

# *Yukon*

CITY COUNCIL AGENDA

October 16, 2012

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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  
October 16, 2012 – 6:00 p.m.

**There is no work session prior to the October 16, 2012 City Council meeting.**

# City Council - Municipal Authority Agendas

October 16, 2012 - 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, October 15, 2012.

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

**Flag Salute:**

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

## Presentations and Proclamations

"Head Start Month"

## Visitors

(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 October 2, 2012**
- B) Payment of material claims in the amount of \$192,779.59**
- C) The restatement of the Fiscal Year 2011 Independent Auditor's Report**

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

- 2A. Consider authorizing the Mayor to sign the Note, Security Agreement and Loan Agreement, to Purchase Emergency Vehicles, Specialty Equipment and other City vehicles, at the current tax exempt rate of 2.55%, in the maximum amount of \$1,500,000.00, for the term of 4 years, with Arvest Bank

ACTION \_\_\_\_\_

- 3A. Consider and approve Resolution No. YMA 2012- 05, a resolution authorizing the issuance of the Yukon Municipal Authority 2012 Revenue Note (the "Revenue Note"), in an aggregate principal amount of not to exceed \$2,000,000; waiving competitive bidding and authorizing said Revenue Note to be sold at a price less than par value by negotiated sale within the limits provided by Title 60, Oklahoma Statutes, Section 176; authorizing and approving documents, procedures and payments related to issuance of the Revenue Note; designating the Revenue Note as "qualified tax-exempt obligations" as contained in the Internal Revenue Code of 1986; providing that the Trust Indenture shall be subject to provisions of the Revenue Note; ratifying a lease agreement and operation and maintenance contract between the City of Yukon and the Yukon Municipal Authority and agreeing that the term of the lease shall extend so long as the Revenue Note remains outstanding and unpaid

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 October 2, 2012
- B) Payment of material claims in the amount of \$743,939.27
- C) Designating the items on the attached list from the Technology Department as surplus, and authorizing their sale, donation, or trade
- D) The restatement of the Fiscal Year 2011 Independent Auditor's Report
- E) Setting the date for the next regular Council meeting for November 6, 2012, 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. Consider accepting the New Yukon Fire Station Project and placing the Maintenance Bond into effect, as recommended by Triad Design Group

ACTION \_\_\_\_\_

4. Consider approving an expenditure of funds in the amount of \$39,200.00, for conversion of eight (8) Whelen Storm Warning Sirens to solar power, from the Capital Improvement Fund, as recommended by the Emergency Management Director

ACTION \_\_\_\_\_

5. Consider and approve Ordinance No. 1282, an Ordinance amending Ordinance No.657, Appendix A of the Code of the City of Yukon, Oklahoma, by providing that the zoning designation for a part of block "B", Yukon Hills addition, second section, to Yukon, Canadian County, Oklahoma, (Bass Ave. and Cornwell Dr.) be changed from "C-4" (planned shopping center district) to "C-3" (restricted commercial district); and declaring an emergency

ACTION \_\_\_\_\_

- 5B. Consider and approve the Emergency Clause of Ordinance No. 1282.

ACTION \_\_\_\_\_

6. Consider and approve Resolution No. 2012-10, a resolution approving the incurrence of indebtedness by the Yukon Municipal Authority (the "Authority") issuing its 2012 Revenue Note (the "Revenue Note"), in an aggregate principal amount of not to exceed \$2,000,000; waiving competitive bidding and authorizing said Revenue Note to be sold at a price less than par value by negotiated sale within the limits provided by Title 60, Oklahoma Statutes, Section 176; authorizing and approving a sales tax agreement providing security for the Revenue Note; designating the Revenue Note as "qualified tax-exempt obligations" under the Internal Revenue Code of 1986; providing that the Trust Indenture shall be subject to provisions of the Revenue Note; ratification of lease agreement and operation and maintenance contract between the City and the Authority and agreeing that the term of the lease shall extend to long as the Revenue Note remains unpaid; and, authorization of documents and procedures related to issuance of the Revenue Note

ACTION \_\_\_\_\_

7. Consider and approve Ordinance No. 1281, an ordinance amending Sec. 2-137(b) of the Code of Ordinances of the City of Yukon by determining that certain obligations, including the Yukon Municipal Authority 2012 Revenue Note in an aggregate principal amount not to exceed \$2,000,000, do not exceed debt limitations; repealing all conflicting ordinance provisions; and declaring an emergency

ACTION \_\_\_\_\_

- 7B. Consider and approve the Emergency Clause of Ordinance No. 1281

ACTION \_\_\_\_\_

8. City Manager's Report – Information items only

- A. Sales Tax Report
- B. Emergency Bridge Repairs

9. New Business

10. Council Discussion

11. Consider a motion to recess as Yukon City Council and convene into Executive Session, to discuss pending litigation, as provided for in 25 OS 2003, Section 307 (B) (4)

ACTION \_\_\_\_\_

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

ACTION \_\_\_\_\_

13. Adjournment



## PROCLAMATION

**Whereas**, Head Start is a comprehensive, family oriented child development program for low income families; and

**Whereas**, since the establishment of Head Start on May 18, 1965, Head Start has provided comprehensive health, education, nutritional and social services to more than eight million preschool children and their families; and

**Whereas**, major research findings document the program's lasting positive effects on children; and

**Whereas**, October has been designated as Head Start Awareness Month and the Yukon Head Start Center will join more than 32,000 Head Start Classrooms across the country in celebrating the accomplishments of Head Start; and

**Whereas**, the support of this community has been made possible by the local Head Start Program;

**Now, THEREFORE**, I, John Alberts, Mayor of Yukon, Oklahoma, do hereby declare the month of October 2012, to be

### **“Head Start Month”**

in the City of Yukon, Oklahoma.

Given under my hand and Seal of the City of Yukon this 16th day of October, 2012.

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John Alberts, Mayor

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Douglas A. Shivers, City Clerk

**Yukon Municipal Authority Minutes  
October 2, 2012**

ROLL CALL: (Present)    John Alberts, Chairman  
                                 Michael McEachern, Trustee  
                                 Nick Grba, Trustee  
                                 Rick Opitz, Trustee

(Absent)            Ken Smith, Vice-Chairman

(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 September 18, 2012**

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

**The vote:**

**AYES: Opitz, McEachern, Grba, Alberts**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**2A. Consider approving an expenditure of funds in the amount of \$42,957.00, for a Vaughn Chopper pump, from the Capital Improvement Fund, as recommended by the Public Works Director.**

The motion to approve an expenditure of funds in the amount of \$42,957.00, for a Vaughn Chopper pump, from the Capital Improvement Fund, as recommended by the Public Works Director, was made by Trustee McEachern and seconded by Trustee Opitz.

Trustee Opitz wanted to know if the old pump could be rebuilt for the next time it was to go down. Arnold Adams, Public Works Director, stated the new pump is a different style of pump. The current pump has been rebuilt three times in the past two years and to replace it would cost \$86,000. Trustee Opitz wanted to know if the new chopper pump could be rebuilt. Mr. Adams stated, yes.

Mr. Bottom asked Mr. Adams to explain the reason behind going to a chopper pump. Mr. Adams said that carpet and lumber is making its way into the sewer system. As of right now, employees have to go down 15 feet in a hole, remove a plate and stick their hand in the pipe to remove the trash. By going to the chopper pump, it will actually chop these items up and allow the sewer system to keep flowing.

Trustee Grba questioned the life cycle of the chopper pump. Mr. Adams stated 20 years.

Mayor Alberts wanted to know what the pump looked like. The old pump is water sealed and the new pump is oil-sealed. Mayor Alberts wanted to know, if the new pump would shut its self off. Mr. Adams said it will shut itself down, so it won't burn up. The old pump did not have that feature.

Trustee McEachern questioned the warranty of the chopper pump. Mr. Adams stated it has one year of full replacement and pro-rated after that. Trustee McEachern wanted to know about an extended warranty. Mr. Bottom said it is cheaper to repair because of pro-rated warranty versus buying the extended warranty.

**The vote:**

**AYES: Grba, Opitz, Alberts, McEachern**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

(Adjourn as YMA and Reconvene as Yukon City Council)

EXHIBIT A  
 YUKON MUNICIPAL AUTHORITY  
 (Yukon, Oklahoma)  
 SALES TAX AND UTILITY SYSTEM REVENUE BONDS  
 SERIES 2011

PAYMENT REQUISITION  
 YUKON MUNICIPAL AUTHORITY  
 CONSTRUCTION FUND  
 Project Account

TO: Bank of Oklahoma, N.A., Trustee

FROM: Yukon Municipal Authority

DATE:

Pursuant to the provisions of the General Bond Indenture dated June 1, 1996, and Supplemented by the Supplemental Bond Indenture dated January 1, 2011 by and between Yukon Municipal Authority and Bank of Oklahoma, N.A., Oklahoma, as Trustee, you are directed to pay Creditor from the Construction Fund of said Authority as indicated below, the amounts shown for the purposes set forth in this Requisition.

<u>CDW</u>	81-9130-16-2
CREDITOR	TRUST NO.

ITEM		ITEM NO.
<u>10/23/12</u>	<u>Fire Station Equipment</u>	<u>\$ 270<sup>18</sup></u>
DATE	PURPOSE	AMOUNT

**AUTHORIZATION AND CERTIFICATE OF GENERAL MANAGER**

With reference to the above requisition, the undersigned certifies:

The above requisition is approved.

Each obligation therein has been properly incurred and is now due and unpaid and that insofar as such obligation was incurred for work, materials, equipment or supplies, such work was actually performed, and such materials, equipment or supplies were actually installed or delivered to or for the Project as evidenced by

the certificate of the supervising architect or engineer or other appropriate certification.

That obligations in the stated amounts have been incurred by the Authority and that each item is a proper charge against the Yukon Municipal Authority Construction Fund and has not been paid.

That there has not been filed with or served upon the Yukon Municipal Authority notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the monies payable to any of the persons, firms, or corporations named in such requisition, which has not been of such obligation.

That such requisition contains no item representing payment on account of any retained percentages which Yukon Municipal Authority is at the date of such certificate entitled to retain.

YUKON MUNICIPAL AUTHORITY

\_\_\_\_\_  
Chairman or Vice Chairman

Date

Date Approved: \_\_\_\_\_  
Date Paid \_\_\_\_\_

Authorized Officer

Submit in triplicate:

- 1 to Bank
- 1 to General Manager
- 1 to City



800.808.4239

THANK YOU FOR YOUR ORDER

Order Number: 1B967RC

CDW  
Government  
75 Remittance  
Drive  
Suite 1515  
Chicago, IL 60675

INVOICE DATE	INVOICE NUMBER	INVOICE TERMS	DUE DATE
9/27/2012	R277635	Net 30 Days-Govt State/Local	10/27/2012

OUR PART NO.	DESCRIPTION	QTY ORD	QTY SHIP	QTY B/O	UNIT PRICE	TOTAL
2245206	C2G Pro Series HDMI CL2 Cable - video / audio cable - HDMI - 50 ft Mfg Part # : 41225  Contract : NJP	2	1	0	\$114.00	\$114.00
469144	C2G 50ft Pro Series HD15 M/M UXGA Monitor Cable Mfg Part # : 28016  Contract : NJP	1	1	0	\$42.18	\$42.18

ORDER DATE	SHIP VIA	PO NUMBER	CUSTOMER NO.	PRODUCT SUBTOTAL	
9/27/2012	FedEx Ground	13-09272012	10856056	\$156.18	

**BILL TO:**  
CITY OF YUKON  
ATTN: ACCOUNTS PAYABL  
PO BOX 850500  
YUKON , OK 73085-0500  
P (405) 354-1895

**SHIP TO:**  
CITY OF YUKON  
ATTN: RHONDA MASSEY  
528 W. MAIN  
YUKON , OK 73099

SHIPPING & HANDLING	\$0.00
US Tax	\$0.00
INVOICE AMOUNT	\$156.18
<b>AMOUNT DUE</b>	<b>\$156.18</b>

**ACCOUNT MANAGER**  
Casey Cronin  
(312) 705-1875  
casecro@cdw.com

CDW  
An Illinois Corporation FEIN 36-4230110

HAVE QUESTIONS ABOUT YOUR ACCOUNT? PLEASE E-MAIL  
US AT CREDIT@CDW.COM.

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800.808.4239

THANK YOU FOR YOUR ORDER

Order Number: 1B967RC

CDW  
Government  
75 Remittance  
Drive  
Suite 1515  
Chicago, IL 60675

INVOICE DATE	INVOICE NUMBER	INVOICE TERMS	DUE DATE
10/2/2012	R449342	Net 30 Days-Govt State/Local	11/1/2012

OUR PART NO.	DESCRIPTION	QTY ORD	QTY SHIP	QTY B/O	UNIT PRICE	TOTAL
2245206	C2G Pro Series HDMI CL2 Cable - video / audio cable - HDMI - 50 ft Mfg Part # : 41225  <b>Contract : NJP</b>	2	1	0	\$114.00	\$114.00

ORDER DATE	SHIP VIA	PO NUMBER	CUSTOMER NO.	PRODUCT SUBTOTAL	
9/27/2012	FedEx Ground	13-09272012	10856056		\$114.00

**BILL TO:**  
CITY OF YUKON  
ATTN: ACCOUNTS PAYABL  
PO BOX 850500  
YUKON , OK 73085-0500  
P (405) 354-1895

**SHIP TO:**  
CITY OF YUKON  
ATTN: RHONDA MASSEY  
528 W. MAIN  
YUKON , OK 73099

**ACCOUNT MANAGER**  
Casey Cronin  
(312) 705-1875  
casecro@cdw.com

SHIPPING & HANDLING	\$0.00
US Tax	\$0.00
INVOICE AMOUNT	\$114.00
<b>AMOUNT DUE</b>	<b>\$114.00</b>

CDW  
An Illinois Corporation FEIN 36-4230110

HAVE QUESTIONS ABOUT YOUR ACCOUNT? PLEASE E-MAIL  
US AT CREDIT@CDW.COM.

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EXHIBIT A  
 YUKON MUNICIPAL AUTHORITY  
 (Yukon, Oklahoma)  
 SALES TAX AND UTILITY SYSTEM REVENUE BONDS  
 SERIES 2011

PAYMENT REQUISITION  
 YUKON MUNICIPAL AUTHORITY  
 CONSTRUCTION FUND  
 Project Account

TO: Bank of Oklahoma, N.A., Trustee

FROM: Yukon Municipal Authority

DATE:

Pursuant to the provisions of the General Bond Indenture dated June 1, 1996, and Supplemented by the Supplemental Bond Indenture dated January 1, 2011 by and between Yukon Municipal Authority and Bank of Oklahoma, N.A., Oklahoma, as Trustee, you are directed to pay Creditor from the Construction Fund of said Authority as indicated below, the amounts shown for the purposes set forth in this Requisition.

<u>DOWNEY CONTRACTING LLC</u>	<u>81-9130-16-2</u>
CREDITOR	TRUST NO.

ITEM		ITEM NO.
<u>10/23/12</u>	<u>Yukon FIRE STATION</u>	<u>\$ 192,509 <sup>41</sup></u>
DATE	PURPOSE	AMOUNT

**AUTHORIZATION AND CERTIFICATE OF GENERAL MANAGER**

With reference to the above requisition, the undersigned certifies:

The above requisition is approved.

Each obligation therein has been properly incurred and is now due and unpaid and that insofar as such obligation was incurred for work, materials, equipment or supplies, such work was actually performed, and such materials, equipment or supplies were actually installed or delivered to or for the Project as evidenced by

the certificate of the supervising architect or engineer or other appropriate certification.

That obligations in the stated amounts have been incurred by the Authority and that each item is a proper charge against the Yukon Municipal Authority Construction Fund and has not been paid.

That there has not been filed with or served upon the Yukon Municipal Authority notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the monies payable to any of the persons, firms, or corporations named in such requisition, which has not been of such obligation.

That such requisition contains no item representing payment on account of any retained percentages which Yukon Municipal Authority is at the date of such certificate entitled to retain.

YUKON MUNICIPAL AUTHORITY

\_\_\_\_\_  
Chairman or Vice Chairman

Date

Date Approved: \_\_\_\_\_  
Date Paid \_\_\_\_\_

Authorized Officer

Submit in triplicate:

- 1 to Bank
- 1 to General Manager
- 1 to City



Mr. Michael Malmfeldt  
City Clerk  
City of Yukon, City Hall Bldg.  
500 West Main  
Yukon Oklahoma, 73099

September 3, 2012

Re: New Yukon Fire Station, 2011

Dear Mr. Malmfeldt,

Attached, please find one copy of the Contractors Final Application and Certificate for Payment for the retainage, in the amount of \$192,509.41. Also enclosed are the Contractor's Consent of Surety for approval of the final payment, and the Contractor's Lien Release. We have reviewed the application and have inspected the project and have found that, to the best of our knowledge, belief, and available information, this application and certificate for payment and the project is complete in accordance with the Contract Documents. We therefore recommend payment of this final application as submitted.

Payment breakdown for this project as of this date is as follows:

Contract Amount:	\$3,825,500.00
Change Orders to date:	\$ 24,688.25
<hr/>	
Sub-Total:	\$3,850,188.25
Amount Paid (including this Pay Application)	\$3,850,188.25
Balance Remaining	\$ 0.00

If you have any questions, or require additional information, please advise.

Sincerely,  
Triad Design Group, Inc.

Randy S. Thomas, P.A.

Encl.

Cc: File A167.0  
Tammy Kretchmar

# APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

PAGE ONE OF TWO PAGES

Owner: City of Yukon  
500 West Main  
Yukon, OK 73085

Project: Yukon Fire Station  
1000 E. Main Street  
Yukon, OK

Contractor: Downey Contracting, LLC  
3217 NE 63rd Street  
Oklahoma City, OK 73121

Architect: Triad Design Group  
3020 NW 149th Street  
Oklahoma City, OK 73134

Application No: Retainage  
Period From: 06/08/12  
Period To: 06/08/12  
Project No: 3210

Distribution to:  
 OWNER  
 ARCHITECT  
 CONTRACTOR

*Downey Contracting, LLC*

## CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for Payment, as shown below, in conformity with the Contract Continuation Sheet, AIA Document G703, is attached.

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Change Orders approved in previous months by Owner		\$0.00	\$0.00
Approved this Month			
Number	Date Approved		
01	08/24/11	40,480.83	
02	11/28/11	0.00	-\$15,792.58
<b>TOTALS</b>		<b>40,480.83</b>	<b>-15,792.58</b>
Net change by Change Orders			\$24,688.25

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

1. ORIGINAL CONTRACT SUM \$ 3,825,500.00  
 2. Net change by Change Orders \$ 24,688.25  
 3. CONTRACT SUM TO DATE (Line 1+/-2) \$ 3,850,188.25  
 4. TOTAL COMPLETED TO DATE \$ 3,850,188.25  
 (Column H on G703)  
 5. RETAINAGE: \$ 0.00  
 (Total in Column K of G703)  
 6. TOTAL EARNED LESS RETAINAGE \$ 3,850,188.25  
 (Line 4 less Line 5 Total)  
 7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) \$ 3,657,678.84  
 8. CURRENT PAYMENT DUE \$ 192,509.41

Contractor: Downey Contracting, LLC

State of: Oklahoma County of: Oklahoma

By: *Day Zumbelmann* Date: 06/08/12  
Day Zumbelmann, Project Manager

Subscribed and sworn to before me this 8th day of June, 2012



Notary Public: *Pauline M. Vynnyk*  
My Commission expires: 6/7/2016 Commission #: 40050936

## ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 192,509.41

(Attach explanation if amount certified differs from the amount applied for.)

By: *P. J. ...*  
ARCHITECT

Date: 7.3.2012

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached. In tabulations below, amounts are stated to the nearest dollar. Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NUMBER: Retainage  
 APPLICATION DATE: 06/08/12  
 PERIOD FROM: 06/08/12  
 PERIOD TO: 06/08/12

A ITEM No.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D COMPLETED WORK		E Work In This Period		F STORED MATERIALS		G Stored Materials This Period	H TOTAL COMPLETED TO DATE & STORED MATLS	I % (H/C)	J Balance To Finish	K Retainage			
			Previous Applications	Work In This Period	Stored Material Prior Applications	Stored Materials This Period										
1	Bonds & Insurance	28,000.00	28,000.00	0.00	0.00	0.00	0.00	0.00	28,000.00	100%	0.00	0.00				
2	General Conditions	360,000.00	360,000.00	0.00	0.00	0.00	0.00	0.00	360,000.00	100%	0.00	0.00				
3	Allowance 1: Unknown Site Conditions	5,000.00	5,000.00	0.00	0.00	0.00	0.00	0.00	5,000.00	100%	0.00	0.00				
4	Allowance 2: Incidental Changes to Building	10,000.00	10,000.00	0.00	0.00	0.00	0.00	0.00	10,000.00	100%	0.00	0.00				
5	Allowance 3: Erect Communications Antennae Provided by Others	8,500.00	8,500.00	0.00	0.00	0.00	0.00	0.00	8,500.00	100%	0.00	0.00				
6	Allowance 4: Purchase, Deliver, Install Interior and Misc Signage	4,000.00	4,000.00	0.00	0.00	0.00	0.00	0.00	4,000.00	100%	0.00	0.00				
7	Allowance 5: Purchase, Deliver, Install Site and Building Signage	8,500.00	8,500.00	0.00	0.00	0.00	0.00	0.00	8,500.00	100%	0.00	0.00				
8	Allowance 6: Electrical/Data Outlets for Furniture/Equip by Others	6,000.00	6,000.00	0.00	0.00	0.00	0.00	0.00	6,000.00	100%	0.00	0.00				
9	Allowance 7: Modifications to "Alert Systems" in Existing Fire Stations	18,000.00	18,000.00	0.00	0.00	0.00	0.00	0.00	18,000.00	100%	0.00	0.00				
10	Allowance 8: Install Corner Stone Unit provided by Others	3,000.00	3,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00	100%	0.00	0.00				
11	Allowance 9: Purchase and Install Misc Site Lighting Fixtures	4,000.00	4,000.00	0.00	0.00	0.00	0.00	0.00	4,000.00	100%	0.00	0.00				
12	Allowance 10: Allowance for Brick (part of masonry line item)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00	0.00				
13	Allowance 11: Purchase, Deliver, Install Bronze Plaque	3,500.00	3,500.00	0.00	0.00	0.00	0.00	0.00	3,500.00	100%	0.00	0.00				
14	Allowance 12: Upgrade Door Hardware or Keying as Directed by Owner	3,200.00	3,200.00	0.00	0.00	0.00	0.00	0.00	3,200.00	100%	0.00	0.00				
15	Earthwork	61,500.00	61,500.00	0.00	0.00	0.00	0.00	0.00	61,500.00	100%	0.00	0.00				
16	Termite Treatment	1,800.00	1,800.00	0.00	0.00	0.00	0.00	0.00	1,800.00	100%	0.00	0.00				
17	Landscaping	51,472.00	51,472.00	0.00	0.00	0.00	0.00	0.00	51,472.00	100%	0.00	0.00				
18	Concrete and Rebar	343,677.00	343,677.00	0.00	0.00	0.00	0.00	0.00	343,677.00	100%	0.00	0.00				
19	Masonry	322,200.00	322,200.00	0.00	0.00	0.00	0.00	0.00	322,200.00	100%	0.00	0.00				
20	Structural Steel	363,000.00	363,000.00	0.00	0.00	0.00	0.00	0.00	363,000.00	100%	0.00	0.00				
21	Stainless Steel Countertops	14,580.00	14,580.00	0.00	0.00	0.00	0.00	0.00	14,580.00	100%	0.00	0.00				
22	Steel Erection	107,420.00	107,420.00	0.00	0.00	0.00	0.00	0.00	107,420.00	100%	0.00	0.00				
23	Rough Carpentry	21,376.00	21,376.00	0.00	0.00	0.00	0.00	0.00	21,376.00	100%	0.00	0.00				
24	Exterior Trim	27,188.00	27,188.00	0.00	0.00	0.00	0.00	0.00	27,188.00	100%	0.00	0.00				
25	Siding	8,800.00	8,800.00	0.00	0.00	0.00	0.00	0.00	8,800.00	100%	0.00	0.00				
26	Cabinets	23,853.00	23,853.00	0.00	0.00	0.00	0.00	0.00	23,853.00	100%	0.00	0.00				
27	Waterproofing and Joint Sealants	17,070.00	17,070.00	0.00	0.00	0.00	0.00	0.00	17,070.00	100%	0.00	0.00				
28	Membrane Roofing	64,920.00	64,920.00	0.00	0.00	0.00	0.00	0.00	64,920.00	100%	0.00	0.00				
29	Shingle Roofing and Plywood	149,776.00	149,776.00	0.00	0.00	0.00	0.00	0.00	149,776.00	100%	0.00	0.00				
30	Spray Fireproofing	3,950.00	3,950.00	0.00	0.00	0.00	0.00	0.00	3,950.00	100%	0.00	0.00				
31	Aluminum Storefront	18,708.00	18,708.00	0.00	0.00	0.00	0.00	0.00	18,708.00	100%	0.00	0.00				
32	Hollow Metal	14,708.00	14,708.00	0.00	0.00	0.00	0.00	0.00	14,708.00	100%	0.00	0.00				
33	Wood Doors	8,200.00	8,200.00	0.00	0.00	0.00	0.00	0.00	8,200.00	100%	0.00	0.00				
34	High Speed Overhead Doors	163,050.00	163,050.00	0.00	0.00	0.00	0.00	0.00	163,050.00	100%	0.00	0.00				
35	Aluminum Windows	31,960.00	31,960.00	0.00	0.00	0.00	0.00	0.00	31,960.00	100%	0.00	0.00				
36	Finish Hardware	41,715.00	41,715.00	0.00	0.00	0.00	0.00	0.00	41,715.00	100%	0.00	0.00				
37	Gypsum Drywall, Metal Studs, Acoustical Ceilings	208,003.00	208,003.00	0.00	0.00	0.00	0.00	0.00	208,003.00	100%	0.00	0.00				
38	Flooring	66,035.00	66,035.00	0.00	0.00	0.00	0.00	0.00	66,035.00	100%	0.00	0.00				
39	Painting	68,903.00	68,903.00	0.00	0.00	0.00	0.00	0.00	68,903.00	100%	0.00	0.00				
40	Fire Extinguishers and Cabinets	2,122.00	2,122.00	0.00	0.00	0.00	0.00	0.00	2,122.00	100%	0.00	0.00				
41	Flagpoles	5,580.00	5,580.00	0.00	0.00	0.00	0.00	0.00	5,580.00	100%	0.00	0.00				
42	Metal Lockers	9,845.00	9,845.00	0.00	0.00	0.00	0.00	0.00	9,845.00	100%	0.00	0.00				
43	Grid Gear Lockers	19,330.00	19,330.00	0.00	0.00	0.00	0.00	0.00	19,330.00	100%	0.00	0.00				
44	Toilet and Bath Accessories	3,059.00	3,059.00	0.00	0.00	0.00	0.00	0.00	3,059.00	100%	0.00	0.00				
45	Toilet Partitions	4,170.00	4,170.00	0.00	0.00	0.00	0.00	0.00	4,170.00	100%	0.00	0.00				
46	Display Case	3,695.00	3,695.00	0.00	0.00	0.00	0.00	0.00	3,695.00	100%	0.00	0.00				
47	Wall Protection	8,603.00	8,603.00	0.00	0.00	0.00	0.00	0.00	8,603.00	100%	0.00	0.00				
48	Lower Clock	5,145.00	5,145.00	0.00	0.00	0.00	0.00	0.00	5,145.00	100%	0.00	0.00				
49	Restaurant Equipment	37,525.00	37,525.00	0.00	0.00	0.00	0.00	0.00	37,525.00	100%	0.00	0.00				
50	Projection Screens	1,940.00	1,940.00	0.00	0.00	0.00	0.00	0.00	1,940.00	100%	0.00	0.00				
51	Hoists	14,658.00	14,658.00	0.00	0.00	0.00	0.00	0.00	14,658.00	100%	0.00	0.00				
52	Mechanical	564,767.00	564,767.00	0.00	0.00	0.00	0.00	0.00	564,767.00	100%	0.00	0.00				
53	Fire Suppression	41,060.00	41,060.00	0.00	0.00	0.00	0.00	0.00	41,060.00	100%	0.00	0.00				
54	Electrical	438,437.00	438,437.00	0.00	0.00	0.00	0.00	0.00	438,437.00	100%	0.00	0.00				
55	CHANGE ORDER #1	40,480.83	40,480.83	0.00	0.00	0.00	0.00	0.00	40,480.83	100%	0.00	0.00				
56	CHANGE ORDER #2	(15,792.56)	(15,792.56)	0.00	0.00	0.00	0.00	0.00	(15,792.56)	100%	0.00	0.00				
<b>GRAND TOTAL</b>											<b>3,850,188.25</b>	<b>3,850,188.25</b>	<b>100%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



**CONSENT OF SURETY COMPANY TO FINAL PAYMENT**

- OWNER
- ARCHITECT
- CONTRACTOR
- SURETY
- OTHER

AIA DOCUMENT G707

09031607

Bond #

PROJECT: NewYukon Fire Station

TO (Owner)  
City of Yukon, Oklahoma

ARCHITECT'S PROJECT NO:  
CONTRACT FOR:

CONTRACT DATE: :

CONTRACTOR: Downey Contracting, L.L.C.

