



CITY OF NORMAN, OK
CITY COUNCIL FINANCE COMMITTEE MEETING
Municipal Building, Executive Conference Room, 201 West Gray, Norman,
OK 73069
Thursday, September 15, 2022 at 4:00 PM

AGENDA

It is the policy of the City of Norman that no person or groups of persons shall on the grounds of race, color, religion, ancestry, national origin, age, place of birth, sex, sexual orientation, gender identity or expression, familial status, marital status, including marriage to a person of the same sex, disability, retaliation, or genetic information, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in employment activities or in all programs, services, or activities administered by the City, its recipients, sub-recipients, and contractors. In the event of any comments, complaints, modifications, accommodations, alternative formats, and auxiliary aids and services regarding accessibility or inclusion, please contact the ADA Technician at 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.

CALL TO ORDER

AGENDA ITEMS

1. DISCUSSION REGARDING THE FYE2022 YEAR END CLOSEOUT.
2. DISCUSSION REGARDING THE FYE 2024 BUDGET CALENDAR.
3. DISCUSSION REGARDING THE MONTHLY REVENUE AND EXPENDITURES REPORTS.
4. SUBMISSION OF THE REPORT ON OPEN POSITIONS.

ADJOURNMENT

City of Norman, Oklahoma

**Pre-Audit Report to the Finance Committee
September 15, 2022**

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Introductory Matters

The purpose of this report is to summarize various matters relating to our approach for the June 30, 2022 audit of the financial statements of the City of Norman, Oklahoma and its related authorities (the City).

Audit of Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Our audit will be made for the purpose of rendering an opinion on the City's financial statements as of and for the year ended June 30, 2022.

Our audit focuses on the likelihood of a material misstatement in the financial statements.

An audit of the financial statements does not relieve management, the Finance Committee, or the City Council of their responsibilities.

Audit of Compliance with Requirements Applicable to Major Federal Award Programs

We will conduct our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Uniform Guidance. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

Our audit will be made for the purpose of rendering an opinion on the following items as of and for the year ended June 30, 2022:

- ✓ Schedule of Expenditures of Federal Awards
- ✓ Each of the City's major federal award programs

The actual terms of our engagement are more fully documented in an engagement letter dated July 6, 2022 and signed by the City Manager and FORVIS.

Planned Scope & Timing of the Audit

Our audit approach emphasizes the areas of higher risk, focusing on the unique characteristics of the operating environment, the effectiveness of your internal control, and your financial statement amounts and disclosures.

Based on our understanding of your entity and our assessment of your internal control, we plan our audit to achieve the appropriate level of assurance regarding material misstatements and material weaknesses in internal control over financial reporting.

Significant Risks Identified

We have preliminarily identified the following areas of significant risks of material misstatement due to error or fraud and propose to address these areas as described:

- ✓ Risk of management override of controls
 - *Planned Audit Approach:* Review accounting estimates for bias, review of journal entries, evaluate business rationale for unusual transactions
- ✓ Improper revenue recognition
 - *Planned Audit Approach:* Confirm the City's main sources of revenue and perform substantive procedures on material receivable accounts
- ✓ Estimates of accrued liabilities
 - *Planned Audit Approach:* Review methodologies for significant estimates, compare prior year estimates to actual results, and review subsequent payments made

We welcome any input you may have regarding the risk areas identified above, any other significant risk areas in your opinion, or other matters you believe warrant particular attention during the audit.

We may identify additional significant risks as we complete risk assessment procedures.

We propose the following timeline:

Delivery and Review of Draft Financial Statements, Auditor's Reports, and Management Letter – November 18, 2022

Drafts of the financial statements, auditor's reports, and management letter, together with our letter regarding auditor responsibilities, will be furnished to the Finance Committee several days prior to the scheduled meeting.

Final Reports – December 7, 2022

Final reports to the Finance Committee will be issued prior to the December 13, 2022 scheduled meetings of the Finance Committee and the City Council.

Auditing & Accounting Matters

Ongoing Communication

Regular communication between the Finance Committee and the auditors is critical to the success of the audit. Accordingly, the audit team will be available to the Finance Committee at any time throughout the audit. In addition, there may be instances that require communication during the audit (prior to delivery of the financial statements), such as:

- ✓ Fraud involving senior management
- ✓ Illegal acts
- ✓ Significant deficiencies and/or material weaknesses
- ✓ Material instances of noncompliance for federal award programs

We understand the appropriate person in the governance structure with whom to communicate is Mayor Larry Heikkila.

If, for any reason, any member of the Finance Committee or City Council would need to contact us, please call Joel Haaser at 918.878.9103.

We wish to communicate the following significant matters related to the financial statement audit to you that are, in our judgment, relevant to your responsibilities in overseeing the financial reporting process:

Critical Accounting Policies and Practices

- ✓ Contingent liabilities
- ✓ Significant estimates
- ✓ Unbilled charges for utility services

Critical Audit Areas

- ✓ Cash and investments
- ✓ Receivables
- ✓ Capital assets
- ✓ Accrued liabilities
- ✓ Long-term debt
- ✓ Nonexchange transactions (grants, taxes, etc.)
- ✓ Review and tests of internal control over financial reporting and compliance
- ✓ Compliance testing of the City's major federal grant programs

Unusual Accounting Matters

- ✓ No significant matters are expected

**Governmental Accounting Standards Board (GASB)
Pronouncements Effective for the Year Ended June 30,
2022**

- ✓ GASB Statement No. 87, *Leases*
- ✓ GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- ✓ GASB Statement No. 92, *Omnibus 2020*
- ✓ GASB Statement No. 93, *Replacement of Interbank Offered Rates* (Partial)
- ✓ GASB Statement No. 99, *Omnibus 2022* (Partial)

GASB Pronouncements Effective for Future Years

- ✓ GASB Statement No. 91, *Conduit Debt Obligations*
- ✓ GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- ✓ GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*
- ✓ GASB Statement No. 99, *Omnibus 2022* (Partial)
- ✓ GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*
- ✓ GASB Statement No. 101, *Compensated Absences*

**Statements on Auditing Standards (SAS)
Pronouncements Effective for the Year Ended June 30,
2022**

- ✓ SAS No. 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*
- ✓ SAS No. 135, *Omnibus Statement on Auditing Standards – 2019*
- ✓ SAS No. 136, *Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA*
- ✓ SAS No. 137, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*
- ✓ SAS No. 141, *Amendment to the Effective Dates of SAS Nos. 134–140*

**Statements on Auditing Standards (SAS)
Pronouncements Effective for Future Years**

- ✓ SAS No. 142, *Audit Evidence*
- ✓ SAS No. 143, *Auditing Accounting Estimates and Related Disclosures*

- ✓ SAS No. 144, *Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained from External Information Sources*
- ✓ SAS No. 145, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatements*

Appendices A and B provide a more detailed description of each GASB pronouncement and auditing standard listed above.

Management of the City is responsible for proper implementation of the accounting standards, as applicable.

Consideration of Error or Fraud

One of the most common questions we receive from finance committees is, “How do you address fraud in a financial statement audit?” Our responsibility, as it relates to fraud, in an audit of financial statements is addressed in auditing standards generally accepted in the United States of America.

Our audit approach includes such procedures as:

Engagement Team Brainstorming

- ✓ Discussion among key engagement team members regarding the entity’s selection and application of accounting principles, including related disclosure requirements, and how and where the entity’s financial statements might be susceptible to material misstatement due to fraud, how management could perpetrate and conceal fraudulent financial reporting, and how assets of the entity could be misappropriated
- ✓ An emphasis is placed on the need to maintain a questioning mind throughout the audit and to exercise professional skepticism in gathering and evaluating evidence

Inquiries of Management and Others

- ✓ Inquiring of the finance committee chair, city manager, finance director, chief accountant, and others within the entity about the risks of material misstatement
- ✓ Inquiries about the risks of material misstatement include specific inquiries regarding fraud risks, such as whether the individual has knowledge of any fraud or suspected fraud affecting the entity

Reviewing Accounting Estimates for Bias

Considering the Risk that Management May Attempt to Present Disclosures to the Financial Statements in a Manner that May Obscure a Proper Understanding of the Matters Disclosed (for Example, by Using Unclear or Ambiguous Language)

Evaluating Business Rationale for Significant Unusual Transactions

Evaluating Business Rationale for Significant Transactions with Related Parties

Incorporating an Element of Unpredictability Into the Audit Each Year

Our Engagement Team

We are FORVIS—driven by a commitment to anticipate what's ahead so that our clients are ready to thrive when it arrives.

