



City Hall, Council Chambers  
401 S. Johnstone Avenue  
Bartlesville, OK 74003

**REGULAR MEETING OF THE  
BARTLESVILLE CITY COUNCIL  
Tuesday, September 3, 2019  
Immediately following the  
Bartlesville Education Authority  
Special Meeting beginning at 7 p.m.**

**Mayor Dale Copeland  
918-338-4282**

**AGENDA**

- 1. Call to order the business meeting of the Bartlesville City Council by Mayor Copeland.**
- 2. Roll Call and Establishment of a Quorum.**
- 3. Citizens to be heard.**
- 4. City Council Announcements and Proclamations.**
  - Lt. Robb and Dr. Holly Fouts Day-September 23, 2019
  - Library Card Sign-Up Month-September 2019
  - Constitution Week-September 17-23, 2019
- 5. Authorities, Boards, Commissions and Committee Openings**
  - One opening on the City Planning Commission
  - One opening on the Bartlesville Library Board
- 6. Consent Docket**
  - a. Approval of Minutes**
    - i. The Regular Meeting Minutes of August 5, 2019.
  - b. Approval and/or Ratification of Appointments and Reappointments to Authorities, Boards, Commissions and Committees**
    - i. Appointment of Ms. Jana Tresher to fill an unexpired term on the Street and Traffic Committee, at the recommendation of Councilman Stuart.
    - ii. Appointment of Ms. Jessica Rovenstine to a three-year term on the Bartlesville Area History Museum Trust Authority, at the recommendation of Councilman Stuart.
  - c. Approval of Agreements and Contracts**
    - i. Contract and the LSTA Terms and Conditions Agreement between the Oklahoma Department of Libraries and the Bartlesville Public Library Literacy Services for the Health Literacy Grant 2020.
    - ii. Contract and the LSTA Terms and Conditions Agreement between the Oklahoma Department of Libraries and the Bartlesville Public Library Literacy Services for the Immigration and Citizenship Grant 2020.
    - iii. Agreement with W. T. Cox Information Services for the Bartlesville Public Library subscription services for September 2019-2020.
    - iv. Agreement with Kellogg and Sovereign Consulting, LLC to complete and certify e-rate forms for 2020-2021 on behalf of the Bartlesville Public Library.
    - v. Contract with McAnaw Construction for pre-construction services for the Water Utilities Building Renovation.
    - vi. Professional service contract with Freese and Nichols, Inc. for design services on a 20-in water line along Frank Phillips between Silver Lake and US 75.
    - vii. Professional service contract with NEO Design, LLC for design services and bridge assessments at the Sunset Bridge over Butler Creek, Tuxedo Bridges over the Caney River and Tuxedo Bridge over the Caney River overflow.
    - viii. Professional service contract with Olsson for design services on the Hillcrest Drive Reconstruction Project.

**d. Receipt of Financials**

- i. Interim financials for the nine months ending March 31, 2019.
- ii. Interim financials for the ten months ending April 30, 2019.
- iii. Interim financials for the eleven months ending May 31, 2019.

**e. Receipt of Bids**

- i. Bid No. 2019-2020-010 for Price Fields Renovation Project – Phase III
- ii. Bid No. 2019-2020-012 for Sooner Park Pavilion

7. **Discuss and take action to award Bid No. 2019-2020-012 for Sooner Park Pavilion. Presented by Mr. Dorsey.**
8. **Presentation, discuss and take action to receive the Annual Financial Statements and Independent Auditor's Reports as of and for the fiscal year ended June 30, 2018. Presented by Andy Cromer, CPA, Arledge & Associates, P.C. Certified Public Accountants.**
9. **Consideration and action on a Resolution of the City Council of the City of Bartlesville, Oklahoma (the "City") approving the incurrence of indebtedness by the Bartlesville Education Authority (the "Authority") issuing its Lease Revenue Note, Series 2019 (Bartlesville Public Schools) (the "Note"); providing that the organizational document creating the Authority is subject to the provisions of the Note Indenture authorizing the issuance of said Note; waiving competitive bidding with respect to the sale of said Note and approving the proceedings of the authority pertaining to the sale of said Note; and containing other provisions relating thereto. Presented by Jon Wolff, Financial Advisor, Municipal Finance Services, Inc.**
10. **Discuss and take possible action on a proposal from Jon Lindblom of Safari Smiles for an installation of an 18-hole disc golf course on property owned by the City of Bartlesville. Presented by Lisa Beeman, Director of Community Development and Park Planning.**
11. **Discuss and take action on Change Order #1 with Jonesplan LLC for the Tower Center at Unity Square Project. Presented by Terry Lauritsen, Director of Water Utilities.**
12. **Discuss and take possible action to approve an agreement with Tri County Technology Center for leasing of office space for an East Side Substation of the Bartlesville Police Department. Presented by Police Chief Tracy Roles.**
13. **New Business.**
14. **City Manager and Staff Reports.**
15. **City Council Comments and Inquiries.**
16. **Adjournment.**

The Agenda was received and filed in the Office of the City Clerk and posted in prominent public view at City Hall at 5:00 on Thursday, August 29, 2019.

*Jason Muninger*

Jason Muninger, City Clerk/CFO

*/s/ Elaine Banes*

by Elaine Banes, Deputy City Clerk

All discussion items are subject to possible action by the City Council. Agenda items requiring a public hearing as required by law will be so noted. The City Council may at their discretion change the order of the business agenda items. City of Bartlesville encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least one working day prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive this rule if signing is not the necessary accommodation.



## ***Official Proclamation***

*Lt. Robb and Dr. Holly Fouts Day  
September 23, 2019*

**WHEREAS**, Lt. Robb Fouts proudly served the citizens of the City of Bartlesville for over 20 years.

**WHEREAS**, Lt. Fouts passed away unexpectedly on September 23, 2018.

**WHEREAS**, Lt. Fouts was a dedicated and committed father, husband, friend, mentor, colleague and Police Officer.

**WHEREAS**, Lt. Fouts left a legacy as a valued leader of his patrol shift and its personnel.

**WHEREAS**, Lt. Fouts was an important member of the law enforcement profession and is remembered as one of Bartlesville's finest.

**WHEREAS**, Dr. Holly Fouts was the loving wife of Lt. Robb Fouts and served the Bartlesville community as an Emergency Room Physician for 19 years.

**WHEREAS**, Dr. Holly Fouts passed away unexpectedly on June 15, 2019.

**WHEREAS**, Dr. Holly Fouts was a strong supporter of the Bartlesville Police Department and a loving advocate for law enforcement wellness.

***NOW THEREFORE***, the Bartlesville City Council does hereby officially proclaim September 23, 2019 as "Lt. Robb and Dr. Holly Fouts Day" and urge all citizens to never forget the impact Robb and Holly Fouts had on this community and show appreciation for their dedication and service.

***IN WITNESS WHEREOF***, we hereunto set our hands and caused the Official Seal of the City of Bartlesville, Oklahoma, to be affixed this 3<sup>rd</sup> day of September, in the year of our Lord two thousand and nineteen.

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Dale Copeland, Ward 1 and Mayor

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Paul Stuart, Ward 2

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Jim Curd, Jr., Ward 3

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Alan Gentges, Ward 4 and Vice Mayor

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Trevor Dorsey, Ward 5



## **Official Proclamation**

**Library Card Sign-Up Month  
September 2019**

**WHEREAS**, libraries play a vital role in the educational, business, recreational, and social lives of Bartlesville's citizens; and

**WHEREAS**, libraries are places of opportunity, helping citizens of all ages and backgrounds to lead better, more satisfying lives; and

**WHEREAS**, libraries are essential for a free people, protecting our right to know by providing a full spectrum of ideas, resources, and services; and

**WHEREAS**, libraries preserve our past, inspire our future, connecting us with books and other materials that help us to learn from the past and prepare for the future; and

**WHEREAS**, libraries are to be celebrated for the values of learning and discovery they help build among children, youth, and adults; and

**WHEREAS**, the library card is the smartest card and opens doors to the rich resources needed for a free society, providing access to a goldmine of books, magazines, CDs, videos, computers and more; and

**WHEREAS**, libraries continue to transform and expand their services in ways that meet the needs of the communities they serve.

**NOW THEREFORE**, the Bartlesville City Council does hereby officially proclaim September as "Library Card Sign-Up Month" and urge all citizens to visit our Bartlesville Library, sign up for library cards, and utilize our library's resources.

**IN WITNESS WHEREOF**, we hereunto set our hands and caused the Official Seal of the City of Bartlesville, Oklahoma, to be affixed this 3<sup>rd</sup> day of September, in the year of our Lord two thousand and nineteen.

\_\_\_\_\_  
Dale Copeland, Ward 1 and Mayor

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Paul Stuart, Ward 2

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Jim Curd, Jr., Ward 3

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Alan Gentges, Ward 4 and Vice Mayor

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Trevor Dorsey, Ward 5





**Official Proclamation**  
**Constitution Week**  
**September 17-23, 2019**

*Whereas*, The Constitution of the United States of American, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law; and

*Whereas*, September 17, 2017 marks the two hundred thirtieth anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention; and

*Whereas*, It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebration which will commemorate the occasion; and

*Whereas*, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

*Now therefore*, the Bartlesville, Oklahoma City Council, do hereby proclaim the week of September 17 through 23 as Constitution Week and ask our citizens to reaffirm the ideals of the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the City of Bartlesville to be affixed this 3rd day of September in the year of our Lord, Two Thousand Nineteen.

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Dale W. Copeland, Ward 1 and Mayor

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Paul Stuart, Ward 2

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Jim Curd, Jr., Ward 3

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Alan Gentges, Ward 4 and Vice Mayor

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Trevor Dorsey, Ward 5



City Hall, Council Chambers  
401 S. Johnstone Avenue  
Bartlesville, OK 74003

**THE MINUTES OF THE  
REGULAR MEETING OF THE  
BARTLESVILLE CITY COUNCIL  
Monday, August 5, 2019  
7 p.m.**

**Mayor Dale Copeland  
918-338-4282**

**MINUTES**

(Notice of Meeting was posted December 15, 2018 and Agenda was posted at 5:00 p.m. on Thursday, August 1, 2019.)

City Council present were Mayor Dale Copeland, Vice Mayor Alan Gentges, Councilmen Jim Curd, Jr. Trevor Dorsey and Paul Stuart.

City staff present were Mike Bailey, City Manager; Jason Muninger, City Clerk/CFO, Jess Kane, City Attorney; Terry Lauritsen, Director of Water Utilities; Lisa Beeman, Director of Community Development and Park Planning; Keith Henry, Director of Public Works; Nancy Warring, Assistant Planner; Kelli Williams, Chief Communications Officer; Police Chief Tracy Roles; and Elaine Banes, Executive Assistant.

1. **Chairman Copeland called the business meeting of the Bartlesville City Council to order at 7:00 p.m.**
2. **Roll call was conducted and a quorum established.**
3. **The invocation was provided by Pastor Victor Paul, Greater First Baptist Church.**
4. **Citizens to be heard.**

There were no citizens to be heard.

**5. City Council Announcements and Proclamations.**

Scout Matt Fries representing Troop 5, sponsored by St. John's, reported that he is attend the meeting in order to earn his Citizenship In Community Badge.

**6. Authorities, Boards, Commissions and Committee Openings**

- One opening on the Bartlesville Area History Museum Trust Authority
- One opening on the City Planning Commission
- One opening on the Street and Traffic Committee

Mayor Copeland read the openings and encouraged citizens to volunteer on City Committees. Applications can be found at [www.cityofbartlesville.org](http://www.cityofbartlesville.org) or at City Hall in the City Manager's Office.

**7. Consent Docket**

**a. Approval of Minutes**

- i. The Regular Meeting Minutes of July 1, 2019

**b. Approval and/or Ratification of Appointments and Reappointments to Authorities, Boards, Commissions and Committees**

- i. At the recommendation of the BDA Board of Trustees, the ratification of Ms. Diana Moon Adams as Chair and Mr. Kyle Hubbard as Secretary/Treasurer of the Bartlesville Development Authority.

**c. Approval of Resolutions**

- i. Amending the budget of the City of Bartlesville, Oklahoma for Fiscal Year 2019-2020, appropriating unbudgeted fund balance in the Restricted Revenue Fund.
- ii. Amending the budget of the City of Bartlesville, Oklahoma for Fiscal Yea 2019-2020, appropriating unanticipated private grant revenue in the Restricted Revenue Fund.

**d. Approval of Agreements and Contracts**

- i. Agreement with Creativebug, LLC with the Bartlesville Public Library for a one-year subscription to the Creative bug database.
- ii. An Option Agreement between the City of Bartlesville and the Bartlesville Community Center Trust Authority to acquire real property in Blocks 53 and 54, Original Town of Bartlesville.

**e. Approval of Request from Water District**

- i. A request from Washington County Rural Water District #2 to add a benefit unit to the District to serve a 1.22 acre tract at 401232 W 2700 Road in Washington County.

**f. Declaration of Surplus Property**

- i. Declare buildings, fences, dugouts, and other miscellaneous items at the Price Fields Baseball/Softball Complex as surplus to facilitate auctioning items that will otherwise be demolished as part of the Price Fields Phase 3 Renovation.

**g. Receipt of Financials**

- i. Interim financials for the seven months ending January 31, 2019.
- ii. Interim financials for the eight months ending February 28, 2019.

**h. Receipt of Bids**

- i. Bid No. 2019-2020-007 for Ohio, Hazel, & Harvard Asphalt Rehabilitation Project

Mayor Copeland read the consent docket in its entirety. Mr. Stuart asked that Item 7.a.i., be removed for discussion. Mr. Curd asked that Item 7.b.i. and 7.d.ii. and 7.f.i. also be removed for discussion.

Mr. Stuart moved to approve the consent docket except for those items pulled, seconded by Mr. Dorsey.

Aye: Mr. Stuart, Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mayor Copeland  
Nay: None  
Motion: Passed

Item 7.a.i. – Mr. Stuart asked that pages 44-53 in the packet be removed from the attachment to the minutes since that portion of the presentation was not discussed or voted upon. Mayor Copeland also asked that the term Chairman be removed where found in the minutes in the place of Mayor.

Mr. Stuart moved to approve Item 7.a.i. the Minutes of July 1, 2019 with the corrections as discussed, seconded by Mr. Dorsey.

Aye: Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mayor Copeland  
Nay: None  
Motion: Passed

Item 7.b.i. - Mr. Curd wanted to recognize and state his appreciation for Ms. Moon Adams and Mr. Hubbard on their election as Chair and Secretary/Treasurer to the Bartlesville Development Authority. He also wanted to thank Bob Fraser for serving as Chair over the past few years, and commend him for the great job he did while serving on the Board.

Mr. Stuart moved to approve Item 7.b.i. the ratification of Diana Moon Adams as Chair and Kyle Hubbard as Secretary/Treasurer of the Bartlesville Development Authority, seconded by Mr. Dorsey.

Aye: Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mr. Dorsey, Mayor Copeland  
Nay: None  
Motion: Passed

Item 7.d.ii. - Mr. Curd inquired as to the purpose of the option agreement. Mr. Bailey explained that in order for bond funds to be used to develop the Tower Center at Unity Square, the Community Center Trust Authority deeded the property to the City. The option agreement presented at this meeting allows the Community Center Trust Authority (CCTA) the option to receive the land back, should at some in the future the property ceases to be a park. The option agreement contains the stipulation that the CCTA cannot receive it back before June 1, 2028 due to the use of bond funds used to develop the property.

Mr. Curd moved to approve the Option Agreement between the City of Bartlesville and the Bartlesville Community Center Trust Authority to acquire real property in Blocks 53 and 54, Original Town of Bartlesville, seconded by Vice Mayor Gentges.

Aye: Vice Mayor Gentges, Mr. Stuart, Mr. Dorsey, Mr. Curd, Mayor Copeland  
Nay: None  
Motion: Passed

Item 7.f.i. - Mr. Curd pointed out that there are many items at Price Field that could potentially be demolished with the Phase 3 Renovation that may benefit other towns or organizations, Mr. Bailey explained that anything with a value of \$8,000 or over must be declared as surplus before being sold. He added that although some of the items may not be valued that high, he and staff felt it would be better to handle the items in this manner. When asked the timeline for Phase 3 to begin, Mr. Siemers reported that bids for the project will be received August 21 and awarded September 3, therefore work on the project will ensue shortly thereafter.

Mr. Curd moved to approve the declaration of buildings, fences, dugouts and other miscellaneous items at the Price Fields Baseball/Softball Complex as surplus to facilitate auctioning items that will otherwise be demolished as part of the Price Fields Phase 3 Renovations, seconded by Mr. Dorsey.

Aye: Mr. Stuart, Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mayor Copeland  
Nay: None  
Motion: Passed

**8. Discuss and take action to award Bid No. 2019-2020-003 for Rock Salt for the Street Department. Presented by Mr. Curd.**

Mr. Curd moved to award Bid No. 2019-2020-003 to Kansas Salt LLC of Louisburg, KS, in the amount of \$78.75 per ton, seconded by Mr. Dorsey.

Aye: Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mayor Copeland  
Nay: None  
Motion: Passed

**9. Discuss and take action to award Bid No. 2019-2020-004 for Concrete for the Street Department. Presented by Mr. Curd.**

Mr. Curd moved to award Bid No. 2019-2020-004 to Bartlesville Redi-Mix, Inc. Bartlesville, OK in the amounts listed on the attached forum, and on certain occasions when the awarded bidder cannot provide materials in a timely manner, the City reserves the right to use an alternate supplier, Mid-Continent Concrete, seconded by Mr. Dorsey.

Aye: Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mr. Dorsey, Mayor Copeland  
Nay: None  
Motion: Passed

**10. Discuss and take action to award Bid No. 2019-2020-005 for Emulsified Asphaltic Oils for the Street Department. Presented by Mr. Curd.**

Mr. Curd moved to award Bid No. 2019-2020-005 to Ergon Asphalt & Emulsions, Catoosa, OK, in the amount of \$1.70 per gallon for CRS-2 and \$1.90 per gallon for SS-1 seconded by Vice Mayor Gentges.

Aye: Vice Mayor Gentges, Mr. Stuart, Mr. Dorsey, Mr. Curd, Mayor Copeland  
Nay: None  
Motion: Passed

**11. Discuss and take action to award Bid No. 2019-2020-006 Part I for Asphaltic Concrete for the Street Department, Park Department and Wastewater. Presented by Mr. Curd.**

Mr. Curd moved to award Bid No. 2019-2020-006 to APAC-Oklahoma, Tulsa, OK, in the amounts listed on the attached form, seconded by Mr. Stuart.

Aye: Mr. Stuart, Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mayor Copeland  
Nay: None  
Motion: Passed

**12. Discuss and take action to award Bid No. 2019-2020-006 Part II for Aggregate Base for the Street Department, Park Department, and Wastewater. Presented by Mr. Curd.**

Mr. Curd moved to award Bid No. 2019-2020-006 to APAC-Oklahoma, Tulsa, OK, in the amounts listed on the attached form, seconded by Mr. Dorsey.

Aye: Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mayor Copeland  
Nay: None  
Motion: Passed

**13. Discuss and take action to award Bid No. 2019-2020-006 Part III for Dry Sand for the Street Department. Presented by Mr. Curd.**

Mr. Curd reported that bids for sand were not received, although sand is available from vendors at normal market price. Sufficient funding is available should the purchase be needed.

Mr. Curd moved to award funds for Bid No. 2019-2020-006 to vendors as needed, seconded by Mr. Stuart.

Aye: Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mr. Dorsey, Mayor Copeland  
Nay: None  
Motion: Passed

**14. Discuss and take action to award Bid No. 2019-2020-007 for Ohio, Hazel & Harvard Asphalt Paving Rehabilitation Project. Presented by Mr. Dorsey.**

Mr. Dorsey moved to award Bid No. 2019-2020-007 to KSL Dirtworks, LLC, Bartlesville, OK, in the amount of \$407,352.00, seconded by Mr. Curd.

Aye: Vice Mayor Gentges, Mr. Stuart, Mr. Dorsey, Mr. Curd, Mayor Copeland  
Nay: None  
Motion: Passed

**15. Discuss and take action on the acceptance of an electrical bid for the Tower Center at Unity Square project. Presented by Mr. Curd.**

Mr. Lauritsen reported on the background of the project. He stated that on July 1, Council accepted bids for all work packages within the project, but rejected the one electrical bid. Thus, the electrical work package was rebid. On July 24, three electrical bids were received. The low bid was from Third Generation Electric, with a base bid of \$286,400 which is \$57,040.75 below the available budget balance of \$343,440.75. The base bid included the modification design approved by Council on July 1, and several add on alternates as funding permits. The bids were presented to the Design Review Committee on July 31, and they unanimously recommend approval to accept Third Generation Electric's base bid, as well as the add alternates for the lights on the sandstone benches, and lights in the pool and sculpture, while removing six small bollard lights which will be done through a future change order. Inclusion of these add alternates to the base bid and removing the six bollard lights will result in an electrical package cost of \$300,034 which is within the available budget balance. Mr. Curd reported that the Tower Green Design Committee were pleased to be able to have the \$43,000 contingency due to the bid coming in under the budgeted amount.

Mr. Curd moved to accept the bid from Third Generation Electric for the base bid, add alternates-lights for sandstone benches, lights at pool and sculpture, contingent on a change order to remove six small bollard lights, with total bid package value of \$300,034, seconded by Vice Mayor Gentges.

Vice Mayor Gentges commended the Tower Green Design Committee and staff for the work they have contributed towards the project.

Aye: Mr. Stuart, Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mayor Copeland  
Nay: None

Motion: Passed

**16. Public hearing to assess and discuss the City's performance in the administration of the grant received from the State of Oklahoma for Fiscal Year 2017 CDBG Small Cities Set-Aside Program and to take action to formally accept the project as completed. Presented by Nancy Warring, Assistant Planner.**

Ms. Warring provided a PowerPoint presentation of the project-the construction of a parking lot and sidewalks near the entrance of Johnstone Park. The CDBG funds in the amount of \$84,125 were matched with city funds in the amount of \$95,184 for the project. Additional CIP funds were used to repave an existing parking lane adjacent to the parking lot and allow a driveway expansion of 20 feet.

Mayor Copeland opened the public hearing at 7:43 p.m. There being no one appear to speak, the Mayor closed the public hearing at 7:43 p.m.

Vice Mayor Gentges moved to formally accept the completed FY 2017 CDBG Project, construction of the parking lot and sidewalks near the entrance to Johnstone Park as presented, seconded by Mr. Curd.

Mr. Curd stated his appreciation to staff for the work that has been completed to improve the entrance into Johnstone Park including the parking lot.

Aye: Mr. Dorsey, Mr. Curd, Vice Mayor Gentges, Mr. Stuart, Mayor Copeland

Nay: None

Motion: Passed

**17. New Business.**

- There was no new business to report.

**18. City Manager and Staff Reports.**

Mr. Bailey reported that curbside pickup for the storm debris begins today. He added that the limbs and debris are to be cut into sizeable lengths to assist the city workers with pick up. There is no policy in place as to how and when the City determines whether extra assistance is required after a storm such as the one experienced recently. He and staff assessed the situation and found that curbside assistance was needed. In addition to the curb side pickup, a free yard waste dump site was established west of town. The site was open for two weeks following the storm.

Mr. Bailey encouraged citizens to sign up for the City Beat newsletter. Sign up can be completed on the City's website, on the home page, [www.cityofbartlesville.org](http://www.cityofbartlesville.org). The newsletter provides a great deal of information and is one of the City's best sources of communication. He added that the City also has a Facebook Page, a Twitter and Instagram account. Should comments be made or questions asked on other pages, i.e. Next Door, the City's response will be provided in City Beat or on one of the City's media sources. He also encouraged citizens to call City offices if they have questions, and staff will be happy to answer them and/or provide information.

Mr. Bailey also said that the Downtown Parking Survey is still open, but will be closing soon. The results will be reported once all of the information is compiled.



**19. City Council Comments and Inquiries.**

Mr. Stuart inquired if the Solid Waste Survey results were ready for release. Mr. Bailey reported that the results are being compiled and should be brought before the City Council at the September meeting.

**20. There being no further business to discuss, Mayor Copeland adjourned the meeting at 7:54 p.m.**

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Dale W. Copeland, Mayor

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Jason Muninger, City Clerk/CFO

**CITY OF BARTLESVILLE, OKLAHOMA  
 BID SPECIFICATIONS FOR  
 CONCRETE  
 BID NUMBER 2019-2020-004**

| Concrete:  | Price per Cubic Yard: |
|--|-----------------------|
| 4 sack Class C (2,000 psi min):  | <u>N/A</u>            |
| 4½ sack Class C (25000 psi min):   | <u>\$ 97</u>          |
| 5 sack Class B (3,000 psi min):  | <u>\$ 99</u>          |
| 5 ½ sack Class B (3,500 psi min):  | <u>\$ 101</u>         |
| 6 sack Class A (4,000 psi min):  | <u>\$ 103</u>         |
| 7 sack Class AA:   | <u>\$ 104</u>         |
| High Early   | <u>\$ 108</u>         |
| <b>Flowable Fill:</b>  |                       |
| Flowable Fill Quick Set concrete shall contain<br>Rapid set cement 100#, fly ash 0#, Sand 2970#,<br>water 55 gal., air 0%: | <u>\$ 72</u>          |
| Flowable Fill Regular Set concrete shall contain<br>Type 1 cement 60#, Fly ash 290#, sand 2750#,<br>water 55 gal., air 0%  | <u>\$ 62</u>          |
| Sand used in Flowable fill shall have 100% passing<br>the ¾" inch sieve and 0%-20% passing the No. 200 sieve               | <u>\$ 97</u>          |
| Flyash Grout: (1827 Flyash, 1220 Cement, 75 Gals Water)  | <u>N/C</u>            |
| Air Entraining: 4-6%   | <u>\$ 3</u>           |
| Calcium Chloride: 1%   | <u>\$ 6</u>           |
| Calcium Chloride: 2%   | <u>\$ 6</u>           |
| Fiber mesh   | <u>\$ 4</u>           |
| Hot Water (140 degree min)   | <u>N/A</u>            |
| Black Pigment: Frank Davis #807 @ 6.25 lb./cy. Or equal  | <u>N/A</u>            |
| Minimum Order Amount: <u>1 yard</u> (i.e. .5 yards. etc)   |                       |

If there is a price break for quantity please list:

COMPANY: Bartlesville Redi-mix, Inc

ADDRESS: 1500 Tuxedo Blvd

Company Name Bartlesville Redi-mix

**CITY OF BARTLESVILLE, OKLAHOMA  
BIDS FOR -  
PLANT MIX BITUMINOUS BASES AND SURFACES  
ASPHALTIC CONCRETE, AGGREGATE BASE, AND SAND  
BID # 2019-2020-006**

**ASPHALTIC CONCRETE  
PART I**

| <u>DESCRIPTION</u>   | <u>UNIT/TON</u>                      |
|--|--------------------------------------|
| 1. Type A  | \$ <u>45.00</u>                      |
| 2. Type B  | \$ <u>48.00</u>                      |
| 3. Type C  | \$ <u>50.00</u>                      |
| Highway miles from your plant to the City of Bartlesville, OK <u>8</u> |                                      |
| COMPANY NAME <u>APAC-CENTRAL, INC.</u>                                 |                                      |
| ADDRESS <u>400251 W. 1500 Rd.</u>                                      |                                      |
| CITY, STATE, ZIP <u>Dewey, Oklahoma 74029</u>                          |                                      |
| CONTACT <u>Michael Shore</u>   | PHONE <u>918-859-2274</u>            |
| FAX <u>918-534-1742</u>  | E-MAIL <u>michael.shore@apac.com</u> |

MAIL THE BID FORM(S) ALONG WITH THE NON-COLLUSION AFFIDAVIT TO:

CITY OF BARTLESVILLE  
CITY CLERKS OFFICE  
401 S. JOHNSTONE AVE  
BARTLESVILLE, OK 74003

**BIDS MUST BE RECEIVED BY 2:00 PM ON MONDAY JULY 1, 2019.**

PLEASE INDICATE BID NUMBER ON THE OUTSIDE OF THE MAILING ENVELOPE.  
IF BID NUMBER IS NOT ON THE ENVELOPE, YOUR BID WILL BE DISQUALIFIED.

If you wish to obtain a copy of the bid results, please include with your bid a letter requesting a copy of the bid results that contains an email address where we may forward an electronic copy of the results.

**THE CITY OF BARTLESVILLE RESERVES THE RIGHT TO ACCEPT OR REJECT  
ANY OR ALL BIDS OR PORTIONS THEREOF.**

Company Name APAC-CENTRAL, INC.

