

AGENDA  
BOARD OF CITY COMMISSIONERS  
March 4, 2013 AT 6:30 P.M.  
COMMISSION CHAMBERS AT CITY HALL  
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

INVOCATION

REV. DAVID HENRY  
CALVARY BAPTIST CHURCH

FLAG SALUTE

1. Consider approval of Agenda:
2. Consider approval of Consent Agenda:
  - a. Minutes from the February 19, 2013 regular meeting.
  - b. Budget Amendment Streets Fund 302  
*The City Hall Parking Lot Improvements were not budgeted this current Fiscal Year as a project. But, there is enough funds in the unallocated 302 Street Fund Balance to do the project if the City Commission approves the project for letting for bids at their March 4, 2013 Commission Meeting. Since funding would be taken out of the unallocated fund balance, if approved, then it will not impact any other budgeted project.*
  - c. Acknowledge the following minutes:
    - Shawnee Beautification Committee minutes from January 10, 2013
    - Shawnee Civic and Cultural Development Authority minutes from January 17, 2013
    - Traffic Commission minutes from January 22, 2013
  - d. Acknowledge Oklahoma Municipal Retirement Fund refund of contributions from the Defined Contribution plan for Chris Johnson.
  - e. Acknowledge Oklahoma Municipal Retirement Fund refund of contributions from the Defined Contribution plan for Darrell Powell.
  - f. Acknowledge waiving Sections 8-431 and 8-434 of the Code of the City of Shawnee involving garage sale licenses and fees for the days of May 3-4-5, 2013 to help citizens prepare for the City's annual Spring clean-up efforts.
  - g. Authorize staff to advertise for bids on the Proposed City Hall Parking Lot Improvements Project.
  - h. Authorize Mayor Mainord to nominate City Attorney Mary Ann Karns for placement on the ballot of the Oklahoma Municipal Assurance Group Board for an open position.

- i. Traffic Commission Recommendations:
  - A. Discussion, consideration and possible action to approve bike route map.

STAFF RECOMMENDATION : Staff recommends approval of request

BOARD RECOMMENDATION : Board recommends denial of request

- 3. Citizens Participation
  - (A three minute limit per person)
  - (A twelve minute limit per topic)

- 4. Presentation by Arledge & Associates, P.C. of audited financial statements for the City of Shawnee and Related Authorities for the Fiscal Year 2011-2012.

RECESS CITY COMMISSION MEETING TO CONVENE THE SHAWNEE MUNICIPAL AUTHORITY AND THE SHAWNEE AIRPORT AUTHORITY.

RECONVENE

- 5. Consider and take action with respect to a resolution approving action taken by the Shawnee Municipal Authority authorizing issuance, sale and delivery of a promissory note of the authority to the Oklahoma Water Resources Board; ratifying and confirming a lease agreement and operation and maintenance contract, as amended, whereby The City Of Shawnee leased its water and sanitary sewer systems to the Shawnee Municipal Authority; declaring an emergency; and containing other provisions related thereto.
- 6. Consider a resolution declaring certain items of personal property and describing said items no longer needed by the City of Shawnee and authorizing sale of the items at public auction.
- 7. Discussion, consideration and possible approval of contract with Water's Edge Aquatic Design,LLC, for Architectural/Engineering Services for the Shawnee Municipal Pool.
- 8. Discussion regarding status of city employee group insurance and update on any meetings of the Insurance Committee.
- 9. New Business
  - (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)
- 10. Administrative Reports
- 11. Commissioners Comments
- 12. Adjournment

Respectfully submitted

**Phyllis Loftis, CMC, City Clerk**

The City of Shawnee encourages participation from its citizens in public meetings. If participation is not possible due to a disability, notify the City Clerk, in writing, at least forty-eight hours prior to the scheduled meeting and necessary accommodations will be made. (ADA 28 CFR/36)

**Regular Board of Commissioners**

**2. a.**

**Meeting Date:** 03/04/2013

Minutes

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Minutes from the February 19, 2013 regular meeting.

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Attachments

Minutes

**BOARD OF CITY COMMISSIONERS PROCEEDINGS**  
**FEBRUARY 19, 2013 AT 6:30 P.M.**

The Board of City Commissioners of the City of Shawnee, County of Pottawatomie, State of Oklahoma, met in Regular Session in the Commission Chambers at City Hall, 9th and Broadway, Shawnee, Oklahoma, Tuesday, February 19, 2013 at 6:30 p.m., pursuant to notice duly posted as prescribed by law. Mayor Mainord presided and called the meeting to order. Upon roll call, the following members were in attendance.

Wes Mainord

Mayor

Pam Stephens

Commissioner Ward 1

Linda Agee

Commissioner Ward 2

James Harrod

Commissioner Ward 3-Vice Mayor

Keith Hall

Commissioner Ward 4

John Winterringer

Commissioner Ward 5

Steve Smith

Commissioner Ward 6

ABSENT: None

INVOCATION Lord's Prayer led by Mayor Mainord

FLAG SALUTE Led by Commissioner Smith

AGENDA ITEM NO. 1: Consider approval of Agenda.

A motion was made by Vice Mayor Harrod, seconded by Commissioner Hall, to approve the Agenda. Motion carried 7-0.

AYE: Harrod, Hall, Winterringer, Smith, Stephens, Agee, Mainord

NAY: None

AGENDA ITEM NO. 2: Consider approval of Consent Agenda:

- a. Acknowledge staff will proceed in the instant meeting with the opening and consideration of bids as set forth in SMA Agenda Item No. 4a.
- b. Minutes from the February 4, 2013 regular meeting and February 11, 2013 special call meeting.
- c. Budget Amendment E-911 Fund 102  
*Transfer money from reserves to cover priority dispatch training – sole source reserve balance at 06/30/2012 \$428,041*
- d. Acknowledge the following minutes:
  - Shawnee Civic and Cultural Development Authority minutes from December 20, 2012
  - Shawnee Urban Renewal Authority minutes from December 4, 2012
  - License Payment Report for January 2013
  - Project Payment Report for January 2013
- e. Lake Lot Leases Renewal and Transfer:  
Transfer:
  - Lot 6 Seck Tract, 33804 Post Office Neck  
From: Daina Spangler/Gail Harjo Personal Rep  
To: Derrick Carpenter Properties LLC  
Renewals:
  - Lot 5 Seck Tract, 33800 Post Office Neck  
Greta Colvin and Duwayne Colvin
  - Lot 9 Renfro Tract, 15807 Sleepy Hollow Road  
Steve Leader and Jamie Leader
  - Lot 15A Belcher Tract, 33310 Post Office Neck  
John Hays and Jason Hays
  - Lot 6 Mosler Tract, 16304 Archery Range Road  
LaDonna Freement

- Lot 15 Hart Tract, 16409 Hart Road  
Ronald Swadley
  - Lot 14 Hart Tract, 16405 Hart Road  
Ronald Swadley
- f. Acknowledge Oklahoma Municipal Retirement Fund refund of contributions from the Defined Contribution plan for Amber Satterfield.
- g. Accept agreement with Mitchell Armitage, Excel Auction, for auctioning items declared surplus to the City of Shawnee. Auction to be held on March 30, 2013 at the Expo Center.

A motion was made by Commissioner Agee, seconded by Commissioner Hall, to approve the Consent Agenda Items a-g. Motion carried 7-0.

AYE: Agee, Hall, Winterringer, Smith, Stephens, Harrod, Mainord  
NAY: None

AGENDA ITEM NO. 3: Citizens Participation  
(A three minute limit per person)  
(A twelve minute limit per topic)

Shawna Nelson spoke regarding Agenda Item No. 6, her request to de-annex a 20 acre parcel of land located near Walker Road and Home Lane. Ms. Nelson emphasized that the property in question would contain homes in the \$250,000 - \$350,000 price range and that the residents of this additional would help the local sales tax by their purchases in Shawnee.

AGENDA ITEM NO. 4: City Manager's presentation of Employee of the Month to Brad Schmidt, Interim Systems Maintenance Manager.

Brad Schmidt was present to accept the Employee of the Month Certificate presented by City Manager Brian McDougal.

RECESS CITY COMMISSION MEETING BY THE POWER OF THE CHAIR TO CONVENE SHAWNEE MUNICIPAL AUTHORITY AND SHAWNEE AIRPORT AUTHORITY (6:39 p.m.)

RECONVENE CITY COMMISSION MEETING BY THE POWER OF THE CHAIR (7:18 p.m.)

AGENDA ITEM NO. 5: Public hearing and consideration of a resolution granting a Vehicle for Hire License to Castle Cab.

Resolution No. 6440 was introduced.

A RESOLUTION OF THE SHAWNEE CITY COMMISSION APPROVING A VEHICLE FOR HIRE BUSINESS LICENSE AS SET FORTH HEREIN.

Mayor Mainord declared a public hearing in session to consider a resolution granting a Vehicle for Hire License to Castle Cab. Staff recommends approval of a vehicle for hire business license for Castle Cab. Mr. Tony Sampson, owner of Castle Cab spoke and assured the commission that his employs are randomly drug tested and also OSBI background checks are done on each employee. Mr. Jim Sims appeared in favor of approval of the new cab company, stating that the current company, Executive Cab, will not pick up people with wheelchairs. Ms. Gloria Wallace-Hutchinson, co-owner of Executive Cab Service spoke in opposition of Castle Cab, stating that they have been operating within the City for several months without the required permits.

Mayor Mainord closed the public hearing.

A motion was made by Commissioner Hall, seconded by Commissioner Agee, to approve a resolution granting a Vehicle for Hire License to Castle Cab. Resolution No. 6440 was read into the record by the City Attorney. Motion carried 7-0.

AYE: Hall, Agee, Harrod, Mainord, Winterringer, Smith, Stephens  
NAY: None

Resolution No. 6440 was adopted by the City Commission.

AGENDA ITEM NO. 6: Consideration of an ordinance de-annexing a 20 acre parcel located near Walker Road



and Homer Lane. *Tabled from the February 4, 2013 meeting.*

The Commission discussed the benefits and the potential issues involved with the de-annexation of this property. A motion was then made by Commissioner Stephens, seconded by Commissioner Hall, to approve an ordinance de-annexing a 20 acre parcel located near Walker Road and Homer Lane.

Ordinance No. 2496NS was introduced.

AN ORDINANCE DE-ANNEXING/DETACHING CERTAIN PROPERTY NOW WITHIN THE CITY LIMITS OF SHAWNEE, OKLAHOMA, DESCRIBING SAID PROPERTY, REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH AND DECLARING AN EMERGENCY.

Motion carried 5-2.

AYE: Stephens, Hall, Agee, Harrod, Mainord

NAY: Winterringer, Smith

Ordinance No. 2496NS was adopted by the City Commission.

AGENDA ITEM NO. 7:

Consider a resolution accepting the transfer of ownership of the local cable franchise from Allegiance Communications, LLC to BCI Allegiance, LLC.

Resolution No. 6441 was introduced.

A RESOLUTION CONSENTING TO AND APPROVING THE ASSIGNMENT OF THE CABLE FRANCHISE AND SYSTEM TO BCI ALLEGIANCE, LLC.

Mr. Shawn Beqaj of BCI spoke to the Commission regarding this item. He spoke of the company's history in several other cities and listed plans regarding Shawnee's local cable. Some of the potential upgrades for the Shawnee area listed were faster internet service and more high definition channels. A motion

was made by Commissioner Stephens, seconded by Commissioner Winterringer, to approve a resolution accepting the transfer of ownership of the local cable franchise from Allegiance Communications, LLC to BCI Allegiance, LLC. Motion carried 7-0.

AYE: Stephens, Winterringer, Smith, Agee, Harrod, Mainord, Hall  
NAY: None

Resolution No. 6441 was adopted by the City Commission.

AGENDA ITEM NO. 8: Discussion, consideration and possible action to appoint an insurance committee to consist of three commissioners and two staff members.

A motion was made by Commissioner Agee, seconded by Commissioner Hall, to appoint Mayor Mainord, Commissioners Agee and Harrod, and staff Jennifer Dawson and Jill Smith to an insurance committee. Motion carried 4-3.

AYE: Agee, Hall, Harrod, Mainord  
NAY: Winterringer, Smith, Stephens

AGENDA ITEM NO. 9: Acknowledge Sales Tax Report received February 2013.

Cynthia Sementelli, Finance Director, reported the sales tax for February was up \$620,503.00 from last year receipts. The increase this month was from the sale and transfer of the assets associated with the sale to St. Anthony's Hospital. The sales tax from this transaction was approximately \$633,000.00 so sales tax for the holidays was about flat compared to last year. The February Sales tax amount received plus interest was \$2,245,070.35 which accumulatively for the fiscal year we are up \$452,223.00 or 3.98%.

City Attorney Mary Ann Karns advised the Commission that the Emergency Clause regarding the Ordinance No. 2496NS as discussed in Agenda Item No. 6 was not voted on.

A motion was made by Vice Mayor Harrod, seconded by Commissioner Hall, to approve emergency clause relating to Ordinance No. 2496NS. Motion carried 5-2.

AYE: Harrod, Hall, Stephens, Agee, Mainord

NAY: Winterringer, Smith

AGENDA ITEM NO. 10:

New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 11:

Administrative Reports

There was no Administrative Reports.

AGENDA ITEM NO. 12:

Commissioners Comments

There were no Commissioners Comments

AGENDA ITEM NO. 13:

Consider an executive session in accordance with 25 O.S. §307 (B)(4), communications with city's attorneys concerning a pending investigation, claim or action, the grievances filed by the IUPA and IAFF. The City Attorney has determined that disclosure will seriously impair the ability of the Commission to resolve the matter in the public interest.

AGENDA ITEM NO. 14:

Consider an Executive Session to discuss potential claims, litigation or other options regarding encroachment into City's utility service area by other entities as authorized by 25 O.S. §307(B)(4).

A motion was made by Vice Mayor Harrod, seconded by Commissioner Winterringer, to enter into Executive Session in accordance with 25 O.S. §307

(B(4), Agenda Item No. 13, communications with city's attorneys concerning a pending investigation, claim or action, the grievances filed by the IUPA and IAFF and, Agenda Item No. 14, to discuss potential claims, litigation or other options regarding encroachment into City's utility service area by other entities as authorized by 25 O.S. §307(B)(4). Motion carried 7-0.

AYE: Harrod, Winterringer, Smith, Stephens, Agee, Mainord, Hall  
NAY: None

COMMISSION ENTERED INTO EXECUTIVE SESSION AT 8:25 P.M. WITH ALL MEMBERS PRESENT

COMMISSION RECONVENED FROM EXECUTIVE SESSION AT 9:40 P.M. WITH ALL MEMBERS PRESENT

AGENDA ITEM NO. 15: Consider matters discussed in Executive Session regarding communications with city's attorneys concerning a pending investigation, claim or action, the grievances filed by the IUPA and IAFF. The City Attorney has determined that disclosure will seriously impair the ability of the Commission to resolve the matter in the public interest.

No action was taken.

AGENDA ITEM NO. 16: Consider matters discussed in Executive Session regarding discuss potential claims, litigation or other options regarding encroachment into City's utility service area by other entities as authorized by 25 O.S. §307(B)(4).

No action was taken.

AGENDA ITEM NO. 17: Adjournment

There being no further business to be considered, a motion was made by Vice Mayor Harrod, seconded by Commissioner Winterringer, that the meeting be adjourned. Motion carried 7-0. (9:42 p.m.)

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WES MAINORD, MAYOR

ATTEST:

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PHYLLIS LOFTIS, CMC, CITY CLERK

**Regular Board of Commissioners**

**2. b.**

**Meeting Date:** 03/04/2013

Budget Amendment

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Budget Amendment Streets Fund 302

*The City Hall Parking Lot Improvements were not budgeted this current Fiscal Year as a project. But, there is enough funds in the unallocated 302 Street Fund Balance to do the project if the City Commission approves the project for letting for bids at their March 4, 2013 Commission Meeting. Since funding would be taken out of the unallocated fund balance, if approved, then it will not impact any other budgeted project.*

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Attachments

Budget Amend - Streets

**City of Shawnee  
Budget Amendment - FY 2012-2013  
Streets FUND 302  
March 4, 2013**

**Estimated Revenue or Fund Balance**

Fund Number	Account Number	Project Code	Line Item	Description	Balance	Amount of	Balance
					Before Amendment	Amendment Increase (Decrease)	After Amendment
302	3001			FUND BALANCE	780,727.10	(225,000.00)	555,727.10
					-	-	-
				Total		(225,000.00)	

**Appropriations**

Fund Number	Account Number	Project Code	Line Item	Description	Balance	Amount of	Balance
					Before Amendment	Amendment Increase (Decrease)	After Amendment
302	5-088--5480	308	0850-04	City Hall Parking Lot Improvements	-	225,000.00	225,000.00
					-	-	-
					-	-	-
					-	-	-
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					-	-	-
						225,000.00	225,000.00

Approved by the City Commission this  
March 4, 2013

**Explanation of Budget Amendment:**  
The City Hall Parking Lot Improvements were not budgeted this current Fiscal Year as a project, But, there is enough funds in the unallocated 302 Street Fund Balance to do the Project if the City Commission approves the project for letting for bids at their March 4, 2013 Commission Meeting. Since funding would be taken out of the unallocated fund balance, if approved, then it will not impact any other budgeted project.

Approved: \_\_\_\_\_

Mayor

Attest: \_\_\_\_\_

City Clerk

Posted By \_\_\_\_\_ Date \_\_\_\_\_ BA# \_\_\_\_\_ Pkt.# \_\_\_\_\_

**Regular Board of Commissioners**

**2. c.**

**Meeting Date:** 03/04/2013

Boards and Committees

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Acknowledge the following minutes:

- Shawnee Beautification Committee minutes from January 10, 2013
  - Shawnee Civic and Cultural Development Authority minutes from January 17, 2013
  - Traffic Commission minutes from January 22, 2013
- 

Attachments

Beautification Committee

SCCDA Expo

Traffic Commission



**Mayor**

WES MAINORD

**The City of Shawnee**

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Shawnee Oklahoma 74802-1448

(405) 273-1250 Fax (405) 878-1581

HYPERLINK "<http://www.ShawneeOK.org>" [www.ShawneeOK.org](http://www.ShawneeOK.org)

**Commissioners**

- PAM STEPHENS
- LINDA AGEE
- JAMES HARROD
- KEITH HALL
- JOHN WINTERRINGER
- STEVE SMITH

**Minutes**

**Shawnee Beautification Committee**

**JANUARY 10, 2013**

**The Shawnee Beautification Committee met in the EOC Room**

**The meeting was called to order at 4:04 pm**

Roll Call was taken showing the following members present:

- |            |                            |
|------------|----------------------------|
| Member     | Robert Cash, Chairman      |
| Member     | Paul Malley, Vice Chairman |
| Member     | Nancy Ford                 |
| Member     | Janet Turner               |
| Member     | Tom Terry                  |
| Member     | Linda Malley               |
| City Staff | James Bryce                |
| City Staff | Whisper Peace              |
| City Staff | Justin Erickson            |

**AGENDA NO 2**      **Roll Call and Declaration of a Quorum.** Roll was called and a quorum was declared.

**AGENDA NO 3**      **Approved Minutes for December 2012.** The minutes for December 2012 were approved with a motion made by Tom Terry and 2<sup>nd</sup> by Linda Malley. The motion carried unanimously.

**AGENDA NO 4**      **Discussion on options for the back of the sign at I-40 and Harrison. (Robert Cash)** Nancy Ford made a motion to put the

same rock on the back at this time. Paul Malley 2<sup>nd</sup> the motion and the motion carried unanimously.

**AGENDA NO 5**      **Discussion on the possibilities of expanding the Beautification Program. (Robert Cash).** The group agreed that it would be best to divide the town into quadrants and categories such as residence and church/business, and to only present awards twice per year, once in June and once in October.

**AGENDA NO 6**      **Discussion on replacement of plant material. (Robert Cash)** Robert suggested the need for volunteers to help with replanting, new mulch, and watering of the plant beds. He made a request for the Parks Department to check on the water sprinkler system on Bell Street and advised he would work on a list of plants for the next meeting.

**AGENDA NO 7**      **Discussion on the possibilities of landscaping projects around the airport walking trail. (Robert Cash)** Suggestion was made for money to be budgeted next year for landscaping projects around the new airport track.

**AGENDA NO 8**      **Discussion on the possibility of a tree giveaway this Spring. (Robert Cash)** Due to lack of trees there is no tree giveaway scheduled for this Spring.

**AGENDA NO 9**      **Discussion on the rules that govern the use of billboards/moratorium. (Linda Malley/Nancy Ford)** Justin Erickson explained the new city ordinance that consists of strict restrictions for billboards, limits where they are allowed to be placed, and how many are allowed in the city limits of Shawnee.

**AGENDA NO 10**      **Discussion on the zoning laws in Shawnee. (Linda Malley)**

**AGENDA NO 11**      **Discussion on the Great American Cleanup/Trash Off Registration. (Tom Terry)**

**AGENDA NO 12 Discussion on the rundown residential and business properties/emphasis on downtown areas. (Janet Turner/Nancy Ford)**

**Chairman Robert Cash deferred agenda items 10 through 12 until the February 14<sup>th</sup> meeting.**

**AGENDA NO 13 Old Business.**

**AGENDA NO 14 New Business.**

**AGENDA NO 15 Comments.**

**AGENDA NO 16 Adjournment. Meeting was adjourned at 4:55 p.m.**

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Robert Cash  
Chairman, Robert Cash

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2-14-13  
Date

A MEETING OF THE SHAWNEE  
CIVIC AND CULTURAL DEVELOPMENT AUTHORITY  
JANUARY 17, 2013  
12:30 P.M.  
HEART OF OKLAHOMA EXPOSITION CENTER

THE TRUSTEES OF THE SHAWNEE CIVIC AND CULTURAL DEVELOPMENT AUTHORITY MET FOR THEIR REGULAR MEETING THURSDAY, JANUARY 15, 2013 AT 12:30 PM AT HEART OF OKLAHOMA EXPOSITION CENTER, PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. NOTICE WAS FILED AT CITY HALL ON 12/14/2012 AT 11:30AM.

AGENDA ITEM NO.1

CALL TO ORDER.

THE MEETING WAS CALLED TO ORDER AT 12:33 PM BY MR. KARL KOZEL, CHAIRMAN.

AGENDA ITEM NO.2

ROLL CALL

TRUSTEES PRESENT: MR. KARL KOZEL  
MR. RANDY GILBERT  
MR. JIM LOWE  
MR. CASEY BELL

TRUSTEES ABSENT: MR. BRIAN MCDUGAL  
MR. CARL PACKWOOD

ALSO IN ATTENDANCE: MICHAEL JACKSON, OPERATIONS MANAGER; MIKE CLOVER, STUART & CLOVER, SHELLY WELCH OF FINLEY & COOK, AND MICHAEL MCCORMICK OF THE SHAWNEE NEWS STAR.

AGENDA ITEM NO.3

DECLARATION OF A QUORUM

CHAIRMAN MR. KARL KOZEL, DECLARED A QUORUM.

AGENDA ITEM NO.4

REAPPOINTMENT OF TRUSTEE KARL KOZEL

CONFIRM REAPPOINTMENT OF COUNTY APPOINTED TRUSTEE MR KARL KOZEL - TERM TO EXPIRE DECEMBER 31, 2015. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

AGENDA ITEM NO. 5

REAPPOINTMENT OF TRUSTEE RANDY GILBERT.

CONFIRM REAPPOINTMENT OF COUNTY APPOINTED TRUSTEE MR RANDY GILBERT - TERM TO EXPIRE DECEMBER 31, 2015. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

AGENDA ITEM NO.6

ELECTION OF CHAIRMAN 2013

THE MOTION MADE BY TRUSTEE LOWE, SECONDED BY TRUSTEE GILBERT TO ELECT KARL KOZEL CHAIRMAN OF THE BOARD 2013. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

AGENDA ITEM NO.7

ELECTION OF VICE-CHAIRMAN 2013

THE MOTION MADE BY TRUSTEE BELL, SECONDED BY TRUSTEE GILBERT TO ELECT JIM LOWE VICE CHAIRMAN OF THE BOARD 2013. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

AGENDA ITEM NO.8

APPROVAL OF MINUTES DECEMBER 2012.

THE MOTION MADE BY TRUSTEE GILBERT, SECONDED BY TRUSTEE BELL TO APPROVE THE MINUTES FROM DECEMBER 2012 MTG. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

AGENDA ITEM NO.10

APPROVAL OF MONTHLY FINANCIAL REPORT.

THE MOTION MADE BY TRUSTEE LOWE, SECONDED BY TRUSTEE BELL TO APPROVE THE MONTHLY FINANCIAL REPORT. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

AGENDA ITEM NO.11

APPROVAL OF GENERAL CLAIMS.

THE MOTION MADE BY TRUSTEE LOWE, SECONDED BY TRUSTEE BELL TO APPROVE THE GENERAL CLAIMS. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL  
NAY: NONE  
ABSTAIN:

GENERAL CLAIMS

a.	ARMSTRONG PEST CONTROL BUILDING & GROUNDS MAINTENANCE	\$125.00
B.	AT&T MONTHLY UTILITIES	\$1,451.91
C.	CITY OF SHAWNEE MONTHLY UTILITIES	\$878.34
D.	CINTAS UNIFORM COSTS	\$42.61
e.	RBC AGENCY INC. QUARTER 1 INSURANCE COVERAGE	\$7,755.80
F.	FINLEY & COOK ACCOUNTING SERVICES	\$1,767.50
G.	FUELMAN MONTHLY UTILITY	\$399.75
H.	CITY OF SHAWNEE TV SURCHARGE	\$723.00
I.	OKLAHOMA TAX COMMISSION SALES TAX	\$1,168.43

J.	AIRGAS MID SOUTH INC BUILDING & GROUNDS SUPPLIES	\$106.92
K.	BURGESS COMPANY BUILDING & GROUNDS MAINTENANCE	\$1,760.00
L.	SHAWNEE OFFICE SYSTEMS EQUIPMENT MAINTENANCE	\$57.60
M.	FRONTIER COUNTRY MARKETING ANNUAL MEMBERSHIP	\$300.00
N.	LOCKE SUPPLY GROUNDS MAINTENANCE	\$125.14
O.	FASTENAL COMPANY HORSE STALL REPAIR	\$874.51
P.	CINTAS UNIFORM COST	\$140.54
Q.	SIFLOIN CLUB OF OKLAHOMA MEMBERSHIP DUES	\$200.00
R.	GRIMSLEY'S CLEANING SUPPLIES	\$334.05
S.	BACK 40 DESIGNS WEB HOSTING	\$50.00
T.	WHITES ACE BUILDING CENTER HORSE STALL REPAIR	\$1,182.66
U.	VISION BANK LOAN PAYMENTS	\$1,031.02
V.	OG&E MONTHLY UTILITIES	\$9,370.68
W.	INS TECH SUPPORT, MONTHLY	\$665.00
X.	OKLAHOMA NATURAL GAS MONTHLY UTILITIES	\$420.53
Y.	PITNEY BOWES EQUIPMENT MAINTENANCE	\$153.00
Z.	OKLAHOMA NATURAL GAS MONTHLY UTILITIES	\$894.42
aa.	ARMSTRONG PEST CONTROL BUILDING & GROUNDS MAINTENANCE	\$70.00
bb.	PERSONAL PLUMBING GROUNDS MAINTENANCE	\$382.40
cc.	KIFC SPONSORSHIP	\$125.00

DD.	LOWES MAINTENANCE	\$4.27
EE.	BANKERS CREDIT CARD SERVICE MONTHLY CREDIT CARD PAYMENT	\$335.52
FF.	AT&T MOBILITY MONTHLY CELL PHONE	\$57.16
GG.	CONSTELLATION ENERGY MONTHLY UTILITIES	\$587.28
HH.	JOHN DEERE FINANCIAL SUPPLIES	\$30.86
II.	EXPRESS PROFESSIONALS TEMP SERVICES	\$115.20
JJ.	CHARLEYS GOLF CARTS EQUIPMENT MAINTENANCE	\$50.80

AGENDA ITEM NO. 12

APPROVAL OF SPECIAL EVENT CLAIMS

THE MOTION MADE BY TRUSTEE BELL, SECONDED BY TRUSTEE LOWE THAT THE SPECIAL EVENT CLAIMS BE APPROVED. MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, KOZEL

NAY: NONE

ABSTAIN:

SPECIAL EVENTS:

SPECIAL EVENT CLAIMS

a.	MIKE MCCORMICK IFYT MEDIA	\$300.00
B.	Ciera HOULTON MILEAGE	\$58.58
C.	JACEY JOHNSON MILEAGE	\$435.59
D.	BAILEY JOHNSON MILEAGE	\$159.04
e.	DYLAN MARKS MILEAGE	\$125.28
F.	Wesley CARTER MILEAGE	\$218.79
G.	BRYAN DENTON MILEAGE	\$156.23

AGENDA ITEM NO. 13

APPROVAL OF SHAVINGS CLAIMS

NONE

AGENDA ITEM NO.14

DISCUSSION, CONSIDERATION, AND  
POSSIBLE ACTION ON IFYR 2013 SOFTGOODS  
VENDOR.

THE MOTION MADE BY TRUSTEE LOWE, SECONDED BY TRUSTEE GILBERT TO APPROVE HERITAGE EMBROIDERY  
THE 2013 IFYR SOFT GOODS VENDOR. MOTION CARRIED.

AYE: GILBERT, LOWE, MCDUGAL, KOZEL  
NAY: NONE  
ABSTAIN: NONE

AGENDA ITEM NO.21

ADJOURNMENT

THE MOTION MADE BY TRUSTEE LOWE, SECONDED BY TRUSTEE BELL TO ADJOURN MEETING.  
MOTION CARRIED.

AYE: GILBERT, BELL, LOWE, MCDUGAL, KOZEL  
NAY: NONE  
ABSTAIN: NONE

  
\_\_\_\_\_  
CHAIRMAN: MR. KARL ROZEL

  
\_\_\_\_\_  
SECRETARY: MR. BRIAN MCDUGAL



**MINUTES**  
**TRAFFIC COMMISSION**  
**January 22, 2013 MEETING**  
**EMERGENCY OPERATIONS CENTER CONFERENCE ROOM AT CITY HALL**

**I. ROLL CALL**

**MEMBERS PRESENT**

Ronald Taffe - Chairman  
Deena Harris- Vice Chairman  
Wayne Ardrey  
Theresa Cody  
Ron Duffell

**MEMBERS ABSENT**

Wayne Ardrey

**EX-OFFICIO MEMBERS**

Michael Ludi, Assistant City Engineer  
Amber Satterfield, EIT  
Danielle Turner, Traffic Commission Secretary  
Keith Mangus, Traffic Supervisor

**CITIZENS PRESENT**

Gerhard Laule  
Danielle Laule  
Monica Mullins  
Shawna Turner  
Stephanie Clary  
Royce Thompson  
Daniel J. Lay  
Lani Habrock

**II. APPROVAL OF OCTOBER 23, 2012 MINUTES**

Motion was made by Cody, seconded by Duffel to approve the October 23, 2012 minutes.  
Motion carried.

**III. SWEAR IN OF REBECCA DOLIN**

#### IV. CONSIDERATION OF REQUEST

##### A. Continued discussion of proposed stripping and signage of bike lanes

Discussion: Michael Ludi states that there are a couple of maps to look at from our previous meetings and are available for the public on the desk. These maps have been discussed in meetings with the Bike clubs and have been altered since the previous meeting. Union north past the middle school has been extended past 45<sup>th</sup> street and the route through down town has been changed from Main Street to Broadway. It will now go Main to Minnesota then to Tenth and over to Broadway. This was for safety reasons. With the way the cars park at an angle on Main Street it would make it hard for cars to see a bicycle when pulling out. Seventh Street was brought up by Cody as an alternate route instead of Tenth Street because of how wide it was. It was decided because of the longer stretch of Broadway it would need and the use and parking on Broadway, Tenth Street was decided to be the best option. Ludi states this is all up for discussion and any suggestions are welcome. Ludi states that we will put a route map on the Agenda to be approved at our next Traffic Commission Meeting. He would like in the meeting tonight to get this down to an agreeable map to vote on. This vote will not include any signage but only the map itself. Based on a budget given for the signage will depend on how we mark said map. Ludi states it is best to look at roads that do not have angled parking.

Further discussion was made from Commissioners to Citizens present. Beard Street and Market were discussed as options by Commissioners and due to the comments made by the cyclists it was decided that those streets, ( being limited to one way traffic) would not really be a good option for cyclists. These one way streets would take the flow out of the plan. Discussion was made of adding streets to the map for advanced riders at a later date such as Kickapoo. This is always a possibility and can be looked at in the future.

Citizens discussed a trail system for the whole family not only for bicycles but for walking and jogging as well. They would like to see sidewalk routes throughout the City to help people get around without a car. Shawna Turner stated that the Master Trails Plan had all of this but the funds create barriers. She suggested trying to get private help like Oklahoma City did with Devon. She stated there might be grants available for this type of system as well. Monica Mullins stated Woodward has a great trail system that was made by public/private donations. She stated this is proof that small towns can do this.

Benefits of signage were discussed. Citizens stated and agreed by Commissioners, signage would help to make drivers aware of bicyclist but would not change the behavior of some. Shawna Turner stated as a parent signage would make her feel a little more confident about allowing her child to ride a bicycle.

The plan at this time is to agree on a map and then try to get funds budgeted for signage. At the time when we have funds available we would come back and discuss where to begin on the route. The approval of an agreed map is the first step.

All present agreed the map as is would be a good starting point. No changes were made to said map.

V. NEW BUSINESS

None

VI. CITIZEN PARTICIPATION

Shawna Turner thanks Commissioners for their time and energy on the matter at hand.

VII. ADMINISTRATIVE REPORTS

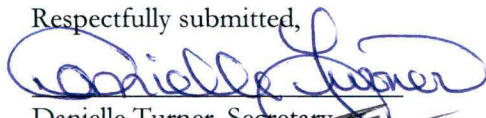
None

VIII. BOARD MEMBERS COMMENTS

There being no further business to come before the Transportation Commission, a motion was made by Dolin, seconded by Harris recommending the meeting be adjourned.  
Motion carried.

Roll Call: Aye: Taffe, Harris, Cody, Duffell, Dolin  
Nay: none

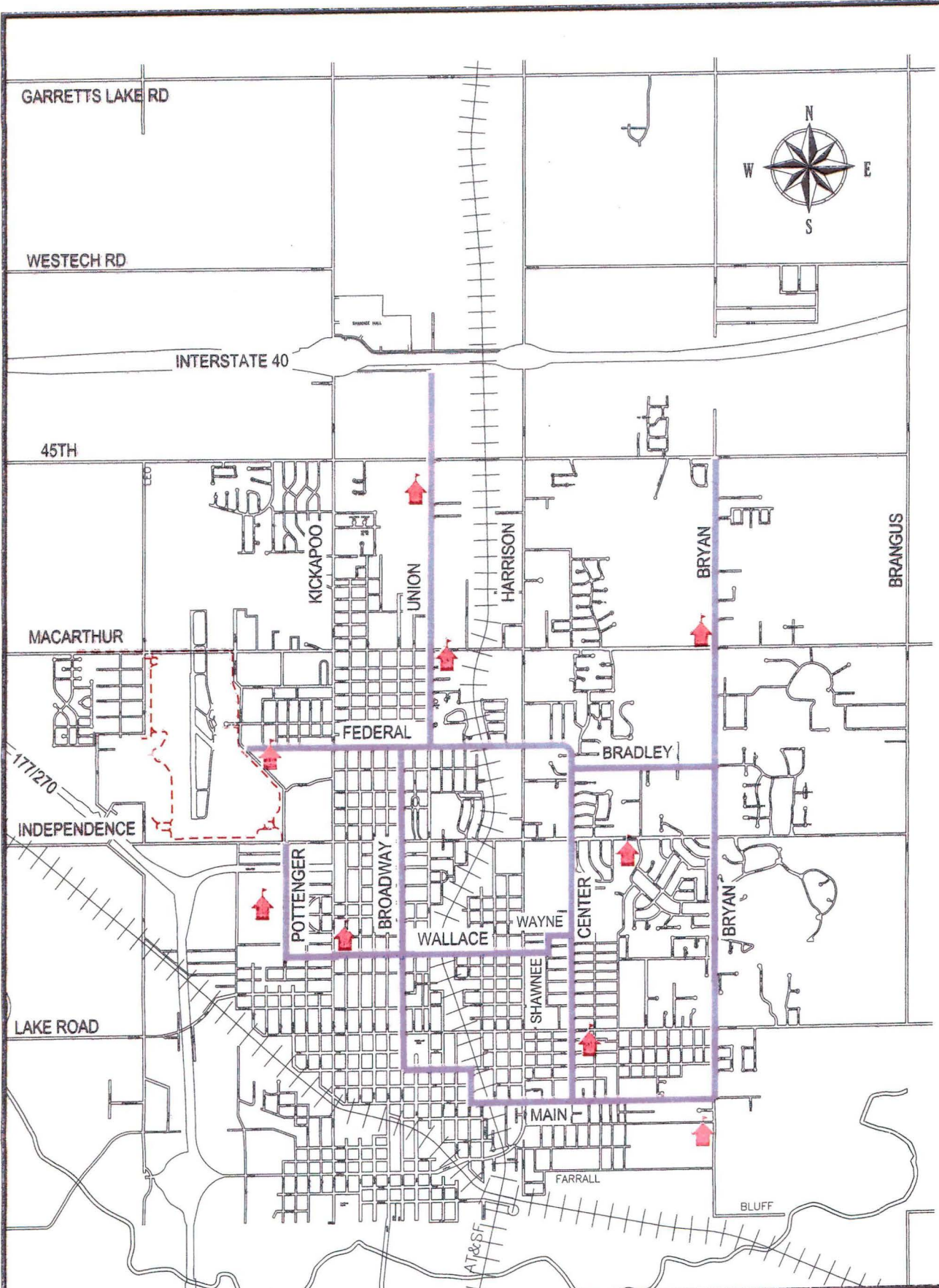
Respectfully submitted,



Danielle Turner, Secretary

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Ronald Taffe, Chairman



PRELIMINARY  
NOT APPROVED

**SHAWNEE BIKE ROUTES**

**LEGEND**

-  BIKE ROUTE
-  SCHOOL
-  OFF STREET TRAIL

**Regular Board of Commissioners**

**2. d.**

**Meeting Date:** 03/04/2013

Refund Defined Contribution Johnson

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Acknowledge Oklahoma Municipal Retirement Fund refund of contributions from the Defined Contribution plan for Chris Johnson.

---

**Regular Board of Commissioners**

**2. e.**

**Meeting Date:** 03/04/2013

Refund Defined Contribution Powell

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Acknowledge Oklahoma Municipal Retirement Fund refund of contributions from the Defined Contribution plan for Darrell Powell.

---

**Regular Board of Commissioners**

**2. f.**

**Meeting Date:** 03/04/2013

Garage Sale Fee Waiver

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Acknowledge waiving Sections 8-431 and 8-434 of the Code of the City of Shawnee involving garage sale licenses and fees for the days of May 3-4-5, 2013 to help citizens prepare for the City's annual Spring clean-up efforts.

---

**Regular Board of Commissioners**

**2. g.**

**Meeting Date:** 03/04/2013

Advertise for bids Parking Lot

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Authorize staff to advertise for bids on the Proposed City Hall Parking Lot Improvements Project.

