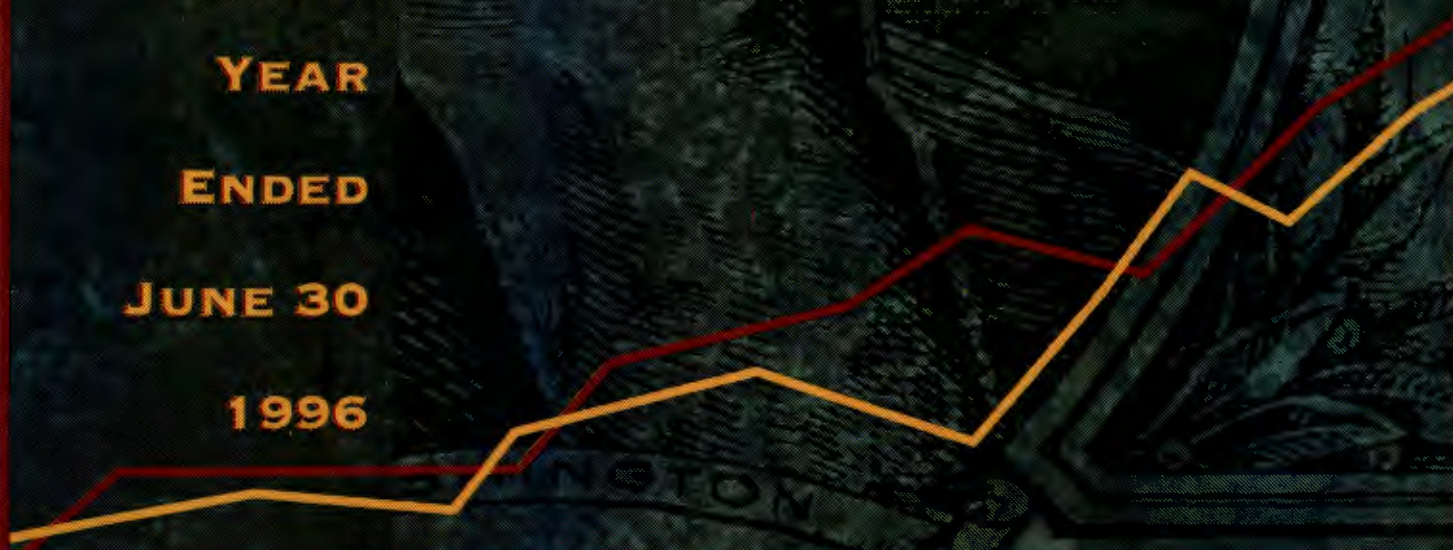


**CITY OF
SHAWNEE
OKLAHOMA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE
FISCAL
YEAR
ENDED
JUNE 30
1996**



City of Shawnee, Oklahoma

Comprehensive Annual Financial Report

For the Fiscal Year ended June 30, 1996

Prepared by:

Office of the City Treasurer

City of Shawnee, Oklahoma
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 1996

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Comprehensive Annual Financial Report
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Fiscal Year Ended June 30, 1996

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Comprehensive Annual Financial Report
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MAYOR
CHRIS HARDEN

THE CITY OF SHAWNEE

P. O. BOX 1448
SHAWNEE, OKLAHOMA 74802-1448
(405) 273-1250
FAX (405) 878-1581

COMMISSIONERS
GEORGE D. SNIDER
RONALD A. GILLHAM SR.
CARL E. YOUNG
ARNOLD DAVIS
R. J. "BOB" DOWNING

December 30, 1996

Honorable Mayor and City Commission
City of Shawnee
Shawnee, Oklahoma

The comprehensive annual financial report of the City of Shawnee, Oklahoma, for the fiscal year ended June 30, 1996, is hereby submitted in accordance with the requirements of the City Charter and Oklahoma State Statutes. City management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. We believe the information, as presented, is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds, accounts groups, and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

The comprehensive annual financial report is composed of the following four sections:

The Introductory Section, which is unaudited, includes this transmittal letter, the City's organizational chart, and a list of the City's elected and appointed officials.

The Financial Section, which includes the general purpose financial statements, the combining financial statements, and the independent auditor's report on these financial statements.

The Statistical Section, which is unaudited, includes selected financial and demographic information about the City for the last ten years.

The Single Audit Section, which includes the schedule of federal financial assistance, and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations; all issued in conformity with the provisions of the Single Audit Act of 1984, "Government Auditing Standards" issued by the Comptroller General of the United States and U.S. Office of Management and Budget Circular A-128, *Audits of State and Local Governments*.

The City's financial reporting entity includes all the funds and account groups of the primary government (i.e., the City of Shawnee as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Shawnee Municipal Authority (SMA), the Shawnee Airport Authority (SAA), and the Shawnee Civic and Cultural Development Authority (SCCDA) are included as enterprise funds in the financial section of this report.

The City provides a full range of municipal services which include police and fire protection; water, sewer, and sanitation services; construction and maintenance of streets and airport facilities; recreational and cultural activities; and general government functions.

GOVERNMENTAL STRUCTURE

The City has adopted a charter and operates under a Commission-Manager form of government. The City Commission is the governing body of the City. The Commission is comprised of the Mayor and six Commissioners. The City is divided into six wards with one commissioner from each ward. The members of the City Commission are also the trustees of the Shawnee Municipal Authority and Shawnee Airport Authority. The City Commission appoints the City Manager who is the chief executive officer of the City and is responsible to the City Commission for the administration of all City services.

ECONOMIC CONDITION AND OUTLOOK

The City is located in central Oklahoma approximately 30 miles east of Oklahoma City. The City was incorporated in 1894 and covers an area of 44 square miles. The population of the City is 26,017 based on the 1990 U. S. Census.

Fiscal Year 1995 - 1996 was an excellent year for economic growth in Shawnee. Retail sales increased approximately 5% during the year to \$311.4 million, and are expected to grow at a steady rate in the future.

During the year, a total of five new companies located in the Shawnee area creating over 190 new jobs, with \$4.9 million of new payroll. Expansion of established companies is estimated to have created \$5.4 of new payroll. Companies currently planning expansion are estimating the addition of nearly 500 new jobs in 1996 - 1997.

The economy in the City of Shawnee has grown at an average rate of approximately 5.4% per year for the last five years. The inflation rate for this same period has averaged approximately 2.5% per year.

MAJOR INITIATIVES

The City has a number of major initiatives in process or planned in the near future. The City is participating with a neighboring City and a public trust of the County in the construction of a new reservoir. The reservoir is owned by the County Trust, but the City (through the Shawnee Municipal Authority) has rights to 85% of the water produced from the reservoir. This lake will meet anticipated water demands for many years. The construction of the lake is now complete, and impoundment of water has begun.

The Shawnee Municipal Authority is in the final stages of an expansion of one of its two wastewater treatment plants. The expansion will double the capacity of the plant. This project is expected to have a very positive impact on the long-term economic development of the City by enhancing the City's ability to attract industries.

The City's airport improvement project is near completion. This four year project includes the replacement of underground fuel storage tanks with new above ground tanks, enlarging and resurfacing parking aprons, extensions to the runways, and the installation of an instrument landing system. This project is being funded primarily from grant money received from the Federal Aviation Administration (90%) and the Oklahoma Aeronautics Commission (5%), with the remainder funded by the Shawnee Airport Authority.

The City is pursuing an aggressive street improvement program. This program is funded through the commitment of 50% of a dedicated one cent sales tax and the issuance of General Obligation Bonds. The program has been in place for ten years and many major streets have been replaced or improved.

FINANCIAL INFORMATION

The City's accounting records for general governmental operations (General, Special Revenue, Debt Service, and Capital Projects Funds) are reported on a modified accrual basis, with the revenues being recorded when measurable and available, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary funds (Enterprise and Internal Service Funds) are reported on the accrual basis.

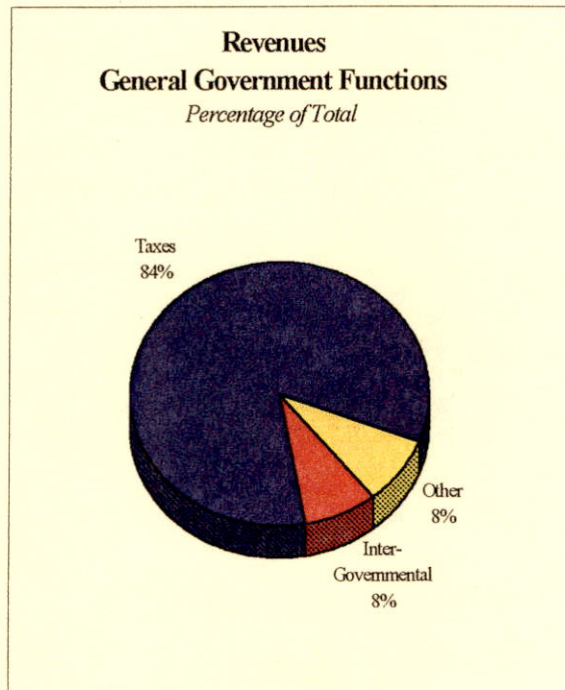
Internal Control System. Management is responsible for establishing and maintaining an internal control system. The internal control system is the policies and procedures developed by management, and the overall environment in which the City operates. An internal control system is designed to provide reasonable, but not absolute, assurance that the assets of the City are safeguarded against loss from unauthorized use or disposition, and to insure the integrity of the data collected by the accounting system. The concept of reasonable assurance recognizes that the cost of any element of the internal control structure should not exceed the benefit that is expected to be derived.

Management believes that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgeting Controls. The administrative level of budgetary control is maintained at the character classification level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Open encumbrances are reported as a reservation of fund balance at June 30, 1996.

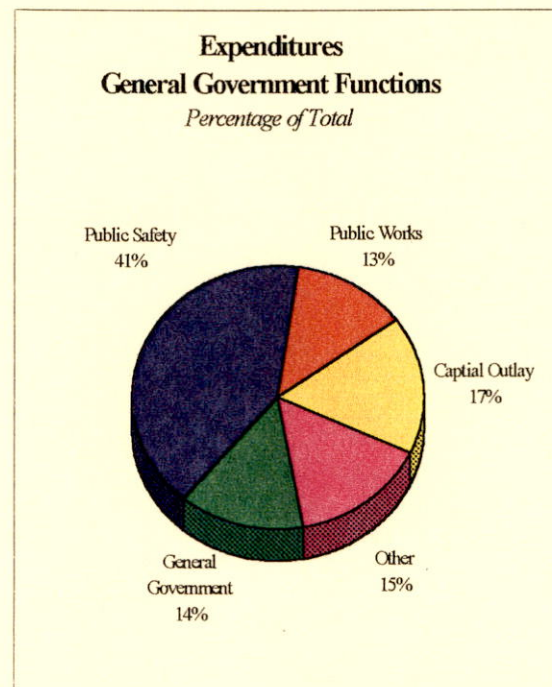
General Government Functions. The following schedule presents a summary of general fund, special revenue funds, debt service fund, and capital projects funds revenues and expenditures for the fiscal year ended June 30, 1996 and the amount and percentage of increases and decreases in relation to prior year figures.

	Fiscal Year Ending June 30, 1996	Percent of Total	Increase (Decrease) from Prior Fiscal Year	Percent Change from from Prior Fiscal Year
Revenues:				
Taxes	\$ 11,661,372	83.58%	\$ 621,237	5.63%
Intergovernmental	1,172,604	8.40%	270,770	30.02%
Licenses & Permits	115,910	0.83%	6,255	5.70%
Fines & Forfeitures	281,689	2.02%	(18,931)	(6.30%)
Interest	298,497	2.14%	15,970	5.65%
Other	422,057	3.03%	20,328	5.06%
Total Revenues	<u>\$ 13,952,129</u>	<u>100.00%</u>	<u>\$ 915,629</u>	<u>7.02%</u>
Expenditures:				
General Government	\$ 1,739,355	13.85%	\$ 218,035	14.33%
Public Safety	5,161,550	41.10%	180,926	3.63%
Public Works	1,603,939	12.77%	38,535	2.46%
Cultural & Recreational	381,800	3.04%	(9,648)	(2.46%)
Urban Renewal & Housing	758,177	6.04%	206,455	37.42%
Economic Development	112,500	0.90%	(9,268)	(7.61%)
Capital Outlay	2,136,153	17.01%	(509,386)	(19.25%)
Debt Service	664,651	5.29%	62,733	10.42%
Total Expenditures	<u>\$ 12,558,125</u>	<u>100.00%</u>	<u>\$ 178,382</u>	<u>1.44%</u>



Revenue increases were recognized in sales tax and intergovernmental revenue. The increase in sales tax was a result of a general improvement in the economy of the City. The increase in intergovernmental revenue was the result of increased activity in the housing rehabilitation projects funded by the U.S. Department of Housing and Urban Development.

Expenditure increases were recognized in general government and urban renewal and housing expenditures. The increase in general government expenditures was the result of the purchase of new accounting software, increased activity in visitor development services, and increased expenditures under a juvenile justice grant. The increase in urban renewal and housing was the result of increased activity in the housing rehabilitation projects funded by the U.S. Department of Housing and Urban Development.



Expenditure decreases were recognized in capital outlay expenditures. These decreases were the result of the deferral of a street project to the 1996 - 1997 fiscal year. These decreases were also related to expenditures on a street project in the 1994 - 1995 fiscal year (funded through general obligation bonds) which did not recur in the current fiscal year.

Honorable Mayor and City Commission
December 30, 1996

General Fund Balance. The fund balance of the general fund increased by \$45,818 or 6.63% in the fiscal year ending June 30, 1996.

Enterprise Operations. The SMA, SAA, and SCCDA are classified as Enterprise Funds for reporting purposes. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise where the purpose is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following table reflects revenues, expenses and results of operations for the Enterprise Funds for the year ended June 30, 1996.

Fund	Operating Revenue	Operating Expenses	Operating Income (Loss)	Net Non-Operating Revenues & Expenses	Net Operating Transfers In (Out)	Net Income (Loss)
SMA	\$ 6,654,259	\$ 4,651,675	\$ 2,002,584	\$ (1,168,726)	\$ (76,895)	\$ 756,963
SAA	26,499	338,995	(312,496)	26,619	53,161	(232,716)
SCCDA	468,625	1,107,393	(638,768)	2,351	427,599	(208,818)
Total	<u>\$ 7,149,383</u>	<u>\$ 6,098,063</u>	<u>\$ 1,051,320</u>	<u>\$ (1,139,756)</u>	<u>\$ 403,865</u>	<u>\$ 315,429</u>

Debt Administration. The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens and investors. This data for the City at the end of the 1996 fiscal year was as follows:

	Amount	Ratio of Debt to Net Assessed Value	Debt Per Capita
Net Bonded Debt	\$ 1,888,969	2.33%	\$ 71.81

Honorable Mayor and City Commission
December 30, 1996

At June 30, 1996, the outstanding long-term debt (including current portion) to be funded by the City and its authorities was composed of:

	Type of Obligation	Amount Outstanding at June 30, 1996
City of Shawnee:	General Obligation Bonds	\$ 2,045,000
	Capital leases	511,254
	Compensated Absences	577,061
SMA:	Revenue Bonds & Notes	23,837,267
SAA:	Capital leases	18,415
SCCDA:	Capital leases	88,072
Total		<u>\$ 27,077,069</u>

General obligation bonds are serviced from property tax revenues. Revenue bonds and junior lien revenue notes are serviced by utility system revenues and from a one percent (1%) sales tax.

The City and SMA bonds and notes have the following ratings:

	Moody's	Standard & Poors
Limited Access Facilities Serial Bonds, Series 1994	A -	---
Limited Access Facilities Refunding Serial Bonds, Series 1994	A -	---
Utility Revenue Notes, Series 1993A	AAA	Aaa
Sales Tax & Utility Revenue Refunding Bonds, Series 1995	AAA	Aaa

The ratings listed for the Sales Tax and Utility Revenue Refunding Bonds, Series 1995 and the Utility Revenue Notes, Series 1993A are with AMBAC insurance.

The following table details accrual basis debt service requirements of the City and its authorities for the year ended June 30, 1996:

	Principal	Interest
General Obligation Bonds	\$ 245,000	\$ 128,935
Revenue Bonds & Notes	1,255,000	1,372,078
Capital Leases	234,704	47,640
Total	<u>\$ 1,734,704</u>	<u>\$ 1,548,653</u>

Honorable Mayor and City Commission
December 30, 1996

Cash Management. The City generally combines unrestricted cash for investment purposes. Cash temporarily idle during the year was invested in time deposits and U.S. Treasury securities. The City uses interest bearing NOW checking accounts and higher yielding money market accounts.

The total restricted, unrestricted and pooled cash and investment balances for the City including component units at June 30, 1996 were as follows:

City of Shawnee	\$ 7,007,640
SMA	4,081,875
SAA	106,338
SCCDA	443,298
Total	<u>\$ 11,639,151</u>

The City Treasurer/Finance Director is responsible for City investment activity.

Risk Management. The City is self-insured for workers compensation, unemployment compensation, and general liability coverage.

The municipal building and the public library are structures which if destroyed or heavily damaged, could not be replaced by the self-insurance fund without jeopardizing the integrity of the fund. In recognition of this risk exposure, the Shawnee City Commission authorized building and contents coverage for these facilities. Coverage is also maintained on the water utility facilities as required by the bond indenture.

The City has several policies and procedures regarding safety training of employees, hazardous material communications, accident reporting and investigation, and medical assistance. The City intends to limit their risk exposure through stringent enforcement of these policies.

Honorable Mayor and City Commission
December 30, 1996

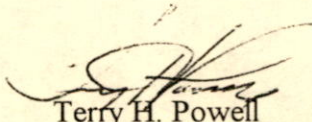
OTHER INFORMATION

Independent Audit. The Oklahoma State Statutes and City Charter require an annual audit by a certified public accountant or qualified independent public accountant. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB circular A-128 and "Government Auditing Standards" issued by the Comptroller General of the United States. The independent certified public accountants who performed the audit were selected by the City Commission.

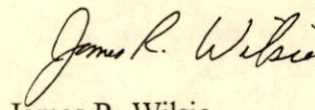
The independent auditor's report on the general purpose financial statements and combining financial statements is included in the financial section of this report. The independent auditor's reports related specifically to the Single Audit are included in the Single Audit Section.

Acknowledgments. The preparation of this report could not be accomplished without the dedicated services of the entire accounting department staff. In addition, thanks are extended to the members of the City Commission for their interest and support in strengthening and improving the fiscal policies of the City of Shawnee.

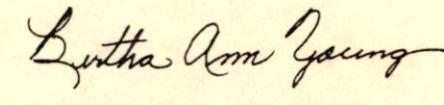
Respectfully submitted,



Terry H. Powell
City Manager



James R. Wilsie
Director of Budget and Financial Services



Bertha Ann Young
City Treasurer / Finance Director

Citizens of Shawnee

Mayor and Commissioners

City Attorney

Municipal Judge

City Manager

City Treasurer

Advisory Boards

Executive Secretary

Personnel Director

Director of
Administration and
Safety

Director of
Operations

Director of Budget
and Financial
Services

Exposition Center

Emergency
Management /
Communications

Fire Department

Police Department

Prevention

Suppression

Training

Patrol

CID

Humane

Auxiliary

Community
Development

Public Works

Engineering

Code
Enforcement

Planning

Grant
Administration

CDBG

Action Center

Streets

Traffic Control

Lake
Operations

Water
Production

Water
Distribution

Airport

Parks

Cemetery

Waste Water
Treatment

Waste Water
Collection

Finance Director's Office

Municipal Court

Clerk's Office

Accounting

Data
Processing

Equipment
Services

Building
Maintenance

Records and
Licenses

Utility Billing

City of Shawnee, Oklahoma

Municipal Officials

June 30, 1996

City Commission

Chris Harden	Mayor
Robert J. Downing	Vice Mayor - Ward VI
George D. Snider	Ward I
Ronald A. Gillham, Sr.	Ward II
Carl E. Young	Ward III
Vacant	Ward IV
Arnold Davis	Ward V

Administration

Terry H. Powell	City Manager
Dallas Graham	Director of Operations
Hank Land	Director of Administration & Public Safety
James R. Wilsie	Director of Budget & Financial Services
Bertha Ann Young	City Treasurer / Finance Director
Robert Jones	Municipal Judge
Bill Tackett	Personnel Director
Diana Hallock	City Clerk
Verna Nell Young	Municipal Court Clerk
James Roberts	Fire Chief
Ron McCalip	Emergency Management Director
Ken Etchieson	Exposition Center Manager
Bill Colclasure	Community Development Director
James Cole	Public Works Director
John Krywicki	City Engineer

Financial Section



CERTIFIED PUBLIC ACCOUNTANT, INC.

