



January 15, 2013

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John Alberts, Mayor ~ Ward 2  
Ken Smith, Vice Mayor ~ At-Large  
Nick Grba, Council Member ~ Ward 1  
Rick Opitz, Council Member ~ Ward 3  
Michael McEachern, Council Member ~ Ward 4  
Grayson Bottom, City Manager

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Yukon City Council / Yukon Municipal Authority Work Session  
Conference Room - Centennial Building - 12 South 5<sup>th</sup> Street  
January 15, 2013 – 6:00 p.m.

**There is no work session preceding the January 15, 2013 City Council Meeting.**

# City Council - Municipal Authority Agendas

January 15, 2013 - 7:00 p.m.

Council Chambers - Centennial Building  
12 South Fifth Street, Yukon, Oklahoma

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The City of Yukon strives to accommodate the needs of all citizens, including those who may be disabled. If you would like to attend this Council meeting but find it difficult to do so because of a disability or architectural barrier, please contact City Hall at 354-1895. We will make a sincere attempt to resolve the problem. If you require a sign-language interpreter at the meeting, please call or notify City Hall, 500 West Main, by noon, January 11, 2013.

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**Invocation: Pastor Bob Younts, First United Methodist**

**Flag Salute:**

**Roll Call:** John Alberts, Mayor  
Ken Smith, Vice-Mayor  
Nick Grba, Council Member  
Michael McEachern, Council Member  
Rick Opitz, Council Member

**Public Hearing** to Receive Input from the Public Regarding the  
2013 Recreational Trail Program Grant

**Public Hearing** to Receive Input from the Public Regarding the  
2013 Land and Water Conservation Fund Grant

## Presentations and Proclamations

### Visitors

John Terneus

(Recess as Yukon City Council and Reconvene as Yukon Municipal Authority)

### **1A. YMA Consent Docket**

This item is placed on the agenda so the Yukon Municipal Authority, by unanimous consent, can designate those routine items they wish to be approved by one motion. If an item does not meet with the approval of all Authority Members, that item will be heard in regular order.

**The City Manager recommends a motion to approve:**

**A) The minutes of the regular meeting of January 02, 2013**

**ACTION** \_\_\_\_\_

**2A. Present, Discuss, and Consider accepting the Fiscal Year 2011-2012 Yukon Municipal Authority Audited Financial Report, as prepared by Derrel S. White, CPA**

**ACTION** \_\_\_\_\_

(Adjourn as YMA and Reconvene as Yukon City Council)

**1. Consent Docket**

This item is placed on the agenda so the City Council, by unanimous consent, can designate those routine items they wish to be approved by one motion. If an item does not meet with the approval of all Council Members, that item will be heard in regular order.

**The City Manager recommends a motion that will approve:**

- A) The minutes of the regular meeting of January 02, 2013**
- B) Payment of material claims in the amount of \$357,753.91**
- C) The submittal of a grant application for a 2013 Oklahoma Tourism and Recreation Department Recreational Trails Program Grant**
- D) The submittal of a grant application for a 2013 Oklahoma Tourism and Recreation Department Land and Water Conservation Fund Grant**
- E) Setting the date for the next regular Council meeting for February 05, 2013, 7:00 p.m., in the Council Chambers of the Centennial Building, 12 S. Fifth St.**

**ACTION** \_\_\_\_\_

**2. Reports of Boards, Commissions and City Officials**

**3. Present, Discuss, and Consider accepting the Fiscal Year 2011-2012 City of Yukon Audited Financial Report, as prepared by Derrel S. White, CPA**

**ACTION** \_\_\_\_\_

**4. Consider accepting the Grace Pentecostal Church of God Waterline Improvements project, and placing the Maintenance Bond into effect, as recommended by the City Engineer**

**ACTION** \_\_\_\_\_

- 5. Consider accepting the NW 10<sup>th</sup> Street Office Park Sanitary Sewer Improvements project and placing the Maintenance Bond into effect, as recommended by the City Engineer

ACTION \_\_\_\_\_

- 6. Consider authorizing Brewer Construction to install a concrete drainage flume to connect the east end of Linda Lane to an existing flume located in Wagner Lake Estates, at a cost not to exceed \$24,045.25, as recommended by the City Engineer, to be paid from the Capital Improvements fund

ACTION \_\_\_\_\_

- 7. Consider approving Resolution No. 2013-01, a Resolution declaring and setting penalties for the conviction of offenses pursuant to Sec. 14-13 of the Code of Ordinances of the City of Yukon. (Care and control regarding animals)

ACTION \_\_\_\_\_

- 8. Consider approving Ordinance No. 1286, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending certain ordinances for the addition of definitions, setting fees by resolution by the City Council of the City of Yukon, and providing substantive procedure and penalties regarding domestic animals, wild animals, dangerous animals, animal owners, animal caretakers, feral animals, specifically feral cat communities, their care, and their caretakers; and Declaring an Emergency.

ACTION \_\_\_\_\_

- 8A. Consider approving the Emergency Clause of Ordinance No. 1286

ACTION \_\_\_\_\_

- 9. Consider approving Rules and Regulations governing Feral Cat Communities within the City of Yukon.

ACTION \_\_\_\_\_

10. Consider approving the Second Amendment and Ratification of the City Manager's Employment Agreement

ACTION \_\_\_\_\_

11. Consider approving a fee-in-lieu of detention in the amount of \$250.00 for Vandament Ave Baptist Church, as recommended by the City Engineer

ACTION \_\_\_\_\_

12. City Manager's Report – Information items only

- A. Sales Tax
- B. Events Update

13. New Business

14. Council Discussion

15. Adjournment

# Yukon Municipal Authority Minutes

## January 2, 2013

ROLL CALL: (Present) John Alberts, Chairman  
Ken Smith, Vice-Chairman  
Michael McEachern, Trustee  
Rick Opitz, Trustee  
(Absent) Nick Grba, Trustee

(Recess as Yukon City Council and Reconvene as Yukon Municipal Authority)

### 1A. YMA Consent Docket

This item is placed on the agenda so the Yukon Municipal Authority, by unanimous consent, can designate those routine items they wish to be approved by one motion. If an item does not meet with the approval of all Authority Members, that item will be heard in regular order.

**The City Manager recommends a motion to approve:**

**A) The minutes of the regular meeting of December 18, 2012**

The motion to approve the YMA Consent Docket, consisting of the approval of the minutes of the regular meeting of December 18, 2012, was made by Trustee Smith and seconded by Trustee McEachern.

**The vote:**

**AYES: Opitz, McEachern, Alberts, Smith**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

(Adjourn as YMA and Reconvene as Yukon City Council)

**CITY OF YUKON OKLAHOMA  
YUKON, OKLAHOMA**

**ANNUAL FINANCIAL STATEMENTS  
AND ACCOMPANYING  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2012**

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Within this section, the City of Yukon's ("City") management provides narrative discussion and analysis of the financial performance of the City's for the fiscal year ended June 30, 2012. The City's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. Please read it in conjunction with the City's financial statements, which follow this section.

## FINANCIAL SUMMARY

- At June 30, 2012, the assets of the City exceeded its liabilities by \$35,207,301 (net assets). This compared to the previous year when restated assets exceeded liabilities by \$34,832,707.
- The City's total net assets are comprised of the following:
  - (1) Invested in capital assets, net of related debt of \$40,473,397 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase of construction of capital assets. Business-type activities report debt in excess of capital assets of \$11,653,209. This is due to revenue bonds issued under the Yukon Municipal Authority used to fund assets that are governmental in nature, specifically the fire station in fiscal year 2012 and street improvements.
  - (2) Restricted net assets of \$20,130,225.
  - (3) Unrestricted net assets of negative \$25,396,321 represent the portion available to maintain the City's continuing obligations to citizens and creditors. Due to the large amount of capital assets and restricted funds held by the City, unrestricted net assets are reported as a negative.
- Total liabilities of the City decreased by \$1,924,899 during the fiscal year from \$53,591,702 to \$51,666,803. The majority of this decrease is attributable to repayments made on outstanding debt and current obligations.
- The City's governmental funds reported total ending fund balance of \$16,553,903 this year. This compared to the prior year ending fund balance of \$16,357,733, showing an increase of \$206,170 during the current year, including a prior period adjustment for sales tax accrual.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was negative \$98,104. This is due to the cash restrictions related to capital lease agreements and debt requirements.

## OVERVIEW OF THE FINANCIAL STATEMENTS

*Management's Discussion and Analysis* introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes in this report additional information to supplement the basic financial statements.

### **Government-wide Financial Statements**

The City's annual reporting includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall status and are presented to demonstrate the extent the City has met its operating objective efficiently and effectively using all the resources available and whether the City can continue to meet its objectives in the foreseeable future. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Assets*. This is the City-wide statement of financial position presenting information that includes all of the City's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indication of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall economic health of the City would include other financial factors such as

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diversification of the taxpayer base or the condition of the City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net assets changed during the current fiscal year and can be used to assess the City's operating results in its entirety and analyze how the City's programs are financed. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the City that are principally supported by taxes and intergovernmental revenues, such as grants, and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities includes general government; public safety and judiciary; transportation; and cultural, parks, and recreation. Business-types activities include utility services, including water and sanitation, provided by the City.

The City's financial reporting entity includes the funds of the City (primary government) and organization for which the City is accountable (component units). Comprehensive information about the City's component units can be found in footnotes.

#### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole.

The City has three kinds of funds:

*Governmental funds* are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund statements reporting short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statement is included in the basic financial statement for governmental funds deemed as major. This statement demonstrates compliance with the City's adopted and final revised budget.

*Proprietary funds* are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City has one type of proprietary fund, enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization such as water, sanitation, and electric utilities.

Proprietary fund statements and statements for discretely presented component units (reporting similarly to proprietary funds) provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail.

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*Fiduciary funds* are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City programs. Fiduciary fund financial statements report similarly to proprietary funds.

**Notes to the financial statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. Those notes to the financial statement begin immediately following the basic financial statements.

**Other information**

In addition to the basic financial statements and accompanying notes, this report presents certain *Required Supplementary Information* concerning the City's compliance with the approved and revised budget for major governmental funds.

**A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

**Net Assets**

The City's combined net assets at June 30, 2012 were \$35,207,301. This is a \$1,471,829 increase over June 30, 2011 net assets of \$33,768,206, prior to restatement. The City reported positive balances in total net assets for governmental activities. In business-type activities, The City reported negative net assets, which is a function of the issuance of debt that funds governmental assets. The City's overall financial position improved 1% during fiscal year 2012.

	Summary of Net Assets, in thousands							
	Governmental Activities		Business-Type Activities		Total		\$	%
	2012	2011	2012	2011	2012	2011		
Current assets	\$ 17,094	\$ 17,083	\$ 7,660	\$ 13,671	\$ 24,754	\$ 30,754	\$ (6,000)	-20%
Capital assets, net	51,909	46,730	10,211	9,876	62,120	56,606	5,514	10%
<b>Total assets</b>	<b>69,003</b>	<b>63,813</b>	<b>17,871</b>	<b>23,547</b>	<b>86,874</b>	<b>87,360</b>	<b>(486)</b>	<b>-1%</b>
Current liabilities	15,407	15,341	4,694	4,519	20,101	19,860	241	1%
Non-current liabilities	10,806	10,461	20,760	23,271	31,566	33,732	(2,166)	-6%
<b>Total liabilities</b>	<b>26,213</b>	<b>25,802</b>	<b>25,454</b>	<b>27,790</b>	<b>51,667</b>	<b>53,592</b>	<b>(1,925)</b>	<b>-4%</b>
Net assets								
Invested in capital assets, net of related debt	52,127	43,372	(11,653)	(10,888)	40,474	32,484	7,990	25%
Restricted	16,662	7,768	3,468	589	20,130	8,357	11,773	141%
Unrestricted	(25,999)	(13,129)	602	6,056	(25,397)	(7,073)	(18,324)	259%
<b>Total net assets</b>	<b>\$ 42,790</b>	<b>\$ 38,011</b>	<b>\$ (7,583)</b>	<b>\$ (4,243)</b>	<b>\$ 35,207</b>	<b>\$ 33,768</b>	<b>\$ 1,439</b>	<b>4%</b>

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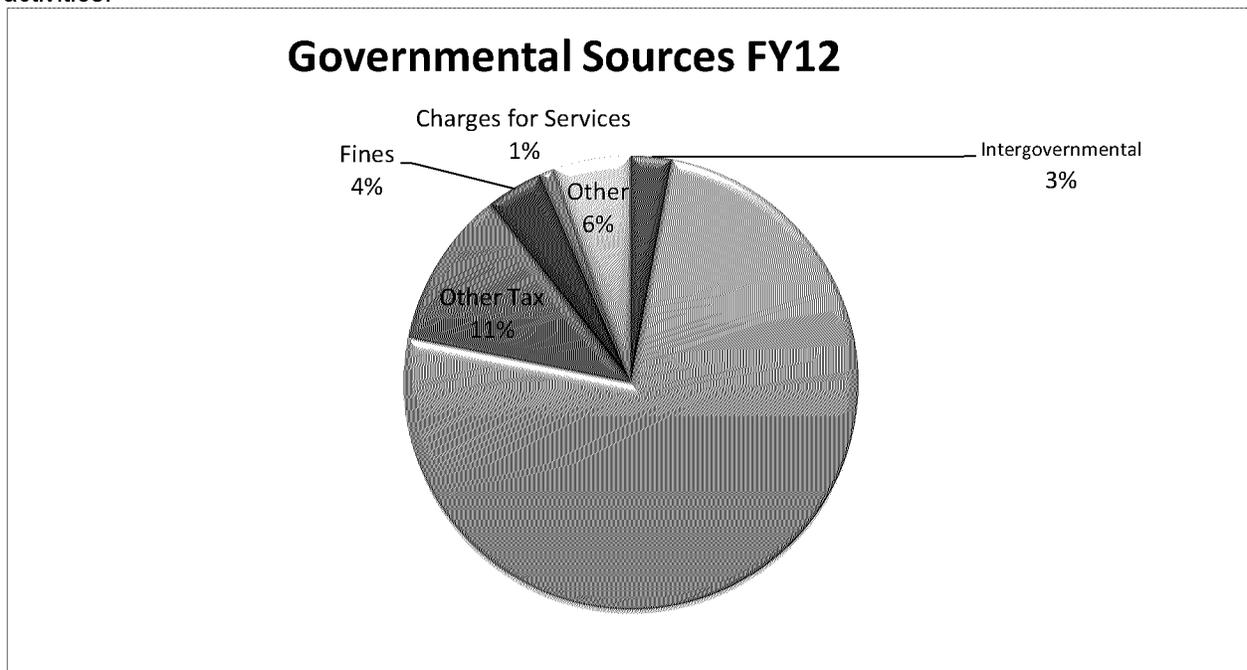
Summary of Changes in Net Assets, in thousands

	Governmental Activities		Business-type Activities		Total		\$ Change	% Change
	2012	2011	2012	2011	2012	2011		
<b>Revenues</b>								
Program revenues	\$ 2,597	\$ 1,075	\$ 8,105	\$ 8,210	\$ 10,702	\$ 9,285	\$ 1,417	15%
Taxes and other general revenues	21,702	20,893	222	477	21,924	21,370	554	3%
<b>Total revenues</b>	<b>24,299</b>	<b>21,968</b>	<b>8,327</b>	<b>8,687</b>	<b>32,626</b>	<b>30,655</b>	<b>1,971</b>	<b>18%</b>
<b>Expenses</b>								
General government	8,264	20,852	-	-	8,264	20,852	(12,588)	-60%
Public safety and judiciary	8,965	8,021	-	-	8,965	8,021	944	12%
Public services	3,282	3,021	-	-	3,282	3,021	261	9%
Cultural, parks, and recreation	2,571	2,555	-	-	2,571	2,555	16	1%
Interest on debt	402	678	1,295	801	1,697	1,479	218	15%
Water	-	-	2,344	3,647	2,344	3,647	(1,303)	-36%
Sewer	-	-	2,512	1,269	2,512	1,269	1,243	98%
Sanitation	-	-	1,518	1,266	1,518	1,266	252	20%
<b>Total expenses</b>	<b>23,484</b>	<b>35,127</b>	<b>7,669</b>	<b>6,983</b>	<b>31,153</b>	<b>42,110</b>	<b>(10,957)</b>	<b>-26%</b>
Excess (deficiency) before transfers	\$ 815	\$ (13,159)	\$ 658	\$ 1,704	\$ 1,473	\$ (11,455)	\$ 12,928	-113%
Transfers	4,289	444	(4,289)	(444)	-	-	-	0%
<b>Increase (decrease) in net assets</b>	<b>\$ 5,104</b>	<b>\$ (12,715)</b>	<b>\$ (3,631)</b>	<b>\$ 1,260</b>	<b>\$ 1,473</b>	<b>\$ (11,455)</b>	<b>\$ 12,928</b>	<b>-113%</b>

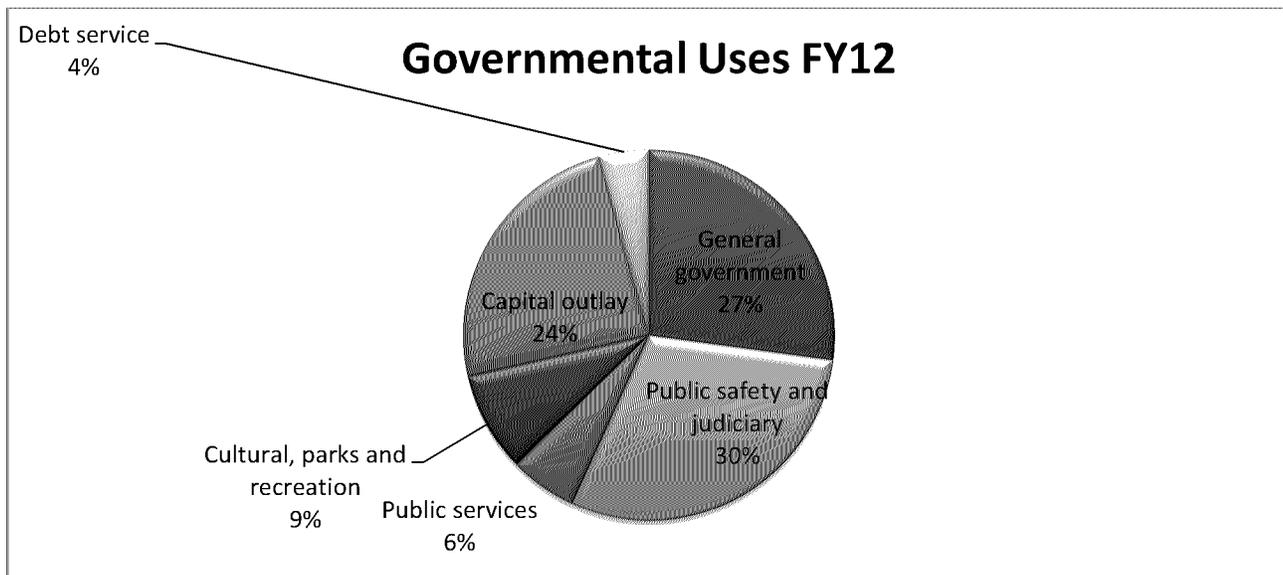
Revenues for the City increased 18% year over year. This increase in revenues is attributable to operating and capital contributions. Operating expenses noted an overall decrease over fiscal year 2011 of 26%. This decrease is a function of the post retirement benefits which were recorded in fiscal year 2011.

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Graphic presentations of selected data from the summary table follow to assist in the analysis of the City's activities.



Taxes provided 75% of the City's governmental revenues in fiscal year 2012. Property taxes and franchise taxes represent 11% of governmental sources under other taxes.

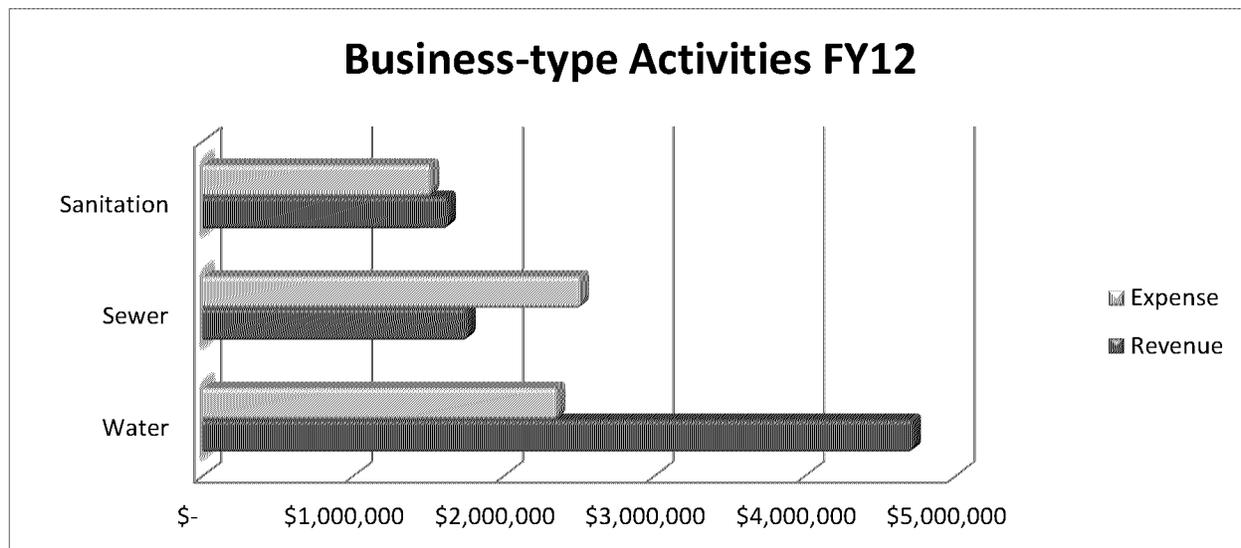


For the year ended June 30, 2012, total expenses for governmental activities were \$29,669,316. Of this amount, public safety and judiciary with \$8,383,185, was the largest operating service department at 30% of the total cost of services for the City government, which is consistent with prior year. These costs, as well as all other governmental activity expenses, were primarily funded by tax revenues and transfers in from the Yukon Municipal Authority. It should be noted that governmental expenses are adjusted from the fund statements to the government-wide statements for the purchase and construction of capital

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assets. Government-wide statement is full accrual; capital outlay expenses are eliminated and capital assets are reported.

**Business-type Activities**



Business-type activities are shown comparing costs to revenues generated by the related services. Sanitation, Sewer, and Water activities are intended to be self-supporting with user charges.

For the fiscal year ended June 30, 2012, revenues from water and sanitation services covered the cost of operating their respective departments.

**General Fund Budgetary Highlights**

The original adopted General Fund budget for fiscal year 2012 was \$19,508,444 as compared to \$18,055,532 in fiscal year 2011. For the year ended June 30, 2012, actual expenses exceeded budgeted amounts in two departments, public safety and cultural, parks, and recreation, and in total for the fiscal year.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of June 30, 2012, the City had \$40,473,397 invested in capital assets, net of related debt, including vehicles and equipment for police and fire operations, street improvements, and park facilities, in governmental activities and water lines, sewer lines, and utility equipment in business-type activities. Refer to the table below.

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**Primary Government Capital Assets (net of accumulated depreciation)**

in thousands

	Governmental		Business-type	Total
	<u>Activities</u>		<u>Activities</u>	
	<u>2012</u>		<u>2012</u>	
Land	\$	2,974,338	\$ 97,740	\$ 3,072,078
Construction in process		8,022,227	327,401	8,349,628
Buildings		3,905,970	133,607	4,039,577
Machinery & equipment		1,488,820	295,546	1,784,366
Infrastructure		35,517,935	9,356,541	44,874,476
Totals	\$	<u>51,909,290</u>	<u>10,210,835</u>	<u>\$ 62,120,125</u>

The most significant additions included work on the fire station, street improvements, and department vehicles.

**Long-Term Debt**

At year-end, the City had \$31,566,373 in long-term debt outstanding. The City's summary of long-term debt by type of debt is as follows:

**Primary Government Long-Term Debt**

	Business-type Activities
	<u>2012</u>
Lease payable	\$ 3,383,070
Notes payable	1,604,216
Bonds payable	31,540,000
less current portion	<u>(4,960,913)</u>
Totals	<u>\$ 31,566,373</u>

**ECONOMIC FACTORS AND NEXT YEARS'S BUDGET AND RATES**

**Economic Environment**

The City of Yukon has benefited from the expansion of the metro area through increased sales tax dollars and additional demand on utility services within the City limits. In preparing for the fiscal year 2012 budget, the City projected revenue growth of over 3%. Expenses followed the same increase due to inflation coupled with increasing personnel costs. Although the national economy is projecting cautious recovery, the City has been relatively insulated to the recession. With growth projected in fiscal year 2012, the City continues to move forward in fiscal year 2013 with continued progress.

**Fees and Rates**

The budget for fiscal year 2013, projects a moderate increase in fees and rates for the City's primary government. After some research, it has been determined that the City is likely to realize at least a 4.5% level of growth from its main sources of revenue. The majority of this increase is general economic growth and recovery that will turn into sales tax revenue for the City. The budget also includes an increase in revenues for the Yukon Municipal Authority through the utility services provided to citizens. Budget projections are based on an overall restructuring of the rate plans for water, sewer and sanitation which will go into effect during fiscal year 2013.

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### Operating and Capital Expenses

Within the General Fund, the City projects a 4.5% increase in expenses when compared to prior year. Major changes include: a 2.5% raise for all permanent full-time employees and additions to personnel in various departments.

Within the Yukon Municipal Authority fund, the most significant change in the budget was the 2.5% raise for full time employees.

Based upon projected revenues, the City has budgeted a number of capital projects for fiscal year 2013, including:

- Park Maintenance: new equipment and drainage work \$54,000;
- Fire: renovation of current Station 1 \$29,000;
- Library: circulation desk refurbishment, new flooring and new materials \$47,000;
- Park Administration: Splash Pad (if awarded grant), retaining wall, Mobile Mini, and steel pole \$212,000 (City's net responsibility for projects);
- Police: new carpet tiles \$7000;
- Recreation: new flooring for RAC, light fixture replacement, pool renovations, parking lot lights \$61,000;
- Fleet Maintenance: overhead door replacement \$5,000;
- Streets: 30 x 30 equipment storage facility, intersection and drainage repair, traffic counter analyzer system and 8 mobile units, first year of three year program to change out signal systems \$43,000;
- Technology: Two-way radio equipment, 2 replacement servers, 62 replacement desktop computers, 7 laptop replacements, secondary back-up vault for redundant data protection, replacement and upgrade of New World servers at police station and other New World updates, Cisco hardware upgrades, record on demand system, 7 toughbook laptops \$383,854;
- Emergency Management: update of eight storm sirens to run on solar power \$50,000; Water & Sewer: new meter reading system, line bursting, Waste Water Treatment system improvements (pump, motor, pipe, valves, wire, and electrical replacement), water well, water tower, and lift station improvements, Godwin six inch pump for backup system at lift stations, etc. \$240,000;
- Sanitation: shop building improvements, new polycarts and dumpsters \$75,000

### 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 City Treasurer's Office at Yukon City Hall, 500 West Main Street in Yukon, Oklahoma.

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**CITY OF YUKON  
STATEMENT OF NET ASSETS  
JUNE 30, 2012**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,435,940	\$ 616,090	\$ 3,052,030
Investments	258,705	-	258,705
Accounts receivables (net)	-	907,076	907,076
Taxes receivables	1,685,499	-	1,685,499
Fines receivable	137,376	-	137,376
Grants receivable	26,000	-	26,000
Due to/from other funds	24,732	-	24,732
Restricted assets:			
Cash	6,988,795	1,819	6,990,614
Investments	5,536,591	5,331,327	10,867,918
Other assets	-	804,029	804,029
Capital assets (net)	<u>51,909,290</u>	<u>10,210,835</u>	<u>62,120,125</u>
<b>Total assets</b>	<u>69,002,928</u>	<u>17,871,176</u>	<u>86,874,104</u>
<b>Liabilities:</b>			
Accounts payable	296,947	258,455	555,402
Accrued salaries	232,788	92,772	325,560
Accrued interest payable	117,616	309,643	427,259
Accrued compensated absences, current	-	213,309	213,309
Capital lease obligation, current	821,697	-	821,697
OPEB liability	13,257,820	-	13,257,820
Notes payable, current	-	1,604,216	1,604,216
Revenue bonds payable, current	-	1,855,000	1,855,000
General obligation bond payable, current	680,000	-	680,000
Customer deposits payable	-	360,167	360,167
Capital lease obligation, non-current	2,561,373	-	2,561,373
General obligation bonds payable, non-current	8,245,000	-	8,245,000
Revenue bonds payable, non-current	<u>-</u>	<u>20,760,000</u>	<u>20,760,000</u>
<b>Total liabilities</b>	<u>26,213,241</u>	<u>25,453,562</u>	<u>51,666,803</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	52,126,606	(11,653,209)	40,473,397
Restricted	16,662,007	3,468,218	20,130,225
Unrestricted	<u>(25,998,926)</u>	<u>602,605</u>	<u>(25,396,321)</u>
<b>Total net assets</b>	<u>\$ 42,789,687</u>	<u>\$ (7,582,386)</u>	<u>\$ 35,207,301</u>

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

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**CITY OF YUKON  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2012**

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
<b>Governmental activities:</b>					
General government	\$ 8,263,714	\$ 328,043	\$ 11,993	\$ 232,645	\$ (7,691,033)
Public safety:					
Police	5,170,736	987,219	37,239	-	(4,146,278)
Municipal court	253,783	-	-	-	(253,783)
Fire	3,390,735	1,596	-	-	(3,389,139)
Animal control	150,738	-	-	-	(150,738)
Public services	3,281,807	-	104,875	202,744	(2,974,188)
Cultural and recreation	2,570,858	253,088	437,719	-	(1,880,051)
Interest on long term debt	401,976	-	-	-	(401,976)
<b>Total Governmental activities</b>	<b>23,484,347</b>	<b>1,569,946</b>	<b>591,826</b>	<b>435,389</b>	<b>(20,887,186)</b>
<b>Business-type activities:</b>					
Water	2,344,002	4,718,155	-	-	2,374,153
Sewer	2,512,151	1,758,644	-	-	(753,507)
Sanitation	1,517,746	1,628,276	-	-	110,530
Interest on long term debt	1,295,178	-	-	-	(1,295,178)
<b>Total Business-type activities</b>	<b>7,669,077</b>	<b>8,105,075</b>	<b>-</b>	<b>-</b>	<b>435,998</b>
<b>Total</b>	<b>\$ 31,153,424</b>	<b>\$ 9,675,021</b>	<b>\$ 591,826</b>	<b>\$ 435,389</b>	<b>\$ (20,451,188)</b>

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-Type Activities	Total
<b>Net (expense) revenue</b>	\$ (20,887,186)	\$ 435,998	\$ (20,451,188)
<b>General revenues:</b>			
Taxes:			
Sales and use taxes	18,297,909	-	18,297,909
Property taxes	1,339,034	-	1,339,034
Franchise and public service taxes	1,464,795	-	1,464,795
Investment income	80,015	1,655	81,670
Gain on sale of property	79,862	-	79,862
Royalties	7,386	-	7,386
Miscellaneous	432,787	219,574	652,361
Transfers	4,289,049	(4,289,049)	-
<b>Total general revenues and transfers</b>	<b>25,990,837</b>	<b>(4,067,820)</b>	<b>21,923,017</b>
<b>Change in net assets</b>	<b>5,103,651</b>	<b>(3,631,822)</b>	<b>1,471,829</b>
<b>Net assets - beginning of year, restated</b>	<b>37,686,036</b>	<b>(3,950,564)</b>	<b>33,735,472</b>
<b>Net assets - end of year</b>	<b>\$ 42,789,687</b>	<b>\$ (7,582,386)</b>	<b>\$ 35,207,301</b>

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

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**CITY OF YUKON  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>96 Sales Tax Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 636,177	\$ -	\$ -	\$ 1,799,763	\$ 2,435,940
Investments	258,705				258,705
Taxes receivable	1,277,666	-	380,573	27,260	1,685,499
Fines receivable, net of allowance	137,376	-	-	-	137,376
Grants receivable	-	-	-	26,000	26,000
Due from other funds	-	-	1,099,911	-	1,099,911
Restricted cash:					
Cash	4,311,497	163,070	2,514,228	-	6,988,795
Investments	5,100,000	-	436,591	-	5,536,591
<b>Total assets</b>	<u>\$ 11,721,421</u>	<u>\$ 163,070</u>	<u>\$ 4,431,303</u>	<u>\$ 1,853,023</u>	<u>\$ 18,168,817</u>
<b>Liabilities:</b>					
Accounts payable	\$ 248,286	\$ -	\$ 40,712	\$ 7,949	\$ 296,947
Accrued salaries	232,788	-	-	-	232,788
Due to other funds	1,075,179	-	-	-	1,075,179
<b>Total liabilities</b>	<u>1,556,253</u>	<u>-</u>	<u>40,712</u>	<u>7,949</u>	<u>1,604,914</u>
<b>Fund balance:</b>					
Restricted	7,139,100	-	4,390,591	801,235	12,330,926
Committed	3,124,172	163,070	-	516,996	3,804,238
Assigned	-	-	-	526,843	526,843
Unassigned	(98,104)	-	-	-	(98,104)
<b>Total fund balances</b>	<u>10,165,168</u>	<u>163,070</u>	<u>4,390,591</u>	<u>1,845,074</u>	<u>16,563,903</u>
<b>Total liabilities and fund balances</b>	<u>\$ 11,721,421</u>	<u>\$ 163,070</u>	<u>\$ 4,431,303</u>	<u>\$ 1,853,023</u>	<u>\$ 18,168,817</u>

The accompanying notes are an integral part of the basic financial statements.

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**CITY OF YUKON  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2012**

**Total fund balance - all governmental funds**

Amounts reported for governmental activities in the statement of net assets are different because: \$ 16,563,903

Land and capital assets, net of accumulated depreciation, are not financial resources and, therefore, are not reported in the funds.

Land and construction in process	10,961,765	
Capital assets	90,204,806	
Less: Accumulated depreciation	<u>(49,257,281)</u>	51,909,290

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

	<i>Current</i>	<i>Non-Current</i>	
Bonds payable	\$ (680,000)	\$ (8,245,000)	
Bonds interest payable	(117,616)	-	
Capital leases payable	<u>(821,697)</u>	<u>(2,561,373)</u>	(12,425,686)

OPEB liability (13,257,820)

**Net assets of governmental activities** \$ 42,789,687

**CITY OF YUKON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>96 Sales Tax Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>					
Sales and use tax	\$ 14,052,157	\$ -	\$ 4,245,752	\$ -	\$ 18,297,909
Taxes	243,417	-	-	1,339,034	1,582,451
Intergovernmental	289,258	-	232,645	175,627	697,530
Franchise tax	1,134,864	-	-	-	1,134,864
Charges for services	236,446	-	-	10,190	246,636
Fines and forfeitures	991,071	-	-	-	991,071
Licenses and permits	268,910	-	-	-	268,910
Investment income	65,291	211	9,816	4,697	80,015
Rental and royalty income	52,382	7,386	-	1,470	61,238
Donations	-	-	-	425,676	425,676
Sale of property	79,862	-	-	-	79,862
Proceeds from debt issuance	3,250,555	-	-	-	3,250,555
Miscellaneous	366,178	-	-	66,610	432,788
<b>Total revenues</b>	<b>21,030,391</b>	<b>7,597</b>	<b>4,488,213</b>	<b>2,023,304</b>	<b>27,549,505</b>
<b>Expenditures:</b>					
General government	7,078,571	25	207,700	291,483	7,577,779
Public safety:	-	-	-	-	-
Police	4,746,522	-	-	92,316	4,838,838
Municipal court	253,783	-	-	-	253,783
Fire	3,143,408	-	-	-	3,143,408
Animal control	147,156	-	-	-	147,156
Public services	1,591,366	-	-	61,679	1,653,045
Cultural and recreation	2,474,390	-	-	750	2,475,140
Debt service	-	-	352,785	1,055,828	1,408,613
Capital outlay	6,856,302	484,516	666,965	163,771	8,171,554
<b>Total expenditures</b>	<b>26,291,498</b>	<b>484,541</b>	<b>1,227,450</b>	<b>1,665,827</b>	<b>29,669,316</b>
<b>Excess revenues over (under) expenditures</b>	<b>(5,261,107)</b>	<b>(476,944)</b>	<b>3,260,763</b>	<b>357,477</b>	<b>(2,119,811)</b>
<b>Other financing sources (uses):</b>					
Transfers in	12,078,902	-	-	-	12,078,902
Transfers out	(3,861,275)	(411,723)	(3,516,855)	-	(7,789,853)
<b>Total other financing sources and uses</b>	<b>8,217,627</b>	<b>(411,723)</b>	<b>(3,516,855)</b>	<b>-</b>	<b>4,289,049</b>
<b>Net change in fund balances</b>	<b>2,956,520</b>	<b>(888,667)</b>	<b>(256,092)</b>	<b>357,477</b>	<b>2,169,238</b>
<b>Net assets - beginning of year</b>	<b>8,575,945</b>	<b>1,051,737</b>	<b>4,706,464</b>	<b>2,023,587</b>	<b>16,357,733</b>
Prior period adjustment	(1,367,297)	-	(59,781)	(535,990)	(1,963,068)
<b>Fund balance - end of year</b>	<b>\$ 10,165,168</b>	<b>\$ 163,070</b>	<b>\$ 4,390,591</b>	<b>\$ 1,845,074</b>	<b>\$ 16,563,903</b>

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

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**CITY OF YUKON  
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** \$ 2,169,238

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	8,171,554	
Depreciation expense	<u>(2,993,222)</u>	5,178,332

Proceeds from capital lease agreements provide current financial resources to governmental funds, but issuing capital leases 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.

Debt principle repayment	1,006,636	
Issuance of capital leases	<u>(3,250,555)</u>	(2,243,919)

Government-Wide Statement of Activities and Changes in Net Assets report OPEB liabilities in the period incurred. However, Governmental Funds do not pay on this liability. The amount of the change for the OPEB liability recorded in the current period.