**CITY OF BARTLESVILLE, OKLAHOMA**  
**BIDS FOR -**  
**PLANT MIX BITUMINOUS BASES AND SURFACES**  
**ASPHALTIC CONCRETE, AGGREGATE BASE, AND SAND**  
**BID # 2019-2020-006**

**AGGREGATE BASE**  
**PART II**

| ITEM                              | COST PER TON @<br>PLANT | TRAILER<br>DELIVERY | BOBTAIL<br>DELIVERY |
|-----------------------------------|-------------------------|---------------------|---------------------|
| 1 1/2" CLASS A                    | \$ 10.50                | \$ 5.10             | \$ 5.10             |
| 2" CLASS A                        | N/B                     | —                   | —                   |
| 3" CLASS A                        | N/B                     | —                   | —                   |
| CRUSHER RUN<br>(ALL SIZES)        | \$ 6.25                 | \$ 5.10             | \$ 5.10             |
| 1/2" CHIPS                        | \$ 11.00                | \$ 5.10             | \$ 5.10             |
| 3/8" CHIPS                        | \$ 11.00                | \$ 5.10             | \$ 5.10             |
| 5/8" CHIPS                        | N/B                     | —                   | —                   |
| 3/4" CHIPS                        | \$ 11.00                | \$ 5.10             | \$ 5.10             |
| 3" BEDDING                        | \$ 9.50                 | \$ 5.10             | \$ 5.10             |
| SHOT ROCK                         | <del>\$ 9.00</del>      | \$ 6.10             | \$ 6.10             |
| RIP RAP                           | \$ 17.50                | \$ 6.10             | \$ 6.10             |
| NEW<br>SCREENINGS                 | \$ 5.50                 | \$ 5.10             | \$ 5.10             |
| ASPAHLT<br>SCREENINGS             | \$ 6.00                 | \$ 5.10             | \$ 5.10             |
| TYPE A                            | \$ 7.75                 | \$ 5.10             | \$ 5.10             |
| TYPE B                            | \$ 7.75                 | \$ 5.10             | \$ 5.10             |
| PUGGED BASE<br>TYPE A &<br>TYPE B | \$ 7.75                 | \$ 5.10             | \$ 5.10             |
| MANUFACTURED<br>SAND              | \$ 8.00                 | \$ 5.10             | \$ 5.10             |

Company Name APAC-CENTRAL, INC.

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Appointment of Ms. Jana Tresher to the Street/Traffic Committee.

Attachments:

Ms. Tresher's application to serve on the Street/Traffic Committee.

**II. STAFF COMMENTS AND ANALYSIS**

Dan Oglesbee resigned from the Committee in June, leaving his three-year term open, expiring February 2021. Ms. Tresher expressed interest in serving on the Committee per her application. She is a retired AT&T manager where she worked in the business sector, working with all levels of management.

**III. RECOMMENDED ACTION**

Discuss and take action to approve the appointment of Ms. Jana Tresher to fill Mr. Oglesbee's unexpired term, at Councilman Stuart's recommendation. Please set this appointment for approval at the next City Council agenda.

## Elaine Banes

---

**From:** ian@bitbrilliant.com  
**Sent:** Tuesday, July 16, 2019 12:56 PM  
**To:** Elaine Banes  
**Subject:** New submission from Application for City Boards, Commissions, Committees & Trust Authorities

**Please check the ones you wish to serve on:**

- Adams Municipal Golf Course Committee
- Bartlesville Development Authority
- Street and Traffic Committee

**Name**

Jana Tresher

**Address**

1712 S Keeler Ave  
Bartlesville, Oklahoma 74004  
[Map It](#)

**Home Phone**

(912) 596-1641

**Email**

[jt5910@yahoo.com](mailto:jt5910@yahoo.com)

**What in your background qualifies you for service on the committees chosen (volunteer work, education, employment)?**

Retired AT&T manager. With this position I was in the consistently in business sector and met with all levels of management and craft. I have had extensive training in the management of people and an extensive technical background

**Tell us about your previous community involvement and the duration of your involvement.**

I was a member of Rotary and I have worked with several Business Authorities for AT&T.

**What would you like to see this board, commission, committee or authority accomplish?**

For all committees to work together for improvement in the City of Bartlesville. co-ordinance in projects, city functions and overall community participation

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

City Council appointment of Jessica Rovenstine to the Bartlesville Area History Museum Trust Authority.

Attachments: Application

**II. STAFF COMMENTS AND ANALYSIS**

I recommend the appointment of Ms. Rovenstine to the History Museum Trust Authority. She recently graduated from Leadership Bartlesville and has supported/volunteered in the community. She wants to become more involved in the community and to learn more of our city's rich history. She has worked with Arvest Wealth Management for the past 6 years and is currently involved with the Cricket Tournament that will be coming to Bartlesville later this year.

At a special meeting on August 7, 2019, the History Museum Trust Authority Members voted to recommend Ms. Rovenstine to City Council for appointment.

**III. RECOMMENDED ACTION**

City Council's approval for the appointment of Jessica Rovenstine to the Bartlesville Area History Museum Trust Authority.



**Denise C. Goff**

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**From:** Shellie R. McGill  
**Sent:** Tuesday, July 16, 2019 1:42 PM  
**To:** Denise C. Goff  
**Subject:** FW: New submission from Application for City Boards, Commissions, Committees & Trust Authorities

**From:** Elaine Banes <[rebanes@cityofbartlesville.org](mailto:rebanes@cityofbartlesville.org)>  
**Sent:** Monday, July 1, 2019 4:39 PM  
**To:** Shellie R. McGill <[mrmcgill@cityofbartlesville.org](mailto:mrmcgill@cityofbartlesville.org)>; Ward 2. Council <[ward2council@cityofbartlesville.org](mailto:ward2council@cityofbartlesville.org)>  
**Cc:** [dgoff@bartlesville.lib.ok.us](mailto:dgoff@bartlesville.lib.ok.us)  
**Subject:** FW: New submission from Application for City Boards, Commissions, Committees & Trust Authorities

Please see application below for consideration.

Thank you,

*Elaine Banes*  
*Executive Assistant*  
*City of Bartlesville*  
*401 S. Johnstone Ave.*  
*Bartlesville, OK 74003*  
*918-338-4282*  
[rebanes@cityofbartlesville.org](mailto:rebanes@cityofbartlesville.org)



**From:** [ian@bitbrilliant.com](mailto:ian@bitbrilliant.com) <[ian@bitbrilliant.com](mailto:ian@bitbrilliant.com)>  
**Sent:** Monday, July 01, 2019 4:37 PM  
**To:** Elaine Banes <[rebanes@cityofbartlesville.org](mailto:rebanes@cityofbartlesville.org)>  
**Subject:** New submission from Application for City Boards, Commissions, Committees & Trust Authorities

Please check the ones you wish to serve on:

- Bartlesville History Museum Trust Authority

**Name**

Jessica Rovenstine

**Address**

2328 Skyline Dr  
Bartlesville, OK 74006  
[Map It](#)

**Work Phone**

(918) 337-3444

**Cell Phone**

(918) 869-6845

**Email**

[jrovenstine@arvest.com](mailto:jrovenstine@arvest.com)

**What in your background qualifies you for service on the committees chosen (volunteer work, education, employment)?**

I have worked for Arvest wealth management for the past 6 years, with in that time frame, I have served on several projects within the bank that have been a benefit to the department. Recently, I graduated from the leadership Bartlesville program. We are currently working on a Cricket Tournament that is coming to Bartlesville later this year. I have spent time volunteering in the community since living in Bartlesville. I have a

**Tell us about your previous community involvement and the duration of your involvement.**

Currently, I do not have a big history in community involvement. I have definitely supported community events, and volunteered through work. This will my first time to be involved on a board, if chosen. I am looking for opportunities to get involved in the community. I plan on living in Bartlesville for the rest of my life, I call this place my home, and I would like to see the town continue to have a rich history.

**What would you like to see this board, commission, committee or authority accomplish?**

I would like to see what I could bring to the board, I am not sure exactly what I would like to accomplish and or change, but if I can help out and serve in some way I think that is an accomplishment.

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Discuss and approve the Contract and the LSTA Terms and Conditions Agreement between the Oklahoma Department of Libraries and the Bartlesville Public Library Literacy Services for the Health Literacy Grant, 2020.

Attachments: Contract  
LSTA Terms and Conditions Agreement

**II. STAFF COMMENTS AND ANALYSIS**

The Bartlesville Public Library is grateful to receive this grant for the fifth year. The Literacy Services Department has built a stellar Health and Wellness Program that benefits many citizens in our community. This grant provides for weekly Yoga, Tai Chi, and exercise classes; healthy cooking classes; nutrition programs; plus a multitude of other health and wellness events.

The continuation of this program helps increase the overall awareness of health issues and practices of Bartlesville residents.

**III. RECOMMENDED ACTION**

Staff recommends City Council approval of this Contract and Terms and Conditions.

**CONTRACT**  
**BETWEEN THE OKLAHOMA DEPARTMENT OF LIBRARIES, BARTLESVILLE PUBLIC LIBRARY**  
**AND BARTLESVILLE PUBLIC LIBRARY LITERACY SERVICES**

**I. CONTRACTING PARTIES**

The contracting parties are the Oklahoma Department of Libraries, a state agency (Department), Bartlesville Public Library (Contractor), and Bartlesville Public Library Literacy Services, collectively known as the Parties.

**II. TERM OF THE CONTRACT**

This Contract shall begin on the date of execution and shall terminate on August 15, 2020.

- a. In the event the Contractor fails to comply with the terms and conditions of this Contract, the Department may, upon written notice of such non-compliance to the Contractor, cancel the Contract effective upon receipt of notice. Such cancellation shall be in addition to any other rights and remedies provided for by law.
- b. The Parties of this Contract understand and acknowledge any future contracts or renewals are not automatic nor implied by this Contract.

**III. OBLIGATIONS OF THE CONTRACTOR**

The Contractor shall render diligently and competently the services as indicated and in the manner set forth herein which shall be binding on the Parties of this Contract.

The Contractor shall:

- a. Use grant funds to provide resources, information, and training to promote health and wellness in the community as described in the approved health literacy proposal.
- b. Collaborate with a minimum of two community partners such as county health department, hospital, Cooperative Extension Service, or similar organizations.
- c. Agree to and sign the *LSTA Terms and Conditions Agreement*.
- d. Publicize receipt of LSTA grant and project activities in at least three formats (newspaper, social media, website, presenter, etc.) to reach a minimum of 200 community members.
- e. The Institute of Museum and Library Services (IMLS) and ODL must be referenced in all publicity.
- f. Maintain signed contracts for all presenters and instructors paid with grant funds.
- g. Follow conflict of interest policy when selecting presenters, instructors, and vendors.
- h. Participate in health literacy networking calls, meetings, and training provided by the Department.

- i. Collect required statistics and maintain copies of all related print information.
- j. Submit the Final Report to the Department by August 15, 2020. The report will include a Narrative, Expenditure Report, and Programs and Statistics Report.

#### **IV. OBLIGATIONS OF THE DEPARTMENT**

The Department shall carry out the subsequent administrative responsibilities:

- a. Approve proposal, and provide a contract, *LSTA Terms and Conditions Agreement*, and claim form to the Contractor.
- b. Process grant payment to the Contractor upon receipt of notarized claim form.
- c. Provide professional development opportunities for health literacy grantees.
- d. Provide technical assistance and resources as needed.
- e. Provide a means for health literacy grantees to network and exchange information.
- f. Review and approve the Final Report.

#### **V. PROJECT FUNDING**

In accordance with the terms of this Contract, the Department will grant **Nine Thousand Dollars (\$9,000)** for the provision of health literacy services through Bartlesville Public Library Literacy Services.

- a. Expenditures for this project must conform to the approved budget and to applicable local, state, and federal laws and regulations, and are subject to all conditions of this Contract. Any deviations from the approved budget must be approved by the Department.
- b. Grant funds may not be used medical treatment, medication, refreshments, or giveaways.
- c. Payment will be made via electronic deposit within 30 days of receipt of the notarized claim form.
- d. The Contractor assures that expenditures under this Contract will be included in its next regular audit.

#### **VI. GENERAL PROVISIONS**

##### **a. Notices**

Any notices to be given herein are deemed to be given when deposited with the United States Postal Service, certified or registered mail, return receipt requested, with sufficient postage prepaid, addressed as specified below. Either party may at any time designate any other address by giving written notice to the other party.

As to the Department:

Oklahoma Department of Libraries  
Attn: Leslie Gelders  
200 NE 18 Street  
Oklahoma City, OK 73105-3205

As to the Contractor:

Bartlesville Public Library  
Attn: Shellie McGill  
600 S. Johnstone  
Bartlesville, OK 74003

**b. No Grant of Authority**

Nothing herein shall be construed as conferring upon Contractor the authority to assume or incur any liability or obligation of any kind, expressed or implied, in the name of or on behalf of the Department. The Contractor agrees not to assume or incur any such liability without the prior written consent of the Department.

**c. Performance Suspension**

Performance may be suspended by either party for any act of God, war, riots, fire, explosion, strike, injunction, inability to obtain fuel, power, labor, or transportation, accident, national defense requirements, or any cause beyond the control of such party, which prevents the performance of such party. An alleged breach of this Contract by either party shall be grounds for immediate suspension of performance.

**d. Liability**

The Department shall not be liable for any injuries or damages to persons or property resulting from acts or omissions of the Contractor, its officers, employees, agents, or trustees, in carrying out the activities of this Contract.

**e. Accident or Illness**

The Contractor agrees that any accident or illness during the performance of this Contract will not be the responsibility of the Department and in no way holds the Department liable for such accident or illness.

**f. Understanding of Terms**

The Parties hereto have read and fully understand the terms of this Contract and the *LSTA Terms and Conditions Agreement*, and agree to be bound by the same.

**VII. RECORDS MAINTENANCE AND ACCESS REQUIREMENTS**

The Contractor agrees to keep and maintain appropriate books and records reflecting the services performed and costs and expenses incurred in connection with its performance of the services, including accounting procedures, practices or any other items relevant to this Contract, for a period of five (5) years from the ending date of this Contract. Upon reasonable notice, the Department, Office of the Attorney General (OAG), the State Auditor's Office, the State Purchasing Director, or their representatives, shall be entitled to any books, records, and other documents and items for purpose of audit and examination at Contractor's premises during normal business hours. The Contractor further agrees to provide appropriate access by the aforementioned parties to any subcontractor's associated records. In the event any audit, litigation, or other action involving these pertinent records is started before the end of the five (5) year period, the Contractor agrees to retain these records until all issues arising out of the action are resolved or until the end of the five (5) year period, whichever is later.

**VIII. VENUES AND APPLICABLE LAW**

If any legal action is taken to enforce the terms of this contract, the Parties agree that the venue for all legal action is Oklahoma City, Oklahoma. This contract shall be governed by and construed in accordance with the laws of the State of Oklahoma.

**IX. ADDITIONAL REQUIRMENTS**

- a. It is expressly agreed that the Contractor under this contract is an independent Contractor and under no circumstances shall any owners, officers, employees or volunteers of the Contractor be considered employees of the Department or the State of Oklahoma. The Contractor is responsible for all types of claims due its volunteers, employees, or any third parties. The Contractor will indemnify and hold harmless the Department and the State of Oklahoma from and against any and all claims arising out of the Contractor's, or any of the Contractor's employees' or volunteers' performance, including but not limited to the use of automobiles or other transportation.
- b. Include the following acknowledgment on any publication or presentation resulting from Contractor's participation in this grant: "This activity is supported by the Institute of Museum and Library Services (IMLS) and the Oklahoma Department of Libraries. The opinions and



content of activities and materials do not necessarily reflect the position or policy of the Oklahoma Department of Libraries or IMLS, and no official endorsement should be inferred.”

- c. In the event the Contractor does not comply with the terms of this contract, including the timetable, budget, and objectives, the Contractor will be given written notification of such noncompliance by the Department. The Contractor may appeal for reconsideration by giving written evidence of compliance within twenty (20) days following receipt of such notification. Should noncompliance be confirmed, the Department may take possession of items purchased under this contract for reassignment to other programs and projects.
- d. Evidence of failure to comply with the above policies shall result in a hold being placed on pending payments for all future grants until compliance can be assured.
- e. It is expressly agreed that any solicitation for, or receipt of, funds of any type by the Contractor is for the sole benefit of the Contractor and is not a solicitation for, or receipt of, funds for the Department.
- f. The Contractor will comply with regulations under the Open Meetings Act and the Open Records Act.

**X. AMENDMENTS**

Any alterations, additions, or deletions to the terms of this Contract shall be in writing and executed by all Parties.

**XI. ENTIRE CONTRACT**

This instrument, consisting of six pages, constitutes the entire Contract between the Parties. All oral or written agreements between the Parties relating to the subject matter of this Contract have been reduced to writing and are contained herein.

**XII. EXECUTION OF CONTRACT**

The Contractor affirms that all information, documentation, and representations submitted in securing this Contract are true and correct to the best of their knowledge.

The Contractor certifies that neither the Contractor, nor anyone subject to the Contractor's direction or control, has paid, given, or donated, or agreed to pay, give, or donate to any officer or employee of the Department or the State of Oklahoma any money or other thing of value, either directly or indirectly, in procuring this Contract.

Each signatory to this Contract declares that he/she has legal authority for obligating the entity he/she represents for the benefits and/or liabilities resulting under said Contract and accepts liability for any misrepresentation of such authority.

IN WITNESS WHEREOF, the Contractor and the Department have each caused this Contract to be executed in their behalf.

**SIGNATURES**

\_\_\_\_\_  
Shellie McGill, Director  
Bartlesville Public Library

\_\_\_\_\_  
Melody A. Kellogg, Director  
Oklahoma Department of Libraries

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Karen Kerr-McGraw, Literacy Director

\_\_\_\_\_  
Date

---

FOR USE BY THE OKLAHOMA DEPARTMENT of LIBRARIES  
Assurances: Fund 2551121 400-19 is encumbered for this Contract

Lead Officer approval: \_\_\_\_\_ Date \_\_\_\_\_  
Business Mgr. approval: \_\_\_\_\_ Date \_\_\_\_\_  
LSTA Coord. approval: \_\_\_\_\_ Date \_\_\_\_\_

## LSTA Terms and Conditions Agreement

*It is understood that participation in this grant involves an agreement to accept and adhere to the following regulations and conditions:*

The sub-recipient will fulfill the grant described in the contract. In fulfilling this grant, the sub-recipient shall follow all state and local laws, rules, regulations, standards, and procedures required subject to Federal statutes, and regulations including, but not limited to, those enumerated in these Terms and Conditions.

### **Nondiscrimination Statutes**

The sub-recipient must have a nondiscrimination policy in place that prohibits discrimination on the basis of disability, sex, age, race, color or national origin. Sub-recipient's policies must comply with federal statutes and regulations for programs or activities funded in whole or in part by the Institute of Museum and Library Services.

### **Drug-free Workplace**

Maintenance of a drug free workplace is the responsibility of the sub-recipient. All sub-recipients are prohibited from unlawfully manufacturing, distributing, dispensing, possessing or using a controlled substance in or on workplace facilities or property. Additionally, this applies to all individuals or entities under contract using grant funds.

### **Debarment and Suspension**

The sub-recipient's Director certifies that to the best of his/her knowledge that neither the applicant nor any of its principals or contractors are presently excluded or disqualified or have been convicted within the preceding three years of any offenses listed in 2 C.F.R., or have been criminally or civilly charged by a government entity.

### **Limited English Proficiency**

Federal regulations require that sub-recipients take reasonable steps to ensure meaningful access to the information, program, and services they provide to people with limited English proficiency (LEP). Any future possible sub grants and programs should consider language assistance services, if appropriate, when designing projects and requesting funds.

### **Conflict of Interest**

The sub-recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award, and administration of sub-awards and contracts. Employees may not participate in the selection, award, or administration of a sub-award or contract paid with Federal award funds if they have a real or apparent conflict of interest. A conflict of interest would arise when the employee, any member of their immediate family, a partner, or an organization has a financial or other interest in or a tangible personal benefit from an organization considered for a sub-award or contract.

### **Grant Funds Expenditures**

Federal funds for the purchase of materials as part of a grant must be used specifically for instituting new services or to supplement present services as required by the project.

**Indirect Costs**

When acting as a pass-through entity, the State Library Administration Agency (SLAA) is required to honor a sub-recipient's federally negotiated indirect cost rate if one already exists. If no such rate exists, the SLAA must honor either a rate negotiated between the SLAA and the sub-recipient (in compliance with federal guidelines) or the minimum rate of 10 percent of the sub-recipient's modified total direct costs (MTDC). Sub-recipients may elect not to claim any indirect costs. See 2 CFR 200.331

Certification of Indirect Costs must be provided if sub-recipient claims a negotiated indirect cost rate. If an indirect cost rate of up to 10 percent is claimed, charges must directly relate to the project and an itemized budget must be provided.

**Grant Amount Payment**

The Federal share of expenditures under this grant may not exceed the amount granted unless such expenditures have been approved by the Lead Officer.

**Accounting and Record Keeping**

The sub-recipient will account separately for all funds expended for the project. All records and final expenditures and grant information must be kept readily available for five years. Accounting records shall be supported by source documentation such as canceled checks, paid bills, contracts, etc. A copy of all invoices paid shall be kept in the file. The invoices must be marked with the check number for identification.

**Federal or State Monitoring**

The Federal grantor agency, the Comptroller General of the U.S. or other duly authorized representative, the Governor and the State Auditor or their designees shall have the right at reasonable notice to examine the books, records and other compilations of data of the sub-recipient which pertain to the performance of the provisions and requirements of this Agreement per 45 CFR 1183.36 and Executive Order 195 of April 27, 1981.

**Oklahoma Department of Libraries Monitoring**

The Oklahoma Department of Libraries (ODL) may conduct on-site or off-site monitoring reviews of the project during the term of this agreement and up to ninety (90) days after it expires or is otherwise terminated. The sub-recipient shall extend its full cooperation and give full access to the project site and to relevant documentation to the State or its authorized designees for the purpose of determining, among other things:

- a. whether project activities are consistent with those set forth in the grant contract and the grant application;
- b. that actual expenditure of state, local and/or private funds expended to date on the project is in conformity with the amounts for each budget line item and that unpaid costs have been properly accrued;
- c. that sub-recipient is making timely progress with the project, and that its project management, financial management, control systems, and procurement requirements are fully and accurately reflected in project reports submitted to ODL; and/or

- d. that sub-recipient is retaining copies of all informational materials, surveys, videos, and advertising in an organized fashion for a period of five years.

#### **Acknowledgments**

Any publication or presentation resulting from this grant must contain the following acknowledgment:

- a. "This project was supported in whole or in part by the Institute of Museum and Library Services. Opinions expressed in this publication or presentation do not necessarily reflect the position or policy of the Oklahoma Department of Libraries or IMLS and no official endorsement by those entities should be inferred."
- b. The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for Federal government purposes, the copyright of any work developed as a part of this grant.

#### **Advertisements**

The sub-recipient will acknowledge, according to regulations, Federal funding in all printed materials, newspaper coverage and interviews, program notes, catalogs, annual reports and other publicity pertaining to the project. In all cases, the following phrase must be used:

"This project is funded through the Oklahoma Department of Libraries with a federal grant from the Institute of Museum and Library Services through the Library Services and Technology Act."

*Note: You may add "in part" if there are multiple funding partners.*

#### **Record Retention**

The sub-recipient will retain for five years a minimum of one copy of all publications, informational materials, surveys, videotapes, films, union list, or other such materials produced as a result of this LSTA project.

#### **Future Eligibility**

In order to maintain eligibility for future grants, the sub-recipient must submit a final narrative and financial report as required by the Oklahoma Department of Libraries. The sub-recipient will retain copies of all reports for a period of five years.

#### **Grant Close-out**

Close-out of the grant does not affect regulations concerning retention of all programmatic and financial records (45 CFR 1183.42), recovery of disallowed expenditures resulting from an audit, and equipment responsibilities.

#### **Suspension or Termination**

This agreement may be suspended or terminated upon the recommendation of the ODL Lead Officer or LSTA Coordinator and the approval of the Director of the Oklahoma Department of Libraries if there is failure to comply with the terms of the contract or Terms and Conditions Agreement. Should the project be suspended or terminated, no additional ODL grants will be awarded unless specifically authorized by the ODL Director.

**Authority**

Each signatory to this document declares that he/she has legal authority for obligating the entity he/she represents for the benefits and/or liabilities resulting under said agreement and accepts liability for any misrepresentation of such authority.

\_\_\_\_\_  
type Name of Authorized Representative  
type Name of Organization

\_\_\_\_\_  
Melody A. Kellogg, Director  
Oklahoma Department of Libraries

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Discuss and approve the Contract and the LSTA Terms and Conditions Agreement between the Oklahoma Department of Libraries and the Bartlesville Public Library Literacy Services for the Immigration and Citizenship Grant 2020.

Attachments: Contract  
LSTA Terms and Conditions Agreement

**II. STAFF COMMENTS AND ANALYSIS**

This annual grant pays the salary for the Immigration & Citizenship Literacy Assistant Norma Seabolt. She promotes citizenship by providing the resources, information, and training to area residents. She facilitates five classes each week. There are two citizenship classes, a Spanish conversation class, and two ELL (English Language Learners) classes. This program has helped 27 people become U.S. citizens; 2 individuals are applying for citizenship now, and 13 are currently enrolled in classes and working towards citizenship.

**III. RECOMMENDED ACTION**

Staff recommends City Council approval of this Contract and Terms and Conditions.



**CONTRACT**  
**BETWEEN THE OKLAHOMA DEPARTMENT OF LIBRARIES**  
**AND BARTLESVILLE PUBLIC LIBRARY LITERACY SERVICES**

**I. CONTRACTING PARTIES**

The contracting parties are the Oklahoma Department of Libraries, a state agency (Department), and Bartlesville Public Library Literacy Services, a literacy program (Contractor), collectively known as the Parties.

**II. TERM OF THE CONTRACT**

This Contract shall begin on the date of execution and shall terminate on September 15, 2020.

- a. In the event the Contractor fails to comply with the terms and conditions of this Contract, the Department may, upon written notice of such non-compliance to the Contractor, cancel the Contract effective upon receipt of notice. Such cancellation shall be in addition to any other rights and remedies provided for by law.
- b. The Parties of this Contract understand and acknowledge any future contracts or renewals are not automatic nor implied by this Contract.

**III. OBLIGATIONS OF THE CONTRACTOR**

The Contractor shall render diligently and competently the services as indicated and in the manner set forth herein which shall be binding on the Parties of this Contract.

The Contractor shall:

- a. Use grant funds to provide resources, information, and training to promote citizenship information in the community as described in the approved Immigration and Citizenship Grant proposal.
- b. Collaborate with a minimum of two community partners.
- c. Agree to and sign the *LSTA Terms and Conditions Agreement*.
- d. Publicize receipt of LSTA grant and project activities in at least three formats (newspaper, social media, website, presenter, etc.).
- e. The Institute of Museum and Library Services (IMLS) and ODL must be referenced in all publicity.
- f. Maintain signed contracts for all presenters and instructors paid with grant funds.
- g. Follow conflict of interest policy when selecting presenters, instructors, and vendors.
- h. Participate in citizenship networking calls, meetings, and training provided by the Department.
- i. Collect required statistics and maintain copies of all related print information.

- j. Submit the Final Report to the Department by August 14, 2020. The report will include a Narrative, Expenditure Report, and Programs and Statistics Report.

#### **IV. OBLIGATIONS OF THE DEPARTMENT**

The Department shall carry out the subsequent administrative responsibilities:

- a. Approve proposal, and provide a contract, *LSTA Terms and Conditions Agreement*, and claim form to the Contractor.
- b. Process grant payment to the Contractor upon receipt of notarized claim form.
- c. Provide professional development opportunities for citizenship literacy grantees.
- d. Provide technical assistance and resources as needed.
- e. Provide a means for citizenship literacy grantees to network and exchange information.
- f. Review and approve the Final Report.

#### **V. PROJECT FUNDING**

In accordance with the terms of this Contract, the Department will grant **Fifteen Thousand Dollars (\$15,000.00)** to provide citizenship literacy services.

- a. Expenditures for this project must conform to the approved budget and to applicable local, state, and federal laws and regulations, and are subject to all conditions of this Contract. Any deviations from the approved budget must be approved by the Department.
- b. Grant funds may not be used for medical treatment, medication, refreshments, or giveaways.
- c. Payment will be made via electronic deposit within 30 days of receipt of the notarized claim form.
- d. The Contractor assures that expenditures under this Contract will be included in its next regular audit.