MEMBER
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
OKLAHOMA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Member of the City Commission
City of Shawnee
Shawnee, Oklahoma 74801

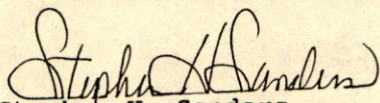
I have audited the accompanying general purpose financial statements of the City of Shawnee, Oklahoma, as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Shawnee, Oklahoma's, management. My responsibility is to express an opinion on the general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; "Government Auditing Standards", issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Shawnee, Oklahoma, for the year ended June 30, 1996, and the related statements of revenue, expenses, changes in fund equity and the cash flows of its proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining general purpose financial statements, the supporting schedules and the Schedule of Federal Financial Assistance, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Shawnee, Oklahoma. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with "Government Auditing Standards," I have also issued a report dated December 30, 1996, on my consideration of the City of Shawnee, Oklahoma's internal control structure and a report dated December 30, 1996, on its compliance with laws and regulations.

A handwritten signature in dark ink, appearing to read "Stephen H. Sanders". The signature is fluid and cursive, with the first name "Stephen" and last name "Sanders" clearly distinguishable.

Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996

General Purpose Financial Statements

City of Shawnee, Oklahoma
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1996

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
ASSETS AND OTHER DEBITS				
Cash	\$ 244,988	\$ 117,614	\$ 121,029	\$ 1,229,471
Investments, at cost	564,850	206,235	34,945	3,228,382
Receivables:				
Accounts receivable (net of allowance for uncollectable accounts of \$87,149)	---	---		---
Accrued interest & other receivables	2,980	705	57	3,597
Notes receivable - current	---	254	---	---
Due from other governments	42,762	477	---	---
Due from other funds	6,535	7,040	---	---
Sales tax receivable	602,333	14,058	---	267,100
Deposits	---	---	---	---
Restricted assets:				
Cash and investments	---	---	---	---
Accrued interest receivable	---	---	---	---
Property, plant and equipment (net)	---	---	---	---
Bond issuance costs	---	---	---	---
Water rights contract	---	---	---	---
OTHER DEBITS:				
Amount available in debt service fund	---	---	---	---
Amount to be provided for retirement of general long-term debt	---	---	---	---
 TOTAL ASSETS AND OTHER DEBITS	 \$ 1,464,448	 \$ 346,383	 \$ 156,031	 \$ 4,728,550

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
Enterprise Funds	Internal Service Funds	Trust and Agency Funds	General Long-Term Debt	General Fixed Assets	
\$ 1,002,829	\$ 233,686	\$ 188,293	\$ ---	\$ ---	\$ 3,137,910
1,068,391	350,000	488,147	---	---	5,940,950
998,237	---	---	---	---	998,237
719	426	133	---	---	8,617
---	---	168,362	---	---	168,616
---	---	---	---	---	43,239
1,468	307,000	314	---	---	322,357
---	---	---	---	---	883,491
3,250	---	---	---	---	3,250
2,560,291	---	---	---	---	2,560,291
51,835	---	---	---	---	51,835
31,740,606	---	---	---	13,115,674	44,856,280
19,704	---	---	---	---	19,704
16,916,119	---	---	---	---	16,916,119
---	---	---	156,031	---	156,031
---	---	---	2,977,284	---	2,977,284
<u>\$ 54,363,449</u>	<u>\$ 891,112</u>	<u>\$ 845,249</u>	<u>\$ 3,133,315</u>	<u>\$ 13,115,674</u>	<u>\$ 79,044,211</u>

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1996
(Continued)

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
LIABILITIES				
Accounts payable	\$ 64,955	\$ 27,316	\$ ---	\$ 100,813
Accrued liabilities	147,113	19,488	---	---
Other liabilities	8,542	---	---	---
Accrual for compensated absences	199,460	---	---	---
Deposits on future lease contracts	---	---	---	---
Deferred revenues	---	---	---	---
Unearned rental income - current	---	---	---	---
Obligation under capital lease - current	---	---	---	---
Payable from restricted assets:				
Accrued interest payable	---	---	---	---
Revenue bonds payable - current	---	---	---	---
Due to other funds	308,223	2,155	---	4,694
Obligation under capital lease - long-term	---	---	---	---
Revenue bonds payable - long-term	---	---	---	---
Amounts held in escrow	---	---	---	---
Due to utility customers	---	---	---	---
Unearned rental income - long-term	---	---	---	---
General obligation bonds payable	---	---	---	---
Claims and judgments payable	---	---	---	---
Total Liabilities	<u>728,293</u>	<u>48,959</u>	<u>---</u>	<u>105,507</u>
EQUITY AND OTHER CREDITS				
Contributed capital	---	---	---	---
Retained earnings - unreserved	---	---	---	---
Retained earnings - reserved	---	---	---	---
Investment in general fixed assets	---	---	---	---
Fund balance:				
Reserved	98,888	646	156,031	842,312
Unreserved	<u>637,267</u>	<u>296,778</u>	<u>---</u>	<u>3,780,731</u>
TOTAL EQUITY AND OTHER CREDITS	<u>736,155</u>	<u>297,424</u>	<u>156,031</u>	<u>4,623,043</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 1,464,448</u>	<u>\$ 346,383</u>	<u>\$ 156,031</u>	<u>\$ 4,728,550</u>

See accompanying notes to financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total
Enterprise Funds	Internal Service Funds	Trust and Agency Funds	General Long-Term Debt	General Fixed Assets	(Memorandum Only)
\$ 120,957	\$ 19,338	\$ 2,654	\$ ---	\$ ---	\$ 336,033
39,203	---	---	---	---	205,804
102,940	---	---	---	---	111,482
87,791	---	---	577,061	---	864,312
11,700	---	---	---	---	11,700
---	---	168,362	---	---	168,362
62,256	---	---	---	---	62,256
39,415	---	---	---	---	39,415
605,343	---	---	---	---	605,343
950,000	---	---	---	---	950,000
---	---	7,285	---	---	322,357
67,072	---	---	511,254	---	578,326
22,906,971	---	---	---	---	22,906,971
---	---	2,895	---	---	2,895
---	---	383,144	---	---	383,144
13,460	---	---	---	---	13,460
---	---	---	2,045,000	---	2,045,000
---	292,000	---	---	---	292,000
<u>25,007,108</u>	<u>311,338</u>	<u>564,340</u>	<u>3,133,315</u>	<u>---</u>	<u>29,898,860</u>
17,987,024	16,862	---	---	---	18,003,886
10,613,362	562,912	---	---	---	11,176,274
755,955	---	---	---	---	755,955
---	---	---	---	13,115,674	13,115,674
---	---	180,885	---	---	1,278,762
---	---	100,024	---	---	4,814,800
<u>29,356,341</u>	<u>579,774</u>	<u>280,909</u>	<u>---</u>	<u>13,115,674</u>	<u>49,145,351</u>
<u>\$ 54,363,449</u>	<u>\$ 891,112</u>	<u>\$ 845,249</u>	<u>\$ 3,133,315</u>	<u>\$ 13,115,674</u>	<u>\$ 79,044,211</u>

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Combined Statement of Revenues,
Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1996

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
Revenues:				
Taxes	\$ 7,903,692	\$ 468,711	\$ 313,956	\$ 2,975,013
Intergovernmental revenues	239,320	933,284	---	---
Licenses and permits	96,191	19,719	---	---
Fines and forfeitures	281,689	---	---	---
Interest	136,270	13,846	1,769	146,612
Gifts and donations	---	---	---	---
Other revenues	221,742	196,432	---	3,883
Total Revenues	8,878,904	1,631,992	315,725	3,125,508
Expenditures:				
Current -				
General government	1,622,565	95,821	---	20,969
Public safety	5,112,128	49,422	---	---
Public works	1,371,351	232,588	---	---
Culture and recreation	381,800	---	---	---
Urban redevelopment and housing	771	757,406	---	---
Economic development	---	112,500	---	---
Capital outlay	775	352,210	---	1,783,168
Debt service -				
Principal retirement	16,545	46,089	245,000	188,898
Interest and fiscal charges	2,911	20,876	128,935	15,397
Total Expenditures	8,508,846	1,666,912	373,935	2,008,432
Excess of Revenues Over (Under) Expenditures	370,058	(34,920)	(58,210)	1,117,076
Other Financing Sources (Uses):				
Proceeds from capital lease	50,500	---	---	---
Operating transfers in	498,720	---	---	303,490
Operating transfers out	(873,460)	(29,750)	---	(710,565)
Total Other Financing Sources (Uses)	(324,240)	(29,750)	---	(407,075)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	45,818	(64,670)	(58,210)	710,001
Fund Balances - Beginning	690,337	362,094	214,240	3,913,042
Fund Balances - Ending	\$ 736,155	\$ 297,424	\$ 156,030	\$ 4,623,043

See accompanying notes to financial statements

Fiduciary Fund Types		Total (Memorandum Only)
Expendable	Trust Funds	
\$	---	\$ 11,661,372
	---	1,172,604
	---	115,910
	---	281,689
	7,851	306,348
	40,566	40,566
	4,526	426,583
	<u>52,943</u>	<u>14,005,072</u>
	---	1,739,355
	---	5,161,550
	3,075	1,607,014
	49,198	430,998
	---	758,177
	48,661	161,161
	13,532	2,149,685
	---	496,532
	---	168,119
	<u>114,466</u>	<u>12,672,591</u>
	<u>(61,523)</u>	<u>1,332,481</u>
	---	50,500
	55,700	857,910
	---	(1,613,775)
	<u>55,700</u>	<u>(705,365)</u>
	(5,823)	627,116
	<u>286,732</u>	<u>5,466,445</u>
\$	<u>280,909</u>	\$ <u>6,093,561</u>

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Combined Statement of Revenues,
Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
General, Debt Service, Special Revenue and Capital Projects Funds
For the Fiscal Year Ended June 30, 1996

	General Fund			Debt Service Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes	\$ 7,742,680	\$ 7,845,413	\$ 102,733	\$ 375,000	\$ 313,956	\$ (61,044)
Intergovernmental revenues	240,800	213,216	(27,584)	---	---	---
Licenses and permits	134,160	161,218	27,058	---	---	---
Fines and forfeitures	303,240	281,689	(21,551)	---	---	---
Interest	126,890	136,387	9,497	1,420	1,768	348
Other revenues	144,390	157,744	13,354	17,840	---	(17,840)
Total Revenues	<u>8,692,160</u>	<u>8,795,667</u>	<u>103,507</u>	<u>394,260</u>	<u>315,724</u>	<u>(78,536)</u>
Expenditures:						
Administration	1,053,612	1,035,584	18,028	380,710	373,935	6,775
Internal services	529,389	517,332	12,057	---	---	---
Community services	388,613	363,976	24,637	---	---	---
Community development	222,288	217,332	4,956	---	---	---
Police	2,501,145	2,478,693	22,452	---	---	---
Fire	1,999,171	1,984,626	14,545	---	---	---
Engineering	238,750	228,995	9,755	---	---	---
Public works	1,597,397	1,564,295	33,102	---	---	---
Centralized costs	1,017,822	965,625	52,197	---	---	---
Contingencies	66,625	57,931	8,694	---	---	---
Capital outlay	775	775	---	---	---	---
Total Expenditures	<u>9,615,587</u>	<u>9,415,164</u>	<u>200,423</u>	<u>380,710</u>	<u>373,935</u>	<u>6,775</u>
Excess of Revenues						
Over (Under) Expenditures	<u>(923,427)</u>	<u>(619,497)</u>	<u>303,930</u>	<u>13,550</u>	<u>(58,211)</u>	<u>(71,761)</u>
Other Financing Sources (Uses):						
Operating transfers in	1,264,750	1,264,750	---	---	---	---
Operating transfers out	<u>(680,700)</u>	<u>(680,700)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Other Financing Sources (Uses)	<u>584,050</u>	<u>584,050</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(339,377)</u>	<u>(35,447)</u>	<u>303,930</u>	<u>13,550</u>	<u>(58,211)</u>	<u>(71,761)</u>
Fund Balances - Beginning	<u>339,377</u>	<u>638,980</u>	<u>299,603</u>	<u>13,550</u>	<u>214,240</u>	<u>200,690</u>
Fund Balances - Ending	<u>\$ ---</u>	<u>\$ 603,533</u>	<u>\$ 603,533</u>	<u>\$ ---</u>	<u>\$ 156,029</u>	<u>\$ 128,929</u>

See accompanying notes to financial statements

Special Revenue Funds			Capital Projects Funds		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 553,390	\$ 574,220	\$ 20,830	\$ 2,892,730	\$ 2,949,999	\$ 57,269
1,613,868	920,233	(693,635)	40,000	3,883	(36,117)
10,700	19,719	9,019	---	---	---
---	---	---	---	---	---
8,890	13,954	5,064	73,800	145,734	71,934
93,539	102,657	9,118	---	---	---
<u>2,280,387</u>	<u>1,630,783</u>	<u>(649,604)</u>	<u>3,006,530</u>	<u>3,099,616</u>	<u>93,086</u>
183,240	158,407	24,833	186,144	177,268	---
---	---	---	---	---	---
---	---	---	---	---	---
1,376,119	927,658	448,461	---	---	---
38,628	9,069	29,559	---	---	---
20,345	2,534	17,811	---	---	---
---	---	---	---	---	---
261,018	232,587	28,431	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
671,540	321,477	350,063	4,324,027	2,221,418	2,102,609
<u>2,550,890</u>	<u>1,651,732</u>	<u>899,158</u>	<u>4,510,171</u>	<u>2,398,686</u>	<u>2,102,609</u>
(270,503)	(20,949)	249,554	(1,503,641)	700,930	2,204,571
---	---	---	89,875	303,490	---
(29,750)	(29,750)	---	(710,565)	(710,565)	---
(29,750)	(29,750)	---	(620,690)	(407,075)	---
(300,253)	(50,699)	249,554	(2,124,331)	293,855	2,418,186
300,253	260,491	(39,762)	2,124,331	2,712,962	588,631
<u>\$ ---</u>	<u>\$ 209,792</u>	<u>\$ 209,792</u>	<u>\$ ---</u>	<u>\$ 3,006,817</u>	<u>\$ 3,006,817</u>

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Combined Statement of Revenues,
Expenses and Changes in Retained Earnings
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 1996

	Proprietary Fund Types		Total (Memorandum Only)
	Enterprise Funds	Internal Service Funds	
Operating Revenues:			
Charge for services	\$ 6,521,349	\$ ---	\$ 6,521,349
Rental revenue	273,555	---	273,555
Other revenues	354,479	4,651	359,130
Total Operating Revenues	<u>7,149,383</u>	<u>4,651</u>	<u>7,154,034</u>
Operating Expenses:			
Personal services	2,348,304	---	2,348,304
Materials and supplies	374,677	---	374,677
Other services and charges	2,215,936	293,982	2,509,918
Total Operating Expenses	<u>4,938,917</u>	<u>293,982</u>	<u>5,232,899</u>
Net Operating Income (Loss) before Depreciation	2,210,466	(289,331)	1,921,135
Less: Depreciation	<u>(1,159,146)</u>	<u>---</u>	<u>(1,159,146)</u>
Net Operating Income (Loss)	<u>1,051,320</u>	<u>(289,331)</u>	<u>761,989</u>
Non-Operating Revenues (Expenses):			
Interest revenues	227,849	15,793	243,642
Oil and gas revenues	25,548	---	25,548
Interest expense and fiscal charges	(1,380,534)	---	(1,380,534)
Amortization of bond issuance costs	<u>(12,619)</u>	<u>---</u>	<u>(12,619)</u>
Total Non-Operating Revenues (Expenses)	<u>(1,139,756)</u>	<u>15,793</u>	<u>(1,123,963)</u>
Operating Transfers:			
Operating transfers in	1,191,325	352,000	1,543,325
Operating transfers out	<u>(787,460)</u>	<u>---</u>	<u>(787,460)</u>
Net Operating Transfers	<u>403,865</u>	<u>352,000</u>	<u>755,865</u>
Net Income (Loss)	315,429	78,462	393,891
Retained Earnings - Beginning	<u>11,053,888</u>	<u>484,450</u>	<u>11,538,338</u>
Retained Earnings - Ending	<u>\$ 11,369,317</u>	<u>\$ 562,912</u>	<u>\$ 11,932,229</u>

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 1996

	Proprietary Fund Types		Total
	Enterprise	Internal	(Memorandum
	Funds	Service	Only)
	Funds	Funds	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 1,051,320	\$ (289,331)	\$ 761,989
Adjustments to reconcile operating income (loss) to			
net cash provided by operating activities:			
Depreciation	1,159,146	---	1,159,146
Operating transfers	403,865	352,000	755,865
Other non-operating revenues	25,548	---	25,548
Changes in assets and liabilities:			
Decrease (increase) in receivables	(134,814)	(295)	(135,109)
Decrease (increase) in due from other funds	1,448	(7,000)	(5,552)
Increase (decrease) in payables and accrued liabilities	(61,334)	7,876	(53,458)
Net cash provided (used) by operating activities	<u>2,445,179</u>	<u>63,250</u>	<u>2,508,429</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Net cash provided (used) by noncapital financing activities	<u>---</u>	<u>---</u>	<u>---</u>
CASH FLOWS FROM CAPITAL AND RELATED			
FINANCING ACTIVITIES:			
Increase (decrease) in contributed capital	1,388,127	---	1,388,127
Decrease (increase) in restricted assets	285,578	---	285,578
Decrease (increase) in other assets	12,619	---	12,619
Increase (decrease) in accrued interest payable	(21,876)	---	(21,876)
Increase (decrease) in long term debt	(228,930)	---	(228,930)
Acquisition and disposal of capital assets	(3,213,603)	---	(3,213,603)
Other increases (decreases) in accumulated depreciation	(51,147)	---	(51,147)
Amortization expense	(12,619)	---	(12,619)
Interest expense	(1,380,534)	---	(1,380,534)
Net cash provided (used) by capital			
and related financing activities	<u>(3,222,385)</u>	<u>---</u>	<u>(3,222,385)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest	<u>227,849</u>	<u>15,793</u>	<u>243,642</u>
Net cash provided (used) by investing activities	<u>227,849</u>	<u>15,793</u>	<u>243,642</u>
Net increase (decrease) in cash and cash equivalents	(549,357)	79,043	(470,314)
CASH AND CASH EQUIVALENTS - beginning	<u>2,620,577</u>	<u>504,643</u>	<u>3,125,220</u>
CASH AND CASH EQUIVALENTS - ending	<u>\$ 2,071,220</u>	<u>\$ 583,686</u>	<u>\$ 2,654,906</u>

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City of Shawnee (the City) conform to generally accepted accounting principles for state and local governmental units. The City maintains its accounting records on the basis of cash received and disbursed; consequently, certain revenues are recognized when received rather than when earned and certain expenditures and expenses are recognized when paid rather than when the liability is incurred. Adjustments and reclassifications have been applied to the City's financial records in order to report the financial statements on the modified accrual basis for its governmental funds (and expendable trust funds) and on the accrual basis for its proprietary funds.

The City has adopted Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. The City has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements, and Accounting Principles Board (APB) Opinions issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

The accounts of the City are organized on the basis of funds, or account groups; each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the combined financial statements and are classified as governmental, proprietary, and fiduciary fund types. The following fund types and account groups are used by the City:

Governmental Fund Types:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general operating revenues not restricted as to use are recorded in the General Fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal, interest and related costs, on general obligation bonds.