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Attachments

Parking Lot Improvements



**COST ESTIMATE**  
**CONTRACT NO. COS-PW-XX-XX**  
**CITY HALL PARKING LOT IMPROVEMENTS**

January 2013

**BASE BID**

Item No.	SPEC. NO.	DESCRIPTION	QNTY. NO.	UNIT PRICE	UNIT	TOTAL PRICE
1	202	Unclassified Excavation (1)	600.00	\$10.00	C.Y.	\$6,000.00
2	202	Select Borrow (8)	120.00	\$15.00	S.Y.	\$1,800.00
3	221	Erosion Control	1.00	\$1,500.00	LS.	\$1,500.00
4	230	Solid Slab Sodding (8)	700.00	\$2.50	S.Y.	\$1,750.00
5	407	Tack Coat	405.00	\$3.50	Gal.	\$1,417.50
6	411	Asphalt Paving (Type "A")	605.00	\$63.00	Ton	\$38,115.00
7	411	Asphalt Paving (Type "B")	302.00	\$75.00	Ton	\$22,650.00
8	609	6" Concrete Curb & Gutter	1,250.00	\$14.50	L.F.	\$17,400.00
9	610	4" P.C. Concrete Sidewalk (6)	150.00	\$35.00	S.Y.	\$5,250.00
10	610	Concrete Sidewalk Ramp (7)	1.00	\$500.00	EA.	\$500.00
11	610	Concrete Flume	5.00	\$50.00	S.Y.	\$250.00
12	619	Remove Pavement (1)(2)(3)(4)(5)	1,900.00	\$6.50	S.Y.	\$12,350.00
13	619	Remove Concrete Sidewalk (1)(2)(3)(4)	280.00	\$5.00	S.Y.	\$1,400.00
14	619	Remove Rock Sign Base	1.00	\$1,200.00	EA.	\$1,200.00
15	619	Remove Parking Stripes	420.00	\$1.00	L.F.	\$420.00
16	619	Remove Pipe Bollard	2.00	\$100.00	EA.	\$200.00
17	619	Remove and Reset Sign	2.00	\$150.00	EA.	\$300.00
18	619	Remove and Reset (Light Pole)	1.00	\$250.00	EA.	\$250.00
19	641	Mobilization	1.00	\$25,000.00	LS.	\$25,000.00
20	642	Construction Staking	1.00	\$3,000.00	LS.	\$3,000.00
21	702	10-12" CKD Subgrade	3,500.00	\$5.30	S.Y.	\$18,550.00
22	854	Traffic Stripe (4" Wide)(Yellow)	2,000.00	\$1.00	L.F.	\$2,000.00
23	880	Traffic Control	1.00	\$2,000.00	LS.	\$2,000.00

**BASE BID CONSTR. ESTIMATE \$163,502.50**

**ADD ALTERNATE BID**

24	407	Tack Coat	385.00	\$3.50	Gal.	\$1,347.50
25	411	Asphalt Paving (Type "B")	285.00	\$75.00	Ton	\$21,375.00
26	412	Cold Milling Pavement ( 1 1/2")	2,555.00	\$2.00	S.Y.	\$5,110.00
27	854	Traffic Stripe (4" Wide)(Yellow)	860.00	\$1.00	L.F.	\$860.00
28	854	Traffic Stripe (Symbol)	3.00	\$300.00	EA.	\$900.00

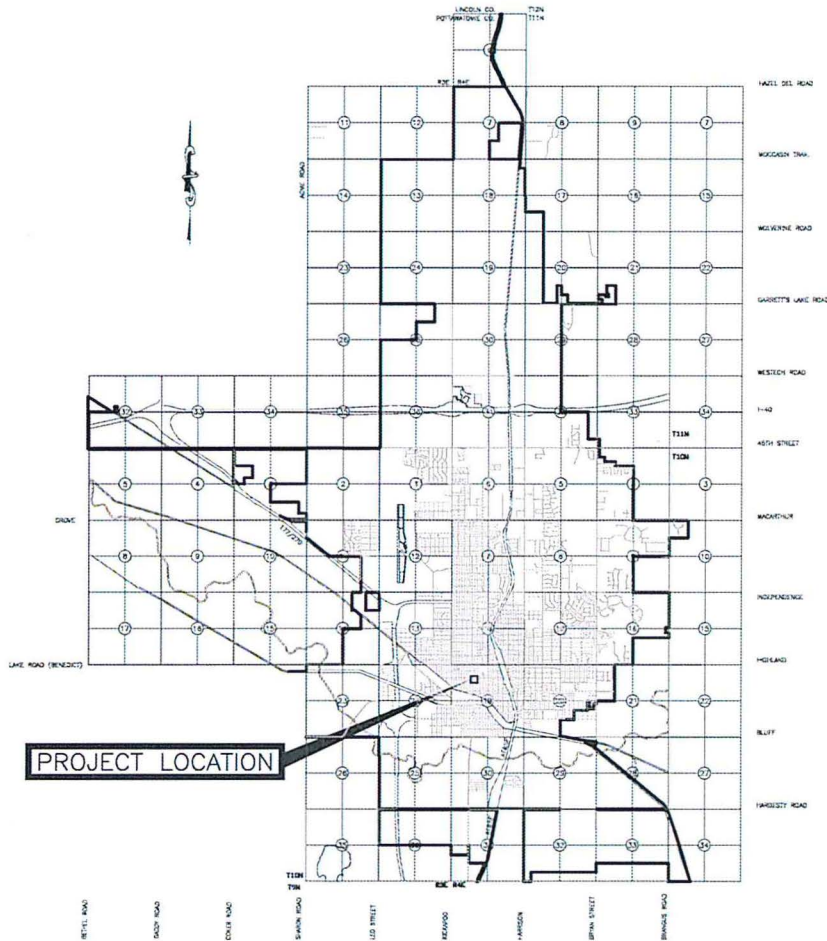
**ADD ALT. CONSTR. ESTIMATE \$27,927.50**



Total Base +Alt.	<b>\$191,430.00</b>
10% Cont.	<b>\$19,143.00</b>
<b>TOTAL ESTIMATE</b>	<b>\$210,573.00</b>

# CITY HALL PARKING IMPROVEMENTS

LOCATED IN THE NW QUARTER OF SECTION 19,  
TOWNSHIP 10 NORTH, RANGE 4 EAST, 1.M.  
SHAWNEE, OKLAHOMA



COS-PW-12-04

# THE CITY OF SHAWNEE

**WES MAINORD**  
MAYOR

- KEITH HALL**  
COMMISSIONER
- LINDA AGEE**  
COMMISSIONER
- JOHN WINTERRINGER**  
COMMISSIONER
- PAM STEPHENS**  
COMMISSIONER
- JAMES HARROD**  
COMMISSIONER
- STEVE SMITH**  
COMMISSIONER



**BRIAN McDOUGAL**  
CITY MANAGER

**PHYLLIS LOFTIS** CITY CLERK      **CYNTHIA SEMENTELLI** CITY TREASURER

SHEET INDEX	
SHEET NO.	DESCRIPTION
C-1	TITLE SHEET
C-2	EXISTING SITE
C-3	DEMOLITION PLAN
C-4	SITE PLAN
C-4.1	SITE CONSTRUCTION DETAILS
C-5	DIMENSION PLAN
C-6	GRADING PLAN
C-7	EROSION CONTROL PLAN
C-8	ALTERNATE BID PLAN

UTILITY LOCATION NUMBERS	
STATE WIDE	1-800-522-6543
OUT OF STATE	1-800-654-8249
LOCAL	1-800-522-6543

ENGINEERING DEPARTMENT

APPROVED AS FINAL PLANS:

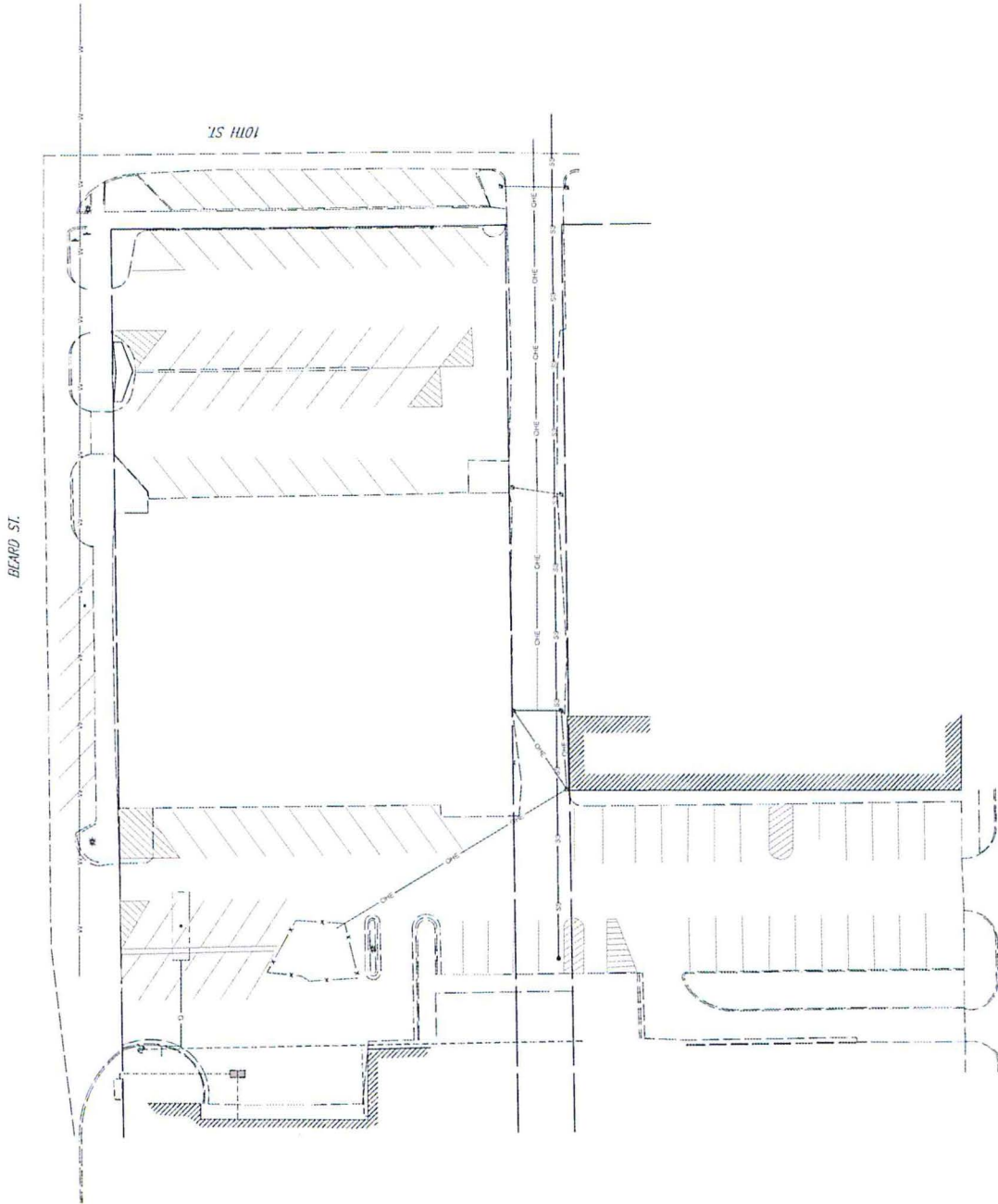
MAYOR _____	DATE _____
CITY MANAGER _____	DATE _____
CITY CLERK _____	DATE _____

**JOHN M. KRYWICKI**  
15712  
OKLAHOMA

*[Handwritten signature]*



GRAPHIC SCALE



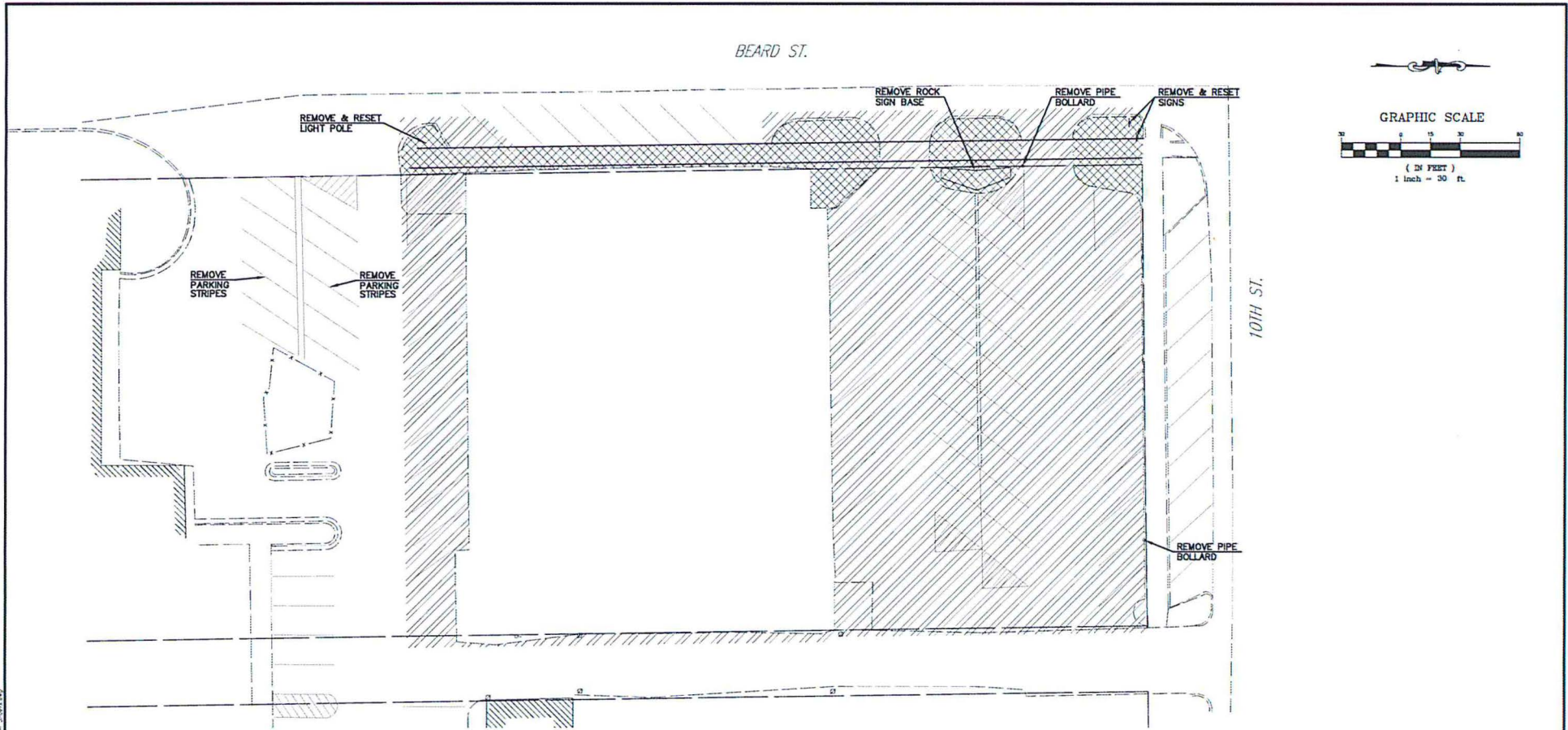
CITY HALL PARKING IMPROVEMENTS  
EXISTING SITE

DESIGNED BY	DATE	PROJECT NO.	SHEET NO.
DRAWN BY			
CHECKED BY			
DATE FOR PLOTTING			
INCHES			
FEET			

CITY OF SHAWNEE  
222 BROADWAY  
SHAWNEE, OKLAHOMA

ENGINEERING DEPARTMENT

DATE: 02/27/13 SCALE: 1"=40'-0" SHEET NO.: 02/27/13



**GENERAL DEMOLITION NOTES:**

1. THE SCOPE OF WORK ON THIS SHEET SHALL INCLUDE THE REMOVAL OF FENCES & PAVING. ALL DEBRIS FROM REMOVAL OPERATIONS SHALL BE REMOVED FROM THE SITE. THE WORK SHALL ALSO INCLUDE CONSTRUCTION OF EROSION BARRIERS, BARRICADES ALONG THE PERIMETER AND THE CONSTRUCTION OF A TEMPORARY CONSTRUCTION ENTRANCE.
2. ALL WORK PERFORMED AND MATERIALS SUPPLIED SHALL CONFORM TO THE "STANDARD SPECIFICATIONS FOR HIGHWAY CONSTRUCTION, OKLAHOMA DEPARTMENT OF TRANSPORTATION, EDITION OF 2009" AND SUPPLEMENTALS OR THE CITY'S "STANDARD SPECIFICATIONS FOR THE CONSTRUCTION OF PUBLIC IMPROVEMENTS".
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR NOTIFYING ALL UTILITY COMPANIES AND GOVERNMENTAL AGENCIES WHO MIGHT HAVE UTILITY LINES ON OR ABOUT THE PREMISES, OR WHO MIGHT BE AFFECTED BY THE CONSTRUCTION. THE CONTRACTOR SHALL ALSO COORDINATE HIS ACTIVITIES WITH THE UTILITY COMPANIES TO ENSURE COMPLIANCE WITH THE PROJECT SCHEDULE ESTABLISHED BY THE GENERAL CONTRACTOR. THE CONTRACTOR SHALL MAKE EVERY EFFORT TO PROTECT EXISTING UTILITY LINES, AND SHALL REPAIR ANY DAMAGES AT HIS OWN EXPENSE.
4. ALL PAVEMENT REMOVAL CONTIGUOUS TO PAVEMENT REMAINING, SHALL BE SAWS IN STRAIGHT LINES TO THE FULL DEPTH OF THE EXISTING PAVEMENT.
5. THE DEMOLITION CONTRACTOR SHALL BE RESPONSIBLE FOR ALL CLEARING AND GRUBBING OPERATIONS. UNSUITABLE EXCAVATION MATERIALS AND ALL WASTE RESULTING FROM CLEARING AND GRUBBING SHALL BE DISPOSED OF OFF-SITE BY THE CONTRACTOR.
6. UNLESS OTHERWISE SPECIFIED, ALL EXCAVATION IS UNCLASSIFIED AND SHALL INCLUDE ALL MATERIALS ENCOUNTERED.

**DEMOLITION LEGEND**

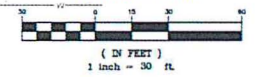
	REMOVE PAVEMENT
	REMOVE SIDEWALK
	REMOVE CURB/WALL

<b>CITY HALL PARKING IMPROVEMENTS DEMOLITION PLAN</b>			
DRAWN BY: _____	DATE: _____	<b>CITY OF SHAWNEE</b>	
CHECKED BY: _____		222 BROADWAY	
		SHAWNEE, OKLAHOMA	
ENGINEERING DEPARTMENT			
ENGINEER: _____	DATE: 02/27/13	SCALE: 1"=30'	PROJECT NO.: CDS-PM-12-04
			SHEET NO.: 2

BEARD ST.



GRAPHIC SCALE

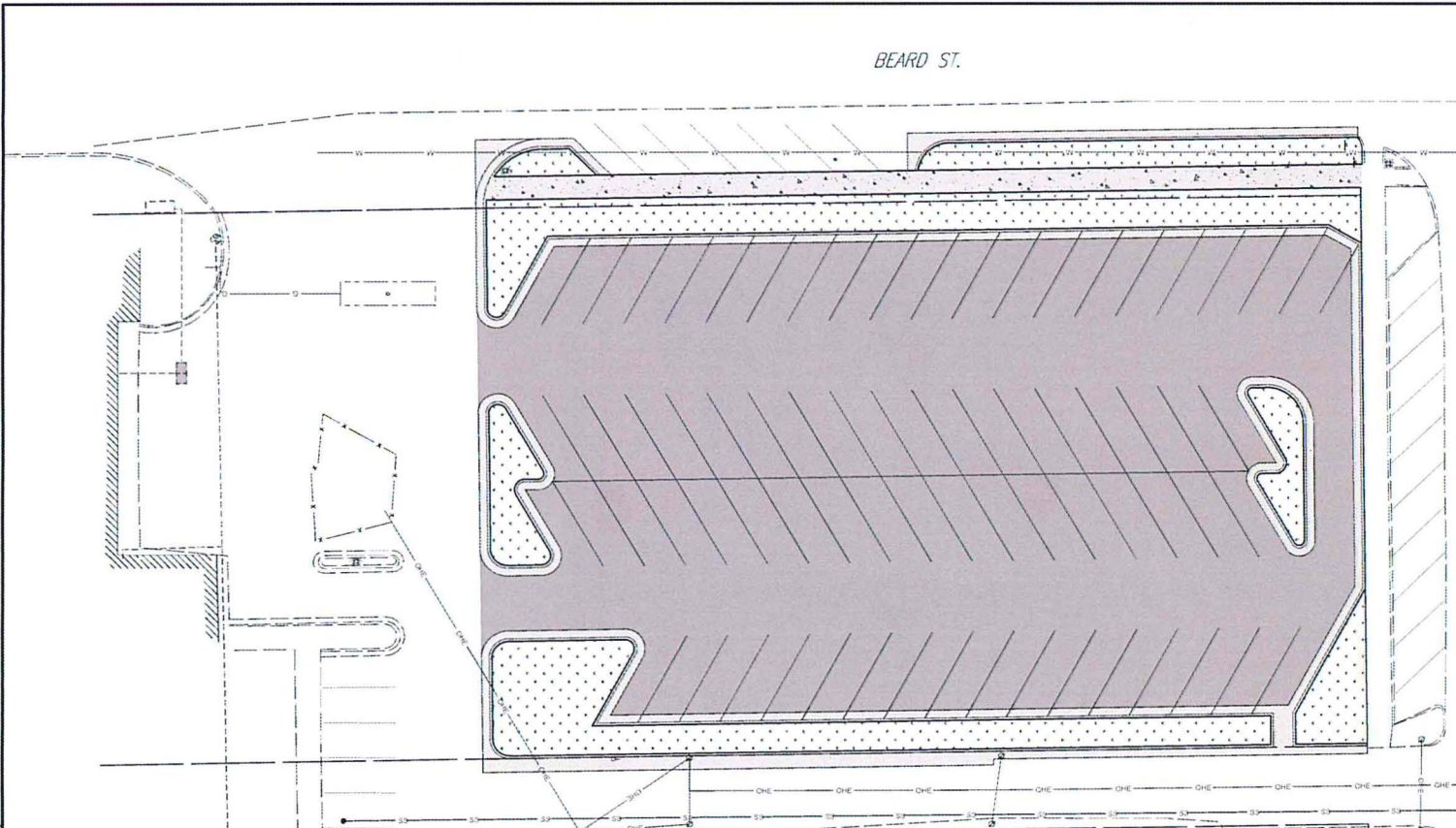


GENERAL SITE CONSTRUCTION NOTES:

1. ALL WORK PERFORMED AND MATERIALS SUPPLIED SHALL CONFORM TO THE "STANDARD SPECIFICATIONS FOR HIGHWAY CONSTRUCTION, OKLAHOMA DEPARTMENT OF TRANSPORTATION, EDITION OF 2009" AND SUPPLEMENTALS OR THE CITY'S "STANDARD SPECIFICATIONS FOR THE CONSTRUCTION OF PUBLIC IMPROVEMENTS".
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR NOTIFYING ALL UTILITY COMPANIES AND GOVERNMENTAL AGENCIES WHO MIGHT HAVE UTILITY LINES ON OR ADJUT THE PREMISES, OR WHO MIGHT BE AFFECTED BY THE CONSTRUCTION. THE CONTRACTOR SHALL ALSO COORDINATE HIS ACTIVITIES WITH THE UTILITY COMPANIES TO ENSURE COMPLIANCE WITH THE PROJECT SCHEDULE ESTABLISHED BY THE GENERAL CONTRACTOR. THE CONTRACTOR SHALL MAKE EVERY EFFORT TO PROTECT EXISTING UTILITY LINES, AND SHALL REPAIR ANY DAMAGES AT HIS OWN EXPENSE.
3. ALL SIGNS, PAVEMENT MARKINGS, AND OTHER TRAFFIC CONTROL DEVICES SHALL CONFORM TO THE MANUAL OF UNIFORM TRAFFIC CONTROL DEVICES, LATEST EDITION. ALL PAVEMENT STRIPING SHALL BE FOUR (4) INCHES WIDE, UNLESS SHOWN OTHERWISE ON THE PLANS.
4. UNLESS OTHERWISE STATED, THE CONTRACTOR SHALL BE RESPONSIBLE FOR ALL TESTING. THE RESULTS OF THE TESTS SHALL BE FORWARDED TO THE ENGINEER FOR THEIR REVIEW AND APPROVAL.
5. THE CONTRACTOR SHALL PROVIDE A MEDIUM BROOM FINISH ON ALL CONCRETE WALKS, RAMPS AND PAVING SURFACES.
6. UPON COMPLETION OF WORK, THE CONTRACTOR SHALL BE RESPONSIBLE FOR BACK FILLING ALL ISLANDS, BEHIND CURBS AND ALL OTHER AREAS TO BE LANDSCAPED, WITH A MINIMUM 6" DEPTH OF TOPSOIL. THE CONTRACTOR SHALL FURTHER BE RESPONSIBLE FOR SEEDING AND/OR SLAB SOODING AS DIRECTED BY THE OWNER.
7. MAINTENANCE OF SEEDED AND SOODED AREAS SHALL INCLUDE ALL NECESSARY FERTILIZATION AND WATERING UNTIL SUCH TIME AS PROPER VEGETATION AND ROOT GROWTH IS ESTABLISHED.
8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ERECTING AND MAINTAINING BARRICADES AND OTHER TRAFFIC CONTROL DEVICES AS NECESSARY AROUND THE PERMITS.

SITE LEGEND

- ASPHALT
- CONCRETE SIDEWALK
- LANDSCAPING
- 6" CONCRETE CURB & GUTTER



BASE BID - QUANTITIES

ITEM NO.	SPEC. NO.	ITEM	UNIT	QUANTITY
1	202	Unclassified Excavation	(1) C.Y.	600.00
2	202	Select Bottom	(6) C.Y.	120.00
3	221	Erosion Control	L.S.	1.00
4	230	Solid Sand Sinking	(7) S.Y.	900.00
5	407	Tack Coat	Gal.	405.00
6	411	Asphalt Paving (Type 2C)	Ton.	405.00
7	411	Asphalt Paving (Type 3B)	Ton.	302.00
8	417	Cold Milling Pavement (1 1/2")	L.F.	1,250.00
9	610	4" P.C. Concrete Sidewalk	S.Y.	150.00
10	610	Concrete Sidewalk Ramp	(7) EA.	1.00
11	610	Concrete Flume	S.Y.	5.00
12	619	Remove Pavement	(1)(2)(3)(4)(5) S.Y.	1,900.00
13	619	Remove Concrete Sidewalk	(1)(2)(3)(4) S.Y.	140.00
14	619	Remove Rock Sign Base	EA.	1.00
15	619	Remove Parking Signs	L.F.	400.00
16	619	Remove Sign Substr.	EA.	2.00
17	619	Remove & Reset Sign	EA.	2.00
18	619	Remove & Reset (Load Post)	EA.	1.00
19	641	Mobilization	L.S.	1.00
20	642	Construction Staking	L.S.	1.00
21	707	10'-12" C&G Subgrade	S.Y.	3,500.00
22	854	Traffic Stripe (4" White/Yellow)	L.F.	2,000.00
23	850	Traffic Control	L.S.	1.00

ALTERNATE BID - QUANTITIES

ITEM NO.	SPEC. NO.	ITEM	UNIT	QUANTITY
24	407	Tack Coat	Gal.	365.00
25	411	Asphalt Paving (Type 3B)	Ton.	265.00
26	417	Cold Milling Pavement (1 1/2")	S.Y.	2,555.00
27	854	Traffic Stripe (4" White/Yellow)	L.F.	990.00
28	854	Traffic Stripe (4" Yellow)	EA.	3.00

PAY QUANTITY NOTES

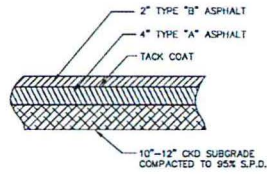
1. PRICE BID SHALL INCLUDE ALL MATERIALS, EQUIPMENT, LABOR & INCIDENTALS REQUIRED TO COMPLETE THE WORK AS SHOWN IN THE PLANS AND DETAILS. ITEMS LISTED ON DRAWINGS OR IN THE SPECIFICATIONS AND NOT INCLUDED AS A SEPARATE PAY QUANTITY SHALL BE CONSIDERED INCIDENTAL AND THE COST SHALL BE INCLUDED IN THE PRICE BID FOR OTHER ITEMS.
2. TO BECOME THE PROPERTY OF AND BE DISPOSED OF BY THE CONTRACTOR IN A MANNER APPROVED BY THE ENGINEER.
3. MATERIALS REMOVED SHALL NOT BE MEASURED FOR PAYMENT UNDER SECTION 202.09 UNCLASSIFIED EXCAVATION.
4. SAW CUTS TO BE FULL DEPTH UNLESS NOTED OTHERWISE. DAMAGE TO EXISTING UTILITY LINES SHALL BE REPAIRED AT THE CONTRACTOR'S EXPENSE.
5. PRICE BID TO INCLUDE ASPHALT AND CONCRETE.
6. PRICE BID TO INCLUDE NECESSARY ROCK BASE AS SHOWN.
7. PRICE TO INCLUDE PREPARATION OF CONCRETE AND INSTALLATION OF TACTILE WARNING STRIP ON RAMPS CONNECTED TO ROAD CROSSINGS.
8. A MINIMUM OF 6" TOPSOIL REQUIRED ON ALL SOODED AREAS.
9. FINISH GRADE OF SOO AREAS TO BE 1" BELOW ADJACENT HARDSCAPE. GRADING SHALL BE CONSIDERED AS INCIDENTAL TO THE INSTALLATION OF THE DRIVES, SIDEWALK AND CURBS AND SHALL ALLOW FOR POSITIVE DRAINAGE TO ELIMINATE POONDS IN DRIVES AND SIDEWALK. PRICE TO INCLUDE COST OF WATERING UNTIL SATISFACTORY GROWTH IS ESTABLISHED.

CITY HALL PARKING IMPROVEMENTS  
PROPOSED SITE PLAN

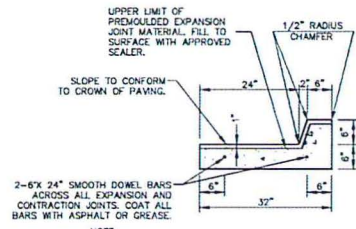
DESIGNED BY	SCALE	PROJECT NO.	5-477-10
CHECKED BY	DATE	ISSUE NO.	001
DATE	02/22/13	DATE	02/22/13

CITY OF SHAWNEE  
222 BROADWAY  
SHAWNEE, OKLAHOMA

ENGINEERING DEPARTMENT

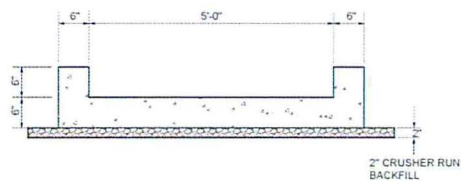


ASPHALT PAVING SECTION



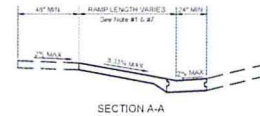
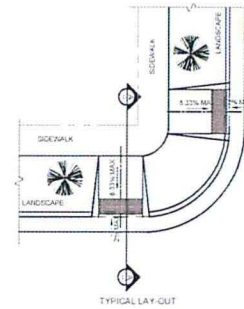
NOTE:  
MAXIMUM SPACING OF 3/4\"/>

CONCRETE CURB & GUTTER DETAIL

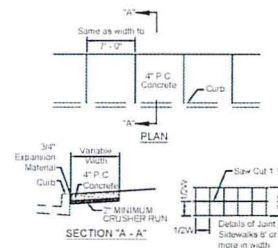


NOTE: EXPANSION JOINTS SHALL BE PLACED AT LOCATIONS TIEING TO PAVING. CONTROL JOINTS SHALL BE SAWS @ 10' INTERVALS. SEALER SHALL BE USED IN ALL JOINTS.

CONCRETE FLUME DETAIL



STANDARD SIDEWALK CURB RAMP



NOTES:  
1. 3/4\"/>

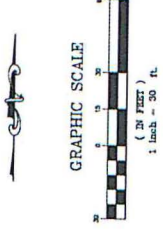
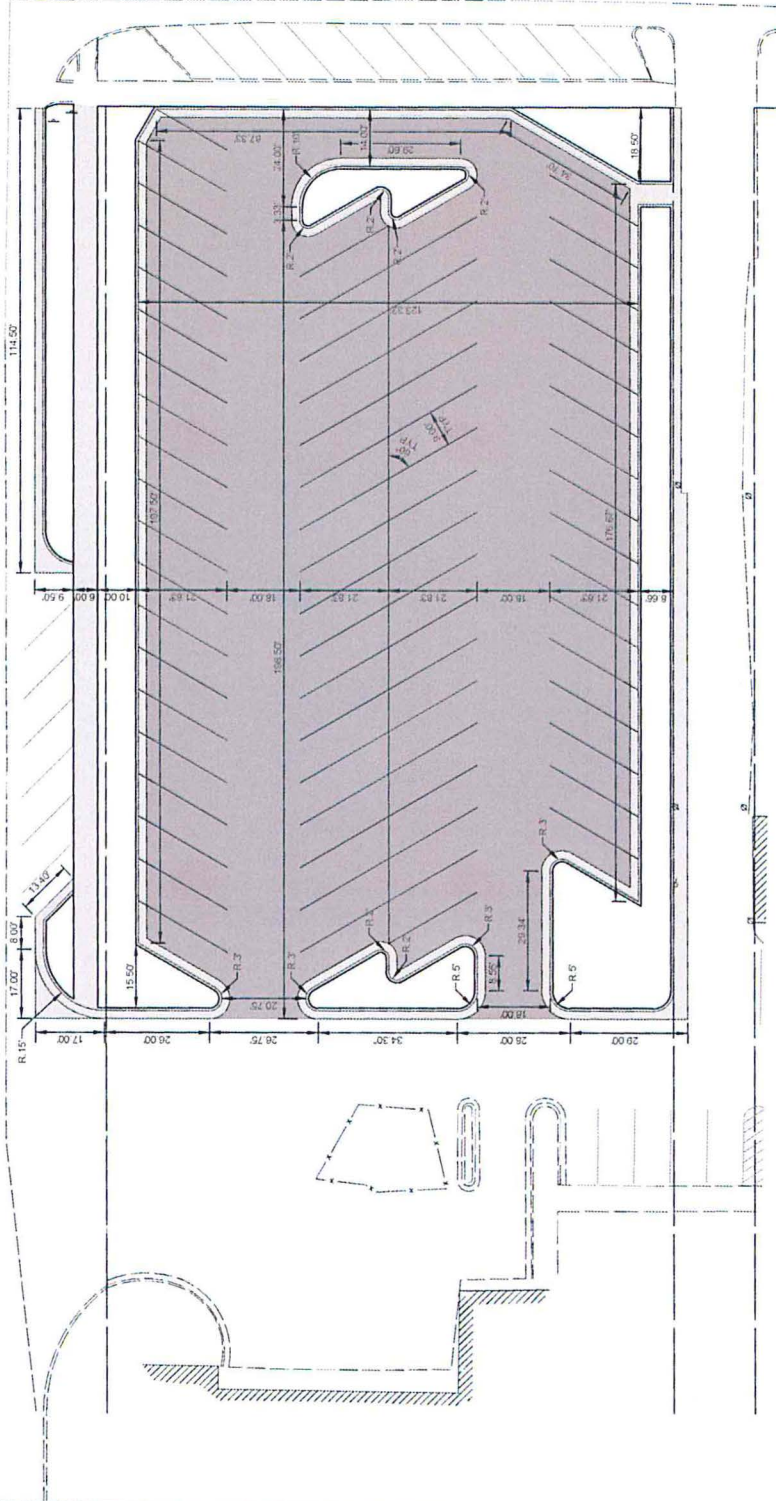
SIDEWALK DETAIL

CITY HALL PARKING IMPROVEMENTS SITE CONSTRUCTION DETAILS				
DESIGNED BY	DATE	SCALE	PROJECT NO.	SHEET NO.
CHECKED BY	02/27/13	1/4\"/>		
APPROVED BY			222 BROADWAY SHAWNEE, OKLAHOMA	12-04
ENGINEER			ENGINEERING DEPARTMENT	6-41

All dimensions in parentheses are optional. All dimensions in bold are required. All dimensions in italics are for reference only. All dimensions in plain text are for information only.

BEARD ST.

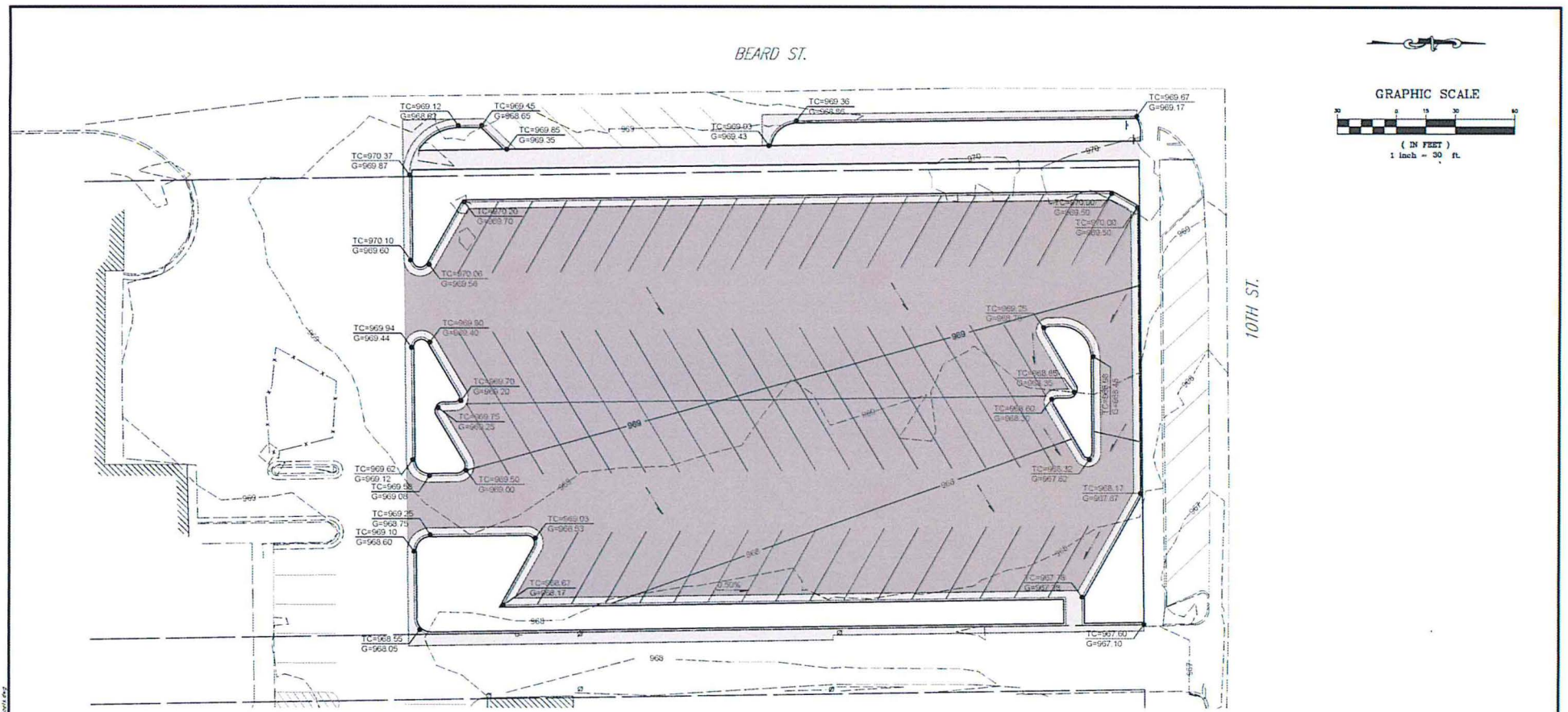
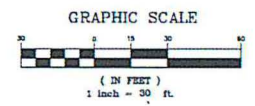
10TH ST.



GENERAL DIMENSION NOTES:  
 1. DIMENSIONS ARE FROM FACE OF CURB TO FACE OF CURB.

CITY HALL PARKING IMPROVEMENTS DIMENSION PLAN		
DATE: 08/27/13	SCALE: 1/8" = 1'-0"	
DRAWN BY: [Redacted]	CHECKED BY: [Redacted]	CITY OF SHAWNEE 2225 BROADWAY SHAWNEE, OKLAHOMA
PROJECT NO.: 8022713	PROJECT NAME: [Redacted]	
DESIGNED BY: [Redacted]	ENGINEER: [Redacted]	ENGINEERING DEPARTMENT
DATE: 08/27/13	SCALE: 1/8" = 1'-0"	

BEARD ST.



10TH ST.

- GENERAL GRADING CONSTRUCTION NOTES
1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR HIS OWN CONSTRUCTION STAKING.
  2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAKING ALL FEATURES OF CONSTRUCTION INCLUDING, BUT NOT LIMITED TO, SIDEWALKS, CURB RAMPS, TACTILE MARKERS AND CROSSWALK MARKINGS COMPLY WITH THE LATEST AMERICAN WITH DISABILITIES ACT ACCESSIBILITY GUIDELINES (ADAAG). ANY WORK WHICH IS NOT PERFORMED WITHIN THE GUIDELINES OF THE ADAAG, SHALL BE CORRECTED AT THE CONTRACTOR'S EXPENSE.
  3. CROSS SLOPE ON SIDEWALKS SHALL NOT EXCEED 2%.
  4. SLOPES IN MARKED ACCESSIBLE PARKING SPACES SHALL NOT EXCEED 2% IN ANY DIRECTION.
  5. ALL GRADES ARE FINISHED GRADES.

**GRADING LEGEND**

--- 1075 ---	EXISTING CONTOURS
--- 1074 ---	PROPOSED CONTOURS
TC=968.30 G=967.90	PROPOSED SPOT ELEVATIONS
---	PROPOSED FLOW DIRECTION

CITY HALL PARKING IMPROVEMENTS  
GRADING PLAN

DESIGN BY	DATE	SCALE	PROJECT NO.	SHEET NO.
DRAWN BY	07/27/13	1"=30'	003-07-13-01	1 of 1
CHECKED BY				
APPROVED BY				

CITY OF SHAWNEE  
222 BROADWAY  
SHAWNEE, OKLAHOMA

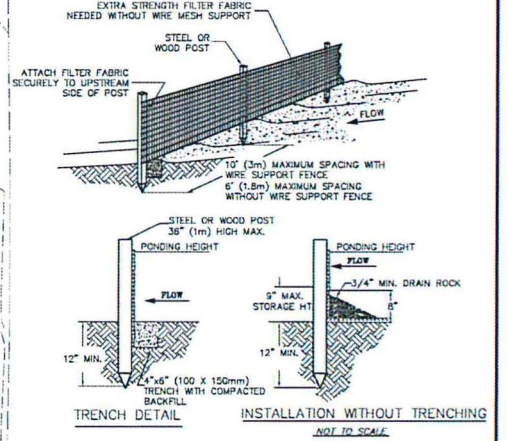
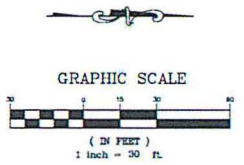
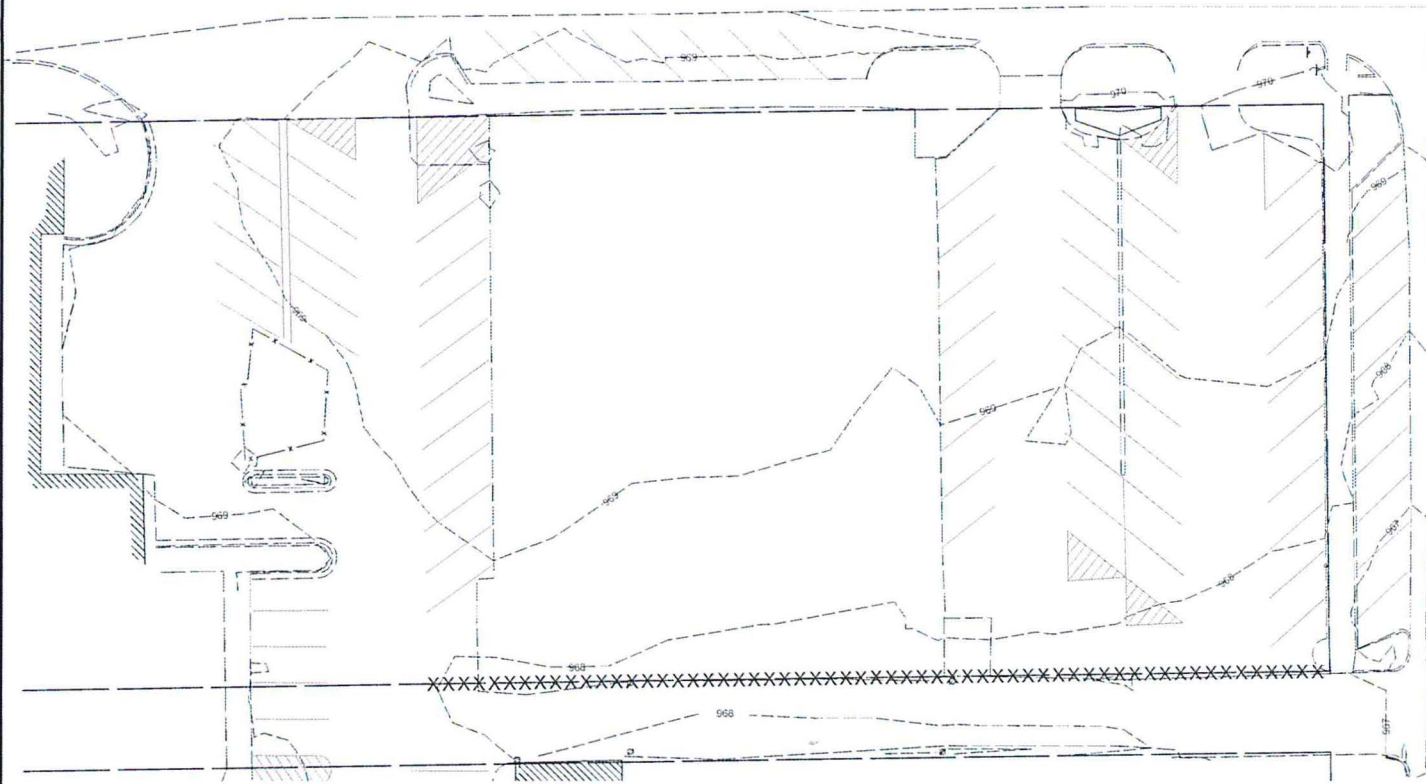
ENGINEERING DEPARTMENT

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BEARD ST.

10TH ST.




- NOTES:
1. SILT FENCE SHALL BE PLACED ON SLOPE CONTOURS TO MAXIMIZE PONDING EFFICIENCY.
  2. INSPECT AND REPAIR FENCE AFTER EACH STORM EVENT AND REMOVE SEDIMENT WHEN NECESSARY. 9" (225mm) MAXIMUM RECOMMENDED STORAGE HEIGHT.
  3. REMOVED SEDIMENT SHALL BE DEPOSITED TO AN AREA THAT WILL NOT CONTRIBUTE SEDIMENT OFF-SITE AND CAN BE PERMANENTLY STABILIZED.

**SILT FENCE DETAIL**  
NO SCALE

GENERAL EROSION CONTROL NOTES:  
1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING AND MAINTAINING ADEQUATE EROSION PROTECTION DURING CONSTRUCTION AND FOLLOWING CONSTRUCTION, UNTIL SUCH TIME AS PROPER VEGETATION IS REESTABLISHED. THE WORK SHALL ALSO INCLUDE CONSTRUCTION OF A TEMPORARY CONSTRUCTION ENTRANCE.

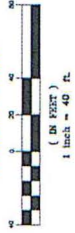
**EROSION CONTROL LEGEND**

XXXXXXXXXX SILT FENCE

CITY HALL PARKING IMPROVEMENTS EROSION CONTROL PLAN				
SUPPLY BY	DATE	SCALE	PROJECT NO.	SHEET NO.
DESIGNED BY	02/27/13	1"=30'	003-09-132-04	2 OF 2
CITY OF SHAWNEE 222 BROADWAY SHAWNEE, OKLAHOMA				
ENGINEERING DEPARTMENT				

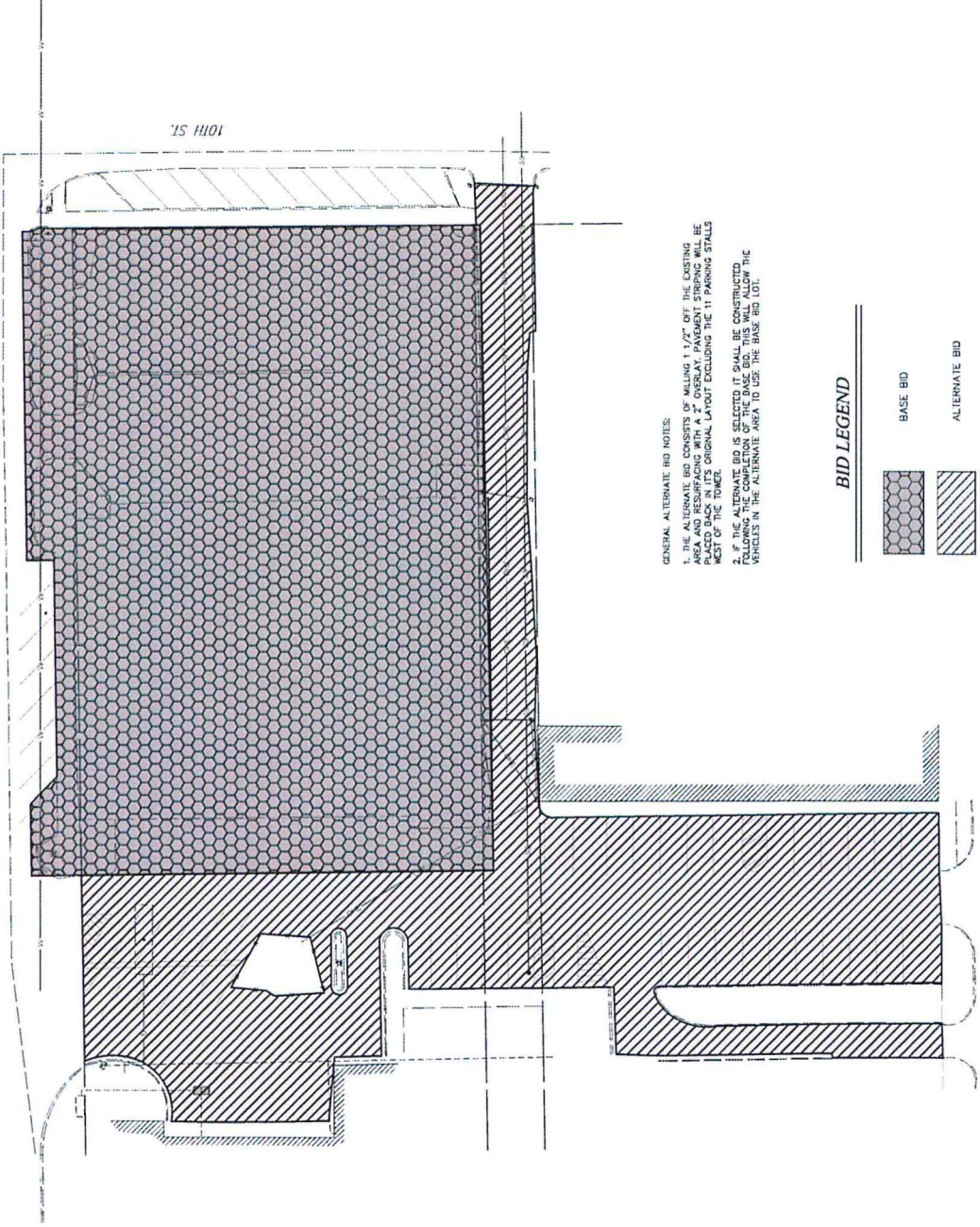


GRAPHIC SCALE



BEARD ST.

