

CITY OF SHAWNEE, OKLAHOMA

**Comprehensive
Annual
Financial
Report**

FOR THE FISCAL YEAR ENDED JUNE 30, 1998

City of Shawnee, Oklahoma

Comprehensive Annual Financial Report

For the Fiscal Year ended June 30, 1998

Prepared by:

Office of the City Treasurer

City of Shawnee, Oklahoma
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 1998

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MAYOR
CHRIS HARDEN

THE CITY OF SHAWNEE

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COMMISSIONERS
TOM CLAYBROOK
RONALD A. GILLHAM SR.
CARL E. YOUNG
BRADIE LEE WINROW
BRAD W. ROACH, DVM
R. J. "BOB" DOWNING

December 30, 1998

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, 1998, 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 three 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 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.

Honorable Mayor and City Commission
December 30, 1998

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 1997 - 1998 was another good year for economic growth in Shawnee. Retail sales increased approximately 4.6% during the year to \$349 million, and are expected to grow at a steady rate in the future.

During the past four years, a total of 927 new jobs have been created in the Shawnee area, and along with these jobs has come \$23 million of new payroll. The City is investing heavily to bring new businesses to the area, and expects a steady growth in new manufacturing and retail jobs in the future.

The economy in the City of Shawnee has grown at an average rate of approximately 5% 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 participated 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 impoundment of water is now complete, and facilities are being constructed to make the lake ready for public use in the spring of 1999.

The Shawnee Municipal Authority expanded one of its two wastewater treatment plants. The expansion doubled 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 is currently constructing access roads on both sides of Interstate 40. These roads will significantly improve traffic flow as well as promote additional retail development. State grants, dedicated city sales tax and private funds provided the funding for these roads. An industrial access road, which will serve one of the industrial parks, is planned in the near future.

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.

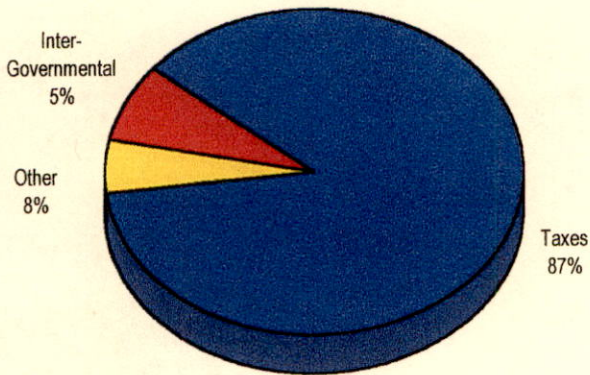
Honorable Mayor and City Commission
December 30, 1998

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 restriction of fund balance at June 30, 1998.

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, 1998 and the amount and percentage of increases and decreases in relation to prior year figures.

| | Fiscal Year Ending June 30, 1998 | Percentage of Total | Increase (Decrease) from Prior Fiscal Year | Percentage Increase (Decrease) from Prior Fiscal Year |
|-------------------------|--|------------------------|---|---|
| Revenues: | | | | |
| Taxes | \$ 12,816,728 | 87.03% | \$ 497,274 | 4.04% |
| Intergovernmental | 748,317 | 5.08% | (118,984) | (13.72%) |
| Licenses & Permits | 217,301 | 1.48% | 30,453 | 16.30% |
| Fines & Forfeitures | 316,579 | 2.15% | 55,482 | 21.25% |
| Interest | 301,094 | 2.04% | (6,931) | (2.25%) |
| Other | 327,484 | 2.22% | (115,992) | (26.16%) |
| Total Revenues | <u>\$ 14,727,503</u> | <u>100.00%</u> | <u>\$ 341,302</u> | <u>2.37%</u> |
| Expenditures: | | | | |
| General Government | \$ 1,815,200 | 13.58% | \$ 142,825 | 8.54% |
| Public Safety | 5,709,599 | 42.72% | 376,447 | 7.06% |
| Public Works | 1,613,342 | 12.07% | 8,911 | 0.56% |
| Cultural & Recreational | 404,185 | 3.02% | 8,531 | 2.16% |
| Urban Renewal & Housing | 490,300 | 3.67% | (4,992) | (1.01%) |
| Economic Development | 126,800 | 0.95% | 20,550 | 19.34% |
| Capital Outlay | 2,580,532 | 19.31% | (832,960) | (24.40%) |
| Debt Service | 624,311 | 4.68% | 118,174 | 23.35% |
| Total Expenditures | <u>\$ 13,364,269</u> | <u>100.00%</u> | <u>\$ (162,514)</u> | <u>(1.20%)</u> |

Revenues
General Government Functions
Percentage of Total



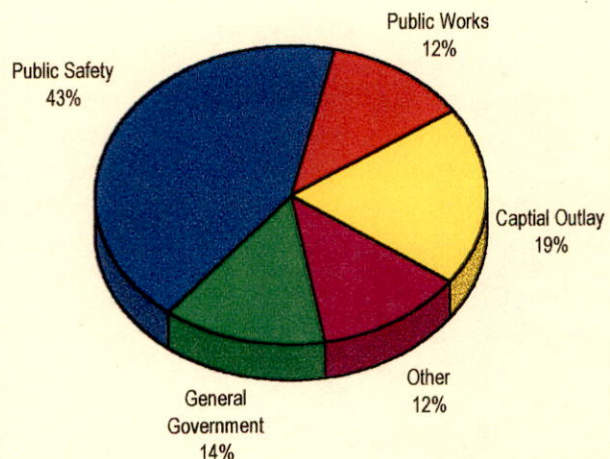
The city continues to enjoy a strong growth in sales tax. Sales tax revenues have increased by an average of approximately 5% each year for the past several years. As a result of the strong area economy, this trend is expected to continue.

Intergovernmental revenues decreased during the current year due to a slowing of spending on infrastructure construction funded through federal grant programs.

Expenditure decreases were recognized in capital outlay expenditures. These decreases were the result of the deferral of several street projects to the 1998-1999 fiscal year.

These decreases were also related to expenditures on street projects in the 1996-1997 fiscal year (funded through general obligation bonds) which did not recur in the current fiscal year.

Expenditures
General Government Functions
Percentage of Total



Honorable Mayor and City Commission
December 30, 1998

General Fund Balance. The unreserved fund balance of the General Fund at June 30, 1998 was \$819,742.

Enterprise Operations. The Shawnee Municipal Authority (SMA), Shawnee Airport Authority (SAA), and Shawnee Civic and Cultural Development Authority (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, 1998.

| Fund | Operating Revenue | Operating Expenses | Operating Income (Loss) | Net Non-Operating Revenues & Expenses | Net Operating Transfers In (Out) | Net Income (Loss) |
|-------|---------------------|---------------------|-------------------------|---------------------------------------|----------------------------------|-------------------|
| SMA | \$ 6,565,621 | \$ 5,063,986 | \$ 1,501,635 | \$ (1,160,004) | \$ 424,617 | \$ 766,248 |
| SAA | 48,955 | 432,010 | (383,055) | 41,536 | 53,560 | (287,959) |
| SCCDA | 627,388 | 1,320,922 | (693,534) | 9,991 | 461,819 | (221,724) |
| Total | <u>\$ 7,241,964</u> | <u>\$ 6,816,918</u> | <u>\$ 425,046</u> | <u>\$ (1,108,477)</u> | <u>\$ 939,996</u> | <u>\$ 256,565</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 1998 fiscal year was as follows:

| | Amount | Ratio of Debt to Net Assessed Value | Debt Per Capita |
|-----------------|--------------|-------------------------------------|-----------------|
| Net Bonded Debt | \$ 1,328,235 | 1.42% | \$ 48.27 |

Honorable Mayor and City Commission
December 30, 1998

At June 30, 1998, 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, 1998 |
|------------------|--------------------------|---|
| City of Shawnee: | General Obligation Bonds | \$ 1,550,000 |
| | Capital leases | 413,861 |
| | Compensated Absences | 758,910 |
| SMA: | Revenue Bonds & Notes | 23,925,169 |
| SAA: | Capital leases | 7,794 |
| SCCDA: | Capital leases | 36,618 |
| Total | | <u>\$ 26,692,352</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 payments made by the City and its authorities during the year ended June 30, 1998:

| | Principal | Interest |
|--------------------------|---------------------|---------------------|
| General Obligation Bonds | \$ 250,000 | \$ 90,535 |
| Revenue Bonds & Notes | 1,018,244 | 1,337,164 |
| Capital Leases | 283,078 | 39,589 |
| Total | <u>\$ 1,551,322</u> | <u>\$ 1,467,288</u> |

Honorable Mayor and City Commission
December 30, 1998

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 total restricted, unrestricted and pooled cash and investment balances for the City including component units at June 30, 1998 were as follows:

| | | |
|-----------------|----|-------------------|
| City of Shawnee | \$ | 7,387,380 |
| SMA | | 3,802,536 |
| SAA | | 161,002 |
| SCCDA | | 453,645 |
| Total | \$ | <u>11,804,563</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 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.

The municipal building and the public library are structures that 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.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Shawnee for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1997. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Shawnee has received a Certificate of Achievement for the previous year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

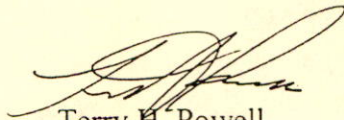
OTHER INFORMATION

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 these requirements, the audit also was designed to meet the requirements of the Federal Single Audit Act and related OMB Circular A-133. The City Commission selected the independent certified public accountants that performed the audit.

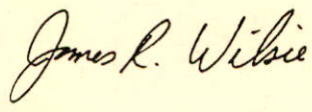
The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are not presented in this annual report but have been issued under separate cover.

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.

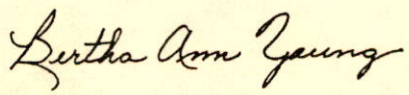
Respectfully submitted,



Terry H. Powell
City Manager



James R. Wilsie
Director of Budget and Financial Services



Bertha Ann Young
City Treasurer / Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Shawnee,
Oklahoma

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1997

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Douglas R. Ellsworth
President

Jeffrey L. Esser
Executive Director

City of Shawnee, Oklahoma
Municipal Officials
June 30, 1998

City Commission

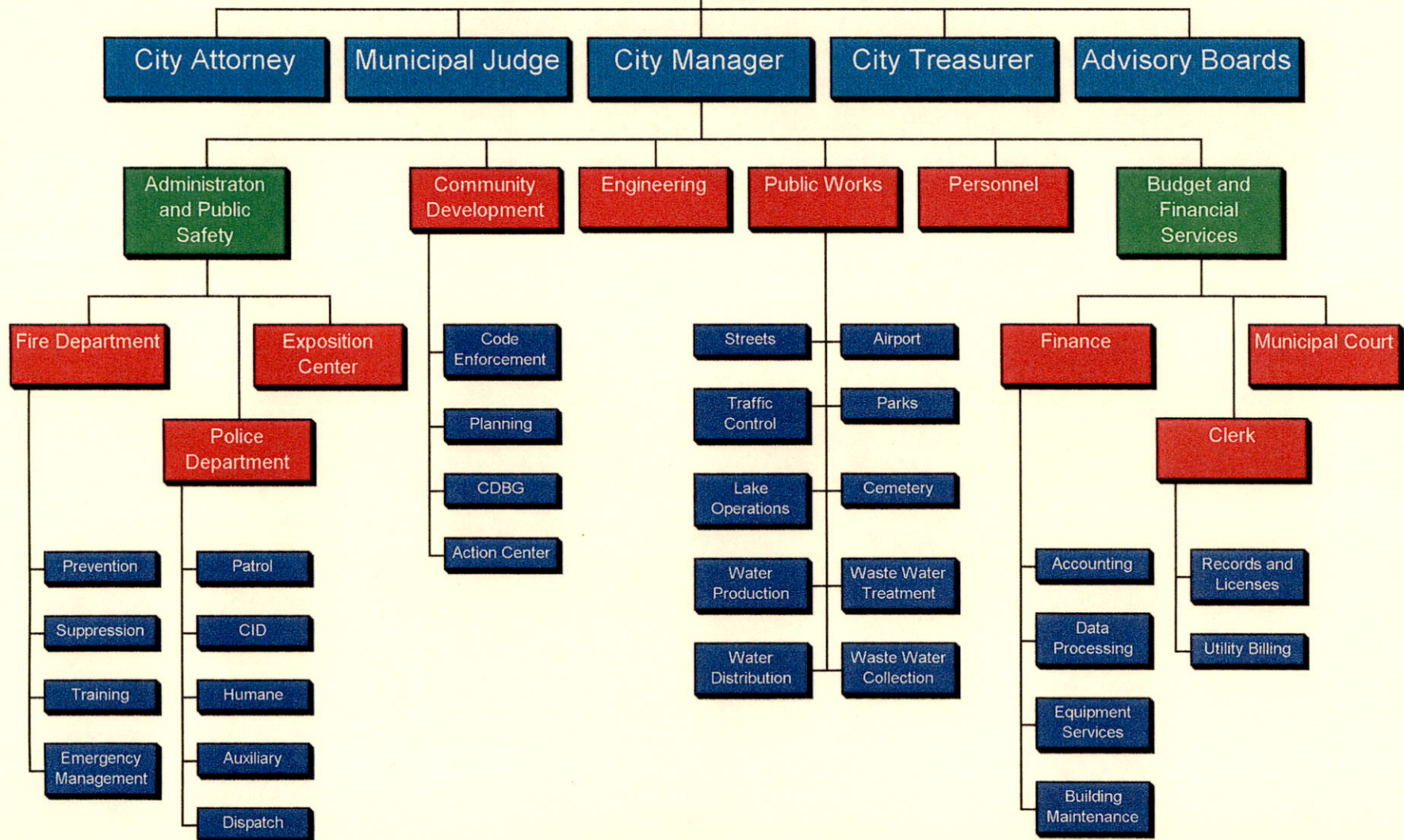
| | |
|------------------------|----------------------|
| Chris Harden | Mayor |
| Robert J. Downing | Vice Mayor - Ward VI |
| Tom Claybrook | Ward I |
| Ronald A. Gillham, Sr. | Ward II |
| Carl E. Young | Ward III |
| Bradie Lee Winrow | Ward IV |
| Brad W. Roach, DVM | Ward V |

Administration

| | |
|------------------|--|
| Terry H. Powell | City Manager |
| 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 |
| Allen Benelli | Personnel Director |
| Diana Hallock | City Clerk |
| James Roberts | Fire Chief |
| Ken Etchieson | Exposition Center Manager |
| Bill Colclasure | Community Development Director |
| James Cole | Public Works Director |
| John Krywicki | City Engineer |

Citizens of Shawnee

Mayor and Commissioners



Financial Section



 **Stephen H. Sanders**
CERTIFIED PUBLIC ACCOUNTANT, INC.

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



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
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, 1998, 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 these general purpose financial statements based on my audit.

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

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue in order for the financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

- any significant amount of resources committed to make computer systems and other electronic equipment year 2000-compliant;
- a general description of the year 2000 issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000-compliant; and

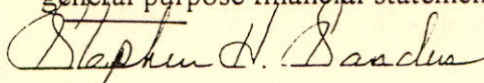
- the additional stages of work necessary for making the computer systems and other electronic equipment year 2000-compliant.

The City of Shawnee has included such disclosures, however, I do not provide assurance that the City of Shawnee is or will be year 2000 ready, that the City of Shawnee's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of Shawnee does business will be year 2000 ready.

In my opinion, except for the matter of the year 2000 disclosures discussed above, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Shawnee, Oklahoma, as of June 30, 1998, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 30, 1998, on my consideration of City of Shawnee, Oklahoma's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements of City of Shawnee, Oklahoma, taken as a whole. The accompanying combining financial statements as listed in the Financial Section of the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of 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.



Stephen H. Sanders
Certified Public Accountant, Inc

December 30, 1998

General Purpose Financial Statements

City of Shawnee, Oklahoma
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1998

| | Governmental Fund Types | | | | Proprietary Fund Types | | Fiduciary Fund Types | Account Groups | | Total |
|--|-------------------------|-----------------------|--------------------|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|-------------------|
| | General Fund | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Enterprise Funds | Internal Service Funds | Trust and Agency Funds | General Long-Term Debt | General Fixed Assets | (Memorandum Only) |
| ASSETS AND OTHER DEBITS | | | | | | | | | | |
| Cash and cash equivalents | \$ 1,196,999 | \$ 321,294 | \$ 222,977 | \$ 4,488,793 | \$ 2,708,478 | \$ 493,713 | \$ 663,604 | \$ --- | \$ --- | \$ 10,095,858 |
| Investments | --- | --- | --- | --- | 40,000 | --- | 49,336 | --- | --- | 89,336 |
| Receivables: | | | | | | | | | | |
| Accounts receivable (net of allowance for uncollectable accounts of \$180,664) | --- | --- | --- | --- | 1,053,178 | --- | --- | --- | --- | 1,053,178 |
| Accrued interest & other receivables | 3,377 | 208 | --- | 9,914 | 5,382 | 573 | 464 | --- | --- | 19,918 |
| Notes receivable - current | --- | --- | --- | --- | --- | --- | 162,430 | --- | --- | 162,430 |
| Due from other governments | 639,194 | 39,639 | --- | 280,943 | --- | --- | --- | --- | --- | 959,776 |
| Due from other funds | --- | 24,081 | --- | --- | 1,468 | 98,582 | --- | --- | --- | 124,131 |
| Other receivable | 29,494 | 19,044 | --- | --- | 36,705 | --- | --- | --- | --- | 85,243 |
| Prepaid expense | --- | 1,941 | --- | --- | --- | --- | --- | --- | --- | 1,941 |
| Restricted assets: | | | | | | | | | | |
| Cash and cash equivalents | --- | --- | --- | --- | 1,708,705 | --- | --- | --- | --- | 1,708,705 |
| Investments | --- | --- | --- | --- | 1,120,460 | --- | --- | --- | --- | 1,120,460 |
| Accrued interest receivable | --- | --- | 63 | --- | 39,756 | --- | --- | --- | --- | 39,819 |
| Due from trustee | --- | --- | --- | --- | 65,000 | --- | --- | --- | --- | 65,000 |
| Property, plant and equipment (net where applicable) | --- | --- | --- | --- | 34,109,029 | --- | --- | --- | 14,863,992 | 48,973,021 |
| Bond issuance costs | --- | --- | --- | --- | 81,682 | --- | --- | --- | --- | 81,682 |
| Water rights contract | --- | --- | --- | --- | 16,916,119 | --- | --- | --- | --- | 16,916,119 |
| OTHER DEBITS: | | | | | | | | | | |
| Amount available in debt service fund | --- | --- | --- | --- | --- | --- | --- | 221,765 | --- | 221,765 |
| Amount to be provided for retirement of general long-term debt | --- | --- | --- | --- | --- | --- | --- | 2,501,006 | --- | 2,501,006 |
| TOTAL ASSETS AND OTHER DEBITS | \$ 1,869,064 | \$ 406,207 | \$ 223,040 | \$ 4,779,650 | \$ 57,885,962 | \$ 592,868 | \$ 875,834 | \$ 2,722,771 | \$ 14,863,992 | \$ 84,219,388 |