Capital Projects Funds - The Capital Projects Funds are used to account for financial resources segregated for the acquisition of capital assets or construction of major capital facilities.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Types :

Enterprise Funds - 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 (expenses, including depreciation) 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 earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

Fiduciary Fund Types:

Expendable Trust Funds - Expendable Trust Funds are used to account for assets collected by the City that are designated for a specific function or activity. An expendable trust fund is accounted for in essentially the same manner as the governmental fund types.

Agency Funds - Agency Funds are custodial in nature and are used to account for assets that the government holds for others in an agency capacity.

Account Groups:

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the City, except for those obligations accounted for in the enterprise funds.

General Fixed Asset Account Group - This account group is established to account for all fixed assets of the city, except those assets accounted for in the enterprise funds.

Basis of Accounting and Measurement Focus

Governmental funds and expendable trust funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded as received or accrued if they are both measurable and available or are not received at the normal time of receipt. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on general obligation bond debt, are recorded when the liability is incurred.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting and Measurement Focus (Continued)

Certain intergovernmental revenues are accrued when reimbursable expenditures are incurred, because monies must be expended on the specific purpose or project before any amounts are due to the City. Licenses and permits, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Sales taxes are considered measurable when they are collected by the Oklahoma Tax Commission and are recognized as revenue at that time. Interest income is recorded as earned since it is measurable and available.

Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method revenues are recognized when they are earned and expenses are recognized when they are incurred.

Encumbrance accounting (under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation) is employed in the governmental funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Oklahoma statutes do not specify whether encumbrances are to lapse at year end. It is the policy of the City that encumbrance outstanding at year end are considered expenditures for budgetary purposes, and are reported as a reservation of fund balance. Unencumbered appropriations lapse at year end.

Basis of Budgeting

All funds except for special revenue funds established for federal or state grant programs, i.e. CDBG entitlements, home program grants, and emergency shelter grants which use a project-length budget, have a legally adopted annual budget. Budgets, as approved by the City Commission, are prepared on the cash basis of accounting.

The legal level of budgetary control for all legally adopted budgets is the character classification level, which include personal services, materials and supplies, other services and charges, capital outlay and debt service. Transfers of appropriations between classification categories within a department requires approval of the city commission.

Ad Valorem Taxes

The City is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the city limits. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes are due prior to January 1, and the second half is due prior to April 1. If the first installment is not made by the due date, the entire tax becomes due and payable on January 2.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory and Prepaids

The City has elected to use the purchase method of accounting for inventories of materials and supplies. Under the purchase method, purchases of materials and supplies are considered expenditures at time of purchase. No significant amounts of inventory are held by the City, and are considered immaterial to the overall financial statement presentation. Expenditures for insurance and other prepaid services which benefit more than one accounting period are considered expenditures in the period incurred, and are not allocated between the accounting periods to which they extend.

Investments

Title 62, Section 348.1 of the Oklahoma Statutes allows for the investment of public funds in the following types in instruments:

1. Direct obligations of the United States Government, its agencies or instrumentalities which are collateralized by the full faith and credit of the United States government.
2. Time deposits (certificates of deposit and passbook savings accounts) with financial institutions, where deposits are fully insured by federal deposit insurance or pledged collateral.
3. Debt securities issued by the State of Oklahoma, any Oklahoma county, municipality, or school district.

Investments of the various funds are stated at cost and consist of money market accounts and certificates of deposit with banks, which are secured by the Federal Deposit Insurance Corporation or pledged U. S. Government Securities. Some of these investments are pooled investments of two or more funds of the City. For these pooled investments, earnings are allocated to the various funds based upon their proportionate share of the total invested principal.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the proprietary fund types consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At June 30, 1996 all investments of the proprietary funds, except for restricted cash, are considered cash equivalents.

General Fixed Assets

Acquisitions of general fixed assets are accounted for as capital outlay expenditures in the various funds of the City, and are capitalized (recorded and accounted for) in the General Fixed Asset Account Group. No depreciation is recorded on general fixed assets

Infrastructure Fixed Assets

General infrastructure assets, such as streets, sidewalks, curbs, gutters, etc., are not capitalized.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant and Equipment - Enterprise Funds

Property, plant and equipment owned by the enterprise funds is stated at cost or estimated cost (as further explained in Note 9). Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Interest costs incurred to bring certain assets to the condition and location necessary for their intended use are capitalized as part of the historical cost of acquiring the assets.

Estimated useful lives are as follows:

	<u>Years</u>
Land	N/A
Buildngs	40
Improvements other than building	20 - 50
Furniture and equipment	5 - 10

Self-Insurance

The City is self-insured for workers compensation and general liability tort claims. Claims are recorded when a determinable loss is incurred.

Inclusion of Associated Entities in Financial Statements

The financial statements of certain associated entities are included in these financial statements (as further explained in Note 2).

Total (Memorandum Only) Columns

The total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with generally accepted accounting principles; nor is such data comparable to a consolidation. Interfund eliminations have not been made. The totaling of the similar accounts does not indicate that the combined assets are available in any manner other than that provided for in the various funds.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 2 - ASSOCIATED ENTITIES

Financial Reporting Entity - The general purpose financial statements include all activities which should be included as determined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. In accordance with GASB Statement No. 14, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entities financial statements to be misleading or incomplete.

The primary government is financially accountable if it appoints a voting majority of the organization's governing body and, (a) it is able to impose its will on that organization, or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board.

The financial statements of the reporting entity should present the fund types and account groups of the primary government, including its blended component units which are, in substance, part of the primary government, and provide an overview of the discretely presented component units. A component unit should be included in the reporting entity financial statements using the blended method in either of these circumstances:

- a) The component unit's governing body is substantially the same as the governing body of the primary government.
- b) The component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it.

Discrete presentation of component units entails reporting component unit financial data in a column separate from the financial data of the primary government.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 2 - ASSOCIATED ENTITIES (Continued)

Component units which have been included in the reporting entity using the blended method are the Shawnee Municipal Authority, Shawnee Airport Authority, and the Shawnee Civic and Cultural Development Authority. These component units were blended into the primary government since they met both of the criteria above to be included using the blended method.

The Shawnee Urban Renewal Authority is included as part of the reporting entity of the City of Shawnee. This authority has no assets or liabilities, and had no financial activity for the year. The board of the Shawnee Urban Renewal Authority serves in an advisory capacity.

The following entities are excluded from these financial statements: Shawnee Housing Authority, Shawnee Industrial Development Authority, Central Oklahoma Economic Development District, Sub-State Planning District #5, Shawnee Industrial Authority, Shawnee Economic Development Foundation, Shawnee Hospital Authority, and Pottawatomie County Development Authority.

The City has entered into agreements or made other types of commitment to some of these entities. The following is a description of some of the more significant of these agreements or commitments.

Lease of water and sanitary sewer systems to the Shawnee Municipal Authority

To secure the payment of revenue bonds, the City leased the water and sanitary sewer systems to the Shawnee Municipal Authority for a period of thirty years. The revenues of the water and sanitary sewer system are collected by the Utility Department of the City and are deposited with the Shawnee Municipal Authority. The Shawnee Municipal Authority pays the debt service requirements and direct operating expenses of the system. They reimburse the General Fund of the City for all indirect expenses.

Additional one percent sales tax and security agreement with the Shawnee Municipal Authority

On July 19, 1988, the voters of the City approved the extension of the termination date of the additional one percent sales tax and the expansion of the purposes for which this additional tax may be used. (The voters originally authorized the additional sales tax on May 25, 1982 and then approved the reassignment of this tax on April 22, 1986). The additional sales tax may be used by the City or transferred to any public trust of which the City is a beneficiary to be used for (i) capital improvements, (ii) economic development, or (iii) the payment of debt service and other requirements that may be required by any document securing the payment of bonds issued by the City or a public trust of which the City is the beneficiary.

In order to provide for the payment of the Shawnee Municipal Authority's Sales Tax and Utility Revenue Bonds, Series 1989, the City entered into a security agreement with the Shawnee Municipal Authority dated as of April 1, 1989. In this agreement, the City agreed to pay to the Shawnee Municipal Authority from the additional one percent sales tax an amount sufficient to make the debt service payments on the Series 1989 Bonds described above. The Sales Tax and Utility Revenue Bonds, Series 1989 have been refunded by the Sales Tax and Utility Revenue Refunding Bonds, Series 1995. The City will continue to pay for this bond issue from sales tax funds.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 2 - ASSOCIATED ENTITIES (Continued)

Assignment of Interest in the Airport Facilities to the Shawnee Airport Authority

The City's rights, title and interest in all leases and contracts pertaining to the airport facilities were assigned to the Shawnee Airport Authority to secure indebtedness of the Authority. An operation and maintenance contract was entered into by and between the City of Shawnee and the Trustees of the Shawnee Airport Authority on May 1, 1974. The City is required to maintain the facility, but all costs related thereto are paid by the Authority.

Contract for Economic Development with Shawnee Economic Development Foundation

The Shawnee Economic Development Foundation provides economic development services to the City. The City pays the Foundation annual fees totaling \$70,000 for these contractual services.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments at June 30, 1996 for the City of Shawnee and its authorities were partially covered by federal depository insurance held by depository banks and the remainder secured by pledged securities as follows:

	<u>American National Bank and Trust Co.</u>	<u>BancFirst</u>	<u>First National Bank</u>	<u>First State Bank</u>
<u>DEPOSITS</u>				
Demand deposits	\$ 1,499,277	\$ 1,870,252	\$ ---	\$ 195,245
Time deposits	<u>1,378,000</u>	<u>1,136,587</u>	<u>400,000</u>	<u>941,052</u>
Total Deposits	2,877,277	3,006,839	400,000	1,136,297
<u>COLLATERAL</u>				
FDIC - Demand deposits	100,000	100,000	---	100,000
FDIC - Time deposits	100,000	100,000	100,000	100,000
Pledged collateral	<u>3,460,685</u>	<u>4,812,500</u>	<u>496,460</u>	<u>1,661,335</u>
Total Collateral	3,660,685	5,012,500	596,460	1,861,335
Collateral pledged in excess of deposits	<u>\$ 783,408</u>	<u>\$ 2,005,661</u>	<u>\$ 196,460</u>	<u>\$ 725,038</u>

At June 30, 1996, investments included \$2,060,312 in money market funds which are not included in the analysis above. The market value of all investments was equal to their cost. Cash included \$9,800 which consists of operational cash used in the utility collections department and the municipal court, petty cash fund, and a travel imprest fund.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 3 - CASH AND INVESTMENTS (Continued)

The collateral of the City's deposits is categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes deposits that are insured or registered, or for which securities are held by the City or its agent in the City's name. Category 2 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agency, but not in the City's name.

All collateral pledged and securing the deposits of the City is category 1 collateral.

NOTE 4 - RESTRICTED ASSETS

Under the terms of the bond or note indentures, the Shawnee Municipal Authority, must maintain certain "funds" with the Trustee Bank. These are not funds in the sense of fiscal and accounting entities with self-balancing sets of accounts; they are merely mandatory asset segregation used to pay principal and interest on revenue bonds and notes as they become due. Although these amounts may be considered cash equivalents under the definition described in Note 1, The City has chosen not to consider these amounts as cash equivalents for the purpose of the statement of cash flows because it is not at the City's discretion to dispose of these investments.

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 1996, consisted of the following:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Oklahoma Civil Defense Agency (source agency for these funds is the U. S. Federal Emergency Management Agency)	\$ 6,449	\$ ---	\$ 6,449
Police Interlocal Agreements	36,313	---	36,313
U. S. Dept. of Housing & Urban Development	<u>---</u>	<u>477</u>	<u>477</u>
Total	<u>\$ 42,762</u>	<u>\$ 477</u>	<u>\$ 43,239</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 6 - WATER RIGHTS CONTRACT

The Shawnee Municipal Authority (SMA) entered into an agreement with the Pottawatomie County Development Authority (PCDA) for the development of the North Deer Creek Reservoir Project (Reservoir) in which the PCDA issued bonds totaling \$18,180,000 for the construction of the Reservoir. SMA issued its Utility Revenue Note, Series 1990B in the amount of \$18,180,000 to the PCDA. (These notes were defeased during the 1993 fiscal year with the issuance of the SMA Utility Revenue Note, Series 1993A in the amount of \$21,165,000.) The debt service payments made by SMA on their Series 1993A Note will be used by the PCDA to make their debt service payments on their Series 1993 Bonds. (As disclosed in Note 2, SMA is included as part of the reporting entity of the City, however, PCDA is not).

SMA acquired an interest in the water rights contract of the reservoir by issuing their Series 1990B Note. They issued the note totaling \$18,180,000 and received restricted funds back from PCDA to establish a reserve fund totaling \$1,263,881. The net amount of the note face value less the reserve fund represents SMA's investment in the water rights contract with PCDA which totals \$16,916,119.

NOTE 7 - SOLID WASTE COLLECTION CONTRACT

The City has a contract with Browning Ferris, Inc. (BFI), wherein BFI provides solid waste collection and landfill operation services to the City. In accordance with the contract, the residential sanitation revenues are billed and collected by the City; the City then pays BFI based on the number of residences serviced. The City is not involved in any manner in commercial sanitation services.

NOTE 8 - CONTRIBUTED CAPITAL

Contributed capital of the City was increased during the current fiscal year as described below:

	Enterprise Funds	Internal Service Funds
Contributed capital at June 30, 1995	\$ 16,598,897	\$ 16,862
Shawnee Municipal Authority:		
Federal grant proceeds - Northside Wastewater Treatment Plant Project	477,728	---
Purchases of property, plant & equipment through governmental funds	89,130	---
Shawnee Airport Authority:		
Federal grant proceeds - Airport Improvement Project	821,269	---
Contributed capital at June 30, 1996	<u>\$ 17,987,024</u>	<u>\$ 16,862</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 9 - FIXED ASSETS

All property, plant, and equipment of the Enterprise Funds, and all general fixed assets of the City were independently inventoried and capitalized during the fiscal year ending June 30, 1994. Where possible, the original cost of assets were determined by reference to vendor invoices or contracts. If these documents were not available, the original cost was either estimated or determined using a reverse trending technique whereby the current replacement cost of an item is deflated back to the acquisition date. Detail of general fixed assets at June 30, 1996 is as follows:

	Balance June 30, 1995	Additions	Deletions	Balance June 30, 1996
Land	\$ 1,942,657	\$ ---	\$ ---	\$ 1,942,657
Buildings	4,993,763	53,528	---	5,047,291
Improvements other than building	729,673	66,255	---	795,928
Furniture and equipment:				
Communication	885,440	22,310	---	907,750
Audiovisual	39,581	---	---	39,581
Business machines	507,832	56,156	11,350	552,638
Machinery and tools	122,139	41,351	---	163,490
Appliances	24,305	---	---	24,305
Law enforcement	71,214	14,558	2,399	83,373
Lab and engineering	20,784	---	---	20,784
Fire	65,723	24,945	---	90,668
Furniture	187,602	4,797	---	192,399
Mobile	3,182,284	209,766	228,496	3,163,554
Parks and recreation	85,555	5,701	---	91,256
Total General Fixed Assets	<u>\$ 12,858,552</u>	<u>\$ 499,367</u>	<u>\$ 242,245</u>	<u>\$ 13,115,674</u>

Investment in General Fixed Assets:

Prior to June 30, 1994	\$ 12,022,878
General Fund	2,000
Capital Projects Funds	1,039,188
Special Revenue Funds	51,608
Total Investment in General Fixed Assets	<u>\$ 13,115,674</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 9 - FIXED ASSETS (Continued)

A summary of Enterprise Fund property, plant and equipment at June 30, 1996 is as follows:

	Balance June 30, 1995	Additions	Retirements	Balance June 30, 1996
Land	\$ 1,546,844	\$ ---	\$ ---	\$ 1,546,844
Buildings	4,964,412	---	---	4,964,412
Improvements other than Buildings	33,395,141	689,309		34,084,450
Furniture & Equipment:				
Communication	83,334	2,399		85,733
Audiovisual	5,284			5,284
Business Machines	145,084	5,765	3,925	146,924
Machinery & Tools	58,271	55,982		114,253
Appliances	15,099			15,099
Furniture	50,286	3,850		54,136
Mobile	1,279,551	50,373	47,222	1,282,702
Lab & Engineering	44,555	1,459		46,014
Parks & Recreation	5,512			5,512
Construction in Progress	289,039	2,455,613	---	2,744,652
Total	<u>\$ 41,882,412</u>	<u>\$ 3,264,750</u>	<u>\$ 51,147</u>	<u>\$ 45,096,015</u>
Accumulated Depreciation	<u>\$ 12,247,410</u>	<u>\$ 1,159,146</u>	<u>\$ 51,147</u>	<u>\$ 13,355,409</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 10 - LONG-TERM DEBT

Long-term debt of the City is comprised of the following individual issues and liabilities:

General Long-Term Debt Account Group

General obligation bonds:

\$1,400,000 1994 Limited Access Facilities bonds due in annual installments of \$100,000 beginning February 1, 1996; interest at 3.5% to 6.5%	\$ 1,300,000
\$1,020,000 1994 Limited Access Facilities Refunding bonds due in varying installments beginning July 1, 1995 with an initial payment of \$130,000, and ending July 1, 2002 with a final payment of \$80,000; interest at 4.75% to 10%	745,000

Other General Long-Term Debt:

Capital lease agreement dated October 18, 1991 relating to the lease purchase of computer equipment at a total purchase price of \$50,981 with 60 monthly payments of \$1,045 (including interest) beginning November 15, 1991; interest at 8.5%	4,106
Capital lease agreement dated December 1, 1992 relating to the lease purchase of radio equipment in the amount of \$488,173 with 96 monthly payments of \$6,705 (including interest) beginning December 15, 1992; interest at 7.4%	302,511
Capital lease agreement dated May 31, 1994 relating to the lease purchase of a fire truck at a purchase price of \$245,000 with a \$50,000 down payment and 60 monthly payments of \$3,686 (including interest) beginning July 24, 1994; interest at 4.85%	123,252
Capital lease agreement dated February 5, 1995 relating to the lease purchase of radio equipment at a purchase price of \$44,206 with 69 monthly payments of \$814.05 (including interest) beginning March 25, 1995; interest at 8.57%	35,807
Capital lease agreement dated November 25, 1995 relating to the lease purchase of financial accounting software at a purchase price of \$50,500 with 60 monthly payments of \$987.25 (including interest) beginning December 25, 1995; interest at 6.29%	45,578
Accrual for compensated absences	<u>577,061</u>
Total General Long-Term Debt Account Group	<u>\$ 3,133,315</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 10 - LONG-TERM DEBT (Continued)

Enterprise Funds

Revenue bonds and notes:

Shawnee Municipal Authority

\$21,165,000 Utility Revenue Note, Series 1993A due in annual installments of \$165,000 to \$1,375,000 beginning July 1, 1995 through July 1, 2026; interest at 3.5% to 5.9%	21,000,000
\$2,520,000 Sales Tax and Utility Revenue Refunding Bonds, Series 1995 due in annual installments of \$585,000 to \$680,000 beginning June 1, 1996 through June 1, 1999; interest at 4.65% to 5.00%	1,935,000
\$3,048,000 Line of Credit from the Oklahoma Water Resources Board Revolving Loan Fund. Payments starting after completion of project. Dated December 6, 1995; Interest at 4.25%, final maturity March 1, 1999.	1,007,994
Less: unamortized bond issue costs	(19,704)
Less: unamortized deferred loss on revenue bond refunding	(86,023)

Obligations under capital lease:

