

The City of Durant encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least 48 hours prior to the scheduled meeting is encouraged in order to make the necessary accommodations. The City of Durant may waive the 48-hour rule if interpreters for the deaf (signing) or translation services for limited English proficient (LEP) individuals are not necessary accommodation.

DURANT CITY COUNCIL

6:00 PM

**Roscoe J. Hatfield Council
Chambers
300 West Evergreen
Durant, Oklahoma**

April 8, 2025

AMENDED AGENDA

CALL TO ORDER

INVOCATION/FLAG SALUTE

ROLL CALL

PRESENTATIONS

1. Present Proclamation for Calvary Baptist Church Centennial Anniversary Celebration
2. Presentation of Check from Auto Spa and Texoma Pit Stop and Announcement of Fundraising Campaign
3. 2025 First Quarter Employee Service Awards

ORDER OF BUSINESS

1. Consent Items

To help streamline meetings and allow the focus to be on other items requiring strategic thought, the "Consent Items" portion of the agenda groups the routine, procedural, and self-explanatory non-controversial items together. These items are voted on in a single motion (one vote). However, any Council member requesting further information on a specific item thus removes it from the "Consent Items" section for individual attention and separate vote.

- a. Consider Approval of Meeting Minutes of March 11, 2025
- b. Consider Approval of Special Called Meeting Minutes of March 14, 2025
- c. Consider Approval of Budget Supplements BA 25-9

2. Consider Items Removed from Consent

3. Information Items

- a. February 2025 Financial Reports and March 2025 Sales Tax Reports

4. Administration

- a. Consider Approval of Resolution Authorizing Application for Choctaw Development Funds for Matching Funds in the Amount of \$35,000 for the Durant Trails and Open Spaces Project (R-2025-02)
- b. Discuss and Consider Approval of Durant Animal Shelter Project Estimate from Theorem, LLC in the Amount of \$1,676,006.07

5. New Business

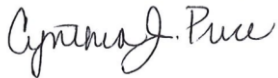
EXECUTIVE SESSION

- 1. Consider Entering Into Executive Session to Discuss Collective Bargaining Agreement Between the City of Durant and Local 3061, International Association of Firefighters, Union, AFL-CIO/CLC, Bargaining Agent for Fiscal Year 2025-2027. This Executive Session Permitted Under 25 O.S. 307(B)(2).
- 2. Consider Action Pursuant to Executive Session Item 1.

ADJOURNMENT

CERTIFICATE

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 10th day of December 2024 and that an agenda of said meeting was posted at the place of such meeting at 5:50 p.m. on the 4th day of April 2025. An amended agenda of said meeting was posted at the place of such meeting at 1:10 p.m. on the 7th day of April 2025.



Cynthia J. Price, City of Durant



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From: Cynthia Price, City Clerk
Re: Consider Approval of Meeting Minutes of March 11, 2025

Council Information / Action Requested

Approval of Meeting Minutes of March 11, 2025

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. Durant City Council Minutes 03112025 cjp

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 10th day of December, 2024 and that an agenda of said meeting was posted at the place of such meeting at 5:20 p.m. on the 7th day of March, 2025.



Cynthia J. Price, City of Durant

MINUTES OF THE MEETING OF DURANT CITY COUNCIL

March 11, 2025 AT 6:00 PM

Roscoe J. Hatfield Council Chambers

300 West Evergreen

Durant, Oklahoma

CALL TO ORDER

Mayor Tucker called the meeting to order at 6:02 p.m.

INVOCATION/FLAG SALUTE

Mayor Tucker provided the invocation and led the flag salute.

ROLL CALL

Present:

Council Member Lauran Fuller

Council Member Humphrey Miller

Council Member Danny Sherrer

Vice Mayor Mike Simulescu

Mayor Martin Tucker

City Attorney Tom Marcum

City Clerk Cynthia J. Price

Absent:

City Manager Pam Polk

PRESENTATIONS

1. Proclamation Recognizing April 2025 as Fair Housing Month

ORDER OF BUSINESS

1. Consent Items

To help streamline meetings and allow the focus to be on other items requiring strategic thought, the "Consent Items" portion of the agenda groups the routine, procedural, and self-explanatory non-controversial items together. These items are voted on in a single

motion (one vote). However, any Council member requesting further information on a specific item thus removes it from the "Consent Items" section for individual attention and separate vote.

- a. Consider Approval of Regular Meeting Minutes of February 11, 2025
- b. Consider Approval of Special Called Meeting Minutes of February 14, 2025
- c. Consider Approval of Budget Supplements BA 25-8
- d. Consider Approval of Mayoral Recommendation of Cynthia Ruhl to be Appointed to the Ron Cross Senior Activity Center Advisory Board
- e. Consider Approval of AirMedCare Network Group Agreement for City of Durant

Motion To: Approve Consent Items as Presented

Motion By: Lauran Fuller

Seconded By: Mike Simulescu

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

2. Consider Items Removed from Consent

3. Information Items

- a. January 2025 Financial Reports and February 2025 Sales Tax Reports

4. Administration

- a. Consideration Approval of Resolution Establishing Fees and Costs Charged by the City of Durant and Durant City Utilities Authority for Durant Services (R-2025-01)

Scrivener's error noted. Reference to Durant City Utility Authority shall be removed from the Resolution.

Motion To: Approve Resolution Establishing Fees and Costs Charged by the City of Durant for Durant Services (R-2025-01)

Motion By: Mike Simulescu

Seconded By: Lauran Fuller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

- b. Discussion, Consideration and Possible Action to Consider Adoption of the 2025 Citizen Participation Plan - Required for all Community Development Block Grant (CDBG) Applications and Closeout Process for CDBG Funded Projects.

Motion To: Approve Adoption of the 2025 Citizen Participation Plan - Required for All Community Development Block Grant (CDBG) Applications and Closeout Process for CDBG Funded Projects

Motion By: Humphrey Miller

Seconded By: Lauran Fuller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

- c. Consider Approval of Right of Way Lease Agreement Between City of Durant and Dobson Technologies - Transport and Telecom Solutions LLC d/b/a Dobson Fiber

Motion To: Approve Right of Way Lease Agreement Between City of Durant and Dobson Technologies - Transport and Telecom Solutions LLC d/b/a Dobson Fiber

Motion By: Mike Simulescu

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

- d.
 - a. Consider Award of Bid for Durant Police Department Fleet Maintenance and Repair;
 - b. Consider Approval of Service Agreement Pursuant to Bid Award.

Motion To: Award of Bid for Durant Police Department Fleet Maintenance and Repair to Classic of Texoma

Motion By: Lauran Fuller

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

Motion To: Approve Service Agreement Pursuant to Bid Award

Motion By: Martin Tucker

Seconded By: Mike Simulescu

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

5. Public Hearings

- a. Consideration and Possible Approval of a Final Re-Plat for Property Located Between Larkspur Lane and Little John Drive in Durant and More Particularly Described as:
A tract of land located in the SE/4 NE/4 of Section 24, Township 6 South, Range 8 East of the Indian Base and Meridian, Bryan County, Oklahoma, being more particularly described as follows: Beginning at the Southeast Corner of Lot 22, Heritage North - Phase I, an addition to the City of Durant, as recorded in the Bryan County Clerk's Office, and noting that all subsequent calls to Lots - Outlots as shown in this legal refer to Lots and Outlots in said Heritage North - Phase I; thence S89°02'34"W along the South line of said Lot 22, a distance of 180.00 feet to the Southwest corner of said Lot 22; thence continuing S89°02'34"W, a distance of 60.00 feet; thence N01°01'16"W, a distance of 16.82 feet to the Southeast Corner of Lot 23; thence S89°02'34"W along the South line of said Lot 23, a distance of 120.00 feet to the Southwest corner of Lot 23; thence N01°01'16"W along the West line of Lot 23 and Lot 24, a distance of 90.71 feet to the Southeast corner of Lot 26; thence S89°02'34"W along the South line of Lots 26 through 36, a distance of 725.68 feet to the Southwest corner of Lot 36; thence S43°27'22"W, a distance of 60.00 feet; thence N46°32'38"W, a distance of 28.84 feet to the Northeast corner of Lot 37; thence S43°27'22"W along the East line of Lot 37, a distance of 120.00 feet to the Southeast corner of Lot 37; thence S46°32'38"E along the North line of Outlot B, a distance of 893.24 feet to the Northwest corner of Lot 49; thence N89°00'36"E, a distance of 242.97 feet along the North line of Lot 49 to the Northeast corner of Lot 49 and a point on the West line of a tract of land described in Warranty Deed (Wagnitz to Cummins),

filed 06/25/2020, recorded in Book 1530, Pages 796-797 in the Bryan County Clerk's Office thence N01°01'16"W along the West line of said Cummins Tract, a distance of 120.00 feet to the Northwest corner of said Cummins Tract; thence 89°00'36"W along the North line of said Cummins Tract, a distance of 292.04 feet, said point being on the East line of said SE/4 NE/4, same being the West line of Madison Ridge - Phase I, an addition to the City of Durant, as recorded in the Bryan County Clerk's Office; thence N01°01'16"W along the West line of Madison Ridge - Phase I, a distance of 505.67 feet to the Point of Beginning.

Motion To: Approve Final Re-Plat for Property Located Between Larkspur Lane and Little John Drive in Durant

Motion By: Martin Tucker

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

6. New Business

There was no new business.

ADJOURNMENT

Motion To: Adjourn Meeting

Motion By: Martin Tucker

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From: Cynthia Price, City Clerk
Re: Consider Approval of Special Called Meeting Minutes of March 14, 2025

Council Information / Action Requested

Approval of Special Called Meeting Minutes of March 14, 2025

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. Special Called Durant City Council Minutes 03142025 cjp

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 7th day of March, 2025 and that an agenda of said meeting was posted at the place of such meeting at 11:00 a.m. on the 13th day of March, 2025.



Cynthia J. Price, City of Durant

**MINUTES OF THE SPECIAL CALLED MEETING OF DURANT CITY COUNCIL
March 14, 2025 AT 12:00 PM
Roscoe J. Hatfield Council Chambers
300 West Evergreen
Durant, Oklahoma**

CALL TO ORDER

Mayor Tucker called the meeting to order at 12:00 p.m.

INVOCATION/FLAG SALUTE

Mayor Tucker provided the invocation and led the flag salute.

ROLL CALL

Present:

Council Member Lauran Fuller
Council Member Humphrey Miller
Council Member Danny Sherrer
Vice Mayor Mike Simulescu
Mayor Martin Tucker
City Attorney Tom Marcum
City Manager Pam Polk
City Clerk Cynthia J. Price

Absent:

None

ORDER OF BUSINESS

1. Executive Session

- a. Consider Entering Into Executive Session to Discuss Project 1 and Take Possible Action (This executive session is authorized by Oklahoma State Statute, Title 25 Section 307 C-11);

Motion To: Enter Into Executive Session

Motion By: Mike Simulescu

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

b. Consider Action Pursuant to Executive Session Item 1(a)

Motion To: Approve Pursuant to the Non-Binding Term Sheet an Incentive Amount to the Reeves Company With the Direction that Staff Finalize Negotiations and Prepare a Binding Agreement to Come Back to the Council to Approve at a Future Meeting

Motion By: Lauran Fuller

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

ADJOURNMENT

Motion To: Adjourn Meeting

Motion By: Martin Tucker

Seconded By: Humphrey Miller

Ayes: Fuller, Miller, Sherrer, Simulescu, Tucker

Nays: None

Abstain: None

**NON-BINDING TERM SHEET:
1012 RADIO ROAD PROJECT**

This non-binding Term Sheet summarizes the principal terms of economic development assistance to be provided by the City of Durant, an Oklahoma municipal corporation (“City”), to Reeves Company, an Oklahoma corporation (“Landowner”), and [Retailer] (“Developer”) to induce the Developer’s development or redevelopment of the Project (as defined below). This Term Sheet does not constitute or give rise to any binding agreement or obligation, express or implied, of any kind or nature, by the parties hereto. Any such binding obligation will arise only if and to the extent, and subject to the terms and conditions to be set forth in, a mutually satisfactory definitive written development agreement to be executed by and between the parties (“Development Agreement”).

Parties: City of Durant (“City”)

Reeves Company (“Landowner”)

[Retailer] (“Developer”)

Property: That certain real property located generally at 1012 Radio Road, Durant, Oklahoma.

Landowner

Obligations: Landowner will convey the Property to Developer for \$2,500,000.00, a sum at least \$500,000.00 less than the value of the Property as declared by Landowner.

Developer

Obligations: Developer will purchase and take possession of the Property from Landowner and develop or cause to be redeveloped and operated thereon the Project as described below:

“Project” consists of the following, the construction costs of which will be at least \$12,500,000.00:

1. Redevelopment of the existing structure(s) on the Property to accommodate appx 63,000 square feet of retail space to host a national grocery store chain.

Commence: The Project will commence construction on or before [time period] pursuant to a valid permit.

Complete: Construction of the Project will be completed, and the Project will receive its full and final certificate of occupancy within [time period] after commencement of construction (“Project Completion”).

Public Assistance: Developer will be required to pay or cause to be paid all costs of the Project. Upon Project Completion, and provided that neither the Landowner nor Developer has defaulted of their obligations under the Agreement, Landowner will receive public development financing assistance as an inducement for the Project:

1. Landowner Assistance. Subject to continuing conditions described below, City will support the Project by providing to Landowner quarterly sales tax rebates in the amount of the portion of the City's undedicated/general fund sales taxes actually received by the City from the Project at a present value equivalent to \$500,000.00, with present value calculated based on an [X% per annum] discount rate. The primary purpose of providing the Landowner Assistance would be to allow Landowner to gain the benefit of Landowner's declared value of the Property in the event Landowner agrees to sell the Property to Developer for an amount substantially less than what Landowner could receive on the open market.

**Continuing
Conditions:**

The following will be continuing conditions on receipt of any assistance:

1. Developer will continue to operate the Project as a going concern.
2. Developer will pay all taxes due and owing for the Project, and will waive, for the benefit of the City, any and all rights of confidentiality with respect to sales taxes generates from the Project, and agrees that the City will have the right to inspect the books and records of the Developer to confirm the total amount of sales taxes generates by the Project.
3. Developer will promptly notify the City of any changes to Project occupants or entities remitting sales taxes to the Oklahoma Tax Commission within the Project, and will use reasonable efforts to include provisions in any leases with any tenant or subtenant, or with any operating agreements, that all participants in the Project waive rights of confidentiality with respect to sales taxes each participant generates, and that the City will have the right to inspect the books and records of such participants in order to confirm the total amount of sales taxes generated by the participant within the Project.
4. The City will use reasonable efforts to maintain the confidentiality of the Project's sales tax receipts, subject to any laws that may require disclosure thereof.
5. Developer will maintain membership in good standing in the Durant Area Chamber of Commerce.

6. All public assistance provided herein will be subject to annual appropriations and encumbrances of revenues by the City Council of the City, as mandated by Article 10, Section 26 of the Oklahoma Constitution and the Oklahoma Municipal Budget Act. No public assistance provided for herein is a promise to pay by the City, nor is it a pledge of the City's operating revenues beyond a given fiscal year.

Insurance: Developer and major contractors will maintain public liability, worker's compensation, automobile and hazard insurance in required amounts.

Taxes: Developer will pay when due all sales taxes, real estate taxes, and assessments on the Property.

**Prohibition
On Transfer:** Prior to completion of construction of the Project, Developer will not, without prior written approval by the City (which will not be unreasonably withheld), make any total or partial sale, transfer, conveyance, assignment, or lease of the Property, except leases to tenants, mortgages securing mortgage loans for the Project or as otherwise specifically permitted.

**Validity of
Incentives:** Developer will be responsible, at its sole cost of defense, for defending the Parties, the Development Agreement, and the Public Assistance provided thereunder, in event of legal challenge.

Covenants: Developer will make certain covenants, including there will be no discrimination against or segregation of any person or group of persons on account of any prohibited category.

The financing assistance transaction contemplated by this Term Sheet is contingent upon the execution of a written Development Agreement on terms and conditions mutually satisfactory to the Parties.



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From: An chen Lai, Finance Director/Treasurer
Re: Consider Approval of Budget Supplements BA 25-9

Council Information / Action Requested

#384 Appropriate funds for GF for Operation Expenditure adjustment and Monday.com software purchase
#385 Appropriate funds for Insurance Liability Premium Increase
#386 Appropriate funds for Health Insurance budget adjustment.
#387 Appropriate funds for cemetery replacing shrubs.
#392 Appropriate funds for printers' expenditure.
#388 Appropriate funds for PD vehicle, City Reno, WWT Pump#4, Siren-Progressive reimbursement
#389 Appropriate funds from County TIF#3 check and reimburse to TUBACEX
#390 Appropriate funds for Pendleton Trust Monthly Revenue & Expenses
#391 Transfer funds for DCUA Operation Expenses Adjustment.

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. BA 25-9 Budget Adjustment Register



Durant, OK

Budget Adjustment Register

Adjustment Detail

Packet: GLPKT10631 - BA 25-9 67-74

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000384	FY 24/25 ORIGINAL BUDGET	BA25-9 67 GF OPER. EXP.ADJ & SOFTWR MONDAY.COM	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
001-000-361-4000	MISC. REVENUE	BA25-9 67 GF LIBRARY REIMB & REPLACE NEW...	-569,926.00	-4,044.00	-573,970.00
April: -4,044.00					
001-000-361-4000	MISC. REVENUE	BA25-9 67 GF REIBS CK BOOT BARN	-569,926.00	-188.00	-570,114.00
April: -188.00					
001-000-361-4000	MISC. REVENUE	BA25-9 67 GF PD VEHL STATE FARM REPAIRED...	-569,926.00	-1,461.00	-571,387.00
April: -1,461.00					
001-005-530-3048	JANITORIAL SERVICES CONTRA...	BA25-9 67 GF PD VEHL MAINT ADJ	9,060.00	-9,060.00	0.00
April: -9,060.00					
001-005-530-3078	LABOR UNION CONTRACT LEG...	BA25-9 67 GF PD VEHL ADJ	85,000.00	-63,000.00	22,000.00
April: -63,000.00					
001-005-550-5663	VEHICLE MAINTENANCE	BA25-9 67 GF PD ST FRAM & ADJ	144,285.00	51,521.00	195,806.00
April: 51,521.00					
001-005-550-5854	UNIFORMS	BA25-9 67 GF PD SPECIAL UNIFORMS BAD WE...	30,000.00	18,000.00	48,000.00
April: 18,000.00					
001-006-570-0001	VETERINARY SERVICES	BA25-9 67 GF OPER. EXP.ADJ	9,000.00	4,000.00	13,000.00
April: 4,000.00					
001-008-550-5066	MEDICAL SUPPLIES	BA25-9 67 GF OPER. EXP.ADJ	6,269.00	-3,000.00	3,269.00
April: -3,000.00					
001-008-550-5509	OTHER EQUIP PARTS & MAINT	BA25-9 67 GF OPER. EXP.ADJ	17,105.00	-3,000.00	14,105.00
April: -3,000.00					
001-008-550-5849	COMPUTER SOFTWARE & ACCE...	BA25-9 67 GF OPER. EXP.ADJ	10,009.00	6,000.00	16,009.00
April: 6,000.00					
001-015-530-3056	CREDIT CARD PROCESSING FEES	BA25-9 67 GF OPER. EXP.ADJ	750.00	500.00	1,250.00
April: 500.00					
001-015-550-5051	OFFICE SUPPLIES	BA25-9 67 GF LIBRARY NEW WAND BY GRANT ...	3,200.00	4,044.00	7,244.00
April: 4,044.00					
001-015-570-7001	CIRCULATION	BA25-9 67 GF OPER. EXP LIBRY CC FEES ADJ	47,000.00	-500.00	46,500.00
April: -500.00					
001-016-550-5854	UNIFORMS	BA25-9 67 GF OPER. EXP.ADJ UNIFORM REIMB...	15,500.00	188.00	15,688.00
April: 188.00					
001-017-550-5849	COMPUTER SOFTWARE & ACCE...	BA25-9 67 GF SOFTWR MONDAY.COM 2-Y CO...	0.00	43,770.00	43,770.00
April: 43,770.00					
001-019-530-3041	PEST CONTROL SERVICES	BA25-9 67 GF OPER. EXP.ADJ	500.00	460.00	960.00
April: 460.00					
001-019-530-3050	PUBLIC RELATIONS EXP.	BA25-9 67 GF OPER. EXP.ADJ	2,000.00	-460.00	1,540.00
April: -460.00					
001-019-550-5805	ASSOCIATION MEMBERSHIPS	BA25-9 67 GF OPER. EXP.ADJ	36,000.00	5,953.00	41,953.00
April: 5,953.00					
001-019-550-5852	GENERAL GOV COMMON FUEL...	BA25-9 67 GF OPER. EXP.ADJ	0.00	13.00	13.00
April: 13.00					
001-019-550-5859	BUILDING REPAIR & RENOVATI...	BA25-9 67 GF 017- SOFTWR MONDAY.COM 2-Y...	258,500.00	-43,770.00	214,730.00
April: -43,770.00					
001-019-550-5864	BUILDING EQUIP & FURN	BA25-9 67 GF OPER. EXP.ADJ	15,000.00	-5,966.00	9,034.00

Budget Adjustment Register

Packet: GLPKT10631 - BA 25-9 67-74

April: -5,966.00

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000385	FY 24/25 ORIGINAL BUDGET	BA25-9 68 INSURANCE LIBILITY PREMIUM INCREASE	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
003-000-301-1000	BEGINNING UNENCUMBERED	BA25-9 68 INSURANCE LIBILITY PREMIUM INC...	0.00	-1,530.00	-1,530.00
April:	-1,530.00				
003-034-530-3047	AUTO & GEN. LIAB. INSURANCE	BA25-9 68 INSURANCE LIBILITY PREMIUM INC...	517,500.00	11,530.00	529,030.00
April:	11,530.00				
003-034-570-7010	MISC. EXPENDITURES	BA25-9 68 INSURANCE LIBILITY PREMIUM INC...	10,000.00	-10,000.00	0.00
April:	-10,000.00				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000386	FY 24/25 ORIGINAL BUDGET	BA25-9 69 EMP INSURANCE PREMIUM INCREASE	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
005-066-530-3456	LIFE INSURANCE PREMIUM EXP.	BA25-9 69 EMP INSURANCE PREMIUM INCREA...	24,000.00	801.00	24,801.00
April:	801.00				
005-066-530-3900	HEALTH INSURANCE PREMIUM	BA25-9 69 EMP INSURANCE PREMIUM INCREA...	2,700,000.00	40,000.00	2,740,000.00
April:	40,000.00				
005-066-570-7800	FUND RESERVE	BA25-9 69 EMP INSURANCE PREMIUM INCREA...	46,200.00	-40,801.00	5,399.00
April:	-40,801.00				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000387	FY 24/25 ORIGINAL BUDGET	BA25-9 70 BEAU. FUN CEMETERY REPLACE SHRUBS	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
008-019-550-5820	CEMETERY BEAUTIFICATION	BA25-9 70 BEAU. FUN CEMETERY REPLACE SH...	86.00	200.00	286.00
April:	200.00				
008-019-570-7800	FUND RESERVE	BA25-9 70 BEAU. FUN CEMETERY REPLACE SH...	96,564.00	-200.00	96,364.00
April:	-200.00				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000388	FY 24/25 ORIGINAL BUDGET	BA25-9 71 PD VEHIL, SIREN, CITY HALL RENO	4/15/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
015-000-361-1000	INTEREST EARNED	BA25-9 71 PD VEHIL, SIREN, CITY HALL RENO	-900.00	-160,000.00	-160,900.00
April:	-160,000.00				
015-000-361-4000	MISC. REVENUE	BA25-9 71 SIREN,CK PROGRESSIVE	-62,677.00	-31,793.00	-94,470.00
April:	-31,793.00				
015-005-560-6324	POLICE VEHICLES W/EQUIP	BA25-9 71 PD ADD'L VEHIL FUND FROM INTER...	157,400.00	170,000.00	327,400.00
April:	170,000.00				
015-016-560-6310	3/4-TON PICKUP	BA25-9 71 CREW CAB INSTEAD OF UTILITY TRU...	70,000.00	582.00	70,582.00
April:	582.00				
015-018-550-5821	SIRENS - REPAIR/REPLACE/ADD	BA25-9 71 SIREN CK PROGRESSIVE	0.00	31,793.00	31,793.00
April:	31,793.00				
015-019-560-6102	CITY HALL RENOVATION	BA25-9 71 CITY HALL RENO	131,500.00	15,050.00	146,550.00
April:	15,050.00				
015-019-570-7800	FUND RESERVE	BA25-9 71 PUMP#4 REPLACED	723,080.00	-153,868.00	569,212.00

Budget Adjustment Register
Packet: GLPKT10631 - BA 25-9 67-74

April:	-153,868.00				
015-019-580-8730	POLICE VEHICLE LEASE	BA25-9 71 CITY HALL RENO	143,581.00	-15,632.00	127,949.00
April:	-15,632.00				
015-019-580-8730	POLICE VEHICLE LEASE	BA25-9 71 PD VEHIL,	143,581.00	-40,632.00	102,949.00
April:	-40,632.00				
015-021-560-5660	UTILITY TRUCK/EQUIPMENT	BA25-9 71 ADJ UTLITY BED & CRANE	60,000.00	20,000.00	80,000.00
April:	20,000.00				
015-021-560-6310	VEHICLE/TRUCK	BA25-9 71 1/2 TON TRUCK	80,000.00	-20,000.00	60,000.00
April:	-20,000.00				
015-027-560-6429	VFD's ON #1 & #2 RAW PUMPS	BA25-9 71 PUMP#4 REPLACE	72,501.00	184,500.00	257,001.00
April:	184,500.00				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000389	FY 24/25 ORIGINAL BUDGET	BA25-9 72 TIF#3 TUBACEX CK #9	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
020-000-375-0602	TIF#3-19 TUBACEX TAX REFND ...	BA25-9 72 TIF#3 TUBACEX CK #9	-454,413.62	-33,932.00	-488,345.62
April:	-33,932.00				
020-000-375-0605	TIF#3-DIA 1% TAX REFND REV	BA25-9 72 TIF#3 TUBACEX CK #9	-4,590.92	-343.00	-4,933.92
April:	-343.00				
020-067-530-3502	TIF#3 19 TUBACEX REIMB PYM...	BA25-9 72 TIF#3 TUBACEX CK #9	481,183.53	33,932.00	515,115.53
April:	33,932.00				
020-067-570-7400	CONTINGENCY RESERVE	BA25-9 72 TIF#3 TUBACEX CK #9	170,490.01	343.00	170,833.01
April:	343.00				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000390	FY 24/25 ORIGINAL BUDGET	BA25-9 73 PENDLETON TRUST-84 ENERGY & CITATION	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
350-000-363-1000	PENDLETON TRUST	BA25-9 73 PENDLETON TRUST 84 ENERGY	-36,306.17	-4,360.22	-40,666.39
April:	-4,360.22				
350-000-363-1000	PENDLETON TRUST	BA25-9 73 PENDLETON TRUST- CITATION	-36,306.17	-463.61	-36,769.78
April:	-463.61				
350-015-550-5605	PENDLETON TRUST MAINT/PR...	BA25-9 73 PENDLETON TRUST-84 ENERGY & CI...	326,912.17	4,823.83	331,736.00
April:	4,823.83				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000391	FY 24/25 ORIGINAL BUDGET	BA25-9 74 DCUA OPERATION EXPENSES ADJUST	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
405-026-530-3051	CONTRACT LABOR	BA25-9 74 DCUA OPERATION EXPENSES ADJUST	50,000.00	-5,000.00	45,000.00
April:	-5,000.00				
405-026-570-0006	CONCRETE AND AGGREGATE	BA25-9 74 DCUA OPERATION EXPENSES ADJUST	20,000.00	5,000.00	25,000.00
April:	5,000.00				

Adjustment Number	Budget Code	Description	Adjustment Date
BA0000392	FY 24/25 ORIGINAL BUDGET	BA25-9 IT OPERATION ADJUSTMENT TONERS	4/8/2025

Summary Description:

Account Number	Account Name	Adjustment Description	Before	Adjustment	After
010-020-550-5049	NETWORK PRINTER SUPPLIES	BA25-9 IT OPERATION ADJUSTMENT TONERS	2,000.00	1,080.00	3,080.00

Budget Adjustment Register

Packet: GLPKT10631 - BA 25-9 67-74

April:	1,080.00				
010-020-550-5802		HARDWARE PURCH. - PRINTERS	BA25-9 IT OPERATION ADJUSTMENT TONERS	5,900.00	-1,080.00
April:	-1,080.00				4,820.00

Budget Code Summary

Budget	Budget Description	Account	Account Description	Before	Adjustment	After
25	FY 24/25 ORIGINAL BUDGET	001-000-361-4000	MISC. REVENUE	-569,926.00	-5,693.00	-575,619.00
		001-005-530-3048	JANITORIAL SERVICES CONTRACT	9,060.00	-9,060.00	0.00
		001-005-530-3078	LABOR UNION CONTRACT LEGAL E...	85,000.00	-63,000.00	22,000.00
		001-005-550-5663	VEHICLE MAINTENANCE	144,285.00	51,521.00	195,806.00
		001-005-550-5854	UNIFORMS	30,000.00	18,000.00	48,000.00
		001-006-570-0001	VETERINARY SERVICES	9,000.00	4,000.00	13,000.00
		001-008-550-5066	MEDICAL SUPPLIES	6,269.00	-3,000.00	3,269.00
		001-008-550-5509	OTHER EQUIP PARTS & MAINT	17,105.00	-3,000.00	14,105.00
		001-008-550-5849	COMPUTER SOFTWARE & ACCES.	10,009.00	6,000.00	16,009.00
		001-015-530-3056	CREDIT CARD PROCESSING FEES	750.00	500.00	1,250.00
		001-015-550-5051	OFFICE SUPPLIES	3,200.00	4,044.00	7,244.00
		001-015-570-7001	CIRCULATION	47,000.00	-500.00	46,500.00
		001-016-550-5854	UNIFORMS	15,500.00	188.00	15,688.00
		001-017-550-5849	COMPUTER SOFTWARE & ACCES.	0.00	43,770.00	43,770.00
		001-019-530-3041	PEST CONTROL SERVICES	500.00	460.00	960.00
		001-019-530-3050	PUBLIC RELATIONS EXP.	2,000.00	-460.00	1,540.00
		001-019-550-5805	ASSOCIATION MEMBERSHIPS	36,000.00	5,953.00	41,953.00
		001-019-550-5852	GENERAL GOV COMMON FUEL CO...	0.00	13.00	13.00
		001-019-550-5859	BUILDING REPAIR & RENOVATION	258,500.00	-43,770.00	214,730.00
		001-019-550-5864	BUILDING EQUIP & FURN	15,000.00	-5,966.00	9,034.00
		003-000-301-1000	BEGINNING UNENCUMBERED	0.00	-1,530.00	-1,530.00
		003-034-530-3047	AUTO & GEN. LIAB. INSURANCE	517,500.00	11,530.00	529,030.00
		003-034-570-7010	MISC. EXPENDITURES	10,000.00	-10,000.00	0.00
		005-066-530-3456	LIFE INSURANCE PREMIUM EXP.	24,000.00	801.00	24,801.00
		005-066-530-3900	HEALTH INSURANCE PREMIUM	2,700,000.00	40,000.00	2,740,000.00
		005-066-570-7800	FUND RESERVE	46,200.00	-40,801.00	5,399.00
		008-019-550-5820	CEMETERY BEAUTIFICATION	86.00	200.00	286.00
		008-019-570-7800	FUND RESERVE	96,564.00	-200.00	96,364.00
		010-020-550-5049	NETWORK PRINTER SUPPLIES	2,000.00	1,080.00	3,080.00
		010-020-550-5802	HARDWARE PURCH. - PRINTERS	5,900.00	-1,080.00	4,820.00
		015-000-361-1000	INTEREST EARNED	-900.00	-160,000.00	-160,900.00
		015-000-361-4000	MISC. REVENUE	-62,677.00	-31,793.00	-94,470.00
		015-005-560-6324	POLICE VEHICLES W/EQUIP	157,400.00	170,000.00	327,400.00
		015-016-560-6310	3/4-TON PICKUP	70,000.00	582.00	70,582.00
		015-018-550-5821	SIRENS - REPAIR/REPLACE/ADD	0.00	31,793.00	31,793.00
		015-019-560-6102	CITY HALL RENOVATION	131,500.00	15,050.00	146,550.00
		015-019-570-7800	FUND RESERVE	723,080.00	-153,868.00	569,212.00
		015-019-580-8730	POLICE VEHICLE LEASE	143,581.00	-56,264.00	87,317.00
		015-021-560-5660	UTILITY TRUCK/EQUIPMENT	60,000.00	20,000.00	80,000.00
		015-021-560-6310	VEHICLE/TRUCK	80,000.00	-20,000.00	60,000.00
		015-027-560-6429	VFD's ON #1 & #2 RAW PUMPS	72,501.00	184,500.00	257,001.00
		020-000-375-0602	TIF#3-19 TUBACEX TAX REFND REV	-454,413.62	-33,932.00	-488,345.62
		020-000-375-0605	TIF#3-DIA 1% TAX REFND REV	-4,590.92	-343.00	-4,933.92
		020-067-530-3502	TIF#3 19 TUBACEX REIMB PYMNT	481,183.53	33,932.00	515,115.53
		020-067-570-7400	CONTINGENCY RESERVE	170,490.01	343.00	170,833.01
		350-000-363-1000	PENDLETON TRUST	-36,306.17	-4,823.83	-41,130.00
		350-015-550-5605	PENDLETON TRUST MAINT/PROJ.	326,912.17	4,823.83	331,736.00
		405-026-530-3051	CONTRACT LABOR	50,000.00	-5,000.00	45,000.00
		405-026-570-0006	CONCRETE AND AGGREGATE	20,000.00	5,000.00	25,000.00
			25 Total:	5,449,262.00	0.00	5,449,262.00
			Grand Total:	5,449,262.00	0.00	5,449,262.00