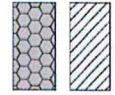
15 H101



GENERAL ALTERNATE BID NOTES:

1. THE ALTERNATE BID CONSISTS OF MILLING 1 1/2" OFF THE EXISTING AREA AND RESURFACING WITH A 2" OVERLAY. PAVEMENT STRIPING WILL BE MILLED AND REPAIRED TO MATCH THE ORIGINAL LAYOUT EXCLUDING THE 11 PARKING STALLS WEST OF THE TOWER.
2. IF THE ALTERNATE BID IS SELECTED, IT SHALL BE CONSTRUCTED FOLLOWING THE COMPLETION OF THE BASE BID. THIS WILL ALLOW THE VEHICLES IN THE ALTERNATE AREA TO USE THE BASE BID LOT.

**BID LEGEND**



CITY HALL - PARKING IMPROVEMENTS  
ALTERNATE BID PLAN

CITY OF SHAWNEE  
222 BROADWAY  
SHAWNEE, OKLAHOMA

ENGINEERS DEPARTMENT

DATE: 05/22/2013 SCALE: AS SHOWN SHEET NO.: 15 H101

**Regular Board of Commissioners**

**2. h.**

**Meeting Date:** 03/04/2013

OMAG Board

Submitted By: Donna Mayo, Administration

Department: Administration

---

Information

Title of Item for Agenda

Authorize Mayor Mainord to nominate City Attorney Mary Ann Karns for placement on the ballot of the Oklahoma Municipal Assurance Group Board for an open position.

---

**Regular Board of Commissioners**

2. i.

**Meeting Date:** 03/04/2013

Traffic Commission

Submitted By: Donna Mayo, Administration

Department: Administration

---

Information

Title of Item for Agenda

Traffic Commission Recommendations:

A. Discussion, consideration and possible action to approve bike route map.

STAFF RECOMMENDATION: Staff recommends approval of request

BOARD RECOMMENDATION: Board recommends denial of request

---

Attachments

Recommendations

Commission Packet

**STAFF RECOMMENDATIONS**  
**TRAFFIC COMMISSION**  
**February 26, 2013 MEETING**

- A. Discussion, consideration and possible action to approve proposed bike route map.

STAFF RECOMMENDATION: Staff recommends approval of request

BOARD RECOMMENDATION: Board recommends denial of request

City of Shawnee

# Traffic Commission



**MAYOR**  
Wes Mainord

**BOARD OF COMMISSIONERS**

Ronald Taffe  
Theresa Cody  
Ron Duffell  
Larry Smith

Deena Harris  
Wayne Ardrey  
Rebecca Dolin

Please advise me of your attendance plans regarding this meeting at 405-878-1760 or email at [Danielle.turner@shawneeok.org](mailto:Danielle.turner@shawneeok.org).

NOTICE OF MEETING

Traffic Commission

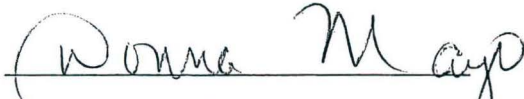
TYPE OF MEETING

- Regular Meeting (X)                      Rescheduled Regular Meeting ( )
- Special Meeting ( )                      Continued or Emergency Meeting ( )
- Reconvened Meeting ( )

<u>DATE</u>	<u>TIME</u>	<u>PLACE OF MEETING</u>
February 26, 2013	6:00 PM	COMMISSION CHAMBERS City Hall, Shawnee, OK

Name: Dani Turner  
 Title: Secretary  
 Address: P.O. Box 1848  
Shawnee, OK 74802-1848  
 Phone: (405) 878-1537

Filed in the office of the municipal clerk at 11:50 am/pm on 2-19 2013.

Signed:   
 Phyllis Loftis, City Clerk

-----  
 FOR CITY CLERK'S OFFICE ONLY

Date Notice released to news media: 2-19-13  
 Person filing notice: Danielle Turner  
 Notice verified by: Doana Mayo

City of Shawnee  
Traffic Commission

Traffic Board Commissioners:

Chairman, Ronald Taffe  
Ron Duffell  
Theresa Cody

Traffic Board Commissioners:

Deena Harris, Vice Chairman  
Wayne Ardrey  
Rebecca Dolin

AGENDA

February 26, 2013 AT 6:00 P.M.  
Commission Chambers, City Hall

- I. Call to Order
- II. Roll Call
- III. Approval of January 22, 2013 Minutes
- IV. Swear in of Larry Smith
- V. Consideration of Requests Received
  - A. Discussion, consideration and possible action to approve proposed bike route map.
- VI. Administrative Reports
- VII. Citizen Participation
- VIII. Board Members Comments
- IX. Adjournment

Respectfully submitted,



Dani Turner

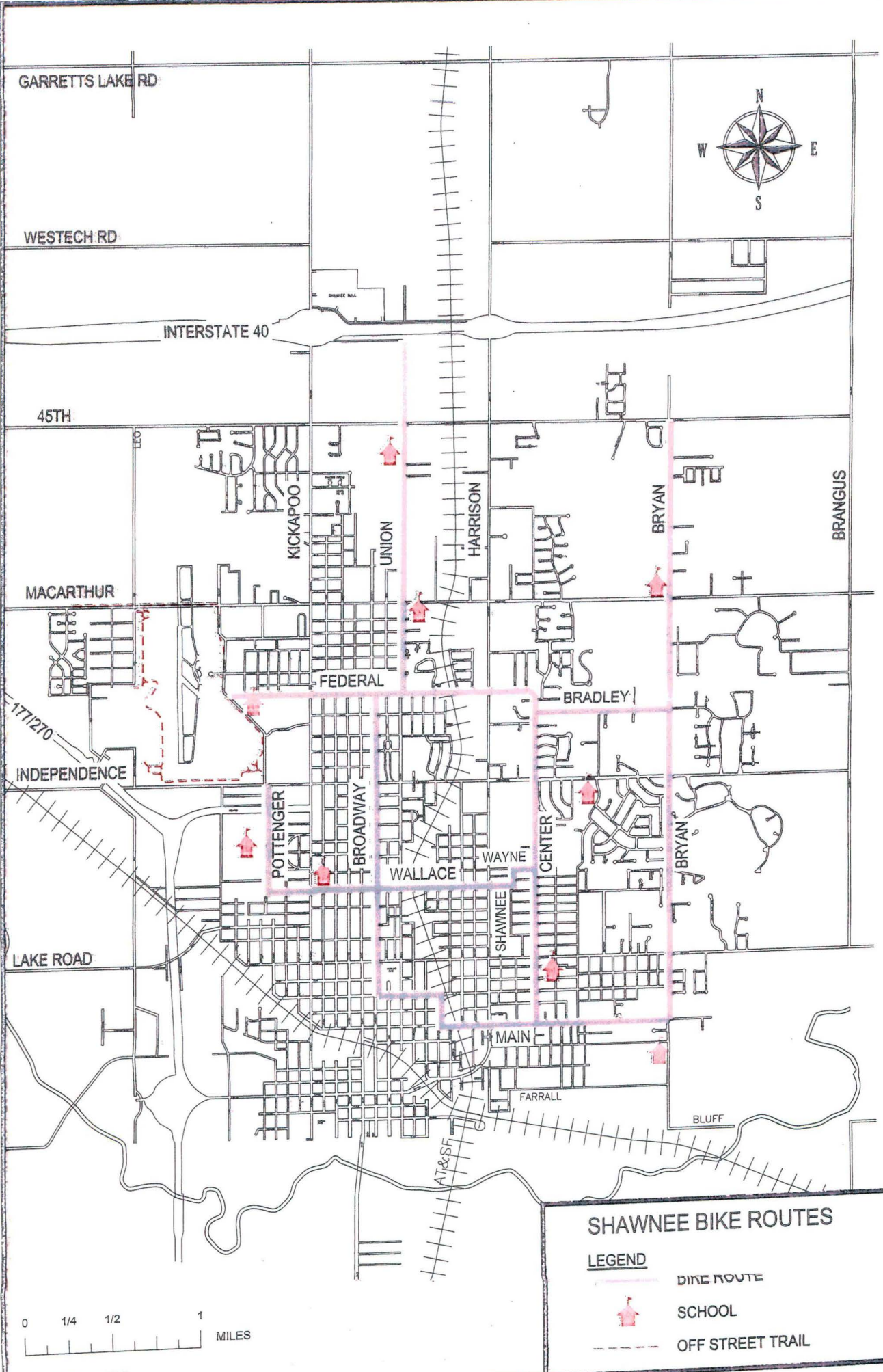
Secretary



**STAFF RECOMMENDATIONS  
TRAFFIC COMMISSION  
February 26, 2013 MEETING**

- A. Discussion, consideration and possible action to approve proposed bike route map.

STAFF RECOMMENDATION: Staff recommends approval of request



GARRETTS LAKE RD

WESTECH RD

INTERSTATE 40

45TH

MACARTHUR

INDEPENDENCE

LAKE ROAD

KICKAPOO

UNION

HARRISON

BRYAN

BRANGUS

FEDERAL

BRADLEY

POTTENGER

BROADWAY

WALLACE

WAYNE

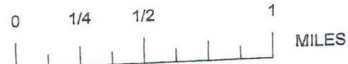
CENTER

BRYAN

MAIN




FARRALL

BLUFF



**SHAWNEE BIKE ROUTES**

**LEGEND**

-  DIKE ROUTE
-  SCHOOL
-  OFF STREET TRAIL

**MINUTES**  
**TRAFFIC COMMISSION**  
**January 22, 2013 MEETING**  
**EMERGENCY OPERATIONS CENTER CONFERENCE ROOM AT CITY HALL**

**I. ROLL CALL**

**MEMBERS PRESENT**

Ronald Taffe - Chairman  
Deena Harris- Vice Chairman  
Wayne Ardrey  
Theresa Cody  
Ron Duffell



**MEMBERS ABSENT**

Wayne Ardrey

**EX-OFFICIO MEMBERS**

Michael Ludi, Assistant City Engineer  
Amber Satterfield, EIT  
Danielle Turner, Traffic Commission Secretary  
Keith Mangus, Traffic Supervisor

**CITIZENS PRESENT**

Gerhard Laule  
Danielle Laule  
Monica Mullins  
Shawna Turner  
Stephanie Clary  
Royce Thompson  
Daniel J. Lay  
Lani Habrock

**II. APPROVAL OF OCTOBER 23, 2012 MINUTES**

Motion was made by Cody, seconded by Duffel to approve the October 23, 2012 minutes.  
Motion carried.

**III. SWEAR IN OF REBECCA DOLIN**

#### IV. CONSIDERATION OF REQUEST

##### A. Continued discussion of proposed stripping and signage of bike lanes

Discussion: Michael Ludi states that there are a couple of maps to look at from our previous meetings and are available for the public on the desk. These maps have been discussed in meetings with the Bike clubs and have been altered since the previous meeting. Union north past the middle school has been extended past 45<sup>th</sup> street and the route through down town has been changed from Main Street to Broadway. It will now go Main to Minnesota then to Tenth and over to Broadway. This was for safety reasons. With the way the cars park at an angle on Main Street it would make it hard for cars to see a bicycle when pulling out. Seventh Street was brought up by Cody as an alternate route instead of Tenth Street because of how wide it was. It was decided because of the longer stretch of Broadway it would need and the use and parking on Broadway, Tenth Street was decided to be the best option. Ludi states this is all up for discussion and any suggestions are welcome. Ludi states that we will put a route map on the Agenda to be approved at our next Traffic Commission Meeting. He would like in the meeting tonight to get this down to an agreeable map to vote on. This vote will not include any signage but only the map itself. Based on a budget given for the signage will depend on how we mark said map. Ludi states it is best to look at roads that do not have angled parking.

Further discussion was made from Commissioners to Citizens present. Beard Street and Market were discussed as options by Commissioners and due to the comments made by the cyclists it was decided that those streets, ( being limited to one way traffic) would not really be a good option for cyclists. These one way streets would take the flow out of the plan. Discussion was made of adding streets to the map for advanced riders at a later date such as Kickapoo. This is always a possibility and can be looked at in the future.

Citizens discussed a trail system for the whole family not only for bicycles but for walking and jogging as well. They would like to see sidewalk routes throughout the City to help people get around without a car. Shawna Turner stated that the Master Trails Plan had all of this but the funds create barriers. She suggested trying to get private help like Oklahoma City did with Devon. She stated there might be grants available for this type of system as well. Monica Mullins stated Woodward has a great trail system that was made by public/private donations. She stated this is proof that small towns can do this.

Benefits of signage were discussed. Citizens stated and agreed by Commissioners, signage would help to make drivers aware of bicyclist but would not change the behavior of some. Shawna Turner stated as a parent signage would make her feel a little more confident about allowing her child to ride a bicycle.

The plan at this time is to agree on a map and then try to get funds budgeted for signage. At the time when we have funds available we would come back and discuss where to begin on the route. The approval of an agreed map is the first step.

All present agreed the map as is would be a good starting point. No changes were made to said map.

V. NEW BUSINESS

None

VI. CITIZEN PARTICIPATION

Shawna Turner thanks Commissioners for their time and energy on the matter at hand.

VII. ADMINISTRATIVE REPORTS

None

VIII. BOARD MEMBERS COMMENTS

There being no further business to come before the Transportation Commission, a motion was made by Dolin, seconded by Harris recommending the meeting be adjourned.  
Motion carried.

Roll Call: Aye: Taffe, Harris, Cody, Duffell, Dolin  
Nay: none

Respectfully submitted,

\_\_\_\_\_  
Danielle Turner, Secretary

\_\_\_\_\_  
Ronald Taffe, Chairman

**Regular Board of Commissioners**

**4.**

**Meeting Date:** 03/04/2013

Audit Presentation

Submitted By: Donna Mayo, Administration

Department: Administration

---

Information

Title of Item for Agenda

Presentation by Arledge & Associates, P.C. of audited financial statements for the City of Shawnee and Related Authorities for the Fiscal Year 2011-2012.

RECESS CITY COMMISSION MEETING TO CONVENE THE SHAWNEE MUNICIPAL AUTHORITY AND THE SHAWNEE AIRPORT AUTHORITY.

RECONVENE

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Attachments

Audit June 30 2012

# City of Shawnee, Oklahoma



COMPREHENSIVE ANNUAL FINANCIAL REPORT  
AND ACCOMPANYING INDEPENDENT AUDITOR'S REPORT

FOR THE FISCAL YEAR ENDED  
JUNE 30, 2012





**THE CITY OF SHAWNEE, OKLAHOMA**

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

**For the Fiscal Year Ended  
June 30, 2012**

Prepared by:  
Department of Finance

Cynthia R Sementelli  
Finance Director

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**CITY OF SHAWNEE, OKLAHOMA  
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***INTRODUCTION SECTION***

**Mayor**

WES MAINORD



**The City of Shawnee**  
***Office of the Finance Director***

PO Box 1448  
Shawnee Oklahoma 74802-1448  
405-878-1610

**Commissioners**

PAM STEPHENS  
FRANK SIMS  
JAMES HARROD  
LINDA AGEE  
KEITH HALL  
STEVE SMITH

January 15, 2013

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

State law requires that cities publish, within six months after the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. We submit to you the City of Shawnee's Comprehensive Annual Financial Report (CAFR) with the independent auditor's report thereon for the fiscal year ended June 30, 2012. The fiscal year 2012 report was slightly delayed due to significant turnover in the finance department.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the City's management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Shawnee's financial statements have been audited by Arledge and Associates, a firm of licensed certified public accountants. The goal of the independent auditor was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2012, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2012 are fairly presented in conformity with GAAP.

The independent audit of the City's financial statements was part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These auditor's reports are presented in the separately available Single Audit report.

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

## **PROFILE OF THE CITY**

The City of Shawnee provides many municipal services including police and fire public safety, emergency management, water, sewer, and sanitation services, street construction and maintenance, street lighting, parks, lake and recreational facilities, planning, community development, code enforcement, and general administration. For financial reporting purposes, all funds, agencies, boards, commissions, and authorities over which the City Council has financial accountability, are included in this report. Financial accountability is determined by several different factors including fiscal dependence, ability to impose will upon the entity's governing body, provision of specific financial burdens or benefits and separate legal entity status. After a careful evaluation of these factors, the City has included in this financial report the Shawnee Municipal Authority and the Shawnee Airport Authority, as well as all funds of the City.

## **GOVERNMENTAL STRUCTURE**

The City of Shawnee operates as a Council/Manager form of government. The governing body of the city consists of a mayor, who shall be elected from the City at large; and of six (6) other commissioners. The City Council also serves as trustees of the Shawnee Municipal Authority and the Shawnee Airport Authority. The Mayor and Council appoint a City Manager, who is the chief executive officer of the city, and also appoints a City Treasurer. Responsibility for the day-to-day operations of the City rests with the City Manager.

Shawnee, originally incorporated in 1894, is located on Interstate 40 approximately 40 miles east of Oklahoma City. The City covers an area of 62 square miles and has a population of 29,857 according to the latest census. Shawnee's retail base continues to expand along the I-40 corridor, with several new hotels, restaurants, and retail establishments.



## ECONOMIC CONDITION AND OUTLOOK

The City's top priority is to provide the highest level of public services possible with available funding. Like most other Oklahoma municipalities, long-term municipal finance is a concern. A broad analysis of the current and future expenditure needs of the City must be considered when appropriating revenues and building unreserved fund balances.

The City is almost solely dependent on sales and use tax to fund all general government operations. Approximately 78% of the City's General Fund revenues are provided by sales and use tax. These taxes are directly affected by the state of the local economy and their use is often restricted by voter approval. As a result, it is a volatile revenue source from a budget perspective. Further, over the past 10 years, the City's sales tax has not kept up with the cost of salaries, goods, and services.

Sales and use tax collected by the City during fiscal year 2011-2012 increased 2.42% or \$389,646.44 from the previous fiscal year. Current fiscal year sales tax collections received through November 2012 are up \$42,912 over the same time last year. City staff continues to monitor revenues closely to communicate the current situation to the City Commission. The City also continues its proactive education of residents, contractors, and retailers that sales taxes are collected at the point of delivery. The City is also taking initiatives to educate its citizens in regard to the importance of "Shopping Shawnee" engaging partners like the Shawnee Economic Development Foundation and the Greater Shawnee Chamber of Commerce ensuring their sales tax dollars are used for improvements to the *City of Shawnee*. Recent adoption of the City's 20 year Capital Improvement Plan has led staff and Commissioners to realize that if the City of Shawnee is going to be able to continue to provide the level of customer service our citizens desire, retail sales tax attraction and economic development need to be top priorities to increase City revenues.

As staff continues to identify possible reductions, the following critical needs within the City of Shawnee Finance will remain in the Fiscal Year 2012-2013 budget:

- Ensure the City's self-insured Workers Compensation Fund is adequately funded.
- Ensure adequate appropriation for accrued compensated absences is maintained and allocated to the departments as needed.
- Ensure that minimum budgetary fund balances are maintained as per Commission Resolution number 6409

The City has seen an increase in sales tax exemptions and federal regulations; rising expenses from grievances and binding arbitrations with employee unions; and more federal and state unfunded mandates such as proposed increases in Oklahoma Department of Environmental Quality (DEQ) fees. In addition, new requirements of audits (*GASB 54*) have added to the list of expenses cities and towns must endure.

In accordance with Oklahoma Statute Titles 11 Section 17-211 and 68 Section 3017, and City Commission action with the adoption of Resolution 6428 on June 18, 2012 the City strives to maintain a minimum unassigned fund balance totaling 10% for budgeted expenditures as a reserve for revenue shortfalls, unanticipated expenditures, and to meet daily cash flow requirements. Management's recommendation would probably be more than a 10% minimum; however, weak annual revenues have prevented our recommendation from being a larger percentage of fund balance.

The City's fiscal year 2012-2013 budget estimates General Fund revenues of \$19,672,936 including \$264,063 of fund balance and \$250,000 due from the Shawnee Municipal Authority (SMA) to reimburse the General Fund to balance the budget this year. These actions by the City Commission to spend fund balance afforded the City the ability to fully implement a salary survey completed in early 2012. This action has preliminarily shown to significantly slow down expensive employee turnover. In addition, this budget included some restoration of cost of living and merit increases lost in the FYE 2010 and 2011. Regardless, the FYE 2013 budget included an unassigned fund balance of 10%.

### **MAJOR INITIATIVES**

As of June 30, 2012 the City encumbered \$4 million for the \$11 million Kickapoo Street construction project. The Oklahoma Department of Transportation will provide the remainder of the funding.

During FYE 2012 City Commissioners approved a Resolution to send approximately \$47 million dollars to the voters for public safety, roads, and quality of life projects (i.e.: Regional Sports Park) to name a few. In February 2012 all of the proposed ballot initiatives were handily defeated by the voters.

In December 2011, the City took a \$3,845,000 loan to fund 4 of the projects identified in the CIP. A \$2,365,000 taxable bond was taken to redo the Expo parking lot and upgrade the campsite hookup electrical to 50 amp services. The remaining \$1,480,000 was a non-taxable bond and will be used for the Library Roof, Airport Walking Trail and to pay off a \$688,329 loan for SMA. Refinance of this loan resulted in a reduction in term and a cost savings of approximately \$50,000.

Also during fiscal year 2011-2012 we completed our new airport building runway and taxiway improvements funded with FAA grant, EIP, and a small amount of airport revenues.

The fiscal year budget for 2012-2013 includes an encumbrance of \$820,000 for the principal and interest (5 year term) needed to fund upgrades to the City municipal pool, communication towers, and 9-1-1 upgrades. We anticipate securing funding in late 2013.

The City purchased 7 vehicles and equipment to support its services and upgrade its fleet. The Police Department purchased necessary equipment such as rifles, e-ticket machines, radios, and a tag reader that cross references State and Local databases to assist PD with warrant initiatives. The Fire Department purchased necessary bunker gear and a grass rig apparatus for response to fire emergencies.

The City expended over \$363,892 on Community Development Block Grant (CDBG) housing rehabilitation and emergency construction for eligible citizens.

The City continues to support economic development, civic and cultural activities, tourism, and other community needs through community contracts with service providers. While not as apparent as solid waste or police and fire services, this financial support provides needed services to City residents and enhances our City's quality of life.

During fiscal year 2011-2012, the City supported the Shawnee Civic and Cultural Development Authority (Expo Center) with \$453,000 from the general fund, \$50,000 from the economic development fund and \$100,000 for capital improvements on top of the \$2,365,000 bond for the parking lot and upgrade of the electrical.

The City provided \$196,000 in financial support through a contract with the Shawnee Economic Development Foundation for services provided by that entity. The City passed through \$472,083 in hotel/motel surcharges to the Shawnee Convention and Visitors Bureau, whose programs increase tourism in the City.

The City supported the multi-county library system by paying \$74,000 for utilities and janitorial services for the City-owned building. The City provided \$70,400 for management of the Senior Citizens Center and paid the YMCA \$36,000 to manage the Community Center. The City helped fund the local transit system with \$50,000.

SMA during fiscal year 2011-2012 has a contract with Smith, Roberts, Baldishwiler, LLC to develop a Master Plan. The scope of work for the master plan will consist of developing a Capital Improvements Plan (CIP) for the water supply, water treatment, collections systems, and wastewater treatment facilities. The plan will include recommendations for prioritization and phasing of the recommended short term (0-5 years and 5-10 years) and long term (10-20 years) CIP projects. The entire project is scheduled to be complete December 2013.

Scope includes:

1. Project Management
2. Project Initiation and Data Collection
3. Develop Water Supply and Treatment CIP
4. Develop Water Distribution System CIP
5. Develop Collections System CIP
6. Develop Wastewater Treatment CIP
7. Prepare Comprehensive Master Plan Report

In the budget for 2011-2012 SMA continued with annual pipe bursting of sewer lines(\$1M), water line repairs (\$1M), rebuilding clarifiers at the Southside Wastewater Sewer Plant and purchased new equipment such as a new sludge truck and video inspection truck for visual inspection of sewer lines.

Budgeted for the 2012-2013 SMA will continue to work on the Master plan and in the capital budget has budgeted 2 million for pipe bursting. In addition; other capital projects include Airport Lift Station rehab, cleaning the sludge ponds at the Water Treatment Plant, installing HVAC in 2 buildings at the Water Treatment Plant, upgrade the lighting at the Water Treatment Plant and at the Northside Wastewater Treatment Plant, and 5 pickup truck replacements for Utility Billing.

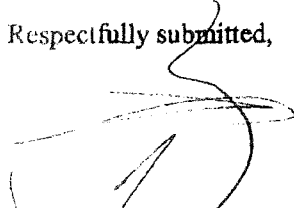
Finally, the SMA took on the City of Tecumseh as a water customer providing treated water due to the inability of their surface water and well water sources not being sufficient to provide for their needs.

#### **ACKNOWLEDGEMENT**

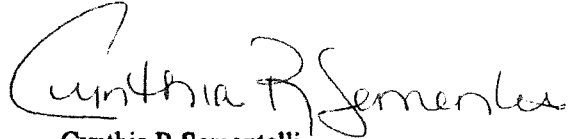
We would like to thank our consultants, Crawford & Associates, P.C., for their guidance. Also, thanks to our auditors, Arledge and Associates, for their assistance in this process.

Finally, to the Shawnee City Council we extend heartfelt thanks for their support. It is their commitment to financial reporting excellence that allows the citizens of Shawnee to be fully informed about their municipal government finances. We are proud to convey the Council's commitment to our citizens and to all readers of the City of Shawnee's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012.

Respectfully submitted,



Brian McDougal  
City Manager



Cynthia R Sementelli  
Finance Director

**City of Shawnee, Oklahoma**

**List of Principal Officials**

**June 30, 2012**

**Mayor and City Council**

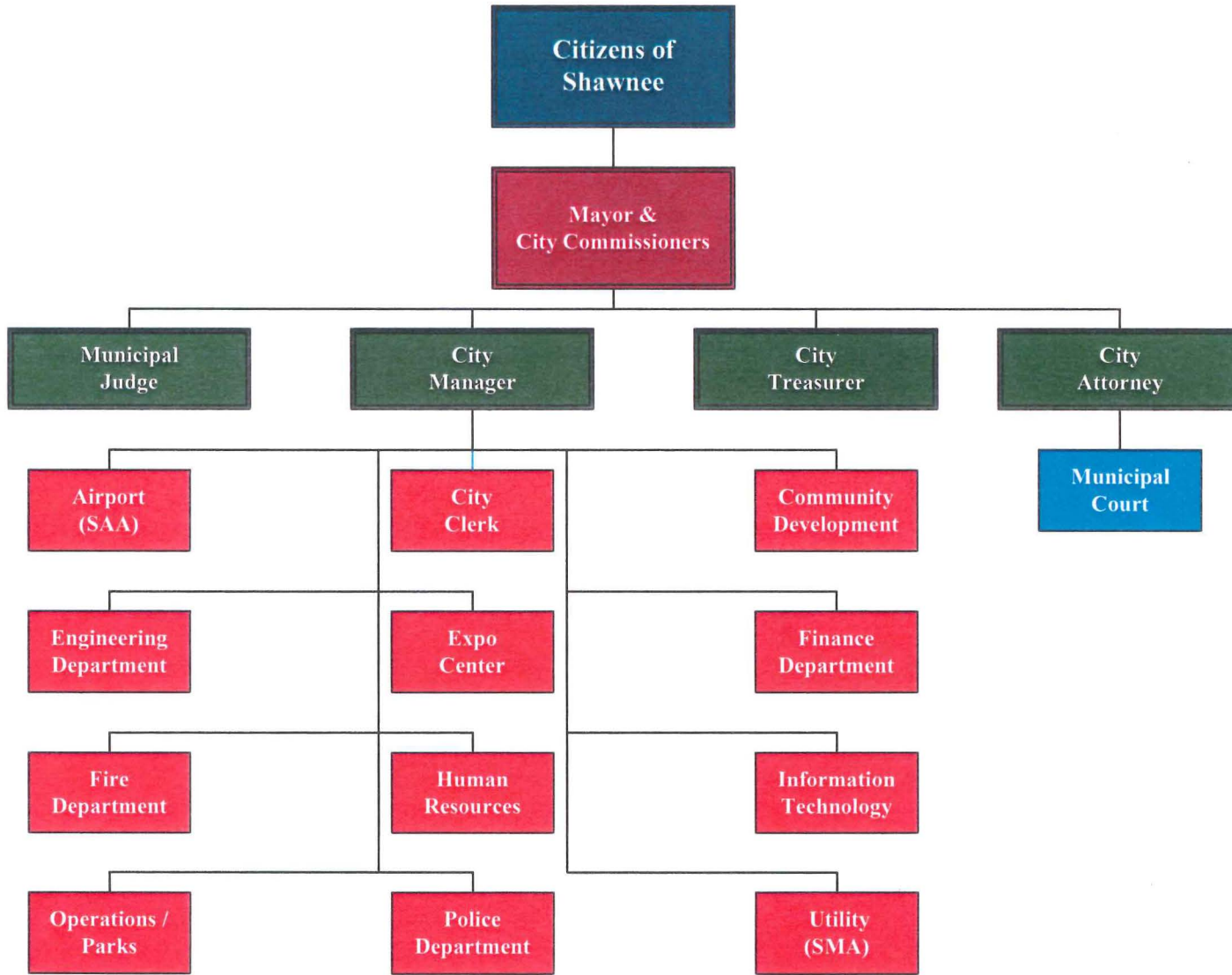
Linda Peterson	Mayor
Billy Collier	Vice Mayor
James Harrod	Councilmember
Steve Smith	Councilmember
Pam Stevens	Councilmember
John Winterringer	Councilmember
Frank Simms	Councilmember

**Administration**

Brian Mcdougal	City Manager
Cynthia R Sementelli	Treasurer
Stephen Nolen	Chief Informational Officer
Phyliss Loftis	City Clerk
Mary Ann Karns	City Attorney
Russell Frantz	Police Chief
David Short	Fire Chief
Tamera Johnson	Human Resource Director
Justin Erickson	Community Development Director/ Planning Director
John Krywicki	City Engineer
James Bryce	Director of Operations
Jim Bierd	Utility Director
Mike Jackson	Expo Center Director

# City of Shawnee Administrative Organizational Chart

Updated January 23, 2013



# ***FINANCIAL SECTION***



## Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Shawnee, Oklahoma, (the City) as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Shawnee Civic and Cultural Development Authority which statements reflect total assets constituting 100% and total revenues constituting 100% of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Shawnee Civic and Cultural Development Authority, are based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension plan and other post-



employment benefits funding schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplemental information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we do not express an opinion or provide any assurance on them.

*Arlidge & Associates, P.C.*

Edmond, Oklahoma  
January 25, 2013

**MANAGEMENT'S DISCUSSION & ANALYSIS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012**

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

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2012	2011		2012	2011		2012	2011	
Current assets	\$ 20,292	\$ 18,368	10%	\$ 10,054	\$ 8,183	23%	\$ 30,346	\$ 26,551	14%
Capital assets, net	34,413	30,219	14%	57,356	55,181	4%	91,769	85,400	7%
Other non-current assets	-	-	0%	370	292	27%	370	292	27%
<b>Total assets</b>	<u>54,705</u>	<u>48,587</u>	13%	<u>67,780</u>	<u>63,656</u>	6%	<u>122,485</u>	<u>112,243</u>	9%
Current liabilities	4,022	3,628	11%	4,439	4,564	-3%	8,461	8,192	3%
Non-current liabilities	6,538	6,234	5%	22,664	21,950	3%	29,202	28,184	4%
<b>Total liabilities</b>	<u>10,560</u>	<u>9,862</u>	7%	<u>27,103</u>	<u>26,514</u>	2%	<u>37,663</u>	<u>36,376</u>	4%
Net assets									
Invested in capital assets, net of related debt	33,531	30,219	11%	32,823	32,164	2%	66,354	62,383	6%
Restricted	10,416	9,897	5%	1,814	2,587	-30%	12,230	12,484	-2%
Unrestricted	198	(1,391)	-114%	6,040	2,391	153%	6,238	1,000	524%
<b>Total net assets</b>	<u>\$ 44,145</u>	<u>\$ 38,725</u>	14%	<u>\$ 40,677</u>	<u>\$ 37,142</u>	10%	<u>\$ 84,822</u>	<u>\$ 75,867</u>	12%

As shown in Table 1 above, the largest portion of the City's net assets reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. This year the investment in capital assets, net of related debt, amounted to \$66.4 million. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net assets, \$12.2 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, may be used to meet the government's ongoing obligations to citizens and creditors. The total unrestricted net assets are a positive amount, the governmental unrestricted net assets have a balance of \$197,163 primarily due to an increase in transfers from the SMA related to debt proceeds and a decrease in expenses in public safety. The business-type activities has a positive unrestricted net assets of \$6,039,429 due to charges for services exceeding cost in the water, wastewater, sanitation, airport and lake functions. The airport function had significant capital grants received in the current year. The lake function had an increase in rates and revenues moved from other park and recreation categories to the SMA.

**Changes in Net Assets:**

Table 2 (shown on the next page) summarizes the City's changes in net assets for fiscal year 2010-2011 compared to fiscal year 2011-2012.

**MANAGEMENT'S DISCUSSION & ANALYSIS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012**

Fiscal year 2011-2012 governmental and business-type activities increased the City's net assets by \$9.0 million compared to an increase of \$7.2 million from the previous fiscal year. Fiscal year 2011-2012 tax revenues totaled \$19.9 compared to \$19.3 million fiscal year 2010-2011. Sales and use tax and franchise taxes were up slightly over the previous year. Operating grants and contributions totaled \$2.2 million for the current fiscal and previous fiscal year. Capital grant and contributions totaled \$3.3 million compared to \$2.7 million in the prior year. The most significant capital grant relates to capital grants for construction and improvements at the airport totaling \$3.0 million. Transfer to governmental funds from the SMA increased due to the movement of loan proceeds.

**TABLE 2  
CHANGES IN NET ASSETS (In Thousands)**

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2012	2011		2012	2011		2012	2011	
<b>Revenues</b>									
Charges for service	\$ 1,052	\$ 1,131	-7%	\$ 13,877	\$ 11,675	19%	\$ 14,929	\$ 12,806	17%
Operating grants and contributions	2,272	2,181	4%	-	-	-	2,272	2,181	4%
Capital grants and contributions	279	121	130%	2,992	2,616	14%	3,271	2,737	19%
Taxes	19,897	19,352	3%	-	-	-	19,897	19,352	3%
Intergovernmental revenue	342	338	1%	-	-	-	342	338	1%
Investment income	107	99	8%	59	73	-19%	166	172	-3%
Miscellaneous	238	1,063	-78%	166	305	-46%	404	1,368	-70%
<b>Total revenues</b>	<b>24,187</b>	<b>24,285</b>	<b>0%</b>	<b>17,094</b>	<b>14,669</b>	<b>17%</b>	<b>41,281</b>	<b>38,954</b>	<b>6%</b>
<b>Expenses</b>									
General government	2,379	4,101	-42%	-	-	-	2,379	4,101	-42%
Public safety	13,249	12,672	5%	-	-	-	13,249	12,672	5%
Streets	3,164	2,903	9%	-	-	-	3,164	2,903	9%
Culture and recreation	1,054	848	24%	-	-	-	1,054	848	24%
Culture - payment to component unit	-	6	-100%	-	-	-	-	6	-100%
Community development	640	1,027	-38%	-	-	-	640	1,027	-38%
Economic development	1,165	1,073	9%	-	-	-	1,165	1,073	9%
Water	-	-	-	4,992	4,197	19%	4,992	4,197	19%
Wastewater	-	-	-	2,459	2,275	8%	2,459	2,275	8%
Sanitation	-	-	-	1,536	1,383	11%	1,536	1,383	11%
Administration	-	-	-	558	500	12%	558	500	12%
Airport	-	-	-	1,025	692	48%	1,025	692	48%
Lake	-	-	-	105	60	76%	105	60	76%
<b>Total expenses</b>	<b>21,651</b>	<b>22,630</b>	<b>-4%</b>	<b>10,675</b>	<b>9,107</b>	<b>17%</b>	<b>32,326</b>	<b>31,738</b>	<b>-2%</b>
Excess (deficiency) before transfers	2,536	1,655	53%	6,419	5,562	15%	8,955	7,216	24%
Transfers	2,883	442	552%	(2,883)	(442)	552%	-	-	
<b>Change in net assets</b>	<b>5,419</b>	<b>2,097</b>	<b>158%</b>	<b>3,536</b>	<b>5,120</b>	<b>-31%</b>	<b>8,955</b>	<b>7,217</b>	<b>24%</b>
<b>Beginning net assets</b>	<b>38,726</b>	<b>36,629</b>	<b>6%</b>	<b>37,141</b>	<b>32,021</b>	<b>16%</b>	<b>75,867</b>	<b>68,650</b>	<b>11%</b>
<b>Ending net assets</b>	<b>\$ 44,145</b>	<b>\$ 38,726</b>	<b>14%</b>	<b>\$ 40,677</b>	<b>\$ 37,141</b>	<b>10%</b>	<b>\$ 84,822</b>	<b>\$ 75,867</b>	<b>12%</b>

**Governmental Activities**

The City's governmental activities (as shown in Table 2 above) increased net assets by \$5.4 million representing a 14% increase in net assets.

Increases in capital grants in the Governmental activities are due to public safety grants for equipment.

Culture and recreation operational cost increased due to expanded services. While cost of general government and community development decreased due to fewer natural disasters.

### Business-type Activities

The business-type activities' increase in net assets of approximately \$3.5 million represents a 10% increase in net assets. Charges for services increased by 19% due to rate increases and extreme weather conditions. Capital grants increased by 14% from airport grants.

Lake and Airport operational cost increased due to expanded services and the cost related to those services. Improvements to camping sites at the lake and airport runway and terminals are providing more services to be offered to citizens.

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

	Total Expense of Services		% Inc. (Dec.)	Net Revenue (Expense) of Services		% Inc. (Dec.)
	2012	2011		2012	2011	
General government	\$ 2,379	\$ 4,101	-42%	(\$2,190)	(\$3,927)	-44%
Public safety	13,249	12,672	5%	(10,990)	(10,753)	2%
Streets	3,164	2,903	9%	(2,591)	(2,637)	-2%
Culture, parks and recreation	1,054	848	24%	(1,049)	(746)	41%
Culture, payment to component unit	-	6	-100%	-	(6)	-100%
Community development	640	1,027	-38%	(104)	(85)	22%
Economic development	1,165	1,072	9%	(1,126)	(1,041)	8%
<b>Total</b>	<u>\$ 21,651</u>	<u>\$ 22,629</u>	-4%	<u>(\$18,048)</u>	<u>(\$19,195)</u>	-6%

Tables 3 and 4 summarize the total cost of providing services from governmental activities and business-type activities for fiscal years 2011 and 2012. Total costs of services provided by governmental activities totaled \$21.6 and \$22.6 million for fiscal years 2012 and 2011, respectively.

Total costs of services provided by business-type activities totaled \$10.7 million for fiscal year 2012 and \$9.1 million for fiscal year 2011.

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

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	2012	2011		2012	2011	
Water	\$ 4,992	\$ 4,197	19%	\$ 2,463	\$ 1,639	50%
Wastewater	2,459	2,275	8%	1,351	1,625	-17%
Sanitation	1,536	1,383	11%	260	380	-32%
Administration	558	500	12%	(557)	(500)	11%
Airport	1,025	692	48%	2,377	2,101	13%
Lake	105	60	75%	300	(60)	-600%
<b>Total</b>	<u>\$ 10,675</u>	<u>\$ 9,107</u>	17%	<u>\$ 6,194</u>	<u>\$ 5,185</u>	19%

#### A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2012 fiscal year, the governmental funds reported a combined fund balance of \$16.7 million. The enterprise funds reported combined net assets of \$40.7 million. The fund balance constraints and net asset restrictions are listed below:

##### Governmental Funds:

###### Fund Balance:

Nonspendable	\$347,288	
Restricted	10,416,057	
Assigned	<u>428,435</u>	
Total governmental fund balance constraints		<u>\$11,191,780</u>

##### Proprietary Funds:

###### Net Asset Restrictions:

Debt service	<u>1,814,511</u>	
Total proprietary fund net asset restrictions		<u>\$1,814,511</u>

##### Other Fund Highlights Include:

- For the year ended June 30, 2012, the General Fund's total fund balance increased by \$814,140 or 14.9 percent.
- General fund fire departments total expenditures include \$784,842 and police departments total expenditures include \$317,905 for pension payments made on behalf of the City by the State. The total amount of \$1,102,747 has been included as both revenue and expenditures of the City for the year ended June 30, 2012.
- The Street Improvement Fund's total fund balance decreased by( \$0.9) million because street improvement projects carried over from the prior year were completed.

- The Shawnee Municipal Authority reported a net income of \$4,019,621 before contributed capital, transfers in, and transfers out.

**General Fund Budgetary Highlights**

Fiscal year 2012 General Fund revenues of \$16.8 million were \$164 thousand above budgeted revenues of \$16.7 million. This resulted from an increase in intergovernmental revenues.

Fiscal year 2012 General Fund budgeted expenditures were \$18.57 million compared to actual expenditures of \$17.97 million. The expenditures under budget were the result of all departments with the exception of Administrative Services, Municipal Court, Police Operations, Animal Control, Traffic Control and Parks coming in below budget. The departments exceeded budget due to accounts payable expenditures.

**CAPITAL ASSETS & DEBT ADMINISTRATION**

**Capital Assets**

At the end of June 30, 2012, the City had \$91.8 million invested in capital assets including land, buildings, machinery and equipment, park facilities, water, sewer and stormwater systems, roads and bridges, net of accumulated depreciation. This represents a net increase of \$6.4 million from last year.

Below are details regarding the change in the City's capital assets for the year ending June 30, 2012.<sup>1</sup>

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

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 2,262	\$ 2,262	\$ 1,481	\$ 1,480	3,743	\$ 3,742
Buildings	3,341	3,677	6,573	2,735	9,914	6,412
Machinery, furniture and equipment	4,151	4,385	3,231	1,026	7,382	5,411
Infrastructure	17,455	16,741	30,993	25,175	48,448	41,916
Water rights	-	-	12,968	12,968	12,968	12,968
Construction in progress	7,204	3,153	2,110	11,797	9,314	14,950
<b>Totals</b>	<u>\$ 34,413</u>	<u>\$ 30,218</u>	<u>\$ 57,356</u>	<u>\$ 55,181</u>	<u>\$ 91,769</u>	<u>\$ 85,399</u>

<sup>1</sup> For more detailed information on capital asset activity please refer to page 42 Note 3.D. Capital Assets

This year's more significant capital asset additions include various water, wastewater and street improvement projects as well as upgrades to various city buildings, improvements to the runways and taxiways at the airport.