Shawnee Civic & Cultural Development Authority

Capital lease agreement dated March 8, 1994 relating to the lease purchase of a Bobcat loader at a purchase price of \$17,500 with 3 annual payments of \$6,426 (including interest) beginning March 8, 1995; interest at 5%	6,121
Capital lease agreement dated April 14, 1994 relating to the lease purchase of a rough terrain lift truck at a purchase price of \$34,510 with 3 annual payments of \$12,584 (including interest) beginning March 3, 1995; interest at 5%	12,045
Capital lease agreement dated August 18, 1995 relating to the lease purchase of air conditioning equipment at a purchase price of \$85,291 with 5 annual payment of \$19,974 (including interest) beginning August 18, 1994; interest at 5.38%	69,906

Shawnee Airport Authority

Capital lease agreement dated September 1, 1989 relating to the lease purchase of an airplane hangar at a purchase price of \$42,000 with 120 monthly payments of \$555 (including interest) beginning October 15, 1989; interest at 10%	18,415
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Total Enterprise Funds	23,943,754
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Total Long-Term Debt	\$ 27,077,069
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City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 10 - LONG-TERM DEBT (Continued)

The following schedule analyzes the changes in long-term debt of the City for their fiscal year ending June 30, 1996:

	Outstanding Balance June 30, 1995	Bond Issues and Other Increases	Bond Retirements and Other Decreases	Outstanding Balance June 30, 1996
<u>General Long-Term Debt Account Group</u>				
General obligation bonds:				
1994 Limited Access Facilities Bonds	1,400,000	---	100,000	1,300,000
1994 Limited Access Refunding Bonds	890,000	---	145,000	745,000
Total general obligation bonds	2,290,000	---	245,000	2,045,000
Obligations under capital leases	658,269	50,500	197,515	511,254
Accrual for compensated absences	420,798	156,263	---	577,061
Total General Long-Term Debt Account Group	3,369,067	206,763	442,515	3,133,315
<u>Enterprise Funds</u>				
Revenue bonds and notes:				
Shawnee Municipal Authority				
Utility Revenue Bonds, Series 1990A	505,000	---	505,000	---
Utility Revenue Note, Series 1993A	21,165,000	---	165,000	21,000,000
Sales Tax and Utility Revenue Refunding Bonds, Series 1995	2,520,000	---	585,000	1,935,000
Line of Credit - Oklahoma Water Resources Board Revolving Fund	---	1,007,994	---	1,007,994
Less: unamortized Issue Costs	(32,323)	---	(12,619)	(19,704)
Less: Deferred Loss on Revenue Bond Refunding	(141,112)	---	(55,089)	(86,023)
Total revenue bonds	24,016,565	1,007,994	1,187,292	23,837,267
Obligations under capital leases	143,675	---	37,188	106,487
Total Enterprise Funds	24,160,240	1,007,994	1,224,480	23,943,754
Total Long-Term Debt	\$ 27,529,307	\$ 1,214,757	\$ 1,666,995	\$ 27,077,069

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 10 - LONG-TERM DEBT (Continued)

The annual requirements to amortize all debt outstanding as of June 30, 1996, are as follows:

Long-term debt of the enterprise funds is comprised of current and long-term portions as shown below:

Fiscal Year Ending June 30.	General Long-Term Debt Account Group		Enterprise Funds		Total
	General Obligation Bonds	All Other Long-Term Debt	Revenue Bonds & Notes	All Other Long-Term Debt	
1997	\$ 353,836	\$ 150,482	\$ 2,233,320	\$ 45,645	\$ 2,783,283
1998	338,986	146,300	3,237,657	26,634	3,749,577
1999	324,236	146,300	2,237,332	26,635	2,734,503
2000	308,410	102,072	1,521,285	21,639	1,953,406
2001	833,320	42,530	7,298,238	---	8,174,088
2002 - 2006	448,900	---	7,203,945	---	7,652,845
2007 - 2011	---	---	7,185,800	---	7,185,800
2012 - 2016	---	---	7,155,347	---	7,155,347
2017 - 2021	---	---	7,114,301	---	7,114,301
2022 - 2026	---	---	2,835,037	---	2,835,037
2027 - 2031	---	---	---	---	---
Total Requirements	2,607,688	587,684	48,022,262	120,553	51,338,187
Less: amount representing interest	(562,688)	(76,430)	(24,079,268)	(14,066)	(24,732,452)
Less: unamortized bond issue costs			(19,704)		(19,704)
Less: unamortized deferred loss on revenue bond refunding	---	---	(86,023)	---	(86,023)
Add: liability with no annual debt service requirements	---	577,061	---	---	577,061
	<u>\$ 2,045,000</u>	<u>\$ 1,088,315</u>	<u>\$ 23,837,267</u>	<u>\$ 106,487</u>	<u>\$ 27,077,069</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 11 - OBLIGATIONS UNDER CAPITAL LEASES

Future minimum lease payments under capital leases consisted of the following at June 30, 1996:

Fiscal Year Ending June 30.	General Long-Term Debt Account Group	Enterprise Funds	Total
1997	\$ 150,482	\$ 45,645	\$ 196,127
1998	146,300	26,634	172,934
1999	146,300	26,635	172,935
2000	102,072	21,639	123,711
2001 - 2005	42,530	---	42,530
Total Requirements	587,684	120,553	708,237
Less: amount representing interest	(76,430)	(14,066)	(90,496)
	<u>\$ 511,254</u>	<u>\$ 106,487</u>	<u>\$ 617,741</u>

The terms of the obligations under capital leases are described in Note 10. The minimum lease payments shown above are also included in the annual debt service requirements outlined in Note 10.

NOTE 12 - BOND ISSUANCE COSTS

The costs incurred in issuing all revenue bond issues are recorded as deferred charges in these financial statements. These costs include attorney fees, trustee fees, financial consultant fees, printing costs and other miscellaneous costs. These costs are amortized over the term of the bond issue on a straight-line basis.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 13 - DEFEASANCE OF BONDS AND NOTES

The Shawnee Municipal Authority (SMA) has defeased its Utility Revenue Notes, Series 1990B, by placing the proceeds of new bonds, together with funds of the SMA, in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in these financial statements.

The face amount of the bonds still outstanding at June 30, 1996 were as follows:

Utility Revenue Note, Series 1990B	<u>\$ 17,915,000</u>
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NOTE 14 - ACCRUAL FOR COMPENSATED ABSENCES

Governmental accounting standards require that cities recognize in the financial statements a liability for compensated absences (such as vacation and holiday pay). Accordingly, the City's liability for compensated absences is recognized in these financial statements. The total liability for compensated absences at June 30, 1996 was \$864,313. The portion of this liability relating to employees of the enterprise funds is recorded entirely in the enterprise funds. The portion of the liability which relates to employees of the governmental funds is recorded in the governmental funds to the extent that the liability would normally be liquidated with unrestricted and available financial resources. The remainder of the liability relating to employees of the governmental funds is recorded in the General Long-Term Debt Account Group.

The accrual for compensated absences was recorded in these financial statements as follows:

General Fund	\$ 199,461
Enterprise Funds:	
Shawnee Municipal Authority	71,850
Shawnee Airport Authority	2,591
Shawnee Civic & Cultural Development Authority	13,350
General Long-Term Debt Account Group	<u>577,061</u>
	<u>\$ 864,313</u>

NOTE 15 - RESERVED RETAINED EARNINGS

The trustees of the Shawnee Municipal Authority created a reserve for additional capital improvements relating to the North Deer Creek Reservoir project. At June 30, 1996, this reserved totaled \$755,955, and is presented in the financial statements as a reservation of retained earnings.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 16 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 1996, were as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund:		
Due from 1994 Street Improvements Project Fund	\$ 4,694	\$ ---
Due from Economic Development Fund	1,841	---
Due to Shawnee Municipal Authority	---	1,223
Due to Workers Compensation Self-Insurance Fund	---	307,000
Special Revenue Funds:		
95 CDBG Entitlement Fund -		
Due from CDBG Loan Escrow Fund	5,955	---
95 Home Grant Fund -		
Due from CDBG Loan Escrow Fund	1,085	---
Economic Development Fund-		
Due to General Fund	---	1,841
CDBG 92 Entitlement Fund -		
Due to CDBG Loan Escrow Fund	---	314
Capital Projects Funds:		
1994 Street Improvements Project Fund-		
Due to General Fund	---	4,694
Enterprise Funds:		
Shawnee Municipal Authority -		
Due from General Fund	1,223	---
Due from Meter Deposit Fund	245	---
Internal Service Funds:		
Workers Compensation Self-Insurance Fund -		
Due from General Fund	307,000	---
Trust and Agency Funds:		
Meter Deposit Fund -		
Due to Shawnee Municipal Authority	---	245
CDBG Loan Escrow Fund -		
Due from CDBG 92 Entitlement	314	---
Due to 95 CDBG Entitlement Fund	---	5,955
Due to 95 Home Grant Fund	---	1,085
	<u>\$ 322,357</u>	<u>\$ 322,357</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 17 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 1996, consisted of the following:

	Transfers In (From)	Transfers Out (To)
General Fund:		
Transfer from Shawnee Municipal Authority	\$ 483,970	\$ ---
Transfer from Revolving Oil & Gas Fund	14,750	---
Transfer to Shawnee Airport Authority	---	53,161
Transfer to Shawnee Civic & Cultural Development Authority	---	427,599
Transfer to Workers Compensation Self-Insurance Fund	---	287,000
Transfer to General Liability Reserve Fund	---	40,000
Transfer to Uninsured Loss Fund	---	25,000
Transfer to Library Fund	---	40,700
Special Revenue Funds:		
Revolving Oil & Gas Fund -		
Transfer to General Fund	---	14,750
Economic Development Fund -		
Transfer to Sister Cities Fund	---	15,000
Capital Projects Funds:		
Capital Improvement Fund -		
Transfer to Shawnee Municipal Authority	---	533,280
Street Improvement Fund -		
Transfer from Shawnee Municipal Authority	303,490	---
Transfer to Shawnee Municipal Authority	---	177,285
Enterprise Funds:		
Shawnee Municipal Authority -		
Transfer from Capital Improvement Fund	533,280	---
Transfer from Street Improvement Fund	177,285	---
Transfer to Street Improvement Fund	---	303,490
Transfer to General Fund	---	483,970
Shawnee Airport Authority -		
Transfer from General Fund	53,161	---
Shawnee Civic & Cultural Development Authority		
Transfer from General Fund	427,599	---
Internal Service Funds:		
Workers Compensation Self-Insurance Fund -		
Transfer from General Fund	287,000	---
General Liability Reserve Fund -		
Transfer from General Fund	40,000	---
Uninsured Loss Fund-		
Transfer from General Fund	25,000	---

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 17 - INTERFUND TRANSFERS (Continued)

	Transfers In (From)	Transfers Out (To)
Trust and Agency Funds:		
Library Fund -		
Transfer from General Fund	40,700	---
Sister Cities Fund -		
Transfer from Economic Development Fund	15,000	---
	<u>\$ 2,401,235</u>	<u>\$ 2,401,235</u>

NOTE 18 - NEW REPORTABLE FUNDS

These financial statements include several new funds as described below:

CDBG FY95 Entitlement Fund - The City created this special revenue fund to account for the current year entitlement of the Community Development Block Grant awarded by the U. S. Department of Housing and Urban Development.

FY 94 HOME Grant Fund - The City created this special revenue fund to account for grant funds received under the HOME program from the U.S. Department of Housing and Urban Development.

FY 95 HOME Grant Fund - The City created this special revenue fund to account for grant funds received under the HOME program from the U.S. Department of Housing and Urban Development.

Emergency Shelter Grant Fund - The City created this special revenue fund to account for grant funds received from the U.S. Department of Housing and Urban Development for the support of homeless programs.

Uninsured Loss Fund - The City created this internal service fund as a contingency for losses or damages which are not covered by insurance.

NOTE 19 - BUDGET BASIS OF ACCOUNTING

The City prepared its budget on a basis other than generally accepted accounting principles (GAAP basis). The actual results of operations are presented in the combined statement of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - general, debt service, special revenue and capital projects funds in accordance with this budget basis to provide a meaningful comparison of actual results with the budget.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 19 - BUDGET BASIS OF ACCOUNTING (Continued)

The major differences between the budget and GAAP basis are:

- (1) Revenues and expenditures are recorded when received in cash or paid (budget) as opposed to when susceptible to accrual (GAAP).
- (2) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the budget basis are described below:

	Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses			
	General Fund	Debt Service Fund	Special Revenue Funds	Capital Projects Funds
GAAP Basis	\$ 45,818	(58,210)	\$ (64,670)	\$ 710,001
Increase (decrease) due to revenues:				
Revenues recognized at June 30, 1995 for GAAP reporting but not recognized for budget purposes	---	---	---	---
Received in cash during the year but accrued as revenue in prior year	564,838	56	13,054	244,805
Revenues recognized at June 30, 1996 for GAAP reporting but not recognized for budget purposes	(648,075)	(57)	(14,763)	(270,696)
Increase (decrease) due to expenditures:				
Encumbrances reserved at June 30, 1996 but recognized as expenditures for budget purposes	(78,055)	---	(146)	(820,959)
Expenditures paid during the year but appropriated in the prior budget year	75,518	---	15,826	430,704
Expenditures accrued at June 30, 1996 for GAAP reporting but not recognized for budget purposes	638,573	---	---	---
Paid in cash during the current year but accrued as expenditures in the prior year	(634,064)	---	---	---
Budget Basis	<u>\$ (35,447)</u>	<u>\$ (58,211)</u>	<u>\$ (50,699)</u>	<u>\$ 293,855</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 20 - BUSINESS SEGMENT INFORMATION

Business segment information for the Enterprise Funds, as of June 30, 1996, and for the year then ended is as follows:

	Shawnee Municipal Authority	Shawnee Airport Authority	Shawnee Civic and Cultural Development Authority	Total
Operating information:				
Operating revenues	\$ 6,654,259	\$ 26,499	\$ 468,625	\$ 7,149,383
Operating expenses	<u>3,958,252</u>	<u>99,325</u>	<u>881,340</u>	<u>4,938,917</u>
Net operating income (loss)	2,696,007	(72,826)	(412,715)	2,210,466
Depreciation Expense	(693,423)	(239,670)	(226,053)	(1,159,146)
Non-operating revenues (expenses)	(1,168,726)	26,619	2,351	(1,139,756)
Net operating transfers	<u>(76,895)</u>	<u>53,161</u>	<u>427,599</u>	<u>403,865</u>
Net income (loss)	<u>\$ 756,963</u>	<u>\$ (232,716)</u>	<u>\$ (208,818)</u>	<u>\$ 315,429</u>
Other information:				
Total Assets	<u>\$ 45,215,604</u>	<u>\$ 4,296,905</u>	<u>\$ 4,850,940</u>	<u>\$ 54,363,449</u>
Net working capital	<u>\$ 2,326,225</u>	<u>\$ 46,261</u>	<u>\$ 238,146</u>	<u>\$ 2,610,632</u>
Total equity	<u>\$ 20,570,542</u>	<u>\$ 4,210,459</u>	<u>\$ 4,575,340</u>	<u>\$ 29,356,341</u>
Property, plant and equipment (net)	<u>\$ 23,158,682</u>	<u>\$ 4,177,567</u>	<u>\$ 4,404,357</u>	<u>\$ 31,740,606</u>

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 21 - DEFINED BENEFIT PENSION PLANS

The City of Shawnee participates in three separate pension plans for the benefit of its employees. The Oklahoma Municipal Retirement Fund (OMRF) is available to all regular, full-time employees other than uniformed police officers and firefighters. The police officers are covered under the Oklahoma Police Pension and Retirement System (OPPRS), and the firefighters under the Oklahoma Firefighters Pension and Retirement System (OFPRS). For purposes of disclosing information regarding these pension funds, they are divided into two separate types of pension funds as required by Governmental Accounting Standards Board (GASB) Statement No. 5, *Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Governmental Employers*. The OMRF system is an agent multiple-employer system, and the OPPRS and the OFPRS systems are cost-sharing multiple-employer systems.

Agent Multiple-Employer System (OMRF)

Plan Description

The City contributes to the OMRF (the System), which acts as a common investment and administrative agent for cities and towns in the State of Oklahoma. The City's payroll for employees covered by the System for the years ended June 30, 1996 was \$4,074,499 and the City's total payroll for all employees was \$6,994,271.

All regular full-time employees except police officers and firefighters who were less than 60 years of age at the time of hiring are eligible to participate in the System. Benefits vest after 10 years of service. City employees who retire at or after age 65 with 10 years of service, are entitled to a lump sum distribution or an annual retirement benefit, using a percentage of final average compensation, (which is the highest annual average of total considered compensation for five consecutive years of the last ten completed years of service), multiplied by the number of years of credited service. Any employee may at their option, choose early retirement at the age of 55 with 10 years of service and receive benefits as described above with a 5% reduction of benefits for each year of their age below age 65. The System also provides death and disability benefits. These benefit provisions and all other requirements are established by State statute and City ordinance.

Funding Status and Progress

GASB Statement No. 5 requires a standardized disclosure method of the "Pension Benefit Obligation" which is the present value of pension benefits adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure required by GASB Statement No. 5 is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The required measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 21 - DEFINED BENEFIT PENSION PLANS (Continued)

The pension benefit obligation shown below is an actuarially determined amount using the aggregate entry age normal cost method, which, although generally accepted, differs from the required standardized method described in the preceding paragraph, in that the present value of pension benefits has not been adjusted for projected salary increases. The amount of the difference between the two methods has not been determined. The pension benefit obligation (as computed using the aggregate entry age normal funding method) was computed as part of an actuarial valuation performed as of July 1, 1996. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7.5 % per year compounded annually, (b) graduated rates for earnings progression, and (c) a 3% inflation factor.

Total overfunded pension benefit obligation applicable to the City's employees was \$4,648,979 at June 30, 1996 as follows:

Pension Benefit Obligation:	
Retirees & beneficiaries currently receiving benefits	\$ 2,735,666
Current employees	
Accumulated employee contributions	1,745,243
Employer financed vested	4,279,417
Employer financed non-vested	398,460
Total pension benefit obligation	9,158,786
Net assets available for benefits, at market value	13,807,765
Overfunded pension benefit obligation	\$ 4,648,979

Actuarially Determined Contribution Requirements and Contributions Made

The System's funding policy provides for actuarially determined periodic contributions for employees at rates which correspond to the benefit level of the program adopted by the City (there are six different plans available). Employees of the City of Shawnee contributed 4.25% of annual considered compensation. Contributions required of the City are equal to the difference between the actuarially computed funding requirement and contributions from employees. The city and employees contributed \$449,825 and \$173,167, respectively, for the year ended June 30, 1996.

Trend Information

GASB Statement No. 5 requires reference to ten-year historical information. This information may be obtained directly from the pension plan.

Oklahoma Municipal Retirement Fund
P.O. Box 25848
Oklahoma City, OK 73125

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 21 - DEFINED BENEFIT PENSION PLANS (Continued)

Trend Information (Continued)

GASB Statement No. 5 requires the disclosure of three-year historical trend information which is as follows:

	<u>1996</u>	<u>1995</u>	<u>1994</u>
Net assets available for benefits as a % of pension benefit obligation	150.7%	131.9%	129.5%
Assets in excess of pension benefit obligation as a % of covered payroll	117.5%	67.1%	60.1%
Employer contributions as a % of covered payroll	11.04%	11.04%	11.04%
Employee contributions as a % of covered payroll	4.37%	4.71%	4.67%

Cost-Sharing Multiple-Employer Systems (OPPRS, OFPRS)

Plan Descriptions

All of the City's uniformed police officers and firefighters are covered under their respective Systems. These Systems are state-wide pension systems, and cover police officers or firefighters from all participating cities and towns. The covered payroll for employees covered under the Oklahoma Police Pension and Retirement System (OPPRS) for the year ended June 30, 1996 was \$1,409,384, and the covered payroll for employees covered under the Oklahoma Firefighters Pension and Retirement System (OFPRS) for the year ended June 30, 1996 was \$1,472,356; the City's total payroll was \$6,994,271. Significant eligibility and benefits provisions of the two Systems are as follows:

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 21 - DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

	OPPRS (Police Officers)	OFPRS (Firefighters)
Employee Eligibility	All full-time police officers not less than 21 years old and less than 45 when accepted for membership	All full-time firefighters hired before the age of 45
Vesting of Benefits	10 years of service	10 years of service
Normal Retirement	20 years of service regardless of age	20 years of service and attained age 50
Employee Contribution	8% of total base pay	8% of total base pay
City Contributions	12.5% of total base pay	12.5% of total base pay
State Contributions	Remainder of actuarially determined amount	Remainder of actuarially determined amount
Normal Retirement Benefit	2.5% of final average salary (average salary for last 30 months) multiplied by years of creditable service	2.5% of final average salary (average salary for last 30 months) multiplied by years of creditable service

Both systems also provide death and disability benefits. These benefit requirements are established by State statutes. After 20 years of service employees no longer contribute to the plan, but the City will continue to contribute at the normal established rate. The City contributed \$176,173 to the OPPRS System and \$184,045 to the OFPRS system for the year ended June 30, 1996. These contributions represented 12.5% of covered payroll respectively.

