reporting it is now by NAICS CODES beginning in FY 2014
We matched previous years as best that we could to match to the new codes descriptions.

CITY OF SHAWNEE, OKLAHOMA
Water and Sewer Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Water Rate Per Gallons In City Limits						Sewer Rate in City Limits	
	0 - 1,000	1,001 - 4,000	4,001 - 1,000,000	1,000,001 - 2,000,000	More than 2,000,000		Monthly Base Rate	More than 1,000
2022	\$ 23.42	\$ 4.40	\$ 4.51	\$ 4.64	\$ 4.74	\$	15.27	\$ 3.38
2021	\$ 22.74	\$ 4.27	\$ 4.38	\$ 4.50	\$ 4.60	\$	14.83	\$ 3.28
2020	\$ 22.25	\$ 4.18	\$ 4.29	\$ 4.40	\$ 4.50	\$	14.51	\$ 3.21
2019	\$ 22.25	\$ 4.18	\$ 4.29	\$ 4.40	\$ 4.50	\$	14.51	\$ 3.21
2018	\$ 20.70	\$ 3.89	\$ 3.99	\$ 4.09	\$ 4.19	\$	13.50	\$ 2.90
2017	\$ 20.70	\$ 3.89	\$ 3.99	\$ 4.09	\$ 4.19	\$	13.50	\$ 2.90
2016	\$ 20.70	\$ 3.89	\$ 3.99	\$ 4.09	\$ 4.19	\$	13.50	\$ 2.90
2015	\$ 20.70	\$ 3.89	\$ 3.99	\$ 4.09	\$ 4.19	\$	13.50	\$ 2.90
2014	\$ 20.70	\$ 3.89	\$ 3.99	\$ 4.09	\$ 4.19	\$	13.50	\$ 2.90
2013	\$ 20.70	\$ 0.79	\$ 3.89	\$ 3.99	\$ 4.09	\$	11.60	\$ 2.85
Fiscal Year Ended June 30	Water Rate Per Gallons Outside City Limits						Sewer Rate Outside City Limits	
	0 - 1,000	1,001 - 4,000	4,001 - 1,000,000	1,000,001 - 2,000,000	More than 2,000,000		Monthly Base Rate	More than 1,000
2022	\$ 27.22	\$ 6.61	\$ 6.78	\$ 6.95	\$ 7.12	\$	22.92	\$ 4.92
2021	\$ 26.43	\$ 6.42	\$ 6.58	\$ 6.75	\$ 6.91	\$	22.25	\$ 4.78
2020	\$ 25.86	\$ 6.28	\$ 6.44	\$ 6.60	\$ 6.76	\$	21.77	\$ 4.68
2019	\$ 25.86	\$ 6.28	\$ 6.44	\$ 6.60	\$ 6.76	\$	21.77	\$ 4.68
2018	\$ 24.06	\$ 5.84	\$ 5.99	\$ 6.14	\$ 6.29	\$	20.25	\$ 4.35
2017	\$ 24.06	\$ 5.84	\$ 5.99	\$ 6.14	\$ 6.29	\$	20.25	\$ 4.35
2016	\$ 24.06	\$ 5.84	\$ 5.99	\$ 6.14	\$ 6.29	\$	20.25	\$ 4.35
2015	\$ 24.06	\$ 5.84	\$ 5.99	\$ 6.14	\$ 6.29	\$	20.25	\$ 4.35
2014	\$ 24.06	\$ 5.84	\$ 5.99	\$ 6.14	\$ 6.29	\$	20.25	\$ 4.35
2013	\$ 24.06	\$ 5.69	\$ 58.84	\$ 5.99	\$ 6.14	\$	20.25	\$ 4.35

FY22 Rates per adopted fee schedule as of May 1, 2022

FY21 Rates per adopted fee schedule as of August 1, 2020.

FY19 Rates per adopted fee schedule as of March 1, 2019.