We don't see tomorrow as something to contend with later, we see it as something to prepare for today.

We are committed to using our exceptional vision to provide Unmatched Client Experiences that drive business forward.

Questions, Observations, or Suggestions from the Finance Committee

At this time, we would certainly welcome any additional questions that any members of the Finance Committee may have. As always, you may also contact Joel Haaser at 918.878.9103 or joel.haaser@forvis.com at any time.

Appendices

Appendix A

Summary of Recently Issued GASB Statements and Bulletins

GASB Statement No. 87, Leases

The objective of GASB Statement No. 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB Statement No. 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 87 is effective for reporting periods beginning after June 15, 2021 (effective for the City's June 30, 2022 year-end). Earlier application is encouraged.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

The objectives of GASB Statement No. 89 are 1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and 2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5 through 22 of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*, which are superseded by GASB Statement No. 89. GASB Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

GASB Statement No. 89 also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

GASB Statement No. 89 is effective for reporting periods beginning after December 15, 2020 (effective for the City's June 30, 2022 year-end). Earlier application is encouraged.

GASB Statement No. 91, Conduit Debt Obligations

The primary objectives of GASB Statement No. 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. GASB Statement No. 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer, establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by

issuers and arrangements associated with conduit debt obligations, and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: 1) an issuer, 2) a third-party obligor, and 3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to re-evaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

GASB Statement No. 91 also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

GASB Statement No. 91 requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of

the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

GASB Statement No. 91 is effective for reporting periods beginning after December 15, 2021 (effective for the City's June 30, 2023 year-end). Earlier application is encouraged.

GASB Statement No. 92, *Omnibus 2020*

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

- The effective date of GASB Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of GASB Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (ARO) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

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

GASB Statement No. 93, *Replacement of Interbank Offered Rates*

Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with GASB Statement No. 87, *Leases*, as amended, replacement of

the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable.

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

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of *reference rate*, as it is used in GASB Statement No. 53, as amended
- Providing an exception to the lease modifications guidance in GASB Statement No. 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend

The requirements of GASB Statement No. 93, except for paragraphs 11b, 13, and 14, are effective for reporting periods beginning after June 15, 2020 (effective for the City's June 30, 2021 year-end). The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021 (effective for the City's June 30, 2022 year-end). The requirements in paragraphs 13 and 14 are effective for reporting periods beginning after June 15, 2021 (effective for the City's June 30, 2022 year-end) and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

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

GASB Statement No. 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APA). As defined in GASB Statement No. 94, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing,

financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

GASB Statement No. 94 is effective for reporting periods beginning after June 15, 2022 (effective for the City's June 30, 2023 year-end). Earlier application is encouraged.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users (governments). GASB Statement No. 96 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under GASB Statement No. 96, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of 1) the initial subscription liability amount, 2) payments made to the SBITA vendor before commencement of the subscription term, and 3) capitalizable implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.
- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing

operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components. If it is not practicable to determine a best estimate for price allocation for some or all components in the contract, a government should account for those components as a single SBITA.

GASB Statement No. 96 provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

GASB Statement No. 96 requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

GASB Statement No. 96 is effective for reporting periods beginning after June 15, 2022 (effective for the City's June 30, 2023 year-end). Earlier application is encouraged.

GASB Statement No. 99, *Omnibus 2022*

The objectives of GASB Statement No. 99 are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing 1) practice issues that have been identified during implementation and application of certain GASB Statements and 2) accounting and financial reporting for financial guarantees. The practice issues addressed by GASB Statement No. 99 are as follows:

- Classification and reporting of derivative instruments within the scope of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument
- Clarification of provisions in GASB Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives
- Clarification of provisions in GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset
- Clarification of provisions in GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt

- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP)
- Disclosures related to nonmonetary transactions
- Pledges of future revenues when resources are not received by the pledging government
- Clarification of provisions in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements
- Terminology updates related to certain provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*
- Terminology used in GASB Statement No. 53 to refer to resource flows statements.

The requirements of GASB Statement No. 99 are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance (effective for the City's June 30, 2022 year-end).
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022 and all reporting periods thereafter (effective for the City's June 30, 2023 year-end).
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2024 year-end).

GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62

The primary objective of GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 100 defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for 1) certain changes in accounting principles and 2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. GASB Statement No. 100 also addresses corrections of errors in previously issued financial statements.

GASB Statement No. 100 prescribes the accounting and financial reporting for 1) each type of accounting change and 2) error corrections. GASB Statement No. 100 requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of GASB Statement No. 100 for changes in accounting principles apply to the

implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. GASB Statement No. 100 also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

GASB Statement No. 100 requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, GASB Statement No. 100 addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of GASB Statement No. 100 are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2024 year-end). Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences*

The objective of GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 101 requires that liabilities for compensated absences be recognized for 1) leave that has not been used and 2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors, such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

GASB Statement No. 101 requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. GASB Statement No. 101 also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

GASB Statement No. 101 also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, GASB Statement No. 101 requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

GASB Statement No. 101 amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

The requirements of GASB Statement No. 101 are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter (effective for the City's June 30, 2025 year-end). Earlier application is encouraged.

Appendix B

Summary of New Auditing Standards

SAS No. 134, Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements

Statement on Auditing Standards (SAS) No. 134 includes a new AU-C Section 701, *Communicating Key Audit Matters in the Independent Auditor's Report*, and replaces the following AU-C sections in AICPA Professional Standards:

- Section 700, *Forming an Opinion and Reporting on Financial Statements*
- Section 705, *Modifications to the Opinion in the Independent Auditor's Report*
- Section 706, *Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report*

The Auditor Reporting suite of standards is intended to benefit users of audited financial statements throughout the U.S. by placing the auditor's opinion at the front of the report for added visibility and providing necessary transparency into the basis for the auditor's opinion and the responsibilities of both entity management and auditors.

SAS No. 134 also amends various other AU-C sections and addresses the auditor's responsibility to form an opinion on the financial statements and the form and content of the auditor's report issued as a result of an audit of financial statements. It also addresses the auditor's responsibilities, and the form and content of the auditor's report, when the auditor concludes that a modification to the auditor's opinion on the financial statements is necessary and when additional communications are necessary in the auditor's report.

SAS No. 134 is effective for audits of financial statements for periods ending on or after December 15, 2021. Early implementation is not permitted.

SAS No. 135, Omnibus Statement on Auditing Standards – 2019

SAS No. 135 is intended to more closely align Accounting Standards Board (ASB) guidance with the PCAOB's standards by primarily amending AU-C Section 260, *Communications with Those Charged with Governance*; AU-C Section 550, *Related Parties*; and AU-C Section 240, *Consideration of Fraud in a Financial Statement Audit*, in AICPA Professional Standards.

SAS No. 135 is effective for audits of financial statements for periods ending on or after December 15, 2021.

SAS No. 136, Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA

SAS No. 136 addresses the auditor's responsibility to form an opinion on the financial statements of employee benefit plans (EBP) subject to the *Employee Retirement Income Security Act of 1974* (ERISA), hereinafter referred to as ERISA plans. It also addresses the form and content of the auditor's report issued as a result of an audit of ERISA plan financial statements. SAS No. 136 applies to audits of single employer, multiple employer, and multiemployer plans subject to ERISA. SAS No. 136 should not be adapted for plans that are not subject to ERISA.

SAS No. 136 is effective for audits of ERISA plan financial statements for periods ending on or after December 15, 2021. Early implementation is not permitted.

SAS No. 137, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports

SAS No. 137 addresses the auditor's responsibilities relating to other information, whether financial or nonfinancial information (other than financial statements and the auditor's report thereon), included in an entity's annual report. An entity's annual report may be a single document or a combination of documents that serve the same purpose.

SAS No. 137 is effective for audits of financial statements for periods ending on or after December 15, 2021. Early implementation is not permitted.

SAS No. 141, Amendment to the Effective Dates of SAS Nos. 134–140

SAS No. 141 amends the effective dates of the following SASes:

- SAS No. 134
- SAS No. 135
- SAS No. 136
- SAS No. 137
- SAS No. 138
- SAS No. 139
- SAS No. 140

SAS No. 141 delays the effective dates of SAS Nos. 134–140, and the amendments to other SASes made by SAS Nos. 134–140, from December 15, 2020 to December 15, 2021, in order to provide more time for firms to implement these SASes in light of the effect of the COVID-19 pandemic.