	<u>Prior Year</u>	<u>Current Year</u>
OPEB liability	13,257,820	<u>13,257,820</u>
		<u>-</u>

**Change in net assets of governmental activities** \$ 5,103,651

**CITY OF YUKON  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2012**

	<b>Water/ Sewer Fund</b>	<b>Sanitation Fund</b>	<b>Yukon Municipal Authority</b>	<b>Stormwater Fund</b>	<b>Total Proprietary Funds</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ (111,006)	\$ 619,828	\$ (33,348)	\$ 140,616	\$ 616,090
Accounts receivable, net	-	189,146	712,022	5,908	907,076
Restricted assets:					
Cash	1,819	-	-	-	1,819
Investments	358,861	-	4,972,466	-	5,331,327
<b>Capital assets:</b>					
Land	-	6,735	91,005	-	97,740
Construction in progress	-	-	327,401	-	327,401
Capital assets, net	-	290,101	9,495,593	-	9,785,694
<b>Other assets:</b>					
Bond issuance costs (net of amortization)	-	-	804,029	-	804,029
<b>Total assets</b>	<b>\$ 249,674</b>	<b>\$ 1,105,810</b>	<b>\$ 16,369,168</b>	<b>\$ 146,524</b>	<b>\$ 17,871,176</b>
<b>Liabilities:</b>					
Accounts payable	\$ 213,203	\$ 43,686	\$ -	\$ 1,566	\$ 258,455
Accrued salaries	81,758	10,105	-	909	92,772
Accrued compensated absences, current	139,617	59,302	-	14,390	213,309
Notes payable, current	-	-	1,604,216	-	1,604,216
Payable from restricted assets:					
Bond interest payable, current	-	-	309,643	-	309,643
Bonds payable, current	-	-	1,855,000	-	1,855,000
Customer deposits payable	360,167	-	-	-	360,167
Bonds payable, non-current	-	-	20,760,000	-	20,760,000
<b>Total liabilities</b>	<b>794,745</b>	<b>113,093</b>	<b>24,528,859</b>	<b>16,865</b>	<b>25,453,562</b>
<b>Net assets:</b>					
Invested in capital assets, net of related debt	-	296,836	(11,950,045)	-	(11,653,209)
Restricted	358,861	-	3,109,357	-	3,468,218
Unrestricted	(903,932)	695,881	680,997	129,659	602,605
<b>Total net assets</b>	<b>(545,071)</b>	<b>992,717</b>	<b>(8,159,691)</b>	<b>129,659</b>	<b>(7,582,386)</b>
<b>Total liabilities and net assets</b>	<b>\$ 249,674</b>	<b>\$ 1,105,810</b>	<b>\$ 16,369,168</b>	<b>\$ 146,524</b>	<b>\$ 17,871,176</b>

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

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**CITY OF YUKON**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<b>Water/ Sewer Fund</b>	<b>Sanitation Funds</b>	<b>Yukon Municipal Authority</b>	<b>Stormwater Funds</b>	<b>Total Proprietary Funds</b>
<b>Operating revenues:</b>					
Water revenues	\$ -	\$ -	\$ 4,718,155	\$ -	\$ 4,718,155
Sewer revenues	-	-	1,519,910	238,734	1,758,644
Sanitation revenues	-	1,628,276	-	-	1,628,276
<b>Total operating revenues</b>	<b>-</b>	<b>1,628,276</b>	<b>6,238,065</b>	<b>238,734</b>	<b>8,105,075</b>
<b>Operating expense:</b>					
Personal services	1,149,605	823,377	-	119,036	2,092,018
Materials and supplies	135,197	230,726	-	11,706	377,629
Other charges and services	2,593,632	371,209	-	11,109	2,975,950
Depreciation and amortization	-	92,434	835,867	-	928,301
<b>Total operating expenses</b>	<b>3,878,434</b>	<b>1,517,746</b>	<b>835,867</b>	<b>141,851</b>	<b>6,373,898</b>
<b>Operating income before non-operating revenues, expenses and transfers</b>	<b>(3,878,434)</b>	<b>110,530</b>	<b>5,402,198</b>	<b>96,883</b>	<b>1,731,177</b>
<b>Non-operating revenues (expenses)</b>					
Investment income	1,168	-	315	172	1,655
Interest expense	-	-	(1,295,178)	-	(1,295,178)
Other revenues (expense)	2,047	25,264	189,930	2,332	219,573
<b>Total nonoperating revenues (expenses)</b>	<b>3,215</b>	<b>25,264</b>	<b>(1,104,933)</b>	<b>2,504</b>	<b>(1,073,950)</b>
<b>Income (loss) before operating transfers</b>	<b>(3,875,219)</b>	<b>135,794</b>	<b>4,297,265</b>	<b>99,387</b>	<b>657,227</b>
<b>Transfers in</b>	<b>6,712,521</b>	<b>63,507</b>	<b>4,592,783</b>	<b>6,698</b>	<b>11,375,509</b>
<b>Transfers out</b>	<b>(2,991,174)</b>	<b>(612,331)</b>	<b>(11,775,468)</b>	<b>(285,585)</b>	<b>(15,664,558)</b>
<b>Change in net assets</b>	<b>(153,872)</b>	<b>(413,030)</b>	<b>(2,885,420)</b>	<b>(179,500)</b>	<b>(3,631,822)</b>
<b>Net assets - beginning of year, restated</b>	<b>(310,906)</b>	<b>1,405,747</b>	<b>(5,274,271)</b>	<b>309,159</b>	<b>(3,870,271)</b>
Prior period adjustment	(80,293)	-	-	-	(80,293)
<b>Net assets at end of year</b>	<b>\$ (545,071)</b>	<b>\$ 992,717</b>	<b>\$ (8,159,691)</b>	<b>\$ 129,659</b>	<b>\$ (7,582,386)</b>

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

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**CITY OF YUKON  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2012**

	Water/ Sewer Fund	Sanitation Fund	Yukon Municipal Authority	Stormwater Fund	Total Proprietary Funds
<b>Cash flows operating activities:</b>					
Cash received from customers	\$ (1,434,513)	\$ 1,671,547	\$ 6,523,327	\$ 232,826	\$ 6,993,187
Cash payments to suppliers	(1,200,108)	(1,023,627)	(18,082)	(132,732)	(2,374,549)
Cash payments to employees	(1,010,527)	(798,079)	-	(120,019)	(1,928,625)
Other operating revenues	2,047	452,168	-	107,927	562,142
<b>Net cash provided (used) by operating activities</b>	<u>(3,643,101)</u>	<u>302,009</u>	<u>6,505,245</u>	<u>88,002</u>	<u>3,252,155</u>
<b>Cash flows from non-capital financing activities:</b>					
Non-capital contributions	-	25,866	189,930	2,332	218,128
Transfers from other funds	6,712,521	63,507	4,592,783	6,698	11,375,509
Transfers to other funds	(2,991,174)	(612,331)	(11,775,468)	(285,585)	(15,664,558)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>3,721,347</u>	<u>(522,958)</u>	<u>(6,992,755)</u>	<u>(276,555)</u>	<u>(4,070,921)</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	-	-	(1,160,951)	-	(1,160,951)
Principal paid on bonds, notes and lease obligations	-	-	(2,407,184)	-	(2,407,184)
Interest paid on bonds, notes, and lease obligations	-	-	(1,198,461)	-	(1,198,461)
Transfers to other funds for capital expenditures	-	-	(756,473)	-	(756,473)
Proceeds from issuance of bonds, notes and lease obligations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>(5,523,069)</u>	<u>-</u>	<u>(5,523,069)</u>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of investments	(598,137)	-	-	-	(598,137)
Investment income	1,168	-	315	172	1,655
<b>Net cash provided (used) by investing activities</b>	<u>(596,969)</u>	<u>-</u>	<u>315</u>	<u>172</u>	<u>(596,482)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(518,723)</u>	<u>(220,949)</u>	<u>(6,010,264)</u>	<u>(188,381)</u>	<u>(6,938,317)</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>409,536</u>	<u>840,777</u>	<u>5,976,916</u>	<u>328,997</u>	<u>7,556,226</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ (109,187)</u>	<u>\$ 619,828</u>	<u>\$ (33,348)</u>	<u>\$ 140,616</u>	<u>\$ 617,909</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</b>					
Cash and cash equivalents	\$ (111,006)	\$ 619,828	\$ (33,348)	\$ 140,616	\$ 616,090
Restricted assets, cash	1,819	-	-	-	1,819
<b>Cash and cash equivalents at end of year</b>	<u>\$ (109,187)</u>	<u>\$ 619,828</u>	<u>\$ (33,348)</u>	<u>\$ 140,616</u>	<u>\$ 617,909</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (3,878,434)	\$ 110,530	\$ 5,402,198	\$ 96,883	\$ 1,731,177
<b>Adjustments to reconcile operating income (loss) to Net cash provided (used) by operating activities</b>					
Depreciation	-	92,434	835,867	-	928,301
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	-	43,271	285,262	(5,908)	322,625
Increase (decrease) in accounts payable	84,694	30,476	(18,082)	(1,990)	95,098
Increase (decrease) in accrued salaries	69,883	702	-	(888)	69,697
Increase (decrease) in compensated absences	69,195	24,596	-	(95)	93,696
Increase (decrease) in liability for meter deposits	11,561	-	-	-	11,561
<b>Total adjustments</b>	<u>235,333</u>	<u>191,479</u>	<u>1,103,047</u>	<u>(8,881)</u>	<u>1,520,978</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ (3,643,101)</u>	<u>\$ 302,009</u>	<u>\$ 6,505,245</u>	<u>\$ 88,002</u>	<u>\$ 3,252,155</u>

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**CITY OF YUKON**  
**Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting framework and the more significant accounting principles and practices of the City of Yukon, Oklahoma ("City") are discussed in subsequent section of this note. The remainder of the notes is organized to provide explanations, including required disclosures of the City's financial activities for the fiscal year ended June 30, 2012. The City operates under a charter with a Council-Manager form of government.

**A. Reporting Entity**

The government is a municipal corporation governed by an elected five-member council. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

*Fund Types and Major Funds*

Major Governmental Funds

General Fund

Reported as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Capital Projects Fund

Accounts for the capital expenditures funded from a variety of sources, including bond proceeds, grants, or gas royalty income

96 Sales Tax Capital Projects Fund – accounts for capital expenditures using the proceeds of the 1996 Sales Tax. This fund also pays back debt of the 1996 Sales Tax Revenue Bonds.

Non-Major Governmental Funds

Debt Service Funds – accounts for the accumulation of resources for, and the payment of, governmental activities debt principal, interest and related costs.

Special Revenue Funds – accounts for revenues derived from specific taxes or other sources that are designated to finance particular functions or activities of the City.

Yukon Community Support Fund – accounts for funds for community activities and events. This fund operates on a calendar year basis. Included in the City's statement is the trial balance for December 31, 2011.

Community Development Block Grant Fund – accounts for CDBG funds received by the City.

Major Proprietary Funds

Water and Sewer Enterprise Fund – accounts for operating expenses related to providing water and sewer services.

Sanitation Enterprise Fund – collects all revenues and pays all expenses associated with providing sanitation services.

Yukon Municipal Authority – collects the revenues related to water and sewer operations. The Authority also issues debt for capital acquisitions related to water and sewer operations.

Stormwater Fund – accounts for operating expenses related to stormwater operating activities.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

Fiduciary Component Units (reported in fiduciary financial statements)

Agency Fund

Accounts for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. The City's Agency Fund is used to account for various deposits and bail bonds.

Due to restrictions of the state constitution relating to the issuance of municipal debt, public trusts are created to finance City services with revenue bonds or other non-general obligation financing and provide for multi-year contracting. Financing services provided by these public trusts are solely for the benefit of the City. Public trusts created to provide financing services are blended into the City's primary government as an integral part of City operations although retaining separate legal identity. Component units that do not meet the criteria for blending are reported discretely. The City blends all component units.

**B. Basic Financial Statements**

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

**Government-wide Financial Statements**

The government-wide financial statements include the statement of net assets and statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities. The statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. Individual funds are not displayed by the statements.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services with usage fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. Taxes and other revenues sources not properly included with program revenues are reported as general revenues.

*Fund Financial Statements*

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The financial statements of the City are prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The City's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

The government-wide statements report using the economic resources measurements focus and the accrual basis of accounting. Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund

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**CITY OF YUKON  
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financial statements and financial statements of the City's component units also report using the same focus and basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considered revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenses are recorded when the related fund liability is incurred.

Major revenue sources susceptible to accrual include: sales and use taxes and intergovernmental revenues. In general, other revenues are recognized when cash is received.

Operating income reported in the proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of provided goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**C. Budget Policy and Practice**

*Budget Approval*

The City Manager submits an annual budget to the City Council in accordance with the Oklahoma Municipal Budget Act. The budget is presented to the Commission for review, and public hearings are held to address priorities and the allocation of resources. In June, the Council adopts the annual fiscal year budgets for City's operating funds. Budget amendments or supplements may be made during the year when unexpected modifications are required in estimated revenues and appropriations. Budget amendments are recommended by the City Manager and must be approved by the Council. Public trusts submit budgets and other planning documents to their respective governing bodies. Other funds budgeted on a project-length basis are also subjected to the Council review and approval process.

*Basis of Budgeting*

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and object class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. The legal level of control is by department within a fund. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Commission approval. Revisions to the budget were made throughout the year.

The budgets for operating funds and proprietary funds are prepared on the cash basis. Revenues are budgeted in the year they are expected to be received. Expenses are budgeted in the year they are expected to be paid.

**D. Policies Related to Assets, Liabilities and 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.

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For purposes of the statement of cash flows, cash and cash equivalents include restricted assets in revenue bond and restricted construction fund accounts at the trustee bank.

Investments are stated at cost, which approximates market unless otherwise indicated.

**2. Restricted Assets**

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

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 needed.

**3. Fair Value of Financial Instruments**

The City's financial instruments include cash and cash equivalents, investments, accounts receivable and accounts payable. The City's estimates of the fair value of all financial instruments do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

**4. Estimates**

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

**5. Accounts Receivable**

Significant receivables for governmental activities include sales and use tax receivables and property tax receivables. Business-type receivables consist mainly of amount due from customers for utility services. Certain enterprise funds report accounts receivable net of an allowance for uncollectible accounts. The allowance amount is estimated using accounts receivable past due more than 60 to 90 days.

**6. Capital Assets and Depreciation**

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost, or estimated historical cost if actual is unavailable, and comprehensively reported in the government-wide financial statements. Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) will be valued at estimated historical cost. The City capitalized some of the infrastructure assets in the fiscal year June 30, 2005; while the remaining infrastructure assets were valued and capitalized in the fiscal year June 30, 2007, complying with GASB 34 standards.

Proprietary and component unit capital assets are also reported in their respective fund and combining component units' financial statements.

Donated assets are stated at fair value on the date donated. The City capitalizes assets with cost of \$5 thousand or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized.

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Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40 years
Building Improvements	20-40 years
Vehicles	5 years
Office Equipment	7 - 10 years
Computer Equipment	5 years
Infrastructure	25 - 50 years

Costs incurred during construction of long-lived assets are recorded as construction in progress and are not depreciated until placed in service.

**7. Compensated Absences**

City employees are granted vacation and sick leave based upon length of employment. In the event of termination, the employee is paid for accumulated vacation leave (maximum 500 hours). Payment of sick leave is restricted to retiring employees who can be paid up to 120 days of accumulated benefits and are limited to maximum compensation equivalent of 33 to 68 days. Compensated absences are reported as accrued in the government-wide, proprietary, and fiduciary financial statements. Governmental funds report compensated absences payable to employees.

**8. Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable, accrued compensated absences, and a court-assessed judgment.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as revenue and payment of principle and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

**9. Net Assets/Fund Balance**

In the government-wide financial statement, net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws or other governments, or are imposed by law through constitutional provisions or enabling legislation.

In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed upon use of resources for specific purposes versus a availability of appropriation. An important distinction that is made in reporting fund

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balance is between amounts that are considered *nonspendable* (i.e., fund balance associated with assets that are *not in spendable form*, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund)) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

Amounts in the *spendable* fund balance category are further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

***Restricted*** fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments; or by law, through constitutional provisions or enabling legislation.

***Committed*** fund balance represents amount that are useable only for specific purposes by formal action of the government's highest level of decision-making authority. Such amounts are not subject to legal enforceability (like restricted amounts), but cannot be used for any other purpose unless the government removes or changes the limitation by taking action similar to that which imposed the commitment. The City Ordinance is the highest level of decision-making authority of the City.

***Assigned*** fund balance represents amounts that are *intended* to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances includes all remaining spendable amounts (except negative balances) that are reported in governmental funds *other than the general fund*, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purpose in accordance with the provisions of the standard.

***Unassigned*** fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

**10. Resource Use Policy**

It is in the City's policy for all funds that when an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources, including fund balances, are available, the City considers restricted amounts to be spent first before any unrestricted amounts are used. Furthermore, it is the City's policy that when an expenditure/expense is incurred for purposes for which committed, assigned, or unassigned resources, including fund balances, are available, the City considers committed amounts to be spent first, followed by assigned amounts and lastly unassigned amounts.

**11. Interfund Balances**

Generally, outstanding balances between funds reported as due to/due from other funds include outstanding charges by one fund to another for services or goods or miscellaneous receivables/payables between funds. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year and are described as due to/due from other funds.

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**CITY OF YUKON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**2. ASSETS AND LIABILITIES**

**A. Deposits and Investments**

*Custodial Credit Risk*

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's deposits are secured by collateral values at market or par, whichever is lower, less the amount covered by the Federal Deposit Insurance Corporation (FDIC). Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes

The investments held at June 30, 2012 are as follows:

Type	Weighted Average Maturity (Months)	Credit Rating	Market Value	Cost
Investments				
Money Market	N/A	AAAm	\$ 4,742,004	\$ 4,742,004
Certificate of deposit	6.29	N/A	6,384,619	6,384,619
Total investments			<u>\$ 11,126,623</u>	<u>\$ 11,126,623</u>

Reconciliation to Statement of Net Assets	
Governmental activities	\$ 5,795,296
Business-type activities	5,331,327
	<u>\$ 11,126,623</u>

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**CITY OF YUKON**  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

**B. Capital Assets**

Primary Government capital asset activity for the year ended is as follows:

*Governmental Activities*

	Balance June 30, 2011	Additions	Retirements/ Adjustments	Balance June 30, 2012
Capital assets				
Land	\$ 2,974,338	\$ -	\$ -	\$ 2,974,338
Construction in progress	2,377,229	5,644,998	-	8,022,227
Infrastructure	66,331,823	801,434	-	67,133,257
Buildings and improvements	12,053,012	582,121	-	12,635,133
Furniture, fixtures and equipment	5,163,267	227,134	-	5,390,401
Vehicles	4,095,890	915,866	-	5,011,756
Total capital assets	92,995,559	8,171,553	-	101,167,112
Less accumulated depreciation	(46,264,600)	(2,993,222)	-	(49,257,822)
Capital assets, net	<u>\$ 46,730,959</u>	<u>\$ 5,178,331</u>	<u>\$ -</u>	<u>\$ 51,909,290</u>

The amount of capital assets acquired through leases is \$890,536 with related depreciation of \$89,054.

*Business-type Activities*

	Balance June 30, 2011	Additions	Retirements	Balance June 30, 2012
Capital assets				
Land	\$ 97,740	\$ -	\$ -	\$ 97,740
Construction in progress	327,401	-	-	327,401
Infrastructure	31,671,188	894,428	-	32,565,616
Buildings and improvements	154,887	-	(13,885)	141,002
Furniture, fixtures and equipment	817,146	6,925	-	824,071
Vehicles	976,381	272,789	-	1,249,170
Total capital assets	34,044,743	1,174,142	(13,885)	35,205,000
Less accumulated depreciation	(24,155,293)	(838,872)	-	(24,994,165)
Capital assets, net	<u>\$ 9,889,450</u>	<u>\$ 335,270</u>	<u>\$ (13,885)</u>	<u>\$ 10,210,835</u>

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**CITY OF YUKON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**Business-type Activities by Fund  
June 30, 2012**

	Yukon Municipal Authority	Sanitation Fund	Total
Capital assets			
Land	\$ 91,005	\$ 6,735	\$ 97,740
Construction in progress	327,401	-	327,401
Infrastructure	32,565,616	-	32,565,616
Buildings and improvements	141,002	-	141,002
Furniture, fixtures and equipment	291,687	532,384	824,071
Vehicles	672,188	576,982	1,249,170
Total capital assets	<u>34,088,899</u>	<u>1,116,101</u>	<u>35,205,000</u>
Less accumulated depreciation	(24,174,900)	(819,265)	(24,994,165)
Capital assets, net	<u>\$ 9,913,999</u>	<u>\$ 296,836</u>	<u>\$ 10,210,835</u>

*Depreciation expense*

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

**Governmental activities:**

General government	\$ 685,935
Public safety:	
Police	331,898
Fire	247,327
Animal control	3,582
Public service	1,628,762
Culture and recreation	95,718

**Governmental activities depreciation expense** 2,993,222

**Business-type activities:**

Water and sewer	746,768
Sanitation	92,104

**Business-type activities depreciation expense** 838,872

**Total depreciation expense** \$ 3,832,094

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**CITY OF YUKON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**C. Long-term Debt and Capitalized Leases**

The City has entered into general obligation bonds payable, revenue bonds payable and capitalized leases. The lease agreements met the criteria of a capital lease as defined by FASB Statement No. 13, *Accounting for Leases*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as expenditures on the fund financial statements.

Governmental Activities

**Capitalized Leases**

In April 2010, the City entered into a master lease agreement payable to Ford Motor Credit in the amount of \$549,251 for the purchase of equipment. Terms of the lease include 3 annual installments of \$196,076.19 at a stated interest of 5.7%, maturing July 12, 2012.	\$ 185,503
In March 2012, the City entered into a master lease agreement payable to Arvest bank in the amount of \$1,568,555 for the purchase of equipment. Terms of the lease are 60 monthly installments of \$28,359.49 at a stated interest of 3.25%.	1,496,025
In March 2012, the City entered into a capital lease agreement payable in the amount of \$1,700,000 for the purchase of sanitation equipment. Terms of the lease are 60 monthly installments of \$30,736 at a stated interest rate of 3.25%.	1,621,392
In May 2012, the City entered into a capital lease for the purchase of a new street sweeper. The total cost of the equipment was \$159,950, The City made an \$80,000 down payment. The remaining balance is financed over four years with annual payments at 2.75%.	<u>80,150</u>
Total Governmental Capital Leases Payable	<u>\$ 3,383,070</u>

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**CITY OF YUKON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

*Governmental Activities*, continued

**Bonds Payable**

On December 9<sup>th</sup>, 2003, the voters of the City of Yukon approved an ordinance authorizing the issuance of general obligation bonds for improvements to streets, bridges, water systems, and sanitary sewer systems. On March 1, 2004, the City issued \$4.5 million of City of Yukon General Obligation Bonds, Series 2004 for the construction and improvement of City streets and bridges. Interest on the bonds is payable semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> commencing on March 1, 2005, at rates ranging from 3 to 4.25%. The bonds will be repaid with ad valorem taxes collected on real property of taxpayers in the City of Yukon, Oklahoma

\$ 2,855,000

On December 9<sup>th</sup>, 2003, the voters of the City of Yukon approved an ordinance authorizing the issuance of general obligation bonds for improvements to streets, bridges, water systems, and sanitary sewer systems. On January 1, 2005, the City issued \$3.9 million of City of Yukon General Obligation Bonds, Series 2005 for the construction and improvement of City streets, bridges, water and sewer systems. Interest on the bonds is payable semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> commencing on March 1, 2006, at rates ranging from 3.50 to 4.25%. The bonds will be repaid with ad valorem taxes collected on real property of taxpayers in the City of Yukon, Oklahoma

2,670,000

On December 9<sup>th</sup>, 2003, the voters of the City of Yukon approved an ordinance authorizing the issuance of general obligation bonds for improvements to streets, bridges, water systems, and sanitary sewer systems. On January 1, 2006, the City issued \$4.6 million of City of Yukon General Obligation Bonds, Series 2006 for the construction and improvement of City streets, bridges, water and sewer systems. Interest on the bonds is payable semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> commencing on March 1, 2007, at rates ranging from 3.70 to 5.0%. The bonds will be repaid with ad valorem taxes collected on real property of taxpayers in the City of Yukon, Oklahoma

3,400,000

Total Governmental Activities Bonds Payable

\$ 8,925,000

Total Governmental Activities Long Term Debt

\$ 12,308,070

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

Business-type Activities

**Notes Payable**

Yukon Municipal Authority has a line of credit payable to Yukon National Bank. The line is renewed annually.

\$ 1,604,216

Total Notes Payable \$ 1,604,216

**Bonds Payable**

January 15, 2005 the City, through the Yukon Municipal Authority, issued \$3.080 million of Sales Tax and Utility System Revenue Bonds, Series 2005A and \$11.180 million of Sales Tax and Utility System Revenue Bonds, Series 2005B. Interest on these bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 4.25 to 5%.

\$ 5,885,000

April 1, 2007 the City, through the Yukon Municipal Authority, issued \$7.575 million of Sales Tax and Utility System Revenue Bonds, Series 2007. Interest on these bonds is payable semi-annually on January 1<sup>st</sup> and July 1<sup>st</sup> at rates ranging from 4.125 to 5%.

6,060,000

June 1, 2010 the City, through the Yukon Municipal Authority, issued \$4.430 million of Sales Tax and Utility System Revenue and Refunding Bonds, Series 2010. Interest on the bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 2 to 3.5%.

3,440,000

January 1, 2011 the City, through the Yukon Municipal Authority, issued \$7.500 million of Sales Tax and Utility System Revenue Bonds, Series 2011. Interest on the bonds is payable semi-annually on January 1<sup>st</sup> and July 1<sup>st</sup> at rates ranging from 1 to 5.15%.

7,230,000

Total Bonds Payable \$ 22,615,000

Total Business-type Activities Debt Payable \$ 24,219,216

*Changes in Long-Term Debt*

The following is a summary of changes in long-term debt for the year ended June 30, 2012:

	Balance June 30, 2011	Issued	Retired	Balance June 30, 2012	Current Portion
Governmental Activities					
General obligation bonds	\$ 9,605,000	\$ -	\$ (680,000)	\$ 8,925,000	\$ 680,000
Lease obligations	373,876	3,348,705	(339,511)	3,383,070	821,697
Total Governmental Activities	<u>9,978,876</u>	<u>3,348,705</u>	<u>(1,019,511)</u>	<u>12,308,070</u>	<u>1,501,697</u>
Business-type Activities					
Revenue bonds	24,855,000	-	(2,240,000)	22,615,000	1,855,000
Notes payable	1,668,763	1,693,265	(1,757,812)	1,604,216	1,604,216
Total Business-type Activities	<u>26,523,763</u>	<u>1,693,265</u>	<u>(3,997,812)</u>	<u>24,219,216</u>	<u>3,459,216</u>
Total Primary Government Long-term debt	<u>\$ 36,502,639</u>	<u>\$ 5,041,970</u>	<u>\$ (5,017,323)</u>	<u>\$ 36,527,286</u>	<u>\$ 4,960,913</u>

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**CITY OF YUKON**  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

Maturities of long-term debt are as follows:

Governmental Activities					
Year Ending June 30,	Capital Leases Payable		Bonds Payable		Total
	Principal	Interest	Principal	Interest	
2013	821,742	104,964	680,000	23,810	1,630,516
2014	657,077	73,728	680,000	24,488	1,435,293
2015	678,646	51,939	680,000	25,150	1,435,735
2016	700,923	29,662	680,000	25,828	1,436,413
2017	524,682	7,132	680,000	26,525	1,238,339
2018-2022	-	-	3,400,000	138,272	3,538,272
2023-2026	-	-	2,125,000	87,813	2,212,813
	\$ 3,383,070	\$ 267,425	\$ 8,925,000	\$ 351,886	\$ 12,927,381

Business Type Activities			
Year Ending June 30,	Principal	Interest	Total
2013	1,855,000	919,107	2,774,107
2014	1,470,000	856,638	2,326,638
2015	1,510,000	808,601	2,318,601
2016	1,560,000	759,156	2,319,156
2017	1,625,000	700,523	2,325,523
2018-2022	8,665,000	2,485,375	11,150,375
2023-2027	3,855,000	957,791	4,812,791
2028-2031	2,075,000	273,979	2,348,979
	\$ 22,615,000	\$ 7,761,170	\$ 30,376,170

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**CITY OF YUKON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**D. Internal balances**

Internal balances and activity are detailed below. All internal balances and activity have been eliminated in the statements of net assets and statement of activities, respectively.

	<u>Due From</u>	<u>Due To</u>
General Fund		
96 Sales Tax Capital Projects fund	\$ 1,099,911	\$ -
Municipal Court	24,732	-
96 Sales Tax Capital Projects fund		
General Fund	-	1,099,911
Municipal Court		
General Fund	-	24,732
	<u>\$ 1,124,643</u>	<u>\$ 1,124,643</u>

	<u>Transfers From</u>	<u>Transfers To</u>
General Fund		
Water & Sewer	\$ 2,537,554	\$ 71,844
Sanitation	612,331	63,507
Stormwater	75,000	6,698
Yukon Municipal Authority	5,134,791	-
96 Sales Tax Capital Projects fund		
Yukon Municipal Authority	-	3,516,855
Capital projects fund		
Yukon Municipal Authority	-	411,723
Water & Sewer		
General Fund	71,844	2,537,554
Yukon Municipal Authority	6,640,677	453,619
Sanitation		
General Fund	63,507	612,331
Yukon Municipal Authority		
General Fund	-	5,134,791
Water & Sewer	453,619	6,640,677
96 Sales Tax Capital Projects fund	3,516,855	-
Capital projects fund	411,723	-
Stormwater	210,585	-
Stormwater		
General fund	6,698	75,000
Yukon Municipal Authority	-	210,585
	<u>\$ 19,735,184</u>	<u>\$ 19,735,184</u>

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**CITY OF YUKON  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**3. OTHER INFORMATION**

**A. Employee Retirement System and Plan**

The City participates in three employee pension systems as follows:

Name of Plan	Type of Plan
Oklahoma Municipal Retirement Fund	Agent Multiple Employer – Defined Benefit Plan
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Firefighter Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan

**Oklahoma Municipal Retirement Fund**

**Plan Description**

The City contributes to a cost-sharing, multiple-employer defined benefit pension plan adopted by the City and administered by the Oklahoma Municipal Retirement System, which was established to administer pension plans for municipal employees. At June 30, 2012, 121 active employees were participating in the plan and 98 non-active participants. The City's contribution to the fund for these participants was based on 22.21% of covered salaries and totaled \$1,389,097 for the year ended June 30, 2012. Employees have no contribution requirements.

The Plan is available to all full-time, employees of the City or Authority, except police, firefighters, and other employees who are covered under another approved system. The Plan has no probationary period. Employees vest after 5 years of qualified service.

Final average compensation of the plan is calculated as the average of the five highest consecutive years of salaries out of the last 10 years of service.

**Funding Status and Progress**

As of March 2012, the date of most recently completed actuarial valuation, the Plan reported the following:

Actuarial Valuation Date	Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a/c)
01/01/12	14,259,106	22,120,329	7,681,224	64.5%	5,653,615	139.0%

**Oklahoma Police and Firefighter's Pension and Retirement Systems**

**Plan Description**

The City participates in two statewide, cost-sharing, multiple-employer defined benefit plans on behalf of police officers and firefighters. The table below is a summary of eligibility factors contribution methods, and benefit provisions.

These two systems are administered by agencies of the State of Oklahoma and funded by contributions from participants, employers, insurance premium taxes, and state appropriations as necessary.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

	Oklahoma Firefighter's Pension and Retirement System	Oklahoma Police Pension and Retirement System
Eligibility to participate	All full-time or voluntary firefighters of a participating municipality hired before age 45.	All full-time officers employed by a participating municipality; not less than 21 years of age or more than 45 years of age when hired
Authority establishing contribution obligations and benefits	State Statute	State Statute
Plan member's contribution rate	0% of covered payroll	8% of covered payroll
City's contribution rate	\$60 per year, per firefighter (volunteer)	13% of covered payroll
Period required to vest	10 years	10 years
Benefits and eligibility for distribution (full time)	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits.	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits.
Benefits and eligibility for distribution (volunteer)	20 years credited service equal to \$7.53 per month per year of service, with a maximum of 30 years considered.	NA
Deferred retirement option	Yes, 20 years credited service with continued service for 30 or more years.	Yes, 20 years credited service with option to participate in deferred option plan for a maximum of 5 years
<i>Annual Required Contributions</i>		
Provision for:		
Cost of living adjustment	Yes, if vested by 5/83	Yes
Death (duty, non-duty, post retirement)	Yes	Yes
Disability (duty, non-duty)	Yes	Yes
Cost of living allowances	Yes	Yes
Valuation Date	7/1/12	7/1/12
Actuarial cost method	Individual entry age normal	Individual entry age
Amortization method/period	Level dollar	Level dollar

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

	30 years, open	30 years, open
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	5.0% - 19.0%	4.0% - 10.0%
Post retirement benefit increases	2.0%	2.0%
Inflation	3.0%	3.0%
Other	1994 group annuity table set forward 1 year for men and back 2 years for women	1994 group annuity table set forward 1 year for men and 2 years for women

Employer contribution rates are determined by Oklahoma State Statute.

**B. Other Post-Employment Benefits**

*Plan Description:* City provides post-retirement benefit options for health care, prescription drug, dental and vision benefits for retired employees and their dependents that elect to make required contributions. The benefits are provided in accordance with State law, police and firefighter's union contracts and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The relationship for these benefits is not formalized in a contract or plan document, only a few sentences in the administrative policy. These benefits are considered for accounting purposes to be provided in accordance with a single employer substantive plan. A substantive plan is one in which the plan terms are understood by the City and plan members. This understanding is based on communications between the employers and plan member and the historical pattern of practice with regard to the sharing of benefit costs. Substantially all of the government's employees may become eligible for those post-retirement benefits if they reach normal retirement age while working for the City. As of June 30, 2012, 12 retired employees are receiving benefits under this plan.

*Funding Policy.* The contribution requirement of the City is an implicit subsidy. The implicit subsidy is not a direct payment from the employer on behalf of the member but rather stems from retiree contribution levels that are less than the claims cost at retiree ages. Since claims experience for employees and non-Medicare eligible retirees are pooled when determining premiums, these retired members pay a premium based on a pool of members that, on average, are younger and healthier. There is an implicit subsidy from the employee group since the premiums paid by the retirees are lower than they would have been if the retirees were insured separately. The subsidies are valued using the difference between the age-based claims costs and the premium paid by the retiree. The amount required to fund the implicit rate is based on projected pay-as-you-go financing requirements. For fiscal year 2012, the City contributed 70% of premiums of 8 retirees and 0% of premiums of 4 retirees to the plan. Plan members receiving benefits contributed \$71,712, or approximately 50 percent of the total premiums, through their required contribution of \$636 per month for retiree-only coverage and \$1,502 for retiree and spouse medical coverage, these amounts include dental and vision coverage.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. 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 not to exceed thirty years. GASB 45 requires entities with over 200 employees to have the actuarial valuation performed biennially. 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, 2011:

Current Service Cost (\$1,560,603) + Amortization Amount (\$842,919) = Total Contribution (\$2,403,522). OPEB obligation for retired employees as determined by Actuarial is \$118,856.

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 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 Valuation Date	Value of Assets	Asset Valuation Basis	Actuarial Accrued Liability (AAL)*	Unfunded AAL (UAAL)	Funded Ratio
6/30/2011	\$ -	Actuarial	\$ 13,257,820	\$ 13,257,820	0.0%

*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 June 30, 2011 actuarial valuation, since the City does not pre-fund the retiree healthcare benefits, a discount rate 5.25% was used. There were no assets to determine actuarial value of assets. The UAAL is being amortized over 30 years as level payments. The remaining amortization period at June 30, 2011 was twenty-eight years.

**C. 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; injuries to employees; employee health benefits; unemployment; and natural disasters. The City has established a self insurance fund to cover deductibles on claims related to destruction, theft or damage of assets. Losses related to other risks or those exceeding deductibles are covered by commercial insurance. Management believes that such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

The City is a member of the Oklahoma Municipal Assurance Group Workers' Compensation Plan (the Plan), an organization formed for the purpose of providing workers' compensation coverage through the State Insurance Fund to participating municipalities in the State of Oklahoma. In that capacity, the Plan is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for all claims submitted to it during the plan year.

As a member of the Plan, the City is required to pay fees set by the Plan according to an established payment schedule. A Loss Fund has been established from the proceeds of these fees for each participant in the Plan. The State Insurance Fund provides coverage in excess of the Loss Fund so the City's liability for claim loss is limited to the balance of that fund.

In addition to the Loss Fund, the City maintains an Escrow Fund that consists past refunds left on deposit with the Plan. Escrow funds earn interest and are readily available for use by the governing board. In accordance with GASB No. 10, the City reports the required contribution to the pool, net of refunds, as insurance expense. The balance in the Escrow Fund was \$25,173.

**D. Commitments and Contingencies**

The City in the past has participated in various grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency.

The City has certain commitments for operating leases. These leases are of immaterial amounts and are for only one-year intervals.

The City is a defendant in legal actions arising from normal governmental activities. Most of these actions are covered by insurance. Although the outcome of these lawsuits is not presently determinable, management believes that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

The City is self-insured for employee health insurance claims in excess of \$45,000. The plan is administered by a third party who determines the appropriate insurance rate on each employee. The City remits payment on a monthly basis. Claims are submitted to and processed by the third party administrator. As June 30, 2012, \$1,244,469 was available to pay claims.

In June 2009, the City entered into an agreement with Integris Canadian Valley Regional Hospital (the "Hospital") to pay the Hospital \$1,200,000 over a six year period in quarterly installments of \$50,000. The funds will be used for expansion construction and operation of the Hospital. The contract expires on June 30, 2015.

**4. SUBSEQUENT EVENTS**

On June 19, 2012, the Yukon Municipal Authority authorized the issuance of \$15,000,000 in Sales Tax and Utility System Bonds Series 2012 to be used for capital improvements throughout the City, including street improvements and wastewater treatment improvements.

In December 2012, the Yukon Municipal Authority issued \$6,000,000 in Sales Tax and Utility System Bonds 2012, Series 1. The bonds carry a 1.99% interest rate over their 10 year period.