### Debt Administration

At year-end, the City had \$31.6 million in long-term debt outstanding, which represents a \$0.9 million increase from the prior year. The City issued a refunding note payable to the Oklahoma Water Resources Board and issued two Sales Tax Revenue Notes for the year ended June 30, 2012. These debts are further detailed below as follows:<sup>2</sup>

**TABLE 6**  
**Long-Term Debt**  
**(In Thousands)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>		<u>Total</u>
	<u>Activities</u>		<u>Activities</u>				<u>Percentage</u>
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>Change</u>
Accrued absences	\$ 1,755	\$ 1,665	\$ 314	\$ 295	\$ 2,069	\$ 1,960	5.6%
Notes payable	881	-	24,533	23,559	25,414	23,559	7.9%
Claims and judgments payable	4,067	5,110	-	-	4,067	5,110	-20.4%
<b>Totals</b>	<b>\$ 6,703</b>	<b>\$ 6,775</b>	<b>\$ 24,847</b>	<b>\$ 23,854</b>	<b>\$ 31,550</b>	<b>\$ 30,629</b>	<b>3.0%</b>

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economic conditions have not significantly improved over last year. However large swings in weighted monthly revenues have stabilized. As such, although our main revenue source is not growing very significantly, we are pleased to report a stabilization of our largest revenue and are confident it will continue. Unemployment remains very low in Pottawatomie County and the City of Shawnee. Recruitment of retail needs to remain top priority for the City.

Additional positions the City would like to see in the future are:

- Grants position:
- Sales tax collection position/or farm out.
- Additional park personnel to staff the new municipal pool
- Purchasing
- Director of internal ops
- Director of external ops

Total FY2012-2013 General Fund revenues are estimated at \$19.2 million, including \$2.4 million in transfers from other funds. As noted above, however, sales tax collections, representing approximately 74 percent of the total General Fund revenues are slightly above what was budgeted.

Total FY2012-2013 Municipal Authority Utility Revenues are projected at \$13.7 million. This is higher than the previous year due to a rate increase that took place in July 2012. The additional

<sup>2</sup> For more detailed information on long-term debt activity please refer to page 44, Note 3.E. Long-Term Debt

revenue will help fund necessary capital improvements and pay the debt service on the 30 inch waterline and pumps and controls loans.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's Office at 16 W 9th, Shawnee, Oklahoma or phone at (405) 878-1601.



## **BASIC FINANCIAL STATEMENTS**

**City of Shawnee, Oklahoma**  
**Statement of Net Assets**  
**June 30, 2012**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Civic &amp; Cultural Development Authority</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 8,609,168	\$ 5,210,655	\$ 13,819,823	\$ 163,306
Investments	5,926,783	2,367,063	8,293,846	-
Interest receivable	6,835	9,144	15,979	-
Accounts receivable, net of allowance	2,750,193	2,312,461	5,062,654	7,175
Notes receivable, net of allowance	818,442	82,496	900,938	-
Internal balances	1,677,448	(1,677,448)	-	6,935
Due from other governmental agencies	156,657	1,724,664	1,881,321	-
Inventories	-	24,698	24,698	-
Prepaid items	347,288	-	347,288	-
Capital assets:				
Land, construction in progress, and water rights	9,465,891	16,559,215	26,025,106	-
Other capital assets, net of depreciation	24,946,726	40,796,916	65,743,642	4,498,537
Unamortized bond issuance costs	-	370,360	370,360	-
Total Assets	<u>\$ 54,705,431</u>	<u>\$ 67,780,224</u>	<u>\$ 122,485,655</u>	<u>\$ 4,675,953</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 2,031,271	\$ 1,343,657	\$ 3,374,928	\$ 9,405
Accrued interest payable	9,335	500,060	509,395	-
Due to depositors	-	905,167	905,167	17,161
Due to bondholders	47,678	-	47,678	-
Unearned income	818,442	-	818,442	-
Long-term liabilities				
Due within one year	1,115,542	1,690,069	2,805,611	55,513
Due in more than one year	6,538,448	22,664,455	29,202,903	41,883
Total liabilities	<u>10,560,716</u>	<u>27,103,408</u>	<u>37,664,124</u>	<u>123,962</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	33,531,495	32,822,876	66,354,371	4,401,141
Restricted by:				
Enabling Legislation	360,270	1,814,511	2,174,781	1,034
Statutory requirements	594,505	-	594,505	-
External sources	9,461,282	-	9,461,282	-
Unrestricted	197,163	6,039,429	6,236,592	149,816
Total net assets	<u>\$ 44,144,715</u>	<u>\$ 40,676,816</u>	<u>\$ 84,821,531</u>	<u>\$ 4,551,991</u>

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

**City of Shawnee, Oklahoma  
Statement of Activities  
Year Ended June 30, 2012**

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets			Component Unit Civic & Cultural Development Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Primary government</b>							
Governmental Activities							
General government	\$ 2,379,373	\$ 189,754	\$ -	\$ -	\$ (2,189,619)	\$ -	\$ -
Public safety	13,248,594	767,900	1,439,083	52,074	(10,989,537)	-	(10,989,537)
Streets	3,164,310	1,175	345,711	226,846	(2,590,578)	-	(2,590,578)
Culture and recreation	1,053,726	-	5,060	-	(1,048,666)	-	(1,048,666)
Community development	639,533	57,516	478,282	-	(103,735)	-	(103,735)
Economic development	1,165,368	35,362	4,000	-	(1,126,006)	-	(1,126,006)
Total governmental activities	<u>21,650,904</u>	<u>1,051,707</u>	<u>2,272,136</u>	<u>278,920</u>	<u>(18,048,141)</u>	<u>-</u>	<u>(18,048,141)</u>
Business-type activities:							
Water	4,992,323	7,432,629	-	22,238	-	2,462,544	2,462,544
Wastewater	2,458,992	3,810,280	-	-	-	1,351,288	1,351,288
Sanitation	1,535,752	1,795,949	-	-	-	260,197	260,197
Administration	557,451	-	-	-	-	(557,451)	(557,451)
Airport	1,024,896	432,636	-	2,969,274	-	2,377,014	2,377,014
Lake	105,398	405,545	-	-	-	300,147	300,147
Total business-type activities	<u>10,674,812</u>	<u>13,877,039</u>	<u>-</u>	<u>2,991,512</u>	<u>-</u>	<u>6,193,739</u>	<u>6,193,739</u>
Total primary government	<u>\$ 32,325,716</u>	<u>\$ 14,928,746</u>	<u>\$ 2,272,136</u>	<u>\$ 3,270,432</u>	<u>\$ (18,048,141)</u>	<u>6,193,739</u>	<u>(11,854,402)</u>
<b>Component Unit</b>							
Civic & Cultural Development	<u>\$ 1,851,914</u>	<u>\$ 1,091,443</u>	<u>\$ 645,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(115,026)</u>
<b>General revenues:</b>							
Taxes:							
Sales and use taxes				17,414,169	-	17,414,169	-
Franchise taxes and public service taxes				1,676,956	-	1,676,956	-
Hotel/motel taxes				472,590	-	472,590	-
Property tax				74,309	-	74,309	-
Payment in lieu of taxes				1,054	-	1,054	-
Other				257,675	-	257,675	-
Intergovernmental revenue not restricted to specific programs				342,144	-	342,144	-
Unrestricted investment earnings				107,032	59,279	166,311	714
Miscellaneous				238,110	165,862	403,972	6,545
Transfers				<u>2,883,232</u>	<u>(2,883,232)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers				<u>23,467,271</u>	<u>(2,658,091)</u>	<u>20,809,180</u>	<u>7,259</u>
Change in net assets				5,419,130	3,535,648	8,954,778	(107,767)
Net assets - beginning				38,725,585	37,141,168	75,866,753	4,659,758
Net assets - ending				<u>\$ 44,144,715</u>	<u>\$ 40,676,816</u>	<u>\$ 84,821,531</u>	<u>\$ 4,551,991</u>

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

**City of Shawnee, Oklahoma**  
**Balance Sheet – Governmental Funds**  
**June 30, 2012**

	<u>General Fund</u>	<u>Street Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,253,205	\$ 2,249,898	\$ 4,095,091	\$ 8,598,194
Investments	1,138,499	3,729,819	1,058,465	5,926,783
Interest receivable	3,696	2,951	170	6,817
Receivable from other governments	85,532	62,700	8,419	156,651
Due from other funds	1,569,940	-	69,023	1,638,963
Taxes receivable, net	1,679,801	304,824	391,915	2,376,540
Court fines receivable, net	177,347	-	-	177,347
Other receivables	103,246	-	911,508	1,014,754
Prepaid expenses	347,288	-	-	347,288
Total assets	<u>\$ 7,358,554</u>	<u>\$ 6,350,192</u>	<u>\$ 6,534,591</u>	<u>\$ 20,243,337</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 415,385	\$ 328,220	\$ 1,017,023	\$ 1,760,628
Accrued payroll payable	317,070	-	-	317,070
Due to other funds	273,383	-	244,309	517,692
Deferred revenue	92,596	10,000	818,496	921,092
Total liabilities	<u>1,098,434</u>	<u>338,220</u>	<u>2,079,828</u>	<u>3,516,482</u>
 Fund balances:				
Nonspendable	347,288	-	-	347,288
Restricted	-	5,922,323	4,493,734	10,416,057
Assigned	296,021	89,649	42,765	428,435
Unassigned (deficit)	5,616,811	-	(81,736)	5,535,075
Total fund balances	<u>6,260,120</u>	<u>6,011,972</u>	<u>4,454,763</u>	<u>16,726,855</u>
Total liabilities and fund balances	<u>\$ 7,358,554</u>	<u>\$ 6,350,192</u>	<u>\$ 6,534,591</u>	<u>\$ 20,243,337</u>

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

**City of Shawnee, Oklahoma**  
**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets**  
**June 30, 2012**

Total fund balance, governmental funds	\$	16,726,855
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.</p>		34,412,617
<p>Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds.</p>		102,650
<p>Some liabilities are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets:</p>		
Interest payable		(9,335)
Net pension obligations		(88,481)
Other post employment benefits		(862,637)
Accrued compensated absences		(1,754,971)
Note payable		(881,122)
<p>Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance, to individual funds. The assets and liabilities of the internal service funds are reported in governmental activities:</p>		
Internal service fund net assets		(3,500,861)
Net Assets of Governmental Activities in the Statement of Net Assets	<u>\$</u>	<u>44,144,715</u>

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

**City of Shawnee, Oklahoma**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds**  
**Year Ended June 30, 2012**

	<u>General Fund</u>	<u>Street Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 13,635,348	\$ 2,406,922	\$ 4,113,026	\$ 20,155,296
Intergovernmental	1,886,089	216,846	306,165	2,409,100
Licenses and permits	197,533	-	1,175	198,708
Charges for services	157,825	-	1,181	159,006
Fees and fines	747,518	-	510	748,028
Investment earnings	22,112	37,697	47,223	107,032
Miscellaneous	215,406	-	142,664	358,070
Total revenues	<u>16,861,831</u>	<u>2,661,465</u>	<u>4,611,944</u>	<u>24,135,240</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,883,922	-	-	2,883,922
Engineering	404,537	-	-	404,537
Equipment and building maintenance	397,130	-	-	397,130
Police	5,394,473	-	-	5,394,473
Fire	4,975,816	-	-	4,975,816
Municipal court	526,446	-	-	526,446
Emergency management	294,832	-	-	294,832
Streets	957,045	-	356,293	1,313,338
Parks and recreation	599,576	-	4,825	604,401
Culture and recreation	122,993	-	-	122,993
Animal control/E911	781,174	-	91,273	872,447
Cemetery	183,744	-	-	183,744
Library	44,907	-	-	44,907
Economic development	532,840	-	1,119,708	1,652,548
Capital Outlay	-	3,367,712	3,543,068	6,910,780
Debt Service:				
Principal	-	-	77,746	77,746
Interest and other charges	-	-	6,853	6,853
Total expenditures	<u>18,099,435</u>	<u>3,367,712</u>	<u>5,199,766</u>	<u>26,666,913</u>
Excess (deficiency) of revenues over expenditures	<u>(1,237,604)</u>	<u>(706,247)</u>	<u>(587,822)</u>	<u>(2,531,673)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from long-term debt	-	-	958,868	958,868
Transfers in	2,051,744	-	2,326,085	4,377,829
Transfers out	-	(204,167)	(1,290,430)	(1,494,597)
Total other financing sources and uses	<u>2,051,744</u>	<u>(204,167)</u>	<u>1,994,523</u>	<u>3,842,100</u>
Net change in fund balances	814,140	(910,414)	1,406,701	1,310,427
Fund balances - beginning	5,445,980	6,922,386	3,048,062	15,416,428
Fund balances - ending	<u>\$ 6,260,120</u>	<u>\$ 6,011,972</u>	<u>\$ 4,454,763</u>	<u>\$ 16,726,855</u>

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

**City of Shawnee, Oklahoma**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of**  
**Governmental Funds to the Statement of Activities**  
**Year Ended June 30, 2012**

Net change in fund balances - total governmental funds: \$ 1,310,427

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

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

Capital asset purchases capitalized	6,493,303
Depreciation expense	(2,275,251)
Disposed capital assets	(24,574)

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

Change in deferred revenue	53,898
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:

Decrease in net pension obligation	25,094
Increase in accrued compensated absences	(89,866)
Increase in other post employment benefits	(203,084)
Decrease in note payable	77,746
Note proceeds	(958,868)

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

Change in accrued interest payable	(9,335)
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Internal service fund activity is reported as a proprietary fund in fund financial statements, but certain net revenues are reported in governmental activities on the Statement of Activities:

Total change in net assets of governmental activities - proprietary funds	1,019,640
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Change in net assets of governmental activities	\$ 5,419,130
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The accompanying notes are an integral part of these financial statements.

**City of Shawnee, Oklahoma**  
**Statement of Net Assets – Proprietary Funds**  
**June 30, 2012**

	<u>Enterprise Funds</u>			
	<u>Shawnee Municipal Authority</u>	<u>Shawnee Airport Authority</u>	<u>Total</u>	<u>Internal Service Fund</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 3,134,999	\$ 279,777	\$ 3,414,776	\$ 10,974
Investments	1,108,869	-	1,108,869	-
Restricted:				
Cash and cash equivalents	1,791,268	-	1,791,268	-
Accrued interest	9,144	-	9,144	18
Due from other funds	2,214,564	-	2,214,564	556,177
Accounts receivable, net	2,087,583	10,419	2,098,002	-
Receivables from other governments	-	1,724,664	1,724,664	-
Due from component unit	82,496	-	82,496	-
Assessments receivable	3,243	-	3,243	-
Other receivables	-	211,216	211,216	-
Inventories	-	24,698	24,698	-
Total current assets	<u>10,432,166</u>	<u>2,250,774</u>	<u>12,682,940</u>	<u>567,169</u>
Non-current assets:				
Restricted:				
Cash and cash equivalents	4,611	-	4,611	-
Investments	1,258,194	-	1,258,194	-
Capital assets:				
Land, construction in progress, and water rights	14,236,854	2,322,361	16,559,215	-
Other capital assets, net of accumulated depreciation	34,551,837	6,245,079	40,796,916	-
Unamortized note issue costs	370,360	-	370,360	-
Total non-current assets	<u>50,421,856</u>	<u>8,567,440</u>	<u>58,989,296</u>	<u>-</u>
Total assets	<u>60,854,022</u>	<u>10,818,214</u>	<u>71,672,236</u>	<u>567,169</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	952,612	342,708	1,295,320	1,251
Salaries payable	45,906	2,431	48,337	-
Accrued interest payable	500,060	-	500,060	-
Due to other funds	1,612,448	2,279,564	3,892,012	-
Deposits subject to refund	905,167	-	905,167	-
Compensated absences	57,567	5,141	62,708	-
Claims and judgments	-	-	-	573,422
Notes payable	1,627,361	-	1,627,361	-
Total current liabilities	<u>5,701,121</u>	<u>2,629,844</u>	<u>8,330,965</u>	<u>574,673</u>
Non-current liabilities:				
Compensated absences, net of current portion	230,268	20,563	250,831	-
Claims and judgments, net of current portion	-	-	-	3,493,357
Net pension obligation	41,463	2,156	43,619	-
Other post employment benefits	160,881	-	160,881	-
Notes payable, net of current portion	22,209,124	-	22,209,124	-
Total non-current liabilities	<u>22,641,736</u>	<u>22,719</u>	<u>22,664,455</u>	<u>3,493,357</u>
Total liabilities	<u>28,342,857</u>	<u>2,652,563</u>	<u>30,995,420</u>	<u>4,068,030</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	24,255,436	8,567,440	32,822,876	-
Restricted for debt service	1,814,511	-	1,814,511	-
Unrestricted (deficit)	6,441,218	(401,789)	6,039,429	(3,500,861)
Total net assets (deficit)	<u>\$ 32,511,165</u>	<u>\$ 8,165,651</u>	<u>\$ 40,676,816</u>	<u>\$ (3,500,861)</u>

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



**City of Shawnee, Oklahoma**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds**  
**Year Ended June 30, 2012**

	<b>Shawnee Municipal Authority</b>	<b>Shawnee Airport Authority</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>REVENUES</b>				
Water	\$ 7,074,655	\$ -	\$ 7,074,655	\$ 671,249
Sewer	3,669,418	-	3,669,418	-
Sanitation	1,754,848	-	1,754,848	-
Rents and royalties	127,690	189,527	317,217	-
Fuel sales	-	237,804	237,804	-
Miscellaneous	539,937	805	540,742	-
Total operating revenues	<u>13,166,548</u>	<u>428,136</u>	<u>13,594,684</u>	<u>671,249</u>
<b>OPERATING EXPENSES</b>				
General government	557,451	-	557,451	-
Lake	98,053	-	98,053	-
Water	3,146,217	-	3,146,217	-
Wastewater	1,697,030	-	1,697,030	-
Sanitation	1,239,608	-	1,239,608	-
Airport	-	479,916	479,916	-
Claims expense	-	-	-	(337,283)
Amortization expense	32,773	-	32,773	-
Depreciation	1,815,223	544,980	2,360,203	-
Total operating expenses	<u>8,586,355</u>	<u>1,024,896</u>	<u>9,611,251</u>	<u>(337,283)</u>
Operating income (loss)	<u>4,580,193</u>	<u>(596,760)</u>	<u>3,983,433</u>	<u>1,008,532</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest and investment revenue	59,272	7	59,279	(576)
Miscellaneous revenue	443,717	4,500	448,217	16,290
Operating grants and contributions	-	2,969,274	2,969,274	-
Interest expense	(1,063,561)	-	(1,063,561)	-
Miscellaneous expenses	-	-	-	(4,606)
Total non-operating revenue (expenses)	<u>(560,572)</u>	<u>2,973,781</u>	<u>2,413,209</u>	<u>11,108</u>
Income before transfers	<u>4,019,621</u>	<u>2,377,021</u>	<u>6,396,642</u>	<u>1,019,640</u>
Capital contributions	22,238	-	22,238	-
Transfers in	588,686	-	588,686	-
Transfers out	(3,471,918)	-	(3,471,918)	-
Change in net assets	<u>1,158,627</u>	<u>2,377,021</u>	<u>3,535,648</u>	<u>1,019,640</u>
Total net assets (deficit) - beginning	31,352,538	5,788,630	37,141,168	(4,520,501)
Total net assets (deficit) - ending	<u>\$ 32,511,165</u>	<u>\$ 8,165,651</u>	<u>\$ 40,676,816</u>	<u>\$ (3,500,861)</u>

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

**City of Shawnee, Oklahoma**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended June 30, 2012**

	Shawnee Municipal Authority	Shawnee Airport Authority	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 13,355,244	\$ 493,780	\$ 13,849,024	\$ 687,539
Payments to suppliers and employees	(6,742,533)	(1,023,909)	(7,766,442)	-
Claims and judgments paid	-	-	-	(714,903)
Receipts of customer meter deposits	358,034	-	358,034	-
Refunds of customer meter deposits	(158,550)	-	(158,550)	-
Interfund receipts/payments	(2,214,564)	1,362,289	(852,275)	-
<b>Net cash provided by (used in) operating activities</b>	<b>4,597,631</b>	<b>832,160</b>	<b>5,429,791</b>	<b>(27,364)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	588,686	-	588,686	-
Transfers to other funds	(3,471,918)	-	(3,471,918)	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(2,883,232)</b>	<b>-</b>	<b>(2,883,232)</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of capital assets	(2,067,899)	(2,445,605)	(4,513,504)	-
Proceeds of capital grants	-	1,616,389	1,616,389	-
Proceeds from debt	3,460,529	-	3,460,529	-
Note issuance cost paid	(111,626)	-	(111,626)	-
Principal paid on debt	(2,486,037)	-	(2,486,037)	-
Premium on refunding of loan	(211,435)	-	(211,435)	-
Interest and fiscal agent fees paid on debt	(899,316)	-	(899,316)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(2,315,784)</b>	<b>(829,216)</b>	<b>(3,145,000)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of investments	(6,656)	-	(6,656)	-
Interest and dividends	61,627	7	61,634	-
<b>Net cash provided by investing activities</b>	<b>54,971</b>	<b>7</b>	<b>54,978</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(546,414)</b>	<b>2,951</b>	<b>(543,463)</b>	<b>(27,364)</b>
<b>Balances - beginning of year</b>	<b>5,477,292</b>	<b>276,826</b>	<b>5,754,118</b>	<b>38,338</b>
<b>Balances - end of year</b>	<b>\$ 4,930,878</b>	<b>\$ 279,777</b>	<b>\$ 5,210,655</b>	<b>\$ 10,974</b>
<b>Reconciliation to Statement of Net Assets:</b>				
Cash and cash equivalents	\$ 3,134,999	\$ 279,777	\$ 3,414,776	\$ 10,974
Restricted cash and cash equivalents - current	1,791,268	-	1,791,268	-
Restricted cash and cash equivalents - noncurrent	4,611	-	4,611	-
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 4,930,878</b>	<b>\$ 279,777</b>	<b>\$ 5,210,655</b>	<b>\$ 10,974</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 4,580,193	\$ (596,760)	\$ 3,983,433	\$ 1,008,532
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	1,815,223	544,980	2,360,203	-
Amortization expense	32,773	-	32,773	-
Miscellaneous revenue	443,717	4,500	448,217	16,290
Miscellaneous expense	-	-	-	(4,606)
Change in assets and liabilities:				
Due to other funds	(2,214,564)	1,362,289	(852,275)	-
Accounts receivable	(280,358)	9,215	(271,143)	-
Other receivable	-	51,929	51,929	-
Inventory	25,337	(11,167)	14,170	-
Accounts payable	(23,768)	(535,531)	(559,299)	(3,899)
Accrued payroll payable	(40,038)	(1,582)	(41,620)	-
Deposits subject to refund	199,484	-	199,484	-
Claims and judgments liability	-	-	-	(1,043,681)
Net pension obligation	(12,243)	(729)	(12,972)	-
Other post employment benefits	58,448	-	58,448	-
Accrued compensated absences	13,427	5,016	18,443	-
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 4,597,631</b>	<b>\$ 832,160</b>	<b>\$ 5,429,791</b>	<b>\$ (27,364)</b>
<b>Noncash activities:</b>				
Asset contributed by others	\$ 22,238	\$ -	\$ 22,238	\$ -
	<b>\$ 22,238</b>	<b>\$ -</b>	<b>\$ 22,238</b>	<b>\$ -</b>

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

**City of Shawnee, Oklahoma**  
**Statement of Net Assets – Fiduciary Fund**  
**As of June 30, 2012**

	<u>Agency Fund</u> <u>URM/DEPCA</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,868
Total assets	<u>\$ 6,868</u>
<b>LIABILITIES</b>	
URM/DEPCA payable	\$ 6,868
Total liabilities	<u>\$ 6,868</u>

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

## I. Organization

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

## II. Summary of significant accounting policies

### A. Reporting entity

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

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

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

The Shawnee Urban Renewal Authority is included within the financial statements as a part of Other Governmental Funds within a grouping of Special Revenue Funds titled CDBG & Home Grant Funds. All of the activity of the Shawnee Urban Development Authority is in the CDBG & Home Grant Funds and the Shawnee Urban Renewal Authority does not have any of its own assets or liabilities.

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

**Discretely presented component unit.** Shawnee Civic & Cultural Development Authority (SCCDA) was created January 5, 1976, to acquire by lease and to operate, regulate and administer all physical properties, real or personal which shall be of public use or of civic and/or cultural benefit or incident to carry out an authority or proper function of the City of Shawnee, the beneficiary of the SCCDA. The governing body consists of seven members; the City Manager of the City of Shawnee, four (4) citizens representing the general public to be selected by the governing board of the Beneficiary, and two (2) residents of Pottawatomie County appointed by the Commissioners of Pottawatomie County and approved by the

SCCDA trustees. Any issuance of debt requires a two-thirds approval of the City Commission.

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

During the year ended June 30, 2006, the SCCDA adopted a December 31 year-end to better represent its business cycle. Accordingly, the financial information contained in these financial statements for the SCCDA is as of December 31, 2011 and for the year then ended.

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

Shawnee Industrial Authority	(405) 273-7490
Shawnee Economic Development	(405) 273-7490
Pottawatomie County Development Authority	(405) 273-8064

#### **B. Government-wide and fund financial statements**

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property

taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

The City reports the following fund types:

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

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

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

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

Fiduciary funds are used to report net assets and changes therein of assets held by the City in a fiduciary capacity. These net assets are not available for operations of the city. The city reports an Agency Fund. Agency funds are custodial in nature (i.e. assets equal liabilities) and do not involve the measurement of changes in net assets. Fiduciary fund activity is not included in the government-wide financial statements.

The funds of the financial reporting entity are described below:

**The City reports the following major governmental funds:**

- The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The most significant operating revenue is the sales tax. For reporting purposes the General Fund includes the activities of the following sub-funds: Revolving Oil and Gas Fund, Spray and Neuter Fund, Library Fund, Senior Citizens Fund, and Sister Cities Fund.
- The street improvement fund accounts for the construction or major reconstruction of street projects. The funds major funding source is sales tax.

**The City reports the following major proprietary funds:**

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

**The City also reports the following fund type:**

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

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

- The street and alley fund accounts for the operation and maintenance of local streets and thoroughfares through dedicated taxes.
- The E-911 fund accounts for the operations and maintenance of the City's 911 emergency services through dedicated taxes.
- The economic development fund accounts for the promotion of economic development through dedicated taxes.
- The hotel/motel surcharge fund accounts for the collection of the City's hotel/motel surcharge.
- The police sales tax fund accounts for the 1/16 cent of a one-cent dedicated sales tax revenue for police officers.
- The fire sales tax fund accounts for the 1/16 cent of a one-cent dedicated sales tax revenue for firefighters.
- The CDBG & HOME grants funds account for federal funds received by the City and expenditures related to the operation of these grants.

- The cemetery care fund accounts for the continuing care and maintenance as well as future capital investments of the City owned cemetery funded with fees restricted by external sources.
- The gifts & contributions fund accounts for monies donated for various park projects, economic development, civic events, police, and fire donations.
- The tax increment finance fund accounts for ad valorem taxes paid to the City on properties located in the Shawnee Downtown Revitalization Area and Increment District to be used for economic development projects within that District.
- The drug forfeiture fund accounts for funds received from Pottawatomie County drug enforcement activities to help fund City drug-related law enforcement efforts.
- The debt service fund accounts for ad-valorem taxes levied by the City for use in retiring general obligation bonds, court-assessed judgments, and their related expenses and fiscal agent fees.
- The 1994 Street improvement project fund accounts for general obligation bond proceeds designated for the construction of specific street projects.
- The capital improvement fund accounts for the purchase of capital equipment and construction of facilities funded with sales tax.

**The City maintains one fiduciary fund:**

- The IRS Section 125 Unreimbursed Medical/Dependent and Childcare Agency Fund (URM/DEPCA) holds funds related to employee withholding for medical expenditures not covered by insurance and for dependent care.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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

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



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

#### **D. Assets, liabilities, and net assets or equity**

##### ***1. Deposits and investments***

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

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

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

##### ***2. Receivable and payable***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 90 days comprise the trade accounts receivable allowance for uncollectibles.

##### ***3. Restricted assets***

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

**4. Inventories**

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

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

**6. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Sick leave may be accumulated up to a maximum of 120 days. Accumulated sick leave is paid to employees only upon retirement at a rate of one day's pay for every three day's accumulated sick leave, up to a maximum of 40 days. A liability for these amounts is reported in governmental funds when they have matured as a result of employee resignations and retirements. The General Fund and the CDBG Grant Fund are used to liquidate compensated absences in the governmental activities.

**7. Long-term obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums, discounts, and issuance costs, are unearned and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of bond premium or discount. Bond issuance costs are reported as unearned charges and amortized over the term of the debt.

## 8. Fund equity

### *Government-Wide and Proprietary Fund Financial Statements:*

Net assets are displayed in three components:

- a. *Invested in capital assets, net of related debt* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. *Restricted net assets* - Consists of net assets 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 assets* - All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

### *Governmental Fund Financial Statements:*

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

- a. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. Restricted – consists of fund balance with constraints placed on the use of resources either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation.
- c. Committed – included amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city’s highest level of decision-making authority. The City’s highest level of decision-making authority is made by ordinance.
- 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 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.

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

**III. Detailed notes on all funds**

**A. Deposits and investments** – The City held the following deposits/investments at June 30, 2012:

**PRIMARY GOVERNMENT:**

Schedule of Deposits and Investments by Type

Type	Fair Value	Credit Rating	Maturities in Years			
			On Demand	Less Than One	1 - 5	6 - 10
Demand accounts	\$ 2,513,271	n/a	\$ 2,513,271	\$ -	\$ -	\$ -
Time deposits	7,031,251	n/a	2,420,898	3,725,558	884,795	-
Money market mutual fund	11,278,253	AAA	11,278,253	-	-	-
Money market mutual fund	32,918	not available	32,918	-	-	-
FHLMC obligation	1,258,194	AAA	-	1,258,194	-	-
Corporate bonds	4,400	Caa3	-	-	-	4,400
Sub-total	22,118,287		\$ 16,245,340	\$ 4,983,752	\$ 884,795	\$ 4,400
Cash on hand	2,250					
Total Investments and Deposits	\$ 22,120,537					
Reconciliation to Statement of Net Assets:						
Cash and cash equivalents	\$ 13,819,823					
Investments	8,293,846					
Agency fund cash and cash equivalents	6,868					
	\$ 22,120,537					

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure, the City’s deposits may not be returned to it. The City requires that all deposits be collateralized by either FDIC insurance or pledged collateral. At June 30, 2012 the City’s deposits were fully insured.

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

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

The City complied with this policy in all material respects.

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

investment policy of the City of Shawnee, Oklahoma. The City complied with this policy in all material respects.

*Concentration of Credit Risk.* Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the City (any over 5% are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments are excluded from this consideration. At June 30, 2012, the City had concentration of credit risk in the following investment: Federal Home Loan Mortgage Corporation (FHLMC) 15%.

The City places the following limit on the amount it may invest in any one issuer:

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

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

The City complied with this policy in all material respects.

**COMPONENT UNIT:**

The SCCDA was not exposed to custodial credit risk at June 30, 2012. The \$163,306 of cash and cash equivalents was invested in cash deposits and interest-bearing certificate of deposit fully insured by Federal Depository Insurance (FDIC) or direct obligations of the U.S. government. The SCCDA does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. There is no limit placed on the amount it may invest in any one issuer and is exposed to concentration of credit risk by being 100% invested in money market funds.

**B. Receivables**

Receivables as of June 30, 2012, for the City of Shawnee’s governmental funds, including the applicable allowances for uncollectible accounts are as follows:

**NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012**

	Accounts Receivable	Less: Allowance for Uncollectible Accounts	Net Accounts Receivable
<b>Governmental Activities:</b>			
Taxes	\$ 2,376,540	\$ -	\$ 2,376,540
Due from other governments	156,657	-	156,657
Court fines	1,773,473	(1,596,126)	177,347
Other	1,014,748	-	1,014,748
<b>Total Governmental Activities</b>	<b>\$ 5,321,418</b>	<b>\$ (1,596,126)</b>	<b>\$ 3,725,292</b>
 <b>Reconciliation to Statement of Net Assets:</b>			
Accounts receivable, net			\$ 2,750,193
Due from other governmental agencies			156,657
Notes receivable, net			818,442
<b>Total</b>			<b>\$ 3,725,292</b>
 <b>Business-Type Activities:</b>			
Utilities	\$ 3,235,327	\$ (922,866)	\$ 2,312,461

**C. Restricted assets**

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

Type of Restricted Assets	Current Cash and Cash Equivalents	Noncurrent		Total
	Cash and Cash Equivalents	Investments	Investments	
Due to Depositors	\$ 730,167	\$ -	\$ -	\$ 730,167
<b>Trustee Accounts:</b>				
Pottawattomie County Series 03 Principal Fund	2	-	-	2
Pottawattomie County Series 03 Interest Fund	68,569	-	-	68,569
Revenue Note Series 03 Principal Fund	700,029	-	-	700,029
Revenue Note Series 03 Interest Fund	292,501	-	-	292,501
Revenue Note Series 03 Debt Reserve Fund	-	4,611	1,258,194	1,262,805
<b>Total Restriced Assets</b>	<b>\$ 1,791,268</b>	<b>\$ 4,611</b>	<b>\$ 1,258,194</b>	<b>\$ 3,054,073</b>

**D. Capital Assets**

The following is a summary of changes in capital assets during fiscal year 2012 for the primary government:

**NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012**

**PRIMARY GOVERNMENT:**

	Balance at July 1, 2011	Additions	Disposals	Balance at June 30, 2012
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,261,793	\$ -	\$ -	\$ 2,261,793
Construction in progress	3,152,826	4,051,272	-	7,204,098
Total capital assets not being depreciated	<u>5,414,619</u>	<u>4,051,272</u>	<u>-</u>	<u>9,465,891</u>
Other capital assets:				
Buildings	9,413,647	46,246	-	9,459,893
Machinery, furniture and equipment	13,499,575	808,742	158,416	14,149,901
Infrastructure	36,956,962	1,575,181	-	38,532,143
Total other capital assets at historical cost	<u>59,870,184</u>	<u>2,430,169</u>	<u>158,416</u>	<u>62,141,937</u>
Less accumulated depreciation for:				
Buildings	5,736,228	382,986	-	6,119,214
Machinery, furniture and equipment	9,113,186	1,031,598	145,705	9,999,079
Infrastructure	20,216,251	860,667	-	21,076,918
Total accumulated depreciation	<u>35,065,665</u>	<u>2,275,251</u>	<u>145,705</u>	<u>37,195,211</u>
Other capital assets, net	24,804,519	154,918	12,711	24,946,726
Governmental activities capital assets, net	<u>\$ 30,219,138</u>	<u>\$ 4,206,190</u>	<u>\$ 12,711</u>	<u>\$ 34,412,617</u>

**Business-type activities:**

Capital assets not being depreciated:				
Land	\$ 1,481,715	\$ -	\$ -	\$ 1,481,715
Water rights	12,967,959	-	-	12,967,959
Construction in progress	11,797,106	2,896,177	12,583,742	2,109,541
Total capital assets not being depreciated	<u>26,246,780</u>	<u>2,896,177</u>	<u>12,583,742</u>	<u>16,559,215</u>
Other capital assets:				
Buildings	10,822,947	4,421,936	-	15,244,883
Machinery, furniture and equipment	3,880,385	2,463,151	-	6,343,536
Utility property	45,615,356	7,338,220	-	52,953,576
Total other capital assets at historical cost	<u>60,318,688</u>	<u>14,223,307</u>	<u>-</u>	<u>74,541,995</u>
Less accumulated depreciation for:				
Buildings	8,088,224	583,606	-	8,671,830
Machinery, furniture and equipment	2,854,315	258,423	-	3,112,738
Utility property	20,442,337	1,518,174	-	21,960,511
Total accumulated depreciation	<u>31,384,876</u>	<u>2,360,203</u>	<u>-</u>	<u>33,745,079</u>
Other capital assets, net	28,933,812	11,863,104	-	40,796,916
Business-type activities capital assets, net	<u>\$ 55,180,592</u>	<u>\$ 14,759,281</u>	<u>\$ 12,583,742</u>	<u>\$ 57,356,131</u>

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

Governmental Activities:

General government	\$ 233,778
Culture and recreation	222,644
Community development	36,792
Public safety	667,324
Public works	1,114,713
	<u>\$ 2,275,251</u>

Business-Type Activities:

Water	\$ 739,271
Wastewater	761,962
Sanitation	299,395
Administration	7,250
Lake	7,345
Airport	544,980
	<u>\$2,360,203</u>

NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
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**COMPONENT UNIT:**

Shawnee Civic and Cultural Development Authority:	Balance, January 1, 2011	Increases	Decreases	Balance, December 31, 2011
Capital assets, not being depreciated:				
Land	\$ 94,493	\$ -	\$ (94,493)	\$ -
Total capital assets, not being depreciated	<u>94,493</u>	<u>-</u>	<u>(94,493)</u>	<u>-</u>
Capital assets, being depreciated:				
Buildings and improvements	9,562,047	103,916	-	9,665,963
Equipment	598,379	74,988	(32,444)	640,923
Total capital assets, being depreciated	<u>10,160,426</u>	<u>178,904</u>	<u>(32,444)</u>	<u>10,306,886</u>
Less accumulated depreciation	<u>(5,581,577)</u>	<u>(259,216)</u>	<u>32,444</u>	<u>(5,808,349)</u>
Total capital assets, being depreciated, net	<u>4,578,849</u>	<u>(80,312)</u>	<u>-</u>	<u>4,498,537</u>
Governmental activities capital assets, net	<u>\$ 4,673,342</u>	<u>\$ (80,312)</u>	<u>\$ (94,493)</u>	<u>\$ 4,498,537</u>

**E. Long-term debt**

Long-term liabilities of the City of Shawnee as of June 30, 2012, are summarized as follows:

**Governmental activities**

\$1,480,000 2011A Sales Tax Revenue Note, to a financial institution, dated December 15, 2011, payable semi-annually each June and December, interest at 1.55%, through December 1, 2016. The Shawnee Municipal Authority collects funding from the capital improvement fund in the form of sales tax transferred to liquidate this liability. Debt is divided between governmental and business type activities with 65% governmental and 35% business type.

	<u>\$ 881,122</u>
Current portion	\$ 191,126
Noncurrent portion	689,996
	<u>\$ 881,122</u>

Accrued compensated absences. The general fund typically has been used to liquidate this liability.

	<u>\$ 1,754,971</u>
Current portion	\$ 350,994
Noncurrent portion	1,403,977
	<u>\$ 1,754,971</u>

Claims and judgments payable. The general fund typically has been used to liquidate this liability.

	<u>\$ 4,066,779</u>
Current portion	\$ 573,422
Noncurrent portion	3,493,357
	<u>\$ 4,066,779</u>



NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012

**Business-type Activities**

Notes payable:

\$18,850,000 Series 2003 Utility Revenue Note dated April, 2003, payable in semiannual installments ranging from \$390,000 to \$1,265,000, interest from 2.0% to 5.0% through July 1, 2026, to fund utility improvements. The Shawnee Municipal Authority typically has been used to liquidate this liability. \$ 14,080,000

\$1,073,279 1997A SFR Promissory Note to Oklahoma Water Resources Board, dated September, 2, 1997, payable in annual installments to \$57,000, with no interest and a 0.05% administrative fee. The Shawnee Municipal Authority typically has been used to liquidate this liability. 254,199

\$7,780,000 2010 Promissory Note to Oklahoma Water Resources Board, dated June 25, 2010, payable in semiannual installments of approximately \$194,500, Interest at 3.15%. The Shawnee Municipal Authority typically pays this liability. 6,382,647

\$1,485,000 2010A Promissory Note to Oklahoma Water Resources Board, dated October 14, 2010, payable in semiannual installments of approximately \$63,120, Interest at 2.76%. The Shawnee Municipal Authority typically pays this liability. 1,157,531

\$1,480,000 2011A Sales Tax Revenue Note, to a financial institution, dated December 15, 2011, payable semi-annually each June and December, interest at 1.55%, through December 1, 2016. The Shawnee Municipal Authority collects funding from the capital improvement fund in the form of sales tax transferred to liquidate this liability. Debt is divided between governmental and business type activities with 65% governmental and 35% business type. 478,878

\$2,365,000 2011B Sales Tax Revenue Note, to a financial institution, dated December 15, 2011, payable semi-annually each June and December, interest at 2.45%, through December 1, 2016. The Shawnee Municipal Authority collects funding from the capital improvement fund in the form of sales tax transferred to liquidate this liability. 2,180,000

Total notes payable before unearned loss and bond premium	\$ 24,533,255
Deferred amount on 2003 refunding	(564,768)
Deferred amount on 2011A refunding	(190,287)
Bond premium	58,286
Total notes payable, net of unearned loss on 2003 refunding	<u>\$ 23,836,485</u>

Current portion	\$ 1,627,360
Noncurrent portion	22,905,895
	<u>\$ 24,533,255</u>

Accrued compensated absences. The Shawnee Municipal and Airport Authorities typically have been used to liquidate this liability. \$ 313,539

Current portion	\$ 62,708
Noncurrent portion	250,831
	<u>\$ 313,539</u>

**NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012**

Long-term liability transactions for the year ended June 30, 2012 and changes therein were as follows:

<u>Type of Debt</u>	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2012</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Notes payable	\$ -	\$ 958,868	\$ 77,746	\$ 881,122	\$ 191,126
Claims and judgments	5,110,461	-	1,043,682	4,066,779	573,422
Accrued compensated absences	1,665,105	89,866	-	1,754,971	350,994
Total Governmental Activities	<u>\$ 6,775,566</u>	<u>\$ 1,048,734</u>	<u>\$ 1,121,428</u>	<u>\$ 6,702,872</u>	<u>\$ 1,115,542</u>
				Add: OPEB obligation	862,637
				Add: Net Pension obligation	88,481
					<u>\$ 7,653,990</u>
<b>Business-Type Activities:</b>					
Notes Payable	\$ 23,558,763	\$ 3,460,529	\$ 2,486,037	\$ 24,533,255	\$ 1,627,361
Accrued compensated absences	295,096	18,443	-	313,539	62,708
Total Business-Type Activities	<u>23,853,859</u>	<u>3,478,972</u>	<u>2,486,037</u>	<u>\$ 24,846,794</u>	<u>1,690,069</u>
				Add: OPEB obligation	160,881
				Add: Net Pension obligation	43,619
				Less: Deferred amount on refunding	(755,055)
				Add: Unamortized premium	58,285
					<u>\$ 24,354,524</u>
Total Long-Term Debt	<u>\$ 30,629,425</u>	<u>\$ 4,527,706</u>	<u>\$ 3,607,465</u>	<u>\$ 32,008,514</u>	<u>\$ 2,805,611</u>

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

Fiscal Year Ending June 30	<u>Governmental Activities</u>	
	<u>Notes Payable</u>	
	Principal	Interest
2013	\$ 191,126	\$ 12,971
2014	195,000	9,974
2015	195,000	6,952
2016	201,500	3,905
2017	98,496	781
	<u>\$ 881,122</u>	<u>\$ 34,583</u>

Fiscal Year Ending June 30	<u>Business-Type Activities</u>	
	<u>Notes Payable</u>	
	Principal	Interest
2013	\$ 1,627,361	\$ 868,705
2014	1,681,500	823,242
2015	1,719,770	775,434
2016	1,781,327	725,835
2017	1,493,111	672,672
2018-2022	6,420,084	2,642,916
2023-2027	7,917,055	1,135,365
2028-2032	2,157,404	141,277
	<u>\$ 24,797,612</u>	<u>\$ 7,785,446</u>
Amount to be drawn on OWRB 2010	264,357	
Net principal outstanding	<u>\$ 24,533,255</u>	

### **Advanced Refunding**

On December 1, 2011 the City issued \$1,480,000 series 2011A Sales Tax Revenue Note with interest rates 1.55 percent to advance refund \$675,000 of outstanding 1997B Series Oklahoma Water Resources Board Loan with interest rates from 5.145 percent to 5.245 percent. A portion of the net proceeds of \$688,329 were used to refund the outstanding loan at the next principal due date. As a result, the 1997B Series bonds are considered to be paid in full and the liability for those bonds has been removed from the government-wide statement of net assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$211,430. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2017 using the straight line method. The City completed the advance refunding to reduce its total debt service payments over the next five years by \$269,136 and to obtain an economic gain (the difference between the present values of the old and new debt service payments) of \$257,987.

### **Water Agreement**

The Shawnee Municipal Authority (SMA) entered into an agreement with the Pottawatomie County Development Authority (PCDA) for the development of the North Deer Creek Reservoir Project (Reservoir) in which the PCDA issued bonds totaling \$18,180,000 for the construction of the Reservoir. SMA issued its Utility Revenue Note, Series 1990B in the amount of \$18,180,000 to the PCDA. (These notes were defeased during the 1993 fiscal year with the issuance of the SMA Utility Revenue Note, Series 1993A in the amount of \$21,165,000.) During the 2003 fiscal year, the 1993 notes were defeased in the amount of \$18,850,000. The debt service payments made by SMA on their Series 2003 Note will be used by the PCDA to make their debt service payments on their Series 2003 Bonds.