FY13 Rates per City Ordinance #2484 dated August 12, 2012.

All utility rates from City Ordinance.

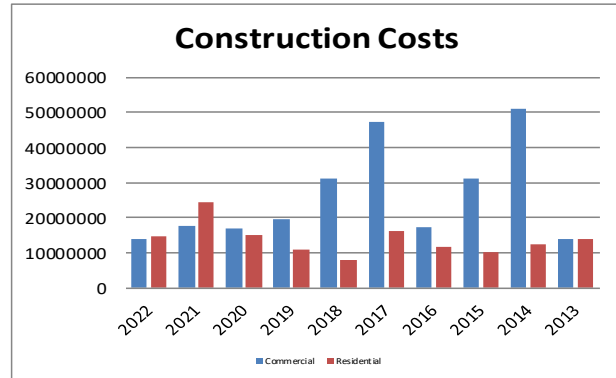
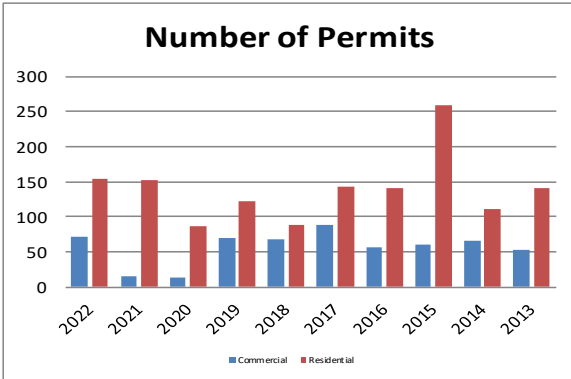
CITY OF SHAWNEE, OKLAHOMA
Water Utility User Categories
Last Ten Fiscal Years

	2022		2021		2020		2019		2018	
	Consumption Gallons	Sales	Consumption Gallons	Sales	Consumption Gallons	Sales	Consumption Gallons	Sales	Consumption Gallons	Sales
Type of Customer										
Residential										
Builder	2,070,500	16,154	2,168,100	\$ 17,732	1,133,100	\$ 12,985	621,700	\$ 13,953	1,682,700	\$ 17,896
Residential	544,942,900	4,661,469	598,842,400	4,822,950	500,626,700	4,328,105	496,634,600	4,085,514	527,524,200	4,114,993
Residential Sprinkler	5,413,900	37,633	5,703,700	40,003	4,365,300	33,407	4,441,900	32,016	7,273,000	42,982
Commercial										
Commercial	397,191,200	2,116,526	432,460,305	2,264,627	374,679,961	1,971,134	450,698,281	2,182,531	420,378,713	2,010,921
Commercial Sprinkler	19,379,800	119,038	18,102,300	117,443	15,567,200	103,984	16,578,800	99,208	21,337,600	114,036
Schools	7,433,000	41,338	6,578,600	37,607	9,865,000	39,228	8,677,200	43,479	6,958,100	35,208
Schools Sprinkler	8,904,800	42,209	8,759,400	41,176	4,765,300	23,199	4,012,600	18,796	7,076,800	30,730
G Rate	15,896,000	75,072	18,041,000	83,754	6,680,800	32,892	3,380,300	16,797	3,227,600	15,643
Government	124,959,800	-	305,485,400	-	44,485,100	-	59,946,400	-	29,644,400	-
Total	<u>1,126,191,900</u>	<u>\$ 7,109,439</u>	<u>1,396,141,205</u>	<u>\$ 7,425,292</u>	<u>962,168,461</u>	<u>\$ 6,544,934</u>	<u>1,044,991,781</u>	<u>\$ 6,492,294</u>	<u>1,025,103,113</u>	<u>\$ 6,382,408</u>
Average Rate per Thousand		6.313%		5.318%		6.802%		6.213%		6.226%