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**City of Yukon, Oklahoma**  
**General Fund**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 9,458,677	\$ -	\$ 9,458,677	\$ 13,944,020	\$ 4,485,343
Taxes	522,806	-	522,806	403,944	(118,862)
Intergovernmental	15,000	-	15,000	289,258	274,258
Franchise tax	1,084,952	-	1,084,952	1,134,864	49,912
Charges for services	101,450	-	101,450	236,446	134,996
Fines and forfeitures	668,920	-	668,920	991,071	322,151
Licenses and permits	336,108	-	336,108	268,910	(67,198)
Investment income	14,754	-	14,754	65,291	50,537
Rental and royalty income	3,600	-	3,600	52,382	48,782
Sale of property	5,000	-	5,000	79,862	74,862
Miscellaneous	430,192	-	430,192	366,178	(64,014)
Total revenues	<u>12,641,459</u>	<u>-</u>	<u>12,641,459</u>	<u>17,832,226</u>	<u>5,190,767</u>
<b>EXPENDITURES</b>					
General government					
Legislative	1,081,162	-	1,081,162	1,118,380	(37,218)
Finance	362,830	-	362,830	424,983	(62,153)
City Clerk	467,830	-	467,830	48,133	419,697
Adminstration	539,771	-	539,771	473,164	66,607
Building Maintenance	953,634	-	953,634	1,751,177	(797,543)
Human Resources	226,067	-	226,067	220,444	5,623
Insurance	2,760,199	-	2,760,199	2,265,613	494,586
Technology	830,946	-	830,946	844,264	(13,318)
Emergency Mangement	196,220	-	196,220	193,583	2,637
Public safety:					
Police	4,547,036	-	4,547,036	4,893,678	(346,642)
Municipal court	264,365	-	264,365	253,783	10,582
Fire	2,999,045	-	2,999,045	3,143,408	(144,363)
Public services					
Planning	583,386	-	583,386	594,158	(10,772)
Street and Alley	928,222	-	928,222	803,626	124,596
Cultural and recreation					
Park Maintenance	565,123	-	565,123	618,397	(53,274)
Library	378,606	-	378,606	376,450	2,156
Recreation	1,252,452	-	1,252,452	1,479,544	(227,092)
Capital outlay	571,550	-	571,550	403,631	167,919
Total expenditures	<u>19,508,444</u>	<u>-</u>	<u>19,508,444</u>	<u>19,906,416</u>	<u>(397,972)</u>
Revenue over (under) expenditures	(6,866,985)	-	(6,866,985)	(2,074,190)	5,588,739
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	6,866,985	-	6,866,985	6,944,111	77,126
Net other financing sources (uses)	<u>6,866,985</u>	<u>-</u>	<u>6,866,985</u>	<u>6,944,111</u>	<u>77,126</u>
Net change in fund balance	-	-	-	4,869,921	5,665,865
Fund balance at beginning of year (Non-GAAP budgetary basis)				8,405,777	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 13,275,698</u>	<u>\$ 5,665,865</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				(3,110,530)	
Fund balance at end of year (GAAP basis)				<u>\$ 10,165,168</u>	

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**City of Yukon, Oklahoma**  
**96 Sales Tax Capital Projects**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 3,237,697	\$ -	\$ 3,237,697	\$ 4,234,670	\$ 996,973
Hotel/motel tax	182,198	-	182,198	232,645	50,447
Investment income	8,096	-	8,096	9,816	1,720
Total revenues	<u>3,427,991</u>	<u>-</u>	<u>3,427,991</u>	<u>4,477,131</u>	<u>1,049,140</u>
<b>EXPENDITURES</b>					
Debt service	3,418,638	-	3,418,638	3,577,340	(158,702)
Capital outlay	769,500	-	769,500	666,965	102,535
Total expenditures	<u>4,188,138</u>	<u>-</u>	<u>4,188,138</u>	<u>4,244,305</u>	<u>(56,167)</u>
Revenue over (under) expenditures	(760,147)	-	(760,147)	232,826	1,105,307
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(760,147)	-	(760,147)	232,826	1,105,307
Fund balance at beginning of year (Non-GAAP budgetary basis)				3,652,405	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 3,885,231</u>	<u>\$ 1,105,307</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				505,360	
Fund balance at end of year (GAAP basis)				<u>\$ 4,390,591</u>	

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**City of Yukon, Oklahoma**  
**General Fund**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 9,458,677	\$ -	\$ 9,458,677	\$ 13,944,020	\$ 4,485,343
Taxes	522,806	-	522,806	403,944	(118,862)
Intergovernmental	15,000	-	15,000	289,258	274,258
Franchise tax	1,084,952	-	1,084,952	1,134,864	49,912
Charges for services	101,450	-	101,450	236,446	134,996
Fines and forfeitures	668,920	-	668,920	991,071	322,151
Licenses and permits	336,108	-	336,108	268,910	(67,198)
Investment income	14,754	-	14,754	65,291	50,537
Rental and royalty income	3,600	-	3,600	52,382	48,782
Sale of property	5,000	-	5,000	79,862	74,862
Miscellaneous	430,192	-	430,192	366,178	(64,014)
Total revenues	<u>12,641,459</u>	<u>-</u>	<u>12,641,459</u>	<u>17,832,226</u>	<u>5,190,767</u>
<b>EXPENDITURES</b>					
General government					
Legislative	1,081,162	-	1,081,162	1,118,380	(37,218)
Finance	362,830	-	362,830	424,983	(62,153)
City Clerk	467,830	-	467,830	48,133	419,697
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Human Resources	226,067	-	226,067	220,444	5,623
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Emergency Mangement	196,220	-	196,220	193,583	2,637
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Municipal court	264,365	-	264,365	253,783	10,582
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Public services					
Planning	583,386	-	583,386	594,158	(10,772)
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Park Maintenance	565,123	-	565,123	618,397	(53,274)
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Recreation	1,252,452	-	1,252,452	1,479,544	(227,092)
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Total expenditures	<u>19,508,444</u>	<u>-</u>	<u>19,508,444</u>	<u>19,906,416</u>	<u>(397,972)</u>
Revenue over (under) expenditures	(6,866,985)	-	(6,866,985)	(2,074,190)	5,588,739
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	6,866,985	-	6,866,985	6,944,111	77,126
Net other financing sources (uses)	<u>6,866,985</u>	<u>-</u>	<u>6,866,985</u>	<u>6,944,111</u>	<u>77,126</u>
Net change in fund balance	-	-	-	4,869,921	5,665,865
Fund balance at beginning of year (Non-GAAP budgetary basis)				8,405,777	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 13,275,698</u>	<u>\$ 5,665,865</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				(3,110,530)	
Fund balance at end of year (GAAP basis)				<u>\$ 10,165,168</u>	

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**City of Yukon, Oklahoma**  
**96 Sales Tax Capital Projects**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 3,237,697	\$ -	\$ 3,237,697	\$ 4,234,670	\$ 996,973
Hotel/motel tax	182,198	-	182,198	232,645	50,447
Investment income	8,096	-	8,096	9,816	1,720
Total revenues	<u>3,427,991</u>	<u>-</u>	<u>3,427,991</u>	<u>4,477,131</u>	<u>1,049,140</u>
<b>EXPENDITURES</b>					
Debt service	3,418,638	-	3,418,638	3,577,340	(158,702)
Capital outlay	769,500	-	769,500	666,965	102,535
Total expenditures	<u>4,188,138</u>	<u>-</u>	<u>4,188,138</u>	<u>4,244,305</u>	<u>(56,167)</u>
Revenue over (under) expenditures	(760,147)	-	(760,147)	232,826	1,105,307
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(760,147)	-	(760,147)	232,826	1,105,307
Fund balance at beginning of year (Non-GAAP budgetary basis)				3,652,405	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 3,885,231</u>	<u>\$ 1,105,307</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				505,360	
Fund balance at end of year (GAAP basis)				<u>\$ 4,390,591</u>	

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CITY OF YUKON  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2012

	Debt Service Fund	Special Revenue Fund	Yukon Community Support Fund	Community Development Block Grant Fund	Total Non-major Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 901,642	\$ 534,792	\$ 516,996	\$ (153,667)	\$ 1,799,763
Due from other funds	-	-	-	-	-
Taxes receivable	27,260	-	-	-	27,260
Grants receivable	-	-	-	26,000	26,000
<b>Total assets</b>	<u>\$ 928,902</u>	<u>\$ 534,792</u>	<u>\$ 516,996</u>	<u>\$ (127,667)</u>	<u>\$ 1,853,023</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 7,949	\$ -	\$ -	\$ 7,949
<b>Total liabilities</b>	<u>-</u>	<u>7,949</u>	<u>-</u>	<u>-</u>	<u>7,949</u>
<b>Fund balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	928,902	-	-	(127,667)	801,235
Committed	-	-	516,996	-	516,996
Assigned	-	526,843	-	-	526,843
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<u>928,902</u>	<u>526,843</u>	<u>516,996</u>	<u>(127,667)</u>	<u>1,845,074</u>
<b>Total liabilities and fund balances</b>	<u>\$ 928,902</u>	<u>\$ 534,792</u>	<u>\$ 516,996</u>	<u>\$ (127,667)</u>	<u>\$ 1,853,023</u>

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CITY OF YUKON  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2012

	Debt Service Fund	Special Revenue Fund	Yukon Community Support Fund	Community Development Block Grant Fund	Total Non-major Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 1,339,034	\$ -	\$ -	\$ -	\$ 1,339,034
Charges for services	-	10,140	50	-	10,190
Investment income	4,603	32	62	-	4,697
Intergovernmental revenue	-	45,473	-	130,154	175,627
Rental income	-	1,470	-	-	1,470
Donations	-	349,504	76,172	-	425,676
Miscellaneous	-	64,872	1,738	-	66,610
<b>Total revenues</b>	<b>1,343,637</b>	<b>471,491</b>	<b>78,022</b>	<b>130,154</b>	<b>2,023,304</b>
<b>Expenditures:</b>					
General Government	525	251,584	-	39,374	291,483
Public Safety	-	92,316	-	-	92,316
Public Services	-	61,679	-	-	61,679
Cultural and Recreation	-	-	750	-	750
Capital Outlay	-	79,755	-	84,016	163,771
Debt Service:					
Pinciple and interest charges	1,055,828	-	-	-	1,055,828
<b>Total Expenditures</b>	<b>1,056,353</b>	<b>485,334</b>	<b>750</b>	<b>123,390</b>	<b>1,665,827</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>287,284</b>	<b>(13,843)</b>	<b>77,272</b>	<b>6,764</b>	<b>357,477</b>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>287,284</b>	<b>(13,843)</b>	<b>77,272</b>	<b>6,764</b>	<b>357,477</b>
<b>Net assets - beginning of year</b>	<b>921,947</b>	<b>540,686</b>	<b>478,434</b>	<b>82,520</b>	<b>2,023,587</b>
Prior period adjustment	(280,329)	-	(38,710)	(216,951)	(535,990)
<b>Fund balances - end of year</b>	<b>\$ 928,902</b>	<b>\$ 526,843</b>	<b>\$ 516,996</b>	<b>\$ (127,667)</b>	<b>\$ 1,845,074</b>

DRAFT

CITY OF YUKON  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 JUNE 30, 2012

	<b>Municipal Court Fund</b>	<b>Escrow Fund</b>	<b>Total Agency Funds</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 97,774	\$ 319,692	\$ 417,466
<b>Total assets</b>	<b>\$ 97,774</b>	<b>\$ 319,692</b>	<b>\$ 417,466</b>
<b>Liabilities:</b>			
Escrow liability	\$ 73,041	\$ 319,692	\$ 392,733
Due to other funds	24,733	-	24,733
<b>Total liabilities</b>	<b>\$ 97,774</b>	<b>\$ 319,692</b>	<b>\$ 417,466</b>

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DRAFT

# Yukon City Council Minutes

## January 2, 2013

The Yukon City Council met in regular session January 2, 2013 at 7:00 p.m. in the Council Chambers of the Centennial Building, 12 South Fifth Street, Yukon, Oklahoma.

The invocation was given by Pete Billerback of Troop 390.  
The flag salute was given in unison.

ROLL CALL: (Present) John Alberts, Chairman  
Ken Smith, Vice-Chairman  
Michael McEachern, Trustee  
Rick Opitz, Trustee  
(Absent) Nick Grba, Trustee

### OTHERS PRESENT:

Mike Segler, City Attorney	Doug Shivers, City Clerk
Tammy Kretchmar DeSpain, Asst. City Mgr	Robbie Williams, City Engineer
Arnold Adams, Public Works Director	John Corn, Chief of Police
Josh Gotcher, Information Technology	Gary Cooper, Information Technology Dir.
Bill Stover, Sanitation	Mitch Hort, Community Development Director
Jan Scott, Parks and Recreation Director	Dana Deckard, Administrative Coordinator
Sara Schieman, Librarian	Jeff Deckard, Parks Superintendent

### Presentations and Proclamations

There were no presentations and proclamations.

### Visitors

None

(Recess as Yukon City Council and Reconvene as Yukon Municipal Authority)

### 1A. YMA Consent Docket

This item is placed on the agenda so the Yukon Municipal Authority, by unanimous consent, can designate those routine items they wish to be approved by one motion. If an item does not meet with the approval of all Authority Members, that item will be heard in regular order.

**The City Manager recommends a motion to approve:**

**A) The minutes of the regular meeting of December 18, 2012**

The motion to approve the YMA Consent Docket, consisting of the approval of the minutes of the regular meeting of December 18, 2012, was made by Trustee Smith and seconded by Trustee McEachern.

**The vote:**

**AYES: Opitz, McEachern, Alberts, Smith**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

(Adjourn as YMA and Reconvene as Yukon City Council)

## 1. Consent Docket

This item is placed on the agenda so the City Council, by unanimous consent, can designate those routine items they wish to be approved by one motion. If an item does not meet with the approval of all Council Members, that item will be heard in regular order.

The City Manager recommends a motion that will approve:

- A) The minutes of the regular meeting of December 18, 2012
- B) The minutes of the Special Meeting of December 26, 2012
- C) Payment of material claims in the amount of \$138,590.52
- D) Denial of Claim No. 32916-ME from Margaret Jones, as recommended by the Oklahoma Municipal Assurance Group
- E) The submittal of a grant application for a 2013 Bureau of Water Reclamation WaterSMART funding opportunity
- F) The submittal of a grant application for a 2013 National Endowment for the Arts – Our Town funding opportunity
- G) Setting the date for the next regular Council meeting for January 15, 2013, 7:00 p.m., in the Council Chambers of the Centennial Building, 12 S. Fifth St.

The motion to approve the Consent Docket, consisting of the approval of the minutes of the regular meeting of December 18, 2012; Special Meeting of December 26, 2012; Payment of material claims in the amount of \$138,590.52; Denial of Claim No. 32916-ME from Margaret Jones, as recommended by the Oklahoma Municipal Assurance Group; The submittal of a grant application for a 2013 Bureau of Water Reclamation WaterSMART funding opportunity; The submittal of a grant application for a 2013 National Endowment for the Arts – Our Town funding opportunity; and setting the date for the next regular Council meeting for January 15, 2013, 7:00 p.m., in the Council Chambers of the Centennial Building, 12 S. Fifth St.; was made by Council Member Opitz and seconded by Council Member McEachern.

Council Member McEachern questioned if there was a targeted project and location for the WaterSMART grant. Grayson Bottom stated North of the electrical substation. Mr. McEachern wanted to know how it will work. Mr. Bottom stated the intent is to explore and then design a system. Robbie Williams stated they have looked and Oklahoma City does this already. Mr. McEachern asked about item F and if the Garth Brooks blvd. building would be used. Mr. Bottom stated the study would determine the feasibility of using this building.

**The vote:**

**AYES: Smith, McEachern, Opitz, Alberts**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

## 2. Reports of Boards, Commissions and City Officials –

Park Board- Joe Edwards, Chairman

Joe Edwards thanked the Council for giving him time to speak. Mr. Edwards has been on the Park Board for 12 years and is excited about the direction. Park Maintenance is a great improvement and is more professional. The park is looking good. Mr. Edwards introduced Park Board Members, Joe Baumann and Ed Hatley. He also presented a packet Jan had given for upcoming events. Mr. Edwards stated we have 223 acres with 9.7 of the acres being ponds. There is a lot to maintain. In the past, funding has been intermittent, but they were able to replace playground equipment. The grant for the splash pad will be a great addition, as well as the grant to develop a master trail plan. Parks are being developed by users, such as, BMX, Nitro Club, Soccer Club, and Spirit League. The Park also has big events such as 4<sup>th</sup> of July and Christmas in the Park. Christmas in the Park has 4.5 million lights with a Marry Me sign used by 17 couples this year. They are hoping to keep developing around town. Mayor Alberts thanked the Park Board for their dedication.

- 3. Consider approving Ordinance No. 1285, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 102-64 to include excavations or openings for the purpose of laying communications lines, underground pipelines or trenches of any kind within the City other than municipal gas, electric, telephone, water, and sewer lines; requiring a bond in the amount of \$2,500.00, and declaring an Emergency**

The motion to approve Ordinance No. 1285, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 102-64 to include excavations or openings for the purpose of laying communications lines, underground pipelines or trenches of any kind within the City other than municipal gas, electric, telephone, water, and sewer lines; requiring a bond in the amount of \$2,500.00, and declaring an Emergency, was made by Council Member Smith and seconded by Council Member McEachern.

**The vote:**

**AYES: Alberts, Opitz, Smith, McEachern**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

- 3A. Consider approving the Emergency Clause of Ordinance No. 1285**

The motion to the Emergency Clause of Ordinance No. 1285, was made by Council Member Smith and seconded by Council Member McEachern.

**The vote:**

**AYES: McEachern, Smith, Alberts, Opitz**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

- 4. Consider approving a Conditional Use Permit for Lindmark Acquisition LLC for a billboard located at 1501 W. I-40, as recommended by the Planning Commission**

The motion to approve a Conditional Use Permit for Lindmark Acquisition LLC for a billboard located at 1501 W. I-40, as recommended by the Planning Commission, was made by Council Member McEachern and seconded by Council Member Smith.

Council Member Smith wanted to know if the billboards are capable of being converted to digital. Mitchell Hort stated they will be digital, one now and one later. Council Member McEachern wanted to know if the board will be two sided. Mr. Hort stated both will be two sided, but only one of the sides will be digital and the other side will be fixed. Mr. McEachern wanted to know if there was anything to tear down. Mr. Hort stated yes, after approval of Council. Mr. McEachern wanted to know about dimming capability. Mr. Hort confirmed, yes, they are now required by ODOT. Council Member Smith wanted to know if it was privately funded. Mr. Hort stated yes, privately funded. Mr. McEachern questioned permit renewal. Mr. Hort stated annually.

**The vote:**

**AYES: McEachern, Smith, Opitz, Alberts**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

- 5. Consider approving a Conditional Use Permit for Lindmark Acquisition LLC for a billboard located at 1649 W. I-40, as recommended by the Planning Commission**

The motion to approve a Conditional Use Permit for Lindmark Acquisition LLC for a billboard located at 1649 W. I-40, as recommended by the Planning Commission, was made by Council Member Opitz and seconded by Council Member McEachern.

**The vote:**

**AYES: Opitz, Alberts, Smith, McEachern**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**6. City Manager's Report – Information items only**

**A. Christmas in the Park**

Grayson Bottom gave a preliminary report for Christmas in the Park. It appears there were over 45,000 cars. The largest evening hosted 1,685 cars. The number of people is hard to guess. Limos have become a regular event, as well as helicopters. This was just one of the events Parks and Recreation took on starting in November. Mr. Bottom thanked Jan and Staff and all the other helpers.

**7. New Business**

There was no new business

**8. Council Discussion**

Council Member Opitz wanted to add to Grayson Bottom's statements about Christmas in the Park. Thanks to everyone, it takes everyone. He also wanted to talk about the beginning of the New Year. It is time to set goals and make it happen. He is excited to be part of it.

Council Member Smith stated Santa at the Park told him there were multiple people in all the vehicles. Today is his 27<sup>th</sup> Wedding Anniversary and he has married over his head. Happy Anniversary.

Council Member McEachern is also married to a wonderful woman. Happy New Year to All! This year has been good and may the next one be as blessed.

Mayor Alberts asked Council Member Opitz about his wife. Mr. Opitz stated, Bonnie is the best! Mayor Alberts is blessed with Carla. Mr. Alberts averaged there had to be approximately 235,000 people thru the parks. Thanks to the residents around the parks and being patient during this time of the year. Mayor Alberts stated he will be running in the Oklahoma City Memorial Marathon. He encouraged others to walk in the gym or Community Center. Thanks for a great year!

**9. Consider a motion to recess as Yukon City Council and convene into Executive Session, for discussing the employment of the City Manager, as provided for in 25 OS 2003, Section 307 (B) (1)**

The motion to recess as Yukon City Council and convene into Executive Session, for discussing the employment of the City Manager, as provided for in 25 OS 2003, Section 307 (B) (1), was made by Council Member Smith and seconded by Council Member McEachern.

**The vote:**

**AYES: Smith, McEachern, Alberts, Opitz**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**10. Consider a motion to adjourn from Executive Session and reconvene as Yukon City Council**

The motion to adjourn from Executive Session and reconvene as Yukon City Council, was made by Council Member Opitz and seconded by Council Member McEachern.

**The vote:**

**AYES: Alberts, McEachern, Opitz, Smith**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

Mayor Alberts then read the minutes of the Executive Session, stating “While in Executive Session, only the items on the agenda were discussed, no action was taken, and no votes were cast.”

**11. Consider a motion to amend the terms of the City Manager’s employment contract**

The motion to amend the terms of the City Manager’s employment contract, was made by Council Member Opitz and seconded by Council Member Smith.

**The vote:**

**AYES: Opitz, Alberts, McEachern, Smith**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**12. Adjournment**

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John Alberts, Mayor

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Doug Shivers, City Clerk



### RECAP OF CLAIMS

FUND #			
01	General Fund Claims	\$	87,534.97
36	Sales Tax Claims		90,535.39
64	Special Revenue Fund		9,804.94
70	Water & Sewer Enterprise		151,870.64
71	Sanitation Enterprise		17,017.29
73	Storm Water Enterprise		990.68
			<u>990.68</u>
		\$	<u>357,753.91</u>

The above foregoing claims have been passed and approved  
this 15th day of January, 2013 by the Yukon City Council.

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Doug Shivers, City Clerk

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John Alberts, Mayor

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Legislative				
13-50766	01-00101	City of Yukon (BankOne)ADM	New Yukon Logo Lapel Pins	11/2012	Moisant 21275123	1,083.88
13-50768	01-00101	City of Yukon (BankOne)ADM	Council Dinners	12/2012	Logans 235739	174.85
13-50986	01-00101	City of Yukon (BankOne)ADM	ICSC Membership-Opitz	12/2012	ICSC 1498306A	50.00
13-51037	01-00101	City of Yukon (BankOne)ADM	Council Dinners	12/2012	Sniders 12-18-12	375.00
13-51128	01-00101	City of Yukon (BankOne)ADM	Travel Expenses-NLC-Counc	12/2012	SWAir GRFR9X	503.60
13-51130	01-00101	City of Yukon (BankOne)ADM	Registration-NLC-Council	8/2012	NLC CR	70.00-
			Registration-NLC-Council	12/2012	NLC 401279	495.00
13-51160	01-00101	City of Yukon (BankOne)ADM	Lunch Expenses	12/2012	Hensleys 12-10-12	171.44
13-51258	01-31400	McAfee & Taft	Prof Srvcs-12/31/12	1/2013	390508	45.00
13-51253	01-31445	Margaret McMorrow-Love	Prof. Serv. Dec '12	1/2013	FOP 01-02-13	737.50
13-50088	01-37495	OK Toursim &	Distribution-CIP Brochure	12/2012	10154	100.80
13-51250	01-44300	RS Meacham CPAs & Advisors	Workpaper Prep & PPE	12/2012	4565	2,500.00
13-51251	01-58120	Derrel S. white, CPA	Audit Services	12/2012	3-333	18,300.00
13-51161	01-60355	Xerox Corporation	Paper for Copier	11/2012	122181826	413.60
13-51254	01-62200	Yukon Chamber of Commerce	Jan '13 Contr. Serv.	1/2013	15602	1,500.00
13-50489	01-62900	Yukon Review Inc.	Holiday Advertising	12/2012	YR58972	378.00
13-51257	01-62900	Yukon Review Inc.	Holiday Display Ad	12/2012	YR59640	756.00
DEPARTMENT TOTAL:						27,514.67
DEPARTMENT: 02		Finance				
13-51247	01-47660	Shred-It Oklahoma City	Doc.destruction-Ju12	12/2012	9401259647	3.18
DEPARTMENT TOTAL:						3.18
DEPARTMENT: 03		Park Maintenance				
13-50280	01-06940	CPI	security for CIP	1/2013	01012013CY	4,200.00
			security for CIP	1/2013	01042013CY	960.00
13-50720	01-30600	Lowe's Companies, Inc.	park maintenance tools	12/2012	02697	26.56
			park maintenance tools	12/2012	03940	12.33
			park maintenance tools	12/2012	02956	3.44
			park maintenance tools	12/2012	11711	83.44
			park maintenance tools	12/2012	02909	20.86
			park maintenance tools	12/2012	03938	62.58
			park maintenance tools	1/2013	11350	56.94
			park maintenance tools	1/2013	01488	62.64
			park maintenance tools	1/2013	11106	20.86
13-51140	01-38650	Overhead Door	repair door Park building	1/2013	0234124-IN	249.00
DEPARTMENT TOTAL:						5,758.65

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 04						
13-51247	01-47660	City Clerk Shred-It Oklahoma City	Doc.destruction-Ju12	12/2012	9401259647	3.19
13-51249	01-50700	Triad Design Group	A/E Srvc through 11-25-12	1/2013	8361	1,525.11
DEPARTMENT TOTAL:						1,528.30
DEPARTMENT: 05						
Fire Department						
13-50668	01-00105	City of Yukon (BankOne)FD	Christmas Dinner	12/2012	Homeland 12-22-12	56.76
13-50907	01-00105	City of Yukon (BankOne)FD	White-polo, job shirts	12/2012	S&S Textiles 33906	547.22
13-50908	01-00105	City of Yukon (BankOne)FD	King-job shirt,polo	12/2012	S&S Textiles 33907	490.00
13-50921	01-00105	City of Yukon (BankOne)FD	furniture for station 2	12/2012	MathisBr 518070863	4,158.75
13-50923	01-00105	City of Yukon (BankOne)FD	mattresses for St 2	12/2012	FactDir 487762490	1,004.00
13-51043	01-00105	City of Yukon (BankOne)FD	filters	12/2012	Locke 19363769-00	122.98
13-51122	01-00105	City of Yukon (BankOne)FD	totes for Christmas Ornam	12/2012	Target 12-27-12	109.00
13-51214	01-39963	Pitney Bowes Purchase Power	Fire-postage	1/2013	3rd Qtr '12 - '13	100.00
13-51121	01-46940	Sam's Club Direct-G.E.Capitturkey	breast,cheesecake	12/2012	7952	62.79
DEPARTMENT TOTAL:						6,651.50
DEPARTMENT: 06						
Municipal Court						
13-50996	01-00106	City of Yukon (BankOne)CRT	Office Supplies	12/2012	Staples 7093530043	123.33
13-51214	01-39963	Pitney Bowes Purchase Power	Court-postage	1/2013	3rd Qtr '12 - '13	650.00
DEPARTMENT TOTAL:						773.33
DEPARTMENT: 07						
Community Development						
13-50890	01-00107	City of Yukon (BankOne)CMD	office supplies	12/2012	Staples 7093191813	239.72
13-50985	01-00107	City of Yukon (BankOne)CMD	Office Supplies	12/2012	walmart 07316	19.97
13-51002	01-00107	City of Yukon (BankOne)CMD	Online Class-Grantwriting	12/2012	OU 4860524813	95.00
13-51048	01-00107	City of Yukon (BankOne)CMD	office supplies	12/2012	Staples 7093733881	70.35
13-51214	01-39963	Pitney Bowes Purchase Power	Community Dev-postage	1/2013	3rd Qtr '12 - '13	600.00
13-51123	01-47660	Shred-It Oklahoma City	Doc.destruction-DC12	12/2012	9401259646	28.69
DEPARTMENT TOTAL:						1,053.73

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 08		Library				
13-49846	01-00108	City of Yukon (BankOne)LIB	2013 PDR	9/2012	PDR 00038508	59.95
13-50481	01-00108	City of Yukon (BankOne)LIB	Program Supplies	12/2012	Walmart 01996	118.15
			Program Supplies	12/2012	Walmart 02866	23.78-
13-50653	01-00108	City of Yukon (BankOne)LIB	Postage for ILL	1/2012	USPS 328	41.65
			Postage for ILL	12/2012	USPS 145	136.42
			Postage for ILL	12/2012	USPS 965	48.15
13-51017	01-00108	City of Yukon (BankOne)LIB	Book Processing Supplies	12/2012	TLS 152613	943.61
13-51018	01-00108	City of Yukon (BankOne)LIB	Program Supplies	12/2012	OLA 12-12-12	45.00
			Program Supplies	12/2012	Buy4Less 12-13-12	11.96
			Program Supplies	12/2012	OrangeLeaf 357871	40.00
13-51019	01-00108	City of Yukon (BankOne)LIB	Copy Paper	12/2012	Staples 7093728307	179.95
13-51073	01-00108	City of Yukon (BankOne)LIB	Food for Programs	12/2012	Walmart 01995	17.72
13-51186	01-00108	City of Yukon (BankOne)LIB	Ballasts	1/2013	Locke 19444967-00	140.80
13-50420	01-39575	Perma-Bound Books	Children's Books	12/2012	1508393-01	76.58
			Children's Books	12/2012	1508393-02	51.71
13-50812	01-44395	Recorded Books, LLC	Audio Book Standing Order	7/2012	74470378	156.40
			Audio Book Standing Order	12/2012	74649263	100.76
			Audio Book Standing Order	12/2012	74652145	99.00
			Audio Book Standing Order	12/2012	74599347	30.20
13-49309	01-47660	Shred-It Oklahoma City	Document Destruction	12/2012	9401259773	9.56
13-50191	01-71552	Carla Hickey	Mileage for Nov/Dec 2012	1/2013	01-03-13	38.85
13-50813	01-74800	Sara Schieman	Mileage for December	12/2012	12-31-12	105.45
DEPARTMENT TOTAL :						2,428.09
DEPARTMENT: 09		Administration				
13-49012	01-00101	City of Yukon (BankOne)ADM	Offices Supplies	12/2012	Staples 7093104474	19.98
			Offices Supplies	12/2012	Staples 7093104474	29.96
13-51035	01-00101	City of Yukon (BankOne)ADM	Travel Expense OML-TD	12/2012	HolidayInn 204	99.00
13-51127	01-00101	City of Yukon (BankOne)ADM	Travel Expenses-NLC-GB	12/2012	SWAir GRFR9X	503.60
13-51129	01-00101	City of Yukon (BankOne)ADM	Registration-NLC-GB	12/2012	NLC 401281	495.00
13-51038	01-06370	City Manager's Assoc	Reg Winter Conf-GB/TD	12/2012	12-14-12	275.00
			Reg Winter Conf-GB/TD	12/2012	12-17-12	250.00
13-51148	01-1	Oklahoma Travel	Membership Dues OTIA	12/2012	o M2013126	250.00
13-51150	01-70950	Tammy DeSpain	Reimbursement-NLC Confere	12/2012	NLC Boston '12	2.13
DEPARTMENT TOTAL :						1,924.67

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 10						
13-50436	01-00110	Parks & Events City of Yukon (BankOne)REC	office supplies	12/2012	OffDepot 12-23-12	22.98
			office supplies	12/2012	Staples 82855	60.27
			office supplies	12/2012	Staples 79960	56.55
13-51158	01-1	Ronnie Kaye	DD Dance DJ	2/2012	K 02-02-13	500.00
13-50676	01-30600	Lowe's Companies, Inc.	kerosene for Christmas	12/2012	02431	67.72
			kerosene for Christmas	12/2012	02786	28.43
			kerosene for Christmas	1/2013	02643	28.47
13-50646	01-32660	Mobile Mini, Inc.	security Mobile for CIP	12/2012	111347159	267.08
			security Mobile for CIP	12/2012	111351713	267.08
13-51195	01-32660	Mobile Mini, Inc.	mobile mini Christmas	11/2012	111346887	458.47
			mobile mini Christmas	12/2012	111350856	130.57
13-51214	01-39963	Pitney Bowes Purchase Power	Park & Rec-postage	1/2013	3rd Qtr '12 - '13	800.00
13-50450	01-46940	Sam's Club Direct-G.E.Capit	food for Sounds of Season	12/2012	1653	71.72
13-51192	01-47660	Shred-It Oklahoma City	document shredding	12/2012	9401259407	9.56
DEPARTMENT TOTAL:						2,768.90
DEPARTMENT: 11						
Police Department						
13-50610	01-00111	City of Yukon (BankOne)PD	Haines pants	11/2012	LAPG 1617416	50.08
13-50743	01-00111	City of Yukon (BankOne)PD	Lemmings uniform items	11/2012	Galls 319732-1	199.98
13-50851	01-00111	City of Yukon (BankOne)PD	Christmas dinner	12/2012	walmart 05746	34.50
			Christmas dinner	12/2012	RibCrib 12-11-12	197.82
13-50870	01-00111	City of Yukon (BankOne)PD	Corn protective case	12/2012	H&H 787907	193.90
13-50872	01-00111	City of Yukon (BankOne)PD	office supplies	12/2012	Staples 7093647128	186.76
13-51255	01-05342	Canadian Cty Clerk	FilingFee-MancoEnter	1/2013	R313237	17.00
13-51214	01-39963	Pitney Bowes Purchase Power	Police-postage	1/2013	3rd Qtr '12 - '13	800.00
13-50603	01-47660	Shred-It Oklahoma City	shredding service	12/2012	9401268665	28.69
DEPARTMENT TOTAL:						1,708.73
DEPARTMENT: 12						
Property Maintenance						
13-50885	01-00112	City of Yukon (BankOne)PROP	Batteries-soap dispensors	12/2012	walmart 03760	259.31
13-49167	01-32790	Mother Nature's Exterminati	Pest Control Services	12/2012	12-05-12	474.01
13-51248	01-37600	OK Natural Gas Co	Service City Bldgs	1/2013	01-04-13	2,327.47
DEPARTMENT TOTAL:						3,060.79

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 15						
Recreation Facilities						
13-49344	01-00110	City of Yukon (BankOne)REC	hoses for landscaping	12/2012	Ace 866529	29.98
			hoses for landscaping	12/2012	Ace 867413	4.98
13-49949	01-00110	City of Yukon (BankOne)REC	Locke supply	12/2012	Locke 19308374-00	26.34
			Locke supply	12/2012	Locke 19324909-00	4.91
13-50673	01-00110	City of Yukon (BankOne)REC	food for RAC	12/2012	Buy4Less 12-27-12	5.60
			food for RAC	12/2012	Buy4Less 12-18-12	22.34
13-50800	01-00110	City of Yukon (BankOne)REC	car supplies scrapers	12/2012	OReily 0343-283641	39.99
13-50801	01-00110	City of Yukon (BankOne)REC	BB & Volleyball shirts	12/2012	Skistees 12-07-12	170.00
13-50826	01-00110	City of Yukon (BankOne)REC	monograms for hoodies	12/2012	CAS 36693	71.00
13-50893	01-00110	City of Yukon (BankOne)REC	Candles for RAC	12/2012	Walmart 01948	56.43
13-50894	01-00110	City of Yukon (BankOne)REC	Spirit League /candy	12/2012	Walmart 07864	37.58
			Spirit League /candy	12/2012	Walmart 08185	38.96
13-50929	01-00110	City of Yukon (BankOne)REC	snacks parents night out	12/2012	Walmart 03067	48.73
13-49339	01-1	Will Rogers Park	Camp trip	12/2012	w 21	36.00
13-51190	01-30600	Lowe's Companies, Inc.	space heater JCG	12/2012	10085	113.96
13-50881	01-44625	Regional Food Bank	food for RAC	12/2012	AI182531-1	289.92
13-49911	01-46940	Sam's Club Direct-G.E.Capit	programs/candy	12/2012	1652	96.01
13-50879	01-46940	Sam's Club Direct-G.E.Capit	food for RAC	12/2012	4788	326.42
13-50728	01-48910	Sysco Oklahoma	Food For RAC	12/2012	600916303	1,735.93
13-50674	01-53450	United Linen - Uniform Re	Linens for RAC	11/2012	1558071	71.01
			Linens for RAC	11/2012	1558074	67.53
			Linens for RAC	11/2012	1562178	58.66
			Linens for RAC	12/2012	1574571	124.46
			Linens for RAC	12/2012	1570462	59.08
DEPARTMENT TOTAL:						3,535.82
DEPARTMENT: 17						
Human Resources						
13-50972	01-00117	City of Yukon (BankOne)HR	Christmas bonus supplies	11/2012	Staples 9234201897	13.92
			Christmas bonus supplies	11/2012	Staples 9234201897	47.84
13-51050	01-00117	City of Yukon (BankOne)HR	PRIMA membership	12/2012	PRIMA 12-14-12	385.00
13-51256	01-05385	Suzanne R. Cannon, LPC, LAD	Nov '12 EAP Contract	11/2012	Nov '12	618.00
13-51120	01-22472	Integriss Pacer Health Serv	flu shots	11/2012	1082	2,632.00
13-51247	01-47660	Shred-It Oklahoma City	Doc.destruction-Ju12	12/2012	9401259647	3.19
13-51267	01-62900	Yukon Review Inc.	ad-preschool teacher	12/2012	YR59249	36.00
			ad-preschool teacher	12/2012	YR59379	36.00
DEPARTMENT TOTAL:						3,771.95