SAS Nos. 134, 136–137, and 139–140, as originally issued, do not permit early implementation. SAS No. 141 amends these SASes to no longer preclude early implementation.

SAS Nos. 134 and 136–140 are inter-related because the ASB amended the auditor reporting model adopted in SAS No. 134 with the issuance of the subsequent SASes. The effective dates were aligned so that these SASes would be implemented as a suite, primarily to accommodate the amendments to the auditor reporting model. Accordingly, the ASB recommends that all of these SASes be implemented concurrently.

SAS No. 141 is effective upon issuance.

SAS No. 142, Audit Evidence

SAS No. 142 explains what constitutes audit evidence in an audit of financial statements and sets out attributes of information that are taken into account by the auditor when evaluating information to be used as audit evidence. Taking these attributes into account assists the auditor in maintaining professional skepticism.

The application of SAS No. 142 assists the auditor in fulfilling the auditor's responsibilities in other AU-C sections. SAS No. 142 should be read in conjunction with other AU-C sections, including those that

address the auditor's responsibilities to identify and assess the risks of material misstatement, design and implement responses to the risks of material misstatement identified and assessed by the auditor, and form an opinion on the financial statements. In particular, AU-C Section 330, *Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained*, requires the auditor to conclude whether sufficient appropriate audit evidence has been obtained and thereby provides a basis for the auditor's opinion.

The auditor's overall conclusion in accordance with AU-C Section 330 about whether sufficient appropriate audit evidence has been obtained is a matter of professional judgment. Evaluating information to be used as audit evidence in accordance with SAS No. 142 assists the auditor in making that conclusion. The auditor's evaluation of information to be used as audit evidence is not a formulaic exercise and is dependent on the degree to which the attributes of information to be used as audit evidence influence the auditor's evaluation.

SAS No. 142 is effective for audits of financial statements for periods ending on or after December 15, 2022.

SAS No. 143, Auditing Accounting Estimates and Related Disclosures

SAS No. 143 addresses the auditor's responsibilities relating to accounting estimates, including fair value accounting estimates and related disclosures, in an audit of financial statements. Specifically, it includes requirements and guidance that refer to or expand on how AU-C Section 315, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*; AU-C Section 330, *Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained*; AU-C Section 450, *Evaluation of Misstatements Identified During the Audit*; and AU-C Section 500, *Audit Evidence*, and other relevant AU-C sections are to be applied with regard to accounting estimates and related disclosures. It also includes requirements and guidance related to the evaluation of misstatements of accounting estimates and related disclosures and indicators of possible management bias.

Accounting estimates vary widely in nature and are required to be made by management when the monetary amounts cannot be directly observed. The measurement of these monetary amounts is subject to estimation uncertainty, which reflects inherent limitations in knowledge or data. These limitations give rise to inherent subjectivity and variation in the measurement outcomes. The process of making accounting estimates involves selecting and applying a method using assumptions and data, which requires judgment by management and can give rise to complexity in measurement. The effects of complexity, subjectivity, or other inherent risk factors on the measurement of these monetary amounts affects their susceptibility to misstatement.

Although SAS No. 143 applies to all accounting estimates, including fair value accounting estimates, the degree to which an accounting estimate is subject to estimation uncertainty will vary substantially. The nature, timing, and extent of the risk assessment and further audit procedures required by SAS No. 143 will vary in relation to the estimation uncertainty and the assessment of the related risks of material misstatement. For certain accounting estimates, estimation uncertainty may be very low, based on their nature, and the complexity and subjectivity involved in making them may also be very low. For such accounting estimates, the risk assessment procedures and further audit procedures required by SAS No. 143 would not be expected to be extensive. When estimation uncertainty, complexity, or subjectivity are very high, such procedures would be expected to be much more extensive. SAS No. 143 contains guidance on how the requirements of SAS No. 143 can be scaled.

AU-C Section 315 requires the auditor to assess the risk of material misstatement at the relevant assertion level. For this purpose, SAS No. 143 requires inherent risk and control risk to be assessed separately for accounting estimates. Depending on the nature of a particular accounting estimate, the susceptibility of an assertion to a misstatement that could be material may be subject to or affected by

estimation uncertainty, complexity, subjectivity, or other inherent risk factors and the inter-relationship among them. As explained in AU-C Section 200, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Generally Accepted Auditing Standards*, inherent risk is higher for some assertions and related classes of transactions, account balances, and disclosures than for others. Accordingly, the assessment of inherent risk depends on the degree to which the inherent risk factors affect the likelihood or magnitude of misstatement and varies on a scale that is referred to in SAS No. 143 as the spectrum of inherent risk. In assessing control risk, the auditor takes into account whether the auditor's further audit procedures contemplate planned reliance on the operating effectiveness of controls. If the auditor does not perform tests of controls, the auditor's assessment of the risk of material misstatement at the relevant assertion level cannot be reduced for the effective operation of controls with respect to the particular assertion.

SAS No. 143 refers to relevant requirements in AU-C Sections 315 and 330 and provides related guidance to emphasize the importance of the auditor's decisions about controls relating to accounting estimates, including decisions about whether:

- There are controls relevant to the audit for which the auditor is required to evaluate their design and determine whether they have been implemented
- To test the operating effectiveness of relevant controls

SAS No. 143 emphasizes that the auditor's further audit procedures (including, when appropriate, tests of controls) need to be responsive to the reasons for the assessed risks of material misstatement at the relevant assertion level, taking into account the effect of one or more inherent risk factors and the auditor's assessment of control risk.

The exercise of professional skepticism in relation to accounting estimates is affected by the auditor's consideration of inherent risk factors, and its importance increases when accounting estimates are subject to a greater degree of estimation uncertainty or are affected to a greater degree by complexity, subjectivity, or other inherent risk factors. Similarly, the exercise of professional skepticism is important when there is greater susceptibility to misstatement due to management bias or fraud.

SAS No. 143 requires the auditor to evaluate, based on the audit procedures performed and the audit evidence obtained, whether the accounting estimates and related disclosures are reasonable in the context of the applicable financial reporting framework or are misstated. For purposes of SAS No. 143, reasonable, in the context of the applicable financial reporting framework, means that the relevant requirements of the applicable financial reporting framework have been applied appropriately, including those that address the following:

- The development of the accounting estimate, including the selection of the method, assumptions, and data in view of the nature of the accounting estimate and the facts and circumstances of the entity
- The selection of management's point estimate
- The disclosures about the accounting estimate, including disclosures about how the accounting estimate was developed and that explain the nature, extent, and sources of estimation uncertainty

SAS No. 143 is effective for audits of financial statements for periods ending on or after December 15, 2023.

SAS No. 144, Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained from External Information Sources

SAS No. 144 addresses specific considerations by the auditor in obtaining sufficient appropriate audit evidence, in accordance with Section 330, *Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained*; Section 500A, *Audit Evidence*; Section 540, *Auditing Accounting Estimates and Related Disclosures*; and other relevant AU-C sections, regarding certain aspects of (a) investments in securities and derivative instruments; (b) inventory; (c) litigation, claims, and assessments involving the entity; (d) segment information in an audit of financial statements; and (e) use of management's specialists.

SAS No. 144 is effective for audits of financial statements for periods ending on or after December 15, 2023.

SAS No. 145 Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement

The ASB has issued SAS No. 145, to supersede SAS No. 122, as amended, Section 315 of the same title, and to amend various AU-C sections in AICPA *Professional Standards*. SAS No. 145, for example, enhances the following:

- Requirements and guidance related to the auditor's risk assessment, in particular, obtaining an understanding of the entity's system of internal control and assessing control risk
- Guidance that addresses the economic, technological, and regulatory aspects of the markets and environment in which entities and audit firms operate

SAS No. 145 also includes, among other things, the following:

- Revised requirements to evaluate the design of certain controls within the control activities component, including general IT controls, and to determine whether such controls have been implemented
- New requirement to separately assess inherent risk and control risk
- New requirement to assess control risk at the maximum level such that, if the auditor does not plan to test the operating effectiveness of controls, the assessment of the risk of material misstatement is the same as the assessment of inherent risk
- A revised definition of significant risk
- New guidance on scalability
- New guidance on maintaining professional skepticism
- A new "stand-back" requirement intended to drive an evaluation of the completeness of the auditor's identification of significant classes of transactions, account balances, and disclosures
- Revised requirements relating to audit documentation
- A conforming amendment to perform substantive procedures for each relevant assertion of each significant class of transactions, account balance, and disclosure regardless of the assessed level of control risk (rather than for all relevant assertions related to each material class of transactions, account balance, and disclosure irrespective of the assessed risks of material misstatement, as previously required)

SAS No. 145 does not fundamentally change the key concepts underpinning audit risk, which is a function of the risks of material misstatement and detection risk. Rather, SAS No. 145 clarifies and enhances certain aspects of the identification and assessment of the risks of material misstatement to drive better risk assessments and, therefore, enhance audit quality.

