



CITY OF MOORE, OKLAHOMA
ANNUAL FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORTS
AS OF AND FOR THE FISCAL YEAR
ENDED JUNE 30, 2014

CITY OF MOORE, OKLAHOMA

LIST OF PRINCIPAL OFFICIALS

City Council

Glenn Lewis
David Roberts
Robert Krows
Mark Hamm
Scott Singer
Terry Cavnar
Jason Blair

Mayor
Ward 1
Ward 1
Ward 2
Ward 2
Ward 3
Ward 3

Stephen O. Eddy

City Manager

Stan Drake

Assistant City Manager

Jim Corbett

Finance Director

Cheryl McConnell

Assistant Finance Director

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INDEPENDENT AUDITOR'S REPORT

DILLON & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
1401 S. DOUGLAS BLVD., SUITE A
MIDWEST CITY, OK 73130

ROBERT S. DILLON, CPA
bobdilloncpa@gmail.com

Phone: (405) 732-1800
Fax : (405) 737-7446

INDEPENDENT AUDITOR'S REPORT

City Council
City of Moore
Moore, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Moore, Oklahoma, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Moore, Oklahoma, as of June 30, 2014, 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.

In accordance with *Government Accounting Standards*, we have also issued our report (under separate cover) dated September 30, 2014, on our consideration of the City of Moore's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Moore's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and statistical are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary information as listed in the Table of Contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling

such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Dillon & Associates, P.C.

Midwest City, Oklahoma
September 30, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF MOORE, OKLAHOMA

MANAGEMENT'S DISCUSSION AND ANALYSIS *For the Fiscal Year Ended June 30, 2014*

As management of the City of Moore (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2014.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$52,882,175.
-
- The government's net position increased by \$1,365,286 from the prior year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$45,798,353, an increase of \$14,896,154 in comparison with the prior year amount. Of this total amount, \$5,060,725 is *unrestricted fund balance* for governmental funds.
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$4,724,705, or approximately 14.9% of total General Fund expenditures.
- During the current fiscal year, the City's total long-term obligations increased by \$19,485,189 (21%). The debt was increased by the issuance of \$9,075,000 in park general obligation bonds, \$9,525,000 in lease purchase financing revenue notes, \$5,262,040 in drawdowns on the OWRB Clean Water SRF loans and judgments issued in the amount of \$342,067. The debt was reduced by principal payments of \$5,366,610.
- Sales and use taxes increased by \$4,243,214 or 15.0% over the prior fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad view of the City of Moore's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's residual of assets and deferred outflows of resources over liabilities and deferred inflows of resources. Over time, increases or decreases in *net position* may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City, which include the City's water, wastewater, and sanitation utility operations, are included in the Moore Public Works Authority.

The government-wide financial statements include not only the City itself, but also the legally separate Moore Public Works Authority and the Moore Economic Development Authority as blended component units. The Authorities, although also legally separate, functions for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 13-15 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund.

The City adopts an annual appropriated budget for its general and other governmental funds. Budgetary comparison statements have been provided for each governmental fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as listed in the table of contents.

Proprietary funds. The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its public works authority.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its risk management and insurance activities. These services have been allocated to governmental and business-type functions in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Moore Public Works Authority which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found as listed in the table of contents.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found as listed in the table of contents.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's (a) variances in budget to actual revenues and expenditures for the General Fund, Moore Economic Development Authority, Debt Service Fund, Moore Public Works Authority and Risk Management Fund. Required supplementary information can be found as listed in table of contents.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found as listed in the table of contents.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$52,882,175 at the close of the most recent fiscal year. The following table provides a summary of the City's net position at June 30, 2014 compared to June 30, 2013.

Table 1
Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current and other assets	\$ 50,459	38,506	3,690	3,713	54,149	42,219
Capital assets	<u>59,467</u>	<u>51,709</u>	<u>68,032</u>	<u>66,002</u>	<u>127,499</u>	<u>117,711</u>
Total assets	<u>109,926</u>	<u>90,215</u>	<u>71,722</u>	<u>69,715</u>	<u>181,648</u>	<u>159,930</u>
Long-term debt outstanding	65,276	48,164	46,048	43,674	111,324	91,838
Other liabilities	<u>11,791</u>	<u>12,879</u>	<u>5,651</u>	<u>3,696</u>	<u>17,442</u>	<u>16,575</u>
Total liabilities	<u>77,067</u>	<u>61,043</u>	<u>51,699</u>	<u>47,370</u>	<u>128,766</u>	<u>108,413</u>
Net assets:						
Invested in capital assets, net of debt	24,941	24,676	19,160	19,688	44,101	44,364
Restricted	19,484	2,281	1,079	1,076	20,563	3,357
Unrestricted (deficit)	<u>(11,566)</u>	<u>2,215</u>	<u>(216)</u>	<u>1,581</u>	<u>(11,782)</u>	<u>3,796</u>
Total net assets	\$ <u>32,859</u>	<u>29,172</u>	<u>20,023</u>	<u>22,345</u>	<u>52,882</u>	<u>51,517</u>

By far the largest portion of the City's net position (83.4%) reflects its investment in capital assets (e.g., land, buildings, improvements, vehicles, and equipment) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (38.9%) represents resources that are subject to external restrictions on how they may be used.

During the current fiscal year the City's net position increased by \$1,365,286. A key element of expense was a non-cash charge for depreciation on capital assets of \$14,829,702.

Governmental activities. Governmental activities increased the City's net position by \$3,687,682. A key element of expense was a non-cash charge for depreciation on capital assets of \$11,343,672.

Business-type activities. Business-type activities decreased the City's net position by \$2,322,396. The decrease in net position included a non-cash charge for depreciation on capital assets of \$3,486,030.

Table 2
Changes in Net Position (In Thousands)

	Governmental <u>Activities</u>		Business-type <u>Activities</u>		Total <u>Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program revenues						
Charges for services	\$ 7,169	5,725	17,991	16,808	25,160	22,533
Operating grants	82	49	-	-	82	49
Capital grants	11,528	5,033	-	-	11,528	5,033
General revenues						
Sales and use taxes	31,481	27,237	-	-	31,481	27,237
Property taxes	3,589	2,610	-	-	3,589	2,610
Franchise tax (fees)	2,130	2,034	-	-	2,130	2,034
Other taxes	1,396	2,547	-	-	1,396	2,547
Investment income	112	89	13	19	125	108
Other	4,765	1,068	212	102	4,977	1,170
Total revenues	<u>62,252</u>	<u>46,392</u>	<u>18,216</u>	<u>16,929</u>	<u>80,468</u>	<u>63,321</u>
Expenses:						
General government	9,573	10,220	42	-	9,615	10,220
Public safety	28,267	22,053	-	-	28,267	22,053
Streets	4,170	5,945	-	-	4,170	5,945
Public works	1,273	2,730	-	-	1,273	2,730
Cultural & recreation	2,365	2,143	-	-	2,365	2,143
Community development	15,781	6,022	-	-	15,781	6,022
Water and sewer	-	-	14,643	11,665	14,643	11,665
Sanitation	-	-	1,751	2,363	1,751	2,363
Interest on debt	1,238	1,457	-	-	1,238	1,457
Total expenses	<u>62,667</u>	<u>50,570</u>	<u>16,436</u>	<u>14,028</u>	<u>79,103</u>	<u>64,598</u>
Increase in net position before transfers	(415)	(4,178)	1,780	2,901	1,365	(1,277)
Transfers	4,102	4,922	(4,102)	(4,922)	-	-
Change in net position	3,687	744	(2,322)	(2,021)	1,365	(1,277)
Beginning net position	29,172	28,428	22,345	24,366	51,517	52,794
Ending net position	<u>\$ 32,859</u>	<u>29,172</u>	<u>20,023</u>	<u>22,345</u>	<u>52,882</u>	<u>51,517</u>

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$45,798,353, an increase of \$14,896,154, in comparison with the prior year. Of this total amount, \$5,060,725 is *unrestricted fund balance* for the governmental funds.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unrestricted fund balance of the general fund was \$4,724,705. As a measure of the General Fund's liquidity, it may be useful to compare unrestricted fund balance to total fund expenditures. *Unrestricted fund balance* and *total fund balance* represents approximately 14.9% and 15.0% of total General Fund expenditures, respectively.

During the current fiscal year, the fund balance of the City's General Fund decreased by \$538,143.

Proprietary funds. The City's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted (deficit) net position of the Moore Public Works Authority at the end of the year amounted to \$(216,217). The total decrease in net position was \$2,322,396.

- Operating revenues increased by \$1,181,943 over the prior year reflecting a minor change in utility revenues.
- Operating expenses increased by \$1,365,184, mainly due to an increase in depreciation of capital assets.

General Fund Budgetary Highlights

There were differences between the original budget and the final budget for the General Fund. Overall, actual revenues on the budgetary basis of \$31,799,126 were \$1,734,061 more than the estimated revenues in the budget of \$30,065,065. Actual expenditures of \$31,740,470 were \$2,002,140 less than the \$33,742,610 approved in budget appropriations. After a net transfer out of \$597,098 to other funds, the City decreased by \$538,442 its carry forward funds to cover the overall excess of expenditures over receipts.

Capital Asset and Long-term Obligations

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2014, amounts to \$127,498,611 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, vehicles, and infrastructure.

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

- Completion of the construction of the public safety building.
- Major street construction.
- Completion of the construction and upgrade of the wastewater system.

Table 3
Capital Assets
(In Thousands)

	Governmental Activities <u>2014</u>	Business-type Activities <u>2014</u>	Total <u>2014</u>
Land and construction in progress	\$ 3,883	-	3,883
Building and improvements	44,462	1,782	46,244
Machinery and equipment	13,495	5,792	19,287
Vehicles	9,620	3,555	13,175
Infrastructure	116,496	115,494	231,990
	187,956	126,623	314,579
Less : Accumulated depreciation	128,489	58,591	187,080
Net capital assets	\$ 59,467	68,032	127,499
	Governmental Activities <u>2013</u>	Business-type Activities <u>2013</u>	Total <u>2013</u>
Land and construction in progress	\$ 12,199	48,261	60,460
Building and improvements	28,144	1,782	29,926
Machinery and equipment	11,084	5,751	16,835
Vehicles	8,994	3,503	12,497
Infrastructure	108,492	61,811	170,303
	168,913	121,108	290,021
Less : Accumulated depreciation	117,204	55,106	172,310
Net capital assets	\$ 51,709	66,002	117,711

Additional information of the City's capital assets can be found in Note 3 in the Notes to the Basic Financial Statements as listed in the table of contents.

Long-term obligations. At the end of the current fiscal year, the City had total debt outstanding of \$109,001,539. These debts are further detailed below as follows:

Table 4
Long-term Debt
(In Thousands)

	Governmental Activities <u>2014</u>	Business-type Activities <u>2014</u>	Total <u>2014</u>
General obligation bonds	\$ 29,075	-	29,075
Revenue bonds and notes	26,125	48,560	74,685
Compensated absences payable	4,532	85	4,617
Other	620	4	624
Net long-term debt	<u>\$ 60,352</u>	<u>48,649</u>	<u>109,001</u>

	Governmental Activities <u>2013</u>	Business-type Activities <u>2013</u>	Total <u>2013</u>
General obligation bonds	\$ 22,925	-	22,925
Revenue bonds and notes	17,194	45,871	63,065
Compensated absences payable	4,225	76	4,301
Other	479	4	483
Net long-term debt	<u>\$ 44,823</u>	<u>45,951</u>	<u>90,774</u>

Additional information on the City's long-term debt can be found in Notes 3 in the Notes to the Basic Financial Statements as listed in the table of contents.

Economic Factors and Next Year's Budget and Rates

- The City's finances continue to be affected by the May 20, 2013 tornado which destroyed a significant number of homes and businesses.
- The unemployment rate for the Oklahoma City metropolitan area which includes Moore is currently 4.4 percent, which is a decrease of .4 percent from a year ago. This compares favorably to the state's average unemployment rate of 4.6 percent and favorably to the national average rate of 6.1 percent.
- Inflationary trends in the region compare favorably to national indices.
- The City's major source of revenue is sales tax revenue. Sales tax revenue increased 15.00% over the prior year total. A portion of the increase is attributable to a new ¼ cent sales tax voted by the citizens effective April 1, 2013 for park improvements.