#### **VI. GENERAL PROVISIONS**

##### **a. Notices**

Any notices to be given herein are deemed to be given when deposited with the United States Postal Service, certified or registered mail, return receipt requested, with sufficient postage prepaid, addressed as specified below. Either party may at any time designate any other address by giving written notice to the other party.

As to the Department:

Oklahoma Department of Libraries  
Attn: Rebecca Barker  
200 NE 18 Street  
Oklahoma City, OK 73105-3205

As to the Contractor:

Bartlesville Public Library Literacy Services  
Attn: Karen Kerr McGraw  
600 S. Johnstone Avenue  
Bartlesville, OK 74003-4630

**b. No Grant of Authority**

Nothing herein shall be construed as conferring upon Contractor the authority to assume or incur any liability or obligation of any kind, expressed or implied, in the name of or on behalf of the Department. The Contractor agrees not to assume or incur any such liability without the prior written consent of the Department.

**c. Performance Suspension**

Performance may be suspended by either party for any act of God, war, riots, fire, explosion, strike, injunction, inability to obtain fuel, power, labor, or transportation, accident, national defense requirements, or any cause beyond the control of such party, which prevents the performance of such party. An alleged breach of this Contract by either party shall be grounds for immediate suspension of performance.

**d. Liability**

The Department shall not be liable for any injuries or damages to persons or property resulting from acts or omissions of the Contractor, its officers, employees, agents, or trustees, in carrying out the activities of this Contract.

**e. Accident or Illness**

The Contractor agrees that any accident or illness during the performance of this Contract will not be the responsibility of the Department and in no way holds the Department liable for such accident or illness.

**f. Understanding of Terms**

The Parties hereto have read and fully understand the terms of this Contract and the *LSTA Terms and Conditions Agreement*, and agree to be bound by the same.

**VII. RECORDS MAINTENANCE AND ACCESS REQUIREMENTS**

The Contractor agrees to keep and maintain appropriate books and records reflecting the services performed and costs and expenses incurred in connection with its performance of the services, including accounting procedures, practices or any other items relevant to this Contract, for a period of five (5) years from the ending date of this Contract. Upon reasonable notice, the Department, Office of the Attorney General (OAG), the State Auditor's Office, the State Purchasing Director, or their representatives, shall be entitled to any books, records, and other documents and items for purpose of audit and examination at Contractor's premises during normal business hours. The Contractor further agrees to provide appropriate access by the aforementioned parties to any subcontractor's associated records. In the event any audit, litigation, or other action involving these pertinent records is started before the end of the five (5) year period, the Contractor agrees to retain these records until all issues arising out of the action are resolved or until the end of the five (5) year period, whichever is later.

**VIII. VENUES AND APPLICABLE LAW**

If any legal action is taken to enforce the terms of this contract, the Parties agree that the venue for all legal action is Oklahoma City, Oklahoma. This contract shall be governed by and construed in accordance with the laws of the State of Oklahoma.

**IX. ADDITIONAL REQUIRMENTS**

- a. It is expressly agreed that the Contractor under this contract is an independent Contractor and under no circumstances shall any owners, officers, employees or volunteers of the Contractor be considered employees of the Department or the State of Oklahoma. The Contractor is responsible for all types of claims due its volunteers, employees, or any third parties. The Contractor will indemnify and hold harmless the Department and the State of Oklahoma from and against any and all claims arising out of the Contractor's, or any of the Contractor's employees' or volunteers' performance, including but not limited to the use of automobiles or other transportation.
- b. Include the following acknowledgment on any publication or presentation resulting from Contractor's participation in this grant: "This activity is supported by the Institute of Museum and Library Services (IMLS) and the Oklahoma Department of Libraries. The opinions and content of activities and materials do not necessarily reflect the position or policy of the Oklahoma Department of Libraries or IMLS, and no official endorsement should be inferred."
- c. In the event the Contractor does not comply with the terms of this contract, including the timetable, budget, and objectives, the Contractor will be given written notification of such noncompliance by the Department. The Contractor may appeal for reconsideration by giving

written evidence of compliance within twenty (20) days following receipt of such notification. Should noncompliance be confirmed, the Department may take possession of items purchased under this contract for reassignment to other programs and projects.

- d. Evidence of failure to comply with the above policies shall result in a hold being placed on pending payments for all future grants until compliance can be assured.
- e. It is expressly agreed that any solicitation for, or receipt of, funds of any type by the Contractor is for the sole benefit of the Contractor and is not a solicitation for, or receipt of, funds for the Department.
- f. The Contractor will comply with regulations under the Open Meetings Act and the Open Records Act.

**X. AMENDMENTS**

Any alterations, additions, or deletions to the terms of this Contract shall be in writing and executed by all Parties.

**XI. ENTIRE CONTRACT**

This instrument, consisting of six pages, constitutes the entire Contract between the Parties. All oral or written agreements between the Parties relating to the subject matter of this Contract have been reduced to writing and are contained herein.

**XII. EXECUTION OF CONTRACT**

The Contractor affirms that all information, documentation, and representations submitted in securing this Contract are true and correct to the best of their knowledge.

The Contractor certifies that neither the Contractor, nor anyone subject to the Contractor's direction or control, has paid, given, or donated, or agreed to pay, give, or donate to any officer or employee of the Department or the State of Oklahoma any money or other thing of value, either directly or indirectly, in procuring this Contract.

Each signatory to this Contract declares that he/she has legal authority for obligating the entity he/she represents for the benefits and/or liabilities resulting under said Contract and accepts liability for any misrepresentation of such authority.

IN WITNESS WHEREOF, the Contractor and the Department have each caused this Contract to be executed in their behalf.

**SIGNATURES**

\_\_\_\_\_  
Karen Kerr McGraw, Authorized Representative  
Bartlesville Public Library Literacy Services

\_\_\_\_\_  
Melody A. Kellogg, Director  
Oklahoma Department of Libraries

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Library Director, Bartlesville Public Library

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**FOR USE BY THE OKLAHOMA DEPARTMENT of LIBRARIES**

Assurances: Fund 2551404 40019-20 is encumbered for this Contract

Lead Officer approval: \_\_\_\_\_ Date \_\_\_\_\_

Business Mgr approval: \_\_\_\_\_ Date \_\_\_\_\_

LSTA Coord approval: \_\_\_\_\_ Date \_\_\_\_\_

## LSTA Terms and Conditions Agreement

*It is understood that participation in this grant involves an agreement to accept and adhere to the following regulations and conditions:*

The sub-recipient will fulfill the grant described in the contract. In fulfilling this grant, the sub-recipient shall follow all state and local laws, rules, regulations, standards, and procedures required subject to Federal statutes, and regulations including, but not limited to, those enumerated in these Terms and Conditions.

### **Nondiscrimination Statutes**

The sub-recipient must have a nondiscrimination policy in place that prohibits discrimination on the basis of disability, sex, age, race, color or national origin. Sub-recipient's policies must comply with federal statutes and regulations for programs or activities funded in whole or in part by the Institute of Museum and Library Services.

### **Drug-free Workplace**

Maintenance of a drug free workplace is the responsibility of the sub-recipient. All sub-recipients are prohibited from unlawfully manufacturing, distributing, dispensing, possessing or using a controlled substance in or on workplace facilities or property. Additionally, this applies to all individuals or entities under contract using grant funds.

### **Debarment and Suspension**

The sub-recipient's Director certifies that to the best of his/her knowledge that neither the applicant nor any of its principals or contractors are presently excluded or disqualified or have been convicted within the preceding three years of any offenses listed in 2 C.F.R., or have been criminally or civilly charged by a government entity.

### **Limited English Proficiency**

Federal regulations require that sub-recipients take reasonable steps to ensure meaningful access to the information, program, and services they provide to people with limited English proficiency (LEP). Any future possible sub grants and programs should consider language assistance services, if appropriate, when designing projects and requesting funds.

### **Conflict of Interest**

The sub-recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award, and administration of sub-awards and contracts. Employees may not participate in the selection, award, or administration of a sub-award or contract paid with Federal award funds if they have a real or apparent conflict of interest. A conflict of interest would arise when the employee, any member of their immediate family, a partner, or an organization has a financial or other interest in or a tangible personal benefit from an organization considered for a sub-award or contract.

### **Grant Funds Expenditures**

Federal funds for the purchase of materials as part of a grant must be used specifically for instituting new services or to supplement present services as required by the project.

**Indirect Costs**

When acting as a pass-through entity, the State Library Administration Agency (SLAA) is required to honor a sub-recipient's federally negotiated indirect cost rate if one already exists. If no such rate exists, the SLAA must honor either a rate negotiated between the SLAA and the sub-recipient (in compliance with federal guidelines) or the minimum rate of 10 percent of the sub-recipient's modified total direct costs (MTDC). Sub-recipients may elect not to claim any indirect costs. See 2 CFR 200.331

Certification of Indirect Costs must be provided if sub-recipient claims a negotiated indirect cost rate. If an indirect cost rate of up to 10 percent is claimed, charges must directly relate to the project and an itemized budget must be provided.

**Grant Amount Payment**

The Federal share of expenditures under this grant may not exceed the amount granted unless such expenditures have been approved by the Lead Officer.

**Accounting and Record Keeping**

The sub-recipient will account separately for all funds expended for the project. All records and final expenditures and grant information must be kept readily available for five years. Accounting records shall be supported by source documentation such as canceled checks, paid bills, contracts, etc. A copy of all invoices paid shall be kept in the file. The invoices must be marked with the check number for identification.

**Federal or State Monitoring**

The Federal grantor agency, the Comptroller General of the U.S. or other duly authorized representative, the Governor and the State Auditor or their designees shall have the right at reasonable notice to examine the books, records and other compilations of data of the sub-recipient which pertain to the performance of the provisions and requirements of this Agreement per 45 CFR 1183.36 and Executive Order 195 of April 27, 1981.

**Oklahoma Department of Libraries Monitoring**

The Oklahoma Department of Libraries (ODL) may conduct on-site or off-site monitoring reviews of the project during the term of this agreement and up to ninety (90) days after it expires or is otherwise terminated. The sub-recipient shall extend its full cooperation and give full access to the project site and to relevant documentation to the State or its authorized designees for the purpose of determining, among other things:

- a. whether project activities are consistent with those set forth in the grant contract and the grant application;
- b. that actual expenditure of state, local and/or private funds expended to date on the project is in conformity with the amounts for each budget line item and that unpaid costs have been properly accrued;
- c. that sub-recipient is making timely progress with the project, and that its project management, financial management, control systems, and procurement requirements are fully and accurately reflected in project reports submitted to ODL; and/or



- d. that sub-recipient is retaining copies of all informational materials, surveys, videos, and advertising in an organized fashion for a period of five years.

#### **Acknowledgments**

Any publication or presentation resulting from this grant must contain the following acknowledgment:

- a. "This project was supported in whole or in part by the Institute of Museum and Library Services. Opinions expressed in this publication or presentation do not necessarily reflect the position or policy of the Oklahoma Department of Libraries or IMLS and no official endorsement by those entities should be inferred."
- b. The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for Federal government purposes, the copyright of any work developed as a part of this grant.

#### **Advertisements**

The sub-recipient will acknowledge, according to regulations, Federal funding in all printed materials, newspaper coverage and interviews, program notes, catalogs, annual reports and other publicity pertaining to the project. In all cases, the following phrase must be used:

"This project is funded through the Oklahoma Department of Libraries with a federal grant from the Institute of Museum and Library Services through the Library Services and Technology Act."

*Note: You may add "in part" if there are multiple funding partners.*

#### **Record Retention**

The sub-recipient will retain for five years a minimum of one copy of all publications, informational materials, surveys, videotapes, films, union list, or other such materials produced as a result of this LSTA project.

#### **Future Eligibility**

In order to maintain eligibility for future grants, the sub-recipient must submit a final narrative and financial report as required by the Oklahoma Department of Libraries. The sub-recipient will retain copies of all reports for a period of five years.

#### **Grant Close-out**

Close-out of the grant does not affect regulations concerning retention of all programmatic and financial records (45 CFR 1183.42), recovery of disallowed expenditures resulting from an audit, and equipment responsibilities.

#### **Suspension or Termination**

This agreement may be suspended or terminated upon the recommendation of the ODL Lead Officer or LSTA Coordinator and the approval of the Director of the Oklahoma Department of Libraries if there is failure to comply with the terms of the contract or Terms and Conditions Agreement. Should the project be suspended or terminated, no additional ODL grants will be awarded unless specifically authorized by the ODL Director.

**Authority**

Each signatory to this document declares that he/she has legal authority for obligating the entity he/she represents for the benefits and/or liabilities resulting under said agreement and accepts liability for any misrepresentation of such authority.

\_\_\_\_\_  
Karen Kerr McGraw, Director  
Bartlesville Public Library Literacy Services

\_\_\_\_\_  
Melody A. Kellogg, Director  
Oklahoma Department of Libraries

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

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**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Discuss and approve the agreement with W. T. Cox Information Services for the Bartlesville Public Library subscription services from September 2019-2020.

Attachments: W. T. Cox Information Services Agreement  
Cost Analysis Between W. T. Cox Information Services and Rivistas

**II. STAFF COMMENTS AND ANALYSIS**

The Bartlesville Public Library contracts with a subscription service provider each year for magazines and most newspapers we purchase for our collection. This year, requests for a written proposal were sent to three companies. Of the three, two responded. W.T. Cox Information Services and Rivistas. Even though, Rivistas has provided the Library with excellent service over the past four years, Library Staff recommends the W.T. Cox Information Services as they provided the lowest proposal.

W. T. Cox Information Services guarantee a discount rate of 13% and a savings of \$358.90 over Rivistas total costs. The cost for 2019-2020 will be \$3,764.00.

**III. RECOMMENDED ACTION**

Staff recommends City Council approval of the W. T. Cox Information Services Agreement.



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## How we can help...

- **Cost Effectiveness** — Lowest available publisher rates. Ordering, claiming & resolution efficiency = savings!
- **Choices** — Access to more than 275,000 titles. Print, Electronic, Newspaper, Standing Orders, Foreign, Domestic.
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- **Field Representative** — Your knowledgeable field representative is available for visits & training.
- **Replacement Issue Library** — Our extensive back issue library is a great source for lost, stolen or missing issues. And it is free to use once you are our customer!
- **Reporting**—A plethora of reports! Standard and customized per your criteria. Always available on CoxNet in real-time.
- **Simple Claiming** — You choose the method: fax, toll-free call, mail, email, your ILS, CoxNet. We take care of you!
- **Renewal List** — Your renewal contains updated bibliographic information that helps in managing your subscriptions. A current renewal list is always available in PDF or Excel via CoxNet.
- **Electronic Services** — CoxNet (electronic ordering, claiming, check-in, invoicing, reports) MARC records. EDI. Interface options for your ILS. E-Journals. Journal Finder.
- **Journal Finder** — A-Z list, Link Resolver, ERM. Three for the price of one! Provides library users easy one-stop access to the variety of full text electronic resources your library subscribes to. Just ask for a demo & price quote.
- **Commitment** — We place the utmost priority on the high level of service we provide our customers. We work hard to earn your business year after year and are committed to bringing a great value to you and your library. We will give you our best!

## Important to Know...

### Pricing

Our service proposals utilize the most up-to-date pricing available, quoting the rate that the publisher indicates is appropriate for you. We work hard to provide accurate pricing to help you plan and budget more precisely.

### Timelines & Deliverables

Most publishers require between 60-90 days for first issue receipt. We need your order 90 days prior to your start dates to reduce risk of gaps in delivery.

We place weekly orders to the publishers to ensure timely and seamless orders.

Invoice is Net 30. If special invoice options are needed, just ask your sales representative for invoice options.

### Pricing Structure

We offer this pricing based on the condition we receive your list in its entirety, understanding minor changes such as additions deletions, and/or quantity changes will occur. Certain classroom instructional materials, professional journals and newspapers are generally considered non-discountable due to publisher restrictions.

Our pricing is based on the most current publisher prices at time of quote. If you see a major difference in a particular price please check with us.

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# Service Proposal

103081



201 Village Road  
 Shallotte, NC 28470  
 1-800-571-9554  
 Fax: 1-877-755-6274  
 FED ID: 56-1352557  
 DUNS: 084174804

|                |
|----------------|
| Account Number |
| 2044990        |
| Date           |
| 07/17/2019     |

**BILL TO:**  
**BARTLESVILLE PUBLIC LIBRARY**  
**ACCTS PAYABLE**  
**600 S JOHNSTONE AVE**  
**BARTLESVILLE OK 74003**  
**UNITED STATES**

**SHIP TO:**  
**BARTLESVILLE PUBLIC LIBRARY**  
**600 S JOHNSTONE AVE**  
**BARTLESVILLE OK 74003**  
**UNITED STATES**

| <u>Title</u>   | <u>Start Date</u> | <u>Expire Date</u> | <u>Rate</u> | <u>Qty</u> | <u>Total</u> |
|--|-------------------|--------------------|-------------|------------|--------------|
| <b>American Libraries(Print + Online)</b><br>ISSN: 0002-9769 1 Year Issues: 6<br>ISSN-E: 2163-5129<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 50 (2019)<br>Ordering: No less than one year<br>Cancellation: Cancellations accepted/ No refunds/ Credit for unserved issues<br>Coverage Statement: All available issues are free to access.<br>Authentication Methods: None Required<br>License Required: No<br>Concurrent Users: Unlimited  | 10/01/2019        | 09/30/2020 Renew   | \$ 84.00    | 1          | \$ 84.00     |
| <b>Atlantic, The(Print)</b><br>ISSN: 1072-7825 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Format offered by publisher is print/ Publisher is not accepting agency orders for digital editions/ Customer must order digital subscriptions directly from the publisher.<br>Ordering: Will prorate<br>Start: Will backstart<br>Cancellation: Cancellations accepted/ Refunds for unmailed issues   | 10/01/2019        | 09/30/2020 Renew   | \$ 39.95    | 1          | \$ 39.95     |
| <b>Better Homes &amp; Gardens(Print)</b><br>ISSN: 0006-0151 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering | 10/01/2019        | 09/30/2020 Renew   | \$ 22.00    | 1          | \$ 22.00     |

| <u>Title</u>  | <u>Start Date</u> | <u>Expire Date</u> | <u>Rate</u> | <u>Qty</u> | <u>Total</u> |
|---|-------------------|--------------------|-------------|------------|--------------|
| <b>Bloomberg BusinessWeek(Print + Digital)</b><br>ISSN: 0007-7135 1 Year Issues: 50<br>Language(s): English<br>Alternate Name(s): Bloomberg BusinessWeek<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital access available only on Apple and Android mobile devices<br>Ordering: Publisher does not offer multi-site subscriptions<br>Start: Will not backstart<br>Coverage Statement: Access only to issues published during current subscription term included with a subscription.<br>Authentication Methods: None Required<br>License Required: No<br>Concurrent Users: Single | 10/01/2019        | 09/30/2020 Renew   | \$ 70.00    | 1          | \$ 70.00     |
| <b>Bulletin of the Center for Children's Books(Print)</b><br>Current pricing unavailable, displaying last known rate<br>ISSN: 0008-9036 1 Year Issues: 11<br>Language(s): English<br>Cox Ref Number: 0<br>Order Volume: 74<br>Availability: Available formats offered by publisher includes print only, online only and print + online<br>Ordering: No more or less than one year<br>Start: Will backstart<br>Claiming: Claims within 3 months<br>Cancellation: Cancellations accepted/ Refund for unmailed issues  | 01/01/2020        | 12/31/2020 Renew   | \$ 120.00   | 1          | \$ 120.00    |
| <b>Car &amp; Driver(Print)</b><br>ISSN: 0008-6002 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted  | 10/01/2019        | 09/30/2020 Renew   | \$ 22.00    | 1          | \$ 22.00     |
| <b>Consumer Reports (With Buying Guide)(Print)</b><br>ISSN: 0010-7174 1 Year Issues: 13<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Ordering: No more or less than one year/ No bulk rates<br>Start: Will not backstart<br>Cancellation: Cancellations accepted<br>Includes:<br>Consumer Reports Buying Guide (with Consumer Reports)(Print)<br>Ratings & Pricing Guide(Print)  | 10/01/2019        | 09/30/2020 Renew   | \$ 30.00    | 1          | \$ 30.00     |
| <b>Country Living(Print)</b><br>ISSN: 0732-2569 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted  | 04/01/2020        | 03/31/2021 Renew   | \$ 24.00    | 1          | \$ 24.00     |
| <b>Esquire(Print)</b><br>ISSN: 0194-9535 1 Year Issues: 8<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted<br>Available Alterations: May include scented ads/ May request non-scented edition with order  | 12/01/2019        | 11/30/2020 Renew   | \$ 12.00    | 1          | \$ 12.00     |

| <b>Title</b>   | <b>Start Date</b> | <b>Expire Date</b> | <b>Rate</b> | <b>Qty</b> | <b>Total</b> |
|--|-------------------|--------------------|-------------|------------|--------------|
| <b>Family Tree Magazine(Print)</b><br>ISSN: 1529-0298 1 Year Issues: 7<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No More or less than one year/ Not available by standing order<br>Start: Subscriptions begin with the first available issue/ Will not backstart<br>Claiming: Within 6 Months<br>Cancellation: Cancellations accepted/ Refunds for unmailed issues  | 10/01/2019        | 09/30/2020 Renew   | \$ 27.00    | 1          | \$ 27.00     |
| <b>Field &amp; Stream(Print)</b><br>ISSN: 1554-8066 1 Year Issues: 6<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ Bulk rates not available<br>Start: Will not backstart<br>Available Alterations: May contain tobacco ads/ Does not include scented ads   | 11/01/2019        | 10/31/2020 Renew   | \$ 19.97    | 1          | \$ 19.97     |
| <b>Food Network Magazine(Print)</b><br>ISSN: 1944-723X 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted  | 11/01/2019        | 10/31/2020 Renew   | \$ 30.00    | 1          | \$ 30.00     |
| <b>Forbes(Print)</b><br>ISSN: 0015-6914 1 Year Issues: 14<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Not available online<br>Ordering: No more or less than one year<br>Start: Will not backstart<br>Cancellation: Cancellations accepted/ Credit for unmailed issues<br>Available Alterations: Does not include scented ads  | 02/01/2020        | 01/31/2021 Renew   | \$ 44.95    | 1          | \$ 44.95     |
| <b>Fortune(Print)</b><br>ISSN: 0015-8259 1 Year Issues: 14<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering<br>Includes:<br>Fortune 500(Print) | 10/01/2019        | 09/30/2020 Renew   | \$ 69.95    | 1          | \$ 69.95     |
| <b>Health(Print)</b><br>ISSN: 1059-938X 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Previously : In Health<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: Previously titled In Health   | 01/01/2020        | 12/31/2020 Renew   | \$ 15.97    | 1          | \$ 15.97     |

| <i>Title</i>   | <i>Start Date</i> | <i>Expire Date</i> | <i>Rate</i> | <i>Qty</i> | <i>Total</i> |
|--|-------------------|--------------------|-------------|------------|--------------|
| <b>HGTV Magazine(Print)</b><br>ISSN: 2161-8682 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted  | 10/01/2020        | 09/30/2021 Renew   | \$ 28.00    | 1          | \$ 28.00     |
| <b>House Beautiful(Print)</b><br>ISSN: 0018-6422 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted  | 05/01/2020        | 04/30/2021 Renew   | \$ 24.00    | 1          | \$ 24.00     |
| <b>IBD Digital &amp; Weekly Print Bundle(Print + Digital)</b><br>ISSN: 1061-2890 1 Year Issues: 1<br>ISSN-E: 1553-6580<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Delivery service method at discretion of publisher/ Publication format varies, available either in print or digital<br>Ordering: No more or less than one year<br>Start: Subscription will begin with first available issue/ Will not backstart<br>Claiming: Claims within 2 weeks<br>Cancellation: Cancellations accepted/ Refunds for unused contents purchased<br>License Required: No<br>Includes:<br>Investors Business Daily(Digital)<br>Investors Business Daily (Weekly)(Print) | 10/01/2019        | 09/30/2020 Renew   | \$ 279.00   | 1          | \$ 279.00    |
| <b>Library Journal(Print)</b><br>ISSN: 0363-0277 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Incorporates : Netconnect<br>Ordering: No more or less than one year<br>Start: Subscriptions start with first available issue/ Will not backstart<br>Claiming: Claims within 3 months<br>Cancellation: Cancellations accepted/ No refunds/ Credits for unused contents purchased<br>Includes:<br>Library by Design(Print)   | 01/01/2020        | 12/31/2020 Renew   | \$ 157.99   | 1          | \$ 157.99    |
| <b>Mad Magazine(Print)</b><br>ISSN: 0024-9319 1 Year Issues: 6<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Not available in print + online<br>Ordering: No more or less than one year<br>Start: Will not backstart<br>Claiming: Claims within one month<br>Cancellation: Cancellations accepted/ Refund for unmailed issues  | 01/01/2020        | 12/31/2020 Renew   | \$ 19.99    | 1          | \$ 19.99     |
| <b>Magnolia Journal(Print)</b><br>1 Year Issues: 4<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering        |                   |                    |             |            |              |

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| <b>Make: Technology on Your Time(Print + Digital)</b><br>Current pricing unavailable, displaying last known rate<br>ISSN: 1556-2336 1 Year Issues: 6<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 67 to 72 (2019)<br>Availability: Includes free digital/ Also available digital only<br>Ordering: No more or less than one year<br>Claiming: Claims within 3 months<br>Cancellation: Cancellations accepted/ Credit for unserved issues<br>Coverage Statement: Access to all issues included with a subscription.<br>Authentication Methods: Password<br>License Required: No<br>Concurrent Users: Single   | 10/01/2019        | 09/30/2020         | Renew       | \$ 34.95   | 1            | \$ 34.95 |
| <b>Martha Stewart Living(Print)</b><br>ISSN: 1057-5251 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering | 10/01/2019        | 09/30/2020         | Renew       | \$ 28.00   | 1            | \$ 28.00 |
| <b>Mens Health Magazine(Print)</b><br>ISSN: 1054-4836 1 Year Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted  | 11/01/2019        | 10/31/2020         | Renew       | \$ 24.94   | 1            | \$ 24.94 |
| <b>National Genealogical Society(Membership)</b><br>1 Year Issues: 1<br>Language(s): English<br>Cox Ref Number: 0<br>Includes:<br>NGS Magazine(Print)<br>National Genealogical Society Quarterly(Print)   | 01/01/2020        | 12/31/2020         | Renew       | \$ 60.00   | 1            | \$ 60.00 |
| <b>National Geographic Magazine(Print)</b><br>ISSN: 0027-9358 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ No 3 year rates/ Bulk rates not available<br>Claiming: Claims within 90 days<br>Cancellation: Cancellations accepted/ Refund for unmailed issues<br>Includes:<br>National Geographic Society Membership(Membership)   | 12/01/2019        | 11/30/2020         | Renew       | \$ 39.00   | 1            | \$ 39.00 |
| <b>National Review(Print)</b><br>ISSN: 0028-0038 1 Year Issues: 24<br>Language(s): English<br>Cox Ref Number: 0<br>Ordering: No less than one year/ No 3 year rates<br>Start: Will not backstart<br>Cancellation: Cancellations accepted/ Refunds for unmailed  | 04/01/2020        | 03/31/2021         | Renew       | \$ 59.00   | 1            | \$ 59.00 |
| <b>New England Historic &amp; Genealogical Society Institutional Subscription (NEHGS)(Membership)</b><br>1 Calendar Year Issues: 1<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Not available online to institutions<br>Start: Calendar year<br>Available Alterations: New England Historic Genealogical Society Annual Report included in Fall issue<br>Includes:<br>American Ancestors(Print)  | 01/01/2020        | 12/31/2020         | Renew       | \$ 90.00   | 1            | \$ 90.00 |