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1998
(Continued)

| | Governmental Fund Types | | | | Proprietary Fund Types | | Fiduciary Fund Types | Account Groups | | Total (Memorandum Only) |
|--|-------------------------|-----------------------------|--------------------------|------------------------------|------------------------|------------------------------|------------------------------|------------------------------|----------------------------|-------------------------------|
| | General Fund | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Enterprise Funds | Internal Service Funds | Trust and Agency Funds | General Long-Term Debt | General Fixed Assets | |
| LIABILITIES | | | | | | | | | | |
| Accounts payable | \$ 149,696 | \$ 38,584 | \$ 1,275 | \$ 139,401 | \$ 66,437 | \$ 149,986 | \$ 7,023 | \$ --- | \$ --- | \$ 552,402 |
| Accrued liabilities | 410,017 | --- | --- | --- | 55,332 | --- | 162,430 | --- | --- | 627,779 |
| Other liabilities | 8,501 | --- | --- | 64,558 | 173,965 | --- | --- | --- | --- | 247,024 |
| Due to other funds | 99,805 | 24,081 | --- | --- | --- | --- | 245 | --- | --- | 124,131 |
| Accrual for compensated absences | 307,544 | --- | --- | --- | 282,763 | --- | --- | 758,910 | --- | 1,349,217 |
| Deposits | --- | --- | --- | --- | 13,040 | --- | --- | --- | --- | 13,040 |
| Deferred revenue - current | --- | 63,890 | --- | --- | 234,752 | --- | --- | --- | --- | 298,642 |
| Obligation under capital lease - current | --- | --- | --- | --- | 24,162 | --- | --- | --- | --- | 24,162 |
| Payable from restricted assets: | | | | | | | | | | |
| Accrued interest payable | --- | --- | --- | --- | 622,697 | --- | --- | --- | --- | 622,697 |
| Revenue bonds payable - current | --- | --- | --- | --- | 1,166,488 | --- | --- | --- | --- | 1,166,488 |
| Obligation under capital lease - long-term | --- | --- | --- | --- | 20,250 | --- | --- | 413,861 | --- | 434,111 |
| Revenue bonds payable - long-term | --- | --- | --- | --- | 22,758,681 | --- | --- | --- | --- | 22,758,681 |
| Amounts held in escrow | --- | --- | --- | --- | --- | --- | 565 | --- | --- | 565 |
| Due to utility customers | --- | --- | --- | --- | --- | --- | 406,100 | --- | --- | 406,100 |
| General obligation bonds payable | --- | --- | --- | --- | --- | --- | --- | 1,550,000 | --- | 1,550,000 |
| Claims and judgments payable | --- | --- | --- | --- | --- | 98,582 | --- | --- | --- | 98,582 |
| Total Liabilities | <u>975,563</u> | <u>126,555</u> | <u>1,275</u> | <u>203,959</u> | <u>25,418,567</u> | <u>248,568</u> | <u>576,363</u> | <u>2,722,771</u> | <u>---</u> | <u>30,273,621</u> |
| EQUITY AND OTHER CREDITS | | | | | | | | | | |
| Contributed capital | --- | --- | --- | --- | 20,537,575 | 16,862 | --- | --- | --- | 20,554,437 |
| Retained Earnings: | | | | | | | | | | |
| Unreserved | --- | --- | --- | --- | 10,834,163 | 327,438 | --- | --- | --- | 11,161,601 |
| Reserved | --- | --- | --- | --- | 1,095,657 | --- | --- | --- | --- | 1,095,657 |
| Investment in general fixed assets | --- | --- | --- | --- | --- | --- | --- | --- | 14,863,992 | 14,863,992 |
| Fund balance: | | | | | | | | | | |
| Reserved | 73,759 | 480 | --- | 1,249,945 | --- | --- | 70,979 | --- | --- | 1,395,163 |
| Unreserved | 819,742 | 279,172 | 221,765 | 3,325,746 | --- | --- | 228,492 | --- | --- | 4,874,917 |
| TOTAL EQUITY AND OTHER CREDITS | <u>893,501</u> | <u>279,652</u> | <u>221,765</u> | <u>4,575,691</u> | <u>32,467,395</u> | <u>344,300</u> | <u>299,471</u> | <u>---</u> | <u>14,863,992</u> | <u>53,945,767</u> |
| TOTAL LIABILITIES, EQUITY AND OTHER CREDITS | <u>\$ 1,869,064</u> | <u>\$ 406,207</u> | <u>\$ 223,040</u> | <u>\$ 4,779,650</u> | <u>\$ 57,885,962</u> | <u>\$ 592,868</u> | <u>\$ 875,834</u> | <u>\$ 2,722,771</u> | <u>\$ 14,863,992</u> | <u>\$ 84,219,388</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, 1998

| | Governmental Fund Types | | | Fiduciary Fund Types | Total |
|--|-------------------------|------------|------------|-------------------------|---------------|
| | General | Special | Debt | Capital | |
| | Fund | Revenue | Service | Projects | (Memorandum |
| | | Funds | Funds | Funds | Only) |
| | | | | Expendable | |
| | | | | Trust | |
| | | | | Funds | |
| Revenues: | | | | | |
| Taxes | \$ 8,605,846 | \$ 611,832 | \$ 289,759 | \$ 3,309,291 | \$ 12,816,728 |
| Intergovernmental revenues | 194,095 | 554,222 | --- | --- | 748,317 |
| Licenses and permits | 201,932 | 15,369 | --- | --- | 217,301 |
| Fines and forfeitures | 316,579 | --- | --- | --- | 316,579 |
| Interest | 118,144 | 10,656 | 1,618 | 170,676 | 312,264 |
| Gifts and donations | --- | --- | --- | --- | 24,562 |
| Other revenues | 172,141 | 79,239 | 76,104 | --- | 337,676 |
| Total Revenues | 9,608,737 | 1,271,318 | 367,481 | 3,479,967 | 14,773,427 |
| Expenditures: | | | | | |
| Current - | | | | | |
| General government | 1,704,564 | 94,947 | --- | 5,847 | 1,805,358 |
| Public safety | 5,675,652 | 33,947 | --- | --- | 5,709,599 |
| Public works | 1,387,288 | 226,054 | --- | --- | 1,613,342 |
| Culture and recreation | 404,185 | --- | --- | --- | 459,795 |
| Urban redevelopment and housing | --- | 490,300 | --- | --- | 490,300 |
| Economic development | --- | 126,800 | --- | --- | 135,137 |
| Capital outlay | --- | 247,989 | --- | 2,332,543 | 2,651,213 |
| Debt service - | | | | | |
| Principal retirement | 9,842 | 53,622 | 250,000 | 196,954 | 510,418 |
| Interest and fiscal charges | --- | 13,343 | 90,535 | 19,857 | 123,735 |
| Total Expenditures | 9,181,531 | 1,287,002 | 340,535 | 2,555,201 | 13,498,897 |
| Excess of Revenues Over (Under) Expenditures | 427,206 | (15,684) | 26,946 | 924,766 | 1,274,530 |
| Other Financing Sources (Uses): | | | | | |
| Operating transfers in | 300,698 | --- | --- | --- | 355,698 |
| Operating transfers out | (807,961) | (29,750) | --- | (710,565) | (1,548,276) |
| Total Other Financing Sources (Uses) | (507,263) | (29,750) | --- | (710,565) | (1,192,578) |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (80,057) | (45,434) | 26,946 | 214,201 | 81,952 |
| Fund Balances - Beginning | 986,320 | 324,966 | 194,819 | 4,354,930 | 6,144,874 |
| Prior Period Adjustments | (12,762) | 120 | --- | 6,560 | 43,254 |
| Fund Balances - Ending | \$ 893,501 | \$ 279,652 | \$ 221,765 | \$ 4,575,691 | \$ 6,270,080 |

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)
All Governmental Fund Types
For the Fiscal Year Ended June 30, 1998

| | General Fund | | | Special Revenue Funds | | | Debt Service Fund | | | Capital Projects Funds | | |
|--|-------------------|-------------------|------------------------------------|-----------------------|-------------------|------------------------------------|-------------------|-------------------|------------------------------------|------------------------|---------------------|------------------------------------|
| | Budget | Actual | Variance - Favorable (Unfavorable) | Budget | Actual | Variance - Favorable (Unfavorable) | Budget | Actual | Variance - Favorable (Unfavorable) | Budget | Actual | Variance - Favorable (Unfavorable) |
| Revenues: | | | | | | | | | | | | |
| Taxes | \$ 8,762,630 | \$ 8,586,648 | \$ (175,982) | \$ 609,900 | \$ 604,355 | \$ (5,545) | \$ 381,690 | \$ 289,759 | \$ (91,931) | \$ 3,307,220 | \$ 3,300,571 | \$ (6,649) |
| Intergovernmental revenues | 239,610 | 190,105 | (49,505) | 1,378,349 | 554,222 | (824,127) | --- | --- | --- | 299,400 | --- | (299,400) |
| Licenses and permits | 157,820 | 190,345 | 32,525 | 8,090 | 15,369 | 7,279 | --- | --- | --- | --- | --- | --- |
| Fines and forfeitures | 265,600 | 317,234 | 51,634 | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Interest | 117,040 | 117,863 | 823 | 8,690 | 10,656 | 1,966 | 1,340 | 1,720 | 380 | 123,940 | 169,953 | 46,013 |
| Other revenues | 251,820 | 179,855 | (71,965) | 84,845 | 79,264 | (5,581) | 15,740 | 76,103 | 60,363 | 50,000 | --- | (50,000) |
| Total Revenues | 9,794,520 | 9,582,050 | (212,470) | 2,089,874 | 1,263,866 | (826,008) | 398,770 | 367,582 | (31,188) | 3,780,560 | 3,470,524 | (310,036) |
| Expenditures: | | | | | | | | | | | | |
| Administration | 1,130,493 | 1,088,317 | 42,176 | 151,000 | 126,800 | 24,200 | --- | --- | --- | 15,134 | 3,495 | 11,639 |
| Internal services | 530,405 | 502,702 | 27,703 | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Community services | 454,170 | 432,081 | 22,089 | 56,122 | 26,267 | 29,855 | --- | --- | --- | --- | --- | --- |
| Community development | 229,151 | 204,152 | 24,999 | 1,216,589 | 570,529 | 646,060 | --- | --- | --- | --- | --- | --- |
| Police | 2,719,696 | 2,695,065 | 24,631 | 34,526 | 8,205 | 26,321 | --- | --- | --- | --- | --- | --- |
| Fire | 2,253,483 | 2,234,371 | 19,112 | 9,828 | 1,416 | 8,412 | --- | --- | --- | --- | --- | --- |
| Engineering | 242,350 | 221,130 | 21,220 | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Public works | 1,688,718 | 1,612,482 | 76,236 | 245,000 | 226,054 | 18,946 | --- | --- | --- | --- | --- | --- |
| Centralized costs | 993,744 | 930,566 | 63,178 | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Contingencies | 109,294 | 64,324 | 44,970 | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Debt service | --- | --- | --- | 66,965 | 66,965 | --- | 340,536 | 340,535 | 1 | 216,811 | 216,811 | --- |
| Capital outlay | --- | --- | --- | 463,818 | 247,990 | 215,828 | --- | --- | --- | 6,035,986 | 2,254,756 | 3,781,230 |
| Total Expenditures | 10,351,504 | 9,985,190 | 366,314 | 2,243,848 | 1,274,226 | 969,622 | 340,536 | 340,535 | 1 | 6,267,931 | 2,475,062 | 3,792,869 |
| Excess of Revenues | | | | | | | | | | | | |
| Over (Under) Expenditures | (556,984) | (403,140) | 153,844 | (153,974) | (10,360) | 143,614 | 58,234 | 27,047 | (31,187) | (2,487,371) | 995,462 | 3,482,833 |
| Other Financing Sources (Uses): | | | | | | | | | | | | |
| Operating transfers in | 1,014,750 | 1,014,750 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Operating transfers out | (735,000) | (735,000) | --- | (29,750) | (29,750) | --- | --- | --- | --- | (710,565) | (710,565) | --- |
| Total Other Financing Sources (Uses) | 279,750 | 279,750 | --- | (29,750) | (29,750) | --- | --- | --- | --- | (710,565) | (710,565) | --- |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (277,234) | (123,390) | 153,844 | (183,724) | (40,110) | 143,614 | 58,234 | 27,047 | (31,187) | (3,197,936) | 284,897 | 3,482,833 |
| Fund Balances - Beginning | 1,008,705 | 983,107 | (25,598) | 374,774 | 310,351 | (64,423) | 185,800 | 194,654 | 8,854 | 3,878,150 | 4,080,076 | 201,926 |
| Fund Balances - Ending | \$ 731,471 | \$ 859,717 | \$ 128,246 | \$ 191,050 | \$ 270,241 | \$ 79,191 | \$ 244,034 | \$ 221,701 | \$ (22,333) | \$ 680,214 | \$ 4,364,973 | \$ 3,684,759 |

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, 1998

| | Enterprise Funds | Internal Service Funds | Total (Memorandum Only) |
|---|---------------------|------------------------------|-------------------------------|
| Operating Revenues: | | | |
| Charge for services | \$ 6,741,247 | \$ --- | \$ 6,741,247 |
| Permits and fees | 93,045 | --- | 93,045 |
| Rental revenue | 268,069 | --- | 268,069 |
| Other revenues | 139,603 | 23,545 | 163,148 |
| Total Operating Revenues | 7,241,964 | 23,545 | 7,265,509 |
| Operating Expenses: | | | |
| Personal services | 2,620,260 | --- | 2,620,260 |
| Materials and supplies | 388,525 | --- | 388,525 |
| Other services and charges | 2,409,700 | --- | 2,409,700 |
| Claims expense | --- | 431,798 | 431,798 |
| Total Operating Expenses | 5,418,485 | 431,798 | 5,850,283 |
| Net Operating Income (Loss) before Depreciation | 1,823,479 | (408,253) | 1,415,226 |
| Less: Depreciation and amortization | (1,398,433) | --- | (1,398,433) |
| Net Operating Income (Loss) | 425,046 | (408,253) | 16,793 |
| Non-Operating Revenues (Expenses): | | | |
| Interest revenues | 232,902 | 17,094 | 249,996 |
| Oil and gas revenues | 36,378 | --- | 36,378 |
| Interest expense and fiscal charges | (1,377,757) | --- | (1,377,757) |
| Total Non-Operating Revenues (Expenses) | (1,108,477) | 17,094 | (1,091,383) |
| Operating Transfers: | | | |
| Operating transfers in | 1,225,944 | 398,504 | 1,624,448 |
| Operating transfers out | (285,948) | (145,922) | (431,870) |
| Net Operating Transfers | 939,996 | 252,582 | 1,192,578 |
| Net Income (Loss) | 256,565 | (138,577) | 117,988 |
| Retained Earnings - Beginning | 11,651,677 | 466,015 | 12,117,692 |
| Prior Period Adjustment | 21,578 | --- | 21,578 |
| Retained Earnings - Ending | \$ 11,929,820 | \$ 327,438 | \$ 12,257,258 |

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, 1998

| | Enterprise Funds | Internal Service Funds | Total (Memorandum Only) |
|--|---------------------|------------------------------|-------------------------------|
| Cash Flows From Operating Activities: | | | |
| Operating Income (Loss) | \$ 425,046 | \$ (408,253) | \$ 16,793 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities: | | | |
| Depreciation and amortization | 1,398,433 | --- | 1,398,433 |
| Other non-operating revenue (expense) | 26,275 | --- | 26,275 |
| Changes in assets and liabilities: | | | |
| Decrease (Increase) in accounts receivable | (54,344) | (88) | (54,432) |
| Decrease (Increase) in other receivable | 35 | --- | 35 |
| Decrease (Increase) in due from other funds | --- | 142,418 | 142,418 |
| Increase (Decrease) in accounts payable and accrued liabilities | (388,806) | 99,298 | (289,508) |
| Increase (Decrease) in accrued compensated absences | 188,989 | --- | 188,989 |
| Increase (Decrease) in other liabilities | (21,331) | --- | (21,331) |
| Increase (Decrease) in Claims and judgements payable | --- | (142,982) | (142,982) |
| Increase (Decrease) in deferred revenue | 129,975 | --- | 129,975 |
| Total adjustments | 1,279,226 | 98,646 | 1,377,872 |
| Net Cash Provided (Used) in Operating Activities | 1,704,272 | (309,607) | 1,394,665 |
| Cash Flows From Non-Capital Financing Activities: | | | |
| Operating transfers in | 1,225,944 | 398,504 | 1,624,448 |
| Operating transfers out | (285,948) | (145,922) | (431,870) |
| Net Cash Provided (Used) in Non-Capital Financing Activities | 939,996 | 252,582 | 1,192,578 |
| Cash Flows From Capital and Related Financing Activities | | | |
| Principal paid on revenue bonds | (990,000) | --- | (990,000) |
| Principal paid on notes payable | (28,244) | --- | (28,244) |
| Principal paid on capital leases | (22,660) | --- | (22,660) |
| Principal paid on capital loans | (2,730,867) | --- | (2,730,867) |
| Interest paid on long-term debt | (1,341,139) | --- | (1,341,139) |
| Proceeds from issuance of notes payable | 2,973,279 | --- | 2,973,279 |
| Proceeds from capital loans | 461,028 | --- | 461,028 |
| Capital grant proceeds | 567,515 | --- | 567,515 |
| Bond Issuance Cost | (71,667) | --- | (71,667) |
| Acquisition and construction of capital assets | (954,358) | --- | (954,358) |
| Net Cash Provided (Used) in Capital and Related Financing Activities | (2,137,113) | --- | (2,137,113) |
| Cash Flows From Investing Activities: | | | --- |
| Interest | 234,142 | 17,094 | 251,236 |
| Purchase of investments | (40,000) | --- | (40,000) |
| Net Cash Provided (Used) in Investing Activities | 194,142 | 17,094 | 211,236 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 701,297 | (39,931) | 661,366 |
| Cash and cash equivalents - beginning of year | 3,715,886 | 533,644 | 4,249,530 |
| Cash and cash equivalents - ending of year | \$ 4,417,183 | \$ 493,713 | \$ 4,910,896 |
| Non-Cash Capital and Related Financing Activities: | | | |
| Capital assets contributed by other funds | \$ 278,383 | \$ --- | \$ 278,383 |

See accompanying notes to financial statements

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998

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 City uses the following fund types and account groups:

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 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, 1998
(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, 1998
(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 encumbrances outstanding at year-end lapse; the budget for the subsequent year is then supplemented for any encumbrances carried forward. Unencumbered appropriations lapse at year-end.

Basis of Budgeting

All funds with revenues and expenditures are required to have budgets. However, only the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds have legally-adopted annual budgets. Budgets, as approved by the City Commission, are prepared on a modified cash basis of accounting.

The legal level of budgetary control for all legally adopted budgets is the character classification level within a department. Character classifications include personal services, materials and supplies, other services and charges, capital outlay and debt service. Transfers of appropriations between classification categories within a department or between departments within a fund require approval of the City Commission.

For the year ended June 30, 1998, the City complied, in all material respects, with the applicable budget laws.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Supplemental appropriations reflected in the budget amounts reported in the combined financial statements were properly approved by the City Commission. For the year ended June 30, 1998, the following supplemental appropriations were approved:

| Fund Type | Original Appropriations | Supplemental Appropriations | Revised Appropriations |
|------------------------|----------------------------|--------------------------------|---------------------------|
| General Fund | \$ 11,029,870 | \$ 56,634 | \$ 11,086,504 |
| Special Revenue Funds | 702,341 | 1,590,745 | 2,293,086 |
| Debt Service Fund | 340,536 | --- | 340,536 |
| Capital Projects Funds | 5,334,920 | 1,643,576 | 6,978,496 |

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. The County Treasurer will attempt to collect all delinquent taxes. If the taxes are not collected by September 30, a lien is placed on the property.