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the  
(here insert name and address of Surety Company)

Fidelity and Deposit Company of Maryland  
1400 American Lane, Tower 1, 18th Floor  
Schaumburg, IL 60196

,SURETY COMPANY,

on bond of (here insert name and address of contractor)

Downey Contracting, L.L.C.  
3217 NE 63rd Street  
Oklahoma City, OK 73121

,CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety company of any of its obligations to (here insert name and address of Owner)

City of Yukon  
P.O. Box 85055  
Yukon, OK 73085

,OWNER,

as set forth in the said Surety Company's bond

IN WITNESS WHEREOF,

The Surety Company has hereunto set its hand this 20th day of August 20 12

Fidelity and Deposit Company of Maryland

Surety Company

Signature of Authorized Representative

Patsy A. Payne

Attorney-in-Fact

Title

Attest  
(seal): Carey Payne

NOTE: This form is to be used as a companion document to AIA DOCUMENT G706, CONTRACTOR'S AFFIDAVIT OF PAYMENT OF DEBT AND CLAIMS, Current Edition

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, corporations of the State of Maryland, by WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE and Carey L. PAYNE, all of Oklahoma, Oklahoma, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings** and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE, Carey L. PAYNE, dated September 3, 2009.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI Section 2, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seals of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, this 29th day of October, A.D. 2010.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**



*Gerald F. Haley*

Gerald F. Haley Assistant Secretary

By:

*William J. Mills*

William J. Mills

Vice President

State of Maryland }  
City of Baltimore } ss:

On this 29th day of October, A.D. 2010, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Companies aforesaid, and that the seals affixed to the preceding instrument is the Corporate Seals of said Companies, and that the said Corporate Seals and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2015

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**EXTRACT FROM BY-LAWS OF COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the respective By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990 and of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, 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 seals of the said Companies,

this 20th day of August, 2012.



Assistant Secretary

**CONSENT OF SURETY COMPANY TO FINAL PAYMENT**  
AIA DOCUMENT G707

OWNER   
ARCHITECT   
CONTRACTOR   
SURETY   
OTHER

09031607

Bond #

PROJECT: NewYukon Fire Station

TO (Owner)  
City of Yukon, Oklahoma

ARCHITECT'S PROJECT NO:  
CONTRACT FOR:

CONTRACT DATE: :

CONTRACTOR: Downey Contracting, L.L.C.

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the  
(here insert name and address of Surety Company)

Fidelity and Deposit Company of Maryland  
1400 American Lane, Tower 1, 18th Floor  
Schaumburg, IL 60196

,SURETY COMPANY,

on bond of (here insert name and address of contractor)

Downey Contracting, L.L.C.  
3217 NE 63rd Street  
Oklahoma City, OK 73121

,CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety company of any of its obligations to (here insert name and address of Owner)

City of Yukon  
P.O. Box 85055  
Yukon, OK 73085

,OWNER,

as set forth in the said Surety Company's bond

IN WITNESS WHEREOF,

The Surety Company has hereunto set its hand this 20th day of August 20 12

Fidelity and Deposit Company of Maryland

Surety Company

Signature of Authorized Representative

Patsy A. Payne  
Title

Attorney-in-Fact

Attest (seal): Carey Pavore

NOTE: This form is to be used as a companion document to AIA DOCUMENT G706, CONTRACTOR'S AFFIDAVIT OF PAYMENT OF DEBT AND CLAIMS, Current Edition

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, corporations of the State of Maryland, by WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE and Carey L. PAYNE**, all of **Oklahoma, Oklahoma**, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings** and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE, Carey L. PAYNE, dated September 3, 2009.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seals of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, this 29th day of October, A.D. 2010.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**



*Gerald F. Haley*

Gerald F. Haley Assistant Secretary

By:

*William J. Mills*

William J. Mills

Vice President

State of Maryland }  
City of Baltimore } ss:

On this 29th day of October, A.D. 2010, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Companies aforesaid, and that the seals affixed to the preceding instrument is the Corporate Seals of said Companies, and that the said Corporate Seals and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2015

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**EXTRACT FROM BY-LAWS OF COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**CERTIFICATE**

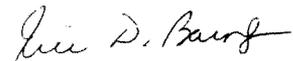
I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the respective By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990 and of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, 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 seals of the said Companies,

this 20th day of August, 2012.



Assistant Secretary

**CONSENT OF SURETY COMPANY TO FINAL PAYMENT**

AIA DOCUMENT G707

- OWNER
- ARCHITECT
- CONTRACTOR
- SURETY
- OTHER

09031607

Bond #

PROJECT: NewYukon Fire Station

TO (Owner)  
City of Yukon, Oklahoma

ARCHITECT'S PROJECT NO:  
CONTRACT FOR:

CONTRACT DATE: :

CONTRACTOR: Downey Contracting, L.L.C.

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the  
(here insert name and address of Surety Company)

Fidelity and Deposit Company of Maryland  
1400 American Lane, Tower 1, 18th Floor  
Schaumburg, IL 60196

,SURETY COMPANY,

on bond of (here insert name and address of contractor)

Downey Contracting, L.L.C.  
3217 NE 63rd Street  
Oklahoma City, OK 73121

,CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety company of any of its obligations to (here insert name and address of Owner)

City of Yukon  
P.O. Box 85055  
Yukon, OK 73085

,OWNER,

as set forth in the said Surety Company's bond

IN WITNESS WHEREOF,

The Surety Company has hereunto set its hand this 20th day of August 20 12

Fidelity and Deposit Company of Maryland

Surety Company

*Patsy A Payne*

Signature of Authorized Representative

Patsy A. Payne  
Title

Attorney-in-Fact

Attest  
(seal): *Carey Pavore*

NOTE: This form is to be used as a companion document to AIA DOCUMENT G706, CONTRACTOR'S AFFIDAVIT OF PAYMENT OF DEBT AND CLAIMS, Current Edition

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, corporations of the State of Maryland, by WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, substitute and appoint Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE and Carey L. PAYNE, all of Oklahoma, Oklahoma, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE, Carey L. PAYNE, dated September 3, 2009.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI Section 2, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seals of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, this 29th day of October, A.D. 2010.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**



*Gerald F. Haley*

Gerald F. Haley Assistant Secretary

By:

*William J. Mills*

William J. Mills

Vice President

State of Maryland }  
City of Baltimore } ss:

On this 29th day of October, A.D. 2010, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposed and saith, that they are the said officers of the Companies aforesaid, and that the seals affixed to the preceding instrument is the Corporate Seals of said Companies, and that the said Corporate Seals and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2015

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**EXTRACT FROM BY-LAWS OF COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**CERTIFICATE**

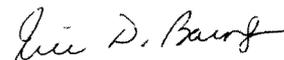
I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the respective By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990 and of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, 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 seals of the said Companies,

this 20th day of August, 2012.



Assistant Secretary

**FINAL  
WAIVER OF LIEN**

TO ALL WHOM IT MAY CONCERN:

Whereas the undersigned DOWNEY CONTRACTING, LLC, has been contracted by **City of Yukon** to furnish labor and materials for the Building and Premises known as **Yukon Yukon Fire Station** in Oklahoma City, OK for the project known as **City of Yukon New Yukon Fire Station**.

Now, therefore, know ye that DOWNEY CONTRACTING, LLC the undersigned for and in consideration of the total sum to be received of \$3,850,188.25 dollars to be paid with funds due, do hereby waive and release any and all lien or claim or right to lien upon receipt of the above identified amount, on the above described building and premises under the Statutes of the State of Oklahoma relating to Mechanics' or Materialmens' Liens, on account of labor or material, or both furnished by the undersigned to or on account of the said firm or persons therein named for said building or premises.

STATE OF Oklahoma

COUNTY OF Oklahoma

This 20<sup>th</sup> day of August, 2012

Company: DOWNEY CONTRACTING, LLC

By: *[Signature]*

Title: Project Manager

Subscribed and sworn to before me this 20<sup>th</sup> day of August, 2012.

*[Signature]*  
Notary Public



My Commission Expires: 06/07/2016

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

**BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**CITY OF YUKON  
Yukon, Oklahoma**

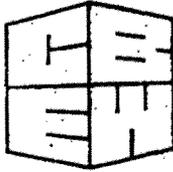
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CITY OF YUKON  
Yukon, Oklahoma

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**CBEW**  
**Professional**  
**Group, LLP**  
Certified Public Accountants

206 N. HARRISON ● P.O. BOX 790 ● CUSHING, OKLAHOMA 74023 ● 918-225-4216 ● FAX 918-225-4315

DON K. ETHRIDGE, CPA  
WALTER H. WEBB, CPA  
JANE FRAZIER, CPA  
CHARLES E. CROOKS, CPA  
TRISHA J. RIEMAN, CPA

## INDEPENDENT AUDITOR'S REPORT

November 10, 2011

Honorable Board of City Commissioners  
City of Yukon  
Yukon, Oklahoma

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yukon, Oklahoma, (City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our original report dated November 10, 2011, we issued an unqualified opinion on the financial statements referred to above but subsequently became aware of facts that existed at that date which affected our report. As more fully explained in Note 2 to the financial statements, the City did not present a revenue bond issue in the original financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yukon, Oklahoma, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

City of Yukon  
November 10, 2011

Management's Discussion and Analysis on pages 3-11, budgetary comparison information on pages 41 through 42 and the notes on page 43 are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Yukon's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and is not a required part of the basic financial statements. The combining and individual non-major governmental fund statements listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

*CBEW Professional Group LLP*

CBEW Professional Group, LLP  
Certified Public Accountants

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Within this section of the City of Yukon's annual financial report, management provides narrative discussion and analysis of the financial activities for the fiscal year ended June 30, 2011. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and note disclosures following this section.

### **Financial Highlights**

The City's net assets (assets minus liabilities) were **\$33,934,206** in 2011 compared to \$45,391,107 in 2010.

Total net assets are comprised of the following:

- 1) Capital assets, net of related debt, which was **\$32,483,870** in 2011 compared to \$37,139,134 in 2010, includes property and equipment, net of accumulated depreciation, increased for assets set aside in bond proceeds accounts for the purchase or construction of capital assets and reduced for outstanding debt related to the purchase or construction of capital assets.
- 2) Restricted net assets, which were **\$8,357,253** in 2011 and \$1,667,535 in 2010. These amounts represent the amount of sales taxes that are, by ordinance, to be held in reserves until the amount in reserves reaches 25% of General Fund revenues.
- 3) Unrestricted net assets were **\$(7,072,917)** in 2011 compared to \$6,584,438 in 2010, and represent the portion of net assets available to maintain the City's continuing obligations to citizens and unsecured creditors.

Total liabilities of the City were **\$53,591,702** in 2011 compared to \$35,838,945 in 2010. This includes bonds payable, notes payable and capital lease obligations of **\$36,741,611** in 2011 compared to \$31,826,370 in 2010, and accrued compensated absences of **\$1,914,725** in 2011 compared to \$1,811,570 in 2010.

Program revenues of the City were **\$9,284,907** in 2011 compared to \$8,544,084 in 2010. General revenues of the City were **\$21,639,176** in 2011 compared to \$20,690,689 in 2010. Of the total general revenues, tax revenues (sales, property and franchise) were **\$19,657,323** in 2011 compared to \$18,776,391 in 2010.

The City's governmental funds reported a total ending fund balance of **\$16,357,733** in 2011 compared to \$16,337,899 in 2010, while the unreserved fund balance totaled **\$8,589,320** in 2011 compared to \$9,949,825 in 2010.

At the end of the current fiscal year, unreserved fund balance for the General Fund, the main operating governmental fund of the City, was **\$3,342,170** or 18% of total General Fund expenditures in 2011 compared to \$5,935,238 or 44% of total General Fund expenditures in 2010.

## 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 financial statements. The City also provides additional information to supplement the basic financial statements.

**Government-wide financial statements.** The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall status. 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 indicator 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 extend to other non-financial factors such as diversification of the taxpayer base or the condition of City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*. This statement reports how the City's net assets changed during the current fiscal year. 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 distinguish governmental activities of the City that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Primary governmental activities include general government, public safety, public services, and culture and recreation. Business-type activities include water, wastewater utilities and solid waste management.

The City's financial reporting includes the funds of the City (primary government) and organizations for which the City is accountable (component units). Most of these legally separate organizations operate like City departments, serve as financing vehicles for City services (revenue bond issuers), or are governed by a board of trustees wholly comprised of the City's Mayor and Council. These organizations are blended into the primary government for financial reporting purposes.

**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. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

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 very different with fund statements providing a distinctive view of the City's governmental funds. These statements report 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 presents 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.

A budgetary comparison statement is included for the General Fund as required supplementary information. 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. There are two types of proprietary 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. Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail. *Internal service funds* report services provided within the city organization. Currently the City of Yukon does not have internal service funds.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees and a budgetary comparison statement for the General Fund. Other supplementary information includes combining nonmajor fund and fiduciary fund financial statements within the reporting entity. Supplementary information follows the notes to the financial statements.

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

## Financial Analysis of the City as a Whole

The City's net assets at **June 30, 2011** are **\$33,768,206**. The following table provides a summary of the City's net assets:

### Summary of Net Assets at June 30, 2011

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>
Current and other assets	17,082,520	13,670,710	30,753,230
Capital assets	46,730,419	9,876,259	56,606,678
<b>Total Assets</b>	<b>63,812,939</b>	<b>23,546,969</b>	<b>87,359,908</b>
Current liabilities	15,340,738	4,519,095	19,859,833
Long term liabilities	10,461,094	23,270,775	33,731,869
<b>Total Liabilities</b>	<b>25,801,832</b>	<b>27,789,870</b>	<b>53,591,702</b>
Net assets:			
Invested in capital assets, net of debt	43,371,521	(10,887,651)	32,483,870
Restricted	7,768,413	588,840	8,357,253
Unrestricted	(13,128,827)	6,055,910	(7,072,917)
<b>Total Net Assets</b>	<b>38,011,107</b>	<b>(4,242,901)</b>	<b>33,768,206</b>

The City's net assets at **June 30, 2010** are **\$45,391,107**. The following table provides a summary of the City's net assets:

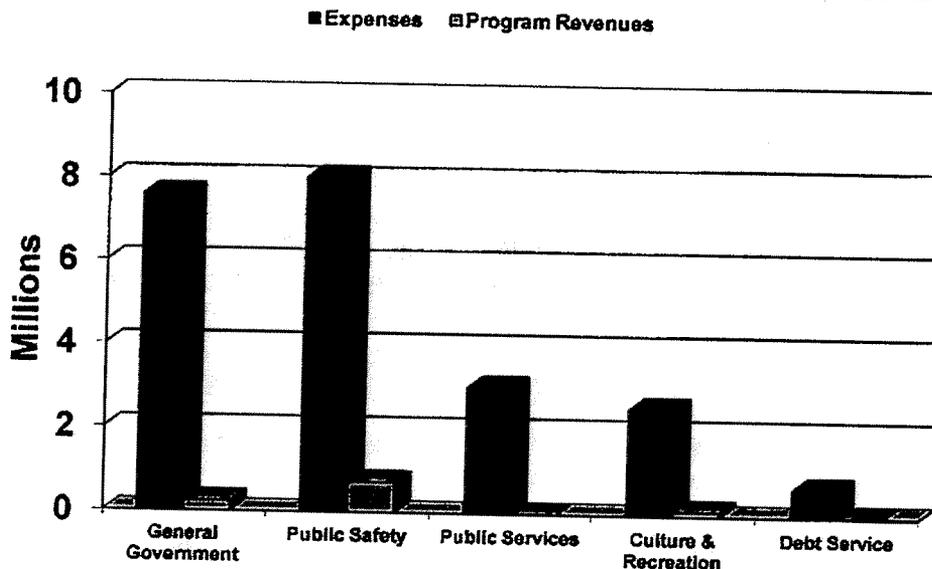
### Summary of Net Assets at June 30, 2010

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>
Current and other assets	17,440,840	6,771,678	24,212,518
Capital assets	46,903,225	10,114,309	57,017,534
<b>Total Assets</b>	<b>64,344,065</b>	<b>16,885,987</b>	<b>81,230,052</b>
Current liabilities	2,473,508	4,134,493	6,608,001
Long term liabilities	11,143,763	18,087,181	29,230,944
<b>Total Liabilities</b>	<b>13,617,271</b>	<b>22,221,674</b>	<b>35,838,945</b>
Net assets:			
Invested in capital assets, net of debt	45,008,953	(7,869,819)	37,139,134
Restricted	1,667,535	-	1,667,535
Unrestricted	4,050,306	2,534,132	6,584,438
<b>Total Net Assets</b>	<b>50,726,794</b>	<b>(5,335,687)</b>	<b>45,391,107</b>

The City reported a positive balance in net assets for governmental activities and a negative balance in net assets for business-type activities.

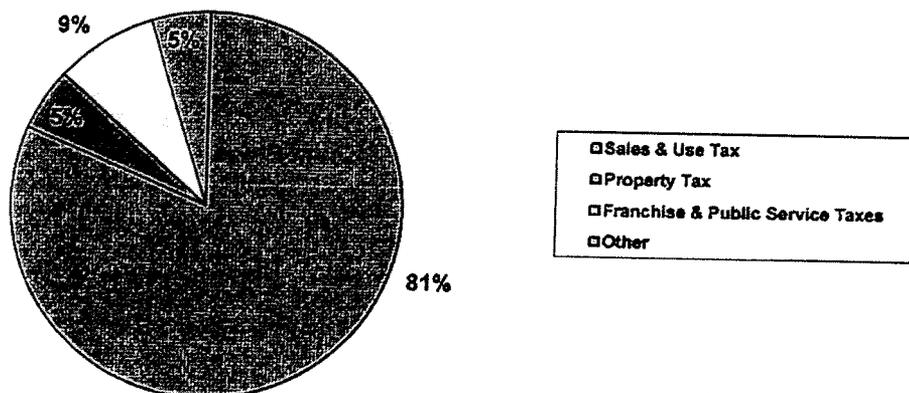
**Governmental activities.** The graph below shows the major governmental activities and their associated program revenues for the year ended June 30, 2011. You can see that all governmental activities are financed almost entirely by taxes, rather than user fees. You can also see that public safety activities account for approximately \$8.02 million of the total \$21.869 million in governmental expenditures.

**2011 Expenses and Program Revenues For Governmental Activities**

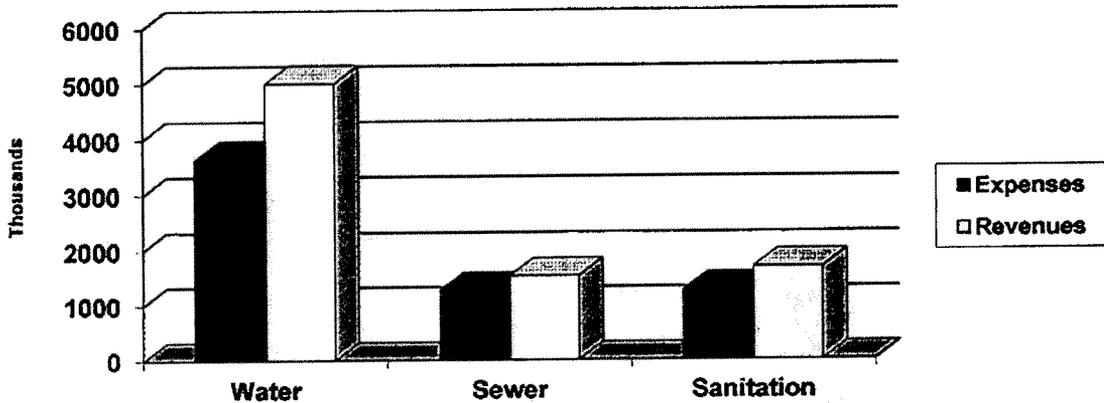


**2011 Non-Program Revenue by Source For Governmental Activities**

The next graph shows non-program revenue by source. Sales and use tax accounts for over 81 percent of non-program revenue. Property tax is only available for debt service on previously approved general obligation bond debt.



**Business-type activities.** The graph below shows the major business-type activities and their associated program revenues. Business -type activities are financed almost entirely by user fees.



**Financial Analysis of the Government's Funds**

The City of Yukon uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City of Yukon's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is used to assess Yukon's financing needs. Unreserved fund balance is used to measure net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, total governmental fund balance is **\$16,357,733** in 2011 compared to \$16,337,899 in 2010. Of these amounts, **\$8,589,320** in 2011 compared to \$11,323,496 in 2010 is unassigned. The remaining balance is restricted for specific governmental fund purposes.

The General Fund is the chief operating fund of the City. Most governmental activities are funded through this fund. Unassigned fund balance was **\$3,342,170** in 2011 compared to \$7,263,572 in 2010, while total fund balance was **\$8,575,945** in 2011 compared to \$8,931,107 in 2010.

### General Fund Budgetary Highlights

The FY 2011 budget had no increases by budget adjustments.

General fund revenues were **\$377,008** less than budgeted.

Expenditures were **\$427,448** less than the final amended budget.

### Capital Asset and Debt Administration

**Capital assets.** The City of Yukon's investment in capital assets (net of accumulated depreciation) for both governmental and business-type activities totaled **\$56,619,869** in at **June 30, 2011** compared to \$57,017,534 in at June 30, 2010. This investment includes land, buildings, equipment, park facilities, street and drainage improvements, water system and wastewater system improvements.

Capital asset additions during the year totaled **\$2,952,609** in **2011** compared to \$3,907,412 in 2010.

Capital asset additions in **2011** included the following:

- Street and drainage projects and improvements totaled approximately **\$1,356,000**
- Fire station construction in process totaled approximately **\$644,625**
- Water and sewer projects and improvements totaled approximately **\$391,000**
- Purchases of machinery, equipment, and vehicles totaled approximately **\$846,000**

**Long-term debt.** The City had bonds (revenue and general obligation), capital lease obligations, and notes payable in the amount of **\$31,229,566** at **June 30, 2011** compared to \$31,826,370 at June 30, 2010.

### Economic Factors and Next Year's Budgets and Rates

The City of Yukon is located west of Oklahoma City in eastern Canadian County, Oklahoma. This area of Canadian County is still experiencing above average residential and retail growth as the result of a recently completed turnpike system in the area and the growth of the Oklahoma City metropolitan area to the west. The City continues to attract significant retail business as a result of this urban spread. This growth will force the City to further accelerate improvements to roads, bridges, water, and wastewater systems, even though significant progress has already been made in improving infrastructure.

Many of our Yukon's citizens work in Oklahoma City and the surrounding municipalities. Economists with the Oklahoma State University College of Business Administration do not expect this to change and predict modest job growth in the area through the next several years.

The Yukon City Council is aware that the economic conditions of the region are important in the budgeting process. The Council is also aware that quality municipal services are important to our citizens. Accordingly, for the fiscal year 2011-2012, the City Council General approved a **General Fund budget of \$20,257,155**. This compares to \$18,005,532 for the previous budget year. This slight increase reflects a balance between services provided and sales tax available to pay for those services. To help fund the costs of these services, the City of Yukon is continuing significant efforts to attract additional retail business.

### Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Yukon's Finance Department.

**CITY OF YUKON  
STATEMENT OF NET ASSETS  
JUNE 30, 2011**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 6,906,329	\$ 1,221,021	\$ 8,127,350
Accounts receivables (net)	-	1,229,701	1,229,701
Taxes receivables	3,106,716	-	3,106,716
Fines receivable	34,861	-	34,861
Grants receivable	232,485	-	232,485
Deferred charges, net of amortization	107,882	-	107,882
Due to/from other funds	-	-	-
<b>Restricted assets:</b>			
Cash deposit, insurance	69,918	-	69,918
Cash	6,192,476	6,335,205	12,527,681
Investments	427,502	3,743,720	4,171,222
Other assets	4,351	1,127,872	1,132,223
Capital assets (net)	46,730,419	9,889,450	56,619,869
<b>Total assets</b>	<u>63,812,939</u>	<u>23,546,969</u>	<u>87,359,908</u>
<b>Liabilities:</b>			
Accounts payable	437,127	311,777	748,904
Contracts payable	-	12,610	12,610
Accrued salaries	179,778	23,075	202,853
Accrued interest	144,996	212,925	357,921
Accrued compensated absences, current	465,518	43,293	508,811
Capital lease obligation, current	175,499	-	175,499
Deferred revenue	-	6,652	6,652
OPEB liability	13,257,820	-	13,257,820
Notes payable, current	-	1,668,763	1,668,763
Revenue bonds payable, current	-	2,240,000	2,240,000
General obligation bond payable, current	680,000	-	680,000
Customer deposits payable	-	348,606	348,606
Capital lease obligation, non-current	198,377	-	198,377
Accrued compensated absences, non-current	1,329,594	76,320	1,405,914
General obligation bonds payable	8,925,000	-	8,925,000
General obligation bond premium	8,123	-	8,123
Revenue bonds payable, net of unamortized bond discount	-	22,845,849	22,845,849
<b>Total liabilities</b>	<u>25,801,832</u>	<u>27,789,870</u>	<u>53,591,702</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	43,371,521	(10,887,651)	32,483,870
Restricted	7,768,413	588,840	8,357,253
Unrestricted	(13,128,827)	6,055,910	(7,072,917)
<b>Total net assets</b>	<u>\$ 38,011,107</u>	<u>\$ (4,242,901)</u>	<u>\$ 33,768,206</u>

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

**CITY OF YUKON  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2010**

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
<b>Governmental activities:</b>					
General government	\$ 7,594,155	\$ 234,931	\$ -	\$ -	\$ (7,359,224)
Public safety:					
Police	4,633,786	719,812	-	-	(3,913,974)
Municipal court	203,440	-	-	-	(203,440)
Fire	3,045,266	-	-	-	(3,045,266)
Animal control	139,050	-	-	-	(139,050)
Public services	3,021,420	-	-	14,340	(3,007,080)
Cultural and recreation	2,555,281	106,145	-	-	(2,449,136)
OPEB liability	13,257,820	-	-	-	(13,257,820)
Interest on long term debt	677,692	-	-	-	(677,692)
<b>Total Governmental activities</b>	<b>35,127,910</b>	<b>1,060,888</b>	<b>-</b>	<b>14,340</b>	<b>(34,052,682)</b>
<b>Business-type activities:</b>					
Water	3,647,404	5,005,731	-	-	1,358,327
Sewer	1,269,377	1,523,635	-	-	254,258
Sanitation	1,265,659	1,680,313	-	-	414,654
Interest on long term debt	800,692	-	-	-	(800,692)
<b>Total Business-type activities</b>	<b>6,983,132</b>	<b>8,209,679</b>	<b>-</b>	<b>-</b>	<b>1,226,547</b>
<b>Total</b>	<b>\$ 42,111,042</b>	<b>\$ 9,270,567</b>	<b>\$ -</b>	<b>\$ 14,340</b>	<b>\$ (32,826,135)</b>

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-Type Activities	Total
<b>Net (expense) revenue</b>	<b>\$ (34,052,682)</b>	<b>\$ 1,226,547</b>	<b>\$ (32,826,135)</b>
<b>General revenues:</b>			
Taxes:			
Sales and use taxes	16,823,732	-	16,823,732
Property taxes	1,076,033	-	1,076,033
Franchise and public service taxes	1,757,558	-	1,757,558
Investment income	81,600	29,645	111,245
Intergovernmental	450,558	-	450,558
Miscellaneous	703,291	446,759	1,150,050
Transfers	444,223	(444,223)	-
<b>Total general revenues and transfers</b>	<b>21,336,995</b>	<b>32,181</b>	<b>21,369,176</b>
<b>Change in net assets</b>	<b>(12,715,687)</b>	<b>1,258,728</b>	<b>(11,456,959)</b>
<b>Net assets - beginning of year, restated</b>	<b>50,726,794</b>	<b>(5,335,687)</b>	<b>45,391,107</b>
<b>Net assets - end of year</b>	<b>\$ 38,011,107</b>	<b>\$ (4,076,959)</b>	<b>\$ 33,934,148</b>