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|--|-----------------------------|-------------|------------|--------------|
| <b>New England Historic &amp; Genealogical Register(Print)</b><br>Weekly Genealogist(Email)  |                             |             |            |              |
| <b>New Yorker, The(Print)</b><br>ISSN: 0028-792X 1 Year Issues: 47<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No more or less than one year<br>Start: Will not backstart<br>Cancellation: Cancellations accepted/ Credits for unserved issues  | 12/31/2019 12/30/2020 Renew | \$ 89.99    | 1          | \$ 89.99     |
| <b>News For You (Single Subscription)(Print)</b><br>ISSN: 0864-3910 1 Year Issues: 48<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Claiming: Claims within 4 weeks<br>Cancellation: Cancellations accepted  | 10/01/2019 09/30/2020 Renew | \$ 55.95    | 1          | \$ 55.95     |
| <b>O The Oprah Magazine(Print)</b><br>ISSN: 1531-3247 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ 2, 3 and 4 year rates available/ Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted   | 11/01/2019 10/31/2020 Renew | \$ 28.00    | 1          | \$ 28.00     |
| <b>Oklahoma Observer(Print)</b><br>ISSN: 0030-1795 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Ordering: No more or less than one year<br>Start: Will backstart<br>Cancellation: Cancellations accepted / Refund for unmailed issues   | 01/01/2020 12/31/2020 Renew | \$ 65.00    | 1          | \$ 65.00     |
| <b>Oklahoman Mon-Sun (Mail)(Print + Digital)</b><br>1 Year Issues: 365<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019 to 0<br>Availability: Includes free digital/ Subscriber email must be provided with order/ Delivery service is dependent upon subscriber's location<br>Ordering: No 2 or 3 year rates/ Publisher charges extra for premium issues/ Subscriber may opt out of premium issues<br>Start: Will not backstart<br>Claiming: Claim by 9am for same day home re-delivery/ Claim within 4 days for mail re-delivery/ Credit also available for missed or damaged issues<br>Cancellation: Cancellations accepted/ Refund for unserved issues | 11/02/2019 11/01/2020 Renew | \$ 401.40   | 1          | \$ 401.40    |
| <b>Parents Magazine(Print)</b><br>ISSN: 1083-6373 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering             | 01/01/2020 12/31/2020 Renew | \$ 15.98    | 1          | \$ 15.98     |

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|---|-------------------|--------------------|-------------|------------|--------------|-----------|
| <b>People Weekly(Print)</b><br>ISSN: 0093-7673    1 Year    Issues: 54<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Agency orders are print only! If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year! Publisher reserves the right to produce double issues which will affect subscription expiration dates! Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted! Credits for unmailed issues<br>Available Alterations: May include scented ads! May request non-scented edition after ordering   | 10/02/2019        | 10/01/2020         | Renew       | \$ 118.26  | 1            | \$ 118.26 |
| <b>Popular Mechanics(Print)</b><br>ISSN: 0032-4558    1 Year    Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year! 2, 3 and 4 year rates available! Bulk orders accepted<br>Start: Will not backstart<br>Cancellation: Cancellations accepted   | 11/01/2019        | 10/31/2020         | Renew       | \$ 24.00   | 1            | \$ 24.00  |
| <b>Popular Science(Print)</b><br>ISSN: 0161-7370    1 Year    Issues: 4<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year! Bulk rates not available<br>Start: Will not backstart   | 08/01/2020        | 07/31/2021         | Renew       | \$ 19.97   | 1            | \$ 19.97  |
| <b>Practical Homeschooling(Print)</b><br>ISSN: 1075-4741    1 Year    Issues: 4<br>Language(s): English<br>Cox Ref Number: 0<br>Previously: Homeschool PC/#40101<br>Ordering: Will prorate<br>Start: Subscription starts with the first available issue! Will backstart<br>Cancellation: Cancellations accepted! Refunds for unmailed issues<br>Available Alterations:<br>Incorporates Homeschool PC  | 01/01/2020        | 12/31/2020         | Renew       | \$ 25.00   | 1            | \$ 25.00  |
| <b>Prevention(Print)</b><br>ISSN: 0032-8006    1 Year    Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year! No 3 year rates<br>Start: Will not backstart<br>Cancellation: Cancellations accepted<br>Available Alterations: Does not include ads   | 12/01/2019        | 11/30/2020         | Renew       | \$ 48.00   | 1            | \$ 48.00  |
| <b>Publishers Weekly(Print + Digital + Online)</b><br>ISSN: 0000-0019    1 Year    Issues: 51<br>ISSN-E: 2150-4008<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 266 (2019)<br>Availability: Not available in print only! Subscriber must provide email address with order<br>Ordering: No more or less than one year<br>Start: Will not backstart<br>Claiming: Claims within 3 months<br>Cancellation: Cancellations accepted! Refund for unmailed issues<br>Coverage Statement: Access to all digital issues beginning in January 2014 included with a subscription.<br>All available online articles included with a subscription.<br>Authentication Methods: Password<br>License Required: No<br>Concurrent Users: Single | 11/14/2019        | 11/13/2020         | Renew       | \$ 289.00  | 1            | \$ 289.00 |

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| <b>Readers Digest(Print)</b><br>ISSN: 0034-0375    1 Year    Issues: 10<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No less than one year/ Bulk orders accepted<br>Start: Start date contingent upon publisher's printing schedule /Will not backstart<br>Claiming: Claims within 3 months<br>Cancellation: Cancellations accepted/ Refund for unmailed issues   | 10/01/2019        | 09/30/2020         | Renew       | \$ 24.98   | 1            | \$ 24.98  |
| <b>Rolling Stone(Print)</b><br>ISSN: 0035-791X    1 Year    Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No more or less than one year<br>Start: Will not backstart<br>Cancellation: Cancellations accepted/ Refund for unmailed issues<br>Available Alterations: May include scented, tobacco, and alcohol ads/ Option excluding these ads not available  | 11/01/2019        | 10/31/2020         | Renew       | \$ 59.95   | 1            | \$ 59.95  |
| <b>School Library Journal(Print)</b><br>ISSN: 0362-8930    1 Year    Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: No longer available in combination with Book Verdict/ Also available as online only or print + online/ Subscriber must provide email address with order<br>Ordering: No more or less than one year/ Available only to Public Libraries and K-12 Schools<br>Start: Subscriptions start with first available issue/ Will not backstart<br>Claiming: Claims within 3 months<br>Cancellation: Cancellations accepted/ No refunds/ Credits for unused contents purchased<br>Available Alterations: Does not include index/ Series Made Simple polybagged with November issue<br>Includes:<br>Series Made Simple(Print) | 12/01/2019        | 11/30/2020         | Renew       | \$ 136.99  | 1            | \$ 136.99 |
| <b>Southern Living(Print)</b><br>ISSN: 0038-4305    1 Year    Issues: 13<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering   | 03/01/2020        | 02/28/2021         | Renew       | \$ 19.95   | 1            | \$ 19.95  |
| <b>Sports Illustrated(Print)</b><br>ISSN: 0038-822X    1 Year    Issues: 39<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: Includes Golf Supplement as an irregular insert/ Not Available Outside The USA   | 02/13/2020        | 02/12/2021         | Renew       | \$ 88.95   | 1            | \$ 88.95  |
| <b>Time Magazine(Print)</b><br>ISSN: 0040-781X    1 Year    Issues: 52<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Agency orders are print only/ If available, online or digital access must be arranged direct with publisher<br>Ordering: No more or less than one year/ Publisher reserves the right to produce double issues which will affect subscription expiration dates/ Bulk orders not accepted<br>Start: Will not backstart<br>Claiming: Claims within 30 days<br>Cancellation: Cancellations accepted/ Credits for unmailed issues<br>Available Alterations: May include scented ads/ May request non-scented edition after ordering   | 12/09/2019        | 12/08/2020         | Renew       | \$ 76.13   | 1            | \$ 76.13  |

| <i>Title</i>  | <i>Start Date</i> | <i>Expire Date</i> | <i>Rate</i> | <i>Qty</i> | <i>Total</i> |
|---|-------------------|--------------------|-------------|------------|--------------|
| <b>USA Today Newspaper Mon-Fri (Mail)(Print + Digital)</b><br>ISSN: 0734-7456 1 Year Issues: 261<br>ISSN-E: 2165-1779<br>Language(s): English<br>Cox Ref Number: 0<br>Ordering: No 1 month or 9 month rates/ No 2 or 3 year rates<br>Start: Will not backstart<br>Claiming: No replacement issues on missing issue claims, subscriptions extended<br>Cancellation: Cancellations accepted/Refund for unmailed issues<br>Available Alterations: Does not include scented ads<br>Coverage Statement: Access to all digital back issues available from product launch included with a subscription.<br>Authentication Methods: Password,Password,Password,Password,Password<br>License Required: No<br>Concurrent Users: Single  | 11/23/2019        | 11/22/2020         | Renew       | \$ 302.38  | 1 \$ 302.38  |
| <b>Vanity Fair(Print)</b><br>ISSN: 0733-8899 1 Year Issues: 12<br>Language(s): English<br>Cox Ref Number: 0<br>Availability: Digital available through Zinio Platform subscription<br>Ordering: No 2 or 3 year rates/ No less than one year/ Bulk rates not available/ Will prorate<br>Start: Will not backstart<br>Cancellation: Cancellations accepted/ Credits for unserved issues   | 04/01/2020        | 03/31/2021         | Renew       | \$ 24.00   | 1 \$ 24.00   |
| <b>Wall Street Journal (Mon-Sat)(Print + Digital)</b><br>ISSN: 0099-9660 1 Year Issues: 306<br>Language(s): English<br>Cox Ref Number: 0<br>Title Volume: 2019<br>Availability: Delivery service method at discretion of publisher/ Site license for online access must be ordered direct from publisher<br>Ordering: No less than one year/ No 2 or 3 year rates/ Subscriptions outside the 48 contiguous states not authorized through agencies<br>Start: Will not backstart<br>Available Alterations: Wall Street Journal subscription options include Mon-Sat and Sat only<br>Coverage Statement: Access to all issues from the past 2 years are included with a subscription.<br>Authentication Methods: Password,Password,Password,Password,Password,Password,Password,Password,Password,Password,Password,Password,Password,Password,Password,Password<br>License Required: No<br>Concurrent Users: Single<br>Includes:<br>Wall Street Journal (Weekend Edition)(Print + Digital)<br>Wall Street Journal Magazine(Print + Digital) | 11/01/2019        | 10/31/2020         | Renew       | \$ 428.40  | 1 \$ 428.40  |

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| <b>Total Subs</b>   | <b>49</b>          |
| <b>Total List</b>   | <b>\$ 3,818.94</b> |
| <b>DISCOUNT</b>     | <b>13.00 %</b>     |
| <b>Total Rate</b>   | <b>\$ 3,322.48</b> |
| <b>Total Amount</b> | <b>\$ 3,322.48</b> |

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| Total Subs:         | 49                 |
| Total List          | \$ 3,818.94        |
| DISCOUNT            | 13.00 %            |
| Total Rate          | \$ 3,322.48        |
| <b>Total Amount</b> | <b>\$ 3,322.48</b> |

- I have checked my ship-to address for accuracy
- I have checked my start dates for accuracy
- I accept the proposal as is, please place my order
- Changes have been made and are attached

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I accept this agreement and have made the needed changes to my quote. By returning this signed sheet, I give authorization to WT Cox Information Services to process my order.

**Please sign this form and return it along with any needed changes to the WT Cox Order Department**

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**FISCAL 2019-2020 SUBSCRIPTION RENEWALS**

| Title                                       | Qty | Start Date | W.T. Cox | Rivistas | Ebsco |
|---|-----|------------|----------|----------|-------|
| American Library                            | 1   | 09-01-2019 | 84.00    | 75.00    |       |
| Atlantic                                    | 1   | 10-01-2019 | 39.95    | 39.50    |       |
| Better Homes & Gardens                      | 1   | 10-01-2019 | 22.00    | 22.00    |       |
| Bloomberg Business Week                     | 1   | 08-02-2019 | 70.00    | 70.00    |       |
| Bulletin of the Center for Children's Books | 1   | 01-01-2020 | 120.00   | 143.00   |       |
| Car & Driver                                | 1   | 10-01-2019 | 22.00    | 22.00    |       |
| Consumer Reports With Buying Guide          | 1   | 10-01-2019 | 30.00    | 30.00    |       |
| Country Living                              | 1   | 04-01-2020 | 24.00    | 24.00    |       |
| Esquire                                     | 1   | 12-01-2019 | 12.00    | 12.00    |       |
| Family Tree                                 | 1   | 10-01-2019 | 27.00    | 27.00    |       |
| Field and Stream                            | 1   | 11-01-2019 | 19.97    | 29.94    |       |
| Food Network Magazine                       | 1   | 11-01-2019 | 30.00    | 30.00    |       |
| Forbes                                      | 1   | 02-01-2020 | 44.95    | 44.95    |       |
| Fortune                                     | 1   | 08-01-2020 | 69.95    | 69.95    |       |
| HGTV  | 1   | 10-01-2020 | 28.00    | 28.00    |       |
| Health                                      | 1   | 01-01-2020 | 15.97    | 15.97    |       |
| House Beautiful                             | 1   | 05-01-2020 | 24.00    | 24.00    |       |
| Investors' Business Daily                   | 1   | 09-20-2019 | 279.00   | 279.00   |       |
| Library Journal                             | 1   | 01-01-2020 | 157.99   | 157.99   |       |
| Mad Magazine                                | 1   | 01-01-2020 | Ceased   | Ceased   |       |
| Magnolia Journal                            | 1   | 11-01-2019 | MOD      | 20.00    |       |
| Make  | 1   | 09-01-2019 | Ceased   | Ceased   |       |
| Martha Stewart Living                       | 1   | 10-01-2019 | 28.00    | 28.00    |       |
| Men's Health                                | 1   | 11-01-2019 | 24.94    | 24.94    |       |
| National Genealogical Society Membership    | 1   | 01-01-2020 | 60.00    | 55.00    |       |
| National Geographic                         | 1   | 12-01-2019 | 39.00    | 39.00    |       |
| National Review                             | 1   | 04-01-2020 | 59.00    | 59.00    |       |
| New England Hist. & Gen. PRINT ONLY         | 1   | 01-01-2020 | 90.00    | 85.00    |       |
| New Yorker                                  | 1   | 12-31-2019 | 89.99    | 99.00    |       |
| News For You                                | 1   | 09-15-2019 | 55.95    | 56.16    |       |

|                              |   |            |  |                   | W.T. Cox          | Rivistas | Ebsco |
|------------------------------|---|------------|--|-------------------|-------------------|----------|-------|
| O-Oprah Magazine             | 1 | 11-01-2019 |  | 28.00             | 28.00             |          |       |
| Oklahoman Daily & Sunday     | 1 | 11-02-2019 |  | 401.40            | 394.53            |          |       |
| Oklahoma Observer            | 1 | 01-01-2020 |  | 65.00             | 40.00             |          |       |
| Parents                      | 1 | 01-01-2020 |  | 15.98             | 15.98             |          |       |
| People Weekly                | 1 | 10-02-2019 |  | 118.26            | 118.26            |          |       |
| Popular Mechanics            | 1 | 11-01-2019 |  | 24.00             | 24.00             |          |       |
| Popular Science              | 1 | 08-01-2020 |  | 19.97             | 19.95             |          |       |
| Practical Homeschooling      | 1 | 01-01-2020 |  | 25.00             | 29.00             |          |       |
| Prevention                   | 1 | 12-01-2019 |  | 48.00             | 48.00             |          |       |
| Publisher's Weekly           | 1 | 11-14-2019 |  | 289.00            | 249.99            |          |       |
| Reader's Digest              | 1 | 10-01-2019 |  | 24.98             | 19.98             |          |       |
| Rolling Stone                | 1 | 11-01-2019 |  | 59.95             | 59.95             |          |       |
| School Library Journal       | 1 | 12-01-2019 |  | 136.99            | 139.99            |          |       |
| Southern Living              | 1 | 03-01-2020 |  | 19.95             | 19.99             |          |       |
| Sports Illustrated           | 1 | 02-13-2020 |  | 88.95             | 88.95             |          |       |
| Time Magazine                | 1 | 12-09-2019 |  | 76.13             | 76.13             |          |       |
| USA Today Newspaper          | 1 | 11-23-2019 |  | 302.38            | 396.05            |          |       |
| Vanity Fair                  | 1 | 04-01-2020 |  | 24.00             | 24.00             |          |       |
| Wall Street Journal          | 1 | 11-01-2019 |  | 428.40            | 559.88            |          |       |
| <b>Total before Discount</b> |   |            |  | <b>\$3,764.00</b> | <b>\$3,959.99</b> |          |       |
| <b>Discount</b>              |   |            |  | <b>489.32</b>     | <b>326.41</b>     |          |       |
| <b>Total With Discount</b>   |   |            |  | <b>3,274.68</b>   | <b>3,633.58</b>   |          |       |
| <b>Discount Percentage</b>   |   |            |  | <b>13%</b>        | <b>16%</b>        |          |       |



**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Discuss and approve agreement with Kellogg and Sovereign Consulting, LLC to complete and certify e-rate forms for 2020-2021 on behalf of the Bartlesville Public Library.

Attachments: E-Rate Letter of Agency 2020-2021

**II. STAFF COMMENTS AND ANALYSIS**

Kellogg and Sovereign Consulting works with libraries all across the state to complete the needed forms to receive e-rate monies. There are a series of forms to receive both federal and state monies that must be filed each year. We greatly value their expertise especially because of the changes made in recent years. Forms are subject to change annually.

Cost this e-rate year will be \$650.00. Rates are lower because a "RFP" (Request for Proposal) is not required this year. These costs were budgeted in the fiscal year 2020 budget.

**III. RECOMMENDED ACTION**

Staff recommends City Council approval of this agreement.



Phone: 918-338-4161 • Fax: 918-337-5340 • TTY/TDD: 918-338-4184  
600 S. Johnstone • Bartlesville, OK 74003

## **E-RATE LETTER OF AGENCY 2020-2021**

**APPLICANT: Bartlesville Public Library, Bartlesville, OK (BEN: 140035)**

("Applicant") hereby authorizes Kellogg & Sovereign® Consulting, LLC or its designated agents or employees ("KSLLC") to act on our behalf during the term of this authorization.

Although not exclusive, KSLLC is specifically authorized to conduct the following actions on behalf of the Applicant:

- ♦ Prepare and submit Federal Communications Commission ("FCC") Forms 470, 471, 486, 500, 472 and other forms requested by the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC")
- ♦ Prepare and submit documentation to USAC or the FCC in compliance with E-Rate program rules and regulations.
- ♦ Act as our agent in working with representatives of the FCC or USAC to provide information as requested during application review, selective reviews, site visits, audits and any other activity associated with review of our applications.
- ♦ Prepare Requests for Proposal ("RFPs") to be posted to the KSLLC website and distributed to appropriate service providers.
- ♦ Provide information to service providers as needed to clarify information in RFPs and Forms 470.
- ♦ Solicit and receive proposals from service providers for requested services.
- ♦ Prepare comparisons of proposals from service providers.
- ♦ Complete contracts for eligible E-Rate services as specifically directed by the Applicant's authorized representative.

**I also understand that in submitting these forms on our behalf, representatives of Kellogg & Sovereign® Consulting, LLC are making certifications for our library or library system. By signing this letter of agency under oath, I make the following certifications as required by the FCC<sup>1</sup>:**

I certify that the library(ies) I represent are eligible for support because they are libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any schools, including, but not limited to, elementary, secondary schools, colleges, or universities.

I certify that the entity(ies) I represent or the entities listed on our applications will secure access, separately or through this program, to all of the resources, including computers, training, software, maintenance, internal connections, and electrical capacity necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that I have considered what financial resources should be available to cover these costs. I certify that the entities I represent or the entities to be listed on our application will secure access to all of the resources necessary to pay the

<sup>1</sup> Certifications per FCC Forms 470, 471 and 486. <http://www.usac.org/sl/tools/forms.aspx> (OMB Control No. 3060-0806 FCC Forms 470 and 471, OMB Control No. 3060-0853 FCC Form 486).

<sup>1</sup>Modernizing the E-rate Program for Schools and Libraries, WC Docket No. 13-184, E-Rate Modernization Order, FCC 14-99A1 Released on 7/23/2014 at p.125-128 . [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2014/db0723/FCC-14-99A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2014/db0723/FCC-14-99A1.pdf) (last visited July 31, 2014).

discounted charges for eligible services from funds to which access will be secured in the funding year. I certify that the Billed Entity will pay the non-discount portion of the cost of the goods and services to the service provider(s).

I authorize Kellogg & Sovereign® Consulting, LLC to post my Form 470 and, if applicable, Request for Proposal (RFP). Unless I am purchasing eligible services exempt from the competitive bidding requirement, I certify that a FCC Form 470 will be posted and that any related RFP will be made available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted will be carefully considered and the most cost-effective service offering will be selected, with price being the primary factor considered, and the most cost-effective means of meeting educational needs and technology goals.

I certify that I will review all applicable FCC, state, and local procurement/competitive bidding requirements and that the entity or entities I represent will comply with them.

I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 C.F.R. § 54.500 and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. § 54.513. Additionally, I certify that the entity or entities listed on our applications have or will not have received anything of value or a promise of anything of value, other than services and equipment sought by means of forms filed with the Schools & Libraries Division, from the service provider, or any representative or agent thereof or any consultant in connection with our request for services.

I certify that I and the entity(ies) I represent will comply with all program rules, including recordkeeping requirements, and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. There will be signed contracts or other legally binding agreements covering all of the services listed on our FCC Forms 471 except for those services provided under non-contracted tariffed or month-to-month arrangements. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

I certify that I will retain required documents for a period of at least **10 years** (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge that I may be audited pursuant to participation in the schools and libraries program. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to USAC.

I certify that I am authorized to order supported services for the eligible entity(ies) I represent. I certify that I am authorized to sign this Letter of Agency and all information to be provided to Kellogg & Sovereign® Consulting, LLC for the E-Rate submission will be true and correct to the best of my knowledge, that the entities that are receiving discounts pursuant to the associated applications have complied with the terms, conditions, and purposes of this program, that no kickbacks were or will be paid to anyone and that false statements on FCC forms can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.

I acknowledge that all pricing and technology infrastructure information submitted as part of an FCC Form 471 shall be treated as public and non-confidential by the Administrator unless the applicant specifies a statute, rule, or other restriction, such as a court order or an existing contract limitation barring public release of the information. I certify that contracts and other agreements will not prohibit disclosure of pricing or technology infrastructure information.

I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities that will be listed on our application, or any person associated in any way with my entity and/or the entities listed on our application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.

I certify that if any of the funding requests listed on our FCC forms are for discounts for products or services that contain both eligible and ineligible components that Kellogg & Sovereign® Consulting, LLC on our behalf will allocate the cost of the contract to eligible and ineligible components as required by the Commission's rules at 47 C.F. R. § 54.504.

I certify that the non-discount portion of the costs for eligible services will not be paid by the service provider. The pre-discount costs of eligible services featured on the applicable FCC forms will be net of any rebates or discounts offered by the service provider. I acknowledge that, for the purpose of this rule, the provision, by the provider of a supported service, of free services or products unrelated to the supported service or product constitutes a rebate of some or all of the cost of the supported services.

I certify that prior to the commencement of service, the library(ies) I represent will be in compliance with the requirements of the Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (l) .

I certify that I am authorized to sign this Letter of Agency and, to the best of my knowledge, information and belief, all information provided to KSLLC for E-Rate submission is true. If any of the statements made above are incorrect, fraudulent or misleading, the undersigned and their institution agrees to indemnify, as allowed by state law, KSLLC, its members, employees and agents of any and all liability, legal fees or actions that may arise from the incorrect, fraudulent or misleading statement(s).

Applicant Name: Bartlesville Public Library  
Mailing Address, City, ST, Zip: 600 S Johnstone, Bartlesville, OK 74003

Signature of Authorized Person: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name of Authorized Person: \_\_\_\_\_ Title: \_\_\_\_\_

*This authorization shall remain in effect until KSLLC is notified of its cancellation in writing via certified mail.*

### SWORN AFFIDAVIT

STATE OF \_\_\_\_\_ )  
 )ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the subscriber, a Notary Public in and for said State and

County, personally appeared \_\_\_\_\_, known or identified to me to be the person whose name is subscribed to this Letter of Agency, and acknowledged that he/she is authorized on behalf of said entity/entities to execute all documents pertaining hereto and acknowledged to me that he/she executed the same as his/her voluntary act and deed on behalf of said organization.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and affixed my seal in said State and County on the day and year last above written.

Notary Seal

\_\_\_\_\_  
(Signature of Notary)

My Commission Expires: \_\_\_\_\_

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Approval of a contract with McAnaw Construction for pre-construction services for the Water Utilities Building Renovation.

Attachments:

*Contract*

*McAnaw Resume*

**II. STAFF COMMENTS AND ANALYSIS**

One of the capital projects approved this fiscal year through the Water Capital Reserve Fund was the renovation/expansion of the Water Utilities Building (the renovation concept is shown on the following page). The overall budget for the project is \$1.5MM.

Since the project involves remodeling, expansion and new construction, staff wanted to bring in a Construction Manager during the design to provide constructability reviews as well as cost estimates to ensure the project stays within budget. Due to McAnaw's Construction Management experience, resume attached, and familiarity with the operation yard (they built the Public Works facility in 2014-15), staff requested a proposal from McAnaw to provide pre-construction services for the project. The contract form selected for these pre-construction services was the AIA A133 – Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price. The cost of the pre-construction services is \$6,500 and will be completed by December 2019 in conjunction with the design.

**III. RECOMMENDED ACTION**

Staff recommends approval of the pre-construction services contract with McAnaw for \$6,500.





# DRAFT AIA® Document A133™ – 2009

## *Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price*

AGREEMENT made as of the 3rd day of September in the year 2019  
(In words, indicate day, month and year.)

BETWEEN the Owner:  
(Name, legal status and address)

City of Bartlesville  
401 South Johnstone Ave.  
Bartlesville, OK 74003

and the Construction Manager:  
(Name, legal status and address)

McAnaw Construction Company  
1700 West Hensley Blvd.  
Bartlesville, OK 74003

for the following Project:  
(Name and address or location)

Bartlesville Water and Wastewater Utilities Building Renovation  
1700 West Adams Blvd.  
Bartlesville, OK 74003

The Architect:  
(Name, legal status and address)

Keleher Architects  
401 South Dewey Ave.  
Suite 216  
Bartlesville, OK 74003

The Owner's Designated Representative:  
(Name, address and other information)

Terry Lauritsen, P.E  
Director of Water Utilities  
401 South Johnstone Ave.  
Bartlesville, OK 74003

**ADDITIONS AND DELETIONS:**  
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™-2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

**ELECTRONIC COPYING** of any portion of this AIA® Document to another electronic file is prohibited and constitutes a violation of copyright laws as set forth in the footer of this document.

The Construction Manager's Designated Representative:  
*(Name, address and other information)*

Barry Collier, AIC, CPC  
Project Manager  
1700 West Hensley Blvd.  
Bartlesville, OK 74003

The Architect's Designated Representative:  
*(Name, address and other information)*

Dan Keleher, AIA  
401 South Dewey Ave.  
Suite 216  
Bartlesville, OK 74003

The Owner and Construction Manager agree as follows.



## TABLE OF ARTICLES

- 1 GENERAL PROVISIONS
- 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES
- 3 OWNER'S RESPONSIBILITIES
- 4 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES
- 5 COMPENSATION FOR CONSTRUCTION PHASE SERVICES
- 6 COST OF THE WORK FOR CONSTRUCTION PHASE
- 7 PAYMENTS FOR CONSTRUCTION PHASE SERVICES
- 8 INSURANCE AND BONDS
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- 10 TERMINATION OR SUSPENSION
- 11 MISCELLANEOUS PROVISIONS
- 12 SCOPE OF THE AGREEMENT

## EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

### ARTICLE 1 GENERAL PROVISIONS

#### § 1.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to the execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 2.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 2.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern.

#### § 1.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner; to furnish efficient construction administration, management services and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

#### § 1.3 General Conditions

For the Preconstruction Phase, AIA Document A201™-2007, General Conditions of the Contract for Construction, shall apply only as specifically provided in this Agreement. For the Construction Phase, the general conditions of the contract shall be as set forth in A201-2007, which document is incorporated herein by reference. The term "Contractor" as used in A201-2007 shall mean the Construction Manager.

## ARTICLE 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 2.1 and 2.2. The Construction Manager's Construction Phase responsibilities are set forth in Section 2.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

### § 2.1 Preconstruction Phase

§ 2.1.1 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

### § 2.1.2 Consultation

The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work. The Construction Manager shall advise the Owner and the Architect on proposed site use and improvements, selection of materials, and building systems and equipment. The Construction Manager shall also provide recommendations consistent with the Project requirements to the Owner and Architect on constructability; availability of materials and labor; time requirements for procurement, installation and construction; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

§ 2.1.3 When Project requirements in Section 3.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities and identify items that could affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered well in advance of construction; and the occupancy requirements of the Owner.