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 that 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.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are stated at fair value and consist of bonds and certificates of deposit with banks, which are secured by the Federal Deposit Insurance Corporation or pledged U. S. Government Securities.

Cash and Cash Equivalents

For the purpose of the combined balance sheet and statement of cash flows, "cash and cash equivalents" includes all demand, savings accounts, money market investment in trust accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

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.

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 |
| Buildings | 40 |
| Improvements other than buildings | 20 - 50 |
| Furniture and equipment | 5 - 10 |

Risk management

Workers Compensation - The City is self-insured for workers compensation. A third party workers compensation administrator is used to evaluate claims and estimate the City's liability. Liabilities are recorded when it is probable that a loss has occurred and the amount of the loss can be reasonably determined.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Liability – The City is exposed to various risks of loss related to torts, property damage, errors and omissions, and personal injury. Commercial insurance is carried to cover these general liability claims (as further explained in Note 23). The City has also established the general liability self-insurance fund.

Buildings and equipment – Commercial insurance is used to cover the risk of loss to City buildings and mobile equipment. The City does not carry comprehensive insurance on vehicles other than Fire Department Units. An insurance committee was formed and recommendations were made concerning certain municipal buildings be exempt from insurance coverage due to premium cost. The buildings are not considered material to the funds.

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.

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 entity's financial statements to be misleading or incomplete.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 2 - ASSOCIATED ENTITIES (Continued)

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 benefit 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.

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 since they do not meet the criteria of GASB Statement No 14: 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 commitments to some of these entities. The following is a description of some of the more significant of these agreements or commitments.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 2 - ASSOCIATED ENTITIES (Continued)

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 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.

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 \$95,000 for these contractual services.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 3 - CASH AND INVESTMENTS

Deposits

The City's policies regarding deposits of cash are discussed in Note 1. The table presented below is designed to disclose the level of custody credit risk assumed by the City based upon how its deposits were insured or secured with collateral at June 30, 1998. The categories of credit risk are defined as follows:

- Category 1 - Insured by FDIC or collateralized with securities held by the City (or public trust) or by its agent in the City's name
- Category 2 - Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the City's name
- Category 3 - Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name; or collateralized but with no written and approved collateral agreement.

| | Total Bank Balance | Custody Credit Risk Category | | | |
|---|-----------------------|------------------------------|---------------------|---------------|---------------------|
| | | 1 | 2 | 3 | |
| <u>Type of Deposits</u> | | | | | |
| Insured deposits | \$ 400,000 | \$ 400,000 | \$ --- | \$ --- | |
| Uninsured deposits: | | | | | Total |
| Collateralized | 7,893,663 | --- | 7,893,663 | --- | Carrying |
| Uncollateralized | --- | --- | --- | --- | Value |
| Total Deposits | <u>\$ 8,293,663</u> | <u>\$ 400,000</u> | <u>\$ 7,893,663</u> | <u>\$ ---</u> | \$ 7,825,241 |
| Petty cash and cash on hand | | | | | 19,074 |
| | | | | | <u>\$ 7,844,315</u> |
| Reconciliation to Combined Balance Sheet: | | | | | |
| Unrestricted cash and cash equivalents | | | | | \$ 10,095,858 |
| Restricted cash and cash equivalents | | | | | 1,708,705 |
| Unrestricted investments | | | | | <u>40,000</u> |
| | | | | | 11,844,563 |
| Less: Investments in mutual fund reported as: | | | | | |
| Restricted cash and cash equivalents | | | | | (1,708,705) |
| Unrestricted cash and cash equivalents | | | | | <u>(2,291,543)</u> |
| | | | | | <u>\$ 7,844,315</u> |

Note: Custody credit risk is not applicable to investments in open-ended mutual funds.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 3 - CASH AND INVESTMENTS (Continued)

Investments

The City's policies and applicable laws regarding investments are discussed in Note 1. The table presented below is designed to disclose the level of market risk and custody credit risk assumed by the City (or public trust) based upon whether the investments are insured or registered and upon who holds the security at June 30, 1998. The categories of credit risk are defined as follows:

- Category 1 - Insured or registered, with securities held by the City (or public trust) or by its agent in the City's name
- Category 2 - Uninsured and unregistered, with securities held by counterparty's trust department or agent in the City's name
- Category 3 - Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

| <u>Type of Investments</u> | <u>Custody Credit Risk Category</u> | | | <u>Fair Value</u> |
|----------------------------|-------------------------------------|---------------------|---------------|---------------------|
| | <u>1</u> | <u>2</u> | <u>3</u> | |
| Corporate bonds | \$ 49,336 | \$ --- | \$ --- | \$ 49,336 |
| Repurchase agreements | --- | 1,120,460 | --- | 1,120,460 |
| Total Investments | <u>\$ 49,336</u> | <u>\$ 1,120,460</u> | <u>\$ ---</u> | <u>\$ 1,169,796</u> |

Reconciliation to Combined Balance Sheet:

| | |
|---|---------------------|
| Unrestricted investments | \$ 89,336 |
| Restricted investments | 1,120,460 |
| Less: Certificates of deposit reported as Investments | (40,000) |
| | <u>\$ 1,169,796</u> |

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.

NOTE 5 - 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.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(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 - 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, 1997 | \$ 19,705,506 | \$ 16,862 |
| Shawnee Municipal Authority: | | |
| Federal grant proceeds - Northside Wastewater Treatment Plant Project | 150,000 | --- |
| Purchases of property, plant & equipment through governmental funds | 266,880 | --- |
| Shawnee Airport Authority: | | |
| Federal grant proceeds - Airport Improvement Project | 403,686 | --- |
| Purchases of property, plant & equipment through governmental funds | 11,503 | --- |
| Contributed capital at June 30, 1998 | <u>\$ 20,537,575</u> | <u>\$ 16,862</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 8 - 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 costs 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, 1998, is as follows:

| | Balance June 30, 1997 | Additions | Dispositions | Balance June 30, 1998 |
|--------------------------------------|--------------------------|-------------------|------------------|--------------------------|
| Land | \$ 1,972,657 | \$ 67,081 | \$ 8,825 | \$ 2,030,913 |
| Buildings | 5,047,291 | 22,726 | --- | 5,070,017 |
| Improvements other than buildings | 1,073,377 | 107,475 | 11,749 | 1,169,103 |
| Furniture and equipment: | | | | |
| Communication | 937,841 | 23,851 | 3,880 | 957,812 |
| Audiovisual | 36,308 | 15,037 | --- | 51,345 |
| Business machines | 572,231 | 59,953 | 31,617 | 600,567 |
| Machinery and tools | 202,336 | 20,243 | 1,503 | 221,076 |
| Appliances | 17,073 | 430 | 1,272 | 16,231 |
| Law enforcement | 102,963 | 27,477 | --- | 130,440 |
| Lab and engineering | 18,945 | 639 | 1,908 | 17,676 |
| Fire | 102,685 | 30,314 | --- | 132,999 |
| Furniture | 175,719 | 13,785 | 1,184 | 188,320 |
| Mobile | 3,548,947 | 447,999 | 25,050 | 3,971,896 |
| Parks and recreation | 251,363 | 15,184 | 1,877 | 264,670 |
| Construction in progress | --- | 40,927 | --- | 40,927 |
| Total General Fixed Assets | <u>\$ 14,059,736</u> | <u>\$ 893,121</u> | <u>\$ 88,865</u> | <u>\$ 14,863,992</u> |

Investment in General Fixed Assets:

| | |
|--|----------------------|
| Prior to June 30, 1994 | \$ 11,774,432 |
| General Fund | 12,982 |
| Capital Projects Funds | 2,943,790 |
| Special Revenue Funds | 52,563 |
| Expendable Trust Funds | <u>80,225</u> |
| Total Investment in General Fixed Assets | <u>\$ 14,863,992</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 8 - FIXED ASSETS (Continued)

A summary of Enterprise Fund property, plant and equipment at June 30, 1998, is as follows:

| | Balance June 30, 1997 | Additions | Retirements | Balance June 30, 1998 |
|--------------------------------------|--------------------------|---------------------|---------------------|--------------------------|
| Land | \$ 1,697,844 | \$ 13,743 | \$ --- | \$ 1,711,587 |
| Buildings | 4,964,412 | 6,350 | --- | 4,970,762 |
| Improvements other than buildings | 34,406,730 | 5,695,371 | 18,933 | 40,083,168 |
| Furniture and equipment: | | | | |
| Communication | 86,480 | 2,980 | 1,268 | 88,192 |
| Audiovisual | 1,460 | --- | --- | 1,460 |
| Business machines | 119,928 | 5,930 | --- | 125,858 |
| Machinery and tools | 155,791 | 41,393 | 2,610 | 194,574 |
| Appliances | 12,211 | --- | --- | 12,211 |
| Furniture | 46,006 | 3,897 | --- | 49,903 |
| Mobile | 1,257,524 | 53,536 | 85,090 | 1,225,970 |
| Lab and engineering | 43,905 | 940,065 | --- | 983,970 |
| Parks and recreation | 5,512 | --- | --- | 5,512 |
| Construction in progress | 5,615,192 | 669,708 | 5,946,751 | 338,149 |
| Total | <u>\$ 48,412,995</u> | <u>\$ 7,432,973</u> | <u>\$ 6,054,652</u> | <u>\$ 49,791,316</u> |
| Accumulated depreciation | <u>\$ 14,418,318</u> | <u>\$ 1,355,413</u> | <u>\$ 91,444</u> | <u>\$ 15,682,287</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 9 - 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% | \$ 1,100,000 |
| \$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% | 450,000 |

Other General Long-Term Debt:

| | |
|---|---------------------|
| 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% | 177,590 |
| 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% | 43,090 |
| 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% | 21,250 |
| 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% | 26,494 |
| Capital lease agreement dated June 10, 1997 relating to the lease purchase of a fire truck at a purchase price of \$ 227,861 with a \$71,000 down payment and 24 monthly payments of \$ 6925.41 (including interest) beginning July 25, 1997; interest at 5.4% | 80,721 |
| Capital lease agreement dated June 10, 1997 relating to the lease purchase of a asphalt paver at a purchase price of \$ 219,759 with a \$94,000 down payment and 24 monthly payments of \$ 6925.41 (including interest) beginning July 25, 1997; interest at 5.4% | 64,716 |
| Accrual for compensated absences | 758,910 |
| Total General Long-Term Debt Account Group | <u>\$ 2,722,771</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 9 - 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% | \$ 20,315,000 |
|--|---------------|

| | |
|---|---------|
| \$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% | 680,000 |
|---|---------|

| | |
|---|-----------|
| \$1,073,278.84 SRF Promissory Note, Series 1997A due in semi-annual installments of \$28,244.18 beginning February 15, 1998 through August 15, 2016; Non-interest bearing; administrative fee of 5% on the outstanding principal. | 1,045,035 |
|---|-----------|

| | |
|--|-----------|
| \$1,900,000 Promissory Note, Series 1997B due in annual installments of \$65,000 to \$150,000 beginning August 15, 1998 through August 15, 2016; interest at 3.89% to 5.245% | 1,900,000 |
|--|-----------|

| | |
|---|----------|
| Less: unamortized deferred loss on revenue bond refunding | (14,866) |
|---|----------|

Obligations under capital lease:

Shawnee Civic & Cultural Development Authority

| | |
|--|--------|
| 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% | 36,618 |
|--|--------|

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% | 7,794 |
|--|-------|

| | |
|------------------------|-------------------|
| Total Enterprise Funds | <u>23,969,581</u> |
|------------------------|-------------------|

| | |
|----------------------|----------------------|
| Total Long-Term Debt | <u>\$ 26,692,352</u> |
|----------------------|----------------------|

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 9 - LONG-TERM DEBT (Continued)

The following schedule analyzes the changes in long-term debt of the City for the year ending June 30, 1998:

| | Outstanding Balance June 30, 1997 | Issues and Other Increases | Retirements and Other Decreases | Outstanding Balance June 30, 1998 |
|---|---|----------------------------------|---------------------------------------|---|
| <u>General Long-Term Debt Account Group</u> | | | | |
| General obligation bonds: | | | | |
| 1994 Limited Access Facilities Bonds | \$ 1,200,000 | \$ --- | \$ 100,000 | \$ 1,100,000 |
| 1994 Limited Access Refunding Bonds | 600,000 | --- | 150,000 | 450,000 |
| Total general obligation bonds | 1,800,000 | --- | 250,000 | 1,550,000 |
| Obligations under capital leases | 674,279 | --- | 260,418 | 413,861 |
| Accrual for compensated absences | 395,987 | 362,923 | --- | 758,910 |
| Total General Long-Term Debt Account Group | 2,870,266 | 362,923 | 510,418 | 2,722,771 |
| <u>Enterprise Funds</u> | | | | |
| Revenue bonds and notes: | | | | |
| Shawnee Municipal Authority - Utility Revenue Note, Series 1993A | 20,665,000 | --- | 350,000 | 20,315,000 |
| Sales Tax and Utility Revenue Refunding Bonds, Series 1995 | 1,320,000 | --- | 640,000 | 680,000 |
| Line of Credit - Oklahoma Water Resources Board Revolving Fund | 2,269,839 | 461,028 | 2,730,867 | --- |
| 1997 A - Promissory Note to OWRB | --- | 1,073,279 | 28,244 | 1,045,035 |
| 1997 B - Promissory Note to OWRB | --- | 1,900,000 | --- | 1,900,000 |
| Less: Deferred Loss on Revenue Bond Refunding | (43,722) | --- | (28,856) | (14,866) |
| Total revenue bonds | 24,211,117 | 3,434,307 | 3,720,255 | 23,925,169 |
| Obligations under capital leases | 67,072 | --- | 22,660 | 44,412 |
| Total Enterprise Funds | 24,278,189 | 3,434,307 | 3,742,915 | 23,969,581 |
| Total Long-Term Debt | \$ 27,148,455 | \$ 3,797,230 | \$ 4,253,333 | \$ 26,692,352 |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 9 - LONG-TERM DEBT (Continued)

The annual requirements to amortize all debt outstanding as of June 30, 1998 are as follows:

| 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 | |
| 1999 | \$ 324,236 | \$ 296,032 | \$ 2,455,468 | \$ 26,634 | \$ 3,102,370 |
| 2000 | 308,410 | 102,072 | 1,741,543 | 21,637 | 2,173,662 |
| 2001 | 227,310 | 42,530 | 1,735,070 | --- | 2,004,910 |
| 2002 | 221,560 | --- | 1,663,797 | --- | 1,885,357 |
| 2003 | 132,450 | --- | 1,662,747 | --- | 1,795,197 |
| 2004 - 2008 | 595,900 | --- | 8,290,232 | --- | 8,886,132 |
| 2009 - 2013 | 105,000 | --- | 8,256,233 | --- | 8,361,233 |
| 2014 - 2018 | --- | --- | 7,981,033 | --- | 7,981,033 |
| 2019 - 2023 | --- | --- | 7,135,541 | --- | 7,135,541 |
| 2024 - 2027 | --- | --- | 5,673,172 | --- | 5,673,172 |
| Total Requirements | 1,914,866 | 440,634 | 46,594,836 | 48,271 | 48,998,607 |
| Less: amount representing interest | (364,866) | (26,773) | (22,654,801) | (3,859) | (23,050,299) |
| Less: unamortized deferred loss on revenue bond refunding | --- | --- | (14,866) | --- | (14,866) |
| Add: liability with no determinable debt service requirements | --- | 758,910 | --- | --- | 758,910 |
| | <u>\$ 1,550,000</u> | <u>\$ 1,172,771</u> | <u>\$ 23,925,169</u> | <u>\$ 44,412</u> | <u>\$ 26,692,352</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 10 - OBLIGATIONS UNDER CAPITAL LEASES

Future minimum lease payments under capital leases consisted of the following at June 30, 1998:

| Fiscal Year Ending | General Long-Term Debt Account Group | Enterprise Funds | Total |
|---|---|---------------------|-------------------|
| June 30, 1999 | \$ 296,032 | \$ 26,634 | \$ 322,666 |
| June 30, 2000 | 102,072 | 21,637 | 123,709 |
| June 30, 2001 | 42,530 | --- | 42,530 |
| Total Requirements | 440,634 | 48,271 | 488,905 |
| Less: amount representing interest | (26,773) | (3,859) | (30,632) |
| Outstanding Capital Leases, June 30, 1998 | <u>\$ 413,861</u> | <u>\$ 44,412</u> | <u>\$ 458,273</u> |

The terms of the obligations under capital leases are described in Note 9. The minimum lease payments shown above are also included in the annual debt service requirements outlined in Note 9.

NOTE 11 - 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 sum of the years digits basis.

NOTE 12 - 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, 1998, were as follows:

| | |
|------------------------------------|----------------------|
| Utility Revenue Note, Series 1990B | <u>\$ 17,725,000</u> |
|------------------------------------|----------------------|

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 13 - 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, 1998, was \$1,349,217. The portion of this liability relating to employees of the enterprise funds is recorded entirely in the enterprise funds. The portion of the liability that 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 | \$ 307,544 |
| Enterprise Funds: | |
| Shawnee Municipal Authority | 237,727 |
| Shawnee Airport Authority | 5,665 |
| Shawnee Civic & Cultural Development Authority | 39,371 |
| General Long-Term Debt Account Group | <u>758,910</u> |
| | <u>\$ 1,349,217</u> |

NOTE 14 - NORTH DEER CREEK RESERVIOR PROJECT RESERVE

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, 1998, this reserve totaled \$1,095,657, and is presented in the financial statements as a reservation of retained earnings.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 15 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 1998, were as follows:

| | <u>Receivable</u> | <u>Payable</u> |
|---|-------------------|-------------------|
| General Fund: | | |
| Due to Shawnee Municipal Authority | \$ --- | \$ 1,223 |
| Due to Workers Compensation Self-Insurance Fund | --- | 98,582 |
| Special Revenue Funds: | | |
| FY 94 CDBG Entitlement Fund - | | |
| Due to FY 95 CDBG Entitlement Fund | --- | 10,360 |
| FY 95 CDBG Entitlement Fund - | | |
| Due from FY 94 CDBG Entitlement Fund | 10,360 | --- |
| Due from FY 95 Emergency Shelter Grant Fund | 10,979 | --- |
| Due from FY 96 Emergency Shelter Grant Fund | 2,742 | --- |
| FY 95 Emergency Shelter Grant Fund - | | |
| Due to FY 95 CDBG Entitlement Fund | --- | 10,979 |
| FY 96 Emergency Shelter Grant Fund - | | |
| Due to FY 95 CDBG Entitlement Fund | --- | 2,742 |
| 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 | 98,582 | --- |
| Trust and Agency Funds: | | |
| Meter Deposit Fund - | | |
| Due to Shawnee Municipal Authority | --- | 245 |
| | <u>\$ 124,131</u> | <u>\$ 124,131</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 16 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 1998, consisted of the following:

| | Transfers In (From) | Transfers Out (To) |
|--|------------------------|-----------------------|
| General Fund: | | |
| Transfer from Shawnee Municipal Authority | \$ 285,948 | \$ --- |
| Transfer from Revolving Oil & Gas Fund | 14,750 | --- |
| Transfer to Shawnee Airport Authority | --- | 53,560 |
| Transfer to Shawnee Civic & Cultural Development Authority | --- | 461,819 |
| Transfer to Workers Compensation Self-Insurance Fund | --- | 232,582 |
| Transfer to General Liability Self-Insurance Fund | --- | 15,000 |
| Transfer to Uninsured Loss Fund | --- | 5,000 |
| Transfer to Library Fund | --- | 40,000 |
| 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 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 General Fund | --- | 285,948 |
| Shawnee Airport Authority - | | |
| Transfer from General Fund | 53,560 | --- |
| Shawnee Civic & Cultural Development Authority - | | |
| Transfer from General Fund | 461,819 | --- |
| Internal Service Funds: | | |
| Workers Compensation Self-Insurance Fund - | | |
| Transfer from General Fund | 232,582 | --- |
| Transfer from General Liability Self-Insurance Fund | 145,922 | --- |
| General Liability Self-Insurance Fund - | | |
| Transfer to Workers Compensation Self-Insurance Fund | --- | 145,922 |
| Transfer from General Fund | 15,000 | --- |
| Uninsured Loss Fund - | | |
| Transfer from General Fund | 5,000 | --- |
| Trust and Agency Funds: | | |
| Library Fund - | | |
| Transfer from General Fund | 40,000 | --- |
| Sister Cities Fund - | | |
| Transfer from Economic Development Fund | 15,000 | --- |
| | <u>\$ 1,980,146</u> | <u>\$ 1,980,146</u> |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 17 - NEW REPORTABLE FUNDS

These financial statements include one new fund as described below:

CDBG FY97 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.