	2017		2016		2015		2014		2013	
	Consumption Gallons	Sales	Consumption Gallons	Sales	Consumption Gallons	Sales	Consumption Gallons	Sales	Consumption Gallons	Sales
Type of Customer										
Residential										
Builder	1,372,500	\$ 14,974	1,265,000	\$ 11,382	1,080,200	\$ 13,263	2,590,300	\$ 10,045	9,752,700	\$ 10,045
Residential	502,400,600	3,951,276	525,824,300	4,103,796	525,751,600	4,097,304	1,151,352,700	4,195,903	574,050,400	4,195,903
Residential Sprinkler	7,059,100	39,040	7,065,170	42,559	5,790,000	37,778	16,547,400	53,118	8,937,800	53,118
Commercial										
Commercial	415,199,350	1,972,588	461,629,130	2,162,858	444,395,900	2,097,682	1,169,695,000	1,502,194	258,006,500	1,502,194
Commercial Sprinkler	19,621,900	104,362	19,388,100	105,416	17,564,800	96,270	39,439,200	102,223	17,465,200	102,223
Schools	7,980,000	39,040	7,840,100	38,950	8,401,400	41,197	18,495,400	44,364	9,417,900	44,364
Schools Sprinkler	5,639,000	24,892	7,801,200	33,708	6,667,300	29,199	16,947,600	40,610	9,725,500	40,610
G Rate	1,619,500	8,616	2,305,500	11,550				1,875,814	499,738,000	1,875,814
Government	<u>1,024,415,200</u>	<u>-</u>	<u>23,315,500</u>	<u>-</u>	<u>2,048,100</u>	<u>10,528</u>	<u>7,414,000</u>	<u>11,303</u>	<u>5,898,000</u>	<u>11,303</u>
Total	<u>1,985,307,150</u>	<u>\$ 6,154,788</u>	<u>1,056,434,000</u>	<u>\$ 6,510,219</u>	<u>1,011,699,300</u>	<u>\$ 6,423,221</u>	<u>2,422,481,600</u>	<u>\$ 7,835,574</u>	<u>1,392,992,000</u>	<u>\$ 7,835,574</u>
Average Rate per Thousand		3.100%		6.162%		6.349%		3.235%		5.625%

Information from City of Shawnee Utility Billing Department.
2016 was the first year of the city's new aquatic facility causing an increase in government usage.

CITY OF SHAWNEE, OKLAHOMA
Construction Permits
Last Ten Fiscal Years



Commercial Construction (1)		
Year	Commercial Number of Permits	Commercial Construction Cost
2022	72	\$ 14,064,982
2021	16	\$ 17,500,600
2020	14	\$ 16,931,776
2019	69	\$ 19,479,350
2018	68	\$ 31,090,857
2017	89	\$ 47,119,560
2016	57	\$ 17,215,614
2015	60	\$ 31,339,602
2014	66	\$ 51,016,380
2013	53	\$ 13,961,584

Residential Construction (1)		
Residential Number of Permits	Residential Construction Cost	Average Cost
154	\$14,771,025	\$95,916
153	\$24,535,306	\$160,361
87	\$15,078,940	\$173,321
123	\$10,842,456	\$88,150
88	\$7,947,514	\$90,313
143	\$16,147,446	\$112,919
140	\$11,764,316	\$84,031
259	\$10,236,707	\$39,524
111	\$12,289,904	\$110,720
141	\$14,112,761	\$100,091

(1) The source of this information is the City of Shawnee Permits Department.