### § 2.1.4 Phased Construction

The Construction Manager shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, or phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities and procurement and construction scheduling issues.

### § 2.1.5 Preliminary Cost Estimates

§ 2.1.5.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume or similar conceptual estimating techniques for the Architect's review and Owner's approval. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 2.1.5.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, estimates of the Cost of the Work of increasing detail and refinement and allowing for the further development of the design until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. Such estimates shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect when estimates of the Cost of the Work exceed the latest approved Project budget and make recommendations for corrective action.

### § 2.1.6 Subcontractors and Suppliers

The Construction Manager shall develop bidders' interest in the Project.

§ 2.1.7 The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered well in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered well in advance of

construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

#### § 2.1.8 Extent of Responsibility

The Construction Manager shall exercise reasonable care in preparing schedules and estimates. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

#### § 2.1.9 Notices and Compliance with Laws

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi governmental authorities for inclusion in the Contract Documents.

#### § 2.2 Guaranteed Maximum Price Proposal and Contract Time

§ 2.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager and in consultation with the Architect, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's review and acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the Work, including contingencies described in Section 2.2.4, and the Construction Manager's Fee.

§ 2.2.2 To the extent that the Drawings and Specifications are anticipated to require further development by the Architect, the Construction Manager shall provide in the Guaranteed Maximum Price for such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required, shall be incorporated by Change Order.

§ 2.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 2.2.2, to supplement the information provided by the Owner and contained in the Drawings and Specifications;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, allowances, contingency, and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 2.2.4 In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include its contingency for the Construction Manager's exclusive use to cover those costs considered reimbursable as the Cost of the Work but not included in a Change Order.

§ 2.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner and Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

§ 2.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum

Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 2.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the commencement of the Construction Phase, unless the Owner provides prior written authorization for such costs.

§ 2.2.8 The Owner shall authorize the Architect to provide the revisions to the Drawings and Specifications to incorporate the agreed upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish those revised Drawings and Specifications to the Construction Manager as they are revised. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the Guaranteed Maximum Price Amendment and the revised Drawings and Specifications.

§ 2.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed.

## § 2.3 Construction Phase

### § 2.3.1 General

§ 2.3.1.1 For purposes of Section 8.1.2 of A201–2007, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 2.3.1.2 The Construction Phase shall commence upon the Owner’s acceptance of the Construction Manager’s Guaranteed Maximum Price proposal or the Owner’s issuance of a Notice to Proceed, whichever occurs earlier.

### § 2.3.2 Administration

§ 2.3.2.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager’s own personnel shall be performed under subcontracts or by other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors and from suppliers of materials or equipment fabricated especially for the Work and shall deliver such bids to the Architect. The Owner shall then determine, with the advice of the Construction Manager and the Architect, which bids will be accepted. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 2.3.2.2 If the Guaranteed Maximum Price has been established and when a specific bidder (1) is recommended to the Owner by the Construction Manager, (2) is qualified to perform that portion of the Work, and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Contract Time and the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount and time requirement of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 2.3.2.3 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. If the Subcontract is awarded on a cost plus fee basis, the Construction Manager shall provide in the Subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Section 6.11 below.

§ 2.3.2.4 If the Construction Manager recommends a specific bidder that may be considered a “related party” according to Section 6.10, then the Construction Manager shall promptly notify the Owner in writing of such relationship and notify the Owner of the specific nature of the contemplated transaction, according to Section 6.10.2.

§ 2.3.2.5 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes to the Owner and Architect.

§ 2.3.2.6 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and submittal schedule in accordance with Section 3.10 of A201–2007.

§ 2.3.2.7 The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner. The Construction Manager shall also keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 2.3.2.8 The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 2.3.2.7 above.

#### § 2.4 Professional Services

Section 3.12.10 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

#### § 2.5 Hazardous Materials

Section 10.3 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

### ARTICLE 3 OWNER'S RESPONSIBILITIES

#### § 3.1 Information and Services Required of the Owner

§ 3.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 3.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. Thereafter, the Construction Manager may only request such evidence if (1) the Owner fails to make payments to the Construction Manager as the Contract Documents require, (2) a change in the Work materially changes the Contract Sum, or (3) the Construction Manager identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Construction Manager and Architect.

§ 3.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1.1, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 3.1.4 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 3.1.4.1 The Owner shall furnish tests, inspections and reports required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.



§ 3.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 3.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 3.1.4.4 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

### § 3.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201-2007, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 3.2.1 Legal Requirements. The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

### § 3.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B133™-2014, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition. The Owner shall provide the Construction Manager a copy of the executed agreement between the Owner and the Architect, and any further modifications to the agreement.

## ARTICLE 4 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

### § 4.1 Compensation

§ 4.1.1 For the Construction Manager's Preconstruction Phase services, the Owner shall compensate the Construction Manager as follows:

§ 4.1.2 For the Construction Manager's Preconstruction Phase services described in Sections 2.1 and 2.2: *(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)*

Six Thousand Five Hundred Dollars and no cents (\$6,500.00)

§ 4.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within six (6) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 4.1.4 Compensation based on Direct Personnel Expense includes the direct salaries of the Construction Manager's personnel providing Preconstruction Phase services on the Project and the Construction Manager's costs for the mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, employee retirement plans and similar contributions.

### § 4.2 Payments

§ 4.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 4.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid « » ( « » ) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.  
(Insert rate of monthly or annual interest agreed upon.)

« » % « »

## ARTICLE 5 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 5.1 For the Construction Manager's performance of the Work as described in Section 2.3, the Owner shall pay the Construction Manager the Contract Sum in current funds. The Contract Sum is the Cost of the Work as defined in Section 6.1.1 plus the Construction Manager's Fee.

§ 5.1.1 The Construction Manager's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)

« »

§ 5.1.2 The method of adjustment of the Construction Manager's Fee for changes in the Work:

« »

§ 5.1.3 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

« »

§ 5.1.4 Rental rates for Construction Manager-owned equipment shall not exceed « » percent ( « » %) of the standard rate paid at the place of the Project.

§ 5.1.5 Unit prices, if any:

(Identify and state the unit price; state the quantity limitations, if any, to which the unit price will be applicable.)

| Item | Units and Limitations | Price per Unit (\$0.00) |
|------|-----------------------|-------------------------|
|------|-----------------------|-------------------------|

§ 5.2 Guaranteed Maximum Price

§ 5.2.1 The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, as it is amended from time to time. To the extent the Cost of the Work exceeds the Guaranteed Maximum Price, the Construction Manager shall bear such costs in excess of the Guaranteed Maximum Price without reimbursement or additional compensation from the Owner.

(Insert specific provisions if the Construction Manager is to participate in any savings.)

« »

§ 5.2.2 The Guaranteed Maximum Price is subject to additions and deductions by Change Order as provided in the Contract Documents and the Date of Substantial Completion shall be subject to adjustment as provided in the Contract Documents.

§ 5.3 Changes in the Work

§ 5.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Architect may make minor changes in the Work as provided in Section 7.4 of AIA Document A201-2007, General Conditions of the Contract for Construction. The Construction Manager shall be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 5.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Section 7.3.3 of AIA Document A201–2007, General Conditions of the Contract for Construction.

§ 5.3.3 In calculating adjustments to subcontracts (except those awarded with the Owner’s prior consent on the basis of cost plus a fee), the terms “cost” and “fee” as used in Section 7.3.3.3 of AIA Document A201–2007 and the term “costs” as used in Section 7.3.7 of AIA Document A201–2007 shall have the meanings assigned to them in AIA Document A201–2007 and shall not be modified by Sections 5.1 and 5.2, Sections 6.1 through 6.7, and Section 6.8 of this Agreement. Adjustments to subcontracts awarded with the Owner’s prior consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 5.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms “cost” and “costs” as used in the above-referenced provisions of AIA Document A201–2007 shall mean the Cost of the Work as defined in Sections 6.1 to 6.7 of this Agreement and the term “fee” shall mean the Construction Manager’s Fee as defined in Section 5.1 of this Agreement.

§ 5.3.5 If no specific provision is made in Section 5.1.2 for adjustment of the Construction Manager’s Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 5.1.2 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager’s Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

## ARTICLE 6 COST OF THE WORK FOR CONSTRUCTION PHASE

### § 6.1 Costs to Be Reimbursed

§ 6.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. Such costs shall be at rates not higher than the standard paid at the place of the Project except with prior consent of the Owner. The Cost of the Work shall include only the items set forth in Sections 6.1 through 6.7.

§ 6.1.2 Where any cost is subject to the Owner’s prior approval, the Construction Manager shall obtain this approval prior to incurring the cost. The parties shall endeavor to identify any such costs prior to executing Guaranteed Maximum Price Amendment.

### § 6.2 Labor Costs

§ 6.2.1 Wages of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner’s prior approval, at off-site workshops.

§ 6.2.2 Wages or salaries of the Construction Manager’s supervisory and administrative personnel when stationed at the site with the Owner’s prior approval.

*(If it is intended that the wages or salaries of certain personnel stationed at the Construction Manager’s principal or other offices shall be included in the Cost of the Work, identify in Section 11.5, the personnel to be included, whether for all or only part of their time, and the rates at which their time will be charged to the Work.)*

§ 6.2.3 Wages and salaries of the Construction Manager’s supervisory or administrative personnel engaged at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 6.2.4 Costs paid or incurred by the Construction Manager for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 6.2.1 through 6.2.3.

§ 6.2.5 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, with the Owner’s prior approval.

### § 6.3 Subcontract Costs

Payments made by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts.



## § 6.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 6.4.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ 6.4.2 Costs of materials described in the preceding Section 6.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

## § 6.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 6.5.1 Costs of transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 6.5.2 Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and costs of transportation, installation, minor repairs, dismantling and removal. The total rental cost of any Construction Manager-owned item may not exceed the purchase price of any comparable item. Rates of Construction Manager-owned equipment and quantities of equipment shall be subject to the Owner's prior approval.

§ 6.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 6.5.4 Costs of document reproductions, facsimile transmissions and long-distance telephone calls, postage and parcel delivery charges, telephone service at the site and reasonable petty cash expenses of the site office.

§ 6.5.5 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ 6.5.6 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

## § 6.6 Miscellaneous Costs

§ 6.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract. Self-insurance for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.

§ 6.6.2 Sales, use or similar taxes imposed by a governmental authority that are related to the Work and for which the Construction Manager is liable.

§ 6.6.3 Fees and assessments for the building permit and for other permits, licenses and inspections for which the Construction Manager is required by the Contract Documents to pay.

§ 6.6.4 Fees of laboratories for tests required by the Contract Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 13.5.3 of AIA Document A201-2007 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 6.7.3.

§ 6.6.5 Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Contract Documents; and payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Construction Manager's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the

last sentence of Section 3.17 of AIA Document A201–2007 or other provisions of the Contract Documents, then they shall not be included in the Cost of the Work.

§ 6.6.6 Costs for electronic equipment and software, directly related to the Work with the Owner’s prior approval.

§ 6.6.7 Deposits lost for causes other than the Construction Manager’s negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 6.6.8 Legal, mediation and arbitration costs, including attorneys’ fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner’s prior approval, which shall not be unreasonably withheld.

§ 6.6.9 Subject to the Owner’s prior approval, expenses incurred in accordance with the Construction Manager’s standard written personnel policy for relocation and temporary living allowances of the Construction Manager’s personnel required for the Work.

### § 6.7 Other Costs and Emergencies

§ 6.7.1 Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner.

§ 6.7.2 Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property, as provided in Section 10.4 of AIA Document A201–2007.

§ 6.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Construction Manager and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 6.7.4 The costs described in Sections 6.1 through 6.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2007 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 6.8.

### § 6.8 Costs Not To Be Reimbursed

§ 6.8.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager’s personnel stationed at the Construction Manager’s principal office or offices other than the site office, except as specifically provided in Section 6.2, or as may be provided in Article 11;
- .2 Expenses of the Construction Manager’s principal office and offices other than the site office;
- .3 Overhead and general expenses, except as may be expressly included in Sections 6.1 to 6.7;
- .4 The Construction Manager’s capital expenses, including interest on the Construction Manager’s capital employed for the Work;
- .5 Except as provided in Section 6.7.3 of this Agreement, costs due to the negligence or failure of the Construction Manager, Subcontractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable to fulfill a specific responsibility of the Contract;
- .6 Any cost not specifically and expressly described in Sections 6.1 to 6.7;
- .7 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .8 Costs for services incurred during the Preconstruction Phase.

### § 6.9 Discounts, Rebates and Refunds

§ 6.9.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included them in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 6.9.2 Amounts that accrue to the Owner in accordance with the provisions of Section 6.9.1 shall be credited to the Owner as a deduction from the Cost of the Work.

#### § 6.10 Related Party Transactions

§ 6.10.1 For purposes of Section 6.10, the term “related party” shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Construction Manager; any entity in which any stockholder in, or management employee of, the Construction Manager owns any interest in excess of ten percent in the aggregate; or any person or entity which has the right to control the business or affairs of the Construction Manager. The term “related party” includes any member of the immediate family of any person identified above.

§ 6.10.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods or service from the related party, as a Subcontractor, according to the terms of Sections 2.3.2.1, 2.3.2.2 and 2.3.2.3. If the Owner fails to authorize the transaction, the Construction Manager shall procure the Work, equipment, goods or service from some person or entity other than a related party according to the terms of Sections 2.3.2.1, 2.3.2.2 and 2.3.2.3.

#### § 6.11 Accounting Records

The Construction Manager shall keep full and detailed records and accounts related to the cost of the Work and exercise such controls as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner’s auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager’s records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor’s proposals, purchase orders, vouchers, memoranda and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

### ARTICLE 7 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

#### § 7.1 Progress Payments

§ 7.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Construction Manager as provided below and elsewhere in the Contract Documents.

§ 7.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

« »

§ 7.1.3 Provided that an Application for Payment is received by the Architect not later than the « » day of a month, the Owner shall make payment of the certified amount to the Construction Manager not later than the « » day of the « » month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than « » ( « » ) days after the Architect receives the Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

§ 7.1.4 With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that cash disbursements already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, less that portion of those payments attributable to the Construction Manager’s Fee, plus payrolls for the period covered by the present Application for Payment.

§ 7.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among the various portions of the Work, except that the Construction Manager's Fee shall be shown as a single separate item. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 7.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work for which the Construction Manager has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 7.1.7 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.9 of AIA Document A201-2007;
- .2 Add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Add the Construction Manager's Fee, less retainage of « » percent ( « » %). The Construction Manager's Fee shall be computed upon the Cost of the Work at the rate stated in Section 5.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .4 Subtract retainage of « » percent ( « » %) from that portion of the Work that the Construction Manager self-performs;
- .5 Subtract the aggregate of previous payments made by the Owner;
- .6 Subtract the shortfall, if any, indicated by the Construction Manager in the documentation required by Section 7.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .7 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document A201-2007.

§ 7.1.8 The Owner and Construction Manager shall agree upon (1) a mutually acceptable procedure for review and approval of payments to Subcontractors and (2) the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 7.1.9 Except with the Owner's prior approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

§ 7.1.10 In taking action on the Construction Manager's Applications for Payment, the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager and shall not be deemed to represent that the Architect has made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with Section 7.1.4 or other supporting data; that the Architect has made exhaustive or continuous on-site inspections; or that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

## § 7.2 Final Payment

§ 7.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract except for the Construction Manager's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201-2007, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect.

The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:



§ 7.2.2 The Owner's auditors will review and report in writing on the Construction Manager's final accounting within 30 days after delivery of the final accounting to the Architect by the Construction Manager. Based upon such Cost of the Work as the Owner's auditors report to be substantiated by the Construction Manager's final accounting, and provided the other conditions of Section 7.2.1 have been met, the Architect will, within seven days after receipt of the written report of the Owner's auditors, either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Section 9.5.1 of the AIA Document A201-2007. The time periods stated in this Section supersede those stated in Section 9.4.1 of the AIA Document A201-2007. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 7.2.3 If the Owner's auditors report the Cost of the Work as substantiated by the Construction Manager's final accounting to be less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Section 15.2 of A201-2007. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 7.2.4 If, subsequent to final payment and at the Owner's request, the Construction Manager incurs costs described in Section 6.1.1 and not excluded by Section 6.8 to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager such costs and the Construction Manager's Fee applicable thereto on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If the Construction Manager has participated in savings as provided in Section 5.2.1, the amount of such savings shall be recalculated and appropriate credit given to the Owner in determining the net amount to be paid by the Owner to the Construction Manager.

**ARTICLE 8 INSURANCE AND BONDS**

For all phases of the Project, the Construction Manager and the Owner shall purchase and maintain insurance, and the Construction Manager shall provide bonds as set forth in Article 11 of AIA Document A201-2007. *(State bonding requirements, if any, and limits of liability for insurance required in Article 11 of AIA Document A201-2007.)*

| Type of Insurance or Bond | Limit of Liability or Bond Amount (\$0.00) |
|---------------------------|--|
|---------------------------|--|

**ARTICLE 9 DISPUTE RESOLUTION**

§ 9.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 9 and Article 15 of A201-2007. However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 9.3 of this Agreement shall not apply.

§ 9.2 For any Claim subject to, but not resolved by mediation pursuant to Section 15.3 of AIA Document A201-2007, the method of binding dispute resolution shall be as follows:



(Check the appropriate box. If the Owner and Construction Manager do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.)

Arbitration pursuant to Section 15.4 of AIA Document A201–2007

Litigation in a court of competent jurisdiction

Other: (Specify)

### § 9.3 Initial Decision Maker

The Architect will serve as the Initial Decision Maker pursuant to Section 15.2 of AIA Document A201–2007 for Claims arising from or relating to the Construction Manager’s Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

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## ARTICLE 10 TERMINATION OR SUSPENSION

### § 10.1 Termination Prior to Establishment of the Guaranteed Maximum Price

§ 10.1.1 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days’ written notice to the Construction Manager for the Owner’s convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days’ written notice to the Owner, for the reasons set forth in Section 14.1.1 of A201–2007.

§ 10.1.2 In the event of termination of this Agreement pursuant to Section 10.1.1, the Construction Manager shall be equitably compensated for Preconstruction Phase services performed prior to receipt of a notice of termination. In no event shall the Construction Manager’s compensation under this Section exceed the compensation set forth in Section 4.1.

§ 10.1.3 If the Owner terminates the Contract pursuant to Section 10.1.1 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 10.1.2:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager’s Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 5.1 or, if the Construction Manager’s Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager which the Owner elects to retain and which is not otherwise included in the Cost of the Work under Section 10.1.3.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 10, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

#### § 10.2 Termination Subsequent to Establishing Guaranteed Maximum Price

Following execution of the Guaranteed Maximum Price Amendment and subject to the provisions of Section 10.2.1 and 10.2.2 below, the Contract may be terminated as provided in Article 14 of AIA Document A201–2007.

§ 10.2.1 If the Owner terminates the Contract after execution of the Guaranteed Maximum Price Amendment, the amount payable to the Construction Manager pursuant to Sections 14.2 and 14.4 of A201–2007 shall not exceed the amount the Construction Manager would otherwise have received pursuant to Sections 10.1.2 and 10.1.3 of this Agreement.

§ 10.2.2 If the Construction Manager terminates the Contract after execution of the Guaranteed Maximum Price Amendment, the amount payable to the Construction Manager under Section 14.1.3 of A201–2007 shall not exceed the amount the Construction Manager would otherwise have received under Sections 10.1.2 and 10.1.3 above, except that the Construction Manager’s Fee shall be calculated as if the Work had been fully completed by the Construction Manager, utilizing as necessary a reasonable estimate of the Cost of the Work for Work not actually completed.

#### § 10.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2007. In such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Section 14.3.2 of AIA Document A201–2007, except that the term “profit” shall be understood to mean the Construction Manager’s Fee as described in Sections 5.1 and 5.3.5 of this Agreement.

### ARTICLE 11 MISCELLANEOUS PROVISIONS

§ 11.1 Terms in this Agreement shall have the same meaning as those in A201–2007.

#### § 11.2 Ownership and Use of Documents

Section 1.5 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

#### § 11.3 Governing Law

Section 13.1 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

#### § 11.4 Assignment

The Owner and Construction Manager, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Construction Manager shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner’s rights and obligations under this Agreement. Except as provided in Section 13.2.2 of A201–2007, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

#### § 11.5 Other provisions:

Owner and Construction Manager acknowledge that this agreement is for the delivery of Preconstruction Phase Services Only. Articles of this contract relating to Construction Phase Services and Work (Article 2 (paragraphs 2.3 through 2.5, Article 5, Article 6, Article 7) are not a part of this agreement, but may be included by a contract amendment in the future.

ARTICLE 12 SCOPE OF THE AGREEMENT

§ 12.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 12.2 The following documents comprise the Agreement:

- .1 AIA Document A133–2009, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A201–2007, General Conditions of the Contract for Construction
- .3 AIA Document E201™–2007, Digital Data Protocol Exhibit, if completed, or the following:

<< >>

- .4 AIA Document E202™–2008, Building Information Modeling Protocol Exhibit, if completed, or the following:

<< >>

- .5 Other documents:  
(List other documents, if any, forming part of the Agreement.)

<< >>

This Agreement is entered into as of the day and year first written above.

\_\_\_\_\_  
 OWNER (Signature)  
 Dale Copeland, Mayor  
 \_\_\_\_\_  
 (Printed name and title)

\_\_\_\_\_  
 CONSTRUCTION MANAGER (Signature)  
 Mike McAnaw, President  
 \_\_\_\_\_  
 (Printed name and title)



# McAnaw

# Construction Company

a corporation

Since - 1948

GENERAL CONTRACTORS/CONSTRUCTION MANAGERS

---

P.O. Box 206 Bartlesville, Oklahoma 74005 Phone (918) 336-0055 Fax (918) 336-0056  
Office Located At 1700 West Hensley Blvd.

August 28, 2019

Mr. Terry Lauritsen, P.E.  
Water Utilities Director  
City of Bartlesville

Dear Terry,

I appreciate the City of Bartlesville hiring our Firm for Construction Management Services for your New Facilities. Please review the attached resume for Construction Management Professional Services. Please find listed below our topics for Construction Management Services about how we can make this project as successful as all our other previous projects. Check us out on the web at [www.mcanawconstruction.com](http://www.mcanawconstruction.com) and Facebook.

1. **Qualification Statement: (See attached Tab 1).**
2. **Team Composition: Design Phase/Cost Estimating/Scheduling/Project Manager/Construction Management Services Staff. (See attached Tab 2 for additional Staff Resume and Tab 3 for Professional Certifications)**
  - **President & CEO- Mike McAnaw, studied Construction Management at Oklahoma State University and followed in his father's footsteps with over 40 years experience in Commercial Construction, Commercial Construction/Project Management & Cost Estimating; running this 2nd generation family business since 1988; business was established in 1948.**
  - **Vice President & Sr. Project Manager - Barry Collier AIC, CPC, Bachelor of Science Degree in Interior Architectural Design & Construction from Oklahoma State University - Over 30 years experience in Commercial Construction, Architecture, Interior Design, Project Management, Scheduling & Cost Estimating. The Complete Design/Construction Process including an emphasis in Architecture, MEP, Structural and Civil Plan Review.**

**On-Site Construction Management Service Staff include Mike McAnaw and Barry Collier along with Field Management Staff.**

- **Job Superintendent – Doug Berberick – Doug has 35+ years of actual Construction Experience. A few of Doug’s more notable projects are Boys & Girls Club, ABB Totalflow 2013-14 Facility Expansion, Voice of the Martyrs Admin. Building all located in Bartlesville along with other numerous Medical projects at JPMC Phys Med, 10<sup>th</sup> Floor Cardiac and DI/Sleep Center.**
- **Sr. Job Superintendent – Fred Cramer – Fred has 45+ years of actual Construction Experience. A few of Fred’s projects are TCTC School of Business & Student Center, Kane Early Childhood Center Addition, Process Manufacturing Assembly Shop/Offices facility in Sapulpa, Charles & Janice Drake Library at Okla. Wesleyan University & Family Life Center/First Baptist Church both located in Bartlesville along with other numerous Medical projects in Tulsa.**

**Team Relevant Experience/Illustrations: (See attached Tab 4 for additional projects other than listed below)**

**Numerous New Building Contracts/Projects: (CM, Negotiated GC, GC)**

- **CM Contract – ASAP General Store 307 - \$185,000 – July 2019**
- **GC Contract - Patriot GMC Hyundai Addition & Remodel – 3,000,000 – December 2018 Completion**
- **CM Contract – Advanced Podiatry - \$1,000,000 – November 2018 Completion**
- **CM Contract – ASAP General Store 311 Interior Remodel - \$500,000 – November completion**
- **CM Contract – ASAP General Store 308 - \$5,000,000 – September 2018**
- **CM Contract – Boys & Girls Club - \$5,000,000 – November 2017 Completion Date.**
- **CM Contract – ABB Totalflow Facility Expansion 2013-14 - \$14,000,000 – October 2014 Completion – under CM established budget – Completed on Time for Open House.**
- **CM Contract - Process Manufacturing Blast Building and Assembly Shop/Offices - \$4,000,000 – June 2012 Completion – 3% under CM established budget – Completed 2 weeks ahead of schedule.**
- **CM Contract - Voice of the Martyrs Administration Building - \$16,000,000 – December 2010 Completion - Value Eng. 5% out of Project, Architect est. budget–Completed 2 months ahead of schedule.**
- **CM Contract – Voice of the Martyrs Operations Center - \$8,000,000 – June 2009 Completion - In budget/Rock Clause – Completed on Schedule.**
- **Negotiated GC Contract - OWU Janice and Charles Drake Library - \$4,875,000 – June 2009 Completion – In budget and completed on Schedule.**

- **Negotiated GC Contract – ABB Totalflow Expansion - \$2,500,000 – August 2007 Completion – In budget and completed on Schedule.**
- **Negotiated GC Contract - Elder Care Center - \$7,000,000 – February 2005 Completion – In budget and completed on Schedule.**
- **GC Contract - First Baptist Church Family Life Center – May 2004 Completion – In budget and completed on Schedule.**

**Numerous New & Remodel Projects at JPMC:**

- **Negotiated GC Contract - JPMC Diagnostic Imaging/Sleep Center - \$3,000,000 – May 2007 Completion - Completed on Schedule.**
- **Negotiated GC Contract - JPMC 10<sup>th</sup> Floor Cardiology - \$1,500,000 – November 2006 Completion - Completed on Schedule.**
- **Negotiated GC Contract - JPMC Surgery Center - \$2,000,000 – November 2001 Completion - Completed on Schedule.**
- **Negotiated GC Contract - JPMC Phys Med/Private Practice - \$3,750,000 – November 2000 Completion - Completed on Schedule.**
- **Negotiated GC Contract - JPMC Medical Park Center - \$10,000,000 – 1996 to 2000 Completion – Remodeled all Floors.**

**Numerous Remodel Projects at Tri County Technology Center:**

- **CM Contract – Nurses Area Remodel – August 2019 Completion date.**
- **CM Contract - Student Services – December 2017 Completion date.**
- **CM contract - School of Business & Entrepreneurship – February 2015 Completion.**
- **CM Contract - Fitness Center – September 2013 Completion.**
- **CM Contract - Culinary Snack Bar Remodel – August 2012 Completion.**
- **Auditorium Remodel/Nursing Lab - November 2011 Completion – 5% under CM/Architect Budget – Completed on Schedule.**
- **Automotive Collision Repair – September 2005 Completion.**
- **Automotive Building Remodel - September 2004 Completion.**
- **Phase VII Remodel – May 2000 Completion.**
- **Phase VI Remodel – July 1995 Completion.**
- **Business Assistance Center.**

**Numerous Bartlesville Public Schools Projects:**

- **Kane Early Childhood Center Addition – August 2013 Completion.**
- **BHS Visitor Restroom/Concession Stand – August 2013 Completion**
- **Bartlesville High School Renovation – August 1998 Completion.**
- **Ranch Heights Classroom Addition**
- **Madison Middle School Infill Addition**
- **Mid-High 2 Story Science Classroom Addition**
- **Mid-High Concession Stand Restrooms**