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

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

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

**Pledge of Future Revenues**

Sales Tax Pledge - The City has pledged one-third of seven-eighths of one penny (or 9.7%) of future sales tax revenues to repay \$5,745,000 of Series 2001 and 2003 Sales Tax Revenue Notes. Proceeds from the notes provided financing for capital assets. The notes are payable from pledged sales tax revenues. The notes are payable through fiscal year 2012. The total principal and interest payable for the remainder of the life of these notes is zero. Pledged sales taxes received in the current year were \$299,937. Debt service payments of \$328,736 for the current fiscal year were 110% of pledged sales taxes.

Sales Tax Pledge - The City has pledged seven-eighths of one penny (or .875%) of future sales tax revenues to repay \$1,480,000 and \$2,365,000 of Series 2011A and 2011B Sales Tax Revenue Notes. Proceeds from the notes provided financing for capital assets. The notes are payable from pledged sales tax revenues. The notes are payable through fiscal year 2017. The total principal and interest payable for the remainder of the life of these notes is \$3,729,870. Pledged sales taxes received in the current year were \$962,983. Debt service payments of \$344,549 for the current fiscal year were 35.8% of pledged sales taxes.

Utility Revenues Pledge - The City has also pledged future gross water and wastewater revenues to repay \$18,850,000 of the 2003 Series Utility Revenue Note, \$2,973,279 of 1997A and 1997B Series OWRB Notes Payable and \$7,780,000 and \$1,485,000 of 2010 OWRB Notes Payable. Proceeds from the notes provided financing for utility system capital assets. The notes are payable through 2026, 2016, and 2031, respectively. The total principal and interest payable for the remainder of the life of these notes is \$29,768,903. The notes are payable from the above-mentioned utility revenues. The debt service payments on the notes this year were \$2,005,087 which was 18% of pledged utility revenues of \$11,242,909.

**Compensated absences**

Full-time employees with at least one year of service earn vacation of ten to twenty days per year depending on years of service completed. A maximum of ten to thirty days may be carried over from one benefit year into another, depending on years of service completed. In accordance with the guidelines set forth by GASB Statement No. 16, *Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences*, a provision has been made for accumulated leave as follows:

Governmental activities	\$ 1,754,971
Business-type activities	<u>313,539</u>
Total accrued compensated absences	<u>\$ 2,068,510</u>

Full-time employees earn sick leave at the rate of ten hours per month, up to 120 days. Upon retirement, employees are paid at the rate of one day's pay for every three days of accumulated sick leave up to a maximum of 40 days.

**F. Interfund receivables, payables, and transfers**

The composition of interfund balances as of June 30, 2012 is as follows:

**NOTES TO FINANCIAL STATEMENTS**  
**CITY OF SHAWNEE, OKLAHOMA**  
**JUNE 30, 2012**

Receivable Fund	Payable Fund	Amount	Nature of Interfund Balance
* General	* SMA	\$ 1,253,766	Construction projects
* General	* SMA	75,888	Revenue posted to incorrect fund
* General	Street and Alley	92,053	Negative cash
Worker's Comp Fund	* General	273,383	Self insurance funding
Worker's Comp Fund	* SMA	282,794	Self insurance funding
* General	Drug and Forfeiture	1,025	Negative cash
* General	CDBG & Home Grants Fund	147,208	Negative cash
* General	Capital Improvement Fund	4,023	Negative cash
* SMA	Shawnee Airport Authority	2,214,564	Negative cash
Capital Improvement Fund	Shawnee Airport Authority	65,000	Federal grant match on future projects
		<u>\$ 4,409,704</u>	

**Reconciliation to Fund Financial Statements:**

	Due From	Due to	Net Interfund Balances
Governmental Funds	\$ 1,638,963	\$ 517,692	\$ 1,121,271
Proprietary Funds	2,214,564	3,892,012	(1,677,448)
Internal Service Funds	556,177	-	556,177
	<u>\$ 4,409,704</u>	<u>\$ 4,409,704</u>	<u>\$ -</u>

\* Denotes major fund.

A summary of interfund transfers for the fiscal year ended June 30, 2012 is as follows:

Transfer From	Transfer To	Amount	Purpose of Transfer
* SMA	* General	\$ 1,145,833	Operating subsidy
Police Tax Fund	* General	343,372	B Restricted sales tax transfer
Fire Tax Fund	* General	343,372	B Restricted sales tax transfer
* Street Improvement Fund	* General	204,167	Engineering services for capital projects
SMA	Capital Improvement Fund	2,326,085	A Net debt proceeds
Capital Improvement Fund	* SMA	588,686	B Debt service
Economic Development Fund	* General	15,000	A/B Sister Cities program support
Total		<u>\$ 4,966,515</u>	

**Reconciliation to Fund Financial Statements:**

	Transfers In	Transfers Out	Net Transfers
Governmental Funds	\$ 4,377,829	\$ (1,494,597)	\$ 2,883,232
Proprietary Funds	588,686	(3,471,918)	(2,883,232)
	<u>\$ 4,966,515</u>	<u>\$ (4,966,515)</u>	<u>\$ -</u>

\* Denotes major fund.

Sum A Non Major transfer in	\$ 2,326,085
Sum B Non Major transfer out	\$ 1,290,430

**G. Net Assets/Fund Equity**

*Government-Wide and Proprietary Fund Financial Statements*

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

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

Fund	Restricted By	Amount
<b>Governmental Activities:</b>		
Tax Increment Financing Fund	Enabling legislation	\$ 360,270
		<u>\$ 360,270</u>
Cemetery Fund	Statutory requirements	\$ 165,489
E911 Fund	Statutory requirements	428,041
Drug Forfeiture fund	Statutory requirements	975
		<u>\$ 594,505</u>
CDBG Fund	External sources	\$ 202,155
Gifts and Contributions	External sources	74,150
Police Sales Tax Fund	External sources	44,396
Fire Sales Tax Fund	External sources	44,454
Hotel/Motel Fund	External sources	50,113
Economic Development Fund	External sources	151,092
94 Street Improvement Fund	External sources	77,667
Capital Projects Fund	External sources	2,781,830
Street Improvement Fund	External sources	5,922,323
Debt Service Fund	External sources	113,102
		<u>\$ 9,461,282</u>
<b>Business Type Activities:</b>		
Debt Service Reserves	Enabling legislation	\$ 1,814,511

*Governmental Fund Financial Statements:*

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

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

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement 54:

**NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012**

	<u>General Fund</u>	<u>Street Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Fund Balance:				
Nonspendable:				
Prepaid expenses	\$ 347,288	\$ -	\$ -	\$ 347,288
	<u>347,288</u>	<u>-</u>	<u>-</u>	<u>347,288</u>
Restricted For:				
Street improvements	-	5,922,323	77,667	5,999,990
Fire operations	-	-	44,454	44,454
Police operations	-	-	44,396	44,396
Debt service	-	-	113,102	113,102
Capital improvements	-	-	2,781,830	2,781,830
Culture and rec programs	-	-	74,150	74,150
Cemetery improvements	-	-	165,489	165,489
Police - drug programs	-	-	975	975
Emergency operations	-	-	428,041	428,041
Economic development	-	-	763,630	763,630
Sub-total restricted	<u>-</u>	<u>5,922,323</u>	<u>4,493,734</u>	<u>10,416,057</u>
Assigned for:				
Street operations	-	89,649	-	89,649
Community development	244,279	-	-	244,279
Economic development	-	-	9,000	9,000
Capital improvements	-	-	17,339	17,339
Cemetery operations	-	-	6,816	6,816
Culture and recreation programs	-	-	9,610	9,610
Library programs	14,803	-	-	14,803
Senior citizens programs	21,147	-	-	21,147
Sister cities programs	1,212	-	-	1,212
Animal shelter	14,580	-	-	14,580
Sub-total assigned	<u>296,021</u>	<u>89,649</u>	<u>42,765</u>	<u>428,435</u>
Unassigned:	5,616,811	-	(81,736)	5,535,075
TOTAL FUND BALANCE	<u>\$ 6,260,120</u>	<u>\$ 6,011,972</u>	<u>\$ 4,454,763</u>	<u>\$ 16,726,855</u>

## H. Postemployment Healthcare Plan

*Plan Description.* The City sponsors Medical, Rx, Dental, Vision and Life insurance to qualifying retirees and their dependents. Coverage is provided through fully-insured arrangements that collectively operate as a substantive single-employer defined benefit plan. Qualifying retirees are those employees who are eligible for immediate disability or retirement benefits under the Oklahoma Police Pension and Retirement System, Oklahoma Firefighter's Pension and Retirement System, or the Oklahoma Municipal Retirement Fund Employee Retirement System of Shawnee, Oklahoma. Retirees may continue coverage with the City by paying the carrier premium rate. Coverage is available for each of the lifetimes of retirees and their spouses. Authority to establish and amend benefit provisions rests with the City Council. Benefits are paid from general operating assets of the City.

*Funding Policy.* The contribution requirements of plan members and the City are established by the City Council. Annual health insurance premium amounts are established by the third party insurance provider. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2012, the actuarially expected City contribution in the form of net age adjustment was \$107,000 to the Plan. Plan members receiving benefits contributed \$158,797 of the total premiums, through their payment of the full carrier determined premium in FY 2012.

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty years. The following table shows the components of the City's annual OPEB cost, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the year ended June 30, 2012:

Normal cost	\$ 184,796
Amortization of Actuarial Accrued Liability (AAL)	167,937
Annual Required Contribution (with Interest)	<u>352,733</u>
Interest on Net OPEB Obligation	20,018
Adjustment to the ARC	<u>(23,221)</u>
Annual OPEB cost (expense)	349,530
Employer Contributions of FY 12	(87,998)
Net OPEB obligation—beginning of year	761,986
Net OPEB obligation—end of year	<u><u>\$1,023,518</u></u>

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

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$333,228	23.1%	\$256,228
6/30/10	\$333,228	26.7%	\$500,456
6/30/11	\$349,530	25.2%	\$761,986
6/30/12	\$349,530	30.6%	\$1,023,518

*Funded Status and Funding Progress.* As of July 1, 2011, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability (AAL) for benefits was \$3.48 million, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$3.48 million. The covered payroll (annual payroll of active employees covered by the plan) was \$10.02 million, and the ratio of the UAAL to the covered payroll was 34.7 percent. Because the plan is a substantive plan there are no plan assets.

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



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

In the July 1, 2011, actuarial valuation, the Projected Unit Credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the Plan at the valuation date, and an annual healthcare cost trend rate of 8.5 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after ten years. The UAAL is being amortized over 30 years based on a level percent-of-pay open-period basis. The remaining amortization period at July 1, 2011, was thirty years. As of the date of this valuation, there are no plan assets. Retiree premiums are paid as they come due from general operating assets of the City.

#### **IV. Other Information**

##### **A. Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City has insurance for the major risks such as property and general liability, and is self-insured for workers' compensation and unemployment, with applicable excess loss coverage for workers' compensation. A third party worker's compensation administrator is used to evaluate claims and estimate the City's liability for outstanding claims not assumed by the issuer. The City is self-insured up to \$375,000 per occurrence and \$1,000,000 in the aggregate, and has obtained overlying insurance coverage for claims in excess of these amounts. Commercial insurance is used to cover general liability claims and the risk of loss to City buildings and mobile equipment. Judgments against the City may be paid by a property tax assessment over a three-year period. Claims have not exceeded coverage in the past three years.

##### Claims Liability Analysis

The claims liabilities related to the above noted risk of loss that is retained is determined in accordance with Generally Accepted Accounting Principles, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. For the internal service self-insurance workers' compensation fund, changes in the claims liability for the City from July 1, 2010 to June 30, 2012, are as follows:

**CLAIMS LIABILITY ANALYSIS**

Claims liability, June 30, 2010	\$	5,088,404
Claims and changes in estimates		880,000
Claims payments		857,943
Claims liability, June 30, 2011		5,110,461
Claims and changes in estimates		(328,779)
Claims payments		714,903
Claims liability, June 30, 2012	\$	4,066,779

**B. Commitments and contingent liabilities**

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

The Oklahoma Housing Finance Agency requires the City to maintain records supporting the banked match that is necessary for participation in the Home Grant Program. As of June 30, 2012, the City's records indicate that the City's banked match of the Home Grant Program totaled \$818,495.

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

The following construction project commitments were outstanding at June 30, 2012:

<b>Fund/Project</b>	<b>Original Contract</b>	<b>Balance Remaining at June 30, 2012</b>
<b>Governmental Activities:</b>		
Expo parking lot	\$ 2,265,000	\$ 101,526
City hall heat/AC	524,000	11,509
Kickapoo Street south	3,329,309	1,846,113
Rehab Asphalt Streets Project	1,135,445	955,912
<b>Business-type activities:</b>		
Airport runway project	3,478,000	2,278,820
Pipe bursting	500,000	486,687
Sludge truck	350,000	203,908

**C. Employee retirement systems and pensions plans**

The City of Shawnee participates in the Oklahoma State Police Pension and Retirement System and the Oklahoma State Firefighters' Pension and Retirement System, both of which are cost-sharing multiple-employer defined benefit pension plans administered by the State of Oklahoma. Copies of the State of Oklahoma sponsored multiple-employer plans and a schedule of funding progress is available, for each from the respective Plan. The State of Oklahoma is responsible for any funding deficiencies. Additionally, for other City employees not covered by the other plans, the City of Shawnee maintains the Oklahoma Municipal Retirement Fund, an agent multiple employer defined benefit pension plan.

Oklahoma State Police Pension and Retirement System (OPPRS)

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

Funding Policy – Plan members are required to contribute 8.0% of their annual covered salary, and the City of Shawnee contributes 13.0% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the state legislature. Contributions to the OPPRS for the year ended June 30, 2012, for employees and employer were \$211,599 and \$352,202, respectively, on covered payroll of \$2,701,609. The state made on-behalf payments for the police pension system of \$317,905. These on-behalf payments were recognized as both revenue and expenditures in the current fiscal year.

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

<u>Fiscal year</u>	<u>Required</u>	<u>Contributed</u>
2011-2012	\$352,202	\$352,202
2010-2011	\$306,971	\$306,971
2009-2010	\$330,180	\$330,180

Oklahoma State Firefighters' Pension and Retirement System (OFPRS)

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

Funding Policy – Plan members are required to contribute 8.0% of their annual covered salary, and the City of Shawnee contributes 13.0% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the state legislature. Contributions to the OFPRS for the year ended June 30, 2012, for employees and employer were \$236,101 and \$383,664, respectively, on covered payroll of \$2,951,264. The state made on-behalf payments for the fire pension system of \$784,842. These on-behalf payments were recognized as both revenue and expenditures in the current fiscal year.

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

<u>Fiscal year</u>	<u>Required</u>	<u>Contributed</u>
2011-2012	\$383,664	\$383,664
2010-2011	\$388,916	\$388,916
2009-2010	\$385,618	\$385,618

Oklahoma Municipal Retirement Fund Employee Retirement System of Shawnee, Oklahoma

Plan Description – The City maintains a defined benefit retirement plan, the Oklahoma Municipal Retirement Fund Employee Retirement System of Shawnee, Oklahoma (the Plan), which covers employees not covered by other plans. The Plan operates as a trust maintained by the Oklahoma Municipal Retirement Fund (OMRF). The OMRF board of trustees retains BankOne as custodian to hold the Plan’s assets which are invested by various professional managers. All regular, full-time City employees not covered by other plans are required to participate in the Plan. Benefits vest after seven years of service. Employees, who retire at age 65 with completion of seven years of service, are entitled to an annual retirement benefit, payable monthly in an amount equal to 2.625% of final average compensation multiplied by the number of years of credited service. Final average compensation is defined as the average of the five highest consecutive annual salaries out of the last ten calendar years of service.

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

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

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

NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012

Funding Policy – The amount shown below as the actuarial accrued liability is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the Plan on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits, and is independent of the funding method used to determine contributions to the Plan.

The actuarial accrued liability was computed as part of an actuarial valuation performed as of July 1, 2012. Significant actuarial assumptions used in the valuation include 1) a rate of return on the investment of present and future assets of 7.5% compounded annually, and 2) future salary increases based on the age of the employee.

Total actuarial accrued liability was more than net assets available for benefits by \$6,059,084 as of January 1, 2012, as follows:

Actuarial accrued liability	\$ 28,194,716
Net assets available for benefits (actuarial value)	<u>25,331,767</u>
Underfunded actuarial accrued liability	<u>\$ 2,862,949</u>

The Plan’s funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increases gradually over time so sufficient assets will be available to pay benefits when due. Required contributions are determined using the aggregate entry age normal cost method. Unfunded actuarial accrued liabilities are being amortized as a level percentage of payroll over a closed period of thirty years.

Significant actuarial assumptions used for the Plan are as follows:

Rate of return on investments	7.5% compounded annually
Projected salary increases	5.1% average (a high scale at younger age levels, becoming progressively lower as age advances)
Inflation rate	3% per annum
Post-retirement benefits increases method	Entry age normal cost
Mortality rates – before and after retirement	1994 Mortality Table with projected mortality improvement

For the year ended June 30, 2012, employees were required to contribute 0.0% of annual compensation while the City contributed 22.51%, the actuarially required contribution rate. Contributions to the Plan for the year ended June 30, 2012, for employees and employer were \$0 and \$1,503,165, respectively. For the year ended June 30, 2012, the City’s covered payroll was \$6,509,471. Covered payroll refers to all compensation paid by the City of Shawnee to active employees covered by the Plan on which contributions are based.

The actuarially determined contributions for both the employee and the employer for the current and past two fiscal years are as follows:

Fiscal Year	Required	Contributed	Net Pension Obligation
2011-2012	\$ 1,465,281	\$ 1,503,165	\$ 132,100
2010-2011	1,354,593	1,345,207	170,166
2009-2010	1,363,924	1,363,924	160,780

NOTES TO FINANCIAL STATEMENTS  
CITY OF SHAWNEE, OKLAHOMA  
JUNE 30, 2012

The following schedule shows the change in net pension obligation based on the actuarially required contributions to the plan compared to the actual contributions made by the city:

Annual required contribution for 2012 plan year	\$ 1,465,218
Actual contributions made	<u>(1,503,165)</u>
Increase/(decrease) in net pension obligation	(37,947)
Beginning of year net pension obligation	<u>170,047</u>
End of year net pension obligation	<u><u>\$ 132,100</u></u>

The schedule of funding progress for the Plan for the current year is as follows:

Accrual Valuation Date	Value of Assets Available for Benefits	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Percentage Funded	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
1/1/2010	\$ 24,764,099	\$ 30,823,183	\$ 6,059,084	80.3%	\$ 5,792,921	104.6%
1/1/2011	\$ 26,348,831	\$ 32,167,742	\$ 5,818,911	81.9%	\$ 5,424,459	107.3%
1/1/2012	\$ 27,767,179	\$ 34,023,402	\$ 6,256,223	81.6%	\$ 6,218,306	100.6%

Oklahoma Municipal Retirement Fund Defined Contribution Plan (the Plan)

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

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

Funding Policy – Benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate upon employment, and must make a mandatory minimum pre-tax contribution of 4.25%. Employees are allowed to contribute in excess of the 4.25%; however, these contributions are not pre-tax. By City ordinance, the City, as the employer, is required to make variable contributions to the Plan, based on availability of funds. The employee is fully vested after 7 years of service. City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting are allocated back to remaining eligible participants. The authority to establish and amend the provisions of the Plan rests with the City Commission. Contributions to the Plan for the year ended June 30, 2012, for employees and employer were \$233,427 and zero, respectively, on a covered payroll of \$5,491,822. Contributions for the years ended June 30, 2011 and 2010 were \$221,406 and \$224,501, respectively.

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

DH Plan Description – Effective May 1, 2008, the City has also provided a defined contribution plan and trust known as the City of Shawnee Department Head and City Manager Retirement Plan and Trust (the DH Plan) in the form of The Oklahoma Municipal Retirement Fund Master Defined Contribution Plan (OMRF). The DH Plan is administered by JP Morgan Chase Bank of Oklahoma City, Oklahoma. The DH Plan is available to all full-time employees defined as Department Head or City Manager except those participating in the state of Oklahoma fire or police program. Separate audited GAAP – basis financial statements are not available.

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

Funding Policy – Benefits depend solely on amounts contributed to the DH Plan plus investment earnings. Employees are eligible to participate upon employment, and must make a mandatory minimum pre-tax contribution of 8%. Employees are allowed to contribute in excess of the 8%; however, these contributions are not pre-tax. By City ordinance, the City, as the employer, is required to make at least 5% contributions to the DH Plan and could be higher, based on availability of funds. The employee is fully vested upon employment. The authority to establish and amend the provisions of the DH Plan rests with the City Commission. Contributions to the DH Plan for the year ended June 30, 2012, for employees and employer were \$93,107 and \$58,192, respectively, on a covered payroll of \$1,160,385.

City of Shawnee 457 Deferred Compensation Plan (DC Plan)

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

Funding Policy – DC Plan participants may contribute up to \$15,000 of eligible compensation per year. During the year ended June 30, 2012, employees contributed \$48,895 to the DC Plan.

ICMA Retirement Deferred Compensation Plan (the ICMA Plan)

In addition to the above plans, the City of Shawnee offers a retirement plan through ICMA which is totally employee funded. Employee contributions to the ICMA Plan for the year ended June 30, 2012, were \$7,215. Separate audited GAAP – basis financial statements are not available.

**D. New Accounting Pronouncements**

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

Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* – GASB 60 addresses issues related to service concession arrangements (SCA's), which are a type of public-private or public-public partnership. This Statement applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met. Management is still evaluating the effect this Statement will have on the City's financial statements. The Statement is effective for fiscal years ended June 30, 2013.

Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*. GASB No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity and also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. Earlier application is encouraged. The City does not believe that the adoption of GASB No. 61 will have a significant impact on its financial statement presentation. The Statement is effective for fiscal years ended June 30, 2013.

Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB No. 62 is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. The City does not believe that the adoption GASB No. 62 will have a significant impact on its financial position, activities or cash flows, or its financial statement presentation. The Statement is effective for fiscal years ended June 30, 2013.

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Adoption of this statement will require the City to make changes in its financial statement presentation. The Statement is effective for fiscal years ended June 30, 2013.

Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources (expenses) or inflows of resources (revenues), certain items that were previously recognized as assets and liabilities. The City has not quantified the effects of adoption of GASB No. 65 on its net position. The Statement is effective for fiscal years ended June 30, 2014.

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



**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF SHAWNEE, OKLAHOMA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
(BUDGETARY BASIS) BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 13,841,383	\$ 14,009,283	\$ 13,635,348	\$ (373,935)
Licenses and permits	79,000	174,000	187,033	13,033
Intergovernmental	1,277,000	1,445,914	1,886,089	440,175
Charges for services	162,115	162,390	157,825	(4,565)
Fees and fines	686,300	701,300	740,559	39,259
Investment earnings	27,900	27,900	22,112	(5,788)
Miscellaneous	69,275	142,705	198,773	56,068
Total revenues	<u>16,142,973</u>	<u>16,663,492</u>	<u>16,827,739</u>	<u>164,247</u>
<b>EXPENDITURES</b>				
Departmental:				
<i>General Government:</i>				
City manager	426,372	432,373	427,477	4,896
City attorney	175,345	212,494	203,572	8,922
Administrative services	-	-	5,189	(5,189)
Human resources	355,868	355,867	332,910	22,957
City clerk	310,629	313,129	278,466	34,663
Accounting	531,918	573,917	564,978	8,939
Municipal court	502,330	524,327	526,446	(2,119)
Information services	367,993	379,494	367,466	12,028
Planning and zoning	-	-	341	(341)
Engineering	413,724	418,724	404,537	14,187
Equipment services	357,302	432,302	335,067	97,235
Building maintenance	70,197	71,681	62,063	9,618
Shared cost	-	-	2,771	(2,771)
Total General Government	<u>3,511,678</u>	<u>3,714,308</u>	<u>3,511,283</u>	<u>203,025</u>
<i>Public Safety:</i>				
Police administration	489,816	489,816	463,129	26,687
Police operations	4,219,860	4,367,832	4,381,605	(13,773)
Dispatch	564,946	570,398	532,712	37,686
Criminal investigations	580,779	588,354	518,097	70,257
Unzer Center	-	89,780	28,056	61,724
Animal Control	323,923	241,423	244,847	(3,424)
Code Compliance	702,898	719,897	700,752	19,145
Fire suppression	4,247,873	4,415,611	4,393,743	21,868
Fire prevention	465,922	465,924	434,343	31,581
Emergency Management	314,944	314,945	291,870	23,075
Fire Training	155,098	170,099	150,692	19,407
L.E.P.C	5,050	5,050	1,952	3,098
Total Public Safety	<u>12,071,109</u>	<u>12,439,129</u>	<u>12,141,798</u>	<u>297,331</u>
<i>Street:</i>				
Street	760,335	788,612	701,210	87,402
Traffic control	236,518	251,017	255,835	(4,818)
Total Street	<u>996,853</u>	<u>1,039,629</u>	<u>957,045</u>	<u>82,584</u>
<i>Culture and Recreation:</i>				
Expo Operations	455,955	463,819	454,675	9,144
Municipal auditorium	8,000	16,400	8,200	8,200
Senior citizens	76,758	78,758	75,464	3,294
Community center	45,200	45,200	39,329	5,871
Cemetery	197,729	197,939	183,744	14,195
Parks	561,648	576,683	599,576	(22,893)
Total Culture and Recreation	<u>1,345,290</u>	<u>1,378,799</u>	<u>1,360,988</u>	<u>17,811</u>
Total Expenditures	<u>17,924,930</u>	<u>18,571,865</u>	<u>17,971,114</u>	<u>600,751</u>
Excess (deficiency) of revenues over expenditures	<u>(1,781,957)</u>	<u>(1,908,373)</u>	<u>(1,143,375)</u>	<u>764,998</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,018,600	2,018,600	2,036,744	18,144
Transfers out	(74,000)	(327,643)	(74,000)	253,643
Total other financing sources and uses	<u>1,944,600</u>	<u>1,690,957</u>	<u>1,962,744</u>	<u>271,787</u>
Net change in fund balances	162,643	(217,416)	819,369	1,036,785
Fund balances - beginning	1,622,983	1,622,983	5,144,730	3,521,747
Fund balances - ending	<u>\$ 1,785,626</u>	<u>\$ 1,405,567</u>	<u>\$ 5,964,099</u>	<u>\$ 4,558,532</u>

**CITY OF SHAWNEE, OKLAHOMA  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 ON BUDGETARY ACCOUNTING AND CONTROL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**BUDGETARY ACCOUNTING AND CONTROL**

**Budget Law**

The City prepares its annual operating budget under the provisions of the Oklahoma Municipal Budget Act of 1979 (the "Budget Act"). In accordance with those provisions, the following process is used to adopt the annual budget:

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

All funds with revenues and/or expenditures/expenses as defined by State law are required to have annual budgets under this section of state law, except funds of public trusts or authorities. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund. The following departments exceeded appropriations:

General Fund –	
Municipal Court	\$2,119
Administrative Services	\$5,189
Planning and zoning	\$341
Animal Control	\$3,424
Traffic Control	\$4,818
Shared costs	\$2,771
Parks	\$22,893
General Fund Accounts –	
Spay and Neuter Account	\$749
Sister Cities Account	\$40,407
E911 Fund – Animal Control/911	\$273
Street and Alley Fund – Streets	\$71,293
Hotel/Motel Fund – Economic Dev	\$100,139
Gifts and Contribution Fund –Parks	\$4,225
Street Improvement Fund – Transfers	\$104,167

**CITY OF SHAWNEE, OKLAHOMA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**ON BUDGETARY ACCOUNTING AND CONTROL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**  
**(Continued)**

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

In accordance with Title 60 of the Oklahoma State Statutes, the Shawnee Municipal Authority and Shawnee Airport Authority are required to prepare an annual budget and submit a copy to the city as beneficiary. However, there are no further requirements such as form of budget, approval of the budget or definition of a legal spending limit.

**Budgetary Accounting**

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

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

	General Fund
Total revenue - budgetary basis	\$ 18,864,483
Total expenses - budgetary basis	<u>(18,045,114)</u>
Change in fund balance - budgetary basis	819,369
Add change in fund balance of sub-funds combined for reporting purposes:	
Revolving Oil and Gas Fund	10,500
Spay and Neuter Fund	1,710
Library Fund	(4,165)
Sister Cities Fund	<u>(13,274)</u>
Change in fund balance - GAAP basis	<u><u>\$ 814,140</u></u>

The City utilizes encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation. The City considers all appropriations to lapse at year-end; any open purchase orders to be honored in the subsequent budget year are reappropriated in the next year's budget. As a result, encumbrances are not treated as the equivalent of expenditures in the budget and actual financial statements.

CITY OF SHWNEE, OKLAHOMA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 DEFINED BENEFIT PENSION PLAN  
 FUNDING SCHEDULES  
 June 30, 2012

**I. Schedule of Funding Progress**

Accrual Valuation Date	Value of Assets Available for Benefits	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Percentage Funded	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
1/1/2012	\$ 27,767,179	\$ 34,023,402	\$ 6,256,223	81.61%	\$ 6,218,306	100.6%
1/1/2011	26,348,831	32,167,742	5,818,911	81.91%	5,424,459	107.3%
1/1/2010	24,764,099	30,823,183	6,059,084	80.34%	5,792,921	104.6%
1/1/2009	24,092,460	30,145,970	6,053,510	79.92%	5,724,277	105.8%
1/1/2008	24,813,645	28,447,562	3,633,917	87.23%	5,772,950	62.9%
1/1/2007	23,176,682	25,754,610	2,577,928	90.00%	5,378,234	47.9%
1/1/2006	21,914,001	23,744,809	1,830,808	92.30%	4,952,709	37.0%
1/1/2005	21,548,548	22,838,766	1,290,218	94.40%	4,767,083	27.1%
1/1/2004	19,956,987	20,893,487	936,500	95.50%	5,273,332	17.8%
1/1/2003	19,398,530	18,661,318	(737,212)	104.00%	4,692,250	-15.7%

**II. Schedule of Employer Contributions**

Fiscal Year	Annual Required Contribution	Percentage Contributed
2011	\$1,465,281	103%
2012	1,354,593	99.3%
2010	1,363,924	100%

**III. Notes to Required Supplementary Information Pension Plan Funding Schedules**

Covered payroll is the total annualized rate of pay as of the valuation date based on actual pay for the preceding year.

Actuarial method is "Entry Age Normal".

CITY OF SHAWNEE, OKLAHOMA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 OTHER POST EMPLOYMENT BENEFITS  
 June 30, 2012

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

	July 1, 2008	July 1, 2010
Actuarial accrued liability - AAL (a)	\$3,519,267	\$3,480,146
Actuarial value of plan assets (b)	-	-
Unfunded actuarial accrued liability – UAAL (funding excess) (a) – (b)	3,519,267	3,480,146
Funded ratio (b)/(a)	-	-
Covered payroll (c)	9,812,016	10,020,000
UAAL (funding excess) as a % of covered payroll [UAAL/(c)]	35.9%	34.7%

July 1, 2008, was the first actuarial valuation for the OPEB Plan. Three year trend information is not available.

**SUPPLEMENTARY INFORMATION**

**City of Shawnee, Oklahoma**  
**Combining Balance Sheet – General Fund**  
**June 30, 2012**

	General Fund	Revolving Oil & Gas	Spay and Neuter	Library	Senior Citizens	Sister Cities	Total General Fund
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,949,659	\$ 244,279	\$ 16,039	\$ 20,869	\$ 21,147	\$ 1,212	\$ 2,253,205
Investments	1,138,499	-	-	-	-	-	1,138,499
Interest receivable	3,696	-	-	-	-	-	3,696
Receivable from other governments	85,532	-	-	-	-	-	85,532
Due from other funds	1,569,940	-	-	-	-	-	1,569,940
Taxes receivable, net	1,679,801	-	-	-	-	-	1,679,801
Court fines receivable, net	177,347	-	-	-	-	-	177,347
Other receivables	103,246	-	-	-	-	-	103,246
Prepaid expenses	347,288	-	-	-	-	-	347,288
Total assets	<u>7,055,008</u>	<u>244,279</u>	<u>16,039</u>	<u>20,869</u>	<u>21,147</u>	<u>1,212</u>	<u>7,358,554</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	407,860	-	1,459	6,066	-	-	415,385
Accrued payroll payable	317,070	-	-	-	-	-	317,070
Due to other funds	273,383	-	-	-	-	-	273,383
Deferred revenue	92,596	-	-	-	-	-	92,596
Total liabilities	<u>1,090,909</u>	<u>-</u>	<u>1,459</u>	<u>6,066</u>	<u>-</u>	<u>-</u>	<u>1,098,434</u>
<b>Fund balances:</b>							
Nonspendable	347,288	-	-	-	-	-	347,288
Assigned	-	244,279	14,580	14,803	21,147	1,212	296,021
Unassigned	5,616,811	-	-	-	-	-	5,616,811
Total fund balances	<u>5,964,099</u>	<u>244,279</u>	<u>14,580</u>	<u>14,803</u>	<u>21,147</u>	<u>1,212</u>	<u>6,260,120</u>
Total liabilities and fund balances	<u>\$ 7,055,008</u>	<u>\$ 244,279</u>	<u>\$ 16,039</u>	<u>\$ 20,869</u>	<u>\$ 21,147</u>	<u>\$ 1,212</u>	<u>\$ 7,358,554</u>



**City of Shawnee, Oklahoma**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – General Fund**  
**Year Ended June 30, 2012**

	<u>General Fund</u>	<u>Revolving Oil &amp; Gas</u>	<u>Spay and Neuter</u>	<u>Library</u>	<u>Senior Citizens</u>	<u>Sister Cities</u>	<u>Total General Fund</u>
<b>REVENUES</b>							
Taxes	\$ 13,635,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,635,348
Intergovernmental	1,886,089	-	-	-	-	-	1,886,089
Licenses and permits	187,033	10,500	-	-	-	-	197,533
Charges for services	157,825	-	-	-	-	-	157,825
Fees and fines	740,559	-	6,959	-	-	-	747,518
Investment earnings	22,112	-	-	-	-	-	22,112
Miscellaneous	198,773	-	-	-	-	16,633	215,406
Total revenues	<u>16,827,739</u>	<u>10,500</u>	<u>6,959</u>	<u>-</u>	<u>-</u>	<u>16,633</u>	<u>16,861,831</u>
<b>EXPENDITURES</b>							
Current:							
General government	2,883,922	-	-	-	-	-	2,883,922
Engineering	404,537	-	-	-	-	-	404,537
Equipment and building maintenance	397,130	-	-	-	-	-	397,130
Police	5,394,473	-	-	-	-	-	5,394,473
Fire	4,975,816	-	-	-	-	-	4,975,816
Municipal court	526,446	-	-	-	-	-	526,446
Emergency management	294,832	-	-	-	-	-	294,832
Streets	957,045	-	-	-	-	-	957,045
Parks and recreation	599,576	-	-	-	-	-	599,576
Culture and recreation	122,993	-	-	-	-	-	122,993
Animal control/E911	775,925	-	5,249	-	-	-	781,174
Cemetery	183,744	-	-	-	-	-	183,744
Library	-	-	-	-	-	44,907	44,907
Economic development	454,675	-	-	78,165	-	-	532,840
Total expenditures	<u>17,971,114</u>	<u>-</u>	<u>5,249</u>	<u>78,165</u>	<u>-</u>	<u>44,907</u>	<u>18,099,435</u>
Excess (deficiency) of revenues over expenditures	<u>(1,143,375)</u>	<u>10,500</u>	<u>1,710</u>	<u>(78,165)</u>	<u>-</u>	<u>(28,274)</u>	<u>(1,237,604)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from long-term debt, net	-	-	-	-	-	-	-
Proceeds from capital leases	-	-	-	-	-	-	-
Transfers in - interaccount	-	-	-	74,000	-	-	74,000
Transfers out - interaccount	(74,000)	-	-	-	-	-	(74,000)
Transfers in	2,036,744	-	-	-	-	15,000	2,051,744
Transfers out	-	-	-	-	-	-	-
Total other financing sources and uses	<u>1,962,744</u>	<u>-</u>	<u>-</u>	<u>74,000</u>	<u>-</u>	<u>15,000</u>	<u>2,051,744</u>
Net change in fund balances	819,369	10,500	1,710	(4,165)	-	(13,274)	814,140
Fund balances - beginning	5,144,730	233,779	12,870	18,968	21,147	14,486	5,445,980
Fund balances - ending	<u>\$ 5,964,099</u>	<u>\$ 244,279</u>	<u>\$ 14,580</u>	<u>\$ 14,803</u>	<u>\$ 21,147</u>	<u>\$ 1,212</u>	<u>\$ 6,260,120</u>

**City of Shawnee, Oklahoma**  
**Budget versus Actual – General Fund Accounts**  
**Year Ended June 30, 2012**

	Revolving Oil & Gas Fund				Spay and Neuter Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final	Budgeted Amounts		Actual Amounts	Variance with Final
	Original	Final	Budgetary Basis	Budget - Positive (Negative)	Original	Final	Budgetary Basis	Budget - Positive (Negative)
<b>REVENUES</b>								
Licenses and permits	\$ 6,000	\$ 6,000	\$ 10,500	\$ 4,500	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	-	-	4,400	4,400	6,959	2,559
Investment earnings	100	100	-	(100)	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>6,100</u>	<u>6,100</u>	<u>10,500</u>	<u>4,400</u>	<u>4,400</u>	<u>4,400</u>	<u>6,959</u>	<u>2,559</u>
<b>EXPENDITURES</b>								
Departmental:								
Animal Control	-	-	-	-	4,500	4,500	5,249	(749)
Economic Development	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Fire Prevention	11,000	11,000	-	11,000	-	-	-	-
Senior Citizens	-	-	-	-	-	-	-	-
Total Expenditures	<u>11,000</u>	<u>11,000</u>	<u>-</u>	<u>11,000</u>	<u>4,500</u>	<u>4,500</u>	<u>5,249</u>	<u>(749)</u>
Total Expenditures	<u>11,000</u>	<u>11,000</u>	<u>-</u>	<u>11,000</u>	<u>4,500</u>	<u>4,500</u>	<u>5,249</u>	<u>(749)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,900)</u>	<u>(4,900)</u>	<u>10,500</u>	<u>15,400</u>	<u>(100)</u>	<u>(100)</u>	<u>1,710</u>	<u>1,810</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,900)	(4,900)	10,500	15,400	(100)	(100)	1,710	1,810
Fund balances - beginning	231,529	231,529	233,799	2,270	12,198	12,198	12,870	672
Fund balances - ending	<u>\$ 226,629</u>	<u>\$ 226,629</u>	<u>\$ 244,299</u>	<u>\$ 17,670</u>	<u>\$ 12,098</u>	<u>\$ 12,098</u>	<u>\$ 14,580</u>	<u>\$ 2,482</u>

(continued)

**City of Shawnee, Oklahoma**  
**Budget versus Actual – General Fund Accounts**  
**Year Ended June 30, 2012**

	Library Fund				Senior Citizens Fund			
	Budgeted Amounts		Actual Amounts.	Variance with Final	Budgeted Amounts		Actual Amounts.	Variance with Final
	Original	Final	Budgetary Basis	Budget - Positive (Negative)	Original	Final	Budgetary Basis	Budget - Positive (Negative)
<b>REVENUES</b>								
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	200	200	-	(200)
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	200	200	-	(200)
<b>EXPENDITURES</b>								
Departmental:								
Animal Control	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Library	79,200	79,200	78,165	1,035	-	-	-	-
Fire Prevention	-	-	-	-	-	-	-	-
Senior Citizens	-	-	-	-	600	600	-	600
Total Expenditures	79,200	79,200	78,165	1,035	600	600	-	600
Total Expenditures	79,200	79,200	78,165	1,035	600	600	-	600
Excess (deficiency) of revenues over expenditures	(79,200)	(79,200)	(78,165)	1,035	(400)	(400)	-	400
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	74,000	74,000	74,000	-	-	-	-	-
Total other financing sources and uses	74,000	74,000	74,000	-	-	-	-	-
Net change in fund balances	(5,200)	(5,200)	(4,165)	1,035	(400)	(400)	-	400
Fund balances - beginning	14,848	14,848	18,968	4,120	21,219	21,219	21,147	(72)
Fund balances - ending	\$ 9,648	\$ 9,648	\$ 14,803	\$ 5,155	\$ 20,819	\$ 20,819	\$ 21,147	\$ 328

(continued)

**City of Shawnee, Oklahoma**  
**Budget versus Actual – General Fund Accounts**  
**Year Ended June 30, 2012**

	<b>Sister Cities Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	\$ 1,025	\$ 1,000	\$ 16,633	\$ 15,633
Total revenues	<u>1,025</u>	<u>1,000</u>	<u>16,633</u>	<u>15,633</u>
<b>EXPENDITURES</b>				
Departmental:				
Animal Control	-	-	-	-
Economic Development	-	-	-	-
Library	4,300	4,500	44,907	(40,407)
Fire Prevention	-	-	-	-
Senior Citizens	-	-	-	-
<i>Total Expenditures</i>	<u>4,300</u>	<u>4,500</u>	<u>44,907</u>	<u>(40,407)</u>
Total Expenditures	<u>4,300</u>	<u>4,500</u>	<u>44,907</u>	<u>(40,407)</u>
Excess (deficiency) of revenues over expenditures	<u>(3,275)</u>	<u>(3,500)</u>	<u>(28,274)</u>	<u>(24,774)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total other financing sources and uses	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net change in fund balances	11,725	11,500	(13,274)	(24,774)
Fund balances - beginning	<u>14,773</u>	<u>14,773</u>	<u>14,486</u>	<u>(287)</u>
Fund balances - ending	<u>\$ 26,498</u>	<u>\$ 26,273</u>	<u>\$ 1,212</u>	<u>\$ (25,061)</u>

**City of Shawnee, Oklahoma**  
**Combining Balance Sheet – Nonmajor Governmental Funds**  
**June 30, 2012**

	<u>Street and Alley Fund</u>	<u>E-911 Fund</u>	<u>Economic Development Fund</u>	<u>Hotel/Motel Fund</u>	<u>Police Sales Tax Fund</u>	<u>Fire Sales Tax Fund</u>	<u>CDBG/Home Grants Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ 412,460	\$ 116,223	\$ 60,833	\$ 810	\$ 810	\$ 352,060
Investments	-	-	-	-	-	-	-
Interest receivable	-	-	32	-	40	98	-
Receivable from other governments	-	-	-	-	-	-	8,419
Due from other funds	-	-	-	-	-	-	-
Taxes receivable, net	-	-	34,837	-	43,546	43,546	-
Other receivables	23,736	18,622	-	50,674	-	-	818,448
Total assets	<u>23,736</u>	<u>431,082</u>	<u>151,092</u>	<u>111,507</u>	<u>44,396</u>	<u>44,454</u>	<u>1,178,927</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable and accrued liabilities	13,419	3,041	-	52,394	-	-	11,122
Due to other funds	92,053	-	-	-	-	-	147,208
Deferred revenue	-	-	-	-	-	-	818,442
Total liabilities	<u>105,472</u>	<u>3,041</u>	<u>-</u>	<u>52,394</u>	<u>-</u>	<u>-</u>	<u>976,772</u>
<b>Fund balances:</b>							
Restricted	-	428,041	151,092	50,113	44,396	44,454	202,155
Assigned	-	-	-	9,000	-	-	-
Unassigned	(81,736)	-	-	-	-	-	-
Total fund balances	<u>(81,736)</u>	<u>428,041</u>	<u>151,092</u>	<u>59,113</u>	<u>44,396</u>	<u>44,454</u>	<u>202,155</u>
Total liabilities and fund balances	<u>\$ 23,736</u>	<u>\$ 431,082</u>	<u>\$ 151,092</u>	<u>\$ 111,507</u>	<u>\$ 44,396</u>	<u>\$ 44,454</u>	<u>\$ 1,178,927</u>

(continued)