All of these factors were considered in preparing the City's budget for the 2015 fiscal year.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, bond rating agencies and creditors with a general overview of the City's finances reflecting 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 301 N. Broadway, Moore, Oklahoma 73160 or telephone at 405-793-5060.

Jim Corbett, CPA
Finance Director

BASIC FINANCIAL STATEMENTS

City of Moore, Oklahoma
Statement of Net Position
June 30, 2014

	Primary Government		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Pooled cash and cash equivalents	\$ 11,069,361	-	11,069,361
Investments	5,856,000	-	5,856,000
Restricted cash and investments	29,794,163	2,119,793	31,913,956
Receivables (net of allowance for uncollectibles)	61,068	1,570,450	1,631,518
Receivables from other governments	3,648,245	-	3,648,245
Inventories	31,386	-	31,386
Total current assets	<u>50,460,223</u>	<u>3,690,243</u>	<u>54,150,466</u>
Non-current assets:			
Capital assets:			
Land, improvements, and construction in progress	3,882,773	-	3,882,773
Other capital assets, net of depreciation	55,583,790	68,032,048	123,615,838
Total non-current assets	<u>59,466,563</u>	<u>68,032,048</u>	<u>127,498,611</u>
Total assets	<u>109,926,786</u>	<u>71,722,291</u>	<u>181,649,077</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	2,847,210	1,670,068	4,517,278
Accrued interest payable	498,285	364,606	862,891
Deposits subject to refund	348,150	1,020,042	1,368,192
Current portion of long-term debt	8,097,986	2,596,968	10,694,954
Total current liabilities	<u>11,791,631</u>	<u>5,651,684</u>	<u>17,443,315</u>
Non-current liabilities:			
Long-term debt and other liabilities	65,275,864	46,047,723	111,323,587
Total non-current liabilities	<u>65,275,864</u>	<u>46,047,723</u>	<u>111,323,587</u>
Total liabilities	<u>77,067,495</u>	<u>51,699,407</u>	<u>128,766,902</u>
NET POSITION			
Net investment in capital assets	24,941,071	19,160,023	44,101,094
Restricted for:			
Debt service	4,426,022	-	4,426,022
Capital improvements	10,811,151	1,079,078	11,890,229
Other purposes	4,247,181	-	4,247,181
Unrestricted (deficit)	(11,566,134)	(216,217)	(11,782,351)
Total net position	<u>\$ 32,859,291</u>	<u>20,022,884</u>	<u>52,882,175</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Statement of Activities
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 9,572,856	5,993,283	-	-
Public safety	28,267,248	1,175,947	81,566	73,574
Streets	4,170,405	-	-	-
Public works administration	1,272,742	-	-	-
Culture and recreation	2,364,620	-	-	-
Community development	15,780,632	-	-	11,454,873
Interest on long-term debt	1,237,847	-	-	-
Total governmental activities	62,666,350	7,169,230	81,566	11,528,447
Business-type activities:				
Water and sewer	14,643,049	13,931,917	-	-
Sanitation	1,751,076	3,775,720	-	-
General government	42,147	282,798	-	-
Total business-type activities	16,436,272	17,990,435	-	-
Total primary government	79,102,622	25,159,665	81,566	11,528,447

City of Moore, Oklahoma
Statement of Activities
For the Year Ended June 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Change in net assets:			
Net (expense) revenue	\$ <u>(43,887,107)</u>	<u>1,554,163</u>	<u>(42,332,944)</u>
General revenues:			
Taxes:			
Sales taxes	30,517,558	-	30,517,558
Use taxes	963,037	-	963,037
Property taxes	3,588,737	-	3,588,737
Franchise taxes (fees)	2,130,083	-	2,130,083
Other taxes	1,396,464	-	1,396,464
Unrestricted investment income	111,902	13,097	124,999
Miscellaneous	4,765,342	212,010	4,977,352
Transfers	<u>4,101,666</u>	<u>(4,101,666)</u>	<u>-</u>
Total general revenues and transfers	<u>47,574,789</u>	<u>(3,876,559)</u>	<u>43,698,230</u>
Change in net position	3,687,682	(2,322,396)	1,365,286
Net position - beginning	<u>29,171,609</u>	<u>22,345,280</u>	<u>51,516,889</u>
Net position - ending	\$ <u><u>32,859,291</u></u>	<u><u>20,022,884</u></u>	<u><u>52,882,175</u></u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Balance Sheet - Governmental Funds
June 30, 2014

	General	Moore Econ. Dev. Authority	Park Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 2,229,297	341,714	-	-	7,050,060	9,621,071
Restricted cash and investments	346,748	2,992,787	21,598,736	4,855,892	-	29,794,163
Investments	1,767,000	-	-	-	3,856,000	5,623,000
Receivables - Other, net	13,717	-	-	-	36,212	49,929
Due from other governments	2,631,360	171,741	-	24,000	821,144	3,648,245
Inventories	31,386	-	-	-	-	31,386
Total assets	<u>7,019,508</u>	<u>3,506,242</u>	<u>21,598,736</u>	<u>4,879,892</u>	<u>11,763,416</u>	<u>48,767,794</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	1,869,331	176,934	13,618	-	458,168	2,518,051
Wages and benefits payable	47,339	501	-	-	-	47,840
Due to other funds	-	-	-	55,400	-	55,400
Deposits	346,747	-	-	-	1,403	348,150
Total liabilities (Note 2)	<u>2,263,417</u>	<u>177,435</u>	<u>13,618</u>	<u>55,400</u>	<u>459,571</u>	<u>2,969,441</u>
Fund balances:						
Nonspendable	31,386	-	-	-	-	31,386
Restricted	-	2,992,787	21,585,118	4,824,492	11,303,845	40,706,242
Unrestricted	<u>4,724,705</u>	<u>336,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,060,725</u>
Total fund balances	<u>4,756,091</u>	<u>3,328,807</u>	<u>21,585,118</u>	<u>4,824,492</u>	<u>11,303,845</u>	<u>45,798,353</u>
Total liabilities and fund balances	<u>\$ 7,019,508</u>	<u>3,506,242</u>	<u>21,598,736</u>	<u>4,879,892</u>	<u>11,763,416</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not required in the governmental fund statements.	59,465,297
Accrued interest payable is not reported on the governmental fund statements.	(445,903)
Internal service funds are used by management to charge the costs of certain activities to individual funds. Assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(10,569,828)
Long-term liabilities, including bonds and notes payable are not due and payable in the current period and therefore are not reported in the funds.	(56,745,735)
Accrued compensated absences payable is not reported on the governmental fund statements.	(4,590,511)
Net position of governmental activities	<u>\$ 32,911,673</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2014

	General Fund	Moore Econ. Dev. Authority	Park Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 29,037,932	2,198,000	-	3,588,737	4,883,421	39,708,090
Intergovernmental	295,059	-	-	-	11,619,734	11,914,793
Licenses and permits	584,824	-	-	-	20,232	605,056
Charge for services	352,800	-	1,000	-	18,910	372,710
Fines and forfeitures	1,175,947	-	-	-	-	1,175,947
Investment revenue	80,713	745	13	3,703	22,187	107,361
Proceeds from debt issuances	-	-	18,613,381	-	-	18,613,381
Miscellaneous	271,851	496,634	25,900	-	3,239,979	4,034,364
Total revenues	<u>31,799,126</u>	<u>2,695,379</u>	<u>18,640,294</u>	<u>3,592,440</u>	<u>19,804,463</u>	<u>76,531,702</u>
EXPENDITURES						
Current:						
General government	5,273,961	329,419	-	-	-	5,603,380
Public safety	20,048,494	5,360,726	-	-	112,706	25,521,926
Streets	-	-	-	-	4,766,583	4,766,583
Public works	3,402,481	-	-	-	-	3,402,481
Culture and recreation	1,748,031	1,438,409	1,688,077	-	254,218	5,128,735
Community development	1,267,203	-	-	-	14,499,607	15,766,810
Debt service:						
Principal	-	593,344	-	2,091,425	-	2,684,769
Interest and other charges	-	656,914	-	403,625	-	1,060,539
Total expenditures	<u>31,740,170</u>	<u>8,378,812</u>	<u>1,688,077</u>	<u>2,495,050</u>	<u>19,633,114</u>	<u>63,935,223</u>
Excess (deficiency) of revenues over expenditures	<u>58,956</u>	<u>(5,683,433)</u>	<u>16,952,217</u>	<u>1,097,390</u>	<u>171,349</u>	<u>12,596,479</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	26,818,809	2,072,822	90,138	-	1,100,000	30,081,769
Transfers out	(27,415,908)	(90,138)	-	(204,028)	(72,020)	(27,782,094)
Total other financing sources and uses	<u>(597,099)</u>	<u>1,982,684</u>	<u>90,138</u>	<u>(204,028)</u>	<u>1,027,980</u>	<u>2,299,675</u>
Net change in fund balances	(538,143)	(3,700,749)	17,042,355	893,362	1,199,329	14,896,154
Fund balances-beginning	5,294,234	7,029,556	4,542,763	3,931,130	10,104,516	30,902,199
Fund balances-ending	<u>\$ 4,756,091</u>	<u>3,328,807</u>	<u>21,585,118</u>	<u>4,824,492</u>	<u>11,303,845</u>	<u>45,798,353</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2014

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

Net change in fund balances - total governmental funds	\$ 14,896,154
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	7,074,727
The issuance of long-term debt provides current financial resources to governmental funds.	(18,257,933)
Debt service principal retirement expensed in the fund level financial statements but treated as a reduction in outstanding debt in government-wide financial statements.	2,793,670
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.	(124,926)
Increase in liability for compensated absences expensed in the government-wide financial statements.	(227,425)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	<u>(2,414,203)</u>
Change in net position of governmental activities	<u>\$ 3,740,064</u>

City of Moore, Oklahoma
Statement of Position Proprietary Funds
June 30, 2014

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
			Total	Internal
	<u>MPWA</u>	<u>MPWA Sinking</u>	<u>Enterprise Funds</u>	<u>Service Fund</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	-	-	1,448,290
Restricted:				
Cash and investments	2,067,078	52,715	2,119,793	-
Investments	-	-	-	233,000
Receivables, utilities - Net of allowance for doubtful accounts of \$439,325	1,559,442	-	1,559,442	-
Receivables, other	11,008	-	11,008	11,139
Due from other funds	-	-	-	55,400
Total current assets	<u>3,637,528</u>	<u>52,715</u>	<u>3,690,243</u>	<u>1,747,829</u>
Non-current assets:				
Other capital assets, net	68,032,048	-	68,032,048	1,266
Total non-current assets	<u>68,032,048</u>	<u>-</u>	<u>68,032,048</u>	<u>1,266</u>
Total assets	<u>71,669,576</u>	<u>52,715</u>	<u>71,722,291</u>	<u>1,749,095</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
LIABILITIES				
Current liabilities:				
Accounts payable	1,668,163	-	1,668,163	279,526
Accrued interest payable	-	364,606	364,606	-
Other accrued liabilities	1,905	-	1,905	1,793
Deposits subject to refund	1,020,042	-	1,020,042	-
Current portion of long-term liabilities	21,139	2,575,829	2,596,968	19,815
Total current liabilities	<u>2,711,249</u>	<u>2,940,435</u>	<u>5,651,684</u>	<u>301,134</u>
Non-current liabilities:				
Liability for incurred claims	-	-	-	2,187,000
Other post-employment benefits	-	-	-	9,767,364
Notes payable, non-current	-	45,984,305	45,984,305	3,980
Accrued compensated absences, non-current	63,418	-	63,418	59,445
Total non-current liabilities	<u>63,418</u>	<u>45,984,305</u>	<u>46,047,723</u>	<u>12,017,789</u>
Total liabilities	<u>2,774,667</u>	<u>48,924,740</u>	<u>51,699,407</u>	<u>12,318,923</u>
DEFERRED INFLOW OF RESOURCES				
	-	-	-	-
NET POSITION				
Net investment in capital assets	68,032,048	(48,872,025)	19,160,023	1,266
Restricted for:				
Debt service	-	-	-	-
Capital improvements	1,079,078	-	1,079,078	-
Unrestricted	<u>(216,217)</u>	<u>-</u>	<u>(216,217)</u>	<u>(10,571,094)</u>
Total net position	<u>\$ 68,894,909</u>	<u>(48,872,025)</u>	<u>20,022,884</u>	<u>(10,569,828)</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds
For the Year Ended June 30, 2014