DEBT CAPACITY

CITY OF SHAWNEE, OKLAHOMA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES					
FISCAL YEAR	GENERAL OBLIGATION BONDS	CAPITAL LEASE	NOTE PAYABLE	NOTE PAYABLE	BOND PREMIUM	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA	
2022	\$ -	\$ -	\$ 20,146,175	\$ 17,667,635	\$ 43,695	\$ 37,857,505	1.97%	\$ 1,198.93	
2021	-	-	23,115,000	13,457,456	174,779	36,747,235	1.98%	1,171.15	
2020	-	314,678	9,025,000	12,816,059	305,863	22,461,600	3.06%	714.52	
2019	-	614,963	11,710,000	10,415,637	436,947	23,177,547	2.90%	737.34	
2018	-	909,594	3,990,000	11,775,580	568,030	17,243,204	3.77%	551.15	
2017	-	1,195,977	4,910,000	13,239,477	699,114	20,044,568	3.29%	641.34	
2016	-	1,474,344	2,115,422	15,364,719	830,199	19,784,684	3.16%	638.73	
2015	-	1,744,918	2,736,266	17,717,966	961,283	23,160,433	2.57%	710.28	
2014	-	2,065,746	3,340,631	20,074,847	1,092,367	26,573,591	2.26%	822.64	
2013	-	-	689,996	21,612,098	1,223,451	23,525,545	3.04%	727.66	

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
See the Demographic Statistic for personal income and population data.

CITY OF SHAWNEE, OKLAHOMA
DEBT COVERAGE
Last Ten Fiscal Years

Fiscal Year				Net Revenue Available for Debt Service	Bond Indenture Requirement		
	Gross Revenue	Direct Operating Expenses (1)			Average Annual Debt Service	Calculated Coverage	Required Coverage
2022	\$ 12,069,912	\$ 5,760,192		\$ 6,309,720	\$ 3,529,861	1.79	1.25
2021	11,015,711	5,445,293		5,570,418	2,372,627	2.35	1.25
2020	10,288,520	6,703,504		3,585,016	2,420,560	1.48	1.25
2019	10,742,135	4,639,697		6,102,438	1,888,569	3.23	1.25
2018	10,135,614	5,975,433		4,160,181	1,891,489	2.20	1.25
2017	10,085,537	5,909,641		4,175,896	2,578,213	1.62	1.25
2016	10,159,914	5,696,784		4,463,130	817,474	5.46	1.25
2015	10,141,490	4,891,570		5,249,920	1,257,658	4.17	1.25
2014	10,760,193	5,958,355		4,801,838	1,312,789	3.66	1.25
2013	11,401,562	5,750,996		5,650,566	1,267,646	4.46	1.25

(1) Direct operating expenses exclude amortization, depreciation and bad debt expenses.

(2) Gross revenues included pledged revenues of water and wastewater.

DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF SHAWNEE, OKLAHOMA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population (3)	Personal Income	Per Capita Personal Income (1)	Unemployment Rate (2)
2022	31,576	\$ 747,025,008	\$ 23,658	3.1
2021	31,377	\$ 726,001,026	\$ 23,138	3.7
2020	31,436	687,065,216	21,856	7.1
2019	31,434	673,190,544	21,416	3.8
2018	31,232	650,343,936	20,823	4.4
2017	31,465	663,093,410	21,074	4.4
2016	31,286	658,977,018	21,063	5.0
2015	31,254	625,173,762	20,003	4.8
2014	30,975	596,113,875	19,245	4.8
2013	30,649	601,517,274	19,626	5.0