Fund Summary

Fund	Before	Adjustment	After
Budget Code:25 - FY 24/25 ORIGINAL BUDGET Fiscal: 2024-2025			
001	119,252.00	0.00	119,252.00
003	527,500.00	0.00	527,500.00
005	2,770,200.00	0.00	2,770,200.00
008	96,650.00	0.00	96,650.00
010	7,900.00	0.00	7,900.00
015	1,374,485.00	0.00	1,374,485.00
020	192,669.00	0.00	192,669.00
350	290,606.00	0.00	290,606.00
405	70,000.00	0.00	70,000.00
Budget Code 25 Total:	5,449,262.00	0.00	5,449,262.00
Grand Total:	5,449,262.00	0.00	5,449,262.00



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From:
Re: Information Items

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From: An chen Lai, Finance Director/Treasurer
Re: February 2025 Financial Reports and March 2025 Sales Tax Reports

1. February 2025 General Fund (001) Revenue & Expense
2. February 2025 Capital Improvements (015) Report
3. February 2025 DCUA (405) Revenue & Expense
4. March 2025 Sales Tax Breakdown
5. March 2025 1% Sales Tax 10-Year Sheet
6. March 2025 2% Sales Tax Revenue VS Budget

Council Information / Action Requested

Information Only

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. February 2025 General Fund (001) Revenue & Expense Report
2. February 2025 Capital Improvements (015) Report
3. February 2025 DCUA (405) Revenue & Expense Report
4. March 2025 Sales Tax Breakdown
5. March 2025 1% Sales Tax 10-Year Sheet
6. March 2025 2% Sales Tax Revenue VS Budget

City of Durant, Oklahoma
General Fund - UNAUDITED

Monthly Revenue and Expense Report
FEBRUARY 2025- 66.67% of Fiscal Year Lapsed

Revenue Type:	This Period	Year-To-Date	Current FY24/25 Budget	% of Budget Y-T-D
Sales Tax (2%)	819,272	6,732,581	9,836,254	68.45%
Use Tax	339,312	2,272,334	2,342,412	97.01%
Alcoholic Beverage Tax	16,355	145,352	215,500	67.45%
Tobacco Excise Tax	9,539	86,772	150,000	57.85%
Telephone Franchise Tax	25,271	49,147	25,000	196.59%
Electric Service Franchise Tax	-	742,687	1,500,000	49.51%
Natural Gas Franchise Tax	114,249	146,253	400,000	36.56%
Cable TV Service Franchise Tax	-	-	70,000	0.00%
Vehicle Tax	12,713	92,436	135,000	68.47%
Gasoline Excise Tax	-	21,359	35,000	61.03%
Licenses - All Types	-	15,297	25,000	61.19%
Permits - All Types	2,187	173,665	352,000	49.34%
Swimming Pool Revenues	-	30,786	66,000	46.65%
Library Café Revenues	299	2,365	3,000	78.83%
Parks & Rec. Facility Rent Rev	-	1,364	400	0.00%
Charges For Services	222	33,434	47,500	70.39%
Police Bonds & Fines	83,261	534,637	570,000	93.80%
Interest Earnings	61,510	316,859	120,000	264.05%
Grant Revenues	693	272,287	283,749	95.96%
Miscellaneous Revenues	25,089	680,956	638,806	106.60%
Sub-Total Revenues	1,509,970	12,350,572	16,815,621	73.45%
TRSF FROM CAPITAL IMPROVEMENT	-	-	150,000	
Transfer from Emp Insurance	-	-	375,000	
Transfer from Utility Authority	122,138	977,100	1,465,650	66.67%
	122,138	977,100	1,990,650	49.08%
USE OF FUND BALANCE		0	2,600,260	
Total Revenues & Other Financing Sources	1,632,108	13,327,672	21,406,531	62.26%
Department:	This Period	Year-To-Date	Current FY24/25 Budget	% of Budget Y-T-D
City Administration	50,768	476,277	1,016,662	46.85%
City Clerk	9,618	81,908	118,646	69.04%
City Treasurer	36,056	304,565	483,756	62.96%
Legal Services - Attorney	-	40,707	136,000	29.93%
Law Enforcement - Police Dept	470,684	4,037,802	6,520,545	61.92%
Animal Control	16,888	134,079	209,815	63.90%
Fire Dept	321,004	3,161,219	4,523,585	69.88%
Parks, Rec & General Services	72,287	616,454	990,425	62.24%
Swimming Pool	4,334	115,234	320,926	35.91%
Municipal Court	12,075	130,414	178,839	72.92%
Community Development	35,903	344,294	769,211	44.76%
Public Library	55,975	486,407	739,164	65.81%
Street Department	71,100	913,944	1,687,119	54.17%
Economic Development	11,730	124,568	258,441	48.20%
Civil Emergency Management	28,324	241,335	434,982	55.48%
General Government	29,987	409,478	1,635,022	25.04%
City Garage	26,781	254,617	373,712	68.13%
Senior Citizens Center	8,283	68,573	105,968	64.71%
Sub-Total Operating Expenditures	1,261,796	11,941,874	20,502,818	58.25%
Other Financing Uses:				
P. TRSF to I.T. service Fund	27,892	223,139	334,714	66.67%
Transfer to Insurance Cash Fund	19,000	187,932	187,932	100.00%
Transfer to 911 Tax Fund	8,333	66,667	100,000	66.67%
Transfer to DMSC Fund	15,000	120,000	180,000	66.67%
Transfer to Capital Impr. Fund	-	-	1,068	0.00%
Transfer to Cemetery Operations Fund	8,333	66,667	100,000	66.67%
Sub-Total Transfers Out	78,559	664,405	903,714	73.52%
Total Expenditures & Other Financing Sources	1,340,355	12,606,279	21,406,532	58.89%
Net Gain / (Loss) - Excluding Balance Forward	291,753	721,392	(0)	

City of Durant, Oklahoma

Capital Improvements Fund - UNAUDITED

Monthly Revenue and Expense Report FEBRUARY 28, 2025

Revenue Type:	This Period	Year-To-Date	Current FY24/25 Budget
Interest Earnings	50,549	128,171	900
Miscellaneous	-	62,677	62,677
CCPF Donation	74,600	235,700	230,000
Sale Of Property	-	242,775	242,775
FAA Grant	-	-	469,933
ODOT Streetscape V Grant	-	-	-
Private Donation	-	-	-
Homeland Security Grant	-	-	-
OPJ-BVP Bullet Proof Vest	-	-	7,154
2021 ARPA Grant	-	-	-
OWBR Loan Proceeds	-	-	1,938,473
Grant-2019 BOR-WEEG	-	-	-
Grant-2018 BOR-SWEP	-	-	-
OEM/911 MNGMNT AUTH GRANT	-	-	-
DOT REIMB. 78S UTILITY RE	-	-	-
EDA 08-01-05284 WWTP IMP 69%	-	62,338	-
County Fire Tax Fund	-	-	-
Sub-Total Revenues	125,149	731,662	2,951,912
TRSF From General Fund	-	-	-
TRSF From 1% S.T. Rev. Fund	204,801	1,727,607	2,460,102
TRSF From Airport Authority	-	25,500	25,500
Transfer from DCFA Fund-MISC	-	-	-
TRSF From Beautification Fund (008)	-	-	36,300
Transfer from Utility Authority	154,658	1,237,265	2,320,897
REIMB FROM CDBG	-	-	-
TRSF FR DCUASF 12-STRN 210	-	-	-
Transfer from UA 2020 STRN 210-052	-	1,321,982	4,951,568
Transfer from 2020 CWSRF 210-053	-	-	12,670,800
Transfer from 2023 CWSRF 210-058	-	-	22,534,500
Equipment Financing	-	-	1,450,000
TRSF From DCFA Fund-Misc	-	-	-
CONTRIBUTED CAPITAL REVENUE (911 TRSF)	-	-	200,000
Sub-Total Transfers In	359,459	4,312,354	46,649,667
Balance Forward from FY24 (Unaudited)			3,158,981
Total Revenue & Other Financing Sources	484,608	5,044,016	52,760,560

Expenditure Type:	This Period	Year-To-Date	Current FY24/25 Budget
Law Enforcement - Police Dept	23,762	181,047	486,300
Animal Control Facility	-	10,382	890,786
Communication Ctr.	-	-	220,000
Fire Dept	4,795	13,274	894,559
Parks, Rec, & Gen Services	2,338	79,651	385,045
Pool	-	-	512,000
Community Development	-	-	-
Street	-	993,096	1,456,940
Economic Development	-	-	-
Civil Emergency Management	7,019	16,661	127,886
General Government	66,366	510,761	1,997,848
Information Technology	-	52,901	135,500
City Garage	-	-	240,200
Senior Citizens Center	-	15,034	50,000
Public Works Administration	-	26,327	146,327
Water / Sewer Line Maintenance	-	229,945	4,127,549
Water Treatment Plant	-	190,094	731,587
Wastewater Treatment Plant	-	42,477	89,000
Collection-Solid Waste	-	-	170,000
Lake Durant	21	98,795	401,435
Disposal- Solid Waste	11,481	502,721	742,284
Eaker Field Airport	-	130,775	1,598,099
Sub-Total Expenditures	115,782	3,093,941	15,403,345
Sub-total of Transfer Expenses	-	-	-
Total Expenses	115,782	3,093,941	15,403,345
2020U.S.S.T.R.N. Exp.	-	1,117	4,089,648
2020 CWSRF OWRB EXP.	-	90,116	10,733,067
2023 CWSRF WWTP IMPV.2 EXO	-	-	22,534,500
Total Fund Expenditures	115,782	3,185,174	52,760,560
Net Gain / (Loss) - Excluding Balance Forward	368,827	1,858,842	-

City of Durant, Oklahoma
Durant City Utilities Authority Fund 405 - Unaudited

Monthly Revenue and Expense Report
FEBRUARY 2025- 66.67% of Fiscal Year Lapsed

Revenue Type:	This Period	Year-To-Date	Current FY 24/25 Budget
Licenses and Permits	125	9,772	10,000
Laboratory Test Performed	1,332	11,916	20,000
Water Service - City-Wide	277,649	2,629,168	4,000,000
Water Sales - RW Dist. #2	3,034	84,496	37,000
Water Sales - RW Dist. #5	61,503	739,812	1,250,000
Sewer Service Fees	273,838	2,212,061	3,500,000
Sewer Excessive Strength Fees	-	110,313	16,800
Sanitation Service Fees	302,764	2,418,275	4,000,000
Sanitation - Roll off Bins Revenue	52,835	452,637	772,000
Sanitation - Compactor Revenue	43,149	374,976	600,000
Landfill Gate Fees (excluding Xfer ST.)	-	124,008	101,500
Transfer Station Fees Revenue	9,015	158,443	150,000
Interest Earnings	55,350	156,125	60,000
Agri. Lease Revenue	-	2,000	4,500
Late Payment Penalties	9,915	85,361	100,000
Non Payment Fee	5,724	65,963	120,000
Bad Debt Collect Fees Revenue	346	1,987	5,000
Water Tower Lease	6,830	56,437	90,000
DCUA Service Initiation Fee	2,010	21,420	30,000
Tap Fees: Water & Sewer	14,049	145,744	200,000
Recyclable Products SW Dis.	-	10,226	10,000
Interest Earnings in 2007 USSTRN Proj. Acct.	604	2,224	1,800
Miscellaneous Revenues	1,777	13,105	1,313
2020 Airport Tank Principal Pymt	-	21,464	21,464
2020 Airport Tank Interest Pymt	-	615	615
Trans from emp insurance 005	-	-	240,000
Trans from General Fund	-	-	-
Sub-Total Operating Revenues	1,121,849	9,908,546	15,341,992

USE OF FUND BALANCE 46,795

Total Revenues & Other Financing Sources	1,121,849	9,908,546	15,388,787
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Expense Type:	This Period	Year-To-Date	Current FY 24/25 Budget
Public Works Administration	35,047	300,426	498,084
Utility Billing	48,295	457,610	710,177
Water/Sewer Line Maintenance	97,527	875,789	1,500,688
Water Treatment Plant	77,924	870,871	1,645,590
Wastewater Treatment Plant	91,661	775,718	1,288,001
Solid Waste - Collections	108,925	892,553	1,403,074
Utility General Administration	116,833	283,938	2,100,902
Lake Durant	4,353	37,036	51,300
Solid Waste - Disposals	129,431	1,217,654	1,900,393
Sub-Total Operating Expenses	709,996	5,711,594	11,098,208

Transfer to Insurance Cash Fund	28,500	284,022	284,022
Transfer to General Fund	122,138	977,100	1,465,650
Transfer to Capital Improvement Fund	154,658	1,237,265	2,305,897
Transfer to DMSC Fund 500	-	-	-
Transfer to Airport Authority	12,943	103,541	155,312
Transfer to DCUA Sinking Fund	6,642	53,132	79,698
Sub-Total Transfer Expenses	324,880	2,655,060	4,290,579

Reserve - Contingency

DCUA Fund Expense & Transfer Totals:	324,880	2,655,060	4,290,579
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Total Fund Expenses & Transfers	1,034,876	8,366,654	15,388,787
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Net Gain / (Loss) - Excluding Balance Forward	86,973	1,541,893	(0)
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City of Durant, Oklahoma
4.375% Sales Tax Revenue Breakdown

Current Month Sales Tax Revenue Detail	
1% Capital Improvements - for Debt Services/Payment	\$400,450.12
2% General Operations-For General Operation	\$800,900.25
1/4% Economic Development- Fund 110 for Indurstry Improv	\$100,112.53
1/2% Sales Tax- Infrastructure	\$200,225.06
5/8% DISD Improvements - for High School	\$250,281.33
Total Sales Tax Rev. March 2025, 4-3/8%	\$1,751,969.29

City of Durant, Oklahoma Ten-Year History Report - 1% Sales Tax Revenue

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	% Change	Single Month Period
July	\$285,723	\$282,117	\$313,058	\$329,525	331,058	376,455	411,465	429,866	428,333	415,327	-3.04%	May / June
August	\$301,211	\$314,889	\$329,217	\$323,680	343,378	371,268	405,522	436,588	445,870	432,991	-2.89%	June / July
September	\$310,412	\$292,744	\$298,291	\$309,656	340,005	375,103	396,622	406,801	426,408	424,939	-0.34%	July / Aug.
October	\$292,477	\$295,814	\$313,960	\$305,445	329,146	359,331	394,840	423,692	440,473	427,244	-3.00%	Aug. / Sept.
November	\$263,753	\$305,225	\$317,104	\$292,323	322,363	360,649	383,784	417,467	415,755	380,235	-8.54%	Sept. / Oct.
December	\$280,961	\$282,558	\$287,917	\$302,025	336,928	342,145	389,101	411,863	415,785	463,979	11.59%	Oct. / Nov.
January	\$303,941	\$316,625	\$319,265	\$319,947	331,582	348,969	399,365	411,980	417,692	411,939	-1.38%	Nov. / Dec.
February	\$282,081	\$304,006	\$314,369	\$300,025	340,113	351,684	430,326	422,394	419,238	409,636	-2.29%	Dec. / Jan.
March	\$255,710	\$278,891	\$281,267	\$275,318	295,098	347,403	350,947	381,905	377,515	400,450	6.08%	Jan. / Feb.
April	\$290,669	\$305,276	\$313,062	\$299,350	328,110	333,643	403,097	406,036	380,313			Feb. / March
May	\$286,450	\$317,742	\$325,558	\$332,701	331,431	439,672	411,741	446,047	434,804			March / Aprl.
June	\$277,462	\$298,475	\$286,097	\$318,281	\$332,952	\$428,168	\$403,495	\$413,350	\$399,706			Aprl. / May
Total	\$3,430,849	\$3,594,364	\$3,699,166	\$3,708,275	\$3,962,165	\$4,434,490	\$4,780,305	\$5,007,988	\$5,001,890	\$3,766,741		8,868,979.72
FY Monthly Average	\$285,904	\$299,530	\$308,264	\$309,023	\$330,180	\$369,541	\$398,359	\$417,332	\$416,824	\$418,527		
% change from prior yr.	1.57%	4.77%	2.92%	0.25%	6.85%	11.92%	7.80%	4.76%	-0.12%	-1.40%		
\$ change from prior yr.	\$52,906	\$163,515	\$104,802	\$9,109	\$253,889	391,781	345,815	227,683	(6,098)	(70,935)		

Current Month Sales Tax Revenue Deta		
1/4% Economic Development (eff)	\$100,112.53	
1/2% Sales Tax-Infrastructure (eff)	\$200,225.06	
1% Capital Improvements (effectiv	\$400,450.12	
2% General Operations	\$800,900.25	
5/8% DISD Improvements (effecti	\$250,281.33	
Total Sales Tax Rev. March 2025	\$1,751,969.29	
* Per Ordinance #1589, Durant City Sales Tax		

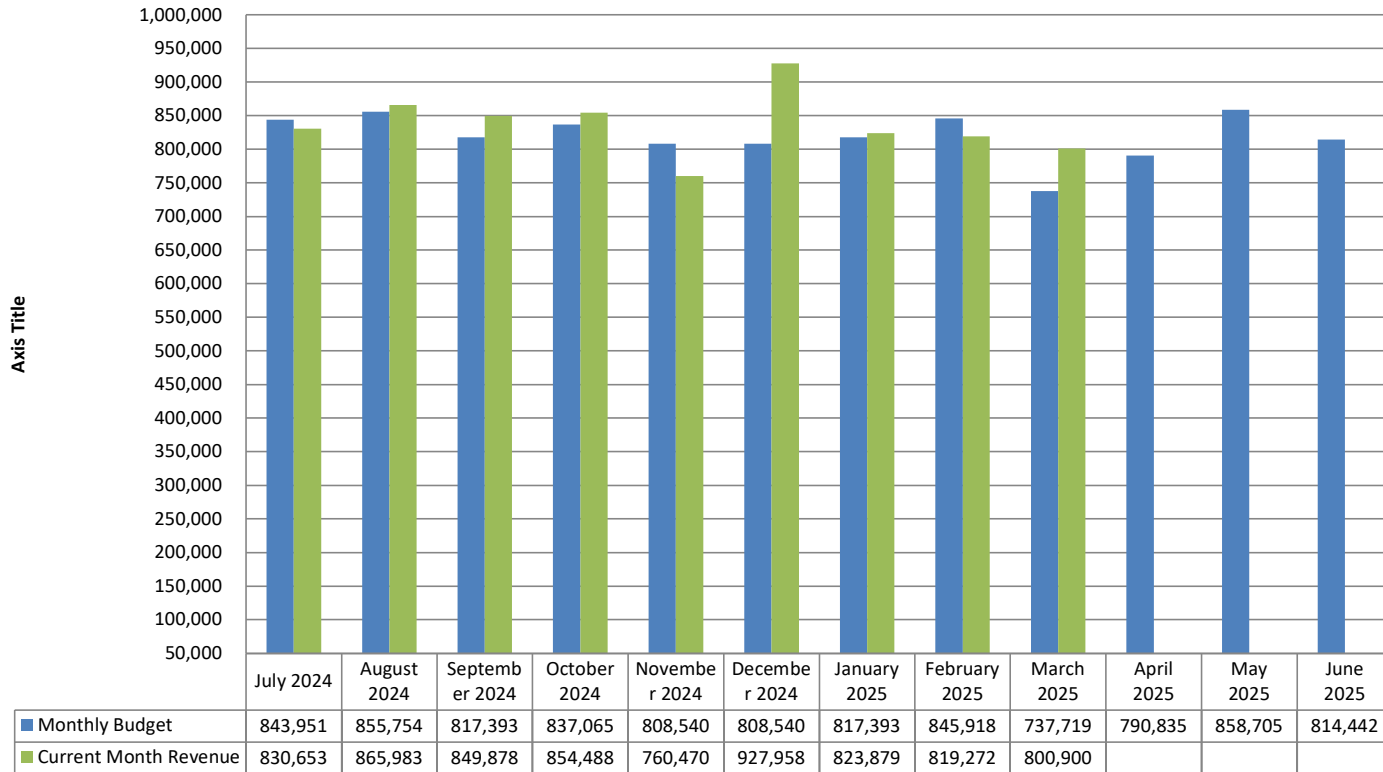
Use Tax		DISD Monthly
\$41,645.54	\$291,926.87	

1% Sales Tax - Current Annual		
Previous 12 - Month Period	Current 12 - Month Period	% Change
\$5,052,499	\$4,981,564	-1.40%

75.00%

	Monthly Budget	Current Month Revenue	Y-T-D Revenue	% of Budget	FY22/23 Budget	Monthly Budget Over/Under	
July 2024	843,951	830,653	830,653.19	8.44%	8.58%	(13,297.44)	0.0858
August 2024	855,754	865,983	1,696,636.16	17.25%	17.28%	10,228.83	
September 2024	817,393	849,878	2,546,513.85	25.89%	0.2559	32,484.95	
October 2024	837,065	854,488	3,401,002.25	34.58%	34.10%	17,423.15	
November 2024	808,540	760,470	4,161,472.24	42.31%	42.32%	(48,070.12)	
December 2024	808,540	927,958	5,089,429.81	51.74%	50.54%	119,417.46	
January 2025	817,393	823,879	5,913,308.74	60.12%	58.85%	6,486.19	
February 2025	845,918	819,272	6,732,580.91	68.45%	67.45%	(26,645.71)	
March 2025	737,719	800,900	7,533,481.16	76.59%	74.95%	63,181.17	
April 2025	790,835		7,533,481.16	76.59%	82.99%		
May 2025	858,705		7,533,481.16	76.59%	91.72%		
June 2025	814,442		7,533,481.16	76.59%	100.00%		
	9,836,254.44	7,533,481.16				161,208.46	

FY 24/25 Monthly 2% Sales Tax Revenue





The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From:
Re: Administration

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From: Tiffany Steele, Assistant Grants Coordinator
Re: Consider Approval of Resolution Authorizing Application for Choctaw Development Funds for Matching Funds in the Amount of \$35,000 for the Durant Trails and Open Spaces Project (R-2025-02)

Funds requested from the Choctaw Development Fund in the amount of \$35,000 will complete the 311 feet of a 3.5 mile walking trail directly behind the Visual and Performing Arts Center at Southeastern Oklahoma State University, ensuring the entire trail meets ADA standards and is a fully accessible, safe, and interconnected trail system for Durant.

Project History: The City of Durant applied for and managed the ODOT Rails to Trails grant. At the same time, Southeastern Oklahoma State University provided land, assumed maintenance responsibilities, and secured liability insurance. The Durant Trails and Open Spaces Committee raised matching funds to qualify for the grant and continues to advocate for trail completion. Additional funding partners include the Oklahoma Department of Transportation, Oklahoma Tourism, Bryan County Commissioners (TSET Grant), Durant Community Facilities Authority, Southeastern Oklahoma State University, the City of Durant, and private donors.

Council Information / Action Requested

Approval of Resolution Authorizing Application for Choctaw Development Funds for Matching Funds in the Amount of \$35,000 for the Durant Trails and Open Spaces Project (R-2025-02)

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. All CDF files FINAL City of Durant - Durant Trails and Open Spaces Walking Trail
2. R-2025-02 Authorizing Application for Choctaw Development Funds for Matching Funds for Durant Trails and Open Spaces Project Unsigned



Choctaw Nation Development Fund

Internal Committee Recommendation

This document is provided for Final Committee as a summary of the project.

Project:	Date:

Previous Funding

Year	Project Description	Total Cost of Project	Amt. Funded by Org.	Amt. Funded by Grants	Amount Funded by CDF	% Funded by CDF
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	

CDF Manager:	Signature:	Date:
Internal Committee Member:	Signature:	Date:
Internal Committee Member:	Signature:	Date:
Internal Committee Member:	Signature:	Date:



Choctaw Nation Development Fund

COMMUNITY & ECONOMIC DEVELOPMENT FORGIVABLE LOAN PROGRAM INTERNAL SELECTION CRITERIA

Name of Organization:

Project Type: ☐ Community Development ☐ Economic Development

Project Referred by: ☐ Chief ☐ Assistant Chief ☐ Councilman
☐ Other

County:

☐ Atoka ☐ Bryan ☐ Choctaw ☐ Coal ☐ Haskell ☐ ½ Hughes ☐ Latimer
☐ LeFlore ☐ McCurtain ☐ Pittsburg ☐ Pushmataha ☐ Other

Choctaw District:

☐ District 1: Thomas Williston ☐ District 2: Tony Ward ☐ District 3: Eddie Bohanan
☐ District 4: Jess Henry ☐ District 5: Ronald Perry ☐ District 6: Jennifer Woods
☐ District 7: Joey Tom ☐ District 8: Perry Thompson ☐ District 9: James Dry
☐ District 10: Anthony Dillard ☐ District 11: Robert Karr ☐ District 12: James Frazier

Project Funding:

Funding for Project	Amount	% of Total Amount of Project	Recommended Amount
Total Cost of Project	\$		
Amount Funded by Organization	\$		
Amount Funded by Other Grant Opportunities	\$		
Amount of Funding requested from Choctaw Nation	\$		

Brief description of proposed project:

Project Selection Criteria: The priorities described below will be used by the Choctaw Development Fund (CDF) to score Community and Economic Development applications. Points will be distributed as indicated below. Circle the appropriate points. A copy of this score sheet must be placed in the case file for future reference.

(1) Total Population. The proposed project is located in a rural community having a population of:	Internal BD Review	Actual Numbers
(1) 1,000 or less	30	
(2) Between 1,001 and 5,000, inclusive	20	
(3) Between 5,001 and 10,000, inclusive	10	
(4) Between 10,001 and 15,000, inclusive	5	
(5) 15,001 and above	0	
(2) Choctaw Population. The proposed project is located in a rural community with a Choctaw population of:	Internal BD Review	Actual Numbers
(1) 25% or more	30	
(2) Between 20 – 24.99%	20	
(3) Between 15 – 19.99%	10	
(4) Between 10 – 14.99%	5	
(5) Between 0 – 9.99%	0	
(3) Income. The median household income of the population to be served by the proposed project:	Internal BD Review	Actual Numbers
(1) \$29,999 median household income or less	30	
(2) \$30,000 – \$34,999 median household income	20	
(3) \$35,000 – \$39,999 median household income	10	
(4) \$40,000 – \$44,999 median household income	5	
(5) \$45,000 median household income or higher	0	
(4) Unemployment. The unemployment rate for the population to be served by the proposed project:	Internal BD Review	Actual Numbers
(1) 10% unemployment rate or more	30	
(2) 8% - 9.9% unemployment rate	20	
(3) 6% - 7.9% unemployment rate	10	
(4) 4% - 5.9% unemployment rate	5	
(5) 3.9% unemployment rate or less	0	
(5) Other. Points will be assigned for one or more of the following initiatives:	Internal BD Review	
(1) Project is for infrastructure	20	
(2) Project is for health care	10	
(3) Project is for public safety	10	
(4) Project is for quality of life	10	
(6) Emergency. The Choctaw Development Fund Committee may assign up to 30 additional points for geographic distribution of funds, emergency assistance, natural disasters, or leveraging of funds. The basis of the CDFC points must include a written description of the priority below.	Internal BD Review	
(1) For emergency assistance caused by economic problems	30	
(2) For natural disasters	30	
	Total Internal Score	Total Possible Points
		230

Comments:



Choctaw Nation Development Fund

COMMUNITY & ECONOMIC DEVELOPMENT FORGIVABLE LOAN PROGRAM FINAL COMMITTEE SELECTION CRITERIA

Name of Applicant: _____

Project Type: Community Development Economic Development

Project Referred by: Chief Assistant Chief Councilman _____

County:

Atoka Bryan Choctaw Coal Haskell ½ Hughes
Latimer LeFlore McCurtain Pittsburg Pushmataha Other _____

Choctaw District:

District 1: Thomas Williston District 2: Tony Ward District 3: Eddie Bohanan
District 4: Jess Henry District 5: Ronald Perry District 6: Jennifer Woods
District 7: Joey Tom District 8: Perry Thompson District 9: James Dry
District 10: Anthony Dillard District 11: Robert Karr

Project Decision:

Approved Amount Denied Pending

Comments:

--

Shannon Compton - Executive Officer
Division of Strategic Development

Date

Tammye Gwin - Senior Executive Officer
Division of Strategic Development

Date

Jack Austin, Jr. - Assistant Chief
Choctaw Nation of Oklahoma

Date

INTERNAL USE ONLY

Letter of Approval/Denial sent to applicant

Date

Choctaw Development Fund Manager Signature



Choctaw Nation

Development Fund

APPLICATION FOR COMMUNITY & ECONOMIC DEVELOPMENT OPPORTUNITIES

OVERVIEW OF PROGRAM

ABOUT CHOCTAW DEVELOPMENT FUND

The Choctaw Development Fund supports economic viability and sustainability by partnering with individuals and communities to create long-term growth and job creation within the boundaries served by the Choctaw Nation. Using a mission-centered approach, the Fund is rooted in the internal programs offered by the Nation that drive significant economic activity for Southeastern Oklahoma; these include capital projects, health initiatives, police, family/social services, and investment in outside businesses. The Development Fund expands on the Nation's internal resources to address the need for outside economic relationships in order to build stronger policies and remove barriers for future growth. Fund projects acquired through outside partnerships have a direct, positive impact on the lives of tribal members and are respectful of the economic, environmental, and cultural concerns of the Nation.

COMMUNITY DEVELOPMENT

The Community Development section of the Fund focuses efforts on helping communities with critical infrastructure and other projects that improve the quality of life in these communities. Applications or projects are usually presented from counties, townships and municipalities for partnership or assistance with community development projects.

Some examples of the projects for which Community Development has been contacted include:

- Community revitalization
- City/Town beautification
- Grant Matching
- Housing, Infrastructure studies
- Parks & recreation

ECONOMIC DEVELOPMENT

Assisting our communities in their business development, recruitment, retention and expansion efforts in order to grow the economies and create jobs in those areas is a primary goal of the Economic Development section of the Choctaw Development Fund. This area of focus will typically receive applications and proposals from businesses, municipalities, or other development organizations, such as the Oklahoma Department of Commerce (ODOC), seeking partnership and support in providing recruitment incentives to bring businesses into a certain area. Economic Development concentrates on the following activities:

- Partnering with communities, cities, economic developers from the area, and ODOC in attending industry trade-shows, business missions, call trips and development of retention programs
- Providing training and marketing assistance in preparation for recruiting endeavors
- Participating with communities through incentives in responding to RFPs for companies interested in potentially relocating to Southeastern Oklahoma
- Funding economic feasibility studies
- Participating in and supporting the Oklahoma Southeast Regional Economic Development Organization
- Actively working with the ODOC or local entities on Economic Development initiatives and incentives

For Community and Economic Development, areas in which the Choctaw Development Fund does not partner or provide assistance are:

- Projects in which other funding sources have not been sought
- Grant Opportunities: Example USDA/RDA, CDBG/EDIF, HUD
- Projects outside of the Choctaw Nation’s boundaries
- Projects that do not address a specific goal of the Choctaw Development Fund or support the strategies and objectives of the Nation

TO BE CONSIDERED

1. The application must be completed with all necessary attachments and forwarded to the following address:
Choctaw Nation of Oklahoma
Choctaw Development Fund
PO Box 1210
Durant, OK 74702-1210
2. When answering questions, feel free to attach additional information if the space provided is insufficient to provide a complete answer.
3. The application will be reviewed, and any questions or requests for additional information will be forwarded to the Contact Person provided on the application.
4. After review of the application, a preliminary recommendation will be made to the Choctaw Development Fund Committee for a final decision.
5. The final decision will be communicated in writing to the Contact Person named on the application.
6. If approved, a Choctaw Business Development Advisor will be assigned and will work with the requesting organization to ensure the project is completed in a timely and efficient manner and to safeguard the interests of the Nation.
7. The Choctaw Development Fund will set specific criteria on how, when and where the funds will be distributed.
8. Depending on the project, disbursements for the project may be made over time. For these projects, the Choctaw Business Development Advisor will approve disbursements based on their knowledge of the project and the criteria set out in the approved application.
9. The Choctaw Development Fund reserves the right to request supporting documentation, reports and records of the project at any time.
10. The Choctaw Development Fund reserves the right to cancel a project at any time if it believes material problems exist with the project; the information that was provided was incomplete, misrepresented, inaccurate or contained fraudulent data on the application; or if parties to this project are deemed to have committed any infraction which is deemed to have caused injury to the Nation or its members.