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
			<u>Total</u>	<u>Activities</u>
	<u>MPWA</u>	<u>MPWA</u>	<u>Enterprise</u>	<u>Internal</u>
		<u>Sinking</u>	<u>Funds</u>	<u>Service</u>
				<u>Fund</u>
REVENUES				
Water	\$ 6,543,173	-	6,543,173	-
Sewer	7,388,744	-	7,388,744	-
Sanitation	3,775,720	-	3,775,720	-
Other services	282,798	-	282,798	-
Self insurance charges	-	-	-	4,214,937
Total operating revenues	<u>17,990,435</u>	<u>-</u>	<u>17,990,435</u>	<u>4,214,937</u>
OPERATING EXPENSES				
General government	10,458,000	-	10,458,000	399,206
Sanitation	1,390,135	-	1,390,135	-
Insurance claims and expenses	-	-	-	8,150,233
Depreciation	3,486,030	-	3,486,030	800
Total operating expenses	<u>15,334,165</u>	<u>-</u>	<u>15,334,165</u>	<u>8,550,239</u>
Operating income (loss)	<u>2,656,270</u>	<u>-</u>	<u>2,656,270</u>	<u>(4,335,302)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment revenue	13,093	4	13,097	4,541
Other nonoperating revenue (expenses)	212,010	-	212,010	114,567
Interest expense	-	(1,102,107)	(1,102,107)	-
Total nonoperating revenues (expenses)	<u>225,103</u>	<u>(1,102,103)</u>	<u>(877,000)</u>	<u>119,108</u>
OPERATING TRANSFERS AND CAPITAL ITEMS				
Transfers in	25,770,896	-	25,770,896	1,801,991
Transfers out	<u>(28,416,772)</u>	<u>(1,455,790)</u>	<u>(29,872,562)</u>	<u>-</u>
Total operating transfers	<u>(2,645,876)</u>	<u>(1,455,790)</u>	<u>(4,101,666)</u>	<u>1,801,991</u>
Change in net position	235,497	(2,557,893)	(2,322,396)	(2,414,203)
Net position - beginning	<u>68,659,412</u>	<u>(46,314,132)</u>	<u>22,345,280</u>	<u>(8,155,625)</u>
Net position - ending	<u>\$ 68,894,909</u>	<u>(48,872,025)</u>	<u>20,022,884</u>	<u>(10,569,828)</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2014

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
			<u>Total</u>	<u>Internal</u>
	<u>MPWA</u>	<u>Sinking</u>	<u>Enterprise Funds</u>	<u>Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 17,763,781	-	17,763,781	4,214,937
Payments to suppliers	(9,214,067)	(78,490)	(9,292,557)	(22,235)
Payments to employees	(702,896)	-	(702,896)	(301,873)
Claims and judgments paid	-	-	-	(5,894,123)
Net cash provided (used) by operating activities	<u>7,846,818</u>	<u>(78,490)</u>	<u>7,768,328</u>	<u>(2,003,294)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating transfers in (out)	<u>(2,645,876)</u>	<u>(1,455,790)</u>	<u>(4,101,666)</u>	<u>1,801,991</u>
Net cash provided (used) by noncapital financing activities	<u>(2,645,876)</u>	<u>(1,455,790)</u>	<u>(4,101,666)</u>	<u>1,801,991</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from OWRB loan	-	5,262,040	5,262,040	-
Principal paid on long-term debt	-	(2,572,942)	(2,572,942)	-
Interest expense and fiscal charges	-	(1,102,107)	(1,102,107)	-
(Acquisition) of capital assets	<u>(5,516,225)</u>	<u>-</u>	<u>(5,516,225)</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(5,516,225)</u>	<u>1,586,991</u>	<u>(3,929,234)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) decrease in investments	-	-	-	996,000
Interest received	<u>13,093</u>	<u>4</u>	<u>13,097</u>	<u>4,541</u>
Net cash provided (used) by investing activities	<u>13,093</u>	<u>4</u>	<u>13,097</u>	<u>1,000,541</u>
Net increase (decrease) in cash and cash equivalents	(302,190)	52,715	(249,475)	799,238
Cash and cash equivalents - beginning of the year	<u>2,369,268</u>	<u>-</u>	<u>2,369,268</u>	<u>649,052</u>
Cash and cash equivalents - end of the year	<u>\$ 2,067,078</u>	<u>52,715</u>	<u>2,119,793</u>	<u>1,448,290</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	-	-	-	1,448,290
Restricted cash and cash equivalents	<u>2,067,078</u>	<u>52,715</u>	<u>2,119,793</u>	<u>-</u>
Total cash and cash equivalents, end of year	<u>\$ 2,067,078</u>	<u>52,715</u>	<u>2,119,793</u>	<u>1,448,290</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	2,656,270	-	2,656,270	(4,335,302)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Cash flows reported in other categories:				
Depreciation expense	3,486,030	-	3,486,030	800
Miscellaneous revenues	212,010	-	212,010	114,567
Change in assets and liabilities:				
Receivable, net	(226,654)	-	(226,654)	1,407
Accounts payable	1,632,659	-	1,632,659	56,252
Due from other funds	-	-	-	(95,677)
Accrued compensated absences	8,204	-	8,204	3,621
Other current liabilities	(14,622)	(78,490)	(93,112)	(5,072)
Deposits subject to refund	92,921	-	92,921	-
Liabilities for incurred claims	-	-	-	2,256,110
Net cash provided by (used in) operating activities	<u>\$ 7,846,818</u>	<u>(78,490)</u>	<u>7,768,328</u>	<u>(2,003,294)</u>

See accompanying notes to the basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 1. ORGANIZATION

The City of Moore, Oklahoma (the City) is a municipal corporation, incorporated in 1893. The City is governed by an elected mayor and six-member council. The City operates under a Council-Manager Charter 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.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity - The accompanying financial statements present the government and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and therefore data from these units are combined with the data of the City. Each blended component unit has a June 30 year end.

Blended Component Units - The Moore Public Works Authority (MPWA) was created pursuant to a Trust Indenture, for the benefit of the City of Moore. MPWA was established to acquire, construct, develop, equip, operate and maintain the City's water, sanitary sewer and solid waste disposal systems. The water, sanitary sewer and solid waste disposal systems owned by the City have been leased to MPWA, including long-term financing and capital development. Council members serve as Trustees and the City Manager is General Manager. The Authority is reported as an enterprise fund.

On December 10, 1993, the City through the MPWA entered into an agreement with Veolia Water to manage, operate and maintain the wastewater treatment plant, water facilities, sanitation services and other Public Works services as directed by the City/MPWA. All facilities managed by Veolia Water remain the property of the City of Moore. On September 2, 1997, the City amended the contract to include the maintenance, operation and management of the waste water treatment plant and water facilities only.

The Moore Economic Development Authority (MEDA) was created pursuant to a Trust Indenture, for the benefit of the City of Moore. MEDA was created to finance projects and development of the City's municipal infrastructure. City Council members serve as Trustees and the City Manager is General Manager. The Authority is reported as a governmental fund.

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

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" as amended by Statement 61, and includes all component units for which the City is financially accountable. Each component unit is a Public Trust established pursuant to Title 60 of the Oklahoma State law. Public Trusts (Authorities) have no taxing power. The Authorities are generally created to finance City services through the issuance of revenue bonds or other non-general obligation debt and to enable the City Council to delegate certain

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

functions to the governing body (Trustees) of the Authority. In accordance with state law, all debt obligations incurred by public trusts require 2/3 approval by the City Council. In addition, the City has leased certain existing assets at the creation for the Authority to the Trustees on a long-term basis. The City, as beneficiary of the Public Trust, receives title to any residual assets when a Public Trust is dissolved.

Basis of Presentation and Accounting:

Government-Wide and Fund Financial Statements - The statements of net position and activities are reported on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses (including depreciation and amortization) are recorded when the liability is incurred or economic asset used.

Program revenues within the statement of activities 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:

- Public Safety - Police and Fire - fines and forfeitures, fire run charges, 911 revenue, operating and capital grants
- Streets - commercial vehicle and gasoline excise tax shared by the State, operating and capital grants
- Culture and Recreation - class fees, library fees and operating grants
- Cemetery - cemetery revenues
- General Government - licenses and permits, rentals, operating and capital grants

All governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Governmental Funds:

Major Fund:

The following are the City's major governmental funds:

General Fund - is the general operating fund of the City. It accounts and reports for all financial resources not required to be reported in another fund.

Moore Economic Development Authority (MEDA) - accounts for finance projects and development of the City's municipal infrastructure.

Park Improvement Fund - accounts for and reports resources that are restricted, committed, or assigned to expenditure for the construction and improvements of the City parks.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Aggregated Non-Major Funds (reported as Other Governmental Funds):

The following are the City's non-major governmental funds:

Special Revenue Fund - accounts for the proceeds of government grants or specific revenue sources (other than grants applicable to enterprise fund activities, expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Cemetery Perpetual Care Fund - accounts for and reports resources that are restricted, committed, or assigned to expenditure for the maintenance and care of the cemetery.

CDBG Fund - accounts for and reports resources that are restricted, committed, or assigned to expenditure related to the Community Development Block Grant program.

Street Project Fund - accounts for and reports resources that are restricted, committed, or assigned to expenditure for the construction and repair of streets.

Street Sales Tax Fund - accounts for and report financial resources that are restricted, committed, or assigned to expenditure for the construction and repair of streets as approved by a special sales tax ordinance.

The governmental funds are reported on the modified accrual basis of accounting. On the modified accrual basis of accounting revenues are reported when earned and measurable and available to pay current financial obligations, while expenditures are recorded when incurred and normally payable from current financial resources. The City defines revenue available as collected within 60 days of the period end.

The reconciliation of the governmental funds financial statements to the governmental activities presentation in the government-wide financial statement is the result of the use of the economic resources measurement focus and accrual basis of accounting at the government-wide level.

The General Fund is considered a major fund and therefore displayed in a separate column. All other governmental funds are considered non-major funds and are aggregated under the column Other Governmental Funds.

Proprietary Funds:

The following are the City's major proprietary funds:

Moore Public Works Authority (MPWA) - accounts for the revenues from operations of water, sanitary sewer and solid waste operations.

Risk Management Internal Service Fund - accounts for property, health, worker's compensation liability insurance and other risk management functions provided to various funds of the City.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

For purposes of the statement of revenues, expenses and changes in financial position, operating revenues and expenses are considered those whose cash flows are related to operating activities, while revenues and expenses related to financing, capital and investing activities are reported as non-operating or transfers and contributions.

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Fund Equity

- a. *Cash and Cash Equivalents* - The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.
- b. *Pooled Cash and Investments* - The City Charter requires all cash belonging to the City to be placed in the custody of the Financial Services Department of the City. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has an equity in the pooled amounts. Investments are allocated to the individual participating funds based upon a percentage determined by the Financial Services Department of the City. An interfund receivable/payable is recognized if the allocation of investments to a particular fund exceeds the fund's pooled cash amount before the allocation of the pooled investments.

Purchases and maturities of the pooled investments, as reported in the fund's statement of cash flow, are allocated to the participating proprietary funds based on their portion of total pooled investments.