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

**CITY OF YUKON  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2011**

	General Fund	Capital Projects Fund	96 Sales Tax Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 2,399,697	\$ 93,936	\$ 2,613,628	\$ 1,799,068	\$ 6,906,329
Taxes receivable	3,094,150	-	-	12,566	3,106,716
Fines receivable, net of allowance	34,861	-	-	-	34,861
Grants receivable	-	-	3,926	228,559	232,485
Due from other funds	-	-	1,681,333	-	1,681,333
Retricted cash:					
Cash deposit, insurance	69,918	-	-	-	69,918
Cash	5,234,675	957,801	-	-	6,192,476
Investments	-	-	427,502	-	427,502
Other assets	4,351	-	-	-	4,351
<b>Total assets</b>	<b>\$ 10,837,652</b>	<b>\$ 1,051,737</b>	<b>\$ 4,726,389</b>	<b>\$ 2,040,193</b>	<b>\$ 18,655,971</b>
<b>Liabilities:</b>					
Accounts payable	\$ 400,596	\$ -	\$ 19,925	\$ 16,606	\$ 437,127
Accrued salaries	179,778	-	-	-	179,778
Due to other funds	1,681,333	-	-	-	1,681,333
<b>Total liabilities</b>	<b>2,261,707</b>	<b>-</b>	<b>19,925</b>	<b>16,606</b>	<b>2,298,238</b>
<b>Fund balance:</b>					
Restricted for:					
Reserves	5,233,775	-	-	-	5,233,775
Capital asset acquisitions	-	1,051,737	-	-	1,051,737
Community development grant	-	-	-	82,520	82,520
Community support	-	-	-	478,434	478,434
Bond retirement	-	-	-	921,947	921,947
Unassigned, reported in:					
General fund	3,342,170	-	-	-	3,342,170
Special revenue funds	-	-	-	540,686	540,686
Capital projects fund	-	-	-	-	-
96 Sales Tax Capital projects fund	-	-	4,706,464	-	4,706,464
<b>Total fund balances</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>
<b>Total liabilities and fund balances</b>	<b>\$ 10,837,652</b>	<b>\$ 1,051,737</b>	<b>\$ 4,726,389</b>	<b>\$ 2,040,193</b>	<b>\$ 18,655,971</b>

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

**CITY OF YUKON  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2011**

**Total fund balance - all governmental funds**

Amounts reported for governmental activities in the statement of net assets are different because:	\$ 16,357,733
Capital assets of \$92,995,028, net of accumulated depreciation of \$46,264,609, are not financial resources and, therefore, are not reported in the funds.	46,730,419
Long-term liabilities (\$11,773,988) are not due and payable in the current period and are not reported in the funds.	(11,773,988)
OPEB liability	(13,257,820)
Accrued interest on long-term liabilities (\$144,996).	(144,996)
Deferred charges for bond issuance costs of \$153,669, net of accumulated amortization of (\$45,786), and for the premium on the General Obligation Bonds of (\$12,054), net of accumulated amortization of \$3,931, are not financial resources and, therefore, are not reported in the funds.	<u>99,759</u>
<sup>4</sup>	
<b>Net assets of governmental activities</b>	<b><u>\$ 38,011,107</u></b>

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

CITY OF YUKON  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2011

	General Fund	Capital Projects Fund	96 Sales Tax Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 18,397,878	\$ -	\$ 183,412	\$ 1,076,033	\$ 19,657,323
Intergovernmental	-	-	-	450,558	450,558
Charges for services	106,145	-	-	-	106,145
Fines and forfeitures	719,812	-	-	-	719,812
Licenses and permits	234,931	-	-	-	234,931
Investment income	56,128	6,382	8,877	10,213	81,600
Grant revenue	-	-	-	14,340	14,340
Miscellaneous	455,045	-	-	248,247	703,292
<b>Total revenues</b>	<u>19,969,939</u>	<u>6,382</u>	<u>192,289</u>	<u>1,799,391</u>	<u>21,968,001</u>
<b>Expenditures:</b>					
General government	6,897,736	-	-	-	6,897,736
Public safety:					
Police	4,235,547	-	-	60,184	4,295,731
Municipal court	203,440	-	-	-	203,440
Fire	2,797,459	-	-	-	2,797,459
Animal control	135,197	-	-	-	135,197
Public services	1,218,623	-	-	205,323	1,423,946
Cultural and recreation	2,105,955	-	-	341,429	2,447,384
Debt service	196,076	-	249,503	1,082,228	1,527,807
Capital outlay	877,153	468,844	900,712	329,099	2,575,808
<b>Total expenditures</b>	<u>18,667,186</u>	<u>468,844</u>	<u>1,150,215</u>	<u>2,018,263</u>	<u>22,304,508</u>
<b>Excess revenues over (under) expenditures</b>	<u>1,302,753</u>	<u>(462,462)</u>	<u>(957,926)</u>	<u>(218,872)</u>	<u>(336,507)</u>
<b>Other financing sources (uses):</b>					
Transfers in	6,474,573	-	4,759,721	197,723	11,432,017
Transfers out	(8,132,488)	(284,995)	(2,629,655)	(28,538)	(11,075,676)
<b>Total other financing sources and uses</b>	<u>(1,657,915)</u>	<u>(284,995)</u>	<u>2,130,066</u>	<u>169,185</u>	<u>358,341</u>
<b>Net change in fund balances</b>	<u>(355,162)</u>	<u>(747,457)</u>	<u>1,172,140</u>	<u>(49,687)</u>	<u>19,834</u>
<b>Net assets - beginning of year</b>	<u>8,931,107</u>	<u>1,799,194</u>	<u>3,534,324</u>	<u>2,073,274</u>	<u>16,337,899</u>
<b>Fund balance - end of year</b>	<u>\$ 8,575,945</u>	<u>\$ 1,051,737</u>	<u>\$ 4,706,464</u>	<u>\$ 2,023,587</u>	<u>\$ 16,357,733</u>

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

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, 2011

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 19,834</b>
 Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is amount by which capital outlay expense (\$2,575,808) exceeded depreciation expense (\$2,836,496) in the current period.	(260,688)
Transfers of capital assets from proprietary funds are not reported on the governmental fund financial statements, but are reported on the statement of activities (\$87,882).	87,882
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. There was repayments of (\$868,249).	868,249
The change in accrued interest of \$10,979 on long-term debt and the net amortization expense on debt issuance costs and premium of \$7,156.	(18,135)
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.	(13,257,820)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. Compensated absences increased \$155,009 in the governmental funds and are shown as an expense in the statement of activities.	<u>(155,009)</u>
<b>Change in net assets of governmental activities</b>	<b><u>\$ (12,715,687)</u></b>

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

**CITY OF YUKON  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2011**

	Water/ Sewer Fund	Sanitation Fund	Yukon Municipal Authority	Stormwater Fund	Total Proprietary Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 51,842	\$ 840,777	\$ (595)	\$ 328,997	\$ 1,221,021
Accounts receivable, net	-	232,417	997,284	-	1,229,701
Assessments receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Restricted assets:					
Cash	357,694	-	5,977,511	-	6,335,205
Investments	-	-	3,743,720	-	3,743,720
<b>Capital assets:</b>					
Land	-	6,735	91,005	-	97,740
Construction in progress	-	-	327,401	-	327,401
Buildings	-	-	141,002	-	141,002
Infrastructure	-	-	31,671,188	-	31,671,188
Property and equipment	-	1,109,366	698,047	-	1,807,413
Less accumulated depreciation and amortization	-	(726,229)	(23,429,065)	-	(24,155,294)
<b>Other assets:</b>					
Bond issuance costs (net of amortization)	-	-	1,127,872	-	1,127,872
<b>Total assets</b>	<b>\$ 409,536</b>	<b>\$ 1,463,066</b>	<b>\$ 21,345,370</b>	<b>\$ 328,997</b>	<b>\$ 23,546,969</b>
<b>Liabilities:</b>					
Accounts payable	\$ 276,929	\$ 13,210	\$ 18,082	\$ 3,556	\$ 311,777
Contracts payable	12,610	-	-	-	12,610
Accrued salaries	11,875	9,403	-	1,797	23,075
Accrued compensated absences, current	28,808	-	-	14,485	43,293
Capital lease obligation, current	-	-	-	-	-
Deferred revenue	-	-	6,652	-	6,652
Due to other funds	-	-	-	-	-
Notes payable, current	-	-	1,668,763	-	1,668,763
Payable from restricted assets:					
Bond interest payable, current	-	-	212,925	-	212,925
Bonds payable, current	-	-	2,240,000	-	2,240,000
Customer deposits payable	348,606	-	-	-	348,606
Capital lease obligation, non-current	-	-	-	-	-
Accrued compensated absences, non-current	41,614	34,706	-	-	76,320
Bonds payable, net of unamortized bond discount	-	-	22,845,849	-	22,845,849
<b>Total liabilities</b>	<b>720,442</b>	<b>57,319</b>	<b>26,992,271</b>	<b>19,838</b>	<b>27,789,870</b>
<b>Net assets:</b>					
Invested in capital assets, net of related debt	-	389,872	(11,277,523)	-	(10,887,651)
Restricted	-	-	588,840	-	588,840
Unrestricted	(310,906)	1,015,875	5,041,782	309,159	6,055,910
<b>Total net assets</b>	<b>(310,906)</b>	<b>1,405,747</b>	<b>(5,646,901)</b>	<b>309,159</b>	<b>(4,242,901)</b>
<b>Total liabilities and net assets</b>	<b>\$ 409,536</b>	<b>\$ 1,463,066</b>	<b>\$ 21,345,370</b>	<b>\$ 328,997</b>	<b>\$ 23,546,969</b>

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

**CITY OF YUKON**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2011**

	Water/ Sewer Fund	Sanitation Funds	Yukon Municipal Authority	Stormwater Funds	Total Proprietary Funds
<b>Operating revenues:</b>					
Water revenues	\$ -	\$ -	\$ 5,005,731	\$ -	\$ 5,005,731
Sewer revenues	-	-	1,523,635	-	1,523,635
Sanitation revenues	-	1,680,313	-	-	1,680,313
<b>Total operating revenues</b>	<b>-</b>	<b>1,680,313</b>	<b>6,529,366</b>	<b>-</b>	<b>8,209,679</b>
<b>Operating expense:</b>					
Personal services	1,028,407	728,483	-	127,600	1,884,490
Maintenance operations and contractual services	2,644,835	93,172	-	21,746	2,759,753
Materials and supplies	92,239	352,523	53,511	9,841	508,114
Depreciation and amortization	-	91,481	947,862	-	1,039,343
<b>Total operating expenses</b>	<b>3,765,481</b>	<b>1,265,659</b>	<b>1,001,373</b>	<b>159,187</b>	<b>6,191,700</b>
<b>Operating income before non-operating revenues, expenses and transfers</b>	<b>(3,765,481)</b>	<b>414,654</b>	<b>5,527,993</b>	<b>(159,187)</b>	<b>2,017,979</b>
<b>Non-operating revenues (expenses)</b>					
Investment income	-	-	29,909	-	29,909
Interest expense	-	-	(957,638)	-	(957,638)
Administrative fees	-	-	14,800	-	14,800
Other revenues (expense)	(69,701)	-	271,437	230,223	431,959
<b>Total nonoperating revenues (expenses)</b>	<b>(69,701)</b>	<b>-</b>	<b>(641,492)</b>	<b>230,223</b>	<b>(480,970)</b>
<b>Income (loss) before operating transfers</b>	<b>(3,835,182)</b>	<b>414,654</b>	<b>4,886,501</b>	<b>71,036</b>	<b>1,537,009</b>
<b>Transfers in</b>	<b>6,305,851</b>	<b>63,507</b>	<b>3,031,386</b>	<b>6,698</b>	<b>9,407,442</b>
<b>Transfers out</b>	<b>(2,527,630)</b>	<b>(274,752)</b>	<b>(6,974,283)</b>	<b>(75,000)</b>	<b>(9,851,665)</b>
<b>Change in net assets</b>	<b>(56,961)</b>	<b>203,409</b>	<b>943,604</b>	<b>2,734</b>	<b>1,092,786</b>
<b>Net assets - beginning of year</b>	<b>(253,945)</b>	<b>1,202,338</b>	<b>(6,590,505)</b>	<b>306,425</b>	<b>(5,335,687)</b>
<b>Net assets at end of year</b>	<b>\$ (310,906)</b>	<b>\$ 1,405,747</b>	<b>\$ (5,646,901)</b>	<b>\$ 309,159</b>	<b>\$ (4,242,901)</b>

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

CITY OF YUKON  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2011

	Water/ Sewer Fund	Sanitation Fund	Yukon Municipal Authority	Stormwater Fund	Total Proprietary Funds
<b>Cash flows operating activities:</b>					
Cash received from customers	\$ -	\$ 1,660,765	\$ 6,318,612	\$ -	\$ 7,979,377
Cash payments to suppliers for goods and services	(2,664,407)	(481,220)	(51,246)	(32,343)	(3,229,216)
Cash payments to employees and professional contractors for services	(1,073,941)	(730,528)	(2,000)	(123,420)	(1,929,889)
Other operating revenues	(11,737)	-	-	-	(11,737)
<b>Net cash provided (used) by operating activities</b>	<u>(3,750,085)</u>	<u>449,017</u>	<u>6,265,366</u>	<u>(155,763)</u>	<u>2,808,535</u>
<b>Cash flows from non-capital financing activities:</b>					
Transfers from other funds	6,305,851	63,507	3,031,386	6,698	9,407,442
Transfers to other funds	(2,527,630)	(274,752)	(6,974,283)	(75,000)	(9,851,665)
<b>Net cash provided (used) by non-capital financing activities</b>	<u>3,778,221</u>	<u>(211,245)</u>	<u>(3,942,897)</u>	<u>(68,302)</u>	<u>(444,223)</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	-	(53,239)	(754,671)	-	(807,910)
Principal paid on bonds, notes and lease obligations	-	-	(3,697,996)	-	(3,697,996)
Interest paid on bonds, notes, and lease obligations	-	-	(737,459)	-	(737,459)
Proceeds from issuance of bonds, notes and lease obligations	-	-	8,432,514	-	8,432,514
Miscellaneous	(69,701)	-	285,019	230,223	445,541
<b>Net cash provided (used) by capital and related financing activities</b>	<u>(69,701)</u>	<u>(53,239)</u>	<u>3,527,407</u>	<u>230,223</u>	<u>3,634,690</u>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of investments	-	-	41,076	-	41,076
Investment income	-	-	29,645	-	29,645
<b>Net cash provided (used) by investing activities</b>	<u>-</u>	<u>-</u>	<u>70,721</u>	<u>-</u>	<u>70,721</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(41,565)</u>	<u>184,533</u>	<u>5,920,597</u>	<u>6,158</u>	<u>6,069,723</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>451,101</u>	<u>656,244</u>	<u>56,319</u>	<u>322,839</u>	<u>1,486,503</u>
<b>Cash and cash equivalents at end 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>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</b>					
Cash and cash equivalents	\$ 51,842	\$ 840,777	\$ (595)	\$ 328,997	\$ 1,221,021
Restricted assets, cash	357,694	-	5,977,511	-	6,335,205
<b>Cash and cash equivalents at end 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>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (3,765,481)	\$ 414,654	\$ 5,527,993	\$ (159,187)	\$ 2,017,979
<b>Adjustments to reconcile operating income (loss) to Net cash provided (used) by operating activities</b>					
Depreciation	-	91,481	947,862	-	1,039,343
Changes in assets and liabilities:					
(increase) decrease in accounts receivable	-	(19,548)	(210,754)	-	(230,302)
Increase (decrease) in accounts payable	72,667	(35,525)	265	(756)	36,651
Increase (decrease) in accrued salaries	3,365	4,241	-	849	8,455
Increase (decrease) in compensated absences	(48,899)	(6,286)	-	3,331	(51,854)
Increase (decrease) in liability for meter deposits	(11,737)	-	-	-	(11,737)
<b>Total adjustments</b>	<u>15,396</u>	<u>34,363</u>	<u>737,373</u>	<u>3,424</u>	<u>790,556</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ (3,750,085)</u>	<u>\$ 449,017</u>	<u>\$ 6,265,366</u>	<u>\$ (155,763)</u>	<u>\$ 2,808,535</u>

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

**CITY OF YUKON  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2011**

	<u>Total Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 415,426
<b>Total assets</b>	<u>415,426</u>
<b>Liabilities:</b>	
Escrow liability	<u>415,426</u>
<b>Total liabilities</b>	<u>\$ 415,426</u>

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

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Yukon, Oklahoma (the City) complies with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The more significant accounting policies established in GAAP and used by the City are discussed below.

**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. The City's blended component unit has a June 30 year-end.

**B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting**

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 statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on program revenues are presented as general revenues of the city, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting (Continued)

**Fund Financial Statements** – During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Major funds represent 10% of assets, liabilities, revenues, or expenditures of the corresponding element for all funds of that category *and* is at least 5% of the corresponding element total for all governmental and enterprise funds combined *or* is a fund that the government believes is important enough for financial statement users to be reported as a major fund. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

**Fund Accounting** – The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds** – are used to account for the government's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Sales taxes, gasoline excise taxes and motor vehicle taxes collected and held by the state and county at year-end on behalf of the City are susceptible to accrual and are recognized as revenue. Other receipts and taxes (franchise taxes, licenses, etc.) become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The following are the City's major governmental funds:

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

**Capital Projects Fund** – accounts for the receipt and disbursement of resources for the purpose of building or buying major capital assets, such as schools, public buildings, or recreational facilities. Resources may be derived from a variety of sources, including bond proceeds, loans, or grants.

**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.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting (Continued)

Other governmental funds of the City that are considered non-major funds include:

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.

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

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, 2008.

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

**Proprietary Funds** – are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. In compliance with the Governmental Accounting Standards Board (GASB) Statement No. 20 the City has applied only Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) and Accounting Research Board (ARB) materials issued on or before November 30, 1989 that do not conflict with GASB. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds – are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and expenses of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues received, disbursements made, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City operates four enterprise funds, which are engaged in providing water, sewer and sanitation utility services:

The following are the City's major enterprise 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.

**Fiduciary Funds** – account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The accounts of the City include agency funds. Agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. 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.

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.

**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. Inventories**

Inventories in both governmental funds and proprietary funds normally consist of minimal amounts of expendable supplies held for consumption. The costs of such inventories are recorded as expenditures when purchased rather than when consumed.

**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.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

6. Capital Assets and Depreciation (Continued)

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.

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

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 only matured compensated absences payable to currently terminating employees and is included in wages and benefits payable.

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.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

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 availability of appropriation. An important distinction that is made in reporting fund 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.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

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.

2. DETAILED NOTES CONCERNING THE FUNDS

A. Deposits and Investments

*Custodial Credit Risk*

At June 30, 2011, the City held deposits of approximately \$14,700,000 at financial institutions. These institutions are required by law to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least equal to the amount on deposit at all times. As of June 30, 2011, the balances in cash and certificates of deposit were fully secured.

*Investment Interest Rate Risk*

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Investment Credit Risk*

The City has no policy that limits its investment choices other than the limitation of state law as follows:

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

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

2. DETAILED NOTES CONCERNING THE FUNDS (Continued)

A. Deposits and Investments (Continued)

The investments held at June 30, 2011 are as follows:

Type	Weighted Average Maturity (Months)	Credit Rating	Market Value	Cost
Investments				
Money Market	N/A	AAAm	\$ 3,743,720	\$ 3,743,720
Certificate of deposit	6.29	N/A	427,502	427,502
Total investments			<u>\$ 4,171,222</u>	<u>\$ 4,171,222</u>
<u>Reconciliation to Statement of Net Assets</u>				
			\$ 427,502	
			3,743,720	
			<u>\$ 4,171,222</u>	

*Concentration of Investment Credit Risk*

The City places no limit on the amount it may invest in any one issuer. The City has the following of credit risk: 10% in Certificates of deposit (\$427,502) and 99% in Money Market funds (\$3,743,720).

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

2. DETAILED NOTES CONCERNING THE FUNDS (Continued)

B. Capital Assets

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

*Governmental Activities*

	Balance June 30, 2010	Additions	Transfers	Retirements/ Adjustments	Balance June 30, 2011
Capital assets not being depreciated					
Land	\$ 2,974,338	\$ -	\$ -	\$ -	\$ 2,974,338
Construction in progress	2,991,281	1,086,590	(1,700,642)	-	2,377,229
Total assets not being depreciated	<u>\$ 5,965,619</u>	<u>\$ 1,086,590</u>	<u>\$ (1,700,642)</u>	<u>\$ -</u>	<u>\$ 5,351,567</u>
Other capital assets					
Infrastructure	\$ 63,716,558	\$ 925,083	\$ 1,689,642	\$ -	\$ 66,331,283
Buildings and improvements	11,747,722	294,290	11,000	-	12,053,012
Furniture, fixtures and equipment	4,926,639	236,628	-	-	5,163,267
Vehicles	3,974,791	121,099	-	-	4,095,890
Total other capital assets	<u>84,365,710</u>	<u>1,577,100</u>	<u>1,700,642</u>	<u>-</u>	<u>87,643,452</u>
Less accumulated depreciation for					
Infrastructure	(35,519,033)	(1,572,212)	-	-	(37,091,245)
Buildings and improvements	(3,081,670)	(395,108)	-	-	(3,476,778)
Furniture, fixtures and equipment	(2,360,176)	(457,139)	-	-	(2,817,315)
Vehicles	(2,467,225)	(412,037)	-	-	(2,879,262)
Total accumulated depreciation	<u>(43,428,104)</u>	<u>(2,836,496)</u>	<u>-</u>	<u>-</u>	<u>(46,264,600)</u>
Other capital assets, net	<u>\$ 40,937,606</u>	<u>\$ (1,259,396)</u>	<u>\$ 1,700,642</u>	<u>\$ -</u>	<u>\$ 41,378,852</u>
Capital asset summary:					
Capital assets not being depreciate	\$ 5,965,619	\$ 1,086,590	\$ (1,700,642)	\$ -	\$ 5,351,567
Other capital assets, at cost	84,365,710	1,577,100	1,700,642	-	87,643,452
Total cost of capital assets	<u>90,331,329</u>	<u>2,663,690</u>	<u>-</u>	<u>-</u>	<u>92,995,019</u>
Less accumulated depreciation	(43,428,104)	(2,836,496)	-	-	(46,264,600)
Capital assets, net	<u>\$ 46,903,225</u>	<u>\$ (172,806)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,730,419</u>

The amount of capital assets acquired through leases is \$588,229 with related accumulated depreciation of \$176,469.

**CITY OF YUKON**  
Yukon, Oklahoma

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2011

**2. DETAILED NOTES CONCERNING THE FUNDS (Continued)**

**B. Capital Assets (Continued)**

*Business-type Activities*

	Balance June 30, 2010	Additions	Transfers	Retirements/ Adjustments	Balance June 30, 2011
Capital assets not being depreciated					
Land	\$ 97,740	\$ -	\$ -	\$ -	\$ 97,740
Construction in progress	223,600	103,801	-	-	327,401
Total assets not being depreciated	<u>\$ 321,340</u>	<u>\$ 103,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 425,141</u>
Other capital assets					
Infrastructure	\$ 31,383,240	\$ 287,948	\$ -	\$ -	\$ 31,671,188
Buildings and improvements	-	154,887	-	-	154,887
Furniture, fixtures and equipment	763,908	53,238	-	-	817,146
Vehicles	976,381	-	-	-	976,381
Total other capital assets	<u>33,123,529</u>	<u>496,073</u>	<u>-</u>	<u>-</u>	<u>33,619,602</u>
Less accumulated depreciation for					
Infrastructure	(22,188,137)	(676,859)	-	-	(22,864,996)
Buildings and improvements	(4,097)	(2,849)	-	-	(6,946)
Furniture, fixtures and equipment	(393,468)	(74,601)	-	-	(468,069)
Vehicles	(744,851)	(70,431)	-	-	(815,282)
Total accumulated depreciation	<u>(23,330,553)</u>	<u>(824,740)</u>	<u>-</u>	<u>-</u>	<u>(24,155,293)</u>
Other capital assets, net	<u>\$ 9,792,976</u>	<u>\$ (328,667)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,464,309</u>
Capital asset summary:					
Capital assets not being depreciate	\$ 321,340	\$ 103,801	\$ -	\$ -	\$ 425,141
Other capital assets, at cost	33,123,529	496,073	-	-	33,619,602
Total cost of capital assets	<u>33,444,869</u>	<u>599,874</u>	<u>-</u>	<u>-</u>	<u>34,044,743</u>
Less accumulated depreciation	(23,330,553)	(824,740)	-	-	(24,155,293)
Capital assets, net	<u>\$ 10,114,316</u>	<u>\$ (224,866)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,889,450</u>

**CITY OF YUKON**  
Yukon, Oklahoma

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2011

**2. DETAILED NOTES CONCERNING THE FUNDS (Continued)**

**B. Capital Assets (Continued)**

*Depreciation expense*

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

<b>Governmental activities:</b>	
General government	\$ 541,410
Public safety:	
Police	338,055
Fire	247,807
Animal control	3,853
Public service	1,597,474
Culture and recreation	107,897
	2,836,496
<b>Governmental activities depreciation expense</b>	<b>2,836,496</b>
<b>Business-type activities:</b>	
Water and sewer	733,259
Sanitation	91,481
	824,740
<b>Business-type activities depreciation expense</b>	<b>824,740</b>
<b>Total depreciation expense</b>	<b>\$ 3,661,236</b>

**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.

On February 1, 1996, the City issued the \$2.750 million Revenue Refunding Bonds, Series 1996 to refund prior revenue bonds of the City. Interest on the bonds is payable semi-annually on April 1<sup>st</sup> and November 1<sup>st</sup> at rates ranging from 4 to 5.1%. Utility system revenue bonds are pledged to secure payment of these bonds.

In January 1996, residents of the City approved a 3/4 cents sales tax for the purpose of financing capital improvements for the use and benefit of the City. To accelerate the planned capital improvements program, the City issued revenue bonds and used the proceeds from the bonds to fund planned capital expenditures. Revenues from the 3/4 cent sales tax, along with utility system revenues, were in turn pledged to secure the payment of these bonds. In June, 1996 the City began issuing the bonds for these capital improvements. The dates and amounts of issuances are as follows:

June 21, 1996, the City, through the Yukon Municipal Authority, issued \$2.200 million in Sales Tax and Utility System Revenue Bonds, Series 1996. Interest on the bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 4.7 to 5.45%.

**CITY OF YUKON**  
Yukon, Oklahoma

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2011

**2. DETAILED NOTES CONCERNING THE FUNDS (Continued)**

**C. Long-term Debt and Capitalized Leases (Continued)**

January 15, 1997 the City, through the Yukon Municipal Authority, issued \$4.995 million in Sales Tax and Utility System Revenue Bonds, Series 1997. Interest on the bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 4.2 to 5.60%.

January 15, 1998 the City, through the Yukon Municipal Authority, issued \$4.995 million of Sales Tax and Utility System Revenue Bonds, Series 1998. Interest on the bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 3.8 to 4.75%.

December 1, 1999 the City, through the Yukon Municipal Authority, issued \$4.995 million of Sales Tax and Utility System Revenue and Refunding Bonds, Series 1999. Interest on the bonds is payable semi-annually on June 1<sup>st</sup> and December 1<sup>st</sup> at rates ranging from 4 to 6%.

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%.

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%.

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%.

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%.

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

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

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

**CITY OF YUKON**  
Yukon, Oklahoma

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2011

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

**2. DETAILED NOTES CONCERNING THE FUNDS (Continued)**

**C. Long-term Debt and Capitalized Leases (Continued)**

On October 17, 2000, the City issued a lease payable to Canadian State Bank in the amount of \$300,000 for the purchase of a building. 120 monthly installments of \$3,256 plus interest of 5.5%.

On October 15, 2007, the City issued a lease payable to Ford Motor Credit Company in the amount of \$506,255 for the purchase of police cars. 3 annual installments of \$178,918 plus interest of 6.15%.

On January 26, 2005, the YMA issued a lease payable to The Empire Companies in the amount of \$209,560 for the purchase of 2 new refuse trucks. 60 monthly installments of \$3,989 plus interest of 5.36%.

On September 1, 2004, the YMA issued a lease payable to The Empire Companies in the amount of \$205,429 for the purchase of 2 new refuse trucks. 60 monthly installments of \$3,839 plus interest of 4.64%.

The current refunding of the YMA Sales Tax and Utility System Revenue and Refunding Bonds, Series 2001 with the YMA Sales Tax and Utility System Revenue and Refunding Bonds, Series 2010 resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$215,616. This difference, reported in the accompanying financial statements as a deduction from bonds payable, will be amortized and charged to operations through the year 2021. As a result of the refunding, the Authority reduced its aggregate debt service payments over the next 10 years by \$423,469 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$341,211.