COMMUNITY & ECONOMIC DEVELOPMENT OPPORTUNITIES

Select one: ☐ Community Development ☐ Economic Development

Personal Information		
Requesting Organization		
Street Address		
City	State	Zip
Contact Person		
Contact Phone Number		
Contact Email		
Tax Structure ☐ Taxable (Attach W-9) ☐ Non-Taxable (Attach W-9 and Tax Exemption Certificate)		

Project Information		
Project Name		
Project Address		
Project City	Project State	Project Zip

Estimation of Requested Amount		
Item	Timing of Expenditure	Estimated Cost
		\$
		\$
		\$
		\$
		\$
Total Estimated Requested Amount		\$

Estimation of Additional Project Cost (attach copies of actual estimates and budget narrative)		
Item	Timing of Expenditure	Estimated Cost
		\$
		\$
		\$
		\$
		\$
Total Estimated Cost of Project		\$

Project Funding		
Funding for Project	Amount	Percent of Total Amount
Total Cost of Project	\$	
Amount Funded by Organization	\$	
Amount Funded by Other Grant Opportunities	\$	
Amount of Funding Requested from Choctaw Nation	\$	

Please note that the Choctaw Nation does not provide 100% funding of projects for community and economic development

Provide a brief description of uses of funds:

Project Workforce Development and/or Incentive Participation Answer the following questions about your project

Attribute	Answer
Number of jobs created or retained (Please indicate which type of job and breakdown by full-time/part-time positions)	
Number of full-time positions during construction or startup or currently employed	
Number of full-time positions after construction or startup, if applicable	
Number of part-time positions during construction or startup or currently employed	
Number of part-time positions after construction or startup, if applicable	
Average part-time weekly hours	
Average salary pay & average hourly pay	
Total estimated annual payroll	
Types of employee benefits provided (i.e. health insurance, dental insurance, vision insurance, 401K, life insurance, etc)	
Projected start of hiring date, if applicable	
Types of skills required in workforce	
Total capital investment in project	
Other information on workforce deemed important	

1. Write an Executive Summary describing the project
2. What is the deadline for this project? Explain why?
3. What type of assistance are you specifically requesting from the Choctaw Nation? (For example: fund matching, grant, in-kind donation, workforce development, incentive participation, etc.)
4. What feasibility, engineering, or other studies have been conducted on the project? (Attach copies)
5. What other sources of funds have you identified or sought out for funding this project? (Attach copies)
6. If the Choctaw Nation agrees to participate in this project, how will repayment of any loan funding be repaid?

7. Explain whether this project will produce any additional revenue/taxes/fees or reduction of expenses/expenditures?
8. Which grant organizations or other charitable organizations have you approached? What type of assistance did you request? What was their response? Are there businesses that will benefit from this project and should share in the cost?
9. How will this project be sustained/maintained after the initial development period? How much will it cost to maintain on an annual basis? How will you fund this ongoing expense? Will you be setting back funds for future major repair and/or replacement? Please provide details in an attachment.
10. Explain how this project recruits, retains, or expands business in southeastern Oklahoma.
11. Does this project support Choctaw Nation's values of Faith, Family, and Culture? If yes, please explain.
12. Does this project improve the lives of Choctaw members? If yes, please explain:

13. How many Choctaw Nation tribal members will the project impact, and how will they benefit from it? Please explain.

14. How many non-Choctaw members will the project impact, and how will they benefit from it? Please explain.

15. Has your community been previously funded in any way by the Nation? If so, please explain when, how much and what the purpose of that funding was.

Additional Project Partners

Please list all individuals, companies, governmental agencies and/or other organizations that are anticipated to participate in this project.

Company-Agency-Organization	Contact Name	Contact Phone	Contact Email	Nature of Involvement

Note: The Nation may require background checks or other investigations of all parties to this project and utilization of approved vendors of the Nation and may require review and approval of all invoices before payment is made to any vendor.

ADDITIONAL INFORMATION REQUESTED

Please attach any of the following that will assist the Choctaw Nation in reviewing and evaluating your application:

- ☐ Drawings, schematics, blueprints, pictures, etc.
- ☐ Feasibility, engineering, environmental, traffic, population, or other studies
- ☐ Requests for proposals issued for the project
- ☐ Detailed construction estimates
- ☐ Detailed Line item budget
- ☐ Multi-year financial projections with IRR, payback period, Cash on Cash returns, etc.
- ☐ Detailed overhead cost projections
- ☐ Water usage requirements
- ☐ Other utility requirements
- ☐ Maps, satellite images, land surveys, etc.
- ☐ Governmental directives or orders
- ☐ News articles, videos, etc.
- ☐ GAP Analysis. (I.e. is a product or service needed in a specific area?)
- ☐ Any other information you believe will be helpful in evaluating this application
- ☐ City or county resolution in support of project
- ☐ Current city audit reports

I hereby warranty and represent that all of the information provided herein is complete and true in all material respects.

Printed Name	Signature
Title	Date Signed

Internal Use Only			
Application Processed by			Date
CBD Internal	Date	CBD Committee	Date
Approved ☐	Denied ☐	Approved ☐	Denied ☐
Reason for Denial			

Choctaw Development Fund Manager

Date

PROJECT NAME: Durant City of - Durant Trails and Open Space Walking Trail					
Category	Description	Cost	Amount paid by other Funding Sources	Funding Agency	Requested Funds from Choctaw Nation (up to \$5,000.00/Include quotes)
Design		\$ 230,140	\$ 184,112	ODOT	\$ -
			\$ 10,465	City of Durant	\$ -
Construction		\$ 2,009,914	\$ 1,471,242	ODOT	\$ -
			\$ 69,518	Bryan Co. TSET Grant	\$ -
			\$ 168,520	Durant Community Facilities Auth.	\$ -
			\$ 36,556	Southeastern Oklahom State Univ.	\$ -
			\$ 30,000	3 donors @ 10k each	\$ -
			\$ 29,640	29 private donors	\$ -
			\$ 240,000	Okla.. Rec. Trail Grant	\$ -
		\$ 35,000	\$ -	-	\$ 35,000
(Other)			\$ -	\$ -	
Total Project Cost		\$ 2,275,054	\$ 2,240,054	\$ -	\$ 35,000

ESTIMATE

Mata M&C, LLC
50E 2040 Road
Boswell, Oklahoma 74727

reymata2020@gmail.com
+1 (580) 380-6870



Bill to
Southeastern State Oklahoma University
Durant OK

Estimate details
Estimate no.: 1022
Estimate date: 03/08/2025

#	Date	Product or service	Description	Qty	Rate	Amount
1.		Sales	Durant trails and open space	1	\$35,000.00	\$35,000.00
			6" thick 10' wide 311' long concrete slab with saw joints every 10' and slip joints every 100'. Slip joints reinforced with 0.5" x 30" smooth steel dowels spaced at 18" (same as the reinforcing).			
Total					\$35,000.00	

Accepted date

Accepted by

**STATE OF OKLAHOMA
DEPARTMENT OF TRANSPORTATION
SUPPLEMENTAL AND MODIFICATION AGREEMENT NO. 1
PROJECT MAINTENANCE, FINANCING, AND RIGHT-OF-WAY AGREEMENT**

DURANT RAILS TO TRAILS

Project No.: TAP-207F(112)TP

State Job No.: 32983(04)

This Supplemental and Modification Agreement, made the day and year last written below, by and between the City of Durant, hereinafter referred to as the Sponsor, and the Department of Transportation of the State of Oklahoma, hereinafter referred to as the Department, for the following intents and purposes and subject to the following terms and conditions, to wit:

WITNESSETH

WHEREAS, It is deemed necessary by the Department and Sponsor, and in order to revise the scope of the original Project Maintenance, Financing, And Right-Of-Way Agreement; and,

WHEREAS, Under the terms of Section 11 of the original Project Maintenance, Financing, And Right-Of-Way Agreement, said revisions must be reduced to a written supplemental agreement and executed by the Department and Sponsor.

NOW, THEREFORE: the Department and Sponsor, in consideration of the mutual covenants and stipulations as set forth herein, do mutually promise and agree as follows:

- A. The following sections are hereby modified from the original Project Maintenance, Financing, And Right-Of-Way Agreement;

SECTION 4: FUNDING SUMMARY

4.1 The Department and the Sponsor agree that the project will be financed at a not-to-exceed, total estimated TAP cost of \$1,655,354 as described below:

Old Funding Table

FUNDING SOURCE =>			TAP		SPONSOR		REC TRAIL GRANT
STATE JOB PIECE NO.	DESCRIPTION	TOTAL ESTIMATED COST	SHARE (%)	AMOUNT	SHARE (%)	AMOUNT	AMOUNT
32983(05)	Design -	\$230,140	80	\$184,112	20	\$46,028	
32983(04)	Construction - (With 6% Inspection)	\$1,712,534	80 up to a limit of	\$1,173,862	Remainder	\$298,672	\$240,000
Total		\$1,942,674	Total=>	\$1,357,974	Total=>	\$344,700	\$240,000

New Funding Table

FUNDING SOURCE =>			TAP		SPONSOR		REC TRAIL GRANT
STATE JOB PIECE NO.	DESCRIPTION	TOTAL ESTIMATED COST	SHARE (%)	AMOUNT	SHARE (%)	AMOUNT	AMOUNT
32983(05)	Design -	\$230,140	80	\$184,112	100	\$46,028	
32983(04)	Construction - (With 6% Inspection)	\$2,009,914	80	\$1,471,242	20 capped at	\$298,672	\$240,000
Total		\$2,240,054	Total=>	\$1,655,354	Total=>	\$344,700	\$240,000

This supplement is to CAP the Sponsor funds

4.2 Furthermore, the Department and the Sponsor agree that actual TAP costs incurred by project phases (**JP 32983(04,05)**) may exceed initial estimates. Costs between these project phases will be administratively adjusted based on actual cost of each phase, within the total cost of this agreement, without formal supplemental agreement, in so far as the total project agreement is not exceeded.

4.3 It is understood by the SPONSOR and the Department that the funding participation stipulated herein may be altered due to bid prices, actual construction supervision costs and non-participating costs incurred during construction. The SPONSOR will be responsible for payment of any estimated local funding prior to advertising the project for bid. Upon final acceptance of this project, the total project cost will be determined, and the final amount of local funds (if any) will be determined by the Department's Comptroller per the terms of this agreement. A refund will then be made by the Department to the SPONSOR or additional funding will be requested. The SPONSOR agrees to make arrangements for payment of any Department invoice within 45 days of receipt.

B. That the original Project Maintenance, Financing, And Right-Of-Way Agreement is hereby modified as above described, said agreement in all other respects shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Director of the Department of Transportation, pursuant to authority vested in him by the State Transportation Commission, has hereunto subscribed his name as Director of the Department of Transportation and the Sponsor has executed same pursuant to authority prescribed by law for the Sponsor.

The Sponsor, City of Durant OK on this 10th of December, 2024, and the Department on the _____ day of _____, 20____.

THE CITY OF DURANT

APPROVED AS TO FORM
AND LEGALITY

By [Signature]
City Attorney

By [Signature]
Mayor

By [Signature]
Attest: City Clerk

(SEAL): Approved - THE CITY
OF DURANT



STATE OF OKLAHOMA
DEPARTMENT OF TRANSPORTATION

Recommended for Approval

Matthew Mitchell

12/18/2024

Local Government
Division

DATE

[Signature]

12/19/2024

Director of Project Delivery

DATE

APPROVED AS TO FORM
AND LEGALITY

APPROVED

David Allen Wiley

12/19/2024

General Counsel

DATE

[Signature]
Dawn Sullivan (Dec 19, 2024 16:49 CST)

12/19/2024

Deputy Director

DATE



Oklahoma Department of Transportation

Letting Date: March 21, 2024, 10:30 A.M.

Call Order: 600

Contract ID: 240070

District: 2

J/P No.: 32983(04)

Project No.: TAP-207F(112)TP

Calendar 270

County: BRYAN

Description: PEDESTRIAN IMPROVEMENTS (TRAIL CONSTRUCTION)
DURANT RAIL TO TRAIL: FROM 1ST AVENUE,
EXTEND NORTH IN THE CITY OF DURANT.
PROJECT LENGTH = 0.485 MILES

Bidder	Total Bid	% of Low	% of Est
Engineer's Estimate	\$1,113,732.00		
1 C3 CONSTRUCTION, INC.	\$1,375,563.58	100.00%	123.51%
2 HUB Construction, Inc.	\$1,510,065.50	109.78%	135.59%

Oklahoma Department of Transportation

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District: 2

Line #	Item Number	Item Description	Quantity/Unit	
			Unit Price	Ext Amount
Section: 0001 ROADWAY				
0010	201(A)1200	CLEARING AND GRUBBING	1.000 LSUM	
	Engineer's Estimate		30,000.000	30,000.00
1	C3 CONSTRUCTION, INC.		36,832.760	36,832.76
2	HUB Construction, Inc.		18,000.000	18,000.00
0020	202(A)2200	UNCLASSIFIED EXCAVATION	1,270.000 CY	
	Engineer's Estimate		7.000	8,890.00
1	C3 CONSTRUCTION, INC.		22.570	28,663.90
2	HUB Construction, Inc.		20.000	25,400.00
0030	221(B)2300	TEMPORARY SILT FENCE	4,722.000 LF	
	Engineer's Estimate		5.000	23,610.00
1	C3 CONSTRUCTION, INC.		4.370	20,635.14
2	HUB Construction, Inc.		4.000	18,888.00
0040	230(A)7200	SOLID SLAB SODDING	3,901.000 SY	
	Engineer's Estimate		10.000	39,010.00
1	C3 CONSTRUCTION, INC.		5.090	19,856.09
2	HUB Construction, Inc.		6.500	25,356.50
0050	231(E)8600	(PL) LANDSCAPING	1.000 LSUM	
	Engineer's Estimate		2,500.000	2,500.00
1	C3 CONSTRUCTION, INC.		10,933.290	10,933.29
2	HUB Construction, Inc.		10,000.000	10,000.00
0060	310(B)5300	SUBGRADE, METHOD B	3,265.000 SY	
	Engineer's Estimate		2.000	6,530.00
1	C3 CONSTRUCTION, INC.		7.730	25,238.45
2	HUB Construction, Inc.		5.000	16,325.00
0070	501(D)1500	UNCLASSIFIED BACKFILL	244.000 CY	
	Engineer's Estimate		14.000	3,416.00
1	C3 CONSTRUCTION, INC.		24.050	5,868.20
2	HUB Construction, Inc.		25.000	6,100.00
0080	504(F)5610	DECORATIVE HANDRAILING	232.000 LF	
	Engineer's Estimate		80.000	18,560.00
1	C3 CONSTRUCTION, INC.		122.720	28,471.04
2	HUB Construction, Inc.		125.000	29,000.00
0090	601(A)1100	TYPE I PLAIN RIPRAP	100.000 TON	
	Engineer's Estimate		70.000	7,000.00
1	C3 CONSTRUCTION, INC.		65.480	6,548.00
2	HUB Construction, Inc.		90.000	9,000.00

Oklahoma Department of Transportation

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District: 2

Line #	Item Number	Item Description	Quantity/Unit		
			Unit	Price	Ext Amount
Section: 0001 ROADWAY					
0100	601(I)1700	FILTER FABRIC (RIPRAP)	620.000 SY		
	Engineer's Estimate		6.000		3,720.00
1	C3 CONSTRUCTION, INC.		2.030		1,258.60
2	HUB Construction, Inc.		5.000		3,100.00
0110	610(A)5220	6" CONCRETE SIDEWALK	2,671.000 SY		
	Engineer's Estimate		80.000		213,680.00
1	C3 CONSTRUCTION, INC.		85.020		227,088.42
2	HUB Construction, Inc.		101.000		269,771.00
0120	619(B)6352	REMOVAL OF FENCE	57.000 LF		
	Engineer's Estimate		10.000		570.00
1	C3 CONSTRUCTION, INC.		7.910		450.87
2	HUB Construction, Inc.		15.000		855.00
0130	619(B)6356	REMOVAL OF CURB AND GUTTER	16.000 LF		
	Engineer's Estimate		10.000		160.00
1	C3 CONSTRUCTION, INC.		16.280		260.48
2	HUB Construction, Inc.		15.000		240.00
0140	619(D)6700	REMOVAL OF EXISTING BRIDGE STRUCTURE	1.000 LSUM		
	Engineer's Estimate		7,500.000		7,500.00
1	C3 CONSTRUCTION, INC.		68,500.000		68,500.00
2	HUB Construction, Inc.		5,000.000		5,000.00
0150	622(A)0200	PIPE RAILING	34.000 LF		
	Engineer's Estimate		250.000		8,500.00
1	C3 CONSTRUCTION, INC.		258.440		8,786.96
2	HUB Construction, Inc.		207.000		7,038.00
0160	631(A)9210	(SP)REMOVABLE BOLLARD	1.000 EA		
	Engineer's Estimate		2,000.000		2,000.00
1	C3 CONSTRUCTION, INC.		2,414.420		2,414.42
2	HUB Construction, Inc.		2,000.000		2,000.00
Section Total:					375,646.00
	Engineer's Estimate				375,646.00
1	C3 CONSTRUCTION, INC.				491,806.62
2	HUB Construction, Inc.				446,073.50

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Line #	Item Number	Item Description	Quantity/Unit	
	Bidder		Unit Price	Ext Amount
Section: 0002 BRIDGE				
0180	504(A)5200	APPROACH SLAB	58.000 SY	
	Engineer's Estimate		300.000	17,400.00
1	C3 CONSTRUCTION, INC.		134.040	7,774.32
2	HUB Construction, Inc.		110.000	6,380.00
0190	509(A)0210	CLASS AA CONCRETE	50.000 CY	
	Engineer's Estimate		700.000	35,000.00
1	C3 CONSTRUCTION, INC.		815.430	40,771.50
2	HUB Construction, Inc.		990.000	49,500.00
0200	511(A)2210	REINFORCING STEEL	9,450.000 LB	
	Engineer's Estimate		5.000	47,250.00
1	C3 CONSTRUCTION, INC.		1.510	14,269.50
2	HUB Construction, Inc.		1.200	11,340.00
0210	515(A)7200	WATER REPELLENT (VISUALLY INSPECTED)	17.000 SY	
	Engineer's Estimate		8.000	136.00
1	C3 CONSTRUCTION, INC.		32.970	560.49
2	HUB Construction, Inc.		16.000	272.00
0220	516(A)8205	DRILLED SHAFTS 18" DIAMETER	170.000 LF	
	Engineer's Estimate		450.000	76,500.00
1	C3 CONSTRUCTION, INC.		323.100	54,927.00
2	HUB Construction, Inc.		750.000	127,500.00
0230	516(A)8210	DRILLED SHAFTS 24" DIAMETER	176.000 LF	
	Engineer's Estimate		500.000	88,000.00
1	C3 CONSTRUCTION, INC.		410.610	72,267.36
2	HUB Construction, Inc.		900.000	158,400.00
0240	516(A)8215	DRILLED SHAFTS 30" DIAMETER	116.000 LF	
	Engineer's Estimate		500.000	58,000.00
1	C3 CONSTRUCTION, INC.		690.990	80,154.84
2	HUB Construction, Inc.		1,100.000	127,600.00
0250	542 9102	(PL)INSTALLATION OF BRIDGE ITEMS	2,400.000 SF	
	Engineer's Estimate		127.000	304,800.00
1	C3 CONSTRUCTION, INC.		205.360	492,864.00
2	HUB Construction, Inc.		200.000	480,000.00
Section Total:				627,086.00
	Engineer's Estimate			627,086.00
1	C3 CONSTRUCTION, INC.			763,589.01
2	HUB Construction, Inc.			960,992.00

Oklahoma Department of Transportation

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District: 2

Line #	Item Number	Item Description	Quantity/Unit		
			Unit	Price	Ext Amount
Section: 0003 STAKING					
0260	642(B)3300	CONSTRUCTION STAKING LEVEL II	1.000	LSUM	
	Engineer's Estimate				15,000.00
1	C3 CONSTRUCTION, INC.				23,122.40
2	HUB Construction, Inc.				15,000.00
Section Total:					15,000.00
	Engineer's Estimate				15,000.00
1	C3 CONSTRUCTION, INC.				23,122.40
2	HUB Construction, Inc.				15,000.00
Line #	Item Number	Item Description	Quantity/Unit		
			Unit	Price	Ext Amount
Section: 0004 CONSTRUCTION					
0270	220 1100	SWPPP DOCUMENTATION AND MANAGEMENT	1.000	LSUM	
	Engineer's Estimate				5,000.00
1	C3 CONSTRUCTION, INC.				3,268.55
2	HUB Construction, Inc.				3,000.00
0280	641 2110	MOBILIZATION	1.000	LSUM	
	Engineer's Estimate				91,000.00
1	C3 CONSTRUCTION, INC.				93,777.00
2	HUB Construction, Inc.				85,000.00
Section Total:					96,000.00
	Engineer's Estimate				96,000.00
1	C3 CONSTRUCTION, INC.				97,045.55
2	HUB Construction, Inc.				88,000.00



03/21/2024 10:48:15 AM

Oklahoma Department of Transportation

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Contract ID: 240070

District: 2

Oklahoma Department of Transportation

Letting Date: March 21, 2024, 10:30 A.M.

Call Order: 600

Contract ID: 240070

District: 2

Line No.	Item No.	Item Description	Quantity/ Unit	Est. Price	Bid Price	Est. Amount	Bid Amount	% of Est.	Over/Under
0001	ROADWAY								
0010	201(A)1200	CLEARING AND GRUBBING							
	1.000 LSUM			30,000.000	36,832.760	30,000.00	36,832.76	122.78%	6,832.76
0020	202(A)2200	UNCLASSIFIED EXCAVATION							
	1,270.000 CY			7.000	22.570	8,890.00	28,663.90	322.43%	19,773.90
0030	221(B)2300	TEMPORARY SILT FENCE							
	4,722.000 LF			5.000	4.370	23,610.00	20,635.14	87.40%	-2,974.86
0040	230(A)7200	SOLID SLAB SODDING							
	3,901.000 SY			10.000	5.090	39,010.00	19,856.09	50.90%	-19,153.91
0050	231(E)8600	(PL) LANDSCAPING							
	1.000 LSUM			2,500.000	10,933.290	2,500.00	10,933.29	437.33%	8,433.29
0060	310(B)5300	SUBGRADE, METHOD B							
	3,265.000 SY			2.000	7.730	6,530.00	25,238.45	386.50%	18,708.45
0070	501(D)1500	UNCLASSIFIED BACKFILL							
	244.000 CY			14.000	24.050	3,416.00	5,868.20	171.79%	2,452.20
0080	504(F)5610	DECORATIVE HANDRAILING							
	232.000 LF			80.000	122.720	18,560.00	28,471.04	153.40%	9,911.04
0090	601(A)1100	TYPE I PLAIN RIPRAP							
	100.000 TON			70.000	65.480	7,000.00	6,548.00	93.54%	-452.00
0100	601(I)1700	FILTER FABRIC (RIPRAP)							
	620.000 SY			6.000	2.030	3,720.00	1,258.60	33.83%	-2,461.40
0110	610(A)5220	6" CONCRETE SIDEWALK							
	2,671.000 SY			80.000	85.020	213,680.00	227,088.42	106.28%	13,408.42
0120	619(B)6352	REMOVAL OF FENCE							
	57.000 LF			10.000	7.910	570.00	450.87	79.10%	-119.13
0130	619(B)6356	REMOVAL OF CURB AND GUTTER							
	16.000 LF			10.000	16.280	160.00	260.48	162.80%	100.48
0140	619(D)6700	REMOVAL OF EXISTING BRIDGE STRUCTURE							
	1.000 LSUM			7,500.000	68,500.000	7,500.00	68,500.00	913.33%	61,000.00
0150	622(A)0200	PIPE RAILING							
	34.000 LF			250.000	258.440	8,500.00	8,786.96	103.38%	286.96
0160	631(A)9210	(SP)REMOVABLE BOLLARD							
	1.000 EA			2,000.000	2,414.420	2,000.00	2,414.42	120.72%	414.42
Section Total						375,646.00	491,806.62	130.92%	116,160.62
0002	BRIDGE								
0180	504(A)5200	APPROACH SLAB							
	58.000 SY			300.000	134.040	17,400.00	7,774.32	44.68%	-9,625.68
0190	509(A)0210	CLASS AA CONCRETE							
	50.000 CY			700.000	815.430	35,000.00	40,771.50	116.49%	5,771.50

Oklahoma Department of Transportation

Letting Date: March 21, 2024, 10:30 A.M.

Call Order: 600

Contract ID: 240070

District: 2

Line No.	Item No.	Item Description	Quantity/ Unit	Est. Price	Bid Price	Est. Amount	Bid Amount	% of Est.	Over/Under
0200	511(A)2210	REINFORCING STEEL	9,450.000 LB	5.000	1.510	47,250.00	14,269.50	30.20%	-32,980.50
0210	515(A)7200	WATER REPELLENT (VISUALLY INSPECTED)	17.000 SY	8.000	32.970	136.00	560.49	412.13%	424.49
0220	516(A)8205	DRILLED SHAFTS 18" DIAMETER	170.000 LF	450.000	323.100	76,500.00	54,927.00	71.80%	-21,573.00
0230	516(A)8210	DRILLED SHAFTS 24" DIAMETER	176.000 LF	500.000	410.610	88,000.00	72,267.36	82.12%	-15,732.64
0240	516(A)8215	DRILLED SHAFTS 30" DIAMETER	116.000 LF	500.000	690.990	58,000.00	80,154.84	138.20%	22,154.84
0250	542 9102	(PL)INSTALLATION OF BRIDGE ITEMS	2,400.000 SF	127.000	205.360	304,800.00	492,864.00	161.70%	188,064.00
Section Total						627,086.00	763,589.01	121.77%	136,503.01
0003 STAKING									
0260	642(B)3300	CONSTRUCTION STAKING LEVEL II	1.000 LSUM	15,000.000	23,122.400	15,000.00	23,122.40	154.15%	8,122.40
Section Total						15,000.00	23,122.40	154.15%	8,122.40
0004 CONSTRUCTION									
0270	220 1100	SWPPP DOCUMENTATION AND MANAGEMENT	1.000 LSUM	5,000.000	3,268.550	5,000.00	3,268.55	65.37%	-1,731.45
0280	641 2110	MOBILIZATION	1.000 LSUM	91,000.000	93,777.000	91,000.00	93,777.00	103.05%	2,777.00
Section Total						96,000.00	97,045.55	101.09%	1,045.55

November 21, 2022

Tim J. Gatz, Executive Director
Oklahoma Department of Transportation
200 Northeast 21st Street
Oklahoma City, OK 73105-3299

RE: City of Durant
Oklahoma Department of Transportation 2022 Transportation Alternatives Program (TAP)
Rails to Trails Bridge Project

Dear Mr. Gatz,

On behalf of Southeastern Oklahoma State University (SOSU), I fully support the City of Durant's application to the State's Transportation Alternatives Program (TAP). With strong, collaborative partnerships and a proven track record for continued quality of life improvements, the successful *Rails to Trails* project will provide vital enhancements to continue the City's alternative transportation routes. It will also augment the area's recreational resources, provide residents with a safe, accessible venue for outdoor activities, as well as for students, staff and visitor connections to SOSU campus facilities.

As an active partner supporting improvements for community amenities, SOSU understands the importance of initiatives and recreational areas promoting a better quality of life for all ages and demographics. This particular project will build on previous ODOT supported efforts to develop and complete a necessary segment of the trail system network identified in Durant's 2017 Master Trails Plan. The proposed *Rails to Trails* project will be essential for connecting key destinations, provide access between neighborhoods and scenic areas, and create opportunities for recreation and non-motorized transportation.

The 2022 ODOT TAP Program funding request is vital to construct a pedestrian bridge over Chuckwa Creek, which is critical to complete the *Rails to Trails* project north and south of the creek, as outlined in the engineer's plan. These proposed enhancements are of heightened importance, as SOSU owns and has jurisdiction over locations included in this project. The university will provide the City of Durant with easements on university-owned property in order to complete construction. Once the infrastructure is complete, Southeastern OK State University will be responsible for the trail maintenance and liability insurance with continued support for the life of the project.

With support from the Oklahoma Department of Transportation, the *Rails to Trails* project will provide invaluable enhancements and opportunities benefiting Durant and adjacent communities. We endorse this project enthusiastically and will offer our assistance in order to facilitate its implementation.

Sincerely,



Dr. Thomas Newsom, President



THE CITY OF DURANT, OKLAHOMA

ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

**CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023**

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CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

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CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Durant, Oklahoma

Report on the Financial Statements

Opinions

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 City of Durant, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Durant, Oklahoma, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension plan schedules, on pages 9-19 and 70-76, 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.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2024, on our consideration of the City of Durant, Oklahoma's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Durant, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Durant, Oklahoma's internal control over financial reporting and compliance.



Oklahoma City, Oklahoma
April 4, 2024

**CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Durant's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2023, the City's total net position increased by \$7,469,299 or 6.0% from the prior year.
- During the year, the City's expenses for governmental activities were \$32,322,077 and were funded by program revenues of \$4,136,089 and further funded with taxes and other general revenues that totaled \$34,622,429.
- In the City's business-type activities, such as utilities, total program revenues exceeded expenses by \$2,032,898.
- For budgetary reporting purposes, the General Fund reported revenues exceeding estimates by \$3,282,010 or 18.1%, while expenditures were under the final appropriations by \$3,458,670 or 17.2%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Durant (the "City") and its component units using the integrated approach as prescribed by GASB. Included in this report are government-wide statements for each of the three categories of activities, governmental, business-type, and discretely-presented component units. The government-wide financial statements present the complete financial picture of the City's reporting entity from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business type activities separately and combined. These statements include all assets of the City (including infrastructure capital assets) as well as all liabilities (including all long-term debt), and also include all deferred outflows and deferred inflows.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

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

These two government-wide statements report the City's net position and changes in them from the prior year. You can think of the City's net position – the difference between assets, deferred outflows, liabilities, and deferred inflows – as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other nonfinancial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

Unaudited

The Statement of Net Position and the Statement of Activities divide the City into three categories:

- Governmental activities -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, economic development and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities -- For certain activities, the City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, sanitation and airport activities are reported here.
- Discretely-presented component units -- These account for activities of the City's reporting entity that do not meet the criteria for blending. The City's discretely-presented component units report industrial development activities, tourism-economic development activities and public works projects.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

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

Unaudited

CITY OF DURANT, OKLAHOMA
MANAGEMENT DISCUSSION & ANALYSIS
June 30, 2023

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

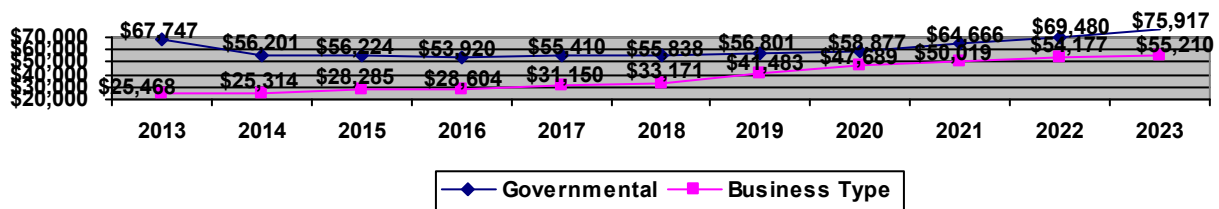
The City's combined net position increased from \$123,657,398 to \$131,126,697 between fiscal years 2022 and 2023. Looking at the net position of governmental and business-type activities separately, governmental activities increased \$6,436,441, while business-type activities increased \$1,032,858.