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 19		Street Department				
13-50794	01-00180	City of Yukon (BankOne)PW	tape, freith	12/2012	TrafficPart 360888	239.83
			clamps, tappers, nai	12/2012	Ace 865735	29.45
13-50808	01-00180	City of Yukon (BankOne)PW	food for PW luncheon	12/2012	Walmart 01229	32.30
			food for PW luncheon	12/2012	DollarGen 12-6-12	29.61
			food for PW luncheon	12/2012	Walmart 09371	31.48
			food for PW luncheon	12/2012	BassPro 590975	27.44
13-50926	01-00180	City of Yukon (BankOne)PW	relay and resistors	12/2012	TrafficPart 361725	276.00
13-50980	01-00180	City of Yukon (BankOne)PW	adapter	12/2012	RadioShack 031812	12.99
13-51064	01-00180	City of Yukon (BankOne)PW	concrete blocks	1/2013	DoLese 851232	245.00
13-51075	01-00180	City of Yukon (BankOne)PW	gender bender for sig Lts	12/2012	RadioShack 032060	9.27
13-51087	01-00180	City of Yukon (BankOne)PW	snow shovels	12/2012	Ace 000013	24.95-
			snow shovels	12/2012	Ace 867394	139.95
13-51118	01-00180	City of Yukon (BankOne)PW	spray paint	12/2012	Ace 867444	11.98
13-51119	01-00180	City of Yukon (BankOne)PW	LED bulbs GE	1/2013	Gades 0060976-IN	339.90
13-51207	01-00180	City of Yukon (BankOne)PW	9 volt batteries	1/2013	Walmart 03200	19.88
13-51146	01-29525	Locke welding	demurrage rental	12/2012	R3700	52.00
13-50432	01-30680	Luther Sign Company	signs and markers	12/2012	9147	638.24
DEPARTMENT TOTAL:						2,110.37
DEPARTMENT: 23		Technology				
13-50942	01-00123	City of Yukon (BankOne)TEC	iPhone 4 Case	12/2012	Amazon 12-11-12	119.70
			shipping	12/2012	Amazon 12-11-12	27.99
13-50992	01-00123	City of Yukon (BankOne)TEC	Power Supply	12/2012	Amazon 12-13-12	94.33
			shipping	12/2012	Amazon 12-13-12	4.99
13-50993	01-00123	City of Yukon (BankOne)TEC	HPCLJ Printer	12/2012	Staples 14199	349.99
13-51054	01-00123	City of Yukon (BankOne)TEC	ConnectCard DC'12	12/2012	Sprint 278524486	600.00
13-51055	01-00123	City of Yukon (BankOne)TEC	LongDist Srvc-NV'12	12/2012	ATT 80255519112	62.32
13-51059	01-00123	City of Yukon (BankOne)TEC	HP Maintenance Kit 110V	12/2012	CDW-G v525824	460.56
13-51070	01-00123	City of Yukon (BankOne)TEC	Bubble Envelope	12/2012	Staples 82641	26.98
13-51082	01-00123	City of Yukon (BankOne)TEC	wireless ServiceDC12	12/2012	Veriz 6822359979	5,950.36
13-51083	01-00123	City of Yukon (BankOne)TEC	Plantronics headset	12/2012	CDW-G V650043	292.20
13-51166	01-00123	City of Yukon (BankOne)TEC	Corkboard	12/2012	Staples 82759	81.98
13-51169	01-00123	City of Yukon (BankOne)TEC	Internet/Cable Srvc-DC'12	12/2012	Cox 12-17-12	474.95
13-51170	01-00123	City of Yukon (BankOne)TEC	HP Ink	12/2012	Staples 81452	121.93
13-51173	01-00123	City of Yukon (BankOne)TEC	Mob Phone Srvc-DC'12	12/2012	ATT x12222012	4,703.27
13-51174	01-00123	City of Yukon (BankOne)TEC	TransSt Phone Srvc-DC12	12/2012	Cox 12-21-12	47.68
13-51175	01-00123	City of Yukon (BankOne)TEC	DirectDialSrvc-DC'12	12/2012	ATT 405350891012	1,026.04
13-51176	01-00123	City of Yukon (BankOne)TEC	Plexar Service-DC'12	12/2012	ATT 405350891812	440.09
13-51178	01-00123	City of Yukon (BankOne)TEC	APC Back-UPS Pro 1000 UPS	1/2013	CDW-G V959431	154.80
13-51171	01-02237	BMI Systems Corporation	PDcopier lease DC'12	12/2012	CNIN119599BMI	1,046.00
			PD base copies DC'12	12/2012	CNIN119599BMI	466.99
13-51206	01-02237	BMI Systems Corporation	PDcopier lease NV'12	11/2012	CNIN118572BMI	1,046.00
			PD base copies NV'12	11/2012	CNIN118572BMI	466.99
			PDbillable cop NV'12	11/2012	CNIN118572BMI	23.12
13-51029	01-05490	CDW Government Inc.	APC Battery	12/2012	V789900	178.99
13-51042	01-1	ACS Firehouse Services	FHweb License	12/2012	A 859328	1,495.00
			FH Inspection Module	12/2012	A 859328	500.00

FUND: 01 - General Fund

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 23		Technology				
			FHweb License Update	12/2012	A 859328	250.00
			FH inspection Update	12/2012	A 859328	250.00
13-51030	01-48293	Software House International	whatsUpGold Maint Renewal	12/2012	B00888729	1,086.00
13-51167	01-51740	Tyler Technologies, Inc.	System Mgt Services	12/2012	025-59579	551.25
13-51205	01-60351	Xerox Corporation	w5030 PW lease DC'12	1/2013	065717990	280.75
			D252EFICH LeaseDC'12	1/2013	065717989	261.04
DEPARTMENT TOTAL:						22,942.29
FUND TOTAL:						87,534.97

FUND: 36 - 96 ST Capital Improvement

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		96 SALES TAX IMPROVEMENTS				
13-50914	01-00105	City of Yukon (BankOne)FD	blinds for Station 2	10/2012	BlindAlley 11356	2,693.00
13-50383	01-00123	City of Yukon (BankOne)TEC	PowerEdge R720xd Server	10/2012	Dell 206493278	8,655.61
13-51071	01-00123	City of Yukon (BankOne)TEC	parts-install cabling-San	12/2012	Locke 19364300-00	127.12
13-51028	01-05490	CDW Government Inc.	Canon DR-3010C Scanner	12/2012	V782241	764.38
13-51091	01-05490	CDW Government Inc.	HP Envy DV7 laptops	12/2012	V849586	1,804.54
			25" LED Monitor	12/2012	V849586	267.16
			HP Protect Care Pkg	1/2013	V892583	561.18
13-51092	01-05490	CDW Government Inc.	HP Elite 8300 PC	12/2012	V849585	1,679.78
			Kingston Memory DIMM	12/2012	V849585	140.04
			HP 2511X 25" LED Monitors	12/2012	V849585	1,068.64
			AMD FirePro V5900 GrphCrd	1/2013	V906421	916.54
13-51094	01-05490	CDW Government Inc.	HP Slate 2 Tablet	1/2013	V981547	905.72
			HP Acc Damage Policy	1/2013	w039647	149.38
13-51212	01-05490	CDW Government Inc.	Smart-UPS 1500 LCD	1/2013	w014742	701.48
13-51284	01-22440	Integrus Canadian Valley	Qtrly payment	1/2013	1015	50,000.00
13-51181	01-30600	Lowe's Companies, Inc.	framing,lumber,materials	1/2013	02489	77.00
			framing,lumber,materials	1/2013	77190	2,627.82
			framing,lumber,materials	1/2013	77191	1,217.60
13-51273	01-50700	Triad Design Group	SH 4/ OK 66 - SH 3	1/2013	8367	16,178.40
DEPARTMENT TOTAL:						90,535.39
FUND TOTAL:						90,535.39

FUND: 64 - Special Revenue

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 23 Special Events						
13-50887	01-00101	City of Yukon (BankOne)ADM	Supplies-Christmas CIP	1/2012	DallasDes 3510	2,399.94-
			Supplies-Christmas CIP	11/2012	AutFol 0118029	3,963.75
			Supplies-Christmas CIP	12/2012	walmart 09763A	46.55
			Supplies-Christmas CIP	12/2012	Staples 7093104474	72.27
			Supplies-Christmas CIP	12/2012	Staples 7093104474	17.99
			Supplies-Christmas CIP	12/2012	Orien 654907224-01	294.00
			Supplies-Christmas CIP	12/2012	Locke 19336094-00	144.30
			Supplies-Christmas CIP	12/2012	K&KInter 12-12-12	712.50-
			Supplies-Christmas CIP	12/2012	K&KInter 12-11-12	1.99-
13-50905	01-00101	City of Yukon (BankOne)ADM	Photos for Christmas/Park	12/2012	JHolland 30054	450.00
13-50979	01-00101	City of Yukon (BankOne)ADM	Christmas Party supplies	12/2012	PizzaHut 12-07-12	103.35
			Christmas Party supplies	12/2012	walmart 05086	42.30
			Christmas Party supplies	12/2012	AnnTaylor 6347	250.00
13-51133	01-00101	City of Yukon (BankOne)ADM	ChristmasTrees,Wreaths.Ga	11/2012	AutFoli 0118652-IN	5,328.30
13-51149	01-00108	City of Yukon (BankOne)LIB	Food Ladies Chistmas Part	12/2012	Carino's 12-14-12	423.50
13-51215	01-30600	Lowe's Companies, Inc.	CIP Storage Containers Re	12/2012	76777	1,687.50-
			CIP Storage Containers	12/2012	76777	1,687.50
			Shrink Wrap store CIP dec	1/2013	01634	250.32
DEPARTMENT TOTAL:						8,272.20
DEPARTMENT: 28 Park & Recreation						
13-51090	01-1	Advisors Marketing Group	calendars for Friends/Pk	12/2012	A 18370	161.30
DEPARTMENT TOTAL:						161.30
DEPARTMENT: 43 Mabel Fry						
13-50810	01-00108	City of Yukon (BankOne)LIB	bookshelves for CCCJC	12/2012	walmart 12-29-12	283.92
13-51072	01-00108	City of Yukon (BankOne)LIB	Materials for CCCJC	1/2013	Hastings 5040213	133.64
			Materials for CCCJC	1/2013	Hastings 5040214	19.99
DEPARTMENT TOTAL:						437.55
DEPARTMENT: 67 Police Department						
13-50547	01-00111	City of Yukon (BankOne)PD	Brugh travel expenses	11/2012	CCFoodMart 636654	62.99
			Brugh travel expenses	11/2012	Kum & Go 11-05-12	61.22
			Brugh travel expenses	11/2012	Gallahan 11-06-12	62.51
			Brugh travel expenses	11/2012	Speedway 11-08-12	28.10
			Brugh travel expenses	11/2012	Speedway 11-08-12	42.40
			Brugh travel expenses	11/2012	RapidRober 11-9-12	54.75
			Brugh travel expenses	11/2012	PetroMart 012622	67.45
			Brugh travel expenses	11/2012	McDonalds 11-05-12	4.40
			Brugh travel expenses	11/2012	MarshallJu 11-5-12	7.16
			Brugh travel expenses	11/2012	Beef's 11-05-12	17.50
			Brugh travel expenses	11/2012	Gallahan 11-06-12	5.76
			Brugh travel expenses	11/2012	DutchCafe 000004	9.84
			Brugh travel expenses	11/2012	RedLobste 11-06-12	22.87
			Brugh travel expenses	11/2012	Gallahan 11-07-12	5.65

FUND: 64 - Special Revenue

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 67		Police Department				
			Brugh travel expenses	11/2012	MyPizza 11-07-12	7.19
			Brugh travel expenses	11/2012	TXRoad 11-07-12	21.25
			Brugh travel expenses	11/2012	CVS 11-08-12	7.26
			Brugh travel expenses	11/2012	TacoBell 11-08-12	8.34
			Brugh travel expenses	11/2012	Speedway 11-08-12	6.96
			Brugh travel expenses	11/2012	BestWestern 28109	220.50
13-51069	01-1	National Safety Council	Peters renew DDC Instruct	11/2012	N INV-1102130	55.00
13-51085	01-1	Kustom Signals	radar repair	12/2012	K 474581	154.79
DEPARTMENT TOTAL:						933.89
FUND TOTAL:						9,804.94

FUND: 70 - Water &amp; Sewer Enterprise

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Utility Billing				
13-51082	01-00123	City of Yukon (BankOne)TEC	MR cellphone srvc	12/2012	Veriz 6822359979	232.42
13-51040	01-00170	City of Yukon (BankOne)UB	UPS Shipment	12/2012	Staples 77717	10.27
13-51139	01-00180	City of Yukon (BankOne)PW	fuel pump	12/2012	oreily 0343-284598	169.99
			filter	12/2012	oreily 0343-284598	5.43
			strainer	12/2012	oreily 0343-284598	12.41
13-51172	01-01055	AT&T	MR phone serviceDC12	12/2012	x12222012	163.02
13-51151	01-39550	Paul Penley Oil Company, In	fuel for city veh's	1/2013	0090035-IN	221.13
13-51214	01-39963	Pitney Bowes Purchase Power	Utility Billing-postage	1/2013	3rd Qtr '12 - '13	850.00
13-51187	01-53901	U S Post Office	Bulk Postage-Jan'13	1/2013	Jan '13	3,500.00
DEPARTMENT TOTAL:						5,164.67
DEPARTMENT: 02		Water Distribution				
13-50396	01-00180	City of Yukon (BankOne)PW	nondurables	12/2012	Locke 19359752-00	20.20
			sewer repairs	12/2012	Locke 19339410-00	69.95
			water line repairs	12/2012	Winwater 041818-00	150.00
			meter change outs	12/2012	HDSupply 5890098	333.51
13-50398	01-00180	City of Yukon (BankOne)PW	lubricants, oils, etc	12/2012	Fentress 659144	200.00
			lubricants, oils, etc	1/2013	Napa 520562	10.00
13-50808	01-00180	City of Yukon (BankOne)PW	food for PW luncheon	12/2012	walmart 06699	95.87
			food for PW luncheon	12/2012	walmart 03459	149.39
13-50858	01-00180	City of Yukon (BankOne)PW	meters	12/2012	PionSupply 9653	2,912.00
			meters	12/2012	PionSupply 9653	2,240.00
13-50916	01-00180	City of Yukon (BankOne)PW	clothing Rick Ford	12/2012	walmart 04475	98.31
13-50917	01-00180	City of Yukon (BankOne)PW	quicky saw cart	12/2012	HDSupply 5938801	550.00
			all purpose blade	12/2012	HDSupply 5938801	210.00
13-50927	01-00180	City of Yukon (BankOne)PW	concrete saw	12/2012	HDSupply 5928491	920.00
13-50931	01-00180	City of Yukon (BankOne)PW	parts to repair vehicles	12/2012	ICM OK812779PW	45.00
13-51011	01-00180	City of Yukon (BankOne)PW	bulbs and fixtures	12/2012	Locke 19286006-00	149.30
13-51012	01-00180	City of Yukon (BankOne)PW	w/w Class D R.Ford	11/2012	DEQ OE4525094	124.00
			w/w Class D M. Vann	11/2012	DEQ OE4525095	124.00
13-51013	01-00180	City of Yukon (BankOne)PW	1" copper	12/2012	HDSupply 5937337	412.00
13-51016	01-00180	City of Yukon (BankOne)PW	12" bucket	12/2012	OCT M06162	612.00
13-51086	01-00180	City of Yukon (BankOne)PW	copper 1"-100'	12/2012	HD Supply 5972844	525.00
13-51117	01-00180	City of Yukon (BankOne)PW	handle	12/2012	Ace 867443	29.48
			caulking & gun	12/2012	Ace 867443	32.15
13-51151	01-39550	Paul Penley Oil Company, In	unleaded fuel	1/2013	0090035-IN	487.23
			diesel fuel	1/2013	0090035-IN	74.11
13-51214	01-39963	Pitney Bowes Purchase Power	PW Water Dist--posta	1/2013	3rd Qtr '12 - '13	10.00
13-51138	01-57425	Waste Connections of Oklaho	pipeline disposal	12/2012	16406	828.65
DEPARTMENT TOTAL:						11,412.15

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 03 Treatment and Supply						
13-51259	01-06775	Commissioners of the Land	0Oct-Nov-Dec wellrent	1/2013	O-N-D '12	25.34
13-51261	01-19016	Higdon Family Trust	Oct-Nov-Dec '12 WR	1/2013	O-N-D '12	1,330.03
13-51262	01-28930	Leonhart Resources, LLC	Oct-Nov-Dec '12 WR	1/2013	O-N-D '12	1,330.03
13-51260	01-37650	OKC Airport Trust	Oct-Nov-Dec well rent	1/2013	O-N-D '12	23,300.29
13-51264	01-55800	Veolia Water North America	Service for Jan '13	1/2013	00024211	92,606.50
13-51263	01-58145	Estate of Clay Wilson	Oct-Nov-Dec land rent	1/2013	O-N-D '12	266.50
DEPARTMENT TOTAL :						118,858.69
DEPARTMENT: 04 Fleet Maintenance						
13-50151	01-00180	City of Yukon (BankOne)PW	parts to repair vehicles	12/2012	Napa 518413	460.67
			parts to repair vehicles	12/2012	Napa 519732	558.31
13-50395	01-00180	City of Yukon (BankOne)PW	parts-repair vehicle	11/2012	Conrad 480752	44.76
			parts-repair vehicle	11/2012	Conrad 480760	127.59
			parts-repair vehicle	11/2012	Conrad 480841	55.46
			parts-repair vehicle	12/2012	Ace 867337	104.50
13-50398	01-00180	City of Yukon (BankOne)PW	lubricants, oils, etc	12/2012	Napa 518149	19.98
			lubricants, oils, etc	12/2012	Napa 518150	27.90
			lubricants, oils, etc	12/2012	Fentress 659144	910.54
			lubricants, oils, etc	12/2012	Napa 519571	45.36
			lubricants, oils, etc	12/2012	Bobcat P04572	47.13
			lubricants, oils, etc	1/2013	Napa 520597	15.98
			lubricants, oils, etc	1/2013	Napa 520562	30.00
13-50575	01-00180	City of Yukon (BankOne)PW	control module	12/2012	Napa 518325	248.97
13-50808	01-00180	City of Yukon (BankOne)PW	food for PW luncheon	12/2012	walmart 02786	125.22
			food for PW luncheon	12/2012	walmart 00246	236.68
13-50925	01-00180	City of Yukon (BankOne)PW	gasket scraper	12/2012	Napa 519329	13.30
13-50931	01-00180	City of Yukon (BankOne)PW	parts to repair vehicles	12/2012	CentNewHol 136565	479.76
			parts to repair vehicles	12/2012	FrontEq 121212YUK	19.50
			parts to repair vehicles	12/2012	Xclusive 37776	88.00
			parts to repair vehicles	12/2012	YAG 16701	125.00
			parts to repair vehicles	12/2012	ATC 53614510	265.32
			parts to repair vehicles	12/2012	SmithF&G 473183	363.86
			parts to repair vehicles	12/2012	T&WTire 5049295	114.77
			parts to repair vehicles	12/2012	Roberts 5-682482	127.07
			parts to repair vehicles	12/2012	A-1Lawn 10903	89.95
			parts to repair vehicles	12/2012	A-1Lawn 10906	13.00
			parts to repair vehicles	12/2012	Bobcat P04569	236.70
			parts to repair vehicles	12/2012	CLBoyd P69673	335.50
			parts to repair vehicles	12/2012	CentNewHol 136682	193.10
			parts to repair vehicles	12/2012	Conrad 481028	82.88
			parts to repair vehicles	12/2012	Hercules 306391	118.00
			parts to repair vehicles	12/2012	K&N Tw0000942	297.53
			parts to repair vehicles	12/2012	SmithF&G 473063	131.96
			parts to repair vehicles	12/2012	T&WTire 5045555	244.42
			parts to repair vehicles	12/2012	T&WTire 5045558	131.78
			parts to repair vehicles	1/2013	Hibdon 128495	278.00
			parts to repair vehicles	1/2013	JoeCooper 67889Y	466.28

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 04		Fleet Maintenance				
13-51015	01-00180	City of Yukon (BankOne)PW	drop lights for shop	12/2012	Napa 519543	9.00
13-51056	01-00180	City of Yukon (BankOne)PW	shop towels	12/2012	CCPI IN01013683	122.50
			freight	12/2012	CCPI IN01013683	25.60
13-51116	01-00180	City of Yukon (BankOne)PW	8" pipe wrenches	12/2012	Napa 520246	17.26
13-51144	01-00180	City of Yukon (BankOne)PW	rear end parts	1/2013	PhilCycle 01-03-13	653.00
			drive belt	1/2013	PhilCycle 01-03-13	80.00
13-51145	01-00180	City of Yukon (BankOne)PW	225570R19.5	1/2013	T&WTire 5052228	539.26
			waste fee	1/2013	T&WTire 5052228	5.00
13-51147	01-00180	City of Yukon (BankOne)PW	welding supplies	1/2013	Aweldors 7018908	91.00
13-51014	01-29525	Locke welding	welding supplies	12/2012	14826	497.50
13-51146	01-29525	Locke welding	demurrage rental	12/2012	R3700	52.00
13-51151	01-39550	Paul Penley Oil Company, In	unleaded fuel	1/2013	0090035-IN	5,653.04
			diesel fuel	1/2013	0090035-IN	1,415.24
DEPARTMENT TOTAL:						16,435.13
FUND TOTAL:						151,870.64

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Sanitation				
13-50933	01-00171	City of Yukon (BankOne)	SAN transfer station tickets	12/2012	CustPrint 134739	504.00
13-51067	01-00171	City of Yukon (BankOne)	SAN Office supplies	12/2012	OffDepot 638531528	72.73
			Office supplies	12/2012	Walmart 01674	22.90
13-51115	01-00171	City of Yukon (BankOne)	SAN rakes	12/2012	Ace 867427	27.98
			dust mop	12/2012	Ace 867427	29.99
13-51126	01-00171	City of Yukon (BankOne)	SAN bulbs-outside lights	12/2012	Locke 19430721-00	149.66
13-51208	01-00171	City of Yukon (BankOne)	SAN hydraulic hose fittings	1/2013	IndSpec 432431-001	60.44
13-51210	01-00171	City of Yukon (BankOne)	SAN rollers & turnbuckles	1/2013	J&REquip 20785	346.31
13-50151	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	12/2012	Napa 519732	114.93
13-50398	01-00180	City of Yukon (BankOne)	PW lubricants, oils, etc	12/2012	Fentress 659144	200.00
			lubricants, oils, etc	1/2013	Napa 520562	10.00
13-50931	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	12/2012	Bakers 24396	183.88
			parts to repair vehicles	12/2012	Napa 519364	32.92
			parts to repair vehicles	12/2012	T&WTire 5040177	50.77
			parts to repair vehicles	12/2012	Hydradyn 510620111	121.52
			parts to repair vehicles	12/2012	Roberts 5-682224	796.22
			parts to repair vehicles	12/2012	ATC 53613872	185.49
			parts to repair vehicles	12/2012	T&WTire 5045581	568.26
			parts to repair vehicles	1/2013	IndSpec 432429-001	540.57
13-51151	01-39550	Paul Penley Oil Company, Inc	unleaded fuel	1/2013	0090035-IN	182.93
			diesel fuel	1/2013	0090035-IN	3,541.84
13-51164	01-57420	Waste Connections of Oklahoma	landfill fees	12/2012	16490	9,258.51
DEPARTMENT TOTAL:						17,001.85
DEPARTMENT: 02		Recycling				
13-51252	01-16350	Carole Garner	VoiceMail-thru Dec12	1/2013	136717-0113	15.44
DEPARTMENT TOTAL:						15.44
FUND TOTAL:						17,017.29

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Stormwater				
13-50934	01-00173	City of Yukon (BankOne)SW	MS4 Conference Expenses	11/2012	OKCZoo 021071	375.00
13-50975	01-00173	City of Yukon (BankOne)SW	Media for Lg Plotters	12/2012	Dime ARIN735330DMW	134.00
13-51031	01-00173	City of Yukon (BankOne)SW	NPDES online training	12/2012	NatlStorm 12-17-12	448.00
13-51151	01-39550	Paul Penley Oil Company, In	unleaded	1/2013	0090035-IN	24.12
13-51125	01-47660	Shred-It Oklahoma City	Doc.destruction-DC12	12/2012	9401259648	9.56
DEPARTMENT TOTAL:						990.68
FUND TOTAL:						990.68
GRAND TOTAL:						357,753.91



John Alberts , Mayor & Council Member Ward II  
Ken Smith, Vice Mayor & Council Member at Large  
Nick Grba, Council Member Ward I  
Rick Opitz, Council Member Ward III  
Michael McEachern, Council Member Ward IV

**From the Office of the  
Grant Specialist  
Audrey Fitzsimmons**

MEMO TO: City Manager, Grayson Bottom  
City Clerk, Doug Shivers  
City Council

FROM: Mitchell Hort  
Audrey Fitzsimmons

DATE: January 7, 2013

**RE: Approval of grant proposal submission for 2013 OK Tourism and Recreation  
Department Recreational Trails Program Grant**

The Recreational Trails Program grant funding opportunity is presented by the Oklahoma Tourism and Recreation Department. The program was originally part of the ISTEAs and SAFETEA-LU program. Eligible projects include trail maintenance / restoration, construction of new trails, development of trailhead / trailside facilities, and renovation / construction of trails to ensure ADA accessibility. A public meeting to receive citizen input is required and will be held in conjunction with the January 15<sup>th</sup> City Council meeting.

The proposed project being submitted involves resurfacing the walking trail along Turtle Creek at Chisholm Trail Park, connecting the trail to the existing trail on the dam at Mulvey Pond, ensuring that the trails in the Chisholm Trail, City, and Freedom Trail Parks meet ADA accessibility requirements, and adding solar lights throughout the parks to enhance safety of trail users. It is intended that the enhancement of the trails in these three parks will serve as a kick-off for the City's Master Trail Plan project currently underway with the National Parks Service, Recreational Trails and Conservation Technical Assistance Program.

If approved, the proposal will be submitted by January 31, 2013. The project must be initiated within 1 year and completed within 2 years. This is a reimbursement grant, up to 80% of the project cost. The City's portion can be met with cash or in-kind contributions.

**Proposed Project Budget**

Project total	\$ 200,000
Funding request	\$ 160,000
City match	\$ 40,000

CITY OF YUKON

500 West Main Street  
P.O. Box 850500  
Yukon, Oklahoma 73085  
Phone: 405.354.6676  
Fax: 405.350.8926



John Alberts, Mayor & Council Member Ward II  
Ken Smith, Vice Mayor & Council Member at Large  
Nick Grba, Council Member Ward I  
Rick Opitz, Council Member Ward III  
Michael McEachern, Council Member Ward IV

**From the Office of the  
Grant Specialist  
Audrey Fitzsimmons**

MEMO TO: City Manager, Grayson Bottom  
City Clerk, Doug Shivers  
City Council

FROM: Mitchell Hort  
Audrey Fitzsimmons

DATE: January 7, 2013

**RE: Approval of grant proposal submission for 2013 OK Tourism and Recreation  
Department Land and Water Conservation Fund Grant**

The Land and Water Conservation Fund grant opportunity is presented by the National Parks Service and administered by the Oklahoma Tourism and Recreation Department. The purpose of this grant is to fund the development of public outdoor recreation areas or support facilities. A public meeting to receive citizen input is required and will be held in conjunction with the January 15<sup>th</sup> City Council meeting.

The proposed project being submitted involves the purchase and installation of an ADA accessible restroom facility at Ranchwood Park. This would be the first phase in future improvements at this park and would serve to demonstrate the City's commitment to the future enhancement of this area.

If approved, the proposal will be submitted by January 31, 2013. The project must be completed within 2 years. This is a reimbursement grant, up to 50% of the project cost. The City's portion can be met with cash or in-kind contributions.

**Proposed Project Budget**

Project total	\$ 200,000
Funding request	\$ 100,000
City match	\$ 100,000

CITY OF YUKON

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## Report of Boards, Commissions and Committees

Titles and members of various boards, commissions and committees that are appointed by the Mayor and City Council are listed below, as well as the expiration date of their term and the ward they represent. All terms expire June 30th.

### Planning Commission

Earline Smaistrla	Ward 1	2014
Larry Taylor	Ward 2	2014
Bob Doggett	Ward AL	2015
Terry Beaver	Ward 3	2016
Roger Davis	Ward 4	2016

### Board of Adjustment/Board of Appeal

Sherry Huston	Ward 1	2014
Rena Holland	Ward 2	2014
Buddy Carpenter	Ward AL	2015
Joe Horn	Ward 3	2016
Russ Kline	Ward 4	2016

### Park Board

Joe Edwards	Ward 1	2014
D.E. Brower	Ward 2	2014
Ed Hatley	Ward AL	2015
Ward Larson	Ward 3	2016
Joe Baumann	Ward 4	2016

### Library Board

Charlotte Novak*		
Beth Ridle*		
Lee Wells	Ward 2/1	2014
Joyce Roman	Ward 2	2014
Ginger LaCroix	Ward AL	2015
Jeanne Riggs	Ward 3	2016
Margaret Albrecht	Ward 4	2016

### Traffic Commission

Charles Lee	Ward 1	2014
Rebecca Parker	Ward 2	2014
John Knuppel	Ward AL	2015
Jay Tallant	Ward 3	2016
A.J. Clements	Ward 4	2016

### Spanish Cove

Larry Taylor, Representative

### OK Environmental Management Auth.

Nick Grba, Representative  
Dewayne Maxey, Alternate

### Senior Citizens

Ray Wright, Representative  
John Alberts, Alternate

### ACOG

Ken Smith, Member  
John Alberts, Alternate

### COWRA

Genie Vinson, Representative  
Larry Taylor, Alternate

### Sister City Committee

Illona Morris  
Terry Beaver  
Nancy Novosad  
Edwin Shedeck

### Recycling Committee

Carole Garner	Rick Bolin
Dennis Beringer	Beverly Kofoed
Genie Vinson	Gary LaRue

\*Members of Ladies' Library Club are appointed by same

**CITY OF YUKON OKLAHOMA  
YUKON, OKLAHOMA**

**ANNUAL FINANCIAL STATEMENTS  
AND ACCOMPANYING  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2012**

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Within this section, the City of Yukon's ("City") management provides narrative discussion and analysis of the financial performance of the City's for the fiscal year ended June 30, 2012. The City's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. Please read it in conjunction with the City's financial statements, which follow this section.

### FINANCIAL SUMMARY

- At June 30, 2012, the assets of the City exceeded its liabilities by \$35,207,301 (net assets). This compared to the previous year when restated assets exceeded liabilities by \$34,832,707.
- The City's total net assets are comprised of the following:
  - (1) Invested in capital assets, net of related debt of \$40,473,397 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase of construction of capital assets. Business-type activities report debt in excess of capital assets of \$11,653,209. This is due to revenue bonds issued under the Yukon Municipal Authority used to fund assets that are governmental in nature, specifically the fire station in fiscal year 2012 and street improvements.
  - (2) Restricted net assets of \$20,130,225.
  - (3) Unrestricted net assets of negative \$25,396,321 represent the portion available to maintain the City's continuing obligations to citizens and creditors. Due to the large amount of capital assets and restricted funds held by the City, unrestricted net assets are reported as a negative.
- Total liabilities of the City decreased by \$1,924,899 during the fiscal year from \$53,591,702 to \$51,666,803. The majority of this decrease is attributable to repayments made on outstanding debt and current obligations.
- The City's governmental funds reported total ending fund balance of \$16,553,903 this year. This compared to the prior year ending fund balance of \$16,357,733, showing an increase of \$206,170 during the current year, including a prior period adjustment for sales tax accrual.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was negative \$98,104. This is due to the cash restrictions related to capital lease agreements and debt requirements.

### OVERVIEW OF THE FINANCIAL STATEMENTS

*Management's Discussion and Analysis* introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes in this report additional information to supplement the basic financial statements.

#### **Government-wide Financial Statements**

The City's annual reporting includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall status and are presented to demonstrate the extent the City has met its operating objective efficiently and effectively using all the resources available and whether the City can continue to meet its objectives in the foreseeable future. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Assets*. This is the City-wide statement of financial position presenting information that includes all of the City's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indication of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall economic health of the City would include other financial factors such as

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diversification of the taxpayer base or the condition of the City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net assets changed during the current fiscal year and can be used to assess the City's operating results in its entirety and analyze how the City's programs are financed. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the City that are principally supported by taxes and intergovernmental revenues, such as grants, and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities includes general government; public safety and judiciary; transportation; and cultural, parks, and recreation. Business-types activities include utility services, including water and sanitation, provided by the City.

The City's financial reporting entity includes the funds of the City (primary government) and organization for which the City is accountable (component units). Comprehensive information about the City's component units can be found in footnotes.

### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole.

The City has three kinds of funds:

*Governmental funds* are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund statements reporting short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statement is included in the basic financial statement for governmental funds deemed as major. This statement demonstrates compliance with the City's adopted and final revised budget.

*Proprietary funds* are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City has one type of proprietary fund, enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization such as water, sanitation, and electric utilities.

Proprietary fund statements and statements for discretely presented component units (reporting similarly to proprietary funds) provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail.

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*Fiduciary funds* are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City programs. Fiduciary fund financial statements report similarly to proprietary funds.

**Notes to the financial statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. Those notes to the financial statement begin immediately following the basic financial statements.

**Other information**

In addition to the basic financial statements and accompanying notes, this report presents certain *Required Supplementary Information* concerning the City's compliance with the approved and revised budget for major governmental funds.

**A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

**Net Assets**

The City's combined net assets at June 30, 2012 were \$35,207,301. This is a \$1,471,829 increase over June 30, 2011 net assets of \$33,768,206, prior to restatement. The City reported positive balances in total net assets for governmental activities. In business-type activities, The City reported negative net assets, which is a function of the issuance of debt that funds governmental assets. The City's overall financial position improved 1% during fiscal year 2012.

	Summary of Net Assets, in thousands							
	Governmental Activities		Business-Type Activities		Total		\$ Change	% Change
	2012	2011	2012	2011	2012	2011		
Current assets	\$ 17,094	\$ 17,083	\$ 7,660	\$ 13,671	\$ 24,754	\$ 30,754	\$ (6,000)	-20%
Capital assets, net	51,909	46,730	10,211	9,876	62,120	56,606	5,514	10%
<b>Total assets</b>	<b>69,003</b>	<b>63,813</b>	<b>17,871</b>	<b>23,547</b>	<b>86,874</b>	<b>87,360</b>	<b>(486)</b>	<b>-1%</b>
Current liabilities	15,407	15,341	4,694	4,519	20,101	19,860	241	1%
Non-current liabilities	10,806	10,461	20,760	23,271	31,566	33,732	(2,166)	-6%
<b>Total liabilities</b>	<b>26,213</b>	<b>25,802</b>	<b>25,454</b>	<b>27,790</b>	<b>51,667</b>	<b>53,592</b>	<b>(1,925)</b>	<b>-4%</b>
Net assets								
Invested in capital assets, net of related debt	52,127	43,372	(11,653)	(10,888)	40,474	32,484	7,990	25%
Restricted	16,662	7,768	3,468	589	20,130	8,357	11,773	141%
Unrestricted	(25,999)	(13,129)	602	6,056	(25,397)	(7,073)	(18,324)	259%
<b>Total net assets</b>	<b>\$ 42,790</b>	<b>\$ 38,011</b>	<b>\$ (7,583)</b>	<b>\$ (4,243)</b>	<b>\$ 35,207</b>	<b>\$ 33,768</b>	<b>\$ 1,439</b>	<b>4%</b>

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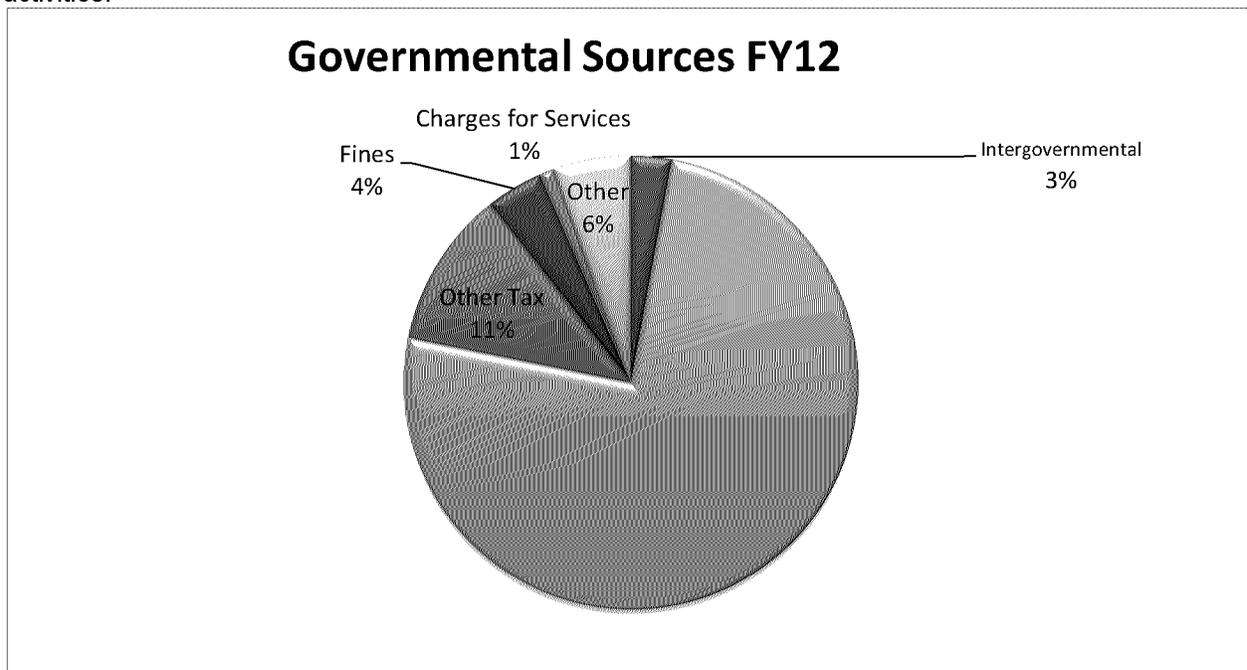
Summary of Changes in Net Assets, in thousands

	Governmental Activities		Business-type Activities		Total		\$ Change	% Change
	2012	2011	2012	2011	2012	2011		
<b>Revenues</b>								
Program revenues	\$ 2,597	\$ 1,075	\$ 8,105	\$ 8,210	\$ 10,702	\$ 9,285	\$ 1,417	15%
Taxes and other general revenues	21,702	20,893	222	477	21,924	21,370	554	3%
<b>Total revenues</b>	<b>24,299</b>	<b>21,968</b>	<b>8,327</b>	<b>8,687</b>	<b>32,626</b>	<b>30,655</b>	<b>1,971</b>	<b>18%</b>
<b>Expenses</b>								
General government	8,264	20,852	-	-	8,264	20,852	(12,588)	-60%
Public safety and judiciary	8,965	8,021	-	-	8,965	8,021	944	12%
Public services	3,282	3,021	-	-	3,282	3,021	261	9%
Cultural, parks, and recreation	2,571	2,555	-	-	2,571	2,555	16	1%
Interest on debt	402	678	1,295	801	1,697	1,479	218	15%
Water	-	-	2,344	3,647	2,344	3,647	(1,303)	-36%
Sewer	-	-	2,512	1,269	2,512	1,269	1,243	98%
Sanitation	-	-	1,518	1,266	1,518	1,266	252	20%
<b>Total expenses</b>	<b>23,484</b>	<b>35,127</b>	<b>7,669</b>	<b>6,983</b>	<b>31,153</b>	<b>42,110</b>	<b>(10,957)</b>	<b>-26%</b>
Excess (deficiency) before transfers	\$ 815	\$ (13,159)	\$ 658	\$ 1,704	\$ 1,473	\$ (11,455)	\$ 12,928	-113%
Transfers	4,289	444	(4,289)	(444)	-	-	-	0%
<b>Increase (decrease) in net assets</b>	<b>\$ 5,104</b>	<b>\$ (12,715)</b>	<b>\$ (3,631)</b>	<b>\$ 1,260</b>	<b>\$ 1,473</b>	<b>\$ (11,455)</b>	<b>\$ 12,928</b>	<b>-113%</b>

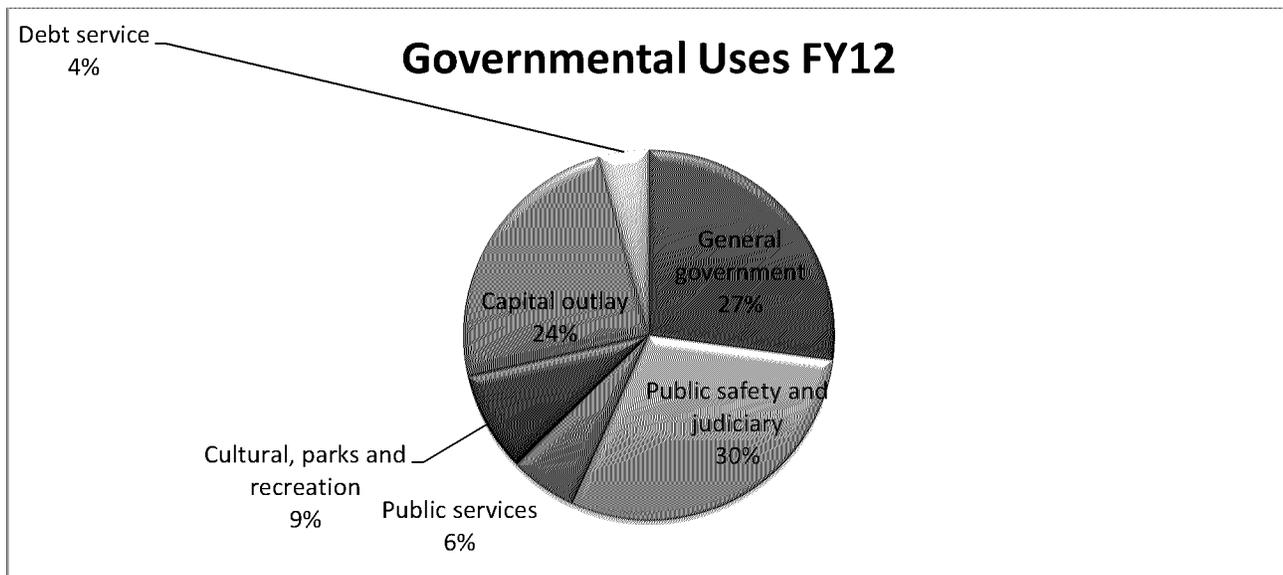
Revenues for the City increased 18% year over year. This increase in revenues is attributable to operating and capital contributions. Operating expenses noted an overall decrease over fiscal year 2011 of 26%. This decrease is a function of the post retirement benefits which were recorded in fiscal year 2011.