**City of Shawnee, Oklahoma**  
**Combining Balance Sheet – Nonmajor Governmental Funds**  
**June 30, 2012**

	<b>Cemetery Care Fund</b>	<b>Gifts and Contribution Fund</b>	<b>Tax Increment Financing Fund</b>	<b>Drug Forfeiture Fund</b>	<b>1994 Street Improvement Fund</b>	<b>Capital Improvement Fund</b>	<b>Debt Service Fund</b>	<b>Total Other Governmental Funds</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 172,305	\$ 75,337	\$ 360,270	\$ 2,000	\$ 77,667	\$ 2,351,188	\$ 113,128	\$ 4,095,091
Investments	-	4,400	-	-	-	1,054,065	-	1,058,465
Interest receivable	-	-	-	-	-	-	-	170
Receivable from other governments	-	-	-	-	-	-	-	8,419
Due from other funds	-	4,023	-	-	-	65,000	-	69,023
Taxes receivable, net	-	-	-	-	-	269,986	-	391,915
Other receivables	-	-	-	-	-	-	28	911,508
Total assets	<u>172,305</u>	<u>83,760</u>	<u>360,270</u>	<u>2,000</u>	<u>77,667</u>	<u>3,740,239</u>	<u>113,156</u>	<u>6,534,591</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable and accrued liabilities	-	-	-	-	-	937,047	-	1,017,023
Due to other funds	-	-	-	1,025	-	4,023	-	244,309
Deferred revenue	-	-	-	-	-	-	54	818,496
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,025</u>	<u>-</u>	<u>941,070</u>	<u>54</u>	<u>2,079,828</u>
<b>Fund balances:</b>								
Restricted	165,489	74,150	360,270	975	77,667	2,781,830	113,102	4,493,734
Assigned	6,816	9,610	-	-	-	17,339	-	42,765
Unassigned	-	-	-	-	-	-	-	(81,736)
Total fund balances	<u>172,305</u>	<u>83,760</u>	<u>360,270</u>	<u>975</u>	<u>77,667</u>	<u>2,799,169</u>	<u>113,102</u>	<u>4,454,763</u>
<b>Total liabilities and fund balances</b>	<u>\$ 172,305</u>	<u>\$ 83,760</u>	<u>\$ 360,270</u>	<u>\$ 2,000</u>	<u>\$ 77,667</u>	<u>\$ 3,740,239</u>	<u>\$ 113,156</u>	<u>\$ 6,534,591</u>

**City of Shawnee, Oklahoma**  
**Combing Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Fund**  
**Year Ended June 30, 2012**

	Street and Alley Fund	E-911 Fund	Economic Development Fund	Hotel/Motel Fund	Police Sales Tax Fund	Fire Sales Tax Fund	CDBG/Home Grants Funds
<b>REVENUES</b>							
Taxes	\$ 259,597	\$ 211,917	\$ 275,077	\$ 472,590	\$ 343,846	\$ 343,846	\$ -
Fees and fines	-	-	-	-	-	-	-
Licenses and permits	1,175	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	306,165
Charges for services	-	-	-	-	-	-	-
Investment earnings	-	-	291	-	364	364	-
Miscellaneous	2,119	-	-	4,000	-	-	111,402
Total revenues	<u>262,891</u>	<u>211,917</u>	<u>275,368</u>	<u>476,590</u>	<u>344,210</u>	<u>344,210</u>	<u>417,567</u>
<b>EXPENDITURES</b>							
Current:							
Streets	356,293	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Animal Control/E911	-	91,273	-	-	-	-	-
Economic development	-	-	246,000	472,639	-	-	401,069
Debt Service							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>356,293</u>	<u>91,273</u>	<u>246,000</u>	<u>472,639</u>	<u>-</u>	<u>-</u>	<u>401,069</u>
Excess (deficiency) of revenues over expenditures	<u>(93,402)</u>	<u>120,644</u>	<u>29,368</u>	<u>3,951</u>	<u>344,210</u>	<u>344,210</u>	<u>16,498</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(15,000)	-	(343,372)	(343,372)	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>	<u>(343,372)</u>	<u>(343,372)</u>	<u>-</u>
Net change in fund balances	(93,402)	120,644	14,368	3,951	838	838	16,498
Fund balances - beginning	11,666	307,397	136,724	55,162	43,558	43,616	185,657
Fund balances - ending	<u>\$ (81,736)</u>	<u>\$ 428,041</u>	<u>\$ 151,092</u>	<u>\$ 59,113</u>	<u>\$ 44,396</u>	<u>\$ 44,454</u>	<u>\$ 202,155</u>

(continued)

**City of Shawnee, Oklahoma**  
**Combing Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Fund**  
**Year Ended June 30, 2012**

	Cemetery Care Fund	Gifts and Contribution Fund	Tax Increment Financing Fund	Drug Forfeiture Fund	1994 Street Improvement Fund	Capital Improvement Fund	Debt Service Fund	Total Other Governmental Funds
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ 74,245	\$ -	\$ -	\$ 2,131,844	\$ 64	\$ 4,113,026
Fees and fines	-	-	-	510	-	-	-	510
Licenses and permits	-	-	-	-	-	-	-	1,175
Intergovernmental	-	-	-	-	-	-	-	306,165
Charges for services	1,181	-	-	-	-	-	-	1,181
Investment earnings	-	(30,482)	-	-	-	76,685	1	47,223
Miscellaneous	3,559	5,060	-	-	-	15,469	1,055	142,664
Total revenues	<u>4,740</u>	<u>(25,422)</u>	<u>74,245</u>	<u>510</u>	<u>-</u>	<u>2,223,998</u>	<u>1,120</u>	<u>4,611,944</u>
<b>EXPENDITURES</b>								
Current:								
Streets	-	-	-	-	-	-	-	356,293
Parks and recreation	-	4,825	-	-	-	-	-	4,825
Animal Control/E911	-	-	-	-	-	-	-	91,273
Economic development	-	-	-	-	-	-	-	1,119,708
Debt Service								
Principal	-	-	-	-	-	77,746	-	77,746
Interest and other charges	-	-	-	-	-	6,853	-	6,853
Capital Outlay	3,800	-	-	-	-	3,539,268	-	3,543,068
Total Expenditures	<u>3,800</u>	<u>4,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,623,867</u>	<u>-</u>	<u>5,199,766</u>
Excess (deficiency) of revenues over expenditures	<u>940</u>	<u>(30,247)</u>	<u>74,245</u>	<u>510</u>	<u>-</u>	<u>(1,399,869)</u>	<u>1,120</u>	<u>(587,822)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from long-term debt	-	-	-	-	-	958,868	-	958,868
Transfers in	-	-	-	-	-	2,326,085	-	2,326,085
Transfers out	-	-	-	-	-	(588,686)	-	(1,290,430)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,696,267</u>	<u>-</u>	<u>1,994,523</u>
Net change in fund balances	940	(30,247)	74,245	510	-	1,296,398	1,120	1,406,701
Fund balances - beginning	171,365	114,007	286,025	465	77,667	1,502,771	111,982	3,048,062
Fund balances - ending	<u>\$ 172,305</u>	<u>\$ 83,760</u>	<u>\$ 360,270</u>	<u>\$ 975</u>	<u>\$ 77,667</u>	<u>\$ 2,799,169</u>	<u>\$ 113,102</u>	<u>\$ 4,454,763</u>



**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	Street And Alley Fund				E-911 Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes	\$ 270,870	\$ 270,870	\$ 259,597	\$ (11,273)	\$ 180,000	\$ 180,000	\$ 211,917	\$ 31,917
Licenses and permits	1,000	1,000	1,175	175	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	200	200	-	(200)	500	500	-	(500)
Miscellaneous	6,400	6,400	2,119	(4,281)	-	-	-	-
Total revenues	<u>278,470</u>	<u>278,470</u>	<u>262,891</u>	<u>(15,579)</u>	<u>180,500</u>	<u>180,500</u>	<u>211,917</u>	<u>31,417</u>
<b>EXPENDITURES</b>								
Departmental:								
Streets	285,000	285,000	356,293	(71,293)	-	-	-	-
Animal Control/911	-	-	-	-	91,000	91,000	91,273	(273)
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>285,000</u>	<u>285,000</u>	<u>356,293</u>	<u>(71,293)</u>	<u>91,000</u>	<u>91,000</u>	<u>91,273</u>	<u>(273)</u>
Total Expenditures	<u>285,000</u>	<u>285,000</u>	<u>356,293</u>	<u>(71,293)</u>	<u>91,000</u>	<u>91,000</u>	<u>91,273</u>	<u>(273)</u>
Excess (deficiency) of revenues over expenditures	(6,530)	(6,530)	(93,402)	(86,872)	89,500	89,500	120,644	31,144
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(6,530)	(6,530)	(93,402)	(86,872)	89,500	89,500	120,644	31,144
Fund balances - beginning	10,166	10,166	11,666	1,500	292,378	293,378	307,397	14,019
Fund balances - ending	<u>\$ 3,636</u>	<u>\$ 3,636</u>	<u>\$ (81,736)</u>	<u>\$ (85,372)</u>	<u>\$ 381,878</u>	<u>\$ 382,878</u>	<u>\$ 428,041</u>	<u>\$ 45,163</u>

(continued)

**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	Economic Development Fund				Hotel/Motel Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes	\$ 274,495	\$ 274,495	\$ 275,077	\$ 582	\$ 385,000	\$ 385,000	\$ 472,590	\$ 87,590
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	450	450	291	(159)	-	-	-	-
Miscellaneous	-	-	-	-	-	-	4,000	4,000
Total revenues	<u>274,945</u>	<u>274,945</u>	<u>275,368</u>	<u>423</u>	<u>385,000</u>	<u>385,000</u>	<u>476,590</u>	<u>91,590</u>
<b>EXPENDITURES</b>								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	248,490	248,490	246,000	2,490	372,500	372,500	472,639	(100,139)
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>248,490</u>	<u>248,490</u>	<u>246,000</u>	<u>2,490</u>	<u>372,500</u>	<u>372,500</u>	<u>472,639</u>	<u>(100,139)</u>
Total Expenditures	<u>248,490</u>	<u>248,490</u>	<u>246,000</u>	<u>2,490</u>	<u>372,500</u>	<u>372,500</u>	<u>472,639</u>	<u>(100,139)</u>
Excess (deficiency) of revenues over expenditures	<u>26,455</u>	<u>26,455</u>	<u>29,368</u>	<u>2,913</u>	<u>12,500</u>	<u>12,500</u>	<u>3,951</u>	<u>(8,549)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(15,000)	(15,000)	(15,000)	-	-	-	-	-
Total other financing sources and uses	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	11,455	11,455	14,368	2,913	12,500	12,500	3,951	(8,549)
Fund balances - beginning	123,314	123,314	136,724	13,410	69,813	69,813	55,162	(14,651)
Fund balances - ending	<u>\$ 134,769</u>	<u>\$ 134,769</u>	<u>\$ 151,092</u>	<u>\$ 16,323</u>	<u>\$ 82,313</u>	<u>\$ 82,313</u>	<u>\$ 59,113</u>	<u>\$ (23,200)</u>

(continued)

**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	Police Sales Tax Fund				Fire Sales Tax Fund			
	Budgeted Amounts		Actual Amounts,	Variance with Final	Budgeted Amounts		Actual Amounts,	Variance with Final
	Original	Final	Budgetary Basis	Budget - Positive (Negative)	Original	Final	Budgetary Basis	Budget - Positive (Negative)
<b>REVENUES</b>								
Taxes	\$ 343,118	\$ 343,118	\$ 343,846	\$ 728	\$ 343,118	\$ 343,118	\$ 343,846	\$ 728
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	390	390	364	(26)	390	390	364	(26)
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>343,508</u>	<u>343,508</u>	<u>344,210</u>	<u>702</u>	<u>343,508</u>	<u>343,508</u>	<u>344,210</u>	<u>702</u>
<b>EXPENDITURES</b>								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	<u>343,508</u>	<u>343,508</u>	<u>344,210</u>	<u>702</u>	<u>343,508</u>	<u>343,508</u>	<u>344,210</u>	<u>702</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(343,118)	(343,118)	(343,372)	(254)	(343,118)	(343,118)	(343,372)	(254)
Total other financing sources and uses	<u>(343,118)</u>	<u>(343,118)</u>	<u>(343,372)</u>	<u>(254)</u>	<u>(343,118)</u>	<u>(343,118)</u>	<u>(343,372)</u>	<u>(254)</u>
Net change in fund balances	390	390	838	448	390	390	838	448
Fund balances - beginning	42,708	42,708	43,558	850	42,708	42,708	43,616	908
Fund balances - ending	<u>\$ 43,098</u>	<u>\$ 43,098</u>	<u>\$ 44,396</u>	<u>\$ 1,298</u>	<u>\$ 43,098</u>	<u>\$ 43,098</u>	<u>\$ 44,454</u>	<u>\$ 1,356</u>

(continued)

**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	CDBG/Home Grants Fund				Cemetery Care Fund			
	Budgeted Amounts		Actual Amounts,	Variance with Final	Budgeted Amounts		Actual Amounts,	Variance with Final
	Original	Final	Budgetary Basis	Budget - Positive (Negative)	Original	Final	Budgetary Basis	Budget - Positive (Negative)
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	875,516	306,165	(569,351)	-	-	-	-
Charges for services	-	-	-	-	4,500	4,500	1,181	(3,319)
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	-	50,000	111,402	61,402	500	500	3,559	3,059
Total revenues	-	925,516	417,567	(507,949)	5,000	5,000	4,740	(260)
<b>EXPENDITURES</b>								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	1,111,342	401,069	710,273	-	-	-	-
Cemetery	-	-	-	-	69,778	69,778	3,800	65,978
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	1,111,342	401,069	710,273	69,778	69,778	3,800	65,978
Total Expenditures	-	1,111,342	401,069	710,273	69,778	69,778	3,800	65,978
Excess (deficiency) of revenues over expenditures	-	(185,826)	16,498	202,324	(64,778)	(64,778)	940	65,718
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-	-	-
Net change in fund balances	-	(185,826)	16,498	202,324	(64,778)	(64,778)	940	65,718
Fund balances - beginning	-	-	185,657	185,657	227,568	227,568	171,365	(56,203)
Fund balances - ending	\$ -	\$ (185,826)	\$ 202,155	\$ 387,981	\$ 162,790	\$ 162,790	\$ 172,305	\$ 9,515

(continued)

**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	Gifts and Contribution Fund				Tax Increment Financing Fund			
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 74,245	\$ 24,245
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	-	-	(30,482)	(30,482)	1,500	-	-	-
Miscellaneous	7,900	7,900	5,060	(2,840)	-	-	-	-
Total revenues	<u>7,900</u>	<u>7,900</u>	<u>(25,422)</u>	<u>(33,322)</u>	<u>51,500</u>	<u>50,000</u>	<u>74,245</u>	<u>24,245</u>
<b>EXPENDITURES</b>								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	600	600	4,825	(4,225)	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>600</u>	<u>600</u>	<u>4,825</u>	<u>(4,225)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>600</u>	<u>600</u>	<u>4,825</u>	<u>(4,225)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>7,300</u>	<u>7,300</u>	<u>(30,247)</u>	<u>(37,547)</u>	<u>51,500</u>	<u>50,000</u>	<u>74,245</u>	<u>24,245</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,300	7,300	(30,247)	(37,547)	51,500	50,000	74,245	24,245
Fund balances - beginning	124,627	124,627	114,007	(10,620)	335,965	335,965	286,028	(49,937)
Fund balances - ending	<u>\$ 131,927</u>	<u>\$ 131,927</u>	<u>\$ 83,760</u>	<u>\$ (48,167)</u>	<u>\$ 387,465</u>	<u>\$ 385,965</u>	<u>\$ 360,273</u>	<u>\$ (25,692)</u>

(continued)

**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	Drug Forfeiture Fund				1994 Street Improvement Fund			
			<u>Actual Amounts,</u>	<u>Variance with Final</u>			<u>Actual Amounts,</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u> <u>(Negative)</u>	<u>Budgeted Amounts</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u> <u>(Negative)</u>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	510	510	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	-	-	510	510	-	-	-	-
<b>EXPENDITURES</b>								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	510	510	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	510	510	-	-	-	-
Fund balances - beginning	465	-	465	465	-	-	77,667	77,667
Fund balances - ending	\$ 465	\$ -	\$ 975	\$ 975	\$ -	\$ -	\$ 77,667	\$ 77,667

(continued)

**City of Shawnee, Oklahoma  
Budget versus Actual – Nonmajor Funds  
Year Ended June 30, 2012**

	<b>Capital Improvement Fund</b>				<b>Debt Service Fund</b>			
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u> <u>(Negative)</u>	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u> <u>(Negative)</u>
<b>REVENUES</b>								
Taxes	\$ 2,118,356	\$ 2,105,856	\$ 2,131,844	\$ 25,988	\$ -	\$ -	\$ 64	\$ 64
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-	-
Investment earnings	12,500	12,500	76,685	64,185	-	-	1	1
Miscellaneous	-	3,834,411	15,469	(3,818,942)	-	-	1,055	1,055
<b>Total revenues</b>	<u>2,130,856</u>	<u>5,952,767</u>	<u>2,223,998</u>	<u>(3,728,769)</u>	<u>-</u>	<u>-</u>	<u>1,120</u>	<u>1,120</u>
<b>EXPENDITURES</b>								
Departmental:								
Streets	-	-	-	-	-	-	-	-
Animal Control/911	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-	-	-
Capital outlay	3,683,437	7,904,587	3,539,268	4,365,319	-	-	-	-
<b>Total Expenditures</b>	<u>3,683,437</u>	<u>7,904,587</u>	<u>3,539,268</u>	<u>4,365,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>3,683,437</u>	<u>7,904,587</u>	<u>3,539,268</u>	<u>4,365,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,552,581)</u>	<u>(1,951,820)</u>	<u>(1,315,270)</u>	<u>636,550</u>	<u>-</u>	<u>-</u>	<u>1,120</u>	<u>1,120</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	2,611,668	2,611,668	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources and uses</b>	<u>-</u>	<u>-</u>	<u>2,611,668</u>	<u>2,611,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,552,581)</u>	<u>(1,951,820)</u>	<u>1,296,398</u>	<u>3,248,218</u>	<u>-</u>	<u>-</u>	<u>1,120</u>	<u>1,120</u>
Fund balances - beginning	1,659,234	1,659,234	1,502,771	(156,463)	86,965	86,965	111,982	25,017
Fund balances - ending	<u>\$ 106,653</u>	<u>\$ (292,586)</u>	<u>\$ 2,799,169</u>	<u>\$ 3,091,755</u>	<u>\$ 86,965</u>	<u>\$ 86,965</u>	<u>\$ 113,102</u>	<u>\$ 26,137</u>

**City of Shawnee, Oklahoma**  
**Budget versus Actual – Major Capital Project Fund**  
**Year Ended June 30, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Budget - Positive</u> <u>(Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 2,401,829	\$ 2,401,829	\$ 2,406,922	\$ 5,093
Intergovernmental	-	164,146	216,846	52,700
Investment earnings	26,887	25,000	37,697	12,697
Total revenues	<u>2,428,716</u>	<u>2,590,975</u>	<u>2,661,465</u>	<u>70,490</u>
<b>EXPENDITURES</b>				
Departmental:				
Streets	<u>7,836,842</u>	<u>9,483,316</u>	<u>3,367,712</u>	<u>6,115,604</u>
<i>Total Streets</i>	<u>7,836,842</u>	<u>9,483,316</u>	<u>3,367,712</u>	<u>6,115,604</u>
Total Expenditures	<u>7,836,842</u>	<u>9,483,316</u>	<u>3,367,712</u>	<u>6,115,604</u>
Excess (deficiency) of revenues over expenditures	<u>(5,408,126)</u>	<u>(6,892,341)</u>	<u>(706,247)</u>	<u>6,186,094</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(204,167)</u>	<u>(104,167)</u>
Total other financing sources and uses	<u>(100,000)</u>	<u>(100,000)</u>	<u>(204,167)</u>	<u>(104,167)</u>
Net change in fund balances	(5,508,126)	(6,992,341)	(910,414)	6,081,927
Fund balances - beginning	5,507,458	5,507,458	6,922,386	1,414,928
Fund balances - ending	<u>\$ (668)</u>	<u>\$ (1,484,883)</u>	<u>\$ 6,011,972</u>	<u>\$ 7,496,855</u>



# ***STATISTICAL SECTION***

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

Description	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Governmental Activities:</b>										
Invested in Capital Assets, Net of Related Debt	\$ 34,412,617	\$ 30,219,139	\$ 30,006,703	\$ 28,019,561	\$ 24,404,593	\$ 22,902,851	\$ 22,334,445	\$ 22,556,528	\$ 20,779,219	\$ 18,964,092
Restricted for (by):										
Statutory requirements	594,505	480,406	-	-	-	-	-	-	-	-
Enabling legislation	360,270	286,025	-	-	-	-	-	-	-	-
External Contracts	9,461,282	9,130,185	-	-	-	-	-	-	-	-
Capital Projects	-	-	7,248,866	8,296,269	10,172,082	8,486,974	7,346,667	5,248,848	2,223,477	2,699,108
Debt Service	-	-	86,965	59,850	137,961	135,131	132,195	126,924	132,303	136,642
Other purposes	-	-	957,074	959,671	838,005	76,062	639,937	611,006	3,522,895	4,323,936
Unrestricted	(683,959)	(1,390,170)	(1,672,770)	(567,612)	(755,666)	178,637	826,114	666,118	2,083,493	1,521,033
<b>Total Governmental Activities Net Assets</b>	<b>44,144,715</b>	<b>38,725,585</b>	<b>36,626,838</b>	<b>36,767,739</b>	<b>34,796,975</b>	<b>31,779,655</b>	<b>31,279,358</b>	<b>29,209,424</b>	<b>28,741,387</b>	<b>27,644,811</b>
<b>Business-type Activities:</b>										
Invested in Capital Assets, Net of Related Debt	32,638,524	32,163,853	27,294,813	26,879,194	25,863,941	24,677,973	23,851,645	19,117,948	18,944,499	21,355,844
Restricted for:										
Capital Projects	-	-	-	-	-	-	-	4,173,037	3,950,080	-
Debt Service	1,814,511	2,586,909	2,874,901	2,575,814	2,312,744	2,609,423	2,547,980	2,585,606	2,362,915	1,519,134
Other purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	6,223,781	2,390,406	1,851,460	1,184,219	1,248,946	1,556,562	1,543,312	209,377	323,016	3,774,507
<b>Total Business-type Activities Net Assets</b>	<b>40,676,816</b>	<b>37,141,168</b>	<b>32,021,174</b>	<b>30,639,227</b>	<b>29,425,631</b>	<b>28,843,958</b>	<b>27,942,937</b>	<b>26,085,968</b>	<b>25,580,510</b>	<b>26,649,485</b>
<b>Primary Government:</b>										
Invested in Capital Assets, Net of Related Debt (See Note 3.G.)	67,051,141	62,382,992	57,301,516	54,898,755	50,268,534	47,580,824	46,186,090	41,674,476	39,723,718	40,319,936
Restricted for:										
Statutory requirements	594,505	480,406	-	-	-	-	-	-	-	-
Enabling legislation	360,270	286,025	-	-	-	-	-	-	-	-
External Contracts	9,461,282	9,130,185	-	-	-	-	-	-	-	-
Capital Projects	-	-	7,248,866	8,296,269	10,172,082	8,486,974	7,346,667	5,248,848	6,173,557	2,699,108
Debt Service	1,814,511	2,586,909	2,961,866	2,635,664	2,450,705	2,744,554	2,680,175	2,712,530	2,495,218	1,655,776
Other purposes	-	-	957,074	959,671	838,005	76,062	639,937	611,006	3,522,895	4,323,936
Unrestricted	5,539,822	1,000,236	178,690	616,607	493,280	1,735,199	2,369,426	875,495	2,406,509	5,295,540
<b>Total Primary Government Net Assets (3)</b>	<b>\$ 84,821,531</b>	<b>\$ 75,866,753</b>	<b>\$ 68,648,012</b>	<b>\$ 67,406,966</b>	<b>\$ 64,222,606</b>	<b>\$ 60,623,613</b>	<b>\$ 59,222,295</b>	<b>\$ 51,122,355</b>	<b>\$ 54,321,897</b>	<b>\$ 54,294,296</b>

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

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Expenses</b>										
<i>Governmental Activities:</i>										
General Government	\$2,379,373	\$4,101,214	\$3,944,670	\$2,846,689	\$3,439,459	\$4,636,044	\$3,449,724	\$2,336,909	\$3,309,105	\$1,901,969
Public Safety	13,248,594	12,671,815	12,634,067	12,650,222	12,853,792	8,965,391	9,620,606	8,113,937	8,406,912	7,994,454
Streets	3,164,310	2,902,751	3,124,990	3,313,461	2,842,429	1,729,075	1,808,092	5,259,587	2,572,811	2,480,379
Culture and Recreations	1,053,726	847,807	902,767	851,578	883,415	1,213,762	937,539	853,773	834,722	801,418
Culture and Recreations - payment to component unit	-	5,752	-	4,655	599,194	-	-	-	349,107	2,546,622
Community Development	639,533	1,027,018	1,021,716	570,858	749,538	848,097	791,563	685,087	1,146,625	802,714
Economic Development	1,165,368	1,072,505	997,909	1,474,623	592,707	513,047	519,386	418,162	284,397	290,193
Interest on long-term debt	-	-	218	7,839	16,720	25,093	27,099	-	-	62,078
Total governmental activities expenses	\$21,650,904	\$22,628,862	\$22,626,337	\$21,719,925	\$21,977,254	\$17,930,509	\$17,154,009	\$17,667,455	\$16,903,679	\$16,879,827
<i>Business-type activities:</i>										
Water operations	4,992,323	4,196,550	4,015,398	3,989,454	4,030,444	2,562,623	3,341,064	3,579,342	3,268,075	4,059,537
Wastewater operations	2,458,992	2,274,826	2,329,742	2,142,363	2,165,325	1,429,083	2,718,577	2,324,463	2,645,892	2,279,742
Sanitation operations	1,535,752	1,382,686	1,301,567	1,433,801	1,358,474	1,094,920	1,098,133	986,266	1,063,587	1,130,418
Administration	557,451	499,820	436,992	297,960	288,680	2,728,252	-	-	-	-
Airport (I)	1,024,896	692,458	626,785	785,268	799,978	452,740	737,099	610,242	697,304	554,090
Lake	105,398	60,293	51,677	53,066	62,568	-	-	-	-	-
Total business-type activities expenses	10,674,812	9,106,633	8,762,161	8,701,912	8,705,469	8,267,618	7,894,873	7,500,313	7,674,858	8,023,787
Total primary government expenses	32,325,716	31,735,495	31,388,498	30,421,837	30,682,723	26,198,127	25,048,882	25,167,768	24,578,537	24,903,614
<b>Program Revenues</b>										
<i>Governmental Activities:</i>										
<i>Charges for Services</i>										
General Government	189,754	171,081	158,563	189,940	209,397	341,940	346,655	94,764	500,426	290,886
Public Safety	767,900	631,702	583,013	545,105	581,769	599,235	662,280	323,472	351,535	324,579
Streets	1,175	1,400	1,050	1,775	1,425	-	-	-	-	34,774
Culture and Recreations	-	67,115	61,411	62,802	50,894	-	111,474	251,185	71,470	-
Community Development	57,516	233,204	189,168	2,708	13,062	-	-	-	-	-
Economic Development	35,362	26,438	26,438	27,208	26,438	358,729	-	-	-	-
Operating Grants and Contributions	2,272,136	2,181,109	2,199,222	2,299,687	2,741,741	907,372	1,182,899	666,854	1,115,455	963,761
Capital Grants and Contributions	278,920	121,431	202,322	211,941	1,488,846	153,661	387,037	754,884	193,196	68,939
Total governmental activities program revenues	3,602,763	3,433,480	3,421,187	3,341,166	5,113,572	2,360,937	2,690,345	2,091,159	2,232,082	1,682,939
<i>Business-type Activities:</i>										
Water operations	7,432,629	5,835,562	4,644,827	4,477,762	4,046,028	3,951,642	4,441,134	4,232,605	3,672,667	3,490,542
Wastewater operations	3,810,280	3,676,708	3,078,392	2,469,053	2,310,330	2,254,804	2,435,353	2,399,874	2,035,446	1,954,926
Sanitation operations	1,795,949	1,762,621	1,716,919	1,614,641	1,458,525	1,158,968	1,078,654	1,058,947	1,059,201	975,585
Administration	-	-	-	-	-	-	-	-	-	-
Airport	432,636	400,047	410,536	638,903	452,481	439,609	100,361	87,800	69,168	64,619
Lake	405,545	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	36,359	-	-	-	-	-
Capital Grants and Contributions	2,991,512	2,616,146	80,939	517,403	415,515	-	279,786	134,389	22,972	204,000
Total business-type activities program revenues	16,868,551	14,291,084	9,931,613	9,717,762	8,719,238	7,805,023	8,335,288	7,913,615	6,859,454	6,689,672
Total primary government program revenues	20,471,314	17,724,564	13,352,800	13,058,928	13,832,810	10,165,960	11,025,633	10,004,774	9,091,536	8,372,611

continued

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

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Net (Expenses) Revenues</b>										
<i>Governmental Activities</i>	(\$18,048,141)	(\$19,195,382)	(\$19,205,150)	(\$18,378,759)	(\$16,863,682)	(\$15,569,572)	(\$14,463,664)	(\$15,576,296)	(\$14,671,597)	(\$15,196,888)
<i>Business-type Activities</i>	6,193,739	5,184,451	1,169,452	1,015,850	13,769	(462,595)	440,415	413,302	(815,404)	(1,334,115)
<b>Total Primary Government Net (Expenses)</b>	<b>(11,854,402)</b>	<b>(14,010,931)</b>	<b>(18,035,698)</b>	<b>(17,362,909)</b>	<b>(16,849,913)</b>	<b>(16,032,167)</b>	<b>(14,023,249)</b>	<b>(15,162,994)</b>	<b>(15,487,001)</b>	<b>(16,531,003)</b>
<b>General Revenues and Other Changes in Net Assets</b>										
<i>Governmental Activities:</i>										
Taxes:										
Sales and Use taxes	17,414,169	17,069,349	16,089,350	16,697,240	16,386,142	15,239,586	14,517,341	14,175,558	13,294,349	12,773,100
Franchise and public service taxes	1,676,956	1,600,612	1,597,577	1,637,161	1,505,547	1,515,091	1,618,472	1,408,468	1,455,739	1,347,189
Hotel/motel taxes	472,590	404,690	362,134	376,992	416,212	-	-	-	-	96,260
Property taxes	74,309	10,884	59,523	72,782	198,557	-	-	-	-	84,581
Payment in lieu of taxes	1,054	24,494	26,892	26,544	21,924	-	-	-	-	-
Intergovernmental revenue	599,819	580,115	430,593	438,485	444,782	702,728	718,626	956,917	491,525	370,559
Investment Income	107,032	98,567	136,762	275,010	543,683	565,917	298,249	64,491	64,158	150,770
Miscellaneous	238,110	1,063,067	255,067	268,718	377,960	344,333	410,639	-	113,843	137,891
Special item	-	-	-	-	-	-	-	-	-	(131,275)
Transfers - Internal Activity	2,883,232	442,351	106,351	169,788	(116,253)	(584,309)	(1,029,729)	(561,101)	348,559	236,149
<b>Total Governmental Activities</b>	<b>23,467,271</b>	<b>21,294,129</b>	<b>19,064,249</b>	<b>19,962,720</b>	<b>19,778,554</b>	<b>17,783,346</b>	<b>16,533,598</b>	<b>16,044,333</b>	<b>15,768,173</b>	<b>15,065,224</b>
<i>Business-type Activities:</i>										
Intergovernmental revenue	-	-	-	-	-	-	-	-	-	-
Investment Income	59,279	72,965	84,007	160,629	187,924	234,806	243,736	122,170	79,135	142,345
Miscellaneous	165,862	304,929	234,839	206,905	237,407	818,938	216,640	351,099	15,853	73,060
Transfers - Internal Activity	(2,883,232)	(442,351)	(106,351)	(169,788)	116,253	34,309	479,729	(381,113)	(348,559)	(236,149)
<b>Total Business-type Activities</b>	<b>(2,658,091)</b>	<b>(64,457)</b>	<b>212,495</b>	<b>197,746</b>	<b>541,584</b>	<b>1,088,053</b>	<b>940,105</b>	<b>92,156</b>	<b>(253,571)</b>	<b>(20,744)</b>
<b>Total Primary Government</b>	<b>20,809,180</b>	<b>21,229,672</b>	<b>19,276,744</b>	<b>20,160,466</b>	<b>20,320,138</b>	<b>18,871,399</b>	<b>17,473,703</b>	<b>16,136,489</b>	<b>15,514,602</b>	<b>15,044,480</b>
<b>Change in Net Assets</b>										
<i>Governmental Activities</i>	5,419,130	2,098,747	(140,901)	1,583,961	2,914,872	2,213,774	2,069,934	468,037	1,096,576	(131,664)
<i>Business-type Activities</i>	3,535,648	5,119,994	1,381,947	1,213,596	555,353	625,458	1,380,520	505,458	(1,068,975)	(1,354,859)
<b>Total Primary Government</b>	<b>\$8,954,778</b>	<b>\$7,218,741</b>	<b>\$1,241,046</b>	<b>\$2,797,557</b>	<b>\$3,470,225</b>	<b>\$2,839,232</b>	<b>\$3,450,454</b>	<b>\$973,495</b>	<b>\$27,601</b>	<b>(\$1,486,523)</b>

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

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>General Fund:</b>										
Nonspendable	\$ 347,288	\$ 291,531	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Assigned	296,021	301,250	-	-	-		-	-	-	-
Reserved for:										
Grant Programs	-	-	-	-	-		-	-	-	8,005
Encumbrances	-	-	-	39,937	18,194	3,410	18,194	12,035	42,261	55,480
Unreserved/Unassigned	5,616,811	4,853,199	4,011,671	4,095,821	4,009,538	3,453,674	3,944,537	3,343,604	2,495,688	2,543,205
<b>Total General Fund</b>	<b>6,260,120</b>	<b>5,445,980</b>	<b>4,011,671</b>	<b>4,135,758</b>	<b>4,027,732</b>	<b>3,457,084</b>	<b>3,962,731</b>	<b>3,355,639</b>	<b>2,537,949</b>	<b>2,606,690</b>
<b>Other Governmental Funds:</b>										
Restricted	10,416,057	9,896,589	-	-	-		-	-	-	-
Assigned	132,414	73,859	-	-	-		-	-	-	-
Reserved for:										
Encumbrances	-	-	117,309	542,749	5,631,788	337,846	242,869	521,302	1,411,877	647,532
Specific Programs	-	-	-	-	-		-	-	-	71,901
Unreserved/Unassigned	(81,736)	-	-	-	4,464,142	-	-	-	-	5,692,231
Unreserved, reported in:										
Special revenue funds	-	-	1,513,546	1,469,115	1,445,793	1,100,959	1,070,434	989,751	659,025	857,733
Debt Service Fund	-	-	86,965	59,850	136,323	135,131	-	-	132,303	142,440
Capital project funds	-	-	7,318,789	7,660,083	76,152	8,150,244	7,554,354	5,248,848	3,833,844	68,254
<b>Total Other Governmental Funds</b>	<b>10,466,735</b>	<b>9,970,448</b>	<b>9,036,609</b>	<b>9,731,797</b>	<b>11,754,198</b>	<b>9,724,180</b>	<b>8,867,657</b>	<b>6,759,901</b>	<b>6,037,049</b>	<b>7,480,091</b>
<b>Total Governmental Funds</b>	<b>\$ 16,726,855</b>	<b>\$ 15,416,428</b>	<b>\$ 13,048,280</b>	<b>\$ 13,867,555</b>	<b>\$ 15,781,930</b>	<b>\$ 13,181,264</b>	<b>\$ 12,830,388</b>	<b>\$ 10,115,540</b>	<b>\$ 8,574,998</b>	<b>\$ 10,086,781</b>

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Revenues:</b>										
Taxes	\$20,155,296	\$19,590,377	\$18,484,761	\$19,170,757	\$18,897,132	\$17,455,386	\$16,659,668	\$15,584,026	\$14,632,116	\$14,219,706
Intergovernmental	2,409,100	2,442,911	2,422,824	2,182,322	3,148,971	1,061,033	151,634	1,746,852	1,800,176	1,256,652
Charges for services	159,006	168,284	224,092	228,847	224,216	525,162	585,129	403,474	149,261	315,573
Fines and forfeitures	748,028	633,498	574,426	491,799	515,603	474,926	1,975,193	294,958	351,535	321,486
Licenses and permits	198,708	249,873	235,284	277,058	285,973	301,348	277,148	251,185	437,140	199,571
Investment income	107,032	98,567	136,762	275,010	543,685	565,916	198,049	64,531	64,079	150,770
Miscellaneous	358,070	1,115,857	308,954	309,584	491,578	342,809	403,444	316,654	254,311	231,222
<b>Total Revenues</b>	<b>24,135,240</b>	<b>24,299,367</b>	<b>22,387,103</b>	<b>22,935,377</b>	<b>24,107,158</b>	<b>20,726,580</b>	<b>20,250,265</b>	<b>18,661,680</b>	<b>17,688,618</b>	<b>16,694,980</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General Government	2,883,922	2,643,601	2,491,400	2,672,962	2,654,959	2,131,579	2,281,059	2,080,964	2,712,167	1,772,199
Community development	-	-	-	-	-	-	-	-	249,625	829,145
Engineering	404,537	366,603	390,833	345,890	303,043	313,669	-	-	-	-
Equipment and building maint.	397,130	1,226,244	410,296	410,968	413,776	341,857	5,207,351	4,209,209	4,354,226	-
Public Safety	-	-	-	-	-	-	3,384,371	3,556,724	3,361,133	7,564,015
Police	5,394,473	5,034,358	5,140,053	5,223,680	5,144,221	4,749,032	-	-	-	-
Fire	4,975,816	4,955,006	4,857,050	4,884,044	4,456,027	3,545,745	-	-	-	-
Municipal court	526,446	317,158	297,203	304,204	286,991	274,146	-	-	-	-
Emergency management	294,832	354,718	275,706	290,604	799,218	205,634	-	-	-	-
Streets	1,313,338	1,154,277	1,251,742	1,230,264	1,203,148	1,934,037	1,637,176	1,893,669	2,019,774	1,797,586
Parks and recreation	604,401	473,253	562,637	935,411	505,800	478,977	-	-	-	-
Culture and recreation	122,993	146,872	139,185	143,015	883,338	661,310	723,149	1,195,600	1,567,329	623,421
Animal control/E911	872,447	876,626	826,245	862,485	753,268	668,225	-	-	-	-
Cemetery	183,744	182,756	198,790	207,516	194,136	173,732	-	-	-	-
Library	44,907	4,292	76,011	44,705	36,134	63,184	-	-	-	-
Economic development	1,652,548	1,924,825	1,801,203	1,468,533	1,143,644	1,215,630	1,198,308	586,786	633,504	290,193
Capital outlay	6,910,780	2,713,521	4,572,715	5,702,810	2,654,516	1,322,773	1,599,231	2,768,551	4,378,904	5,345,703
<b>Debt service:</b>										
Principal retirement	77,746	-	21,448	187,032	181,429	199,621	247,944	238,621	235,385	230,676
Interest and fiscal charges	6,853	-	218	6,216	16,720	24,818	27,099	29,909	36,914	56,615
<b>Total Expenditures</b>	<b>26,666,913</b>	<b>22,373,570</b>	<b>23,312,735</b>	<b>24,920,339</b>	<b>21,630,368</b>	<b>18,303,969</b>	<b>16,305,688</b>	<b>16,560,033</b>	<b>19,548,961</b>	<b>18,509,553</b>
<b>Excess of revenues over(under) expenditures</b>	<b>(2,531,673)</b>	<b>1,925,797</b>	<b>(925,632)</b>	<b>(1,984,962)</b>	<b>2,476,790</b>	<b>2,422,611</b>	<b>3,944,577</b>	<b>2,101,647</b>	<b>(1,860,343)</b>	<b>(1,814,573)</b>
<b>Other Financing Sources (Uses):</b>										
Transfers in	4,377,829	1,958,740	1,541,768	1,695,166	1,894,869	1,470,166	1,543,768	1,744,999	1,912,030	1,919,647
Transfers out	(1,494,597)	(1,516,389)	(1,435,417)	(1,613,815)	(1,861,021)	(2,054,475)	(2,773,497)	(2,306,101)	(1,563,471)	(1,527,296)
Capital Lease/bond proceeds	958,868	-	-	-	-	-	-	-	-	38,667
Loss on forgiveness of debt	-	-	-	-	-	-	-	-	-	(131,275)
Transfer to component unit	-	-	-	-	-	-	-	-	-	(376,927)
<b>Total Other Financing Sources (Uses)</b>	<b>3,842,100</b>	<b>442,351</b>	<b>106,351</b>	<b>81,351</b>	<b>33,848</b>	<b>(584,309)</b>	<b>(1,229,729)</b>	<b>(561,102)</b>	<b>348,559</b>	<b>(77,184)</b>
<b>Net change in fund balances</b>	<b>\$1,310,427</b>	<b>\$2,368,148</b>	<b>(\$819,281)</b>	<b>(\$1,903,611)</b>	<b>\$2,510,638</b>	<b>\$1,838,302</b>	<b>\$2,714,848</b>	<b>\$1,540,545</b>	<b>(\$1,511,784)</b>	<b>(\$1,891,757)</b>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	<b>0.42%</b>	<b>0.00%</b>	<b>0.11%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.32%</b>	<b>1.87%</b>	<b>1.95%</b>	<b>1.79%</b>	<b>2.18%</b>

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

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>SALES TAX RATES</b>										
General Fund	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%
Capital Improvement Fund	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%	0.3875%
Street Improvement Fund	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%	0.4375%
Economic Development Fund	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%
Police Sales Tax Fund	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
Fire Sales Tax Fund	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%	0.0625%
Debt Service										
<b>City of Shawnee Total (1)</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>
<b>Pottawatomie County (3)</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>
<b>State of Oklahoma (3)</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>	<b>4.5000%</b>
<b>Total</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>	<b>8.5000%</b>
<b>Use Tax Rates (3)</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>	<b>3.0000%</b>

(1) The source for City sales tax rate is the City of Shawnee Annual budget.