NOTE 18 - 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.

The major difference between the budget and GAAP basis is that revenues and expenditures are recorded when received in cash or paid (budget) as opposed to when susceptible to accrual (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 | Special Revenue Fund | Debt Service Funds | Capital Projects Funds |
| GAAP Basis | \$ (80,057) | \$ (45,434) | \$ 26,946 | \$ 214,201 |
| Increase (decrease) due to revenues: | | | | |
| Received in cash during the year but accrued as revenue in prior year | 619,758 | 26,588 | 165 | 281,415 |
| Revenues recognized at June 30, 1998 for GAAP reporting but not recognized for budget purposes | (646,445) | (34,040) | (64) | (290,858) |
| Increase (decrease) due to expenditures: | | | | |
| Paid in cash during the current year but accrued as expenditures in the prior year | (630,511) | (11,851) | --- | --- |
| Expenditures accrued at June 30, 1998 for GAAP reporting but not recognized for budget purposes | 613,865 | 24,627 | --- | 80,139 |
| Budget Basis | \$ (123,390) | \$ (40,110) | \$ 27,047 | \$ 284,897 |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 19 - BUSINESS SEGMENT INFORMATION

Business segment information for the Enterprise Funds, as of June 30, 1998, and for the year then ended is as follows:

| | Shawnee Municipal Authority | Shawnee Airport Authority | Shawnee Civic and Cultural Development Authority | Total |
|---|-----------------------------------|---------------------------------|---|---------------|
| Operating Revenues | \$ 6,565,621 | \$ 48,955 | \$ 627,388 | \$ 7,241,964 |
| Operating Expenses: | | | | |
| Depreciations | (856,315) | (311,465) | (230,653) | (1,398,433) |
| Other | (4,207,671) | (120,545) | (1,090,269) | (5,418,485) |
| Net Operating Income (Loss) | 1,501,635 | (383,055) | (693,534) | 425,046 |
| Non-Operating Revenues (Expenses) | (1,160,004) | 41,536 | 9,991 | (1,108,477) |
| Net Operating Transfers | 424,617 | 53,560 | 461,819 | 939,996 |
| Net Income (Loss) | 766,248 | (287,959) | (221,724) | 256,565 |
| Current Capital Contributions | 266,880 | 11,503 | --- | 278,383 |
| Property, Plant and Equipment Additions | 515,933 | 410,620 | 27,805 | 954,358 |
| Net Working Capital | 3,789,193 | 152,109 | 198,194 | 4,139,496 |
| Total Assets | 48,535,798 | 4,836,144 | 4,514,020 | 57,885,962 |
| Bonds and Other Long-Term Liabilities Payable from Operations | 22,758,681 | 1,636 | 18,614 | 22,778,931 |
| Total Equity | \$ 23,479,255 | \$ 4,788,910 | \$ 4,199,230 | \$ 32,467,395 |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 20 – EMPLOYEE PENSION AND OTHER BENEFIT PLANS

The City participates in three employee pension systems as follows:

| Name of Plan/System | Type of Plan |
|---|---|
| Oklahoma Police Pension and Retirement Fund | Cost Sharing Multiple Employer – Defined Benefit Plan |
| Oklahoma Firefighters Pension and Retirement Fund | Cost Sharing Multiple Employer – Defined Benefit Plan |
| Oklahoma Municipal Retirement Fund (OMRF) | Agent Multiple Employer – Defined Benefit Plan |

Oklahoma Police and Firefighter's Pension and Retirement Systems

A. Plan Description, Eligibility Factors, Contribution Methods, and Benefit Provisions

The City of Shawnee, as the employer, participates in two statewide cost-sharing multi-employer defined benefit plans on behalf of the police officers and firefighters. The systems are funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary. The following is a summary of eligibility factors, contribution methods, and benefit provisions.

| | Oklahoma Police Pension and Retirement System | Oklahoma Firefighter's Pension and Retirement System |
|--|--|--|
| Obtaining separately issued financial statements | Police Pension & Retirement 1001 N. W. 63 rd St., Suite 605 Oklahoma City, OK 73116-7335 | Firefighter Pension & Retirement 4545 N. Lincoln Blvd., Suite 265 Oklahoma City, OK 73105-3414 |
| Eligibility to participate | All full-time officers, employed by a participating municipality, not less than 21 years of age or more than 45 years of age when hired. | All full-time or voluntary firefighters of a participating municipality hired before age 45. |
| Authority establishing contribution obligations and benefits | State Statute | State Statute |
| Employee's contribution rate (percent of covered payroll) | 8% | 8% |
| City's contribution rate (percent of covered payroll) | 13% | 13% full-time \$60 per volunteer |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 20 – EMPLOYEE PENSION AND OTHER BENEFIT PLANS (Continued)

| | Oklahoma Police Pension and Retirement System | Oklahoma Firefighter's Pension and Retirement System |
|---|--|--|
| State Obligation | State appropriation to fund the unfunded actuarial accrued liability | State appropriation to fund the unfunded actuarial accrued liability |
| Period required to vest | 10 years | 10 years |
| Eligibility and benefits for distribution (full-time) | 20 years credited service, 2 ½ % of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits. | 20 years credited service, 2 ½ % of final average salary multiplied by the years of credited service with a maximum of 30 years considered; if vested, at or after age 50, or after 10 but before 20 years of credited service, with reduced benefits. |
| Eligibility and benefits for distribution (volunteer) | - | 20 years credited service equal to \$5.46 per month per year of service, with a maximum of 30 years considered. |
| Deferred retirement option | Yes, 20 years credited service with additional option to participate in Louisiana Plan. | Yes, 20 years credited service with continued service for a maximum of 30 or more years. |
| Provisions for: | | |
| Cost of living adjustments (normal retirement) | Yes | Yes, if vested by 5/83 |
| Death (duty, non-duty, post retirement) | Yes | Yes |
| Disability (duty, non-duty) | Yes | Yes |
| Cost of living allowances | Yes | Yes |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 20 – EMPLOYEE PENSION AND OTHER BENEFIT PLANS (Continued)

B. Trend Information

Employer contributions required by State Statute:

| <u>Fiscal Year</u> | <u>Oklahoma Police Pension and Retirement System</u> | | <u>Oklahoma Firefighter's Pension and Retirement System</u> | |
|--------------------|--|-----------------------------------|---|-----------------------------------|
| | <u>Required Contribution</u> | <u>Percentage Contributed</u> | <u>Required Contribution</u> | <u>Percentage Contributed</u> |
| 1996 | \$ 176,173 | 100% | \$ 184,045 | 100% |
| 1997 | 190,810 | 100% | 199,385 | 100% |
| 1998 | 195,816 | 100% | 194,422 | 100% |

Trend information showing the progress of the Systems in accumulating sufficient assets to pay benefits when due is presented in their respective separate annual financial statements.

C. Related Party Investments

As of June 30, 1998, the Systems held no related-party investments of the City or its related entities.

Oklahoma Municipal Retirement Fund (OMRF)

A. Plan Description, Eligibility Factors, Contribution Methods, and Benefit Provisions

1. Plan Description

The City contributes to the City of Shawnee Plan and Trust in the form of the Oklahoma Municipal Retirement System Master Defined Benefit Plan and Trust, an agent multiple employer – defined benefit plan. Administration of the City's individual plan rests with the City Commission. The overall operations of OMRF are supervised by a nine-member Board of Trustees elected by the participating municipalities. Bank One of Oklahoma City acts as administrator and securities custodian. OMRF issues separate plan financial statements, which may be obtained by contacting the Oklahoma Municipal Retirement Fund, 100 N. Broadway, Oklahoma City, Oklahoma 73102.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 20 – EMPLOYEE PENSION AND OTHER BENEFIT PLANS (Continued)

2. Eligibility Factors, Contribution Methods and Benefit Provisions

| Provision | OMRF Plan |
|-----------------------------------|---|
| a. Eligible to Participate | Full-time, non-uniformed employees of the City upon hire if less than age 60. |
| b. Contribution Requirements: | |
| -Authorization | By City ordinance |
| -Actuarially Determined | Yes |
| -Employer Rate | 11.04% of covered payroll |
| -Employee Rate | 4.25% of covered payroll |
| c. Period required to vest | 10 years of credited service |
| d. Eligibility for Distribution | -Normal retirement at age 65 with 10 years of service -Early retirement at age 55 with 10 years of service -Disability retirement upon disability with 10 years of service -Death benefit with 10 years of service for married employees |
| e. Benefit Determination Base | Final average salary – the average of the five highest consecutive annual salaries out of the last 10 calendar years of service |
| f. Benefit Determination Methods: | |
| -Normal Retirement | 2.625% of final average salary multiplied by credited years of service |
| -Early Retirement | Actuarially reduced benefit based upon age, final average salary, and years of service at termination |
| -Disability Retirement | Same as normal retirement |
| -In-service Death Benefit | |
| Before vesting | Return of member contributions with interest |
| Married, vested | 50% of the accrued benefit is payable to the spouse until death or remarriage. |
| Single, vested | 50% of the accrued benefit is payable over 60 months certain. |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 20 – EMPLOYEE PENSION AND OTHER BENEFIT PLANS (Continued)

| Provision | OMRF Plan |
|-----------------------------|---|
| -Prior to 10 Years Service | Return of employee contributions with accrued interest |
| g. Form of Benefit Payments | Normal form is a 60 months certain and life thereafter basis. Employee may elect, with City consent, optional form based on actuarial equivalent. |

B. Annual Pension Costs

1. Current Year Contribution Information

For the year ended June 30, 1998, the City's annual required contribution and annual pension cost was \$441,535. The City's actual contributions for the year ended June 30, 1998, totaled \$450,913.

2. Actuarial Assumptions:

| Date of Last Actuarial Valuation | For Plan Year July 1, 1998 |
|--|--|
| a. Actuarial Cost Method | Aggregate actuarial cost method |
| b. Rate of Return on Investments | 7.5% |
| c. Projected Salary Increase | 5.0% |
| d. Post Retirement Cost-of-Living Increase | None |
| e. Inflation Rate | Separate Inflation rate not available, inflation included in projected salary increase. |
| f. Amortization Method of Unfunded Actuarial Accrued Liability | Level percentage of projected payroll. |
| g. Remaining Amortization Period | Due to the use of the aggregate actuarial cost method, unfunded actuarial liabilities are not amortized. |
| h. Asset Valuation Method | A tentative actuarial value, calculated as a 7.5% yield on the actuarial value at the beginning of the period, increased or decreased by a cumulative adjustment using a range of 90% to 110% of the current market value of the fund. |

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 20 – EMPLOYEE PENSION AND OTHER BENEFIT PLANS (Continued)

C. Trend Information

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation (Excess) |
|-----------------------|---------------------------------|-------------------------------------|---------------------------------------|
| June 30, 1996 | \$ 411,212 | 109% | \$ --- |
| June 30, 1997 | 395,020 | 113% | --- |
| June 30, 1998 | 447,556 | 101% | --- |

D. Required Supplementary Information – Schedule of Funding Progress

Due to the Aggregate Actuarial Cost Method being used, actuarial liabilities are not identified or separately amortized; therefore, the Required Supplementary Information Table is unable to be presented.

NOTE 21 - 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 disallowances, if any, would be immaterial to the accompanying general purpose financial statements.

NOTE 22 - DEFICIT RETAINED EARNINGS

The Shawnee Airport Authority and the Shawnee Civic and Cultural Development Authority have a deficit retained earnings of \$1,496,108 and \$1,775,634, respectively, at June 30, 1998.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 23 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, or damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these various risks as follows:

| <u>Type of Loss</u> | <u>Method Managed</u> | <u>Risk of Loss Retained</u> |
|--|---|--|
| a. General Liability: -Torts -Errors and omission | Participation in Oklahoma Municipal Assurance Group Risk Entity Pool | (1) |
| b. Physical Property: -Theft -Damage -Natural disasters | Purchased commercial insurance for all major facilities and structures. | Entire risk of loss retained for all minor facilities and structures. |
| c. Workers Compensation: -Employee injuries | Self-insured with third party administration of the claim process. Risk Management Internal Service Fund used to account for activities with participating funds charged through an estimated annual claim cost. | Entire risk of loss retained. Claim liability determined through estimate of loss by third party administrator. |
| d. Health and Life: -Medical | Purchased commercial insurance. | None |

(1) Oklahoma Municipal Assurance Group (OMAG) Liability Protection Plan

The City participates in the Oklahoma Municipal Assurance Group Liability Protection Plan (the Plan). The basic insurance agreements cover claims against municipalities for all government functions, utilities, and services covered in the Plan. These include bodily injury, property damage, wrongful acts, personal injury, and related torts under the state tort claims law and federal civil rights laws. All public officials, employees, services, and municipal functions, are covered unless they are specifically listed as exclusions in the Plan.

The titles to all assets acquired by the Plan are vested in the Group. In the event of termination of the Group, such property shall belong to the then members of the Group in equal shares. Each participating City pays all costs, premiums, or other fees attributable to its respective participation in the Plan, and is responsible for its obligation under any contract entered into with the Plan.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 23 – RISK MANAGEMENT (Continued)

Reserves for claim losses include provisions for reported claims on a case basis and an estimate of claims incurred but not reported limited by aggregate and individual loss levels as specified by the Plan's reinsurance contracts. These credits, if any, represent contingent liabilities of the Plan if the reinsurer was unable to meet its obligations under the reinsurance agreement.

The Plan's insurance agreements are reinsured for excess losses based upon the contract year. The significant components of each reinsurance contract can be obtained from the Plan's annual financial report.

Claims Liability Analysis

The claims liabilities related to the above noted risks of loss that are retained are determined in accordance with the requirements of Statement of Financial Accounting Standards No. 5., which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

For the internal service self-insurance fund, changes in the liability for the City from July 1, 1996 to June 30, 1998, are as follows:

| | Workers Compensation Self-Insurance Fund |
|---------------------------------|---|
| Claim liability, July 1, 1996 | \$ 292,000 |
| Claims and changes in estimates | 335,426 |
| Claims payments | <u>(385,862)</u> |
| Claim liability, July 1, 1997 | 241,564 |
| Claims and changes in estimates | 241,584 |
| Claims payments | <u>(384,566)</u> |
| Claim liability, June 30, 1998 | <u>\$ 98,582</u> |

Based on past experience, no estimated liability for claims incurred but not reported is considered necessary or material. Retained earnings at June 30, 1998 of \$38,820 was the result of the City's attempt to set aside funds for possible future catastrophic losses.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

City of Shawnee, Oklahoma
Notes to Financial Statements
June 30, 1998
(Continued)

NOTE 24 – YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

The City of Shawnee is aware of the importance of the year 2000 issue and has begun an inventory of the computer systems and other electronic equipment that may be affected. It is unknown as of June 30, 1998, what effects, if any, failing to remediate any such system will have upon City operations and financial reporting.

The accounting, financial reporting, utility billing, payroll, and accounts payable systems have been assessed. The City's software vendor has completed a Year 2000 software upgrade. Implementation of the new version is scheduled for the first quarter of 1999.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the City of Shawnee is or will be Year 2000 ready, that the City of Shawnee's remediation efforts will be successful in whole or in part, or that parties with whom the City of Shawnee does business will be year 2000 ready.