*Changes in Long-Term Debt*

The following is a summary of changes in long-term debt for the year ended June 30, 2011:

	Balance June 30, 2010	Issued	Retired	Balance June 30, 2011	Current Portion
<b>Governmental Activities</b>					
General obligation bonds	\$ 10,285,000	\$ -	\$ (680,000)	\$ 9,605,000	\$ 680,000
Compensated absences	1,640,103	626,077	(471,068)	1,795,112	465,518
Lease obligations	562,125	-	(188,249)	373,876	175,499
<b>Total Governmental Activities</b>	<b>12,487,228</b>	<b>626,077</b>	<b>(1,339,317)</b>	<b>11,773,988</b>	<b>1,321,017</b>
<b>Business-type Activities</b>					
Revenue bonds	19,250,000	7,500,000	(1,895,000)	24,855,000	2,240,000
Notes payable	1,689,245	1,782,514	(1,802,996)	1,668,763	1,668,763
Compensated absences	171,467	3,332	(55,186)	119,613	43,293
<b>Total Business-type Activities</b>	<b>21,110,712</b>	<b>9,285,846</b>	<b>(3,753,182)</b>	<b>26,643,376</b>	<b>3,952,056</b>
<b>Total Primary Government Long-term debt</b>	<b>\$ 33,597,940</b>	<b>\$ 9,911,923</b>	<b>\$ (5,092,499)</b>	<b>\$ 38,417,364</b>	<b>\$ 5,273,073</b>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**2. DETAILED NOTES CONCERNING THE FUNDS (Continued)**

**C. Long-term Debt and Capitalized Leases (Continued)**

Maturities of long-term debt are as follows:

Governmental Activities			
Year Ending June 30,	Principal	Interest	Total
2012	855,499	396,405	1,251,904
2013	878,377	362,460	1,240,837
2014	680,000	328,076	1,008,076
2015	680,000	303,588	983,588
2016	680,000	278,438	958,438
2017-2021	3,400,000	993,651	4,393,651
2022-2026	2,805,000	304,364	3,109,364
	\$ 9,978,876	\$ 2,966,982	\$ 12,945,858

Business Type Activities			
Year Ending June 30,	Principal	Interest	Total
2012	3,908,763	1,149,207	5,057,970
2013	1,855,000	919,108	2,774,108
2014	1,470,000	856,639	2,326,639
2015	1,510,000	808,601	2,318,601
2016	1,165,000	759,176	1,924,176
2017-2021	8,175,000	2,983,639	11,158,639
2022-2024	8,440,000	1,792,276	10,232,276
	\$ 26,523,763	\$ 9,268,646	\$ 35,792,409

**CITY OF YUKON**  
Yukon, Oklahoma

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
June 30, 2011

**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	\$ 1,681,333	\$ -
96 Sales Tax Capital Projects fund		
General Fund	-	1,681,333
	<u>\$ 1,681,333</u>	<u>\$ 1,681,333</u>
	<u>Transfers From</u>	<u>Transfers To</u>
Government-wide - governmental funds		
Yukon Municipal Authority	\$ 84,882	\$ -
General Fund		
96 Sales Tax Capital Projects fund	-	4,759,721
Water & Sewer	2,435,103	71,844
Sanitation	274,752	63,507
Stormwater	75,000	6,698
General fund	3,029,995	3,029,995
Special revenue	4,329	200,722
96 Sales Tax Capital Projects fund		
General Fund	4,759,721	
Yukon Municipal Authority		2,629,655
Capital projects fund		
Yukon Municipal Authority		284,995
Special revenue		
General Fund	200,722	4,329
Yukon Municipal Authority		28,538
Water & Sewer		
General Fund	71,844	2,435,103
Yukon Municipal Authority	6,234,007	
Yukon Municipal Authority		92,527
Sanitation		
General Fund	63,507	274,752
Yukon Municipal Authority		
Water & Sewer		6,234,007
96 Sales Tax Capital Projects fund	2,629,655	
Special revenue	28,538	
Capital projects fund	284,995	
Water & Sewer	92,527	
Government-wide - governmental funds		84,882
Stormwater		
General fund	6,698	75,000
	<u>\$ 20,276,275</u>	<u>\$ 20,276,275</u>

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

3. OTHER INFORMATION

A. Employee Retirement System and Plan

City employees participate in three retirement plans, which are discussed below:

Non-Police and Non-Fire employee retirement system

City employees (excluding police and fire) participate in the Oklahoma Municipal Retirement Fund (OMRF). OMRF plan is comprised of employees of cities, towns, or municipally owned hospitals in Oklahoma. OMRF is sponsored by the Oklahoma Municipal League. At June 30, 2011, 117 employees were participating in the plan. The City's contribution to the fund for these participants was based on 22.70% of covered salaries and totaled \$1,149,349, for the year ended June 30, 2011. As of March, 2011 the date of the most recently completed actuarial valuation, the actuarial present value of credited projected benefits was \$20,560,271. Net assets available for benefits were \$13,288,899. Unfunded liabilities, which are an obligation of the state of Oklahoma, totaled \$7,271,371.

The required contribution from the City for this plan was \$1,149,349, \$1,113,490 and \$1,108,564 for June 30, 2011, 2010 and 2009, respectively. The required contribution was 107%, 97% and 92% contributed for June 30, 2011, 2010 and 2009, respectively. At June 30, 2011 the system held no related-party investments of the City or of its related entities.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)* (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2011	13,288,899	20,560,271	7,271,372	65%	5,063,700	144%
1/1/2010	12,180,557	18,639,529	6,458,972	65%	5,127,986	126%
1/1/2009	11,395,857	17,035,288	5,639,431	67%	5,243,415	108%

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

Police pension and retirement plan

The City's police officers participate in the statewide Oklahoma Police Pension and Retirement System (System). The System is funded by contributions from employers, employees and the state. The City employed 54 of the 4,368 active participants in the plan, or slightly less than 1%. The City's contribution to the system was based on 13% of covered salaries and totaled \$501,914, \$481,038 and \$425,504 for the years ending June 30, 2011, 2010 and 2009, respectively.

As of July 1, 2010, date of the most recently completed actuarial valuation, the actuarial present value of the accrued liability for all participants, including Yukon police officers, was \$1,959,900,000. Net assets available for benefits were approximately \$1,822,700,000. Unfunded liabilities, which are an obligation of the state of Oklahoma, totaled approximately \$137,200,000.

The required contribution from the City for this plan was \$501,914, \$481,038 and \$425,504 for June 30, 2011, 2010 and 2009, respectively. The required contribution was fully contributed. At June 30, 2011 the system held no related-party investments of the City or of its related entities.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

**3. OTHER INFORMATION**

**A. Employee Retirement System and Plan (Continued)**

Firemen's pension and retirement plan

The City's firefighters participate in the statewide Oklahoma State Firefighters Pension and Retirement System (System). The System is funded by the contribution from employers, employees and the state. The City employed 33 of the 4,079 active participants in the plan, or less than 1%. The City's contribution to the system was based on 13% of covered salaries and totaled \$257,445, \$260,335 and \$248,050, for the years ending June 30, 2011, 2010 and 2009, respectively.

As of July 1, 2010, the latest available actuarial valuation, the actuarial present value of credited projected benefits was \$2,760,300,000, and net assets available for benefits were \$1,757,800,000. Unfunded liabilities, which are an obligation of the State of Oklahoma, totaled \$1,002,500,000.

The required contribution from the City for this plan was \$257,445, \$260,335 and \$248,050 for June 30, 2011, 2010 and 2009, respectively. The required contribution was fully contributed. At June 30, 2011 the system held no related-party investments of the City or of its related entities.

**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, 2011, 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 2011, 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.

CITY OF YUKON  
Yukon, Oklahoma

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011

3. OTHER INFORMATION (Continued)

B. Other Post-Employment Benefits (Continued)

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. 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.

**CITY OF YUKON  
Yukon, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2011**

**3. OTHER INFORMATION (Continued)**

**C. Risk Management (Continued)**

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 two additional funds with the Plan. The Rate Stabilization Reserve (RSR), which can be applied against future premium increases and an Escrow Fund made up of 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 balances in the RSR Fund and the Escrow Fund were \$43,244 and \$26,674, respectively.

**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.

**4. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 10, 2011, which is the date the financial statements were available to be issued and has determined that no additional information needs to be added to the financial statements.

**CITY OF YUKON  
Yukon, Oklahoma**

**REQUIRED SUPPLEMENTAL INFORMATION  
June 30, 2011**

**CITY OF YUKON, OKLAHOMA  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2011  
UNAUDITED**

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
<b>REVENUES</b>						
Taxes	10,412,096	10,412,096	\$ 18,397,878	\$ (8,339,024)	10,058,854	\$ (353,242)
Charges for services	78,611	78,611	106,145		106,145	27,534
Fines and forfeitures	769,634	769,634	719,812	(3,572)	716,240	(53,394)
Licenses and permits	339,544	339,544	234,931		234,931	(104,613)
Investment income	6,712	6,712	56,128	(5,420)	50,708	43,996
Miscellaneous	393,298	393,298	455,045	964	456,009	62,711
Total revenues	11,999,895	11,999,895	19,969,939		11,622,887	(377,008)
<b>EXPENDITURES</b>						
General government						
Legislative						
Personal services	18,000	18,036	7,459		7,459	10,577
Materials and supplies	33,750	33,714	22,965		22,965	10,749
Other charges and services	1,153,690	897,896	421,476	35,248	456,724	441,172
Finance						
Personal services	300,913	320,855	333,818	(893)	332,925	(12,070)
Materials and supplies	1,400	1,400	1,139		1,139	261
Other charges and services	2,300	2,483	2,521		2,521	(38)
Engineering						
Personal services	-	-	-		-	-
Materials and supplies	-	-	-		-	-
Other charges and services	105,000	87,600	69,694	7,927	77,621	9,979
Administration						
Personal services	449,548	620,310	627,036	(1,738)	625,298	(4,988)
Materials and supplies	3,250	1,265	5,998		5,998	(4,733)
Other charges and services	9,291	5,487	4,937		4,937	550
Building Maintenance						
Personal services	312,391	308,459	318,461	(1,136)	317,325	(8,866)
Materials and supplies	19,300	18,466	21,292	(2,025)	19,267	(801)
Other charges and services	556,590	567,526	571,310	(4,296)	567,014	512
Equipment Maintenance						
Personal services	485,118	463,291	487,100	(9,380)	477,720	(14,429)
Materials and supplies	191,976	229,125	223,779	6,742	230,521	(1,396)
Other charges and services	157,654	170,209	134,568	5,269	139,837	30,372
Human Resources						
Personal services	257,134	285,654	280,962	(1,236)	279,726	5,928
Materials and supplies	4,100	2,397	2,397	-	2,397	-
Other charges and services	33,500	24,083	36,439	144	36,583	(12,500)
Insurance						
Personal services	2,256,525	2,178,570	2,032,787	(72,616)	1,960,171	218,399
Materials and supplies	-	-	-		-	-
Other charges and services	10,000	10,000	-		-	10,000
Technology						
Personal services	148,997	147,513	157,815	(9,609)	148,206	(693)
Materials and supplies	48,390	48,390	29,434		29,434	18,956
Other charges and services	454,084	454,084	510,128	1,589	511,717	(57,633)
Emergency Mgmt.						
Personal services	166,416	166,416	158,372	(445)	157,927	(10,414)
Materials and supplies	1,725	1,725	857		857	47,533
Other charges and services	11,739	11,739	434,992		434,992	19,092
Public safety						
Fire						
Personal services	2,612,964	2,612,964	2,695,725	(4,670)	2,691,055	(78,091)
Materials and supplies	52,300	52,300	52,138		52,138	162
Other charges and services	74,210	74,210	49,596	1,404	51,000	23,210
Municipal court						
Personal services	147,774	147,774	143,724	(384)	143,340	4,434
Materials and supplies	1,025	1,025	893		893	132
Other charges and services	83,315	83,315	58,822	1,232	60,054	23,261
Police						
Personal services	3,879,632	3,966,548	4,088,956	(14,321)	4,074,635	(108,087)
Materials and supplies	49,300	33,929	52,644	(297)	52,347	(18,418)

**CITY OF YUKON, OKLAHOMA  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2011  
UNAUDITED**

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
Other charges and services	105,175	93,268	93,948	13,462	107,410	(14,142)
Animal control						
Personal services	115,767	115,767	116,037	(605)	115,432	335
Materials and supplies	1,770	1,770	1,751		1,751	19
Other charges and services	21,708	21,708	17,409		17,409	4,299
Public services						
Planning						
Personal services	441,297	441,297	445,042	(1,533)	443,509	(2,212)
Materials and supplies	3,155	3,155	2,176		2,176	979
Other charges and services	14,305	14,305	12,838		12,838	1,467
Street and Alley						
Personal services	658,696	618,493	636,798	4,705	641,503	(23,010)
Materials and supplies	13,800	13,611	15,414	-	15,414	(1,803)
Other charges and services	93,477	210,209	106,355	4,813	111,168	99,041
Cultural and recreation						
Park Maintenance						
Personal services	471,790	527,726	548,557	(3,680)	544,877	(17,151)
Materials and supplies	13,680	11,192	12,289	-	12,289	(1,097)
Other charges and services	30,925	23,057	21,598		21,598	1,459
Library						
Personal services	306,668	305,480	302,989	(2,205)	300,784	4,696
Materials and supplies	4,100	4,100	3,858		3,858	242
Other charges and services	11,570	12,758	32,795		32,795	(20,037)
Recreation						
Personal services	775,498	739,949	766,455	4,396	770,851	(30,902)
Materials and supplies	20,866	18,578	19,803		19,803	(1,225)
Other charges and services	170,264	156,060	149,227	-	149,227	6,833
Swimming Pool						
Personal services	89,375	54,834	64,653	(315)	64,338	(9,504)
Materials and supplies	14,283	15,048	16,597	(1,850)	14,747	301
Other charges and services	5,570	5,570	4,295	(1,328)	2,967	2,603
Robertson Activity Center						
Personal services	117,644	133,620	140,558	(1,094)	139,464	(5,844)
Materials and supplies	23,811	21,816	20,046		20,046	1,770
Other charges and services	2,285	2,265	2,235		2,235	30
Debt service	196,077	196,077	196,076		196,076	1
Capital outlay	103,551	109,937	221,759		221,759	(111,822)
Total expenditures	<u>17,920,408</u>	<u>17,920,408</u>	<u>18,011,792</u>	<u>(48,725)</u>	<u>17,963,067</u>	<u>427,448</u>
Excess (deficiency) of revenues over expenditures	<u>(5,920,513)</u>	<u>(5,920,513)</u>	<u>1,958,147</u>	<u>48,725</u>	<u>(6,340,180)</u>	<u>50,440</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	5,866,637	5,866,637	5,819,179	(4,329)	5,814,850	51,787
Transfers out	(85,124)	(85,124)	(8,132,488)	8,132,488	-	(85,124)
Total other financing sources and uses	<u>5,781,513</u>	<u>5,781,513</u>	<u>(2,313,309)</u>	<u>8,128,159</u>	<u>5,814,850</u>	<u>(33,337)</u>
Net change in fund balances	(139,000)	(139,000)	(355,162)	8,176,884	(525,330)	83,777
Fund balances, July 1, 2010	8,931,107	8,931,107	8,931,107	(8,176,884)	8,931,107	
Fund balances, June 30, 2011	<u>\$ 8,792,107</u>	<u>\$ 8,792,107</u>	<u>\$ 8,575,945</u>	<u>\$ -</u>	<u>\$ 8,405,777</u>	<u>\$ 83,777</u>

**CITY OF YUKON  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
JUNE 30, 2011  
(UNAUDITED)**

**Budget Law**

The City prepares its annual operating budget under Titles 11 of the Oklahoma Statutes. Under the provisions of these statutes, the City uses the following process when adopting their budget:

- Prior to June 1, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1.
- Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 15 days prior to July 1.
- Subsequent to the public hearings but no later than seven days prior to July 1, the budget is adopted by resolution of the City Council.
- The adopted budget is filed with the Office of State Auditor and Inspector.

The legal level of control at which expenditures may not legally exceed appropriations is object category level by department within a fund. The Budget Act recognizes the following objects categories as the minimum legal level of control by department within a fund:

- Personal services
- Materials and supplies
- Other services and charges
- Capital outlay
- Debt service
- Interfund transfers

All transfers of appropriations between departments and supplemental appropriations require City Council approval. The Mayor may transfer appropriations between object categories within a department without City Council approval. Supplemental appropriations must also be filed with the Office of State Auditor and Inspector.

**Basis of Accounting**

The budget is prepared on the modified cash basis of accounting. Revenues and expenditures are reported when they result from cash transactions except for certain expenditures, which are recorded when a commitment to purchase goods or services is made (encumbered).

**CITY OF YUKON  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2011**

	<b>Debt Service Fund</b>	<b>Special Revenue Fund</b>	<b>Yukon Community Support Fund</b>	<b>Community Development Block Grant Fund</b>	<b>Total Non-major Governmental Funds</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 909,381	\$ 545,685	\$ 478,434	\$ (134,432)	\$ 1,799,068
Due from other funds	-	-	-	-	-
Taxes receivable	12,566	-	-	-	12,566
Grants receivable	-	-	-	228,559	228,559
<b>Total assets</b>	<b>\$ 921,947</b>	<b>\$ 545,685</b>	<b>\$ 478,434</b>	<b>\$ 94,127</b>	<b>\$ 2,040,193</b>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 4,999	\$ -	\$ 11,607	\$ 16,606
Due to other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>4,999</b>	<b>-</b>	<b>11,607</b>	<b>16,606</b>
<b>Fund balances:</b>					
Restricted for:					
Bond retirement	921,947	-	-	-	921,947
Community support	-	-	478,434	-	478,434
Community development grant	-	-	-	82,520	82,520
Unassigned, reported in:					
Special revenue funds	-	540,686	-	-	540,686
<b>Total fund balances</b>	<b>921,947</b>	<b>540,686</b>	<b>478,434</b>	<b>82,520</b>	<b>2,023,587</b>
<b>Total liabilities and fund balances</b>	<b>\$ 921,947</b>	<b>\$ 545,685</b>	<b>\$ 478,434</b>	<b>\$ 94,127</b>	<b>\$ 2,040,193</b>

**CITY OF YUKON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2011**

	Debt Service Fund	Special Revenue Fund	Yukon Community Support Fund	Community Development Block Grant Fund	Total Non-major Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 1,076,033	\$ -	\$ -	\$ -	\$ 1,076,033
Intergovernmental	-	450,558	-	-	450,558
Investment income	8,109	9	2,095	-	10,213
Grant revenue	-	-	-	14,340	14,340
Miscellaneous	-	-	248,247	-	248,247
<b>Total revenues</b>	<b>1,084,142</b>	<b>450,567</b>	<b>250,342</b>	<b>14,340</b>	<b>1,799,391</b>
<b>Expenditures:</b>					
<b>Public Safety:</b>					
Police	-	60,184	-	-	60,184
Public Services	-	205,323	-	-	205,323
Cultural and Recreation	-	109,408	232,021	-	341,429
Capital Outlay	-	234,080	-	95,019	329,099
<b>Debt Service:</b>					
Interest and other charges	1,082,228	-	-	-	1,082,228
<b>Total Expenditures</b>	<b>1,082,228</b>	<b>608,995</b>	<b>232,021</b>	<b>95,019</b>	<b>2,018,263</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,914</b>	<b>(158,428)</b>	<b>18,321</b>	<b>(80,679)</b>	<b>(218,872)</b>
<b>Other financing sources (uses):</b>					
Transfers in	-	197,723	-	-	197,723
Transfers out	-	(24,209)	-	(4,329)	(28,538)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>173,514</b>	<b>-</b>	<b>(4,329)</b>	<b>169,185</b>
<b>Net change in fund balances</b>	<b>1,914</b>	<b>15,086</b>	<b>18,321</b>	<b>(85,008)</b>	<b>(49,687)</b>
<b>Net assets - beginning of year</b>	<b>920,033</b>	<b>525,600</b>	<b>460,113</b>	<b>167,528</b>	<b>2,073,274</b>
<b>Fund balances - end of year</b>	<b>\$ 921,947</b>	<b>\$ 540,686</b>	<b>\$ 478,434</b>	<b>\$ 82,520</b>	<b>\$ 2,023,587</b>

**CITY OF YUKON**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**AGENCY FUNDS**  
**JUNE 30, 2011**

	Municipal Court Fund	Escrow Fund	Total Agency Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 95,894	\$ 319,532	\$ 415,426
<b>Total assets</b>	<b>\$ 95,894</b>	<b>\$ 319,532</b>	<b>\$ 415,426</b>
<b>Liabilities:</b>			
Escrow liability	\$ 95,894	\$ 319,532	\$ 415,426
<b>Total liabilities</b>	<b>\$ 95,894</b>	<b>\$ 319,532</b>	<b>\$ 415,426</b>

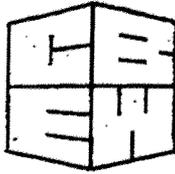
CITY OF YUKON  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Collected</u>	<u>Federal Expend- itures</u>
<b><u>U.S. Department of Justice:</u></b>				
<b><u>Passed through the Office of Justice Programs:</u></b>				
Office of Justice Grants	16.804	32,894	20,680	20,680
<b><u>Office of Library Services, Institute of Museum and Library Services, National Foundation on the Arts and the Humanities:</u></b>				
<b><u>Passed through the Oklahoma Department of Libraries:</u></b>				
State Library Program	45.310	19,700	17,730	19,700
<b><u>U.S. Department of Homeland Security:</u></b>				
<b><u>Passed through the Oklahoma Department of Emergency Management:</u></b>				
SLA grant	63.552	4,000	4,000	4,000
FEMA - Hazard Mitigation	97.042	42,000	31,500	31,500
FEMA - EMPG	97.042	10,000	5,000	7,500
<b>Sub-total U.S. Department of Homeland Security</b>		<b>56,000</b>	<b>40,500</b>	<b>43,000</b>
<b>Total of Expenditures of Federal Awards</b>		<b>\$ 108,594</b>	<b>\$ 78,910</b>	<b>\$ 83,380</b>

Note A - This schedule was prepared on an accrual (GAAP) basis of accounting consistent with the preparation of the basic financial statements.

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

**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***  
**June 30, 2011**



**CBEW**  
**Professional**  
**Group, LLP**  
Certified Public Accountants

206 N. HARRISON • P.O. BOX 790 • CUSHING, OKLAHOMA 74023 • 918-225-4216 • FAX 918-225-4315

DON K. ETHRIDGE, CPA  
WALTER H. WEBB, CPA  
JANE FRAZIER, CPA  
CHARLES E. CROOKS, CPA  
TRISHA J. RIEMAN, CPA

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

November 10, 2011

Honorable Board of City Commissioners  
City of Yukon  
Yukon, Oklahoma

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Yukon, Oklahoma, (City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 10, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting. The finding reference numbers are 11-1. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

City of Yukon  
November 10, 2011

Compliance and Other Matters

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

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the City's response and, accordingly, we express no opinion on it.

We also noted certain additional matters that we have reported to management of the City in a separate letter dated November 10, 2011.

This report is intended solely for the information and use of management, all applicable federal and state agencies, and those other Governments from which federal financial assistance was received and is not intended to be and should not be used by anyone other than these specified parties.

*CBEW Professional Group, LLP*

CBEW Professional Group, LLP  
Certified Public Accountants

# ARVEST BANK

2A

September 14, 2012

Yukon Municipal Authority  
Grayson Bottom, City Manager  
City of Yukon

**Re: Equipment Guidance Line**

Dear Mr. Bottom:

Thank you for providing Arvest Bank ("Bank") the opportunity to proposed financing option for the purchase of equipment and vehicles for the City of Yukon. We appreciate this occasion to serve you and hope that you find that our proposal meets your needs. While the note, security agreement and loan agreement might contain additional terms and conditions, I have included the necessary information to help you make your decision.

**Borrower:** Yukon Municipal Authority

**Purpose:** To purchase emergency vehicles, specialty equipment and other city vehicles for the City of Yukon

**Guarantor:** N/A

**Collateral:** First security interest on vehicle and equipment purchases. The maximum loan to cost is equal to an amount up to 90% of cost for new equipment purchases.

**Amount:** Maximum Guidance Line commitment of \$1,500,000.00

**Term:** Guidance Line = 4 years  
Guidance Line tranches = 4 years

**Amortization:** Each tranche will be amortized over a term of up to 48 months.

**Rate:** Tax exempt rate determined as follows:  
30-Day LIBOR + 340 bps x .65 + .20 = Current tax exempt rate 2.55%.

**Rate Adjustment:** During the duration of the Guidance Line, each tranche will be priced by using the current 30-Day LIBOR rate in effect at the time of issuing the tranche, utilizing the above rate formula.

**Payments:** Monthly principal & interest payments adequate to fully amortize each tranche.

**Fees:** \$250.00 documentation fee per tranche. Additionally, Borrower will reimburse Bank for all out-of-pocket expenses including but not limited to filing fees, closing costs, attorney fees (if applicable) and any other third-party expenses associated with closing the subject loan.

**Penalties:** N/A

arvest.com

**Yukon Municipal Authority (continued)**

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**LOAN AGREEMENT TERMS, COVENANTS & CONDITIONS:**

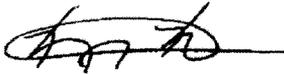
1. Annual audited financial statements for City of Yukon due within 120 days of year-end;
2. Receipt of the City of Yukon's Attorney's Opinion Letter referencing that the Guidance Line financing arrangement is Bank Qualified and Tax Exempt;
3. Receipt of the minutes reflecting the name change from Yukon Utilities Authority to the Yukon Municipal Authority;
4. Verification of the appropriation of the loan payments in the City of Yukon's annual budget for the subsequent years;
5. Tranches are limited to 90% of the purchase price of the equipment;
6. At no time can the aggregate amount of the principal balances of all the outstanding tranches exceed the Guidance Line commitment amount of \$1,500,000.00;
7. Purchase order/receipt of invoices required for each piece of equipment or vehicle purchased.

This proposal letter supersedes all prior written or oral understandings or agreements between Borrower and Bank with respect to the matters addressed in the Loan Documents. The terms of this proposal letter are valid providing that, in the Bank's opinion, there are no adverse material changes to the financial condition of the City of Yukon and/or the Yukon Municipal Authority prior to closing.

The terms of the subject proposal will expire if they are not accepted on or before September 30, 2012.

Thank you again for providing Arvest Bank an opportunity to serve you. If you have any questions or wish to discuss these terms in greater detail, please call me at 419.3880.

Sincerely,



Keith T. Kersten  
Sr. Vice President / Division Manager

**On behalf of the Yukon Municipal Authority, I accept the above mentioned terms and conditions.**

\_\_\_\_\_  
Grayson Bottom, City Manager  
City of Yukon

/ \_\_\_\_\_  
Date

## RESOLUTION NO. YMA-2012-05

A RESOLUTION AUTHORIZING THE ISSUANCE OF THE YUKON MUNICIPAL AUTHORITY 2012 REVENUE NOTE (THE "REVENUE NOTE"), IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,000,000; WAIVING COMPETITIVE BIDDING AND AUTHORIZING SAID REVENUE NOTE TO BE SOLD AT A PRICE LESS THAN PAR VALUE BY NEGOTIATED SALE WITHIN THE LIMITS PROVIDED BY TITLE 60, OKLAHOMA STATUTES, SECTION 176; AUTHORIZING AND APPROVING DOCUMENTS, PROCEDURES AND PAYMENTS RELATED TO ISSUANCE OF THE REVENUE NOTE; DESIGNATING THE REVENUE NOTE AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" AS CONTAINED IN THE INTERNAL REVENUE CODE OF 1986; PROVIDING THAT THE TRUST INDENTURE SHALL BE SUBJECT TO PROVISIONS OF THE REVENUE NOTE; RATIFYING A LEASE AGREEMENT AND OPERATION AND MAINTENANCE CONTRACT BETWEEN THE CITY OF YUKON AND THE YUKON MUNICIPAL AUTHORITY AND AGREEING THAT THE TERM OF THE LEASE SHALL EXTEND SO LONG AS THE REVENUE NOTE REMAINS OUTSTANDING AND UNPAID.