Table 1
Net Position

	Governmental Activities		% Inc. Dec.	Business-type Activities		% Inc. Dec.	Total Primary Government		% Inc. Dec.
	2023	2022		2023	2022		2023	2022	
Assets:									
Current and other assets	\$ 37,256,415	\$ 37,530,059	-1%	\$ 23,240,847	\$ 25,255,784	-8%	\$ 60,497,262	\$ 62,785,843	-4%
Capital assets, net	53,813,066	51,643,501	4%	56,528,074	57,397,246	-2%	110,341,140	109,040,747	1%
Total assets	<u>91,069,481</u>	<u>89,173,560</u>	2%	<u>79,768,921</u>	<u>82,653,030</u>	-3%	<u>170,838,402</u>	<u>171,826,590</u>	-1%
Deferred Outflows of Resources:									
Deferred amount related to pensions	5,374,916	3,024,377	78%	1,113,096	269,194	313%	6,488,012	3,293,571	97%
Total deferred outflows	<u>5,374,916</u>	<u>3,024,377</u>	78%	<u>1,113,096</u>	<u>269,194</u>	313%	<u>6,488,012</u>	<u>3,293,571</u>	97%
Liabilities:									
Long-term debt	11,521,800	7,472,378	54%	23,626,880	25,098,392	-6%	35,148,680	32,570,770	8%
Other liabilities	7,578,217	5,846,832	30%	615,673	756,078	-19%	8,193,890	6,602,910	24%
Total liabilities	<u>19,100,017</u>	<u>13,319,210</u>	43%	<u>24,242,553</u>	<u>25,854,470</u>	-6%	<u>43,342,570</u>	<u>39,173,680</u>	11%
Deferred Inflows of Resources:									
Deferred inflow s-leases	208,631	264,808	-21%	1,111,351	1,261,335	-12%	1,319,982	1,526,143	-14%
Deferred amount related to pensions	1,219,188	9,133,799	-87%	317,977	1,629,141	-80%	1,537,165	10,762,940	-86%
Total deferred inflows	<u>1,427,819</u>	<u>9,398,607</u>	-85%	<u>1,429,328</u>	<u>2,890,476</u>	-51%	<u>2,857,147</u>	<u>12,289,083</u>	-77%
Net Position:									
Net investment in capital assets	52,688,817	50,352,876	5%	44,896,915	43,999,329	2%	97,585,732	94,352,205	3%
Restricted	5,400,210	6,080,435	-11%	664,504	659,740	1%	6,064,714	6,740,175	-10%
Unrestricted	17,827,534	13,046,809	37%	9,648,717	9,518,209	1%	27,476,251	22,565,018	22%
Total net position	<u>\$ 75,916,561</u>	<u>\$ 69,480,120</u>	9%	<u>\$55,210,136</u>	<u>\$54,177,278</u>	2%	<u>\$131,126,697</u>	<u>\$123,657,398</u>	6%

Total net position of the City's governmental activities increased to approximately \$75.9 million. \$58,089,027 of that net position is either restricted as to the purposes they can be used for or are invested in capital assets (buildings, roads, bridges, and so on). Consequently, unrestricted net position amounted to \$17,827,534 at the end of this year. Total net position of the business-type activities increased to approximately \$55.2 million. However, \$45,561,419 of net position is either restricted as to the purposes they can be used for or are invested in capital assets. Consequently, unrestricted net position amounted to \$9,648,717 at the end of the year.

Total Net Position at Year End
(in 000's)



Unaudited

CITY OF DURANT, OKLAHOMA
MANAGEMENT DISCUSSION & ANALYSIS
June 30, 2023

Changes in Net Position

For the year ended June 30, 2023, net position of the primary government changed as follows:

Table 2
Changes in Net Position

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total Primary Government		% Inc. (Dec.)
	2023	2022		2023	2022		2023	2022	
Revenues:									
Program revenues:									
Charges for services	\$ 1,475,588	\$ 1,401,430	5%	\$ 14,768,818	\$ 13,988,356	6%	\$ 16,244,406	\$ 15,389,786	6%
Operating grants/contributions	1,563,774	1,387,432	13%	-	-	-	1,563,774	1,387,432	13%
Capital grants/contributions	1,096,727	370,610	196%	283,353	776,181	-63%	1,380,080	1,146,791	20%
General revenues:									
Sales and use taxes	25,245,719	23,899,781	6%	-	-	-	25,245,719	23,899,781	6%
Other taxes	5,065,389	2,267,458	123%	-	-	-	5,065,389	2,267,458	123%
Other general revenue	3,026,378	1,841,757	64%	284,903	168,785	69%	3,311,281	2,010,542	65%
Total revenues	37,473,575	31,168,468	20%	15,337,074	14,933,322	3%	52,810,649	46,101,790	15%
Program expenses:									
General government	2,722,759	5,869,049	-54%	-	-	-	2,722,759	5,869,049	-54%
Public safety	11,809,974	9,130,530	29%	-	-	-	11,809,974	9,130,530	29%
Public works	3,449,598	2,836,769	22%	-	-	-	3,449,598	2,836,769	22%
Culture and recreation	3,511,450	2,715,485	29%	-	-	-	3,511,450	2,715,485	29%
Cemetery	138,459	139,184	-1%	-	-	-	138,459	139,184	-1%
Economic development	6,465,320	192,747	3254%	-	-	-	6,465,320	192,747	3254%
Industrial dev. (payment to DIA)	1,209,763	1,369,450	-12%	-	-	-	1,209,763	1,369,450	-12%
Community dev. (payment to DCFA)	2,503,994	2,390,152	5%	-	-	-	2,503,994	2,390,152	5%
Tourism-Econ dev (payment to DTEDA)	477,786	440,019	9%	6,877	-	100%	484,663	440,019	10%
Interest on long-term debt	32,974	34,061	-3%	348,991	378,170	-8%	381,965	412,231	-7%
Water	-	-	-	3,506,829	3,100,645	13%	3,506,829	3,100,645	13%
Sewer	-	-	-	2,957,853	2,600,316	14%	2,957,853	2,600,316	14%
Sanitation	-	-	-	3,825,680	3,843,945	0%	3,825,680	3,843,945	0%
Airport	-	-	-	2,373,043	2,088,963	14%	2,373,043	2,088,963	14%
Total expenses	32,322,077	25,117,446	29%	13,019,273	12,012,039	8%	45,341,350	37,129,485	22%
Excess (deficiency) before transfers	5,151,498	6,051,022	-15%	2,317,801	2,921,283	-21%	7,469,299	8,972,305	-17%
Transfers	1,284,943	(1,236,696)	-204%	(1,284,943)	1,236,696	-204%	-	-	-
Increase in net position	\$ 6,436,441	\$ 4,814,326	34%	\$ 1,032,858	\$ 4,157,979	-75%	\$ 7,469,299	\$ 8,972,305	-17%

The City's governmental activities' current year increase in net position of \$6,436,441 represents a 34% increase from the increase in net position from the prior year. The business-type activities' current year increase in net position of \$1,032,858 represents a 75% decrease from the increase in net position from the prior year.

Some of the greater differences as noted in Table 1 and 2 are explained as follows:

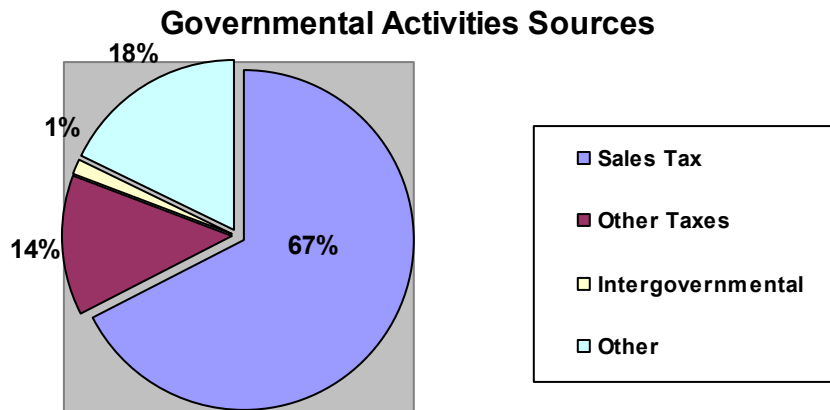
- Governmental activities capital grants and contributions increased 196% due mainly to the increase in Emergency Management grant from prior year.
- Governmental activities other taxes increased 123% due to an increase in tax increment financing taxes from prior year.
- Business-type activities capital grants and contributions decreased 63% due mainly to the decrease in grants from the Department of the Interior and the U.S. Department of Commerce.
- Governmental activities economic development expenses increased by 3254% due to a reclassification of payments to the school district from general government in the prior year to economic development expense in current year.
- Transfers changed significantly due to the reclassification of grant and capital asset activity between governmental and business-type activities.

Unaudited

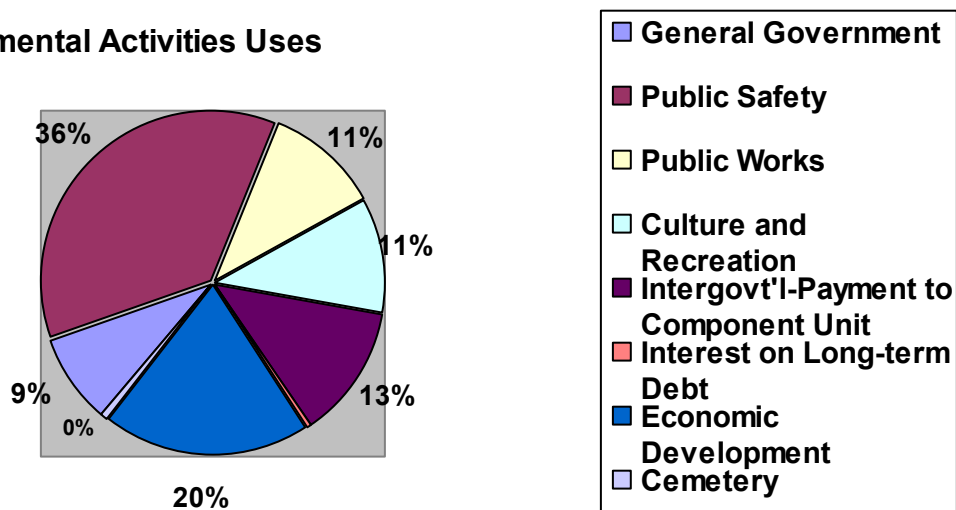
Governmental Activities

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

For the year ended June 30, 2023, the City's governmental activities were funded as follows:



Governmental Activities Uses



Unaudited

CITY OF DURANT, OKLAHOMA
MANAGEMENT DISCUSSION & ANALYSIS
June 30, 2023

For the year ended June 30, 2023, total expenses for governmental activities amounted to \$32,322,077. Of these total expenses, taxpayers and other general revenues funded \$34,622,429, while those directly benefiting from the program funded \$2,660,501 from grants and other contributions and \$1,475,588 from charges for services.

Net Cost of Durant's Governmental Activities

	Total Cost of Services		Percentage Change	Net Revenue (Expense) of Services		Percentage Change
	<u>2023</u>	<u>2022</u>	<u>2023-2022</u>	<u>2023</u>	<u>2022</u>	<u>2023-2022</u>
General government	\$2,722,759	\$5,869,049	-53.6%	(\$1,868,346)	(\$5,196,270)	-64.0%
Public safety	11,809,974	9,130,530	29.3%	(9,130,733)	(7,160,786)	27.5%
Public works	3,449,598	2,836,769	21.6%	(3,275,169)	(2,658,720)	23.2%
Culture and recreation	3,511,450	2,715,485	29.3%	(3,111,043)	(2,432,247)	27.9%
Cemetery	138,459	139,184	-0.5%	(110,860)	(83,522)	32.7%
Economic development	6,465,320	192,747	3254.3%	(6,465,320)	(192,747)	3254.3%
Industrial development - payments to DIA	1,209,763	1,369,450	-11.7%	(1,209,763)	(1,369,450)	-11.7%
Community development - payments to DCFA	2,503,994	2,390,152	4.8%	(2,503,994)	(2,390,152)	4.8%
Tourism-Econ development - payments to DTEDA	477,786	440,019	8.6%	(477,786)	(440,019)	8.6%
Interest on long-term debt	32,974	34,061	-3.2%	(32,974)	(34,061)	-3.2%
Total	<u>\$32,322,077</u>	<u>\$25,117,446</u>	<u>28.7%</u>	<u>(\$28,185,988)</u>	<u>(\$21,957,974)</u>	<u>28.4%</u>

Business-type Activities

In reviewing the business-type activities net (expense)/revenue, the following highlights should be noted:

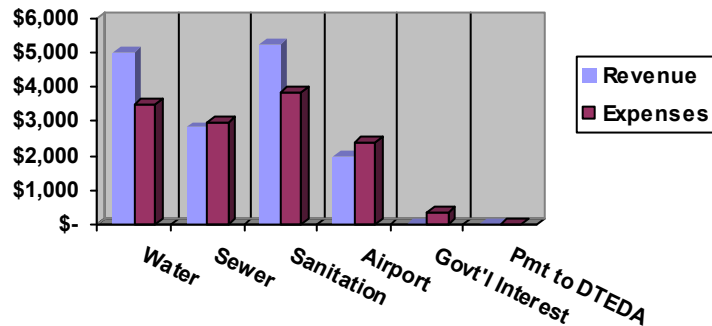
Net Cost of Durant's Business-Type Activities

	Total Cost of Services		Percentage Change	Net Revenue (Expense) of Services		Percentage Change
	<u>2023</u>	<u>2022</u>	<u>2023-2022</u>	<u>2023</u>	<u>2022</u>	<u>2023-2022</u>
Water	\$3,506,829	\$3,100,645	13.1%	\$1,516,939	\$1,515,249	0.1%
Sewer	2,957,853	2,600,316	13.7%	(132,577)	228,161	-158.1%
Sanitation	3,825,680	3,843,945	-0.5%	1,391,772	1,782,282	-21.9%
Airport	2,373,043	2,088,963	13.6%	(387,368)	(395,024)	-1.9%
Governmental interest on long-term debt	348,991	378,170	-7.7%	(348,991)	(378,170)	-7.7%
Tourism-Econ Dev (Payments to DTEDA)	6,877	-	N/A	(6,877)	-	N/A
Total	<u>\$13,019,273</u>	<u>\$12,012,039</u>	<u>8.4%</u>	<u>\$2,032,898</u>	<u>\$2,752,498</u>	<u>-26.1%</u>

- Total business-type activities reported net revenues of \$2,032,898 for the year ended June 30, 2023.
- Water and sanitation activities reported net revenues for the year ended June 30, 2023, while sewer, airport, governmental interest on long-term debt and payments to DTEDA reported net expenses of \$132,577, \$387,368, \$348,991 and \$6,877, respectively.

Unaudited

Business-Type Activities Revenue and Expense
(in 000's)



A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2023 fiscal year, the governmental funds reported a combined total fund balance of \$27,422,765 or a 16.8% increase from the prior year. The enterprise funds reported total net position of \$54,199,694 or a 1.9% increase from 2022.

Other fund highlights include:

- For the year ended June 30, 2023, the General Fund's total fund balance increased by \$4,961,857 or 51.4%.
- The Capital Improvement Fund's total fund balance decreased by \$1,200,172 or 33.2%.

General Fund Budgetary Highlights

For the year ended June 30, 2023, the General Fund reported actual budgetary basis revenues above final estimates by \$3,282,010 or an 18.1% positive variance. General Fund actual budgetary basis expenditures were under final appropriations by \$3,458,670 or a 17.2% positive variance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2023, the City had \$110,341,140 invested in capital assets and leased equipment, net of depreciation and amortization, including police and fire equipment, buildings, park facilities, water lines and sewer lines. (See table below).

Unaudited

CITY OF DURANT, OKLAHOMA
MANAGEMENT DISCUSSION & ANALYSIS
June 30, 2023

Primary Government Capital Assets						
(Net of accumulated depreciation and amortization)						
	Governmental		Business-Type			
	Activities		Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$5,429,060	\$5,381,392	\$2,871,323	\$2,674,435	\$8,300,383	\$8,055,827
Buildings	17,157,549	17,786,684	7,602,834	8,726,610	24,760,383	26,513,294
Improvements	1,560,918	1,718,826	10,569,337	11,136,429	12,130,255	12,855,255
Machinery & equipment	5,602,559	5,673,774	5,654,035	5,014,251	11,256,594	10,688,025
Infrastructure	18,008,358	18,383,560	22,892,517	23,782,127	40,900,875	42,165,687
Machinery & equip-leases	272,132	402,237	43,485	51,584	315,617	453,821
Subscription assets	198,811	-	-	-	198,811	-
Construction in progress	5,583,679	2,297,028	6,894,543	6,011,810	12,478,222	8,308,838
Totals	\$53,813,066	\$51,643,501	\$56,528,074	\$57,397,246	\$110,341,140	\$109,040,747

This year's more significant capital asset additions are discussed below:

- The City placed in service a Reconstruction of Comm Ln Street Project totaling \$460,248.
- The City placed in service a Paving of Peppernut Ln Street Project totaling \$480,172.
- The City placed in service a WTP Filter Underdrain Project totaling \$332,687.
- The City placed in service a Taxiway Lighting Replacement project totaling \$282,155.
- The City placed in service a 12K Gallon 100LL Tank project totaling \$367,581.
- The City placed in service an Asphalt Box totaling \$149,643.

See Note 5 to the financial statements for more detailed information on the City's capital assets and changes therein.

Long- Term Debt

At year-end, the City had \$27,190,453 in long-term debt outstanding which represents a \$973,543 or 3.5% decrease from the prior year. The City's changes in long-term debt by type of debt are as follows:

Primary Government Long-Term Debt							Total Percentage Change
Governmental Activities		Business-Type Activities		Total			
2023	2022	2023	2022	2023	2022		
2023	2022	2023	2022	2023	2022	2023-2022	
Lease obligations	\$ 270,470	\$ 400,193	\$ 40,759	\$ 55,105	\$311,229	\$ 455,298	-31.6%
Notes payable	662,398	890,345	22,015,006	23,658,826	22,677,404	24,549,171	-7.6%
Landfill closure liability	-	-	633,647	562,874	633,647	562,874	12.6%
Meter deposit liability	-	-	594,662	574,187	594,662	574,187	3.6%
Subscription obligations	195,823	-	-	-	195,823	-	N/A
Accrued comp absences	2,434,882	1,775,066	342,806	247,400	2,777,688	2,022,466	37.3%
Totals	\$3,563,573	\$3,065,604	\$23,626,880	\$25,098,392	\$27,190,453	\$28,163,996	-3.5%

Unaudited

For the year ended June 30, 2023, the significant transactions that occurred were the reporting of new subscription obligations totaling \$195,823 for governmental activities, along with normal debt retirements.

See Note 6 to the financial statements for more detail information on the City's long-term debt and changes therein.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Sales Tax Collection – Sales tax collections in fiscal year 2022-2023 increased over the previous fiscal year by -4.76% while sales tax collection for the fiscal year of 2023-2024 reflect a 1.77% increase over the same period in 2022-2023.

The city sales tax collection has increased ten consecutive years since 2013-2014. The rate at June 30, 2023 was 4.375-cent tax on each dollar of taxable sales. The distribution of the distribution of the sales tax is as follows:

Economic Development (effective 1/1/04)	.25%
Multi-Sports Facilities (effective 10/1/04)	.25%
SOSU Improvements (effective 10/1/04)	.25%
Capital Improvements (effective 7/1/21)	1.00%
General Operations	2.00%
DISD Improvements (effective 7/1/08)	.625%

Major Economic Development projects:

The economy of Durant remained vibrant during FY 2022-23 with continued population and economic growth.

Population growth-- According to the U.S. Census Bureau, the population of Durant increased by 5.6% between 2020 and 2022. The 2023 estimate is not yet available, but will not doubt show continued growth with numerous new home construction projects in new housing subdivisions both inside and outside the Durant City Limits. In real terms, the population of Durant increased from 18,589 in 2020 to 19,628 in 2022. By way of comparison, the state of Oklahoma as a whole increased only 1.5% from 2022 to 2023, compared to 5.6% in Durant for the same period.

Sales tax growth—A strong measure of the local economy is sales tax growth. During the fiscal year of FY2022-23, the sales tax receipts of the city increased by 4.76%. The amount of increase was down from the two previous fiscal years of 11.92% in FY21 and 7.8% in FY22, but much of the growth for the two previous fiscal years can be attributed to stimulus funding during the pandemic. Adding up the past three fiscal years, a total sales tax increase of nearly 25% shows a very healthy increase for our local economy.

Workforce and Unemployment—During the FY2022-23 fiscal year, unemployment remained very low, decreasing from 3.2% in June 2022 to 3.0% in 2023. This can be attributed to economic growth in Bryan County, with the number of employed persons in the county increasing from 22,564 to 23,329, an increase in employed persons of 3.4%. Much of this job growth can be attributed to the expansion of the Choctaw Casino and Resort in Durant.

Housing—The Choctaw Nation, on June 19, 2023, announced the “Haven”, a multi-family apartment complex which will boast 216 units, on 116 acres, across Highway 70 from the Choctaw Headquarters and the Choctaw Regional Medical Clinic. Additional phases will be constructed in the future. Numerous subdivisions, several with 50-100 lots are being rapidly built-out in Durant and near Durant to address the needs of a growing population in Durant and Bryan County. During 2023, the Community Development Department of Durant issued 71 new single family housing permits plus 138 single family alteration permits. Fifteen commercial permits were issued totaling \$15.1 million. Total value of permits issued in 2023 was \$44.7 million. These permits do not include structures constructed by the Choctaw Nation which is not required to apply for permits due to tribal sovereignty.

Economic Development Projects: Ongoing economic projects in Durant include an expansion of Allied Stone with 100 new jobs, and an expansion of S&G Echo for 75 new jobs. The Durant Industrial Authority, realizing the new for new and expanded industrial sites, has begun planning to acquire addition tracts of property for industrial sites. During Fiscal year 2023, the DIA initiated a Small Business Grant program to encourage the addition of technology and capital investment in small businesses, primarily in the downtown and retail core of the city. All grantees were required to participate in a “Small Business Boot Camp” and the number of grants awarded were 26 grants of \$2000 for technology and 17 grants of \$5,000 for small business grants for capital improvements.

CONTACTING THE CITY OF DURANT’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Durant City Manager via phone at 580-931-6605 or the Durant City Treasurer at 580-931-6651 or via mail at City of Durant-P.O. Box 578-Durant, OK 74702-0578.

Unaudited

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Statement of Net Position— June 30, 2023

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Durant Industrial Authority	Durant Community Facilities Authority	Durant Tourism Economic Development Authority
ASSETS:						
Cash and cash equivalents	\$ 27,887,867	\$ 19,090,249	\$ 46,978,116	\$ 2,309,332	\$ 1,433,972	\$ 664,224
Investments	2,441,523	-	2,441,523	-	750,000	-
Investment in Durant TIF Authority bonds	-	-	-	3,100,000	-	-
Accounts receivable, net of allowance	-	1,816,990	1,816,990	3,000	-	-
Miscellaneous taxes receivable	191,409	-	191,409	-	-	-
Court fine receivable, net of allowance	74,423	-	74,423	-	-	-
Internal balances	(1,006,000)	1,006,000	-	-	-	-
Due to/from component unit	(43,884)	-	(43,884)	-	-	43,884
Advance to/from other funds	(51,876)	51,876	-	-	-	-
Advance to/from component unit	2,850,000	-	2,850,000	(2,850,000)	-	-
Due from other governments	3,869,190	-	3,869,190	544,142	-	-
Notes receivable	-	-	-	2,099,015	-	-
Other receivables	54,432	-	54,432	-	-	-
Lease receivables	207,546	1,134,496	1,342,042	-	-	-
Net pension asset	781,785	141,236	923,021	-	-	-
Capital assets:						
Land and construction in progress	11,012,739	9,765,866	20,778,605	1,142,241	266,000	-
Other capital assets, net of depreciation	42,800,327	46,762,208	89,562,535	14,278	-	-
Total assets	91,069,481	79,768,921	170,838,402	6,362,008	2,449,972	708,108
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred amount related to pensions	5,374,916	1,113,096	6,488,012	282	-	-
Deferred amount on refunding	-	-	-	-	167,377	-
Total deferred outflows	5,374,916	1,113,096	6,488,012	282	167,377	-
LIABILITIES:						
Accounts payable	3,044,588	227,985	3,272,573	27,224	4	15,681
Accrued payroll liabilities	565,135	166,625	731,760	-	-	-
Accrued interest payable	-	221,063	221,063	-	76,346	-
Due to other governments	201,673	-	201,673	-	-	-
Claims liability	532,201	-	532,201	-	-	-
Due to bondholders	367	-	367	-	-	-
Unearned revenue	3,234,253	-	3,234,253	-	-	-
Long-term liabilities:						
Due within one year	606,847	2,366,454	2,973,301	70,592	1,538,844	-
Due in more than one year	10,914,953	21,260,426	32,175,379	296,170	771,383	-
Total liabilities	19,100,017	24,242,553	43,342,570	393,986	2,386,577	15,681
DEFERRED INFLOWS OF RESOURCES:						
Deferred inflows-leases	208,631	1,111,351	1,319,982	-	-	-
Deferred amount related to pensions	1,219,188	317,977	1,537,165	336	-	-
Total deferred inflows	1,427,819	1,429,328	2,857,147	336	-	-
NET POSITION:						
Net investment in capital assets	52,688,817	44,896,915	97,585,732	1,156,519	266,000	-
Restricted	5,400,210	664,504	6,064,714	-	-	-
Unrestricted (deficit)	17,827,534	9,648,717	27,476,251	4,811,449	(35,228)	692,427
Total net position	\$ 75,916,561	\$ 55,210,136	\$ 131,126,697	\$ 5,967,968	\$ 230,772	\$ 692,427

See accompanying notes to the Basic Financial Statements.

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Statement of Activities –Year Ended June 30, 2023

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	Durant Industrial Authority	Durant Community Facilities Authority	Durant Tourism Economic Development Authority
Primary government										
Governmental activities:										
General government	\$ 2,722,759	\$ 557,863	\$ 296,550	\$ -	\$ (1,868,346)	\$ -	\$ (1,868,346)	\$ -	\$ -	\$ -
Public safety	11,809,974	687,611	1,052,067	939,563	(9,130,733)	-	(9,130,733)	-	-	-
Public works	3,449,598	1,694	172,735	-	(3,275,169)	-	(3,275,169)	-	-	-
Culture and recreation	3,511,450	201,745	41,498	157,164	(3,111,043)	-	(3,111,043)	-	-	-
Cemetery	138,459	26,675	924	-	(110,860)	-	(110,860)	-	-	-
Economic development	6,465,320	-	-	-	(6,465,320)	-	(6,465,320)	-	-	-
Industrial development (Payment to DIA)	1,209,763	-	-	-	(1,209,763)	-	(1,209,763)	-	-	-
Community development (Payment to DCFA)	2,503,994	-	-	-	(2,503,994)	-	(2,503,994)	-	-	-
Tourism-Econ Dev (Payment to DTEDA)	477,786	-	-	-	(477,786)	-	(477,786)	-	-	-
Interest on long-term debt	32,974	-	-	-	(32,974)	-	(32,974)	-	-	-
Total governmental activities	32,322,077	1,475,588	1,563,774	1,096,727	(28,185,988)	-	(28,185,988)	-	-	-
Business-type activities										
Water	3,506,829	4,870,895	-	152,873	-	1,516,939	1,516,939	-	-	-
Sewer	2,957,853	2,824,241	-	1,035	-	(132,577)	(132,577)	-	-	-
Sanitation	3,825,680	5,192,452	-	25,000	-	1,391,772	1,391,772	-	-	-
Airport	2,373,043	1,881,230	-	104,445	-	(387,368)	(387,368)	-	-	-
Governmental interest on long-term debt	348,991	-	-	-	-	(348,991)	(348,991)	-	-	-
Tourism-Econ Dev (Payment to DTEDA)	6,877	-	-	-	-	(6,877)	(6,877)	-	-	-
Total business-type activities	13,019,273	14,768,818	-	283,353	-	2,032,898	2,032,898	-	-	-
Total primary government	\$ 45,341,350	\$ 16,244,406	\$ 1,563,774	\$ 1,380,080	(28,185,988)	2,032,898	(26,153,090)	-	-	-
Component Units										
Industrial development	\$ 738,108	\$ -	\$ 15,607	\$ -	-	-	-	(722,501)	-	-
Community development	1,488,927	-	-	-	-	-	-	-	(1,488,927)	-
Tourism-Economic development	706,271	200	-	-	-	-	-	-	-	(706,071)
Total component units	\$ 2,933,306	\$ 200	\$ 15,607	\$ -	-	-	-	(722,501)	(1,488,927)	(706,071)
General revenues:										
Taxes:										
Sales and use taxes					25,245,719	-	25,245,719	-	-	-
Franchise and public service taxes					1,585,510	-	1,585,510	-	-	-
E-911 taxes					457,428	-	457,428	-	-	-
Tourism taxes					477,786	-	477,786	-	-	-
Tax increment financing (TIF) taxes					2,544,665	-	2,544,665	-	-	-
Intergovernmental revenue not restricted to specific programs					513,318	-	513,318	-	-	-
Investment income					145,965	158,202	304,167	-	21,057	3,126
Miscellaneous					1,073,661	126,701	1,200,362	530,219	-	-
Payments received from primary government					-	-	-	1,209,763	2,503,994	484,663
Payments received from component unit					1,293,434	-	1,293,434	-	-	-
Transfers - internal activity					1,284,943	(1,284,943)	-	-	-	-
Total general revenues and transfers					34,622,429	(1,000,040)	33,622,389	1,739,982	2,525,051	487,789
Change in net position					6,436,441	1,032,858	7,469,299	1,017,481	1,036,124	(218,282)
Net position - beginning					69,480,120	54,177,278	123,657,398	4,950,487	(805,352)	910,709
Net position - ending					\$ 75,916,561	\$ 55,210,136	\$ 131,126,697	\$ 5,967,968	\$ 230,772	\$ 692,427

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Governmental Funds Balance Sheet - June 30, 2023

	Special Revenue Funds					Capital Project Funds		Other Governmental Funds	Total Governmental Funds
	General	1/4% Economic Development Fund	5/8% Sales Tax Education Fund	Durant Development Authority	Durant Tax Increment Finance Authority	Capital Improvement Fund	1% Sales Tax Revenue Fund		
ASSETS									
Cash and cash equivalents	\$ 11,743,621	\$ 2,522,861	\$ -	\$ -	\$ 1,134,965	\$ 6,832,089	\$ -	\$ 1,763,748	\$ 23,997,284
Investments	2,000,000	-	-	-	-	-	-	441,523	2,441,523
Receivables:									
Advance to component unit	-	2,850,000	-	-	-	-	-	-	2,850,000
Due from other funds	-	-	-	-	-	71,889	-	498	72,387
Due from other governments	1,788,988	162,816	467,967	-	144,947	170,066	651,269	483,137	3,869,190
Miscellaneous taxes receivable	147,525	-	-	-	-	-	-	43,884	191,409
Court fines receivable, net	74,423	-	-	-	-	-	-	-	74,423
Other receivables	1,000	-	-	-	-	-	-	53,432	54,432
Lease receivables	207,546	-	-	-	-	-	-	-	207,546
Total assets	<u>\$ 15,963,103</u>	<u>\$ 5,535,677</u>	<u>\$ 467,967</u>	<u>\$ -</u>	<u>\$ 1,279,912</u>	<u>\$ 7,074,044</u>	<u>\$ 651,269</u>	<u>\$ 2,786,222</u>	<u>\$ 33,758,194</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES:									
Liabilities:									
Accounts payable	\$ 216,690	\$ -	\$ -	\$ -	\$ 3	\$ 1,392,970	\$ -	\$ 34,093	\$ 1,643,756
Accrued payroll liabilities	530,636	-	-	-	-	-	-	19,531	550,167
Advance from DCUA	-	-	-	-	-	51,876	-	-	51,876
Due to other funds	498	-	-	-	-	-	-	71,889	72,387
Due to component unit	-	-	-	-	-	-	-	43,884	43,884
Due to other governments	201,673	-	-	-	-	-	-	-	201,673
Due to bondholders	367	-	-	-	-	-	-	-	367
Unearned revenue	186,231	-	-	-	-	3,048,022	-	-	3,234,253
Total liabilities	<u>1,136,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>4,492,868</u>	<u>-</u>	<u>169,397</u>	<u>5,798,363</u>
Deferred Inflows of Resources:									
Deferred inflows-leases	208,631	-	-	-	-	-	-	-	208,631
Unavailable revenue	3,112	-	-	-	-	167,818	-	157,505	328,435
Total deferred inflows of resources	<u>211,743</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>167,818</u>	<u>-</u>	<u>157,505</u>	<u>537,066</u>
Fund balances:									
Restricted	-	3,780,816	467,967	-	1,279,909	-	649,588	614,892	6,793,172
Assigned	3,409,860	1,754,861	-	-	-	2,413,358	1,681	1,948,650	9,528,410
Unassigned (deficit)	11,205,405	-	-	-	-	-	-	(104,222)	11,101,183
Total fund balances	<u>14,615,265</u>	<u>5,535,677</u>	<u>467,967</u>	<u>-</u>	<u>1,279,909</u>	<u>2,413,358</u>	<u>651,269</u>	<u>2,459,320</u>	<u>27,422,765</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 15,963,103</u>	<u>\$ 5,535,677</u>	<u>\$ 467,967</u>	<u>\$ -</u>	<u>\$ 1,279,912</u>	<u>\$ 7,074,044</u>	<u>\$ 651,269</u>	<u>\$ 2,786,222</u>	<u>\$ 33,758,194</u>

See accompanying notes to the Basic Financial Statements.