- c. *Investments* - Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City considers quoted market price at June 30, 2014, to be the fair value of its investments. Oklahoma Statutes authorize the City to invest in obligations of the United States government, its agencies and instrumentalities; collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured certificates of deposit at banks, savings bank, savings and loan associations and credit unions located out of state; negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank; prime banker's acceptances which are eligible for purchases by the Federal Reserve System and which do not exceed 270 days' maturity; prime commercial paper which shall not have a maturity that exceeds 180 days nor represent more than 10% of the outstanding paper of an issuing corporation; repurchase agreements that have underlying collateral consisting of those items specified above; and money market funds regulated by the Securities and Exchange Commission and which investments consist of those items noted above.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- d. *Receivables and payables* - In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

In the governmental fund financial statements, receivables are recorded when they are both measurable and available. Proprietary fund receivables consist of all revenues earned at year-end and not yet received.

- e. *Interfund Receivable and Payables* - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / due from other funds" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."
- f. *Restricted Assets* - Restricted assets include cash and investments of both governmental activities and business-type activities that are legally restricted as to their use. The restricted assets are primarily related to debt trustee accounts and guaranty deposits.
- g. *Capital Assets* - Capital assets, which include property, plant and equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with initial, individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, the majority of which generally consists of donated land and infrastructure which is recorded in the governmental funds and donated water and sewer distribution systems which are recorded in the proprietary funds, are recorded at estimated fair value at the date of donation.

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

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

Buildings	40 - 65 years
Infrastructure	25 - 50 years
Improvements other than buildings & infrastructure	10 - 20 years
Machinery and equipment	3 - 20 years
Vehicles	3 - 7 years

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- h. *Inventory* - The City records parts and fuel inventory within the General Fund. Parts inventory is recorded using actual cost.
- i. *Long-term Debt* - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt is reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, issuance costs and losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred losses on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issues is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt services expenditures.

- j. *Liability for Incurred Claims* - The liability for incurred claims represents estimated claims (including future claim adjustment expenses) incurred but unpaid for workers compensation, group medical and dental, unemployment claims and post-retirement obligations as of the fiscal year end. The estimate includes claims reported as of June 30, 2014, as well as an estimated amount representing claims incurred but not reported. The City utilizes the services of an actuary in computation of the incurred but unpaid workers compensation portion of the liability.
- k. *Claims and Judgments Payable* - Under state law, judgments against the City can be paid over three years or can be paid immediately. The Risk Management Fund pays all claims and judgments. A liability has been recorded within the government-wide, proprietary and fiduciary fund financial statements for claims and judgments payable. A liability for these amounts is reported in governmental funds only if they will be paid from current financial resources.
- l. *Compensated Absences* - Under the terms of union contracts and City personnel policies, City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for vacation leave accumulated and vested accumulated sick leave. Vesting of sick leave by employees and maximum number of hours that can be accumulated for vacation and sick leave are dependent upon an employees' service as contained in the City's personnel manual. Upon retirement, one-half of accumulated sick leave is converted to cash, subject to the above limitation for maximum compensation for unused compensated absences.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

m. *Fund Equity* - In the government-wide financial statements, equity is classified as net position and displayed in three components:

1. *Net investment in capital assets* - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowings attributable to those assets.
2. *Restricted net position* - Consists of net position with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation. The most significant restriction as of June 30, 2014 related to three ordinances benefiting the City's wastewater system which provide funds that are being held to complete capital projects.
3. *Unrestricted net position* - All other assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted net position are available for use, generally it is the City's policy to use restricted resources first. For projects funded with tax-exempt debt proceeds and other sources, the debt proceeds are used first.

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- a) *Nonspendable* - Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.
- b) *Restricted* - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- c) *Committed* - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action of the highest level of decision making authority. To commit these funds, formal action is required by the City Council either by resolution or ordinance that identifies the specific circumstances under which the resources may be expended.
- d) *Assigned* - Includes fund balance amount that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Intent can be stipulated by the governing body, another body (such as Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance of the classification for all governmental funds with positive balances.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- e) *Unassigned* - Includes the residual balance of the General Fund that has not been assigned to other funds and that has not be restricted, committed, or assigned to specific purposes with the General Fund.

Revenues, Expenditures and Expenses

- a. *Property Tax Revenue* - Property taxes attach an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The Tax Assessor's office bills and collects the property taxes and remits to the City its portion. Property taxes not paid prior to April are considered delinquent. Such delinquent tax payments have not historically been material. Delinquent tax payments are received throughout the year and are recognized as revenue in the year received, except those received within 60 days of year end, which are recognized as revenues as of June 30, 2014 in both the government-wide and fund financial statements.
- b. *Sales Taxes* - Sales taxes are collected by vendors and required to be remitted to the State of Oklahoma by the 20th of the month following collection. The tax is then paid to the City by the 10th of the next month. A two month lag exists between collection by the vendor and payment to the City by the State. Revenue received in July and August from sales made in May and June, respectively, is available for prior year expenses and is accrued in both the government-wide and fund financial statements.
- c. *Charges for Services* - Charges for service consist primarily of charges made by the Risk Management Fund for services such as self-insurance and other benefits provided to the other funds of the City.
- d. *Intergovernmental Revenues/Capital Grants Earned* - Revenues from Federal and State operating grants are recognized when expenditures are made. Similarly, capital grants are considered earned when the expenditures are made. The earned portion of capital grants in Proprietary Funds is treated as a capital contribution within the statement of revenues, expenses and changes in fund net position.
- e. *Investment Earnings* - Investment earnings on pooled cash and investments are allocated on a pro-rata basis to the City's funds based on the percentage of each fund's average month-end pooled cash balance.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements - There were no new accounting pronouncements applicable to the City's financial reporting for the year ended June 30, 2014.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS

The following notes present detailed information to support the amounts reported in the basic financial statements for the City's various assets, liabilities, Net Position/fund balances, revenues and expenditures/expenses.

Cash and Investments

A summary of cash and investments shown in the Statement of Net Position is as follows:

Cash and equivalents	\$ 11,069,361
Investments	<u>31,913,956</u>
Total	<u>\$ 42,983,317</u>

The local government had the following deposits and investments at June 30, 2014:

	Credit rating	Fair value	Maturities in Years		
			On demand	Less than 1	1-5
Demand deposits and cash on hand	(1)	\$ 11,069,361	11,069,361	-	-
Money market mutual funds	AAA	-	-	-	-
U.S. Obligations		9,758,950	-	9,758,950	-
Time deposits	(1)	<u>22,155,006</u>	<u>-</u>	<u>21,908,006</u>	<u>247,000</u>
Total		<u>\$ 42,983,317</u>	<u>11,069,361</u>	<u>31,666,956</u>	<u>247,000</u>

(1) Note subject to rating

Standard and Poor's (S&P) was the source for all credit ratings reported above.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for collateralization is that pledged securities will have a market value of at least 110% of the value of funds on deposit and that collateral be limited to either U.S. Treasury securities and direct debt obligations of municipalities, counties and school districts in the state of Oklahoma.

At June 30, 2014, the City was not exposed to custodial credit risk as defined above.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Investment Interest Credit Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy limits investments to those with a maturity no more than three years from the date of purchase, except for reserve funds, as a means of managing exposure to fair value losses arising from increasing interest rates. The City discloses its exposure to interest rate risk by disclosing the maturity dates of its investments.

As noted in the schedule of deposits and investments above, at June 30, 2014, the investments held by the City mature between less than a year and a maximum of two years.

Concentration of Investment Credit Risk

The City places no limit on the amount it may invest in any one issuer. The City has the following of credit risk: 51.5% in certificates of deposit (\$22,155,006) and 22.7% in U.S. obligations (\$9,758,950).

Receivables and Uncollectible Accounts

Receivables as of June 30, 2014, for the City of Moore's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General <u>Fund</u>	MEDA <u>Fund</u>	Debt Serv. <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Moore Public Works <u>Authority</u>
Receivables:					
Taxes	\$ 2,631,360	171,741	24,000	821,144	-
Accounts	<u>13,717</u>	<u>-</u>	<u>-</u>	<u>36,212</u>	<u>2,009,775</u>
Gross receivables	2,645,077	171,741	24,000	857,356	2,009,775
Less: Allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>439,325</u>
Net receivables	<u>\$ 2,645,077</u>	<u>171,741</u>	<u>24,000</u>	<u>857,356</u>	<u>1,570,450</u>

Restricted Assets

The amounts reported as restricted assets of the enterprise fund type on the combined balance sheet are comprised of amounts held for utility deposits (refunded upon termination of service or applied to account for good payment history), for construction funded through long-term debt and debt service. The restricted assets as of June 30, 2014 were as follows:

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

<u>Type of Restricted Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Utility deposits and other accounts	\$ 346,747	988,000	1,334,747
Construction funds	24,491,709	1,079,078	25,570,787
Debt service sinking funds	4,955,707	52,715	5,008,422
Total Restricted Assets	<u>\$ 29,794,163</u>	<u>2,119,793</u>	<u>31,913,956</u>

Capital Assets

Capital asset balances and activities for the year ended June 30, 2014, were as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u>
<i>Governmental activities</i>				
Capital assets not being depreciated :				
Land	\$ 3,795,070	349,944	262,241	3,882,773
Construction in progress	8,403,418	-	8,403,418	-
Total capital assets not being depreciated	<u>12,198,488</u>	<u>349,944</u>	<u>8,665,659</u>	<u>3,882,773</u>
Capital assets being depreciated :				
Buildings and improvements	28,144,232	16,327,397	10,000	44,461,629
Machinery and equipment	11,084,044	2,460,911	49,645	13,495,310
Vehicles	8,994,102	625,640	-	9,619,742
Infrastructure	108,491,925	8,003,682	-	116,495,607
Total capital assets being depreciated	156,714,303	27,417,630	59,645	184,072,288
Less : Accumulated depreciation	117,204,289	11,343,672	59,463	128,488,498
Governmental activities capital assets, net	<u>\$ 51,708,502</u>	<u>16,423,902</u>	<u>182</u>	<u>59,466,563</u>

Depreciation expense for governmental activities is charged to functions as follows:

Governmental activities:

General government	\$ 4,334,133
Public safety	3,152,564
Streets	3,276,395
Public works administration	28,249
Cultural and recreation	490,020
Community development	62,311
Total depreciation expense - governmental activities	<u>\$ 11,343,672</u>

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Capital asset activity for business-type activities for the year ended June 30, 2014 was as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u>
<i>Business-type activities</i>				
Capital assets not being depreciated :				
Land	\$ -	-	-	-
Construction in progress	48,261,097	5,381,202	53,642,299	-
Total capital assets not being depreciated	48,261,097	5,381,202	53,642,299	-
Capital assets being depreciated :				
Buildings and improvements	1,782,000	-	-	1,782,000
Machinery and equipment	5,750,834	42,769	1,150	5,792,453
Vehicles	3,502,963	51,800	-	3,554,763
Infrastructure	61,810,978	53,682,636	-	115,493,614
Total capital assets being depreciated	72,846,775	53,777,205	1,150	126,622,830
Less : Accumulated depreciation	55,105,785	3,486,030	1,033	58,590,782
Business-type activities capital assets, net	\$ 66,002,087	55,672,377	117	68,032,048

Depreciation expense for business-type activities is charged to functions as follows:

Business-type activities:

Water	\$ 818,893
Sewer	2,264,049
Sanitation	360,941
General government	42,147
Total depreciation expense - business-type activities	\$ 3,486,030

Deposits Subject to Refund

Utility customers are required to make a meter deposit, which is refunded upon the customer's termination of services, provided there are no outstanding bills. Monies are deposited in separate accounts, and a liability has been recorded to represent the amount of deposits due to customers. As of June 30, 2014, cash and investments included \$988,000 available for refund of customer deposits, while the liability to customers was \$1,020,042.

Appearance bonds and other payments made to the municipal court funds are held until final disposition by the court at which time they are refunded to the bondholder or paid over to the City general fund as fines. As of June 30, 2014, \$11,957 was being held that was subject to refund.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Long-term Debt

Long-term liabilities of the City of Moore as of June 30, 2014, are as summarized as follows:

Governmental Activities:

General Obligation Bonds - General obligation bonds have been approved by the voters and issued by the City for various municipal improvements. These bonds are required to be fully paid within 25 years from the date of issue and are backed by the full faith and credit of the City.