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

(3) The source for other sales tax rates is the State of Oklahoma Tax Commission. The Pottawatomie County 1% sales tax rate became effective July 1, 1998

**CITY OF SHAWNEE, OKLAHOMA**  
**Sales Taxes Collected by SIC Code**  
**Last Ten Fiscal Years**

Group	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Merchandise Store	\$ 4,904,233	\$ 4,692,833	\$ 4,661,988	\$ 482,796	\$ 4,831,451	\$ 4,651,133	\$ 4,588,355	\$ 4,115,395	\$ 3,128,861	\$ 3,232,288
Eating & Drinking Places	2,472,367	2,372,790	2,169,972	2,258,786	2,143,303	1,957,451	1,848,354	1,729,412	1,622,235	1,547,108
Building Materials	1,412,234	1,441,974	1,338,022	1,483,745	1,436,831	1,396,424	1,455,494	1,422,809	1,399,657	1,332,749
Misc Retail	1,130,506	1,082,998	1,067,314	1,073,938	1,125,625	1,065,943	931,147	941,590	1,014,466	989,555
Electric, Gas & Sanitary Services	986,561	933,716	958,781	970,405	877,818	895,773	896,846	767,760	775,998	762,174
Food Store	806,210	769,742	738,221	793,742	816,576	779,743	775,220	941,984	1,299,888	1,352,657
Wholesale Trade-Durable Goods	851,604	769,824	692,741	828,669	789,066	740,733	721,095	633,102	554,296	460,735
Furniture, Home Furnishing & Equipment	870,710	1,033,279	734,171	559,042	568,672	506,054	493,741	453,710	452,759	440,910
Communications	567,703	542,744	561,816	572,533	588,055	557,018	490,117	502,391	493,583	486,232
Automotive Dealers & Gas Station	585,220	571,325	554,735	548,965	556,794	465,366	440,890	499,849	461,822	464,296
Apparel & Accessory Store	731,970	729,222	693,555	694,270	598,070	445,551	376,345	384,562	358,186	363,852
Business Services	224,021	212,389	199,479	187,553	230,454	246,308	185,277	182,972	196,055	202,133
Hotel	280,227	237,085	218,811	206,041	245,658	210,273	139,904	141,082	145,140	135,106
Motion Picture	127,510	118,767	126,970	124,899	125,829	132,729	128,160	122,508	135,726	119,682
Automotive Repair Services	126,435	114,100	109,150	100,768	98,071	104,790	109,206	117,899	115,177	106,984
Wholesale Trade-Nondurable Goods	105,608	95,120	93,551	127,252	82,109	94,104	103,206	85,856	89,639	87,820
	<u>\$ 16,183,119</u>	<u>\$ 15,717,908</u>	<u>\$ 14,919,277</u>	<u>\$ 11,013,404</u>	<u>\$ 15,114,382</u>	<u>\$ 14,249,393</u>	<u>\$ 13,683,357</u>	<u>\$ 13,042,881</u>	<u>\$ 12,243,488</u>	<u>\$ 12,084,281</u>
Total Sales Taxes	\$ 16,183,119	\$ 15,717,908	\$ 14,919,277	\$ 11,013,404	\$ 15,114,382	\$ 14,249,393	\$ 13,683,357	\$ 13,042,881	\$ 12,243,488	\$ 12,084,281
Percent Change	2.96%	5.35%	35.46%	-27.13%	6.07%	4.14%	4.91%	6.53%	1.32%	



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

Fiscal Year Ended June 30	Water Rate Per Gallons In City Limits					Sewer Rate in City Limits	
	0 - 1,000	1,001 - 4,000	4,001 - 1,000,000	1,000,001 - 2,000,000	More than 2,000,000	Monthly Base Rate	More than 1,000
2012	\$ 18.15	\$ 3.79	\$ 3.89	\$ 3.99	\$ 4.09	\$ 11.60	\$ 2.85
2011	\$ 11.05	\$ 3.69	\$ 3.79	\$ 3.89	\$ 3.99	\$ 11.25	\$ 2.80
2010	\$ 7.30	\$ 3.69	\$ 3.79	\$ 3.89	\$ 3.88	\$ 9.95	\$ 2.75
2009	\$ 6.21	\$ 3.42	\$ 3.15	\$ 2.63	\$ 2.57	\$ 5.91	\$ 2.75
2008	\$ 6.21	\$ 3.42	\$ 3.15	\$ 2.63	\$ 2.57	\$ 5.91	\$ 2.75

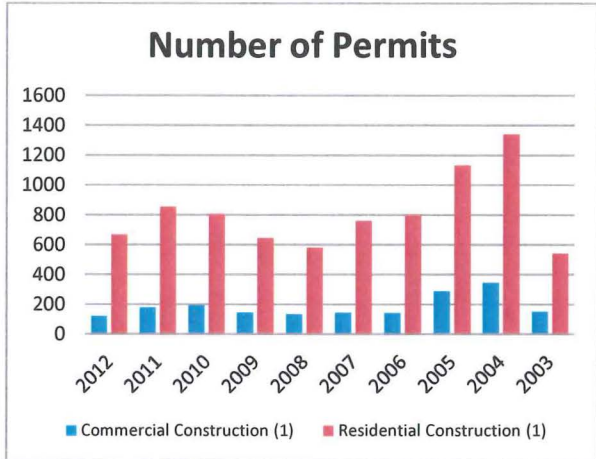
  

Fiscal Year Ended June 30	Water Rate Per Gallons Outside City Limits					Sewer Rate Outside City Limits	
	0 - 1,000	1,001 - 4,000	4,001 - 1,000,000	1,000,001 - 2,000,000	More than 2,000,000	Monthly Base Rate	More than 1,000
2012	\$ 22.69	\$ 3.79	\$ 3.89	\$ 3.99	\$ 4.09	\$ 17.40	\$ 4.28
2011	\$ 14.41	\$ 5.54	\$ 5.69	\$ 5.84	\$ 5.99	\$ 16.88	\$ 4.20
2010	\$ 10.66	\$ 5.53	\$ 5.63	\$ 5.73	\$ 5.83	\$ 14.93	\$ 4.13
2009	\$ 9.32	\$ 5.13	\$ 4.73	\$ 3.95	\$ 3.86	\$ 8.87	\$ 4.13
2008	\$ 9.32	\$ 5.13	\$ 4.73	\$ 3.95	\$ 3.86	\$ 8.87	\$ 4.13

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

Type of Customer	2012		2011		2010		2009	
	Consumption		Consumption		Consumption		Consumption	
	Gallons	Sales	Gallons	Sales	Gallons	Sales	Gallons	Sales
<b>Residential</b>								
Builder	1,722,100	\$ 13,978	2,067,500	\$ 12,840	2,673,200	\$ 12,506	1,709,800	\$ 8,766
Residential	642,064,200	4,179,606	599,961,400	3,136,708	584,991,300	2,576,449	581,647,900	2,470,088
Residential Sprinkler	12,400,500	60,416	9,287,000	41,788	7,645,800	31,194	6,414,900	25,936
<b>Commercial</b>								
Commercial	303,160,700	1,439,649	290,369,000	1,246,418	268,495,700	1,044,821	273,200,600	985,253
Commercial Sprinkler	26,836,000	123,299	22,568,300	95,866	18,908,400	72,007	17,792,500	64,621
Schools	10,306,100	45,813	9,258,500	39,229	9,796,700	36,921	9,241,100	32,702
Schools Sprinkler	14,235,900	57,426	11,352,100	44,046	2,980,800	10,669	1,231,500	4,453
G Rate	261,300,300	1,046,259	206,752,700	802,388	220,076,200	762,770	215,248,600	660,769
Government	5,744,300	10,018	4,955,900	7,079	4,551,000	7,731	4,927,500	8,099
Total	<u>1,277,770,100</u>	<u>\$ 6,976,464</u>	<u>1,156,572,400</u>	<u>\$ 5,426,361</u>	<u>1,120,119,100</u>	<u>\$ 4,555,067</u>	<u>1,111,414,400</u>	<u>\$ 4,260,687</u>
Average Rate per Thousand		5.460%		4.692%		4.067%		3.834%

**CITY OF SHAWNEE, OKLAHOMA**  
**Construction Permits**  
**Last Ten Fiscal Years**



Year	Commercial Construction (1)		Residential Construction (1)		
	Number of Permits	Construction Cost	Number of Permits	Construction Cost	Average Cost
2012	122	\$ 8,674,766.00	671	\$19,973,939	\$29,767
2011	180	\$ 16,704,983.00	855	\$20,775,488	\$24,299
2010	195	\$ 13,920,247.00	808	\$11,602,808	\$14,360
2009	146	\$ 12,077,999.00	646	\$14,171,299	\$21,937
2008	134	\$ 16,322,003.00	582	\$16,361,270	\$28,112
2007	145	\$ 37,050,972.00	762	\$22,853,460	\$29,991
2006	143	\$ 36,101,072.00	801	\$17,642,336	\$22,025
2005	290	\$ 211,317,624.00	1,132	\$20,008,946	\$17,676
2004	346	\$ 21,622,714.00	1,342	\$15,314,597	\$11,412
2003	152	\$ 5,969,733.00	544	\$7,237,745	\$13,305

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

(2) The year 2012 includes data through the month of October 16

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

GOVERNMENTAL ACTIVITIES				Business-Type Activities	
FISCAL YEAR	GENERAL OBLIGATION BONDS	CAPITAL LEASE	NOTE PAYABLE	NOTE PAYABLE	NOTE PAYABLE
2012	-	-	\$ 881,122	\$	24,533,255
2011	-	-	-	-	23,558,763
2010	-	-	-	-	17,823,972
2009	-	\$ 21,448	-	-	19,170,489
2008	\$ 100,000	128,072.00	-	-	20,580,038
2007	200,000	209,501	-	-	21,254,302
2006	300,000	309,123	-	-	22,541,241
2005	400,000	451,548	-	-	23,789,805
2004	500,000	282,296	-	-	24,812,395
2003	600,000	509,023	-	-	25,841,759

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

**CITY OF SHAWNEE, OKLAHOMA**  
**DEBT COVERAGE**  
**Last Ten Fiscal Years**

Fiscal Year	Gross Revenue	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Bond Indenture Requirement		
				Average Annual Debt Service	Calculated Coverage	Required Coverage
2012	\$10,744,073	\$4,843,247	\$5,900,826	\$2,005,087	2.94	1.25
2011	9,317,810	4,365,640	4,952,170	1,769,509	2.80	1.25
2010	7,564,314	4,323,215	3,241,099	1,526,008	2.12	1.25
2009	6,761,830	4,117,014	2,644,816	1,533,872	1.72	1.25
2008	6,106,377	4,097,162	2,009,215	1,428,630	1.41	1.25
2007	6,206,446	3,991,706	2,214,740	1,533,200	1.44	1.25
2006	7,329,637	3,956,695	3,372,942	1,533,200	2.20	1.25
2005	7,022,978	3,784,262	3,238,716	2,244,466	1.44	1.25
2004	5,805,292	3,883,057	1,922,235	1,533,200	1.25	1.25
2003	5,635,272	3,654,081	1,981,191	1,533,200	1.29	1.25

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

(2) Gross revenues included pledged revenues of water, sewer and sales tax.

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

<b>Year</b>	<b>Population (3)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (1)</b>	<b>Unemployment Rate (2)</b>
2012	30,481	714,261	23,433	4.8
2011	30,212	\$593,363	\$19,640	5.5
2010	29,857	593,258	19,870	6.1
2009	28,692	585,374	20,402	6.1
2008	29,710	594,259	20,002	3.5
2007	29,750	794,695	22,450	4.9
2006	29,944	779,113	26,019	4.8
2005	29,824	763,822	25,611	5.6
2004	29,746	712,714	23,960	4.9
2003	29,731	670,821	22,563	6

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

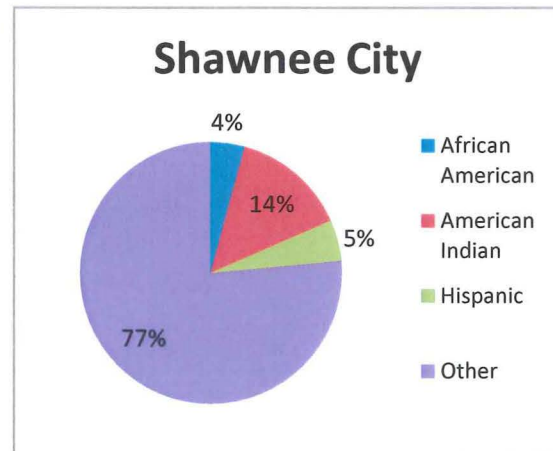
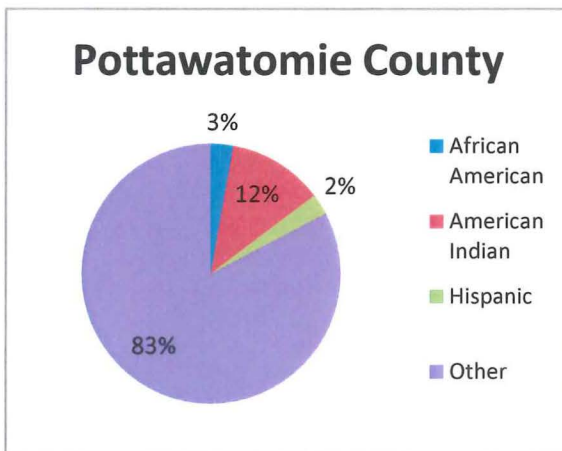
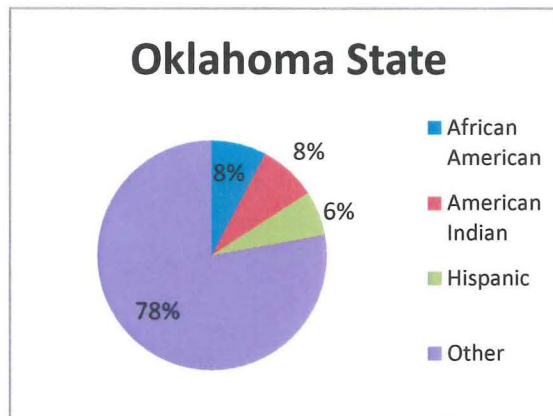
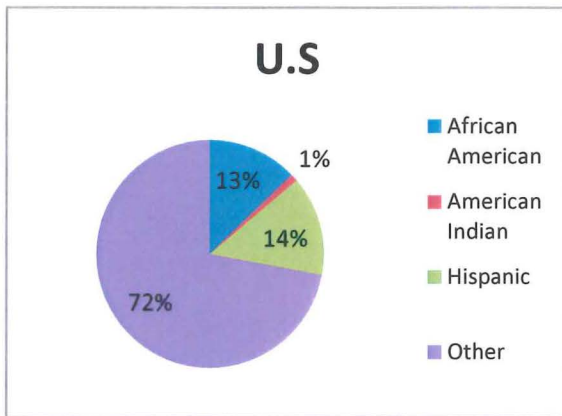
(2) Information obtained from the Oklahoma Employment Security Commission, for the Oklahoma City metropolitan area.

(3) Population for 2010-2012 is from the 2010 Census. Information from 2003-2009 is estimates by the Oklahoma

## CITY OF SHAWNEE, OKLAHOMA Ethnic Demographic Statistics

**Comparative Ethnic Percentage Population**

	U.S	Oklahoma State	Pottawatomie County	Shawnee City
African American	12.80%	7.70%	2.80%	4.10%
American Indian	1.00%	8.10%	11.90%	12.80%
Hispanic	14.10%	6.30%	2.60%	2.70%
Other	72.10%	77.90%	82.70%	80.40%
	100.00%	100.00%	100.00%	100.00%



Data provided by the U.S. Census Bureau

**Top  
PRINCIPAL EMPLOYERS  
Current year and Nine years ago**

	2012			2003		
	Employees	RANK	% of Total Employment	Employees	RANK	% of Total Employment
Citizens Potawatomi Nation	1,945	1	8.31%	750	1	3.51%
Wolverine Tube	600	2	2.56%	450	6	2.11%
St Anthony's	497	3	2.12%	650	2	3.04%
Shawnee Public Schools	490	4	2.09%	600	3	2.81%
George Fischer	414	5	1.77%	-	-	0.00%
Walmart	400	6	1.71%	300	10	1.40%
Oklahoma Baptist	352	7	1.50%	400	7	1.87%
Eaton Corporation	352	8	1.50%	400	8	1.87%
Exxon Mobil	350	9	1.50%	500	4	2.34%
Absentee Shawnee	326	10	1.39%	-	-	0.00%
TDK Ferrites	-	-	-	350	9	1.64%
Central Plastic	-	-	-	500	5	2.34%
	<u>5,726</u>		<u>24.46%</u>	<u>4,050</u>		<u>18.97%</u>



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

FUNCTION / PROGRAM	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Government:										
Management Services	10.0	9.0	8.5	9.5	9.5	10.5	9.0	10.0	9.0	10.0
Finance	5.0	5.0	5.0	3.5	6.0	4.0	6.0	8.0	9.0	9.0
Planning	9.5	8.0	7.0	7.0	6.0	6.0	7.0	5.0	6.0	5.0
Other	13.0	12.0	11.5	10.0	13.0	13.0	10.5	5.0	5.0	5.0
Police:										
Officers	57.0	54.0	51.0	56.0	52.0	54.0	49.0	50.0	50.0	54.0
Civilians	21.5	21.5	21.0	19.0	20.0	18.5	19.0	19.0	20.0	20.0
Fire:										
Firefighters and Officers	43.0	46.0	45.0	48.0	49.0	47.0	49.0	47.0	50.0	49.0
Civilians	3.0	3.0	3.0	3.0	2.0	3.0	2.0	3.0	3.0	4.0
Other Public Works:										
Engineering	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0	5.0	5.0
Other	21.0	22.0	21.0	21.0	23.0	24.5	22.0	23.0	26.0	26.0
Redevelopment	3.0	3.5	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Parks and Recreation	23.0	20.0	19.0	23.0	24.0	23.0	23.0	24.0	23.0	23.0
Water	33.0	32.0	30.0	30.0	28.0	28.0	31.0	27.0	28.0	32.0
Wastewater	19.0	19.5	19.0	19.0	19.0	18.0	17.0	18.0	21.0	21.0
Total	<u>265.0</u>	<u>259.5</u>	<u>248.0</u>	<u>256.0</u>	<u>257.5</u>	<u>257.5</u>	<u>252.5</u>	<u>247.0</u>	<u>259.0</u>	<u>267.0</u>

**CITY OF SHAWNEE, OKLAHOMA**  
**Operating Indicators**  
**Last Ten Fiscal Years**

FUNCTION / PROGRAM	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police:										
Physical Arrests	1,944	1,985	1,347	1,117	1,734	1,888	1,456	1,290	1,229	1,096
Total Parking and Traffic Citations	5,355	7,747	6,518	6,770	6,381	7,327	6,484	4,891	4,233	4,458
Fire:										
Emergency Responses	3,212	4,426	4,390	4,107	4,071	3,762	3,613	2,648	3,127	2,978
Fires Extinguished	227	330	214	242	377	278	541	328	315	360
Inspections	12	61	107	23	25	27	214	150	175	251
Other Public Works:										
Street Resurfacing (Lane Blocks)	172	150	162	145	258	229	69	279	130	116
Potholes Repaired	891	1,162	996	1,074	1,980	2,455	739	4,000	3,900	3,900
Water:										
New Connections	2,618	2,458	2,097	2,353	43	28	87	312	312	312
Water Main Breaks	97	241	138	77	79	93	66	145	145	145
Average Daily Consumption (thousands of gallons)	4,671	4,341	3,793	3,822	4,235	3,694	4,066	3,500	3,500	3,500
Peak Daily Consumption (thousands of gallons)	7,624	6,990	6,140	6,879	6,979	4,999	8,167	7,500	7,500	7,500
Wastewater:										
Average Daily Sewer Treatment (thousands of gallons)	1,543	1,456	1,315	1,296	2,943	3,245	1,471	2,600	2,600	2,600

\* MGD Million gallons per day

**Regular Board of Commissioners**

**5.**

**Meeting Date:** 03/04/2013

Approval of SMA Resolution

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Consider and take action with respect to a resolution approving action taken by the Shawnee Municipal Authority authorizing issuance, sale and delivery of a promissory note of the authority to the Oklahoma Water Resources Board; ratifying and confirming a lease agreement and operation and maintenance contract, as amended, whereby The City Of Shawnee leased its water and sanitary sewer systems to the Shawnee Municipal Authority; declaring an emergency; and containing other provisions related thereto.

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Attachments

[SMA Resolution Approval](#)

THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY, POTTAWATOMIE COUNTY, OKLAHOMA, MET IN REGULAR SESSION IN THE CITY COMMISSION CHAMBERS AT CITY HALL IN SHAWNEE, OKLAHOMA, ON THE 4<sup>TH</sup> DAY OF MARCH, 2013, AT 6:30 O’CLOCK P. M.

PRESENT:

ABSENT:

Thereupon, the Chairman introduced a Resolution which was read by the City Attorney. Trustee \_\_\_\_\_ moved that the Resolution be adopted and Trustee \_\_\_\_\_ seconded the motion. The motion carrying with it the adoption of the Resolution prevailed by the following vote:

AYE:

NAY:

The Resolution as adopted is as follows:

**RESOLUTION NO. SMA 2013-\_\_\_\_\_**

A RESOLUTION OF THE SHAWNEE MUNICIPAL AUTHORITY AUTHORIZING A LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$13,350,000; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$13,350,000, SECURED BY A PLEDGE OF REVENUES AND AUTHORIZING ITS EXECUTION; DESIGNATING THE LOCAL TRUSTEE AND APROVING AND AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION OF A SECURITY AGREEMENT; RATIFYING AND CONFIRMING A LEASE AGREEMENT AND OPERATION AND MAINTENANCE CONTRACT, AS AMENDED; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING PAYMENT OF FEES AND EXPENSES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Shawnee Municipal Authority, Pottawatomie County, Oklahoma (the “Borrower”), was organized under Title 60, Oklahoma Statutes 2011, Sections 176-180.4, as amended, for the purpose of furthering the public functions of the City of Shawnee, Oklahoma (the “City”); and

WHEREAS, the Pottawatomie County Development Authority (the “PCDA”), the Borrower, and the Tecumseh Utilities Authority (the “TUA”) have heretofore entered into an Agreement dated as of July 1, 1990, as amended by a 1993 Amendment to Agreement dated as of March 1, 1993, for the purpose of providing for the acquisition, construction, and equipping of the North Deer Creek Reservoir and the treatment and distribution of water (collectively, the “Project”); and

WHEREAS, the PCDA has heretofore issued its Water Revenue Bonds, Series 2003 dated April 3, 2003 (the “2003 Bonds”), for the purpose of refunding prior obligations of the PCDA related to the payment of the Borrower’s portion of the costs of the Project; and

WHEREAS, the Borrower has heretofore issued to the PCDA its Utility Revenue Note, Series 2003 dated April 3, 2003 (the “2003 Note”) to be pledged as the security for the repayment of the 2003 Bonds; and

WHEREAS, the Borrower desires to refund its 2003 Note and, correspondingly, the remaining outstanding maturities of the 2003 Bonds, for the purpose of realizing economic savings; and

WHEREAS, the PCDA has consented to the transaction contemplated herein in its Resolution dated February 14, 2013; and

WHEREAS, the Borrower has also heretofore issued its (i) Series 1997A SRF Promissory Note to Oklahoma Water Resources Board dated September 2, 1997, issued in the original principal amount of \$1,073,278.84; (ii) Series 2010 Drinking Water SRF Promissory Note to Oklahoma Water Resources Board dated June 25, 2010, issued in the original principal amount of \$7,780,000; and (iii) Series 2010A Drinking Water SRF Promissory Note to Oklahoma Water Resources Board dated October 14, 2010, issued in the original principal amount of \$1,485,000 (collectively, the “Prior Notes”); and

WHEREAS, the Borrower has determined to borrow money from the Board for the purpose of refinancing the outstanding principal amount of the 2003 Note and to evidence such loan by the issuance of the Borrower’s Series 2013 Promissory Note to Oklahoma Water Resources Board in the original principal amount of not to exceed \$13,350,000 (the “2013 Note”), said Note being secured by a pledge of revenue derived from Borrower’s water and sanitary sewer systems (collectively, the “System”), and said pledge of System revenues in favor of the 2013 Note to be secured on a parity basis with the Prior Notes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY, POTTAWATOMIE COUNTY, OKLAHOMA:

Section 1. Issuance of Note. The Borrower is hereby authorized to accept said loan and issue its 2013 Note payable to the Board. The principal amount of the 2013 Note shall not exceed \$13,350,000, and the Net Interest Cost on the 2013 Note shall not exceed 3.0% per annum, and the maturity date shall be not later than October 1, 2023. The Chairman or Vice Chairman shall be authorized to execute a Certificate of Determination establishing the principal amount, maturity,

and rate of interest on the Note. The 2013 Note will be secured by a lien on the revenues of the System. The officers of the Borrower are hereby authorized and directed to execute the 2013 Note and to do any and all lawful things to effect said loan and secure said loan from the Board.

Section 2. Designation of Local Trustee and Execution of Trust Agreement. The Borrower hereby designates BancFirst, to serve as the local trustee (the "Local Trustee") of certain funds in relation to the 2013 Note. The Trust Agreement by and between the Borrower and the Local Trustee, pertaining to the 2013 Note (the "Trust Agreement") is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Trust Agreement.

Section 3. Execution of Loan Agreement. The Loan Agreement, by and between the Borrower and the Board (the "Loan Agreement") is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Loan Agreement.

Section 4. Execution of Security Agreement. The Security Agreement by the Borrower in favor of the Board (the "Security Agreement"), whereby the Borrower gives a lien on the revenues of the System to the Board to secure payment of the 2013 Note is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and do all other lawful things to carry out the terms and conditions of said Security Agreement.

Section 5. Covenants of Borrower. Until payment in full of the 2013 Note and performance of all obligations owing to the Board under the Loan Agreement and the instruments executed pursuant hereto, unless the Board shall otherwise consent in writing, the Borrower hereby represents its intent to abide by and carry out the covenants contained in the Loan Agreement, which covenants are incorporated herein in their entirety.

Section 6. Lease Agreement and Operation and Maintenance Contract. The Lease Agreement and Operation and Maintenance Contract dated as of January 12, 1971, as amended by an Amendment to Lease Agreement dated as of July 1, 1990, between the City and the Borrower (collectively, the "Lease Agreement"), whereby the City leased to the Borrower its presently existing and hereafter acquired water and sanitary sewer systems, is hereby ratified and confirmed and the term of said Lease Agreement shall extend until the 2013 Note is paid.

Section 7. Fees and Expenses. Upon closing of the referenced loan, the officers of the Borrower are hereby authorized to disburse (from loan proceeds or other available funds of the Borrower) certain fees and expenses all as set forth on Exhibit "A" hereto.

Section 8. Necessary Action. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Borrower are hereby further authorized on behalf of the Borrower to approve the disbursement of the proceeds of the 2013 Note and other funds of the Borrower in connection with the issuance of the 2013 Note and the accomplishment of the transaction contemplated herein, and

further, to accept, receive, execute, attest, seal and deliver the above mentioned documents and all additional documentation, certifications and instruments, including but not limited to an Escrow Deposit Agreement by and among the Borrower, the PCDA, and BancFirst, as escrow agent, and to take such further actions as may be required in connection with the transaction contemplated hereby, and are further authorized to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Borrower, the execution and delivery of such documents being conclusive as to the approval of any terms contained therein.

[Remainder of Page Intentionally Left Blank]

APPROVED AND ADOPTED THIS 4<sup>TH</sup> DAY OF MARCH, 2013.

SHAWNEE MUNICIPAL AUTHORITY

(SEAL)

\_\_\_\_\_  
WES MAINORD, Chairman

ATTEST:

\_\_\_\_\_  
PHYLLIS LOFTIS, CMC, Secretary



STATE OF OKLAHOMA                     )  
  )SS  
COUNTY OF POTTAWATOMIE            )

I, the undersigned, Secretary of the Shawnee Municipal Authority, Pottawatomie County, Oklahoma, an Oklahoma public trust, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Board of Trustees of said public trust held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 4<sup>TH</sup> DAY OF MARCH, 2013.

(SEAL)

\_\_\_\_\_  
PHYLLIS LOFTIS, CMC, Secretary

EXHIBIT "A"

Fees and Expenses Paid at Closing

Oklahoma Water Resources Board Issuance Costs		\$80,000.00*
The Public Finance Law Group PLLC Legal Fee and Reimbursement of Expenses	0.75% of the principal amount of the 2013 Note plus \$2,500	
BOSC, a division of BOKF, NA Financial Advisory Fee and Expenses	0.75% of the principal amount of the 2013 Note plus \$2,500	
The West Law Firm Legal Fee as counsel to Pottawatomie County Development Authority		\$40,000.00
Hawkins Delafield & Wood LLP Special Tax Counsel Legal Fee		\$35,000.00
[To be Determined] Consulting Fee – Additional Debt Certification		\$2,500.00*
BancFirst, as Trustee Bank Acceptance Fee		\$1,500.00
BancFirst, as Escrow Agent Acceptance Fee		\$1,250.00

\* Not to exceed amount; to be established pursuant to Closing Order of Borrower

**Regular Board of Commissioners**

**6.**

**Meeting Date:** 03/04/2013

Resolution for Surplus Property

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Consider a resolution declaring certain items of personal property and describing said items no longer needed by the City of Shawnee and authorizing sale of the items at public auction.

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Attachments

Resoluton Surplus Property

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION DECLARING CERTAIN ITEMS OF PERSONAL PROPERTY SURPLUS AND NO LONGER NEEDED FOR CITY PURPOSES; DESCRIBING SAID ITEMS; AND AUTHORIZING THE SALE OF SAID ITEMS BY PUBLIC AUCTION.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF SHAWNEE, OKLAHOMA:

That the items of personal property are described as set out in attached Exhibit "A".

Said property is hereby declared city owned items which are surplus items no longer needed for city purposes; that the City of Shawnee is authorized to sell said items to the public by auction.

Adopted this 4<sup>th</sup> day of March, 2013

\_\_\_\_\_  
WES MAINORD, MAYOR

(SEAL)

ATTEST:

\_\_\_\_\_  
PHYLLIS LOFTIS, CMC, CITY CLERK

Approved as to form and legality on the 4<sup>th</sup> day of March, 2013, by the City Attorney, Mary Ann Karns.

\_\_\_\_\_  
MARY ANN KARNS, CITY ATTORNEY

LIST OF PROPERTY FOR SURPLUS RESOLUTION MARCH 30, 2013

ITEM	BRAND NAME	SERIAL/VIN #	MODEL	DESCRIPTION	DEPT
CHAIR	GLOBAL	4488800	N/A	GRAY WHEELS ARMS	EM
FILE CAB/DESK	N/A	N/A	N/A	4DRW 2 DR CAB /TAN MET WITH WOOD TOP	EM
FILING CAB	N/A	N/A	N/A	2 DRAWER TAN METAL	EM
RADIO DESKTOP REMOTE CONTROL	MOTOROLA	448CPU0176	T1902BM	SERIES 90	EM
FAX MACHINE	BROTHER IND	U56503G2K869299	FAX560	TAN 120 V 50/60 HZ 1.7A	EM
RADIO DESKTOP REMOTE CONTROL	COMM PROD INC	210043, 747	PCB-747-80	N/A	EM
PLASTIC DRAWERS	N/A	N/A	N/A	3 DRAWER SET	EM
PHONE	NORSTAR	NT8B20AD-35 A039728	M7310	TAN PHONE	EM
PHONE	NORTHERN TELECOM	NT2N24AD3141	A0404593049803	GRAY PHONE WITH STAND	EM
PHONE	THOMAS INC G.E.	70441727	29265EE1-A	SILVER AND BLACK SLIMLINE	EM
PHONE PH	NORTER/NORSTAR	NT8B20AD-35 A039728	M7310	TAN PHONE NO SPEAKER	EM
PHONE	MERIDIAN	N/A	920100	TAN PHONE	EM
CHAIR	UNITED CHAIR CO	N/A	NS31 E4	GRAY NO ARMS NO WHEELS	EM

CHAIR	UNITED CHAIR CO	N/A	NS31 E4	GRAY	EM
PROJECTOR	BOXLIGHT/PRO COLOR 2001	N/A	E140129	PROJECTYOR WITH INCASE BULB	EM
HOLE PUNCH	ACCO	N/A	50	BLACK	EM
JOT N FILE	BATES	N/A	JF125	POST IT/BUSINESS CARD HOLDER	EM
3 1/2 IN FLOPPY DISK HOLDER	N/A	N/A	N/A	N/A	EM
ROLODEX BUSINESS CARD HOLDER	ROLODEX	N/A	NVIP-24	BLACK	EM
CORDLESS TELEPHONE SET	GN NETCOM	N/A	KA12D090050034V	INCOMPLETE SET	EM
TV WALL MOUNT	N/A	N/A	E176225	SILVER	EM
ELECTRONIC STAPLER	SWINGLINE	E73463 P63391	270 69270	BLACK	EM
LEATHER CHAIR	ANDERSON DESK	N/A	0905 W 105	BLACK LEATHER WITH ARMS NO WHEELS	EM
ELECTRONIC TYPEWRITER	NAKAJIMA ALL CO LTD	DATE CODE: 9905	AE-800	TAN/CREAM 120V 60HZ 0.6A	EM
LEATHER CHAIR	ANDERSON DESK	N/A	0905-W-105	BLACK LEATHER WITH ARMS NO WHEELS	EM
BOX OF USED BINDERS	N/A	N/A	N/A	N/A	EM
PORTABLE HEATER	WINDMERE	E10671	C-3150	102V 60 HZ 12.3A	EM

PHONE	MERIDIAN	3000522428	N/A	GRAY WITH TAN RECEIVER	EM
CHAIR	UNITED CHAIR CO	N/A	NS31 E4	GRAY NO ARMS	EM
CHAIR	UNITED CHAIR CO	N/A	NS31 E4	GRAY WITH ARMS NO WHEELS	EM
WICKER BASKET	N/A	N/A	N/A	N/A	EM
CERAMIC COFFEE MUG	N/A	N/A	N/A	TURKEY/THANKSGIVING THEMED	EM
LEATHER CHAIR	COASTER CO OF AMERICA	101133	F-9612058	BROWN LEATHER OFFICE CHAIR	EM
DIFIBRILLATOR	MEDTRONIC	N/A	N/A	INCLUDED 1 BATTERY AND 2 QUIK-PAKS	EM
WEED EATER	ECHO	5735110111346	SRM2652		CEM
SPRAYER	ECHO	2892507	SM-50		CEM
SPRAYER	ECHO	2892507	SM-50		CEM
SPRAYER	SOLO	N/A	N/A		CEM
SHOP VAC	N/A	N/A	N/A	20 GALLON	CEM
MOWER WHEELS	N/A	N/A	N/A	OLD	CEM
GAS LEAF BLOWER	CRAFTSMAN	31047204138	358797342		CEM

GAS LEAF BLOWER	HUSQVARNA	9003048	145BT		
Dictation/Recorder Machine	Sony	25809/City of Shawnee 2261		Dictation/Recorder Machine with loose plastic cover, foot pedal, and ear microphone	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Copyright 1991		Oklahoma Statutes, Volume 1, Titles 1-12A (Official Edition)	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Copyright 1991		Oklahoma Statutes, Volume 2, Titles 13-26 (Official Edition)	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Copyright 1999; Pocket Part Mat #40764372		Oklahoma Statutes Annotated, Titles 18 - Corporations with 2009 Cumulative Pocket Part	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Copyright 2010; Mat #41049012		2011 Cumulative Annual Pocket Part for Use in 2010-2011	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Copyright 1994		Towns, §§ 36-101 to End with 2011 Cumulative Annual Pocket Part for Use in 2010-2011	City Attorney
Miscellaneous Law Books	Thomson West Publishing	#40115551; Pocket Part Mat #41185017		Title 2, Agriculture §§1-1 to 15-End, with 2012 Cumulative Annual Pocket Part for Use in 2011-2012	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Copyright 2001;Pocket Part Mat #41185120		Taxation §§2358 to 3000 with 2012 Cumulative Annual Pocket Part for Use in 2011-2012	City Attorney
Miscellaneous Law Books	Thomson West Publishing	40402226; pocket part Mat #41049077		Compensation §§1-25 with 2011 Cumulative Annual Pocket Part for Use in 2010-2011 (there are two	City Attorney
Miscellaneous Law Books	Thomson West Publishing	#40402230; pocket part Mat #41049078		Cumulative Annual Pocket Part for Use in 2010-2011 (there are two identical volumes)	City Attorney
Miscellaneous Law Books	Thomson West Publishing	#40402226; Pocket Part Mat #41185133		Compensation §§1-25 with 2012 Cumulative Annual Pocket Part for Use in 2011-2012 (there are two	City Attorney
Miscellaneous Law Books	Oklahoma Statutes Annotated	#40402230; pocket part Mat #41049078		Compensation §§26 to End with 2011 Cumulative Annual Pocket Part for Use in 2010-2011 (there are	City Attorney
Miscellaneous Law Books	Thomson West Publishing	ISBN # KF5313.M342 348'.73'2 72-80615		2000 Revised Volume, Volume 1B, Sections 35.01-37.20	City Attorney



Miscellaneous Law Books	Thomson West Publishing	ISBN # KF5313.M342 348'.73'2 72-80615		2000 Revised Volume, Volume 1C, Sections 7.21-37.171	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Card No. 76-49998; Pocket Part MAT # 40786345		Revision of Volume 1, Part One, and Pocket Part 2009 Cumulative Supplement Issued in May 2009	City Attorney
Miscellaneous Law Books	Thomson West Publishing	Mat # 40609927		Revision of Volume 3A, and Pocket Part 2010 Cumulative Supplement Issued in May 2010	City Attorney
Miscellaneous Law Books	West	Mat #41136172		Municipal Legal Forms With Commentary 2012 Supplement Index (Published May 2012)	City Attorney
Miscellaneous Law Books	Inc., a Division of McGraw-Hill	Copyright 1969		Ordinance Law Annotations, Volume 4, Photography to Sunday Laws	City Attorney
Miscellaneous Law Books	Inc., a Division of McGraw-Hill	Copyright 1969		Ordinance Law Annotations, Volume 2, Construction of Ordinances to Gas, Natural	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1995		Oklahoma Statutes, 1995 Supplement, Volume 1, Constitution, Titles 1-58 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1994		Oklahoma Statutes, 1994 Supplement, Volume 1, Titles 1-57 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1995		Oklahoma Statutes, 1995 Supplement, Volume 2, Titles 59 to End with Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1993		Oklahoma Statutes, 1993 Supplement Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1994		Oklahoma Statutes, 1994 Supplement, Volume 2, Titles 58 to End with Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1992		Oklahoma Statutes, 1992 Supplement Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1999		Oklahoma Statutes, 1999 Supplement, Volume 2, Titles 13 - 67 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1991		Oklahoma Statutes, 1991 Supplement, Volume 6, Index & Tables (Official Edition)	City Attorney

Miscellaneous Law Books	West Publishing	Copyright 1991		Oklahoma Statutes, Volume 4, Titles 57-68, Prison and Reformatories to Revenue & Taxation (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1991		Bridges, and Ferries to Workers' Compensation (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1999		Oklahoma Statutes, 1999 Supplement, Volume 3, Titles 68 to End, Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1991		Oklahoma Statutes, Volume 3, Titles 27 to 56, Eminent Domain to Poor Persons (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1999		Oklahoma Statutes, 1999 Supplement, Volume 1, Constitution, Titles 1 to 30 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1997		Oklahoma Statutes, 1997 Supplement, Volume 1, Constitution, Titles 1 to 53 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1998		Oklahoma Statutes, 1998 Supplement, Volume 2, Constitution, Titles 28 to 65 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1998		Oklahoma Statutes, 1998 Supplement, Volume 1, Constitution, Titles 1 to 27A (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1998		Oklahoma Statutes, 1999 Supplement, Volume 3, Titles 67 to End, Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1996		Oklahoma Statutes, 1998 Supplement, Volume 1, Constitution, Titles 1 to 55 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1996		Oklahoma Statutes, 1996 Supplement, Volume 2, Titles 56 to End, Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1997		Oklahoma Statutes, 1997 Supplement, Volume 2, Titles 54 to End, Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1982		Oklahoma Statutes, 1982 Supplement (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1983		Oklahoma Statutes, 1983 Supplement (Official Edition)	City Attorney

Miscellaneous Law Books	West Publishing	Copyright 1984		Oklahoma Statutes, 1984 Supplement (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1985		Oklahoma Statutes, 1985 Supplement (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1986		Oklahoma Statutes, 1986 Supplement, Volume 1, Constitution, Titles 1 to 48 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1987		Oklahoma Statutes, 1997 Supplement, Volume 1, Constitution, Titles 1 to 53 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1987		Oklahoma Statutes, 1987 Supplement, Volume 1, Constitution, Titles 1 to 53 (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1987		Oklahoma Statutes, 1987 Supplement, Volume 2, Titles 54 to End, Index & Tables (Official Edition)	City Attorney
Miscellaneous Law Books	West Publishing	Copyright 1989		Oklahoma Statutes, 1989 Supplement, Volume 1, Constitution, Titles 1 to 56 (Official Edition)	City Attorney
ROLODEX DOUBLE SIDED	N/A	N/A	N/A		CITY CLERK
MICRO CASSETTE HOLDER	N/A	N/A	N/A		CITY CLERK
SLIDE VIEWER	KODAK	N/A	N/A	WITH CORD AND THREE TRAYS	CITY CLERK
VHS HOLDER	N/A	N/A	N/A	SIX DRAWER	CITY CLERK
FILING CABINET	N/A	N/A	N/A	SINGLE METAL LETTER SIZE	CITY CLERK
1/2 TON PICKUP	1989 GMC	1GTDC14K5K259226		UNIT 2928 MILEAGE 185705	POLICE
DUMP TRUCK	1996 TANDEM	1JTSJADRPVJ420538		UNIT 1600 MILEAGE 132193	STREETS

DOZER	1976 JOHN DEERE 750	D24768		UNIT 1111 HOURS 1228	
WEED TRIMMER	KAWASAKI	SNN 006708	M# KTF27A-A1		PARKS
WEED TRIMMER	KAWASAKI	SNN UNREADABLE	M#KGT27A		PARKS
WEED TRIMMER	KAWASAKI	SNN 00694	M#KTF27A-A1		PARKS
SOLO BACKPACK SPRAYER		N/A	N/A		PARKS
PUSH MOWER 21"	TROY-BILT	1H069KL6072	12A- 466M011100706		PARKS
PUSH MOWER 21"	TROY-BILT	1E228KA0517	11A-436M01198557		PARKS
TABLE SAW	CRAFTSMAN	93244P0508	113-298762		PARKS
WEIGHT BENCH	N/A	N/A	N/A	DECLINE WEIGHT BENCH W/BLUE BENCH	POLICE
TV/VHS COMBO	RCA	802515549	T19060GY	TV/VHS COMBO	POLICE
WEIGHT BENCH	N/A	N/A	N/A	INCLINE WEIGHT BENCH W/GRAY BENCH	POLICE

**Regular Board of Commissioners**

7.

**Meeting Date:** 03/04/2013

Contract Municipal Pool

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Discussion, consideration and possible approval of contract with Water's Edge Aquatic Design,LLC, for Architectural/Engineering Services for the Shawnee Municipal Pool.

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Attachments

Contract Municipal Pool

# City of Shawnee Memorandum

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**To:** Mayor and City Commissioners  
**CC:** Brian McDougal, City Manager  
**From:** James Bryce, Director of Operations  
**Date:** February 26, 2013  
**Re:** Pool Architect/Engineer contract

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City Staff along with the Pool Committee is recommending that the City enter into contract with Water's Edge Aquatic Design, LLC. for the Design, Development, and Construction Phases of the new Shawnee Municipal Pool Facility.

The total cost for services will be 9.5% of the Construction cost plus a not to exceed \$16,000.00 in reimbursable costs. If the pool construction cost was estimated at \$2.5 million, the engineering cost would be \$237,500.00 plus reimbursables. When the design and biddable documents are complete and funding is secured, staff will come back to the Commission for permission to go out for bid on the construction. As you see in the contract, the City's Engineering Department will Design the Parking Lot and be phased into the design. The City will also bid the parking lot construction out separate from the pool.

At the time the City starts construction, if City personnel are not available for regular construction inspection, staff will have the option to hire an independent firm for regular site observation to insure that the contractors are giving the City quality work according to construction drawings. The cost is estimated at 80 visits over a 10 month construction period at \$490.00 per visit bringing the total maximum observation cost to \$39,200.00. Memo on observation costs is included in your packet.



11205 W. 79th St.  
Lenexa, KS 66214

t. 913.438.4338

f. 913.438.1465

www.wedesignpools.com

February 25, 2013

Mr. James Bryce  
Director of Operations, City of Shawnee  
P.O. Box 1448  
Shawnee, OK 74802-1448

Via email: [jbryce@shawneeok.org](mailto:jbryce@shawneeok.org)

Re: Agreement for Aquatic Design Services

Dear James:

Please find the enclosed agreement for services. I believe that we have incorporated the revisions that are acceptable to both parties. We provide the bulk of the planning, design, and construction administration as the prime consultant.

We will also utilize the services of Urban Prairie Architects and Hoss and Brown Engineers for bathhouse architectural design and bathhouse MEP design, respectively. We have worked with these firms on many projects similar to yours, and believe they are well suited for this project.

I also understand that the City may be interested in us providing a higher number of site observations during the construction phase. To provide quality and cost-efficient additional site observations, we intend to utilize the services of KCF Engineering from Oklahoma City. We will have them provide the structural review and design for the bathhouse, and will have them available for the additional site observations.

If desired by the City of Shawnee, we can provide through KFC Engineering additional visits of twice per week during the construction period. Their fees for this service would be billed at a lump sum cost of \$490 per visit. I am estimating a maximum construction schedule of 10 months. At two visits per week during this duration, we can set the maximum number of visits at 80 and a corresponding maximum fee of \$39,200.

The City may consider this option and authorize this at a later date as an addendum to our agreement. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Bartley".

Jeff Bartley, P.E.  
Principal

enclosures

**PROFESSIONAL SERVICES CONTRACT**

for the

**SHAWNEE PUBLIC POOL PROJECT**

**THE CITY OF SHAWNEE, OKLAHOMA  
AND**

**WATER'S EDGE AQUATIC DESIGN, LLC**



**AGREEMENT FOR PROFESSIONAL SERVICES**

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## **AGREEMENT FOR PROFESSIONAL SERVICES**

This is an **AGREEMENT** for **PROFESSIONAL ARCHITECT/ENGINEERING SERVICES** between The City of Shawnee, Oklahoma, hereinafter designated as “**City**” and Water’s Edge Aquatic Design, LLC, 11205 W. 79<sup>th</sup> St., Lenexa, KS 66214, hereinafter designated as “**ARCHITECT/ENGINEER,**” for professional **ARCHITECTURAL/ENGINEERING** services and conditions hereinafter stated.

The CITY requires ARCHITECT/ENGINEER to perform professional planning services, to serve as CITY’S representative and to provide professional advice for the following PROJECT:

PLANNING, ARCHITECTURE, DESIGN, AND/OR ARCHITECT/ENGINEERING SERVICES for the Shawnee Public Pool Project.

### **1. DESCRIPTION OF PROJECT**

This Project, known as the Shawnee Public Pool Project, will be located at the 100 Block East Highland Street, AKA Woodland Veterans Park, Shawnee, Oklahoma. The Project is more particularly described in Exhibit “A,” attached hereto and incorporated by reference herein.

### **2. SCOPE OF WORK**

ARCHITECT/ENGINEER shall timely and professionally complete and furnish the following services, and to furnish all labor and supplies and material and everything reasonably necessary to complete the same unless specifically provided otherwise in this AGREEMENT.