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Governmental Funds Statement of Changes in Fund Balances – Year Ended June 30, 2023

	General Fund	Special Revenue Funds				Capital Project Funds			Total Governmental Funds
		1/4% Economic Development Fund	5/8% Sales Tax Education Fund	Durant Development Authority	Durant Tax Increment Finance Authority	Capital Improvement Fund	1% Sales Tax Revenue Fund	Other Governmental Funds	
REVENUES									
Taxes	\$ 14,455,281	\$ 1,252,774	\$ 3,606,530	\$ -	\$ 2,588,554	\$ -	\$ 5,011,096	\$ 3,440,762	\$ 30,354,997
Intergovernmental	1,639,555	-	-	-	-	1,161,390	-	109,554	2,910,499
Charges for services	287,670	-	-	-	-	-	-	91,030	378,700
Licenses and permits	467,912	-	-	-	-	-	-	-	467,912
Fines and forfeitures	688,663	-	-	-	-	-	-	-	688,663
Investment income	42,533	11,912	-	-	54,519	26,211	-	5,602	140,777
Miscellaneous	889,235	-	-	-	-	585,450	-	42,259	1,516,944
Total revenues	18,470,849	1,264,686	3,606,530	-	2,643,073	1,773,051	5,011,096	3,689,207	36,458,492
EXPENDITURES									
Current:									
General government	2,575,261	-	-	-	-	-	-	-	2,575,261
Public safety	10,195,459	-	-	-	-	-	-	785,061	10,980,520
Public works	1,658,127	-	-	-	-	-	-	-	1,658,127
Culture and recreation	2,433,515	-	-	-	-	-	-	-	2,433,515
Cemetery	129,494	-	-	-	-	-	-	-	129,494
Economic development	167,243	-	-	3,595,013	2,446,923	-	-	-	6,209,179
Capital outlay	411,435	-	-	-	-	7,534,836	-	421,749	8,368,020
Debt service:									
Principal	14,343	-	-	-	-	332,532	-	38,145	385,020
Interest and other charges	657	-	-	-	-	17,262	-	7,306	25,225
Total expenditures	17,585,534	-	-	3,595,013	2,446,923	7,884,630	-	1,252,261	32,764,361
Excess (deficiency) of revenues over (under) expenditures	885,315	1,264,686	3,606,530	(3,595,013)	196,150	(6,111,579)	5,011,096	2,436,946	3,694,131
OTHER FINANCING SOURCES (USES)									
Transfers in	4,317,258	-	-	3,595,013	-	4,799,249	-	597,000	13,308,520
Transfers out	(1,339,630)	-	(3,595,013)	-	-	(56,362)	(5,007,988)	(156,328)	(10,155,321)
Transfers from component unit	1,098,914	26,000	-	-	-	168,520	-	-	1,293,434
Transfers to component unit	-	(1,209,763)	-	-	-	-	-	(2,981,780)	(4,191,543)
Total other financing sources and uses	4,076,542	(1,183,763)	(3,595,013)	3,595,013	-	4,911,407	(5,007,988)	(2,541,108)	255,090
Net change in fund balances	4,961,857	80,923	11,517	-	196,150	(1,200,172)	3,108	(104,162)	3,949,221
Fund balances - beginning	9,653,408	5,454,754	456,450	-	1,083,759	3,613,530	648,161	2,563,482	23,473,544
Fund balances - ending	\$ 14,615,265	\$ 5,535,677	\$ 467,967	\$ -	\$ 1,279,909	\$ 2,413,358	\$ 651,269	\$ 2,459,320	\$ 27,422,765

See accompanying notes to the Basic Financial Statements.

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Fund Balance – Net Position:

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position:

Total fund balance, governmental funds	\$ 27,422,765
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, net of accumulated depreciation and amortization of \$91,906,866	53,393,587
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Certain long-term assets are not available to pay current period expenditures and therefore are deferred in the funds:

Grants receivable	325,323
Court fines receivable	3,112
	328,435

Certain other long-term assets are not current financial resources and, therefore, they, along with deferred outflows, are not reported in the funds:

Net pension asset	781,785
Pension related deferred outflows	5,374,916
	6,156,701

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. A portion of the net position of the internal service fund is included in governmental activities in the Statement of Net Position:

Net position of the Internal Service Funds	3,321,185
Internal service fund interfund balance resulting from net revenues reported in business-type activities	(1,010,442)
	2,310,743

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

Lease obligations	(167,842)
Notes Payable	(662,398)
Due to others - TIF Authority	(1,392,962)
Accrued compensated absences	(2,295,053)
Net pension liability	(7,958,227)
Pension related deferred inflows	(1,219,188)
	(13,695,670)

Net Position of Governmental Activities in the Statement of Net Position	\$ 75,916,561
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See accompanying notes to the Basic Financial Statements.

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Changes in Fund Balances - Net Position Reconciliation:

Net change in fund balances - total governmental funds: \$ 3,949,221

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

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

Capital asset purchases capitalized	5,367,422
Depreciation expense	(3,242,514)
Amortization expense-leases	(158,029)
	1,966,879

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

Change in unavailable revenue	94,754
	94,754

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

855,949
855,949

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

Lease payable principal payments	157,073
Debt principal payments	227,947
	385,020

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

Change in due to others-TIF Authority	(265,314)
Change in accrued compensated absences	(569,509)
	(834,823)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. A portion of the change in net position of the internal service fund is included in governmental activities in the Statement of Net Position:

Total change in net position of the internal service funds	28,871
Net revenues (expenses) of the internal service fund reported in business-type activities	(9,430)
	19,441

Change in net position of governmental activities	\$ 6,436,441
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See accompanying notes to the Basic Financial Statements.

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Proprietary Funds Statement of Net Position - June 30, 2023

	Enterprise Funds			
	Utility Authority Fund	Airport Authority Fund	Total	Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 6,330,349	\$ 860,865	\$ 7,191,214	\$ 3,890,583
Restricted cash and cash equivalents	11,899,035	-	11,899,035	-
Advance to other funds	328,899	-	328,899	-
Accounts receivable, net	1,782,976	34,014	1,816,990	-
Total current assets	<u>20,341,259</u>	<u>894,879</u>	<u>21,236,138</u>	<u>3,890,583</u>
Noncurrent assets:				
Lease receivable	681,953	452,543	1,134,496	-
Net pension asset	131,437	9,799	141,236	-
Capital assets:				
Land and other non-depreciable assets	9,117,965	647,901	9,765,866	-
Other capital assets, net of depreciation	32,347,953	14,394,804	46,742,757	438,930
Total noncurrent assets	<u>42,279,308</u>	<u>15,505,047</u>	<u>57,784,355</u>	<u>438,930</u>
Total assets	<u>62,620,567</u>	<u>16,399,926</u>	<u>79,020,493</u>	<u>4,329,513</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred amounts related to pensions	1,036,767	76,329	1,113,096	-
LIABILITIES				
Current liabilities:				
Accounts payable	163,907	64,078	227,985	7,870
Accrued payroll liabilities	152,985	13,640	166,625	14,968
Advance from DCUA	-	277,023	277,023	-
Accrued interest payable	221,063	-	221,063	-
Estimated liability for claims	-	-	-	532,201
Current portion of:				
Meter deposit liability	118,932	-	118,932	-
Lease obligations	-	15,508	15,508	27,832
Subscription obligations	-	-	-	96,841
Notes payable	2,112,000	49,412	2,161,412	-
Landfill closure liability	31,682	-	31,682	-
Accrued compensated absences	33,784	497	34,281	13,983
Total current liabilities	<u>2,834,353</u>	<u>420,158</u>	<u>3,254,511</u>	<u>693,695</u>
Noncurrent liabilities:				
Meter deposit liability	475,730	-	475,730	-
Lease obligations	-	10,242	10,242	89,805
Subscription obligations	-	-	-	98,982
Notes payable	19,758,195	95,399	19,853,594	-
Landfill closure liability	601,965	-	601,965	-
Accrued compensated absences	304,054	4,471	308,525	125,846
Total noncurrent liabilities	<u>21,139,944</u>	<u>110,112</u>	<u>21,250,056</u>	<u>314,633</u>
Total liabilities	<u>23,974,297</u>	<u>530,270</u>	<u>24,504,567</u>	<u>1,008,328</u>
DEFERRED INFLOWS OF RESOURCES:				
Deferred inflows-leases	653,180	458,171	1,111,351	-
Deferred amounts related to pensions	289,622	28,355	317,977	-
Total current liabilities	<u>942,802</u>	<u>486,526</u>	<u>1,429,328</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	30,014,529	14,882,386	44,896,915	125,470
Restricted for debt service	664,504	-	664,504	-
Unrestricted	8,061,202	577,073	8,638,275	3,195,715
Total net position	<u>\$ 38,740,235</u>	<u>\$ 15,459,459</u>	<u>\$ 54,199,694</u>	<u>\$ 3,321,185</u>

Amounts reported for business-type activities in the Statement of Net Position are different because: Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. An interfund receivable or payable has been recorded in the business-type activities for its share of the net income or loss of the internal service funds.

Net position of the Internal Service Funds	1,010,442
Net position of business-type activities	<u>\$ 55,210,136</u>

See accompanying notes to the Basic Financial Statements.

CITY OF DURANT, OKLAHOMA
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Proprietary Funds Statement of Changes in Net Position - Year Ended June 30, 2023

	Enterprise Funds			
	Utility Authority Fund	Airport Authority Fund	Total	Internal Service Funds
OPERATING REVENUES				
Charges for services:				
Water charges	\$ 4,676,809	\$ -	\$ 4,676,809	\$ -
Sewer charges	2,726,459	-	2,726,459	-
Water and sewer taps	94,816	-	94,816	-
Penalties	99,392	-	99,392	-
Non-payment fees	144,336	-	144,336	-
Sanitation charges	4,576,461	-	4,576,461	-
Landfill gate fees	250,900	-	250,900	-
Lab tests	17,363	-	17,363	-
Airport	-	1,596,861	1,596,861	-
Rentals	126,701	-	126,701	-
Transfer station fees	245,676	-	245,676	-
Recyclable products	8,346	-	8,346	-
Self insurance charges	-	-	-	2,614,235
Miscellaneous	47,030	284,369	331,399	1,220,674
Total operating revenues	<u>13,014,289</u>	<u>1,881,230</u>	<u>14,895,519</u>	<u>3,834,909</u>
OPERATING EXPENSES				
Public works administration	360,760	-	360,760	-
Utility billing	483,773	-	483,773	-
Water/sewer line maintenance	912,662	-	912,662	-
Water treatment plant	1,317,549	-	1,317,549	-
Wastewater treatment	1,061,345	-	1,061,345	-
Collection - solid waste	1,047,015	-	1,047,015	-
General government	189,534	-	189,534	-
Lake Durant	44,074	-	44,074	-
Disposal - solid waste	1,852,154	-	1,852,154	-
Airport	-	1,528,535	1,528,535	-
Claims expense	-	-	-	3,637,911
Depreciation and amortization expense	2,608,990	793,437	3,402,427	165,566
Total operating expenses	<u>9,877,856</u>	<u>2,321,972</u>	<u>12,199,828</u>	<u>3,803,477</u>
Operating income (loss)	3,136,433	(440,742)	2,695,691	31,432
NON-OPERATING REVENUES (EXPENSES)				
Investment income	148,265	9,937	158,202	5,188
Interest expense and fiscal charges	(788,534)	(7,250)	(795,784)	(7,749)
Total non-operating revenue (expenses)	<u>(640,269)</u>	<u>2,687</u>	<u>(637,582)</u>	<u>(2,561)</u>
Net income (loss) before contributions and transfers	2,496,164	(438,055)	2,058,109	28,871
Capital contributions	1,926,273	199,122	2,125,395	-
Transfers in	2,595,045	213,481	2,808,526	-
Transfers out	(5,681,862)	(279,863)	(5,961,725)	-
Transfers to component unit	-	(6,877)	(6,877)	-
Change in net position	1,335,620	(312,192)	1,023,428	28,871
Total net position - beginning	37,404,615	15,771,651	53,176,266	3,292,314
Total net position - ending	<u>\$ 38,740,235</u>	<u>\$ 15,459,459</u>	<u>\$ 54,199,694</u>	<u>\$ 3,321,185</u>

Change in net position - enterprise funds \$ 1,023,428

Amounts reported for business-type activities in the Statement of Activities are different because: Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. An interfund receivable or payable has been recorded in the business-type activities for its share of the net income or loss of the

Change in net position of the Internal Service Fund 9,430

Change in the net position of the business-type activities \$ 1,032,858

See accompanying notes to the Basic Financial Statements.

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Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2023

	Enterprise Funds			
	Utilities Authority Fund	Airport Authority Fund	Total Proprietary Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 13,162,810	\$ 1,884,397	\$ 15,047,207	\$ 3,834,909
Payments to suppliers	(4,022,257)	(1,283,075)	(5,305,332)	(3,211,975)
Payments to employees	(3,406,801)	(330,099)	(3,736,900)	(324,822)
Receipts of customer meter deposits	138,615	-	138,615	-
Refunds of customer meter deposits	(118,140)	-	(118,140)	-
Other receipts (payments)	73,104	(21,357)	51,747	-
Net Cash Provided by Operating Activities	<u>5,827,331</u>	<u>249,866</u>	<u>6,077,197</u>	<u>298,112</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	2,595,045	213,481	2,808,526	-
Transfers to other funds	(5,681,862)	(279,863)	(5,961,725)	-
Transfers to component unit	-	(6,877)	(6,877)	-
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(3,086,817)</u>	<u>(73,259)</u>	<u>(3,160,076)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(81,160)	(331,365)	(412,525)	(290,570)
Proceeds from issuance of capital debt	440,621	-	440,621	-
Proceeds from issuance of subscription obligations	-	-	-	290,570
Principal paid on capital debt	(2,037,000)	(47,441)	(2,084,441)	-
Principal paid on leases	-	(5,152)	(5,152)	(54,861)
Principal paid on subscription obligations	-	-	-	(94,747)
Interest and fiscal charges paid on capital debt and leases	(810,673)	(7,250)	(817,923)	(7,749)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(2,488,212)</u>	<u>(391,208)</u>	<u>(2,879,420)</u>	<u>(157,357)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	148,265	9,937	158,202	5,188
Net Cash Provided by Investing Activities	<u>148,265</u>	<u>9,937</u>	<u>158,202</u>	<u>5,188</u>
Net Increase (Decrease) in Cash and Cash Equivalents	400,567	(204,664)	195,903	145,943
Balances - beginning of the year	17,828,817	1,065,529	18,894,346	3,744,640
Balances - end of the year	<u>\$ 18,229,384</u>	<u>\$ 860,865</u>	<u>\$ 19,090,249</u>	<u>\$ 3,890,583</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 6,330,349	\$ 860,865	\$ 7,191,214	\$ 3,890,583
Current restricted cash and cash equivalents	11,899,035	-	11,899,035	-
	<u>\$ 18,229,384</u>	<u>\$ 860,865</u>	<u>\$ 19,090,249</u>	<u>\$ 3,890,583</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 3,136,433	\$ (440,742)	\$ 2,695,691	\$ 31,432
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization expense	2,608,990	793,437	3,402,427	165,566
Change in assets, liabilities and deferrals:				
Receivables	161,863	(4,204)	157,659	-
Advance to other funds	73,104	-	73,104	-
Lease receivable	47,006	97,007	144,013	-
Accounts payable	(58,217)	(55,935)	(114,152)	(15,431)
Accrued payroll liabilities	(5,602)	1,488	(4,114)	1,079
Advance from DCUA	-	(21,357)	(21,357)	-
Estimated liability for claims	-	-	-	25,159
Landfill closure liability	70,773	-	70,773	-
Meter deposit liability	20,475	-	20,475	-
Deferred inflows related to leases	(60,348)	(89,636)	(149,984)	-
Pension liability & related accounts	(267,290)	(25,454)	(292,744)	-
Accrued compensated absences	100,144	(4,738)	95,406	90,307
Net Cash Provided by Operating Activities	<u>\$ 5,827,331</u>	<u>\$ 249,866</u>	<u>\$ 6,077,197</u>	<u>\$ 298,112</u>
Noncash activities:				
Contributed capital assets received	<u>\$ 1,926,273</u>	<u>\$ 199,122</u>	<u>\$ 2,125,395</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

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FOOTNOTES TO THE BASIC FINANCIAL STATEMENTS

Footnotes to the Basic Financial Statements:

1. Financial Reporting Entity

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.

The City's financial reporting entity includes the primary government (City of Durant), blended component units, and discretely presented component units as follows:

The City of Durant –operates the public safety, culture and recreation, streets and public works, cemetery, and administrative activities.

The City of Durant is a Council/Manager form of government with a population of approximately 18,589 located in Bryan County in southeastern Oklahoma. The City is governed by a five-member council and operates under state law and City ordinances through the three branches of democratic government:

- Legislative – the City Council is a five-member governing body elected by the citizens at large
- Executive – the City Manager is the Chief Executive Officer and is appointed by the City Council
- Judicial – the Municipal Judge is a practicing attorney appointed by the City Council

The City provides typical municipal services such as public safety, culture and recreation, cemetery, streets and public works.

Blended Component Units [City Council serves as governing body (trustees)]:

The Durant City Utility Authority –operates the water, sewer, and sanitation facilities of the City.

The Durant Library Authority –operates to promote, own, construct, lease and finance charitable, scientific, literary or educational facilities or purposes.

The Durant Airport Authority –operates to develop, construct, plan, establish, install, and enlarge, improve, maintain, equip, operate, control and regulate air transportation facilities.

The Durant Development Authority –operates to stimulate economic growth and development of the City – reported as a blended component unit.

The Durant Tax Increment Finance Authority –operates to assist the Beneficiary, the State of Oklahoma, its Governmental Agencies, and private entities, agencies and citizens in implementing provisions of the Local Development Act.

Discretely Presented Component Units [Separate governing body (trustees) from the City Council]:

The Durant Industrial Authority –operates to finance, operate, construct and administer any public works improvements or facilities on behalf of the City

Durant Community Facilities Authority –operates to promote and develop public works projects or facilities, recreation and/or tourism, and educational opportunities.

Durant Tourism Economic Development Authority –operates to encourage, promote and foster tourism economic development.

Each of these component units are Public Trusts established pursuant to Title 60 of Oklahoma State law. Public Trusts (Authorities) have no taxing power. The Authorities are generally created to finance City services through issuance of revenue bonds or other non-general obligation debt and to enable the City Council to delegate certain functions to the governing body (Trustees) of the Authority. The Authorities generally retain title to assets which are acquired or constructed with Authority debt or other Authority generated resources. In addition, the City has leased certain existing assets at the creation of the Authorities to the Trustees on a long-term basis. The City, as beneficiary of the Public Trusts, receives title to any residual assets when a Public Trust is dissolved. These trusts issue debt in their name for the acquisition of assets that benefit both other governments and their own.

2. Basis of Presentation and Accounting

Government-Wide Financial Statements:

The statements of net position and activities are reported on the accrual basis of accounting and the economic resources measurement focus. 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. In accordance with the economic resources measurement focus, all assets and liabilities, both current and noncurrent are reported, along with any related deferred outflows and deferred inflows.

Program revenues within the Statement of Activities are derived directly from each activity or from parties outside of the City's taxpayers. The City has the following program revenues in each activity:

- Public Safety – Fire, Police, Animal Control, Court, and Civil Emergency Management – fines and forfeitures, restricted operating grants and restricted capital grants and contributions
- Public works –Streets and City Garage – commercial vehicle and gasoline excise tax shared by the State, sidewalk and street repair fees, operating grants and contributions
- Cemetery – cemetery openings/closings and interments, operating grants and contributions
- Culture and recreation – swimming pool fees, library fees, multi-sports complex fees, operating and capital grants and contributions
- General Government – license and permits, mowing fees, reports and copy fees, digital mapping fees, operating grants and contributions
- Economic Development – Tax increment financing (TIF) taxes and operating grants and contributions

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

Governmental Funds:

The City's governmental funds are comprised of the following:

Major Funds:

- General Fund – accounts for all activities not accounted for in other special-purpose funds.

Special Revenue Funds:

- 1/4 % Sales Tax Economic Development - accounts for one-quarter cent sales tax restricted for economic development.
- 5/8 % Sales Tax Education Fund - accounts for five-eighths cent sales tax transferred to Durant Development Authority restricted for Durant Public Schools for education capital projects.
- Durant Development Authority - accounts for five-eighths cent sales tax transferred from 5/8 % Sales Tax Education Fund restricted for Durant Public Schools for education capital projects.
- Durant Tax Increment Finance Authority - accounts for TIF taxes restricted for repayment of Tax Increment Revenue bonds.

Capital Project Funds:

- 1% Sales Tax Revenue Fund - accounts for revenues received from the third-penny city sales tax, earmarked for capital improvements and related debt service.
- Capital Improvement Fund - accounts for capital expenditures of all departments, in all funds. Receives transfers from other funds as its main revenue source.

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

Special Revenue Funds:

- Special 911 Tax Fund - accounts for the revenues received from the emergency service fees on telephone bills. Funds are used to pay monthly service charges for the enhanced 911 system. Remaining funds may be used for other emergency communications needs.
- R.L Williams Library Fund - accounts for revenues received from library fines, copies, memorials, etc. Funds are used for operations of the library.
- Drug Enforcement Fund - accounts for revenues received by police department from a proportionate distribution of funds related to property received from drug forfeitures. Funds are expended for purposes of surveillance, communications and related expenditures.
- 1/4 % Sales Tax M.S. Fund - accounts for one-quarter cent sales tax restricted for transfer to DCFA for multi-sports complex.
- 1/4 % Sales Tax SOSU Fund - accounts for one-quarter cent sales tax restricted for transfer to DCFA for SOSU capital projects.
- 5% Lodging Tourism Tax Fund – accounts for 5% lodging/tourism tax restricted for transfer to Durant Tourism Economic Development Authority (DTEDA)

Capital Project Funds:

- DWRF Community Center & Library Fund – accounts for donation revenue for community center & library project.
- Cemetery Care Fund - accounts for the transfer of 12.5% of revenue from cemetery lot sales and interment fees, which, with the exception of interest earnings, may only be used to purchase additional land and for major capital improvements to the cemetery. Interest earnings in the fund are transferred to Cemetery Operations Account, which is combined with the General Fund for report purposes.
- CDBG Fund - accounts for Community Development Block Grant funds in accordance with state and federal program guidelines.

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

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

The General Fund, 1% Sales Tax Revenue Fund, Capital Improvement Fund, 1/4% Sales Tax Economic Development Fund, 5/8% Sales Tax Education Fund, Durant Development Authority and Durant Tax Increment Finance Authority are considered major funds and are therefore displayed in separate columns. All other governmental funds are considered non-major funds and are aggregated under the column Other Governmental Funds.

Proprietary Funds:

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds include enterprise funds and internal service funds. Enterprise funds are used to account for business-like activities provided to the general public. Internal service funds are used to account for business-type activities provided within the government. Proprietary funds are reported on the accrual basis of accounting and economic resources measurement focus. For example, proprietary fund capital assets are capitalized and depreciated and principal payments on long-term debt are recorded as a reduction to the liability. The City's enterprise funds are the Durant City Utilities Authority, and Durant Airport Authority. The City's internal service funds include the Employee Health Fund, Worker's Compensation Fund, and the Info Tech Service Fund.

The Durant City Utilities Authority Fund and the Durant Airport Authority Fund are considered major funds and are therefore displayed in separate columns.

3. Cash, Cash Equivalents, Deposits and Investments

For the purposes of the statement of net position, balance sheets, and statement of cash flows, cash and cash equivalents includes all demand and savings accounts, certificates of deposit or short-term

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investments with an original maturity of three-months or less. Revenue bond and promissory note trust account investments in open-ended mutual fund shares are also considered cash equivalents and are reported at the funds' current share prices.

Investments consist of non-negotiable certificates of deposit whose original maturity term exceeds three months and mutual funds. These non-negotiable certificates of deposit are carried at cost. Marketable investments are carried at fair value.

The City of Durant is governed by the deposit and investment limitations of state law. The deposits and investments held at June 30, 2023 are as follows:

Deposits and Investments

PRIMARY GOVERNMENT:

<u>Type of Deposits and Investments</u>	<u>Maturities</u>	<u>Carrying Value</u>
Demand deposits		\$34,716,243
Time deposit	06/27/24	400,000
Time deposit	06/27/24	2,000,000
Time deposit	02/04/24	41,523
Cash on hand		4,240
	<u>Credit Rating</u>	
Mutual Funds - First United Money Market	not rated	11,304,373
Mutual Funds - Blackrock Liq Fedfd-Csh Res	AAAm	953,260
Total		<u>\$49,419,639</u>
Reconciliation to Statement of Net Position:		
Cash and cash equivalents		\$ 46,978,116
Investments		2,441,523
		<u>\$ 49,419,639</u>

COMPONENT UNITS:

Durant Industrial Authority:

<u>Type of Deposits and Investments</u>	<u>Maturities</u>	<u>Carrying Value</u>
Demand deposits		\$ 2,309,332
		<u>\$ 2,309,332</u>
Reconciliation to Statement of Net Position:		
Cash and cash equivalents		\$ 2,309,332
		<u>\$ 2,309,332</u>

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Durant Community Facilities Authority:

<u>Type of Deposits and Investments</u>		<u>Carrying Value</u>
Demand deposits		\$ 1,178,359
Time deposit	12/27/23	500,000
Time deposit	12/27/23	250,000
	Credit Rating	
Mutual Funds - Goldman Sachs Financial Sq Trsy Oblig	AAAm	255,613
Total		\$ 2,183,972
Reconciliation to Statement of Net Position:		
Cash and cash equivalents		\$ 1,433,972
Investments		750,000
		\$ 2,183,972

Durant Tourism Economic Development Authority:

<u>Type of Deposits and Investments</u>		<u>Carrying Value</u>
Demand deposits		\$ 664,224
Total		\$ 664,224
Reconciliation to Statement of Net Position:		
Cash and cash equivalents		\$ 664,224
		\$ 664,224

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

The City's policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 110% of the uninsured deposits and accrued interest thereon. As of June 30, 2023, the City's deposits were fully collateralized.

Investment Interest Rate Risk - the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's only investments are in open ended mutual funds.

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Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitations of state law that generally authorize investments in:

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

Concentration of Investment Credit Risk - the City places no limit on the amount it may invest in any one issuer. The City had no investments in one issuer that exceeded the 10% threshold.

Restricted Cash and Investments - The amounts reported as restricted assets of the Enterprise Funds on the statement of net position are comprised of amounts held by the Durant City Utilities Authority and Durant Airport Authority for utility deposits (refunded upon termination of service or applied to final bill) and amounts held by the trustee bank related to debt activity. The restricted assets as of June 30, 2023 are as follows:

	Current Cash and cash Equivalents
Utility Deposits	\$ 594,662
OWRB Accounts (DCUA):	
2009A Principal Account	136,341
2009A Interest Account	64,084
2009B Principal Account	47,970
2009B Interest Account	22,110
2010 Principal Account	59,809
2010 Interest Account	25,527
2007 Revenue Account	4,748
2007 Project Account	79
2007 Principal Account	121,765
2007 Interest Account	28,607
2020 Construction Account	10,418,727
2020 Principal Account	251,972
2020 Interest Account	122,634
Total Restricted Assets	<u>\$ 11,899,035</u>

4. Accounts and Leases Receivable

Accounts Receivable - Accounts receivable of the business-type activities consist of customers utilities services provided, both billed and unbilled, due at year end, reported net of allowance for uncollectible amounts. The governmental activities receivables include police fines receivables.

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	Receivable	Allowance for Bad Debts	Net Receivable
Governmental Activities:			
Court Fines Receivable	\$ 744,235	\$ (669,812)	\$ 74,423
Business-Type Activities:			
Airport Receivables	\$ 57,703	\$ (23,689)	\$ 34,014
Utility Receivables	\$ 2,046,884	\$ (263,908)	\$ 1,782,976

Lease Receivable – The City and DCUA/DAA as a lessor, have entered into lease agreements involving land and buildings. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$39,105 for governmental activities and \$165,828 for business-type activities. Lease receivable balances at June 30, 2023, were as follows:

	Governmental Lease Receivable
FBI - General Services Administration	\$ 99,828
Bryan County Government	74,205
Matt Bamhill / 3B Grave Service LLC	33,513
	<u>\$ 207,546</u>
	Business-Type Lease Receivable
Verizon	\$ 69,673
T-Mobile	247,570
US Cellular	364,710
Trussworks-DAA	353,115
Air Evac EMS - DAA	10,153
Magnolia - DAA	89,275
	<u>\$ 1,134,496</u>

5. Capital Assets and Depreciation

Capital Assets:

Capital assets consist of land, land improvement, construction in progress, buildings and building improvements, machinery and equipment, and infrastructure. A capitalization threshold of \$5,000 is used to report capital assets with the exception of buildings and infrastructure assets which have a threshold of \$25,000. Capital assets are reported at actual or estimated historical cost. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 2003. Prior to July 1, 2003, governmental funds' infrastructure assets, such as streets, bridges, drainage systems and traffic signal systems were not capitalized. Infrastructure assets acquired since that date are recorded at cost. Donated capital assets are recorded at their fair value at the date of donation. For the year ended June 30, 2023, capital assets balances changed as follows:

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Primary Government:

	Balance at July 1, 2022	Additions and Transfers	Disposals and Transfers	Balance at June 30, 2023
Governmental activities:				
Non-depreciable capital assets:				
Land	\$ 5,381,392	\$ 47,668	\$ -	\$ 5,429,060
Construction-in-progress	2,297,028	3,377,102	(90,451)	5,583,679
Total non-depreciable assets at historical cost	<u>7,678,420</u>	<u>3,424,770</u>	<u>(90,451)</u>	<u>11,012,739</u>
Depreciable capital assets:				
Buildings	26,460,642	44,400	-	26,505,042
Improvements	4,452,629	-	-	4,452,629
Machinery and equipment	16,529,385	942,395	(26,110)	17,445,670
Infrastructure	84,686,343	1,046,309	-	85,732,652
Total depreciable assets at historical cost	<u>132,128,999</u>	<u>2,033,104</u>	<u>(26,110)</u>	<u>134,135,993</u>
Less accumulated depreciation				
Buildings	(8,673,958)	(673,535)	-	(9,347,493)
Improvements	(2,733,803)	(157,908)	-	(2,891,711)
Machinery and equipment	(10,855,611)	(1,013,610)	26,110	(11,843,111)
Infrastructure	(66,302,783)	(1,421,511)	-	(67,724,294)
Total accumulated depreciation	<u>(88,566,155)</u>	<u>(3,266,564)</u>	<u>26,110</u>	<u>(91,806,609)</u>
Lease assets:				
Machinery and equipment	592,474	73,017	-	665,491
Subscription assets	-	290,570	-	290,570
Total lease assets being amortized	<u>592,474</u>	<u>363,587</u>	<u>-</u>	<u>956,061</u>
Less accumulated amortization				
Machinery and equipment	(190,237)	(203,122)	-	(393,359)
Subscription assets	-	(91,759)	-	(91,759)
Total accumulated amortization	<u>(190,237)</u>	<u>(294,881)</u>	<u>-</u>	<u>(485,118)</u>
Total assets, net	<u>43,965,081</u>	<u>(1,164,754)</u>	<u>-</u>	<u>42,800,327</u>
Governmental activities assets, net	<u>\$ 51,643,501</u>	<u>\$ 2,260,016</u>	<u>\$ (90,451)</u>	<u>\$ 53,813,066</u>
Business-type activities:				
Non-depreciable capital assets:				
Land	\$ 2,674,435	\$ 196,888	\$ -	\$ 2,871,323
Construction-in-progress	6,011,810	1,865,156	(982,423)	6,894,543
Total non-depreciable assets at historical cost	<u>8,686,245</u>	<u>2,062,044</u>	<u>(982,423)</u>	<u>9,765,866</u>
Depreciable capital assets:				
Buildings	33,568,297	-	-	33,568,297
Improvements	21,852,819	41,256	-	21,894,075
Machinery and equipment	15,693,545	1,396,938	-	17,090,483
Utility property and improvements	42,929,682	20,105	-	42,949,787
Total depreciable assets at historical cost	<u>114,044,343</u>	<u>1,458,299</u>	<u>-</u>	<u>115,502,642</u>
Less accumulated depreciation				
Buildings	(24,841,687)	(1,123,776)	-	(25,965,463)
Improvements	(10,716,390)	(608,348)	-	(11,324,738)
Machinery and equipment	(10,679,294)	(757,154)	-	(11,436,448)
Utility property and improvements	(19,147,555)	(909,715)	-	(20,057,270)
Total accumulated depreciation	<u>(65,384,926)</u>	<u>(3,398,993)</u>	<u>-</u>	<u>(68,783,919)</u>
Lease assets:				
Machinery and equipment	59,683	-	-	59,683
Total lease assets being amortized	<u>59,683</u>	<u>-</u>	<u>-</u>	<u>59,683</u>
Less accumulated amortization				
Machinery and equipment	(8,099)	(8,099)	-	(16,198)
Total accumulated amortization	<u>(8,099)</u>	<u>(8,099)</u>	<u>-</u>	<u>(16,198)</u>
Total assets, net	<u>48,711,001</u>	<u>(1,948,793)</u>	<u>-</u>	<u>46,762,208</u>
Business-type assets, net	<u>\$ 57,397,246</u>	<u>\$ 113,251</u>	<u>\$ (982,423)</u>	<u>\$ 56,528,074</u>

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Component Units:

	Balance at July 1, 2022	Additions and Transfers	Deductions and Transfers	Balance at June 30, 2023
COMPONENT UNITS:				
Durant Industrial Authority:				
Non-depreciable:				
Land	\$ 1,085,375	\$ -	\$ -	\$ 1,085,375
Construction-in-progress	-	56,866	-	56,866
Total non-depreciable assets at historical cost	<u>1,085,375</u>	<u>56,866</u>	<u>-</u>	<u>1,142,241</u>
Depreciable:				
Utility property and improvements	17,664	-	-	17,664
Total depreciable assets at historical cost	<u>17,664</u>	<u>-</u>	<u>-</u>	<u>17,664</u>
Less accumulated depreciation				
Utility property and improvements	(2,529)	(857)	-	(3,386)
Total accumulated depreciation	<u>(2,529)</u>	<u>(857)</u>	<u>-</u>	<u>(3,386)</u>
Net depreciable assets	<u>15,135</u>	<u>(857)</u>	<u>-</u>	<u>14,278</u>
Durant Industrial Authority capital assets, net	<u>\$ 1,100,510</u>	<u>\$ 56,009</u>	<u>\$ -</u>	<u>\$ 1,156,519</u>
Durant Community Facilities Authority:				
Non-depreciable:				
Land	\$ 266,000	\$ -	\$ -	\$ 266,000
Durant Community Facilities Authority capital assets, net	<u>\$ 266,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266,000</u>

Depreciation/Amortization:

Depreciable capital assets are depreciated on a straight-line basis over useful lives. The range of estimated useful lives by type of asset is as follows: Buildings 20-40 years, Improvements other than buildings 20-50 years, Machinery and equipment 3-15 years, and Infrastructure 30-40 years.