SAS No. 145 becomes effective for audits of financial statements for periods ending on or after December 15, 2023.

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BUDGET CALENDAR

Fiscal Year Ending 2024

Item 2.

September	15 Finance Committee meeting to discuss budget process for FYE 2024
November	14 Fleet Ranking Committee reviews vehicle replacements 15 Council Work Session on Capital Budget to identify Council priorities 25 I.T. critical computer replacement list due
December	2 "Budget Kick-Off" - Distribute budget request forms & base budgets to department representatives 9 Fleet sends out vehicle list for replacement recommendations 16 Fleet vehicle REPLACEMENT requests due to Finance
January	2-6 Budget Staff meets with individual departments as requested Send out Outside Agency Letters requesting funding 6 First Draft Capital Project forms due to Budget 13 Finance/City Manager begin review of reserve/budget policies 31 All Budget Requests and Base Budget Adjustment Requests due to Budget Last day to make changes to Base Budgets
February	3 Revenue projections due to Accounting 2nd Draft Capital Project forms due to Budget 13 Preliminary Fund Summaries due 14 Council Retreat - Capital Budget (midpoint evaluations for CIP proposals) 16 Council Finance Committee Meeting on Mid-Year Amendments/Adjustments/ Outside Agency Funding Requests 20 Fleet Capital Equipment/Vehicle recommendations due to Budget Personnel Adj. recommendations due to Budget from Human Resources Health Insurance recommendation 27 Updated Dept./Div. Summary forms, Performance Measurement forms, and Org Charts due Final Capital Project forms due to Budget (last day to make changes) Send out inter-city surveys and notices to NCVB and NAC
March	3 Management Team Budget Retreat to prioritize and rank department requests 6-10 City Manager review of all Funds City Manager meets with department heads to review budget 13 Finance begins compilation of budget data 24 City Manager wrap up and proposal of budget Last day to make changes / additions to operating budget Capital Project Schedules due Meet w/ NPS for SRO Program costing for FY24
April	11 Preliminary Budget to Print Shop 13 Council & Staff receive preliminary budget document Publish Budget Summary in newspaper announcing Public Hearing 18 Council Study Session - Overview, General Fund and Special Revenue Funds 25 1st Public Hearing at Council Meeting
May	2 Council Study Session for Capital Funds 11 Publish Budget Summary in newspaper announcing Public Hearing 16 Council Study Session for Enterprise Funds 23 2nd Public Hearing at Council meeting
June	6 Council Study Session (if necessary) 13 Council considers budget for adoption 23 Final Budget to Print Shop for printing/binding 30 File budget with Excise Board & State Auditor
July	1 Beginning of Fiscal Year Ending 2024

Note: The above dates are preliminary and may change.

**SUMMARY OF MAJOR GENERAL FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
Sales Tax	54,097,700	8,729,746	4,509,964	8,943,995	2.45%	9,027,400	-0.92%
Use Tax	10,906,928	1,706,814	865,135	1,738,769	1.87%	1,596,053	8.94%
Franchise Taxes/Fees	6,945,385	1,213,005	954,787	1,562,022	28.77%	1,194,685	30.75%
Licenses and Permits	991,565	129,160	76,363	141,636	9.66%	181,365	-21.91%
Shared (Other) Taxes	3,315,339	552,557	205,134	366,759	-33.63%	531,719	-31.02%
Fines and Forfeitures	1,184,081	197,347	87,544	148,996	-24.50%	188,811	-21.09%
Investment/Interest Income	189,425	31,571	11,310	20,801	-34.11%	3,070	577.58%
TOTAL: General Fund (Major)	77,630,423	12,560,199	6,710,238	12,922,977	2.89%	12,723,102	1.57%

**SUMMARY OF MAJOR CAPITAL PROJECT FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
Sales Tax	15,489,060	2,499,470	1,372,598	2,722,085	8.91%	2,747,470	-0.92%
Investment/Interest Income	700,000	116,667	27,405	55,172	-52.71%	21,331	158.65%
TOTAL: Capital Fund (Major)	16,189,060	2,616,136	1,400,003	2,777,257	6.16%	2,768,800	0.31%

**SUMMARY OF MAJOR NORMAN FORWARD FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
Sales Tax	12,426,738	2,005,303	980,427	1,944,347	-3.04%	1,962,478	-0.92%
Use Tax	1,817,820	284,469	144,189	289,795	1.87%	266,009	8.94%
Investment/Interest Income	15,000	2,500	47,696	73,289	2831.54%	22,156	230.78%
TOTAL: Capital Fund (Major)	14,259,558	2,292,272	1,172,312	2,307,430	0.66%	2,250,643	2.52%

**SUMMARY OF MAJOR ROOM TAX FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
Hotel/Motel Room Tax	1,716,250	286,042	161,323	355,934	24.43%	283,327	25.63%
Investment/Interest Income	2,500	417	709	1,232	195.77%	239	416.45%
TOTAL: Room Tax Fund	1,718,750	286,458	162,032	357,166	24.68%	283,566	25.96%

**SUMMARY OF MAJOR WESTWOOD FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
Golf Green	585,000	146,152	61,489	132,773	-9.15%	133,029	-0.19%
Golf Driving Range	150,000	36,693	17,471	32,863	-10.44%	29,816	10.22%
Golf Carts	350,000	90,853	33,628	71,628	-21.16%	74,491	-3.84%
Swimming Pool	695,000	293,457	57,060	212,582	-27.56%	209,049	1.69%
TOTAL: Westwood Fund (Major)	1,780,000	567,155	169,648	449,846	-20.68%	446,385	0.78%

**SUMMARY OF MAJOR WATER FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
User Fees-Residential	15,793,122	3,535,227	2,697,311	4,870,479	37.77%	3,489,848	39.56%
User Fees-Commercial	2,602,668	433,778	310,918	588,929	35.77%	478,566	23.06%
User Fees-Industrial	347,679	57,947	20,304	41,973	-27.57%	114,345	-63.29%
User Fees-Institutional	963,519	160,587	12,902	(36,046)	-122.45%	(121,698)	-70.38%
Connection Fees	816,000	136,000	65,419	89,169	-34.43%	142,002	-37.21%
Capital Improvement Charges	1,407,712	234,619	202,115	389,675	66.09%	374,289	4.11%
Investment/Interest Income	120,000	20,000	32,583	59,606	198.03%	25,360	135.05%
TOTAL: Water Fund (Major)	22,050,700	4,578,157	3,341,552	6,003,786	31.14%	4,502,712	33.34%

**SUMMARY OF MAJOR WATER RECLAMATION FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
User Fees-Residential	8,087,415	1,347,903	705,508	1,397,823	3.70%	1,391,053	0.49%
User Fees-Commercial	1,409,476	234,913	168,451	323,793	37.84%	273,004	18.60%
User Fees-Industrial	173,935	28,989	9,768	24,230	-16.42%	55,282	-56.17%
User Fees-Institutional	1,055,782	175,964	84,075	166,247	-5.52%	80,540	106.42%
Capital Improvement Charges	840,809	140,135	29,832	60,886	-56.55%	59,486	2.35%
Investment/Interest Income	50,000	8,333	7,669	14,857	78.28%	7,529	97.34%
TOTAL: Water Reclamation Fund (Major)	11,617,417	1,936,236	1,005,303	1,987,836	2.66%	1,866,893	6.48%

**SUMMARY OF MAJOR SEWER MAINTENANCE FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
Sewer Maintenance Fee	3,092,942	511,285	269,379	537,199	5.07%	525,832	2.16%
TOTAL: Sewer Maintenance Fund (Major)	3,092,942	511,285	269,379	537,199	5.07%	525,832	2.16%

**SUMMARY OF MAJOR NEW DEVELOPMENT EXCISE FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
WW Excise Tax (Residential)	1,100,000	188,835	37,171	90,169	-52.25%	231,509	-61.05%
WW Excise Tax (Commercial)	300,000	50,000	6,095	9,502	-81.00%	44,425	-78.61%
TOTAL: New Development Excise Fund (Major)	1,400,000	238,835	43,266	99,671	-58.27%	275,934	-63.88%