GASB Statement No. 5 requires a standardized disclosure method of the "pension benefit obligation" which is the present value of pension benefits adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure required by GASB Statement No. 5 is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1996
(Continued)

NOTE 21 - DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

The Systems do not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1996 for each Systems as a whole, determined through actuarial valuations was \$808,500,000 for the OPPRS and \$1,172,600,000 for the OFPRS. The Systems' net assets available for benefits on that date (valued at market) were \$805,200,000 and \$817,600,000, respectively, leaving unfunded pension benefit obligations of \$3,300,000 and \$355,000,000, respectively.

GASB Statement No. 5 requires reference to the separately issued Systems' annual financial statements which should disclose 10 year historical trend information showing the Systems' progress in accumulating sufficient assets to pay benefits when due. This historical information has not been presented herein, but may be obtained directly from the from the pension plan.

Oklahoma Police Pension
and Retirement System
1001 N.W. 63rd Street, Suite 305
Oklahoma City, OK 73116-7339

Oklahoma Firefighters Pension
and Retirement System
4545 N. Lincoln Blvd., Suite 265
Oklahoma City, OK 73105-3414

NOTE 22 - CONTINGENT LIABILITIES

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowance's, if any, would be immaterial to the accompanying general purpose financial statements.

NOTE 23 - DEFICIT RETAINED EARNINGS

The Shawnee Airport Authority and the Shawnee Civic and Cultural Development Authority had a deficit fund balance of \$1,031,467 and \$1,399,524, respectively at June 30, 1996.

NOTE 24 - SUBSEQUENT EVENTS

There were no notable subsequent events which would have a material affect on the financial statements presented herein.

Combining Financial Statements

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general operating revenues not restricted as to use are recorded in the General Fund.

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	7,742,680	7,845,413	\$ 102,733
Intergovernmental revenue	240,800	213,216	(27,584)
Licenses and Permits	134,160	161,218	27,058
Fines and Forfeitures	303,240	281,689	(21,551)
Interest	126,890	136,387	9,497
Other Revenue	144,390	157,744	13,354
Total Revenues	<u>8,692,160</u>	<u>8,795,667</u>	<u>103,507</u>
EXPENDITURES			
ADMINISTRATION			
City Manager's Office -			
Personal services	\$ 178,019	\$ 177,749	\$ 270
Materials and supplies	3,860	3,325	535
Other services and charges	171,910	170,347	1,563
Total City Manager's Office	<u>353,789</u>	<u>351,421</u>	<u>2,368</u>
Action Center -			
Personal services	35,577	35,534	43
Materials and supplies	1,060	999	61
Other services and charges	24,300	15,140	9,160
Total Action Center	<u>60,937</u>	<u>51,673</u>	<u>9,264</u>
City Attorney -			
Other services and charges	95,275	95,080	195
Total City Attorney	<u>95,275</u>	<u>95,080</u>	<u>195</u>
Personnel -			
Personal services	76,630	76,353	277
Materials and supplies	1,700	1,616	84
Other services and charges	38,170	35,515	2,655
Total Personnel	<u>116,500</u>	<u>113,484</u>	<u>3,016</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	Final Budget	Actual	Variance Favorable (Unfavorable)
Civil Defense -			
Personal services	406,986	403,926	3,060
Materials and supplies	2,599	2,592	7
Other services and charges	17,526	17,408	118
Total Civil Defense	<u>427,111</u>	<u>423,926</u>	<u>3,185</u>
INTERNAL SERVICES			
Accounting -			
Personal services	\$ 233,457	\$ 233,037	\$ 420
Materials and supplies	5,930	4,482	1,448
Other services and charges	34,603	31,305	3,298
Total Accounting	<u>273,990</u>	<u>268,824</u>	<u>5,166</u>
Purchasing -			
Materials and supplies	1,260	255	1,005
Total Purchasing	<u>1,260</u>	<u>255</u>	<u>1,005</u>
Data Processing -			
Personal services	--	--	--
Materials and supplies	2,900	1,858	1,042
Other services and charges	40,925	39,940	985
Total Data Processing	<u>43,825</u>	<u>41,798</u>	<u>2,027</u>
Building Maintenance -			
Personal services	--	--	--
Materials and supplies	100	24	76
Other services and charges	51,490	49,674	1,816
Total Building Maintenance	<u>51,590</u>	<u>49,698</u>	<u>1,892</u>
Equipment Services -			
Personal services	140,672	140,038	634
Materials and supplies	7,140	6,737	403
Other services and charges	10,912	9,982	930
Total Equipment Services	<u>158,724</u>	<u>156,757</u>	<u>1,967</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
COMMUNITY SERVICES			
Municipal Court -			
Personal services	\$ 164,293	\$ 163,194	\$ 1,099
Materials and supplies	5,670	4,607	1,063
Other services and charges	<u>56,065</u>	<u>38,553</u>	<u>17,512</u>
Total Municipal Court	<u>226,028</u>	<u>206,354</u>	<u>19,674</u>
Records and Licenses -			
Personal services	125,489	125,337	152
Materials and supplies	7,250	5,473	1,777
Other services and charges	<u>29,846</u>	<u>26,812</u>	<u>3,034</u>
Total Records and Licenses	<u>162,585</u>	<u>157,622</u>	<u>4,963</u>
COMMUNITY DEVELOPMENT			
Code Enforcement -			
Personal services	94,927	94,450	477
Materials and supplies	1,000	810	190
Other services and charges	<u>2,980</u>	<u>2,577</u>	<u>403</u>
Total Code Enforcement	<u>98,907</u>	<u>97,837</u>	<u>1,070</u>
Planning -			
Personal services	111,811	109,851	1,960
Materials and supplies	1,175	970	205
Other services and charges	<u>10,395</u>	<u>8,674</u>	<u>1,721</u>
Total Planning	<u>123,381</u>	<u>119,495</u>	<u>3,886</u>
POLICE			
Police - Auxiliary -			
Personal services	\$ 198,192	\$ 196,602	\$ 1,590
Materials and supplies	16,040	15,370	670
Other services and charges	<u>41,940</u>	<u>38,582</u>	<u>3,358</u>
Total Police Auxiliary	<u>256,172</u>	<u>250,554</u>	<u>5,618</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	Final Budget	Actual	Variance Favorable (Unfavorable)
Police - Patrol -			
Personal services	1,668,839	1,662,985	5,854
Materials and supplies	20,470	19,898	572
Other services and charges	85,950	83,971	1,979
Total Police Patrol	<u>1,775,259</u>	<u>1,766,854</u>	<u>8,405</u>
Police - CID -			
Personal services	310,127	306,720	3,407
Materials and supplies	6,850	5,939	911
Other services and charges	20,360	19,454	906
Total Police CID	<u>337,337</u>	<u>332,113</u>	<u>5,224</u>
Police - Humane -			
Personal services	117,107	116,179	928
Materials and supplies	6,620	5,331	1,289
Other services and charges	8,650	7,662	988
Total Police Humane	<u>132,377</u>	<u>129,172</u>	<u>3,205</u>
 FIRE			
Fire Prevention -			
Personal services	\$ 199,112	\$ 197,742	\$ 1,370
Materials and supplies	6,325	6,041	284
Other services and charges	5,530	5,267	263
Total Fire Prevention	<u>210,967</u>	<u>209,050</u>	<u>1,917</u>
Fire Suppression -			
Personal services	1,675,429	1,664,413	11,016
Materials and supplies	41,990	41,324	666
Other services and charges	49,525	48,763	762
Total Fire Suppression	<u>1,766,944</u>	<u>1,754,500</u>	<u>12,444</u>
Fire Training -			
Personal services	---	---	---
Materials and supplies	1,160	1,141	19
Other services and charges	20,100	19,935	165
Total Fire Training	<u>21,260</u>	<u>21,076</u>	<u>184</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	Final Budget	Actual	Variance Favorable (Unfavorable)
ENGINEERING			
Engineering-			
Personal services	205,960	203,776	2,184
Materials and supplies	4,900	3,685	1,215
Other services and charges	27,890	21,534	6,356
Total Engineering	238,750	228,995	9,755
 PUBLIC WORKS			
Public Works - Administration -			
Personal services	127,481	127,446	35
Materials and supplies	4,705	4,472	233
Other services and charges	10,565	8,786	1,779
Total Public Works Administration	142,751	140,704	2,047
 Street Maintenance -			
Personal services	406,294	402,761	3,533
Materials and supplies	16,290	12,272	4,018
Other services and charges	339,600	328,652	10,948
Total Street Maintenance	762,184	743,685	18,499
 Traffic Control -			
Personal services	91,776	90,118	1,658
Materials and supplies	21,140	20,114	1,026
Other services and charges	18,850	18,468	382
Total Traffic Control	131,766	128,700	3,066
 Parks Maintenance -			
Personal services	308,224	304,295	3,929
Materials and supplies	25,250	24,804	446
Other services and charges	52,965	51,077	1,888
Total Parks Maintenance	386,439	380,176	6,263
 Cemetery -			
Personal services	\$ 105,107	\$ 104,666	\$ 441
Materials and supplies	5,000	4,483	517
Other services and charges	8,153	7,000	1,153
Total Cemetery	118,260	116,149	2,111

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Municipal Auditorium -			
Other services and charges	<u>3,000</u>	<u>2,567</u>	<u>433</u>
Total Municipal Auditorium	<u>3,000</u>	<u>2,567</u>	<u>433</u>
Community Center -			
Materials and supplies	1,750	1,471	279
Other services and charges	<u>2,800</u>	<u>2,446</u>	<u>354</u>
Total Community Center	<u>4,550</u>	<u>3,917</u>	<u>633</u>
Senior Citizens Center -			
Other services and charges	<u>48,447</u>	<u>48,397</u>	<u>50</u>
Total Senior Citizens Center	<u>48,447</u>	<u>48,397</u>	<u>50</u>
 CENTRALIZED COSTS			
Materials and supplies	207,453	204,130	3,323
Other services and charges	<u>810,369</u>	<u>761,495</u>	<u>48,874</u>
Total Centralized Costs	<u>1,017,822</u>	<u>965,625</u>	<u>52,197</u>
 CONTINGENCIES			
Other services and charges	<u>66,625</u>	<u>57,931</u>	<u>8,694</u>
Total Contingencies	<u>66,625</u>	<u>57,931</u>	<u>8,694</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 1996

	Final Budget	Actual	Variance Favorable (Unfavorable)
CAPITAL OUTLAY			
Community Services -			
Records and Licenses	\$ 775	\$ 775	\$ ---
Total Capital Outlay	775	775	---
Total Expenditures	9,615,587	9,415,164	200,423
Excess of Revenues Over (Under) Expenditures	(923,427)	(619,497)	303,930
Other Financing Sources (Uses)			
Transfers from Other Funds	1,264,750	1,264,750	---
Transfers to Other Funds	(680,700)	(680,700)	---
Total	584,050	584,050	---
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	(339,377)	(35,447)	303,930
Fund Balance - Beginning	339,377	638,980	299,603
Fund Balance - Ending	\$ ---	\$ 603,533	\$ 603,533

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Street and Alley Fund - Established to account for the operation and maintenance of local streets and thoroughfares. Financing is provided primarily through motor vehicle and excise taxes collected by the County.

E - 911 Fund - Established to account for the operations and maintenance of the City's 911 emergency services. Financing is provided primarily through telephone service fees.

Revolving Oil and Gas Fund - Established to account for the inspection and monitoring of oil and gas wells. Financing is provided primarily through user licenses and fees.

Economic Development Fund - Established to account for the promotion of economic development. Financing is provided primarily through sales tax revenues.

Spay Neuter Fund - Established to account for the City's animal adoption program. Financing is provided primarily through participant fees.

Hotel/Motel Surcharge Fund - Established to account for the collection of the City's hotel/motel surcharge. Funds received from this surcharge are used for the promotion of tourism.

Community Development Block Grant and Home Grant Funds - Established to account for federal grant funds received by the City, and expenditures related to the operation of these grants.

Emergency Shelter Grant Fund - Established to account for federal grant funds received by the City, and expenditures related to the operation of these grants.

City of Shawnee, Oklahoma
Combining Balance Sheet
All Special Revenue Funds
June 30, 1996

	Street and Alley Fund	E-911 Fund	Revolving Oil and Gas Fund	Economic Development Fund	Spay Neuter Fund	Hotel/Motel Surcharge Fund
ASSETS						
Cash	\$ 4,411	\$ 38,394	\$ 14,169	\$ ---	\$ 30,212	\$ 10,310
Investments, at cost	144,000	---	19,663	42,572	---	---
Receivables:						
Accrued interest	600	---	36	69	---	---
Notes Receivable	---	---	---	---	---	---
Due from other governments	---	---	---	---	---	---
Due from other funds	---	---	---	---	---	---
Sales tax receivable	---	---	---	14,058	---	---
TOTAL ASSETS	\$ 149,011	\$ 38,394	\$ 33,868	\$ 56,699	\$ 30,212	\$ 10,310
LIABILITIES						
Accounts payable	\$ ---	\$ ---	\$ 2,397	\$ 7,532	\$ 475	\$ 8,825
Accrued Liabilities	---	---	---	---	---	---
Due to other funds	---	---	---	1,841	---	---
Total Liabilities	---	---	2,397	9,373	475	8,825
FUND EQUITY						
Fund balance:						
Reserved	146	500	---	---	---	---
Unreserved	148,865	37,894	31,471	47,326	29,737	1,485
Total Fund Equity	149,011	38,394	31,471	47,326	29,737	1,485
TOTAL LIABILITIES AND FUND EQUITY	\$ 149,011	\$ 38,394	\$ 33,868	\$ 56,699	\$ 30,212	\$ 10,310

CDBG FY 92 Entitlement Fund	CDBG FY 93 Entitlement Fund	CDBG FY 94 Entitlement Fund	CDBG FY 95 Entitlement Fund	Emergency Shelter Grant Fund	FY 95 Home Grant Fund	Total
\$ 297	\$ ---	\$ 2,764	\$ 11,076	498	5,483	\$ 117,614
---	---	---	---	---	---	206,235
---	---	---	---	---	---	705
17	237	---	---	---	---	254
---	---	---	---	477	---	477
---	---	---	5,955	---	1,085	7,040
---	---	---	---	---	---	14,058
<u>\$ 314</u>	<u>\$ 237</u>	<u>\$ 2,764</u>	<u>\$ 17,031</u>	<u>\$ 975</u>	<u>\$ 6,568</u>	<u>\$ 346,383</u>
\$ ---	\$ 237	\$ 1,085	\$ 5,790	\$ 975	\$ ---	\$ 27,316
---	---	1,679	11,241	---	6,568	19,488
314	---	---	---	---	---	2,155
<u>314</u>	<u>237</u>	<u>2,764</u>	<u>17,031</u>	<u>975</u>	<u>6,568</u>	<u>48,959</u>
---	---	---	---	---	---	646
---	---	---	---	---	---	296,778
---	---	---	---	---	---	297,424
<u>\$ 314</u>	<u>\$ 237</u>	<u>\$ 2,764</u>	<u>\$ 17,031</u>	<u>\$ 975</u>	<u>\$ 6,568</u>	<u>\$ 346,383</u>

City of Shawnee, Oklahoma
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - All Special Revenue Funds
For the Fiscal Year Ended June 30, 1996

	Street and Alley Fund	E-911 Fund	Revolving Oil and Gas Fund	Economic Development Fund	Spay Neuter Fund	Hotel/Motel Surcharge Fund
Revenues:						
Taxes	\$ 218,602	\$ ---	\$ ---	\$ 156,580	\$ ---	\$ 93,529
Intergovernmental revenues	---	---	---	---	---	---
Licenses and permits	2,419	---	17,300	---	---	---
Interest	10,672	---	1,019	2,155	---	---
Other revenues	---	114,389	---	6,250	6,355	---
Total Revenues	<u>231,693</u>	<u>114,389</u>	<u>18,319</u>	<u>164,985</u>	<u>6,355</u>	<u>93,529</u>
Expenditures:						
Current -						
General Government	---	1,320	---	---	---	94,501
Public safety	---	37,820	2,533	---	9,069	---
Public works	232,588	---	---	---	---	---
Urban redevelopment and housing	---	---	---	---	---	---
Economic development	---	---	---	112,500	---	---
Capital outlay	45,163	1,360	---	60,371	---	---
Debt service -						
Principal retirement	---	46,089	---	---	---	---
Interest and fiscal charges	---	20,876	---	---	---	---
Total Expenditures	<u>277,751</u>	<u>107,465</u>	<u>2,533</u>	<u>172,871</u>	<u>9,069</u>	<u>94,501</u>
Excess of Revenues Over (Under) Expenditures	<u>(46,058)</u>	<u>6,924</u>	<u>15,786</u>	<u>(7,886)</u>	<u>(2,714)</u>	<u>(972)</u>
Other Financing Sources (Uses):						
Operating transfers out	---	---	(14,750)	(15,000)	---	---
Total Other Financing Sources (Uses)	<u>---</u>	<u>---</u>	<u>(14,750)</u>	<u>(15,000)</u>	<u>---</u>	<u>---</u>
Excess of Revenues and Other Sources Over (Under)						
Expenditures and Other Uses	(46,058)	6,924	1,036	(22,886)	(2,714)	(972)
Fund Balances - Beginning	<u>195,069</u>	<u>31,470</u>	<u>30,435</u>	<u>70,212</u>	<u>32,451</u>	<u>2,457</u>
Fund Balances - Ending	<u>\$ 149,011</u>	<u>\$ 38,394</u>	<u>\$ 31,471</u>	<u>\$ 47,326</u>	<u>\$ 29,737</u>	<u>\$ 1,485</u>

CDBG FY 92 Entitlement Fund	FY 92 Home Grant Fund	CDBG FY 93 Entitlement Fund	CDBG FY 94 Entitlement Fund	FY 94 Home Grant Fund	CDBG FY 95 Entitlement Fund	Emergency Shelter Grant Fund	FY 95 Home Grant Fund	Total
\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 468,711
22,906	8,550	51,701	416,972	142,000	204,002	38,812	29,040	913,983
---	---	---	---	---	---	---	---	19,719
---	---	---	---	---	---	---	---	13,846
---	420	---	24,624	19,301	36,448	---	7,946	215,733
<u>22,906</u>	<u>8,970</u>	<u>51,701</u>	<u>441,596</u>	<u>161,301</u>	<u>240,450</u>	<u>38,812</u>	<u>36,986</u>	<u>1,631,992</u>
---	---	---	---	---	---	---	---	95,821
---	---	---	---	---	---	---	---	49,422
---	---	---	---	---	---	---	---	232,588
203	8,970	51,701	218,983	161,301	240,450	38,812	36,986	757,406
---	---	---	---	---	---	---	---	112,500
22,703	---	---	222,613	---	---	---	---	352,210
---	---	---	---	---	---	---	---	46,089
---	---	---	---	---	---	---	---	20,876
<u>22,906</u>	<u>8,970</u>	<u>51,701</u>	<u>441,596</u>	<u>161,301</u>	<u>240,450</u>	<u>38,812</u>	<u>36,986</u>	<u>1,666,912</u>
---	---	---	---	---	---	---	---	(34,920)
---	---	---	---	---	---	---	---	(29,750)
---	---	---	---	---	---	---	---	(29,750)
---	---	---	---	---	---	---	---	(64,670)
---	---	---	---	---	---	---	---	362,094
<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 297,424</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Street and Alley Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 208,630	\$ 218,602	\$ 9,972
Licenses and permits	2,700	2,419	(281)
Interest	5,050	10,789	5,739
Total Revenues	216,380	231,810	15,430
EXPENDITURES			
PUBLIC WORKS			
Street and Alley-			
Other Services and Charges	261,018	232,587	28,431
Total Street and Alley	261,018	232,587	28,431
CAPTIAL OUTLAY			
Street and Alley	121,600	43,947	77,653
Total Capital Outlay	121,600	43,947	77,653
Total Expenditures	382,618	276,534	212,168
Excess of Revenues Over (Under) Expenditures	(166,238)	(44,724)	121,514
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(166,238)	(44,724)	121,514
Fund Balances - Beginning	166,238	167,435	1,197
Fund Balances - Ending	\$ ---	\$ 122,711	\$ 122,711