Depreciation/amortization of capital assets is included in total expenses and is charged or allocated to the activities primarily benefiting from the use of the specific asset. Leased assets are amortized over the life of the associated contract. Depreciation/amortization expense has been allocated as follows:

Governmental Activities:		Business-Type Activities:	
Depreciation expense:		Depreciation expense:	
General government	\$ 196,481	Water	\$ 820,474
Public safety	679,478	Sewer	1,273,334
Public works	1,637,627	Sanitation	515,182
Culture and recreation	744,013	Airport	790,003
Cemetery	8,965	Total depreciation expense	<u>\$ 3,398,993</u>
Total depreciation expense	<u>\$ 3,266,564</u>		
Amortization expense:		Amortization expense:	
General government	281,996	Water	4,665
Culture and recreation	12,885	Airport	3,434
Total amortization expense	<u>\$ 294,881</u>	Total amortization expense	<u>\$ 8,099</u>
Transfers - accumulated depr.	-	Transfers - accumulated depr.	-
Total depr/amort expense	<u>\$ 3,561,445</u>	Total depr/amort expense	<u>\$ 3,407,092</u>

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6. Long-Term Debt and Debt Service Requirements

For the year ended June 30, 2023, the reporting entity's long-term debt changed as follows:

<u>Type of Debt</u>	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Amounts Due Within a Year</u>
Governmental Activities:					
Notes Payable - Direct Borrowings/Placements	\$ 890,345	\$ -	\$ 227,947	\$ 662,398	\$ 133,719
Lease Obligations	400,193	73,017	202,740	270,470	132,799
Subscription Obligations	-	290,570	94,747	195,823	96,841
Accrued Compensated Absences	<u>1,775,066</u>	<u>837,322</u>	<u>177,506</u>	<u>2,434,882</u>	<u>243,488</u>
Total Governmental Activities	<u>\$ 3,065,604</u>	<u>\$ 1,200,909</u>	<u>\$ 702,940</u>	<u>\$ 3,563,573</u>	<u>\$ 606,847</u>
Plus: Net Pension Liability				<u>7,958,227</u>	
				<u>\$ 11,521,800</u>	
Business-type Activities:					
Notes Payable - Direct Borrowings/Placements	\$ 23,658,826	\$ 440,621	\$ 2,084,441	\$ 22,015,006	\$ 2,161,412
Lease Obligations	55,105	-	14,346	40,759	20,147
Landfill Closure Liability	562,874	70,773	-	633,647	31,682
Meter Deposit Liability	574,187	138,615	118,140	594,662	118,932
Accrued Compensated Absences	<u>247,400</u>	<u>120,146</u>	<u>24,740</u>	<u>342,806</u>	<u>34,281</u>
Total Business-Type Activities	<u>\$ 25,098,392</u>	<u>\$ 770,155</u>	<u>\$ 2,241,667</u>	<u>\$ 23,626,880</u>	<u>\$ 2,366,454</u>
Plus: Net Pension Liability				<u>-</u>	
				<u>\$ 23,626,880</u>	
Component Unit Debt:					
Durant Industrial Authority:					
Notes Payable - Direct Borrowings/Placements	\$ 495,206	\$ -	\$ 130,238	\$ 364,968	\$ 70,413
Accrued Compensated Absences	<u>4,838</u>	<u>-</u>	<u>3,044</u>	<u>1,794</u>	<u>179</u>
Total Durant Industrial Authority	<u>500,044</u>	<u>-</u>	<u>133,282</u>	<u>366,762</u>	<u>70,592</u>
Durant Community Facilities Authority:					
Notes Payable - Direct Borrowings/Placements	\$ 238,526	\$ -	\$ 98,299	\$ 140,227	\$ 103,844
Revenue Bonds Payable	<u>3,550,000</u>	<u>-</u>	<u>1,380,000</u>	<u>2,170,000</u>	<u>1,435,000</u>
Total Durant Community Facilities Authority	<u>3,788,526</u>	<u>-</u>	<u>1,478,299</u>	<u>2,310,227</u>	<u>1,538,844</u>
Total Component Unit Debt	<u>\$ 4,288,570</u>	<u>\$ -</u>	<u>\$ 1,611,581</u>	<u>\$ 2,676,989</u>	<u>\$ 1,609,436</u>

Governmental activities long-term debt:

Notes Payable:

\$283,169 notes payable with Motorola for 911 equipment, payable in annual installments of \$45,451, final payment due December 31, 2025, with interest at 4.07%	141,372
\$499,590 notes payable with American Nation Bank for fire truck, payable in monthly installments of \$4,700, final payment due February 25, 2031, with interest at 2.375%	394,410
\$231,562 notes payable with Vision Bank for 5 police vehicles, payable in monthly installments of \$4,087, final payment due February 20, 2026, with interest at 2.251%	<u>126,616</u>
Total Notes Payable	<u>\$ 662,398</u>
Current portion	\$ 133,719
Non-current portion	<u>528,679</u>
Total Notes Payable	<u>\$ 662,398</u>

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Lease Obligations:

Current portion	\$ 132,799
Non-current portion	<u>137,671</u>
Total Lease Obligations	<u>\$270,470</u>

Subscription Obligations:

Current portion	\$ 96,841
Non-current portion	<u>86,982</u>
Total Subscription Obligations	<u>\$195,823</u>

Accrued Compensated Absences:

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

Current portion	\$ 243,488
Non-current portion	<u>2,191,394</u>
Total Accrued Compensated Absences	<u>\$2,434,882</u>

Net Pension Liability:

Current portion	\$ -
Non-current portion	<u>7,958,227</u>
Total Net Pension Liability	<u>\$7,958,227</u>

Business-type activities long-term debt:

Notes Payable - Direct Borrowings/Placements:

Note Payable (DCUA) to Oklahoma Water Resources Board dated June 18, 2019, original amount of \$4,000,000 with an annual interest rate of 1.51%, admin fee of 0.5%, due in semi-annual principal installments each March 15 and September 15 of \$100,000 beginning September 15, 2020, final installment due March 15, 2040. Collateral for this note is a pledge of revenues. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Borrower contained in this Loan Agreement or in the Local Note; 2) accelerate the payment of principal of and interest accrued on the Local Note; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the Local Note and any other Borrower indebtedness; 4) file suit to enforce or enjoin the action or inaction of the parties under the provisions of this Loan Agreement.

\$1,453,995

Note Payable (DCUA) to Oklahoma Water Resources Board dated June 1, 2020, original amount of \$12,935,000 with an annual interest rate of 1.2%, admin fee of 0.5%, due in semi-annual principal installments each March 15 and September 15 ranging from \$1,000 to \$612,000, beginning March 15, 2022, final installment due September 15, 2041. Collateral for this note is a pledge of revenues. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Borrower contained in this Loan Agreement or in the Local Note; 2) accelerate the payment of principal of and interest accrued on the Local Note; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the Local Note and any other Borrower indebtedness; 4) file suit to enforce or enjoin the action or inaction of the parties under the provisions of this Loan Agreement.

261,200

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Note Payable (DAA) to Vision Bank dated May 2, 2016, original amount of \$450,000 with an annual interest rate of 3.706%, due in monthly installments of \$4,493, final installment due May 1, 2026. The Note is unsecured. In the event of default, the lender may declare the entire principal amount of the Note and the accrued interest due and payable immediately. 144,811

Sales Tax & Utility Revenue Note (DCUA) to First United Trust Bank dated August 28, 2007, original amount of \$5,610,000 with an annual interest rate of 4.49%, due in semi-annual installments with principal ranging from \$80,000 to \$215,000, final installment due September 1, 2027. The collateral for this note is a pledge of revenues. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Authority contained in this Note Indenture; 2) acceleration of the payment of principal of and interest accrued on all notes; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the note; 4) file suit to enforce or enjoin the action or inaction of the borrower under the provisions of the Note Indenture. 1,735,000

Sales Tax & Utility Revenue Note (DCUA) to First United Trust Bank dated September 1, 2009, original amount of \$6,000,000 with an annual interest rate of 4.45%, due in semi-annual installments with principal ranging from \$90,000 to \$255,000, final installment due September 1, 2029. The collateral for this note is a pledge of revenues. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Authority contained in this Note Indenture; 2) acceleration of the payment of principal of and interest accrued on all notes; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the note; 4) file suit to enforce or enjoin the action or inaction of the borrower under the provisions of the Note Indenture. 2,590,000

Sales Tax & Utility Revenue Note (DCUA) to First United Trust Bank dated September 1, 2009, original amount of \$2,000,000 with an annual interest rate of 4.589%, due in semi-annual installments with principal ranging from \$25,000 to \$75,000, final installment due September 1, 2029. The collateral for this note is a pledge of revenues. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Authority contained in this Note Indenture; 2) acceleration of the payment of principal of and interest accrued on all notes; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the note; 4) file suit to enforce or enjoin the action or inaction of the borrower under the provisions of the Note Indenture. 865,000

Sales Tax & Utility Revenue Note (DCUA) to First United Trust Bank dated November 1, 2010, original amount of \$6,000,000 with an annual interest rate of 3.95%, due in semi-annual installments with principal ranging from \$100,000 to \$215,000, final installment due November 1, 2030. The collateral for this note is a pledge of sales tax and gross revenues of the system and a security interest in the lease agreement. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Authority contained in this Note Indenture; 2) acceleration of the payment of principal of and interest accrued on all notes; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the note; 4) file suit to enforce or enjoin the action or inaction of the borrower under the provisions of the Note Indenture. 2,815,000

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Sales Tax & Utility Revenue Note (DCUA) to First United Trust Bank dated April 23, 2020, original amount of \$13,280,000 with an annual interest rate of 3.00%, due in semi-annual installments with principal ranging from \$10,000 to \$625,000, final installment due March 1, 2035. The collateral for this note is a pledge of sales tax and gross revenues of the system and a security interest in the lease agreement. In the event of default, the lender may: 1) file suit for specific performance of any or all of the covenants of the Authority contained in this Note Indenture; 2) acceleration of the payment of principal of and interest accrued on all notes; 3) appoint temporary trustees to take over, operate and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the note; 4) file suit to enforce or enjoin the action or inaction of the borrower under the provisions of the Note Indenture.

12,150,000

Total Notes Payable (Direct Borrowings/Placements)

\$22,015,006

Current portion

\$2,161,412

Non-current portion

19,853,594

Total Notes Payable (Direct Borrowings/Placements)

\$22,015,006

Lease Obligations:

Current portion

\$ 20,147

Non-current portion

20,612

Total Lease Obligations

\$40,759

Accrued Compensated Absences:

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

Current portion

\$34,281

Non-current portion

308,525

Total Accrued Compensated Absences

\$342,806

Meter Deposit Liability:

Meter deposit liability reported in the business-type activities:

Current portion

\$118,932

Non-current portion

475,730

Total Meter Deposit Liability

\$594,662

Landfill Closure Liability:

Landfill closure liability reported in the business-type activities:

Current portion

\$31,682

Non-current portion

601,965

Total Landfill Closure Liability

\$633,647

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Component Unit long-term debt:

Notes Payable (DIA) – Direct Borrowings/Placements:

Notes payable of the Durant Industrial Authority to ODOC dated April 29, 2004, original amount of \$400,000 with an annual interest rate of 0%, due in monthly installments of \$1,667, final installment due January 1, 2025. The collateral for this note is a pledge of utility revenues. In the event of default, the lender may: 1) declare the entire principal amount of the Note and the accrued interest due and payable immediately. 2) charge a default rate of interest at 6% above the set per annum rate 3) charge a late fee not to exceed an amount equal to \$0.04 per each dollar of each payment not paid w/in 10 days of due date (not applicable if option #2 is elected) 4) charge a fee for collection costs. 28,333

Notes payable of the Durant Industrial Authority to ODOC dated May 8, 2003, original amount of \$500,000 with an annual interest rate of 0%, due in monthly installments of \$2,083, final installment due January 1, 2024. The collateral for this note is a pledge of utility revenues. In the event of default, the lender may: 1) declare the entire principal amount of the Note and the accrued interest due and payable immediately. 2) charge a default rate of interest at 6% above the set per annum rate 3) charge a late fee not to exceed an amount equal to \$0.04 per each dollar of each payment not paid w/in 10 days of due date (not applicable if option #2 is elected) 4) charge a fee for collection costs. 10,415

Notes payable of the Durant Industrial Authority to ODOC dated August 25, 2006, original amount of \$400,000 with an annual interest rate of 0%, due in monthly installments of \$1,667, final installment due December 1, 2026. The collateral for this note is a pledge of utility revenues. In the event of default, the lender may: 1) declare the entire principal amount of the Note and the accrued interest due and payable immediately. 2) charge a default rate of interest at 6% above the set per annum rate 3) charge a late fee not to exceed an amount equal to \$0.04 per each dollar of each payment not paid w/in 10 days of due date (not applicable if option #2 is elected) 4) charge a fee for collection costs. 242,895

Notes payable of the Durant Industrial Authority to ODOC dated November 8, 2006, original amount of \$399,956 with an annual interest rate of 0%, due in monthly installments of \$1,666, final installment due September 1, 2027. The collateral for this note is a pledge of utility revenues. In the event of default, the lender may: 1) declare the entire principal amount of the Note and the accrued interest due and payable immediately. 2) charge a default rate of interest at 6% above the set per annum rate 3) charge a late fee not to exceed an amount equal to \$0.04 per each dollar of each payment not paid w/in 10 days of due date (not applicable if option #2 is elected) 4) charge a fee for collection costs. 83,325

\$364,968

Current portion \$ 70,413

Non-current portion 294,555

Total Notes Payable (Direct Borrowings/Placements) \$364,968

Accrued Compensated Absences (DIA):

Accrued compensated absences reported in the component unit activities are comprised of accrued vacation, holiday and compensatory time leave.

Current portion \$179

Non-current portion 1,615

Total Accrued Compensated Absences \$1,794

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Notes Payable (DCFA) – Direct Borrowing/Placement:

Sales Tax Revenue Note (DCFA) to First United Bank dated February 1, 2007, original amount of \$1,275,000 with an annual interest rate of 5.6%, due in monthly installments of \$9,099, final installment due October 30, 2024. Final draw-downs equal \$1,085,320. Collateral for this note is a pledge sales tax revenues. In the event of default, the lender may: 1) pursue any available remedy at law or equity by suit, action, foreclosure, mandamus or other proceeding to enforce the payment of the principal of, premium, if any, and interest on the indebtedness then Outstanding; 2) enforce and compel the performance of the duties and obligations of the Authority as set for within the Note.

\$ 140,227

Current portion	\$ 103,844
Non-current portion	<u>36,383</u>
Total Notes Payable (Direct Borrowing/Placement)	<u>\$ 140,227</u>

Revenue Bonds Payable (DCFA):

Refunding revenue bonds payable of the Durant Community Facilities Authority dated December 22, 2011, original amount of \$14,115,000 with an annual interest rate of 3.1%, due in semi-annual principal installments each May 1 and November 1 ranging from \$350,000 to \$735,000 beginning November 1, 2012, final installment due November 1, 2024.

\$ 2,170,000

Current portion	\$1,435,000
Non-current portion	<u>735,000</u>
Total Revenue Bonds Payable	<u>\$2,170,000</u>

Long-term debt service requirements to maturity:

Governmental Activities						
Year Ending June 30,	Notes Payable - Direct Borrowings/Placements		Lease Obligations		Subscription Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 133,719	\$ 23,659	\$ 132,799	\$ 1,742	\$ 96,841	\$ 4,328
2025	137,594	17,168	52,038	1,100	98,982	2,187
2026	142,400	13,294	38,348	705	-	-
2027	50,968	9,376	42,494	317	-	-
2028	52,198	5,429	4,791	6	-	-
2029-2031	145,519	9,071	-	-	-	-
Total	<u>\$ 662,398</u>	<u>\$ 77,997</u>	<u>\$ 270,470</u>	<u>\$ 3,870</u>	<u>\$ 195,823</u>	<u>\$ 6,515</u>

Business-Type Activities				
Year Ending June 30,	Notes Payable - Direct Borrowings/Placements		Lease Obligations	
	Principal	Interest	Principal	Interest
2024	\$ 2,161,412	\$ 942,731	\$ 20,147	\$ 249
2025	2,243,274	861,609	15,061	135
2026	2,311,125	778,619	4,723	73
2027	2,347,000	693,355	828	31
2028	2,357,000	605,596	-	-
2029-2033	10,638,374	1,978,843	-	-
2034-2038	8,006,000	720,078	-	-
2039-2042	4,181,000	145,618	-	-
Subtotal	<u>\$ 34,245,185</u>	<u>\$ 6,726,449</u>	<u>\$ 40,759</u>	<u>\$ 488</u>
Less: Amount not yet drawn	<u>(12,230,179)</u>			
Total	<u>\$ 22,015,006</u>			

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		<u>Component Units</u>	
		<u>Durant Industrial Authority</u>	
<u>Year Ending June 30,</u>		<u>Notes Payable-Direct Borrowings/Placements</u>	
		<u>Principal</u>	<u>Interest</u>
2024		\$ 70,413	\$ -
2025		48,331	-
2026		39,998	-
2027		39,998	-
2028		23,334	-
2029-2033		100,000	-
2034-2035		42,894	-
Total		<u>\$ 364,968</u>	<u>\$ -</u>

		<u>Durant Community Facilities Authority</u>			
<u>Year Ending June 30,</u>		<u>Notes Payable-Direct Borrowings/Placements</u>		<u>Revenue Bonds Payable</u>	
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024		\$ 103,844	\$ 5,342	\$ 1,435,000	\$ 56,343
2025		36,383	450	735,000	11,392
Total		<u>\$ 140,227</u>	<u>\$ 5,792</u>	<u>\$ 2,170,000</u>	<u>\$ 67,735</u>

Component Unit – Conduit Debt:

<u>Original Debt</u>	<u>Project</u>	<u>Remaining Principal</u>
Durant Tax Increment Finance Authority:		
Durant TIF Authority Rev Bonds 2017A \$ 20,433,380	(1) Commercial Metals Co mill site	\$ 11,043,618
Durant TIF Authority Rev Bonds 2017B \$ 3,100,000	(1) Commercial Metals Co mill site	3,100,000

(1) Commercial Metals Co mill site Tax Apportionment Bonds

The Tax Apportionment Bonds were issued to fund reimbursement of a portion of the projected plant construction and equipping costs of a technologically advanced processing building having the operational capability of producing steel products. The TIF Bonds were issued in two series, with the senior series purchased by a group of banking institutions with locations in the City and the junior series purchased by Durant Industrial Authority (DIA). The TIF Bonds would not be a general obligation bond of the City and would not be recourse to the City. The TIF Bonds would be secured only by the TIF Revenues. The TIF Revenues would be limited to the amount of the incentive provided to the Company, plus any amounts necessary (i) to pay interest and other financing costs, including costs of issuance, as well as to fund any capitalized interest and reasonably required reserves associated with the TIF Bonds, and/or (ii) to pay or reimburse the costs incurred or to be incurred by or on behalf of the City or the TIF Trust in implementing and administering this Project Plan. The City began receiving incremental taxes in 2018. These are paid to the trustee bank to be applied to the debt. If the incremental taxes are insufficient to service the debt, the Durant TIF Authority has no further liability. The apportionment of the TIF Revenues shall begin on the effective date of the debt, or July 3, 2017, and shall continue for that period required for

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the payment of the TIP Costs, or a period not to exceed twenty-five (25) full fiscal years, whichever is less. It is expected that TIP Revenues generated during the initial sixteen (16) years following the Effective Date will be sufficient to pay all TIF Costs and that the Increment District would terminate at such time.

Landfill Closure Liability:

State and federal laws and regulations require the City to place a final cover on its construction and demolition landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for eight years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these costs as an operating expense of the Utilities Authority in each fiscal year. The current period expense amount is based upon the amount of landfill capacity used as of each fiscal year end.

The \$633,647 reported as accrued landfill closure cost liability at June 30, 2023, represents the cumulative amount of such costs reported to date based on the use of 89.24% of the estimated capacity of the landfill. The Authority will recognize the remaining estimated costs of closure and post-closure care in the amount of \$76,385 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2023. The Authority expects to close the landfill in the year 2024 and actual costs may be higher or lower at that time due to inflation, changes in technology or changes in regulations.

The City has qualified under the Department of Environmental Quality (DEQ) financial assurance test relating to these future closure and post-closure care costs, whereby the City's overall financial condition and other submitted information serves as evidence of the City's ability to pay for the closure and post-closure care costs when the landfill is actually closed. As such, the City is not required to fund an escrow trust account for these costs.

Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge - The City has pledged, for debt covenant coverage purposes, three cents (or 69%) of future sales tax revenues, and net utility revenues to repay the \$6,000,000 of the 2010 Sales Tax and Utility Revenue Note, \$6,000,000 of the 2009A Sales Tax and Utility Revenue Note, \$2,000,000 of the 2009B Sales Tax and Utility Revenue Note, \$5,610,000 of the 2007 Sales Tax Revenue Note, \$4,000,000 of the 2019 OWRB ORF Note, \$12,935,000 of the 2020 OWRB ORF Note, and \$13,280,000 of the 2020 Sales Tax & Utility Revenue Note. Proceeds from the notes provided for the purchase or construction of capital assets. The notes are payable from the pledged sales tax revenues and net utility revenues. The notes are payable through 2030, 2029, 2029, 2027, 2040, 2041 and 2035 respectively. The total principal and interest, including amounts not yet drawn as of June 30, 2023, payable for the remainder of the life of these notes are \$40,818,947. Pledged sales taxes in the current year were \$15,033,287 and net utility revenues and interest were \$3,376,044. Maximum annual debt service payments of \$4,233,401 for the applicable debt were 23.0% of pledged sales taxes and net utility revenues.

Sales Tax Revenue Pledge – Component Unit (DCFA) – The City has pledged one-half cent of future sales tax revenues to repay the \$14,115,000 of the 2011 Refunding Sales Tax Revenue Bonds and the \$1,275,000 of the 2007 Sales Tax Revenue Note. Proceeds from the notes provided for the purchase or construction of capital assets. The notes are payable from the pledged sales tax revenue. The notes are payable through 2024 and 2025. The total principal and interest for the remainder of the life of these notes are \$2,383,754. Pledged sales taxes received in the current year were \$2,503,994. Current annual debt service payments of \$1,600,529 for the applicable debt were 63.9% of pledged and transferred sales taxes.

7. Net Position and Fund Balances

Net Position:

Net position as reported in the government-wide and proprietary fund financial statements is displayed in three components:

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

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

Fund Balances

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

- a. *Nonspendable* – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. *Restricted* – consists of fund balance with constraints place on the use of resources either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. *Committed* – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city’s highest level of decision-making authority. The City’s highest level of decision-making authority is made by ordinance. The City currently reports no committed fund balance. Public trusts reported as governmental funds use a resolution as their highest level of decision-making authority.
- d. *Assigned* – includes amounts that are constrained by the city’s intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority. Assignments for transfers and interest income for governmental funds are made through the budgetary process.
- e. *Unassigned* – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

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

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

The following tables show the fund balance classifications as shown on the Governmental Funds Balance Sheet:

	General Fund	1/4% Economic Development Fund	5/8% Sales Tax Education Fund	Durant Tax Increment Finance Authority	Capital Improvement Fund	1% Sales Tax Revenue Fund	Other Governmental Funds	Total
Fund Balance:								
Restricted For:								
Economic development	\$ -	\$ 3,780,816	\$ -	\$ 1,279,909	\$ -	\$ -	\$ -	\$ 5,060,725
Education	-	-	467,967	-	-	-	-	467,967
Capital improvements and debt service	-	-	-	-	-	649,588	-	649,588
Cemetery	-	-	-	-	-	-	128,158	128,158
Multi-sports complex	-	-	-	-	-	-	162,816	162,816
SOSU capital projects	-	-	-	-	-	-	162,816	162,816
Community center & library	-	-	-	-	-	-	115,249	115,249
Library	-	-	-	-	-	-	45,853	45,853
Sub-total Restricted	-	3,780,816	467,967	1,279,909	-	649,588	614,892	6,793,172
Assigned to:								
Economic development	-	1,754,861	-	-	-	-	-	1,754,861
Capital improvements and debt service	-	-	-	-	2,413,358	1,681	-	2,415,039
Public safety	-	-	-	-	-	-	29,598	29,598
Community center & library	-	-	-	-	-	-	806,327	806,327
Library	-	-	-	-	-	-	2,751	2,751
Insurance	214,320	-	-	-	-	-	-	214,320
Christmas lighting	1,030	-	-	-	-	-	-	1,030
Beautification	114,618	-	-	-	-	-	-	114,618
Cemetery	81,454	-	-	-	-	-	22,231	103,685
Recreation	499,036	-	-	-	-	-	-	499,036
E911 services	-	-	-	-	-	-	1,087,743	1,087,743
Budget balancing purposes	2,499,402	-	-	-	-	-	-	2,499,402
Sub-total Assigned	3,409,860	1,754,861	-	-	2,413,358	1,681	1,948,650	9,528,410
Unassigned (deficit)	11,205,405	-	-	-	-	-	(104,222)	11,101,183
Total Fund Balance	\$ 14,615,265	\$ 5,535,677	\$ 467,967	\$ 1,279,909	\$ 2,413,358	\$ 651,269	\$ 2,459,320	\$ 27,422,765

Restricted Net Position – Governmental Activities

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

Fund	Restricted By	Amount
1/4% Economic Development Fund	Enabling legislation	\$ 3,667,763
5/8% Sales Tax Education Fund	Enabling legislation	467,967
1% Sales Tax Revenue Fund	Enabling legislation	649,588
1/4% Sales Tax M.S. Fund	Enabling legislation	162,816
1/4% Sales Tax SOSU Fund	Enabling legislation	162,816
DWRF Community Center & Library Fund	External parties	115,249
R.L. Williams Library Fund	External parties	45,853
Cemetery Care Fund	State statutes and/or debt indentures	128,158
		<u>\$ 5,400,210</u>

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8. Internal and Interfund Balances and Transfers

The City's policy is to eliminate interfund transfers and balances in the statements of activities and net position to avoid the grossing up of balances. Only the residual balances transferred between governmental and business-type activities are reported as internal transfers and internal balances and then offset in the total column in the government-wide statements. Interfund transfers and balances between funds are not eliminated in the fund financial statements.

Transfers:

Internal transfers between funds and activities for the year ended June 30, 2023 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Nature of Transfer</u>
General Fund	Capital Improvement	\$684,630	Capital purchases
General Fund	Special 911 Tax Fund	522,000	Operational subsidy
General Fund	Durant Airport Authority Fund	58,000	Operational subsidy
General Fund	Drug Enforcement Fund	75,000	Operational subsidy
5/8% Sales Tax Education Fund	Durant Development Authority	3,595,013	Sales and use tax transfer
1% Sales Tax Revenue Fund	Capital Improvement	2,568,424	Capital projects/debt service
1% Sales Tax Revenue Fund	Durant City Utilities Authority	2,439,564	Sales tax transfer
Capital Improvement Fund	General Fund	56,362	Reimbursement of expenses
Special 911 Tax Fund	General Fund	6,108	Reimbursement of expenses
Cemetery Care Fund	General Fund	220	Cemetery annual interest
CDBG Fund	Capital Improvement	150,000	City match for capital project
Durant Airport Authority Fund	General Fund	7,808	Reimbursement of expenses
Durant Airport Authority Fund	Durant City Utilities Authority	155,481	Debt payments
Durant Airport Authority Fund	Capital Improvement	116,574	Capital purchase
Durant City Utilities Authority	General Fund	4,000,000	Sales tax transfer
Durant City Utilities Authority	Capital Improvement	839,000	Capital purchases
Durant City Utilities Authority	Capital Improvement	440,621	Debt payments
Durant City Utilities Authority	Durant Airport Authority Fund	155,481	Debt payments
Durant City Utilities Authority	General Fund	246,760	Reimbursement of expenses
		<u>\$ 16,117,046</u>	

Reconciliation to fund financial statements:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
Governmental Funds	\$ 13,308,520	\$ (10,155,321)	\$ 3,153,199
Enterprise Funds	2,808,526	(5,961,725)	(3,153,199)
Total	<u>\$ 16,117,046</u>	<u>\$ (16,117,046)</u>	<u>\$ -</u>

Reconciliation to statement of activities:

	<u>Governmental</u>	<u>Business-Type</u>
Net transfers	\$ 3,153,199	\$ (3,153,199)
Reclassification of capital asset activity	(2,125,395)	2,125,395
Reclassification of activities at the govt-wide statements	257,139	(257,139)
Total Transfers - Internal Activity	<u>\$ 1,284,943</u>	<u>\$ (1,284,943)</u>

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Interfund Balances:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>	<u>Nature of Balance</u>
General Fund	E911 Fund	\$ 498	Service fees initially posted to wrong account
CDBG Fund	Capital Improvement Fund	71,889	Negative share of pooled cash
Total		<u>\$ 72,387</u>	

Reconciliation to Fund Financial Statements:

	<u>Due From</u>	<u>Due To</u>	<u>Internal Service Funds Reconciliation</u>	<u>Lease Payable Allocation Activity</u>	<u>Net Internal Balances</u>
Governmental Funds	\$ 72,387	\$ (72,387)	\$ (1,010,442)	\$ 4,442	\$ (1,006,000)
Proprietary Funds	-	-	1,010,442	(4,442)	1,006,000
Total	<u>\$ 72,387</u>	<u>\$ (72,387)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

9. Sales and Property Tax

Sales Tax:

The City levies a 4.375 cent sales tax on each dollar of taxable sales of which is recorded as follows:

- 2 cents recorded as revenue within the General Fund then transferred to the Durant City Utilities Authority for pledging purposes as required by resolution. Any unused portion is transferred back to the General Fund.
- 1 cent recorded as revenue within the 1% Sales Tax Revenue Fund then transferred to the Durant City Utilities Authority as required by bond indenture for debt service. Any unused portion is transferred back to the 1% Sales Tax Revenue Fund.
- 1/4 cent recorded as revenue within the 1/4 % Sales Tax Economic Development Fund to be used for economic development.
- 1/4 cent recorded as revenue within the 1/4 % Sales Tax M.S. Fund to be transferred to the Durant Community Facilities Authority for debt service.
- 1/4 cent recorded as revenue within the 1/4 % Sales Tax S.O.S.U. Fund to be transferred to the Durant Community Facilities Authority for debt service.
- 5/8 cent recorded as revenue within the 5/8% Sales Tax Education Fund to be transferred to Durant Development Authority and used for Durant Public Schools for education-related capital projects.

Property Tax:

The City presently levies no property tax. In accordance with state law, a municipality may only levy a property tax to retire general obligation debt approved by the voters and to pay judgments rendered against the City.

10. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City manages these various risks of loss by securing commercial insurance for general liability and physical property and being self-insured for workers compensation. For workers compensation, the City has a third-party administrator for the claims process. Claims Administrative Services and the City signed an agreement for these services, effective November 22, 2011. Management believes such insurance coverage is sufficient to preclude any significant losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

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Claims Liability Analysis – Internal Service Funds:

The claims liabilities related to the risks of loss that are retained reports a liability for claims if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Such accrued losses include an estimated liability for incurred but not reported claims based on past historical experience.

For the risk management internal service self-insurance funds, changes in the estimated claims liability for the City from July 1, 2020, to June 30, 2023, are as follows:

	Employee Health	Worker's Compensation	Total Internal Service
Claims liability, June 30, 2020	\$ -	\$ 679,111	\$ 679,111
Claims incurred and changes in estimates	2,539,632	199,714	2,739,346
Claims paid	(2,539,632)	(252,822)	(2,792,454)
Claims liability, June 30, 2021	-	626,003	626,003
Claims incurred and changes in estimates	2,550,077	484,232	3,034,309
Claims paid	(2,550,077)	(603,193)	(3,153,270)
Claims liability, June 30, 2022	-	507,042	507,042
Claims incurred and changes in estimates	2,506,712	397,673	2,904,385
Claims paid	(2,506,712)	(372,514)	(2,879,226)
Claims liability, June 30, 2023	\$ -	\$ 532,201	\$ 532,201
Assets available to pay claims at June 30, 2023	\$ 2,431,059	\$ 716,588	\$ 3,147,647

11. Contingencies

Litigation:

The City is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include 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 insurance coverage maintained by the City and the State statute relating to judgments, the City feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the City.