BE IT RESOLVED BY THE TRUSTEES OF THE YUKON MUNICIPAL AUTHORITY:

Section 1. Authorization of Issuance of Revenue Note. The Yukon Municipal Authority (the "Authority"), a public trust organized and existing under the laws of the State of Oklahoma, the beneficiary of which is the City of Yukon, Oklahoma (the "City"), hereby authorizes the issuance of its obligation designated:

Yukon Municipal Authority 2012 Revenue Note in an aggregate principal amount not to exceed \$2,000,000 (the "Revenue Note"),

for the purposes of providing capital improvements and equipment for the use and benefit of the City and the payment of associated indebtedness, the payment of financing costs and for expenses of issuing the Revenue Note.

Section 2. Waiver of Competitive Bidding on Sale of the Revenue Note. Competitive bidding on the sale of the Revenue Note is hereby waived and the same is authorized to be sold at a price less than par value by negotiated sale, pursuant to the terms of the Revenue Note, all within the limits provided by Title 60, Oklahoma Statutes 2011, Section 176, as amended.

Section 3. Approval of Documents. The following documents are hereby authorized and approved and the Chairman or Vice Chairman of the Authority is hereby authorized and directed to execute and deliver the same on behalf of the Authority, and such documents shall be conclusively deemed approved by the Authority upon such execution and delivery, to-wit:

- (A) Revenue Note, issued by the Authority, in favor of YNB, a bank chartered under the laws of the State of Oklahoma, or its successors (the "Bank"), in a principal amount not to exceed \$2,000,000, together with interest thereon at a fixed rate per annum not to exceed the maximum rate prescribed by Title 60, Oklahoma Statutes 2011, Section 176, as amended, all according to the terms and conditions expressed therein, and a real estate mortgage(s) covering such property as designated by the Chairman or Vice Chairman in favor of the Bank securing the Revenue Note.
- (B) Security Agreement between the Authority and the Bank (herein the "Security Agreement"), providing security for the obligation of the Authority under the Revenue Note, all according to the terms and conditions expressed in said Security Agreement; and such other security instruments as necessary to secure the revenue Note, including but not limited to the granting and extension of real estate mortgages.
- (C) Sales Tax Agreement with the City (the "Sales Tax Agreement") whereby the City pledges funds of the City to the Authority for repayment of the Revenue Note, provided such Sales Tax Agreement shall comply in all respects with applicable Oklahoma law, including Oklahoma law which provides that the City may not become obligated beyond its fiscal year (July 1 through June 30), and providing that all payments of funds of the City to the Authority for payment of the Revenue Note shall be subject to annual appropriation by the City.
- (D) Financing Statement wherein the Authority is the debtor and the Bank is the secured party, all according to the terms and conditions expressed in said Financing Statement.
- (E) Preliminary Offering Document and Final Offering Document describing the terms, conditions and security for payment of the Revenue Note. The Authority certifies that the information contained in the Preliminary Offering Document and the Final Offering Document will at the time of finalization and delivery of same be correct in all material respects, and will not omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading; and, in furtherance thereof, the Chairman (or the Vice Chairman in the absence of the Chairman) is authorized to certify the foregoing and to "deem final" the Preliminary Offering Document and Final Offering Document for purposes of Rule 15c2-12 as promulgated by the Securities and Exchange Commission of the United States of America. Bond Counsel is authorized to execute and file the Preliminary Offering Document and the Final Offering Document.
- (F) The Closing Order, which shall direct disbursement of proceeds received from the sale of the Revenue Note and which shall further authorize and direct the payment of the cost of issuance of the Revenue Note.
- (G) Any and all other documents and certifications as necessary to consummate issuance of the Revenue Note, including as necessary a Continuing Disclosure Agreement, and contracts for professional and other services incident to issuance of the Revenue Note.

Section 4. Reasonable Expectations with Respect to Issuance of Tax-Exempt Obligations and Designation of Revenue Note as Qualified Tax-Exempt Obligations. The Authority reasonably anticipates that the aggregate amount of “qualified tax-exempt obligations” (as defined in section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”)), which will be issued by the Authority, the City of Yukon (the “City”) and all subordinate entities thereof during calendar year 2012 will not exceed \$10,000,000, and hereby covenants and agrees, as a material inducement and consideration to the purchasers of its Revenue Note, that neither the Authority, the City or any subordinate entity thereof will, during calendar year 2012, issue “qualified tax-exempt obligations” (as defined in Section 265(b)(3)(B) of the Code), in an aggregate amount exceeding \$10,000,000. Further, it is the purpose and intent of this Resolution that the Revenue Note shall constitute and is hereby designated as “qualified tax-exempt obligations” as defined in Section 265(b)(3)(B) of the Code, in order that the purchasers of the Revenue Note may avail themselves of the exception contained in said Section 265(b)(3)(B) of the Code with respect to interest incurred to carry tax-exempt bonds. The Authority hereby covenants and agrees that it will not designate as “qualified tax-exempt obligations” more than \$10,000,000 in aggregate amount of obligations issued by the Authority, the City or any subordinate entity thereof during calendar year 2012. Notwithstanding other provisions of this section, the Authority and other related entities may issue obligations, provided that the issuance of such obligations do not disqualify the Revenue Note as “qualified tax-exempt obligations” as defined by Section 265(b)(3)(B) of the Code. The Authority hereby covenants and agrees with the purchasers of the Revenue Note to take such further actions and execute such documents and instruments as may be necessary or proper to carry out the intent of this Resolution, and/or as may be in furtherance of the issuance of the Revenue Note, and the Chairman (or Vice Chairman in the absence of the Chairman) is hereby authorized, empowered and directed to take such actions and execute such documents as may be deemed necessary or proper from time to time.

Section 5. Trust Indenture Subject to Revenue Note. The Trust Indenture dated as of June 20, 1972, as amended, creating the Authority is subject to the provisions of the Revenue Note.

Section 6. Ratification of Lease. The Authority hereby ratifies and confirms the Lease Agreement and Operation and Maintenance Contract by and between the City of Yukon, Oklahoma, and the Authority dated the 3rd day of October 1972, as amended, (the “Lease”) pertaining to the lease by the City to the Authority of its existing and after acquired water and sanitary sewer systems in order to enable the Authority to secure any obligations issued by the Authority by a pledge of its leasehold interest in such system, together with a pledge of revenues and proceeds derived from the operation thereof; and, it is agreed that the term of the Lease shall extend so long as the Revenue Note remains outstanding and unpaid.

Section 7. Finalization, Execution and Delivery of Documents Necessary for Issuance of the Revenue Note. The Chairman (or the Vice Chairman in the absence of the Chairman), is authorized and directed (i) to execute and deliver the Revenue Note to the Bank upon receipt of the purchase price therefor and to determine the final rate of interest applicable to the Revenue Note; (ii) to direct disbursement of the proceeds received from the Revenue Note, to include but not be limited to the payment of costs and expenses of issuance of the Revenue Note as set out in the Closing Order; and (iii) to finalize, modify, create, execute, record and file and deliver on behalf of the Authority all bond, securities, tax, security and related documents and certifications necessary to consummate issuance of the Revenue Note, and further to modify dates with respect to the Revenue Note and other instruments and to modify the name of the Revenue Note; and, the Secretary (or the Assistant Secretary in the absence of the Secretary) is authorized and directed to

provide all attestations and certifications necessary to consummate issuance of the Revenue Note; and, upon execution and delivery of all documents provided for or contemplated by this Resolution, the same shall be conclusively deemed authorized and approved by the Authority.

PASSED AND APPROVED the 16<sup>th</sup> day of October 2012.

TRUSTEES OF THE YUKON  
MUNICIPAL AUTHORITY

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
(SEAL) Secretary

STATE OF OKLAHOMA            )  
  ) SS:  
COUNTY OF CANADIAN        )

I, the undersigned, the duly qualified and acting Secretary of the Yukon Municipal Authority, hereby certify that the above and foregoing is a true, correct and complete copy of the Resolution duly adopted by the Trustees of said Authority and of the proceedings of the Authority in the adoption of said Resolution on the date therein set out as shown by the records of my office.

I further certify that in conformity with Title 25, Oklahoma Statutes 2011, Section 301-314, inclusive, as amended (the Oklahoma Open Meeting Act), and in conformity with Title 60 Oklahoma Statutes 2011, Section 176, et seq. (the Oklahoma Public Trust Act), notice of this meeting was given in conformity with the requirements of law.

WITNESS my hand and the seal of said Authority this 16th day of October 2012.

(SEAL)

\_\_\_\_\_  
Secretary

## Yukon City Council Minutes October 2, 2012

The Yukon City Council met in regular session October 2, 2012 at 7:00 p.m. in the Council Chambers of the Centennial Building, 12 South Fifth Street, Yukon, Oklahoma.

The invocation was given by Pastor Bob Younts of First United Methodist Church. The flag salute was given in unison.

ROLL CALL: (Present)    John Alberts, Chairman  
                                 Michael McEachern, Trustee  
                                 Nick Grba, Trustee  
                                 Rick Opitz, Trustee

(Absent)            Ken Smith, Vice-Chairman

### OTHERS PRESENT:

Mike Segler, City Attorney	Doug Shivers, City Clerk
Tammy Kretchmar DeSpain, Asst. City Mgr	Kevin Jones, Fire Chief
John Corn, Chief of Police	Robbie Williams, City Engineer
Arnold Adams, Public Works Director	Jan Scott, Park and Recreation Director
Josh Gotcher, Information Technology	Jerome Brown, Information Technology
Bill Stover, Sanitation	Mitch Hort, Community Development Director
Jeff Deckard, Parks Superintendent	

### Presentations and Proclamations

Mayor Alberts read a Proclamation acknowledging "Fire Prevention Week" and presented it to Fire Chief Kevin Jones and fellow firemen, C. McDoulett, J. Graham, and T. Loveless. Kevin Jones asked that we focus on fire prevention and have an escape plan.

Mayor Alberts presented a new award to recognize people who do things in our community. This person makes Yukon a better place for you and me. The new award is called, Yukon's Best Citizenship Award. The first person to receive this award is Mr. Bob Wheeler. He has taken the time to water trees, clean the pond, care for the geese and many other things to make Yukon a better place. He is a leader and a fine example of a great neighbor and citizen of Yukon. Mr. Wheeler said when you do something good others will too.

### Visitors

There were no visitors.

(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 September 18, 2012**

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

**The vote:**

**AYES: Opitz, McEachern, Grba, Alberts**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**2A. Consider approving an expenditure of funds in the amount of \$42,957.00, for a Vaughn Chopper pump, from the Capital Improvement Fund, as recommended by the Public Works Director.**

The motion to approve an expenditure of funds in the amount of \$42,957.00, for a Vaughn Chopper pump, from the Capital Improvement Fund, as recommended by the Public Works Director, was made by Trustee McEachern and seconded by Trustee Opitz.

Trustee Opitz wanted to know if the old pump could be rebuilt for the next time it was to go down. Arnold Adams, Public Works Director, stated the new pump is a different style of pump. The current pump has been rebuilt three times in the past two years and to replace it would cost \$86,000. Trustee Opitz wanted to know if the new chopper pump could be rebuilt. Mr. Adams stated, yes.

Mr. Bottom asked Mr. Adams to explain the reason behind going to a chopper pump. Mr. Adams said that carpet and lumber is making its way into the sewer system. As of right now, employees have to go down 15 feet in a hole, remove a plate and stick their hand in the pipe to remove the trash. By going to the chopper pump, it will actually chop these items up and allow the sewer system to keep flowing.

Trustee Grba questioned the life cycle of the chopper pump. Mr. Adams stated 20 years.

Mayor Alberts wanted to know what the pump looked like. The old pump is water sealed and the new pump is oil-sealed. Mayor Alberts wanted to know, if the new pump would shut its self off. Mr. Adams said it will shut itself down, so it won't burn up. The old pump did not have that feature.

Trustee McEachern questioned the warranty of the chopper pump. Mr. Adams stated it has one year of full replacement and pro-rated after that. Trustee McEachern wanted to know about an extended warranty. Mr. Bottom said it is cheaper to repair because of pro-rated warranty versus buying the extended warranty.

**The vote:**

**AYES: Grba, Opitz, Alberts, McEachern**

**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 September 18, 2012**

**B) Payment of material claims in the amount of \$551,840.50**

- C) **Designating the items on the attached list from the Technology Department as surplus, and authorizing their sale, donation, or trade**
- D) **Setting the date for the next regular Council meeting for October 16, 2012, 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 September 18, 2012; Payment of material claims in the amount of \$551,840.50; Designating the items on the attached list from the Technology Department as surplus, and authorizing their sale, donation, or trade; Setting the date for the next regular Council meeting for October 16, 2012, 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 Grba.

**The vote:**

**AYES: Alberts, Grba, McEachern, Opitz**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**2. Reports of Boards, Commissions and City Officials - Planning Commission, Larry Taylor**

Mr. Taylor named the members of the Planning Commission. He also referred to Mr. McEachern as a previous member with Mr. Davis being appointed to his position, once he became a Council Member. Mr. Taylor reviewed the duties of the Planning Commission, agendas from last year and his history on the Board of Adjustments and Planning Commission.

Council Member Opitz commended Mr. Taylor for the job he does and for serving this city.

Council Member McEachern repeated Mr. Opitz feelings. He served with Larry and things are no longer pushed through.

Mr. Taylor stated his job is to do the background work, so the Council Members could make an informed decision.

Mayor Alberts thanked Mr. Taylor for his support and information.

**3. Consider approving an expenditure of funds in the amount of \$25,379.66, for the purchase of two Bobcat Utility Vehicles, from the Capital Improvement Fund, to be reimbursed from the Master Lease Purchase, as recommended by the Parks and Recreation Director.**

The motion to approve an expenditure of funds in the amount of \$25,379.66, for the purchase of two Bobcat Utility Vehicles, from the Capital Improvement Fund, to be reimbursed from the Master Lease Purchase, as recommended by the Parks and Recreation Director, was made by Council Member Opitz and seconded by Council Member McEachern.

Council Member Opitz wanted to know, if the vehicles could be legally driven on the road or do they have to be hauled? Mr. Bottom stated they are road worthy, but have turf tires. Mr. Opitz wanted to know, if there was a warranty? Mr. Bottom stated, yes.

Mayor Alberts would like the reimbursement explained. Mr. Bottom stated the Master Lease Purchase was to even out the cash flow. We know every month the amount that will be spent.

Council Member McEachern would like more explanation. Council Member Grba said we are actually paying ourselves back from the Master Lease Purchase into the Capital Improvement Fund.

The vote:

**AYES: McEachern, Alberts, Opitz, Grba**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

4. **Consider approving an expenditure of funds, not to exceed \$42,500, for remodel work at Station #2, from the Capital Improvement Fund, as recommended by the Fire Chief.**

The motion to approve an expenditure of funds, not to exceed \$42,500, for remodel work at Station #2, from the Capital Improvement Fund, as recommended by the Fire Chief, was made by Council Member McEachern and seconded by Council Member Grba.

The vote:

**AYES: McEachern, Grba, Alberts, Opitz**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

5. **Consider approving an expenditure of funds in the amount of \$63,800, for restriping of the following streets, (1) Vandament - Holly to London, (2) N.W. 10<sup>th</sup> - Shedeck to Vickery, (3) Cornwell - E. Mesa Verde to I-40 Bridge Deck, (4) Cornwell -Bass to Janice, (5) Garth Brooks - Main St. north to Railroad Tracks, from the Capital Improvement Fund, as recommended by the Public Works Director.**

The motion to approve an expenditure of funds in the amount of \$63,800, for restriping of the following streets, (1) Vandament - Holly to London, (2) N.W. 10<sup>th</sup> -Shedeck to Vickery, (3) Cornwell - E. Mesa Verde to I-40 Bridge Deck, (4) Cornwell -Bass to Janice, (5) Garth Brooks - Main St. north to Railroad Tracks, from the Capital Improvement Fund, as recommended by the Public Works Director, was made by Council Member Grba and seconded by Council Member Opitz.

The vote:

**AYES: Grba, Opitz, Alberts, McEachern**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

6. **Consider approving an expenditure of funds not to exceed \$60,000, for an emergency repair to the bridge located 1/8 mile North of Wagner Rd. on Yukon Parkway, from the Capital Improvement Fund.**

The motion to approve an expenditure of funds not to exceed \$60,000, for an emergency repair to the bridge located 1/8 mile North of Wagner Rd. on Yukon Parkway, from the Capital Improvement Fund, amended to include declaration of emergency, was made by Council Member McEachern and seconded by Council Member Opitz.

Mr. Bottom stated the bridge is failing.

Council Member Opitz noted the road is a Dead End road. Mr. Opitz would like to see, if a large tinhorn can be used. Wagner is well traveled and tinhorns are in place. This segment of road dead ends to 12-15 homes and is less traveled than Wagner road. The cost, by using tinhorns could be cut in half. Mr. Bottom said to make it a not to exceed number, if worried about cost. Mr. Opitz does agree the bridge needs fixed right away, but should look at a different way to fix it.

Council Member Grba agrees it needs repaired, but would like the city to explore other ways to fix it.

Mr. Bottom stated part of the cost is making a temporary road. It is the only way in and out of this area. Arnold Adams stated the cost of the temporary road is \$13,000.

City Engineer Robbie Williams said the 6X3 reinforced concrete box will last 50-100 years, whereas the tinhorn will only last 10-20 years.

Mr. Adams also stated the new bridge will be wide enough for two vehicles. Council Member Grba wanted to know what it would be made of and if there would be any guard rails? Mr. Adams said it would be concrete with curbs on each side. Mr. Opitz was concerned that Wagner Road, being more heavily traveled, with tinhorns in place, would not last as long.

Council Member McEachern stated all the area is in a flood plain. The bridge has to be something substantial and it has to be fixed right. Wagner road will be a discussion later on, it already has issues.

Mike Segler suggested amending the motion and including a declaration of emergency. He stated that the emergency allows the City Manager to spend the funds not to exceed \$60,000, and allows for the bid to be unit-priced with Brewer Construction Company. Council Member McEachern agreed to amend his motion as such.

Doug Shivers read Item with amendment to include a declaration of emergency, and Council Members voted as follows. Mr. Segler clarified that no separate vote for an emergency clause was needed. The item as now stated gives the City Manager leeway to use the best remedy to repair the bridge.

Mr. Opitz made a motion to approve the amendment, seconded by Mr. Grba.

**A vote was taken for the amendment.**

**The vote:**

**AYES: Alberts, Opitz, McEachern, Grba**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**A vote was taken for the motion.**

**The vote:**

**AYES: Opitz, McEachern, Grba, Alberts**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**7. Consider approving Ordinance No. 1278, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 98-11 by providing for future increases in fees for residential removal and disposition of solid waste; and declaring an emergency.**

The motion to approve Ordinance No. 1278, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 98-11 by providing for future increases in fees for residential removal and disposition of solid waste; and declaring an emergency, was made by Council Member Opitz and seconded by Council Member Grba.

Council Member McEachern questioned the future increase in fees. Mr. Segler stated the first increase will be in two weeks, at the first billing period after October 1, 2012, and the ordinance allows for built in increases in the future.

Mayor Alberts would like to know why it is important to separate trash, water and sewer and increase the rates. Mr. Bottom stated the sanitation rates were going up, so the City sent out bids for sanitation operations. Upon reviewing the bids, it was realized the City running the sanitation, would be cheaper. However, to recapitalize itself and operate as an enterprise fund, the rate increase is needed.

The water and sewer rate could be less for some residents. It depends on the amount of water used as to whether or not you will see a rate increase. Sewer rates must equal 60% of the water rates. Our sewer rates are at 30%, as of today. Over the years, we have had to raise the water rates to cover the sewer rates. So, in order to increase the sewer rates, we will need to unbuckle it from the water rate. By doing this, we do not have to raise the water rates artificially high to cover the sewer. Secondly, sewer can stand on its own for recapitalization. Ultimately sewer rates should be able to cover any improvements needed for sewer plant projects.

Council Member McEachern stated we are dead center in rates among our surrounding community. Mr. Bottom stated we are sensitive to rates in the surrounding community and we will stay \$1 below. We do not want to be considered the highest rate of utilities in the surrounding community.

Mayor Alberts requested the comparable rate information be shared with the media. Mr. Bottom stated he has already shared this information with the Yukon Review.

Council Member McEachern believes it is important for the city to understand the rates. The community needs to know we are good caretakers of their money.

**The vote:**

**AYES: Opitz, Grba, McEachern, Alberts**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**7A. Consider approving the Emergency Clause of Ordinance No. 1278.**

The motion to approve the Emergency Clause of Ordinance No. 1278, was made by Council Member Grba and seconded by Council Member McEachern.

**The vote:**

**AYES: McEachern, Grba, Alberts, Opitz**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**8. Consider approving Ordinance No. 1279, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 114-35 by providing future increase in fees for use and maintenance of the Sanitary Sewer System; and declaring an emergency.**

The motion to approve Ordinance No. 1279, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 114-35 by providing future increase in fees for use and maintenance of the Sanitary Sewer System; and declaring an emergency, was made by Council Member McEachern and seconded by Council Member Opitz.

**The vote:**

**AYES: Opitz, Alberts, McEachern, Grba**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

**8A. Consider approving the Emergency Clause of Ordinance No. 1279.**

The motion to approve the Emergency Clause of Ordinance No. 1279, was made by Council Member Grba and seconded by Council Member Opitz.

The vote:  
AYES: Alberts, McEachern, Opitz, Grba  
NAYS: None  
VOTE: 4-0  
MOTION CARRIED

9. Consider approving Ordinance No. 1280, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 114-34 by providing for future increases in fees for water service; and declaring an emergency.

The motion to approve Ordinance No. 1280, an Ordinance which provides amendment to the Code of Ordinances of the City of Yukon, Oklahoma by amending Section 114-34 by providing for future increases in fees for water service; and declaring an emergency, was made by Council Member Grba and seconded by Council Member McEachern.

The vote:  
AYES: Grba, Alberts, McEachern, Opitz  
NAYS: None  
VOTE: 4-0  
MOTION CARRIED

- 9A. Consider approving the Emergency Clause of Ordinance No. 1280.

The motion to approve Consider approving the Emergency Clause of Ordinance No. 1280, was made by Council Member Opitz and seconded by Council Member Grba.

The vote:  
AYES: Alberts, Opitz, Grba, McEachern  
NAYS: None  
VOTE: 4-0  
MOTION CARRIED

10. City Manager's Report – Information items only

A. Events Report

Mr. Bottom stated that Saturday is Czech Festival. We have been getting ready all week long. The weather forecast says it will cold, so dress accordingly.

Annually we give away 250 trees. These trees are made possible by Apache Oil and The Tree Bank Foundation. You can receive two free trees per a person located at the City Park football fields on October 12 from 5:30pm to 7:00pm.

Sounds of the Season is on Thursday, December 13. There will be more information at a later time.

Christmas in the Park is ahead of schedule. It is a big event and we host about 68,000 cars and 250,000 people.

The City has been awarded a non-cash grant for our Community Development and Parks and Recreation Department. This grant will be to design walking and biking paths throughout the City of Yukon and will hopefully connect to Lake Overholser. The grant was from the United States Department of Interior National Park Services.

Mr. Bottom presented a Yukon Moment. In May 1906 a town election was held. An injunction was filed to prevent the seating of the Ward 3 candidate. The judge ordered the council to recount the ballots at a later time and ordered the box to be secured in the jail. When the time to recount the ballots came, the lock from the box was found in the jail cell with a note saying "ballot box stolen". Due to this, the judge had the referees give sworn statements of the previous count and the Ward 3 Trustee was named.

11. **New Business** None at this time.

12. **Council Discussion**

Council Member Opitz loves the Yukon Moment. Yukon is a great city, please share any thoughts or concerns with us. Please come to the Czech fest, it will be a great day.

Council Member McEachern encouraged the citizens to come to the Czech fest. He thought it was special to recognize Bob Wheeler tonight. Also, Larry Taylor has served a lot of different areas in the City of Yukon. We are very grateful to have the street sweeper. Yukon is a great place to live.

Council Member Grba wants everyone to come to the Czech fest. Also wanted to piggyback on the others remarks, Yukon is a great place.

Mayor Alberts thanked Mr. Andrews class for staying through the whole meeting. He enjoys the discussions the council has and the progress they are making.

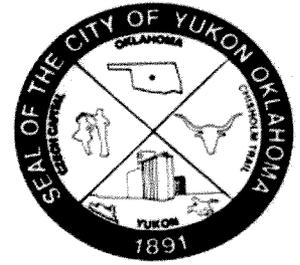
13. **Adjournment**

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John Alberts, Mayor

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Doug Shivers, City Clerk



### RECAP OF CLAIMS

FUND #			
01	General Fund Claims	\$	152,527.95
36	Sales Tax Claims		316,332.26
64	Special Revenue Fund		13,792.05
70	Water & Sewer Enterprise		191,613.05
71	Sanitation Enterprise		17,592.66
73	Storm Water Enterprise		1,935.10
74	Grant Fund		50,146.20
			<u>50,146.20</u>
		\$	<u>743,939.27</u>

The above foregoing claims have been passed and approved  
this 16th day of October, 2012 by the Yukon City Council.