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
E - 911 Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 97,510	\$ 106,826	\$ 9,316
Other revenues	---	7,563	7,563
Total Revenues	97,510	114,389	16,879
EXPENDITURES			
COMMUNITY DEVELOPMENT			
E-911 -			
Other Services and Charges	120,952	106,605	14,347
Total E-911	120,952	106,605	14,347
CAPITAL OUTLAY			
E-911	7,500	1,360	6,140
Total Capital Outlay	7,500	1,360	6,140
Total Expenditures	128,452	107,965	20,487
Excess of Revenues Over (Under) Expenditures	(30,942)	6,424	37,366
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(30,942)	6,424	37,366
Fund Balances - Beginning	30,942	31,469	527
Fund Balances - Ending	\$ ---	\$ 37,893	\$ 37,893

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Revolving Oil and Gas Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Licenses and permits	\$ 8,000	\$ 17,300	\$ 9,300
Interest	790	1,011	221
Total Revenues	8,790	18,311	9,521
EXPENDITURES			
FIRE			
Revolving Oil and Gas-			
Materials and Supplies	5,000	2,534	2,466
Other Services and Charges	15,345	---	15,345
Total Revolving Oil and Gas	20,345	2,534	17,811
Total Expenditures	20,345	2,534	33,156
Excess of Revenues Over (Under) Expenditures	(11,555)	15,777	27,332
Other Financing Sources (Uses):			
Operating transfers out	(14,750)	(14,750)	---
Total Other Financing Sources (Uses)	(14,750)	(14,750)	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(26,305)	1,027	27,332
Fund Balances - Beginning	26,305	29,646	3,341
Fund Balances - Ending	\$ ---	\$ 30,673	\$ 30,673

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Economic Development Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 152,250	\$ 155,263	\$ 3,013
Intergovernmental revenues	---	6,250	6,250
Interest	3,050	2,154	(896)
Total Revenues	155,300	163,667	8,367
EXPENDITURES			
ADMINISTRATION			
Economic Development-			
Other Services and Charges	183,240	158,407	24,833
Total Economic Development	183,240	158,407	24,833
Total Expenditures	183,240	158,407	49,666
Excess of Revenues Over (Under) Expenditures	(27,940)	5,260	33,200
Other Financing Sources (Uses):			
Operating transfers out	(15,000)	(15,000)	---
Total Other Financing Sources (Uses)	(15,000)	(15,000)	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(42,940)	(9,740)	33,200
Fund Balances - Beginning	42,940	(2,967)	(45,907)
Fund Balances - Ending	\$ ---	\$ (12,707)	\$ (12,707)

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Spay Neuter Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Other revenues	\$ 4,800	\$ 6,355	\$ 1,555
Total Revenues	4,800	6,355	1,555
EXPENDITURES			
POLICE			
Spay/Neuter-			
Other Services and Charges	38,628	9,069	29,559
Total Spay/Neuter	38,628	9,069	29,559
Total Expenditures	38,628	9,069	59,118
Excess of Revenues Over (Under) Expenditures	(33,828)	(2,714)	31,114
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(33,828)	(2,714)	31,114
Fund Balances - Beginning	33,828	32,451	(1,377)
Fund Balances - Ending	\$ ---	\$ 29,737	\$ 29,737

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Hotel/Motel Surcharge Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 95,000	\$ 93,529	\$ (1,471)
Total Revenues	95,000	93,529	(1,471)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Hotel/Motel Surcharge-			
Other Services and Charges	95,000	94,501	499
Total Hotel/Motel Surcharge	95,000	94,501	499
Total Expenditures	95,000	94,501	998
Excess of Revenues Over (Under) Expenditures	---	(972)	(972)
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	(972)	(972)
Fund Balances - Beginning	---	2,457	2,457
Fund Balances - Ending	\$ ---	\$ 1,485	\$ 1,485

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
92 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 55,707	\$ 22,906	\$ (32,801)
Total Revenues	55,707	22,906	(32,801)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Housing Rehabilitation-			
Other Services and Charges	203	203	---
Total Housing Rehabilitation	203	203	---
CAPTIAL OUTLAY			
Infrastructure	55,504	22,703	32,801
Total Capital Outlay	55,504	22,703	32,801
Total Expenditures	55,707	22,906	65,602
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
92 Home Grant Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 8,550	\$ 8,550	\$ ---
Other revenues	420	420	---
Total Revenues	8,970	8,970	---
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Development Hard Costs-			
Other Services and Charges	8,970	8,970	---
Total Development Hard Costs	8,970	8,970	---
Total Expenditures	8,970	8,970	---
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
93 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 167,587	\$ 51,701	\$ (115,886)
Total Revenues	167,587	51,701	(115,886)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Housing Rehabilitation-			
Other Services and Charges	36,911	36,773	138
Total Housing Rehabilitation	36,911	36,773	138
Community Development Corporation-			
Other Services and Charges	88,428	11,553	76,875
Total Community Development Corporation	88,428	11,553	76,875
CAPTIAL OUTLAY			
Infrastructure	42,248	3,375	38,873
Total Capital Outlay	42,248	3,375	38,873
Total Expenditures	167,587	51,701	115,886
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
94 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 463,024	\$ 416,972	\$ (46,052)
Other revenues	24,624	24,624	---
Total Revenues	487,648	441,596	(46,052)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
CDBG Administration-			
Personal Services	22,119	22,119	---
Materials and Supplies	2,625	2,581	44
Other Services and Charges	7,627	7,549	78
Total CDBG Administration	32,371	32,249	122
Housing Rehabilitation-			
Personal Services	44,931	38,371	6,560
Other Services and Charges	164,158	148,363	15,795
Total Housing Rehabilitation	209,089	186,734	22,355
CAPTIAL OUTLAY			
Infrastructure	246,188	222,613	23,575
Total Capital Outlay	246,188	222,613	23,575
Total Expenditures	487,648	441,596	46,052
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
94 Home Grant Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 142,000	\$ 142,000	\$ ---
Other revenues	19,301	19,301	---
Total Revenues	161,301	161,301	---
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Home Administration-			
Personal Services	6,762	6,762	---
Total Home Administration	6,762	6,762	---
Development Hard Costs-			
Other Services and Charges	154,539	154,539	---
Total Development Hard Costs	154,539	154,539	---
Total Expenditures	161,301	161,301	---
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
95 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 572,000	\$ 204,002	\$ (367,998)
Other revenues	36,448	36,448	---
Total Revenues	608,448	240,450	(367,998)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
CDBG Administration-			
Personal Services	45,100	21,692	23,408
Materials and Supplies	1,500	754	746
Other Services and Charges	16,200	8,590	7,610
Total CDBG Administration	62,800	31,036	31,764
Housing Rehabilitation-			
Personal Services	105,769	86,221	19,548
Other Services and Charges	272,379	123,033	149,346
Total Housing Rehabilitation	378,148	209,254	168,894
CAPTIAL OUTLAY			
Infrastructure	167,500	160	167,340
Total Capital Outlay	167,500	160	167,340
Total Expenditures	608,448	240,450	367,998
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Emergency Shelter Grant
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 50,000	\$ 38,812	\$ (11,188)
Total Revenues	50,000	38,812	(11,188)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Emergency Shelter-			
Other Services and Charges	19,000	11,493	7,507
Total Emergency Shelter	19,000	11,493	7,507
CAPTIAL OUTLAY			
Infrastructure	31,000	27,319	3,681
Total Capital Outlay	31,000	27,319	3,681
Total Expenditures	50,000	38,812	11,188
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
95 Home Grant Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 155,000	\$ 29,040	\$ (125,960)
Other revenues	7,946	7,946	---
Total Revenues	162,946	36,986	(125,960)
EXPENDITURES			
COMMUNITY DEVELOPMENT			
Home Administration-			
Personal Services	7,381	---	7,381
Total Home Administration	7,381	---	7,381
Development Hard Costs-			
Other Services and Charges	155,565	36,986	118,579
Total Development Hard Costs	155,565	36,986	118,579
Total Expenditures	162,946	36,986	125,960
Excess of Revenues Over (Under) Expenditures	---	---	---
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	---	---	---
Fund Balances - Beginning	---	---	---
Fund Balances - Ending	\$ ---	\$ ---	\$ ---

Debt Service Fund

The Debt Service fund is used to account for the accumulation of resources for, and the payment of, principal, interest and related costs on general obligation bonds.

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Debt Service Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 375,000	\$ 313,956	\$ (61,044)
Interest	1,420	1,768	348
Other revenues	17,840	---	(17,840)
Total Revenues	394,260	315,724	(78,536)
EXPENDITURES			
ADMINISTRATION			
Debt Service-			
Debt Service	380,710	373,935	6,775
Total Debt Service	380,710	373,935	6,775
Total Expenditures	380,710	373,935	13,550
Excess of Revenues Over (Under) Expenditures	13,550	(58,211)	(71,761)
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	13,550	(58,211)	(71,761)
Fund Balances - Beginning	(13,550)	214,420	227,970
Fund Balances - Ending	\$ ---	\$ 156,209	\$ 156,209

Capital Projects Funds

The Capital Projects funds are used to account for financial resources segregated for the acquisition of capital assets or construction of major capital facilities.

Capital Improvement Fund - Established to account for the purchase of capital equipment and construction of facilities. Financing is provided primarily through sales tax.

Street Improvement Fund - Established to account for the construction or major reconstruction of street projects. Financing is provided primarily through sales tax.

1994 Street Improvement Projects Fund - Established to account for general obligation bond proceeds designated for the construction of specific street projects.

City of Shawnee, Oklahoma
Combining Balance Sheet
All Capital Projects Funds
June 30, 1996

	Capital Improvement Fund	Street Improvement Fund	1994 Street Improvement Project Fund	Total
ASSETS				
Cash	\$ 218,099	\$ 1,011,372	\$ ---	\$ 1,229,471
Investments, at cost	1,051,103	956,428	1,220,851	3,228,382
Receivables:				
Accrued interest	2,364	1,233	---	3,597
Sales tax receivable	<u>126,521</u>	<u>140,579</u>	<u>---</u>	<u>267,100</u>
TOTAL ASSETS	<u>\$ 1,398,087</u>	<u>\$ 2,109,612</u>	<u>\$ 1,220,851</u>	<u>\$ 4,728,550</u>
LIABILITIES				
Accounts payable	\$ 71,574	\$ 29,239	---	100,813
Due to Other Funds	<u>---</u>	<u>---</u>	<u>4,694</u>	<u>4,694</u>
Total Liabilities	<u>71,574</u>	<u>29,239</u>	<u>4,694</u>	<u>105,507</u>
FUND EQUITY				
Fund balance:				
Reserved	153,713	679,449	9,150	842,312
Unreserved	<u>1,172,800</u>	<u>1,400,924</u>	<u>1,207,007</u>	<u>3,780,731</u>
Total Fund Equity	<u>1,326,513</u>	<u>2,080,373</u>	<u>1,216,157</u>	<u>4,623,043</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,398,087</u>	<u>\$ 2,109,612</u>	<u>\$ 1,220,851</u>	<u>\$ 4,728,550</u>

City of Shawnee, Oklahoma
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - All Capital Projects Funds
For the Fiscal Year Ended June 30, 1996

	Capital Improvement Fund	Street Improvement Fund	1994 Street Improvement Project Fund	Total
Revenues:				
Taxes	\$ 1,409,217	\$ 1,565,796	\$ ---	\$ 2,975,013
Interest	44,938	46,018	55,656	146,612
Other revenues	3,883	---	---	3,883
Total Revenues	<u>1,458,038</u>	<u>1,611,814</u>	<u>55,656</u>	<u>3,125,508</u>
Expenditures:				
General Government	9,827	5,400	\$ 5,742	\$ 20,969
Capital outlay	605,417	990,697	187,054	1,783,168
Debt Service -				
Principal retirement	180,059	8,839	---	188,898
Interest and fiscal charges	15,353	44	---	15,397
Total Expenditures	<u>810,656</u>	<u>1,004,980</u>	<u>192,796</u>	<u>2,008,432</u>
Excess of Revenues Over (Under) Expenditures	<u>647,382</u>	<u>606,834</u>	<u>(137,140)</u>	<u>1,117,076</u>
Other Financing Sources (Uses):				
Operating transfers in	---	303,490		303,490
Operating transfers out	(533,280)	(177,285)	---	(710,565)
Total Other Financing Sources (Uses)	<u>(533,280)</u>	<u>126,205</u>	<u>---</u>	<u>(407,075)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	114,102	733,039	(137,140)	710,001
Fund Balances - Beginning	1,212,411	1,347,334	1,353,297	3,913,042
Fund Balances - Ending	<u>\$ 1,326,513</u>	<u>\$ 2,080,373</u>	<u>\$ 1,216,157</u>	<u>\$ 4,623,043</u>

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Capital Improvement Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,370,240	\$ 1,397,368	\$ 27,128
Intergovernmental revenues	---	3,883	3,883
Interest	19,670	43,918	24,248
Total Revenues	1,389,910	1,445,169	55,259
EXPENDITURES			
ADMINISTRATION			
General Administration-			
Other Services and Charges	22,000	21,590	410
Debt Service	141,970	141,395	575
Total General Administration	163,970	162,985	985
CAPTIAL OUTLAY			
General Adminstration	35,050	29,993	5,057
Internal Services	48,700	44,851	3,849
Community Services	17,300	17,238	62
Exposition Center	144,000	---	144,000
Community Development	216,820	6,788	210,032
Police	130,644	54,649	75,995
Fire	415,625	68,658	346,967
Public Works	341,475	245,501	95,974
Other Expenditures	335,308	232,919	102,389
Total Capital Outlay	1,684,922	700,597	984,325
Total Expenditures	1,848,892	863,582	1,970,620
Excess of Revenues Over (Under) Expenditures	(458,982)	581,587	1,040,569
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	(533,280)	(533,280)	---
Total Other Financing Sources (Uses)	(533,280)	(533,280)	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(992,262)	48,307	1,040,569
Fund Balances - Beginning	992,262	1,034,374	42,112
Fund Balances - Ending	\$ ---	\$ 1,082,681	\$ 1,082,681

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
Street Improvements Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,522,490	\$ 1,552,631	\$ 30,141
Intergovernmental revenues	40,000	---	(40,000)
Interest	24,130	46,160	22,030
Total Revenues	1,586,620	1,598,791	12,171
EXPENDITURES			
ADMINISTRATION			
General Administration-			
Other Services and Charges	13,174	5,400	7,774
Debt Service	9,000	8,883	117
Total General Administration	22,174	14,283	7,891
CAPTIAL OUTLAY			
New Streets	996,685	310,152	686,533
Open Sections	165,000	165,000	---
Overlays	177,965	166,569	11,396
Chip Seals	22,000	21,678	322
Other Expenditures	102,000	85,880	16,120
Rehabs and Restorations	943,455	587,046	356,409
Total Capital Outlay	2,407,105	1,336,325	1,070,780
Total Expenditures	2,429,279	1,350,608	2,157,342
Excess of Revenues Over (Under) Expenditures	(842,659)	248,183	1,090,842
Other Financing Sources (Uses):			
Operating transfers in	89,875	303,490	213,615
Operating transfers out	(177,285)	(177,285)	---
Total Other Financing Sources (Uses)	(87,410)	126,205	213,615
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(930,069)	374,388	1,304,457
Fund Balances - Beginning	930,069	343,506	(586,563)
Fund Balances - Ending	\$ ---	\$ 717,894	\$ 717,894

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
1994 Street Improvement Project Fund
For the Fiscal Year Ended June 30, 1996

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Interest	\$ 30,000	\$ 55,656	\$ 25,656
Total Revenues	30,000	55,656	25,656
EXPENDITURES			
CAPTIAL OUTLAY			
1994 Street Improvements	232,000	184,496	47,504
Total Capital Outlay	232,000	184,496	47,504
Total Expenditures	232,000	184,496	95,008
Excess of Revenues Over (Under) Expenditures	(202,000)	(128,840)	73,160
Other Financing Sources (Uses):			
Operating transfers in	---	---	---
Operating transfers out	---	---	---
Total Other Financing Sources (Uses)	---	---	---
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(202,000)	(128,840)	73,160
Fund Balances - Beginning	930,069	1,335,847	405,778
Fund Balances - Ending	\$ 728,069	\$ 1,207,007	\$ 478,938

Enterprise Funds

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 (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Shawnee Municipal Authority - Established to account for operation, maintenance, and capital facility construction relating to water, sewer, and sanitary services. Financing is provided primarily through user charges.

Shawnee Airport Authority - Established to account for operation, maintenance, and capital facility construction relating to the Shawnee Municipal Airport.

Shawnee Civic and Cultural Development Authority - Established to account for operation, maintenance, and capital facility construction relating to the Heart of Oklahoma Exposition Center.