**Dewey Public Schools Project:**

- **Elementary/Administrative Classroom Addition**

**Pawhuska Public Schools Project:**

- **High School Cafeteria**

**3. Team Approach – Advantages are as follows:**

- **Knowing up front what Construction Manager will be building your project with CM and Architect working together, not as adversaries.**
- **An established scope of work designates pre-construction services with estimating, construction/specification reviews and quality control review that save the Owner time/money.**
- **CM and Architect jointly responsible for the budget and the Schedule.**
- **CM advocates for Owner in disputes, rather than protecting sub-contractors.**
- **The knowledge of knowing who you will be dealing with along with a team relationship with the Architectural Firm.**
- **Having a firm with a proven track record for both quality and timely completion.**
- **Our firm gives its clients a “personalized” service.**
- **Allows only legitimate financially stable, proven, bondable Sub-Contractors to bid on the project.**
- **Quality of all aspects of the construction project will be better.**
- **71 years experience in Bartlesville and surrounding areas allows our firm the knowledge of knowing the qualified Sub-Contractors with proven ethics that are financially stable & produce quality work.**
- **Having qualified personnel with a proven work track record to build and manage your project.**
- **You will be dealing with a 71 year old regional “local” firm whose roots are here. We would be proud to know our firm was having an integral part in your projects successful completion.**
- **Local vested interest in the Community.**
- **Local tax dollars at work.**
- **McAnaw Construction Owner and Vice President attended Bartlesville Public Schools from K thru 12 and had kids in the Bartlesville Public Schools.**
- **McAnaw Construction Owner attended Boys & Girls Club growing up in the community.**

**4. Scope of Services - Construction Manager Team Responsibilities: (Mike McAnaw & Barry Collier)**

- **Provide Pre-Construction Services of preliminary budgets, Quality Control drawing reviews, schedules, sub-contractor notifications, review materials, lead items, etc...**

- **Hold in conjunction with Architects Pre-Bid conferences, request for bid information, distribute plans and specifications, set bid dates and times, open and analyze bids and award sub-contracts.**
- **Establish Pre-Construction Conference.**
- **Provide Project Manager, Project Superintendent, Secretarial Services.**
- **Provide on site construction meetings with subcontractors to coordinate schedule of work.**
- **Issue/Maintain a Request For Information (RFI) Log.**
- **Maintain a Proposal Request (PR) Log.**
- **Maintain a Change Order (CO) Log.**
- **Enforce Project Schedule and OSHA Safety procedures.**
- **Evaluate monthly Pay Request from Sub-Contractors.**
- **Evaluate Change Order request.**
- **Review all Shop Drawings/Submittals/Samples.**
- **Maintain a Shop Drawing/Submittal/Sample Log.**
- **Prepare Monthly Pay Applications on AIA Forms – Schedule of Values as determined by the Team.**
- **Obtain Lien Releases from all Subs for the Previous Month.**
- **Provide a CM Lien Release that all Subs have been paid per the Application for Payment (if required).**
- **Participate with the Team to prepare Punch List Items.**
- **Maintain a set of As-Built drawings.**
- **Provide/Coordinate training of Building Systems and Issue O&M Manuals and Warranties.**
- **Ensure the Quality of Materials and Workmanship.**

**Obtain Multiple Bids:**

- **Legal Notice put in Newspaper.**
- **Plans are put in the Plan Rooms – Bid News/Isqft., McGraw/Hill-Dodge, Southwest Construction News, Reed Construction Data or Private Plan Room thru the Architects Website or Plan Reproduction Company such as Ridgways or Triangle.**
- **We e-mail a Request for Bid to Multiple Subs for each trade.**

**CM Experience with Subcontractors:**

- **We only use subcontractors that can show proof of being in business for a minimum of 5 years.**
- **References are requested and checked.**
- **We have a very good working relationship with multiple quality subcontractors for each trade, we have been building commercial projects for a long time.**
- **We pay Sub-Contractors on a monthly basis based on percentage complete and make them sign a lien release each month before payment is collected.**
- **Make sure project schedule is met and the job is manned accordingly to meet the schedule.**

**Client Relationships: (See attached Tab 4 and Tab 5 for additional references other than listed below).**

- **Gayle Lester – ABB Totalflow 918-338-4752**
- **Mick Olson - Voice of the Martyrs 918-338-8465**
- **Kim Smith – Tri County Technology Center 918-331-3202**
- **Jim Boulware – Kinslow Keith & Todd, Inc. 918-744-4270**
- **Mike Chase – Chase Fetters Hewitt Architects 918-747-8225**
- **Dan Keleher – Keleher Architects 918-333-8855**
- **Mike Moore – CEO Jane Phillips Med Center 918-333-7200**

**5. Scheduling and Estimating: (See attached Tab 6 for information listed below).**

**a. Project Budget from Previous Project: (See Tab 6 for attached Budget).**

- **This Budget was established during the design phase.**
- **Final costs have not been established. Phase I of this project was \$1,000,000 under budget.**
- **Budget was developed by using percentage of cost per trade from similar projects. Each trade equates into a cost per S.F. of final cost.**
- **Use a program for pre-construction estimating Design Cost Data. This program pulls in data from numerous similar projects and you can adjust cost per region of the USA for the work that is to be performed.**

**b. Project Schedule from Previous Project: (See attached Tab 6).**

- **We use Microsoft Project.**
- **Schedule is updated monthly, per trades with milestones. Experienced Superintendents keep schedule moving knowing what sequence of construction events is to occur and are on site daily full time.**
- **We have access to critical path scheduling if needed.**

**6. Staffing Plan: (See attached Tab 3 for additional Resumes/Professional Certifications other than listed below)**

**a. Refer back to Item 2 for the required Staffing.**

**b. Staffing plan showing percentage of each individual's time devoted to the project during the Design, Bidding and Construction Phases of the Project:**

- **Design – Mike McAnaw & Barry Collier 100%**
- **Bidding – Mike McAnaw 50%, Barry Collier 100%**
- **Construction – Mike McAnaw 25%, Barry Collier 40%, Doug Berberick or Fred Cramer 100%**

**7. General Conditions and Fee for Services:**

**a., c. Description & General Conditions Staff Costs: (See attached Tab 2 and Tab 7)**

- **The General Condition cost include salary, payroll taxes and workers compensation.**
- **The General Condition cost is to be calculated off of attached General Conditions Estimate form.**
- **Equipment cost is a monthly fee that would be included on the General Conditions Estimate form.**

**b. Performance Bond: (See attached Tab 1).**

**Please feel free to contact me if you have any questions.**

**Respectfully Submitted,  
Mike McAnaw**

**President/CEO**

**McAnaw Construction  
Contractors  
Qualification  
Statement/Bonding**







AIA Document A305

# Contractor's Qualification Statement

## 1986 EDITION

*This form is approved and recommended by The American Institute of Architects (AIA) and The Associated General Contractors of America (AGC) for use in evaluating the qualifications of contractors. No endorsement of the submitting party or verification of the information is made by the AIA or AGC.*

The Undersigned certifies under oath that the information provided herein is true and sufficiently complete so as not to be misleading.

SUBMITTED TO: Spirit Church

ADDRESS: 900 S Dewey, Bartlesville, OK 74003

SUBMITTED BY: Mike McAnaw/Barry Collier

NAME: McAnaw Construction Co.

ADDRESS: P.O. Box 206, Bartlesville, Okla. 74005

PRINCIPAL OFFICE: 1700 W. Hensley

P.O. Box 206  
Bartlesville, OK. 74005

- Corporation
- Partnership
- Individual
- Joint Venture
- Other

NAME OF PROJECT (if applicable):

TYPE OF WORK (file separate form for each Classification of Work):

- General Construction/Construction Manager
- Plumbing
- Other \_\_\_\_\_

- HVAC
- Electrical

(please specify)

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## 1. ORGANIZATION

- 1.1 How many years has your organization been in business as a Contractor? 68 years  
Company was established in 1948.
- 1.2 How many years has your organization been in business under its present business name?  
68 years
- 1.2.1 Under what other or former names has your organization operated?  
None
- 1.3 If your organization is a corporation, answer the following:
- 1.3.1 Date of incorporation: January 28, 1988
- 1.3.2 State of incorporation: Oklahoma
- 1.3.3 President's name: Mike McAnaw
- 1.3.4 Vice-presidents name(s): Barry Collier
- 1.3.5 Secretary's name: Brenda McAnaw
- 1.3.6 Treasurer's name: Brenda McAnaw
- 1.4 If your organization is a partnership, answer the following:
- 1.4.1 Date of organization:
- 1.4.2 Type of partnership (if applicable):
- 1.4.3 Name(s) of general partner(s):
- 1.5 If your organization is individually owned, answer the following:
- 1.5.1 Date of organization:
- 1.5.2 Name of owner:

- 1.6 If the form of your organization is other than those listed above, describe it and name the principals:

## **2. LICENSING**

- 2.1 List jurisdictions and trade categories in which your organization is legally qualified to do business, and indicate registration or license numbers, if applicable.

American Institute of Constructors - Certified Professional Constructor – State List

- 2.2 List jurisdictions in which your organization's partnership or trade name is filed.

## **3. EXPERIENCE**

- 3.1 List the categories of work that your organization normally performs with its own forces.

General Contractor/Construction Manager/Certified Professional Constructor - Oklahoma  
Construction/Project Management, Layout, Tie Reinforcing Steel, Concrete Foundations/Sidewalks,  
Finish Carpentry, Finish Hardware, Backing, Toilet Partitions, Toilet Accessories,  
Bumper/Corner Guard Installation, General Clean-Up, Finish Grading,  
Safety

- 3.2 Claims and Suits. (If the answer to any of the questions below is yes, please attach details.)

- 3.2.1 Has your organization ever failed to complete any work awarded to it? No

- 3.2.2 Are there any judgments claims, arbitration proceedings or suits pending or outstanding against your organization or its officers? No

- 3.2.3 Has your organization filed any law suits or requested arbitration with regard to construction contracts within the last five years? No

- 3.3 Within the last five years, has any officer or principal of your organization ever been an officer or principal of another organization when it failed to complete a construction contract? (If the answer is yes, please attach details.) No

- 3.4 On a separate sheet, list major construction projects your organization has in progress, giving the name of project, owner, architect, contract amount, percent complete and scheduled completion date.  
See Attached
- 3.4.1 State total worth of work in progress and under contract:  
This will vary from \$1,500,000 to \$15,000.00 (sometimes more)
- 3.5 On a separate sheet, list the major projects your organization has completed in the past five years, giving the name of project, owner architect, Contract amount, date of completion and percentage of the cost of the work performed with your own forces.  
See Attached - approx. 10% on each project
- 3.5.1 State average annual amount of construction work performed during the past five years:  
\$5,000,000-\$7,000,000
- 3.6 On a separate sheet, list the construction experience and present commitments of the key individuals of your organization.  
See Attached

#### 4. REFERENCES

4.1 Trade References: Builders Supply Co  
Murray Womble Co  
Builders Steel  
Overlees Woods Lumber  
Green Country Interiors  
Bartlesville Redi-Mix Concrete

4.2 Bank References: Arvest Bank  
Charles Baxter - Vice President  
337-3000

4.3 Surety:

4.3.1 Name of bonding company:  
RLI - See attached

4.3.2 Name and address of agent:  
Mid America Insurance Agency  
Mike McNeil  
See Company Resume

5. FINANCING

5.1 Financial Statement.

5.1.1 Attach a financial statement, preferably audited, including your organization's latest balance sheet and income statement showing the following items:

Current Assets (e.g., cash, joint venture accounts, accounts receivable, notes receivable, accrued income, deposits, materials inventory and prepaid expenses);

Net Fixed Assets; Financial Statement (Upon Request Only)

Other Assets;

Current Liabilities (e.g. accounts payable, notes payable, accrued expenses, provision for income taxes, advances, accrued salaries and accrued payroll taxes);

Other Liabilities (e.g., capital, capital stock, authorized and outstanding shares par values, earned surplus and retained earnings).

5.1.2 Name and address of firm preparing attached financial statement, and date thereof:  
Julie Ruef, CPA - 1300 W. 4<sup>th</sup> Street, Skiatook, OK 74070, (918)396-3456

5.1.3 Is the attached financial statement for the identical organization named on page one?

5.1.4 If not, explain the relationship and financial responsibility of the organization whose financial statement is provided (e.g., parent-subsiidiary).

5.2 Will the organization whose financial statement is attached act as guarantor of the contract for construction?

Yes

**SIGNATURE**

6.1 Dated at Bartlesville this 24th day of June 24, 2016

Name of Organization: McAnaw Construction Company

By: Mike McAnaw

Title: President

6.2 Brenda McAnaw being duly sworn deposes and says that the information provided herein is true and sufficiently complete so as not to be misleading.

Subscribed and sworn before me this 24th day of June 24, 2016

Notary Public:

My Commission Expires:

**Item 3.6 - Staff/Experience**

|                                |                       |   |
|--------------------------------|-----------------------|---|
| <b>Mike McAnaw</b>             | <b>President</b>      | <b>40 Yrs. Construction Experience</b>                            |
| <b>Barry Collier, AIC, CPC</b> | <b>Vice President</b> | <b>30 Yrs. Architecture &amp; Construction Experience</b>         |
| <b>Fred Cramer</b>             | <b>Superintendent</b> | <sup>5</sup><br><del>47</del> <b>Yrs. Construction Experience</b> |
| <b>Doug Berberick</b>          | <b>Superintendent</b> | <sup>5</sup><br><del>37</del> <b>Yrs. Construction Experience</b> |

Insurance Agency  
of MidAmerica Inc.

P.O. Box 890300 • Oklahoma City, OK 73189-0300 • 405/ 691-0016 • Fax 405/ 691-0415 • 800/ 249-7212  
Oklahoma City • Edmond • Wilson • Tulsa • www.midamericainc.com

January 20, 2016

State of Oklahoma  
Division of Capital Assets Management  
2401 N. Lincoln Blvd., Suite 106  
Okla. City, OK 73105

Re: McAnaw Construction Company – Bonding

To Whom It May Concern:

We have bonded and insured McAnaw Construction Company for over 30 years.

We have bonded them for projects of \$15,000,000 and a total aggregate of \$20,000,000.

We have never had any issue at all on their work performance or pay record.

If you have any questions, please contact myself or Lisa Sherman.

Sincerely,



W.M. McNeill

MM/lis



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

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

Certificate No. 6972781

American Fire and Casualty Company  
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company  
West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, W. McNeill, Lisa Sherman, Cody McNeill, Wendy Hollen, Larry D Bixler, John Rogers, Rocky Moore, and Kyle D Reser of Oklahoma City, Oklahoma; John L Birsner, Mike Shannon, and Susanne Cusimano of Edmond, Oklahoma.

all of the city of Oklahoma City, state of OK each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surely and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 1st day of May 2015



American Fire and Casualty Company  
The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

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

STATE OF PENNSYLVANIA ss  
COUNTY OF MONTGOMERY

On this 1st day of May 2015, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

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



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Plymouth Twp., Montgomery County  
My Commission Expires March 28, 2017  
Member, Pennsylvania Association of Notaries.

By: Teresa Pastella  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surely any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surely any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surely any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 20th day of January, 2016



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

Not valid for mortgage, note, an, letter of credit, currency rate, interest rate, individual value guarantees.

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

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Approval of a professional service contract with Freese and Nichols, Inc. for design services on a 20-inch water line along Frank Phillips between Silver Lake and US 75

Attachments:

*Contract*

**STAFF COMMENTS AND ANALYSIS**

One of the capital projects approved last fiscal year through the Water Capital Reserve Fund was the replacement of a 16-inch and 10-inch water line with a 20-inch water line along Frank Phillips between Silver Lake and US 75 (an vicinity map of the project is shown on the following page). The overall budget for the project is \$1.65MM.

Due to Freese and Nichols expertise in water distribution design, staff requested a proposal for the design services necessary for the project. The contract provides that Freese and Nichols will prepare construction documents for the water line renovation and the necessary engineering reports for permits from the Oklahoma Department of Environmental Quality. The services will be completed in March 2020 for a fee of \$125,000, which is within the available budget for the project. Note, no special services are anticipated at this time, but a cost was established in case its needed in the future. The contract and scope of services are attached for your review.

**RECOMMENDED ACTION**

Staff recommends approval of the professional service contract with Freese and Nichols.





**PROFESSIONAL SERVICES AGREEMENT**

STATE OF Oklahoma §

COUNTY OF Washington §

This Agreement is entered into by the City of Bartlesville, hereinafter called "Client" and Freese and Nichols, Inc., hereinafter called "FNI." In consideration of the Agreements herein, the parties agree as follows:

- I. **EMPLOYMENT OF FNI:** In accordance with the terms of this Agreement, Client agrees to employ and compensate FNI to perform professional services in connection with the Project. The Project is described as Frank Phillips Blvd. Water Line Replacement.
- II. **SCOPE OF SERVICES:** FNI shall render professional services in connection with Project as set forth in Attachment SC – Scope of Services and Responsibilities of Client which is attached to and made a part of this Agreement.
- III. **COMPENSATION:** Client agrees to pay FNI for all professional services rendered under this Agreement. FNI shall perform professional services as outlined in the "Scope of Services" for a lump sum fee of One Hundred Twenty-Five Thousand Dollars, \$125,000.00 for Basic Services; a not to exceed fee of Twenty-Two Thousand Dollars, \$22,000.00 for Special Services; with a total contract value of One Hundred Forty-Seven Thousand Dollars, \$147,000.00. The break-down per phase is as follows:

| Phase | Type of Service | Task Description                                    | Total Effort     |
|-------|-----------------|---|------------------|
| I     | Basic           | Project Management                                  | \$19,800         |
| II    | Basic           | Pipeline Design                                     | \$96,000         |
| III   | Basic           | <b>Bid-Phase Services</b>                           | \$9,200          |
|       |                 | <b>Basic Services</b>                               | <b>\$125,000</b> |
|       | Special         | Construction Phase Services                         | \$9,900          |
|       | Special         | Hydraulic Analysis                                  | \$10,500         |
|       | Special         | Easement Documents (Up to 4 Parcels @ \$385/parcel) | \$1,600          |
|       |                 | <b>Special Services</b>                             | <b>\$22,000</b>  |
|       |                 | <b>Total Contract</b>                               | <b>\$147,000</b> |

Special Services will be provided upon authorization from the Client.

If FNI's services are delayed or suspended by Client, or if FNI's services are extended for more than 60 days through no fault of FNI, FNI shall be entitled to equitable adjustment of rates and amounts of compensation to reflect reasonable costs incurred by FNI in connection with such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

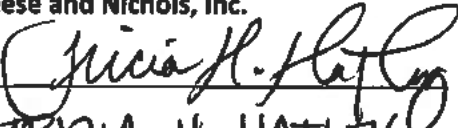
- IV. **TERMS AND CONDITIONS OF AGREEMENT:** The Terms and Conditions of Agreement as set forth as Attachment TC – Terms and Conditions of Agreement shall govern the relationship between the Client and FNI.

Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Client and FNI, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Client and FNI and not for the benefit of any other party.

This Agreement constitutes the entire Agreement between Client and FNI and supersedes all prior written or oral understandings.

This contract is executed in two counterparts. IN TESTIMONY HEREOF, Agreement executed:

Freese and Nichols, Inc.

By:   
TRICIA H. HATLEY  
Print Name and Title VICE PRESIDENT

Date: 8-29-19

ATTEST: 

City of Bartlesville

By: \_\_\_\_\_

Print Name and Title

Date: \_\_\_\_\_

ATTEST: \_\_\_\_\_



**PROJECT DESCRIPTION:**

- A. The City of Bartlesville (Client) is proceeding with design and construction of the Frank Phillips Blvd. Water Line Replacement (The Project). The Project will include the abandonment of one 16-inch and one 10-inch water line and installation of one 20-inch PVC water line located within the north right-of-way of Frank Phillips Blvd. between Silver Lake Rd. and Highway 75/SE Washington Blvd.
- B. The Project will consist of:
- Approximately 4,800 linear feet of 20-inch diameter pipeline from Silver Lake Rd. to Highway 75/SE Washington Blvd., including air valves, blow off valves, road crossings, and service connections.
- C. The following facilities are not part of The Project, and will be provided by others:
- Environmental mitigation required for the project
  - Subsurface Underground Exploration (SUE)
  - Easement Acquisition
- D. The Project will include one construction bid package. The Project will include the conventional design-bid-build delivery method.

**BASIC SERVICES:**

FNI shall render the following professional services in connection with the development of the Project:

**I. PROJECT MANAGEMENT**

Upon execution of this Agreement, FNI shall:

- A. Conduct a kickoff meeting to review scope, schedule, and budget; determine any special conditions that may affect design and/or construction; discuss administrative requirements of Client; and to develop design criteria.
- B. Manage efforts of internal design team and sub-consultants on the Project and perform Quality Control review of all deliverables.
- C. Prepare meeting agendas and minutes and attend the following meetings:
1. Attend up to six (6) monthly project coordination meetings via conference call with Client and three (3) project coordination meetings in person.
  2. Attend up to three (3) meetings via conference calls with utility providers and major property owners as needed for the project.
- D. Prepare monthly reporting including status report, recent activities, upcoming activities, action items log, decisions made log, budget updates, schedule updates, and scope changes. Prepare monthly invoices.

**E. Deliverables include the following:**

- Agendas and minutes for all meetings
- Project schedule updated monthly
- Monthly reporting
- Monthly invoices

**II. PIPELINE DESIGN**

FNI shall provide professional services in this phase as follows:

**A. Plans**

FNI will develop the plans as follows:

1. Perform topographic survey data collection to establish vertical and horizontal control throughout the project limits, locate existing surface features, coordinate and locate subsurface utilities through the OKIE811 one-call services, and plot and document the existing deeds, plats, easements and right-of-way limits within the project limits. The survey data collected will be compared and correlated to the existing aerial topographic data provided by the Client.
2. FNI will develop and submit 50% drawings for the Client for review to advance the design in a timely manner. The intent of this submittal is to verify topographic survey and proposed alignment related to existing easements and infrastructure. The Client will review and comment. FNI will provide a written response to Client comments and will modify drawings incorporating required changes.
3. Perform design calculations; develop design drawings to 50%, 90% and 100% levels.
4. FNI will consult with the Client's representatives, ODOT, and other Project stakeholders that have an impact or influence on the project.
5. FNI will require the Contractor to prepare the Storm Water Pollution Prevention Plan (SWPPP) required for the project for use by the Contractor during construction. FNI will prepare standard details for proposed SWPPP improvements that the Contractor must use during construction. Contractor will be responsible for filing the SWPPP with appropriate regulatory agencies.
6. Prepare detailed plans for the installation of the 20-inch water line and special connection details. The construction plans at a minimum shall include:
  - Plan and Profile sheets which show the following: proposed water plan/profile and recommended pipe size, fire hydrants, water service lines and meter boxes, valves, isolation valves, manholes, existing meter numbers and sizes that are to be replaced, existing sample locations, existing fire line locations, existing utilities and utility easements, and all pertinent information needed to construct the project. Property lines, legal description (Lot Nos., Block Nos., and Addition Names) along with property ownership shall be provided on plan view. Plans will reflect actual conditions to a distance of at least

25 feet on either side of the proposed water lines, excluding the width of the roadway.

- FNI will make provisions for reconnecting all identifiable water service or distribution lines which connect directly to any main being replaced under this project, including replacement of existing service lines within City's right-of-way or utility easement. When the existing alignment of a water line or lateral is changed, provisions will be made in the final plans and/or specifications by FNI to relocate all service lines which are connected to the existing main and connect said service lines to the relocated main.
- FNI will coordinate with representatives of the Jane Phillips Medical Center and will prepare notes and instructions to the Contractor for construction sequencing that will minimize the impact of service to the medical facilities.
- FNI will prepare standard and special detail sheets for water line installation or replacement that are not already included in the Client's standard details. Applicable Client's standard details will be included or modified as necessary and included in the detail sheets.
- FNI's design will comply with the most recent amendment of all applicable portions of Oklahoma Administrative Code including but not limited to OAC 252:626, Public Water Supply Construction Standards.

7. After completion of the 90% submittal and prior to the advertisement for bids, FNI will provide contract documents and prepare an engineering design report and calculations to comply with ODEQ requirements. FNI will submit three (3) sets of half size plans and specifications to ODEQ for review. If necessary, incorporate modifications requested by permitting entities and obtain all required design approvals and permits. The Client will be responsible for fees associated with the permitting process. Client will ensure that all necessary R/W is obtained prior to award of any construction contract(s). Submit plans as required to all parties associated with the Project including the Client, ODEQ and private utility companies. FNI will provide a written response to the Clients comments and will modify documents incorporating required changes. FNI will provide sealed construction contract documents to the Client.

8. Traffic Control Plan

FNI will provide a traffic control plan with details and specifications, as necessary, related to construction sequencing and traffic control for the project limits.

B. Specifications

1. Prepare specifications to fully describe the intended work and convey the intent of the design. FNI will utilize the City of Bartlesville Standard Details and standard construction procedures to the maximum extent possible.
2. Prepare specifications for the proposed work on a unit price basis. Specifications shall include a measurement and payment description. Each unit price bid item will be fully described in this section. Bid documents shall be prepared to allow differing construction techniques such open trench, boring and jacking, or directional boring. The use of additive alternates shall be evaluated FNI and incorporated if feasible to provide flexibility in awarding portions of the work that are within the Client's budget.



**C. Opinion of Probable Construction Cost (OPCC) Development**

1. FNI will prepare an OPCC for review by the Client. This OPCC will be prepared and submitted with the 50% and 90% quality control review of the plans and specifications. FNI will update the OPCC for submittal with the final sealed plans and specifications.
2. Preparation of additional construction packages, separate procurement packages or additional OPCC's if requested by the Client shall be provided as an additional service.

**D. Deliverables**

1. Conceptual drawings
  - Electronic (PDF) files of plans
2. 50% plans, OPCC and table of contents for specifications
  - Electronic (PDF) files of plans, OPCC and specifications Table of Contents
3. 90% plans, OPCC and specifications
  - Electronic (PDF) files of plans, OPCC and specifications
4. Final sealed plans and specifications
  - Electronic (PDF, CAD, GIS) files of plans and specifications
5. Final OPCC

**III. BID PHASE SERVICES****A. Pre-Bid Activities**

1. Assist the Client in the advertisement of the project for competitive bids.
2. Assist the Client in securing bids, preparing addenda, and responding to RFI's.
3. Coordinate and conduct a mandatory pre-bid conference for the project for the bid package included in Basic Services.
4. In conjunction with the Client, FNI will issue addenda in response to questions raised during the bidding process.

**B. Post-Bid Activities**

1. Assist the Client in the tabulation of bids for construction of project and recommend to the Client as to the proper action on all proposals received.
2. Following the opening of bids FNI shall conform the contract documents including all addendum changes. The following contract document sets shall be provided to the Client and Contractor with electronic (PDF) files of the plans and specifications via ftp site or optical disc.
3. Preparation of additional copies of the documents for the Client or other parties will be performed by FNI as an additional service.

**Special Services**

Special Services to be performed by FNI, if authorized by the Client, are described as follows:

**A. Hydraulic Analysis**

1. Utilize the existing water model to make recommendations for connections to the existing distribution system. FNI is not responsible for the calibration and accuracy of the water model as provided by the Client. The Client will provide the necessary data inputs to confirm the hydraulic conditions of the proposed project.
2. It is assumed that hydraulic model represents existing conditions and operations of the City's water distribution system and no updates to the hydraulic model will be required. The hydraulic analysis will consist of the following elements:
  - a) Review available information on system pump curves and elevated storage facility operating levels.
  - b) Modeled operating pressures in the proposed pipeline.
  - c) Hydraulic grade line (HGL) for the proposed pipeline.
  - d) Verify proposed pipeline diameter.
  - e) Determine required pipeline pressure class.

**B. Construction Phase Services**

1. Upon completion of the bid or negotiation phase services, FNI will proceed with the performance of construction phase services as described below. FNI will endeavor to protect The Client in providing these services however, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or any safety precautions and programs relating in any way to the condition of the premises, the work of the Contractor or any Subcontractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the Project site or otherwise performing any of the work of the Project.

These services are based on the use of FNI standard General Conditions for construction projects. Modifications to these services required by use of other general conditions or contract administration procedures are an additional service. If general conditions other than FNI standards are used, the Client agrees to include provisions in the construction contract documents that will require the construction contractor to include FNI and their subconsultants on

this project to be listed as an additional insured on contractor's insurance policies.