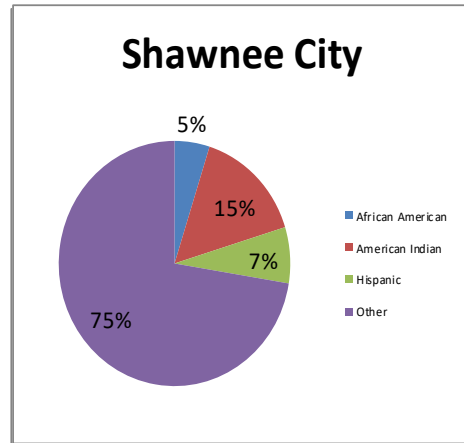
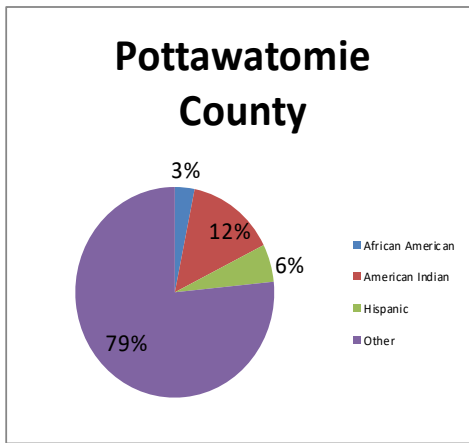
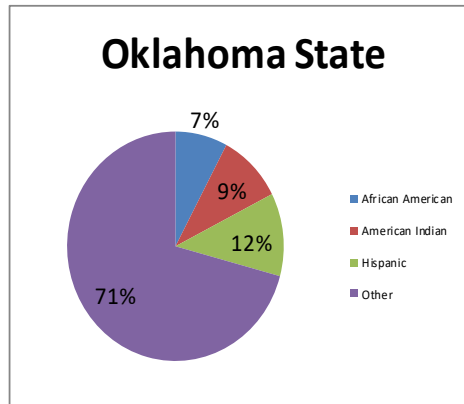
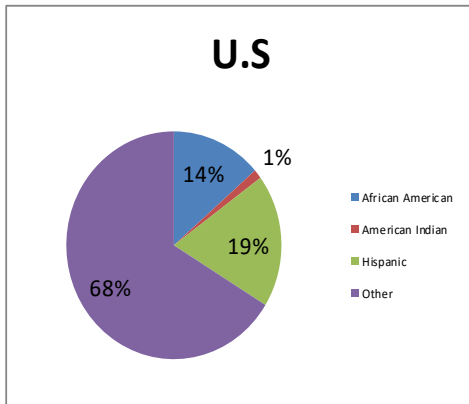
(1) Information obtained from the U.S. Census Bureau and the Oklahoma Department of Commerce.

(2) Information obtained from the Oklahoma Employment Security Commission, for the Oklahoma City metropolitan area

CITY OF SHAWNEE, OKLAHOMA

Ethnic Demographic Statistics

	Comparative Ethnic Percentage Population			
	U.S	Oklahoma State	Pottawatomie County	Shawnee City
African American	13.60%	7.80%	3.20%	4.90%
American Indian	1.30%	9.70%	14.40%	15.30%
Hispanic	18.90%	11.70%	5.80%	7.40%
Other	66.20%	70.80%	76.60%	72.40%
	100.00%	100.00%	100.00%	100.00%



Data provided by the U.S. Census Bureau, 2020: DEC Redistricting Data (PL 94-171)

CITY OF SHAWNEE, OKLAHOMA
PRINCIPAL EMPLOYERS
Current year and Ten years ago

	2022			2012		
	Employees	RANK	% of Total Employment	Employees	RANK	% of Total Employment
Citizens Potawatomi Nation*	2,033	1	34.09%	1,945	1	33.97%
SSM Health (St Anthony)	934	2	15.66%	497	3	8.68%
Georg Fischer	700	3	11.74%	414	5	7.23%
Shawnee Public Schools	575	4	9.64%	490	4	8.56%
Walmart	400	5	6.71%	400	6	6.99%
Oklahoma Baptist**	352	6	5.90%	352	7	6.15%
City of Shawnee	285	7	4.78%	-	-	-
Danfoss (formerly Eaton Corporation)	248	8	4.16%	352	8	6.15%
Exxon Mobil (Jindal Films)	236	9	3.96%	350	9	6.11%
Shawnee Milling	200	10	3.35%	-	-	-
Wolverine Tube	-	-	-	600	2	10.48%
Absentee Shawnee	-	-	-	326	10	5.69%
	<u>5,963</u>		<u>100.00%</u>	<u>5,726</u>		<u>100.00%</u>

Source: Shawnee Forward

* Numbers include Firelake Grand Casino, Citizen Potawatomi Nation, and Firelake Entertainment.