City of Shawnee, Oklahoma
Combining Balance Sheet
All Enterprise Funds
June 30, 1996

	Shawnee Municipal Authority	Shawnee Airport Authority	Shawnee Civic & Cultural Development Authority	Total
ASSETS				
Current Assets:				
Cash	\$ 478,193	\$ 106,338	\$ 418,298	\$ 1,002,829
Investments	1,043,391	---	25,000	1,068,391
Accrued interest receivable	684	---	35	719
Accounts receivable (net of allowance for uncollectible accounts of \$87,149)	985,237	13,000	---	998,237
Due from other funds	1,468	---	---	1,468
Deposits	---	---	3,250	3,250
Total Current Assets	<u>2,508,973</u>	<u>119,338</u>	<u>446,583</u>	<u>3,074,894</u>
Restricted Assets:				
Cash and investments	2,560,291	---	---	2,560,291
Accrued interest receivable	51,835	---	---	51,835
Total Restricted Assets	<u>2,612,126</u>	<u>---</u>	<u>---</u>	<u>2,612,126</u>
Property, Plant and Equipment:				
Land	1,066,733	385,618	94,493	1,546,844
Buildings	333,531	370,711	4,260,170	4,964,412
Improvements other than building	27,711,615	4,343,863	2,028,972	34,084,450
Machinery and equipment	108,761	3,110	2,382	114,253
Mobile equipment	942,561	60,626	279,515	1,282,702
Office furniture and equipment	5,904	4,912	43,320	54,136
Communication equipment	60,534	2,731	22,468	85,733
Audiovisual equipment	969	495	3,820	5,284
Business machines	130,013	6,219	10,692	146,924
Appliances	8,497	676	5,926	15,099
Lab & engineering equipment	46,014	---	---	46,014
Parks & recreation equipment	---	---	5,512	5,512
Construction in process	1,735,221	1,009,431	---	2,744,652
	<u>32,150,353</u>	<u>6,188,392</u>	<u>6,757,270</u>	<u>45,096,015</u>
Less: accumulated depreciation	<u>(8,991,671)</u>	<u>(2,010,825)</u>	<u>(2,352,913)</u>	<u>(13,355,409)</u>
Net Property, Plant and Equipment	<u>23,158,682</u>	<u>4,177,567</u>	<u>4,404,357</u>	<u>31,740,606</u>
Other Assets:				
Bond issuance costs	19,704	---	---	19,704
Water rights contract	16,916,119	---	---	16,916,119
Total Other Assets	<u>16,935,823</u>	<u>---</u>	<u>---</u>	<u>16,935,823</u>
TOTAL ASSETS	<u>\$ 45,215,604</u>	<u>\$ 4,296,905</u>	<u>\$ 4,850,940</u>	<u>\$ 54,363,449</u>

City of Shawnee, Oklahoma
Combining Balance Sheet
All Enterprise Funds
June 30, 1996
(Continued)

	Shawnee Municipal Authority	Shawnee Airport Authority	Shawnee Civic & Cultural Development Authority	Total
LIABILITIES AND FUND EQUITY				
Current Liabilities:				
Accounts payable	\$ 79,077	\$ 41,880	\$ ---	\$ 120,957
Accrued liabilities	31,821	555	6,827	39,203
Accrual for compensated absences	71,850	2,591	13,350	87,791
Other liabilities	---	---	102,940	102,940
Deposits on future lease contracts	---	---	11,700	11,700
Obligations under capital lease - current	---	5,046	34,369	39,415
Unearned rental income - current	---	23,005	39,251	62,256
Due to other funds	---	---	---	---
Total Current Liabilities	<u>182,748</u>	<u>73,077</u>	<u>208,437</u>	<u>464,262</u>
Current Liabilities Payable from Restricted Assets:				
Accrued interest payable	605,343	---	---	605,343
Current portion of long term debt	<u>950,000</u>	<u>---</u>	<u>---</u>	<u>950,000</u>
Total Current Liabilities Payable from Restricted Assets	<u>1,555,343</u>	<u>---</u>	<u>---</u>	<u>1,555,343</u>
Long-Term Liabilities:				
Revenue bonds and notes payable (net of unamortized discounts) - long-term	22,906,971	---	---	22,906,971
Obligations under capital leases - long-term	---	13,369	53,703	67,072
Unearned rental income - long-term	<u>---</u>	<u>---</u>	<u>13,460</u>	<u>13,460</u>
Total Long-Term Liabilities	<u>22,906,971</u>	<u>13,369</u>	<u>67,163</u>	<u>22,987,503</u>
Fund Equity:				
Contributed capital	6,770,234	5,241,926	5,974,864	17,987,024
Retained earnings (deficit) - unreserved	13,044,353	(1,031,467)	(1,399,524)	10,613,362
Retained earnings (deficit) - reserved	<u>755,955</u>	<u>---</u>	<u>---</u>	<u>755,955</u>
Total Fund Equity	<u>20,570,542</u>	<u>4,210,459</u>	<u>4,575,340</u>	<u>29,356,341</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 45,215,604</u>	<u>\$ 4,296,905</u>	<u>\$ 4,850,940</u>	<u>\$ 54,363,449</u>

City of Shawnee, Oklahoma
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 1996

	Shawnee Municipal Authority	Shawnee Airport Authority	Shawnee Civic & Cultural Development Authority	Total
Operating Revenues:				
Charge for services	\$ 6,521,349	\$ ---	\$ ---	\$ 6,521,349
Rental revenue	---	26,499	247,056	273,555
Other revenues	132,910	---	221,569	354,479
Total Operating Revenues	6,654,259	26,499	468,625	7,149,383
Operating Expenses:				
Personal services	1,979,810	62,200	306,294	2,348,304
Materials and supplies	350,849	3,763	20,065	374,677
Other services and charges	1,627,593	33,362	554,981	2,215,936
Total Operating Expenses	3,958,252	99,325	881,340	4,938,917
Net Operating Income (Loss) before Depreciation	2,696,007	(72,826)	(412,715)	2,210,466
Less: Depreciation	(693,423)	(239,670)	(226,053)	(1,159,146)
Net Operating Income (Loss)	2,002,584	(312,496)	(638,768)	1,051,320
Non-operating Revenues (Expenses):				
Interest revenues	215,971	3,163	8,715	227,849
Oil and gas revenues	---	25,548	---	25,548
Interest expense and fiscal charges	(1,372,078)	(2,092)	(6,364)	(1,380,534)
Amortization of bond issuance costs	(12,619)	---	---	(12,619)
Amortization of bond discounts	---	---	---	---
Total Non-operating Revenues (Expenses)	(1,168,726)	26,619	2,351	(1,139,756)
Operating Transfers:				
Operating transfers in	710,565	53,161	427,599	1,191,325
Operating transfers out	(787,460)	---	---	(787,460)
Net Operating Transfers	(76,895)	53,161	427,599	403,865
Net Income (Loss)	756,963	(232,716)	(208,818)	315,429
Retained Earnings (Deficit) - Beginning	13,043,345	(798,751)	(1,190,706)	11,053,888
Retained Earnings (Deficit) - Ending	\$ 13,800,308	\$ (1,031,467)	\$ (1,399,524)	\$ 11,369,317

City of Shawnee, Oklahoma
Combining Statement of Cash Flows
All Enterprise Funds
For the Fiscal Year Ended June 30, 1996

	Shawnee Municipal Authority	Shawnee Airport Authority	Shawnee Civic & Cultural Development Authority	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ 2,002,584	\$ (312,496)	\$ (638,768)	\$ 1,051,320
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	693,423	239,670	226,053	1,159,146
Operating transfers	(76,895)	53,161	427,599	403,865
Other non-operating revenues	---	25,548	---	25,548
Changes in assets and liabilities:				
Decrease (increase) in receivables	(134,998)	184	---	(134,814)
Decrease (increase) in due from other funds	1,448	---	---	1,448
Increase (decrease) in payables and accrued liabilities	(113,056)	25,572	26,150	(61,334)
Net cash provided (used) by operating activities	2,372,506	31,639	41,034	2,445,179
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Net cash provided (used) by noncapital financing activities	---	---	---	---
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Increase (decrease) in contributed capital	566,858	821,269	---	1,388,127
Decrease (increase) in restricted assets	285,578	---	---	285,578
Decrease (increase) in other assets	12,619	---	---	12,619
Increase (decrease) accrued interest payable	(21,876)	---	---	(21,876)
Increase (decrease) in long term debt	(191,917)	(5,046)	(31,967)	(228,930)
Acquisition and disposal of capital assets	(2,317,283)	(878,507)	(17,813)	(3,213,603)
Other increase (decrease) in accumulated depreciation	(46,447)	---	(4,700)	(51,147)
Amortization expense	(12,619)	---	---	(12,619)
Interest expense	(1,372,078)	(2,092)	(6,364)	(1,380,534)
Net cash provided (used) by capital and related financing activities	(3,097,165)	(64,376)	(60,844)	(3,222,385)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest	215,971	3,163	8,715	227,849
Net cash provided (used) by investing activities	215,971	3,163	8,715	227,849
Net increase (decrease) in cash and cash equivalents	(508,688)	(29,574)	(11,095)	(549,357)
CASH AND CASH EQUIVALENTS - beginning	2,030,272	135,912	454,393	2,620,577
CASH AND CASH EQUIVALENTS - ending	\$ 1,521,584	\$ 106,338	\$ 443,298	\$ 2,071,220

City of Shawnee, Oklahoma
Combining Balance Sheet
All Internal Service Funds
June 30, 1996

	Workers Compensation Self-Insurance Fund	General Liability Self-Insurance Fund	Uninsured Loss Fund	Total
ASSETS				
Current Assets:				
Cash	\$ 79,909	\$ 135,626	\$ 18,151	\$ 233,686
Investments	---	350,000	---	350,000
Accrued interest receivable	---	426	---	426
Due from other funds	307,000	---	---	307,000
TOTAL ASSETS	386,909	486,052	18,151	891,112
LIABILITIES AND FUND EQUITY				
Current Liabilities:				
Accounts payable	17,901	854	583	19,338
Claims and judgments payable	292,000	---	---	292,000
Total Liabilities	309,901	854	583	311,338
Fund Equity:				
Contributed capital	16,862	---	---	16,862
Retained earnings	60,146	485,198	17,568	562,912
Total Fund Equity	77,008	485,198	17,568	579,774
TOTAL LIABILITIES AND FUND EQUITY	\$ 386,909	\$ 486,052	\$ 18,151	\$ 891,112

City of Shawnee, Oklahoma
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Internal Service Funds
For the Fiscal Year Ended June 30, 1996

	Workers Compensation Self-Insurance Fund	General Liability Self-Insurance Fund	Uninsured Loss Fund	Total
Operating Revenues:				
Other revenues	\$ ---	\$ 4,651	\$ ---	\$ 4,651
Total Operating Revenues	---	4,651	---	4,651
Operating Expenses:				
Claims Settlement	243,814	42,736	7,432	293,982
Total Operating Expenses	243,814	42,736	7,432	293,982
Net Operating Income (Loss)	(243,814)	(38,085)	(7,432)	(289,331)
Non-operating Revenues:				
Interest revenues	---	15,793	---	15,793
Total Non-operating Revenues	---	15,793	---	15,793
Operating Transfers:				
Operating transfers in	287,000	40,000	25,000	352,000
Net Operating Transfers	287,000	40,000	25,000	352,000
Net Income	43,186	17,708	17,568	78,462
Retained Earnings - Beginning	16,960	467,490	---	484,450
Retained Earnings - Ending	\$ 60,146	\$ 485,198	\$ 17,568	\$ 562,912

City of Shawnee, Oklahoma
Combining Statement of Cash Flows
All Internal Service Funds
For the Fiscal Year Ended June 30, 1996

	Workers Compensation Self-Insurance Fund	General Liability Self-Insurance Fund	Uninsured Loss Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ (243,814)	\$ (38,085)	\$ (7,432)	\$ (289,331)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Operating transfers in	287,000	40,000	25,000	352,000
Changes in assets and liabilities:				
Decrease (increase) in receivables	---	(295)	---	(295)
Decrease (increase) in due from other funds	(7,000)	---	---	(7,000)
Increase (decrease) in payables and accrued liabilities	7,870	(577)	583	7,876
Net cash provided (used) by operating activities	<u>44,056</u>	<u>1,043</u>	<u>18,151</u>	<u>63,250</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Net cash provided (used) by noncapital financing activities	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Net cash provided (used) by capital and related financing activities	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest	<u>---</u>	<u>15,793</u>	<u>---</u>	<u>15,793</u>
Net cash provided (used) by investing activities	<u>---</u>	<u>15,793</u>	<u>---</u>	<u>15,793</u>
Net increase (decrease) in cash and cash equivalents	44,056	16,836	18,151	79,043
CASH AND CASH EQUIVALENTS - beginning	<u>35,853</u>	<u>468,790</u>	<u>---</u>	<u>504,643</u>
CASH AND CASH EQUIVALENTS - ending	<u>\$ 79,909</u>	<u>\$ 485,626</u>	<u>\$ 18,151</u>	<u>\$ 583,686</u>

Trust and Agency Funds

Trust and Agency funds are used to 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.

Library Fund - An expendable trust fund established to account for maintenance of the Municipal Library. The Shawnee municipal library is part of the Pioneer Library System, a multi-county system.

Cemetery Care Fund - An expendable trust fund established for the continuing care and maintenance of the City owned cemetery, which is funded by a portion of the proceeds of every cemetery lot sale in accordance with state statutes.

Meter Deposit Fund - An agency fund established to account for deposits made by utility customers.

Senior Citizens Fund - An expendable trust established to account for the maintenance of the senior citizens center.

CDBG Loan Escrow Fund - An agency fund established to account for low income housing loans relating to the Community Development Block Grant program.

Gifts and Contributions Fund - An expendable trust fund established to account for monies donated for park projects and economic development.

Sister Cities Fund - An expendable trust fund established to account for the financial activity of our sister cities program.

City of Shawnee, Oklahoma
Combining Balance Sheet
All Trust and Agency Funds
June 30, 1996

	Library Fund	Cemetery Care Fund	Meter Deposit Fund	Senior Citizens Fund	CDBG Loan Escrow Fund	Gifts and Contributions Fund
ASSETS						
Cash	\$ 42,103	\$ 42,100	\$ 49,527	\$ 1,170	\$ 9,621	\$ 17,934
Investments, at cost	---	133,393	333,862	20,892	---	---
Receivables:						
Accrued interest	---	92	---	41	---	---
Notes receivable	---	---	---	---	168,362	---
Due from other funds	---	---	---	---	314	---
TOTAL ASSETS	<u>42,103</u>	<u>175,585</u>	<u>383,389</u>	<u>22,103</u>	<u>178,297</u>	<u>17,934</u>
LIABILITIES						
Accounts payable	862	750	---	---	---	---
Deferred revenues	---	---	---	---	168,362	---
Due to other funds	---	---	245	---	7,040	---
Amounts held in escrow	---	---	---	---	2,895	---
Due to utility customers	---	---	383,144	---	---	---
Total Liabilities	<u>862</u>	<u>750</u>	<u>383,389</u>	<u>---</u>	<u>178,297</u>	<u>---</u>
FUND EQUITY						
Fund balance:						
Reserved	613	180,215	---	---	---	---
Unreserved	<u>40,628</u>	<u>(5,380)</u>	<u>---</u>	<u>22,103</u>	<u>---</u>	<u>17,934</u>
Total Fund Equity	<u>41,241</u>	<u>174,835</u>	<u>---</u>	<u>22,103</u>	<u>---</u>	<u>17,934</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 42,103</u>	<u>\$ 175,585</u>	<u>\$ 383,389</u>	<u>\$ 22,103</u>	<u>\$ 178,297</u>	<u>\$ 17,934</u>

<u>Sister Cities Fund</u>	<u>Total</u>
\$ 25,838	\$ 188,293
---	488,147
---	133
---	168,362
---	314
<u>25,838</u>	<u>845,249</u>

1,042	2,654
---	168,362
---	7,285
---	2,895
---	383,144
<u>1,042</u>	<u>564,340</u>

57	180,885
<u>24,739</u>	<u>100,024</u>
<u>24,796</u>	<u>280,909</u>
<u>\$ 25,838</u>	<u>\$ 845,249</u>

City of Shawnee, Oklahoma
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - All Expendable Trust Funds
For the Fiscal Year Ended June 30, 1996

	Library Fund	Cemetery Care Fund	Senior Citizens Fund	Gifts and Contributions Fund	Sister Cities Fund	Total
Revenues:						
Interest	\$ ---	\$ 6,758	\$ 1,093	\$ ---	\$ ---	\$ 7,851
Gifts and donations	---	---	---	15,909	24,657	40,566
Other revenues	---	4,526	---	---	---	4,526
Total Revenues	---	11,284	1,093	15,909	24,657	52,943
Expenditures:						
Current -						
Culture and recreation	41,818	---	---	7,380	---	49,198
Public Works	---	3,075	---	---	---	3,075
Economic development	---	---	---	---	48,661	48,661
Capital Outlay	---	10,327	---	3,205	---	13,532
Total Expenditures	41,818	13,402	---	10,585	48,661	114,466
Excess of Revenues Over (Under) Expenditures	(41,818)	(2,118)	1,093	5,324	(24,004)	(61,523)
Other Financing Sources (Uses):						
Operating transfers in	40,700	---	---	---	15,000	55,700
Total Other Financing Sources (Uses)	40,700	---	---	---	15,000	55,700
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,118)	(2,118)	1,093	5,324	(9,004)	(5,823)
Fund Balances - Beginning	42,359	176,953	21,010	12,610	33,800	286,732
Fund Balances - Ending	\$ 41,241	\$ 174,835	\$ 22,103	\$ 17,934	\$ 24,796	\$ 280,909

City of Shawnee, Oklahoma
 Meter Deposit Fund
 Statement of Changes in Assets and Liabilities
 For the Fiscal Year Ended June 30, 1996

	<u>Balance June 30, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
ASSETS				
Cash	\$ 185,151	\$ 1,116,775	\$ 1,252,399	\$ 49,527
Investments	<u>183,862</u>	<u>1,236,000</u>	<u>1,086,000</u>	<u>333,862</u>
Total Assets	<u>369,013</u>	<u>2,352,775</u>	<u>2,338,399</u>	<u>383,389</u>
LIABILITIES				
Due to Other Funds	2,916	---	2,671	245
Due to Utility Customers	<u>366,097</u>	<u>343,213</u>	<u>326,166</u>	<u>383,144</u>
Total Liabilities	<u>\$ 369,013</u>	<u>\$ 343,213</u>	<u>\$ 328,837</u>	<u>\$ 383,389</u>

City of Shawnee, Oklahoma
CDBG Loan Escrow Fund
Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 1996

	<u>Balance June 30, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
ASSETS				
Cash	\$ 4,511	\$ 94,362	\$ 89,252	\$ 9,621
Due from Other Funds	---	314	---	314
Notes Receivable	<u>157,522</u>	<u>104,978</u>	<u>94,138</u>	<u>168,362</u>
Total Assets	<u>162,033</u>	<u>199,654</u>	<u>183,390</u>	<u>178,297</u>
LIABILITIES				
Deferred Revenue	157,824	104,778	94,240	168,362
Due to Other Funds	1,655	94,843	89,458	7,040
Amounts Held in Escrow	<u>2,554</u>	<u>7,965</u>	<u>7,624</u>	<u>2,895</u>
Total Liabilities	<u>\$ 162,033</u>	<u>\$ 207,586</u>	<u>\$ 191,322</u>	<u>\$ 178,297</u>

Statistical Section

City of Shawnee, Oklahoma
General Government Revenues by Source
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Inter- Governmental</u>	<u>Licenses & Permits</u>	<u>Fines & Forfeitures</u>	<u>Interest</u>	<u>Charges for Services</u>	<u>Other Revenues</u>	<u>Total</u>
1996	\$ 11,661,372	\$ 1,172,604	\$ 115,910	\$ 281,689	\$ 298,497	\$ ---	\$ 422,057	\$ 13,952,129
1995	11,040,135	901,834	109,655	300,620	282,527	---	401,729	13,036,500
1994	10,270,469	854,060	100,726	332,142	163,129	---	645,433	12,365,959
1993	9,878,003	686,913	81,123	364,661	123,534	---	444,278	11,578,512
1992	9,428,178	596,479	77,213	285,730	206,986	---	395,032	10,989,618
1991	8,876,602	753,939	86,739	255,247	321,266	---	349,828	10,643,621
1990	8,428,280	717,724	113,833	367,693	303,938	---	347,029	10,278,497
1989	7,266,412	3,216,091	129,602	257,678	255,276	---	293,109	11,418,168
1988	5,175,926	1,471,995	155,448	226,000	171,296	8,165	379,384	7,588,214
1987	5,020,951	1,253,881	174,357	171,056	171,672	6,235	252,780	7,050,932

Included are General, Special Revenue, Debt Service, and Capital Projects Funds

City of Shawnee, Oklahoma
General Government Expenditures by Function
Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Public Works	Cultural & Recreational	Urban Renewal & Housing	Economic Development	Capital Outlay	Debt Service	Total
1996	\$ 1,739,355	\$ 5,161,550	\$ 1,603,939	\$ 381,800	\$ 758,177	\$ 112,500	\$ 2,136,153	\$ 664,651	\$ 12,558,125
1995	1,521,320	4,980,624	1,565,404	391,448	551,722	121,768	2,645,539	601,918	12,379,743
1994	1,401,849	4,641,006	1,541,314	354,999	605,428	121,852	1,864,110	656,040	11,186,598
1993	1,385,742	4,449,772	1,523,201	353,378	411,324	108,284	2,511,016	723,056	11,465,773
1992	1,344,334	4,236,252	1,609,637	393,135	479,486	105,003	2,722,278	458,677	11,348,802
1991	1,291,999	3,718,385	1,625,399	326,771	486,307	132,472	1,810,310	383,684	9,775,327
1990	1,126,203	3,786,542	1,174,177	441,007	390,214	49,159	1,649,772	285,638	8,902,712
1989	1,221,593	2,982,680	1,122,613	291,372	461,614	-	3,710,983	393,628	10,184,483
1988	1,047,282	2,612,066	962,898	288,004	606,445	-	1,116,196	252,306	6,885,197
1987	1,079,543	2,640,701	834,174	261,731	1,104,366	-	1,579,346	322,291	7,822,152

Included are General, Special Revenue, Debt Service, and Capital Projects Funds

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio of Debt Service to Total General Fund Expenditure</u>
1996	\$ 245,000	\$ 128,935	\$ 373,935	\$ 8,508,846	4.4%
1995	130,000	154,847	284,847	8,145,140	3.5%
1994	279,501	22,879	302,380	7,673,754	3.9%
1993	140,000	105,288	245,288	7,497,315	3.3%
1992	140,000	119,283	259,283	7,860,335	3.3%
1991	140,000	133,303	273,303	7,540,569	3.6%
1990	140,000	145,638	285,638	6,666,359	4.3%
1989	172,734	220,894	393,628	5,838,349	6.7%
1988	110,013	82,562	192,575	5,675,877	3.4%
1987	159,000	99,397	258,397	4,531,479	5.7%

Total debt service represents debt service on general obligation debt only.