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Graphic presentations of selected data from the summary table follow to assist in the analysis of the City's activities.



Taxes provided 75% of the City's governmental revenues in fiscal year 2012. Property taxes and franchise taxes represent 11% of governmental sources under other taxes.

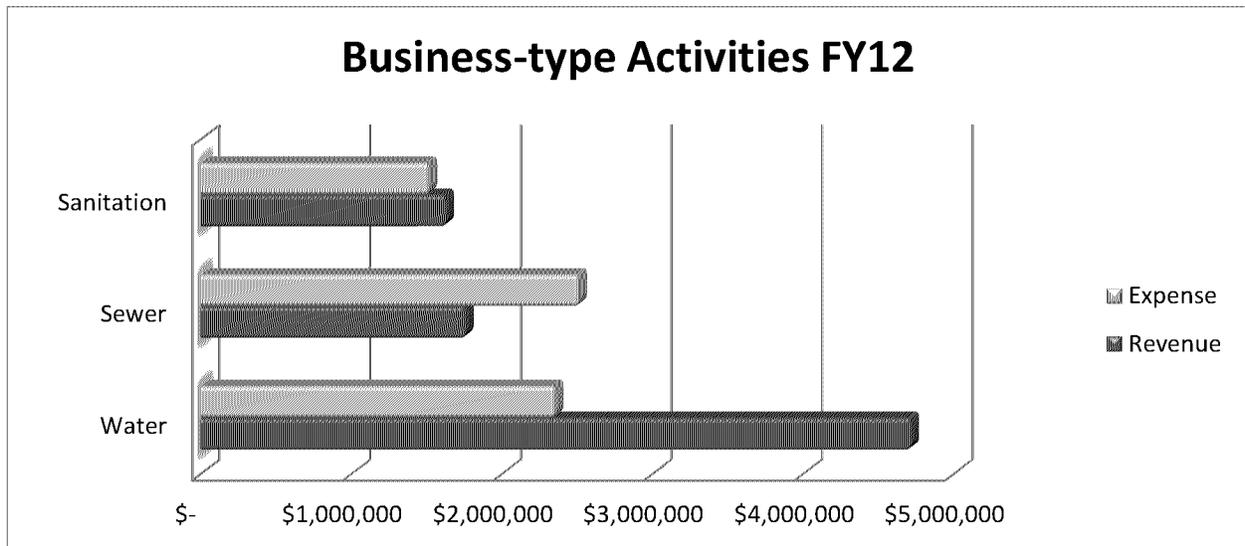


For the year ended June 30, 2012, total expenses for governmental activities were \$29,669,316. Of this amount, public safety and judiciary with \$8,383,185, was the largest operating service department at 30% of the total cost of services for the City government, which is consistent with prior year. These costs, as well as all other governmental activity expenses, were primarily funded by tax revenues and transfers in from the Yukon Municipal Authority. It should be noted that governmental expenses are adjusted from the fund statements to the government-wide statements for the purchase and construction of capital

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assets. Government-wide statement is full accrual; capital outlay expenses are eliminated and capital assets are reported.

**Business-type Activities**



Business-type activities are shown comparing costs to revenues generated by the related services. Sanitation, Sewer, and Water activities are intended to be self-supporting with user charges.

For the fiscal year ended June 30, 2012, revenues from water and sanitation services covered the cost of operating their respective departments.

**General Fund Budgetary Highlights**

The original adopted General Fund budget for fiscal year 2012 was \$19,508,444 as compared to \$18,055,532 in fiscal year 2011. For the year ended June 30, 2012, actual expenses exceeded budgeted amounts in two departments, public safety and cultural, parks, and recreation, and in total for the fiscal year.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of June 30, 2012, the City had \$40,473,397 invested in capital assets, net of related debt, including vehicles and equipment for police and fire operations, street improvements, and park facilities, in governmental activities and water lines, sewer lines, and utility equipment in business-type activities. Refer to the table below.

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**Primary Government Capital Assets (net of accumulated depreciation)**  
 in thousands

	Governmental		Business-type	Total
	<u>Activities</u>		<u>Activities</u>	
	<u>2012</u>		<u>2012</u>	
Land	\$	2,974,338	\$ 97,740	\$ 3,072,078
Construction in process		8,022,227	327,401	8,349,628
Buildings		3,905,970	133,607	4,039,577
Machinery & equipment		1,488,820	295,546	1,784,366
Infrastructure		35,517,935	9,356,541	44,874,476
Totals	\$	<u>51,909,290</u>	<u>10,210,835</u>	<u>\$ 62,120,125</u>

The most significant additions included work on the fire station, street improvements, and department vehicles.

**Long-Term Debt**

At year-end, the City had \$31,566,373 in long-term debt outstanding. The City's summary of long-term debt by type of debt is as follows:

**Primary Government Long-Term Debt**

	Business-type Activities
	<u>2012</u>
Lease payable	\$ 3,383,070
Notes payable	1,604,216
Bonds payable	31,540,000
less current portion	<u>(4,960,913)</u>
Totals	<u>\$ 31,566,373</u>

**ECONOMIC FACTORS AND NEXT YEARS'S BUDGET AND RATES**

**Economic Environment**

The City of Yukon has benefited from the expansion of the metro area through increased sales tax dollars and additional demand on utility services within the City limits. In preparing for the fiscal year 2012 budget, the City projected revenue growth of over 3%. Expenses followed the same increase due to inflation coupled with increasing personnel costs. Although the national economy is projecting cautious recovery, the City has been relatively insulated to the recession. With growth projected in fiscal year 2012, the City continues to move forward in fiscal year 2013 with continued progress.

**Fees and Rates**

The budget for fiscal year 2013, projects a moderate increase in fees and rates for the City's primary government. After some research, it has been determined that the City is likely to realize at least a 4.5% level of growth from its main sources of revenue. The majority of this increase is general economic growth and recovery that will turn into sales tax revenue for the City. The budget also includes an increase in revenues for the Yukon Municipal Authority through the utility services provided to citizens. Budget projections are based on an overall restructuring of the rate plans for water, sewer and sanitation which will go into effect during fiscal year 2013.

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### Operating and Capital Expenses

Within the General Fund, the City projects a 4.5% increase in expenses when compared to prior year. Major changes include: a 2.5% raise for all permanent full-time employees and additions to personnel in various departments.

Within the Yukon Municipal Authority fund, the most significant change in the budget was the 2.5% raise for full time employees.

Based upon projected revenues, the City has budgeted a number of capital projects for fiscal year 2013, including:

- Park Maintenance: new equipment and drainage work \$54,000;
- Fire: renovation of current Station 1 \$29,000;
- Library: circulation desk refurbishment, new flooring and new materials \$47,000;
- Park Administration: Splash Pad (if awarded grant), retaining wall, Mobile Mini, and steel pole \$212,000 (City's net responsibility for projects);
- Police: new carpet tiles \$7000;
- Recreation: new flooring for RAC, light fixture replacement, pool renovations, parking lot lights \$61,000;
- Fleet Maintenance: overhead door replacement \$5,000;
- Streets: 30 x 30 equipment storage facility, intersection and drainage repair, traffic counter analyzer system and 8 mobile units, first year of three year program to change out signal systems \$43,000;
- Technology: Two-way radio equipment, 2 replacement servers, 62 replacement desktop computers, 7 laptop replacements, secondary back-up vault for redundant data protection, replacement and upgrade of New World servers at police station and other New World updates, Cisco hardware upgrades, record on demand system, 7 toughbook laptops \$383,854;
- Emergency Management: update of eight storm sirens to run on solar power \$50,000; Water & Sewer: new meter reading system, line bursting, Waste Water Treatment system improvements (pump, motor, pipe, valves, wire, and electrical replacement), water well, water tower, and lift station improvements, Godwin six inch pump for backup system at lift stations, etc. \$240,000;
- Sanitation: shop building improvements, new polycarts and dumpsters \$75,000

### 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 City Treasurer's Office at Yukon City Hall, 500 West Main Street in Yukon, Oklahoma.

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**CITY OF YUKON  
STATEMENT OF NET ASSETS  
JUNE 30, 2012**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,435,940	\$ 616,090	\$ 3,052,030
Investments	258,705	-	258,705
Accounts receivables (net)	-	907,076	907,076
Taxes receivables	1,685,499	-	1,685,499
Fines receivable	137,376	-	137,376
Grants receivable	26,000	-	26,000
Due to/from other funds	24,732	-	24,732
Restricted assets:			
Cash	6,988,795	1,819	6,990,614
Investments	5,536,591	5,331,327	10,867,918
Other assets	-	804,029	804,029
Capital assets (net)	<u>51,909,290</u>	<u>10,210,835</u>	<u>62,120,125</u>
<b>Total assets</b>	<u>69,002,928</u>	<u>17,871,176</u>	<u>86,874,104</u>
<b>Liabilities:</b>			
Accounts payable	296,947	258,455	555,402
Accrued salaries	232,788	92,772	325,560
Accrued interest payable	117,616	309,643	427,259
Accrued compensated absences, current	-	213,309	213,309
Capital lease obligation, current	821,697	-	821,697
OPEB liability	13,257,820	-	13,257,820
Notes payable, current	-	1,604,216	1,604,216
Revenue bonds payable, current	-	1,855,000	1,855,000
General obligation bond payable, current	680,000	-	680,000
Customer deposits payable	-	360,167	360,167
Capital lease obligation, non-current	2,561,373	-	2,561,373
General obligation bonds payable, non-current	8,245,000	-	8,245,000
Revenue bonds payable, non-current	<u>-</u>	<u>20,760,000</u>	<u>20,760,000</u>
<b>Total liabilities</b>	<u>26,213,241</u>	<u>25,453,562</u>	<u>51,666,803</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	52,126,606	(11,653,209)	40,473,397
Restricted	16,662,007	3,468,218	20,130,225
Unrestricted	<u>(25,998,926)</u>	<u>602,605</u>	<u>(25,396,321)</u>
<b>Total net assets</b>	<u>\$ 42,789,687</u>	<u>\$ (7,582,386)</u>	<u>\$ 35,207,301</u>

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

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**CITY OF YUKON  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2012**

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
<b>Governmental activities:</b>					
General government	\$ 8,263,714	\$ 328,043	\$ 11,993	\$ 232,645	\$ (7,691,033)
Public safety:					
Police	5,170,736	987,219	37,239	-	(4,146,278)
Municipal court	253,783	-	-	-	(253,783)
Fire	3,390,735	1,596	-	-	(3,389,139)
Animal control	150,738	-	-	-	(150,738)
Public services	3,281,807	-	104,875	202,744	(2,974,188)
Cultural and recreation	2,570,858	253,088	437,719	-	(1,880,051)
Interest on long term debt	401,976	-	-	-	(401,976)
<b>Total Governmental activities</b>	<b>23,484,347</b>	<b>1,569,946</b>	<b>591,826</b>	<b>435,389</b>	<b>(20,887,186)</b>
<b>Business-type activities:</b>					
Water	2,344,002	4,718,155	-	-	2,374,153
Sewer	2,512,151	1,758,644	-	-	(753,507)
Sanitation	1,517,746	1,628,276	-	-	110,530
Interest on long term debt	1,295,178	-	-	-	(1,295,178)
<b>Total Business-type activities</b>	<b>7,669,077</b>	<b>8,105,075</b>	<b>-</b>	<b>-</b>	<b>435,998</b>
<b>Total</b>	<b>\$ 31,153,424</b>	<b>\$ 9,675,021</b>	<b>\$ 591,826</b>	<b>\$ 435,389</b>	<b>\$ (20,451,188)</b>

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-Type Activities	Total
<b>Net (expense) revenue</b>	\$ (20,887,186)	\$ 435,998	\$ (20,451,188)
<b>General revenues:</b>			
Taxes:			
Sales and use taxes	18,297,909	-	18,297,909
Property taxes	1,339,034	-	1,339,034
Franchise and public service taxes	1,464,795	-	1,464,795
Investment income	80,015	1,655	81,670
Gain on sale of property	79,862	-	79,862
Royalties	7,386	-	7,386
Miscellaneous	432,787	219,574	652,361
Transfers	4,289,049	(4,289,049)	-
<b>Total general revenues and transfers</b>	<b>25,990,837</b>	<b>(4,067,820)</b>	<b>21,923,017</b>
<b>Change in net assets</b>	<b>5,103,651</b>	<b>(3,631,822)</b>	<b>1,471,829</b>
<b>Net assets - beginning of year, restated</b>	<b>37,686,036</b>	<b>(3,950,564)</b>	<b>33,735,472</b>
<b>Net assets - end of year</b>	<b>\$ 42,789,687</b>	<b>\$ (7,582,386)</b>	<b>\$ 35,207,301</b>

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

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CITY OF YUKON  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012

	General Fund	Capital Projects Fund	96 Sales Tax Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 636,177	\$ -	\$ -	\$ 1,799,763	\$ 2,435,940
Investments	258,705				258,705
Taxes receivable	1,277,666	-	380,573	27,260	1,685,499
Fines receivable, net of allowance	137,376	-	-	-	137,376
Grants receivable	-	-	-	26,000	26,000
Due from other funds	-	-	1,099,911	-	1,099,911
Restricted cash:					
Cash	4,311,497	163,070	2,514,228	-	6,988,795
Investments	5,100,000	-	436,591	-	5,536,591
<b>Total assets</b>	<b>\$ 11,721,421</b>	<b>\$ 163,070</b>	<b>\$ 4,431,303</b>	<b>\$ 1,853,023</b>	<b>\$ 18,168,817</b>
<b>Liabilities:</b>					
Accounts payable	\$ 248,286	\$ -	\$ 40,712	\$ 7,949	\$ 296,947
Accrued salaries	232,788	-	-	-	232,788
Due to other funds	1,075,179	-	-	-	1,075,179
<b>Total liabilities</b>	<b>1,556,253</b>	<b>-</b>	<b>40,712</b>	<b>7,949</b>	<b>1,604,914</b>
<b>Fund balance:</b>					
Restricted	7,139,100	-	4,390,591	801,235	12,330,926
Committed	3,124,172	163,070	-	516,996	3,804,238
Assigned	-	-	-	526,843	526,843
Unassigned	(98,104)	-	-	-	(98,104)
<b>Total fund balances</b>	<b>10,165,168</b>	<b>163,070</b>	<b>4,390,591</b>	<b>1,845,074</b>	<b>16,563,903</b>
<b>Total liabilities and fund balances</b>	<b>\$ 11,721,421</b>	<b>\$ 163,070</b>	<b>\$ 4,431,303</b>	<b>\$ 1,853,023</b>	<b>\$ 18,168,817</b>

The accompanying notes are an integral part of the basic financial statements.

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**CITY OF YUKON  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2012**

**Total fund balance - all governmental funds**

Amounts reported for governmental activities in the statement of net assets are different because: \$ 16,563,903

Land and capital assets, net of accumulated depreciation, are not financial resources and, therefore, are not reported in the funds.

Land and construction in process	10,961,765	
Capital assets	90,204,806	
Less: Accumulated depreciation	<u>(49,257,281)</u>	51,909,290

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

	<i>Current</i>	<i>Non-Current</i>	
Bonds payable	\$ (680,000)	\$ (8,245,000)	
Bonds interest payable	(117,616)	-	
Capital leases payable	<u>(821,697)</u>	<u>(2,561,373)</u>	(12,425,686)

OPEB liability (13,257,820)

**Net assets of governmental activities** \$ 42,789,687

The accompanying notes are an integral part of the basic financial statements.

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**CITY OF YUKON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>96 Sales Tax Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>					
Sales and use tax	\$ 14,052,157	\$ -	\$ 4,245,752	\$ -	\$ 18,297,909
Taxes	243,417	-	-	1,339,034	1,582,451
Intergovernmental	289,258	-	232,645	175,627	697,530
Franchise tax	1,134,864	-	-	-	1,134,864
Charges for services	236,446	-	-	10,190	246,636
Fines and forfeitures	991,071	-	-	-	991,071
Licenses and permits	268,910	-	-	-	268,910
Investment income	65,291	211	9,816	4,697	80,015
Rental and royalty income	52,382	7,386	-	1,470	61,238
Donations	-	-	-	425,676	425,676
Sale of property	79,862	-	-	-	79,862
Proceeds from debt issuance	3,250,555	-	-	-	3,250,555
Miscellaneous	366,178	-	-	66,610	432,788
<b>Total revenues</b>	<b>21,030,391</b>	<b>7,597</b>	<b>4,488,213</b>	<b>2,023,304</b>	<b>27,549,505</b>
<b>Expenditures:</b>					
General government	7,078,571	25	207,700	291,483	7,577,779
Public safety:	-	-	-	-	-
Police	4,746,522	-	-	92,316	4,838,838
Municipal court	253,783	-	-	-	253,783
Fire	3,143,408	-	-	-	3,143,408
Animal control	147,156	-	-	-	147,156
Public services	1,591,366	-	-	61,679	1,653,045
Cultural and recreation	2,474,390	-	-	750	2,475,140
Debt service	-	-	352,785	1,055,828	1,408,613
Capital outlay	6,856,302	484,516	666,965	163,771	8,171,554
<b>Total expenditures</b>	<b>26,291,498</b>	<b>484,541</b>	<b>1,227,450</b>	<b>1,665,827</b>	<b>29,669,316</b>
<b>Excess revenues over (under) expenditures</b>	<b>(5,261,107)</b>	<b>(476,944)</b>	<b>3,260,763</b>	<b>357,477</b>	<b>(2,119,811)</b>
<b>Other financing sources (uses):</b>					
Transfers in	12,078,902	-	-	-	12,078,902
Transfers out	(3,861,275)	(411,723)	(3,516,855)	-	(7,789,853)
<b>Total other financing sources and uses</b>	<b>8,217,627</b>	<b>(411,723)</b>	<b>(3,516,855)</b>	<b>-</b>	<b>4,289,049</b>
<b>Net change in fund balances</b>	<b>2,956,520</b>	<b>(888,667)</b>	<b>(256,092)</b>	<b>357,477</b>	<b>2,169,238</b>
<b>Net assets - beginning of year</b>	<b>8,575,945</b>	<b>1,051,737</b>	<b>4,706,464</b>	<b>2,023,587</b>	<b>16,357,733</b>
Prior period adjustment	(1,367,297)	-	(59,781)	(535,990)	(1,963,068)
<b>Fund balance - end of year</b>	<b>\$ 10,165,168</b>	<b>\$ 163,070</b>	<b>\$ 4,390,591</b>	<b>\$ 1,845,074</b>	<b>\$ 16,563,903</b>

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

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**CITY OF YUKON  
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** \$ 2,169,238

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	8,171,554	
Depreciation expense	<u>(2,993,222)</u>	5,178,332

Proceeds from capital lease agreements provide current financial resources to governmental funds, but issuing capital leases 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.

Debt principle repayment	1,006,636	
Issuance of capital leases	<u>(3,250,555)</u>	(2,243,919)

Government-Wide Statement of Activities and Changes in Net Assets report OPEB liabilities in the period incurred. However, Governmental Funds do not pay on this liability. The amount of the change for the OPEB liability recorded in the current period.

	<u>Prior Year</u>	<u>Current Year</u>
OPEB liability	13,257,820	13,257,820
		<u>-</u>

**Change in net assets of governmental activities** \$ 5,103,651

**CITY OF YUKON  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2012**

	<b>Water/ Sewer Fund</b>	<b>Sanitation Fund</b>	<b>Yukon Municipal Authority</b>	<b>Stormwater Fund</b>	<b>Total Proprietary Funds</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ (111,006)	\$ 619,828	\$ (33,348)	\$ 140,616	\$ 616,090
Accounts receivable, net	-	189,146	712,022	5,908	907,076
Restricted assets:					
Cash	1,819	-	-	-	1,819
Investments	358,861	-	4,972,466	-	5,331,327
<b>Capital assets:</b>					
Land	-	6,735	91,005	-	97,740
Construction in progress	-	-	327,401	-	327,401
Capital assets, net	-	290,101	9,495,593	-	9,785,694
<b>Other assets:</b>					
Bond issuance costs (net of amortization)	-	-	804,029	-	804,029
<b>Total assets</b>	<b>\$ 249,674</b>	<b>\$ 1,105,810</b>	<b>\$ 16,369,168</b>	<b>\$ 146,524</b>	<b>\$ 17,871,176</b>
<b>Liabilities:</b>					
Accounts payable	\$ 213,203	\$ 43,686	\$ -	\$ 1,566	\$ 258,455
Accrued salaries	81,758	10,105	-	909	92,772
Accrued compensated absences, current	139,617	59,302	-	14,390	213,309
Notes payable, current	-	-	1,604,216	-	1,604,216
Payable from restricted assets:					
Bond interest payable, current	-	-	309,643	-	309,643
Bonds payable, current	-	-	1,855,000	-	1,855,000
Customer deposits payable	360,167	-	-	-	360,167
Bonds payable, non-current	-	-	20,760,000	-	20,760,000
<b>Total liabilities</b>	<b>794,745</b>	<b>113,093</b>	<b>24,528,859</b>	<b>16,865</b>	<b>25,453,562</b>
<b>Net assets:</b>					
Invested in capital assets, net of related debt	-	296,836	(11,950,045)	-	(11,653,209)
Restricted	358,861	-	3,109,357	-	3,468,218
Unrestricted	(903,932)	695,881	680,997	129,659	602,605
<b>Total net assets</b>	<b>(545,071)</b>	<b>992,717</b>	<b>(8,159,691)</b>	<b>129,659</b>	<b>(7,582,386)</b>
<b>Total liabilities and net assets</b>	<b>\$ 249,674</b>	<b>\$ 1,105,810</b>	<b>\$ 16,369,168</b>	<b>\$ 146,524</b>	<b>\$ 17,871,176</b>

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

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**CITY OF YUKON**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2012**

	<b>Water/ Sewer Fund</b>	<b>Sanitation Funds</b>	<b>Yukon Municipal Authority</b>	<b>Stormwater Funds</b>	<b>Total Proprietary Funds</b>
<b>Operating revenues:</b>					
Water revenues	\$ -	\$ -	\$ 4,718,155	\$ -	\$ 4,718,155
Sewer revenues	-	-	1,519,910	238,734	1,758,644
Sanitation revenues	-	1,628,276	-	-	1,628,276
<b>Total operating revenues</b>	<b>-</b>	<b>1,628,276</b>	<b>6,238,065</b>	<b>238,734</b>	<b>8,105,075</b>
<b>Operating expense:</b>					
Personal services	1,149,605	823,377	-	119,036	2,092,018
Materials and supplies	135,197	230,726	-	11,706	377,629
Other charges and services	2,593,632	371,209	-	11,109	2,975,950
Depreciation and amortization	-	92,434	835,867	-	928,301
<b>Total operating expenses</b>	<b>3,878,434</b>	<b>1,517,746</b>	<b>835,867</b>	<b>141,851</b>	<b>6,373,898</b>
<b>Operating income before non-operating revenues, expenses and transfers</b>	<b>(3,878,434)</b>	<b>110,530</b>	<b>5,402,198</b>	<b>96,883</b>	<b>1,731,177</b>
<b>Non-operating revenues (expenses)</b>					
Investment income	1,168	-	315	172	1,655
Interest expense	-	-	(1,295,178)	-	(1,295,178)
Other revenues (expense)	2,047	25,264	189,930	2,332	219,573
<b>Total nonoperating revenues (expenses)</b>	<b>3,215</b>	<b>25,264</b>	<b>(1,104,933)</b>	<b>2,504</b>	<b>(1,073,950)</b>
<b>Income (loss) before operating transfers</b>	<b>(3,875,219)</b>	<b>135,794</b>	<b>4,297,265</b>	<b>99,387</b>	<b>657,227</b>
<b>Transfers in</b>	<b>6,712,521</b>	<b>63,507</b>	<b>4,592,783</b>	<b>6,698</b>	<b>11,375,509</b>
<b>Transfers out</b>	<b>(2,991,174)</b>	<b>(612,331)</b>	<b>(11,775,468)</b>	<b>(285,585)</b>	<b>(15,664,558)</b>
<b>Change in net assets</b>	<b>(153,872)</b>	<b>(413,030)</b>	<b>(2,885,420)</b>	<b>(179,500)</b>	<b>(3,631,822)</b>
<b>Net assets - beginning of year, restated</b>	<b>(310,906)</b>	<b>1,405,747</b>	<b>(5,274,271)</b>	<b>309,159</b>	<b>(3,870,271)</b>
Prior period adjustment	(80,293)	-	-	-	(80,293)
<b>Net assets at end of year</b>	<b>\$ (545,071)</b>	<b>\$ 992,717</b>	<b>\$ (8,159,691)</b>	<b>\$ 129,659</b>	<b>\$ (7,582,386)</b>

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

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**CITY OF YUKON  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2012**

	Water/ Sewer Fund	Sanitation Fund	Yukon Municipal Authority	Stormwater Fund	Total Proprietary Funds
<b>Cash flows operating activities:</b>					
Cash received from customers	\$ (1,434,513)	\$ 1,671,547	\$ 6,523,327	\$ 232,826	\$ 6,993,187
Cash payments to suppliers	(1,200,108)	(1,023,627)	(18,082)	(132,732)	(2,374,549)
Cash payments to employees	(1,010,527)	(798,079)	-	(120,019)	(1,928,625)
Other operating revenues	2,047	452,168	-	107,927	562,142
<b>Net cash provided (used) by operating activities</b>	<u>(3,643,101)</u>	<u>302,009</u>	<u>6,505,245</u>	<u>88,002</u>	<u>3,252,155</u>
<b>Cash flows from non-capital financing activities:</b>					
Non-capital contributions	-	25,866	189,930	2,332	218,128
Transfers from other funds	6,712,521	63,507	4,592,783	6,698	11,375,509
Transfers to other funds	(2,991,174)	(612,331)	(11,775,468)	(285,585)	(15,664,558)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>3,721,347</u>	<u>(522,958)</u>	<u>(6,992,755)</u>	<u>(276,555)</u>	<u>(4,070,921)</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	-	-	(1,160,951)	-	(1,160,951)
Principal paid on bonds, notes and lease obligations	-	-	(2,407,184)	-	(2,407,184)
Interest paid on bonds, notes, and lease obligations	-	-	(1,198,461)	-	(1,198,461)
Transfers to other funds for capital expenditures	-	-	(756,473)	-	(756,473)
Proceeds from issuance of bonds, notes and lease obligations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>(5,523,069)</u>	<u>-</u>	<u>(5,523,069)</u>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of investments	(598,137)	-	-	-	(598,137)
Investment income	1,168	-	315	172	1,655
<b>Net cash provided (used) by investing activities</b>	<u>(596,969)</u>	<u>-</u>	<u>315</u>	<u>172</u>	<u>(596,482)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(518,723)</u>	<u>(220,949)</u>	<u>(6,010,264)</u>	<u>(188,381)</u>	<u>(6,938,317)</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>409,536</u>	<u>840,777</u>	<u>5,976,916</u>	<u>328,997</u>	<u>7,556,226</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ (109,187)</u>	<u>\$ 619,828</u>	<u>\$ (33,348)</u>	<u>\$ 140,616</u>	<u>\$ 617,909</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</b>					
Cash and cash equivalents	\$ (111,006)	\$ 619,828	\$ (33,348)	\$ 140,616	\$ 616,090
Restricted assets, cash	1,819	-	-	-	1,819
<b>Cash and cash equivalents at end of year</b>	<u>\$ (109,187)</u>	<u>\$ 619,828</u>	<u>\$ (33,348)</u>	<u>\$ 140,616</u>	<u>\$ 617,909</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (3,878,434)	\$ 110,530	\$ 5,402,198	\$ 96,883	\$ 1,731,177
<b>Adjustments to reconcile operating income (loss) to Net cash provided (used) by operating activities</b>					
Depreciation	-	92,434	835,867	-	928,301
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	-	43,271	285,262	(5,908)	322,625
Increase (decrease) in accounts payable	84,694	30,476	(18,082)	(1,990)	95,098
Increase (decrease) in accrued salaries	69,883	702	-	(888)	69,697
Increase (decrease) in compensated absences	69,195	24,596	-	(95)	93,696
Increase (decrease) in liability for meter deposits	11,561	-	-	-	11,561
<b>Total adjustments</b>	<u>235,333</u>	<u>191,479</u>	<u>1,103,047</u>	<u>(8,881)</u>	<u>1,520,978</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ (3,643,101)</u>	<u>\$ 302,009</u>	<u>\$ 6,505,245</u>	<u>\$ 88,002</u>	<u>\$ 3,252,155</u>

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**CITY OF YUKON**  
**Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting framework and the more significant accounting principles and practices of the City of Yukon, Oklahoma ("City") are discussed in subsequent section of this note. The remainder of the notes is organized to provide explanations, including required disclosures of the City's financial activities for the fiscal year ended June 30, 2012. The City operates under a charter with a Council-Manager form of government.

**A. Reporting Entity**

The government is a municipal corporation governed by an elected five-member council. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

*Fund Types and Major Funds*

Major Governmental Funds

General Fund

Reported as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Capital Projects Fund

Accounts for the capital expenditures funded from a variety of sources, including bond proceeds, grants, or gas royalty income

96 Sales Tax Capital Projects Fund – accounts for capital expenditures using the proceeds of the 1996 Sales Tax. This fund also pays back debt of the 1996 Sales Tax Revenue Bonds.

Non-Major Governmental Funds

Debt Service Funds – accounts for the accumulation of resources for, and the payment of, governmental activities debt principal, interest and related costs.

Special Revenue Funds – accounts for revenues derived from specific taxes or other sources that are designated to finance particular functions or activities of the City.

Yukon Community Support Fund – accounts for funds for community activities and events. This fund operates on a calendar year basis. Included in the City's statement is the trial balance for December 31, 2011.

Community Development Block Grant Fund – accounts for CDBG funds received by the City.

Major Proprietary Funds

Water and Sewer Enterprise Fund – accounts for operating expenses related to providing water and sewer services.

Sanitation Enterprise Fund – collects all revenues and pays all expenses associated with providing sanitation services.

Yukon Municipal Authority – collects the revenues related to water and sewer operations. The Authority also issues debt for capital acquisitions related to water and sewer operations.

Stormwater Fund – accounts for operating expenses related to stormwater operating activities.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

Fiduciary Component Units (reported in fiduciary financial statements)

Agency Fund

Accounts for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. The City's Agency Fund is used to account for various deposits and bail bonds.

Due to restrictions of the state constitution relating to the issuance of municipal debt, public trusts are created to finance City services with revenue bonds or other non-general obligation financing and provide for multi-year contracting. Financing services provided by these public trusts are solely for the benefit of the City. Public trusts created to provide financing services are blended into the City's primary government as an integral part of City operations although retaining separate legal identity. Component units that do not meet the criteria for blending are reported discretely. The City blends all component units.

**B. Basic Financial Statements**

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

**Government-wide Financial Statements**

The government-wide financial statements include the statement of net assets and statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities. The statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. Individual funds are not displayed by the statements.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services with usage fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. Taxes and other revenues sources not properly included with program revenues are reported as general revenues.

*Fund Financial Statements*

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The financial statements of the City are prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The City's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

The government-wide statements report using the economic resources measurements focus and the accrual basis of accounting. Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

financial statements and financial statements of the City's component units also report using the same focus and basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considered revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenses are recorded when the related fund liability is incurred.

Major revenue sources susceptible to accrual include: sales and use taxes and intergovernmental revenues. In general, other revenues are recognized when cash is received.

Operating income reported in the proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of provided goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**C. Budget Policy and Practice**

*Budget Approval*

The City Manager submits an annual budget to the City Council in accordance with the Oklahoma Municipal Budget Act. The budget is presented to the Commission for review, and public hearings are held to address priorities and the allocation of resources. In June, the Council adopts the annual fiscal year budgets for City's operating funds. Budget amendments or supplements may be made during the year when unexpected modifications are required in estimated revenues and appropriations. Budget amendments are recommended by the City Manager and must be approved by the Council. Public trusts submit budgets and other planning documents to their respective governing bodies. Other funds budgeted on a project-length basis are also subjected to the Council review and approval process.

*Basis of Budgeting*

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and object class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. The legal level of control is by department within a fund. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Commission approval. Revisions to the budget were made throughout the year.

The budgets for operating funds and proprietary funds are prepared on the cash basis. Revenues are budgeted in the year they are expected to be received. Expenses are budgeted in the year they are expected to be paid.

**D. Policies Related to Assets, Liabilities and 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.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

For purposes of the statement of cash flows, cash and cash equivalents include restricted assets in revenue bond and restricted construction fund accounts at the trustee bank.

Investments are stated at cost, which approximates market unless otherwise indicated.

**2. Restricted Assets**

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

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 needed.

**3. Fair Value of Financial Instruments**

The City's financial instruments include cash and cash equivalents, investments, accounts receivable and accounts payable. The City's estimates of the fair value of all financial instruments do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

**4. Estimates**

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

**5. Accounts Receivable**

Significant receivables for governmental activities include sales and use tax receivables and property tax receivables. Business-type receivables consist mainly of amount due from customers for utility services. Certain enterprise funds report accounts receivable net of an allowance for uncollectible accounts. The allowance amount is estimated using accounts receivable past due more than 60 to 90 days.

**6. Capital Assets and Depreciation**

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost, or estimated historical cost if actual is unavailable, and comprehensively reported in the government-wide financial statements. Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) will be valued at estimated historical cost. The City capitalized some of the infrastructure assets in the fiscal year June 30, 2005; while the remaining infrastructure assets were valued and capitalized in the fiscal year June 30, 2007, complying with GASB 34 standards.

Proprietary and component unit capital assets are also reported in their respective fund and combining component units' financial statements.

Donated assets are stated at fair value on the date donated. The City capitalizes assets with cost of \$5 thousand or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized.

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**CITY OF YUKON**  
**Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40 years
Building Improvements	20-40 years
Vehicles	5 years
Office Equipment	7 - 10 years
Computer Equipment	5 years
Infrastructure	25 - 50 years

Costs incurred during construction of long-lived assets are recorded as construction in progress and are not depreciated until placed in service.

**7. Compensated Absences**

City employees are granted vacation and sick leave based upon length of employment. In the event of termination, the employee is paid for accumulated vacation leave (maximum 500 hours). Payment of sick leave is restricted to retiring employees who can be paid up to 120 days of accumulated benefits and are limited to maximum compensation equivalent of 33 to 68 days. Compensated absences are reported as accrued in the government-wide, proprietary, and fiduciary financial statements. Governmental funds report compensated absences payable to employees.

**8. Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable, accrued compensated absences, and a court-assessed judgment.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as revenue and payment of principle and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

**9. Net Assets/Fund Balance**

In the government-wide financial statement, net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws or other governments, or are imposed by law through constitutional provisions or enabling legislation.

In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed upon use of resources for specific purposes versus a availability of appropriation. An important distinction that is made in reporting fund

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**CITY OF YUKON**  
**Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

balance is between amounts that are considered *nonspendable* (i.e., fund balance associated with assets that are *not in spendable form*, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund)) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

Amounts in the *spendable* fund balance category are further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

***Restricted*** fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments; or by law, through constitutional provisions or enabling legislation.