NOTE 25 - SUBSEQUENT EVENTS

There were no notable subsequent events which would have a material effect 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, 1998

| | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------|------------------|------------------|--|
| REVENUES | | | |
| Taxes | \$ 8,762,630 | \$ 8,586,648 | \$ (175,982) |
| Intergovernmental revenue | 239,610 | 190,105 | (49,505) |
| Licenses and permits | 157,820 | 190,345 | 32,525 |
| Fines and forfeitures | 265,600 | 317,234 | 51,634 |
| Interest | 117,040 | 117,863 | 823 |
| Other revenue | 251,820 | 179,855 | (71,965) |
| Total Revenues | <u>9,794,520</u> | <u>9,582,050</u> | <u>(212,470)</u> |
| EXPENDITURES | | | |
| Administration: | | | |
| City Manager's Office - | | | |
| Personal services | 192,100 | 191,884 | 216 |
| Materials and supplies | 2,847 | 2,557 | 290 |
| Other services and charges | 209,481 | 189,709 | 19,772 |
| Total City Manager's Office | <u>404,428</u> | <u>384,150</u> | <u>20,278</u> |
| Action Center - | | | |
| Personal services | 38,367 | 38,276 | 91 |
| Materials and supplies | 3,200 | 2,532 | 668 |
| Other services and charges | 29,817 | 14,232 | 15,585 |
| Total Action Center | <u>71,384</u> | <u>55,040</u> | <u>16,344</u> |
| City Attorney - | | | |
| Other services and charges | 94,200 | 93,800 | 400 |
| Total City Attorney | <u>94,200</u> | <u>93,800</u> | <u>400</u> |
| Personnel - | | | |
| Personal services | 90,725 | 90,326 | 399 |
| Materials and supplies | 2,122 | 1,875 | 247 |
| Other services and charges | 59,009 | 58,036 | 973 |
| Total Personnel | <u>151,856</u> | <u>150,237</u> | <u>1,619</u> |
| Emergency Management - | | | |
| Personal services | 383,499 | 382,915 | 584 |
| Materials and supplies | 6,844 | 6,167 | 677 |
| Other services and charges | 18,282 | 16,008 | 2,274 |
| Total Emergency Management | <u>408,625</u> | <u>405,090</u> | <u>3,535</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, 1998
(Continued)

| | Final Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------|-----------------|------------|--|
| Internal Services: | | | |
| Accounting - | | | |
| Personal services | \$ 190,153 | \$ 190,153 | \$ --- |
| Materials and supplies | 4,292 | 2,690 | 1,602 |
| Other services and charges | 65,438 | 61,041 | 4,397 |
| Total Accounting | 259,883 | 253,884 | 5,999 |
| Purchasing - | | | |
| Materials and supplies | 960 | 167 | 793 |
| Other services and charges | 300 | --- | 300 |
| Total Purchasing | 1,260 | 167 | 1,093 |
| Data Processing - | | | |
| Materials and supplies | 1,200 | 1,174 | 26 |
| Other services and charges | 18,500 | 9,868 | 8,632 |
| Debt service | 15,839 | 11,847 | 3,992 |
| Total Data Processing | 35,539 | 22,889 | 12,650 |
| Building Maintenance - | | | |
| Materials and supplies | 616 | 306 | 310 |
| Other services and charges | 52,700 | 49,061 | 3,639 |
| Total Building Maintenance | 53,316 | 49,367 | 3,949 |
| Equipment Services - | | | |
| Personal services | 160,012 | 159,654 | 358 |
| Materials and supplies | 6,482 | 6,153 | 329 |
| Other services and charges | 13,913 | 10,588 | 3,325 |
| Total Equipment Services | 180,407 | 176,395 | 4,012 |
| Community Services: | | | |
| Municipal Court - | | | |
| Personal services | 183,511 | 183,043 | 468 |
| Materials and supplies | 1,686 | 1,498 | 188 |
| Other services and charges | 78,650 | 68,611 | 10,039 |
| Total Municipal Court | 263,847 | 253,152 | 10,695 |
| Records and Licenses - | | | |
| Personal services | 140,896 | 140,336 | 560 |
| Materials and supplies | 7,125 | 3,881 | 3,244 |
| Other services and charges | 42,302 | 34,712 | 7,590 |
| Total Records and Licenses | 190,323 | 178,929 | 11,394 |

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, 1998
(Continued)

| | Final Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------|------------------|------------------|--|
| Community Development: | | | |
| Code Enforcement - | | | |
| Personal services | \$ 101,032 | \$ 100,445 | \$ 587 |
| Materials and supplies | 750 | 403 | 347 |
| Other services and charges | 6,000 | 2,409 | 3,591 |
| Total Code Enforcement | <u>107,782</u> | <u>103,257</u> | <u>4,525</u> |
| Planning - | | | |
| Personal services | 89,018 | 87,240 | 1,778 |
| Materials and supplies | 600 | 541 | 59 |
| Other services and charges | 31,751 | 13,114 | 18,637 |
| Total Planning | <u>121,369</u> | <u>100,895</u> | <u>20,474</u> |
| Police: | | | |
| Police - Auxiliary - | | | |
| Personal services | 220,365 | 219,025 | 1,340 |
| Materials and supplies | 33,972 | 33,929 | 43 |
| Other services and charges | 29,758 | 28,460 | 1,298 |
| Total Police Auxiliary | <u>284,095</u> | <u>281,414</u> | <u>2,681</u> |
| Police - Patrol - | | | |
| Personal services | 1,761,560 | 1,748,631 | 12,929 |
| Materials and supplies | 14,712 | 13,835 | 877 |
| Other services and charges | 92,452 | 89,637 | 2,815 |
| Total Police Patrol | <u>1,868,724</u> | <u>1,852,103</u> | <u>16,621</u> |
| Police - CID - | | | |
| Personal services | 388,824 | 388,023 | 801 |
| Materials and supplies | 11,700 | 11,061 | 639 |
| Other services and charges | 22,978 | 20,360 | 2,618 |
| Total Police CID | <u>423,502</u> | <u>419,444</u> | <u>4,058</u> |
| Police - Humane - | | | |
| Personal services | 127,180 | 126,896 | 284 |
| Materials and supplies | 6,550 | 5,933 | 617 |
| Other services and charges | 9,645 | 9,275 | 370 |
| Total Police Humane | <u>143,375</u> | <u>142,104</u> | <u>1,271</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, 1998
(Continued)

| | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------------|------------------|------------------|--|
| Fire: | | | |
| Fire Prevention - | | | |
| Personal services | \$ 221,468 | \$ 221,360 | \$ 108 |
| Materials and supplies | 1,429 | 1,310 | 119 |
| Other services and charges | 7,595 | 7,438 | 157 |
| Total Fire Prevention | <u>230,492</u> | <u>230,108</u> | <u>384</u> |
| Fire Suppression - | | | |
| Personal services | 1,878,082 | 1,869,055 | 9,027 |
| Materials and supplies | 61,924 | 54,385 | 7,539 |
| Other services and charges | 53,085 | 52,388 | 697 |
| Total Fire Suppression | <u>1,993,091</u> | <u>1,975,828</u> | <u>17,263</u> |
| Fire Training - | | | |
| Materials and supplies | 400 | 248 | 152 |
| Other services and charges | 29,500 | 28,187 | 1,313 |
| Total Fire Training | <u>29,900</u> | <u>28,435</u> | <u>1,465</u> |
| Engineering: | | | |
| Personal services | 200,884 | 197,945 | 2,939 |
| Materials and supplies | 4,080 | 2,520 | 1,560 |
| Other services and charges | 37,386 | 20,665 | 16,721 |
| Total Engineering | <u>242,350</u> | <u>221,130</u> | <u>21,220</u> |
| Public Works: | | | |
| Public Works - Administration - | | | |
| Personal services | 136,486 | 136,316 | 170 |
| Materials and supplies | 805 | 595 | 210 |
| Other services and charges | 17,776 | 14,573 | 3,203 |
| Total Public Works Administration | <u>155,067</u> | <u>151,484</u> | <u>3,583</u> |
| Street Maintenance - | | | |
| Personal services | 425,134 | 423,808 | 1,326 |
| Materials and supplies | 42,000 | 35,253 | 6,747 |
| Other services and charges | 370,069 | 337,825 | 32,244 |
| Total Street Maintenance | <u>837,203</u> | <u>796,886</u> | <u>40,317</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, 1998
(Continued)

| | Final Budget | Actual | Variance Favorable (Unfavorable) |
|------------------------------|-----------------|----------------|--|
| Traffic Control - | | | |
| Personal services | \$ 84,895 | \$ 84,369 | \$ 526 |
| Materials and supplies | 26,458 | 22,473 | 3,985 |
| Other services and charges | 18,243 | 12,382 | 5,861 |
| Total Traffic Control | <u>129,596</u> | <u>119,224</u> | <u>10,372</u> |
| Parks Maintenance - | | | |
| Personal services | 301,612 | 300,665 | 947 |
| Materials and supplies | 31,146 | 30,254 | 892 |
| Other services and charges | 70,228 | 62,503 | 7,725 |
| Total Parks Maintenance | <u>402,986</u> | <u>393,422</u> | <u>9,564</u> |
| Cemetery - | | | |
| Personal services | 78,256 | 76,271 | 1,985 |
| Materials and supplies | 7,650 | 7,490 | 160 |
| Other services and charges | 9,785 | 8,669 | 1,116 |
| Total Cemetery | <u>95,691</u> | <u>92,430</u> | <u>3,261</u> |
| Municipal Auditorium - | | | |
| Materials and supplies | 750 | 159 | 591 |
| Other services and charges | 6,500 | 2,389 | 4,111 |
| Total Municipal Auditorium | <u>7,250</u> | <u>2,548</u> | <u>4,702</u> |
| Community Center - | | | |
| Materials and supplies | 1,860 | 262 | 1,598 |
| Other services and charges | 9,965 | 8,562 | 1,403 |
| Total Community Center | <u>11,825</u> | <u>8,824</u> | <u>3,001</u> |
| Senior Citizens Center - | | | |
| Materials and supplies | 200 | 93 | 107 |
| Other services and charges | 48,900 | 47,571 | 1,329 |
| Total Senior Citizens Center | <u>49,100</u> | <u>47,664</u> | <u>1,436</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, 1998
(Continued)

| | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|-------------------|--|
| Centralized Costs: | | | |
| Materials and supplies | \$ 141,949 | \$ 117,114 | \$ 24,835 |
| Other services and charges | 851,795 | 813,452 | 38,343 |
| Total Centralized Costs | <u>993,744</u> | <u>930,566</u> | <u>63,178</u> |
| Contingencies: | | | |
| Other services and charges | 109,294 | 64,324 | 44,970 |
| Total Contingencies | <u>109,294</u> | <u>64,324</u> | <u>44,970</u> |
| Total Expenditures | <u>10,351,504</u> | <u>9,985,190</u> | <u>366,314</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(556,984)</u> | <u>(403,140)</u> | <u>153,844</u> |
| Other Financing Sources (Uses) | | | |
| Transfers from other funds | 1,014,750 | 1,014,750 | --- |
| Transfers to other funds | <u>(735,000)</u> | <u>(735,000)</u> | <u>---</u> |
| Net Other Financing Sources (Uses) | <u>279,750</u> | <u>279,750</u> | <u>---</u> |
| Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses | <u>(277,234)</u> | <u>(123,390)</u> | <u>153,844</u> |
| Fund Balance - Beginning | <u>1,008,705</u> | <u>983,107</u> | <u>(25,598)</u> |
| Fund Balance - Ending | <u>\$ 731,471</u> | <u>\$ 859,717</u> | <u>\$ 128,246</u> |

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, 1998

| | Street and Alley Fund | E-911 Fund | Revolving Oil and Gas Fund | Economic Development Fund | Spay Neuter Fund | Hotel/Motel Surcharge Fund | CDBG FY 93 Entitlement Fund | CDBG FY 94 Entitlement Fund | CDBG FY 95 Entitlement Fund | CDBG FY 96 Entitlement Fund | CDBG FY 97 Entitlement Fund | FY 96 Home Grant Fund | FY 95 Emergency Shelter Grant Fund | FY 96 Emergency Shelter Grant Fund | Total |
|--|-----------------------------|------------------|----------------------------------|---------------------------------|------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|--|--|-------------------|
| ASSETS | | | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 32,498 | \$ 64,120 | \$ 17,714 | \$ 120,453 | \$ 24,751 | \$ 10,956 | \$ 4,017 | \$ --- | \$ 14,475 | \$ 425 | \$ --- | \$ 31,885 | \$ --- | \$ --- | \$ 321,294 |
| Receivables: | | | | | | | | | | | | | | | |
| Accrued interest | 98 | --- | 33 | 77 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 208 |
| Due from other governments | --- | --- | --- | 14,786 | --- | --- | --- | 10,507 | --- | 625 | --- | --- | 10,979 | 2,742 | 39,639 |
| Due from other funds | --- | --- | --- | --- | --- | --- | --- | --- | 24,081 | --- | --- | --- | --- | --- | 24,081 |
| Other receivables | --- | --- | --- | --- | --- | 19,044 | --- | --- | --- | --- | --- | --- | --- | --- | 19,044 |
| Prepaid expense | --- | 1,941 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 1,941 |
| TOTAL ASSETS | \$ 32,596 | \$ 66,061 | \$ 17,747 | \$ 135,316 | \$ 24,751 | \$ 30,000 | \$ 4,017 | \$ 10,507 | \$ 38,556 | \$ 1,050 | \$ --- | \$ 31,885 | \$ 10,979 | \$ 2,742 | \$ 406,207 |
| LIABILITIES | | | | | | | | | | | | | | | |
| Accounts payable | \$ --- | \$ --- | \$ --- | \$ --- | \$ 250 | \$ 26,569 | \$ 4,017 | \$ 147 | \$ 1,018 | \$ 1,050 | \$ --- | \$ 5,533 | \$ --- | \$ --- | \$ 38,584 |
| Deferred revenue | --- | --- | --- | --- | --- | --- | --- | --- | 37,538 | --- | --- | 26,352 | --- | --- | 63,890 |
| Due to other funds | --- | --- | --- | --- | --- | --- | --- | 10,360 | --- | --- | --- | --- | 10,979 | 2,742 | 24,081 |
| Total Liabilities | --- | --- | --- | --- | 250 | 26,569 | 4,017 | 10,507 | 38,556 | 1,050 | --- | 31,885 | 10,979 | 2,742 | 126,555 |
| FUND EQUITY | | | | | | | | | | | | | | | |
| Fund balance: | | | | | | | | | | | | | | | |
| Reserved for encumbrance | 480 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 480 |
| Unreserved | 32,116 | 66,061 | 17,747 | 135,316 | 24,501 | 3,431 | --- | --- | --- | --- | --- | --- | --- | --- | 279,172 |
| Total Fund Equity | 32,596 | 66,061 | 17,747 | 135,316 | 24,501 | 3,431 | --- | --- | --- | --- | --- | --- | --- | --- | 279,652 |
| TOTAL LIABILITIES AND FUND EQUITY | \$ 32,596 | \$ 66,061 | \$ 17,747 | \$ 135,316 | \$ 24,751 | \$ 30,000 | \$ 4,017 | \$ 10,507 | \$ 38,556 | \$ 1,050 | \$ --- | \$ 31,885 | \$ 10,979 | \$ 2,742 | \$ 406,207 |

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, 1998

| | Street and Alley Fund | E-911 Fund | Revolving Oil and Gas Fund | Economic Development Fund | Spay Neuter Fund | Hotel/Motel Surcharge Fund | CDBG FY 93 Entitlement Fund | CDBG FY 94 Entitlement Fund | CDBG FY 95 Entitlement Fund | CDBG FY 96 Entitlement Fund | CDBG FY 97 Entitlement Fund | FY96 Home Grant Fund | FY95 Emergency Shelter Grant Fund | FY96 Emergency Shelter Grant Fund | Total |
|--|-----------------------------|------------------|----------------------------------|---------------------------------|------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------|---|---|-------------------|
| Revenues: | | | | | | | | | | | | | | | |
| Taxes | \$ 234,418 | \$ 107,345 | \$ --- | \$ 174,173 | \$ --- | \$ 95,896 | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ 611,832 |
| Intergovernmental revenues | --- | --- | --- | --- | --- | --- | 53,339 | 8,731 | 19,997 | 282,950 | 78,543 | 110,662 | --- | --- | 554,222 |
| Licenses and permits | 3,119 | --- | 12,250 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 15,369 |
| Interest | 6,925 | --- | 1,636 | 2,095 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 10,656 |
| Other revenues | 433 | --- | --- | --- | 5,515 | --- | --- | --- | --- | 34,009 | --- | 39,282 | --- | --- | 79,239 |
| Total Revenues | 244,895 | 107,345 | 13,886 | 176,268 | 5,515 | 95,896 | 53,339 | 8,731 | 19,997 | 316,959 | 78,543 | 149,944 | --- | --- | 1,271,318 |
| Expenditures: | | | | | | | | | | | | | | | |
| Current - | | | | | | | | | | | | | | | |
| General government | --- | --- | --- | --- | --- | 94,947 | --- | --- | --- | --- | --- | --- | --- | --- | 94,947 |
| Public safety | --- | 24,326 | 1,416 | --- | 8,205 | --- | --- | --- | --- | --- | --- | --- | --- | --- | 33,947 |
| Public works | 226,054 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 226,054 |
| Urban redevelopment and housing | --- | --- | --- | --- | --- | --- | 53,339 | 8,731 | 19,997 | 179,746 | 78,543 | 149,944 | --- | --- | 490,300 |
| Economic development | --- | --- | --- | 126,800 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 126,800 |
| Capital outlay | 110,776 | --- | --- | --- | --- | --- | --- | --- | --- | 137,213 | --- | --- | --- | --- | 247,989 |
| Debt service - | | | | | | | | | | | | | | | |
| Principal retirement | --- | 53,622 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 53,622 |
| Interest and fiscal charges | --- | 13,343 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 13,343 |
| Total Expenditures | 336,830 | 91,291 | 1,416 | 126,800 | 8,205 | 94,947 | 53,339 | 8,731 | 19,997 | 316,959 | 78,543 | 149,944 | --- | --- | 1,287,002 |
| Excess of Revenues Over (Under) Expenditures | (91,935) | 16,054 | 12,470 | 49,468 | (2,690) | 949 | --- | --- | --- | --- | --- | --- | --- | --- | (15,684) |
| Other Financing Sources (Uses): | | | | | | | | | | | | | | | |
| Operating transfers out | --- | --- | (14,750) | (15,000) | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | (29,750) |
| Total Other Financing Sources (Uses) | --- | --- | (14,750) | (15,000) | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | (29,750) |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (91,935) | 16,054 | (2,280) | 34,468 | (2,690) | 949 | --- | --- | --- | --- | --- | --- | --- | --- | (45,434) |
| Fund Balances - Beginning | 124,531 | 50,007 | 20,027 | 100,848 | 27,191 | 2,362 | --- | --- | --- | --- | --- | --- | --- | --- | 324,966 |
| Prior Period Adjustment | --- | --- | --- | --- | --- | 120 | --- | --- | --- | --- | --- | --- | --- | --- | 120 |
| Fund Balances - Ending | \$ 32,596 | \$ 66,061 | \$ 17,747 | \$ 135,316 | \$ 24,501 | \$ 3,431 | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ 279,652 |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Taxes | \$ 227,330 | \$ 234,418 | \$ 7,088 |
| Licenses and permits | 3,390 | 3,119 | (271) |
| Interest | 6,100 | 6,940 | 840 |
| Other revenue | --- | 433 | 433 |
| Total Revenues | <u>236,820</u> | <u>244,910</u> | <u>8,090</u> |
| EXPENDITURES | | | |
| Public Works: | | | |
| Street and Alley- | | | |
| Other services and charges | <u>245,000</u> | <u>226,054</u> | <u>18,946</u> |
| Total Street and Alley | <u>245,000</u> | <u>226,054</u> | <u>18,946</u> |
| Capital Outlay: | | | |
| Street and Alley | <u>112,163</u> | <u>110,777</u> | <u>1,386</u> |
| Total Capital Outlay | <u>112,163</u> | <u>110,777</u> | <u>1,386</u> |
| Total Expenditures | <u>357,163</u> | <u>336,831</u> | <u>20,332</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(120,343)</u> | <u>(91,921)</u> | <u>28,422</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>(120,343)</u> | <u>(91,921)</u> | <u>28,422</u> |
| Fund Balances - Beginning | <u>120,343</u> | <u>124,419</u> | <u>4,076</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ 32,498</u> | <u>\$ 32,498</u> |