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Doug Shivers, City Clerk

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John Alberts, Mayor

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Legislative				
13-49009	01-00101	City of Yukon (BankOne)ADM	Food Supplies	9/2012	Logans 216443	160.83
			Food Supplies	10/2012	Homeland 10-02-12	21.47
			Food Supplies	10/2012	Carinos 9474	115.89
13-50260	01-00101	City of Yukon (BankOne)ADM	Memorial Flowers	9/2012	YukonFlower 104191	49.00
13-50301	01-00101	City of Yukon (BankOne)ADM	Tea for Luncheon	7/2012	7-11 04-24-12	11.40
13-50302	01-00101	City of Yukon (BankOne)ADM	Luncheon Sandwiches	7/2012	CityBites 04-24-12	59.45
13-50304	01-00101	City of Yukon (BankOne)ADM	Soft drinks-Centennial B1	8/2012	Homeland 8-7-12	25.19
13-50141	01-02237	BMI Systems Corporation	LF named user LSAP	9/2012	ARIN067995BMI	420.00
			LF named user	9/2012	ARIN067995BMI	5,000.00
13-50346	01-06815	Compassionate Hands, Inc.	bal due Jul-Oct 2012	10/2012	Jul-Oct 2012	1,666.64
13-50317	01-31445	Margaret McMorrow-Love	Prof. Services Aug12	10/2012	FOP 10-02-12	485.50
13-50312	01-44300	RS Meacham CPAs & Advisors	AUP Procedures	9/2012	4251	15,000.00
13-50366	01-46940	Sam's Club Direct-G.E.Capit	annual administration fee	7/2012	CF1207	50.00
			annual membrshp fees	7/2012	999999 07/26/12	260.00
13-50367	01-46940	Sam's Club Direct-G.E.Capit	food/event supplies	9/2012	09/20/12	791.77
13-50313	01-57405	Yukon Two L.P.	EconomicDev Agreement	10/2012	Oct '12	40,000.00
13-50013	01-60355	Xerox Corporation	Paper Color Copier	9/2012	121032947	325.26
13-50347	01-62200	Yukon Chamber of Commerce	Jul '12 Contract Services	7/2012	14548.	1,500.00
			CR-Jul'12 payment	7/2012	14548 CR	2,500.00-
			Aug '12 Contract Services	8/2012	14606.	1,500.00
			CR-Aug'12 payment	8/2012	14606 CR	2,500.00-
			Sep '12 Contract Services	9/2012	14732.	1,500.00
			CR-Sep'12 payment	9/2012	14732 CR	2,500.00-
			reimb a/c repl,vent clean	9/2012	Sep '12 reimb	1,513.25
13-50321	01-62900	Yukon Review Inc.	Oct '12 Contract Services	10/2012	14885	1,500.00
			Czech Fest Display	9/2012	YR56374	1,512.00
DEPARTMENT TOTAL:						65,967.65
DEPARTMENT: 02		Finance				
13-50305	01-1	OSU Center for Executive	OMCTFOA conf reg-CD	10/2012	O 1-3150 Dunn	199.00
			OMCTFOA conf reg-PM	10/2012	O 1-3150 Merry	199.00
13-50309	01-47660	Shred-It Oklahoma City	Doc.destruction-SEL2	9/2012	9400887673	3.16
DEPARTMENT TOTAL:						401.16

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 03						
13-50064	01-00110	Park Maintenance City of Yukon (BankOne)REC	K. GAINER clothing	9/2012	walmart 04630A	91.15
			J. MADDOX-clothing	9/2012	walmart 01422	100.00
			S.NOKES-clothing	9/2012	walmart 01423	100.00
			G. O'BERG-clothing	9/2012	walmart 04629	100.00
			J.PUCKETT-clothing	9/2012	walmart 06430	98.28
			D.ROBINSON-clothing	9/2012	walmart 06429	99.77
			B.WHITE-clothing	9/2012	Langstons 75340	100.00
			J. DECKARD-CLOTHING	9/2012	Langstons 75746	134.91
13-50092	01-00110	City of Yukon (BankOne)REC	roof vent	9/2012	Locke 18761864-00	148.63
13-50119	01-38650	Overhead Door	fix Park main garage door	9/2012	0232494-IN	300.00
13-50271	01-39410	Peak Landscaping	contract labor for CIP	10/2012	2090	5,120.00
			contract labor for CIP	10/2012	2097	5,120.00
DEPARTMENT TOTAL:						11,512.74
DEPARTMENT: 04						
13-50305	01-1	City Clerk OSU Center for Executive	OMCTFOA conf reg-DS	10/2012	0 1-3150 Shivers	199.00
			OMCTFOA conf reg-SH	10/2012	0 1-3150 Hancock	199.00
13-50309	01-47660	Shred-It Oklahoma City	Doc.destruction-Se12	9/2012	9400887673	3.16
13-50339	01-50700	Triad Design Group	A & E through Sept '12	10/2012	8282	3,856.83
13-50365	01-50700	Triad Design Group	'12 CDBG Application	9/2012	8258	1,168.83
DEPARTMENT TOTAL:						5,426.82
DEPARTMENT: 05						
Fire Department						
13-49317	01-00105	City of Yukon (BankOne)FD	Samples - nomex pants	8/2012	Casco 117904	101.00
13-49412	01-00105	City of Yukon (BankOne)FD	Nuckols Retirement	7/2012	YukonTrophy 712336	45.58
			Nuckols Retirement	7/2012	Homeland 7-30-12	54.99
			Nuckols Retirement	7/2012	walmart 04753	63.57
			Nuckols Retirement	7/2012	walmart 02320A	89.89
			Nuckols Retirement	7/2012	walmart 06512	83.24
13-49651	01-00105	City of Yukon (BankOne)FD	Biswell-clothing allowanc	9/2012	S&STextiles 33431	467.25
13-49652	01-00105	City of Yukon (BankOne)FD	Samples-shorts	9/2012	S&STextiles 33434	147.95
13-49657	01-00105	City of Yukon (BankOne)FD	Goodrich-polo	9/2012	S&STextiles 33436	37.95
13-49659	01-00105	City of Yukon (BankOne)FD	Graham-class A	8/2012	Casco 118248	64.00
13-49660	01-00105	City of Yukon (BankOne)FD	Graham-polo,shorts	9/2012	S&STextiles 33404	268.15
13-49681	01-00105	City of Yukon (BankOne)FD	Trumbly-polo,tshirts,shor	9/2012	S&STextiles 33433	195.95
13-49682	01-00105	City of Yukon (BankOne)FD	King-polo,class A's	9/2012	S&STextiles 33403	151.80
13-50022	01-00105	City of Yukon (BankOne)FD	Flight&Rental Car	9/2012	Expedia 09-16-12	1,660.84
13-50035	01-00105	City of Yukon (BankOne)FD	Long-jog shirt,tshirts	9/2012	S&STextiles 33432	313.00
13-50081	01-00105	City of Yukon (BankOne)FD	Long-lion pants	9/2012	Casco 119475	188.00
13-50082	01-00105	City of Yukon (BankOne)FD	walls-polo,Tshirts	9/2012	S&STextiles 33435	146.00
13-50083	01-00105	City of Yukon (BankOne)FD	Class A foam	7/2012	Casco 115799	680.00
			Class A shirts-New Hires	8/2012	Casco 117626	139.00
			Class A shirts-New Hires	8/2012	Casco 117627	139.00
			Class A shirts-New Hires	8/2012	Casco 118051	139.00
			Class A shirts-New Hires	8/2012	Casco 117905	139.00
			Class A shirts-New Hires	8/2012	Casco 118124	136.00

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 05						
13-50084	01-00105	City of Yukon (BankOne)FD	Jump-pants	7/2012	Casco 115802	246.00
			Jump-FF boots	7/2012	Casco 115802	329.00
13-50085	01-00105	City of Yukon (BankOne)FD	Loveless-FF pants	7/2012	Casco 115801	282.00
			Loveless-FF boots	7/2012	Casco 115801	329.00
13-50086	01-00105	City of Yukon (BankOne)FD	Southard-FF pants	7/2012	Casco 115800	246.00
			Southard-FF boots	7/2012	Casco 115800	315.00
13-50087	01-00105	City of Yukon (BankOne)FD	FF Boots-Anderson	7/2012	Casco 116394	329.00
13-50103	01-00105	City of Yukon (BankOne)FD	Training Foam	9/2012	Casco 119357	946.00
13-50131	01-00105	City of Yukon (BankOne)FD	Gallegos-flashlight	9/2012	Casco 119474	120.00
13-50134	01-00105	City of Yukon (BankOne)FD	EMT Patches	9/2012	NREMT 89619	130.00
13-50196	01-00105	City of Yukon (BankOne)FD	cleaning supplies	9/2012	walmart 06912	350.47
			batteries	9/2012	walmart 06912	76.67
			ibuprofen	9/2012	walmart 06912	37.84
13-50217	01-39963	Pitney Bowes Purchase Power	Fire-postage	10/2012	Qtr 2 '12	60.00
13-50197	01-41440	ProStar Service-Oklahoma	coffee service	7/2012	105676	88.99
DEPARTMENT TOTAL:						9,337.13
DEPARTMENT: 06						
13-50217	01-39963	Pitney Bowes Purchase Power	Court-postage	10/2012	Qtr 2 '12	600.00
DEPARTMENT TOTAL:						600.00
DEPARTMENT: 07						
13-50147	01-00107	City of Yukon (BankOne)CMD	travel exp-CertHealthComm	9/2012	Mazzios 119	8.85
13-50240	01-00107	City of Yukon (BankOne)CMD	office reception chairs	10/2012	Staples 10161	519.96
13-50266	01-00107	City of Yukon (BankOne)CMD	elec suppl-bld new desk	10/2012	Locke 18859273-00	87.41
13-49956	01-1	wohler Company	Cabinets and counter top	10/2012	w 10-02-12	1,500.00
13-50200	01-30600	Lowe's Companies, Inc.	hard hat flash lites	10/2012	01068	33.85
13-50217	01-39963	Pitney Bowes Purchase Power	Community Dev-postag	10/2012	Qtr 2 '12	600.00
13-50253	01-41440	ProStar Service-Oklahoma	Coffee filter	9/2012	106691	63.90
13-50214	01-47660	Shred-It Oklahoma City	Document destruction	9/2012	9400887672	18.96
13-50159	01-71222	Audrey Fitzsimmons	reimb expenses-CertHealth	9/2012	09-20-12	3.46
			reimb expenses-CertHealth	9/2012	09-20-12	4.00
			reimb expenses-CertHealth	9/2012	09-20-12	4.00
			reimb expenses-CertHealth	9/2012	09-20-12	1.15
			reimb expenses-CertHealth	9/2012	09-20-12	1.15
13-50228	01-71900	Mitchell Hort	ofma reimbursement EB	9/2012	2250	75.00
DEPARTMENT TOTAL:						2,921.69

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 08						
13-48989	01-00108	City of Yukon (BankOne)LIB	Library Food for Library Programs	9/2012	walmart 02636	16.58
13-49842	01-00108	City of Yukon (BankOne)LIB	Postage for ILL	9/2012	USPS 25	37.99
13-50033	01-00108	City of Yukon (BankOne)LIB	Tools and supplies	9/2012	walmart 02637	47.04
13-48980	01-04156	Book wholesalers, Inc.	Adult Standing Order	8/2012	168041E	10.79
			Adult Standing Order	8/2012	170792E	50.35
			Adult Standing Order	8/2012	173326E	10.19
			Adult Standing Order	8/2012	175088E	11.39
			Adult Standing Order	9/2012	182115E	11.99
			Adult Standing Order	9/2012	182116E	15.65
			Adult Standing Order	9/2012	177803E	11.99
			Adult Standing Order	9/2012	187561E	20.30
			Adult Standing Order	9/2012	186295E	16.24
DEPARTMENT TOTAL:						260.50
DEPARTMENT: 09						
13-49012	01-00101	City of Yukon (BankOne)ADM	Administration Offices Supplies	9/2012	Staples 54798	69.94
13-49586	01-00101	City of Yukon (BankOne)ADM	Lunch Meeting Expenses	9/2012	COTPA 536930	6.00
			Lunch Meeting Expenses	9/2012	COTPA 537148	6.00
			Lunch Meeting Expenses	9/2012	Charleston 9-17-12	58.93
13-50121	01-00101	City of Yukon (BankOne)ADM	iTunes Charges	8/2012	iTunes 08-23-12	3.99
13-50302	01-00101	City of Yukon (BankOne)ADM	cord covers	7/2012	HobbyLobby 3-30-12	29.98
			credit-cord covers	7/2012	HobbyLobby 4-2-12	29.98-
13-50303	01-00101	City of Yukon (BankOne)ADM	Parking fees-ICSC	8/2012	Renaissanc 8-29-12	16.26
13-49020	01-41440	ProStar Service-Oklahoma	Coffee Service	9/2012	107519	14.91
13-50309	01-47660	Shred-It Oklahoma City	Doc.destruction-Sel2	9/2012	9400887673	9.48
13-49013	01-62200	Yukon Chamber of Commerce	Chamber Luncheon	9/2012	14831	20.00
13-50286	01-70187	Grayson Bottom	Reimb Parking expense	8/2012	PARCS 090421	2.00
			Reimb Parking expense	9/2012	COTPA 537328	6.00
			Reimb Parking expense	9/2012	COTPA 536951	6.00
			Reimb Parking expense	9/2012	COTPA 537161	6.00
DEPARTMENT TOTAL:						225.51

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 10		Parks & Events				
13-49440	01-00110	City of Yukon (BankOne)	REC playground repairs	9/2012	Lowes 02545	19.68
13-50096	01-07390	Crosslands A & A Rent-All	Sporta potties	9/2012	01-464754-24	63.00
			porta potties	9/2012	01-402847-53	63.00
			porta potties	9/2012	01-491661-09	252.00
			porta potties	9/2012	01-502262-05	126.00
13-50213	01-08990	Dieco Outdoor Advertising	sign for Air Force	9/2012	811	189.00
13-50210	01-1	John Pansze	magician for Spooksville	9/2012	P 09-29-12	350.00
13-50217	01-39963	Pitney Bowes Purchase Power	Park & Rec--postage	10/2012	Qtr 2 '12	500.00
13-49909	01-47660	Shred-It Oklahoma City	document shredding	9/2012	9400887646	9.48
DEPARTMENT TOTAL:						1,572.16
DEPARTMENT: 11		Police Department				
13-49703	01-00111	City of Yukon (BankOne)	PD car charging system	9/2012	Harris 93121632	267.53
13-49859	01-00111	City of Yukon (BankOne)	PD Corn clothing allowance	9/2012	Academy 266559	149.97
			Corn clothing allowance	9/2012	GTDistr web114744	159.96
			Corn clothing allowance	9/2012	LAPolGear 1580356	149.97
13-49903	01-00111	City of Yukon (BankOne)	PD Prigmore uniform item	9/2012	OKHonda 92791076	45.00
13-50002	01-00111	City of Yukon (BankOne)	PD Knight/Brugh uniforms	8/2012	LAPolGear 1561085	499.90
13-50179	01-00111	City of Yukon (BankOne)	PD Stilley uniform items	9/2012	CopsPlus 484662	116.44
13-50180	01-00111	City of Yukon (BankOne)	PD animal crates for cats	9/2012	TractorSupp 129796	100.00
13-50073	01-1	North American Rescue, LL	officer medical bag	9/2012	N IN110806	556.45
13-50104	01-1	Boundtree Medical	cpr/rescue masks	9/2012	B 80885928	115.22
13-50217	01-39963	Pitney Bowes Purchase Power	Police-postage	10/2012	Qtr 2 '12	600.00
13-50105	01-41440	ProStar Service-Oklahoma	coffee for PD	9/2012	807891	68.32
			coffee for PD	9/2012	807893	28.41
13-50232	01-47660	Shred-It Oklahoma City	document shredding	9/2012	9400893977	18.96
13-49158	01-48410	Special Ops Uniforms, Inc	Uniforms jailers	8/2012	185520	279.96
			Uniforms jailers	8/2012	185519	577.91
13-49313	01-48410	Special Ops Uniforms, Inc	Guth uniform items	8/2012	185384	50.97
			Guth uniform items	10/2012	186549	1,041.09
13-49538	01-48410	Special Ops Uniforms, Inc	Frame duty uniforms	8/2012	185320	177.96
			Frame duty uniforms	8/2012	185323	40.50
			Frame duty uniforms	10/2012	186550	804.93
13-49539	01-48410	Special Ops Uniforms, Inc	Bradford duty uniforms	8/2012	185322	531.93
			Bradford duty uniforms	10/2012	186553	727.94
13-49540	01-48410	Special Ops Uniforms, Inc	Catron duty uniforms	8/2012	185321	83.98
13-49604	01-48410	Special Ops Uniforms, Inc	walker boots/baton	8/2012	185575	185.00
13-49724	01-48845	Stitch Design	Monogramming	9/2012	26564	96.00
13-49596	01-53410	Ultramax	TACT team ammo	9/2012	130891	651.00
13-48963	01-57475	Wayest Safety, Inc.	mask fit tests	9/2012	1079729	400.00
DEPARTMENT TOTAL:						7,965.38

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 12		Property Maintenance				
13-50113	01-00112	City of Yukon (BankOne)	PROPnerf Bars for Truck	9/2012	AutoFX 12473	299.95
13-50014	01-1	Advanced Door Controls	2 Handicap Door Operators	9/2012	A 004988	3,000.00
13-49167	01-32790	Mother Nature's Exterminati	Pest Control Services	10/2012	579017	27.50
			Pest Control Services	10/2012	579188	27.50
			Pest Control Services	10/2012	579794	26.67
			Pest Control Services	10/2012	578589	27.50
			Pest Control Services	10/2012	580897	19.00
			Pest Control Services	10/2012	579491	23.75
			Pest Control Services	10/2012	578766	19.00
			Pest Control Services	10/2012	579793	19.00
			Pest Control Services	10/2012	579572	23.75
			Pest Control Services	10/2012	580849	29.00
			Pest Control Services	10/2012	579202	27.50
			Pest Control Services	10/2012	578900	38.00
			Pest Control Services	10/2012	578927	23.75
			Pest Control Services	10/2012	579319	23.75
			Pest Control Services	10/2012	580730	28.00
			Pest Control Services	10/2012	580520	25.67
			Pest Control Services	10/2012	580625	19.00
			Pest Control Services	10/2012	579964	19.00
			Pest Control Services	10/2012	580519	26.67
13-50308	01-37600	OK Natural Gas Co	Service-10 s 5th	10/2012	10-5-12 10 s 5th	26.94
DEPARTMENT TOTAL:						3,800.90
DEPARTMENT: 15		Recreation Facilities				
13-49441	01-00110	City of Yukon (BankOne)	REC camp supplies	9/2012	Academy 200275	217.97
13-49728	01-00110	City of Yukon (BankOne)	REC RAC Food Supplies	9/2012	Buy4Less 9-28-12	46.64
			REC RAC Food Supplies	9/2012	Buy4Less 9-13-12	7.72
13-50092	01-00110	City of Yukon (BankOne)	REC building toliet kits	9/2012	Locke 18761951-00	50.85
13-50212	01-04467	Brakefield Plumbing	RAC grease trap	9/2012	0016577	285.00
13-50192	01-1	Kristy Knight	Gazebo rental refund	9/2012	K 09-14-12	100.00
13-50211	01-1	England Refrigeration	RAC Frig repair	9/2012	E 14056	239.00
13-50220	01-1	Lisa Powers	face painter mummy son	10/2012	P 10292012	125.00
13-50217	01-39963	Pitney Bowes Purchase Power	REC Facilities	10/2012	Qtr 2 '12	200.00
13-49884	01-44625	Regional Food Bank	food for RAC	9/2012	AI174651	143.77
13-49885	01-46940	Sam's Club Direct-G.E.Capit	food for RAC	8/2012	6038	20.68
			food for RAC	10/2012	4456A	324.73
13-50093	01-53450	United Linen - Uniform Re	linens for the RAC	7/2012	s1519127	55.98
			linens for the RAC	8/2012	1533457	69.43
			linens for the RAC	9/2012	1545730	77.94
DEPARTMENT TOTAL:						1,964.71

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 16						
13-50320	01-37489	Fleet Maintenance OK Tax Commission	2013 Chev 188710	10/2012	CI-18756	40.00
			2012 Ford C70520	10/2012	CI-18755	40.00
DEPARTMENT TOTAL:						80.00
DEPARTMENT: 17						
13-50291	01-00117	Human Resources City of Yukon (BankOne)HR	Bullet Proof Employee Hb	9/2012	BusMgmtDai 9-27-12	39.95
13-50294	01-00117	City of Yukon (BankOne)HR	Office Supplies	9/2012	Staples 7090592372	120.27
13-50316	01-05385	Suzanne R. Cannon, LPC, LAD	Oct '12 EAP Contract	10/2012	Oct '12	618.00
13-50328	01-31420	McBride Orthopedic	non reg drug screen	10/2012	10-01-12	486.00
			physical exam	10/2012	10-01-12	60.00
13-50293	01-33500	Mustang News	Meter Reader Advertising	9/2012	52454-001	16.00
13-50309	01-47660	Shred-It Oklahoma City	Doc.destruction-Sel2	9/2012	9400887673	3.16
13-50292	01-62900	Yukon Review Inc.	Meter Reader Advertising	9/2012	YR56132	36.00
DEPARTMENT TOTAL:						1,379.38
DEPARTMENT: 19						
13-49294	01-00180	Street Department City of Yukon (BankOne)PW	freight	8/2012	TrafficPart 355358	14.00
			switch w bracket	8/2012	TrafficPart 355358	115.50
			switch w houseing	8/2012	TrafficPart 355358	114.84
13-49762	01-00180	City of Yukon (BankOne)PW	SignalLt-voltage arrestor	9/2012	Pinkley 18058	180.00
13-49771	01-00180	City of Yukon (BankOne)PW	red 3m light heads	9/2012	Gades 0060436-IN	450.00
			yellow 3m light head	9/2012	Gades 0060436-IN	825.00
			green 3m light heads	9/2012	Gades 0060436-IN	1,237.50
13-49818	01-00180	City of Yukon (BankOne)PW	time clock w switch	9/2012	TrafficPart 356424	470.00
13-49912	01-00180	City of Yukon (BankOne)PW	L Hibberd - clothing	9/2012	walmart 02677	99.85
			J Hill - clothing	9/2012	Kohls 09-12-12	85.98
			R Drake - clothing	9/2012	walmart 02046A	99.85
13-49913	01-00180	City of Yukon (BankOne)PW	L Hibberd - boots	9/2012	Academy 263752	149.98
			D Buller - boots	9/2012	walmart 09012	123.78
13-49958	01-00180	City of Yukon (BankOne)PW	back pack blower	9/2012	GillesBros 1472	899.98
			wheeled edger	9/2012	GillesBros 1472	499.05
			star edger blade	9/2012	GillesBros 1472	9.37
13-50067	01-00180	City of Yukon (BankOne)PW	cold patch	9/2012	PMSI I0116453	1,357.72
13-50115	01-00180	City of Yukon (BankOne)PW	screws, cap, ells	9/2012	Locke 18776996-00	71.97
13-50239	01-00180	City of Yukon (BankOne)PW	wall band	10/2012	Locke 18827991-00	7.31
13-50050	01-01352	Anderson Safety Products	EL20S-gray	9/2012	639	81.00
13-49112	01-30680	Luther Sign Company	new streets/signs markers	9/2012	9042	119.00
			new streets/signs markers	9/2012	9041	469.90
			new streets/signs markers	9/2012	9043	191.10
			new streets/signs markers	9/2012	9044	595.74
			new streets/signs markers	9/2012	9048	69.12
13-49111	01-47670	SignalTek, Inc.	signal light repairs	9/2012	8403	625.00
DEPARTMENT TOTAL:						8,962.54

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 23		Technology				
13-50138	01-00123	City of Yukon (BankOne)TEC	Internet/Cable Srvc-AU'12	9/2012	Cox 09-17-12	474.95
			Internet/Cable Srvc-AU'12	9/2012	Cox 09-20-12	47.09
13-50139	01-00123	City of Yukon (BankOne)TEC	Wireless ServiceAU12	9/2012	Verizon 6782957923	164.61
13-50199	01-00123	City of Yukon (BankOne)TEC	Mob Phone Srvc-SP'12	9/2012	ATT 0922201	7,174.90
13-50233	01-00123	City of Yukon (BankOne)TEC	AU'12 auction fees	9/2012	PublicSurp 451070	612.43
			SP'12 auction fees	9/2012	PublicSurp 451070	377.17
13-50235	01-00123	City of Yukon (BankOne)TEC	Hasp for gen fence gate	10/2012	Ace 866146	4.99
13-50236	01-00123	City of Yukon (BankOne)TEC	PRI Service SP'12	9/2012	ATT 405350891009	1,124.54
13-50237	01-00123	City of Yukon (BankOne)TEC	Plexar Service-SP'12	9/2012	ATT 405350891809	404.29
13-50299	01-00123	City of Yukon (BankOne)TEC	HP Smart Array P800 card	10/2012	Amazon 10-05-12	240.00
13-50142	01-02237	BMI Systems Corporation	PD copierlease SP'12	9/2012	CNIN115498BBI	1,046.00
			PD base copies SP'12	9/2012	CNIN115498BBI	406.08
13-50152	01-05490	CDW Government Inc.	APC RBC24 Batteries	9/2012	R144040	2,960.73
			APC RBC109 Batteries	9/2012	R144040	194.46
			APC RBC109 Batteries	9/2012	R211055	194.46
			APC RBC109 Batteries	10/2012	R456743	259.28
13-50198	01-05490	CDW Government Inc.	Advan 1000BT converter	10/2012	R436397	531.45
13-50297	01-12030	EVault	Software Maint Renewal	9/2012	EVSM0002500	6,196.00
13-49940	01-32680	Mobile wireless, LLC	NetMotion Renewal	9/2012	673	3,120.00
13-50281	01-50688	Travis Voice & Data	Renew Maint Agreement	9/2012	51055	2,700.00
13-50296	01-60351	Xerox Corporation	D242V CH lease SP'12	10/2012	064116211	1,373.18
			D242VCH meter usage	10/2012	064116211	1.28
			W5030 PW lease SP'12	10/2012	064116213	280.75
			D252EFICH LeasesP'12	10/2012	064116212	261.04
DEPARTMENT TOTAL:						30,149.68
FUND TOTAL:						152,527.95

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01						
13-49829	01-05490	96 SALES TAX IMPROVEMENTS CDW Government Inc.	Panasonic Toughbooks 5yr warranty	9/2012	Q883957 R035971	15,520.00 2,580.00
13-50052	01-05490	CDW Government Inc.	Gamber Docking Stat Cat3560 24-pt switch	9/2012	Q635139 R276151	3,500.00 2,352.90
13-49534	01-1	IPL Inc.	Cat3560 8-port swit Cat3560 8-port swit Polycarts	9/2012	R276151 R321457 I RX-205601	864.90 864.90 27,342.48
			Polycarts	9/2012	I RX-205670	27,342.48
			Polycarts	9/2012	I RX-205722	27,342.48
			Polycarts	9/2012	I RX-205814	27,342.48
			Polycarts	9/2012	I RX-205866	27,342.48
			Polycarts	10/2012	I RX-205969	27,342.48
			Polycarts	10/2012	I RX-206134	26,978.20
13-50310	01-1	Traffic Engineering	GarthBrooks Signal Timing	9/2012	T 8518	2,000.00
13-50311	01-1	Traffic Engineering	Main Street Signal Timing	9/2012	T 8517	1,000.00
13-50314	01-1	University of Oklahoma	OU - Tomorrow's Yukon	8/2012	U 105247100-1	10,040.88
13-50315	01-1	North Star Destination	Community Brand Print	9/2012	N 2689	24,000.00
13-50125	01-13475	Fence by Seikel	fence for Taylor Park	10/2012	2918	1,790.00
13-50318	01-22440	Integrus Canadian Valley	Quarterly Installmen	10/2012	1014	50,000.00
13-50338	01-50700	Triad Design Group	SH4-OK66-SH3	10/2012	8283	10,785.60
DEPARTMENT TOTAL:						316,332.26
FUND TOTAL:						316,332.26

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 23 Special Events						
13-49019	01-00101	City of Yukon (BankOne)ADM	Christmas Trees	9/2012	AutoFoli 115904-IN	1,534.06
13-49483	01-00101	City of Yukon (BankOne)ADM	Christmas Decor & Supplie	8/2012	K&K 0000830149	21.40-
			Christmas Decor & Supplie	8/2012	A&BHome 0121543-IN	1,798.60
			Christmas Decor & Supplie	9/2012	A&BHome 0122280	640.43
			Christmas Decor & Supplie	9/2012	Halco 133290	591.06
			Christmas Decor & Supplie	9/2012	K&K 0000833013	922.16
			Christmas Decor & Supplie	9/2012	RoundTop 9042	298.12
13-49957	01-00101	City of Yukon (BankOne)ADM	Supplies for Christmas	9/2012	Lowes 01579	37.65
			Supplies for Christmas	9/2012	Ace 866184	185.94
			Supplies for Christmas	9/2012	TractorSupp 129511	44.99
			Supplies for Christmas	9/2012	Locke 18711523-00	235.93
			Supplies for Christmas	9/2012	Ace 865877	233.66
			Supplies for Christmas	9/2012	RegNow 3A75RP5	91.94
			Supplies for Christmas	9/2012	LightORama 9-13-12	770.59
			Supplies for Christmas	10/2012	CED 10-01-12	552.48
			Supplies for Christmas	10/2012	Lowes 01137	11.75
			Supplies for Christmas	10/2012	Ace 866156	29.50
			Supplies for Christmas	10/2012	Ace 866158	51.94
			Supplies for Christmas	10/2012	Ace 866225	9.99
13-50242	01-00101	City of Yukon (BankOne)ADM	Supplies for Christmas	9/2012	K&K 0000844022	814.82
13-50243	01-00101	City of Yukon (BankOne)ADM	Supplies for Christmas	9/2012	HannaHandi 188280B	118.20
13-50300	01-00101	City of Yukon (BankOne)ADM	Supplies-YPS Breakfast	8/2012	walmart 08-13-12	8.59
13-50051	01-05490	CDW Government Inc.	LVO ThinkPad	9/2012	Q889074	1,564.07
			3yr warranty	9/2012	R023771	147.06
			LVO Case	9/2012	Q889074	27.99
DEPARTMENT TOTAL:						10,700.12
DEPARTMENT: 44 Library State Aid						
13-49100	01-00108	City of Yukon (BankOne)LIB	Summer Reading Prog. Supp	7/2012	Hastings 4856840	33.98
DEPARTMENT TOTAL:						33.98
DEPARTMENT: 52 Recycle Friends						
13-50322	01-00102	City of Yukon (BankOne)FIN	Catering	10/2012	CateringOK 10-8-12	662.50
			Gift Cards	10/2012	walmart 02234	500.00
			Gift Cards	10/2012	Target 10-01-12	500.00
13-50323	01-55551	Genie Vinson	Postage Reimbursement	9/2012	09-24-12	36.00
DEPARTMENT TOTAL:						1,698.50

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 67		Police Department				
13-49871	01-00111	City of Yukon (BankOne)PD	cabinets for jail storage	9/2012	Staples 7090115207	599.98
13-50181	01-00111	City of Yukon (BankOne)PD	shipping of 2 radar units	9/2012	Staples 90392	18.11
13-50231	01-1	Kustom Signals, Inc.	repair of radar unit	9/2012	K 470064	427.36
13-49706	01-48845	Stitch Design	CPAA shirts	9/2012	26561	314.00
DEPARTMENT TOTAL:						1,359.45
FUND TOTAL:						13,792.05