City of Shawnee, Oklahoma
Ratio of Net General Bonded Debt to Assessed
Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Net Assessed Value	Gross Bonded Debt(2)	Debt Service Funds Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1996	26,304	\$ 80,999,978	\$ 2,045,000	\$ 156,031	\$ 1,888,969	2.33%	\$ 71.81
1995	26,304	79,972,988	2,290,000	213,643	2,076,357	2.60%	78.94
1994	26,250	76,140,069	2,420,000	47,343	2,372,657	3.12%	90.39
1993	26,190	74,383,798	1,230,000	145,661	1,084,339	1.46%	41.40
1992	26,135	76,035,122	1,370,000	146,740	1,223,260	1.61%	46.81
1991	26,075	76,639,093	1,510,000	155,662	1,354,338	1.77%	51.94
1990	26,017	75,044,822	1,650,000	134,679	1,515,321	2.02%	58.24
1989	25,750	74,505,977	1,790,000	123,861	1,666,139	2.24%	64.70
1988	25,950	72,705,405	1,860,000	123,823	1,736,177	2.39%	66.90
1987	26,850	70,498,846	930,000	119,405	810,595	1.15%	30.19

(1) Source: Oklahoma Department of Commerce, 1990 Census of Population & Housing; U.S. Bureau of Census

(2) Represents only general obligation bonds financed through ad valorem tax levies.

City of Shawnee, Oklahoma
Shawnee Municipal Authority
Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Operating Revenues (1)	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements	Revenue Bond Coverage
1996	\$ 7,362,002	\$ 3,958,252	\$ 3,403,750	\$ 2,592,115	1.31
1995	7,051,328	3,749,545	3,301,783	1,233,240	2.68
1994	6,530,800	3,604,544	2,926,256	1,233,953	2.37
1993	5,906,302	3,393,518	2,512,784	1,230,063	2.04
1992	5,414,599	3,428,431	1,986,168	1,226,583	1.62
1991	5,202,554	3,279,467	1,923,087	1,161,269	1.66
1990	4,513,916	2,905,862	1,608,054	1,234,054	1.30
1989	4,729,587	2,515,132	2,214,455	1,878,360	1.18
1988	4,363,089	1,697,486	2,665,603	1,829,850	1.46
1987	4,431,734	1,833,025	2,598,709	1,258,190	2.07

- (1) Gross operating revenues includes a portion of the dedicated one cent sales tax which is designated to pay debt service on the Sales Tax and Utility Revenue Bonds.

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

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Collections to Total Levy	Net Assessed Value	Mill Levy
1996	\$ 312,036	\$ 312,014	100%	\$ 1,942	\$ 313,956	101%	\$ 74,878,480	4.17
1995	401,648	392,797	98%	4,681	397,478	99%	73,827,882	5.44
1994	230,090	223,458	97%	6,409	229,867	100%	69,935,783	3.29
1993	190,038	184,323	97%	5,356	189,679	100%	68,113,242	2.79
1992	237,514	228,138	96%	6,501	234,639	99%	69,856,845	3.40
1991	261,574	252,769	97%	6,113	258,882	99%	70,504,161	3.71
1990	283,976	281,984	99%	9,694	291,678	103%	68,925,526	4.12
1989	353,595	337,698	96%	3,566	341,264	97%	68,129,616	5.19
1988	146,192	141,101	97%	6,279	147,380	101%	66,149,579	2.21
1987	156,675	150,653	96%	3,584	154,237	98%	63,948,476	2.45

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

Fiscal Year	Real Property	Personal Property	Public Service Property	Total Assessed Value	Homestead Exemption	Net Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed to Actual Value
1996	\$ 56,760,452	\$ 15,976,866	\$ 8,262,660	\$ 80,999,978	\$ 6,121,498	\$ 74,878,480	\$ 706,992,222	10.6%
1995	55,757,010	15,639,160	8,576,818	79,972,988	6,145,106	73,827,882	699,032,736	10.6%
1994	54,978,525	13,055,610	8,105,934	76,140,069	6,204,286	69,935,783	670,660,567	10.4%
1993	54,393,613	11,739,670	8,250,515	74,383,798	6,270,556	68,113,242	658,143,820	10.3%
1992	55,084,691	12,154,908	8,795,523	76,035,122	6,178,277	69,856,845	670,641,522	10.4%
1991	55,661,251	12,340,506	8,637,336	76,639,093	6,134,932	70,504,161	675,092,464	10.4%
1990	55,519,410	11,399,090	8,126,322	75,044,822	6,119,296	68,925,526	662,797,306	10.4%
1989	53,885,269	12,745,196	7,875,512	74,505,977	6,376,361	68,129,616	658,846,632	10.3%
1988	53,475,977	11,240,542	7,988,886	72,705,405	6,555,826	66,149,579	647,129,018	10.2%
1987	52,782,559	10,828,476	6,887,811	70,498,846	6,550,370	63,948,476	629,185,758	10.2%

Note: The assessed value of taxable property as certified by the County Assessors Office to be used for the fiscal year ending June 30, 1997 is as follows:

57,975,185	16,187,021	9,032,222	83,194,428	5,996,094	77,198,334	728,286,170	10.6%
------------	------------	-----------	------------	-----------	------------	-------------	-------

City of Shawnee, Oklahoma
Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City of Shawnee Debt Service Fund</u>	<u>Shawnee Public School Districts</u>	<u>Gordon Cooper Vo-Tech</u>	<u>Pottawotomie County</u>	<u>Total Tax Levy</u>
1996	4.17	55.42	12.00	20.60	92.19
1995	5.44	55.53	9.00	21.19	91.16
1994	3.29	55.10	12.00	20.94	91.33
1993	2.79	55.98	12.00	18.51	89.28
1992	3.40	55.59	12.00	18.50	89.49
1991	3.71	56.21	9.00	18.63	87.55
1990	4.12	52.81	9.00	18.66	84.59
1989	5.19	40.00	9.00	18.70	72.89
1988	2.21	40.00	9.00	18.52	69.73
1987	2.45	40.00	10.00	18.51	70.96

City of Shawnee, Oklahoma
Computation of Legal Debt Margin
June 30, 1996

Net Assessed Valuation	<u>\$ 77,198,334</u>
Allowable debt of non-utility bonds is limited by State Constitution Article 10, Section 26 to 10% of net Assessed Value	7,719,833
Less: general obligation debt outstanding	<u>2,045,000</u>
Legal Debt Margin	<u>\$ 5,674,833</u>

Note: The assessed value used in computing the above legal debt margin is the basis on which property taxes will be levied and billed in the City's fiscal year ending June 30, 1997

City of Shawnee, Oklahoma Miscellaneous Information

Major Employers

Company	Product	No. of Employees
TDK Ferrites Corp.	Ceramic magnets	960
Mobil Chemical Co.	Plastic film	460
Wolverine Tube	Copper tubing	450
Eaton Corp.	Hydraulic motors	425
Shawnee Regional Hospital	Health Care	425
Central Plastics Co.	Oil/gas field products	390
Oklahoma Baptist University	Education	300
Shawnee Milling	Animal Feed, Flour	215
Barton-Wood Valve Corp.	Valves & well heads	125
Uponor Aldyl	Fittings & insulated unions	120

Note: Approximately 1500 people from the Shawnee area are employed at Tinker Air Force Base which is located 35 miles west of Shawnee in the Oklahoma City Metro Area.

Source: Shawnee Economic Development Foundation

Population Information

Year	Population	Demographic Breakdown	
1995	26,304		
1990	26,017	Caucasian	82.62%
1980	26,506	Black	3.41%
1970	25,075	Native American	12.46%
1960	24,326	Others	1.51%
1950	22,948		

Source: Department of Economic and Community Affairs, Oklahoma State Data Center; U.S. Bureau of Census; Oklahoma Department of Commerce

City of Shawnee, Oklahoma Miscellaneous Information

Education

Schools	8 Schools (K - 12)
Vo-tech Schools	Gordon Cooper AVTS
Colleges & Universities	2 Private Schools (2500 Students)

Cultural & Recreation

Swimming Pool	1 Pool - City Operated
Golf Courses	3 Private Courses - 45 holes
Parks	21 City Operated
Lakes	Shawnee Twin Lakes
Tennis Courts	15 Courts - Public
Ball Diamonds	12 Fields - Public
Senior Citizens Center	City Operated
Auditorium	City Operated
Community Center	City Operated
Exposition Center	Rodeo Arena, RV Park, Show Buildings

Public Services & Other Utilities

Water & Sewer Services	City Operated
Garbage Services	Browning - Ferris (contracted by City)
Electric Service	Oklahoma Gas & Electric
Gas Service	Oklahoma Natural Gas
Fire Protection	3 Stations, 48 Firefighters
Police Protection	1 Station, 52 Officers

Other

Hospitals	2 - Private
Airports	1 - Municipal
Public Library	1 - Part of a Multi-County system

Single Audit Section



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and
Members of the City Commission
City of Shawnee
Shawnee, Oklahoma 74801

I have audited the general purpose financial statements of the City of Shawnee, Oklahoma, as of and for the year ended June 30, 1996, and have issued my report thereon dated December 30, 1996.

I conducted my audit in accordance with generally accepted auditing standards; "Government Auditing Standards," issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City of Shawnee, Oklahoma, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the City of Shawnee, Oklahoma, for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Lack of Segregation of Duties

Shawnee Civic and Cultural Development Authority

The inherent limitations resulting from a small number of employees performing functions that would normally be divided among employees were a larger number available, prevent a proper segregation of accounting functions which is necessary in order to assure adequate internal accounting controls.

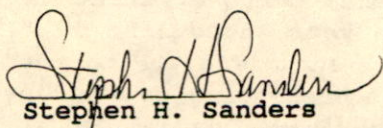
Management's Response

Concur. Unfortunately, this will continue to be an ongoing exception due to the lack of funds available to hire the additional administrative staff that would be necessary in order to adequately segregate the accounting functions of the Shawnee Civic and Cultural Development Authority.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that the reportable condition described above is not a material weakness.

This report is intended for the information of the City Commission and management of the City of Shawnee, Oklahoma, and the federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.



Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and
Members of the City Commission
City of Shawnee
Shawnee, Oklahoma 74801

I have audited the general purpose financial statements of the City of Shawnee, Oklahoma, as of and for the year ended June 30, 1996, which do not include the general fixed assets account group, and have issued my report thereon dated December 30, 1996.

I conducted my audit in accordance with generally accepted auditing standards; "Government Auditing Standards," issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Shawnee, Oklahoma, is the responsibility of the City of Shawnee, Oklahoma's, management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Town's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under "Government Auditing Standards."

This report is intended for the information of the City Commission and management of the City of Shawnee, Oklahoma, and the federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996



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**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL
STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Honorable Mayor and
Members of the City Commission
City of Shawnee
Shawnee, Oklahoma 74801

I have audited the general purpose financial statements of the City of Shawnee, Oklahoma, for the year ended June 30, 1996, and have issued my report thereon dated December 30, 1996. I have also audited the City of Shawnee, Oklahoma's, compliance with the requirements applicable to the major federal financial assistance programs and have issued my report thereon dated December 30, 1996.

I conducted my audit in accordance with generally accepted auditing standards; "Government Auditing Standards," issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the City of Shawnee, Oklahoma, complied with laws and regulations, noncompliance with which could be material to a major federal financial assistance program.

In planning and performing my audit for the year ended June 30, 1996, I considered the Town's internal control structure in order to determine my auditing procedures for the purpose of expressing my opinions on the City's general purpose financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated December 30, 1996.

The management of the City of Shawnee, Oklahoma, is responsible for establishing and maintaining an internal control structure. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in

accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering the federal financial assistance programs in the following categories:

Accounting and Administrative Controls

Treasury/financing
Revenue/receipts
Purchases/disbursements
Property and equipment
Debt
Federal financial reports

General Requirements

Political activity
Civil rights
Davis-Bacon Act
Cash management
Federal financial reports
Allowable costs/cost principles
Drug-free Workplace Act
Administrative requirements

Specific Requirements

Types of services allowed or unallowed
Eligibility
Matching/level of effort
Reporting
Cost allocation
Claims for advances and reimbursements
Amounts claimed or used for matching

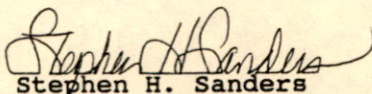
For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk.

During the year ended June 30, 1996, the City of Shawnee, Oklahoma, expended 82.6% of its total federal financial assistance under the following major federal financial assistance programs: Community Development Block Grant and Airport Improvement Grant.

I performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned major programs. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level of risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

This report is intended solely for the information of the City Commission and management of the City of Shawnee, Oklahoma, and the federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.



Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH GENERAL
 REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Honorable Mayor and
 Members of the City Commission
 City of Shawnee
 Shawnee, Oklahoma 74801

I have audited the general purpose financial statements of the City of Shawnee, Oklahoma, as of and for the year ended June 30, 1996, and have issued my report thereon dated December 30, 1996.

I have applied procedures to test the City of Shawnee, Oklahoma's, compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance for the year ended June 30, 1996:

Political activity
 Davis-Bacon Act
 Civil rights
 Cash management
 Federal financial reports
 Allowable costs/cost principles
 Drug-free Workplace Act
 Administrative requirements

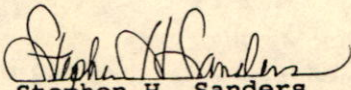
My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Shawnee, Oklahoma's, compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the City of Shawnee, Oklahoma, had not complied, in all material respects, with those requirements.

Independent Auditor's Report on Compliance with
General Requirements Applicable to Federal
Financial Assistance Programs

Report 4

This report is intended for the information of the City Commission and management of the City of Shawnee, Oklahoma, and the federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.



Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS
 APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Honorable Mayor and
 Members of the City Commission
 City of Shawnee
 Shawnee, Oklahoma 74801

I have audited the general purpose financial statements of the City of Shawnee, Oklahoma, as of and for the year ended June 30, 1996, and have issued my report thereon dated December 30, 1996.

I have also audited the City of Shawnee, Oklahoma's, compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended June 30, 1996. The management of the City of Shawnee, Oklahoma, is responsible for the City of Shawnee, Oklahoma's, compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my audit of compliance with those requirements in accordance with generally accepted auditing standards; "Government Auditing Standards," issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Shawnee, Oklahoma's, compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

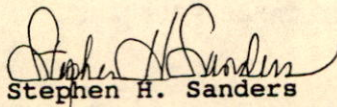
The results of my audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs. I considered these instances of noncompliance in forming my opinion on compliance, which is expressed in the following paragraph.

In my opinion, the City of Shawnee, Oklahoma, complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to its major federal financial assistance programs for the year ended June 30, 1996.

Independent Auditor's Report on Compliance With Specific
Requirements Applicable to Major Federal Financial
Assistance Programs

Report 5

This report is intended for the information of the City Commission and management of the City of Shawnee, Oklahoma, and the federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.



Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS
APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

Honorable Mayor and
Members of the City Commission
City of Shawnee
Shawnee, Oklahoma 74801

I have audited the general purpose financial statements of the City of Shawnee, Oklahoma, as of and for the year ended June 30, 1996, and have issued my report thereon dated December 30, 1996.

In connection with my audit of the 1996 general purpose financial statements of the City of Shawnee, Oklahoma, and with my consideration of the City of Shawnee, Oklahoma's, internal control structure used to administer the federal financial assistance program, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," I selected certain transactions applicable to the nonmajor federal financial assistance program for the year ended June 30, 1996. As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Shawnee, Oklahoma's, compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the City of Shawnee, Oklahoma, had not complied, in all material respects, with those requirements.

This report is intended for the information of the City Commission and management of the City of Shawnee, Oklahoma, and the federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Stephen H. Sanders
Certified Public Accountant, Inc.

December 30, 1996

City of Shawnee, Oklahoma
Schedule of Federal Financial Assistance
For the Fiscal Year Ended June 30, 1996

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Accrued (Deferred) Revenue at	Current Period (7/1/95 through 6/30/96)		Accrued (Deferred) Revenue at
			June 30, 1995	Revenue	Expenditures	June 30, 1996
MAJOR PROGRAMS:						
U.S. Department of Housing and Urban						
Development Direct Programs:						
1992 CDBG Program, Entitlement Grant	14.218	B-92-MC-40-0007		22,906	22,906	
1993 CDBG Program, Entitlement Grant	14.218	B-93-MC-40-0007	83	51,701	51,701	238
1994 CDBG Program, Entitlement Grant	14.218	B-94-MC-40-0007	24,701	441,596	441,596	
1995 CDBG Program, Entitlement Grant	14.218	B-95-MC-40-0007		240,540	240,540	
U.S. Department of Transportation						
Federal Aviation Administration						
Airport Improvement Program	20.106	3-40-0088-05		442,370	442,370	
Airport Improvement Program	20.106	3-40-0088-06		378,899	378,899	
Total major federal financial assistance			24,784	1,578,012	1,578,012	238
OTHER FEDERAL FINANCIAL ASSISTANCE:						
U.S. Department of Housing and Urban Development						
Passed through the Oklahoma Department of Commerce:						
HOME Investment Partnership Program	14.239	5148-HOME-92		8,970	8,970	
HOME Investment Partnership Program	14.239	6568-HOME-94		161,301	161,301	
HOME Investment Partnership Program	14.239	7200-HOME-95		36,986	36,986	
Emergency Shelter Grant	14.231	7175-ESG-95		38,812	38,812	477
Total U.S. Department of Housing and Urban Development				246,069	246,069	477
U.S. Federal Emergency Management Agency Passed through the Oklahoma Civil Defense Agency:						
Civil Defense - State and Local Emergency Management Assistance	83.503	EMT 95-K-0143	6,062	6,062	6,062	
Civil Defense - State and Local Emergency Management Assistance	83.503	EMT 96-K-0143		29,593	29,593	7,355
Civil Defense - State and Local Emergency Management Assistance	83.516	1058		26,048	26,048	
Total U.S. Federal Emergency Management Agency			6,062	61,703	61,703	7,355
U.S. Department of Justice Bureau of Justice Assistance - Passed through the District Attorneys Council, State of Oklahoma:						
DARE		D95-611		25,000	25,000	
Total U.S. Department of Justice				25,000	25,000	0
National Park Service						
Land and Water Conservation Fund	15.916	40-01053		19,924	19,924	
Total National Park Service				19,924	19,924	
Total federal financial assistance			30,846	1,930,708	1,930,708	8,070

CITY OF SHAWNEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JULY 1, 1995 TO JUNE 30, 1996

<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
Relating to immaterial instances of noncompliance with specific requirements applicable to major federal financial assistance programs	
<u>CDBG - Entitlement Grants</u>	
The grant performance report was not filed on a timely basis. The report was due September 30, 1996, but was not filed until October 18, 1996.	0
The grant performance report did not properly reflect a cash transaction of \$190,878.	0