Federal and State Award Programs:

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

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12. Outstanding Notes Receivable – City and Component Units

The component units have five outstanding notes receivable as of June 30, 2023.

The Durant Industrial Authority executed a \$400,000 note receivable in April 2004 with Cardinal FG Company at a zero percent (0%) interest rate, due in 240 monthly installments of \$1,667, maturity date January 2025	\$32,359
The Durant Industrial Authority executed a \$399,956 note receivable in November 2006 with Eagle Suspensions, Inc at a zero percent (0%) interest rate, due in 240 monthly installments of \$1,666, maturity date September 2027	83,322
The Durant Industrial Authority executed a \$400,000 note receivable in August 2006 with Earth Biofuels at a zero percent (0%) interest rate, due in 240 monthly installments of \$1,667, maturity date October 2023 . In prior years, it was determined that this note receivable meets the definition of uncollectible; therefore, an allowance was recorded in the DIA to offset this receivable.	283,417
The Durant Industrial Authority executed a \$1,000,000 forgivable note receivable in June 2023 with Allied Stone, Inc. at a zero percent (0%) interest rate, forgivable in 3 annual amounts of \$333,333, beginning December 31, 2031 and maturing on December 31, 2033	1,000,000
The Durant Industrial Authority executed a \$700,000 forgivable note receivable in July 2016 with Bruce Packing Company, Inc. at a zero percent (0%) interest rate, forgivable in 3 annual amounts of \$233,333, beginning July 21, 2021 and maturing on July 21, 2023	233,334
The Durant Industrial Authority executed a \$750,000 note receivable (w/\$225,000 forgivable Portion) in October 2021 with SG Echo, LLC at a zero percent (0%) interest rate, due in 90 monthly installments of \$8,333, 27 months forgivable if full compliance with terms of agreement, maturity date April 2029	<u>750,000</u>
Total Notes Receivable – DIA	2,382,432
Less: Allowance for Uncollectible	<u>(283,417)</u>
Notes Receivable – DIA, net	<u><u>\$2,099,015</u></u>

The following schedule shows the current year activity related to these notes receivable:

	Beginning Balance	Additions	Deletions	Ending Balance
DIA:				
Cardinal FG Company	52,359	-	20,000	32,359
Abbott Family LLC/Pharmcare	45,990	-	45,990	-
Eagle Suspension	103,320	-	19,998	83,322
Earth Biofuels	283,417	-	-	283,417
Earth Biofuels-Allowance	(283,417)	-	-	(283,417)
SG Echo, LLC	750,000	-	-	750,000
Bruce Packing Company dba BrucePac	466,667	-	233,333	233,334
Allied Stone Inc (Forgiveable Loan)	-	1,000,000	-	1,000,000
Total	<u>\$ 1,418,336</u>	<u>\$ 1,000,000</u>	<u>\$ 319,321</u>	<u>\$ 2,099,015</u>

13. Pension Plan Participation

The City of Durant participates in four pension or retirement plans:

- Oklahoma Firefighter's Pension and Retirement System (OFPRS) – a statewide cost-sharing plan
- Oklahoma Police Pension and Retirement System (OPPRS) – a statewide cost-sharing plan
- Oklahoma Municipal Retirement System Master Defined Benefit Plan and Trust (OkMRF) – an agent multiple-employer defined benefit plan
- Oklahoma Municipal Retirement System Defined Contribution Plan (OkMRF) – an agent multiple-employer defined contribution plan

Firefighters' Plan:

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

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

Normal Retirement:

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

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

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the in-the-line-of-duty pension is \$150.60 with less than 20 years of service or \$7.53 per year of service, with a maximum of 30 years.

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

Contributions - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$293,053. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$695,522 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$623,412. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the City reported a liability of \$7,958,227 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2022. Based upon this information, the City's proportion was .6086%.

For the year ended June 30, 2023, the City recognized pension expense \$993,821. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,021,622	\$ 40,175
Changes of assumptions	-	50,740
Net difference between projected and actual earnings on pension plan investments	924,832	-
Changes in proportion and differences between City contributions and proportionate share of contributions	158,468	546,888
City contributions during measurement date	10,702	4,949
City contributions subsequent to the measurement date	293,053	-
Total	<u>\$ 2,408,677</u>	<u>\$ 642,752</u>

\$293,053 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended June 30:

2024	\$	400,694
2025		295,825
2026		(484)
2027		776,837
	<u>\$</u>	<u>1,472,872</u>

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all prior periods included in the measurement:

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

Mortality rates were based on the RP2000 combined healthy with blue collar adjustment as appropriate, with adjustments for generational mortality improvement using scale AA for healthy lives and no mortality improvement for disabled lives.

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	3.62%
Domestic equity	47%	5.66%
International equity	15%	8.34%
Real estate	10%	7.64%
Other assets	8%	5.08%

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability	\$ 10,254,795	\$ 7,958,227	\$ 6,037,268

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

Police Plan:

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

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

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

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

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Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$332,087. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$300,697 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$277,867. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the City reported an asset of \$559,193 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2022. The City's proportion of the net pension asset was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2022. Based upon this information, the City's proportion was .6973%.

For the year ended June 30, 2023, the City recognized pension expense of \$144,991. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 274,291	\$ 60,911
Changes of assumptions	19,468	-
Net difference between projected and actual earnings on pension plan investments	545,659	-
Changes in proportion and differences between City contributions and proportionate share of contributions	59,874	11,668
City contributions during measurement date	4,475	8,656
City contributions subsequent to the measurement date	332,087	-
Total	<u>\$ 1,235,854</u>	<u>\$ 81,235</u>

\$332,087 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of or addition to the net pension liability (asset) in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2024	\$	185,175
2025		55,340
2026		(142,128)
2027		680,998
2028		43,147
	<u>\$</u>	<u>822,532</u>

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Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.5% to 12% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Cost-of-living adjustments:	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
Mortality rates:	Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA. Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA. Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	3.34%
Domestic equity	4.69%
International equity	8.34%
Real estate	7.64%
Private Equity	9.66%
Commodities	0.00%

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

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 1,620,148	\$ (559,193)	\$ (2,401,269)

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

OkMRF Defined Benefit Plan:

Plan Description-The City contributes to the OkMRF for all eligible employees except for those covered by the Police and Firefighter Pension Systems. The plan is an agent multiple employer - defined benefit plan administered by OkMRF. The OkMRF plan issues a separate financial report and can be obtained from OkMRF or from their website: www.okmrf.org/reports.html . Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

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

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Eligibility Factors and Benefit Provisions

<u>Provision</u>	As of 07/01/22 <u>OkMRF Plan</u>
a. Eligible to participate	Full-time employees except police, firefighters and other employees who are covered under an approved system.
b. Period Required to Vest	7 years of credited service
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service -Early retirement at age 55 with 7 years of service -Disability retirement upon disability with 7 years of service -Death benefit with 7 years of service for married employees
d. Benefit Determination Base	Final average salary - the average of the five highest consecutive annual salaries out of the last 10 calendar years of service
e. Benefit Determination Methods:	
Normal Retirement	2.625% of final average salary multiplied by credited years of service
Early Retirement	Actuarially reduced benefit based upon age, final average salary, and years of service at termination
Disability Retirement	Same as normal retirement
Death Benefit	50% of employees accrued benefit, but terminates upon spouse re-marriage
Prior to 7 Years of Service	No benefits
f. Benefit Authorization	Benefits are established and amended by City Council adoption of an ordinance in accordance with O.S. Title, 11, Section 48-101-102
g. Form of Benefit Payments	Normal form is a 60 months certain and life thereafter basis. Employee may elect, with City consent, option form based on actuarial equivalent.

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B. Employees Covered by Benefit Terms

	<u>City</u>	<u>DIA</u>	<u>Total</u>
Active Employees	145	0	145
Deferred Vested Former Employees	40	0	40
Retirees or Retiree Beneficiaries	<u>73</u>	<u>0</u>	<u>73</u>
Total	<u>258</u>	<u>0</u>	<u>258</u>

Contribution Requirements-The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 2.95% of covered payroll as of 7-1-23 and 5.25% of covered payroll as of 7-1-22. For the year ended June 30, 2023, the City recognized \$503,077 of employer contributions to the plan which is more than the actuarially determined amount based on covered payroll of \$6,616,480.

Actuarial Assumptions

Date of Last Actuarial Valuation	July 1, 2022
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.25%
c. Projected Salary Increase	Varies between 7.5% and 4.5% based on age
d. Post Retirement Cost-of-Living Increase	Benefits (attributable to service prior to 1/1/2010) in payment status are adjusted each July 1 st based on the percentage change in the CPI. The maximum increase or decrease in any year is 3%.
e. Inflation Rate	2.75%
f. Mortality Table	UP 1994, with projected mortality improvement
g. Percent of married employees	100%
h. Spouse age difference	3 years (female spouses younger)
i. Turnover	Select and ultimate rates Ultimate rates are age-related as shown Additional rates per thousand are Added during the first 5 years:
	Year 1: 225
	Year 2: 140
	Year 3: 100
	Year 4: 70
	Year 5: 40

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Discount Rate – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.5% since the plan’s net fiduciary position is projected to be sufficient to make projected benefit payments.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.75%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2022 are summarized in the following table:

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

Changes in Net Pension Liability – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2022 which is also the measurement date. There were several changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were no changes between the measurement date of July 1, 2022 and the City’s report ending date of June 30, 2023, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

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	SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances Beginning of Year	<u>\$ 25,854,186</u>	<u>\$ 30,914,330</u>	<u>\$ (5,060,144)</u>
Changes for the Year:			
Service cost	620,167	-	620,167
Interest expense	1,890,531	-	1,890,531
Changes of assumptions	(864,167)		(864,167)
Differences between expected and actual experience	(45,676)	-	(45,676)
Contributions--City	-	456,723	(456,723)
Contributions--members	-	300,086	(300,086)
Net investment income	-	(3,799,438)	3,799,438
Benefits paid	(1,318,029)	(1,318,029)	-
Plan administrative expenses	-	(52,832)	52,832
Net Changes	<u>282,826</u>	<u>(4,413,490)</u>	<u>4,696,316</u>
Balances End of Year	<u>\$ 26,137,012</u>	<u>\$ 26,500,840</u>	<u>\$ (363,828)</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate-The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.5 percent, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability (Asset)	\$ 2,788,413	\$ (363,828)	\$ (2,989,424)

The City reported (\$257,934) in pension expense (benefit) for the year ended June 30, 2023. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Primary Government	DIA	Total	Primary Government	DIA	Total
Differences between expected and actual experience	\$ 1,086	\$ -	\$ 1,086	\$ 245,823	\$ -	\$ 245,823
Changes of assumptions	49,415	-	49,415	551,060	-	551,060
Net difference between projected and actual earnings on pension plan investments	2,261,652	-	2,261,652	-	-	-
Changes in proportion and differences between City contributions and proportionate share of contributions	11,796	17	11,813	7,367	151	7,518
City contributions during measurement date	16,455	265	16,720	8,928	185	9,113
City contributions subsequent to the measurement date	503,077	-	503,077	-	-	-
Total	<u>\$ 2,843,481</u>	<u>\$ 282</u>	<u>\$ 2,843,763</u>	<u>\$ 813,178</u>	<u>\$ 336</u>	<u>\$ 813,514</u>

The \$503,077 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of or addition to the net pension liability (asset) in the year ended June 30, 2024.

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Amortization of Pension Deferrals - Amounts reported as deferred outflows of resources (excluding deferred outflows of resources related to contributions made subsequent to the measurement date) and deferred inflows of resources will be recognized in pension expense as follows:

	<u>Total</u>	<u>Primary Government</u>	<u>DIA</u>
Year ended June 30:			
2024	\$ (68,958)	\$ (68,904)	\$ (54)
2025	146,557	146,557	-
2026	230,490	230,490	-
2027	1,219,080	1,219,080	-
	<u>\$ 1,527,169</u>	<u>\$ 1,527,223</u>	<u>\$ (54)</u>

OkMRF Defined Contribution Plan:

The City has also provided a defined contribution plan and trust known as the City of Durant Plan and Trust (the "Plan") in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). OkMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. The plan is administered by Bank One of Oklahoma City. The defined contribution plan is available to all full-time employees except those participating in state fire or police programs. Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate upon employment and are required to make contributions to the plan of 5% (not to exceed 10%), effective July 1, 2001. By City ordinance, the City, as employer, intends to make contributions to the plan at a variable rate effective July 1, 2001. Voluntary nondeductible contributions by employees shall be allowed under the provisions of the plan. The City's contributions for each employee (and interest allocated to the employee's account) are vested at a rate of 100% after 7 years of service. City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting are allocated back to remaining eligible participants. The authority to establish and amend the provisions of the plan rests with the City Council.

By City adopted ordinance in 2007, a plan for the City Manager and Assistant City Manager was approved in which employees in these positions contribution rate is 7% and employer contribution rate is 13% and they are immediately vested (no year limit).

For the year ended June 30, 2023, the City contributed \$15,619 to the plan, while the employee contributions totaled \$4,463.

OkMRF issues separate plan financial statements which may be obtained by contacting the Oklahoma Municipal Retirement Fund, 100 N. Broadway, Oklahoma City, Oklahoma, 73102.

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REQUIRED SUPPLEMENTARY INFORMATION

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Budgetary Comparison Schedule (Budgetary Basis) – Year Ended June 30, 2023

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 1,720,000	\$ 1,968,119	\$ 9,434,385	\$ 7,466,266
Resources (Inflows):				
Taxes	11,322,836	11,322,836	14,455,281	3,132,445
Intergovernmental	685,928	733,886	643,336	(90,550)
Charges for services	133,500	133,500	182,996	49,496
Fines and forfeitures	477,000	477,000	688,663	211,663
Licenses and permits	342,630	342,630	467,912	125,282
Investment income	18,000	18,000	40,234	22,234
Miscellaneous	90,000	814,145	868,839	54,694
Other financing sources	4,000,000	4,279,616	4,056,362	(223,254)
Total Resources	17,069,894	18,121,613	21,403,623	3,282,010
Amounts available for appropriation	18,789,894	20,089,732	30,838,008	10,748,276
Charges to Appropriations (Outflows):				
City Administration	756,986	914,331	838,965	75,366
City Clerk	61,221	65,741	58,174	7,567
City Treasurer	372,485	393,485	369,427	24,058
City Attorney	231,571	100,000	98,722	1,278
General Government	781,594	1,483,457	511,567	971,890
Neighborhood Services	504,889	495,533	333,027	162,506
Police	5,484,117	5,581,227	4,986,394	594,833
Fire	3,680,990	3,849,619	3,680,059	169,560
Municipal Court	222,241	214,318	174,042	40,276
Civil Emergency Management	408,795	391,643	353,636	38,007
Community Development	375,792	392,944	326,038	66,906
Economic Development	219,366	253,742	168,592	85,150
Streets	1,586,446	1,602,806	1,075,822	526,984
City Garage	355,086	329,442	244,131	85,311
Parks, Recreation and General Services	1,166,115	1,204,697	832,615	372,082
Swimming Pool	230,031	230,031	110,385	119,646
Public Library	762,511	797,428	741,752	55,676
Senior Citizens Center	158,501	198,501	136,927	61,574
Other Financing Uses - Transfers Out	1,431,157	1,590,787	1,590,787	-
Total Charges to Appropriations	18,789,894	20,089,732	16,631,062	3,458,670
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 14,206,946	\$ 14,206,946

Unaudited

CITY OF DURANT, OKLAHOMA
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Budgetary Comparison Schedule (Budgetary Basis) – Year Ended June 30, 2023, Continued

SPECIAL REVENUE - 1/4% ECONOMIC DEVELOPMENT FUND

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance	\$ 2,185,389	\$ 2,185,389	\$ 5,454,754	\$ 3,269,365
Resources (Inflows):				
Taxes	1,044,455	1,044,455	1,252,774	208,319
Investment income	5,000	5,000	11,912	6,912
Transfers in - component unit	52,000	52,000	26,000	(26,000)
Amounts available for appropriation	<u>3,286,844</u>	<u>3,286,844</u>	<u>6,745,440</u>	<u>3,458,596</u>
Charges to appropriations (outflows):				
Economic development	3,195,821	2,077,081	-	2,077,081
Transfers out - component unit	<u>91,023</u>	<u>1,209,763</u>	<u>1,209,763</u>	<u>-</u>
Total Charges to Appropriations	<u>3,286,844</u>	<u>3,286,844</u>	<u>1,209,763</u>	<u>2,077,081</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,535,677</u>	<u>\$ 5,535,677</u>

SPECIAL REVENUE - 5/8% SALES TAX EDUCATION FUND

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance	\$ -	\$ -	\$ 456,450	\$ 456,450
Resources (Inflows):				
Taxes	2,906,336	2,906,336	3,606,530	700,194
Amounts available for appropriation	<u>2,906,336</u>	<u>2,906,336</u>	<u>4,062,980</u>	<u>1,156,644</u>
Charges to appropriations (outflows):				
General government-transfers out	<u>2,906,336</u>	<u>2,906,336</u>	<u>3,595,013</u>	<u>(688,677)</u>
Total Charges to Appropriations	<u>2,906,336</u>	<u>2,906,336</u>	<u>3,595,013</u>	<u>(688,677)</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 467,967</u>	<u>\$ 467,967</u>

Unaudited

CITY OF DURANT, OKLAHOMA
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SPECIAL REVENUE - DURANT DEVELOPMENT AUTHORITY				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance, Restated	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Transfers in	2,906,336	2,906,336	3,595,013	688,677
Amounts available for appropriation	<u>2,906,336</u>	<u>2,906,336</u>	<u>3,595,013</u>	<u>688,677</u>
Charges to appropriations (outflows):				
Economic development	<u>2,906,336</u>	<u>2,906,336</u>	<u>3,595,013</u>	<u>(688,677)</u>
Total Charges to Appropriations	<u>2,906,336</u>	<u>2,906,336</u>	<u>3,595,013</u>	<u>(688,677)</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPECIAL REVENUE - DURANT TAX INCREMENT FINANCE AUTHORITY				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance, Restated	\$ 3,500	\$ 3,500	\$ 1,083,759	\$ 1,080,259
Resources (Inflows):				
Taxes	2,443,739	2,443,739	2,588,554	144,815
Investment income	-	-	54,519	54,519
Amounts available for appropriation	<u>2,447,239</u>	<u>2,447,239</u>	<u>3,726,832</u>	<u>1,279,593</u>
Charges to appropriations (outflows):				
Economic development	<u>2,447,239</u>	<u>2,447,239</u>	<u>2,446,923</u>	<u>316</u>
Total Charges to Appropriations	<u>2,447,239</u>	<u>2,447,239</u>	<u>2,446,923</u>	<u>316</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,279,909</u>	<u>\$ 1,279,909</u>

Footnotes to Budgetary Comparison Schedules:

1. The City prepares its budgets for all funds on the modified accrual basis of accounting with the exception of payroll accruals and certain expenditures related to on-behalf payments for police and fire and tax apportionment revenue transfers. For budgetary purposes expenditures are recorded in the period the invoice is received, except for payroll expenditures that are recorded when paid. All unexpended encumbrances lapse at year-end and therefore are not recorded as expenditures for budgetary purposes.
2. The legal level of appropriation control is the department level within a fund. Transfers of appropriation within a fund require the approval of the City Manager. All supplemental appropriations require the approval of the City Council. Supplemental appropriations must be filed with the Office of the State Auditor and Inspector.

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**CITY OF DURANT, OKLAHOMA
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3. The budgetary basis differs from the modified accrual basis as shown in the schedule below:

	<u>General Fund</u>
Total budgetary amounts available for appropriation	\$30,838,008
Current year on-behalf payments made by state	996,219
Less: Other financing sources	(4,056,362)
Beginning budgetary fund balance	<u>(9,434,385)</u>
 Actual revenues per Statement of Revenues and Expenditures and Changes in Fund Balance	 <u>\$18,343,480</u>
 Total budgetary charges to appropriations	 \$16,631,062
Net difference in prior year and current year payroll accruals	(1,533)
Less: Other financing uses	(1,590,787)
Current year on-behalf payments made by state	<u>996,219</u>
Actual expenditures and transfers per Statement of Revenues and Expenditures and Changes in Fund Balance	<u>\$16,034,961</u>

4. The City had negative variances in the following funds and departments for the following amounts:

5/8% Sales Tax Education Fund - General Government	(\$688,677)
Durant Development Authority - General Government-Transfers Out	(\$688,677)

Unaudited

CITY OF DURANT, OKLAHOMA
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Schedules of Required Supplementary Information

SCHEDULE OF THE CITY OF DURANT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM

Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022	2023
City's proportion of the net pension liability	0.688374%	0.685132%	0.650685%	0.662943%	0.643774%	0.676549%	0.656971%	0.669146%	0.608551%
City's proportionate share of the net pension liability	\$7,078,874	\$7,272,054	\$7,949,524	\$8,337,995	\$7,246,617	\$7,148,870	\$8,093,308	\$4,406,774	\$7,958,227
City's covered-employee payroll	\$1,788,012	\$1,868,206	\$1,900,625	\$1,951,518	\$1,914,700	\$2,097,823	\$2,106,650	\$2,105,993	\$2,079,143
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	396%	389%	418%	427%	378%	341%	384%	209%	383%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%	72.85%	69.98%	84.24%	69.49%

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

Notes to Schedule:

Only nine years are presented because 10-year data is not yet available.
 Current measurement date is June 30, 2022

SCHEDULE OF CITY CONTRIBUTIONS

OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM

Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statutorily required contribution	\$ 262,072	\$ 266,089	\$ 273,213	\$ 268,059	\$ 293,695	\$ 294,930	\$ 294,192	\$ 292,878	\$ 293,053
Contributions in relation to the statutorily required contribution	<u>262,072</u>	<u>266,089</u>	<u>273,213</u>	<u>268,059</u>	<u>293,695</u>	<u>294,930</u>	<u>294,192</u>	<u>292,878</u>	<u>293,053</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 1,868,206	\$ 1,900,625	\$ 1,951,518	\$ 1,914,700	\$ 2,097,823	\$ 2,106,650	\$ 2,105,993	\$ 2,079,143	\$ 2,093,237
Contributions as a percentage of covered-employee payroll	14.03%	14.00%	14.00%	14.00%	14.00%	14.00%	13.97%	14.09%	14.00%

Notes to Schedule:

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

CITY OF DURANT, OKLAHOMA
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Schedules of Required Supplementary Information
SCHEDULE OF THE CITY OF DURANT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022	2023
City's proportion of the net pension liability (asset)	0.8113%	0.8804%	0.8469%	0.8646%	0.7956%	0.7485%	0.7924%	0.7469%	0.6973%
City's proportionate share of the net pension liability (asset)	\$ (273,169)	\$ 35,899	\$ 1,296,951	\$ 66,503	\$ (378,977)	\$ (47,783)	\$ 910,053	\$ (3,582,947)	\$ (559,193)
City's covered-employee payroll	\$ 2,191,728	\$ 2,395,574	\$ 2,498,075	\$ 2,674,985	\$ 2,393,906	\$ 2,447,776	\$ 2,660,910	\$ 2,463,796	\$ 2,483,593
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	12.46%	1.50%	51.92%	2.49%	15.83%	1.95%	34.20%	145.42%	22.52%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%	95.80%	117.07%	102.74%

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

Notes to Schedule:

Only nine years are presented because 10-year data is not yet available.
Current year measurement date is June 30, 2022.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statutorially required contribution	\$ 312,317	\$ 324,679	\$ 347,748	\$ 313,991	\$ 317,698	\$ 345,918	\$ 322,718	\$ 326,228	\$ 332,087
Contributions in relation to the statutorially required contribution	312,317	324,679	347,748	313,991	317,698	345,918	322,718	326,228	332,087
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 2,395,574	\$ 2,498,075	\$ 2,674,985	\$ 2,393,906	\$ 2,447,776	\$ 2,660,910	\$ 2,463,796	\$ 2,483,593	\$ 2,531,819
Contributions as a percentage of covered-employee payroll	13.04%	13.00%	13.00%	13.12%	12.98%	13.00%	13.10%	13.14%	13.12%

Notes to Schedule:

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

CITY OF DURANT, OKLAHOMA
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Required Supplementary Information
Oklahoma Municipal Retirement Fund

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

Last Nine Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total pension liability									
Service cost	\$ 474,442	\$ 504,423	\$ 535,334	\$ 520,170	\$ 567,186	\$ 498,246	\$ 586,155	\$ 592,412	\$ 620,167
Interest	1,339,625	1,397,991	1,511,043	1,524,210	1,617,469	1,670,475	1,802,092	1,848,312	1,890,531
Changes of benefit terms	-	-	-	-	-	-	10,144	-	-
Differences between expected and actual experience	-	224,049	(1,156,893)	73,474	(557,229)	13,151	(630,750)	(609,076)	(45,676)
Changes of assumptions	-	-	-	577,148	-	598,473	-	-	(864,167)
Benefit payments, including refunds of member contributions	(555,849)	(618,337)	(719,024)	(720,157)	(874,167)	(968,910)	(1,084,067)	(1,221,164)	(1,318,029)
Net change in total pension liability	1,258,218	1,508,126	170,460	1,974,845	753,259	1,811,435	683,574	610,484	282,826
Total pension liability - beginning	17,083,785	18,342,003	19,850,129	20,020,589	21,995,434	22,748,693	24,560,128	25,243,702	25,854,186
Total pension liability - ending (a)	\$ 18,342,003	\$ 19,850,129	\$ 20,020,589	\$ 21,995,434	\$ 22,748,693	\$ 24,560,128	\$ 25,243,702	\$ 25,854,186	\$ 26,137,012
Plan fiduciary net position									
Contributions - employer	\$ 493,430	\$ 461,861	\$ 442,455	\$ 467,299	\$ 358,545	\$ 386,867	\$ 407,750	\$ 440,305	\$ 456,723
Contributions - member	174,621	177,044	179,833	186,706	178,254	182,243	245,863	289,293	300,086
Net investment income	2,676,643	532,000	176,438	2,411,380	1,609,044	1,571,394	988,086	6,774,152	(3,799,438)
Benefit payments, including refunds of member contributions	(555,849)	(618,337)	(719,024)	(720,157)	(874,167)	(968,910)	(1,084,067)	(1,221,164)	(1,318,029)
Administrative expense	(39,638)	(39,943)	(38,554)	(42,698)	(46,535)	(48,991)	(49,785)	(50,213)	(52,832)
Net change in plan fiduciary net position	2,749,207	512,625	41,148	2,302,530	1,225,141	1,122,603	507,847	6,232,373	(4,413,490)
Plan fiduciary net position - beginning	16,220,856	18,970,063	19,482,688	19,523,836	21,826,366	23,051,507	24,174,110	24,681,957	30,914,330
Plan fiduciary net position - ending (b)	\$ 18,970,063	\$ 19,482,688	\$ 19,523,836	\$ 21,826,366	\$ 23,051,507	\$ 24,174,110	\$ 24,681,957	\$ 30,914,330	\$ 26,500,840
Net pension liability (asset) - ending (a) - (b)	\$ (628,060)	\$ 367,441	\$ 496,753	\$ 169,068	\$ (302,814)	\$ 386,018	\$ 561,745	\$ (5,060,144)	\$ (363,828)
Plan fiduciary net position as a percentage of the total pension liability	103.42%	98.15%	97.52%	99.23%	101.33%	98.43%	97.77%	119.57%	101.39%
Covered employee payroll	\$ 4,936,396	\$ 5,050,820	\$ 5,146,282	\$ 5,529,720	\$ 5,092,952	\$ 5,208,258	\$ 5,487,903	\$ 5,785,855	\$ 6,247,240
Net pension liability (asset) as a percentage of covered-employee payroll	12.72%	7.27%	9.65%	3.06%	5.95%	7.41%	10.24%	-87.46%	-5.82%

Notes to Schedule:

Only nine years are presented because 10-year data is not yet available.
This information includes activity for the City and the DIA, a discretely presented component unit.

Required Supplementary Information
Oklahoma Municipal Retirement Fund

Schedule of Employer Contributions

Last Nine Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 462,585	\$ 443,916	\$ 483,908	\$ 358,544	\$ 386,867	\$ 399,519	\$ 527,094	\$ 451,675	\$ 336,322
Contributions in relation to the actuarially determined contribution	462,585	443,916	483,908	358,544	386,867	407,750	440,305	475,415	503,077
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,231)	\$ 86,789	\$ (23,740)	\$ (166,755)
Covered employee payroll	\$ 5,050,820	\$ 5,146,282	\$ 5,529,720	\$ 5,092,952	\$ 5,208,258	\$ 5,487,903	\$ 5,785,855	\$ 6,247,240	\$ 6,406,134
Contributions as a percentage of covered-employee payroll	9.16%	8.63%	8.75%	7.04%	7.43%	7.43%	7.61%	7.61%	7.85%

Notes to Schedule:

- Only nine years are presented because 10-year data is not yet available.
- Latest Valuation Date: July 1, 2022
- Actuarially determined contribution rate is calculated as of July 1, 2014, July 1, 2015, July 1, 2016, July 1, 2017, July 1, 2018, July 1, 2019 and July 1, 2020
Fiscal year 2014-2015 contributions were at a rate of 9.13%.
Fiscal year 2015-2016 contributions are set at a rate of 8.59%.
Fiscal year 2016-2017 contributions are set at a rate of 8.76%.
Fiscal year 2017-2018 contributions are set at a rate of 7.04%.
Fiscal year 2018-2019 contributions are set at a rate of 7.43%.
Fiscal year 2019-2020 contributions are set at a rate of 7.28%.
Fiscal year 2020-2021 contributions are set at a rate of 9.11%. City decided to have employees pay 1.5% of this instead of the City, therefore, the true city contribution rate is 7.61%.
Fiscal year 2021-2022 contributions are set at a rate of 7.23%. City decided to continue paying the prior year percentage rate of 7.61%.
Fiscal year 2022-2023 contributions are set at a rate of 5.25%. City decided to continue paying a higher percentage rate of 7.85%.
- Methods and assumptions used to determine contribution rates:
Actuarial cost method - Entry age normal
Amortization method - Level percent of payroll, closed
Remaining amortization period - 21 years
Asset valuation method - Actuarial:
Smoothing period - 4 years
Recognition method - Non-asymptotic
Corridor - 70% - 130%
Salary increases - 4.50% to 7.50% (varies by attained age)
Investment rate of return - 7.25%

- This information includes activity for the City and DIA, a discretely presented component unit

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SUPPLEMENTARY INFORMATION

CITY OF DURANT, OKLAHOMA
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Combining Balance Sheet – General Fund Accounts – June 30, 2023

	General Fund Accounts						
	General Fund	Cemetery Operations Account	Beautification Account	Christmas Lighting Account	Insurance Cash Account	Multi-Sports Complex Account	Total
ASSETS							
Cash and cash equivalents	\$ 10,780,905	\$ 101,423	\$ 114,618	\$ 1,030	\$ 214,320	\$ 531,325	\$ 11,743,621
Investments	2,000,000	-	-	-	-	-	2,000,000
Due from other governments	1,788,988	-	-	-	-	-	1,788,988
Miscellaneous taxes receivable	147,525	-	-	-	-	-	147,525
Court fines receivable, net	74,423	-	-	-	-	-	74,423
Other receivables	-	1,000	-	-	-	-	1,000
Lease receivables	174,033	33,513	-	-	-	-	207,546
Total assets	<u>\$ 14,965,874</u>	<u>\$ 135,936</u>	<u>\$ 114,618</u>	<u>\$ 1,030</u>	<u>\$ 214,320</u>	<u>\$ 531,325</u>	<u>\$ 15,963,103</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 191,751	\$ 21,147	\$ -	\$ -	\$ -	\$ 3,792	\$ 216,690
Accrued payroll liabilities	502,139	-	-	-	-	28,497	530,636
Due to other funds	498	-	-	-	-	-	498
Due to other governments	201,673	-	-	-	-	-	201,673
Due to bondholders	367	-	-	-	-	-	367
Unearned revenue	186,231	-	-	-	-	-	186,231
Total liabilities	<u>1,082,659</u>	<u>21,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,289</u>	<u>1,136,095</u>
Deferred Inflows of Resources:							
Deferred inflows-leases	175,296	33,335	-	-	-	-	208,631
Unavailable revenue	3,112	-	-	-	-	-	3,112
Total deferred inflows of resources	<u>178,408</u>	<u>33,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,743</u>
Fund balances:							
Assigned	2,499,402	81,454	114,618	1,030	214,320	499,036	3,409,860
Unassigned	11,205,405	-	-	-	-	-	11,205,405
Total fund balances	<u>13,704,807</u>	<u>81,454</u>	<u>114,618</u>	<u>1,030</u>	<u>214,320</u>	<u>499,036</u>	<u>14,615,265</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 14,965,874</u>	<u>\$ 135,936</u>	<u>\$ 114,618</u>	<u>\$ 1,030</u>	<u>\$ 214,320</u>	<u>\$ 531,325</u>	<u>\$ 15,963,103</u>