\$7,400,000 General Obligation Bonds of 2009 due in annual principal installments through July 1, 2018, interest rates ranging from 3.75% to 5.25%	\$ 5,000,000
\$6,925,000 General Obligation Bonds of 2010 due in annual principal installments through July 1, 2018, interest rates ranging from 2.00% to 2.80%	5,000,000
\$3,675,000 General Obligation Bonds of 2013 due in annual principal installments through January 1, 2020, interest rates ranging from 0.90% to 1.30%	3,675,000
\$6,325,000 General Obligation Bonds of 2013B due in annual principal installments through March 1, 2025, interest rates ranging from 0.90% to 2.00%	6,325,000
\$9,075,000 General Obligation Bonds of 2014 due in annual principal installments through January 1, 2026, interest rates ranging from 1.40% to 2.95%	<u>9,075,000</u>
Total General Obligation Bonds	<u>\$ 29,075,000</u>

Revenue Notes - Revenue notes outstanding consist of debt issued by the Moore Economic Development Authority. The notes are not the indebtedness of the State of Oklahoma or the City, but are obligations payable solely from the resources of the Moore Economic Development Authority.

\$16,400,000 Public Safety Revenue Note, Series 2009 due in monthly principal and interest installments of \$99,813 through March 1, 2031, interest rate of 4.05%	\$ 14,600,495
\$2,000,000 Parks and Recreational Facilities Revenue Note, Series 2013 due in semi-annual interest installments of \$17,500, interest rate of 1.75%, with a balloon principal payment due July 1, 2015.	<u>2,000,000</u>
Total Revenue Notes	<u>\$ 16,600,495</u>

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Lease Purchase Financing - Lease purchase financing consists of debt issued by the Moore Economic Development Authority. The notes are not the indebtedness of the State of Oklahoma, but are obligations payable solely from the resources of the Moore Economic Development Authority.

\$9,525,000 Lease Purchase Financing Debt dated February 1, 2014 due in annual principal installments from April 1, 2015 through April 1, 2017, interest to be paid semi-annually at a rate of 1.25%.

\$ 9,525,000

MEDA entered into a lease/purchase agreement with the City dated February 1, 2014 to acquire, construct and equip a community/recreation center, an aquatic facility, an amphitheater/stage, a Farmers' Market facility and hiking and walking trails. The lease/agreement is secured by a ground lease with the City which shall terminate on the later of: (i) payment in full of the City's rental payments and all payments due under the terms of the lease/purchase agreement; or (ii) April 1, 2017.

The lease payments consist of semi-annual interest payments equal to an annual rate of 1.25% of the outstanding principal balance commencing on October 14, 2014 and annual principal payments commencing on April 1, 2015. Total lease payments for years ending June 30, 2015, 2016 and 2017 are \$4,157,622, \$2,813,750 and \$2,789,438, respectively.

Judgments Payable

Judgments payable:

Worker compensation and property judgments payable in three annual installments including principal and interest; final payment due in fiscal years 2014-2016.

\$ 620,243

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Business-type Activities:

Notes Payable

\$3,943,482 Clean Water SRF loan payable to the Oklahoma Water Resource Board (OWRB) dated May 28, 2009, payable in annual principal installments of \$62,400 to \$158,300, final payment due Sept. 15, 2029; interest rate of 2.85% and administrative fee of 0.5%.

\$ 1,964,088

\$42,837,500 Clean Water SRF loan payable to the OWRB dated Sept. 24, 2010, payable in annual principal installments of varying amounts, beginning when construction is complete, maturing March 15, 2033. The loan has an interest rate of 2.06% and administrative fee of 0.5%.

40,299,107

\$6,637,000 Clean Water SRF loan payable to the OWRB dated October 26, 2010, payable in annual principal installments of varying amounts, beginning when construction is complete, maturing March 15, 2033. The loan has an interest rate of 2.06% and administrative fee of 0.5%.

6,296,939

Total Notes Payable \$ 48,560,134

Structured Settlement Payable

\$75,000 settlement in favor of Verona Deer, payable in \$5,000 installments every three years with a final payment due October, 2036; recorded at net present value of the remaining payments assuming a 9% interest rate.

\$ 3,980

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2014:

	Beginning			Ending	Amounts
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>Due Within</u>
					<u>One Year</u>
Governmental activities					
General Long-term debt:					
General Obligation Bonds	\$ 22,000,000	9,075,000	2,000,000	29,075,000	3,185,000
MEDA Notes Payable	17,193,838	-	593,344	16,600,494	617,825
MEDA Lease Purchase Financing	-	9,525,000	-	9,525,000	4,025,000
Judgments Payable	478,501	342,067	200,325	620,243	270,161
Total governmental activities	<u>39,672,339</u>	<u>18,942,067</u>	<u>2,793,669</u>	<u>55,820,737</u>	<u>8,097,986</u>
Business-type activities					
Proprietary Fund Debt:					
Notes Payable	45,871,035	5,262,040	2,572,941	48,560,134	2,575,829
Structured Settlements Payable	3,980	-	-	3,980	-
Total business-type activities	<u>\$ 45,875,015</u>	<u>5,262,040</u>	<u>2,572,941</u>	<u>48,564,114</u>	<u>2,575,829</u>

Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt, with interest rates applicable at June 30, 2014 are as follows:

Year Ending June 30,	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 8,097,986	1,259,768	2,881,679	1,230,934
2016	7,634,376	1,438,834	2,885,663	1,156,283
2017	9,548,882	1,052,268	2,887,704	1,081,263
2018	4,707,499	883,015	2,890,852	1,006,293
2019	4,736,278	746,623	2,894,090	931,232
2020-2024	11,731,097	2,644,482	14,183,759	3,527,031
2025-2029	7,251,402	1,046,502	11,301,452	1,869,667
2030-2034	<u>2,113,217</u>	<u>82,678</u>	<u>8,638,915</u>	<u>454,020</u>
Totals	<u>\$ 55,820,737</u>	<u>9,154,170</u>	<u>48,564,114</u>	<u>11,256,723</u>

Applicability of Federal Arbitrage Regulations - Debt issuances of the City and Authorities issued after the Tax Reform Act of 1986 are subject to the federal arbitrage regulations. The arbitrage rebate regulations require that all earnings from investment of gross proceeds of a

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

bond issue in excess of the amount that could have been earned had the yield on the investment been equal to the yield on the bonds be remitted to the federal government. These carry strict penalties for noncompliance including taxability of interest retroactive to the date of the issue. The City's management believes the City is in compliance with these rules and regulations.

Pledge of Future Revenues

Sales Tax Pledge - The City has pledged three cents (or 80%) of future sales tax revenues to repay \$33,700,000 of the Series 2009 and 2013 Moore Economic Development Authority Revenue Notes which are payable through 2031. Proceeds from the notes provided financing for construction of designated capital improvements. The total principal and interest payable for the remainder of the life of the notes is \$22,214,805. Pledged sales taxes received in the current year was \$24,315,106. Debt service payments on the 2009 and 2013 Revenue Notes of \$1,232,758 for the current fiscal year were 3.7% of pledged sales tax. Other sources of revenues such as water and sewer are also pledged.

Utility Revenue Pledge - The City has also pledged future net water, sewer and sanitation revenues to repay \$48,560,134 of 2009 and 2010 Oklahoma Water Resource Board notes which are payable through 2033. Proceeds from the notes provided funding for utility system capital assets. The total principal and interest payable for the remainder of the life of the notes is \$59,816,856. The notes are payable from the above mentioned utility net revenues and are additionally secured with three cents (or 80%) of future sales tax revenues. If the net utility revenues are sufficient to service the debt, the pledged sales tax revenues are transferred back to the General Fund. The total pledged sales taxes for the current year of \$24,315,106 was returned to the General Fund. The debt service payments on the notes this year were \$3,766,716 which was 58.6% of pledged net utility revenues of \$6,423,626 and 20.6% of both pledged utility revenues and pledged sales taxes.

Compensated Absences

Compensated absences of the City of Moore as of June 30, 2014, are as summarized as follows:

Governmental activities -	
Current portion	\$ 1,133,033
Non-current portion	3,399,098
Business-type activities -	
Current portion	21,139
Non-current portion	63,418
Total compensated absencies	\$ <u>4,616,688</u>

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 3 - DETAILED NOTES CONCERNING THE FUNDS - Continued

Interfund Receivables, Payables, and Transfers

Interfund transactions:

Transfers <u>Out</u>	Transfers In						Total Transfers <u>Out</u>
	General <u>Fund</u>	MEDA <u>Fund</u>	Enterprise <u>Funds</u>	Park Improv <u>Fund</u>	Nonmajor Govt <u>Funds</u>	Internal Service <u>Fund</u>	
General Fund	\$ -	2,000,802	24,315,106	-	1,100,000	-	27,415,908
MEDA	-	-	-	90,138	-	-	90,138
Debt Service Fund	3,703	-	-	-	-	200,325	204,028
Nonmajor Govt Fund	-	72,020	-	-	-	-	72,020
Enterprise Funds	26,815,106	-	1,455,790	-	-	1,601,666	29,872,562
Total Transfers In	\$ 26,818,809	2,072,822	25,770,896	90,138	1,100,000	1,801,991	57,654,656

NOTE 4 - OTHER INFORMATION

Risk Management

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

- General Liability - Covered through self-insurance with stop loss insurance carried up to a maximum aggregate of \$3,000,000 per occurrence for excess public officials and employment practices liability. City retains risk of loss for first \$250,000 of damages per occurrence.
- Physical Property - Covered through purchased insurance with a \$10,000 deductible for the water plant and a \$5,000 for all other physical property, per occurrence. Wind and hail damage carries a \$500,000 deductible.
- Workers' Compensation - Workers' compensation is covered through self-insurance with claims processed through a third party administrator. The City carries stop-loss insurance with a self-insured retention of \$600,000 for police and fire employees and \$500,000 for all other employees.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4 - OTHER INFORMATION - Continued

- Employee's Group Medical - Covered through self-insurance using a third party administrator to process medical claims. The City uses the third party processor's estimates to record group insurance claims payable. The City also has a stop-loss policy which covers individual claims in excess of \$75,000 during the year, after \$36,500 aggregate specific.

The City administers the claims process on all types of coverage with the Moore Risk Management Program Manager monitoring reserves. All settlements are approved by the Moore Risk Management Board and the MPWA Trustees. All activity is accounted for within the MPWA Risk Management Internal Service Fund. Management believes the insurance coverage listed above is sufficient to preclude any significant uninsured losses to the City.

Claims Liability Analysis

The claims liabilities related to the above noted risks of loss that are retained are to be determined in accordance with Statement of Financial Accounting Standards No. 5, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible 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 MPWA Risk Management Fund, changes in the claims liability for the City from July 1, 2011 to June 30, 2014, are as follows:

	Workers'	Health	General	
	Compensation	Care	Liability	Total
Claims liability, June 30, 2011	\$ 1,026,000	528,000	265,000	1,819,000
Claims incurred and change in estimate	584,799	4,212,608	(32,527)	4,764,880
Claim payments	344,799	4,223,608	95,473	4,663,880
Claims liability, June 30, 2012	1,266,000	517,000	137,000	1,920,000
Claims incurred and change in estimate	412,433	3,449,902	366,981	4,229,316
Claim payments	418,433	3,530,902	333,981	4,283,316
Claims liability, June 30, 2013	1,260,000	436,000	170,000	1,866,000
Claims incurred and change in estimate	724,635	4,063,591	81,253	4,869,479
Claim payments	459,635	4,008,591	80,253	4,548,479
Claims liability, June 30, 2014	\$ 1,525,000	491,000	171,000	2,187,000

An amount has been recorded for the liability for incurred but not reported claims at June 30, 2014. These amounts were obtained from actuarial calculations performed by an outside actuarial service.

Assets available to pay all claims at June 30, 2014 were \$1,617,569.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4 - OTHER INFORMATION - Continued

Contingent Liabilities

General Litigation

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

While the outcome of the above noted proceedings cannot be predicted, due to the self-insurance reserves maintained by the City and the State statute relating to judgments, the City feels that any settlement or judgment not covered by insurance reserves would not have a material adverse effect on the financial condition of the City.