2. Construction Phase services may include one or more of the following activities to be performed on an hourly basis:
  - a) Review contractor's submittals, including, requests for information, modification requests, shop drawings, schedules, and other submittals in accordance with the requirements of the construction contract documents for the projects.
  - b) Interpret the drawings and specifications for The Client and Contractor(s). Investigations, analyses, and studies requested by the Contractor(s) and approved by The Client, for substitutions of equipment and/or materials or deviations from the drawings and specifications.
  - c) Process contract modifications and negotiate with the contractor on behalf of the Client to determine the cost and time impacts of these changes. Prepare change order documentation for approved changes for execution by the Client. Documentation of field orders, where cost to The Client is not impacted, will also be prepared. Investigations, analyses, studies or design for substitutions of equipment or materials, corrections of defective or deficient work of the contractor or other deviations from the construction contract documents requested by the contractor and approved by the Client.
  - d) Prepare documentation for contract modifications required to implement modifications in the design of the project. Receive and evaluate notices of contractor claims and make recommendations to the Client on the merit and value of the claim on the basis of information submitted by the contractor or available in project documentation. Endeavor to negotiate a settlement value with the Contractor on behalf of the Client if appropriate.

**C. Easement Documentation Preparation**

FNI will prepare legal descriptions and easement exhibits for up to four (4) parcels as authorized by the Client. All easement boundary files will be conveyed in AutoCAD or Civil3D format and GIS as needed.

**Additional Services**

Additional Services to be performed by FNI, if authorized by The Client, which are not included in the above described basic services, are described as follows:

- A. Providing services to investigate existing conditions or facilities, or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by The Client.
- B. Providing renderings, graphic models, and mock-ups requested by the Client.

- C. Making revisions to drawings, specifications or other documents when such revisions are 1) not consistent with approvals or instructions previously given by The Client or 2) due to other causes not solely within the control of FNI.
- D. Providing consultation concerning the replacement of any Work damaged by fire or other cause during the construction and providing services as may be required in connection with the replacement of such Work. Performing investigations, studies, and analysis of work proposed by construction contractors to correct defective work. Any services required as a result of default of the contractor(s) or the failure, for any reason, of the contractor(s) to complete the work within the contract time. Providing services after the completion of the construction phase not specifically listed in Article II. Visits to the site in excess of the number of trips included in Article II for periodic site visits, coordination meetings, or contract completion activities. Providing services made necessary because of unforeseen, concealed, or differing site conditions or due to the presence of hazardous substances in any form. Providing services to review or evaluate construction contractor(s) claim(s), provided said claims are supported by causes not within the control of FNI. Providing value engineering studies or reviews of cost savings proposed by construction contractors after bids have been submitted. Provide follow-up professional services during Contractor's warranty period.
- E. Investigations involving consideration of operation, maintenance and overhead expenses, and the preparation of rate schedules, earnings and expense statements, feasibility studies, appraisals, evaluations, assessment schedules, and material audits or inventories required for certification of force account construction performed by The Client.
- F. Preparing applications and supporting documents for government grants, loans, or planning advances and providing data for detailed applications.
- G. Conducting pilot plant studies or tests.
- H. Preparing Operation and Maintenance Manuals or conducting operator training.
- I. Preparing data and reports for assistance to The Client in preparation for hearings before regulatory agencies, courts, arbitration panels or any mediator, giving testimony, personally or by deposition, and preparations therefore before any regulatory agency, court, arbitration panel or mediator.
- J. Construction Phase Services to include but not limited to construction administration, inspections, record drawing preparations, and review of shop drawings, contractor's submittals, and material test results.
- K. Assisting The Client in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this Agreement. Such services, if any, shall be furnished by FNI on a fee basis negotiated by the respective parties outside of and in addition to this Agreement.
- L. Providing environmental support services including the design and implementation of ecological baseline studies, environmental monitoring, impact assessment and

analyses, permitting assistance, and other assistance required to address environmental issues.

- M. Design, contract modifications, studies or analysis required to comply with local, State, Federal or other regulatory agencies that become effective after the date of this agreement.
- N. Services required to resolve bid protests or to rebid the projects for any reason.
- O. Providing basic or additional services on an accelerated time schedule. The scope of this service include cost for overtime wages of employees and consultants, inefficiencies in work sequence and plotting or reproduction costs directly attributable to an accelerated time schedule directed by the Client.
- P. Provide Geotechnical investigations, studies, and reports.

### Schedule

| Milestone  | Number of Working Days                                       |
|--|--|
| 50% Design Plans, Specifications, and Construction Estimate            | 60 days after NTP  |
| 90% Design Plans, Specifications, and Construction Estimate            | 40 days after Receipt of 50% Comments or Owner Authorization |
| 100% Design Plans, Specifications, and Construction Estimate (Bid Set) | 15 days after Receipt of 90% Comments or Owner Authorization |

**TERMS AND CONDITIONS OF AGREEMENT**

1. **DEFINITIONS:** The term Client as used herein refers to the City of Bartlesville, OK. The term FNI as used herein refers to Freese and Nichols, Inc., its employees and agents; also its subcontractors and their employees and agents. As used herein, Services refers to the professional services performed by Freese and Nichols pursuant to the Agreement.
2. **CHANGES:** Client, without invalidating the Agreement, may order changes within the general scope of the work required by the Agreement by altering, adding to and/or deducting from the work to be performed. If any change under this clause causes an increase or decrease in FNI's cost of, or the time required for, the performance of any part of the Services under the Agreement, an equitable adjustment will be made by mutual agreement and the Agreement modified in writing accordingly.
3. **TERMINATION:** The obligation to provide services under this Agreement may be terminated by either party upon ten days' written notice. In the event of termination, FNI will be paid for all services rendered and reimbursable expenses incurred to the date of termination and, in addition, all reimbursable expenses directly attributable to termination.
4. **INFORMATION FURNISHED BY CLIENT:** Client will assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. FNI shall have no liability for defects or negligence in the Services attributable to FNI's reliance upon or use of data, design criteria, drawings, specifications or other information furnished by Client and Client agrees to indemnify and hold FNI harmless from any and all claims and judgments, and all losses, costs and expenses arising therefrom. FNI shall disclose to Client, prior to use thereof, defects or omissions in the data, design criteria, drawings, specifications or other information furnished by Client to FNI that FNI may reasonably discover in its review and inspection thereof.
5. **INSURANCE:** FNI shall provide to Client certificates of insurance which shall contain the following minimum coverage:

|  |             |                               |
|--|-------------|-------------------------------|
| <b>Commercial General Liability</b>    |             | <b>Workers' Compensation</b>  |
| General Aggregate                      | \$2,000,000 | As required by Statute        |
| <b>Automobile Liability (Any Auto)</b> |             | <b>Professional Liability</b> |
| CSL                                    | \$1,000,000 | \$3,000,000 Annual Aggregate  |

7. **SUBCONTRACTS:** If, for any reason, at any time during the progress of providing Services, Client determines that any subcontractor for FNI is incompetent or undesirable, Client will notify FNI accordingly and FNI shall take immediate steps for cancellation of such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in the Agreement shall create any contractual relation between any subcontractor and Client.
8. **OWNERSHIP OF DOCUMENTS:** All drawings, reports data and other project information developed in the execution of the Services provided under this Agreement shall be the property of the Client upon payment of FNI's fees for services. FNI may retain copies for record purposes. Client agrees such documents are not intended or represented to be suitable for reuse by Client or others. Any reuse by Client or by those who obtained said documents from Client without written verification or adaptation by FNI will be at Client's sole risk and without liability or legal exposure to FNI, or to FNI's independent associates or consultants, and Client shall indemnify and hold harmless FNI and FNI's independent associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle FNI to further reasonable compensation. FNI may reuse all drawings, report data and other project information in the execution of the Services provided under this Agreement in FNI's other activities. Any reuse by FNI will be at FNI's sole risk and without liability or legal exposure to Client, and FNI shall indemnify and hold harmless Client from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom.

FNI  
CLIENT 

9. **POLLUTANTS AND HAZARDOUS WASTES:** It is understood and agreed that FNI has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the site, if any, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposures to such substances or conditions. The parties agree that in performing the Services required by this Agreement, FNI does not take possession or control of the subject site, but acts as an invitee in performing the services, and is not therefore responsible for the existence of any pollutant present on or migrating from the site. Further, FNI shall have no responsibility for any pollutant during clean-up, transportation, storage or disposal activities.
10. **OPINION OF PROBABLE COSTS:** FNI will furnish an opinion of probable project development cost based on present day cost, but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs prepared by FNI hereunder will be made on the basis of FNI's experience and qualifications and represent FNI's judgment as an experienced and qualified design professional. It is recognized, however, that FNI does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices.
11. **CONSTRUCTION REPRESENTATION:** If required by the Agreement, FNI will furnish Construction Representation according to the defined scope for these services. FNI will observe the progress and the quality of work to determine in general if the work is proceeding in accordance with the Contract Documents. In performing these services, FNI will endeavor to protect Client against defects and deficiencies in the work of Contractors; FNI will report any observed deficiencies to Client, however, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for the supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the work of the Contractor. FNI shall not be responsible for the acts or omissions of any person (except his own employees or agent) at the Project site or otherwise performing any of the work of the Project. If Client designates a person to serve in the capacity of Resident Project Representative who is not a FNI's employee or FNI's agent, the duties, responsibilities and limitations of authority of such Resident Project Representative(s) will be set forth in writing and made a part of this Agreement before the Construction Phase of the Project begins.
12. **PAYMENT:** Progress payments may be requested by FNI based on the amount of services completed. Payment for the services of FNI shall be due and payable upon submission of a statement for services to CLIENT and in acceptance of the services as satisfactory by the CLIENT. Statements for services shall not be submitted more frequently than monthly. Any applicable new taxes imposed upon services, expenses, and charges by any governmental body after the execution of this Agreement will be added to FNI's compensation.

If CLIENT fails to make any payment due FNI for services and expenses within thirty (30) days after receipt of FNI's statement for services therefore, the amounts due FNI will be increased at the rate of one percent (1%) per month from said thirtieth (30th) day, and, in addition, FNI may, after giving seven (7) days' written notice to CLIENT, suspend services under this Agreement until FNI has been paid in full, all amounts due for services, expenses and charges.

13. **ARBITRATION:** No arbitration arising out of, or relating to, this Agreement involving one party to this Agreement may include the other party to this Agreement without their approval.
14. **SUCCESSORS AND ASSIGNMENTS:** CLIENT and FNI each are hereby bound and the partners, successors, executors, administrators and legal representatives of CLIENT and FNI are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

Neither CLIENT nor FNI shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent FNI from employing such independent associates and consultants as FNI may deem appropriate to assist in the performance of services hereunder.

15. **PURCHASE ORDERS:** If a Purchase Order is used to authorize FNI's Services, only the terms, conditions/instructions typed on the face of the Purchase Order shall apply to this Agreement. Should there be any conflict between the Purchase Order and the terms of this Agreement, then this Agreement shall prevail and shall be determinative of the conflict.

## COMPENSATION

Compensation to FNI for the Basic Services described in Attachment SC shall be the lump sum of One Hundred Twenty-Five Thousand Dollars (\$125,000). Compensation to FNI for Special Services in Attachment SC shall be computed on the basis of the Schedule of Charges, but shall not exceed Twenty-Two Thousand Dollars (\$22,000). If FNI sees the Scope of Services changing so that Additional Services are needed, including but not limited to those services described as Additional Services in Attachment SC, FNI will notify OWNER for OWNER's approval before proceeding. Additional Services shall be computed based on the Schedule of Charges.

|                               |     |
|-------------------------------|-----|
| Professional - 1              | 107 |
| Professional - 2              | 130 |
| Professional - 3              | 146 |
| Professional - 4              | 169 |
| Professional - 5              | 197 |
| Professional - 6              | 225 |
| Construction Manager - 1      | 85  |
| Construction Manager - 2      | 111 |
| Construction Manager - 3      | 131 |
| Construction Manager - 4      | 164 |
| CAD Technician/Designer - 1   | 91  |
| CAD Technician/Designer - 2   | 117 |
| CAD Technician/Designer - 3   | 145 |
| Corporate Project Support - 1 | 87  |
| Corporate Project Support - 2 | 105 |
| Corporate Project Support - 3 | 139 |
| Intern/ Coop                  | 53  |
| Senior Advisor                | 175 |

### Rates for In-House Services

#### Technology Charge

\$8.50 per hour

#### Travel

Standard IRS Rates

#### Bulk Printing and Reproduction

|                            | <u>B&amp;W</u> | <u>Color</u> |
|----------------------------|----------------|--------------|
| Small Format (per copy)    | \$0.10         | \$0.25       |
| Large Format (per sq. ft.) |                |              |
| Bond                       | \$0.25         | \$0.75       |
| Glossy / Mylar             | \$0.75         | \$1.25       |
| Vinyl / Adhesive           | \$1.50         | \$2.00       |
| Mounting (per sq. ft.)     | \$2.00         |              |
| Binding (per binding)      | \$0.25         |              |

### **OTHER DIRECT EXPENSES:**

Other direct expenses are reimbursed at actual cost times a multiplier of 1.10. They include outside printing and reproduction expense, communication expense, travel, transportation and subsistence away from the FNI office and other miscellaneous expenses directly related to the work, including costs of laboratory analysis, test, and other work required to be done by independent persons other than staff members. For Resident Representative services performed by non-FNI employees and CAD services performed In-house by non-FNI employees where FNI provides workspace and equipment to perform such services, these services will be billed at cost times a multiplier of 2.0. This markup approximates the cost to FNI if an FNI employee was performing the same or similar services.

**These rates will be adjusted annually in February.**



**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Approval of a professional service contract with NEO Design, LLC for design services and bridge assessments at the Sunset Bridge over Butler Creek, Tuxedo Bridges over the Caney River, and Tuxedo Bridge over the Caney River overflow.  
Attachments:  
*Contract*

**STAFF COMMENTS AND ANALYSIS**

The Federal Highway Administration mandates that the City of Bartlesville is required to conduct an inspection of its 26 bridges every 2 years. These inspections are coordinated through the Oklahoma Department of Transportation (ODOT) and are reimbursed with 100% Federal Grants. As part of that process the City selected Guy Engineering Services for the inspection services in November, 2017. Engineering department staff received the final inspection reports earlier this year. At that time deficiencies were noted for the westbound Tuxedo Bridge over the Caney River (Bride No. 5). While the bridge is not in immediate need of repair, the deficiencies are substantial enough that a project to rehabilitate the bridge is warranted. Engineering staff have been working through the details of how to approach budgeting for a future project and believe that a more in depth assessment of repairs and potential cost of those repairs is necessary to properly budget for a future rehabilitation project. In addition to the issues with Bridge No. 5, the steel piles at the Tuxedo Bridge over the Caney River overflow (Bridge No. 9) have been identified as needing some maintenance work for a couple of years now. \$50,000 has been set aside to utilize city staff to encase the piers in concrete to prevent future corrosion at the water line. This would require draining the pond that is on private property to facilitate the work. Additionally, a hole has recently developed in the deck of the Sunset Bridge over Butler Creek (Bridge No. 16). The hole is approximately 18 inches in diameter and extends through the entire thickness of the bridge deck. Street Department crews have placed a large steel plate over the hole as a temporary treatment until we get more direction on how to fix the deck. Engineering staff coordinated with Guy Engineering to take a look to ensure the bridge can be used temporarily in this condition and they agree that this is a sufficient short term solution and recommended a more in depth structural evaluation to plan for a long term rehabilitation. They recommended NEO Design, LLC who they contract with for bridge design and assessments for some of their roadway projects.

Staff have negotiated a contract with NEO Design, LLC for structural assessment of bridges 5, 6, 9, and 16. Bridge No. 6 is the east bound Tuxedo Bridge over the Caney River. Since this bridge is adjacent to two other bridges being evaluated it seemed prudent to make sure we address any maintenance that may be needed for that bridge as well when a larger project is planned. The contract for services includes structural assessment of the bridges, recommendations for short term repair to Bridge No. 16, and long term rehabilitation recommendations and budgetary planning for Bridge Nos. 5, 6, 9, and 16. The goal is to have design recommendation and budgetary information to facilitate a project for the next G.O. Bond election and/or CIP extension election. Staff will evaluate whether the short term repairs to Bridge No. 16 can be handled with City staff or if they will need to be contracted out upon completion of the assessments.

The proposed services will be completed within 30 days of notice to proceed for a fee of \$38,000. Staff proposes utilizing the available \$50,000 budgeted for bridge repairs to cover the design fees. The contract and scope of services are attached for your review.

**RECOMMENDED ACTION**

Staff recommends approval of the professional service contract with NEO Design, LLC.

August 14, 2019

Micah Siemers, PE, CFM  
Director of Engineering  
City of Bartlesville  
401 S. Johnstone  
Bartlesville, OK 74005

**RE: Proposal for Bridge Assessments on Bridge Numbers 5 & 6, 9, and 16**

Dear Micah:

NEO Design LLC is pleased to present this proposal for design services at the above-referenced sites. It is our understanding that the city would like a Proposal to complete Bridge Assessment Reports for each of the Bridge locations referenced above. Our proposed Scope of Work, Deliverables, and Fees are outlined below.

**Scope of Work**

- Complete a Bridge Inspection of each bridge and provide Bridge Assessment Reports for each site complete with Photo Documentation, Existing Conditions, Proposed Repairs/ Recommendations, and an Itemized Cost Estimate. Bridge #5 and #6 will be assessed and combined into one (1) report. Bridge #16 will incorporate the Immediate Emergency Repairs & the Final Future Repairs.

**Deliverables**

- One (1) Electronic Bridge Assessment Report for each of the three (3) locations.

**Supplied by the City of Bartlesville**

- Existing Plans or Sketches for each Bridge if available.

**Fees**

The proposed fee for this scope of services is to be billed on a lump sum basis. If the city would like to complete these assessments at different times, NEO could provide a fee schedule for each report. However, the total fee would be somewhat higher to complete at separate times. There will be a substantial savings to complete all on the same timeframe.

**Total Engineering Fee: \$38,000**

The Bridge Assessment Reports will be submitted within 30 days of our receipt of all the required information, or as mutually agreed. Our invoice will be submitted to you at approximately this time.

We appreciate this opportunity to provide our professional services to you. Should you have any questions or comments regarding this matter, please do not hesitate to contact us. If you agree with this proposal, please sign and return one copy to our office

Sincerely,

NEO DESIGN LLC

  
Tim R. Purkeypile, PE

Proposal Accepted By:  
City of Bartlesville

  
Micah Siemers, PE, Director of Engineering

## **AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES**

THIS PROFESSIONAL SERVICES AGREEMENT, between the **City of Bartlesville**, Oklahoma, a Municipal Corporation, hereinafter referred to as "CITY" and **Neo Design, LLC**, hereinafter referred to as "ENGINEER";

In consideration of the promises contained herein, the parties hereto agree as follows:

- 1.0 SCOPE OF PROJECT AND TIME. The scope of SERVICES is described in Attachment A. SERVICES will be provided/completed within thirty (30) days of ENGINEER's receipt of all the required information (as outlined in Attachment A) or as mutually agreed in writing.
- 2.0 STANDARD OF PERFORMANCE. ENGINEER shall perform the SERVICES undertaken in a manner consistent with the prevailing accepted standard for similar services with respect to projects of comparable function and complexity and with the applicable laws and regulations published and in effect at the time of performance of the SERVICES. The project shall be designed and engineered in a good and workmanlike manner and in strict accordance with this AGREEMENT. All engineering work shall be performed by or under the supervision of Professional Engineers licensed in the State of Oklahoma, and properly qualified to perform such engineering services, which qualification shall be subject to review by CITY.
- 3.0 LIMITATIONS OF RESPONSIBILITY. ENGINEER shall not be responsible for construction means, methods, techniques, sequences, procedures, or safety precautions and programs in connection with this project.
- 4.0 COMPENSATION. ENGINEER shall submit its invoice for SERVICES at the time SERVICES are complete. CITY shall compensate ENGINEER thirty-eight thousand dollars (\$38,000.00) for services provided in Attachment A.
- 5.0 LIABILITY AND INDEMNIFICATION. ENGINEER shall defend and indemnify CITY from and against legal liability for damages arising out of the performance of the SERVICES for CITY including but not limited to claims, costs, attorney fees where such liability is caused solely by the negligence of ENGINEER.
- 6.0 COMPLIANCE WITH LAWS. In performance of the SERVICES, ENGINEER shall comply with all applicable federal, state, and local laws, rules, regulations, orders, codes, criteria and standards. ENGINEER certifies that it is in compliance with 25 O.S. Sec 1313 and participates in the Status Verification System. The Status Verification System is defined in 25 O.S. Sec 1312 and includes but is not limited to E-Verify.
- 7.0 INSURANCE. During the performance of this AGREEMENT, ENGINEER shall maintain the following insurance, issued by an insurer authorized to transact business in Oklahoma:
  - a. General Liability Insurance with a bodily injury and property damage combined single limit of not less than \$1,000,000 for each occurrence;
  - b. Workers Compensation Insurance in accordance with Oklahoma statutory requirements;
  - c. Professional Liability Insurance with prior acts endorsement for the insurance to remain in effect for two years after CITY's acceptance of the SERVICES.
  - d. ENGINEER shall provide proof of such coverage upon execution of this AGREEMENT.

- e. ENGINEER shall not cause any required insurance policy to be cancelled or permit it to lapse.
- 8.0 OWNERSHIP AND REUSE OF DOCUMENTS. All documents, including original drawings, estimates, specifications, field notes and data shall become and remain the property of the CITY. CITY's reuse of such documents without written verification or adaptation by ENGINEER for the specific purpose intended will be at CITY's sole risk.
- 9.0 TERMINATION OR SUSPENSION OF AGREEMENT. The obligation to continue SERVICES under this AGREEMENT may be terminated by either party upon fifteen days written notice to the other party in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.
- 10.0 FORCE MAJEURE. Neither CITY nor ENGINEER shall be considered to be in default of this AGREEMENT if delays in or failure of performance shall be due to forces which are beyond the control of the parties, including, but not limited to fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations, strikes, work slowdowns or other labor disturbances, and judicial restraint.
- 11.0 DISPUTE RESOLUTION PROCEDURE. In the event of a dispute between the ENGINEER and the CITY over the interpretation of the terms of this AGREEMENT, the matter shall be referred to the City Engineer and ENGINEER's leadership to in good faith seek resolution of the issues. If resolution is not reached, the parties, upon agreement, may submit the matter to mediation or arbitration. Neither party shall be precluded from exercising any rights, privileges or opportunities permitted by law to resolve any dispute.
- 12.0 ASSIGNMENT. ENGINEER shall not assign its obligations undertaken pursuant to this AGREEMENT, provided that nothing contained in this paragraph shall prevent ENGINEER from employing such independent consultants, associates, and subcontractors as ENGINEER may deem appropriate to assist ENGINEER in the performance of SERVICES hereunder.
- 13.0 TIME OF ESSENCE. The parties agree that time is deemed to be of the essence with respect to this AGREEMENT, including but not limited to the commencement of the SERVICES, rate of progress and completion.
- 14.0 GOVERNING LAW, JURISDICTION AND VENUE. This AGREEMENT shall be governed by and construed in accordance with the laws of the State of Oklahoma. The parties agree that any suit, action or proceeding with respect to this AGREEMENT shall be brought in the District Court of Washington County, Oklahoma.
- 15.0 MULTIPLE COUNTERPARTS. This AGREEMENT may be executed in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.
- 16.0 NO FAVORITISM IN INTERPRETATION. No provision of this AGREEMENT will be interpreted in favor of, or against, any of the parties hereto by reason of the extent to which such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provisions is inconsistent with any prior draft thereof.

(intentionally left blank)

IN WITNESS WHEREOF, the parties have executed this AGREEMENT in multiple copies on the respective dates herein below reflected to be effective on the date executed by the Mayor of the City of Bartlesville.

**CITY OF BARTLESVILLE**

**Dated:** \_\_\_\_\_

\_\_\_\_\_  
**Mayor**

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

**(SEAL)**

**APPROVED AS TO FORM:**

**RECOMMENDED:**

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

\_\_\_\_\_  
**City Engineer**

**NEO DESIGN, LLC**

**Dated:** \_\_\_\_\_

\_\_\_\_\_  
**Steve Nicholls**

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Approval of a professional service contract with Olsson for design services on the Hillcrest Drive Reconstruction project.

Attachments:

*Contract*

**STAFF COMMENTS AND ANALYSIS**

One of the priority projects on the voter approved 2013 ½ Cent Sales Tax extension ballot is the Hillcrest Drive Reconstruction project. The project consists of reconstructing Hillcrest Drive between 18<sup>th</sup> Street and the Caney River bridge. \$135,000 was approved for engineering design and \$2,200,000 was approved for construction. Both the design and construction funds are currently available as part of the FY 19-20 capital budget.

Requests for qualifications were sent to seven (7) consulting firms on July 8, 2019 and six (6) contractors returned qualifications packets on August 5, 2019. Qualifications packets were reviewed by a committee consisting of the City Manager, Water Utilities Director, Public Works Director, and Engineering Director. The committee chose to pursue a contract with Olsson. Staff has negotiated a contract with Olsson to complete the engineering design by August 30, 2020 for a fee of \$156,500. The proposed fee is \$21,500 over the available design budget, but within the budget of the project as a whole. After multiple discussions and negotiations to clarify project scope, design constraints, and conceptual estimates for construction costs, staff believes the additional fees are reasonable and ultimately should not negatively impact the outcome of the project.

**RECOMMENDED ACTION**

Staff recommends approval of the professional service contract with Olsson.



**LETTER AGREEMENT  
FOR PROFESSIONAL SERVICES**

August 29, 2019

Micah Siemers, P.E.  
Director of Engineering  
**City of Bartlesville**  
401 S. Johnstone Avenue  
Bartlesville, OK 74003

Re: **LETTER AGREEMENT FOR PROFESSIONAL SERVICES**  
Hillcrest Drive Reconstruction between E. 18<sup>TH</sup> Street and the Caney River (the  
"Project") within the City of Bartlesville, Oklahoma

Dear Mr. Siemers:

It is our understanding that the City of Bartlesville ("Client") requests Olsson, Inc. ("Olsson") to perform the services described herein pursuant to the terms of this Letter Agreement for Professional Services, Olsson's General Provisions and any exhibits attached hereto (all documents constitute and are referred to herein as the "Agreement") for the Project.

Olsson has acquainted itself with the information provided by Client relative to the Project and based upon such information offers to provide the services described below for the Project. Client warrants that it is either the legal owner of the property to be improved by this Project or that Client is acting as the duly authorized agent of the legal owner of such property. Client acknowledges that it has reviewed the General Provisions and any exhibits attached hereto, which are expressly made a part of and incorporated into the Agreement by this reference. In the event of any conflict or inconsistency between this Letter Agreement, and the General Provisions regarding the services to be performed by Olsson, the terms of the General Provisions shall take precedence.

Olsson shall provide the following services ("Scope of Services") to Client for the Project: consulting engineering services to prepare construction documents for Hillcrest Drive reconstruction Project, and as more specifically described in "Scope of Services" attached hereto. Should Client request work in addition to the Scope of Services, Olsson shall invoice Client for such additional services (Optional Additional Services) at the standard hourly billing labor rate charged for those employees actually performing the work, plus reimbursable expenses if any. Olsson shall not commence work on Optional Additional Services without Client's prior written approval.

Olsson agrees to provide its services in a timely, competent and professional manner, in accordance with applicable standards of care, for projects of similar geographic location, quality and scope.



## SCHEDULE FOR OLSSON'S SERVICES

Unless otherwise agreed, Olsson expects to perform its services under the Agreement as follows:

Anticipated Start Date: September 4, 2019  
Anticipated Completion Date: August 30, 2020

Olsson will endeavor to start its services on the Anticipated Start Date and to complete its services on the Anticipated Completion Date. However, the Anticipated Start Date, the Anticipated Completion Date, and any milestone dates are approximate only, and Olsson reserves the right to adjust its schedule and any or all of those dates at its sole discretion, for any reason, including, but not limited to, delays caused by Client or delays caused by third parties.

## COMPENSATION

Client shall pay to Olsson for the performance of the Scope of Services a lump sum of **One-Hundred Fifty-Six Thousand Five-Hundred Dollars (\$ 156,500.00)**. Olsson shall submit invoices on a monthly basis and payment is due within 30 calendar days of invoice date.

## TERMS AND CONDITIONS OF SERVICE

We have discussed with you the risks, rewards and benefits of the Project, the Scope of Services, and our fees for such services and the Agreement represents the entire understanding between Client and Olsson with respect to the Project. The Agreement may only be modified in writing signed by both parties.

Client's designated Project Representative shall be Micah Siemers, P.E.

If this Agreement satisfactorily sets forth your understanding of our agreement, please sign in the space provided below. Retain one original for your files and return an executed original to Olsson. This proposal will be open for acceptance for a period of 30 days from the date set forth above, unless changed by us in writing.