** Numbers include Oklahoma Baptist University and OBU Catering Service.

*** Numbers include Shawnee Middle School, Shawnee High School, Shawnee Learning Center, and Shawnee/Head Start Cooperative.

CITY OF SHAWNEE, OKLAHOMA
Full-Time Equivalent City Government Employees by Function / Program
Last Ten Fiscal Years
Full-Time Equivalent Employees as of June 30,

FUNCTION / PROGRAM	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government:										
Management Services	13.0	11.5	9.5	8.0	10.5	10.0	9.0	11.0	10.0	10.0
Finance	5.0	6.0	5.5	4.5	7.0	6.5	7.0	9.0	7.0	7.0
Planning	2.0	8.0	7.0	8.0	8.0	9.0	9.0	8.0	9.0	8.0
Other	9.5	8.0	6.5	18.5	10.5	10.5	11.0	13.0	13.0	12.0
Police:										
Officers	77.0	72.0	72.0	63.0	66.0	61.0	58.0	61.0	60.0	57.0
Civilians	15.5	19.5	21.5	19.0	22.0	24.0	27.0	25.0	27.0	23.0
Fire:										
Firefighters and Officers	51.0	52.0	50.0	51.0	54.0	53.0	54.0	53.0	54.0	46.0
Civilians	1.0	3.0	3.0	3.0	3.5	3.0	3.0	3.0	3.0	3.0
Other Public Works:										
Engineering	3.0	3.0	1.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Other	34.0	28.0	29.0	22.0	26.0	24.0	26.0	24.0	26.0	25.0
Redevelopment	2.0	1.0	1.5	3.0	2.0	1.5	2.0	1.5	1.5	2.5
Parks and Recreation	31.0	38.0	38.5	73.0	52.5	59.0	43.0	37.5	21.0	23.0
Water	25.0	21.0	21.5	22.5	35.0	40.5	40.0	40.0	40.5	36.5
Wastewater	16.0	19.0	18.0	17.0	26.0	26.0	27.0	23.0	19.5	19.0
Total	<u>285.0</u>	<u>290.0</u>	<u>284.5</u>	<u>316.5</u>	<u>327.0</u>	<u>332.0</u>	<u>320.0</u>	<u>312.0</u>	<u>294.5</u>	<u>275.0</u>

Source: City of Shawnee Human Resources Department

CITY OF SHAWNEE, OKLAHOMA
Operating Assets by Function / Program
Last Ten Fiscal Years

FUNCTION / PROGRAM	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:									
Stations	1	1	1	1	1	1	1	1	1
Zone Offices	1	1	1	1	1	2	2	2	2
Patrol Units	74	70	38	37	57	71	71	69	69
Gun Range	1	1	1	1	1	1	1	1	1
Fire:									
Stations	3	3	3	3	3	4	4	3	3
Engines/vehicles	20	20	22	18	18	18	18	18	18
Other Public Works:									
Streets (miles)	225	225	225	225	225	191	191	191	191
Highway Interstate (miles)	20	3	3	3	3	2.5	2.5	2.5	2.5
Traffic Signals	39	43	43	43	44	49	49	48	47
Culture and Recreation									
Acerage	137	137	137	137	137	137.36	137.36	137.36	137.36
Playgrounds	33	33	33	33	33	33	33	33	33
Baseball/Softball Diamonds	9	9	9	9	9	9	9	9	9
Community Centers	2	2	1	1	1	1	1	1	1
Municipal Pool	1	1	1	1	1	1	1	1	-
Splash Pads	2	2	2	2	2	2	2	2	-
Park and Recreation Reservations	284	95	101	156	222	380	380	380	392
Municipal Airport									
Terminals	1	1	1	1	1	1	1	1	1
Feet of runway	5,997	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
T-Hangers	28	28	28	28	28	28	28	28	28
Box Hangers	7	7	7	7	6	4	4	4	4
Vehicles	4	4	4	5	5	3	3	3	2
Aircraft Tug	2	2	2	2	2	1	1	0	0
Weatherstation	1	1	1	1	1	1	1	1	1
Water:									
Water Mains (miles)	285	285	285	285	218	218	218	217	217
Fire Hydrants	1,708	1,550	1,550	1,550	1,404	1,374	1,374	1,415	1,413
Storage Capacity (thousands of gallons)	3,500	3.5m	3.5m	3.5m	2.5m	2.5m	2.5m	2.5m	2.5m
Water Towers	5	4	4	4	4	3	3	3	3
Wastewater:									
Sanitary Sewers (miles)	186	200	200	200	220	220	220	200	200
Treatment Capacity (thousands of gallons)	6,000	1.3m	1.3m	1.3m	6m	6m	6m	6m	6m
Manholes *	3,617	2,810	2,810	2,810	3,575	3,526	3,526	-	-
Plants	2	2	2	2	2	2	2	2	2