Grant Program Involvement

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

Commitments

Privatization of Public Works Authority Services

On December 10, 1993, the City through the MPWA entered into an agreement with Veolia Water to manage, operate and maintain the wastewater treatment plant, water facilities, sanitation services and other Public Works services as directed by the City/MPWA. All facilities managed by Veolia Water remain the property of the City of Moore. On September 2, 1997, the City amended the contract to include the maintenance, operation and management of the waste water treatment plant and water facilities only.

MPWA pays an annual contract fee for all Veolia Water services. This fee includes maintenance and repairs of \$108,559. Any maintenance and repairs incurred over this amount are reimbursed by MPWA. The annual fee is paid in monthly installments and is adjusted each contract year based upon the consumer price index for urban consumers. For the year ended June 30, 2014, MPWA paid \$2,509,214 for the annual fee and \$1,639,069 in maintenance and repair costs.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Wastewater Treatment Facility Construction

MPWA has completed the construction of a new wastewater treatment facility. The plant was completed at a total cost of \$52,465,000 and placed in service on March, 2014. The funding for the project will be financing from the Oklahoma Water Resource Board with a repayment schedule of approximately twenty years.

Sales Tax Rebate Agreement

On February 8, 2010, the City entered into a sales tax rebate agreement with Target as an incentive to have the developer construct a retail shopping center. The rebate of a portion of the sales tax from the retail stores in the development area is based on a calculation set forth in the agreement. The rebate of sales tax will continue until the earlier of either the total of the rebates equals the net present value of \$1,535,000 or the date of April 20, 2016. The City has paid and accrued cumulative rebates of \$1,224,655 as of June 30, 2014.

On March 7, 2011, the City entered into a sales tax rebate agreement with Oklahoma Warren Theatres, LLC. This agreement includes the construction of an IMAX theatre, luxury suites and a restaurant. The rebate of sales tax will continue until the earlier of either the total of the rebates equals the net present value of \$2,000,000 or the date of December 31, 2019. The City has paid and accrued cumulative rebates of \$496,268 as of June 30, 2014.

On March 5, 2013, the City entered into a sales tax rebate agreement with Dick's Sporting Goods, Inc. as an incentive to have the developer construct a retail shopping center. The rebate of a portion of the sales tax from the retail stores in the development area is based on a calculation set forth in the agreement. The maximum amount of the sales tax rebate is \$1,000,000 payable in equal annual installments over the next five years. The City has paid and accrued cumulative rebates of \$200,000 as of June 30, 2014.

The City recognizes and accrues the liability at the time of occurrence. As of June 30, 2014, the City has rebates received but unpaid at June 30, 2014 in the amount of \$346,747.

Stewardship, Compliance, and Accountability

By its nature as a local government entity, the City and its component units are subject to various federal, state and local laws and contractual regulations. Title 11, Section 17-211 of the Oklahoma Statutes prohibits the creation of a deficit fund balance in any individual fund of the City (excluding public trusts). At June 30, 2014, the City did not have deficits in any funds.

Oklahoma Statutes also require the City Council each year to make an ad valorem tax levy for the sinking fund (Debt Service Fund) which shall, with cash and investments in the fund, be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following year.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Employee Retirement Systems and Pension Plans

The City of Moore 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 plans administered by the State of Oklahoma. Additionally, for other City employees not covered by the other plans, the City maintains the City of Moore Deferred Compensation Plan, an eligible deferred compensation plan within the meaning of Section 457(b) of the Internal Revenue Code.

Oklahoma Police Pension and Retirement System (OPPRS)

Plan Description - The OPPRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The ability to establish and amend benefit provisions is delegated to the administrators of OPPRS. The OPPRS issues a publicly available financial report that includes financial statements and required supplementary information for the police employees of the City. That report may be obtained by writing to the Oklahoma State Police Pension and Retirement System, 1001 N.W. 63rd Street, Suite 305, Oklahoma City, Oklahoma 73116-7335, or by calling (405) 840-3555.

Funding Policy - Plan members are required to contribute 8.0% of their annual covered salary, and the City of Moore contributes 13.0% of annual covered payroll. The contribution requirements of the plan members and the City are established and may be amended by the state legislature. Contributions to the OPPRS for the year ended June 30, 2014, for employees and employer were \$585,472 and \$951,392, respectively, on covered payroll of \$7,318,400. The state made on-behalf payments for the police pension system of \$878,208 (or 12% of covered payroll). These on-behalf payments were recognized as both revenue and expenditures in the current year.

The required employer contributions and actual employer contributions made to OPPRS for the current and past two years are as follows:

<u>Fiscal Year</u>		<u>Required Contribution</u>	<u>Amount Contributed</u>
2014	\$	965,511	965,511
2013		796,961	796,961
2012		782,224	782,224

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Oklahoma Firefighters' Pension and Retirement System (OFPRS)

Plan Description - The OFPRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The ability to establish and amend benefit provisions is delegated to the administrators of OFPRS. The OFPRS issues a publicly available financial report that includes financial statements and required supplementary information for the police employees of the City. That report may be obtained by writing to the Oklahoma State Firefighters' Pension and Retirement System, 4545 North Lincoln Boulevard, Suite 265, Oklahoma City, Oklahoma 73105-3414, or by calling (405) 525-7813.

Funding Policy - Plan members are required to contribute 8.0% of their annual covered salary, and the City of Moore contributes 13.0% of annual covered payroll through October, 2013. Effective November 1, 2013 the required contribution rates for the employee and employer are 9.0% and 14.0%, respectively. The contribution requirements of the plan members and the City are established and may be amended by the state legislature. Contributions to the OFPRS for the year ended June 30, 2014, for employees and employer were \$547,719 and \$917,413, respectively, on covered payroll of \$6,767,227. The state made on-behalf payments for the fire pension system of \$2,030,168 (or 30% of covered payroll). These on-behalf payments were recognized as both revenue and expenditures in the current year.

The required employer contributions and actual employer contributions made to OPFRS for the current and past two years are as follows:

<u>Fiscal Year</u>	<u>Required Contribution</u>	<u>Amount Contributed</u>
2014	\$ 917,413	917,413
2013	794,189	794,189
2012	801,838	801,838

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

City of Moore Deferred Compensation Plan

City employees may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death or in case of an unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income that is attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the City's opinion that it has no liability for losses under the plan but does have the duty of due care that would be required on an ordinary prudent investor. The City believes that it is unlikely that it will use the assets of the plan to satisfy the claims of general creditors in the future.

An expendable trust fund is established to account for these deferred amounts as prescribed by GASB Statement No. 32 "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". As of June 30, 2014, the market value of the amount on deposit with the plan was \$14,780,452.

Property Taxes

Property taxes levied by the City are billed and collected by the county treasurer's office and remitted to the City in the month following collection. Property taxes are levied annually in October and are due in equal installments on December 31 and March 31. Property taxes unpaid for the fiscal year are attached by an enforceable lien on the property in the following October. The City recognizes the tax in the year it is collected, which is not considered to be materially different from the year earned. For years ended June 30, 2014 and 2013, the City's net assessed valuation of taxable real and personal property aggregated \$358,446,183 and \$346,753,615 while the property taxes levied per \$1,000 of net assessed valuation were \$13.59 and \$10.44, respectively.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Other Post-Employment Benefits

Plan Description - The City sponsors Medical, Rx, and Dental insurance to qualifying retirees. Coverage is provided through self-insurance that collectively operates as a substantive single-employer defined benefit plan. Qualifying retirees are those employees who are eligible for immediate disability or retirement benefits under the Oklahoma Police Pension and Retirement System, Oklahoma Firefighters' Pension and Retirement Systems, or the City of Moore Retirement Plan. Retirees may continue coverage with the City paying the determined rate. Coverage is available for each of the lifetimes of retirees and their spouses. Authority to establish and amended benefit provisions rest with the City Council. Retirees may continue coverage with the City by paying the premium rate. Benefits are paid from general operating assets of the City as assessed by the Risk Management Fund.

Benefits Provided - The City provides postretirement healthcare benefits to its retirees. The Plan covers all current retirees who elect postretirement medical coverage through the City and future retired general employees, police officers and firefighters.

All healthcare benefits are provided through the City's self-insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services and prescriptions. General employees are eligible for membership in the Plan if they retire from the City with eight years of service and with age and service totaling 70 points. Police officers and firefighters are eligible for benefits under the Plan if they retire from the City with 20 years of service. Coverage for dependents can continue upon death of the retiree. Spouses of employees who die in active service eligible for benefits can receive coverage.

Membership - At July 1, 2013, membership consisted of:

Retirees and beneficiaries currently receiving benefits	24
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>283</u>
 Total	 <u>307</u>

Funding Policy - The contribution requirements of plan members and the City are established by the City Council. Annual health insurance premium amounts are established by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2014, the actuarially expected City contribution in the form of net age adjustment was \$2,484,167 to the Plan. Plan members receiving benefits contributed total premiums of \$909,254 for employees and \$242,590 for retirees, through their payment of the full determined premium in FY 2014.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Annual OPEB Cost and Net OPEB Obligation - The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty years. The following table shows the components of the City's annual OPEB cost, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the year ended June 30, 2014:

Amortization of Acturial Accrued Liabilities (AAL)	\$ 2,484,167
Normal Cost	-
Interest on Net OPEB Obligations	352,451
Amortization of Net OPEB Obligations	(480,834)
Annual OPEB cost (expense)	2,355,784
Expected net benefits during the year	(420,674)
Increase in net OPEB Obligation	1,935,110
Net OPEB Obligation - Beginning of year	7,832,254
Net OPEB Obligation - End of year	<u>\$ 9,767,364</u>

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/14	\$ 2,355,784	17.9%	\$ 9,767,364
06/30/13	2,229,775	15.4%	7,832,254
06/30/12	2,394,590	11.8%	5,946,147

Funded Status and Funding Progress - As of July 1, 2014, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability (AAL) for benefits was \$20,010,906, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$20,010,906. The covered payroll (annual payroll of active employees covered by the Plan) was \$16.7 million, and the ratio of the UAAL to the covered payroll was 119.7 percent. Because the Plan is a substantive plan there are no plan assets.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the July 1, 2013 actuarial valuation, the Projected Unit Credit actuarial cost method was used. The actuarial assumptions included a 4.5% percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on Plan assets and on the employer's own investments calculated based on the funded level of the Plan at the valuation date, and an annual healthcare cost trend rate of 10 percent initially, reduce by decrements to an ultimate rate of 5 percent in 2023. The UAAL is being amortized over 30 years based on a level dollar basis. The remaining amortization period at July 1, 2013 was 25 years. As of the date of this valuation, there are no plan assets. Retiree premiums are paid as they come due from general operating assets of the City.

New Accounting Pronouncements

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

Statement No. 68, *Accounting and Financial Reporting for Pensions*, an amendment of GASB Statement No. 27. GASB No. 68 establishes standards of measuring and recognizing liabilities, deferred outflow of resources, deferred inflow of resources, and pension expense. GASB No. 68 also details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. Defined benefit pensions are further classified by GASB No. 68 as single employer plans, agent employer plans and cost-sharing plans, and recognition and disclosure requirements are addressed for each classification. GASB No. 68 was issued in June, 2013, and the City has not yet determined the impact that implementation of GASB No. 68 will have on its net position. The Statement is effective for fiscal years ended June 30, 2015.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

Statement No. 69, *Government Combinations and Disposals of Government Operations* - GASB No. 69 was issued in January 2013, and establishes accounting and financial reporting standards related to governmental combinations and disposals of government operations. Government combinations can include a variety of transactions, including mergers, acquisitions, and transfer of operations. A disposal of a government's operations results in a removal of specific activities of a government. The requirement of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis.

Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* - GASB No. 70 required a government that extends a Nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The government is required to report the guaranteed obligation until it is legally released as an obligor, and when it is legally released, it should recognize revenue as a result of this release. The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Early application is encouraged. Except for certain disclosure requirements which may be applied prospectively, the provisions of this Statement are required to be applied retroactively. The City has not yet evaluated the effects that GASB No. 70 will have on its financial statements.

Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date - An Amendment of GASB No. 68* - amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with provisions of Statement No. 68. The City has not yet evaluated the effects that GASB NO. 71 will have on its financial statements.

CDBG Program

On December 16, 2013, the City of Moore received a Community Development Block Grant for Disaster Recovery (CDBG-DR) from the Office of Housing and Urban Development (HUD) in the amount of \$26.3 million to assist with the long-term recovery needs within the City to include housing, infrastructure, resiliency, economic development, and other public needs. On June 3, 2014 the City was awarded an additional \$25.9 million in CDBG-DR funds to assist with the recovery. The City has developed an Action Plan that provides a framework for the expenditure of funds, with \$1.2 million currently being allocated.

City of Moore, Oklahoma
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2014

NOTE 4. OTHER INFORMATION - Continued

The disaster recovery funds were awarded to assist the City of Moore with recovery from the May 20, 2013 tornado. This was a EF-5 tornado that destroyed approximately 1,100 homes and damaged 80 businesses.

Subsequent Events

Management has evaluated subsequent events through September 30, 2014, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

City of Moore, Oklahoma
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales tax	\$ 23,700,000	23,700,000	24,284,643	584,643
Use tax	700,000	700,000	963,037	263,037
Franchise tax	2,700,000	2,700,000	2,736,772	36,772
Other tax	350,000	350,000	357,026	7,026
Intergovernmental	830,000	830,000	991,513	161,513
Licenses and permits	277,000	277,000	584,824	307,824
Charge for services	84,395	84,395	126,622	42,227
Fines and forfeitures	1,099,100	1,099,100	1,175,947	76,847
Investment revenue	34,000	34,000	80,713	46,713
Miscellaneous	290,570	290,570	498,029	207,459
Total revenues	<u>30,065,065</u>	<u>30,065,065</u>	<u>31,799,126</u>	<u>1,734,061</u>
EXPENDITURES				
General government	3,248,675	3,553,026	2,175,564	1,377,462
Managerial	615,769	624,054	623,958	96
City attorney	393,482	418,660	414,680	3,980
Central purchasing	-	2,665	-	2,665
Finance	1,153,174	1,149,458	1,147,489	1,969
Information services	847,884	932,539	912,571	19,968
Municipal court	565,184	492,526	492,342	184
Police	9,858,873	9,737,337	9,721,688	15,649
Communications	960,158	872,258	854,060	18,198
Emergency management	220,602	206,040	185,493	20,547
Fire	8,244,403	8,350,444	8,289,537	60,907
Public works administration	1,699,934	2,672,418	2,382,719	289,699
Animal adoption center	710,392	535,728	505,375	30,353
Fleet maintenance	516,284	692,186	672,435	19,751
Building maintenance	403,516	349,480	347,327	2,153
Planning	579,330	482,519	459,210	23,309
Inspections	472,736	554,109	551,094	3,015
Code enforcement	292,691	262,495	256,898	5,597
Parks and recreation	715,315	775,825	741,418	34,407
Brand senior citizens center	149,089	136,404	130,561	5,843
Landscape & beautification	153,771	98,771	86,367	12,404
Parks and recreation activities	124,863	97,809	95,915	1,894
Park and cemetery maintenance	693,593	642,538	632,477	10,061
Library	77,303	88,321	61,067	27,254
Moore/Smith cemetery	75,000	15,000	225	14,775
Total expenditures	<u>32,772,021</u>	<u>33,742,610</u>	<u>31,740,470</u>	<u>2,002,140</u>
Excess (deficiency) of revenues over (under) expenditures	(2,706,956)	(3,677,545)	58,656	3,736,201
OTHER FINANCING SOURCES (USES)				
Transfers	<u>2,706,956</u>	<u>2,206,956</u>	<u>(597,098)</u>	<u>(2,804,054)</u>
Net change in fund balances	-	(1,470,589)	(538,442)	932,147
Fund balances - beginning	<u>1,044,147</u>	<u>1,470,589</u>	<u>538,442</u>	<u>(932,147)</u>
Fund balances - ending	<u>\$ 1,044,147</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Park Improvement Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charge for services	\$ -	-	1,000	1,000
Investment revenue	-	-	13	13
Proceeds from debt issuance	10,474,000	10,474,000	18,613,381	8,139,381
Miscellaneous income	-	-	25,900	25,900
Total revenues	<u>10,474,000</u>	<u>10,474,000</u>	<u>18,640,294</u>	<u>8,166,294</u>
EXPENDITURES				
Park improvements	<u>10,474,000</u>	<u>10,474,000</u>	<u>1,688,077</u>	<u>8,785,923</u>
Total expenditures	<u>10,474,000</u>	<u>10,474,000</u>	<u>1,688,077</u>	<u>8,785,923</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	16,952,217	16,952,217
OTHER FINANCING SOURCES (USES)				
Transfers	<u>-</u>	<u>-</u>	<u>90,138</u>	<u>90,138</u>
Net change in fund balances	-	-	17,042,355	17,042,355
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>4,542,763</u>	<u>4,542,763</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>21,585,118</u></u>	<u><u>21,585,118</u></u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,506,683	2,506,683	3,588,737	1,082,054
Investment revenue	-	-	3,703	3,703
Total revenues	<u>2,506,683</u>	<u>2,506,683</u>	<u>3,592,440</u>	<u>1,085,757</u>
EXPENDITURES				
Debt service	<u>2,506,683</u>	<u>2,506,683</u>	<u>2,495,050</u>	<u>11,633</u>
Total expenditures	<u>2,506,683</u>	<u>2,506,683</u>	<u>2,495,050</u>	<u>11,633</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	1,097,390	1,097,390
OTHER FINANCING SOURCES (USES)				
Transfers	<u>-</u>	<u>-</u>	<u>(204,028)</u>	<u>(204,028)</u>
Net change in fund balances	-	-	893,362	893,362
Fund balances - beginning	-	-	3,931,130	3,931,130
Fund balances - ending	<u>\$ -</u>	<u>-</u>	<u>4,824,492</u>	<u>4,824,492</u>

See accompanying notes to the basic financial statements.

City of Moore, Oklahoma
Notes to Required Supplemental Information
On Budgetary Accounting and Control
For the Year Ended June 30, 2014

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 Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at regular Council 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 Council.
- d. Subsequent to City Council 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.

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

In accordance with Title 60 of the Oklahoma State Statutes, the Moore Public Works Authority and the Moore Economic Development Authority are required to prepare an annual budget and submit a copy to the City as beneficiary. However, there are no further requirements such as form of budget, approval of 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 City utilizes encumbrance accounting under which purchase orders, contracts, and other commitments for 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 Moore, Oklahoma
OPEB Actuarial Valuation Funding Schedules
For the Year Ended June 30, 2014

The funded status and funding progress of the City's defined benefit OPEB plan for the last three years is as follows:

	<u>July 1, 2011</u>	<u>July 1, 2012</u>	<u>July 1, 2013</u>
Actuarial accrued liability - AAL (a)	\$ 20,170,516	18,335,527	20,010,906
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued liability --			
UAAL (funding excess) (a) - (b)	\$ 20,170,516	18,335,527	20,010,906
Funded ratio (b) / (a)	0.0%	0%	0%
Covered payroll (c)	\$ 15,607,578	16,074,410	16,717,386
UAAL (funding excess) as a % of covered payroll [UAAL / (c)]	129.2%	114.1%	119.7%

OTHER SUPPLEMENTARY INFORMATION

City of Moore, Oklahoma
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2014

	<u>Special Revenue</u>	<u>Permanent</u>	<u>Capital Projects</u>			<u>Total</u>
	<u>Special</u>	<u>Cemetery</u>		<u>Street</u>		<u>Nonmajor</u>
	<u>Revenue</u>	<u>Perpetual</u>	<u>CDBG</u>	<u>Project</u>	<u>Street 1/2 Cent</u>	<u>Governmental</u>
ASSETS	<u>Funds</u>	<u>Care</u>	<u>Fund</u>	<u>Fund</u>	<u>Sales Tax</u>	<u>Funds</u>
Cash and cash equivalents	\$ 1,902,684	25,736	-	1,328,181	3,793,459	7,050,060
Restricted:						
Cash and investments	-	-	-	-	-	-
Investments	1,119,000	-	-	2,240,000	497,000	3,856,000
Receivables, net	36,212	-	-	-	-	36,212
Due from other governments	477,661	-	-	-	343,483	821,144
TOTAL	<u>3,535,557</u>	<u>25,736</u>	<u>-</u>	<u>3,568,181</u>	<u>4,633,942</u>	<u>11,763,416</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	383,128	5,207	4,489	3,000	62,344	458,168
Deposits subject to refund	1,403	-	-	-	-	1,403
Total liabilities	<u>384,531</u>	<u>5,207</u>	<u>4,489</u>	<u>3,000</u>	<u>62,344</u>	<u>459,571</u>
Fund balances:						
Reserved for:						
Restricted	3,151,026	20,529	(4,489)	3,565,181	4,571,598	11,303,845
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>3,151,026</u>	<u>20,529</u>	<u>(4,489)</u>	<u>3,565,181</u>	<u>4,571,598</u>	<u>11,303,845</u>
TOTAL	<u>\$ 3,535,557</u>	<u>25,736</u>	<u>-</u>	<u>3,568,181</u>	<u>4,633,942</u>	<u>11,763,416</u>

See accompanying notes to the basic financial statement.

City of Moore, Oklahoma
Combining Statement of Revenues, Expenses and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

	Special Revenue	Permanent	Capital Projects			Total
	Special	Cemetery		Street		Nonmajor
	Revenue	Perpetual	CDBG	Project	Street 1/2 Cent	Governmental
	<u>Funds</u>	<u>Care</u>	<u>Fund</u>	<u>Fund</u>	<u>Sales Tax</u>	<u>Funds</u>
REVENUES						
Taxes	\$ 848,506	-	-	-	4,034,915	4,883,421
Intergovernmental	11,613,986	-	5,748	-	-	11,619,734
Licenses and permits	20,232	-	-	-	-	20,232
Charge for services	-	18,910	-	-	-	18,910
Interest	7,270	-	-	10,683	4,234	22,187
Miscellaneous	171,436	-	-	-	-	171,436
Donations	841,270	-	-	-	-	841,270
Insurance reimbursements	2,227,273	-	-	-	-	2,227,273
Total revenues	<u>15,729,973</u>	<u>18,910</u>	<u>5,748</u>	<u>10,683</u>	<u>4,039,149</u>	<u>19,804,463</u>
EXPENDITURES						
Current:						
Public safety	112,706	-	-	-	-	112,706
Streets	196,459	-	-	2,540,897	2,029,227	4,766,583
Culture and recreational	233,215	21,003	-	-	-	254,218
Community development	14,489,370	-	10,237	-	-	14,499,607
Total expenditures	<u>15,031,750</u>	<u>21,003</u>	<u>10,237</u>	<u>2,540,897</u>	<u>2,029,227</u>	<u>19,633,114</u>
Excess (deficiency) of revenues over expenditures	<u>698,223</u>	<u>(2,093)</u>	<u>(4,489)</u>	<u>(2,530,214)</u>	<u>2,009,922</u>	<u>171,349</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,100,000	-	-	-	-	1,100,000
Transfers out	(72,020)	-	-	-	-	(72,020)
Total other financing sources and uses	<u>1,027,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,027,980</u>
Net change in fund balances	1,726,203	(2,093)	(4,489)	(2,530,214)	2,009,922	1,199,329
Fund balances-beginning	1,424,823	22,622	-	6,095,395	2,561,676	10,104,516
Fund balances-ending	<u>\$ 3,151,026</u>	<u>20,529</u>	<u>(4,489)</u>	<u>3,565,181</u>	<u>4,571,598</u>	<u>11,303,845</u>

See accompanying notes to the basic financial statement.