***Committed*** fund balance represents amount that are useable only for specific purposes by formal action of the government's highest level of decision-making authority. Such amounts are not subject to legal enforceability (like restricted amounts), but cannot be used for any other purpose unless the government removes or changes the limitation by taking action similar to that which imposed the commitment. The City Ordinance is the highest level of decision-making authority of the City.

***Assigned*** fund balance represents amounts that are *intended* to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances includes all remaining spendable amounts (except negative balances) that are reported in governmental funds *other than the general fund*, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purpose in accordance with the provisions of the standard.

***Unassigned*** fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

**10. Resource Use Policy**

It is in the City's policy for all funds that when an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources, including fund balances, are available, the City considers restricted amounts to be spent first before any unrestricted amounts are used. Furthermore, it is the City's policy that when an expenditure/expense is incurred for purposes for which committed, assigned, or unassigned resources, including fund balances, are available, the City considers committed amounts to be spent first, followed by assigned amounts and lastly unassigned amounts.

**11. Interfund Balances**

Generally, outstanding balances between funds reported as due to/due from other funds include outstanding charges by one fund to another for services or goods or miscellaneous receivables/payables between funds. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year and are described as due to/due from other funds.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**2. ASSETS AND LIABILITIES**

**A. Deposits and Investments**

*Custodial Credit Risk*

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's deposits are secured by collateral values at market or par, whichever is lower, less the amount covered by the Federal Deposit Insurance Corporation (FDIC). Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes

The investments held at June 30, 2012 are as follows:

Type	Weighted Average Maturity (Months)	Credit Rating	Market Value	Cost
Investments				
Money Market	N/A	AAAm	\$ 4,742,004	\$ 4,742,004
Certificate of deposit	6.29	N/A	6,384,619	6,384,619
Total investments			<u>\$ 11,126,623</u>	<u>\$ 11,126,623</u>

Reconciliation to Statement of Net Assets	
Governmental activities	\$ 5,795,296
Business-type activities	5,331,327
	<u>\$ 11,126,623</u>

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**CITY OF YUKON**  
**Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2012**

**B. Capital Assets**

Primary Government capital asset activity for the year ended is as follows:

*Governmental Activities*

	Balance June 30, 2011	Additions	Retirements/ Adjustments	Balance June 30, 2012
Capital assets				
Land	\$ 2,974,338	\$ -	\$ -	\$ 2,974,338
Construction in progress	2,377,229	5,644,998	-	8,022,227
Infrastructure	66,331,823	801,434	-	67,133,257
Buildings and improvements	12,053,012	582,121	-	12,635,133
Furniture, fixtures and equipment	5,163,267	227,134	-	5,390,401
Vehicles	4,095,890	915,866	-	5,011,756
Total capital assets	92,995,559	8,171,553	-	101,167,112
Less accumulated depreciation	(46,264,600)	(2,993,222)	-	(49,257,822)
Capital assets, net	<u>\$ 46,730,959</u>	<u>\$ 5,178,331</u>	<u>\$ -</u>	<u>\$ 51,909,290</u>

The amount of capital assets acquired through leases is \$890,536 with related depreciation of \$89,054.

*Business-type Activities*

	Balance June 30, 2011	Additions	Retirements	Balance June 30, 2012
Capital assets				
Land	\$ 97,740	\$ -	\$ -	\$ 97,740
Construction in progress	327,401	-	-	327,401
Infrastructure	31,671,188	894,428	-	32,565,616
Buildings and improvements	154,887	-	(13,885)	141,002
Furniture, fixtures and equipment	817,146	6,925	-	824,071
Vehicles	976,381	272,789	-	1,249,170
Total capital assets	34,044,743	1,174,142	(13,885)	35,205,000
Less accumulated depreciation	(24,155,293)	(838,872)	-	(24,994,165)
Capital assets, net	<u>\$ 9,889,450</u>	<u>\$ 335,270</u>	<u>\$ (13,885)</u>	<u>\$ 10,210,835</u>

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**Business-type Activities by Fund  
June 30, 2012**

	Yukon Municipal Authority	Sanitation Fund	Total
Capital assets			
Land	\$ 91,005	\$ 6,735	\$ 97,740
Construction in progress	327,401	-	327,401
Infrastructure	32,565,616	-	32,565,616
Buildings and improvements	141,002	-	141,002
Furniture, fixtures and equipment	291,687	532,384	824,071
Vehicles	672,188	576,982	1,249,170
Total capital assets	<u>34,088,899</u>	<u>1,116,101</u>	<u>35,205,000</u>
Less accumulated depreciation	(24,174,900)	(819,265)	(24,994,165)
Capital assets, net	<u>\$ 9,913,999</u>	<u>\$ 296,836</u>	<u>\$ 10,210,835</u>

*Depreciation expense*

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

**Governmental activities:**

General government	\$ 685,935
Public safety:	
Police	331,898
Fire	247,327
Animal control	3,582
Public service	1,628,762
Culture and recreation	95,718

**Governmental activities depreciation expense** 2,993,222

**Business-type activities:**

Water and sewer	746,768
Sanitation	92,104

**Business-type activities depreciation expense** 838,872

**Total depreciation expense** \$ 3,832,094

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**C. Long-term Debt and Capitalized Leases**

The City has entered into general obligation bonds payable, revenue bonds payable and capitalized leases. The lease agreements met the criteria of a capital lease as defined by FASB Statement No. 13, *Accounting for Leases*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as expenditures on the fund financial statements.

Governmental Activities

**Capitalized Leases**

In April 2010, the City entered into a master lease agreement payable to Ford Motor Credit in the amount of \$549,251 for the purchase of equipment. Terms of the lease include 3 annual installments of \$196,076.19 at a stated interest of 5.7%, maturing July 12, 2012.	\$ 185,503
In March 2012, the City entered into a master lease agreement payable to Arvest bank in the amount of \$1,568,555 for the purchase of equipment. Terms of the lease are 60 monthly installments of \$28,359.49 at a stated interest of 3.25%.	1,496,025
In March 2012, the City entered into a capital lease agreement payable in the amount of \$1,700,000 for the purchase of sanitation equipment. Terms of the lease are 60 monthly installments of \$30,736 at a stated interest rate of 3.25%.	1,621,392
In May 2012, the City entered into a capital lease for the purchase of a new street sweeper. The total cost of the equipment was \$159,950, The City made an \$80,000 down payment. The remaining balance is financed over four years with annual payments at 2.75%.	<u>80,150</u>
Total Governmental Capital Leases Payable	<u>\$ 3,383,070</u>

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

*Governmental Activities*, continued

**Bonds Payable**

On December 9<sup>th</sup>, 2003, the voters of the City of Yukon approved an ordinance authorizing the issuance of general obligation bonds for improvements to streets, bridges, water systems, and sanitary sewer systems. On March 1, 2004, the City issued \$4.5 million of City of Yukon General Obligation Bonds, Series 2004 for the construction and improvement of City streets and bridges. Interest on the bonds is payable semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> commencing on March 1, 2005, at rates ranging from 3 to 4.25%. The bonds will be repaid with ad valorem taxes collected on real property of taxpayers in the City of Yukon, Oklahoma

\$ 2,855,000

On December 9<sup>th</sup>, 2003, the voters of the City of Yukon approved an ordinance authorizing the issuance of general obligation bonds for improvements to streets, bridges, water systems, and sanitary sewer systems. On January 1, 2005, the City issued \$3.9 million of City of Yukon General Obligation Bonds, Series 2005 for the construction and improvement of City streets, bridges, water and sewer systems. Interest on the bonds is payable semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> commencing on March 1, 2006, at rates ranging from 3.50 to 4.25%. The bonds will be repaid with ad valorem taxes collected on real property of taxpayers in the City of Yukon, Oklahoma

2,670,000

On December 9<sup>th</sup>, 2003, the voters of the City of Yukon approved an ordinance authorizing the issuance of general obligation bonds for improvements to streets, bridges, water systems, and sanitary sewer systems. On January 1, 2006, the City issued \$4.6 million of City of Yukon General Obligation Bonds, Series 2006 for the construction and improvement of City streets, bridges, water and sewer systems. Interest on the bonds is payable semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup> commencing on March 1, 2007, at rates ranging from 3.70 to 5.0%. The bonds will be repaid with ad valorem taxes collected on real property of taxpayers in the City of Yukon, Oklahoma

3,400,000

Total Governmental Activities Bonds Payable

\$ 8,925,000

Total Governmental Activities Long Term Debt

\$ 12,308,070

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

Business-type Activities

**Notes Payable**

Yukon Municipal Authority has a line of credit payable to Yukon National Bank. The line is renewed annually.

\$ 1,604,216

Total Notes Payable \$ 1,604,216

**Bonds Payable**

January 15, 2005 the City, through the Yukon Municipal Authority, issued \$3.080 million of Sales Tax and Utility System Revenue Bonds, Series 2005A and \$11.180 million of Sales Tax and Utility System Revenue Bonds, Series 2005B. Interest on these bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 4.25 to 5%.

\$ 5,885,000

April 1, 2007 the City, through the Yukon Municipal Authority, issued \$7.575 million of Sales Tax and Utility System Revenue Bonds, Series 2007. Interest on these bonds is payable semi-annually on January 1<sup>st</sup> and July 1<sup>st</sup> at rates ranging from 4.125 to 5%.

6,060,000

June 1, 2010 the City, through the Yukon Municipal Authority, issued \$4.430 million of Sales Tax and Utility System Revenue and Refunding Bonds, Series 2010. Interest on the bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 2 to 3.5%.

3,440,000

January 1, 2011 the City, through the Yukon Municipal Authority, issued \$7.500 million of Sales Tax and Utility System Revenue Bonds, Series 2011. Interest on the bonds is payable semi-annually on January 1<sup>st</sup> and July 1<sup>st</sup> at rates ranging from 1 to 5.15%.

7,230,000

Total Bonds Payable \$ 22,615,000

Total Business-type Activities Debt Payable \$ 24,219,216

*Changes in Long-Term Debt*

The following is a summary of changes in long-term debt for the year ended June 30, 2012:

	Balance June 30, 2011	Issued	Retired	Balance June 30, 2012	Current Portion
Governmental Activities					
General obligation bonds	\$ 9,605,000	\$ -	\$ (680,000)	\$ 8,925,000	\$ 680,000
Lease obligations	373,876	3,348,705	(339,511)	3,383,070	821,697
Total Governmental Activities	<u>9,978,876</u>	<u>3,348,705</u>	<u>(1,019,511)</u>	<u>12,308,070</u>	<u>1,501,697</u>
Business-type Activities					
Revenue bonds	24,855,000	-	(2,240,000)	22,615,000	1,855,000
Notes payable	1,668,763	1,693,265	(1,757,812)	1,604,216	1,604,216
Total Business-type Activities	<u>26,523,763</u>	<u>1,693,265</u>	<u>(3,997,812)</u>	<u>24,219,216</u>	<u>3,459,216</u>
Total Primary Government Long-term debt	<u>\$ 36,502,639</u>	<u>\$ 5,041,970</u>	<u>\$ (5,017,323)</u>	<u>\$ 36,527,286</u>	<u>\$ 4,960,913</u>

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

Maturities of long-term debt are as follows:

Governmental Activities					
Year Ending June 30,	Capital Leases Payable		Bonds Payable		Total
	Principal	Interest	Principal	Interest	
2013	821,742	104,964	680,000	23,810	1,630,516
2014	657,077	73,728	680,000	24,488	1,435,293
2015	678,646	51,939	680,000	25,150	1,435,735
2016	700,923	29,662	680,000	25,828	1,436,413
2017	524,682	7,132	680,000	26,525	1,238,339
2018-2022	-	-	3,400,000	138,272	3,538,272
2023-2026	-	-	2,125,000	87,813	2,212,813
	\$ 3,383,070	\$ 267,425	\$ 8,925,000	\$ 351,886	\$ 12,927,381

Business Type Activities			
Year Ending June 30,	Principal	Interest	Total
2013	1,855,000	919,107	2,774,107
2014	1,470,000	856,638	2,326,638
2015	1,510,000	808,601	2,318,601
2016	1,560,000	759,156	2,319,156
2017	1,625,000	700,523	2,325,523
2018-2022	8,665,000	2,485,375	11,150,375
2023-2027	3,855,000	957,791	4,812,791
2028-2031	2,075,000	273,979	2,348,979
	\$ 22,615,000	\$ 7,761,170	\$ 30,376,170

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**D. Internal balances**

Internal balances and activity are detailed below. All internal balances and activity have been eliminated in the statements of net assets and statement of activities, respectively.

	<u>Due From</u>	<u>Due To</u>
General Fund		
96 Sales Tax Capital Projects fund	\$ 1,099,911	\$ -
Municipal Court	24,732	-
96 Sales Tax Capital Projects fund		
General Fund	-	1,099,911
Municipal Court		
General Fund	-	24,732
	<u>\$ 1,124,643</u>	<u>\$ 1,124,643</u>

	<u>Transfers From</u>	<u>Transfers To</u>
General Fund		
Water & Sewer	\$ 2,537,554	\$ 71,844
Sanitation	612,331	63,507
Stormwater	75,000	6,698
Yukon Municipal Authority	5,134,791	-
96 Sales Tax Capital Projects fund		
Yukon Municipal Authority	-	3,516,855
Capital projects fund		
Yukon Municipal Authority	-	411,723
Water & Sewer		
General Fund	71,844	2,537,554
Yukon Municipal Authority	6,640,677	453,619
Sanitation		
General Fund	63,507	612,331
Yukon Municipal Authority		
General Fund	-	5,134,791
Water & Sewer	453,619	6,640,677
96 Sales Tax Capital Projects fund	3,516,855	-
Capital projects fund	411,723	-
Stormwater	210,585	-
Stormwater		
General fund	6,698	75,000
Yukon Municipal Authority	-	210,585
	<u>\$ 19,735,184</u>	<u>\$ 19,735,184</u>

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

**3. OTHER INFORMATION**

**A. Employee Retirement System and Plan**

The City participates in three employee pension systems as follows:

Name of Plan	Type of Plan
Oklahoma Municipal Retirement Fund	Agent Multiple Employer – Defined Benefit Plan
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Firefighter Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan

Oklahoma Municipal Retirement Fund

Plan Description

The City contributes to a cost-sharing, multiple-employer defined benefit pension plan adopted by the City and administered by the Oklahoma Municipal Retirement System, which was established to administer pension plans for municipal employees. At June 30, 2012, 121 active employees were participating in the plan and 98 non-active participants. The City's contribution to the fund for these participants was based on 22.21% of covered salaries and totaled \$1,389,097 for the year ended June 30, 2012. Employees have no contribution requirements.

The Plan is available to all full-time, employees of the City or Authority, except police, firefighters, and other employees who are covered under another approved system. The Plan has no probationary period. Employees vest after 5 years of qualified service.

Final average compensation of the plan is calculated as the average of the five highest consecutive years of salaries out of the last 10 years of service.

Funding Status and Progress

As of March 2012, the date of most recently completed actuarial valuation, the Plan reported the following:

Actuarial Valuation Date	Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a/c)
01/01/12	14,259,106	22,120,329	7,681,224	64.5%	5,653,615	139.0%

Oklahoma Police and Firefighter's Pension and Retirement Systems

Plan Description

The City participates in two statewide, cost-sharing, multiple-employer defined benefit plans on behalf of police officers and firefighters. The table below is a summary of eligibility factors contribution methods, and benefit provisions.

These two systems are administered by agencies of the State of Oklahoma and funded by contributions from participants, employers, insurance premium taxes, and state appropriations as necessary.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

	Oklahoma Firefighter's Pension and Retirement System	Oklahoma Police Pension and Retirement System
Eligibility to participate	All full-time or voluntary firefighters of a participating municipality hired before age 45.	All full-time officers employed by a participating municipality; not less than 21 years of age or more than 45 years of age when hired
Authority establishing contribution obligations and benefits	State Statute	State Statute
Plan member's contribution rate	0% of covered payroll	8% of covered payroll
City's contribution rate	\$60 per year, per firefighter (volunteer)	13% of covered payroll
Period required to vest	10 years	10 years
Benefits and eligibility for distribution (full time)	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits.	20 years credited service, 2 1/2% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits.
Benefits and eligibility for distribution (volunteer)	20 years credited service equal to \$7.53 per month per year of service, with a maximum of 30 years considered.	NA
Deferred retirement option	Yes, 20 years credited service with continued service for 30 or more years.	Yes, 20 years credited service with option to participate in deferred option plan for a maximum of 5 years
<i>Annual Required Contributions</i>		
Provision for:		
Cost of living adjustment	Yes, if vested by 5/83	Yes
Death (duty, non-duty, post retirement)	Yes	Yes
Disability (duty, non-duty)	Yes	Yes
Cost of living allowances	Yes	Yes
Valuation Date	7/1/12	7/1/12
Actuarial cost method	Individual entry age normal	Individual entry age
Amortization method/period	Level dollar	Level dollar

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

	30 years, open	30 years, open
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	5.0% - 19.0%	4.0% - 10.0%
Post retirement benefit increases	2.0%	2.0%
Inflation	3.0%	3.0%
Other	1994 group annuity table set forward 1 year for men and back 2 years for women	1994 group annuity table set forward 1 year for men and 2 years for women

Employer contribution rates are determined by Oklahoma State Statute.

**B. Other Post-Employment Benefits**

*Plan Description:* City provides post-retirement benefit options for health care, prescription drug, dental and vision benefits for retired employees and their dependents that elect to make required contributions. The benefits are provided in accordance with State law, police and firefighter's union contracts and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The relationship for these benefits is not formalized in a contract or plan document, only a few sentences in the administrative policy. These benefits are considered for accounting purposes to be provided in accordance with a single employer substantive plan. A substantive plan is one in which the plan terms are understood by the City and plan members. This understanding is based on communications between the employers and plan member and the historical pattern of practice with regard to the sharing of benefit costs. Substantially all of the government's employees may become eligible for those post-retirement benefits if they reach normal retirement age while working for the City. As of June 30, 2012, 12 retired employees are receiving benefits under this plan.

*Funding Policy.* The contribution requirement of the City is an implicit subsidy. The implicit subsidy is not a direct payment from the employer on behalf of the member but rather stems from retiree contribution levels that are less than the claims cost at retiree ages. Since claims experience for employees and non-Medicare eligible retirees are pooled when determining premiums, these retired members pay a premium based on a pool of members that, on average, are younger and healthier. There is an implicit subsidy from the employee group since the premiums paid by the retirees are lower than they would have been if the retirees were insured separately. The subsidies are valued using the difference between the age-based claims costs and the premium paid by the retiree. The amount required to fund the implicit rate is based on projected pay-as-you-go financing requirements. For fiscal year 2012, the City contributed 70% of premiums of 8 retirees and 0% of premiums of 4 retirees to the plan. Plan members receiving benefits contributed \$71,712, or approximately 50 percent of the total premiums, through their required contribution of \$636 per month for retiree-only coverage and \$1,502 for retiree and spouse medical coverage, these amounts include dental and vision coverage.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. 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 not to exceed thirty years. GASB 45 requires entities with over 200 employees to have the actuarial valuation performed biennially. 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, 2011:

Current Service Cost (\$1,560,603) + Amortization Amount (\$842,919) = Total Contribution (\$2,403,522). OPEB obligation for retired employees as determined by Actuarial is \$118,856.

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 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 Valuation Date	Value of Assets	Asset Valuation Basis	Actuarial Accrued Liability (AAL)*	Unfunded AAL (UAAL)	Funded Ratio
6/30/2011	\$ -	Actuarial	\$ 13,257,820	\$ 13,257,820	0.0%

*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 June 30, 2011 actuarial valuation, since the City does not pre-fund the retiree healthcare benefits, a discount rate 5.25% was used. There were no assets to determine actuarial value of assets. The UAAL is being amortized over 30 years as level payments. The remaining amortization period at June 30, 2011 was twenty-eight years.

**C. 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; injuries to employees; employee health benefits; unemployment; and natural disasters. The City has established a self insurance fund to cover deductibles on claims related to destruction, theft or damage of assets. Losses related to other risks or those exceeding deductibles are covered by commercial insurance. Management believes that such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

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**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2012**

The City is a member of the Oklahoma Municipal Assurance Group Workers' Compensation Plan (the Plan), an organization formed for the purpose of providing workers' compensation coverage through the State Insurance Fund to participating municipalities in the State of Oklahoma. In that capacity, the Plan is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for all claims submitted to it during the plan year.

As a member of the Plan, the City is required to pay fees set by the Plan according to an established payment schedule. A Loss Fund has been established from the proceeds of these fees for each participant in the Plan. The State Insurance Fund provides coverage in excess of the Loss Fund so the City's liability for claim loss is limited to the balance of that fund.

In addition to the Loss Fund, the City maintains an Escrow Fund that consists past refunds left on deposit with the Plan. Escrow funds earn interest and are readily available for use by the governing board. In accordance with GASB No. 10, the City reports the required contribution to the pool, net of refunds, as insurance expense. The balance in the Escrow Fund was \$25,173.

**D. Commitments and Contingencies**

The City in the past has participated in various grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency.

The City has certain commitments for operating leases. These leases are of immaterial amounts and are for only one-year intervals.

The City is a defendant in legal actions arising from normal governmental activities. Most of these actions are covered by insurance. Although the outcome of these lawsuits is not presently determinable, management believes that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

The City is self-insured for employee health insurance claims in excess of \$45,000. The plan is administered by a third party who determines the appropriate insurance rate on each employee. The City remits payment on a monthly basis. Claims are submitted to and processed by the third party administrator. As June 30, 2012, \$1,244,469 was available to pay claims.

In June 2009, the City entered into an agreement with Integris Canadian Valley Regional Hospital (the "Hospital") to pay the Hospital \$1,200,000 over a six year period in quarterly installments of \$50,000. The funds will be used for expansion construction and operation of the Hospital. The contract expires on June 30, 2015.

**4. SUBSEQUENT EVENTS**

On June 19, 2012, the Yukon Municipal Authority authorized the issuance of \$15,000,000 in Sales Tax and Utility System Bonds Series 2012 to be used for capital improvements throughout the City, including street improvements and wastewater treatment improvements.

In December 2012, the Yukon Municipal Authority issued \$6,000,000 in Sales Tax and Utility System Bonds 2012, Series 1. The bonds carry a 1.99% interest rate over their 10 year period.

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**City of Yukon, Oklahoma**  
**General Fund**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 9,458,677	\$ -	\$ 9,458,677	\$ 13,944,020	\$ 4,485,343
Taxes	522,806	-	522,806	403,944	(118,862)
Intergovernmental	15,000	-	15,000	289,258	274,258
Franchise tax	1,084,952	-	1,084,952	1,134,864	49,912
Charges for services	101,450	-	101,450	236,446	134,996
Fines and forfeitures	668,920	-	668,920	991,071	322,151
Licenses and permits	336,108	-	336,108	268,910	(67,198)
Investment income	14,754	-	14,754	65,291	50,537
Rental and royalty income	3,600	-	3,600	52,382	48,782
Sale of property	5,000	-	5,000	79,862	74,862
Miscellaneous	430,192	-	430,192	366,178	(64,014)
Total revenues	<u>12,641,459</u>	<u>-</u>	<u>12,641,459</u>	<u>17,832,226</u>	<u>5,190,767</u>
<b>EXPENDITURES</b>					
General government					
Legislative	1,081,162	-	1,081,162	1,118,380	(37,218)
Finance	362,830	-	362,830	424,983	(62,153)
City Clerk	467,830	-	467,830	48,133	419,697
Adminstration	539,771	-	539,771	473,164	66,607
Building Maintenance	953,634	-	953,634	1,751,177	(797,543)
Human Resources	226,067	-	226,067	220,444	5,623
Insurance	2,760,199	-	2,760,199	2,265,613	494,586
Technology	830,946	-	830,946	844,264	(13,318)
Emergency Mangement	196,220	-	196,220	193,583	2,637
Public safety:					
Police	4,547,036	-	4,547,036	4,893,678	(346,642)
Municipal court	264,365	-	264,365	253,783	10,582
Fire	2,999,045	-	2,999,045	3,143,408	(144,363)
Public services					
Planning	583,386	-	583,386	594,158	(10,772)
Street and Alley	928,222	-	928,222	803,626	124,596
Cultural and recreation					
Park Maintenance	565,123	-	565,123	618,397	(53,274)
Library	378,606	-	378,606	376,450	2,156
Recreation	1,252,452	-	1,252,452	1,479,544	(227,092)
Capital outlay	571,550	-	571,550	403,631	167,919
Total expenditures	<u>19,508,444</u>	<u>-</u>	<u>19,508,444</u>	<u>19,906,416</u>	<u>(397,972)</u>
Revenue over (under) expenditures	(6,866,985)	-	(6,866,985)	(2,074,190)	5,588,739
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	6,866,985	-	6,866,985	6,944,111	77,126
Net other financing sources (uses)	<u>6,866,985</u>	<u>-</u>	<u>6,866,985</u>	<u>6,944,111</u>	<u>77,126</u>
Net change in fund balance	-	-	-	4,869,921	5,665,865
Fund balance at beginning of year (Non-GAAP budgetary basis)				8,405,777	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 13,275,698</u>	<u>\$ 5,665,865</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				(3,110,530)	
Fund balance at end of year (GAAP basis)				<u>\$ 10,165,168</u>	

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**City of Yukon, Oklahoma**  
**96 Sales Tax Capital Projects**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 3,237,697	\$ -	\$ 3,237,697	\$ 4,234,670	\$ 996,973
Hotel/motel tax	182,198	-	182,198	232,645	50,447
Investment income	8,096	-	8,096	9,816	1,720
Total revenues	<u>3,427,991</u>	<u>-</u>	<u>3,427,991</u>	<u>4,477,131</u>	<u>1,049,140</u>
<b>EXPENDITURES</b>					
Debt service	3,418,638	-	3,418,638	3,577,340	(158,702)
Capital outlay	769,500	-	769,500	666,965	102,535
Total expenditures	<u>4,188,138</u>	<u>-</u>	<u>4,188,138</u>	<u>4,244,305</u>	<u>(56,167)</u>
Revenue over (under) expenditures	(760,147)	-	(760,147)	232,826	1,105,307
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(760,147)	-	(760,147)	232,826	1,105,307
Fund balance at beginning of year (Non-GAAP budgetary basis)				3,652,405	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 3,885,231</u>	<u>\$ 1,105,307</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				505,360	
Fund balance at end of year (GAAP basis)				<u>\$ 4,390,591</u>	

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**City of Yukon, Oklahoma**  
**General Fund**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<b>Original Budget</b>	<b>Revisions</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance - Favorable (Unfavorable)</b>
<b>REVENUES</b>					
Sales and use tax	\$ 9,458,677	\$ -	\$ 9,458,677	\$ 13,944,020	\$ 4,485,343
Taxes	522,806	-	522,806	403,944	(118,862)
Intergovernmental	15,000	-	15,000	289,258	274,258
Franchise tax	1,084,952	-	1,084,952	1,134,864	49,912
Charges for services	101,450	-	101,450	236,446	134,996
Fines and forfeitures	668,920	-	668,920	991,071	322,151
Licenses and permits	336,108	-	336,108	268,910	(67,198)
Investment income	14,754	-	14,754	65,291	50,537
Rental and royalty income	3,600	-	3,600	52,382	48,782
Sale of property	5,000	-	5,000	79,862	74,862
Miscellaneous	430,192	-	430,192	366,178	(64,014)
Total revenues	12,641,459	-	12,641,459	17,832,226	5,190,767
<b>EXPENDITURES</b>					
General government					
Legislative	1,081,162	-	1,081,162	1,118,380	(37,218)
Finance	362,830	-	362,830	424,983	(62,153)
City Clerk	467,830	-	467,830	48,133	419,697
Adminstration	539,771	-	539,771	473,164	66,607
Building Maintenance	953,634	-	953,634	1,751,177	(797,543)
Human Resources	226,067	-	226,067	220,444	5,623
Insurance	2,760,199	-	2,760,199	2,265,613	494,586
Technology	830,946	-	830,946	844,264	(13,318)
Emergency Mangement	196,220	-	196,220	193,583	2,637
Public safety:					
Police	4,547,036	-	4,547,036	4,893,678	(346,642)
Municipal court	264,365	-	264,365	253,783	10,582
Fire	2,999,045	-	2,999,045	3,143,408	(144,363)
Public services					
Planning	583,386	-	583,386	594,158	(10,772)
Street and Alley	928,222	-	928,222	803,626	124,596
Cultural and recreation					
Park Maintenance	565,123	-	565,123	618,397	(53,274)
Library	378,606	-	378,606	376,450	2,156
Recreation	1,252,452	-	1,252,452	1,479,544	(227,092)
Capital outlay	571,550	-	571,550	403,631	167,919
Total expenditures	19,508,444	-	19,508,444	19,906,416	(397,972)
Revenue over (under) expenditures	(6,866,985)	-	(6,866,985)	(2,074,190)	5,588,739
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	6,866,985	-	6,866,985	6,944,111	77,126
Net other financing sources (uses)	6,866,985	-	6,866,985	6,944,111	77,126
Net change in fund balance	-	-	-	4,869,921	5,665,865
Fund balance at beginning of year (Non-GAAP budgetary basis)				8,405,777	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 13,275,698</u>	<u>\$ 5,665,865</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				(3,110,530)	
Fund balance at end of year (GAAP basis)				<u>\$ 10,165,168</u>	

DRAFT

**City of Yukon, Oklahoma**  
**96 Sales Tax Capital Projects**  
**Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2012**

	<u>Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUES</b>					
Sales and use tax	\$ 3,237,697	\$ -	\$ 3,237,697	\$ 4,234,670	\$ 996,973
Hotel/motel tax	182,198	-	182,198	232,645	50,447
Investment income	8,096	-	8,096	9,816	1,720
Total revenues	<u>3,427,991</u>	<u>-</u>	<u>3,427,991</u>	<u>4,477,131</u>	<u>1,049,140</u>
<b>EXPENDITURES</b>					
Debt service	3,418,638	-	3,418,638	3,577,340	(158,702)
Capital outlay	769,500	-	769,500	666,965	102,535
Total expenditures	<u>4,188,138</u>	<u>-</u>	<u>4,188,138</u>	<u>4,244,305</u>	<u>(56,167)</u>
Revenue over (under) expenditures	(760,147)	-	(760,147)	232,826	1,105,307
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in/(out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(760,147)	-	(760,147)	232,826	1,105,307
Fund balance at beginning of year (Non-GAAP budgetary basis)				3,652,405	
Fund balance at end of year (Non-GAAP budgetary basis)				<u>\$ 3,885,231</u>	<u>\$ 1,105,307</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>					
Revenue and transfer accruals				505,360	
Fund balance at end of year (GAAP basis)				<u>\$ 4,390,591</u>	

DRAFT

CITY OF YUKON  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2012

	Debt Service Fund	Special Revenue Fund	Yukon Community Support Fund	Community Development Block Grant Fund	Total Non-major Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 901,642	\$ 534,792	\$ 516,996	\$ (153,667)	\$ 1,799,763
Due from other funds	-	-	-	-	-
Taxes receivable	27,260	-	-	-	27,260
Grants receivable	-	-	-	26,000	26,000
<b>Total assets</b>	<u>\$ 928,902</u>	<u>\$ 534,792</u>	<u>\$ 516,996</u>	<u>\$ (127,667)</u>	<u>\$ 1,853,023</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 7,949	\$ -	\$ -	\$ 7,949
<b>Total liabilities</b>	<u>-</u>	<u>7,949</u>	<u>-</u>	<u>-</u>	<u>7,949</u>
<b>Fund balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	928,902	-	-	(127,667)	801,235
Committed	-	-	516,996	-	516,996
Assigned	-	526,843	-	-	526,843
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<u>928,902</u>	<u>526,843</u>	<u>516,996</u>	<u>(127,667)</u>	<u>1,845,074</u>
<b>Total liabilities and fund balances</b>	<u>\$ 928,902</u>	<u>\$ 534,792</u>	<u>\$ 516,996</u>	<u>\$ (127,667)</u>	<u>\$ 1,853,023</u>

DRAFT

CITY OF YUKON  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2012

	Debt Service Fund	Special Revenue Fund	Yukon Community Support Fund	Community Development Block Grant Fund	Total Non-major Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 1,339,034	\$ -	\$ -	\$ -	\$ 1,339,034
Charges for services	-	10,140	50	-	10,190
Investment income	4,603	32	62	-	4,697
Intergovernmental revenue	-	45,473	-	130,154	175,627
Rental income	-	1,470	-	-	1,470
Donations	-	349,504	76,172	-	425,676
Miscellaneous	-	64,872	1,738	-	66,610
<b>Total revenues</b>	<b>1,343,637</b>	<b>471,491</b>	<b>78,022</b>	<b>130,154</b>	<b>2,023,304</b>
<b>Expenditures:</b>					
General Government	525	251,584	-	39,374	291,483
Public Safety	-	92,316	-	-	92,316
Public Services	-	61,679	-	-	61,679
Cultural and Recreation	-	-	750	-	750
Capital Outlay	-	79,755	-	84,016	163,771
Debt Service:					
Pinciple and interest charges	1,055,828	-	-	-	1,055,828
<b>Total Expenditures</b>	<b>1,056,353</b>	<b>485,334</b>	<b>750</b>	<b>123,390</b>	<b>1,665,827</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>287,284</b>	<b>(13,843)</b>	<b>77,272</b>	<b>6,764</b>	<b>357,477</b>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>287,284</b>	<b>(13,843)</b>	<b>77,272</b>	<b>6,764</b>	<b>357,477</b>
<b>Net assets - beginning of year</b>	<b>921,947</b>	<b>540,686</b>	<b>478,434</b>	<b>82,520</b>	<b>2,023,587</b>
Prior period adjustment	(280,329)	-	(38,710)	(216,951)	(535,990)
<b>Fund balances - end of year</b>	<b>\$ 928,902</b>	<b>\$ 526,843</b>	<b>\$ 516,996</b>	<b>\$ (127,667)</b>	<b>\$ 1,845,074</b>

DRAFT

**CITY OF YUKON  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 AGENCY FUNDS  
 JUNE 30, 2012**

	<b>Municipal Court Fund</b>	<b>Escrow Fund</b>	<b>Total Agency Funds</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 97,774	\$ 319,692	\$ 417,466
<b>Total assets</b>	<b>\$ 97,774</b>	<b>\$ 319,692</b>	<b>\$ 417,466</b>
<b>Liabilities:</b>			
Escrow liability	\$ 73,041	\$ 319,692	\$ 392,733
Due to other funds	24,733	-	24,733
<b>Total liabilities</b>	<b>\$ 97,774</b>	<b>\$ 319,692</b>	<b>\$ 417,466</b>

-

**DRAFT**



John Alberts , Mayor & Council Member Ward II  
Ken Smith, Vice Mayor & Council Member At Large  
Nick Grba, Council Member Ward I  
Michael McEachern, Council Member Ward IV  
Rick Opitz, Council Member Ward III

**From the Office of the  
Community Development  
Director  
Mitchell Hort**

MEMO TO: City Manager & City Council

FROM: Mitchell Hort, Planning Director

DATE: December 21, 2012

RE: Acceptance of the maintenance bonds for the water line to serve Grace  
Pentecostal Church of God located at 4517 N Sara Rd.

Attached are the maintenance bonds for the extension of the water lines to serve Grace  
Pentecostal Church of God. Attached see Robbie Williams memo dated December 7, 2012 for  
your review and recommendation for acceptance and placing the maintenance bonds into effect.



MEMORANDUM

Date: December 7, 2012

To: Mitch Hort  
Community Development Director

From: Robbie Williams, PE  
City Engineer

Re: Grace Penticostal Church of God  
Waterline Improvements

We recommend the City accept the project and place the maintenance bond into effect.

Should you need additional information please contact me.



John Alberts, Mayor & Council Member Ward II  
Nick Grba, Council Member Ward I  
Ken Smith, Vice Mayor & Council Member At Large  
Rick Opitz, Council Member Ward III  
Michael McEachern, Council Member Ward IV

**From the Office of the  
Public Works Director  
Arnold Adams**

Date: December 20, 2012  
To: Mitchell Hort  
From: Arnold Adams  
Re: Final Inspection – Grace Pentecostal Church

After a final review for Grace Pentecostal Church located at 4517 N. Sara Rd, Yukon, OK 73099, legal's being T12N, R5W, SEC 15, NE/4, we found all work to be satisfactory and have no issues to report.

Arnold Adams

City of Yukon      904 Industrial Drive  
P.O. Box 850500  
Yukon, Oklahoma 73085  
Phone: 405.354.2121  
Fax: 405.350.7598



John Alberts, Mayor & Council Member Ward II  
Nick Grba, Council Member Ward I  
Ken Smith, Vice Mayor, Council Member At Large  
Rick Opitz, Council Member Ward III  
Michael McEachern, Council Member Ward IV

From the Office of the  
Public Works Director  
Arnold Adams

Date: 10/18/2012  
To: Mitch Hort  
From: Arnold Adams / Public Works Director  
Re: Final Inspection –Grace Pentecostal church

***Mitch, we have met with Eric Blalock and completed final inspection all work was found to be satisfactory except for following issues. The ditch line from water main tap to fire hydrant has settled needs to be leveled. The area on the east side of 1436 Von Elm Pl. was a maintained area before this work was done and needs to be covered with new sod after leveling.***

Arnold Adams

CITY OF YUKON 904 Industrial Drive  
P.O. Box 850500  
Yukon, Oklahoma 73085  
Phone: 405.350.8940  
Fax: 405.350.8944

**MAINTENANCE BOND**

**Bond Number 601023838**

**KNOW ALL MEN BY THESE PRESENTS, That we  
Christian Construction Company**

as Principal, and **The Ohio Casualty Insurance Company** as Surety, are held and firmly bound  
unto **City of Yukon, OK**

as Oblige, in the penal sum of **twenty thousand nine hundred forty six dollars and  
no/100's** \_\_\_\_\_ (**\$ 20,946.00** )

to which payment well and truly to be made we do bind ourselves, our and each of our heirs,  
executors, administrators, successors and assign jointly and severally, firmly by these presents.

**WHEREAS**, the said Principal entered into a contract with the Oblige dated 3-19-2012  
20 12 for **Waterline to serve Grace Pentecostal Church of God**  
**4517 N. Sara Rd., Yukon, OK**

**WHEREAS**, said contract provides that the Principal will furnish a bond conditioned to  
guarantee for the period of two (2) year(s) after approval of the final estimate on said job, by the  
owner, against all defects in workmanship and materials which may become apparent during said  
period, and

**WHEREAS**, the said contract has been completed, and was approved on

**NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH** that, if the  
Principal shall indemnify the Oblige for all loss that the Oblige may sustain by reason of any  
defective materials or workmanship which become apparent during the period of two year(s)  
from and after completion of contract then this obligation shall be void, otherwise to remain in  
full force and effect.