**SUMMARY OF MAJOR SANITATION FUND REVENUE SOURCES
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

MAJOR REVENUE SOURCE	TOTAL BUDGET	PROJECTED TO DATE	Current Month Collections	COLLECTED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
User Fees-Residential	8,321,632	1,386,939	583,679	1,215,998	-12.33%	1,263,802	-3.78%
User Fees-Commercial	3,804,515	634,086	354,754	727,668	14.76%	690,502	5.38%
User Fees-Industrial	173,053	28,842	-	-	-100.00%	0	-100.00%
User Fees-Institutional	503,401	83,900	40,204	47,863	-42.95%	65,923	-27.39%
User Fees-Transfer Station	620,609	103,435	136,088	266,602	157.75%	265,423	0.44%
User Fees - Recycling	1,282,181	213,697	101,580	203,370	-4.83%	202,755	0.30%
Recycled Material Sales	228,597	38,100	16,558	36,703	-3.67%	28,042	30.89%
Investment/Interest Income	300,000	50,000	14,272	27,011	-45.98%	12,627	113.92%
TOTAL: Sanitation Fund (Major)	15,233,988	2,538,998	1,247,135	2,525,215	-0.54%	2,529,074	-0.15%

**SUMMARY OF MAJOR FUND EXPENDITURES VS. BUDGET
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

FUND	TOTAL BUDGET	PROJECTED TO DATE *	Current Month Expended	EXPENDED TO DATE	% Var. From Proj To Date	Prior FY To Date	% Var. From Prior FYTD
General Fund	96,698,974	16,116,496	10,428,998	17,002,911	5.50%	12,577,704	35.18%
Capital Fund	84,094,162	14,015,694	6,063,378	5,423,519	-61.30%	3,799,811	42.73%
Norman Forward Fund	80,580,675	13,430,113	8,060,154	8,482,577	-36.84%	4,493,864	88.76%
Westwood Fund	2,521,510	420,252	426,379	763,418	81.66%	588,103	29.81%
Water Fund	55,026,988	9,171,165	2,018,500	2,841,283	-69.02%	2,359,661	20.41%
Water Reclamation Fund	41,136,387	6,856,065	1,295,600	1,745,404	-74.54%	1,503,372	16.10%
Sanitation Fund	24,367,613	4,061,269	1,286,162	1,848,553	-54.48%	1,681,277	9.95%
(Adjusted Budget)							

* Based on historical collection patterns (where known), or based on proportion of the fiscal year elapsed.

**SUMMARY OF MAJOR GENERAL FUND EXPENDITURES VS. BUDGET
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

Item 3.

DEPARTMENT	TOTAL BUDGET	PROJECTED TO DATE *	EXPENDED TO DATE	% Var. From Proj To Date
City Council				
<i>Salaries & Benefits</i>	11,628	1,938	2,099	8.32%
<i>Supplies & Materials</i>	15,925	2,654	2,249	-15.25%
<i>Services & Maintenance</i>	1,511,583	251,931	304,130	20.72%
<i>Internal Services</i>	24,539	4,090	1,833	-55.17%
<i>Capital Equipment</i>	-	-	-	0.00%
Total	1,563,675	260,613	310,312	19.07%
City Manager				
<i>Salaries & Benefits</i>	1,032,744	172,124	173,997	1.09%
<i>Supplies & Materials</i>	100,838	16,806	45,412	170.21%
<i>Services & Maintenance</i>	1,770,262	295,044	87,416	-70.37%
<i>Internal Services</i>	42,417	7,070	2,190	-69.03%
<i>Capital Equipment</i>	436,190	72,698	-	-100.00%
Total	3,382,451	563,742	309,014	-45.19%
City Clerk				
<i>Salaries & Benefits</i>	542,407	90,401	102,969	13.90%
<i>Supplies & Materials</i>	6,085	1,014	290	-71.37%
<i>Services & Maintenance</i>	715,502	119,250	87,737	-26.43%
<i>Internal Services</i>	162,649	27,108	10,202	-62.36%
<i>Capital Equipment</i>	2,000	333	-	-100.00%
Total	1,428,643	238,107	201,199	-15.50%
Municipal Court				
<i>Salaries & Benefits</i>	1,148,190	191,365	208,178	8.79%
<i>Supplies & Materials</i>	15,207	2,535	362	-85.73%
<i>Services & Maintenance</i>	58,624	9,771	4,837	-50.49%
<i>Internal Services</i>	38,364	6,394	3,531	-44.77%
<i>Capital Equipment</i>	41,200	6,867	-	-100.00%
Total	1,301,585	216,931	216,908	-0.01%
Legal				
<i>Salaries & Benefits</i>	1,046,699	174,450	195,595	12.12%
<i>Supplies & Materials</i>	11,949	1,992	904	-54.58%
<i>Services & Maintenance</i>	271,831	45,305	7,579	-83.27%
<i>Internal Services</i>	33,897	5,650	2,831	-49.89%
<i>Capital Equipment</i>	44,600	7,433	-	-100.00%
Total	1,408,976	234,829	206,910	-11.89%

**SUMMARY OF MAJOR GENERAL FUND EXPENDITURES VS. BUDGET
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

Item 3.

DEPARTMENT	TOTAL BUDGET	PROJECTED TO DATE *	EXPENDED TO DATE	% Var. From Proj To Date
I.T.				
<i>Salaries & Benefits</i>	1,792,729	298,788	317,699	6.33%
<i>Supplies & Materials</i>	32,270	5,378	4,088	-24.00%
<i>Services & Maintenance</i>	1,684,681	280,780	858,946	205.91%
<i>Internal Services</i>	18,539	3,090	2,535	-17.94%
<i>Capital Equipment</i>	126,633	21,106	15,033	-28.77%
Total	3,654,852	609,142	1,198,301	96.72%
Finance				
<i>Salaries & Benefits</i>	2,070,516	345,086	418,773	21.35%
<i>Supplies & Materials</i>	63,459	10,577	8,326	-21.28%
<i>Services & Maintenance</i>	1,122,675	187,113	130,233	-30.40%
<i>Internal Services</i>	306,337	51,056	25,364	-50.32%
<i>Capital Equipment</i>	24,350	4,058	-	-100.00%
Total	3,587,337	597,890	582,696	-2.54%
Human Resources				
<i>Salaries & Benefits</i>	709,137	118,190	122,346	3.52%
<i>Supplies & Materials</i>	30,520	5,087	2,215	-56.46%
<i>Services & Maintenance</i>	320,781	53,464	26,273	-50.86%
<i>Internal Services</i>	57,237	9,540	3,747	-60.72%
<i>Capital Equipment</i>	14,308	2,385	-	-100.00%
Total	1,131,983	188,664	154,581	-18.07%
Planning				
<i>Salaries & Benefits</i>	3,368,065	561,344	605,088	7.79%
<i>Supplies & Materials</i>	70,409	11,735	3,482	-70.33%
<i>Services & Maintenance</i>	446,966	74,494	91,705	23.10%
<i>Internal Services</i>	178,464	29,744	15,814	-46.83%
<i>Capital Equipment</i>	27,405	4,568	-	-100.00%
Total	4,091,309	681,885	716,089	5.02%
Public Works				
<i>Salaries & Benefits</i>	9,360,840	1,560,140	1,675,457	7.39%
<i>Supplies & Materials</i>	5,447,224	907,871	609,295	-32.89%
<i>Services & Maintenance</i>	3,741,804	623,634	470,871	-24.50%
<i>Internal Services</i>	950,580	158,430	102,162	-35.52%
<i>Capital Equipment</i>	2,734,707	455,785	99,274	-78.22%
Total	22,235,155	3,705,859	2,957,059	-20.21%

**SUMMARY OF MAJOR GENERAL FUND EXPENDITURES VS. BUDGET
VS. BUDGET, FYE 2023 - AS OF AUGUST 31, 2022**

Item 3.