STATISTICAL SECTION

City of Moore, Oklahoma
General Governmental Expenditures by Function
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets</u>	<u>Public Works</u>	<u>Culture & Recreation</u>	<u>Community Development</u>	<u>Debt Service</u>	<u>Total</u>
2013-14	\$ 5,603,380	25,521,926	4,766,583	3,402,481	5,128,735	15,766,810	3,745,308	63,935,223
2012-13	4,903,459	25,443,472	5,022,789	2,700,991	4,080,289	6,053,433	6,046,097	54,250,530
2011-12	4,612,723	20,523,549	6,163,814	3,035,615	1,917,110	1,941,878	7,995,114	46,189,803
2010-11	4,459,664	22,048,504	5,066,274	4,072,063	1,748,320	2,592,390	6,795,333	46,782,548
2009-10	3,981,058	24,428,550	1,384,743	4,825,618	1,363,175	1,901,430	5,954,990	43,839,564
2008-09	5,135,081	16,121,287	3,365,180	1,108,727	1,627,435	5,398,905	6,339,424	39,096,039
2007-08	5,263,788	14,127,569	3,685,829	1,127,403	1,901,216	4,832,966	5,027,933	35,966,704
2006-07	3,310,457	12,743,216	4,766,394	246,951	2,023,890	1,635,229	2,014,225	26,740,362
2005-06	2,573,927	12,149,390	4,876,973	865,028	1,853,505	1,533,176	1,947,285	25,799,284
2004-05	2,459,258	11,609,134	4,800,439	697,088	1,972,973	1,074,762	1,459,693	24,073,347

City of Moore, Oklahoma
General Governmental Revenues by Source
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Intergov- ernmental</u>	<u>Licenses & Permits</u>	<u>Charges for Services</u>	<u>Fines & Forfeitures</u>	<u>Investment Income</u>	<u>Misc. Revenues</u>	<u>Total</u>
2013-14	\$ 39,708,090	11,914,793	605,056	372,710	1,175,947	107,361	4,034,364	57,918,321
2012-13	33,668,136	5,842,358	410,334	147,271	1,160,538	84,256	923,644	42,236,537
2011-12	32,680,281	1,552,422	336,798	133,198	1,328,758	58,325	582,211	36,671,993
2010-11	31,877,193	1,986,225	332,003	294,787	1,531,732	65,094	404,928	36,491,962
2009-10	29,523,775	1,199,115	305,683	189,607	1,572,460	86,752	430,303	33,307,695
2008-09	27,843,448	1,194,204	292,896	140,188	1,581,093	176,795	429,536	31,658,160
2007-08	25,783,364	1,410,969	354,903	120,882	1,637,630	418,188	549,358	30,275,294
2006-07	21,604,423	1,018,601	440,279	98,316	1,357,366	441,633	1,138,852	26,099,470
2005-06	19,731,199	1,189,872	550,847	118,059	1,178,058	347,008	548,320	23,663,363
2004-05	17,711,771	1,558,992	476,166	139,667	1,049,775	235,539	400,375	21,572,285

City of Moore, Oklahoma
Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections and Adjustments</u>	<u>Percent of Current Taxes Collected</u>
2013-14	\$ 3,620,799	3,588,737	99.11%
2012-13	2,563,319	2,609,771	101.81%
2011-12	3,375,415	3,351,025	99.28%
2010-11	4,229,686	4,305,008	101.78%
2009-10	3,154,797	3,124,966	99.05%
2008-09	1,889,552	1,880,998	99.55%
2007-08	1,977,696	1,985,186	100.38%
2006-07	2,043,924	2,018,939	98.78%
2005-06	2,187,819	2,135,679	97.62%
2004-05	2,254,618	2,229,734	98.90%

City of Moore, Oklahoma
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Public Service Property	Homestead Exemption	Total Actual		Ratio of Total Assessed Value to Total Estimated Actual Value
					Assessed Value	Estimated Actual Value	
2014	332,968,675	29,824,793	9,031,644	13,378,929	358,446,183	2,987,051,525	12%
2013	321,026,652	29,923,023	9,346,852	13,542,912	346,753,615	2,889,613,458	12%
2012	320,289,735	24,344,522	10,678,424	13,344,584	341,968,097	2,849,734,142	12%
2011	311,129,395	20,693,247	11,368,615	13,203,721	329,987,536	2,749,896,133	12%
2010	298,541,732	22,175,312	10,488,183	12,761,653	318,443,574	2,653,696,450	12%
2009	283,949,448	20,534,706	9,657,283	11,978,511	302,162,926	2,518,024,383	12%
2008	260,396,812	17,355,935	9,939,380	11,476,843	276,215,284	2,301,794,033	12%
2007	234,053,815	15,284,972	10,151,227	11,116,930	248,373,084	2,069,775,700	12%
2006	212,143,838	13,335,903	10,578,813	10,691,600	225,366,954	1,878,057,950	12%
2005	188,190,985	11,349,974	10,676,621	9,266,766	200,950,814	1,674,590,117	12%

City of Moore, Oklahoma
Property Tax Rates- All Overlapping Governments
(Per \$1,000 of Assessed Value)
Last Ten Years

Year	City Sinking Fund	Cleveland County	Moore Schools	Total Moore Resident
2014	13.59	18.50 *	87.02 *	119.11
2013	10.44	18.96	88.88	118.28
2012	7.43	23.07	80.61	111.11
2011	13.68	23.07	80.62	117.37
2010	10.44	23.07	82.24	115.75
2009	6.84	23.07	81.49	111.40
2008	7.96	23.07	82.57	113.60
2007	9.07	21.07	74.90	105.04
2006	10.89	16.96	76.21	104.06
2005	16.85	16.97	76.55	110.37

The Moore School district's tax rate (mill levy) includes an amount for the area technical/vocational school.

*Estimated

City of Moore, Oklahoma
Ratio of Net General Obligation Bonded Debt
To Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Assessed Value* (2)</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2013-14	59,407	358,446,183	29,075,000	8.11%	489
2012-13	58,819	346,753,615	22,000,000	6.34%	374
2011-12	57,704	341,968,097	14,925,000	4.36%	259
2010-11	55,081	329,987,536	16,525,000	5.01%	300
2009-10	53,898	318,443,574	18,525,000	5.82%	354
2008-09	52,361	302,162,926	13,200,000	4.37%	252
2007-08	51,277	276,215,284	7,400,000	2.68%	144
2006-07	50,117	248,373,084	9,000,000	3.62%	180
2005-06	49,000	225,366,954	10,600,000	4.70%	216
2004-05	46,852	200,950,814	12,070,000	6.01%	258

(1) From table Demographics

(2) From table Assessed Value of Property

City of Moore, Oklahoma
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt
to Total General Governmental Expenditures
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest (1)</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures (2)</u>	<u>Ratio of Debt Service to Government Expenditures</u>
2013-14	2,000,000	493,800	2,493,800	63,935,223	3.90%
2012-13	2,925,000	480,375	3,405,375	54,250,530	6.28%
2011-12	2,000,000	680,729	2,680,729	46,189,803	5.80%
2010-11	1,600,000	850,525	2,450,525	46,782,548	5.24%
2009-10	1,600,000	224,775	1,824,775	43,839,564	4.16%
2008-09	1,600,000	292,150	1,892,150	39,096,039	4.84%
2007-08	1,600,000	354,500	1,954,500	35,966,704	5.43%
2006-07	1,600,000	413,625	2,013,625	26,740,362	7.53%
2005-06	1,470,000	476,345	1,946,345	25,799,284	7.54%
2004-05	600,000	286,500	886,500	24,073,347	3.68%

(1) Excludes bond issuance and other costs

(2) Totals from General Governmental Expenditures by Function table

City of Moore, Oklahoma
Revenue Bond and Note Coverage
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Gross Revenues</u>	<u>Direct Operating Expenses</u>	<u>Net Revenue Available for Debt Service</u>	<u>Maximum Annual Debt Service</u>	<u>Debt Service Coverage</u>
2014	42,305,541	11,848,135	30,457,406	3,766,716	8.09
2013	39,300,845	11,821,428	27,479,417	3,797,552	7.24
2012	38,123,098	10,545,660	27,577,438	2,943,979	9.37
2011	36,964,609	8,543,165	28,421,444	1,675,226	16.97
2010	34,783,342	8,692,884	26,090,458	1,340,667	19.46
2009	33,259,597	9,313,844	23,945,753	1,340,667	17.86
2008	29,495,190	9,851,332	19,643,858	1,289,839	15.23
2007	28,545,949	7,945,110	20,600,839	1,612,299	12.78
2006	27,282,428	7,366,007	19,916,421	3,672,626	5.42
2005	25,515,709	7,642,879	17,872,830	3,427,595	5.21

**City of Moore, Oklahoma
Demographic Statistics**

<u>Year</u>	<u>Estimated Population</u>	<u>Per Capita Income (1)</u>	<u>Moore Public School District Enrollment</u>	<u>Unemployment Rate as a Percentage(2)</u>
2014	59,407	42,451	22,818 *	4.4
2013	58,819	39,160	22,568	5.3
2012	57,704	38,190	22,568	4.7
2011	55,081	36,940	22,076	5.3
2010	53,898	35,830	22,794	6.8
2009	52,361	34,920	21,650	6.5
2008	51,277	33,720	21,140	3.9
2007	50,117	32,570	22,136	4.5
2006	49,000	31,460	21,100	4.1
2005	46,852	28,985	19,140	3.5

Source : City of Moore Community Development Department.

(1) Per capita income is Cleveland County portion of Oklahoma City Metro area.

(2) Unemployment rate provided by Cleveland County.

* Estimated

City of Moore, Oklahoma
New Construction
Last Ten Fiscal Years

Calendar Year	Commercial Construction		Residential Construction		Total New Construction
	Number of Units	Value	Number of Units	Value	
2013	34	\$ 63,257,000	663	\$ 96,226,496	\$ 159,483,496
2012	23	38,265,216	242	37,182,544	75,447,760
2011	20	29,714,436	233	38,019,773	67,734,209
2010	23	20,141,327	267	42,601,041	62,742,368
2009	24	25,676,782	343	54,402,763	80,079,545
2008	25	57,472,277	311	44,070,586	101,542,863
2007	27	23,274,880	463	63,258,762	86,533,642
2006	30	41,441,893	523	70,047,494	111,489,387
2005	29	18,395,556	700	93,982,683	112,378,239
2004	25	16,574,096	817	99,031,227	115,605,323

The construction amounts for 2013 are unusually high due to rebuilding after the May 20, 2013 tornado.

Based upon building permits issued by the City of Moore, Community Development Department. Values are estimated construction costs.

**City of Moore, Oklahoma
Miscellaneous Statistics
June 30, 2014**

Date of Incorporation	1893
Form of government	Council-manager
Square miles in city limits	22
Miles of streets	463.46 Lane miles
Education	
Number of primary schools	23
Number of secondary schools	5
Number of high schools	3
Number of colleges	2
Police Protection	
Number of officers	87
Fire Protection	
Number of stations	4
Number of personnel per shift (3 shifts)	22
Public Works	
Water storage capacity (millions of gallons)	7.5
Miles of water lines	223
Miles of sanitary sewer lines	218

Information obtained from various departments of the City of Moore.

City of Moore, Oklahoma
Miscellaneous Statistics, Continued
June 30, 2014

City Employees

<u>Fiscal Year</u>		<u>Full Time Equivalents (1)</u>
2013-14		305
2012-13		303
2011-12		292
2010-11	(2)	292
2009-10		312
2008-09		318
2007-08		300
2006-07		300
2005-06		299
2004-05		290

(1) FTE includes part-time and seasonal employees.

(2) Decrease in employee count is due to closing of the swimming pool.

City of Moore, Oklahoma
Miscellaneous Statistics, Continued
June 30, 2014

City Water Usage (Gallons)

<u>Fiscal Year</u>	<u>Billed Annual Usage</u>	<u>Average Daily Usage</u>
2013-14	1,869,008,874	5,120,572
2012-13	1,858,655,515	5,092,206
2011-12	1,989,656,166	5,451,113
2010-11	1,853,339,942	5,077,643
2009-10	1,788,269,213	4,899,367
2008-09	1,764,935,829	4,835,441
2007-08	1,641,242,785	4,496,556
2006-07	1,699,311,394	4,655,648
2005-06	1,722,634,209	4,719,546
2004-05	1,487,011,954	4,074,005