**SIGNED, SEALED AND DATED THIS** 2nd/19<sup>th</sup> **DAY OF** March , 20 12 .

Principal: **Christian Construction Company**

(seal)

By: [Signature] President  
Title

Surety: **The Ohio Casualty Insurance Company**

(seal)

By: [Signature]  
**Donna Stevens** Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

4784892

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

THE OHIO CASUALTY INSURANCE COMPANY
FAIRFIELD, OHIO
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company (the "Company"), an Ohio corporation, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint RICK D. WEBB, RANDY D. WEBB, DONNA STEVENS, CAREY L. PAYNE, PATSY A. PAYNE, DIANE DOWDY, TERRI HESTAND, TOM R. WEBB, BOBBY J. YOUNG, ALL OF THE CITY OF OKLAHOMA CITY, STATE OF OKLAHOMA

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIVE MILLION AND 00/100 DOLLARS (\$ 5,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the President and attested by the Secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE IV - Officers: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bond, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary.

Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

By the following instrument the Chairman or the President has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article IV, Section 12 of the By-laws, David M. Carey, Assistant Secretary of The Ohio Casualty Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of The Ohio Casualty Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania, this 17th day of August, 2011.



THE OHIO CASUALTY INSURANCE COMPANY

By David M. Carey
David M. Carey, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA SS
COUNTY OF MONTGOMERY

On this 17th day of August, 2011, before me, a Notary Public, personally came David M. Carey, to me known, and acknowledged that he is an Assistant Secretary of The Ohio Casualty Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of The Ohio Casualty Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2013
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of The Ohio Casualty Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article IV, Section 12 of the By-Laws of The Ohio Casualty Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of The Ohio Casualty Insurance Company at a meeting duly called and held on the 15th day of February, 2011:

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 2nd day of March, 2012.



By Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**MAINTENANCE BOND**

**Bond Number 601023838**

KNOW ALL MEN BY THESE PRESENTS, That we  
Christian Construction Company

as Principal, and The Ohio Casualty Insurance Company as Surety, are held and firmly bound  
unto City of Yukon, OK

as Oblige, in the penal sum of twenty thousand nine hundred forty six dollars and  
no/100's \_\_\_\_\_ (\$ 20,946.00 )

to which payment well and truly to be made we do bind ourselves, our and each of our heirs,  
executors, administrators, successors and assign jointly and severally, firmly by these presents.

WHEREAS, the said Principal entered into a contract with the Oblige dated 3-19-2012,  
20 12 for Waterline to serve Grace Pentecostal Church of God  
4517 N. Sara Rd., Yukon, OK

WHEREAS, said contract provides that the Principal will furnish a bond conditioned to  
guarantee for the period of two (2) year(s) after approval of the final estimate on said job, by the  
owner, against all defects in workmanship and materials which may become apparent during said  
period, and

WHEREAS, the said contract has been completed, and was approved on

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that, if the  
Principal shall indemnify the Oblige for all loss that the Oblige may sustain by reason of any  
defective materials or workmanship which become apparent during the period of two year(s)  
from and after completion of contract then this obligation shall be void, otherwise to remain in  
full force and effect.

SIGNED, SEALED AND DATED THIS 2nd / 9 DAY OF March , 20 12 .

Principal: Christian Construction Company

(seal)

By: [Signature] President  
Title

Surety: The Ohio Casualty Insurance Company

(seal)

By: [Signature]  
Donna Stevens Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

4784893

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

THE OHIO CASUALTY INSURANCE COMPANY
FAIRFIELD, OHIO
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company (the "Company"), an Ohio corporation, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint RICK D. WEBB, RANDY D. WEBB, DONNA STEVENS, CAREY L. PAYNE, PATSY A. PAYNE, DIANE DOWDY, TERRI HESTAND, TOM R. WEBB, BOBBY J. YOUNG, ALL OF THE CITY OF OKLAHOMA CITY, STATE OF OKLAHOMA

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIVE MILLION AND 00/100 DOLLARS (\$ 5,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the President and attested by the Secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE IV - Officers: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bond, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary.

Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

By the following instrument the Chairman or the President has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article IV, Section 12 of the By-laws, David M. Carey, Assistant Secretary of The Ohio Casualty Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of The Ohio Casualty Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania, this 17th day of August 2011.



THE OHIO CASUALTY INSURANCE COMPANY

By David M. Carey
David M. Carey, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA SS
COUNTY OF MONTGOMERY

On this 17th day of August, 2011, before me, a Notary Public, personally came David M. Carey, to me known, and acknowledged that he is an Assistant Secretary of The Ohio Casualty Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of The Ohio Casualty Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2013
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of The Ohio Casualty Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article IV, Section 12 of the By-Laws of The Ohio Casualty Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of The Ohio Casualty Insurance Company at a meeting duly called and held on the 15th day of February, 2011:

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 2nd day of March 2012.



By Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**MAINTENANCE BOND**

**Bond Number 601023838**

**KNOW ALL MEN BY THESE PRESENTS, That we  
Christian Construction Company**

as Principal, and **The Ohio Casualty Insurance Company** as Surety, are held and firmly bound  
unto **City of Yukon, OK**

as Oblige, in the penal sum of **twenty thousand nine hundred forty six dollars and**  
**no/100's** \_\_\_\_\_ (**\$ 20,946.00** )

to which payment well and truly to be made we do bind ourselves, our and each of our heirs,  
executors, administrators, successors and assign jointly and severally, firmly by these presents.

**WHEREAS, the said Principal entered into a contract with the Oblige dated 3-19-2012  
2012 for Waterline to serve Grace Pentecostal Church of God  
4517 N. Sara Rd., Yukon, OK**

**WHEREAS, said contract provides that the Principal will furnish a bond conditioned to  
guarantee for the period of two (2) year(s) after approval of the final estimate on said job, by the  
owner, against all defects in workmanship and materials which may become apparent during said  
period, and**

**WHEREAS, the said contract has been completed, and was approved on**

**NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that, if the  
Principal shall indemnify the Oblige for all loss that the Oblige may sustain by reason of any  
defective materials or workmanship which become apparent during the period of two year(s)  
from and after completion of contract then this obligation shall be void, otherwise to remain in  
full force and effect.**

**SIGNED, SEALED AND DATED THIS 2nd 19<sup>th</sup> DAY OF **March** , 20 **12** .**

Principal: **Christian Construction Company**

(seal)

By: Scott Chester President  
Title

Surety: **The Ohio Casualty Insurance Company**

(seal)

By: Donna Stevens  
Donna Stevens Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

4784894

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

THE OHIO CASUALTY INSURANCE COMPANY
FAIRFIELD, OHIO
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company (the "Company"), an Ohio corporation, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint RICK D. WEBB, RANDY D. WEBB, DONNA STEVENS, CAREY L. PAYNE, PATSY A. PAYNE, DIANE DOWDY, TERRI HESTAND, TOM R. WEBB, BOBBY J. YOUNG, ALL OF THE CITY OF OKLAHOMA CITY, STATE OF OKLAHOMA

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIVE MILLION AND 00/100 DOLLARS (\$ 5,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the President and attested by the Secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE IV - Officers: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bond, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary.

Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

By the following instrument the Chairman or the President has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article IV, Section 12 of the By-laws, David M. Carey, Assistant Secretary of The Ohio Casualty Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of The Ohio Casualty Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania, this 17th day of August, 2011



THE OHIO CASUALTY INSURANCE COMPANY

By David M. Carey
David M. Carey, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA SS
COUNTY OF MONTGOMERY

On this 17th day of August, 2011, before me, a Notary Public, personally came David M. Carey, to me known, and acknowledged that he is an Assistant Secretary of The Ohio Casualty Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of The Ohio Casualty Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2013
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of The Ohio Casualty Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article IV, Section 12 of the By-Laws of The Ohio Casualty Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of The Ohio Casualty Insurance Company at a meeting duly called and held on the 15th day of February, 2011:

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 2nd day of March, 2012



By Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

## CONSTRUCTION CONTRACT

This Contract made and entered into on this 19th day of March, 2012, by and between Grace Pentecostal Church of God, hereinafter designated as the Owner and Christian Construction Company, hereinafter designated as the Contractor.

That the Contractor and Owner agree and bind and obligate themselves as follows:

Contractor is to provide "waterline improvements" hereinafter called "the work" in a workmanlike manner and in accordance with the plans and specifications provided and in accordance with the attached "scope of work" exhibit, to the property located at the address of 4517 N. Sara Road, Yukon Oklahoma.

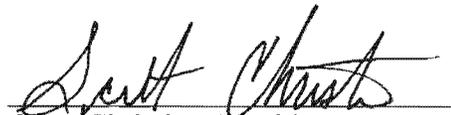
Owner agrees, binds, and obligates him/herself to pay contractor for the work for the sum \$ 20,946.00 together with any additional cost including, but not limited to, amounts for change orders, extra work, overages, and/or escalated cost of materials.

**Commencement of Construction.** Construction will commence on or about March 22<sup>th</sup>, 2012. Substantial completion of the work will be performed 30 days after commencement of construction. However, this time period may, at the contractor's option, be extended one day for each day of delay, if construction is delayed due to weather, fire, strikes, material shortages, or Acts of God, Owner delays, or other normal variations in the construction process including but not limited to the selection, ordering, manufacture, and/or installation of Owner selections. Failure of Contractor to timely complete shall not be considered default. The date of Substantial completion shall be the date when the work is completed sufficiently enough to enable the Owner to occupy, or utilize the work in the manner in which it is intended to be utilized.

### **Owner Obligation.**

The owner agrees and obligated itself to obtain all necessary and/or required approvals that may be required for the work. Owner also agrees to provide access to all areas of work. In the event that the owner temporarily halts work on the project, the Owner will pay the contractor for any and all cost associated with any delays. Owner agrees to pay contractor within 10 days of invoice.

  
Richard James  
Grace Pentecostal Church of God  
"Owner"

  
Scott Christian, President  
Christian Construction Company  
Contractor



John Alberts , Mayor & Council Member Ward II  
Ken Smith, Vice Mayor & Council Member At Large  
Nick Grba, Council Member Ward I  
Michael McEachern, Council Member Ward IV  
Rick Opitz, Council Member Ward III

5

**From the Office of the  
Community Development  
Director  
Mitchell Hort**

MEMO TO: City Manager & City Council

FROM: Mitchell Hort, Planning Director

DATE: December 21, 2012

RE: Acceptance of the maintenance bonds for the Sanitary Sewer Improvements for  
NW 10<sup>th</sup> Street Office Park

Attached are the maintenance bonds for the sanitary sewer improvements to serve the NW 10<sup>th</sup> Street Office Park, located at 12451 NW 10<sup>th</sup> St. Attached is Robbie Williams memo dated December 7, 2012, for your review and recommendation for acceptance and placing the maintenance bonds into effect.

CITY OF YUKON

500 West Main Street  
P.O. Box 850500  
Yukon, Oklahoma 73085  
Phone: 405.354.6676  
Fax: 405.350.8929



MEMORANDUM

Date: December 7, 2012

To: Mitch Hort  
Community Development Director

From: Robbie Williams, P.E.  
City Engineer

Re: NW 10<sup>th</sup> Street Office Park  
Sanitary Sewer Improvements

We recommend the City accept the project and place the maintenance bond into effect.

Should you need additional information please contact me.



John Alberts, Mayor & Council Member Ward II  
Nick Grba, Council Member Ward I  
Ken Smith, Vice Mayor, Council Member At Large  
Rick Opitz, Council Member Ward III  
Michael McEachern, Council Member Ward IV

**From the Office of the  
Public Works Director  
Arnold Adams**

Date: 10/16/2012  
To: Mitch Hort  
From: Arnold Adams / Public Works Director  
Re: Final Inspection –12451 NW. 10th

***Mitch, we have met with Eric Blalock and completed final inspection for 12451 NW. 10<sup>th</sup>. We found all work to be satisfactory and have no issues to report.***

Arnold Adams

CITY OF YUKON 904 Industrial Drive  
P.O. Box 850500  
Yukon, Oklahoma 73085  
Phone: 405.350.8940  
Fax: 405.350.8944

# Granite Re, Inc.

Bond# GR21083

## MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That We, the undersigned

Greg Davenport D.B.A.: Davenport Construction

, as Principal

and Granite Re, Inc., a corporation organized under the laws of the State of Oklahoma and duly authorized to do business in the State of Oklahoma, as Surety, are held and firmly bound unto:

City of Yukon, OK

in the penal sum of

\*\*\*\* Ninety-Four Thousand, Three Hundred Eighteen Dollars and 00/100\*\*\*\*\* \*\*\*\*

(\$ 94,318.00) Dollars, for the payment of which well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns.

Signed this 26<sup>th</sup> day of March, 2012.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That whereas, the above named Principal did on the 26<sup>th</sup> day of March, 2012 enter into a contract with the

Coughlin Living Trust

for: West 10th Street Office Center 12451 NW 10<sup>th</sup> St, Yukon, OK 73099.

AND, WHEREAS, the specifications of said construction contract provide that upon final acceptance by Obligee said Principal shall furnish a maintenance bond for the sum amounting to \*\*\*\* One Hundred \*\*\*\* percent (100 %)

of the contract price, and to remain in full force and effect for the period of Two (2) year(s) from the date of acceptance, as therein stated in said specifications; the said work having been duly accepted by said obligee.

NOW, THEREFORE THE CONDITION OF THIS OBLIGATION IS SUCH, That if the Principal shall make good all defects appearing in the work performed by Principal due to faulty workmanship or materials which may develop during the period of Two (2) year(s) from the date of completion and final acceptance of said work, then this obligation shall be void; otherwise to remain in full force and effect.

Greg Davenport D.B.A.: Davenport Construction

Principal

BY: Greg Davenport

Title owner

Granite Re, Inc.

Surety

BY: Vicky Jarvis

Vicky Jarvis-

, Attorney-in-Fact

**GRANITE RE, INC.**  
**GENERAL POWER OF ATTORNEY**

**Know all Men by these Presents:**

That GRANITE RE, INC., a corporation organized and existing under the laws of the State of OKLAHOMA and having its principal office at the City of OKLAHOMA CITY in the State of OKLAHOMA does hereby constitute and appoint:

BARRY L. HERRING; CONNIE THUESON; KARLA EDMONDS; SHANNON NICHOLAS; LINDSEY BROWN; VICKY JARVIS its true and lawful Attorney-in-Fact(s) for the following purposes, to wit:

To sign its name as surety to, and to execute, seal and acknowledge any and all bonds, and to respectively do and perform any and all acts and things set forth in the resolution of the Board of Directors of the said GRANITE RE, INC. a certified copy of which is hereto annexed and made a part of this Power of Attorney; and the said GRANITE RE, INC. through us, its Board of Directors, hereby ratifies and confirms all and whatsoever the said:

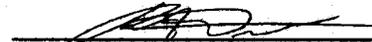
BARRY L. HERRING; CONNIE THUESON; KARLA EDMONDS; SHANNON NICHOLAS; LINDSEY BROWN; VICKY JARVIS may lawfully do in the premises by virtue of these presents.

In Witness Whereof, the said GRANITE RE, INC. has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its President and Secretary/Treasurer, this 1<sup>st</sup> day of October, 2009.

STATE OF OKLAHOMA     )  
  ) SS:  
COUNTY OF OKLAHOMA )



  
Kenneth D. Whittington, President

  
Rodman A. Frates, Secretary/Treasurer

On this 1<sup>st</sup> day of October, 2009, before me personally came Kenneth D. Whittington, President of the GRANITE RE, INC. Company and Rodman A. Frates, Secretary/Treasurer of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said Kenneth D. Whittington and Rodman A. Frates were respectively the President and the Secretary/Treasurer of the GRANITE RE, INC., the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so fixed by order of the Board of Directors of said corporation, and that they signed their name thereto by like order as President and Secretary/Treasurer, respectively, of the Company.

My Commission Expires:  
May 9, 2012  
Commission #: 00005708



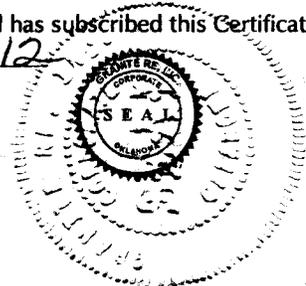
  
Notary Public

**GRANITE RE, INC.**  
**Certificate**

THE UNDERSIGNED, being the duly elected and acting Secretary/Treasurer of Granite Re, Inc., an Oklahoma Corporation, HEREBY CERTIFIES that the following resolution is a true and correct excerpt from the July 15, 1987, minutes of the meeting of the Board of Directors of Granite Re, Inc. and that said Power of Attorney has not been revoked and is now in full force and effect.

“RESOLVED, that the President, any Vice President, the Secretary, and any Assistant Vice President shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the Company in the course of its business. On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the Company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking.”

IN WITNESS WHEREOF, the undersigned has subscribed this Certificate and affixed the corporate seal of the Corporation this \_\_\_\_\_ day of \_\_\_\_\_, 20 12



  
Rodman A. Frates, Secretary/Treasurer



MEMORANDUM

Date: January 8<sup>th</sup>, 2013

To: Grayson Bottom

From: Robbie Williams

Re: Linda Lane  
Drainage Improvements  
Concrete Flume

We are requesting City Council consideration and approval to authorize Brewer Construction to install a concrete flume at a cost not to exceed \$24,045.25. The installation of the concrete flume will help mitigate stormwater ponding on Linda Lane where it dead ends at undeveloped property. The proposed concrete flume will tie to an existing concrete flume within the Wagner Lake Addition. When the Wagner Lake Addition was developed this drainage area was included within the drainage calculations. We have attached a project map identifying the location. The City Council on December 18<sup>th</sup>, 2012 accepted the easement in order to construct the project.

Should you need additional information please contact me.

# Brewer Construction Co.

8501 SW 8th St. - Oklahoma City, OK 73128  
PO Box 82485 - Oklahoma City, OK 73148  
405-787-4962  
Fax: 405-495-8972

December 12th, 2012

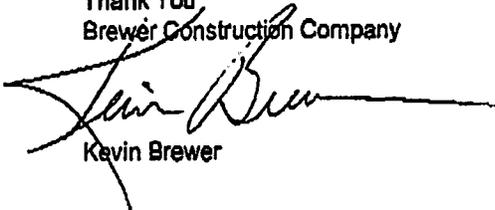
City Of Yukon  
c/o Triad Design Group  
Attn. Robble Williams P.E.  
3020 N.W. 149 th Street  
Oklahoma City Okla. 73134

RE: 2011 Yukon Concrete, Asphalt Paving  
W/ Drainage, Water And Sewer Contract  
Linda Lane FLUMG

## QUOTE

Description	Quantity	Unit Bid Price	Unit Bid Total
3500 PSI Concrete	30 C.Y.	\$ 450.00	\$ 13,500.00
Reinforcing Steel Grade 60	3000 Lbs	\$ 1.25	\$ 3,750.00
Unclassified Excavation	96 C.Y.	\$ 16.50	\$ 1,584.00
Crushed Rock	30 Ton	\$ 29.00	\$ 870.00
Remove & Replace 4' Chain Link Fence	190 L.F.	\$ 15.00	\$ 2,850.00
Saw Cutting	25 L.F.	\$ 5.40	\$ 135.00
Guard Rail Barrier	25 L.F.	\$ 25.00	\$ 625.00
Solid Slab Sod 200 +	325 S.Y.	\$ 2.25	\$ 731.25
Total Quote			\$ 24,045.25

Thank You  
Brewer Construction Company

  
Kevin Brewer



RESOLUTION NO. 2013-01

**A RESOLUTION DECLARING AND  
SETTING FEES RELATING GENERALLY  
TO CHAPTER 14 AND MINIMUM FINES  
FOR THE CONVICTION OF OFFENSES OF  
CHAPTER 14 THE CODE OF ORDINANCES  
OF THE CITY OF YUKON.**

**WHEREAS**, the City Council of the City of Yukon has determined that proper care and control regarding animals and the ownership and caretaking of animals within its territorial boundaries are beneficial to the general welfare and health of the community as a whole, beneficial to animals within the territorial boundaries of the City of Yukon, and beneficial to the owners and caretakers of those animals and;

**WHEREAS**, the City Council of the City of Yukon has determined that certain fees and minimum fines should be imposed in order for proper care and control to be encouraged, and;

**WHEREAS**, the City Council of the City of Yukon believes such fees and minimum fines are directly related to ensuring that proper care and control will be observed which will protect the health and general welfare of the community as a whole, animals within the territorial boundaries of the City of Yukon, and the owners and caretakers of such animals.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Yukon that the following fees relating generally to Chapter 14 and minimum fines be imposed upon those who commit such offenses as specified within and applicable by Sec. 14-75 of the Code of Ordinances of the City of Yukon according to the following schedule:

**FEES**

The following fees shall be assessed and paid:

Sec. 14-2 (d) disposal of animal for adoption or euthanasia	\$ 15.00
more than one animal from the same litter	25.00
Sec. 14-3 (b) wild animal certificate of exemption	100.00
Sec. 14-39 (a) adoption fee/deposit	35.00
Senior citizens (55 and over)	30.00
Sec. 14-39 (b) refund of deposit	30.00
Sec. 14-41 (b) kennel license	50.00
Sec. 14-44 (a) feeding feral cats	50.00
Sec. 14-69 (a) claiming impounded cat plus \$1.00 per day	20.00

Sec. 14-69 (b) claiming impounded dog plus \$2.00 per day	20.00
Sec. 14-69 (c) claiming other impounded animal plus \$2.00 per day	25.00

### FINES

*Payment of fine.* Any person to whom a citation for violation of this chapter is issued shall either pay the fine by the designated date as indicated on the citation or appear in municipal court at the date, time, and location set forth in the citation.

(a) Minimum fine for violations of sections 14-2 Animal care, 14-46 Animals in motor vehicles, and 14-48 - Cruelty:

(1) First infraction	\$250.00
(2) Thereafter	\$ 5 0 0 . 0 0 w i t h mandatory court appearance.

(b) Minimum fine for violations which result in the destruction or loss of personal property:

(1) First infraction	\$100.00
(2) Second infraction	\$250.00
(3) Thereafter	\$ 5 0 0 . 0 0 w i t h mandatory court appearance.

(c) Minimum fine for violations which result in the unprovoked biting, wounding, or attacking of a domestic animal or person:

(1) First infraction (person without injury)	\$250.00
(2) First infraction (person with injury)	\$450.00
(3) First infraction (animal)	\$250.00
(4) Thereafter	\$ 5 0 0 . 0 0 w i t h mandatory court appearance.

(d) Minimum fine for violation of any provision pertaining to dangerous animals, which does not result in injury to a person or domestic animal:

(1) First infraction	\$150.00
(2) Thereafter	\$ 3 0 0 . 0 0 w i t h mandatory court appearance and fine.

(e) Minimum fine for other infractions:

(1) First infraction	\$50.00
(2) Second infraction	\$100.00
(3) Thereafter	\$250.00

(f) The maximum penalty for each violation of this article shall be \$500.00.

(g) Fines shall be in addition to court costs.

Surcharge

A fee of \$5.00 shall be added to each fine imposed for violation of this chapter. The proceeds from such fee shall be restricted to the use for standard training for animal control officers, the sterilization of feral animals, and to offset adoption costs for a sponsoring organization.

**WHEREAS**, it being immediately necessary for the preservation of the peace, health, safety and public good of the City of Yukon and the inhabitants thereof this resolution shall take effect, and be in full force from and after its passage, as provided by law.

Pass and approved by the City Council of the City of Yukon this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

[Seal]  
ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

ORDINANCE NO. 1286

AN ORDINANCE WHICH PROVIDES AMENDMENT TO THE CODE OF ORDINANCES OF THE CITY OF YUKON, OKLAHOMA BY AMENDING CERTAIN SECTIONS OF CHAPTER 14 - ANIMALS- AND THE ADDITION OF DEFINITIONS, SETTING FEES BY RESOLUTION BY THE CITY COUNCIL OF THE CITY OF YUKON, AND PROVIDING SUBSTANTIVE PROCEDURE AND PENALTIES REGARDING DOMESTIC ANIMALS, WILD ANIMALS, DANGEROUS ANIMALS, ANIMAL OWNERS, ANIMAL CARETAKERS, FERAL ANIMALS, SPECIFICALLY FERAL CAT COMMUNITIES, THEIR CARE, AND THEIR CARETAKERS AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL FOR THE CITY OF YUKON, OKLAHOMA that the Code or Ordinances, City of Yukon, is hereby amended by adding sections and amending certain sections in Chapter 14 of the Code of Ordinances to allow the addition of definitions, certain fees to be set through resolution by the City Council of the City of Yukon, and providing substantive procedure and penalties regarding domestic animals, wild animals, dangerous animals, animal owners, animal caretakers, feral animals, specifically feral cat communities, their care, and their caretakers to read as follows, to-wit:

**SECTION 1:**

**Sec. 14.**

**STATEMENT OF PURPOSE**

The purpose and intent of this chapter is to protect public health and safety and promote the general welfare of the citizens and animals residing within the city. Pet ownership is encouraged and welcomed when it is accompanied by responsible, caring, humane and legal treatment of the animal. Pet owners and caregivers must be respectful of the rights of their fellow citizens, public and private property, and quality of life as it is impacted by their animal(s). Owners are responsible for properly training and/or securing their animals so as to prevent them from causing damage, injury or nuisance. Owners must also carefully manage their pet's ability to procreate so as to prevent the addition of unwanted stray and feral animals and to help actively reduce the euthanasia of surplus pets in our community.

**ARTICLE I. IN GENERAL**

**Sec. 14-1. - Definitions**

The words and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicated a different

meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural.

*Abandon* means the act of placing an animal on public property or within a public building, unattended or uncared for, or on or within the private property of another without the express permission of the owner, custodian, or tenant of the private property. An animal shall also be considered abandoned when it has been unattended and without adequate food, water, ventilation or shelter, for a period in excess of 24 hours, regardless of where such animal may be found or kept.

*Animal* means any live, vertebrate creature domestic or wild, including, fish, amphibians, reptiles, birds and mammals.

*Animal control officer* means any person employed or appointed by the city or county who is authorized to investigate and enforce violations relating to animal control or cruelty under the provisions of this chapter.

(a) “animal control office” means the Yukon Animal Control Office.

(b) “animal control officer” shall mean any police officer or animal control officer in the Yukon Police Department.

*Animal services* means the organization or authority designated by the city to enforce animal control ordinances, provide temporary care for stray and surrendered animals and carry out other relevant animal-related governmental laws and programs.

*Animal shelter* means any facility designated or operated by the city, or its authorized agents, for the purpose of housing, impounding or caring for animals held under the authority of this Chapter or state law.

*Animals ferae naturae* means animals which are of a dangerous nature to mankind that are normally found in the wild, and shall not include domesticated animals.

*At large* means any animal, other than a dog, that is off the premises of the owner, while not under the supervision and control of the owner, or, in the case of dogs, any dog that is not at all times, whether on or off the premises of the owner, under the direct control of the owner.

*Attack* means the act by any animal of approaching a domestic animal or a person in such a manner that hostile contact with the other animal or person occurs, or if the act required a defensive action by any person to prevent bodily injury when such person is conducting himself peacefully and lawfully. Conduct of an animal, such as charging, growling, or chasing in a menacing fashion is considered an attack if a reasonable person believes such conduct threatens the safety and welfare of any person

*Auctions* means any place or facility where animals are regularly bought, sold, or traded, except for those facilities otherwise defined in this chapter. This definition does not apply to individual sale of animals by owners.

*Baiting* means to attack with violence, to provoke, or to harass an animal with one or more animals for the purpose of training an animal for, or to cause an animal to engage in, fights with or among other animals.

*Bite* means that the skin has been penetrated by an animal's teeth or beak.

*Cat* means the domestic cat, *Felis Catus*.

*Citation* means a written notice issued to a person by an officer stating that the officer has probable cause to believe that the person has committed an act or omission in violation of this chapter and that the city court will hear the charge.

*Commercial animal establishment* means any pet shop, grooming shop, auction, riding school or stable, zoological park, circus or performing animal exhibition.

*Dangerous dog* means any dog that according to the records of Yukon Animal Control, or any law enforcement agency:

- (1) Has aggressively bitten, attacked or endangered, or has inflicted severe injury on a human being or damaged property.
- (2) Has more than once severely injured or killed a domestic animal while off the owner's property.
- (3) Has been used primarily or in part for the purpose of dog fight, or is a dog trained for dog fighting; or
- (4) Has, when unprovoked, chased or approached a person upon the streets, sidewalks or any public grounds in a menacing fashion or apparent attitude of attack; provided that such actions are attested to in a sworn statement by one or more persons and dutifully investigated by any of the above-referenced authorities.

This definition shall not apply to dogs utilized by law enforcement officers in the performance of their duties.

*Direct control* means effective, immediate, continuous physical control of a dog at all times such as by means of a leash, lead, kennel, secure fence, or chain of such strength to restrain the dog and controlled by a responsible person capable of restraining the dog, or safe and secure restraint within a building or vehicle. If the controlling person is at all times fully and

clearly within unobstructed sight and hearing of the dog, voice control shall be considered direct control when the dog is actually participating in certified training or in an official showing, obedience, or field event. Direct control shall not be required of dogs actually participating in a legal sport in an authorized area or of government police dogs.

*Dog* means the domestic dog, *Canis familiaris*, or any of the various other animals of the family *Canidae*.

*Domestic animal* means any animal whose natural habitat is with humans and are kept for pleasure or for utility, that have adapted to life in association with and to the use of human beings.

*Domesticated cat* means a cat that is socialized to humans and is appropriate as a companion for humans.

*Ear tipping* means straight-line cutting of the tip of the left or right ear of a cat while the cat is anesthetized and has been sterilized and given a rabies shot. A cat with a tipped ear is considered to be sterile and vaccinated against rabies.

*Feral animal* means any wild animal, whether it was born in the wild or reverted to a wild state due to abandonment or lack of domestication.

*Feral cat* means a cat that is born in the wild or abandoned and is not socialized or appropriate as a companion for humans

*Feral cat colony* or *colony* means a group of cats that congregates, more or less, together as a unit and, although not every cat in a colony may be feral, any cats that congregate with a colony shall be deemed to be a part of it.

*Feral cat colony caretaker* or *colony caretaker* means any person who provides food, water, shelter and medical care to and traps, sterilizes, and vaccinates a feral cat or cats and who is approved by a sponsor to care for a feral cat colony.

*Fowl* means poultry of any kind, including but not limited to chickens, pheasants, guineas, turkeys, peacocks, ducks and geese.

*Humane officer* means any person designated by the city or a law enforcement officer who is qualified to perform such duties under the laws of this state.

*Kennel* means any premises wherein any person engages in the business of boarding, breeding, buying, letting for hire, training for a fee, or selling dogs or cats; or any premises where more than three dogs or three cats over the age of six months are kept.

*Legal responsibility* means, the owner as hereinafter defined shall be considered legally responsible for the actions of an animal and the care of an animal. In the absence of written proof of ownership, all adult members of the household shall be considered legally responsible.

*Litter* means the offspring produced at one birth by a mammal that normally bears several young during a delivery.

*Livestock* means all animals of the equine, bovine, ratite, or swine class. This includes goats, sheep, mules, horses, cattle, ostriches, and other grazing animals.

*Licensing authority* means the City of Yukon.

*Impoundment* means impoundment at a shelter or the taking or picking up and confining of an animal by an officer under the provisions of this chapter.

*Officer* means any law enforcement officer or any animal control officer.

*Owner* means any person, partnership, corporation, or other legal entity owning, keeping, or harboring one or more animals or in the case of a person under the age of 18 years of age, that person's parent or legal guardian. An animal shall be deemed to be harbored if it is fed or sheltered for three consecutive days or more. Also, a person legally competent to enter into a contract acquiring a dog or cat from a releasing agency.

This definition shall not apply to any veterinary clinic or boarding kennel and does not include a feral cat colony caretaker.

*Performing animal exhibition* means any display, spectacle, act or event, other than circuses, in which performing animals are used.

*Pet* means any animal kept for pleasure rather than utility.

*Pet grooming* means a commercial establishment where animals are bathed, clipped, plucked or otherwise groomed.

*Pet shop* means any person, whether operated separately or in connection with another

business enterprise, except for a licensed kennel, that buys, sells, or boards any species of animal.

*Proper shelter* for an outdoor animal shall include but is not limited to a permanent structure with four sides, a top and a bottom. The structure shall have a waterproof roof, be structurally sound, and shall be sufficiently insulated to protect the animal from the elements, with space to stand up, sit down, turn around and lie down in a normal posture. The structure and surrounding area needs to be free from trash or waste so as not to threaten the physical well being of the animal. Examples of inadequate shelter include, but are not limited to, lean-to, metal drums, cardboard boxes, abandoned vehicles, porches, decks, or material that does not provide sufficient protection from the elements.

*Public nuisance* means any animal or animals which causes any harm and:

- (1) Molests passerby or passing vehicles;
- (2) Unprovoked, attacks persons, other animals or fowl.
- (3) Trespasses on school grounds;
- (4) Is repeatedly at large;
- (5) Damages or destroys private or public property; or
- (6) Barks, whines, or howls in an excessive, continuous or untimely fashion, or emits any loud or offensive noise which offends adjoining residents.
- (7) Conduct by stray or feral cats that disturb the peace by habitually and significantly destroying, desecrating or soiling property against the wishes of the owner of the property.

*Releasing agency* means any pound, shelter, or humane society organization, whether public or private.

*Restraint* means any animal secured by a leash or lead when off the owner's property.

*Riding school or stable* means any place which has available for hire, boarding and/or riding instructions, any horse, pony, donkey, mule, or burro.

*Scratch* means that the skin has been penetrated by an animal's claws, horn, or other appendage.

*Severe injury* means any physical injury that results in broken bones, multiple bites, or disfiguring lacerations requiring sutures or reconstructive surgery.

*Small animal clinic* means any establishment maintained and operated by a licensed veterinarian for surgery, diagnosis, and treatment of diseases and injuries of animals.

*Spay* means to remove the ovaries of a female dog or cat in order to render such animal unable to reproduce.

*Spay or neutered* means rendering permanently a dog or cat incapable of reproduction by a licensed veterinarian.

*Sponsor* means a local animal welfare organization, any animal rescue or humane society that agrees to comply with the requirements for sponsors and that provides written notice to the animal control office that it will serve as a sponsor.

*Sterilization* means to spay or neuter a cat or dog.

*Stray cat* means a cat that is regularly off the property of the owner, is not under the physical control and restraint of the owner, and is not regularly provided with food by its owners.

*TNR* means trap, neuter, and return.

*TNR program* means a program in which feral and stray cats are humanely trapped, sterilized, vaccinated against rabies, ear tipped, and optionally implanted with a microchip and then returned to the location that is their “territory” in accordance with this chapter.

*Unprovoked* means any situation where the victim has been acting peaceful and lawful.

*Veterinarian* means a person trained and authorized to treat animals medically who is duly licensed and registered by the state.

*Vicious animal* means any animal that attacks, bites, or attempts to bite without provocation.

*Wild animal* means and includes any animal, reptile, or fowl which is not naturally true or gentle but is of wild nature or disposition, or which is known to be vicious and must be kept in confinement to be brought within the control of the owner.

*Zoological park* means any facility, other than a pet shop or kennel, displaying or exhibiting

one or more species of undomesticated animals operated by a person, partnership, corporation or government agency.

**Sec. 14-2. - Animal care**

- (a) No owner or caretaker shall fail to provide his animals with sufficient good and wholesome food and clean water for the animal in a sufficient quantity to maintain the animal in a healthy condition. Water shall be provided at all times in a stable container that is sized appropriately for the animal's species and breed, proper shelter and protection from the weather, veterinary care when needed to prevent suffering, and with humane care and treatment.
- (b) No person shall beat, cruelly ill treat, torment, overload, overwork, or otherwise abuse an animal, or cause, instigate, or permit any dogfight, cockfight, bullfight, or other combat between animals or between animals and humans.
- (c) No owner of an animal shall abandon such animal.
- (d) Any person wishing to dispose of an animal or animals may bring such animal(s) to the city shelter for the purpose of euthanasia or adoption and shall pay a fee in an amount determined by Resolution of the Yukon City Council and shall sign a release authorizing the immediate humane euthanasia of the animal or animals.
- (e) No person shall give away any live animal, fish, reptile, or bird as a prize for, or as an inducement to enter, any contest, game, or other competition, or as an inducement to enter a place of amusement; or offer such vertebrate as an incentive to enter into any business agreement whereby the offer was for the purpose of attracting trade.
- (f) Any person who, as the operator of a motor vehicle, strikes any animal shall stop at once and render such assistance as may be possible or shall immediately report such injury or death to the animal's owner. If the owner cannot be ascertained and located such operator shall at once report the accident to the appropriate law enforcement agency or to the local humane society.
- (g) No person shall expose any known poisonous substance, whether mixed with food or not, so that the same shall be liable to be eaten by any animal, except as provided by state law; provided that it shall not be unlawful for a person to expose on his own property common rat poison mixed only with vegetable substances.
- (h) Owners and caretakers of animals shall provide all health-related grooming, cleaning and parasite control required to ensure that the animals are maintained in a humane state and able to carry out normal activities.
- (i) No person, except a licensed veterinarian, shall crop or cut an animal's ears and/or tail or otherwise disfigure any animal.
- (j) No person shall dye or color artificially any animal.

- (k) Chickens, ducklings, other fowl younger than four weeks of age, or rabbits younger than two months of age, may not be sold in quantities of less than 25 to a single purchaser.
- (l) No person shall display, give away, or offer for sale any live animal on private property without consent of the owner, or public land, right of ways, or easements, except in areas that have been authorized and permitted by the city for such use.
- (m) Natural disasters. It shall be the responsibility of each pet owner and caretaker to provide adequate water, food, shelter, and health care for their animal(s) during tornados and other natural disasters and to responsibly evacuate them when necessary.
- (n) Tethering. No person shall under any circumstances tether or otherwise confine any animal in a manner that is injurious to the animal's health, safety, and well-being. Tethering of an animal is prohibited during severe weather occurrences and natural disasters, including extreme heat, extreme cold, flood, hail, fire, tornado, hurricane, or blizzard.