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, 1998

| | <u>Budget</u> | <u>Actual</u> | Variance - Favorable (Unfavorable) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Taxes | \$ 111,510 | \$ 107,390 | \$ (4,120) |
| Total Revenues | <u>111,510</u> | <u>107,390</u> | <u>(4,120)</u> |
| EXPENDITURES | | | |
| Community Services: | | | |
| E-911 - | | | |
| Other services and charges | 56,122 | 26,267 | 29,855 |
| Total E-911 | <u>56,122</u> | <u>26,267</u> | <u>29,855</u> |
| Debt Service: | | | |
| Debt service | 66,965 | 66,965 | --- |
| Total Debt Service | <u>66,965</u> | <u>66,965</u> | <u>---</u> |
| Total Expenditures | <u>123,087</u> | <u>93,232</u> | <u>29,855</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(11,577)</u> | <u>14,158</u> | <u>25,735</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | --- | --- | --- |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (11,577) | 14,158 | 25,735 |
| Fund Balances - Beginning | <u>64,074</u> | <u>49,961</u> | <u>(14,113)</u> |
| Fund Balances - Ending | <u>\$ 52,497</u> | <u>\$ 64,119</u> | <u>\$ 11,622</u> |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|----------|-----------|--|
| REVENUES | | | |
| Licenses and permits | \$ 4,700 | \$ 12,250 | \$ 7,550 |
| Interest | 760 | 1,621 | 861 |
| Total Revenues | 5,460 | 13,871 | 8,411 |
| EXPENDITURES | | | |
| Fire: | | | |
| Revolving Oil and Gas- | | | |
| Materials and supplies | 3,000 | 1,260 | 1,740 |
| Other services and charges | 6,828 | 156 | 6,672 |
| Total Revolving Oil and Gas | 9,828 | 1,416 | 8,412 |
| Capital Outlay: | | | |
| Revolving Oil and Gas | --- | --- | --- |
| Total Capital Outlay | --- | --- | --- |
| Total Expenditures | 9,828 | 1,416 | 8,412 |
| Excess of Revenues Over (Under) Expenditures | (4,368) | 12,455 | 16,823 |
| 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 | (19,118) | (2,295) | 16,823 |
| Fund Balances - Beginning | 19,118 | 20,009 | 891 |
| Fund Balances - Ending | \$ --- | \$ 17,714 | \$ 17,714 |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|------------|------------|--|
| REVENUES | | | |
| Taxes | \$ 174,060 | \$ 173,714 | \$ (346) |
| Interest | 1,830 | 2,095 | 265 |
| Total Revenues | 175,890 | 175,809 | (81) |
| EXPENDITURES | | | |
| Administration: | | | |
| Economic Development- | | | |
| Other services and charges | 151,000 | 126,800 | 24,200 |
| Total Economic Development | 151,000 | 126,800 | 24,200 |
| Capital Outlay: | | | |
| Capital outlay | 15,000 | --- | 15,000 |
| Total Capital Outlay | 15,000 | --- | 15,000 |
| Total Expenditures | 166,000 | 126,800 | 39,200 |
| Excess of Revenues Over (Under) Expenditures | 9,890 | 49,009 | 39,119 |
| 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 | (5,110) | 34,009 | 39,119 |
| Fund Balances - Beginning | 128,478 | 86,444 | (42,034) |
| Fund Balances - Ending | \$ 123,368 | \$ 120,453 | \$ (2,915) |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|-----------------|------------------|--|
| REVENUES | | | |
| Other revenues | \$ 6,100 | \$ 5,540 | \$ (560) |
| Total Revenues | <u>6,100</u> | <u>5,540</u> | <u>(560)</u> |
| EXPENDITURES | | | |
| Police: | | | |
| Spay/Neuter- | | | |
| Other services and charges | 34,526 | 8,205 | 26,321 |
| Total Spay/Neuter | <u>34,526</u> | <u>8,205</u> | <u>26,321</u> |
| Total Expenditures | <u>34,526</u> | <u>8,205</u> | <u>26,321</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(28,426)</u> | <u>(2,665)</u> | <u>25,761</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | --- | --- | --- |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (28,426) | (2,665) | 25,761 |
| Fund Balances - Beginning | <u>28,426</u> | <u>27,166</u> | <u>(1,260)</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ 24,501</u> | <u>\$ 24,501</u> |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Taxes | \$ 97,000 | \$ 88,833 | \$ (8,167) |
| Total Revenues | <u>97,000</u> | <u>88,833</u> | <u>(8,167)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| Hotel/Motel Surcharge- | | | |
| Other services and charges | <u>96,150</u> | <u>80,229</u> | <u>15,921</u> |
| Total Hotel/Motel Surcharge | <u>96,150</u> | <u>80,229</u> | <u>15,921</u> |
| Total Expenditures | <u>96,150</u> | <u>80,229</u> | <u>15,921</u> |
| Excess of Revenues Over (Under) Expenditures | <u>850</u> | <u>8,604</u> | <u>7,754</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | 850 | 8,604 | 7,754 |
| Fund Balances - Beginning | <u>14,335</u> | <u>2,352</u> | <u>(11,983)</u> |
| Fund Balances - Ending | <u>\$ 15,185</u> | <u>\$ 10,956</u> | <u>\$ (4,229)</u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 93 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1998

| | <u>Budget</u> | <u>Actual</u> | <u>Variance - Favorable (Unfavorable)</u> |
|--|----------------------|----------------------|---|
| REVENUES | | | |
| Intergovernmental revenues | \$ 63,868 | \$ 53,339 | \$ (10,529) |
| Total Revenues | <u>63,868</u> | <u>53,339</u> | <u>(10,529)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| Housing Rehabilitation- | | | |
| Other services and charges | <u>63,868</u> | <u>53,339</u> | <u>10,529</u> |
| Total Housing Rehabilitation | <u>63,868</u> | <u>53,339</u> | <u>10,529</u> |
| Total Expenditures | <u>63,868</u> | <u>53,339</u> | <u>10,529</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u><u>\$ ---</u></u> | <u><u>\$ ---</u></u> | <u><u>\$ ---</u></u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 94 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1998

| | <u>Budget</u> | <u>Actual</u> | Variance - Favorable (Unfavorable) |
|--|---------------|---------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 14,919 | \$ 8,731 | \$ (6,188) |
| Total Revenues | <u>14,919</u> | <u>8,731</u> | <u>(6,188)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| CDBG Administration- | | | |
| Materials and supplies | <u>37</u> | <u>21</u> | <u>16</u> |
| Total CDBG Administration | <u>37</u> | <u>21</u> | <u>16</u> |
| Housing Rehabilitation- | | | |
| Other services and charges | <u>9,571</u> | <u>8,710</u> | <u>861</u> |
| Total Housing Rehabilitation | <u>9,571</u> | <u>8,710</u> | <u>861</u> |
| Capital Outlay: | | | |
| Capital outlay | <u>5,311</u> | <u>---</u> | <u>5,311</u> |
| Total Capital Outlay | <u>5,311</u> | <u>---</u> | <u>5,311</u> |
| Total Expenditures | <u>14,919</u> | <u>8,731</u> | <u>6,188</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | <u>---</u> | <u>---</u> | <u>---</u> |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ ---</u> | <u>\$ ---</u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 95 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|---------------|---------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 91,299 | \$ 19,997 | \$ (71,302) |
| Total Revenues | <u>91,299</u> | <u>19,997</u> | <u>(71,302)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| CDBG Administration- | | | |
| Personal services | 14,163 | 7,993 | 6,170 |
| Materials and supplies | 34 | 34 | --- |
| Other services and charges | <u>1,281</u> | <u>967</u> | <u>314</u> |
| Total CDBG Administration | <u>15,478</u> | <u>8,994</u> | <u>6,484</u> |
| Housing Rehabilitation- | | | |
| Other services and charges | <u>50,225</u> | <u>11,003</u> | <u>39,222</u> |
| Total Housing Rehabilitation | <u>50,225</u> | <u>11,003</u> | <u>39,222</u> |
| Capital Outlay: | | | |
| Capital outlay | <u>25,596</u> | <u>---</u> | <u>25,596</u> |
| Total Capital Outlay | <u>25,596</u> | <u>---</u> | <u>25,596</u> |
| Total Expenditures | <u>91,299</u> | <u>19,997</u> | <u>71,302</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ ---</u> | <u>\$ ---</u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 96 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|----------------|----------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 464,313 | \$ 282,950 | \$ 181,363 |
| Other revenue | 35,872 | 34,009 | 1,863 |
| Total Revenues | <u>500,185</u> | <u>316,959</u> | <u>183,226</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| CDBG Administration- | | | |
| Personal services | 30,831 | 30,831 | --- |
| Materials and supplies | 2,241 | 2,163 | 78 |
| Other services and charges | 12,832 | 12,832 | --- |
| Total CDBG Administration | <u>45,904</u> | <u>45,826</u> | <u>78</u> |
| Housing Rehabilitation- | | | |
| Personal services | 49,903 | 49,903 | --- |
| Other services and charges | 248,630 | 84,017 | 164,613 |
| Total Housing Rehabilitation | <u>298,533</u> | <u>133,920</u> | <u>164,613</u> |
| Capital Outlay: | | | |
| Capital outlay | 155,748 | 137,213 | 18,535 |
| Total Capital Outlay | <u>155,748</u> | <u>137,213</u> | <u>18,535</u> |
| Total Expenditures | <u>500,185</u> | <u>316,959</u> | <u>183,226</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | --- | --- | --- |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ ---</u> | <u>\$ ---</u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 97 CDBG Entitlement Fund
For the Fiscal Year Ended June 30, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|----------------|---------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 583,000 | \$ 78,543 | \$ (504,457) |
| Total Revenues | <u>583,000</u> | <u>78,543</u> | <u>(504,457)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| CDBG Administration- | | | |
| Personal services | 43,600 | 9,149 | 34,451 |
| Materials and supplies | 2,300 | --- | 2,300 |
| Other services and charges | <u>17,500</u> | <u>---</u> | <u>17,500</u> |
| Total CDBG Administration | <u>63,400</u> | <u>9,149</u> | <u>54,251</u> |
| Housing Rehabilitation- | | | |
| Personal services | 111,000 | 69,394 | 41,606 |
| Other services and charges | <u>258,600</u> | <u>---</u> | <u>258,600</u> |
| Total Housing Rehabilitation | <u>369,600</u> | <u>69,394</u> | <u>300,206</u> |
| Capital Outlay: | | | |
| Capital outlay | <u>150,000</u> | <u>---</u> | <u>150,000</u> |
| Total Capital Outlay | <u>150,000</u> | <u>---</u> | <u>150,000</u> |
| Total Expenditures | <u>583,000</u> | <u>78,543</u> | <u>504,457</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ ---</u> | <u>\$ ---</u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 96 Home Grant Fund
For the Fiscal Year Ended June 30, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|------------|------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 145,428 | \$ 110,662 | \$ (34,766) |
| Other revenue | 42,873 | 39,282 | (3,591) |
| Total Revenues | 188,301 | 149,944 | (38,357) |
| EXPENDITURES | | | |
| Community Development: | | | |
| Home Administration- | | | |
| Personal services | 7,381 | 6,640 | 741 |
| Total Home Administration | 7,381 | 6,640 | 741 |
| Development Hard Costs- | | | |
| Other services and charges | 180,920 | 143,304 | 37,616 |
| Total Development Hard Costs | 180,920 | 143,304 | 37,616 |
| Total Expenditures | 188,301 | 149,944 | 38,357 |
| 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)
FY 95 Emergency Shelter Grant
For the Fiscal Year Ended June 30, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|---------------|---------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 686 | \$ --- | \$ (686) |
| Total Revenues | <u>686</u> | <u>---</u> | <u>(686)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| Emergency Shelter- | | | |
| Other services and charges | 686 | --- | 686 |
| Total Emergency Shelter | <u>686</u> | <u>---</u> | <u>686</u> |
| Total Expenditures | <u>686</u> | <u>---</u> | <u>686</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | --- | --- | --- |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ ---</u> | <u>\$ ---</u> |

City of Shawnee, Oklahoma
Schedule of Departmental Revenues,
Expenditures and Changes in Fund Balance
Budget to Actual (Non-GAAP Budgetary Basis)
FY 96 Emergency Shelter Grant
For the Fiscal Year Ended June 30, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|---------------|---------------|--|
| REVENUES | | | |
| Intergovernmental revenues | \$ 14,836 | \$ --- | \$ (14,836) |
| Total Revenues | <u>14,836</u> | <u>---</u> | <u>(14,836)</u> |
| EXPENDITURES | | | |
| Community Development: | | | |
| Emergency Shelter- | | | |
| Other services and charges | 14,836 | --- | 14,836 |
| Total Emergency Shelter | <u>14,836</u> | <u>---</u> | <u>14,836</u> |
| Total Expenditures | <u>14,836</u> | <u>---</u> | <u>14,836</u> |
| Excess of Revenues Over (Under) Expenditures | <u>---</u> | <u>---</u> | <u>---</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | --- | --- | --- |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Beginning | <u>---</u> | <u>---</u> | <u>---</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ ---</u> | <u>\$ ---</u> |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|------------|------------|--|
| REVENUES | | | |
| Taxes | \$ 381,690 | \$ 289,759 | \$ (91,931) |
| Interest | 1,340 | 1,720 | 380 |
| Other revenues | 15,740 | 76,103 | 60,363 |
| Total Revenues | 398,770 | 367,582 | (31,188) |
| EXPENDITURES | | | |
| Debt Service: | | | |
| Debt service | 340,536 | 340,535 | 1 |
| Total Debt Service | 340,536 | 340,535 | 1 |
| Total Expenditures | 340,536 | 340,535 | 1 |
| Excess of Revenues Over (Under) Expenditures | 58,234 | 27,047 | (31,187) |
| 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 | 58,234 | 27,047 | (31,187) |
| Fund Balances - Beginning | 185,800 | 194,654 | 8,854 |
| Fund Balances - Ending | \$ 244,034 | \$ 221,701 | \$ (22,333) |

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, 1998

| | Capital Improvement Fund | Street Improvement Fund | 1994 Street Improvement Project Fund | Total |
|--|--------------------------------|-------------------------------|---|---------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,136,003 | \$ 2,712,442 | \$ 640,348 | \$ 4,488,793 |
| Receivables: | | | | |
| Accrued interest | 4,059 | 3,792 | 2,063 | 9,914 |
| Due from other governments | 133,078 | 147,865 | --- | 280,943 |
| TOTAL ASSETS | <u>\$ 1,273,140</u> | <u>\$ 2,864,099</u> | <u>\$ 642,411</u> | <u>\$ 4,779,650</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 45,879 | \$ 93,522 | \$ --- | \$ 139,401 |
| Other liabilities | --- | 64,558 | --- | 64,558 |
| Total Liabilities | <u>45,879</u> | <u>158,080</u> | <u>---</u> | <u>203,959</u> |
| FUND EQUITY | | | | |
| Fund balance: | | | | |
| Reserved for encumbrances | 436,542 | 812,141 | 1,262 | 1,249,945 |
| Unreserved | 790,719 | 1,893,878 | 641,149 | 3,325,746 |
| Total Fund Equity | <u>1,227,261</u> | <u>2,706,019</u> | <u>642,411</u> | <u>4,575,691</u> |
| TOTAL LIABILITIES AND FUND EQUITY | <u>\$ 1,273,140</u> | <u>\$ 2,864,099</u> | <u>\$ 642,411</u> | <u>\$ 4,779,650</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, 1998

| | Capital Improvement Fund | Street Improvement Fund | 1994 Street Improvement Project Fund | Total |
|---|--------------------------------|-------------------------------|---|---------------------|
| Revenues: | | | | |
| Taxes | \$ 1,567,559 | \$ 1,741,732 | \$ --- | \$ 3,309,291 |
| Interest | <u>78,836</u> | <u>67,528</u> | <u>24,312</u> | <u>170,676</u> |
| Total Revenues | <u>1,646,395</u> | <u>1,809,260</u> | <u>24,312</u> | <u>3,479,967</u> |
| Expenditures: | | | | |
| General government | 2,805 | 690 | 2,352 | 5,847 |
| Capital outlay | 1,027,236 | 1,280,960 | 24,347 | 2,332,543 |
| Debt Service - | | | | |
| Principal retirement | 135,911 | 61,043 | --- | 196,954 |
| Interest and fiscal charges | <u>14,423</u> | <u>5,434</u> | <u>---</u> | <u>19,857</u> |
| Total Expenditures | <u>1,180,375</u> | <u>1,348,127</u> | <u>26,699</u> | <u>2,555,201</u> |
| Excess of Revenues Over (Under) Expenditures | <u>466,020</u> | <u>461,133</u> | <u>(2,387)</u> | <u>924,766</u> |
| Other Financing Sources (Uses): | | | | |
| Operating transfers out | <u>(533,280)</u> | <u>(177,285)</u> | <u>---</u> | <u>(710,565)</u> |
| Total Other Financing Sources (Uses) | <u>(533,280)</u> | <u>(177,285)</u> | <u>---</u> | <u>(710,565)</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (67,260) | 283,848 | (2,387) | 214,201 |
| Fund Balances - Beginning | 1,292,200 | 2,419,875 | 642,855 | 4,354,930 |
| Prior Period Adjustments | <u>2,321</u> | <u>2,296</u> | <u>1,943</u> | <u>6,560</u> |
| Fund Balances - Ending | <u>\$ 1,227,261</u> | <u>\$ 2,706,019</u> | <u>\$ 642,411</u> | <u>\$ 4,575,691</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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|--------------|--------------|--|
| REVENUES | | | |
| Taxes | \$ 1,566,580 | \$ 1,563,428 | \$ (3,152) |
| Intergovernmental revenues | 51,000 | --- | (51,000) |
| Interest | 46,410 | 77,919 | 31,509 |
| Total Revenues | 1,663,990 | 1,641,347 | (22,643) |
| EXPENDITURES | | | |
| Administration: | | | |
| General Administration- | | | |
| Other services and charges | 3,991 | 2,805 | 1,186 |
| Total General Administration | 3,991 | 2,805 | 6,796 |
| Capital Outlay: | | | |
| General administration | 48,914 | 37,607 | 11,307 |
| Internal services | 107,100 | 29,700 | 77,400 |
| Community services | 59,500 | 5,009 | 54,491 |
| Exposition center | 133,000 | --- | 133,000 |
| Community development | 870 | 870 | --- |
| Engineering | 58,980 | 17,946 | 41,034 |
| Police | 277,016 | 73,735 | 203,281 |
| Fire | 525,470 | 132,943 | 392,527 |
| Public works | 467,725 | 375,925 | 91,800 |
| Public works - SMA | 146,854 | 78,223 | 68,631 |
| Other expenditures | 313,411 | 275,278 | 38,133 |
| Total Capital Outlay | 2,138,840 | 1,027,236 | 1,111,604 |
| Debt Service | 150,334 | 150,334 | --- |
| Total Expenditures | 2,293,165 | 1,180,375 | 1,112,790 |
| Excess of Revenues Over (Under) Expenditures | (629,175) | 460,972 | 1,090,147 |
| Other Financing Sources (Uses): | | | |
| 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 | (1,162,455) | (72,308) | 1,090,147 |
| Fund Balances - Beginning | 1,162,455 | 1,162,432 | (23) |
| Fund Balances - Ending | \$ --- | \$ 1,090,124 | \$ 1,090,124 |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|--------------------|---------------------|--|
| REVENUES | | | |
| Taxes | \$ 1,740,640 | \$ 1,737,143 | \$ (3,497) |
| Intergovernmental revenues | 248,400 | --- | (248,400) |
| Interest | 42,530 | 66,165 | 23,635 |
| Other revenues | 50,000 | --- | (50,000) |
| Total Revenues | <u>2,081,570</u> | <u>1,803,308</u> | <u>(278,262)</u> |
| EXPENDITURES | | | |
| Administration: | | | |
| General Administration- | | | |
| Other services and charges | <u>11,143</u> | <u>690</u> | <u>10,453</u> |
| Total General Administration | <u>11,143</u> | <u>690</u> | <u>10,453</u> |
| Capital Outlay: | | | |
| New Streets | 2,439,361 | 501,884 | 1,937,477 |
| Open Sections | 219,427 | 164,018 | 55,409 |
| Overlays | 135,711 | 13,042 | 122,669 |
| Rehabs and Restorations | 899,867 | 450,935 | 448,932 |
| Utility Systems | <u>132,780</u> | <u>70,942</u> | <u>61,838</u> |
| Total Capital Outlay | <u>3,827,146</u> | <u>1,200,821</u> | <u>2,626,325</u> |
| Debt Service | <u>66,477</u> | <u>66,477</u> | <u>---</u> |
| Total Expenditures | <u>3,904,766</u> | <u>1,267,988</u> | <u>2,636,778</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(1,823,196)</u> | <u>535,320</u> | <u>2,358,516</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers out | <u>(177,285)</u> | <u>(177,285)</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>(177,285)</u> | <u>(177,285)</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>(2,000,481)</u> | <u>358,035</u> | <u>2,358,516</u> |
| Fund Balances - Beginning | <u>2,000,481</u> | <u>2,276,466</u> | <u>275,985</u> |
| Fund Balances - Ending | <u>\$ ---</u> | <u>\$ 2,634,501</u> | <u>\$ 2,634,501</u> |