FUND: 70 - Water & Sewer Enterprise

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01 Utility Billing						
13-50143	01-00123	City of Yukon (BankOne)	TEC MR phone services	9/2012	ATT 09222012	223.13
13-50287	01-00170	City of Yukon (BankOne)	UB ink for postage meter	10/2012	PitneyBowe 1553127	175.08
13-50207	01-06735	Clark Oil Distributors, Inc	unleaded fuel	10/2012	1002205	531.38
13-50217	01-39963	Pitney Bowes Purchase Power	UB- Postage	10/2012	Qtr 2 '12	800.00
13-50309	01-47660	Shred-It Oklahoma City	Doc.destruction-Se12	9/2012	9400887673	28.43
13-50206	01-53901	U S Post Office	Bulk Postage-Oct'12	10/2012	Oct '12	3,500.00
DEPARTMENT TOTAL:						5,258.02
DEPARTMENT: 02 Water Distribution						
13-49422	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	10/2012	Napa 512320	20.00
13-49597	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	9/2012	ICM OK802129PW	61.18
13-49786	01-00180	City of Yukon (BankOne)	PW parts/repair wtr lines/hy	9/2012	Locke 18752028-00	20.41
			parts/repair wtr lines/hy	9/2012	winwater 040969-00	860.00
			parts/new meter sets	9/2012	OKContract 0519201	436.00
13-49914	01-00180	City of Yukon (BankOne)	PW B -Griffin - clothin	9/2012	walmart 07630	29.88
			B Hood - clothing	9/2012	walmart 05186	99.98
			K Albert - clothing	9/2012	walmart 05187	89.85
			S Green - clothing	9/2012	walmart 05185	90.82
			M Vann - clothing	9/2012	walmart 05188	94.62
13-49915	01-00180	City of Yukon (BankOne)	PW B Griffin - boots	9/2012	Redwin 00867034258	122.39
			B Hood - boots	9/2012	Academy 243966	150.00
			R Colley - boots	9/2012	Gellco S112753	150.00
13-50069	01-04475	Brewer Construction Co.	12" water main repai	10/2012	2012-35	13,779.09
13-50245	01-04475	Brewer Construction Co.	repair main brk-Cam/YPky	10/2012	2012-36	3,513.16
13-50246	01-04475	Brewer Construction Co.	repair water line well#15	10/2012	2012-37	4,222.45
13-50207	01-06735	Clark Oil Distributors, Inc	unleaded fuel	10/2012	1002205	791.50
			diesel fuel	10/2012	1002205	359.97
13-49615	01-09525	Dolase Bros. Company	concrete, gravel, rock	9/2012	RM12067586	163.25
13-50217	01-39963	Pitney Bowes Purchase Power	PW Water Dist--posta	10/2012	Qtr 2 '12	10.00
13-50339	01-50700	Triad Design Group	A & E through Sept '12	10/2012	8282	144.22
DEPARTMENT TOTAL:						25,208.77

FUND: 70 - Water & Sewer Enterprise

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 03		Treatment and Supply				
13-50341	01-06775	Commissioners of the Land	0Jul-Aug-Sep'12 well rent	10/2012	J-A-S '12	5,389.69
13-50342	01-19016	Higdon Family Trust	Jul-Aug-Sep'12 well rent	10/2012	J-A-S '12	4,960.03
			bal due A-M-J '12	10/2012	A-M-J'12	281.69
13-50343	01-28930	Leonhart Resources, LLC	Jul-Aug-Sep'12 well rent	10/2012	J-A-S '12	4,960.03
			bal due A-M-J '12	10/2012	A-M-J'12	281.69
13-50344	01-37650	OKC Airport Trust	Jul-Aug-Sep'12 well rent	10/2012	J-A-S '12	34,020.91
13-50319	01-55800	Veolia Water North America	Service for Sept '12	10/2012	00020590	92,606.50
13-50345	01-58145	Estate of Clay Wilson	Jul-Aug-Sep'12 land rent	10/2012	J-A-S '12	266.49
DEPARTMENT TOTAL:						142,767.03
DEPARTMENT: 04		Fleet Maintenance				
13-49070	01-00180	City of Yukon (BankOne)PW	lubricants, oils, etc	9/2012	Napa 511291	7.98
			lubricants, oils, etc	9/2012	TheShop 492556	28.00
			lubricants, oils, etc	10/2012	Hoidale 100519	147.00
13-49422	01-00180	City of Yukon (BankOne)PW	parts to repair vehicles	9/2012	Napa 511637	298.51
			parts to repair vehicles	10/2012	Napa 512320	154.98
13-49597	01-00180	City of Yukon (BankOne)PW	parts to repair vehicles	9/2012	FrontEq 120923NOB	250.00
			parts to repair vehicles	9/2012	TheShop 492555	30.75
13-49648	01-00180	City of Yukon (BankOne)PW	parts to repair vehicles	9/2012	OREily 0343-264531	446.99
			parts to repair vehicles	9/2012	OREily 0343-262919	372.94
13-50007	01-00180	City of Yukon (BankOne)PW	tires for 11-08-7721	9/2012	T&WTires 4998517	492.48
			waste fee	9/2012	T&WTires 4998517	10.00
13-50016	01-00180	City of Yukon (BankOne)PW	16 ply tires	9/2012	T&WTires 4997166	1,971.48
			disposal, d/m, orings	9/2012	T&WTires 4997166	217.75
			service call	9/2012	T&WTires 4997166	85.00
13-50027	01-00180	City of Yukon (BankOne)PW	pm4 puller	9/2012	Napa 511944	679.05
			AW 24 crescent wrench	9/2012	Napa 511944	149.80
			AW 12 crescent wrench	9/2012	Napa 511944	49.60
			Freight	9/2012	Napa 511944	23.71
13-50028	01-00180	City of Yukon (BankOne)PW	code reader	9/2012	OREily 0343-264525	269.99
			tpms tool	9/2012	OREily 0343-264525	438.13
13-50116	01-00180	City of Yukon (BankOne)PW	repair to tool	9/2012	Napa 511731	250.00
13-50251	01-00180	City of Yukon (BankOne)PW	welding cap	10/2012	Aweldors 7015782	16.40
			safety glasses	10/2012	Aweldors 7015782	9.63
			welding shirts	10/2012	Aweldors 7015782	45.00
13-50050	01-01352	Anderson Safety Products	EL10S - clear	9/2012	639	27.00
13-50207	01-06735	Clark Oil Distributors, Inc	unleaded fuel	10/2012	1002205	9,261.11
			diesel fuel	10/2012	1002205	2,623.04
13-50160	01-41440	ProStar Service-Oklahoma	coffee service	9/2012	107526	22.91
DEPARTMENT TOTAL:						18,379.23
FUND TOTAL:						191,613.05

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Sanitation				
13-49916	01-00171	City of Yukon (BankOne)	SAN B stover-clothing	9/2012	Kohls 09-26-12	73.07
13-50194	01-00171	City of Yukon (BankOne)	SAN brooms	9/2012	Ace 866106	86.97
13-50244	01-00171	City of Yukon (BankOne)	SAN parts for heater repair	10/2012	Locke 18837704-00	108.79
13-49070	01-00180	City of Yukon (BankOne)	PW lubricants, oils, etc	9/2012	Napa 511886	9.98
13-49422	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	10/2012	Napa 512320	79.32
13-49597	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	9/2012	ATC 53594024	166.69
			parts to repair vehicles	9/2012	SWTrailer AI04350	28.18
			parts to repair vehicles	9/2012	Roberts 5-669519	171.33
			parts to repair vehicles	9/2012	SealCo 556018	43.94
			parts to repair vehicles	9/2012	Bruckner 375091C	50.05
			parts to repair vehicles	9/2012	Bruckne 375091C CR	3.87-
			parts to repair vehicles	9/2012	S&D 2436	157.47
			parts to repair vehicles	9/2012	warrnCat 11C545098	135.99
13-49648	01-00180	City of Yukon (BankOne)	PW parts to repair vehicles	9/2012	OReily 0343-262919	311.97
13-50111	01-01352	Anderson Safety Products	blue latex palm glvs	9/2012	642	64.80
13-50207	01-06735	Clark Oil Distributors, Inc	unleaded fuel	10/2012	1002205	329.77
			diesel fuel	10/2012	1002205	3,297.37
13-50154	01-13500	Fentress Oil Company	hydraulic oil	9/2012	653819	1,885.25
13-50270	01-57420	waste Connections of Oklaho	Landfill fees	9/2012	15954	9,390.59
13-50255	01-57425	waste Connections of Oklaho	rolloff hauling charges	10/2012	1179958	710.00
DEPARTMENT TOTAL:						17,097.66
DEPARTMENT: 02		Recycling				
			rolloff hauling charges	10/2012	1179958	495.00
DEPARTMENT TOTAL:						495.00
FUND TOTAL:						17,592.66

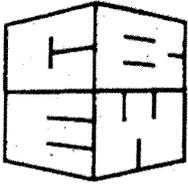
FUND: 73 - Storm Water Enterprise

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01		Stormwater				
13-49869	01-00173	City of Yukon (BankOne)SW	educ. coloring books	7/2012	Kaeser 20410038	292.95
13-49993	01-00173	City of Yukon (BankOne)SW	OFMA conf hotel	9/2012	Embassy 87627328	231.00
			OFMA conf hotel	9/2012	CrackerBarrel 3206	11.76
13-50040	01-00173	City of Yukon (BankOne)SW	COSWA meeting snacks	7/2012	YukonDonut 0035	16.39
13-50195	01-00173	City of Yukon (BankOne)SW	Excal Visual CD	9/2012	Excal 278056	509.75
13-50307	01-06377	City of Oklahoma City	Elliott-600 McConnel	11/2012	11100212	39.50
13-50207	01-06735	Clark Oil Distributors, Inc	unleaded	10/2012	1002205	92.22
13-50193	01-36710	OK Dept of Environmental	QuMS4 Permit Renewal	9/2012	55300293	710.00
13-50217	01-39963	Pitney Bowes Purchase Power	Stormwater	10/2012	Qtr 2 '12	10.00
13-50238	01-47660	Shred-It Oklahoma City	doc destruction-Sep12	9/2012	9400887674	9.48
13-50203	01-76180	Anna waggoner	Reimb toll fees-OFMA Conf	9/2012	09-16-12 AW	4.00
			Reimb toll fees-OFMA Conf	9/2012	09-16-12 AW	2.30
			Reimb toll fees-OFMA Conf	9/2012	09-19-12 AW	4.00
			Reimb toll fees-OFMA Conf	9/2012	09-19-12 AW	0.60
			Reimb toll fees-OFMA Conf	9/2012	09-19-12 AW	1.15
DEPARTMENT TOTAL:						1,935.10
FUND TOTAL:						1,935.10

P.O.#	VENDOR #	NAME	DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 09		CDBG Year 9				
13-50340	01-50700	Triad Design Group	Year 10/11 Small Cities	10/2012	1	47,208.35
DEPARTMENT TOTAL:						47,208.35
DEPARTMENT: 20		Emergency Mgmt Grants				
13-49784	01-00125	City of Yukon (BankOne)EM	FLIR Scout Monocular	8/2012	Amazon 08-28-12	2,937.85
DEPARTMENT TOTAL:						2,937.85
FUND TOTAL:						50,146.20
GRAND TOTAL:						743,939.27

**Technology Item Listing - October 16, 2012**

<b>Item #</b>	<b>Description</b>	<b>Model Number</b>	<b>Serial Number</b>	<b>Department</b>
	1994 Chevrolet S-10	S-10		
100122	Optiplex 745 Computer		1GCCS1429R8172905	PUBLIC WORKS
100253	Optiplex 760 Computer		H3C9MD1	TECHNOLOGY
100144	Optiplex 170L Computer		JWJDJG1	TECHNOLOGY
100416	Optiplex GX260 Computer		H3FS191	TECHNOLOGY
100394	Precision 360 Computer		1LBSW11	TECHNOLOGY
100161	Dimension 9150 Computer		H3ML531	TECHNOLOGY
100058	Dimension 2400 Computer		6VOVY91	TECHNOLOGY
100168	Precision 380 Computer		H52X931	TECHNOLOGY
100137	Dimension 1100 Computer		CYQNK91	TECHNOLOGY
100056	Dimension 2400 Computer		DYNPLB1	TECHNOLOGY
			H2MY931	TECHNOLOGY



**CBEW**  
**Professional**  
**Group, LLP**  
Certified Public Accountants

206 N. HARRISON ● P.O. BOX 790 ● CUSHING, OKLAHOMA 74023 ● 918-225-4216 ● FAX 918-225-4315

DON K. ETHRIDGE, CPA  
WALTER H. WEBB, CPA  
JANE FRAZIER, CPA  
CHARLES E. CROOKS, CPA  
TRISHA J. RIEMAN, CPA

## INDEPENDENT AUDITOR'S REPORT

November 10, 2011

Honorable Board of City Commissioners  
City of Yukon  
Yukon, Oklahoma

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yukon, Oklahoma, (City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our original report dated November 10, 2011, we issued an unqualified opinion on the financial statements referred to above but subsequently became aware of facts that existed at that date which affected our report. As more fully explained in Note 2 to the financial statements, the City did not present a revenue bond issue in the original financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yukon, Oklahoma, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

City of Yukon  
November 10, 2011

Management's Discussion and Analysis on pages 3-11, budgetary comparison information on pages 41 through 42 and the notes on page 43 are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Yukon's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and is not a required part of the basic financial statements. The combining and individual non-major governmental fund statements listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

*CBEW Professional Group LLP*

CBEW Professional Group, LLP  
Certified Public Accountants

# 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 Smaistrila	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
Emil Albrecht	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



Mr. Michael Malmfeldt  
City Clerk  
City of Yukon, City Hall Bldg.  
500 West Main  
Yukon Oklahoma, 73099

September 3, 2012

Re: New Yukon Fire Station, 2011

Dear Mr. Malmfeldt,

Attached, please find one copy of the Contractors Final Application and Certificate for Payment for the retainage, in the amount of \$192,509.41. Also enclosed are the Contractor's Consent of Surety for approval of the final payment, and the Contractor's Lien Release. We have reviewed the application and have inspected the project and have found that, to the best of our knowledge, belief, and available information, this application and certificate for payment and the project is complete in accordance with the Contract Documents. We therefore recommend payment of this final application as submitted.

Payment breakdown for this project as of this date is as follows:

Contract Amount:	\$3,825,500.00
Change Orders to date:	\$ 24,688.25
<hr/>	
Sub-Total:	\$3,850,188.25
Amount Paid (including this Pay Application)	\$3,850,188.25
Balance Remaining	\$ 0.00

If you have any questions, or require additional information, please advise.

Sincerely,  
Triad Design Group, Inc.

Randy S. Thomas, P.A.

Encl.

Cc: File A167.0  
Tammy Kretchmar

**MAINTENANCE BOND**

**KNOW ALL MEN BY THESE PRESENTS:**

That we, Downey Contracting, L.L.C., as Principal, and Fidelity and Deposit Company of Maryland, as Surety, are held and firmly bound unto the CITY OF YUKON of the State of Oklahoma, in the full and just sum of Three Million Eight Hundred Twenty Five Thousand Five Hundred Dollars & 00/100 DOLLARS (\$3,825,500.00), such sum being equal to the contract amount for a period of one (1) year and thereafter for a period of one (1) additional year for the sum of Five Hundred Seventy Three Thousand Eight Hundred Twenty Five & 00/100 DOLLARS (\$573,825.00), such sum being not less than 15% of the contract price, for the payment of which, well and truly to be made, we, and each of us, bind ourselves, our heirs, executors, and assigns, themselves, and its successors and assigns, jointly and severally, firmly by these presents.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 20\_\_\_\_\_.

The conditions of this obligation are such, that whereas, said Principal, has a certain contract between Downey Contracting, L.L.C. and the CITY OF YUKON dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, agreed to construct in the City of Yukon:

**NEW YUKON FIRE STATION  
CITY OF YUKON, OKLAHOMA**

all in compliance with the plans and specifications therefore, made a part of said Contract and on file in the office of the City Clerk of the City of Yukon; and to maintain the said improvement in the amounts set forth above against any failure due to workmanship or material for a period of two (2) years from the date of acceptance of the completed project by the CITY OF YUKON.

NOW, THEREFORE, if the said Principal shall pay or cause to be paid to the Authority all damage, loss, and expense which may result by reason of defective materials and/or workmanship in connection with said work, occurring within a period of two (2) years from and after acceptance of said project by the Authority; and if Principal shall pay or cause to be paid all labor and materials, including the prime contractor and all sub-contractors; and if Principal shall save and hold the Authority harmless from all damages, loss, and expense occasioned by or resulting from any failure whatsoever of said Principal, then this obligation shall be null and void, otherwise to be and remain in full force and effect.

It is further agreed that if the said Principal or Surety herein shall fail to maintain said improvements against any failure due to defective workmanship and/or materials for a period of two (2) years and at any time repairs shall be necessary that the cost of making repairs shall be determined by the CITY OF YUKON, or some person(s) designated by them to ascertain the same, and if, upon thirty (30) days notice, the said amount ascertained shall not be paid by the Principal or Surety herein, or if the necessary repairs are not made, that said amount shall become due upon the expiration of thirty (30) days and suit may be maintained to recover the amount so determined in any Court of competent jurisdiction. And that the amount so determined shall be conclusive upon the parties as to the amount due on this bond for the repair or repairs included therein, and that the cost of all repairs shall be so determined from time to time during the life of this bond as the condition of the improvements may require.

It is further expressly agreed and understood by the parties hereto that no changes or alterations in said Contract and no deviations from the plan or mode of procedure herein fixed shall have the effect of releasing the sureties, or any of them, from the obligations of this Bond.

IN WITNESS WHEREOF, the said Principal has caused these presents to be executed in its name and its corporate seal to be hereunto affixed by its duly authorized officers, and the said Surety has caused these presents to be executed in its name and its corporate seal to be hereunto affixed by its attorney-in-fact, duly authorized so to do, the day and year first above written.

Downey Contracting, L.L.C.

ATTEST:

*Edwin H. ...*  
~~Secretary~~ Witness

By *Brandon Downey*  
Principal Brandon Downey, Manager

Fidelity and Deposit Company of Maryland

ATTEST:

*Donna Stevens*  
Secretary

By *Carey L. Payne*  
Surety Carey L. Payne, Attorney-in-Fact

Approved as to form this \_\_\_ day of \_\_\_\_\_, A.D., 20\_\_.

\_\_\_\_\_  
City Attorney

Approved by the CITY OF YUKON this \_\_\_ day of \_\_\_\_\_, A.D., 20\_\_.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Secretary

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Donna STEVENS, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE and Carey L. PAYNE, all of Oklahoma, Oklahoma, EACH** its true and lawful agent and Attorney-in-Fact to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed, ~~any and all bonds and undertakings~~, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md, in their own proper persons. This power of attorney revokes that issued on behalf of Donna STEVENS, Ann SHYLL, Diane DOWDY, Randy WEBB, Gary LILES, Patsy A. PAYNE, Carey L. PAYNE, dated August 25, 2008.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 3rd day of September, A.D. 2009.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



*Gerald F. Haley*

*William J. Mills*

Gerald F. Haley    Assistant Secretary    By:    William J. Mills    Vice President

State of Maryland }  
City of Baltimore } ss:

On this 3rd day of September, A.D. 2009, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and GERALD F. HALEY, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

Constance A. Dunn    Notary Public  
My Commission Expires: July 14, 2011

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, 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 3<sup>rd</sup> day of Sept, 2009.

*Liu D. Bauer*

Assistant Secretary



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

4  
From the Office of the  
**Emergency Management Director**  
**Frosty Peak**

## MEMO

**TO:** City of Yukon City Council  
Grayson Bottom

**DATE:** 09/27/2012

**RE:** Conversion of Eight (8) Whelen Sirens to Solar Power  
Requisition #13-54947 Grimes Electric—Capitol Improvements Emergency Management

Request capital improvement funds for \$39,200.00 dollars to convert power source on all sirens from electricity to solar power energy, thereby mitigating against electrical outages.

Replace electric battery chargers on six (6) WPS sirens and two (2) Vortex sirens. Putting in six (6) WPS solar panels and inverters, two (2) Vortex solar panels and inverters, and one (1) extra solar panel inverter for a WPS siren.

City of Yukon

100 S. Ranchwood Blvd.  
Yukon, Oklahoma 73099  
Phone: 405.350.5413  
Fax: 405.350.0786  
fpeak@cityofyukonok.gov

REQ.#: 13-54947 VENDOR: 01-17510 Grimes Electric, LLC Siren Solar Panels

STATUS: NEW APPROVED BY: Frosty Peak ISSUED: 9/27/2012 RELEASE FLAG:  
DEPT: emer ORDERED BY: Corby Poursaba EST DEL: 9/27/2012 RECEIVE FLAG: N  
SHIP-TO: COY City of Yukon

P.O. DESCRIPTION: Solar panel conversion for all sirens.

ITEM	G/L	ACCOUNT	NAME	DESCRIPTION	UNITS	PRICE	AMOUNT
1	36	501-425		Cap. Improvements-Emerg. MSiren Solar Panels			39,200.00
TOTAL ORDERED							39,200.00

ORDINANCE NO. 1282

AN ORDINANCE AMENDING ORDINANCE NO. 657, APPENDIX A OF THE CODE OF THE CITY OF YUKON, OKLAHOMA, BY PROVIDING THAT THE ZONING DESIGNATION FOR A PART OF BLOCK "B", YUKON HILLS ADDITION, SECOND SECTION, TO YUKON, CANADIAN COUNTY, OKLAHOMA, BE CHANGED FROM "C-4" (PLANNED SHOPPING CENTER DISTRICT) TO "C-3" (RESTRICTED COMMERCIAL DISTRICT); AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL FOR THE CITY OF YUKON, OKLAHOMA:

**SECTION 1.**

That Ordinance No. 657, known as the Zoning Ordinance of the City of Yukon, (Appendix A) be and the same is hereby amended to change the zoning designation of a certain tract of land in Yukon, Oklahoma from "C-4" (Planned Shopping Center District) to "C-3" (Restricted Commercial District), said tract of land being described as follows, to-wit:

TRACT B1

The North 278.00 feet of the West 220.00 feet of Block "B" YUKON HILLS ADDITION, SECOND SECTION, to Yukon, Canadian County, Oklahoma, according to the recorded plat thereof.

More particularly described by metes and bounds as follows:

Commencing at the Southwest Corner of Block "B" in Yukon Hills Addition, Second Section, an Addition to Yukon, Canadian County, Oklahoma; Thence North 00°11'40" East on the West line of said Block "B" and the East Right-of-Way line of Cornwell Avenue as the basis of bearing a distance of 276.99 feet to the Point of Beginning;

Thence continuing North 00°11'40" East on said West line a distance of 278.00 feet to the Northwest corner of said Block "B" and a point on the South Right-of-Way line of Bass Avenue, Thence North 90°00'00" East on the North line of said Block "B" and South Right-of-Way line of Bass Avenue a distance of 220.00 feet; Thence South 00°11'40" West and parallel to said West line of Block "B" a distance of 278.00 feet; Thence South 90°00'00" West a distance of 220.00 feet to the Point of Beginning.

**SECTION 2.**

That the Zoning Map of the City of Yukon, Oklahoma, shall be amended to reflect the changes in zoning as reflected in Section 1 above.

**SECTION 3. Emergency.**

An emergency is declared to exist and it is necessary for the public welfare, health and safety that this ordinance take effect immediately upon passage, approval and publication according to law.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2012, with the Emergency Clause passed separately.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK  
(Seal)

# OFFICE OF THE CITY ATTORNEY

Yukon



Oklahoma

## MEMORANDUM

To: Doug Shivers, City Clerk

From: Michael D. Segler

Date: October 10, 2012

Subject: Amendment to Ordinance No. 657, Appendix A  
Zoning Application by John A. Henry & Company

---

Attached is a proposed amendment to Ordinance No. 657, Appendix A, rezoning property requested in the application by John A. Henry to rezone from "C-4" (Planned Shopping Center District) to "C-3" (Restricted Commercial District).

Please have this item placed on the City Council agenda. Thank you.



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

**Planning Commission Minutes  
October 8, 2012**

The City of Yukon Planning Commission held a meeting September 10, 2012 at 7:00 p.m. in the Centennial Building at 12 South 5<sup>th</sup> St.

Invocation was given by Commissioner Davis  
Flag Salute was lead in unison by Commissioner Terry Beaver

ROLL CALL: (Present) Larry Taylor, Chairman  
Bob Doggett, Vice-Chairman  
Earline Smaistrla, Commissioner  
Robert Davis, Commissioner  
Terry Beaver, Commissioner

OTHERS PRESENT: Gary Cooper, IT Director  
Mark Osby, City Attorney  
Cindy Wright, City Planner  
Mitchell Hort, Community Development Director  
Scarlett Ouren, Secretary

1. ITEM: APPROVAL OF THE MINUTES OF SEPTEMBER 11, 2012 MEETING  
Vice - Chairman Doggett made a motion to accept the minutes as written, seconded by Commissioner Davis.

A roll call vote was taken.

The Vote:

Ayes: Smaistrla, Beaver, Taylor, Doggett, Davis

Nayes: None

Vote: 5-0

Motion Carried

2. ITEM: VISITORS

None

3. ITEM: CONSIDER AN APPLICATION BY JOHN A HENRY & CO TO REZONE FROM C-4 (PLANNED SHOPPING CENTER DISTRICT) TO C-3 (RESTRICTED COMMERCIAL DISTRICT) FOR LOT B, YUKON HILLS ADDITION

Jeff Norman with John A Henry & Company spoke on behalf of JAH. He stated that this is just a follow up from the Councils direction we would apply for a re-zoning for the lot that we split off last month so we are here to seek that.

Chairman Taylor asked if any of the commissioners had any questions. He further stated that this is what staff had asked for at the last meeting to rezone for the bank or financial institution that will be located on the property. Chairman Taylor then asked if there was a motion.

Commissioner Terry Beaver made a motion "In the case of the Application for the rezone of Lot B-1, of Block B, Tract B of the Yukon Hills Addition, Second Section, submitted by John A Henry, we have read the staff report and received testimony at the public hearing. We find ourselves in agreement with staff findings and all legal descriptions cited in the Staff Report. I move that this item be approved", seconded by Vice-Chairman Doggett.

A roll call vote was taken.

The Vote:

Ayes: Smaistrle, Taylor, Doggett, Davis, Beaver

Nays: None

Vote: 5-0

Motion Carried

4. ITEM: CONSIDER A LOT SPLIT FOR LARRY RUSSELL HOMES BEING LOTS 7, 8, & 9, KINGSRIDGE ADDITION, SECTION 3, YUKON, OK

Larry Russell stated that they need that because they have two houses that they are going to build that are quite a bit larger and spread out they won't fit on the lots so we need the bigger lots.

Chairman Taylor said so you are going to take Lot 8 and split it in half and give it to lot 7 and the other half to lot 9 is that correct. Mr. Russell said yes, that is correct.

Chairman Taylor said we have done this several times before in that addition. He then asked if there were any questions from the commissioners. Being none he asked if there was a motion.

Commissioner Smaistrle made a motion In the case of the Application for a lot split for Lot 8, Block 11 of the Subdivision of Kingsridge Addition, Section 3, submitted by Larry Russell of Larry Russell Homes, we have read the staff report and received testimony at the public hearing. We find ourselves in agreement with staff findings and all legal descriptions cited in the Staff Report. I move that this item be approved", seconded by Commissioner Beaver.

PC Minutes  
Page 3  
10/8/2012

The Vote:

Ayes: Davis, Taylor, Doggett, Smaistrila, Beaver

Nays: None

Vote: 5-0

Motion Carried

7. ITEM: NEW BUSINESS

None

8. ITEM: OPEN DISCUSSION

Chairman Taylor stated that the city did a great job with Czech Day. It was a little cold. As I understand it; it was the coldest October 6<sup>th</sup> on record. It's a great tradition and the city did a wonderful job. The city staff always does a good job. It takes a lot of people to put that day together. Chairman Taylor asked if there were any other comments or anything else for discussion. Chairman Taylor announced that November 19<sup>th</sup> would be the next Planning Commission Meeting.

9. ITEM: ADJOURNMENT – NEXT MEETING NOVEMBER 19, 2012

Meeting adjourned at 7:15 p.m.

PLANNING COMMISSION

PUBLIC HEARING

October 8, 2012

7:00 p.m.

---

**SUBJECT: Rezone of Lot B-1, Block B, Tract B, Yukon Hills Addition, Second Section (John A. Henry)**

**STAFF REPORT**

Planner: Cindy Wright, Johnson & Associates for Triad Design Group, Inc.

Date: September 27, 2012

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The discussion herein considers the application materials from John A. Henry for a rezone of Lot B-1, Block B, Tract B of the Yukon Hills Addition, Second Section located at the intersection of Bass Avenue and Cornwell Drive. This commercial property is currently zoned for C-4, "Planned Shopping Center" District and currently is developed with a commercial use on the south half of the block. The rezone application is to bring into compliance a lot split previously approved by the Planning Commission on September 10, 2012 in order to accommodate a proposed bank on the hard corner.

**APPLICANT:** John A. Henry

**REQUEST:** A rezone of Lots B-1 of Block B, Tract B of the Yukon Hills Addition, Second Section, bringing into compliance a lot created by a lot split approved by the Planning Commission on September 10, 2012. The lot split divided the block roughly in half, east to west. The south half is currently developed; the north half will accommodate a proposed bank.