DEPARTMENT	TOTAL BUDGET	PROJECTED TO DATE *	EXPENDED TO DATE	% Var. From Proj To Date
Police				
<i>Salaries & Benefits</i>	20,406,505	3,401,084	3,911,980	15.02%
<i>Supplies & Materials</i>	1,250,489	208,415	139,087	-33.26%
<i>Services & Maintenance</i>	2,092,653	348,776	521,795	49.61%
<i>Internal Services</i>	1,027,148	171,191	109,173	-36.23%
<i>Capital Equipment</i>	1,988,274	331,379	211,055	-36.31%
Total	26,765,069	4,460,845	4,893,090	9.69%
Fire				
<i>Salaries & Benefits</i>	15,484,862	2,580,810	3,338,433	29.36%
<i>Supplies & Materials</i>	363,168	60,528	30,521	-49.58%
<i>Services & Maintenance</i>	453,300	75,550	105,760	39.99%
<i>Internal Services</i>	593,561	98,927	79,633	-19.50%
<i>Capital Equipment</i>	91,889	15,315	-	-100.00%
Total	16,986,780	2,831,130	3,554,347	25.55%
Parks & Recreation**				
<i>Salaries & Benefits</i>	4,775,207	795,868	947,600	19.06%
<i>Supplies & Materials</i>	681,751	113,625	65,389	-42.45%
<i>Services & Maintenance</i>	1,790,593	298,432	456,087	52.83%
<i>Internal Services</i>	428,516	71,419	42,380	-40.66%
<i>Capital Equipment</i>	612,604	102,101	45,534	-55.40%
Total	8,288,671	1,381,445	1,556,990	12.71%
General Fund				
<i>Salaries & Benefits</i>	61,749,529	10,291,588	12,020,214	16.80%
<i>Supplies & Materials</i>	8,089,294	1,348,216	911,619	-32.38%
<i>Services & Maintenance</i>	15,981,255	2,663,543	3,153,370	18.39%
<i>Internal Services</i>	3,862,248	643,708	401,396	-37.64%
<i>Capital Equipment</i>	6,144,160	1,024,027	370,896	-63.78%
<i>Interfund Transfers</i>	872,488	145,415	145,415	0.00%
Total	96,698,974	16,116,496	17,002,910	5.50%

(Adjusted Budget)

* Based on proportion of the fiscal year elapsed.

** Includes Sooner Theatre, Santa Fe Depot, Firehouse Art Center & Historical Museum

Expenses do not include encumbrances

GENERAL FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	15,120,647	12,909,677	\$ 12,909,677	
REVENUES:				
Revenue	94,308,691	94,310,191	14,174,035	
Transfers In	6,256,211	6,280,229	1,066,720	
Total Revenue	100,564,902	100,590,420	15,240,755	
EXPENDITURES:				
Salary / Benefits	61,787,229	61,749,529	12,020,214	49,729,315
Supplies / Materials	7,480,513	8,089,295	911,619	6,343,454
Services / Maintenance	13,292,060	15,981,256	3,153,370	10,528,192
Internal Services	3,862,248	3,862,248	401,396	3,460,852
Capital Equipment	4,096,539	6,144,158	370,896	1,849,754
Transfers Out	872,488	872,488	145,415	727,073
Employee Turnover Savings	(800,000)	(800,000)		
Supplies/Materials/Svs/Maint Savings	-	-		
Total Expenditures	90,591,077	95,898,974	17,002,910	72,638,640
Net Difference	9,973,825	4,691,446	(1,762,155)	
Ending Fund Balance	\$ 25,094,472	\$ 17,601,123	\$ 11,147,522	

RAINY DAY FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month
Beginning Fund Balance	\$ 4,260,105	\$ 4,227,735	\$ 4,227,735
REVENUES:			
Revenue	50,000	50,000	7,547
Transfers In	-	-	-
Total Revenue	50,000	50,000	7,547
EXPENDITURES:			
Transfers Out	-	-	-
Total Expenditures	-	-	-
Net Difference	50,000	50,000	7,547
Ending Fund Balance	\$ 4,310,105	\$ 4,277,735	\$ 4,235,282
Rainy Day Target - 4%			3,425,922

PUBLIC SAFETY SALES TAX FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 1,512,596	\$ 9,042,150	\$ 9,042,150	
REVENUES:				
Revenue	14,941,893	14,941,893	2,249,792	
Transfers In	-	-	-	
Total Revenue	<u>14,941,893</u>	<u>14,941,893</u>	<u>2,249,792</u>	
EXPENDITURES:				
Salary / Benefits	9,711,312	9,711,312	1,886,274	7,825,038
Supplies / Materials	742,500	870,959	52,554	650,029
Services / Maintenance	359,547	398,029	91,934	249,363
Internal Services	445,576	445,576	55,449	390,128
Capital Equipment	1,091,792	2,808,567	2,123	1,277,002
Capital Project	-	6,621,128	-	4,965,040
Debt Service	2,370,820	2,370,820	140	2,370,680
Transfers Out	-	-	-	-
Total Expenditures	<u>14,721,547</u>	<u>23,226,391</u>	<u>2,088,474</u>	<u>17,727,280</u>
Net Difference	<u>220,346</u>	<u>(8,284,498)</u>	<u>161,318</u>	
Ending Fund Balance	<u>\$ 1,732,942</u>	<u>\$ 757,652</u>	<u>\$ 9,203,468</u>	

ROOM TAX FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 281,031	\$ 811,482	\$ 811,482	
REVENUES:				
Revenue	1,718,750	1,718,750	397,484	
Transfers In	-	-	-	
Total Revenue	1,718,750	1,718,750	397,484	
EXPENDITURES:				
Services / Maintenance	1,237,500	1,237,500	309,375	-
Internal Services	68,750	68,750	8,456	60,294
Capital Projects	44,000	313,395	-	294,064
Debt Service	429,372	429,372	104	429,268
Transfers Out	-	-	-	-
Total Expenditures	1,779,622	2,049,017	317,935	783,626
Net Difference	(60,872)	(330,267)	79,549	
Ending Fund Balance	\$ 220,159	\$ 481,215	\$ 891,031	

WESTWOOD FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 415,733	\$ 323,620	\$ 323,620	
REVENUES:				
Revenue	2,112,069	2,112,069	704,071	
Transfers In	120,507	120,507	20,085	
Total Revenue	<u>2,232,576</u>	<u>2,232,576</u>	<u>724,156</u>	
EXPENDITURES:				
Salary / Benefits	1,381,421	1,381,421	596,366	785,055
Supplies / Materials	371,437	460,071	60,416	372,508
Services / Maintenance	430,438	453,126	69,214	269,096
Internal Services	53,330	53,330	6,216	47,114
Capital Equipment	85,507	173,562	31,205	72,707
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Employee Turnover Savings	(35,295)	(35,295)		
Supplies/Materials/Svs/Ma	(35,295)	(35,295)		
Total Expenditures	<u>2,251,543</u>	<u>2,450,920</u>	<u>763,417</u>	<u>1,546,480</u>
Net Difference	<u>(18,967)</u>	<u>(218,344)</u>	<u>(39,261)</u>	
Ending Fund Balance	<u>\$ 396,766</u>	<u>\$ 105,276</u>	<u>\$ 284,359</u>	

WATER FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 1,452,241	\$ 29,535,812	\$ 29,535,812	
REVENUES:				
Revenue	24,540,355	24,540,355	6,264,155	
Transfers In	-	-	-	
Total Revenue	<u>24,540,355</u>	<u>24,540,355</u>	<u>6,264,155</u>	
EXPENDITURES:				
Salary / Benefits	4,669,677	4,669,677	853,575	3,816,102
Supplies / Materials	3,134,440	3,235,707	435,650	2,551,570
Services / Maintenance	3,063,108	3,092,220	567,640	2,339,162
Internal Services	263,506	263,506	25,638	237,868
Cost Allocation	1,861,667	1,861,667	181,198	1,680,469
Capital Equipment	247,679	416,548	50,296	198,666
Capital Projects	3,950,400	34,901,407	472,569	31,120,553
Debt Service	5,474,455	5,474,455	45,860	5,428,595
Transfers Out	1,111,800	1,111,800	185,300	926,500
Employee Turnover Savings	(66,125)	(66,125)		
Total Expenditures	<u>23,710,607</u>	<u>54,960,862</u>	<u>2,817,726</u>	<u>48,299,485</u>
Net Difference	<u>829,748</u>	<u>(30,420,507)</u>	<u>3,446,429</u>	
Ending Fund Balance	<u>\$ 2,281,989</u>	<u>\$ (884,695)</u>	<u>\$ 32,982,241</u>	