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, 1998

| | Budget | Actual | Variance - Favorable (Unfavorable) |
|--|-------------------|-------------------|--|
| REVENUES | | | |
| Interest | \$ 35,000 | \$ 25,869 | \$ (9,131) |
| Total Revenues | <u>35,000</u> | <u>25,869</u> | <u>(9,131)</u> |
| EXPENDITURES | | | |
| Capital Outlay | | | |
| Street improvements | <u>70,000</u> | <u>26,699</u> | <u>43,301</u> |
| Total Capital Outlay | <u>70,000</u> | <u>26,699</u> | <u>43,301</u> |
| Total Expenditures | <u>70,000</u> | <u>26,699</u> | <u>43,301</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(35,000)</u> | <u>(830)</u> | <u>34,170</u> |
| Other Financing Sources (Uses): | | | |
| Operating transfers in | --- | --- | --- |
| Operating transfers out | <u>---</u> | <u>---</u> | <u>---</u> |
| Total Other Financing Sources (Uses) | <u>---</u> | <u>---</u> | <u>---</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (35,000) | (830) | 34,170 |
| Fund Balances - Beginning | <u>715,214</u> | <u>641,178</u> | <u>(74,036)</u> |
| Fund Balances - Ending | <u>\$ 680,214</u> | <u>\$ 640,348</u> | <u>\$ (39,866)</u> |

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, 1998

| | Shawnee Municipal Authority | Shawnee Airport Authority | Shawnee Civic & Cultural Development Authority | Total |
|---|-----------------------------------|---------------------------------|---|----------------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and cash equivalents | \$ 2,093,831 | \$ 161,002 | \$ 453,645 | \$ 2,708,478 |
| Investments | --- | --- | 40,000 | 40,000 |
| Accrued interest receivable | 4,657 | --- | 725 | 5,382 |
| Accounts receivable (net of allowance for uncollectible accounts of \$180,664) | 1,053,178 | --- | --- | 1,053,178 |
| Other receivables | --- | 36,705 | --- | 36,705 |
| Due from other funds | 1,468 | --- | --- | 1,468 |
| Total Current Assets | 3,153,134 | 197,707 | 494,370 | 3,845,211 |
| Restricted Assets: | | | | |
| Cash and cash equivalents | 1,708,705 | --- | --- | 1,708,705 |
| Investments | 1,120,460 | --- | --- | 1,120,460 |
| Accrued interest receivable | 39,756 | --- | --- | 39,756 |
| Due from trustee | 65,000 | --- | --- | 65,000 |
| Total Restricted Assets | 2,933,921 | --- | --- | 2,933,921 |
| Property, Plant and Equipment: | | | | |
| Land | 1,066,733 | 550,361 | 94,493 | 1,711,587 |
| Buildings | 339,881 | 370,711 | 4,260,170 | 4,970,762 |
| Improvements other than buildings | 31,979,692 | 6,036,990 | 2,066,486 | 40,083,168 |
| Machinery and equipment | 192,824 | 500 | 1,250 | 194,574 |
| Mobile equipment | 862,839 | 60,626 | 302,505 | 1,225,970 |
| Office furniture and equipment | 7,933 | 4,226 | 37,744 | 49,903 |
| Communication equipment | 64,220 | 2,731 | 21,241 | 88,192 |
| Audiovisual equipment | --- | --- | 1,460 | 1,460 |
| Business machines | 97,464 | 5,839 | 22,555 | 125,858 |
| Appliances | 8,033 | 676 | 3,502 | 12,211 |
| Lab & engineering equipment | 983,970 | --- | --- | 983,970 |
| Parks & recreation equipment | --- | --- | 5,512 | 5,512 |
| Construction in process | 189,789 | 148,360 | --- | 338,149 |
| | 35,793,378 | 7,181,020 | 6,816,918 | 49,791,316 |
| Less: accumulated depreciation | (10,342,436) | (2,542,583) | (2,797,268) | (15,682,287) |
| Net Property, Plant and Equipment | 25,450,942 | 4,638,437 | 4,019,650 | 34,109,029 |
| Other Assets: | | | | |
| Bond and note issuance costs | 81,682 | --- | --- | 81,682 |
| Water rights contract | 16,916,119 | --- | --- | 16,916,119 |
| Total Other Assets | 16,997,801 | --- | --- | 16,997,801 |
| TOTAL ASSETS | \$ 48,535,798 | \$ 4,836,144 | \$ 4,514,020 | \$ 57,885,962 |

City of Shawnee, Oklahoma
Combining Balance Sheet
All Enterprise Funds
June 30, 1998
(Continued)

| | Shawnee Municipal Authority | Shawnee Airport Authority | Shawnee Civic & Cultural Development Authority | Total |
|---|-----------------------------------|---------------------------------|---|----------------------|
| LIABILITIES AND FUND EQUITY | | | | |
| Current Liabilities: | | | | |
| Accounts payable | \$ 66,221 | \$ 216 | \$ --- | \$ 66,437 |
| Accrued liabilities | 45,503 | 1,090 | 8,739 | 55,332 |
| Accrual for compensated absences | 237,727 | 5,665 | 39,371 | 282,763 |
| Other liabilities | 159,226 | 14,138 | 601 | 173,965 |
| Deposits | --- | --- | 13,040 | 13,040 |
| Obligations under capital lease - current | --- | 6,158 | 18,004 | 24,162 |
| Deferred revenue - current | --- | 18,331 | 216,421 | 234,752 |
| Total Current Liabilities | 508,677 | 45,598 | 296,176 | 850,451 |
| Current Liabilities Payable from Restricted Assets: | | | | |
| Accrued interest payable | 622,697 | --- | --- | 622,697 |
| Revenue bonds and notes payable - current | 1,166,488 | --- | --- | 1,166,488 |
| Total Current Liabilities Payable from Restricted Assets | 1,789,185 | --- | --- | 1,789,185 |
| Long-Term Liabilities: | | | | |
| Revenue bonds and notes payable (net of unamortized discounts) - long-term | 22,758,681 | --- | --- | 22,758,681 |
| Obligations under capital lease - long-term | --- | 1,636 | 18,614 | 20,250 |
| Total Long-Term Liabilities | 22,758,681 | 1,636 | 18,614 | 22,778,931 |
| Fund Equity: | | | | |
| Contributed capital | 8,277,693 | 6,285,018 | 5,974,864 | 20,537,575 |
| Retained earnings (deficit) - reserved for Capital Outlay | 1,095,657 | --- | --- | 1,095,657 |
| Retained earnings (deficit) - unreserved | 14,105,905 | (1,496,108) | (1,775,634) | 10,834,163 |
| Total Fund Equity | 23,479,255 | 4,788,910 | 4,199,230 | 32,467,395 |
| TOTAL LIABILITIES AND FUND EQUITY | \$ 48,535,798 | \$ 4,836,144 | \$ 4,514,020 | \$ 57,885,962 |

City of Shawnee, Oklahoma
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 1998

| | Shawnee Municipal Authority | Shawnee Airport Authority | Shawnee Civic & Cultural Development Authority | Total |
|---|-----------------------------------|---------------------------------|---|----------------------|
| Operating Revenues: | | | | |
| Charge for services | \$ 6,343,091 | \$ --- | \$ 398,156 | \$ 6,741,247 |
| Permits and fees | 93,045 | --- | --- | 93,045 |
| Rental revenue | --- | 48,955 | 219,114 | 268,069 |
| Other revenues | 129,485 | --- | 10,118 | 139,603 |
| Total Operating Revenues | <u>6,565,621</u> | <u>48,955</u> | <u>627,388</u> | <u>7,241,964</u> |
| Operating Expenses: | | | | |
| Personal services | 2,183,283 | 70,297 | 366,680 | 2,620,260 |
| Materials and supplies | 308,953 | 3,658 | 75,914 | 388,525 |
| Other services and charges | 1,715,435 | 46,590 | 647,675 | 2,409,700 |
| Total Operating Expenses | <u>4,207,671</u> | <u>120,545</u> | <u>1,090,269</u> | <u>5,418,485</u> |
| Net Operating Income (Loss) before Depreciation | 2,357,950 | (71,590) | (462,881) | 1,823,479 |
| Less: Depreciation and amortization | <u>(856,315)</u> | <u>(311,465)</u> | <u>(230,653)</u> | <u>(1,398,433)</u> |
| Net Operating Income (Loss) | <u>1,501,635</u> | <u>(383,055)</u> | <u>(693,534)</u> | <u>425,046</u> |
| Non-operating Revenues (Expenses): | | | | |
| Interest revenues | 213,778 | 6,244 | 12,880 | 232,902 |
| Oil and gas revenues | --- | 36,378 | --- | 36,378 |
| Interest expense and fiscal charges | <u>(1,373,782)</u> | <u>(1,086)</u> | <u>(2,889)</u> | <u>(1,377,757)</u> |
| Total Non-operating Revenues (Expenses) | <u>(1,160,004)</u> | <u>41,536</u> | <u>9,991</u> | <u>(1,108,477)</u> |
| Operating Transfers: | | | | |
| Operating transfers in | 710,565 | 53,560 | 461,819 | 1,225,944 |
| Operating transfers out | <u>(285,948)</u> | <u>---</u> | <u>---</u> | <u>(285,948)</u> |
| Net Operating Transfers | <u>424,617</u> | <u>53,560</u> | <u>461,819</u> | <u>939,996</u> |
| Net Income (Loss) | 766,248 | (287,959) | (221,724) | 256,565 |
| Retained Earnings (Deficit) - Beginning | 14,335,024 | (1,223,705) | (1,459,642) | 11,651,677 |
| Prior Period Adjustment | <u>100,290</u> | <u>15,556</u> | <u>(94,268)</u> | <u>21,578</u> |
| Retained Earnings (Deficit) - Ending | <u>\$ 15,201,562</u> | <u>\$ (1,496,108)</u> | <u>\$ (1,775,634)</u> | <u>\$ 11,929,820</u> |

City of Shawnee, Oklahoma
Combining Statement of Cash Flows
All Enterprise Funds
For the Fiscal Year Ended June 30, 1998

| | Shawnee Municipal Authority | Shawnee Airport Authority | Shawnee Civic & Cultural Development Authority | Total |
|--|-----------------------------------|---------------------------------|---|--------------|
| Cash Flows From Operating Activities: | | | | |
| Operating Income (Loss) | \$ 1,501,635 | \$ (383,055) | \$ (693,534) | \$ 425,046 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities: | | | | |
| Depreciation and amortization | 856,315 | 311,465 | 230,653 | 1,398,433 |
| Other non-operating revenue (expense) | (10,103) | 36,378 | --- | 26,275 |
| Changes in assets and liabilities: | | | | --- |
| Decrease (Increase) in accounts receivable | (42,639) | (11,705) | --- | (54,344) |
| Decrease (Increase) in other receivable | --- | --- | 35 | 35 |
| Increase (Decrease) in accounts payable and accrued liabilities | (206,924) | 354 | (182,236) | (388,806) |
| Increase (Decrease) in accrued compensated absences | 162,155 | 2,594 | 24,240 | 188,989 |
| Increase (Decrease) in other liabilities | (23,721) | --- | 2,390 | (21,331) |
| Increase (Decrease) in deferred revenue | --- | (1,116) | 131,091 | 129,975 |
| Total adjustments | 735,083 | 337,970 | 206,173 | 1,279,226 |
| Net Cash Provided (Used) in Operating Activities | 2,236,718 | (45,085) | (487,361) | 1,704,272 |
| Cash Flows From Non-Capital Financing Activities: | | | | |
| Operating transfers in | 710,565 | 53,560 | 461,819 | 1,225,944 |
| Operating transfers out | (285,948) | --- | --- | (285,948) |
| Net Cash Provided (Used) in Non-Capital Financing Activities | 424,617 | 53,560 | 461,819 | 939,996 |
| Cash Flows From Capital and Related Financing Activities | | | | |
| Principal paid on revenue bonds | (990,000) | --- | --- | (990,000) |
| Principal paid on notes payable | (28,244) | --- | --- | (28,244) |
| Principal paid on capital leases | --- | (5,575) | (17,085) | (22,660) |
| Principal paid on capital loans | (2,730,867) | --- | --- | (2,730,867) |
| Interest paid on long-term debt | (1,337,164) | (1,086) | (2,889) | (1,341,139) |
| Proceeds from issuance of notes payable | 2,973,279 | --- | --- | 2,973,279 |
| Proceeds from capital loans | 461,028 | --- | --- | 461,028 |
| Capital grant proceeds | 150,000 | 417,515 | --- | 567,515 |
| Bond Issuance Cost | (71,667) | --- | --- | (71,667) |
| Acquisition and construction of capital assets | (515,933) | (410,620) | (27,805) | (954,358) |
| Net Cash Provided (Used) in Capital and Related Financing Activities | (2,089,568) | 234 | (47,779) | (2,137,113) |
| Cash Flows From Investing Activities: | | | | |
| Interest | 215,610 | 6,377 | 12,155 | 234,142 |
| Purchase of investments | --- | --- | (40,000) | (40,000) |
| Net Cash Provided (Used) in Investing Activities | 215,610 | 6,377 | (27,845) | 194,142 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 787,377 | 15,086 | (101,166) | 701,297 |
| Cash and cash equivalents - beginning of year | 3,015,159 | 145,916 | 554,811 | 3,715,886 |
| Cash and cash equivalents - ending of year | \$ 3,802,536 | \$ 161,002 | \$ 453,645 | \$ 4,417,183 |
| Non-Cash Capital and Related Financing Activities: | | | | |
| Capital assets contributed by other funds | \$ 266,880 | \$ 11,503 | \$ --- | \$ 278,383 |

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.

Workers Compensation Self-Insurance Fund - Established to account for activities related to the City's self-insurance for workers compensation. Financing is provided through General Fund transfers.

General Liability Self-Insurance Fund - Established to account for activities related to the City's self-insurance for general liability tort claims. Financing is provided through General Fund transfers.

Uninsured Loss Fund - Established as a contingency for losses or damages which are not covered by insurance.

City of Shawnee, Oklahoma
Combining Balance Sheet
All Internal Service Funds
June 30, 1998

| | Workers Compensation Self-Insurance Fund | General Liability Self-Insurance Fund | Uninsured Loss Fund | Total |
|--|---|--|---------------------------|-------------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and cash equivalents | \$ 205,668 | \$ 287,503 | \$ 542 | \$ 493,713 |
| Accrued interest receivable | --- | 573 | --- | 573 |
| Due from other funds | 98,582 | --- | --- | 98,582 |
| TOTAL ASSETS | \$ 304,250 | \$ 288,076 | \$ 542 | \$ 592,868 |
| LIABILITIES AND FUND EQUITY | | | | |
| Current Liabilities: | | | | |
| Accounts payable | \$ 149,986 | \$ --- | \$ --- | \$ 149,986 |
| Claims and judgments payable | 98,582 | --- | --- | 98,582 |
| Total Liabilities | 248,568 | --- | --- | 248,568 |
| Fund Equity: | | | | |
| Contributed capital | 16,862 | --- | --- | 16,862 |
| Retained earnings | 38,820 | 288,076 | 542 | 327,438 |
| Total Fund Equity | 55,682 | 288,076 | 542 | 344,300 |
| TOTAL LIABILITIES AND FUND EQUITY | \$ 304,250 | \$ 288,076 | \$ 542 | \$ 592,868 |

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, 1998

| | Workers Compensation Self-Insurance Fund | General Liability Self-Insurance Fund | Uninsured Loss Fund | Total |
|-------------------------------|---|--|---------------------------|-------------------|
| Operating Revenues: | | | | |
| Other revenue | \$ 23,545 | \$ --- | \$ --- | \$ 23,545 |
| Total Operating Revenues | <u>23,545</u> | <u>---</u> | <u>---</u> | <u>23,545</u> |
| Operating Expenses: | | | | |
| Claims Settlement | 384,566 | 35,182 | 12,050 | 431,798 |
| Total Operating Expenses | <u>384,566</u> | <u>35,182</u> | <u>12,050</u> | <u>431,798</u> |
| Net Operating Income (Loss) | <u>(361,021)</u> | <u>(35,182)</u> | <u>(12,050)</u> | <u>(408,253)</u> |
| Non-operating Revenues: | | | | |
| Interest revenues | --- | 17,094 | --- | 17,094 |
| Total Non-operating Revenues | <u>---</u> | <u>17,094</u> | <u>---</u> | <u>17,094</u> |
| Operating Transfers: | | | | |
| Operating transfers in | 378,504 | 15,000 | 5,000 | 398,504 |
| Operating transfers out | --- | (145,922) | --- | (145,922) |
| Net Operating Transfers | <u>378,504</u> | <u>(130,922)</u> | <u>5,000</u> | <u>252,582</u> |
| Net Income | 17,483 | (149,010) | (7,050) | (138,577) |
| Retained Earnings - Beginning | <u>21,337</u> | <u>437,086</u> | <u>7,592</u> | <u>466,015</u> |
| Retained Earnings - Ending | <u>\$ 38,820</u> | <u>\$ 288,076</u> | <u>\$ 542</u> | <u>\$ 327,438</u> |

City of Shawnee, Oklahoma
Combining Statement of Cash Flows
All Internal Service Funds
For the Fiscal Year Ended June 30, 1998

| | Workers Compensation Self-Insurance Fund | General Liability Self-Insurance Fund | Uninsured Loss Fund | Total |
|---|---|--|---------------------------|--------------|
| Cash Flows From Operating Activities: | | | | |
| Operating Income (Loss) | \$ (361,021) | \$ (35,182) | \$ (12,050) | \$ (408,253) |
| Adjustments to Reconcile Operating Income to | | | | |
| Net Cash Provided by Operating Activities: | | | | |
| Decrease (Increase) in accounts receivable | 53 | (148) | 7 | (88) |
| Decrease (Increase) in due from other funds | 142,418 | --- | --- | 142,418 |
| Increase (Decrease) in accounts payable and accrued liabilities | 129,982 | (30,684) | --- | 99,298 |
| Increase (Decrease) in claims and judgements payable | (142,982) | --- | --- | (142,982) |
| Total adjustments | 129,471 | (30,832) | 7 | 98,646 |
| Net Cash Provided (Used) in Operating Activities | (231,550) | (66,014) | (12,043) | (309,607) |
| Cash Flows From Non-Capital Financing Activities: | | | | |
| Operating transfers in | 378,504 | 15,000 | 5,000 | 398,504 |
| Operating transfers out | --- | (145,922) | --- | (145,922) |
| Net Cash Provided (Used) in Non-Capital Financing Activities | 378,504 | (130,922) | 5,000 | 252,582 |
| Cash Flows From Investing Activities: | | | | |
| Interest | --- | 17,094 | --- | 17,094 |
| Net Cash Provided (Used) in Investing Activities | --- | 17,094 | --- | 17,094 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 146,954 | (179,842) | (7,043) | (39,931) |
| Cash and cash equivalents - beginning of year | 58,714 | 467,345 | 7,585 | 533,644 |
| Cash and cash equivalents - ending of year | \$ 205,668 | \$ 287,503 | \$ 542 | \$ 493,713 |