ARCHITECT/ENGINEER shall provide for CITY Professional Architectural and/or Architect/Engineering Services in connection with the PROJECT to which this AGREEMENT applies as hereinafter provided. The services will include serving as CITY’S Professional Representative for the Project, providing professional architectural and Architect/Engineering consultation and advice, and furnishing professional architectural and Architect/Engineering services in accordance with Basic Services of ARCHITECT/ENGINEER provided herein, and as provided in the attached Exhibit “A” incorporated by reference. Said services are customarily rendered in phases as set forth in this Section:

**2.1.1 BASIC SERVICES OF ARCHITECT/ENGINEER**

- Services Description: A description of the services to be performed is listed in “Exhibit A”

**2.1.2 DELIVERABLES**

ARCHITECT/ENGINEER shall provide the following deliverables to CITY:

<b>Description of Deliverables</b>	<b>months/date</b>
<ol style="list-style-type: none"><li>1. Planning Phase Deliverables—Bathhouse Structural Evaluation Report, Pool Concept, Architect/Engineer’s Opinion of Probable Cost, Programming Statement and Operations Analysis.</li><li>2. Schematic Design Phase Deliverables—Topographic Survey, Geotechnical Report, Design Memorandum, Schematic Drawings, and Architect/Engineer’s Opinion of Probable Cost</li><li>3. Design Development Phase Deliverables—Design Development Documents, including refined drawings and draft specifications.</li><li>4. Construction Document Phase Deliverable—Bid Ready Construction Drawings and Specifications, Architect/Engineer’s Opinion of Probable Cost, and Permit applications for City’s signature and submittal.</li></ol>	

**3. COMPENSATION**

ARCHITECT/ENGINEER shall be compensated with a fee not to exceed 9.5% of construction cost for the Basic Services of ARCHITECT/ENGINEER described herein, in accordance with this AGREEMENT and in accordance with payment schedule as provided for herein. Direct reimbursable expenses shall be compensated separately at their direct cost- with a not-to-exceed lump sum value as stipulated below.

**3.1.1** Compensation shall be billed to the CITY on a percentage basis upon completion of the tasks as scheduled in this AGREEMENT its Exhibits. Payment will be made on the basis of progress reports and deliverables. Work schedule updates shall be included in the progress payment requests.

**3.1.2** Application and certification for payment must be provided by ARCHITECT/ENGINEER. Such application shall provide a clear detailed invoice reflecting all

items billed for. The summary work shall show percentage of work completed to date, previous payment invoiced/received and current fee requested.

**3.1.3** Application shall also include back up documentation (receipts, invoices, logs, etc.) supporting either consultants fees or any reimbursable expenses.

**3.1.4** All work shall be subject to the approval by the CITY and each phase of the work shall be submitted to the CITY in accordance with the schedule provided herein and in the format prescribed by the CITY. Upon determination by the CITY that the work is substantiated and satisfactory, payment will be made in thirty (30) days.

### **3.1.5 DESCRIPTION OF DELIVERABLES**

ARCHITECT/ENGINEER shall provide deliverables in accordance with Exhibits “A” and “B” and apply a percentage of the total fee. To the tasks/deliverables below:

**Task 1 -Planning Phase- 10%**

**Task 2 - Schematic Design Phase- 10%**

**Task 3 - Design Development Phase- 10%**

**Task 4 - Construction Document Phase- 30%**

**Task 5 - Bidding Phase- 5%**

**Task 6 - Construction Administration and Routine Construction**

**Observations- 35%**

**Task 7 - Travel Expenses (for all tasks): at direct costs, not-to-exceed \$16,000**

**TOTAL = 9.5% of Construction Costs, plus direct reimbursable expenses**

## **4. PERIOD OF SERVICE**

### **A. DESIGN**

ARCHITECT/ENGINEER shall develop a schedule, in cooperation with CITY, to complete the project within timeline goals desired by CITY.

### **B. CONSTRUCTION ADMINISTRATION**

The bid and award period will be approximately **56** days. Following the General Contractors Notice to Proceed with construction of the Project, ARCHITECT/ENGINEER shall perform the construction administration portion of this AGREEMENT.

C. ARCHITECT/ENGINEER shall complete all services specified herein in accordance with the Production Schedule in Exhibit "A" attached hereto.

**5. SUPPLEMENTAL SERVICES OF ARCHITECT/ENGINEER**

**5.1. GENERAL**

**5.1.1** Expenses not covered under the Scope of Services in this Agreement and authorized in writing by the CITY may be billed separately.

**5.1.2** If requested by CITY and agreed to in a Specific Authorization ARCHITECT/ENGINEER will furnish or obtain from others Supplemental or Additional Services at a mutually agreeable rate.

**5.1.3** Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans or advances in connection with the Project.

**5.1.4** Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawing or other information furnished by CITY.

**5.1.5** Services resulting from significant changes in the general scope, extent or character of the Project or its design including, but not limited to, changes in size, complexity, CITY's schedule, character of construction or method of financing; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are required by changes in laws, rules, regulations, ordinances, codes or orders enacted subsequent to the preparation of studies, reports or documents, or are due to any other causes beyond ARCHITECT/ENGINEER's control.

**5.1.6** Providing renderings or models for CITY's use.

**5.1.7** Preparing documents for alternate bids requested by CITY Contractor(s) work which is not executed, or documents for out-of sequence work.

**5.1.8** Investigation and studies involving, but not limited to, detailed consideration of operations, maintenance and overhead expenses; providing value ARCHITECT/ENGINEERING during the course of design; the preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals; assistance in obtaining financing for the Project: evaluating processes available for licensing and assisting CITY in obtaining process licensing; detailed quantity surveys of material, equipment and labor; and audits or inventories required in connection with construction performed by CITY.

**5.1.9** Furnishing services of independent professional associates and

consultants for other than Basic Services (which include, but are not limited to, customary civil, sanitary, environmental, structural, mechanical and electrical ARCHITECT/ENGINEERING and customary architectural design incidental thereto); and providing data or services of the types described herein when CITY employs ARCHITECT/ENGINEER to provide such data or services in lieu of furnishing the same in accordance with this AGREEMENT..

**5.1.10** Assistance in connection with bid protests, re-bidding or re-negotiating contracts for construction, materials, equipment or services.

**5.1.11** Providing any type of property surveys or related ARCHITECTURAL/ENGINEERING services needed for the transfer of interests in real property and field surveys for design purposes and ARCHITECTURAL /ENGINEERING surveys and staking to enable Contractor(s) to proceed with their work; and providing other special field surveys.

**5.1.12** Preparing to serve or serving as a consultant or witness for CITY in any litigation, arbitration or other legal or administrative proceeding involving the Project (except for assistance in consultation which is included as part of Basic Services under paragraphs 1.2.3. and 1.4.2.).

## **6. SPECIFIC AUTHORIZATION**

Each Specific Authorization for Supplemental or Additional Services not covered under this AGREEMENT shall specify the specific Period of Service for the Supplemental or Additional Services to be completed, ARCHITECT/ENGINEER’S Compensation, Scope of Services Deliverables and Schedule and shall be agreed to by CITY and ARCHITECT/ENGINEER for additional services to be rendered. Unless otherwise noted, ARCHITECT/ENGINEER shall not start the work until said Specific Authorization is fully executed by both parties and a Notice to Proceed is issued by the CITY.

## **7. CITY’S RESPONSIBILITIES**

CITY shall do the following in a timely manner so as not to delay the services of ARCHITECT/ENGINEER:

Provide all criteria and full information as to CITY’s requirements for the Project.

Assist ARCHITECT/ENGINEER by placing at ARCHITECT/ ENGINEER’S disposal available information pertinent to the Project.

## **8. CITY’S DESIGNATED REPRESENTATIVE**

**8.1** It is understood and agreed that the CITY designates the City’s Director of Operations or his assigned representative to represent the CITY in all technical and administrative matters pertaining to and arising from the work and performance of this contract.

**8.2** The authority of the representative shall include, but not be limited to, the following:

**8.2.1** Examination of all reports sketches, drawings, estimates, proposals, and other documents presented by the ARCHITECT/ENGINEER and rendering, in writing, decisions pertaining thereto within a reasonable time so as not to materially delay the work of the ARCHITECT/ENGINEER and approval of Contractor's applications for payment.

**8.2.2** Transmission of instructions, receipt of information, interpretation and definition of CITY policies and decisions with respect to design, materials and other matters pertinent to the work covered by this contract.

**8.2.3** Give prompt written notice to the ARCHITECT/ENGINEER whenever the CITY observes or otherwise becomes aware of any defects or changes necessary in the project.

## **9. STANDARDS OF PERFORMANCE**

**9.1** In providing services under this AGREEMENT, the ARCHITECT/ENGINEER shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of their same profession currently practicing under similar circumstances at the same time and in the same or similar locality..

**9.2** ARCHITECT/ENGINEER shall be responsible for the technical accuracy of its services and documents resulting there from, and CITY shall not be responsible for discovering deficiencies therein. ARCHITECT/ENGINEER shall correct any such deficiencies without additional compensation or cost to CITY, except to the extent any such deficiency is directly attributable to deficiencies in CITY-furnished information.

**9.3** ARCHITECT/ENGINEER shall be familiar with CITY's Standard Details and Specifications and other relevant CITY regulations. ARCHITECT/ENGINEER shall insure there are no conflicts among the Contract Documents including, but not limited to, the CITY's General and Supplementary Conditions for Construction Contracts, the plans and specifications prepared by ARCHITECT/ENGINEER, any standard details or specifications incorporated therein by reference, and the Construction Contract.

**9.4** Correction of Mistakes\_ ARCHITECT/ENGINEER shall be responsible for the completeness and accuracy of the work prepared or compiled under ARCHITECT/ENGINEER'S obligation for this project and shall correct, at ARCHITECT/ENGINEER'S expense, all errors or omissions therein which may be disclosed. Correction of errors disclosed and determined to exist during any construction of the project on architectural or Architect/Engineering drawings and specifications shall be accomplished by ARCHITECT/ENGINEER. The cost of the design necessary to correct those errors attributable to ARCHITECT/ENGINEER and any damage incurred by CITY as a result of additional construction costs caused by such Architect/Engineering or architectural errors shall be

chargeable to ARCHITECT/ENGINEER and shall not be considered a cost of the Work. The fact that CITY has reviewed or approved ARCHITECT/ENGINEER'S work shall in no way relieve ARCHITECT/ENGINEER of any of its responsibilities.

## **10. INSURANCE**

**10.1** ARCHITECT/ENGINEER shall be responsible for all damage to person and/or property resulting from its negligent acts, intentional wrongful acts, reckless acts, errors or omissions or those of their subcontractors, agents or employees in connection with such services and shall be responsible for all parts of its work, both temporary and permanent.

**10.1.2** ARCHITECT/ENGINEER shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to CITY, the types and amounts of insurance conforming to the minimum requirements set forth herein ARCHITECT/ENGINEER shall not commence work until the required insurance is in force and evidence of insurance acceptable to CITY has been provided to, and approved by, CITY. An appropriate Certificate of Insurance shall be satisfactory evidence of insurance. Until such insurance is no longer required by this Contract, ARCHITECT/ENGINEER shall provide CITY with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance.

### **10.1.3 Workers' Compensation/Employer's Liability Insurance**

Such insurance shall be in the statutory amounts as required by the State of Oklahoma, with no restrictive endorsements.

### **10.1.4 General Liability Insurance**

Such insurance shall be no more restrictive than that provided by the most recent version of standard Commercial General Liability Form (ISO Form CG 00 01) without any restrictive endorsements. CITY shall be included as an "Additional Insured" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors). The minimum limits (inclusive of amounts provided by an umbrella or excess policy) shall be those as set out in the statutory limits for municipal liability by the State of Oklahoma.

### **10.1.5 Automobile Liability Insurance**

Such insurance shall be no more restrictive than that provided by Section II (Liability Coverage) of the most recent version of standard Business Auto Policy (ISO Form CA 00 01) without any restrictive endorsements, including coverage for liability contractually assumed, and shall cover all owned, non-owned, and hired autos used in connection with the performance of the work. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be those set out in the statutory limits by the State of Oklahoma for municipal liability.



### **10.1.6 Professional Liability Insurance**

Such insurance shall be on a form acceptable to CITY and shall cover ARCHITECT/ENGINEER for those sources of liability arising out of the rendering or failure to render the services required in the Agreement including any hold harmless and/or indemnification agreement. Coverage must either be on an occurrence basis; or, if on a claims-made basis, the coverage must be continued for a period of three years following the substantial completion of the project. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$1,000,000 Each Claim/Annual Aggregate

**10.2** The insurance provided by ARCHITECT/ENGINEER shall apply on a primary basis. Any insurance, or self-insurance, maintained by the Council shall be excess of, and shall not contribute with, the insurance provided by ARCHITECT/ENGINEER. Except as otherwise specified, no deductible or self-insured retention is permitted.

**10.3** Compliance with these insurance requirements shall not limit the liability of ARCHITECT/ENGINEER. Any remedy provided to the CITY by the insurance provided by the CITY shall be in addition to and not in lieu of any other remedy (including, but not limited to, as an indemnitee of ARCHITECT/ENGINEER) available to the Council under this Agreement or otherwise.

**10.4** Neither approval nor failure to disapprove insurance furnished by ARCHITECT/ENGINEER shall relieve ARCHITECT/ENGINEER from responsibility to provide insurance as required by this Agreement.

**10.5** ARCHITECT/ENGINEER shall deliver to CITY the required certificate(s) of insurance and endorsement(s) before CITY signs this Agreement.

**10.6** ARCHITECT/ENGINEER'S failure to obtain, pay for, or maintain any required insurance shall constitute a material breach upon which CITY may immediately terminate or suspend this Agreement. In the event of any termination or suspension, CITY may use the services of another consultant or consultants, without CITY'S incurring any liability to ARCHITECT/ENGINEER.

**10.7** At its sole discretion, CITY may obtain or renew ARCHITECT/ENGINEER'S insurance, and CITY may pay all or part of the premiums. Upon demand, CONSULTANT shall repay CITY all monies paid to obtain or renew the insurance. CITY may offset the cost of the premium against any monies due ARCHITECT/ENGINEER from CITY.

**10.8** The ARCHITECT/ENGINEER shall furnish to the CITY Certificates of

Insurance allowing thirty (30) days' notice for any change, cancellation, or non-renewal. Such Certificates shall contain the following wording:

**(ACCORD) "SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL THIRTY (30) DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN."**

If the insurance policies expire during the terms of the Contract, a renewal certificate or binder shall be filed with the CITY fifteen (15) days prior to the renewal date.

## **11. INDEMNITY**

### Non-Professional Negligence

**11.1** ARCHITECT/ENGINEER shall indemnify, defend, and hold harmless, to the maximum extent permitted by law, CITY and its officers, agents, employees and representatives, from and against any and all liability, losses, damages, (whether in contract or in tort, including personal injury, accidental death or property damage, and regardless of whether the allegations are false, fraudulent or groundless), costs and expenses (including reasonable attorney's fees, litigation, arbitration, mediation, and appeal expenses) which in whole or in part arise out of or are connected with, or which are alleged to have arisen out of or to have been connected with, ARCHITECT/ENGINEER'S performance of this Agreement (including performance by its agents, employees, subcontractors or by anyone ARCHITECT/ENGINEER directly or indirectly employed).

**11.2** ARCHITECT/ENGINEER's obligation to indemnify, defend and hold harmless shall remain in effect and shall be binding upon ARCHITECT/ENGINEER whether such injury or damage shall accrue, or may be discovered, before or after termination of this Agreement.

**11.3** ARCHITECT/ENGINEER'S failure to comply with this section's provisions shall constitute a material breach upon which CITY may immediately terminate or suspend this Agreement.

### Professional Negligence

**11.4** Architect/Engineer shall indemnify, and hold harmless City and it's officer, agents, employees and representative, from and against, liability, damages, (including personal injury, accidental death or property damage regardless of whether the allegations are false, fraudulent or groundless), costs and reasonable attorney's fees which arise our of or are connected with, or which are alleged to have arisen out of or to have been connected with, Architect/Engineer's performance of this agreement (including performance by its employees, agents, subcontractors or by anyone Architect/Engineer directly or indirectly employed).

**11.5** ARCHITECT/ENGINEER's obligation to indemnify and hold harmless shall remain in effect and shall be binding upon ARCHITECT/ENGINEER whether such injury or damage shall accrue, or may be discovered, before or after termination of this Agreement.

**11.6** ARCHITECT/ENGINEER'S failure to comply with this section's provisions shall constitute a material breach upon which CITY may immediately terminate or suspend this Agreement.

**12. STATUS OF CLAIM**

The ARCHITECT/ENGINEER shall be responsible for keeping the CITY currently advised as to the status of any claims made for damages against the ARCHITECT/ENGINEER resulting from services performed under this AGREEMENT. The ARCHITECT/ENGINEER shall send notice of claims related to work under this AGREEMENT to the CITY. Copies of the notices shall be sent to:

Director of Operations  
P. O. Box 1448  
Shawnee, OK 74802

City Manager  
P. O. Box 1448  
Shawnee, OK 74802

**13. OWNERSHIP OF DOCUMENTS**

**13.1** Each and every document, drawings, original mylars, databases and specifications report, draft, field note, work product, map, record, estimates, and other document reproduced, prepared, or caused to be prepared by ARCHITECT/ENGINEER as part of the services shall become the exclusive property of the CITY, provided, that ARCHITECT/ENGINEER shall have the right to their use with approval of the CITY. ARCHITECT/ENGINEER shall furnish CITY, upon its request, originals or reproducible copies of technical specifications and copies of all other documents listed above. ARCHITECT/ENGINEER shall endorse, by its professional seal, all plans and Architect/Engineering date furnished by it. Rights to intellectual property developed, utilized, or modified in the performance of the service shall remain the property of the ARCHITECT/ENGINEER.

**14. WORK COMMENCEMENT/PROGRESS/DELAYS**

**14.1.** The services to be rendered by the ARCHITECT/ENGINEER shall be commenced subsequent to the execution of the AGREEMENT and upon written Notice to Proceed from the CITY DIRECTOR. Services will be completed and submitted to the CITY as specified by the AGREEMENT, Basic Services of ARCHITECT/ENGINEER and a Schedule of Performance attached hereto.

**14.2** The ARCHITECT/ENGINEER agrees to provide a schedule for performance of the contracted services, with milestones for significant elements as agreed by the CITY INSPECTOR/ ARCHITECT/ENGINEER, upon receipt of Notice to Proceed and, thereafter to provide monthly Project Schedule Progress reports. The CITY will be entitled at all times to be advised, in writing, at its request, as to the status of work being done by the ARCHITECT/ENGINEER and of the details thereof.

**14.3** In the event there are delays on the part of the CITY or regulatory agencies as to the approval of any of the plans, permits, and drafts of special provisions submitted by the ARCHITECT/ENGINEER which delay the Project Schedule completion date, the CITY shall grant to the ARCHITECT/ENGINEER, in writing, an extension of the contract time equal to the aforementioned delays. If the ARCHITECT/ENGINEER claims an extension pursuant to this provision, same must claim within ten days of the alleged delay and ARCHITECT/ENGINEER must furnish appropriate documentation.

**14.4** The ARCHITECT / ARCHITECT/ENGINEER shall maintain an adequate and competent staff of professional architects / Architect/Engineers, planners, technicians and support staff personnel and may associate with other qualified firms for the purpose of rendering services hereunder without cost to the CITY and upon approval by the CITY. The ARCHITECT/ENGINEER, however, shall not sublet, assign or transfer any work under this Agreement without the prior written consent of the CITY.

## **15. SCHEDULE**

**15.1** The City and Architect/Engineer are aware that many factors outside the Architect/Engineer's control may affect the Architect/Engineer's ability to complete the services to be provided under this Agreement. The Architect/Engineer will perform these services with reasonable diligence and expediency consistent with sound professional practices

## **16. STANDARD OF CONDUCT**

**16.1** The ARCHITECT/ENGINEER warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the ARCHITECT/ENGINEER to solicit or secure this contract and that he has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working solely for the ARCHITECT/ENGINEER any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award of this contract.

**16.2** Standard of Conduct-Conflict of Interest-The ARCHITECT/ENGINEER covenants and agrees that it and its employees shall be bound by the standards of conduct provided in (Architect/Engineer: 59 O.S. §§475.1 *et seq.*) and all rules and regulations issued under that law as it relates to work performed under the contract, which standards will by reference be made a part of this contract as though set forth in full. The ARCHITECT/ENGINEER agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed.

**16.3** The CITY reserves the right to cancel and terminate this contract, without penalty, in the event that the ARCHITECT/ENGINEER or any employee, servant or agent of the ARCHITECT/ENGINEER is indicted for any crime arising out of or in conjunction with any

work being performed by the ARCHITECT/ENGINEER for or on behalf of the CITY. It is understood and agreed that in the event of such termination all tracings, plans, specifications, maps and data prepared or obtained under this Agreement shall immediately be turned over to the CITY in conformity with the provisions of this Agreement the ARCHITECT/ENGINEER shall be compensated for its services rendered up to the time of any such termination in accordance with the terms of this Agreement. The CITY also reserves the right to terminate and cancel this contract in the event the ARCHITECT/ENGINEER shall be placed in either voluntary or involuntary bankruptcy or should an assignment be made for the benefit of creditors.

## **17. CONFIDENTIALITY**

**17.1** ARCHITECT/ENGINEER shall not disclose, publish, or authorize others to disclose or publish, design data, drawings, specifications, reports, or other information pertaining to the projects assigned to ARCHITECT/ENGINEER by CITY or other information to which ARCHITECT/ENGINEER has had access during the term of this Agreement without the prior written approval of the CITY during the term of this Agreement and for a period of two (2) years after the termination of this Agreement.

**17.2** ARCHITECT/ENGINEER shall consider all information provided by CITY and all drawings, reports, studies, design calculations, specifications, and other documents resulting from the ARCHITECT/ENGINEER's performance of the services to be proprietary unless such information is available from public sources. ARCHITECT/ENGINEER shall not publish or disclose proprietary information for any purpose other than the performance of the services without the prior written authorization of CITY or in response to legal process.

## **18. SEVERABILITY**

Should any part, term or provision of this Agreement or any document required herein to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby.

## **19. DEFAULTS, TERMINATION OF AGREEMENT**

**19.1** If the DIRECTOR OF OPERATIONS deems that ARCHITECT/ENGINEER is in default for failure to supply an adequate working force, or service of proper quality, or has failed in any other respect to satisfactorily perform on the services specified in this Agreement, DIRECTOR OF OPERATIONS may give written notice to ARCHITECT/ENGINEER specifying defaults to be remedied within thirty (30) days. Such notice shall set forth the basis for any dissatisfaction and suggest corrective measures.

**A.** If ARCHITECT/ENGINEER does not remedy defaults within thirty (30) days or commence steps to remedy default to the reasonable satisfaction of the

DIRECTOR OF OPERATIONS, CITY may provide for such service from another ARCHITECT/ENGINEER and CITY may withhold any money due or which may become due to ARCHITECT/ENGINEER for such task related to the claimed default; or

**B.** If after thirty (30) days ARCHITECT/ENGINEER has not remedied defaults or commenced steps to remedy defaults to the satisfaction of the DIRECTOR OF OPERATIONS, CITY may elect to terminate this Agreement

**19.2** Notwithstanding, CITY reserves the right and may elect to terminate this Agreement at any time. At such time, ARCHITECT/ENGINEER would be compensated only for that work which has been satisfactorily completed to the date of termination. No compensation shall be paid for de-mobilization, takedown, disengagement wind-down or other costs incurred due to termination of this Agreement.

**19.3** Neither CITY nor ARCHITECT/ENGINEER shall be considered to be in default of this AGREEMENT if delays in or failure of performance shall be due to uncontrollable forces the effect of which, by the exercise of reasonable diligence, the non-performing party could not avoid.

**19.4** The term “uncontrollable forces” shall mean any event which results in the prevention or delay of performance by a party of its obligations under this AGREEMENT and which is beyond the control of the non-performing party. It includes, but is not limited to, fire, flood, earthquakes, storms, lighting, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses or services required to be provided by either CITY or ARCHITECT/ENGINEER under this AGREEMENT, strikes, work slowdowns or other labor disturbances, and judicial restraint. Neither party shall, however, be excused from performance if nonperformance is due to uncontrollable forces which are removal or remediable and which the non-performing party could have, with the exercise of reasonable diligence, removed or remedied with reasonable dispatch.

**19.5** The provisions of this Article shall not be interpreted or construed to require ARCHITECT/ENGINEER or CITY to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. The nonperforming party shall, within a reasonable time of being prevented or delayed from performance by an uncontrollable force, give written notice to the other party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this AGREEMENT.

## **20. TERMINATION WITHOUT CAUSE**

CITY may at any time and for any or no reason, at its convenience, terminate this Agreement or any part of the services to be rendered pursuant thereto by ten (10) day written notice to ARCHITECT/ENGINEER specifying the termination date. Immediately after receiving such notice, ARCHITECT/ENGINEER shall discontinue advancing the work under this

Agreement and shall deliver to CITY all drawings, notes, calculations, sketches and other materials entirely or partially completed, together with all unused materials supplied by CITY, and CITY shall pay ARCHITECT/ENGINEER for the reasonable costs of assembling and delivering the items listed or otherwise requested.

## **21. NOTICES**

All notices hereunder must be in writing and, unless otherwise provided herein, shall be deemed validly given on the date either personally delivered to the address indicated below; or on the third (3rd) business day following deposit, postage prepaid, using certified mail, return receipt requested, in any U.S. Postal mailbox or at any U.S. Post Office; or when sent via facsimile to a party at the facsimile number set forth below or to such other or further facsimile number provided in a notice sent under the terms of this paragraph, on the date of transmission of that facsimile. Should CITY or ARCHITECT/ENGINEER have a change of address, the other party shall immediately be notified in writing of such change, provided, however, that each address for notice must include a street address and not merely a post office box. All notices, demands or requests from ARCHITECT/ENGINEER to CITY shall be given to CITY addressed as follows:

### **CITY of SHAWNEE**

James Bryce  
PO Box 1448  
Shawnee, Oklahoma 74801

### **Water's Edge Aquatic Design**

Jeff Bartley  
11205 W. 79<sup>th</sup> St.  
Lenexa, Kansas 66214

## **22. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS**

**22.1** The ARCHITECT/ENGINEER shall comply with all Federal, State and Local Laws, Ordinances, Rules and Regulations applicable to the work or payment for work thereof, and shall not discriminate on the ground of race, color, religion, sex, or national origin in the performance of work under this contract.

**22.2** ARCHITECT/ENGINEER shall procure the permits, certificates, and licenses necessary to allow ARCHITECT/ENGINEER to perform the services. ARCHITECT/ENGINEER shall not be responsible for procuring permits, certificates, and licenses required any construction unless such responsibilities are specifically assigned to ARCHITECT/ENGINEER.

## **23. ASSIGNMENT**

**23.1** Nothing under this Agreement shall be construed to give any rights or benefits to any party other than CITY and ARCHITECT/ENGINEER. All duties and responsibilities under this Agreement shall be for the sole and exclusive benefit of CITY and ARCHITECT/ENGINEER, and not for the benefit of any other party.

ARCHITECT/ENGINEER shall not assign any right or interest in this Agreement, and shall not delegate any duty owed, without CITY's prior written consent. Any attempted assignment or delegation shall be void and totally ineffective for all purposes, and shall constitute a material breach upon which CITY may immediately terminate or suspend this Agreement.

**23.2** In the event the CITY consents to an assignment or delegation, the assignee, delegatee, or its legal representative shall agree in writing to personally assume, perform, and be bound by this Agreement's covenants, conditions, obligations and provisions.

**24. GOVERNING LAW**

**24.1** The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of Oklahoma and venue shall be in Pottawatomie County, Oklahoma.

**25. ENTIRE AGREEMENT**

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than CITY and ARCHITECT/ENGINEER.

This AGREEMENT (consisting of Pages 1 to 17, inclusive), together with the Exhibit "A", constitute the entire AGREEMENT between CITY and ARCHITECT/ENGINEER.

**IN WITNESS WHEREOF**, the parties hereto have made and executed this AGREEMENT as to the day and year first above written.

This Agreement shall be effective on \_\_\_\_\_.

CITY OF SHAWNEE

\_\_\_\_\_  
By: Brian E. McDougal, City Manager

Attest: \_\_\_\_\_  
Phyllis Loftis, CMC, City Clerk

**APPROVED AS TO FORM**

WATER'S EDGE AQUATIC DESIGN

\_\_\_\_\_  
Mary Ann Karns, City Attorney

\_\_\_\_\_  
By: Jeff Bartley, Principal

STATE OF \_\_\_\_\_ )  
  ) *ss/*  
COUNTY OF \_\_\_\_\_ )



The foregoing instrument was acknowledged before me this \_\_\_\_\_day of \_\_\_\_\_, 2013, by \_\_\_\_\_ of \_\_\_\_\_ a \_\_\_\_\_ corporation, on behalf of the corporation and has produced the following as identification \_\_\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**EXHIBIT “A”**  
**DETAILED DESCRIPTION OF THE PROJECT**  
**AND**  
**ARCHITECT / ARCHITECT/ENGINEER SCOPE OF SERVICES:**

PROJECT DESCRIPTION

1. The project title is “New Municipal Aquatic Center, Shawnee, Oklahoma”
2. Project location is Woodland Veterans Park, 100 Block of East Highland Street, Shawnee, Oklahoma
3. Project budget is approximately \$3,000,000 including Architect/Engineering fees described herein.
4. The project will consist of:
  - a. Partial or complete demolition of the existing swimming pool shell and surrounding deck.
  - b. Construction of a new swimming pool basin, surrounding pool deck, and accompanying amenities. Amenities may include but is not necessarily limited to waterslides, play structures and water play equipment, sunshades, concessions seating, and fence.
  - c. Renovation of the existing bathhouse, including: (if possible)
    - i. Reconfiguration of interior spaces to include:
      1. Men’s and women’s changing rooms
      2. Family changing room(s)
      3. Admissions
      4. Office/staff meeting/break space
      5. First aid station
      6. Concessions
      7. Chemical (acid and chlorine) storage
    - ii. Reconfiguration and re-plumbing of toilet facilities,
    - iii. Replacement of roof structure,
  - d. Renovation of existing pool filter space in basement of bathhouse.
  - e. Re-utilization of existing pool filters and related piping and fittings, the extent practicable.
  - f. Replacement of existing utility services including:
    - i. Sanitary service will be replaced to main.
    - ii. Electrical will be replaced as required for load requirements.
    - iii. Existing six-inch water service will be re-used.
    - iv. Storm discharges will be connected to existing enclosed storm drainage system in park.
  - g. Site development, including:
    - i. New parking lot and drives,
    - ii. Grading and storm drainage improvements,

- iii. Landscaping outside of pool facility, including in front of bathhouse, and
  - iv. Removal or relocation of existing park features as impacted by proposed aquatic center.
5. Description of Work
- a. Architect/Engineer shall prepare and administer Contract Documents, as described below, for:
    - i. Select demolition of pool facility and bathhouse, as described above.
    - ii. Construction of new pool facility to limits of security fence around pool.
    - iii. Renovation of bathhouse.
    - iv. For purposes of this agreement, items 1 through 3 shall be referred to as “pool contract”
  - b. Architect/Engineer shall coordinate with Electrical Utility for new service entrance. Contract Documents shall start at the Utility’s standard service termination point.
  - c. Architect/Engineer shall develop to schematic design level only, as described below, the following items of the project:
    - i. Site development items listed under Item g above.
    - ii. Replacement of sanitary sewer service from bathhouse to main.
  - d. City shall prepare Construction Documents to be bid and performed separately from the pool contract (or self-perform construction) for the following items:
    - i. Site development items listed under Item g above.
    - ii. Replacement of sanitary sewer service from bathhouse to main.

ARCHITECT/ENGINEER’S SCOPE OF SERVICES

1. GENERAL

- e. The Architect/Engineer's Services consist of those described below and include architectural, structural, mechanical, and electrical Architect/Engineering typical for the type of project described above.
- f. The Architect/Engineer shall manage the Architect/Engineer's services, consult with the City, research applicable design criteria, attend Project meetings, communicate with members of the Project team and report progress to the City.
- g. The Architect/Engineer shall coordinate its services with those services provided by the City and the City's consultants. The Architect/Engineer shall be entitled to rely on the accuracy and completeness of services and information furnished by the City and the City's consultants. The Architect/Engineer shall provide prompt written notice to the City if the Architect/Engineer becomes aware of any error, omission or inconsistency in such services or information.
- h. As soon as practicable after the date of this Agreement, the Architect/Engineer shall submit for the City's approval a schedule for the performance of the Architect/Engineer's services. The schedule initially shall include anticipated dates for the commencement of construction and for Substantial

Completion of the Work. The schedule shall include allowances for periods of time required for the City's review, for the performance of the City's consultants, and for approval of submissions by authorities having jurisdiction over the Project. With the City's approval, the Architect/Engineer shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

- i. The Architect/Engineer shall not be responsible for an City's directive or substitution made without the Architect/Engineer's approval.
- j. The Architect/Engineer shall, at appropriate times, contact the governmental authorities required to approve the Construction Documents and the entities providing utility services to the Project. In designing the Project, the Architect/Engineer shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services.
- k. The Architect/Engineer shall assist the City in connection with the City's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.
- l. The Architect/Engineer shall provide deliverables to the City in the form of:
  - i. Interim work documents to convey the progress of work shall be submitted in electronic reproducible (pdf) format.
  - ii. Documents for City review or review by other governmental authorities shall be submitted in hard copy unless electronic submittal is agreed to by all parties.
  - iii. Works of Architect/Engineering and Architecture shall bear the Seal of the Architect/Engineer or Architect of record in accordance with State law.
  - iv. Hard copies of Construction Documents and Construction Submittals shall be submitted in the form and number described below.

## 2. PLANNING PHASE SERVICES

- a. The Architect/Engineer shall facilitate consensus building with the City's appointed pool committee to develop a project concept, program, and budget. Services shall include hosting face-to-face meetings and may include hosting teleconferences.
- b. The Architect/Engineer shall develop a Project concept including pool, bathhouse and site (parking lot) based on City's input and site considerations.
- c. The Architect/Engineer shall present Project concept, program, construction and operations budget for approval to the City's appointed pool committee. Architect/Engineer shall modify these documents based on comments and feedback from the committee.
- d. The Architect/Engineer shall conduct a visual structural evaluation of the existing bathhouse to assess the existing conditions and confirm the feasibility of renovating the existing structure. The Architect/Engineer shall prepare report of the evaluation findings and recommendations.

- e. The Architect/Engineer shall collect field measurements and document existing conditions of bathhouse and site as required to supplement and verify the “as constructed” record drawings provided by City.
- f. Once accepted by the appointed committee, the Architect/Engineer shall present (or assist in presentation) to the City Council the Project concept, construction and operations budget.

3. SCHEMATIC DESIGN PHASE SERVICES

- g. Architect/Engineer shall commence with Schematic design phase services only after receiving written notification from City to proceed.
- h. The Architect/Engineer shall review the program and other information furnished by the City, and shall review laws, codes, and regulations applicable to the Architect/Engineer's services. The Architect/Engineer shall identify Construction and Operating permits required for the project.
- i. The Architect/Engineer shall coordinate with surveying firms to provide a topographic survey of the project site. The scope and precision of this survey shall be appropriate for design and development of Construction Documents. The survey shall NOT include location of easements, rights-of-way, or property lines. The surveying firm will contract directly with the City.
- j. The Architect/Engineer shall coordinate with geotechnical investigation firms, that will provide soil borings, sampling and testing for geotechnical properties, and provide recommendations. The Architect/Engineer shall review the findings and integrate recommendations for building, pool, and waterslide foundations, excavation and backfill, on-grade slabs, and pavements. The geotechnical firm will contract directly with the City.
- k. The Architect/Engineer shall prepare a Design Memorandum of the project, the City's program, schedule, construction budget, project site, the proposed procurement or delivery method and other Initial Information to define the requirements of the Project. The Architect/Engineer shall notify the City of any inconsistencies discovered in the information, and other information or consulting services that may be reasonably needed for the Project.
- l. The Architect/Engineer shall present the Design Memorandum to the City and shall discuss with the City alternative approaches to design and construction of the Project. The Architect/Engineer shall reach an understanding with the City regarding the requirements of the Project.
- m. Based on the Project's requirements agreed upon with the City, the Architect/Engineer shall prepare and present for the City's approval a preliminary design illustrating the scale and relationship of the Project components.
- n. Based on the City's approval of the preliminary design, the Architect/Engineer shall prepare Schematic Design Documents for the City's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary

building plans, sections and elevations; and may include some combination of perspective sketches or digital modeling.

- o. The Architect/Engineer shall submit to the City an Architect/Engineer's Opinion of Probable Cost.
- p. The Architect/Engineer shall submit the Schematic Design Documents to the City, and request the City's approval.

#### 4. DESIGN DEVELOPMENT PHASE SERVICES

- a. Based on the City's approval of the Design Memorandum and Schematic Design Documents, and on the City's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect/Engineer shall prepare Design Development Documents for the City's approval. The Design Development Documents shall illustrate and describe the development of the approved Design Memorandum and Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to pool filtration and treatment process, architectural, structural, mechanical and electrical systems, and such other elements as may be appropriate. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.
- b. The Architect/Engineer shall update the Architect/Engineer's Opinion of Probable Cost.
- c. The Architect/Engineer shall submit the Design Development Documents to the City, advise the City of any adjustments to the Opinion of Probable Cost, and request the City's approval.

#### 5. CONSTRUCTION DOCUMENT PHASE SERVICES

- a. Based on the City's approval of the Design Development Documents, and on the City's authorization of any adjustments in the Project requirements and the Opinion of Probable Cost, the Architect/Engineer shall prepare Construction Documents for the City's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications adequate for bidding and construction. The City and Architect/Engineer acknowledge that in order to construct the Project the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect/Engineer shall review as described below.
- b. The Architect/Engineer shall incorporate into the Construction Documents the design requirements of governmental authorities having jurisdiction over the Project.
- c. The Architect/Engineer shall assist the City in completing technical portions of applications for Construction Permit as required for submittal to Governmental Agencies and/or Utilities. The

Architect/Engineer shall provide partially prepared applications, along with required Construction Documents, to City. City will complete and sign application(s) and remit with permit application fees to the appropriate Agency or Agencies.

- d. The Architect/Engineer shall assist the City in preparing bidding and procurement information that describes the time, place and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the City and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect/Engineer shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications and may include bidding requirements and sample forms.
- e. The Architect/Engineer shall update the Architect/Engineer's Opinion of Probable Cost.
- f. The Architect/Engineer shall submit the Construction Documents to the City, shall advise the City of any adjustments to the Architect/Engineer's Opinion of Probable Cost, and shall request the City's approval.

#### 6. BIDDING PHASE SERVICES

- a. The Architect/Engineer shall assist the City in establishing a list of prospective contractors. Following the City's approval of the Construction Documents, the Architect/Engineer shall assist the City in (1) obtaining either competitive bids or negotiated proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and (4) awarding and preparing contracts for construction.
- b. The Architect/Engineer shall propose to the City minimum requirements for qualifying competent contractors to engage in the specialized construction of aquatic facilities. In the bidding documents, the Architect/Engineer shall include instructions for prospective contractors to demonstrate compliance with the minimum requirement.
- c. The Architect/Engineer shall assist the City in bidding the Project by:
  - i. Procuring the reproduction of Bidding Documents for distribution to prospective bidders; distributing the Bidding Documents to prospective bidders for a cost to cover actual reproduction expenses and maintaining a log of distribution and retrieval and of the amounts of deposits, if any, received from and returned to prospective bidders (Architect/Engineer may engage a local reprographics company with Web-based capabilities to handle these services);
  - ii. Organizing and conducting a pre-bid conference for prospective bidders;
  - iii. Preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda; and
  - iv. Organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the City.

7. CONSTRUCTION PHASE SERVICES

- a. The Architect/Engineer shall advise and consult with the City during the Construction Phase Services. The Architect/Engineer shall have authority to act on behalf of the City only to the extent provided in this Agreement. The Architect/Engineer shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Project, nor shall the Architect/Engineer be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect/Engineer shall be responsible for the Architect/Engineer's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.
- b. Except where specifically stated otherwise, the Architect/Engineer's responsibility to provide Construction Phase services commences with the award of the Contract for Construction and terminates on the date the Architect/Engineer issues the final Certificate for Payment.
- c. Evaluations of the Work
  - i. The Architect/Engineer shall visit the site to become generally familiar with the progress and quality of the portion of the Work completed,
  - ii. Except as described to the contrary elsewhere, the Architect/Engineer shall visit the site on more or less a monthly basis coinciding with monthly progress meetings hosted by the Contractor.
  - iii. The Architect/Engineer shall evaluate, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect/Engineer shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits the Architect/Engineer shall keep the City reasonably informed about the progress and quality of the portion of the Work completed, and report to the City (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work.
  - iv. The Architect/Engineer has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect/Engineer considers it necessary or advisable, the Architect/Engineer shall have the authority to require inspection or testing of Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect/Engineer nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect/Engineer to the Contractor, Subcontractors,



material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work. .

- v. The Architect/Engineer shall interpret and advise the City concerning performance under and requirements of the Contract Documents on written request of either the City or Contractor. The Architect/Engineer's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.
  - vi. The interpretations of the Architect/Engineer shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations, the Architect/Engineer shall endeavor to secure faithful performance by both City and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations rendered in good faith. The Architect/Engineer's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.
- d. Processing of the Contractors Applications for Payment
- i. The Architect/Engineer shall review monthly applications for payment provided by the Contractor and certify the amounts due the Contractor and submit to the City. The Architect/Engineer's certification for payment shall constitute a representation to the City, based on the Architect/Engineer's evaluation of the Work as described above and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect/Engineer's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to specific qualifications expressed by the Architect/Engineer.
  - ii. The Certification of the Contractor's Application for Payment shall not be a representation that the Architect/Engineer has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the City to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.
- e. Processing of Submittals
- i. The Architect/Engineer shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval. The Architect/Engineer's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or in the

- absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect/Engineer's professional judgment to permit adequate review.
- ii. In accordance with the Architect/Engineer-approved submittal schedule, the Architect/Engineer shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility.
  - iii. The Architect/Engineer's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect/Engineer, of any construction means, methods, techniques, sequences or procedures. The Architect/Engineer's approval of a specific item shall not indicate approval of an assembly of which the item is a component.
  - iv. If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials or equipment, the Architect/Engineer shall specify the appropriate performance and design criteria that such services must satisfy. The Architect/Engineer shall review shop Drawings and other submittals related to the Work designed or certified by the design professional retained by the Contractor that bear such professional's seal and signature when submitted to the Architect/Engineer. The Architect/Engineer shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals.
- f. The Architect/Engineer shall review and respond to requests for information about the Contract Documents. The Architect/Engineer shall set forth in the Contract Documents the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect/Engineer's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Architect/Engineer shall prepare and issue supplemental Drawings and Specifications in response to requests for information.
  - g. The Architect/Engineer may authorize minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Architect/Engineer shall prepare Change Orders and Construction Change Directives for the City's approval and execution in accordance with the Contract Documents.

- h. On-Site Project Representation
  - i. The Architect/Engineer shall provide on-site, on an hourly basis, a construction observer during the periods of time when timely observance of the Work in progress is required.
  - ii. Work elements that justify timely observance of work include, but are not necessarily limited to:
    - 1. Preparation of subgrade to receive structural backfill or foundations.
    - 2. Placement of structural backfill.
    - 3. Installation, testing, and backfill of buried pipe.
    - 4. Preparation for and placement of structural concrete.
    - 5. Protection and curing practices of structural concrete.
    - 6. Other items, as directed by City, to the limits of the Contract Budget
  - iii. The Architect/Engineer's on-site representative shall be bound to the authorities, responsibilities and limitations as described above under "Evaluation of Work."
- i. Project Completion
  - i. Upon receipt of written request by Contractor, The Architect/Engineer shall visit the site to observe the Work and determine whether the Work is substantially complete. The Architect/Engineer shall prepare a punch list of items to be completed or corrected prior to acceptance of the project and issuance of final payment.
  - ii. The Architect/Engineer shall determine the date of final completion; issue Certificates of Substantial Completion; receive from the Contractor and forward to the City, for the City's review and records, written warranties and related documents required by the Contract Documents and assembled by the Contractor; and issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract Documents.
  - iii. The Architect/Engineer's observance of work shall be conducted with the City to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness submitted of the punch list by the Contractor of Work completed or corrected.
  - iv. When the Work is found to be substantially complete, the Architect/Engineer shall inform the City about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.
  - v. The Architect/Engineer shall forward to the City the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens

or bonds indemnifying the City against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

- vi. Upon request of the City, and prior to the expiration of one year from the date of Substantial Completion, the Architect/Engineer shall, without additional compensation, conduct a meeting with the City to visit the site and observe the Work prior to the expiration of the Contractor's one year warranty period.

**Regular Board of Commissioners**

**8.**

**Meeting Date:** 03/04/2013

Employee Insurance Update

Submitted By: Donna Mayo, Administration

Department: Administration

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Information

Title of Item for Agenda

Discussion regarding status of city employee group insurance and update on any meetings of the Insurance Committee.

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