WATER RECLAMATION FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 1,771,231	\$ 8,634,278	\$ 8,634,278	
REVENUES:				
Revenue	13,672,309	13,672,309	1,989,272	
Transfers In	-	-	-	
Total Revenue	13,672,309	13,672,309	1,989,272	
EXPENDITURES:				
Salary / Benefits	4,123,728	4,123,728	745,542	3,378,186
Supplies / Materials	796,397	806,174	99,784	683,386
Services / Maintenance	1,773,335	1,902,999	311,900	1,482,857
Internal Services	234,364	234,514	29,450	205,064
Cost Allocation	1,855,989	1,855,989	155,069	1,700,920
Capital Equipment	260,686	261,619	-	260,686
Capital Projects	3,334,025	10,311,279	238,792	8,599,487
Debt Service	2,257,294	2,257,294	-	2,257,294
Transfers Out	603,269	603,269	100,545	502,724
Employee Turnover Savings	(57,936)	(57,936)		
Total Expenditures	15,181,151	22,298,929	1,681,082	19,070,604
Net Difference	(1,508,842)	(8,626,620)	308,190	
Ending Fund Balance	\$ 262,389	\$ 7,658	\$ 8,942,468	

SEWER MAINTENANCE FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 2,077,944	\$ 1,399,132	\$ 13,991,321	
REVENUES:				
Revenue	3,092,942	3,092,942	558,283	
Transfers In	-	-	-	
Total Revenue	<u>3,092,942</u>	<u>3,092,942</u>	<u>558,283</u>	
EXPENDITURES:				
Salary / Benefits	76,975	76,975	16,853	60,122
Supplies / Materials	2,766	2,766	266	2,500
Services / Maintenance	4,625	4,775	292	4,164
Internal Services	1,018	868	-	868
Cost Allocation	-	-	-	-
Capital Equipment	-	-	-	-
Capital Projects	2,480,000	15,112,596	28,137	14,387,874
Transfers Out	-	-	-	-
Audit Adjustments	-	-	-	-
Employee Turnover Savings	-	-	-	-
Total Expenditures	<u>2,565,384</u>	<u>15,197,980</u>	<u>45,548</u>	<u>14,455,528</u>
Net Difference	<u>527,558</u>	<u>(12,105,038)</u>	<u>512,735</u>	
Ending Fund Balance	<u>\$ 2,605,502</u>	<u>\$ (10,705,906)</u>	<u>\$ 14,504,056</u>	

NEW DEVELOPMENT EXCISE FUND:**As of August 31, 2022**

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 4,555,641	\$ 6,679,569	\$ 6,679,569	
REVENUES:				
Revenue	1,470,000	1,470,000	111,356	
Transfers In	-	-	-	
Total Revenue	1,470,000	1,470,000	111,356	
EXPENDITURES:				
Services / Maintenance	-	-	-	-
Capital Projects	840,000	1,678,400	-	1,678,400
Debt Service	1,903,141	1,903,141	-	1,903,141
Audit Adjustments	-	-	-	-
Total Expenditures	2,743,141	3,581,541	-	3,581,541
Net Difference	(1,273,141)	(2,111,541)	111,356	
Ending Fund Balance	\$ 3,282,500	\$ 4,568,028	\$ 6,790,925	

SANITATION FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
Beginning Fund Balance	\$ 7,850,211	\$ 13,997,918	\$ 13,997,918	
REVENUES:				
Revenue	16,358,597	16,358,597	2,760,479	
Transfers In	-	-	-	
Total Revenue	16,358,597	16,358,597	2,760,479	
EXPENDITURES:				
Salary / Benefits	4,576,629	4,576,629	936,711	3,639,918
Supplies / Materials	1,532,596	1,538,355	136,570	1,394,248
Services / Maintenance	4,239,502	4,245,097	351,938	3,887,806
Internal Services	902,831	902,831	86,576	816,255
Cost Allocation	1,760,174	1,760,174	154,745	1,605,429
Capital Equipment	3,500,038	5,394,015	4,551	542,462
Capital Projects	1,193,000	5,950,512	156,240	3,366,058
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	17,704,770	24,367,613	1,827,331	15,252,176
Net Difference	(1,346,173)	(8,009,016)	933,148	
Ending Fund Balance	\$ 6,504,038	\$ 5,988,902	\$ 14,931,066	

CAPITAL FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
	\$ 57,920,712	\$ 67,381,065	\$ 67,381,065	
REVENUES:				
Revenue	17,741,892	17,741,892	2,765,282	
Transfers In	-	-	-	
Total Revenue	17,741,892	17,741,892	2,765,282	
EXPENDITURES:				
Salary / Benefits	1,371,521	1,371,521	230,894	1,140,628
Supplies / Materials	-	-	-	-
Services / Maintenance	16,499	16,499	-	16,499
Internal Services	200	200	33	167
Capital Equipment	-	-	-	-
Capital Projects	18,849,688	76,350,211	3,053,897	59,526,542
Debt Service	664,574	664,574	104	664,470
Transfers Out	4,263,080	5,691,157	2,138,590	3,552,567
Total Expenditures	25,165,562	84,094,162	5,423,518	64,900,873
Net Difference	(7,423,670)	(66,352,270)	(2,658,236)	
Ending Fund Balance	\$ 50,497,042	\$ 1,028,795	\$ 64,722,829	

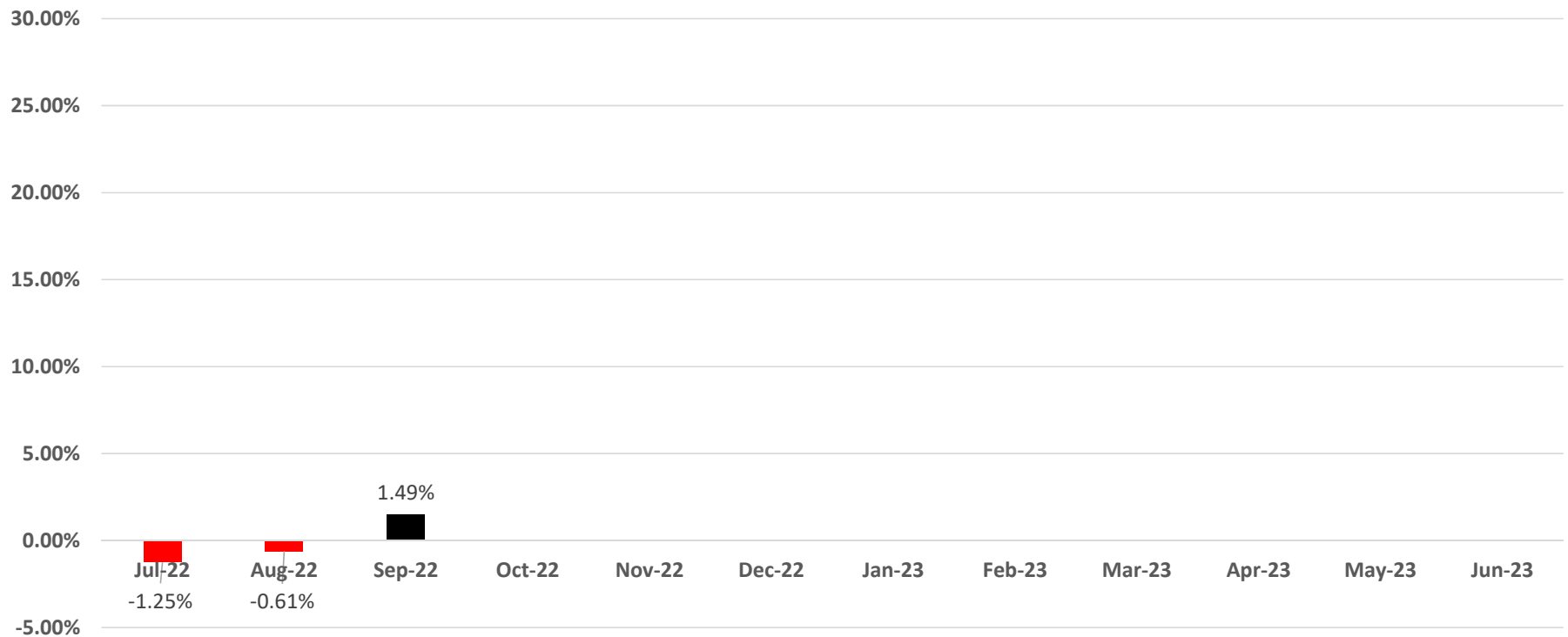
NORMAN FORWARD SALES TAX FUND:
As of August 31, 2022