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, 1998

| | Library Fund | Cemetery Care Fund | Meter Deposit Fund | Senior Citizens Fund | CDBG Loan Escrow Fund | Gifts and Contributions Fund | Sister Cities Fund | Total |
|--|------------------|--------------------------|--------------------------|----------------------------|-----------------------------|------------------------------------|--------------------------|-------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 39,454 | \$ 113,669 | \$ 406,345 | \$ 24,024 | \$ 565 | \$ 22,061 | \$ 57,486 | \$ 663,604 |
| Investments | --- | --- | --- | --- | --- | 49,336 | --- | 49,336 |
| Receivables: | | | | | | | | |
| Accrued interest | --- | 123 | --- | 34 | --- | 307 | --- | 464 |
| Notes receivable | --- | --- | --- | --- | 162,430 | --- | --- | 162,430 |
| TOTAL ASSETS | \$ 39,454 | \$ 113,792 | \$ 406,345 | \$ 24,058 | \$ 162,995 | \$ 71,704 | \$ 57,486 | \$ 875,834 |
| LIABILITIES | | | | | | | | |
| Accounts payable | \$ 2,394 | \$ 3,500 | \$ --- | \$ --- | \$ --- | \$ 307 | \$ 822 | \$ 7,023 |
| Accrued liabilities | --- | --- | --- | --- | 162,430 | --- | --- | 162,430 |
| Due to other funds | --- | --- | 245 | --- | --- | --- | --- | 245 |
| Amounts held in escrow | --- | --- | --- | --- | 565 | --- | --- | 565 |
| Due to utility customers | --- | --- | 406,100 | --- | --- | --- | --- | 406,100 |
| Total Liabilities | 2,394 | 3,500 | 406,345 | --- | 162,995 | 307 | 822 | 576,363 |
| FUND EQUITY | | | | | | | | |
| Fund balance: | | | | | | | | |
| Reserved for encumbrances | 1,763 | 51,900 | --- | --- | --- | --- | 17,316 | 70,979 |
| Unreserved | 35,297 | 58,392 | --- | 24,058 | --- | 71,397 | 39,348 | 228,492 |
| Total Fund Equity | 37,060 | 110,292 | --- | 24,058 | --- | 71,397 | 56,664 | 299,471 |
| TOTAL LIABILITIES AND FUND EQUITY | \$ 39,454 | \$ 113,792 | \$ 406,345 | \$ 24,058 | \$ 162,995 | \$ 71,704 | \$ 57,486 | \$ 875,834 |

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, 1998

| | Library Fund | Cemetery Care Fund | Senior Citizens Fund | Gifts and Contributions Fund | Sister Cities Fund | Total |
|---|-----------------|--------------------------|----------------------------|------------------------------------|--------------------------|------------|
| Revenues: | | | | | | |
| Interest | \$ --- | \$ 6,144 | \$ 1,039 | \$ 3,987 | \$ --- | \$ 11,170 |
| Gifts and donations | --- | --- | --- | 16,729 | 7,833 | 24,562 |
| Other revenues | --- | 5,104 | --- | 710 | 4,378 | 10,192 |
| Total Revenues | --- | 11,248 | 1,039 | 21,426 | 12,211 | 45,924 |
| Expenditures: | | | | | | |
| Current - | | | | | | |
| Culture and recreation | 33,979 | --- | --- | 21,631 | --- | 55,610 |
| Economic development | --- | --- | --- | --- | 8,337 | 8,337 |
| Capital Outlay | --- | 70,581 | --- | 100 | --- | 70,681 |
| Total Expenditures | 33,979 | 70,581 | --- | 21,731 | 8,337 | 134,628 |
| Excess of Revenues Over (Under) Expenditures | (33,979) | (59,333) | 1,039 | (305) | 3,874 | (88,704) |
| Other Financing Sources (Uses): | | | | | | |
| Operating transfers in | 40,000 | --- | --- | --- | 15,000 | 55,000 |
| Total Other Financing Sources (Uses) | 40,000 | --- | --- | --- | 15,000 | 55,000 |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | 6,021 | (59,333) | 1,039 | (305) | 18,874 | (33,704) |
| Fund Balances - Beginning | 31,039 | 169,625 | 23,019 | 22,366 | 37,790 | 283,839 |
| Prior Period Adjustment | --- | --- | --- | 49,336 | --- | 49,336 |
| Fund Balances - Ending | \$ 37,060 | \$ 110,292 | \$ 24,058 | \$ 71,397 | \$ 56,664 | \$ 299,471 |

City of Shawnee, Oklahoma
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 1998

| | Balance June 30, 1997 | Additions | Deletions | Balance June 30, 1998 |
|---------------------------------|--------------------------|-------------------|-------------------|--------------------------|
| METER DEPOSIT FUND | | | | |
| ASSETS | | | | |
| Cash | \$ 433,931 | \$ 128,645 | \$ 156,231 | \$ 406,345 |
| Total Assets | <u>\$ 433,931</u> | <u>\$ 128,645</u> | <u>\$ 156,231</u> | <u>\$ 406,345</u> |
| LIABILITIES | | | | |
| Due to Other Funds | \$ 245 | \$ --- | \$ --- | \$ 245 |
| Due to Utility Customers | <u>433,686</u> | <u>653,861</u> | <u>681,447</u> | <u>406,100</u> |
| Total Liabilities | <u>\$ 433,931</u> | <u>\$ 653,861</u> | <u>\$ 681,447</u> | <u>\$ 406,345</u> |
| CDBG ESCROW | | | | |
| ASSETS | | | | |
| Cash | \$ 672 | \$ 88,078 | \$ 88,185 | \$ 565 |
| Notes Receivable | <u>96,021</u> | <u>145,969</u> | <u>79,560</u> | <u>162,430</u> |
| Total Assets | <u>\$ 96,693</u> | <u>\$ 234,047</u> | <u>\$ 167,745</u> | <u>\$ 162,995</u> |
| LIABILITIES | | | | |
| Accrued Liabilities | \$ 96,021 | \$ 145,969 | \$ 79,560 | \$ 162,430 |
| Amounts Held in Escrow | <u>672</u> | <u>2,445</u> | <u>2,552</u> | <u>565</u> |
| Total Liabilities | <u>\$ 96,693</u> | <u>\$ 148,414</u> | <u>\$ 82,112</u> | <u>\$ 162,995</u> |
| TOTAL - ALL AGENCY FUNDS | | | | |
| ASSETS | | | | |
| Cash | \$ 434,603 | \$ 216,723 | \$ 244,416 | \$ 406,910 |
| Notes Receivable | <u>96,021</u> | <u>145,969</u> | <u>79,560</u> | <u>162,430</u> |
| Total Assets | <u>\$ 530,624</u> | <u>\$ 362,692</u> | <u>\$ 323,976</u> | <u>\$ 569,340</u> |
| LIABILITIES | | | | |
| Accrued Liabilities | \$ 96,021 | \$ 145,969 | \$ 79,560 | \$ 162,430 |
| Amounts Held in Escrow | 672 | 2,445 | 2,552 | 565 |
| Due to Other Funds | 245 | --- | --- | 245 |
| Due to Utility Customers | <u>433,686</u> | <u>653,861</u> | <u>681,447</u> | <u>406,100</u> |
| Total Liabilities | <u>\$ 530,624</u> | <u>\$ 802,275</u> | <u>\$ 763,559</u> | <u>\$ 569,340</u> |

Statistical Section

City of Shawnee, Oklahoma
General Fund 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>Other Revenues</u> | <u>Total</u> |
|------------------------|--------------|--------------------------------|-----------------------------------|------------------------------------|-----------------|---------------------------|--------------|
| 1998 | \$ 8,605,846 | \$ 194,095 | \$ 201,932 | \$ 316,579 | \$ 118,144 | \$ 172,141 | \$ 9,608,737 |
| 1997 | 8,299,213 | 132,319 | 178,021 | 261,097 | 124,802 | 239,564 | 9,235,016 |
| 1996 | 7,903,692 | 239,320 | 96,191 | 281,689 | 136,270 | 221,742 | 8,878,904 |
| 1995 | 7,394,495 | 176,537 | 81,980 | 300,620 | 141,514 | 203,431 | 8,298,577 |
| 1994 | 7,054,466 | 144,095 | 76,298 | 332,142 | 98,238 | 211,630 | 7,916,869 |
| 1993 | 6,801,114 | 205,657 | 58,315 | 364,661 | 69,672 | 174,205 | 7,673,624 |
| 1992 | 6,471,918 | 92,551 | 56,413 | 285,730 | 93,204 | 233,778 | 7,233,594 |
| 1991 | 6,360,669 | 144,367 | 62,739 | 255,247 | 171,079 | 316,523 | 7,310,624 |
| 1990 | 5,983,862 | 61,727 | 72,083 | 367,693 | 175,172 | 325,487 | 6,986,024 |
| 1989 | 5,403,290 | 36,944 | 84,527 | 257,678 | 150,007 | 247,141 | 6,179,587 |

City of Shawnee, Oklahoma
General Fund 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 |
|----------------|-----------------------|------------------|-----------------|----------------------------|-------------------------------|-------------------------|-------------------|-----------------|--------------|
| 1998 | \$ 1,714,406 | \$ 5,675,652 | \$ 1,387,288 | \$ 404,185 | \$ --- | \$ --- | \$ --- | \$ --- | \$ 9,181,531 |
| 1997 | 1,579,657 | 5,296,757 | 1,342,368 | 395,654 | --- | --- | --- | 17,074 | 8,631,510 |
| 1996 | 1,622,565 | 5,112,128 | 1,371,351 | 381,800 | 771 | --- | 775 | 19,456 | 8,508,846 |
| 1995 | 1,462,452 | 4,952,681 | 1,316,008 | 391,448 | 438 | | 5,267 | 16,846 | 8,145,140 |
| 1994 | 1,382,565 | 4,609,427 | 1,289,973 | 354,999 | 3,622 | --- | 10,302 | 22,866 | 7,673,754 |
| 1993 | 1,385,742 | 4,426,482 | 1,263,309 | 353,378 | --- | --- | 45,538 | 22,866 | 7,497,315 |
| 1992 | 1,344,334 | 4,202,225 | 1,608,098 | 393,135 | 5,345 | --- | 250,595 | 56,603 | 7,860,335 |
| 1991 | 1,291,999 | 3,694,747 | 1,625,399 | 326,771 | 6,759 | 132,472 | 422,991 | 39,431 | 7,540,569 |
| 1990 | 1,049,194 | 3,786,542 | 1,174,177 | 441,007 | --- | 49,159 | 166,280 | --- | 6,666,359 |
| 1989 | 1,221,593 | 2,982,680 | 1,122,613 | 291,372 | --- | --- | 220,091 | --- | 5,838,349 |

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 | Mill Levy |
|-------------|----------------|-------------------------|------------------------------|----------------------------|-----------------------|---|-----------|
| 1998 | \$ 291,504 | \$ 281,742 | 97% | \$ 8,017 | \$ 289,759 | 99% | 3.12 |
| 1997 | 352,660 | 375,570 | 106% | 319 | 375,889 | 107% | 4.57 |
| 1996 | 312,036 | 312,014 | 100% | 1,942 | 313,956 | 101% | 4.17 |
| 1995 | 401,648 | 392,797 | 98% | 4,681 | 397,478 | 99% | 5.44 |
| 1994 | 230,090 | 223,458 | 97% | 6,409 | 229,867 | 100% | 3.29 |
| 1993 | 190,038 | 184,323 | 97% | 5,356 | 189,679 | 100% | 2.79 |
| 1992 | 237,514 | 228,138 | 96% | 6,501 | 234,639 | 99% | 3.40 |
| 1991 | 261,574 | 252,769 | 97% | 6,113 | 258,882 | 99% | 3.71 |
| 1990 | 283,976 | 281,984 | 99% | 9,694 | 291,678 | 103% | 4.12 |
| 1989 | 353,595 | 337,698 | 96% | 3,566 | 341,264 | 97% | 5.19 |

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

| Fiscal Year | Principal | Interest | Total Debt Service | Total General Fund Expenditures | Ratio of Debt Service to Total General Fund Expenditure |
|----------------|------------|-----------|-----------------------|---------------------------------------|--|
| 1998 | \$ 250,000 | \$ 90,535 | \$ 340,535 | \$ 9,181,531 | 3.7% |
| 1997 | 245,000 | 109,610 | 354,610 | 8,631,510 | 4.1% |
| 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% |

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

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 Net Assessed to Actual Value |
|-------------|---------------|-------------------|-------------------------|----------------------|---------------------|--------------------|------------------------------|---------------------------------------|
| 1998 | \$ 65,277,184 | \$ 25,020,362 | \$ 9,408,440 | \$ 99,705,986 | \$ 6,303,848 | \$ 93,402,138 | \$ 763,868,196 | 12.3% |
| 1997 | 57,975,185 | 16,187,021 | 9,032,222 | 83,194,428 | 5,996,094 | 77,198,334 | 728,286,170 | 10.6% |
| 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% |

Note: The assessed value of taxable property as certified by the County Assessors Office to be used for the fiscal year ending June 30, 1999 is as follows:

| | | | | | | | |
|------------|------------|-----------|------------|-----------|------------|-------------|-------|
| 67,075,324 | 22,532,692 | 9,774,514 | 99,382,530 | 6,314,026 | 93,068,504 | 762,685,700 | 12.2% |
|------------|------------|-----------|------------|-----------|------------|-------------|-------|

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

| Fiscal Year | City of Shawnee Debt Service Fund | Shawnee Public School Districts | Gordon Cooper Vo-Tech | Pottawotomie County | Total Tax Levy |
|----------------|---|------------------------------------|--------------------------|------------------------|-------------------|
| 1998 | 3.12 | 54.69 | 12.00 | 16.50 | 86.31 |
| 1997 | 4.57 | 54.69 | 12.00 | 16.50 | 87.76 |
| 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 |

Per \$1,000 assessed value

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 | Ration of Net Bonded Debt to Assessed | Net Bonded Debt Per Capita |
|-------------|-------------------|-----------------------|-------------------------|------------------------------------|--------------------|---|----------------------------------|
| 1998 | 27,517 | \$ 93,402,138 | \$ 1,550,000 | \$ 221,765 | \$ 1,328,235 | 1.42% | 48.27 |
| 1997 | 27,517 | 77,198,334 | 1,800,000 | 194,819 | 1,605,181 | 2.08% | 58.33 |
| 1996 | 26,304 | 74,878,480 | 2,045,000 | 156,031 | 1,888,969 | 2.52% | 71.81 |
| 1995 | 26,304 | 73,827,882 | 2,290,000 | 213,643 | 2,076,357 | 2.81% | 78.94 |
| 1994 | 26,250 | 69,935,783 | 2,420,000 | 47,343 | 2,372,657 | 3.39% | 90.69 |
| 1993 | 26,190 | 68,113,242 | 1,230,000 | 145,661 | 1,084,339 | 1.59% | 41.40 |
| 1992 | 26,135 | 69,856,845 | 1,370,000 | 146,740 | 1,223,260 | 1.75% | 46.81 |
| 1991 | 26,075 | 70,504,161 | 1,510,000 | 155,662 | 1,354,338 | 1.92% | 51.94 |
| 1990 | 26,017 | 68,925,526 | 1,650,000 | 134,679 | 1,515,321 | 2.20% | 58.24 |
| 1989 | 25,750 | 68,129,616 | 1,790,000 | 123,861 | 1,666,139 | 2.45% | 64.70 |

(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
Computation of Legal Debt Margin
June 30, 1998

| | |
|--|----------------------|
| Net Assessed Valuation | <u>\$ 93,068,504</u> |
| Allowable debt of non-utility bonds is limited by State Constitution Article 10, Section 26 to 10% of net Assessed Value | 9,306,850 |
| Less: general obligation debt outstanding | <u>1,550,000</u> |
| Legal Debt Margin | <u>\$ 7,756,850</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, 1999.

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 |
|-------------|------------------------------|---------------------------|--|---------------------------|-----------------------|
| 1998 | \$ 7,276,186 | \$ 4,207,671 | \$ 3,068,515 | \$ 2,327,164 | 1.23 |
| 1997 | 6,911,325 | 4,098,880 | 2,812,445 | 2,289,160 | 1.23 |
| 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 |

(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
 Computation of Direct and Overlapping Bonded Debt
 June 30, 1998

| <u>Jurisdiction</u> | <u>Net General Obligation Debt Outstanding</u> | <u>Percentage Applicable to City of Shawnee</u> | <u>Amount Applicable to City of Shawnee</u> |
|---------------------|--|---|---|
| Direct: | | | |
| City of Shawnee | \$ 1,550,000 | 100% | \$ 1,550,000 |
| Overlapping: | --- | | --- |
| Total | <u>\$ 1,550,000</u> | | <u>\$ 1,550,000</u> |

City of Shawnee
Construction and Bank Deposits
Last 10 Fiscal Years

| Fiscal Year | Residential Construction (1) | | | | Commercial Construction | | |
|-------------|-------------------------------|-------------------------------|--------------------|--------------|-------------------------|-------------|------------------|
| | Single Family Residence | Multi- Family Residence | Apartment Units | Value | Number of Units | Value | Bank Deposits |
| 1998 | 94 | 1 | 64 | \$ 9,613,400 | 37 | \$8,157,254 | \$ 479,264,000 |
| 1997 | 85 | 2 | 244 | 13,111,374 | 23 | 3,587,823 | 464,447,000 |
| 1996 | 59 | 1 | 78 | 9,111,030 | 23 | 2,880,670 | 471,824,000 |
| 1995 | 51 | --- | --- | 3,492,072 | 29 | 13,963,559 | 459,909,000 |
| 1994 | 62 | --- | --- | 7,025,960 | 26 | 3,939,000 | 457,530,000 |
| 1993 | 65 | 1 | --- | 4,661,800 | 17 | 7,682,100 | 462,101,000 |
| 1992 | 42 | --- | --- | 2,698,500 | 21 | 6,872,937 | 463,249,000 |
| 1991 | 32 | --- | --- | 2,057,850 | 31 | 5,051,720 | 465,911,000 |
| 1990 | 58 | --- | 32 | 5,432,000 | 24 | 1,492,000 | 471,842,000 |
| 1989 | 47 | --- | 32 | 3,516,600 | 50 | 7,716,450 | 479,652,000 |

(1) Source: City of Shawnee Planning Department

City of Shawnee, Oklahoma Miscellaneous Information

Major Employers

| Company | Product | Number of Employees |
|-----------------------------|-----------------------------|---------------------|
| TDK Ferrites Corp. | Ceramic magnets | 1,000 |
| Wolverine Tube | Copper tubing | 500 |
| Central Plastics Co. | Oil & gas field products | 450 |
| Mobil Chemical Co. | Plastic film | 460 |
| Eaton Corp. | Hydraulic motors | 425 |
| Shawnee Regional Hospital | Health care | 400 |
| Oklahoma Baptist University | Education | 363 |
| City of Shawnee | Municipal government | 265 |
| Shawnee Milling | Animal feed and flour | 215 |
| Uponor Aldyl | Fittings & insulated unions | 157 |
| Al-Ko-Kober | Axles/Brakes | 140 |

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 | |
|------|------------|-----------------------|--------|
| 1997 | 27,517 | Caucasian | 82.62% |
| 1990 | 26,017 | Black | 3.41% |
| 1980 | 26,506 | Native American | 12.46% |
| 1970 | 25,075 | Others | 1.51% |
| 1960 | 24,326 | | |
| 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 |
| Universities | 2 Private Schools (2,800 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 |
| 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, 46 Firefighters |
| Police Protection | 1 Station, 50 Officers |

Other

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