Proper and humane tethering includes, but is not limited to the following:

- (1) The tether shall be attached to a properly fitted collar or harness. The use of a choke chain or prong collar is prohibited.
- (2) The tether shall not extend over an object or edge in such a manner that could result in strangulation of or injury to the animal. The length of the tether must be a minimum of six feet and allow ingress and egress from proper shelter, access to drinking water, and freedom to move about and avoid areas of animal waste.
- (3) The weight and gauge of any tether or chain shall not be more than necessary to establish direct control. Logging chains and vehicle tow chains are expressly prohibited. No person shall add any weight to an animal collar, harness, chain, or tether.
- (4) No animal shall be tethered on a vacant or abandoned property.

### **Sec. 14-3. - Keeping of wild animals.**

- (a) No person shall keep or permit to be kept on his premises any wild or vicious animal for display or for exhibition purposes, whether gratuitously or for a fee. This section shall not be construed to apply to zoological parks, performing animal exhibitions, or circuses.
- (b) No person shall keep or permit to be kept any wild animal as a pet. However, if the owner can establish to the police department's satisfaction that an animal ordinarily considered "wild" is not dangerous to people or other animals and that the animal is

healthy, safe and tame as a pet, the licensing authority may issue a certificate of exemption to the owner which shall be valid indefinitely. The cost for a certificate of exemption shall be an amount determined by Resolution of the Yukon City Council. In such case, the owner agrees to accept full responsibility for the actions and behavior of each animal. The establishment of whether such animal is healthy, safe and tame as a pet shall be the responsibility of the owner of the animal. Evidence tending to establish the animal's health, safety and tameness shall be in writing, submitted by the owner of such animal to the police department within five days of the owner's notice that he is suspected of keeping a wild animal. The police department shall either agree with, or disagree with, the evidence submitted within five days of receiving such evidence from the owner of the suspected wild animal. If it disagrees it shall state its reasons in writing. The licensing authority shall refuse to grant a certificate of exemption to the owner of the suspected wild animal if the police department fails to agree with the animal's owner. The owner of the animal may appeal such decision to the city manager within five days. The failure to appeal such ruling shall make the determination of the police department and the licensing authority conclusive such that the city may take all further necessary steps to see that its ordinances are enforced.

**Sec. 14-4. - Beehives on residential lots, number restricted.**

As a matter of public policy, it is declared unlawful to keep more than two hives of bees on a platted residential lot within the corporate limits of the city.

**Sec. 14-5. - Performing animal exhibitions**

- (a) No performing animal exhibition or circus shall be permitted that is not sanctioned by a recognized state or national organization in which animals are induced or encouraged to perform through the use of chemical, mechanical, electrical, or manual devices in a manner which will cause, or is likely to cause, physical injury or suffering.
- (b) All equipment used on a performing animal shall fit properly and be in good working condition.
- (c) It shall be unlawful for any person to stage, promote, or engage in any combat between animals or between animals and humans which by its nature causes pain, suffering, and discomfort.

**Sec. 14-6. - Keeping of swine.**

(a) It shall be unlawful for any person to keep, maintain or feed swine within the city, except as specifically provided for in section 14-8 or as provided in this section.

(b) The keeping of not more than one potbellied pig or similar small swine per lot or premises

shall be allowed under the following conditions:

- (1) Each potbellied pig shall be a pet that is to be kept for personal enjoyment and not kept or raised for human consumption.
- (2) Each potbellied pig shall be licensed with the city under such conditions as the animal control division deems appropriate.
- (3) A potbellied pig shall not exceed 125 pounds in weight, and 26 inches in height.
- (4) There shall not be more than one potbellied pig more than three months of age per lot or residence.
- (5) The keeping of potbellied pigs for commercial breeding purposes is prohibited in the city.
- (6) The premises where potbellied pigs are kept shall be cleaned regularly and shall be maintained so that noxious odors are controlled.
- (7) Any person who keeps, maintains or harbors a potbellied pig shall keep it confined on the premises. The confinement shall be accomplished by the following means:
  - a. A fence or similar enclosure to prevent escape;
  - b. Keeping it inside a house or other building; or
  - c. Keeping it on a leash to prevent escape.

For the purposes of this section "potbellied pig" shall mean: Asian potbellied pigs, Shar-pei pigs, Vietnamese, Chinese or Asian pigs, or similar swine meeting the provisions of this section.

**Sec. 14-7. - Noisy animals.**

It shall be unlawful for any person to keep or harbor within the city any animal which, by emitting any irritating and/or offensive noise, disturbs the peace and quiet of any person.

**Sec. 14-8. - Storage and disposition of manure; site requirements.**

- (a) *Storage.* No horse, mule, donkey, pony, cow, goat, sheep or other similar animal shall be kept within less than 200 feet of any tenement or apartment house, hotel, restaurant, boarding house, retail food store, building used for educational, religious or hospital purposes or residence, other than that occupied by the owner or occupant of the premises upon which such animal is kept. The owner of any of the above-listed animals shall provide a watertight and flytight receptacle on the premises for manure, of such size as to hold all accumulations of manure. Such receptacle shall be emptied sufficiently often and in such manner as to prevent it from being or becoming a nuisance, and shall be kept covered at all times, except when open during the deposit or removal of manure or refuse. No manure shall be allowed to accumulate on such premises, except in such receptacle.

- (b) *Disposal.* Manure shall be hauled outside the city in a manner which does not jeopardize the public health, or shall be spread evenly upon the ground and turned under at once or as soon as the weather permits.
- (c) *Site requirement.* Any property on which is kept a horse, mule, donkey, pony, cow, goat, sheep, swine or similar animal shall be not less than one-half acre in size. There shall be an additional 10,000 square feet of lot area required for each additional animal where two or more are kept.

**Sec. 14-9. - Location of premises where kept.**

No stable, dog kennel, rabbit warren, lot, yard or other establishment wherein animals are kept shall be maintained closer than 40 feet to any tenement or apartment house, hotel, restaurant, boardinghouse, retail food store, building used for educational, religious or hospital purposes, or residence, other than that occupied by the owner or occupant of the premises upon which such animals are kept.

**Sec. 14-10. - Maintenance of premises where kept.**

Every stable, structure, pen, lot or place wherein any animal is kept or permitted to be kept shall be maintained in a clean and sanitary condition, devoid of rodents and vermin and free from objectionable odors, excepting agricultural-zoned property of at least five acres.

**Sec. 14-11. - Vicious or dangerous animals.**

- (a) *Keeping prohibited.* It shall be unlawful to keep, harbor, own or in any way possess within the city limits any vicious animal. For the purpose of this chapter, "vicious animal" is defined to mean:
  - (1) Any animal having poisonous bites;
  - (2) Any animal that has been bitten by an animal or known to have been inflicted with rabies;
  - (3) Any warm-blooded, carnivorous or omnivorous wild or exotic animal, dangerous or undomesticated animal which is not of a species customarily used as an ordinary household pet, but one which would ordinarily be confined in a zoo, or one which would ordinarily be found in the wilderness of this or any other country, or one which otherwise causes a reasonable person to be fearful of bodily harm or property damage (including, but not limited to, nonhuman primates, snakes, raccoons, skunks, foxes and wild and exotic cats; but excluding fowl, ferrets and small rodents of varieties used for laboratory purposes);
  - (4) Any animal with a propensity, tendency or disposition to attack, to cause

injury or to otherwise endanger the safety of human beings or other domestic animals;

- (5) Any animal which has previously attacked or bitten a human being or other domestic animal other than the type of circumstances that would be justifiable; or
  - (6) Any animal which has behaved in such a manner that the owner thereof knows or should reasonably know that the animal is possessed of tendencies to attack or bite human beings or other domestic animals other than under the type of circumstances that would be justifiable.
- (b) *Seizure and impoundment.* Any animal found to be subject of a violation of this section shall be subject to immediate seizure and impoundment and held at the city animal shelter awaiting the findings of the municipal court.
- (c) *Fines for violation.* Any person who violates the provisions of this section may be fined as provided for in section 14-75.
- (d) *Destruction by court order.* If the court finds that such seized and impounded animal shall have inflicted major injury to a human being or other domestic animal, or that has previously bitten or attacked a human being or other domestic animal without provocation, then after a period of observation, it shall be destroyed by court order. A fine may also be levied as provided in section 14-75.
- (e) *Surrender and return.* If the court fails to find that such seized and impounded animal is a vicious animal, the court shall order and it shall be the duty of the chief of police to cause the surrender and return of the animal to the owner thereof.
- (f) *Authority to kill.* Notwithstanding the above provisions of this section, if any animal is of such vicious nature that it cannot be safely seized and impounded, it may be killed by the officer seeking to apprehend it.

**Sec. 14-12 through 14-37. - Reserved.**

## **ARTICLE II. DOGS AND CATS**

**Sec. 14-38. - Restraint.**

- (a) No owner shall fail to exercise proper care and control of his animals to prevent them from becoming a public nuisance.
- (b) Every female dog or cat in heat shall be confined in a building or secure enclosure in such manner that such female dog or cat cannot come into contact with another animal except for planned breeding.

- (c) Every animal which has bitten or molested person(s) on at least one occasion shall be confined by the owner within a building or secure enclosure and shall be securely muzzled or caged whenever off the premises of its owner.

**Sec. 14-39. - Adoption of animals from shelter.**

- (a) *Spaying or neutering as condition for release.* No animal may be released for adoption from the animal shelter unless such animal has been surgically spayed or neutered; or unless the adopting party signs an agreement to have the animal sterilized, and deposits funds with the animal shelter to ensure that the adopted animal will be spayed or neutered. The deposit shall be an amount determined by Resolution of the Yukon City Council. The city manager or his designee may waive the deposit requirement for any bona fide animal club, organization or humane society. Any bona fide animal club or organization may register with the animal shelter and may request notification of the pending destruction of any animal of a particular breed or type. Once the animal club or organization's application has been approved, the animal shelter shall attempt to notify the organization not less than 24 hours before the animal is scheduled to be destroyed. The animal club or organization shall be permitted to adopt the animal at no charge, and without depositing funds as required by this section. Nothing in this section shall be considered to create or give the animal club a property interest in the animal until such time as the animal is adopted, and the city shall not be liable for any failure to notify the animal club.
- (b) *Refund of deposit upon proof of spaying or neutering.* Of the funds deposited with the animal shelter, an amount determined by Resolution of the Yukon City Council shall be refunded to the veterinarian or adopting party upon the adopting party's presentation of a written statement signed by a licensed veterinarian that the adopted animal has been spayed or neutered. However, no refunds shall be made unless such animal was spayed or neutered within 60 days of adoption in the case of adult animals; or, in case of infant animals, within 30 days of the date a female animal attained the age of six months, or a male animal attained the age of eight months.
- (c) *Rules; sterilization agreement.* The adopting party shall execute a sterilization agreement provided by the animal shelter which has been approved by the city council of the city.
- (d) *Extension of time to spay or neuter.* Upon presentation of a written report from a licensed veterinarian stating that the life or health of an adopted animal may be jeopardized by surgery, the animal shelter shall grant a 30-day extension of the period within which the spay or neuter surgery would otherwise be required. Further extensions may be granted upon additional veterinary reports stating their necessity.
- (e) *Death of adopted animal; refund of deposited funds.* If requested to do so, the animal shelter shall refund deposited funds to the adopting party upon reasonable proof being presented to the animal shelter by the adopting party that the adopted animal died before the expiration of the period during which the spaying or neutering was

required to be completed.

- (f) *Disposition of forfeited funds; record of accounts.* Funds which have been forfeited by adopting parties shall be placed in a separate account, which shall be an interest-bearing account whenever feasible and the funds shall be allocated to programs which directly promote, subsidize or otherwise reduce the cost of spaying or neutering animals of the animal shelter. The city shall maintain accurate records of accounts which fund spay/neuter programs.
- (g) *Compliance with Dog and Cat Sterilization Act.* All provisions of 4 O.S. § 499 et seq. shall be complied with by the city animal shelter.

**Sec. 14-40. Nuisance animals.**

- (a) No owner of an animal within the city shall not fail to exercise proper care and control of such animal to prevent it from becoming a public nuisance.
- (b) It shall be a violation of this section for any person to own, keep, possess, or maintain an animal in such a manner so as to constitute a public nuisance, regardless of the knowledge, intent, or culpability of the owner. For purposes of this section, an animal shall constitute a public nuisance if it:
  - (1) Unreasonably annoys humans, endangers the life or health of other animals or persons, or damages or substantially interferes with the use and enjoyment of property rights of citizens;
  - (2) Molests passerby or passing vehicles;
  - (3) Is kept or harbored in a manner that causes unreasonable annoyance or discomfort to neighbors or others in close proximity to the premises, such as odor related to animals or cleaning agents or the attraction of flies, insects, or vermin;
  - (4) Habitually barks, whines, howls, crows or cackles in an excessive, continuous or untimely fashion or makes other noise in such a manner so as to result in a serious annoyance or interference with the reasonable use and enjoyment of neighboring premises;
  - (5) Damages the property of anyone other than its owner, including but not limited to turning over garbage containers or damaging vehicles, gardens, flowers or other plant material, or depositing fecal material.
  - (6) Is at large in any of the streets, public ways, public places, parks, or upon private premises of any other person than the owner of the animal;
  - (7) Attacks other animals or fowl;
  - (8) Is repeatedly at large; or
  - (9) Meows, whines, or howls in an excessive, continuous or untimely fashion, or otherwise endangers or offends the well-being of the public without cause.

- (c) Any animal which is unrestrained or causing a public nuisance may be impounded as provided for in this chapter.
- (d) The keeping, harboring or owning of any unrestrained animal, except for approved feral colonies with a caretaker shall be a violation of this chapter.
- (e) A citizen's complaint for violation of this section may be issued only upon receipt of the complaint signed by two or more residents of the city, each residing at different addresses in the vicinity of the animal or incident. The complaint shall set forth the nature and the time(s) and date(s) of the act(s), the owner of the animal(s), the address of the owners and a description of the animal(s) doing such act(s).
- (f) In addition to other remedies a nuisance may be abated in the following manner:
  - (1) Upon the first occurrence of a violation the owner or caretaker may, at the discretion of the investigating animal control officer or law enforcement officer, be given written notification that the animal's behavior constitutes a public nuisance, that the owner or caretaker is required to make reasonable efforts to abate the nuisance, and that subsequent violations may result in the issuance of a citation to the owner for allowing his or her animal to become a public nuisance.
  - (2) If there are two or more citations given for violations within a 12-month period on the same premises, the city attorney is authorized to seek an injunction in the name of the city from the appropriate court to abate the nuisance.
  - (3) Adjudication of guilt, withholding of adjudication, or plea of no contest (including, but not limited to, payment of fine) in a 12-month period for two violations on the same premises, plus a third such citation within the 12-month period, shall be presumptive evidence of a public nuisance. However, the judge may find a public nuisance without such presumptive evidence based on other evidence presented.
  - (4) The judge may fashion an injunction that will abate the particular nuisance being found, up to and including removal of one or more animals from the premises.

**Sec. 14-41. - Person operating kennels to secure license.**

- (a) It shall be unlawful for any person to run or operate a kennel within the city without first procuring from the city clerk an annual license to operate such kennel.
- (b) The costs of the annual kennel license shall be an amount determined by Resolution of the Yukon City Council and shall not be prorated or reduced for any reason. All licenses shall be annual licenses and shall expire on April 30 following the date of their issuance.

**Sec. 14-42. - Kennels to be maintained properly.**

All kennels operated pursuant to this article shall be kept in a clean and sanitary condition and shall not emit noxious odors. In addition to other remedies any owner or operator of a kennel that fails to properly maintain the kennel premises shall have his kennel license revoked. Additionally, no kennel shall be located in any residential district.

**Sec. 14-43. -Off-leash dog parks.**

The City of Yukon, humane society, or similar group may be authorized to operate and maintain designated areas, or parks, within the city limits where responsible owners can allow their dogs to exercise and socialize off-leash. All users of city off-leash dog parks must adhere to the rules and regulations posted at entrance to the dog park area. Violators of posted rules are subject to ejection and forfeiture of off-leash dog park privileges. It shall be assumed that there is an inherent risk in allowing dogs to interact without direct control, so all participants that choose to use off-leash dog parks do so at their own risk of injury to other persons, themselves and dogs. Persons making use of off-leash dog parks shall be responsible for injuries caused by their dogs to other persons and dogs. Persons responsible for any such injuries or property damage shall hold the operating group harmless for same.

**ARTICLE III. GENERAL REQUIREMENTS**

**Sec. 14-44. - Prohibition on the feeding of feral animals.**

The indiscriminate feeding of feral animals is prohibited as they constitute health and environmental risks to domesticated animals, wildlife, and persons. It is a violation of this section for any person to feed or harbor feral animals on a regular, intentional basis. The prohibition on feeding includes on all property in the City of Yukon, both public and private, without the permission of the City of Yukon or the property owner.

(a) *Violations.* Any person found in violation of this section shall be fined an amount determined by Resolution of the Yukon City Council .

(b) *Exceptions.*

- (1) A person may feed or harbor a feral animal if the animal is spayed or neutered;
- (2) A person may feed or harbor a feral animal if they accept legal responsibility for the animal, which includes ensuring compliance with all requirement of the owner of the property and contained in this chapter; and
- (3) A person may feed or harbor a feral animal if there is a good faith effort to humanely capture the animal for the purpose of spay, neuter, or surrender to animal services.

**Sec. 14-45. -Animals at large.**

- (a) The owner or custodian of an animal shall prevent such animal from running or remaining at large on any public street, road, alley, park or other public space.
- (b) It shall be unlawful for any animal to run or remain at large upon any private property, whether under direct control or not, without the consent of that property administrator, owner, or legal tenant.
- (c) No person shall tether an animal on public or private property, or in such manner that the animal has access to public or private property, without the consent of that property administrator, owner, or legal tenant.
- (d) The owner or keeper of any animal found at large shall be responsible for violation of this article. Any animal found at large may be impounded by the city.
- (e) Exceptions. This section shall not apply to:
  - (1) Any animal that is specifically trained to assist or provide personal services for a disabled person, as defined under the Americans with Disabilities Act and is in the course of performing those services.
  - (2) Law enforcement dogs conducting official business.
  - (3) Authorized rescue and emergency dogs conducting official business.
  - (4) Dogs at city designated off-leash areas when under the immediate supervision of the owner and fully complying with all posted rules.

**Sec. 14-46. - Animals in motor vehicles.**

- (a) Any animal being transported or kept in the open bed of a vehicle shall be restrained by one or more tethers fixed to the vehicle and attached to the collar or harness being worn by the animal in a manner that will prevent the animal from falling, being thrown, or jumping from the vehicle. The animal may also be safely enclosed within the cab of the vehicle or within a container or cage.
- (b) It shall be unlawful for any person to transport, place, or confine an animal or allow it to be placed or confined in the enclosed trunk of a vehicle.
- (c) It shall be unlawful for a vehicle owner or operator to place or confine an animal or allow it to be placed or confined or to remain in a vehicle without sufficient ventilation or under conditions for such a period of time as may reasonably be expected to endanger the health or well-being of such animal due to heat, lack of water, or such other circumstances as may reasonably be expected to cause suffering, disability, or death of the animal.
- (d) Officers finding an animal under the conditions referenced above may rescue such

animal from the vehicle following the policy established by animal services.

**Sec. 14-47. - Removal of animal waste.**

- (a) The owner of any animal shall be responsible for the removal of any excreta deposited by his/her animal on public walks, recreation areas, public streets, or private property other than the premises of the owner of the animal.
- (b) The owner of any animal shall remove animal waste from his or her property if it poses a threat to the health, safety, or well-being of any animal(s) or person(s).
- (c) This section shall not apply to disabled persons accompanied by a service animal for assistance in accordance with the law.

**Sec. 14-48. - Cruelty.**

- (a) No person shall unnecessarily overload, overdrive, torture or torment, deprive of necessary sustenance or shelter, beat, mutilate, or inhumanely kill, or otherwise abuse any animal or cause or permit the same to be done.
- (b) No person shall abandon any animal.
- (c) Any person who commits any of the following acts shall be in violation of this section.
  - (1) Baiting, breeding, training, transporting, selling, owning, possessing, or using any wild or domestic animal for the purpose of animal fighting or baiting;
  - (2) Betting or wagering any money or other valuable consideration on the fighting or baiting of animals;
  - (3) Attending the fighting or baiting of animals;
  - (4) Providing or allowing property for use in the housing, training, transport, fighting or baiting of animals.

**Sec. 14-49. - Interference with enforcement - breaking of property.**

No person shall:

- (1) Interfere with, hinder, or molest any police officer, animal control officer or other person in the performance of any duty required by this chapter.
- (2) Refuse to surrender an animal upon lawful demand by any police officer, animal control officer, or other authorized person in the performance of any

duty required by this chapter.

- (3) Harbor, hide, or conceal any animal that any police officer or animal control officer has deemed to be in violation of this article.
- (4) Break open or assist in the breaking open of any of the fences, gates, fastenings or enclosures of facilities and vehicles maintained by Yukon animal services; and no unauthorized person shall remove or release any animal from animal services property, vehicles, live traps or other sites designated for official animal care functions.

**Sec. 14-50. - Feral cat communities.**

The City Council of the City of Yukon may promulgate rules and regulations pertaining to feral cat communities.

**Sec. 14-51 - 14.65. - Reserved.**

**ARTICLE IV. IMPOUNDMENT**

**Sec. 14-66. - Authorized impoundment and violation notice.**

Unrestrained and nuisance animals shall be taken by the police, animal control officers, or humane officers and impounded in an animal shelter and there confined in a humane manner. The keeping, harboring, or owning of unrestrained animals is a misdemeanor.

**Sec. 14-67. - Minimum retention period.**

Animals impounded under this article shall be kept for not less than five working days, except for animals *ferae naturae* which shall be impounded, if at all, for a period of time deemed necessary for the protection of the public.

**Sec. 14-68. - Immediate notice to known owner.**

If by a license tag or other means the owner of an impounded animal can be identified, the animal control officer shall immediately upon impoundment notify the owner by telephone or mail.

**Sec. 14-69. - Fees.**

Fees for reclaiming any animal shall be an amount determined by Resolution of the Yukon City Council.

**Sec. 14-70. - Assumption of ownership by city, disposition.**

Any animal not reclaimed by its owner within five working days shall become the property of the city, or humane society, and shall be placed for adoption in a suitable home or humanely euthanized.

**Sec. 14-71. - Notice of violation.**

In addition to, or in lieu of, impounding an animal found at large, the animal control officer, humane officer, or police officer may issue to the known owner of such animal a notice of ordinance violation. Such notice of violation shall have the same force and effect as the issuance of a ticket.

**Sec. 14-72. - Alternative enforcement.**

- (a) The owner of an impounded animal may also be proceeded against for any violation of this chapter. Such suit may be either criminal, civil or equitable in nature.
- (b) All licenses issued to animal owners against whom three or more ordinance violations have been assessed in a 12-month period shall not be renewed.

**Sec. 14-73. - Impoundment and disposition of rabies-suspected animals.**

Every rabies-suspected animal found within the city shall be immediately seized by the chief of police or other persons designated by him, and securely and separately confined for observation for a period of ten days. If within such period the animal becomes rabid or shows symptoms of indications of rabies, it shall be the duty of the chief of police or persons designated by him to destroy the animal. If such animal is not rabid and is duly vaccinated and licensed and is not a vicious animal, it shall be surrendered to the owner on demand after the expiration of such ten-day period, and upon payment of the impounding fee prescribed in this chapter

**Sec. 14-74. - Enforcement**

The civil and criminal provisions of this chapter shall be enforced by those persons or agencies designated by municipal authority. It shall be a violation of this chapter to interfere with a humane officer in the performance of his duties.

*Issuance of a Citation; Impoundment of animal*

An animal control officer or other law enforcement officer upon observing a violation of this chapter, or having probable cause to believe a violation of this chapter has occurred, may do the following

- (1) Issue a verbal or written warning to the owner or keeper of the animal indicating the nature of any complaint or violation and actions required to become compliant.
- (2) Issue a citation to the owner or keeper of the animal. For any

violation of section, animals in motor vehicles, the citation may also be issued to the driver or registered owner of the vehicle.

- (3) Impound the animal that is the subject of the violation.

**Sec. 14-75. - Penalties**

Any person violating any provision of this chapter shall be deemed guilty of an offense, and upon conviction thereof shall be subject to the penalties set forth in section 1-7 of this Code.

**Sec. 14-76. - Disposition of fees and penalties.**

It shall be the duty of anyone collecting any fees or penalties under this chapter to pay all such monies to the City of Yukon. Monies collected from penalties from fines shall be utilized for the purpose of sterilization of animals, animal control activities, the city shelter, and support of feral animal community care.

**SECTION 2: EMERGENCY:**

**WHEREAS**, it being immediately necessary for the preservation of the peace, health, safety and public good of the City of Yukon and the inhabitants thereof that the provisions of this ordinance be put into full force and effect, an emergency is hereby declared to exist by reason whereof this ordinance shall take effect, and be in full force from and after its passage, as provided by law.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2013, with the Emergency Clause passed separately.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK  
(SEAL)

## **RULES AND REGULATIONS GOVERNING FERAL CAT COMMUNITIES WITHIN THE CITY OF YUKON.**

**WHEREAS**, the City Council of the City of Yukon has determined a necessity for rules and regulations governing feral cat communities within the City of Yukon, and;

**WHEREAS**, the City Council of the City of Yukon has express authority to promulgate rules and regulations governing feral cat communities within the City of Yukon pursuant to the Code of Ordinances of the City of Yukon, and;

**WHEREAS**, the City Council of the City of Yukon hereby adopts the following rules and regulations governing feral cat communities within the City of Yukon for the health and general welfare of the community:

### **Feral Cat Colonies**

Feral cat colonies shall be permitted, and feral cat colony caretakers shall be entitled to maintain and care for feral cats by providing food, water, shelter, medical care and other forms of sustenance if the colonies are registered with the sponsor and if the colony caretakers take all appropriate and available steps to meet the terms and conditions of this chapter. Feral cat colonies shall be prohibited in any conservation area, state or national forest, wetlands, or any other lands managed for wildlife.

### **Sponsors**

- (a) Any animal rescue or humane society that agrees to assist the central sponsor with the requirements of this chapter shall be eligible to act as a sponsor. Any group intending to undertake the responsibilities of a sponsor shall so advise the central sponsor in writing and provide its address and telephone number and email address if available.
- (b) Sponsor requirements. It shall be the duty of the sponsor to:
  - (1) Review and, in its discretion, approve feral cat colony caretakers.
  - (2) Help resolve any complaints over the conduct of the feral cat colony caretaker or of complaints about cats within the colony.
  - (3) Assist, if requested, the central sponsor in maintaining records provided by the feral cat colony caretaker on the size and location of the colonies as well as the vaccination dates, spay/neuter dates, and descriptions of each feral cat in the colony;
  - (4) Provide, at a minimum, written education training for all feral cat colony caretakers addressing uniform standards and procedures for feral cat colony maintenance;
  - (5) Report annually to the animal control office the number and location by zip code of feral cat colonies for which it acts as sponsor with the approximate number of cats in each colony;

- (6) Provide documentation necessary to allow feral cat colony caretakers to receive any public or private subsidies, medical care or other forms of assistance for their colonies; and
- (7) Provide to the animal control office the location of feral cat colonies where feral cat colony caretakers have regularly failed to comply with this chapter or where the sponsor has been unable to resolve a behavior situation that constitutes a nuisance.

### **Feral Cat Colony Caretakers**

- (a) Feral cat colony caretaker responsibilities. It shall be the responsibility of a feral cat colony caretaker to:
  - (1) Register the feral cat colony with the sponsor;
  - (2) Take all appropriate and available steps to trap each feral cat in the colony in order to have the cat sterilized, vaccinated for rabies, ear tipped and optionally implanted with a microchip and to monitor for new feral cats that join the colony. The colony caretaker must maintain rabies vaccination records and include them in the annual report provided in the central sponsor pursuant to this section;
  - (3) Keep a written census of the colony that describes each cat, its color, breed and sex, and notes the dates it was taken to the veterinarian for TNR through a TNR program.
  - (4) Provide food, water, and if necessary and feasible, shelter for the colony.
  - (5) Keep in contact with its sponsor to report any illness, strange behavior or missing feral cats in the colony;
  - (6) Report any kittens in the colony so they can be trapped after they are weaned and to observe the mother feral cat so she can be trapped after the kittens are trapped;
  - (7) Acquire written approval of a property owner, or any authorized representative of the owner of any property, if the colony caretaker requires access in order to provide colony care; and
  - (8) Report annually to the central sponsor on the colony including but not limited to the following information: Its location; the number of feral cats; the number of kittens; the number of TNRs done through the TNR programs; and the number of deaths of feral cats. This information along with the changes to the written colony census required to be maintained by this section, shall be sent to the central sponsor either by electronic mail or regular mail or provided by telephone.
- (b) In the event that a feral cat colony caretaker is unable or unwilling to continue to perform the responsibilities required by this section, the colony caretaker shall give its sponsor a minimum of thirty days written notice of its intention to cease being a colony caretaker for the feral cat colony. The sponsor shall work to provide a replacement colony caretaker for the colony.

- (c) A feral cat colony caretaker in compliance with the terms and conditions of this chapter shall be exempt from the provisions of Sections that impose requirements on owners of animals and persons having custody of animals.
- (d) A feral cat colony caretaker providing food, water, and shelter to feral cats as allowed by this chapter shall not be considered to be violating the restriction imposed by Section on the number of cats that may be kept at any one place, or on any premises, or in any other residence without a permit unless the colony caretaker's actions are determined to be more like the actions of an actual owner or person in custody and control of the cats than a colony caretaker.

### **Disposition of Feral Colony Cats**

- (a) If a cat or kitten with a tipped ear is trapped and turned into the Yukon Animal Shelter or any other animal shelter or to an animal control officer, the shelter or the animal control office shall notify the sponsor from the sponsors list giving it the description of the feral cat and the address, location or zip code where the cat was trapped. The Yukon Animal Shelter or other animal shelter shall only hold cats with a tipped ear for the time limit established in the current shelter policy. The sponsor shall then take all appropriate steps to take custody of the cat or kitten within two business days. The sponsor shall be exempt from paying any charges or fees allowed to be imposed by the Yukon Animal Shelter or other animal shelter in holding a feral cat with a tipped ear that is trapped or turned in pursuant to this section in the instance of impoundment. If the feral cat is ear-tipped, the sponsor shall attempt to identify the feral cat colony and the feral cat colony caretaker so the cat can be returned to its colony and provide the animal control office with documentation to show the cat was vaccinated for rabies in compliance with this section.
- (b) If a cat that is not ear tipped is trapped and turned into the Yukon Animal Shelter or any other animal shelter or to an animal control officer, the cat must go through the regular and usual adoption or TNR process if the cat is deemed adoptable.

### **Enforcement of Provisions by Animal Control**

- (a) The animal control office shall have the right to trap in a humane manner any cat that is deemed to be a threat to public health or safety. If a cat has bitten or scratched a human being, the cat shall be confined, as appropriate. If a licensed veterinarian decides that the cat is too ill or injured or that it has an illness that presents an imminent danger to the public health or safety or to itself, the cat may be humanely euthanized. The sponsor shall be notified of the cat's description, sex, illness and disposition. After the mandatory quarantine, if the cat is found to be healthy and no other issues of public health or safety exist, the cat may be given to the sponsor for return to its feral cat community.

- (b) The animal control office shall have the right to direct the sponsor to communicate to a feral cat colony caretaker that a feral cat is creating a nuisance. The complainant must provide the animal control office with the address where the feral cat is creating a nuisance. If the complainant desires, the name and address of the complainant may be given to the sponsor so prompt action can be taken. The central sponsor shall make every effort to resolve the nuisance within thirty days of the notice being given unless the animal control office specifies a longer time period. If the nuisance complaint cannot be resolved within the allowed time period, the sponsor shall direct the feral cat colony caretaker to remove the cat from the colony. If the caretaker is unsuccessful at trapping the nuisance cat after the time line previously set, the sponsor must notify the animal control office in writing requesting its assistance with removal.
- (c) The animal control office shall have the right to declare that a colony is in a location that is hazardous to the health and safety of the public or the feral cat colony. The office shall give written notice to the sponsor who must take action to assist in the systematic removal and/or relocation of the colony by removing the colony with the cooperation of the feral cat colony caretaker to abate the hazard.
- (d) If a caretaker fails to perform any responsibility or duty required by this chapter, the animal control office shall notify the sponsor in writing of the violation and provide the caretaker thirty days to be compliant. If the caretaker fails to comply, the animal control office must notify the central sponsor who may move the non-compliance problem to another caretaker or may, for just cause, remove the caretaker from the office's list of approved caretakers. The caretaker removed from the list has the right to petition Yukon animal control or its designee regarding its removal and reinstatement. If no caretaker agrees to take on the feral cat colonies, the cats in those colonies may be trapped and humanely euthanized.

**WHEREAS**, these rules and regulations shall take effect, and be in full force from and after their passage, as provided by law.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK  
(SEAL)

## **SECOND AMENDMENT AND RATIFICATION OF EMPLOYMENT AGREEMENT**

The agreement made and entered into on the 7th day of February, 2012 between the City of Yukon, Oklahoma a Municipal Corporation hereinafter referred to as "City" and Grayson Bottom hereinafter referred to "Bottom" or "Employee" is hereby ratified and amended as follows:

In consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. The City of Yukon hereby employs Bottom as City Manager for the City of Yukon.

2. Employee hereby agrees to accept such employment and to devote his full time, attention and best efforts to the business of City. The employee further warrants that he is under no contractual restrictions or obligations that will in any way limit his activities on behalf of City.

3. The parties hereto agree that employment by City is pursuant to Yukon Charter Section 20 and shall be for an indefinite term. Further, pursuant to City Charter Section 20, employee recognizes that his employment may be suspended, terminated or he may be removed from office by a vote of the majority of the members of the Yukon City Council, in that regard, employment under this agreement shall be at will.

4. Pursuant to City Charter Section 20, employee recognizes that during the tenure of his office that he shall reside within the City limits of the City of Yukon.

5. For and in consideration of employee's efforts hereunder employee shall receive the following compensation:

A. Beginning February 1, 2013 a base salary at the annual rate of

\$132,500.00, payable monthly.

- B. Car allowance annually in the amount of \$7,200.00, payable monthly or at the option of Employee use of a City owned vehicle.
- C. Other benefits of employment with the City of Yukon provided to general employees unless otherwise specifically modified herein.
- D. Employee shall be credited with one week vacation time.
- E. Employee shall be credited with accrued sick leave equal to the amount of sick leave Employee has accrued with his immediately prior employer.
- F. Employee shall be entitled to all other benefits afforded to senior level, long-term employees regarding holidays, vacation time, sick leave and retirement and accrual thereof.

6. If, at anytime the City discharges the employee or terminates his employment for any reason, except for good cause, the City shall pay to the employee an amount equal to twelve (12) months of employees base salary at that time. Payment contemplated herein shall be due within ninety (90) days following the separation of employment of the employee and shall be in addition to all other sums owed to the employee. PROVIDED, if the employee resigns, voluntarily terminates his employment or is separated from employment for good cause the City shall not be required to make payment provided herein.

7. Should Employee decide to separate from employment with the City for any reason except those which are not within his control, Employee shall give City six (6) months notice.

This First Amendment and Ratification of Employment Agreement was considered and

approved January 15, 2013 at the regularly scheduled City Council Meeting.

CITY OF YUKON, MUNICIPAL CORPORATION

By: \_\_\_\_\_  
John Alberts, Mayor

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
Grayson Bottom, EMPLOYEE



John Alberts , Mayor & Council Member Ward II  
Ken Smith, Vice Mayor & Council Member at Large  
Nick Grba, Council Member Ward I  
Michael McEachern, Council Member Ward IV  
Rick Opitz, Council Member Ward III

**From the Office of the  
Community Development  
Director  
Mitchell Hort**

MEMO TO: City Manager, Grayson Bottom  
City Clerk, Doug Shivers  
City Council

FROM: Mitchell Hort, Planning Director

DATE: January 9, 2013

RE: Recommendation to accept a fee-in-lieu of detention in the amount of  
\$250.00 for Vandament Ave Baptist Church

Check # 35042 dated 01/07/2013 in the amount of \$250.00 is attached for a fee-in-lieu of detention located at 400 W Vandament Ave due to the expansion of the parking lot. Included is a memo from Robbie Williams, Triad Design dated December 27, 2012.

CITY OF YUKON

500 West Main Street  
P.O. Box 850500  
Yukon, Oklahoma 73085  
Phone: 405.354.6676  
Fax: 405.350.8926

**Vandament Ave Baptist Church**  
400 W Vandament Ave  
Yukon, OK 73099  
(405) 354-5872

**THE YUKON NATIONAL BANK**  
401 ELM  
YUKON, OK 73099  
86-957/1030

35042

1-7-13

PAY TO THE  
ORDER OF

City of Yukon

\$ 250.00

Two hundred fifty <sup>00</sup>/<sub>100</sub>

DOLLARS

MEMO

In less of Detention

John McBuilf

⑈035042⑈ ⑆103009571⑆ ⑈2456040⑈

© 2011 INTUIT INC. # 728 1-800-433-8810

Details on Back Intuit® CheckLock™ Secure Check

*VANDAMENT AVENUE BAPTIST CHURCH*

*400 West Vandament Avenue*

*Yukon, Oklahoma 73099 (405)354-5872*

7 January, 2013

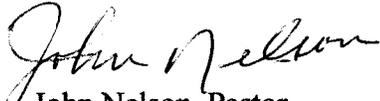
City of Yukon, Oklahoma  
P.O. Box 850500  
Yukon, Oklahoma 73085

To Whom It May Concern:

The purpose of this letter is to request a Detention Permit in lieu of building a detention pond on our property at 400 W. Vandament Avenue in Yukon, OK. We appreciate your help in this request.

We submit herewith our check in the amount of \$250 as payment for the permit.

Sincerely yours for the Church,

  
John Nelson, Pastor



MEMORANDUM

Date: December 27, 2012

To: Mitch Hort

From: Robbie Williams

Re: Vandament Avenue Church  
Parking Lot Expansion

We are recommending a fee in lieu of detention for \$250.00 for the above referenced project. The parking lot expansion will drain from the Church property from the existing driveway onto Vandament Avenue and into the storm sewer system. We would expect an increase in storm water discharge of 1.8 cubic feet per second for the 100 year storm event. This will have minimal impact on the existing drainage system.

Should you need additional information please contact me.