	Original Budget - Annual	Adjusted budget - Annual	YTD Actual - 2 Month	Unencumb Balance
	\$ 3	\$ 62,575,441	\$ 62,575,441	
REVENUES:				
Revenue	16,892,891	16,892,891	2,687,989	
Transfers In	-	-	-	
Total Revenue	16,892,891	16,892,891	2,687,989	
EXPENDITURES:				
Salary / Benefits	-	-	-	-
Supplies / Materials	-	-	-	-
Services / Maintenance	-	415,581	5,375	-
Internal Services	-	-	-	-
Capital Projects	7,435,047	70,927,377	4,432,821	15,025,816
Debt Service	8,839,148	8,839,148	3,977,954	4,861,194
Transfers Out	398,569	398,569	66,428	332,141
Total Expenditures	16,672,764	80,580,675	8,482,578	20,219,151
Net Difference	220,127	(63,687,784)	(5,794,589)	
Ending Fund Balance	\$ 220,130	\$ (1,112,343)	\$ 56,780,852	

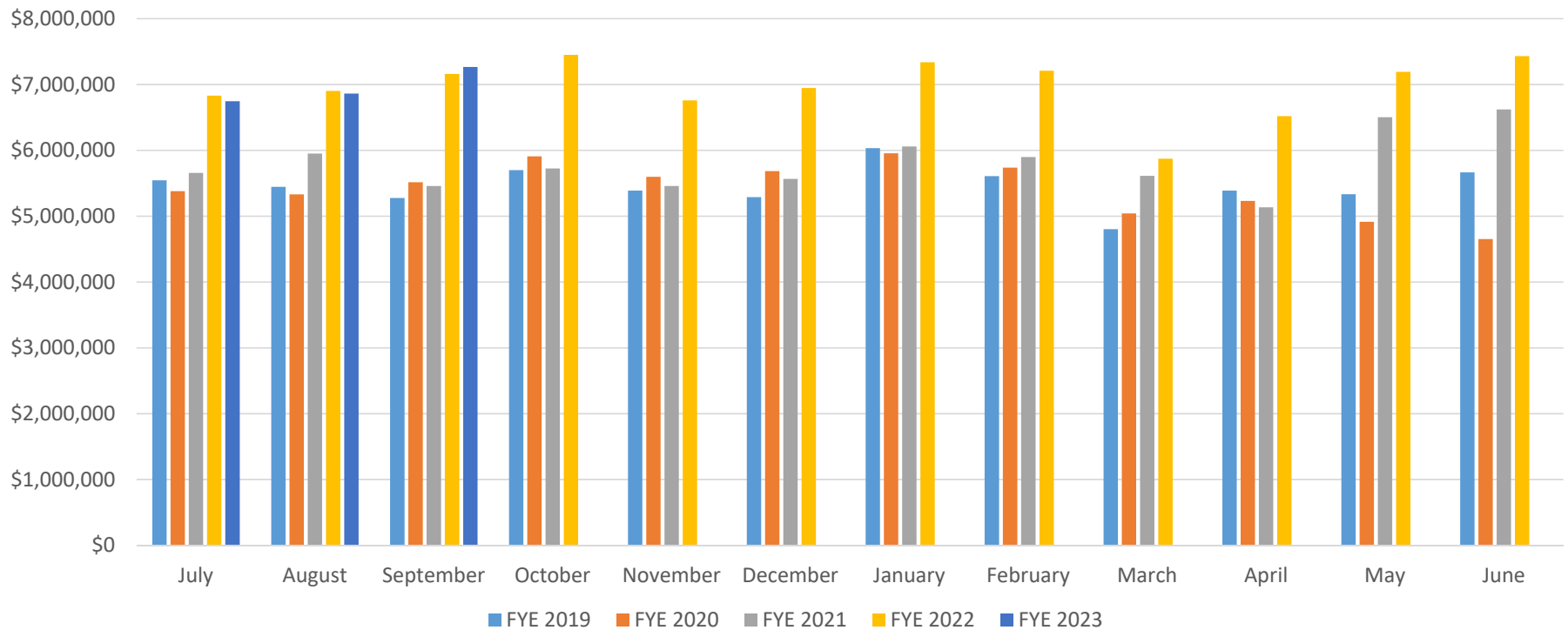
Appropriations from Fund Balance FY23

Fund	Gaining Account	Amount	Agenda Date	Item No.	Project No.	Description
General Fund						
10-29000	10660270-43135	3,000.00	7/12/2022	18		payment of expenses incurred for the care of animals seized by the Norman Animal Welfare Division
10-29000	50593388-46201	500,000.00	8/9/2022	14	BG0164	add'l funding for special studies per city council's request
106-363376	10660322-43136	1,500.00	8/23/2022	10		donation from Orthopaedic & Sports Medicine center for National Night Out Event.
Special Grants Fund						
22-29000	22440146-44009	5,000.00	7/26/2022	26		CLG grant for development & support of local historic programs
22-29000	22440146-44604	1,500.00	7/26/2022	26		CLG grant for development & support of local historic programs
22-29000	22440146-44701	1,000.00	7/26/2022	26		CLG grant for development & support of local historic programs
22-29000	22440146-44821	500.00	7/26/2022	26		CLG grant for development & support of local historic programs
22-29000	22440146-43001	500.00	7/26/2022	26		CLG grant for development & support of local historic programs
22-29000	22440146-44601	150.00	7/26/2022	26		CLG grant for development & support of local historic programs
22-29000	22330303-45799	6,400,000.00	8/23/2022	23		APRA funds to purchase 1210 W. Robinson St. to be used for affordable housing
Public Transportation & Parking Fund						
27-29000	27550276-45007	481,761.00	8/23/2022	8		purchase 3 CNG transit buses-local match funding
Risk Management Fund						
43-29000	10550223-43212	8,033.27	7/12/2022	16		reimbursements from insurance companies due to accidents to repair damaged traffic signal equipment
43-29000	10550223-43213	8,985.20	7/12/2022	16		reimbursements from insurance companies due to accidents to repair damaged traffic signal equipment
43-29000	10660270-43135	7,000.00	7/12/2022	18		payment of expenses incurred for the care of animals seized by the Norman Animal Welfare Division
Capital Fund Balance						
50-29000	50193365-46101	32,821.05	7/26/2022	19	BG0252	increased contract amt for add'tn of air blenders to HVAC system for Parks maintenance facility
50-29000	22550070-45007	1,428,077.00	8/23/2022	8		purchase 3 CNG transit buses-upfront grant amount until reimb is received from fed govt.

Norman Sales Tax % Change from Prior Year, Fiscal Year Ending 2023



Norman Unrestricted Sales Tax, FYE 2019-2023



City Comparison for Sales Tax collections - July 2022

City	Change from July 2021	Year-to-date % Change
Norman	-1.25%	-1.25%
OKC	8.85%	8.85%
Moore	16.01%	16.01%
Edmond	3.50%	3.50%
Midwest City	5.10%	5.10%
Tulsa	7.55%	7.55%
Lawton	2.54%	2.54%
State of OK	11.64%	11.64%

City Comparison for Sales Tax collections - January 2023

City	Change from Jan 2022	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - August 2022

City	Change from Aug 2021	Year-to-date % Change
Norman	-0.61%	-0.92%
OKC	7.69%	8.26%
Moore	11.05%	13.49%
Edmond	9.71%	6.58%
Midwest City	3.67%	4.38%
Tulsa	7.86%	7.71%
Lawton	2.10%	2.32%
State of OK	9.14%	10.36%

City Comparison for Sales Tax collections - February 2023

City	Change from Feb 2022	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - September 2022

City	Change from Sep 2021	Year-to-date % Change
Norman	1.49%	-0.10%
OKC	10.46%	9.00%
Moore	12.39%	13.12%
Edmond	17.70%	10.30%
Midwest City	23.29%	10.70%
Tulsa	4.04%	6.48%
Lawton	1.51%	2.05%
State of OK	n/a	n/a

City Comparison for Sales Tax collections - March 2023

City	Change from Mar 2022	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - October 2022

City	Change from Oct 2021	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - April 2023

City	Change from Apr 2022	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - November 2022

City	Change from Nov 2021	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - May 2023

City	Change from May 2022	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - December 2022

City	Change from Dec 2021	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		

City Comparison for Sales Tax collections - June 2023

City	Change from June 2022	Year-to-date % Change
Norman		
OKC		
Moore		
Edmond		
Midwest City		
Tulsa		
Lawton		
State of OK		