**LEGAL**

**DESCRIPTION:** The property subject is known as Block B, Tract B of the Yukon Hills Addition, Second Section. The legal descriptions for the proposed lots are noted on the accompanying Exhibits.

**LOCATION:** The subject lot is located on the southeast corner of Cornwell Drive and Bass Avenue.

**STAFF**

**COMMENTS:** John A. Henry is requesting a rezone as directed by the Planning Commission on September 10, 2012 to bring into compliance a lot created by a lot split. Tract B-1 was the smallest piece, divided in order to accommodate a

proposed bank. Tract B-2 accommodates an existing commercial use and is included in the C-4 zoning of the greater shopping center.

The subject property is currently zoned C-4, "Planned Shopping Center" District. The zoning requires that each lot be a minimum of 200,000 square feet, have a minimum lot width of 300 feet at the building line among other requirements. The lot created by the previously approved lot split did not meet these requirements. The C-3 District regulations permit a minimum lot size of 12,000 square feet with a minimum lot width of 100 feet; the Applicant proposed a lot size of 61,160 square feet with a minimum lot width of 220 feet (along Bass Avenue). Lot B-1 meets these criteria.

**FINDINGS:**

1. The proposed rezone of Lot B-1 brings into compliance with the Yukon Zoning Ordinance the proposed bank lot split approved on September 10, 2012. Staff recommends that the requested rezone be approved and permitted to move forward to Council.

Based on this finding, staff recommends approval of this application.

**DRAFT MOTION:**

"In the case of the Application for the rezone of Lot B-1 of Block B, Tract B of the Yukon Hills Addition, Second Section, submitted by John A. Henry, we have read the staff report and received testimony at the public hearing. We find ourselves in agreement with staff finding and all legal descriptions cited in the Staff Report. I move that this item be approved...(with the following condition(s))"

**CONDITIONS:**

1. \_\_\_\_\_  
\_\_\_\_\_
2. \_\_\_\_\_  
\_\_\_\_\_



August 27, 2012

Scarlett Ouren  
City of Yukon  
Planning Secretary  
10 South 5th St.  
P.O. Box 850500  
Yukon, OK 73085

**RE: Application for Rezoning  
Southeast corner of Bass Ave. x Cornwell  
61,160 s.f. (278' x 220')**

Dear Ms. Ouren:

Pursuant to our discussion on Friday, I have prepared the attached application for rezoning. In addition, a notarized ownership list, a check for \$150 and fifteen (15) copies of the legal description and site plan depicting the property we wish to rezone.

It is my understanding you will initiate the rezoning process and attempt to get us on the Planning Commission docket in October. Meanwhile, we will look forward to seeing you at the September 10, 2012, Planning Commission meeting where we hope to received a conditional consent from the City for the lot split and curb cut onto Cornwell subject to obtaining the rezoning in October.

Please immediately advise me if you require any other documentation related to this project.

Regards,

A handwritten signature in black ink, appearing to be 'JA' followed by a horizontal line.

Jeff Norman  
President

Enclosures

cc: Charlie Allen-Allen Engineering  
Steve Turner-Arvest Bank  
Jim Martin-JAH Realty, LP.



IN WITNESS WHEREOF, Grantor has executed this General Warranty Deed as of this 19 day of April, 2006.

JOHN A. HENRY & CO., LTD.,  
A TEXAS LIMITED PARTNERSHIP

By: JAH Capital Corporation,  
a Texas corporation, General Partner

By: [Signature]  
John A. Henry, IV  
President & CEO

EXEMPTION DOCUMENTARY STAMP TAX  
O.S. TITLE 68, ART. 32, SECTION 3201, PAR. 4

STATE OF OKLAHOMA )  
COUNTY OF OKLAHOMA ) ss.

This instrument was acknowledged before me on April 13, 2006, by John A. Henry, IV, as President & CEO of JAH Capital Corporation, a Texas corporation, as General Partner of John A. Henry & Co., Ltd., a Texas Limited Partnership.

[Signature]  
Notary Public

My Commission Expires:

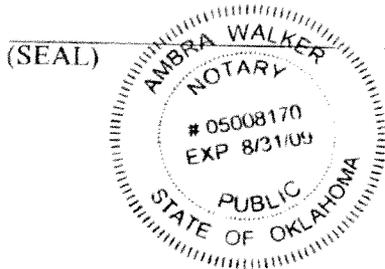


EXHIBIT "A"

Property Description

All of Block "A" YUKON HILLS ADDITION, SECOND SECTION, to Yukon, Canadian County, Oklahoma, according to the recorded plat thereof.

AND

All of Block "B" YUKON HILLS ADDITION, SECOND SECTION, to Yukon, Canadian County, Oklahoma, according to the recorded plat thereof.

AND

A tract of land in the Southwest Quarter (SW/4) of Section 21, Township 12 North, Range 5 West of the Indian Meridian, being more particularly described as follows:

Commencing at the Southwest corner of said Section 21;

Thence East along the South line of said Section 21 a distance of 644.00 feet;

Thence North along the East line of Block A, YUKON HILLS ADDITION, SECTION 2, a distance of 492.60 feet to the Point of Beginning;

Thence North along the East line of said Block "A" a distance of 187.40 feet to the Northeast corner thereof;

Thence West along the North line of said Block "A" a distance of 291.68 feet to the Southeast corner of Block "B", YUKON HILLS ADDITION, SECTION 2;

Thence North along the East line of said Block "B" a distance of 554.99 feet to the Northeast corner thereof;

Thence East on a projection of the North line of said Block "B" a distance of 100.00 feet to a point of curve;

Thence Northeasterly on a curve to the left having a radius of 560.00 feet a distance of 283.67 feet;

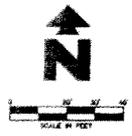
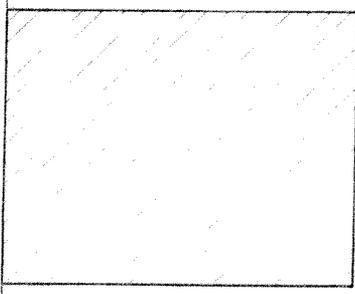
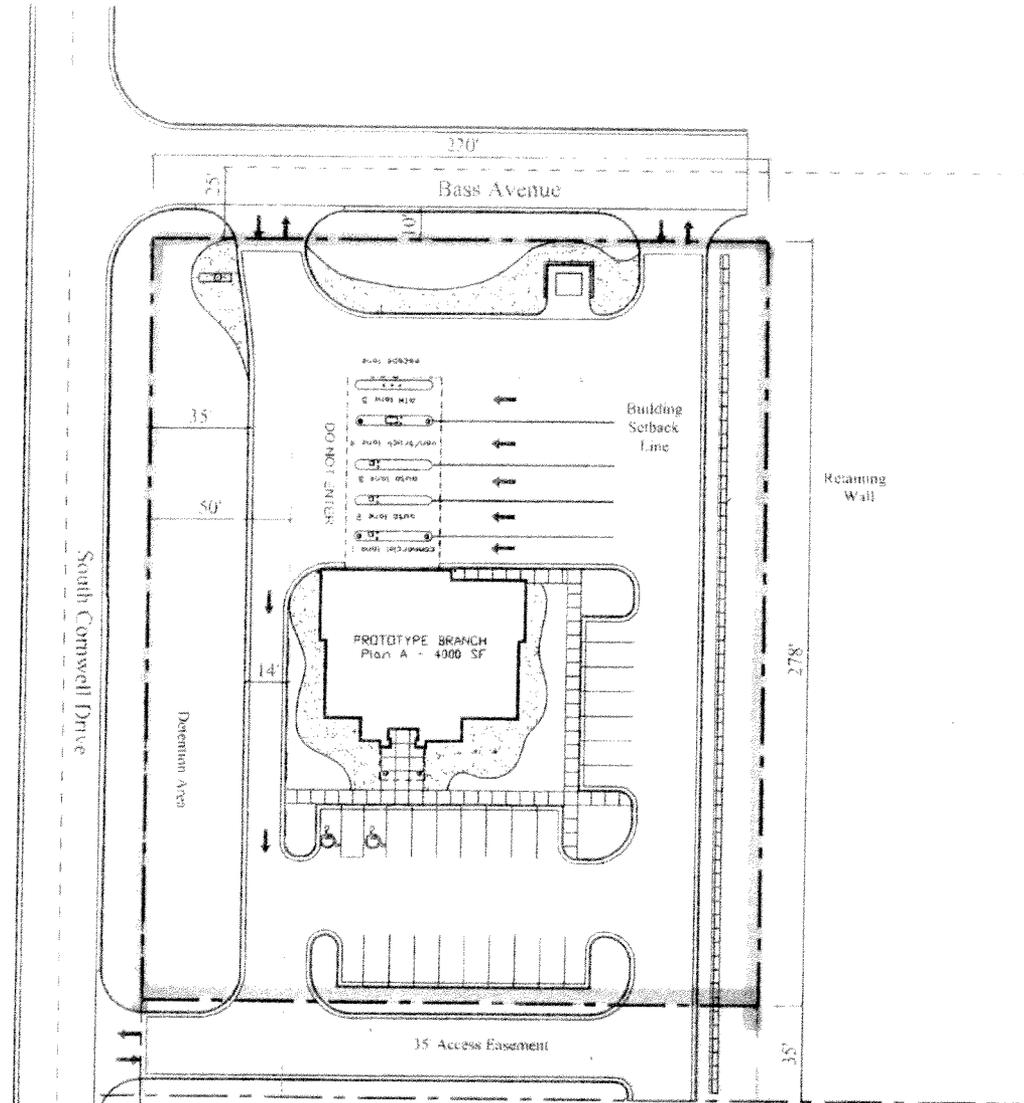
Thence South parallel to the East of said Block "A" and "B" a distance of 732.71 feet;

Thence South 45°00'00" West a distance of 113.14 feet to the Point of Beginning.

EXHIBIT "B"

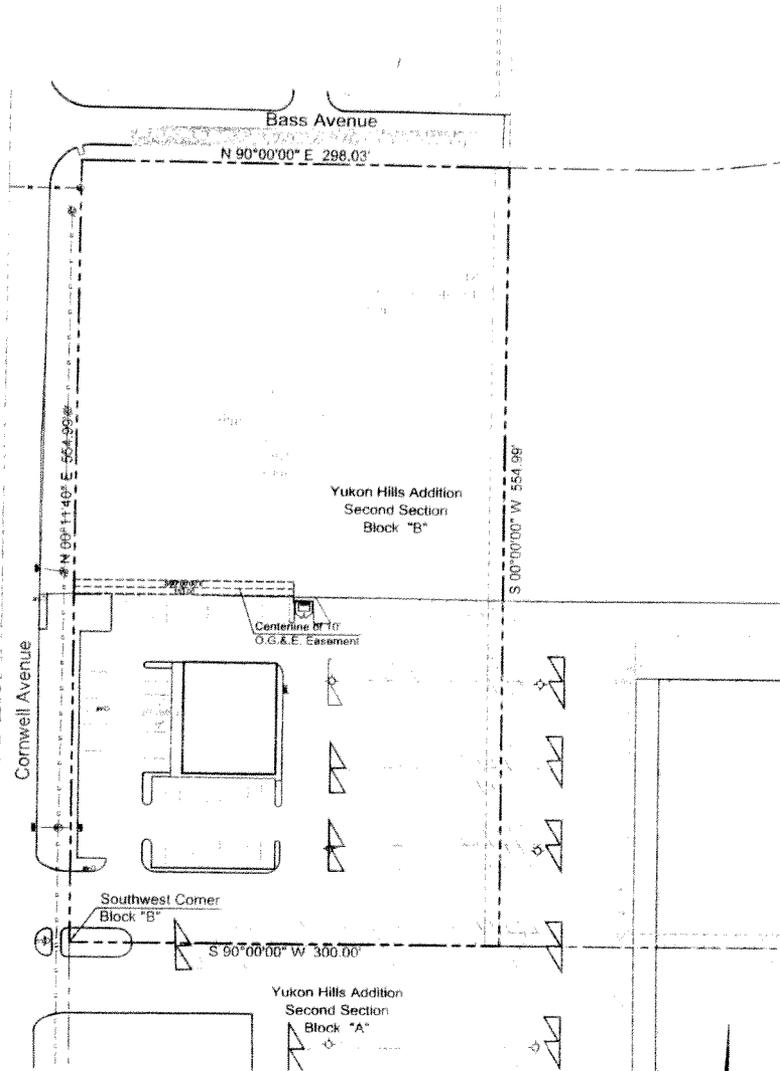
Exceptions to Warranty of Title

1. Ad valorem taxes for 2006 and subsequent years, not yet due and payable.
2. All easements, rights-of-way, restrictions and other rights, interests and exceptions of record, to the extent the same are valid and subsisting and affect the property.
3. All matters that would be shown by a correct survey of the property.

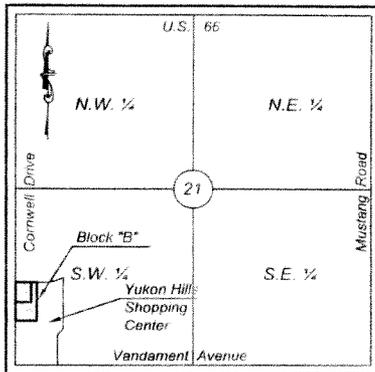


YUKON HILLS, OKLAHOMA CITY OK  
 Comwell Drive & Bass Avenue Site Concept  
 +/-1.40 Acres  
 Preliminary Layout-Not for Construction  
 February 8, 2012

Plat of Survey for Lot Line Adjustment  
 Part of the SW/4 of Section 21, T-12-N, R-5-W, I.M.  
 City of Yukon, Canadian County, Oklahoma



**LOT AS PLATTED**  
 YUKON HILLS ADDITION  
 Second Section  
 Block "B"

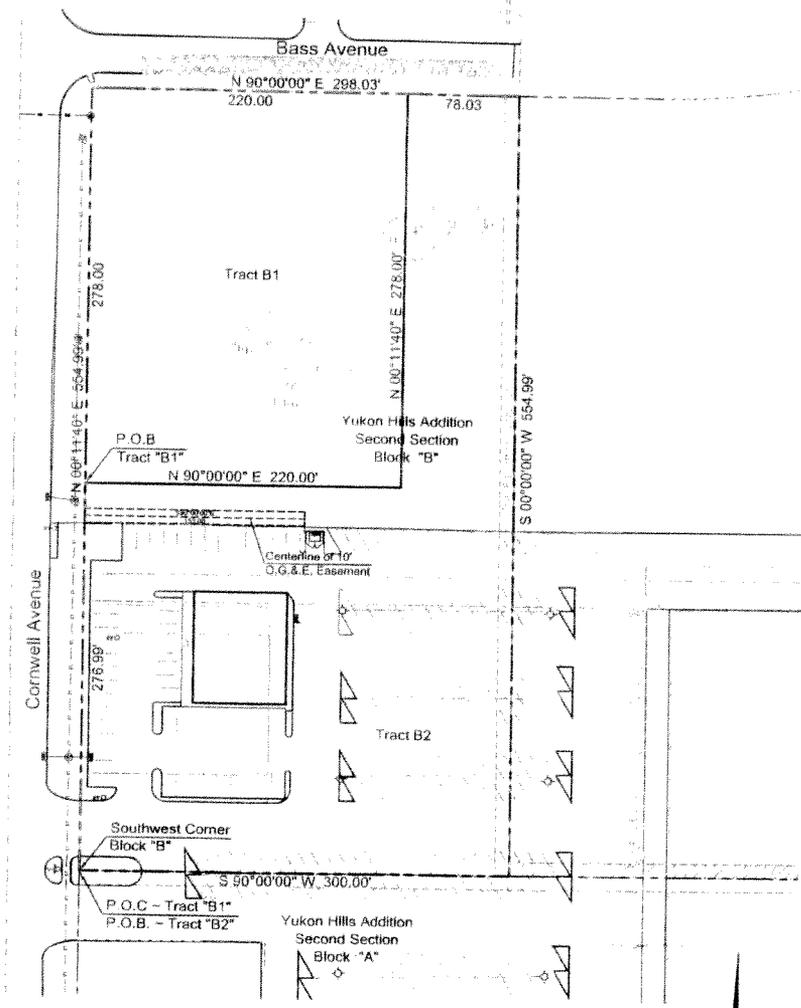


Vicinity Map  
 Section 21, Township 12N, Range 5W  
 Not To Scale

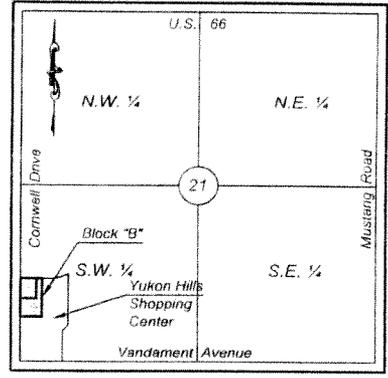
Scale: 1" = 100'  
 BASIS OF BEARINGS:  
 N 00°11'40" E  
 West Line of Block "B"

**ALLEN  
 ENGINEERING  
 SERVICES, INC.**  
 1601 SW 89th Street, Bldg. C, Suite 200  
 Oklahoma City, Oklahoma 73159  
 Tel: (405) 840-9901 - Fax: (405) 681-4881  
 CA No. 4131 - June 30, 2014

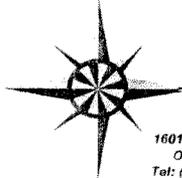
Plat of Survey for Lot Line Adjustment  
 Part of the SW/4 of Section 21, T-12-N, R-5-W, I.M.  
 City of Yukon, Canadian County, Oklahoma



**LOTS AS ADJUSTED**  
 YUKON HILLS ADDITION  
 Second Section  
 Block "B"



Scale: 1" = 100'  
 BASIS OF BEARINGS:  
 N 00°11'40" E  
 West Line of Block "B"



**ALLEN  
 ENGINEERING  
 SERVICES, INC.**

1601 SW 89th Street, Bldg. C, Suite 200  
 Oklahoma City, Oklahoma 73159  
 Tel: (405) 840-9901 - Fax: (405) 681-4881  
 CA No. 4131 - June 30, 2014

RESOLUTION NO. 2012-10

A RESOLUTION APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE YUKON MUNICIPAL AUTHORITY (THE "AUTHORITY") ISSUING ITS 2012 REVENUE NOTE (THE "REVENUE NOTE"), IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,000,000; WAIVING COMPETITIVE BIDDING AND AUTHORIZING SAID REVENUE NOTE TO BE SOLD AT A PRICE LESS THAN PAR VALUE BY NEGOTIATED SALE WITHIN THE LIMITS PROVIDED BY TITLE 60, OKLAHOMA STATUTES, SECTION 176; AUTHORIZING AND APPROVING A SALES TAX AGREEMENT PROVIDING SECURITY FOR THE REVENUE NOTE; DESIGNATING THE REVENUE NOTE AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" UNDER THE INTERNAL REVENUE CODE OF 1986; PROVIDING THAT THE TRUST INDENTURE SHALL BE SUBJECT TO PROVISIONS OF THE REVENUE NOTE; RATIFICATION OF LEASE AGREEMENT AND OPERATION AND MAINTENANCE CONTRACT BETWEEN THE CITY AND THE AUTHORITY AND AGREEING THAT THE TERM OF THE LEASE SHALL EXTEND TO LONG AS THE REVENUE NOTE REMAINS UNPAID; AND, AUTHORIZATION OF DOCUMENTS AND PROCEDURES RELATED TO ISSUANCE OF THE REVENUE NOTE.

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF YUKON:

Section 1. Authorization of Issuance of Revenue Note. The Yukon Municipal Authority (the "Authority"), a public trust organized and existing under the laws of the State of Oklahoma, the beneficiary of which is the City of Yukon, Oklahoma (the "City"), is hereby authorized to incur an indebtedness by the issuance of its obligation designated:

Yukon Municipal Authority 2012 Revenue Note in the aggregate principal amount not to exceed \$2,000,000 (the "Revenue Note"),

for the purposes of providing capital improvements and equipment for the use and benefit of the City and the payment of associated indebtedness, the payment of financing costs and for expenses of issuing the Revenue Note; provided that the Revenue Note shall never constitute a debt of the City.

Section 2. Waiver of Competitive Bidding on Sale of the Revenue Note. Competitive bidding on the sale of the Revenue Note is hereby waived and the same is authorized to be sold at a price less than par value by negotiated sale, pursuant to the terms of the Revenue Note, all within the limits provided by Title 60, Oklahoma Statutes 2011, Section 176, as amended.

Section 3. Sales Tax Agreement The Mayor or Vice Mayor are hereby authorized to enter into a Sales Tax Agreement providing security for the Revenue Note, by which the City pledges funds of the City to the Authority for repayment of the Revenue Note, provided such Sales Tax Agreement complies in all respects with applicable Oklahoma law, including

Oklahoma law which provides that the City may not become obligated beyond its fiscal year (July 1 through June 30), and all payments of City funds to the Authority for payment of the Revenue Note are subject to annual appropriation by the City.

Section 4. Reasonable Expectations with Respect to Issuance of Tax-Exempt Obligations and Designation of Revenue Note as Qualified Tax-Exempt Obligations. The City reasonably anticipates that the aggregate amount of “qualified tax-exempt obligations” (as defined in section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”)), which will be issued by the Authority, the City and all subordinate entities thereof during calendar year 2012 will not exceed \$10,000,000, and hereby covenants and agrees, as a material inducement and consideration to the purchasers of its Revenue Note, that neither the Authority, the City or any subordinate entity thereof will, during calendar year 2012, issue “qualified tax-exempt obligations” (as defined in Section 265(b)(3)(B) of the Code), in an aggregate amount exceeding \$10,000,000. Further, it is the purpose and intent of this Resolution that the Revenue Note shall constitute and is hereby designated as “qualified tax-exempt obligations” as defined in Section 265(b)(3)(B) of the Code, in order that the purchasers of the Revenue Note may avail themselves of the exception contained in said Section 265(b)(3)(B) of the Code with respect to interest incurred to carry tax-exempt bonds. The City hereby covenants and agrees that it will not designate as “qualified tax-exempt obligations” more than \$10,000,000 in aggregate amount of obligations issued by the Authority, the City or any subordinate entity thereof during calendar year 2012. Notwithstanding other provisions of this section, the City and other related entities may issue obligations, provided that the issuance of such obligations do not disqualify the Revenue Note as “qualified tax-exempt obligations” as defined by Section 265(b)(3)(B) of the Code. The City hereby covenants and agrees with the purchasers of the Revenue Note to take such further actions and execute such documents and instruments as may be necessary or proper to carry out the intent of this Resolution, and/or as may be in furtherance of the issuance of the Revenue Note, and the Mayor (or Vice Mayor in the absence of the Mayor) is hereby authorized, empowered and directed to take such actions and execute such documents as may be deemed necessary or proper from time to time.

Section 5. Trust Indenture Subject to Revenue Note. The Trust Indenture dated as of June 20, 1972, as amended, creating the Authority is subject to the provisions of the Revenue Note.

Section 6. Ratification of Lease. The City hereby ratifies and confirms the Lease Agreement and Operation and Maintenance Contract by and between the City and the Authority dated the 3rd day of October 1972, as amended, (the “Lease”) pertaining to the lease by the City to the Authority of its existing and after acquired water and sanitary sewer systems in order to enable the Authority to secure any obligations issued by the Authority by a pledge of its leasehold interest in such system, together with a pledge of revenues and proceeds derived from the operation thereof; and, it is agreed that the term of the Lease shall extend so long as the Revenue Note remains outstanding and unpaid.

Section 7. Finalization, Execution and Delivery of Documents Necessary for Issuance of the Revenue Note. The Mayor (or the Vice Mayor in the absence of the Mayor) is authorized and directed to finalize, modify, create, execute, record, file and deliver on behalf of the City all bond, securities, tax and security documents and certifications necessary to consummate issuance of the Revenue Note, and further to modify dates with respect to the Revenue Note and other instruments and to modify the name of the Revenue Note; and, the City Clerk (or the Assistant City Clerk in the absence of the City Clerk) is authorized and directed to provide all attestations and certifications necessary to consummate issuance of the Revenue Note; and, upon execution and delivery of all documents provided for or contemplated by this Resolution, the same shall be conclusively deemed authorized and approved by the City.

PASSED AND APPROVED the 16th day of October, 2012.

CITY OF YUKON, OKLAHOMA

(SEAL)  
ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

STATE OF OKLAHOMA            )  
  ) SS:  
COUNTY OF CANADIAN        )

I, the undersigned, the duly qualified and acting Clerk of the City of Yukon, hereby certify that the above and foregoing is a true, correct and complete copy of the Resolution duly adopted by the governing body of said City and of the proceedings of the governing body of said City in the adoption of said resolution on the date therein set out as shown by the records of my office.

I further certify that in conformity with Title 25, Oklahoma Statutes 2011, Section 301-314, inclusive, as amended (the Oklahoma Open Meeting Act), notice of this meeting was given in conformity with the requirements of law.

WITNESS my hand and seal of said City the 16th day of October, 2012.

\_\_\_\_\_  
City Clerk

(SEAL)

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ORDINANCE NO. 1281

AN ORDINANCE AMENDING SEC. 2-137(B) OF THE CODE OF ORDINANCES OF THE CITY OF YUKON BY DETERMINING THAT CERTAIN OBLIGATIONS, INCLUDING THE YUKON MUNICIPAL AUTHORITY 2012 REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,000,000, DO NOT EXCEED DEBT LIMITATIONS; REPEALING ALL CONFLICTING ORDINANCE PROVISIONS; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF YUKON, OKLAHOMA:

Section 1.

The Code of Ordinances of the City of Yukon is hereby amended by amending the existing language of Section 2-137(b), which new Section 2-137(b) is set out in its entirety below, to-wit:

(b) The following bonds and indebtednesses are conclusively determined to be within and not to exceed the limitations of Section 2-137(a), or any debt limitations of the Code of Ordinances or the Charter of the City, and any conflicting provisions of the Code of Ordinances of the City are modified to the extent necessary to fully validate the following:

- (i) Yukon Municipal Authority Sales Tax and Utility System Revenue Bonds, Series 2005A in the aggregate principal amount of \$3,080,000.
- (ii) Yukon Municipal Authority Sales Tax and Utility System Revenue Refunding Bonds, Series 2005B in the aggregate principal amount of \$11,180,000.
- (iii) Yukon Municipal Authority Sales Tax and Utility System Revenue Bonds, Series 2007 in the aggregate principal amount of \$7,575,000.
- (iv) Yukon Municipal Authority Sales Tax and Utility System Revenue Refunding Bonds, Series 2010 in the aggregate principal amount of \$4,430,000.
- (v) Yukon Municipal Authority Sales Tax and Utility System Revenue Bonds, Series 2011 in the aggregate principal amount of \$7,500,000.
- (vi) Yukon Municipal Authority 2011 Revenue Note in the aggregate principal amount of \$2,000,000.
- (vii) Yukon Municipal Authority Sales Tax and Utility System Revenue and Refunding Bonds, Series 2012 in the aggregate principal amount of \$15,000,000.

(viii) Yukon Municipal Authority 2012 Revenue Note in the aggregate principal amount of \$2,000,000.

Section 2. Repealer.

All provisions of the Code of Ordinances of the City of Yukon which are inconsistent with the foregoing are hereby repealed to the extent of such conflict, it being intended that the foregoing Ordinance shall supersede and modify any conflicting provisions contained in the Code of Ordinances of the City of Yukon.

Section 3. Emergency.

Whereas, it is necessary for the immediate preservation of peace, health and safety of the citizens and residents of the City of Yukon, Oklahoma, that the foregoing Ordinance be enacted, and that the provisions of this Ordinance become immediately effective, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect immediately from and after its passage and approval as provided by law.

PASSED AND APPROVED THIS 16<sup>th</sup> day of October 2012.

CITY OF YUKON, OKLAHOMA

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

STATE OF OKLAHOMA            )  
  ) SS:  
COUNTY OF CANADIAN        )

I, the undersigned, the duly qualified and acting Clerk of the City of Yukon, hereby certify that the above and foregoing is a true, correct and complete copy of the Ordinance duly adopted by the governing body of said City and of the proceedings of the governing body of said City in the adoption of said Ordinance on the date therein set out as shown by the records of my office.

I further certify that in conformity with Title 25, Oklahoma Statutes 2011, Section 301-314, inclusive, as amended (the Oklahoma Open Meeting Act), notice of this meeting was given in conformity with the requirements of law.

WITNESS my hand and seal of said City the 16th day of October 2012.

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City Clerk

(SEAL)