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund Accounts – Year Ended June 30, 2023

	General Fund	Cemetery Operations Account	Beautification Account	Christmas Lighting Account	Insurance Cash Account	Multi-Sports Complex Account	Total
REVENUES							
Taxes	\$ 14,455,281	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,455,281
Intergovernmental	1,639,555	-	-	-	-	-	1,639,555
Charges for services	182,996	24,231	-	-	-	80,443	287,670
Licenses and permits	467,912	-	-	-	-	-	467,912
Fines and forfeitures	688,663	-	-	-	-	-	688,663
Investment income	40,234	746	451	4	-	1,098	42,533
Miscellaneous	868,839	7,041	1,533	-	-	11,822	889,235
Total revenues	18,343,480	32,018	1,984	4	-	93,363	18,470,849
EXPENDITURES							
Current:							
General government	2,200,539	-	-	-	374,722	-	2,575,261
Public safety	10,195,459	-	-	-	-	-	10,195,459
Public works	1,658,127	-	-	-	-	-	1,658,127
Culture, tourism and recreation	1,813,593	-	-	-	-	619,922	2,433,515
Cemetery	-	129,494	-	-	-	-	129,494
Economic development	167,243	-	-	-	-	-	167,243
Capital Outlay	-	-	-	-	-	411,435	411,435
Debt Service:							
Principal	-	-	-	-	-	14,343	14,343
Interest and other charges	-	-	-	-	-	657	657
Total expenditures	16,034,961	129,494	-	-	374,722	1,046,357	17,585,534
Excess (deficiency) of revenues over expenditures	2,308,519	(97,476)	1,984	4	(374,722)	(952,994)	885,315
OTHER FINANCING SOURCES (USES)							
Interaccount transfers	(251,157)	95,000	-	-	159,185	(3,028)	-
Transfers in	4,056,362	220	-	-	235,019	25,657	4,317,258
Transfers out	(1,339,630)	-	-	-	-	-	(1,339,630)
Transfer from component unit	-	-	-	-	19,975	1,078,939	1,098,914
Total other financing sources and uses	2,465,575	95,220	-	-	414,179	1,101,568	4,076,542
Net change in fund balances	4,774,094	(2,256)	1,984	4	39,457	148,574	4,961,857
Fund balances - beginning	8,930,713	83,710	112,634	1,026	174,863	350,462	9,653,408
Fund balances - ending	\$ 13,704,807	\$ 81,454	\$ 114,618	\$ 1,030	\$ 214,320	\$ 499,036	\$ 14,615,265

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2023

	SPECIAL REVENUE FUNDS				
	Special 911 Tax Fund	R.L. Williams Library Fund	Drug Enforcement Fund	1/4% Sales Tax M.S. Fund	1/4% Sales Tax SOSU Fund
ASSETS					
Cash and cash equivalents	\$ 1,053,589	\$ 7,081	\$ 31,113	\$ -	\$ -
Investments	-	41,523	-	-	-
Miscellaneous taxes receivable	-	-	-	-	-
Due from other funds	498	-	-	-	-
Due from other governments	-	-	-	162,816	162,816
Other receivables	53,432	-	-	-	-
Total assets	<u>\$ 1,107,519</u>	<u>\$ 48,604</u>	<u>\$ 31,113</u>	<u>\$ 162,816</u>	<u>\$ 162,816</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 245	\$ -	\$ 1,515	\$ -	\$ -
Accrued payroll liabilities	19,531	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other component unit	-	-	-	-	-
Total liabilities	<u>19,776</u>	<u>-</u>	<u>1,515</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:					
Unavailable revenue	-	-	-	-	-
Fund balances:					
Restricted	-	45,853	-	162,816	162,816
Assigned	1,087,743	2,751	29,598	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>1,087,743</u>	<u>48,604</u>	<u>29,598</u>	<u>162,816</u>	<u>162,816</u>
Total liabilities and fund balances	<u>\$ 1,107,519</u>	<u>\$ 48,604</u>	<u>\$ 31,113</u>	<u>\$ 162,816</u>	<u>\$ 162,816</u>

(Continued)

Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2023, (Continued)

	SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUNDS			
	5% Lodging Tourism Tax Fund	DWRF Community Center & Library Fund	Cemetery Care Fund	CDBG Fund	TOTALS
ASSETS					
Cash and cash equivalents	\$ -	\$ 521,576	\$ 150,389	\$ -	\$ 1,763,748
Investments	-	400,000	-	-	441,523
Miscellaneous taxes receivable	43,884	-	-	-	43,884
Due from other funds	-	-	-	-	498
Due from other governments	-	-	-	157,505	483,137
Other receivables	-	-	-	-	53,432
Total assets	<u>\$ 43,884</u>	<u>\$ 921,576</u>	<u>\$ 150,389</u>	<u>\$ 157,505</u>	<u>\$ 2,786,222</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 32,333	\$ 34,093
Accrued payroll liabilities	-	-	-	-	19,531
Due to other funds	-	-	-	71,889	71,889
Due to other component unit	43,884	-	-	-	43,884
Total liabilities	<u>43,884</u>	<u>-</u>	<u>-</u>	<u>104,222</u>	<u>169,397</u>
Deferred Inflows of Resources:					
Unavailable revenue	-	-	-	157,505	157,505
Fund balances:					
Restricted	-	115,249	128,158	-	614,892
Assigned	-	806,327	22,231	-	1,948,650
Unassigned (deficit)	-	-	-	(104,222)	(104,222)
Total fund balances	<u>-</u>	<u>921,576</u>	<u>150,389</u>	<u>(104,222)</u>	<u>2,459,320</u>
Total liabilities and fund balances	<u>\$ 43,884</u>	<u>\$ 921,576</u>	<u>\$ 150,389</u>	<u>\$ 157,505</u>	<u>\$ 2,786,222</u>

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2023

	SPECIAL REVENUE FUNDS				
	Special 911 Tax Fund	R.L. Williams Library Fund	Drug Enforcement Fund	1/4% Sales Tax M.S. Fund	1/4% Sales Tax SOSU Fund
REVENUES					
Taxes	\$ 457,428	\$ -	\$ -	\$ 1,252,774	\$ 1,252,774
Intergovernmental	-	-	1,157	-	-
Charges for services	88,586	-	-	-	-
Investment earnings	3,580	107	-	-	-
Miscellaneous	687	-	-	-	-
Total revenues	550,281	107	1,157	1,252,774	1,252,774
EXPENDITURES					
Current:					
Public safety	734,728	-	50,333	-	-
Debt Service:					
Principal	38,145	-	-	-	-
Interest and other charges	7,306	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	780,179	-	50,333	-	-
Excess (deficiency) of revenues over expenditures	(229,898)	107	(49,176)	1,252,774	1,252,774
OTHER FINANCING SOURCES (USES)					
Transfers in	522,000	-	75,000	-	-
Transfers out	(6,108)	-	-	-	-
Transfer to component unit	-	-	-	(1,251,997)	(1,251,997)
Net change in fund balances	285,994	107	25,824	777	777
Fund balances - beginning	801,749	48,497	3,774	162,039	162,039
Fund balances - ending	\$ 1,087,743	\$ 48,604	\$ 29,598	\$ 162,816	\$ 162,816

(Continued)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2023, (Continued)

	SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUNDS			
	5% Lodging Tourism Tax Fund	DWRF Community Center & Library Fund	Cemetery Care Fund	CDBG Fund	Totals
REVENUES					
Taxes	\$ 477,786	\$ -	\$ -	\$ -	\$ 3,440,762
Intergovernmental	-	-	-	108,397	109,554
Charges for services	-	-	2,444	-	91,030
Investment earnings	-	1,324	591	-	5,602
Miscellaneous	-	41,572	-	-	42,259
Total revenues	477,786	42,896	3,035	108,397	3,689,207
EXPENDITURES					
Current:					
Public safety	-	-	-	-	785,061
Debt Service:					
Principal	-	-	-	-	38,145
Interest and other charges	-	-	-	-	7,306
Capital outlay	-	53,856	-	367,893	421,749
Total expenditures	-	53,856	-	367,893	1,252,261
Excess (deficiency) of revenues over expenditures	477,786	(10,960)	3,035	(259,496)	2,436,946
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	597,000
Transfers out	-	-	(220)	(150,000)	(156,328)
Transfer to component unit	(477,786)	-	-	-	(2,981,780)
Net change in fund balances	-	(10,960)	2,815	(409,496)	(104,162)
Fund balances - beginning	-	932,536	147,574	305,274	2,563,482
Fund balances - ending	\$ -	\$ 921,576	\$ 150,389	\$ (104,222)	\$ 2,459,320

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Combining Statement of Net Position – Internal Service Funds – June 30, 2023

	Employee Health Fund	Worker's Compensation Fund	Info Tech Service Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,431,059	\$ 716,588	\$ 742,936	\$ 3,890,583
Total current assets	2,431,059	716,588	742,936	3,890,583
Non-current assets:				
Capital Assets:				
Other capital assets, net of depreciation	-	-	438,930	438,930
Total non-current assets	-	-	438,930	438,930
Total assets	2,431,059	716,588	1,181,866	4,329,513
LIABILITIES				
Current liabilities:				
Accounts payable	-	-	7,870	7,870
Accrued payroll liabilities	-	-	14,968	14,968
Estimated liability for claims	-	532,201	-	532,201
Lease payable - current	-	-	27,832	27,832
Subscription obligations - current	-	-	96,841	96,841
Accrued compensated absences - current	-	-	13,983	13,983
Total current liabilities	-	532,201	161,494	693,695
Non-current liabilities:				
Lease payable - noncurrent	-	-	89,805	89,805
Subscription obligations - noncurrent	-	-	98,982	98,982
Accrued compensated absences - noncurrent	-	-	125,846	125,846
Total noncurrent liabilities	-	-	314,633	314,633
Total liabilities	-	532,201	476,127	1,008,328
NET POSITION				
Net investment in capital assets	-	-	125,470	125,470
Unrestricted	2,431,059	184,387	580,269	3,195,715
Total net position	\$ 2,431,059	\$ 184,387	\$ 705,739	\$ 3,321,185

Combining Statement of Changes in Net Position—Internal Service Funds—Year Ended June 30, 2023

	Employee Health Fund	Worker's Compensation Fund	Info Tech Service Fund	Total
REVENUES				
Charges for services:				
Self insurance charges	\$ 2,219,885	\$ 394,350	\$ -	\$ 2,614,235
Miscellaneous	196,330	-	1,024,344	1,220,674
Total operating revenues	2,416,215	394,350	1,024,344	3,834,909
OPERATING EXPENSES				
Claims expense	2,506,712	397,673	-	2,904,385
Info tech services	-	-	733,526	733,526
Depreciation and amortization expense	-	-	165,566	165,566
Total operating expenses	2,506,712	397,673	899,092	3,803,477
Operating income (loss)	(90,497)	(3,323)	125,252	31,432
NON-OPERATING REVENUES (EXPENSES)				
Investment income	60	2,853	2,275	5,188
Interest expense	-	-	(7,749)	(7,749)
Total non-operating revenue (expenses)	60	2,853	(5,474)	(2,561)
Change in net position	(90,437)	(470)	119,778	28,871
Total net position - beginning	2,521,496	184,857	585,961	3,292,314
Total net position - ending	\$ 2,431,059	\$ 184,387	\$ 705,739	\$ 3,321,185

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Combining Schedule of Net Position – DCUA Accounts – June 30, 2023

	Utilities Authority Fund Accounts		
	Utilities Authority Account	UA Bonds Sinking Account	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,362,334	\$ 968,015	\$ 6,330,349
Restricted cash and cash equivalents	749,861	11,149,174	11,899,035
Advance to other funds	328,899	-	328,899
Accounts receivable, net of allowance	1,782,976	-	1,782,976
Total current assets	8,224,070	12,117,189	20,341,259
Non-current assets:			
Lease receivable	681,953	-	681,953
Net pension asset	131,437	-	131,437
Capital Assets:			
Land and other non-depreciable assets	9,117,965	-	9,117,965
Other capital assets, net of depreciation	32,347,953	-	32,347,953
Total noncurrent assets	42,279,308	-	42,279,308
Total assets	50,503,378	12,117,189	62,620,567
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred amounts related to pensions	1,036,767	-	1,036,767
LIABILITIES			
Current liabilities:			
Accounts payable	163,907	-	163,907
Accrued payroll liabilities	152,985	-	152,985
Accrued interest payable	221,063	-	221,063
Current portion of:			
Meter deposit liability	118,932	-	118,932
Notes payable	2,112,000	-	2,112,000
Landfill closure liability	31,682	-	31,682
Accrued compensated absences	33,784	-	33,784
Total current liabilities	2,834,353	-	2,834,353
Non-current liabilities:			
Meter deposit liability	475,730	-	475,730
Notes payable	19,758,195	-	19,758,195
Landfill closure liability	601,965	-	601,965
Accrued compensated absences	304,054	-	304,054
Total noncurrent liabilities	21,139,944	-	21,139,944
Total liabilities	23,974,297	-	23,974,297
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows-leases	653,180	-	653,180
Deferred amounts related to pensions	289,622	-	289,622
Total current liabilities	942,802	-	942,802
NET POSITION			
Net investment in capital assets	19,595,802	10,418,727	30,014,529
Restricted for debt service	(65,943)	730,447	664,504
Unrestricted	7,093,187	968,015	8,061,202
Total net position	\$ 26,623,046	\$ 12,117,189	\$ 38,740,235

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

Combining Schedule of Revenues, Expenses, and Changes in Net Position – DCUA Accounts – Year Ended June 30, 2023

	Utilities Authority Fund Accounts		
	Utilities Authority Account	UA Bonds Sinking Account	Total
REVENUES			
Charges for services:			
Water charges	\$ 4,676,809	\$ -	\$ 4,676,809
Sewer charges	2,726,459	-	2,726,459
Water and sewer taps	94,816	-	94,816
Penalties	99,392	-	99,392
Non-payment fees	144,336	-	144,336
Sanitation charges	4,576,461	-	4,576,461
Landfill gate fees	250,900	-	250,900
Lab tests	17,363	-	17,363
Rentals	126,701	-	126,701
Transfer station fees	245,676	-	245,676
Recyclable products	8,346	-	8,346
Miscellaneous	47,030	-	47,030
Total operating revenues	<u>13,014,289</u>	<u>-</u>	<u>13,014,289</u>
OPERATING EXPENSES			
Public works administration	360,760	-	360,760
Utility billing	483,773	-	483,773
Water/sewer line maintenance	912,662	-	912,662
Water treatment plant	1,317,549	-	1,317,549
Wastewater treatment	1,061,345	-	1,061,345
Collection - solid waste	1,047,015	-	1,047,015
General government	189,534	-	189,534
Lake Durant	44,074	-	44,074
Disposal - solid waste	1,852,154	-	1,852,154
Depreciation and amortization expense	2,608,990	-	2,608,990
Total operating expenses	<u>9,877,856</u>	<u>-</u>	<u>9,877,856</u>
Operating income	<u>3,136,433</u>	<u>-</u>	<u>3,136,433</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	35,704	112,561	148,265
Interest expense and fiscal changes	(788,534)	-	(788,534)
Total non-operating revenue (expenses)	<u>(752,830)</u>	<u>112,561</u>	<u>(640,269)</u>
Income before contributions and transfers	<u>2,383,603</u>	<u>112,561</u>	<u>2,496,164</u>
Capital contributions	1,926,273	-	1,926,273
Interaccount transfers	2,603,393	(2,603,393)	-
Transfers in	-	2,595,045	2,595,045
Transfers out	(5,681,862)	-	(5,681,862)
Change in net position	<u>1,231,407</u>	<u>104,213</u>	<u>1,335,620</u>
Total net position - beginning	<u>25,391,639</u>	<u>12,012,976</u>	<u>37,404,615</u>
Total net position - ending	<u>\$ 26,623,046</u>	<u>\$ 12,117,189</u>	<u>\$ 38,740,235</u>

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

City of Durant, Oklahoma
Schedule of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass through agency Grantor/Program Title	CFDA Number	Grant #	Award Amount	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE:				
Rural Business Development Grant	10.351	N/A	35,900	15,607
Total U.S. Department of Agriculture			<u>35,900</u>	<u>15,607</u>
U.S. DEPARTMENT OF COMMERCE:				
EDA Infrastructure Grant	11.300	08-01-05284	\$ 1,500,000	\$ 1,035
EDA Targeted Opportunities Program-TOP Contract	11.300	C-2022-11	24,000	24,000
Total U.S. Department of Commerce			<u>1,524,000</u>	<u>25,035</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Passed through Oklahoma Department of Commerce:				
Community Development Block Grant	14.228	17980 CDBG 20	152,222	150,522
Community Development Block Grant	14.228	17488 CDBG ED 18	939,366	-
Community Development Block Grant	14.228	18114 CDBG CR 20	638,300	114,593
Total U.S. Department of Housing and Urban Development			<u>1,729,888</u>	<u>265,115</u>
U.S. DEPARTMENT OF JUSTICE:				
Passed through Oklahoma Department of Justice:				
Bulletproof Vest Partnership Program	16.607	2021 BPV	6,000	2,247
Passed through Bureau of Justice Assistance:				
Rural Law Enforcement Training & Technical Assistance Grant Program	16.738	2020-MU-BNX-K001	33,630	33,630
Total U.S. Department of Justice			<u>39,630</u>	<u>35,877</u>
U.S. DEPARTMENT OF LABOR:				
Passed through Oklahoma Department of Commerce:				
Strategic Planning Workforce Grant	17.258	000730 NLV 06010413 01	20,000	-
Total U.S. Department of Labor			<u>20,000</u>	<u>-</u>
U.S. DEPARTMENT OF TRANSPORTATION:				
Passed through Oklahoma Highway Safety Office:				
State and Community Highway Safety - Traffic Enforcement	20.600	PT-22-03-11-19	57,805	3,606
State and Community Highway Safety - Traffic Enforcement	20.616	M5HVE-23-03-01-20	24,253	741
Total Oklahoma Highway Safety Office			<u>82,058</u>	<u>4,347</u>
Highway Planning and Construction Cluster				
Passed through Oklahoma Department of Transportation:				
78S Utility Relocation	20.205	STPY-107C (158)	156,147	2,351
Total Highway Planning and Construction Cluster			<u>156,147</u>	<u>2,351</u>
Federal Aviation Administration:				
Airport Improvement Program	20.106	3-40-0025-018-2021		
Airport Improvement Program	20.106	3-40-0025-017-2021	194,220	66,023
Airport Improvement Program	20.106	3-40-0025-019-2022	130,923	38,422
Total Federal Aviation Administration			<u>325,143</u>	<u>104,445</u>
Total U.S. Department of Transportation			<u>563,348</u>	<u>111,143</u>
U.S. DEPARTMENT OF THE TREASURY:				
Passed through Oklahoma Office of Management and Enterprise Services:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	3,276,798	151,848
Total U.S. Department of the Treasury			<u>3,276,798</u>	<u>151,848</u>
U.S. DEPARTMENT OF LIBRARIES:				
ARPA Targeted Grant to Libraries-2022	45.310	N/A	23,631	2,800
ARPA Targeted Grant to Libraries-2023	45.310	N/A	4,299	4,299
Scholarship Travel Reimbursement	45.310	N/A	1,913	1,758
ARPA Multifunction Printer Grant	45.310	N/A	1,000	1,000
Online High School Grant	45.310	N/A	5,500	5,500
Health Literacy Grant - FY 22	45.310	N/A	4,000	2,900
Total U.S. Department of Libraries			<u>40,343</u>	<u>18,257</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:				
Passed through Oklahoma Office of Homeland Security:				
Homeland Security Grant Program-Equipment Grant (HS-2022-CO-Grain E	97.073	OK 22.019	5,901	5,901
Homeland Security Grant Program-Rope Rescue Equipment	97.073	1160.034	17,728	17,480
Total Oklahoma Office of Homeland Security			<u>23,629</u>	<u>23,381</u>
Passed through Oklahoma Department of Civil Emergency Management:				
Disaster Assistance Grant-CARES PPE	97.036	PA-4587	17,756	2,959
Passed through Oklahoma Department of Civil Emergency Management:				
Reimbursement for OEM Anolyte Generator Maintenance Agreement	97.042	AEL #21GN-00-Main	6,413	6,413
Emergency Management Performance Grant - FY 21-22	97.042	N/A	40,000	10,000
Emergency Management Performance Grant - FY 22-23	97.042	N/A	40,000	30,000
			<u>86,413</u>	<u>46,413</u>
Total U.S. Department of Homeland Security			<u>127,798</u>	<u>72,753</u>
Total Federal Awards			<u>\$ 7,357,705</u>	<u>\$ 695,635</u>

See notes to Schedule of Expenditures of Federal Awards.

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

City of Durant, Oklahoma
Schedule of State Awards
For the Year Ended June 30, 2023

State Grantor/Pass Through Agency Grantor/Program Title	Grant #	Award Amount	Awards Expended
STATE AWARDS:			
Oklahoma Department of Libraries:			
State Aid	N/A	\$ 17,395	\$ 17,395
Emergency Management Department:			
Weather Radar Special Project	EMPG-2021-ARPA-1	1,600,000	882,552
Oklahoma Attorney General's Office:			
2022 Safe OK Grant	Safe OK 2022	25,000	25,000
Oklahoma Department of Environmental Quality:			
Solid Waste Grant	103898	25,000	25,000
TOTAL STATE AWARDS		<u>\$ 1,667,395</u>	<u>\$ 949,947</u>

CITY OF DURANT, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2023

INTERNAL CONTROL AND COMPLIANCE INFORMATION

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

To the City Council
City of Durant, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Durant, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City of Durant, Oklahoma's basic financial statements, and have issued our report thereon dated April 4, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "HBC CPAs & Advisors". The signature is written in a cursive, stylized font.

Oklahoma City, Oklahoma
April 4, 2024

**CITY OF DURANT, OKLAHOMA
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
FOR FISCAL YEAR YEAR ENDED JUNE 30, 2023**

Findings - Financial Statement Audit

Finding No. 2022-001

Status: Corrected.

RESOLUTION NO. R-2025-02

**A RESOLUTION AUTHORIZING APPLICATION FOR CHOCTAW DEVELOPMENT FUNDS
FOR MATCHING FUNDS FOR THE DURANT TRAILS AND OPEN SPACES PROJECT**

WHEREAS, the City of Durant wishes to apply for Choctaw Development Funds (CDF);
and

WHEREAS, the City of Durant has identified, through public meetings, the creation of a
safe, walkable outdoor trail as a priority need in Durant; and

WHEREAS, the City of Durant has obtained along with state, private, and local in-kind,
grant or monetary matching funds to fulfill its share of obligation related to this CDF
application should the funds be awarded; and

WHEREAS, the City of Durant will manage the grant funds and Southeastern Oklahoma
State University will provide adequate funding for on-going operations and maintenance,
and insurance of the project should the funds be awarded; and

NOW, THEREFORE, be it resolved by the City Council of the City of Durant, Oklahoma, as
follows:

Section 1: The City of Durant demonstrates its support for the submittal application
to the Choctaw Development Fund for matching funds for the Durant Trails and Open
Spaces project.

Section 2: This Resolution shall be effective immediately upon its approval by the
City Council of Durant, Oklahoma.

PASSED AND APPROVED by the Durant City Council on this 8th day of April 2025.

Mayor Martin Tucker

ATTEST:

Cynthia Price, City Clerk



The City of Durant

[AGENDA_ITEM_DEPARTMENT]

Memorandum

Date: 4/8/2025
To: Mayor and City Council
From: Pam Polk, City Manager
Re: Discuss and Consider Approval of Durant Animal Shelter Project Estimate from Theorem, LLC in the Amount of \$1,676,006.07

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. Durant City Council Packet Images
2. Animal Shelter Project Number 24016 Estimate









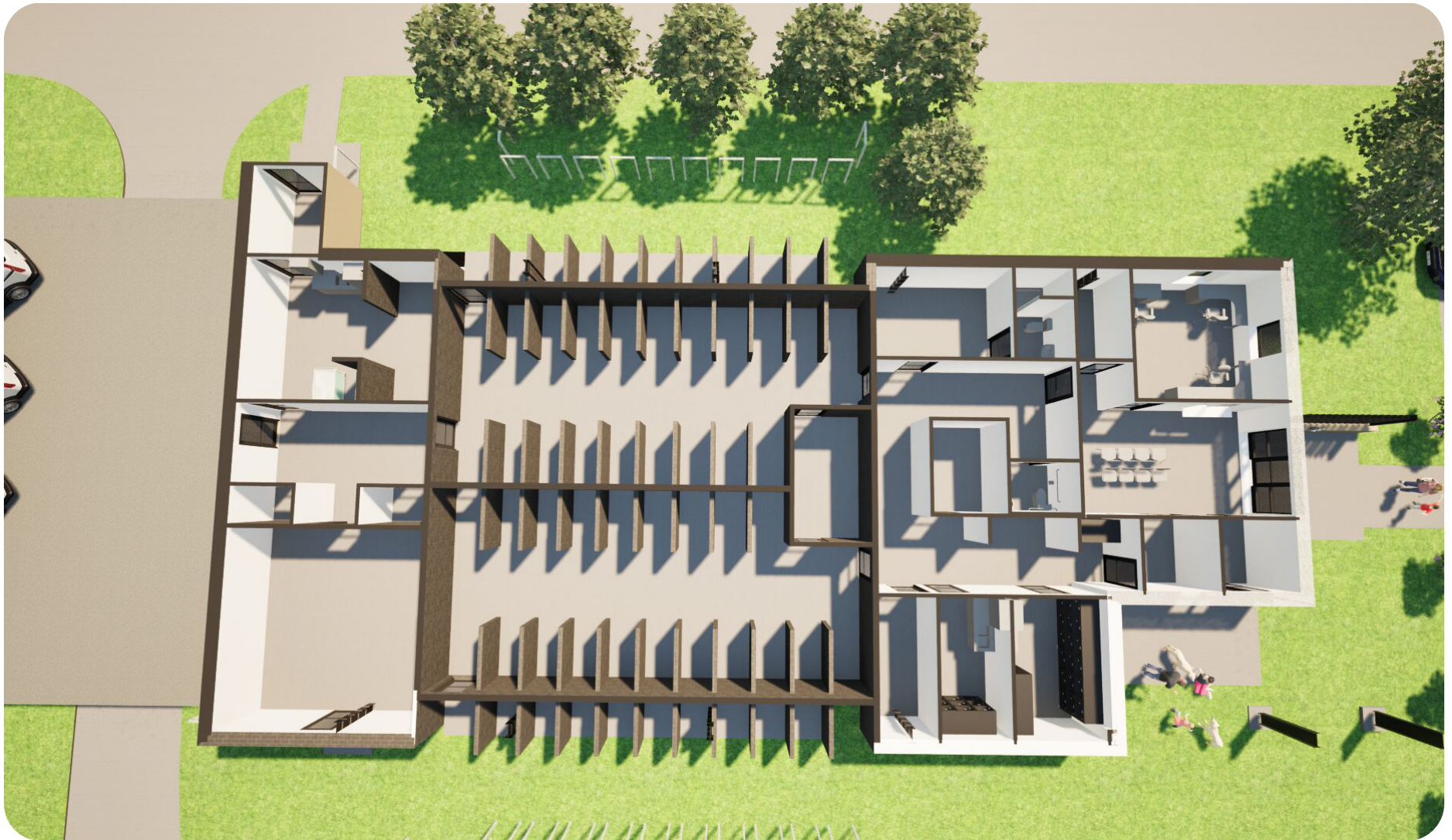


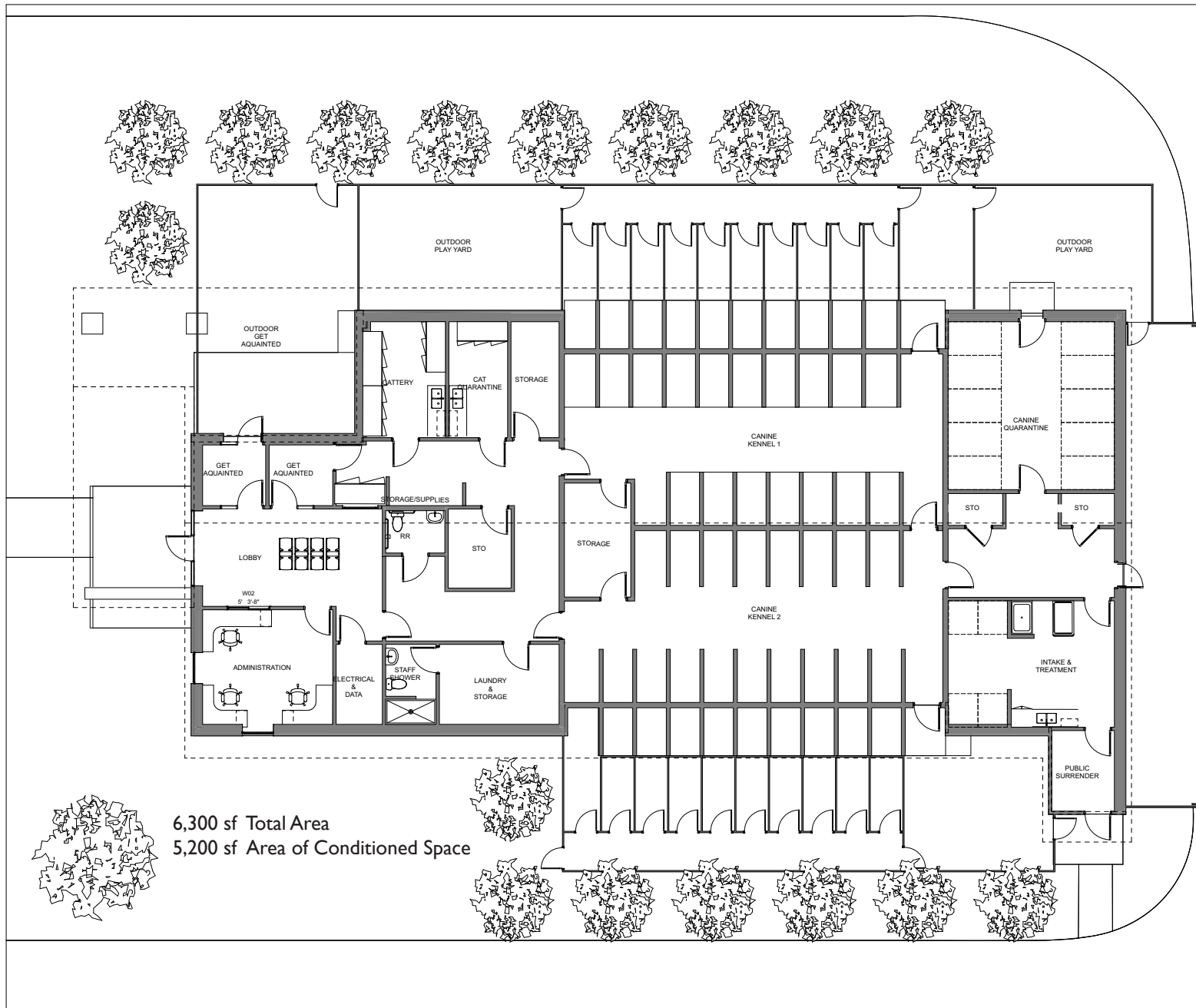














**PROJECT
ESTIMATE**

Theorem, LLC
580-745-9418
info@theoremdb.com
126 N 4th Ave
Durant, OK
74701

Date: 02.25.25

City of Durant

Project Title: Durant Animal Shelter
Theorem Project #: 24016

Description	Unit	Cost
Sitework/Earthwork		\$ 100,000.00
Paving		\$ 150,000.00
Landscaping		\$ 25,000.00
Utilities		\$ 25,000.00
Concrete (5,000 SF)		\$ 75,000.00
Masonry (4,500 SF)		\$ 99,000.00
Structural Steel (PEMB Building Package)		\$ 200,000.00
CFM Framing		\$ 38,000.00
Insulation		\$ 40,000.00
Cabinets & Millwork		\$ 20,000.00
Sealants & Waterproofing		\$ 5,000.00
Doors, Frames, Hardware		\$ 60,000.00
Aluminum Storefront		\$ 7,200.00
Stucco		\$ 72,000.00
Drywall, Acoustical		\$ 20,000.00
Floorcoverings		\$ 75,000.00
Furnishings (Office & Animal Equipment)		\$ 65,000.00
Plumbing		\$ 55,000.00
Fire Alarm		\$ 12,000.00
HVAC		\$ 80,000.00
Electrical		\$ 50,000.00
Communications		\$ 20,000.00
Security		\$ 20,000.00
Fencing & Dumpster Enclosure		\$ 36,000.00
General Conditions		\$ 67,460.00
Bonds & Insurance		\$ 47,222.00
Contingency		\$ 67,460.00
Construction Subtotal		\$ 1,531,342.00
Architecture & Engineering		\$ 91,880.52
Contract Documents, Bidding and Procurement		\$ 7,656.71
Construction Inspection & Oversight		\$ 30,626.84
Surveys & Existing Conditions Analysis		\$ 14,500.00
TOTAL PROJECT ESTIMATE		\$1,676,006.07