Information from City of Shawnee departments.

CITY OF SHAWNEE, OKLAHOMA
Operating Indicators
Last Ten Fiscal Years

FUNCTION / PROGRAM	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Aiport- **										
Takeoffs	4,591	1,443	1,000	9,182	3,120	9,445	8,640	8,456	-	-
Fuel Sales	68,279	56,668	49,395	70,170	56,802	74,923	73,378	51,141	-	-
Police:										
Physical Arrests	2,728	1,514	1,127	1,645	2,188	1,062	2,118	2,255	2,067	2,350
Total Parking and Traffic Citations	5,764	4,689	2,337	4,946	3,819	2,884	4,832	5,302	5,566	6,726
Fire:										
Emergency Responses	5,956	5,889	5,138	5,665	5,494	5,587	5,368	5,265	4,637	4,768
Fires Extinguished	363	305	291	156	271	288	256	214	301	282
Inspections	243	144	418	142	159	133	224	333	297	12
Culture and Recreation										
Attendance-Pool	31,417	22,196	19,102	28,899	32,445	41,242	34,904	28,588	-	-
Park and Recreation Reservations	284	95	101	156	222	268	240	380	392	392
Community Development										
Building Permits	226	169	101	192	199	232	197	319	177	194
Building Inspections	3,404	3,820	2,160	1,536	2,332	3,675	3,321	2,834	2,460	2,579
Streets:										
Street Resurfacing (Lane Blocks)	1	10	-	-	-	142	195	187	98	134
Potholes Repaired	1,512	1,209	830	950	1,000	3,900	3,900	2,925	3,900	775
Economic Development: ***										
Home loans	16	19	19	18	19	54	55	-	-	-
New loans	-	-	1	-	-	6	11	-	-	-
First time homebuyers	-	1	1	-	-	1	2	-	-	-
Water:										
New Connections	13	-	-	-	-	164	835	738	60	490
Water Main Breaks	80	136	59	75	84	69	107	70	117	146
Average Daily Consumption (thousands of gallons)	3,000	3.80	3.60	3.00	2.81	3	4,590	3,609	3,914	4,589
Peak Daily Consumption (thousands of gallons)	5,000	7.7	4.3	3.5	5,280	4,400	4,962	5,502	5,881	7,458
Wastewater:										
Average Daily Sewer Treament (thousands of gallons)*	2,160	3.6	3.4	3.77	3.69	4.04	3.39	2.24	2,819	3,086
Sanitation: ***										
Large polycarts	11,529	11,543	11,412	11,365	11,266	9,518	11,018	-	-	-
Small polycarts	765	760	712	650	607	592	536	-	-	-
Recycle bins	10,537	10,407	10,444	10,413	10,395	10,357	10,194	-	-	-

* MGD Million gallons per day

**Began record keeping in 2015, 2019 numbers included take offs and landings

*** Began tracking information in 2016

Information from City of Shawnee departments. Information has been provided for all functions that track operating data.