## OLSSON, INC.

By \_\_\_\_\_  
Russell L. Beaty, P.E.  
Team Leader

By \_\_\_\_\_  
James M. Sparks, P.E.  
Oklahoma Region Leader

By signing below, you acknowledge that you have full authority to bind Client to the terms of the Agreement. If you accept the terms set forth herein, please sign:

**City of Bartlesville**

By \_\_\_\_\_  
Signature

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

Attachments

General Provisions

Attachment A - Scope of Services

Attachment B – Compensation and Additional Services

## GENERAL PROVISIONS

These General Provisions are attached to and made a part of the respective Letter Agreement or Master Agreement, dated DATE between the City of Bartlesville ("Client") and Olsson, Inc. ("Olsson") for professional services in connection with the project or projects arising under such Letter Agreement or Master Agreement (the "Project(s)").

As used herein, the term "this Agreement" refers to these General Provisions, the applicable Letter Agreement or Master Agreement, and any other exhibits or attachments thereto as if they were part of one and the same document.

### **SECTION 1—OLSSON'S SCOPE OF SERVICES**

Olsson's scope of services for the Project(s) is set forth in the applicable Letter Agreement or Master Agreement ("Scope of Services").

### **SECTION 2—ADDITIONAL SERVICES**

2.1 Unless otherwise expressly included, Scope of Services does not include the categories of additional services set forth in Sections 2.2 and 2.3.

2.2 If Client and Olsson mutually agree for Olsson to perform any optional additional services as set forth in this Section 2.2 ("Optional Additional Services"), Client will provide written approval of the agreed-upon Optional Additional Services, and Olsson shall perform or obtain from others such services and will be entitled to an increase in compensation at rates provided in this Agreement. Olsson may elect not to perform all or any of the Optional Additional Services without cause or explanation:

2.2.1 Preparation of applications and supporting documents for governmental financial support of the Project(s); preparation or review of environmental studies and related services; and assistance in obtaining environmental approvals.

2.2.2 Services to make measured drawings of or to investigate existing conditions of facilities.

2.2.3 Services resulting from changes in the general scope, extent or character of the Project(s) or major changes in documentation previously accepted by Client where changes are due to causes beyond Olsson's control.

2.2.4 Services resulting from the discovery of conditions or circumstances which were not contemplated by Olsson at the commencement of this Agreement. Olsson shall notify Client of the newly discovered conditions or circumstances and Client and Olsson shall renegotiate, in good faith, the compensation for this Agreement, if amended terms cannot be agreed upon, Olsson may terminate this Agreement and Olsson shall be paid for its services through the date of termination.

2.2.5 Providing renderings or models.

2.2.6 Preparing documents for alternate bids requested by Client.

2.2.7 Analysis of operations, maintenance or overhead expenses; value engineering; the preparation of rate schedules; earnings or expense statements; cash flow or economic evaluations or; feasibility studies, appraisals or valuations.

2.2.8 Furnishing the services of independent professional associates or consultants for work beyond the Scope of Services.

2.2.9 Services necessary due to the Client's award of more than one prime contract for the Project(s); services necessary due to the construction contract containing cost plus or incentive-savings provisions; services necessary in order to arrange for performance by persons other than the prime contractor; or those services necessary to administer Client's contract(s).

2.2.10 Services in connection with staking out the work of contractor(s).

2.2.11 Services during out-of-town travel or visits to the site beyond those specifically identified in this Agreement.

2.2.12 Preparation of operating and maintenance manuals.

2.2.13 Services to redesign some or all of the Project(s).

2.2.14 Preparing to serve or serving as a consultant or witness or assisting Client with any litigation, arbitration or other legal or administrative proceeding.

2.2.15 Services relating to Construction Observation, Certification, Inspection, Construction Cost Estimating, project observation, construction management, construction scheduling, construction phasing or review of Contractor's performance means or methods.

2.3 Whenever, in its sole discretion, Olsson determines additional services as set forth in this Section 2.3 are necessary to avoid a delay in the completion of the Project(s) ("Necessary Additional Services"), Olsson shall perform or obtain from others such services without waiting for specific instructions from Client, and Olsson will be entitled to an increase in compensation for such services at the standard hourly billing rate charged for those employees performing the services, plus reimbursable expenses, if any:

2.3.1 Services in connection with work directive changes and/or change orders directed by the Client to any contractors.

2.3.2 Services in making revisions to drawings and specifications occasioned by the acceptance of substitutions proposed by contractor(s); services after the award of each contract in evaluating and determining the acceptability of an unreasonable or excessive number of substitutions proposed by contractor(s); or evaluating an unreasonable or extensive number of claims submitted by contractor(s) or others in connection with the Project(s).

2.3.3 Services resulting from significant delays, changes or price increases occurring as a direct or indirect result of material, equipment or energy shortages.

2.3.4 Additional or extended services during construction made necessary by (1) work damaged during construction, (2) a defective, inefficient or neglected work by any contractor, (3) acceleration of the progress schedule involving services beyond normal working hours, or (4) default by any contractor.

### **SECTION 3—CLIENT'S RESPONSIBILITIES**

3.1. Client shall provide all criteria and full information as to Client's requirements for the Project(s); designate and identify in writing a person to act with authority on Client's behalf in respect of all aspects of the Project(s); examine and respond promptly to Olsson's submissions; and give prompt written notice to Olsson whenever Client observes or otherwise becomes aware of any defect in the Olsson's services.

3.2 Client agrees to pay Olsson the amounts due for services rendered and expenses within thirty (30) days after Olsson has provided its invoice for such services. In the event Client disputes any invoice item, Client shall give Olsson written notice of such disputed item within fifteen (15) days after receipt of such invoice and shall pay to Olsson the undisputed portion of the invoice according to the provisions hereof. If Client fails to pay any invoiced amounts when due, interest will accrue on each unpaid amount at the rate of thirteen percent (13%) per annum from the date due until paid according to the provisions of this Agreement. Interest shall not be charged on any disputed invoice item which is finally resolved in Client's favor. Payment of interest shall not excuse or cure any default or delay in payment of amounts due.

3.2.1 If Client fails to make any payment due Olsson for services and expenses within thirty (30) days after receipt of Olsson's statement therefore, Olsson may, after giving seven (7) days written notice to Client, suspend services to Client under this Agreement until Olsson has been paid in full all amounts due for services, expenses and charges and Client will not obtain any license to any Work Product or be entitled to retain or use any Work Product pursuant to Section 7.1 unless and until Olsson has been paid in full and Client has fully satisfied all of its obligations under this Agreement.

3.3 Payments to Olsson shall not be withheld, postponed or made contingent on the construction, completion or success of the Project(s) or upon receipt by the Client of offsetting reimbursements or credit from other parties who may have caused the need for additional services. No withholdings, deductions or offsets shall be made from Olsson's compensation for any reason unless and until Olsson has been found to be legally liable for such amounts.

3.4 Client shall also do the following and pay all costs incident thereto:

3.4.1 Furnish to Olsson any existing and/or required borings, probings or subsurface explorations; hydrographic surveys; laboratory tests or inspections of samples, materials or equipment; appropriate professional interpretations of any of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic or utility surveys; property descriptions; and/or zoning or deed restrictions; all of which Olsson may rely upon in performing services hereunder.

3.4.2 Guarantee access to and make all provisions for Olsson to enter upon public and private property reasonably necessary to perform its services on the Project(s).

3.4.3 Provide such legal, accounting, independent cost estimating or insurance counseling services as may be required for the Project(s); any auditing service required in respect of contractor(s)' applications for payment; and/or any inspection services to determine if contractor(s) are performing the work legally.

3.4.4 Provide engineering surveys to establish reference points for construction unless specifically included in Olsson's Scope of Services.

3.4.5 Furnish approvals and permits from all governmental authorities having jurisdiction over the Project(s).

3.4.6 If more than one prime contractor is to be awarded the contract for construction, designate a party to have responsibility and authority for coordinating and interfacing the activities of the various prime contractors.

3.4.7 All fees and other amounts payable by Client under this Agreement are exclusive of taxes and similar assessments. Without limiting the foregoing, Client is responsible and liable for all sales, service, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, county or local governmental authority on any amounts payable by Client under this Agreement, other than any taxes imposed on Olsson's income. In the event any governmental authority assesses Olsson for taxes, duties, or charges of any kind in connection with Scope of Services provided by Olsson to Client, Olsson shall be entitled to submit an invoice to Client, its successors or assigns, for the amount of said assessment and related interest and penalties. Client shall pay such invoice in accordance with Olsson's standard payment terms.

3.5 Client shall pay all costs incident to obtaining bids or proposals from contractor(s).

3.6 Client shall pay all permit application review costs for government authorities having jurisdiction over the Project(s).

3.7 Contemporaneously with the execution of this Agreement, Client shall designate in writing an individual to act as its duly authorized Project(s) representative.

3.8 Client shall bear sole responsibility for:

3.8.1 Jobsite safety. Neither the professional activities of Olsson, nor the presence of Olsson or its employees or sub-consultants at the Project shall impose any duty on Olsson relating to any health or safety laws, regulations, rules, programs or procedures.

3.8.2 Notifying third parties including any governmental agency or prospective purchaser, of the existence of any hazardous or dangerous materials located in or around the Project(s) site.

3.8.3 Providing and updating Olsson with accurate information regarding existing conditions, including the existence of hazardous or dangerous materials, proposed Project(s) site uses, any change in Project(s) plans, and all subsurface installations, such as pipes, tanks, cables and utilities within the Project(s) site.

3.8.4 Providing and assuming all responsibility for: interpretation of contract documents; Construction Observations; Certifications; Inspections; Construction Cost Estimating; project observations; construction management; construction scheduling; construction phasing; and review of Contractor's performance, means and methods. Client waives any claims against Olsson and releases Olsson from liability relating to or arising out of such services and agrees, to the fullest extent permitted by law, to indemnify and hold Olsson

harmless from any and all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, relating to such actions and services.

3.9 Client releases Olsson from liability for any incorrect advice, judgment or decision based on inaccurate information furnished by Client or others.

3.10 If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including hazardous materials, encountered on the site, Olsson may immediately stop work in the affected area and report the condition to Client. Client shall be solely responsible for retaining independent consultant(s) to determine the nature of the material and to abate or remove the material. Olsson shall not be required to perform any services or work relating to or in the area of such material until the material has been removed or rendered harmless and only after approval, if necessary of the government agency with jurisdiction.

#### **SECTION 4—MEANING OF TERMS**

4.1 The "Cost of Construction" of the entire Project(s) (herein referred to as "Cost of Construction") means the total cost to Client of those portions of the entire Project(s) designed and specified by Olsson, but it will not include Olsson's compensation and expenses, the cost of land, rights-of-way, or compensation for or damages to, properties unless this Agreement so specifies, nor will it include Client's legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the Project(s) or the cost of other services to be provided by others to Client pursuant to Section 3.

4.2 The "Salary Costs": Used as a basis for payment mean salaries and wages (base and incentive) paid to all Olsson's personnel engaged directly on the Project(s), including, but not limited to, engineers, architects, surveyors, designers, draftsmen, specification writers, estimators, other technical and business personnel; plus the cost of customary and statutory benefits, including, but not limited to, social security contributions, unemployment, excise and payroll taxes, workers' compensation, health and retirement benefits, sick leave, vacation and holiday pay and other group benefits.

4.3 "Certify" or "a Certification": If included in the Scope of Services, such services shall be limited to a statement of Olsson's opinion, to the best of Olsson's professional knowledge, information and belief, based upon its periodic observations and reasonable review of reports and tests created by Olsson or provided to Olsson. Olsson shall not be responsible for constant or exhaustive observation of the work. Client understands and agrees that any certifications based upon discrete sampling observations and that such observations indicate conditions that exist only at the locations and times the observations were performed. Performance of such observation services and certification does not constitute a warranty or guarantee of any type, since even with diligent observation, some construction defects, deficiencies or omissions in the work may occur. Olsson shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the contractor(s) or for the contractor's safety precautions and programs nor for failure by the contractor(s) to comply with any laws or regulations relating to the performance or furnishing of any work by the contractor(s). Client shall hold its contractor(s) solely responsible for the quality and completion of the Project(s), including construction in accordance with the

construction documents. Any duty under this Agreement is for the sole benefit of the Client and not for any third party, including the contractor(s) or any subcontractor(s). Olsson shall sign pre-printed form certifications only if (a) Olsson approves the form of such certification prior to the commencement of its services, (b) such certification is expressly included in the Scope of Services, (c) the certification is limited to a statement of professional opinion and does not constitute a warranty or guarantee, express or implied. It is understood that any certification by Olsson shall not relieve the Client or the Client's contractors of any responsibility or obligation they may have by industry custom or under any contract.

4.4 "Opinion of Probable Cost": An opinion of probable construction cost made by Olsson. In providing opinions of probable construction cost, it is recognized that neither the Client nor Olsson has control over the costs of labor, equipment or materials, or over the contractor's methods of determining prices or bidding. The opinion of probable construction costs is based on Olsson's reasonable professional judgment and experience and does not constitute a warranty, express or implied, that the contractor's bids or the negotiated price of the work on the Project(s) will not vary from the Client's budget or from any opinion of probable cost prepared by Olsson.

4.5 "Day": A calendar day of 24 hours. The term "days" shall mean consecutive calendar days of 24 hours each, or fraction thereof.

4.6 "Construction Observation": If included in the Scope of Services, such services during construction shall be limited to periodic visual observation and testing of the work to determine that the observed work generally conforms to the contract documents. Olsson shall not be responsible for constant or exhaustive observation of the work. Client understands and agrees that such visual observations are discrete sampling procedures and that such procedures indicate conditions that exist only at the locations and times the observations were performed. Performance of Construction Observation services does not constitute a warranty or guarantee of any type, since even with diligent observation, some construction defects, deficiencies or omissions in the work may occur. Olsson shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the contractor or for the contractor's safety precautions and programs nor for failure by the contractor to comply with any laws or regulations relating to the performance or furnishing of any work by the contractor. Client shall hold its contractor(s) solely responsible for the quality and completion of the Project(s), including construction in accordance with the construction documents. Any duty under this Agreement is for the sole benefit of the Client and not for any third party, including the contractor or any subcontractor. Client, or its designees shall notify Olsson at least twenty-four (24) hours in advance of any field tests and observations required by the construction documents.

4.7 "Inspect" or "Inspection": If included in the Scope of Services, such services shall be limited to the periodic visual observation of the contractor's completed work to permit Olsson, as an experienced and qualified professional, to determine that the observed work, generally conforms to the contract documents. Olsson shall not be responsible for constant or exhaustive observation of the work. Client understands and agrees that such visual observations are discrete sampling procedures and that such procedures indicate conditions that exist only at the locations and times the observations were performed. Performance of such observation services does not constitute a warranty or guarantee of any type, since even with

diligent observation, some construction defects, deficiencies or omissions in the work may occur. Olsson shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the contractor(s) or for the contractor's safety precautions and programs nor for failure by the contractor(s) to comply with any laws or regulations relating to the performance or furnishing of any work by the contractor(s). Client shall hold its contractor(s) solely responsible for the quality and completion of the Project(s), including construction in accordance with the construction documents. Any duty under this Agreement is for the sole benefit of the Client and not for any third party, including the contractor(s) or any subcontractor(s). Client, or its designees, shall notify Olsson at least twenty-four (24) hours in advance of any inspections required by the construction documents.

4.8 "Record Documents": Drawings prepared by Olsson upon the completion of construction based upon the drawings and other data furnished to Olsson by the Contractor and others showing significant changes in the work on the Project(s) made during construction. Because Record Documents are prepared based on unverified information provided by others, Olsson makes no warranty of the accuracy or completeness of the Record Documents.

## **SECTION 5—TERMINATION**

5.1 Either party may terminate this Agreement, for cause upon giving the other party not less than seven (7) calendar days written notice of default for any of the following reasons; provided, however, that the notified party shall have the same seven (7) calendar day period in which to cure the default:

5.1.1 Substantial failure by the other party to perform in accordance with the terms of this Agreement and through no fault of the terminating party;

5.1.2 Assignment of this Agreement or transfer of the Project(s) by either party to any other entity without the prior written consent of the other party;

5.1.3 Suspension of the Project(s) or Olsson's services by the Client for more than ninety (90) calendar days, consecutive or in the aggregate.

5.2 In the event of a "for cause" termination of this Agreement by either party, the Client shall, within fifteen (15) calendar days after receiving Olsson's final invoice, pay Olsson for all services rendered and all reimbursable costs incurred by Olsson up to the date of termination, in accordance with the payment provisions of this Agreement.

5.2.1 In the event of a "for cause" termination of this Agreement by Client and (a) a final determination of default is entered against Olsson under Section 6.2 and (b) Client has fully satisfied all of its obligations under this Agreement, Olsson shall grant Client a limited license to use the Work Product pursuant to Section 7.1.

5.3 The Client may terminate this Agreement for the Client's convenience and without cause upon giving Olsson not less than seven (7) calendar days written notice. In the event of any termination that is not the fault of Olsson, the Client shall pay Olsson, in addition to payment for services rendered and reimbursable costs incurred, for all expenses reasonably incurred by Olsson in connection with the orderly termination of this Agreement, including but not limited to demobilization, reassignment of personnel, associated overhead costs, any

fees, costs or expenses incurred by Olsson in preparing or negotiating any proposals submitted to Client for Olsson's Scope of Services or Optional Additional Services under this Agreement and all other expenses directly resulting from the termination and a reasonable profit of ten percent (10%) of Olsson's actual costs (including overhead) incurred.

## **SECTION 6—DISPUTE RESOLUTION**

### **6.1. Mediation**

6.1.1 All questions in dispute under this Agreement shall be submitted to mediation. On the written notice of either party to the other of the election to submit any dispute under this Agreement to mediation, each party shall designate their representatives and shall meet within ten (10) days after the service of the notice. The parties themselves shall then attempt to resolve the dispute within ten (10) days of meeting.

6.1.2 Should the parties themselves be unable to agree on a resolution of the dispute, and then the parties shall appoint a third party who shall be a competent and impartial party and who shall be acceptable to each party, to mediate the dispute. Any third party mediator shall be qualified to evaluate the performance of both of the parties, and shall be familiar with the design and construction progress. The third party shall meet to hear the dispute within ten (10) days of their selection and shall attempt to resolve the dispute within fifteen (15) days of first meeting.

6.1.3 Each party shall pay the fees and expenses of the third party mediator and such costs shall be borne equally by both parties.

### **6.2 Arbitration or Litigation**

6.2.1 Olsson and Client agree that from time to time, there may be conflicts, disputes and/or disagreements between them, arising out of or relating to the services of Olsson, the Project(s), or this Agreement (hereinafter collectively referred to as "Disputes") which may not be resolved through mediation. Therefore, Olsson and Client agree that all Disputes shall be resolved by binding arbitration or litigation at the sole discretion and choice of Olsson. If Olsson chooses arbitration, the arbitration proceeding shall proceed in accordance with the Construction Industry Arbitration Rules of the AAA.

6.2.2 Client hereby agrees that Olsson shall have the right to include Client, by consolidation, joinder or other manner, in any arbitration or litigation involving Olsson and a subconsultant or subcontractor of Olsson or Olsson and any other person or entity, regardless of who originally initiated such proceedings.

6.2.3 If Olsson chooses arbitration or litigation, either may be commenced at any time prior to or after completion of the Project(s), provided that if arbitration or litigation is commenced prior to the completion of the Project(s), the obligations of the parties under the terms of this Agreement shall not be altered by reason of the arbitration or litigation being conducted. Any arbitration hearings or litigation shall take place in Lincoln, Nebraska, the location of Olsson's home office.

6.2.4 The prevailing party in any arbitration or litigation relating to any Dispute shall be entitled to recover from the other party those reasonable attorney fees, costs and expenses incurred by the prevailing party in connection with the Dispute.

### **6.3 Certification of Merit**

Client agrees that it will not assert any claim, including but not limited to, professional negligence, negligence, breach of contract, misconduct, error, omission, fraud, or misrepresentation ("Claim") against Olsson, or any Olsson subconsultant, unless Client has first provided Olsson with a sworn certificate of merit affidavit setting forth the factual and legal basis for such Claim (the "Certificate"). The Certificate shall be executed by an independent engineer ("Certifying Engineer") currently licensed and practicing in the jurisdiction of the Project site. The Certificate must contain: (a) the name and license number of the Certifying Engineer; (b) the qualifications of the Certifying Engineer, including a list of all publications authored in the previous 10 years and a list of all cases in which the Certifying Engineer testified within the previous 4 years; (c) a statement by the Certifying Engineer setting forth the factual basis for the Claim; (d) a statement by the Certifying Engineer of each and every act, error, or omission that the Certifying Engineer contends supports the Claim or any alleged violation of any applicable standard of care; (e) a statement by the Certifying Engineer of all opinions the Certifying Engineer holds regarding the Claim or any alleged violation of any applicable standard of care; (f) a list of every document related to the Project reviewed by the Certifying Engineer; and (g) a list of every individual who provided Certifying Engineer with any information regarding the Project. The Certificate shall be provided to Olsson not less than thirty (30) days prior to any arbitration or litigation commenced by Client or not less than ten (10) days prior to the initial response submitted by Client in any arbitration or litigation commenced by someone other than Client. The Certificate is a condition precedent to the right of Client to assert any Claim in any litigation or arbitration and Client's failure to timely provide a Certificate to Olsson will be grounds for automatic dismissal of the Claim with prejudice.

## **SECTION 7—MISCELLANEOUS**

### **7.1 Reuse of Documents**

All documents, including drawings, specifications, reports, boring logs, maps, field data, data, test results, information, recommendations, or opinions prepared or furnished by Olsson (and Olsson's independent professional associates and consultants) pursuant to this Agreement ("Work Product"), are all Olsson's instruments of service, do not constitute goods or products, and are copyrighted works of Olsson. Olsson shall retain an ownership and property interest in such Work Product whether or not the Project(s) is completed. If Client has fully satisfied all of its obligations under this Agreement, Olsson shall grant Client a limited license to use the Work Product and Client may make and retain copies of Work Product for use in connection with the Project(s); however, such Work Product is for the exclusive use and benefit of Client or its agents in connection with the Project(s), are not intended to inform, guide or otherwise influence any other entities or persons with respect to any particular business transactions, and should not be relied upon by any entities or persons other than Client or its agents for any purpose other than the Project(s). Such Work Product is not intended or represented to be suitable for reuse by Client or others on extensions of the Project(s) or on any other Project(s). Client will not distribute or convey such Work Product to any other persons or entities without Olsson's prior written consent which shall include a release of Olsson from liability and indemnification by the third party. Any reuse of Work Product without written verification or adaptation by Olsson for the specific purpose intended will be at Client's sole risk and without liability or legal exposure to Olsson, or to Olsson's independent

professional associates or consultants, and Client shall indemnify and hold harmless Olsson and Olsson's independent professional associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation of Work Product will entitle Olsson to further compensation at rates to be agreed upon by Client and Olsson.

### **7.2 Electronic Files**

By accepting and utilizing any electronic file of any Work Product or other data transmitted by Olsson, the Client agrees for itself, its successors, assigns, insurers and all those claiming under or through it, that by using any of the information contained in the attached electronic file, all users agree to be bound by the following terms. All of the information contained in any electronic file is the work product and instrument of service of Olsson, who shall be deemed the author, and shall retain all common law, statutory law and other rights, including copyrights, unless the same have previously been transferred in writing to the Client. The information contained in any electronic file is provided for the convenience to the Client and is provided in "as is" condition. The Client is aware that differences may exist between the electronic files transferred and the printed hard-copy original signed and stamped drawings or reports. In the event of a conflict between the signed original documents prepared by Olsson and the electronic files, which may be transferred, the signed and sealed original documents shall govern. Olsson specifically disclaims all warranties, expressed or implied, including without limitation, and any warranty of merchantability or fitness for a particular purpose with respect to any electronic files. It shall be Client's responsibility to confirm the accuracy of the information contained in the electronic file and that it accurately reflects the information needed by the Client. Client shall not retransmit any electronic files, or any portion thereof, without including this disclaimer as part of any such transmissions. In addition, Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless Olsson, its officers, directors, employees and sub consultants against any and all damages, liabilities, claims or costs, including reasonable attorney's and expert witness fees and defense costs, arising from any changes made by anyone other than Olsson or from any reuse of the electronic files without the prior written consent of Olsson.

### **7.3 Opinion of Probable Cost**

Since Olsson has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' methods of determining prices, or over competitive bidding or market conditions, Olsson's Opinion of Probable Cost provided for herein is made on the basis of Olsson's experience and qualifications and represent Olsson's best judgment as an experienced and qualified professional engineer, familiar with the construction industry. Client acknowledges and agrees that Olsson cannot and does not guarantee proposals or bids and that actual total Project(s) or construction costs may reasonably vary from Olsson's Opinion of Probable Cost. If prior to the bidding or negotiating phase Client wishes greater assurance as to total Project(s) or construction costs, Client shall employ an independent cost estimator as provided in paragraph 3.4.3. If Olsson's Opinion of Probable Cost was performed in accordance with its standard of care and was reasonable under the total circumstances, any services performed by Olsson to modify the contract documents to bring the construction cost within any limitation established by Client will be considered Optional Additional Services and paid for as such by Client. If, however, Olsson's Opinion of Probable Cost was not performed

in accordance with its standard of care and was unreasonable under the total circumstances and the lowest negotiated bid for construction of the Project(s) unreasonably exceeds Olsson's Opinion of Probable Cost, Olsson shall modify its work as necessary to adjust the Project(s)' size, and/or quality to reasonably comply with the Client's budget at no additional cost to Client. Under such circumstances, Olsson's modification of its work at no cost shall be the limit of Olsson's responsibility with regard to any unreasonable Opinion of Probable Cost.

#### **7.4 Prevailing Wages**

It is Client's responsibility to determine whether the Project(s) is covered under any prevailing wage regulations. Unless Client specifically informs Olsson in writing that the Project(s) is a prevailing wage project and is identified as such in the Scope of Services, Client agrees to reimburse Olsson and to defend, indemnify and hold harmless Olsson from and against any liability, including costs, fines and attorneys' fees, resulting from a subsequent determination that the Project(s) was covered under any prevailing wage regulations.

#### **7.5 Samples**

All material testing samples shall remain the property of the Client. If appropriate, Olsson shall preserve samples obtained no longer than forty-five (45) days after the issuance of any document that includes the data obtained from those samples. After that date, Olsson may dispose of the samples or return them to Client at Client's cost.

#### **7.6 Standard of Care**

Olsson will strive to perform its services in a manner consistent with that level of care and skill ordinarily exercised by members of Olsson's profession providing similar services in the same locality under similar circumstances at the time Olsson's services are performed. This Agreement creates no other representation, warranty or guarantee, express or implied.

#### **7.7 Force Majeure**

Any delay in the performance of any of the duties or obligations of either party hereto (except the payment of money) shall not be considered a breach of this Agreement and the time required for performance shall be extended for a period equal to the period of such delay, provided that such delay has been caused by or is the result of any acts of God, acts of the public enemy, insurrections, riots, embargoes, labor disputes, including strikes, lockouts, job actions, boycotts, fires, explosions, floods, shortages of material or energy, or other unforeseeable causes beyond the control and without the fault or negligence of the party so affected. The affected party shall give prompt notice to the other party of such cause, and shall take promptly whatever reasonable steps are necessary to relieve the effect of such cause.

#### **7.8 Equal Employment Opportunity**

Olsson and any sub-consultant or subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in

employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

#### **7.9 Confidentiality**

In performing this Agreement, the parties may disclose to each other written, oral, electronic, graphic, machine-readable, tangible or intangible, non-public, confidential or proprietary data or information in any form or medium, including but not limited to: (1) information of a business, planning, marketing, conceptual, design, or technical nature; (2) models, tools, hardware, software or source code; and (3) any documents, videos, photographs, audio files, data, studies, reports, flowcharts, works in progress, memoranda, notes, files or analyses that contain, summarize or are based upon any non-public, proprietary or confidential information (hereafter referred to as the "Information"). The Information is not required to be marked as confidential.

7.9.1 Therefore, Olsson and Client agree that the party receiving Information from the other party to this Agreement (the "Receiving Party") shall keep Information confidential and not use the Information in any manner other than in the performance of this Agreement without prior written approval of the party disclosing Information (the "Disclosing Party") unless Client is a public entity and the release of Information is required by law or legal process.

7.9.2 Prior to the start of construction on the Project, the existence of discussions between the parties, the purpose of this Agreement, and this Agreement shall be considered Information subject to the confidentiality provisions of this Agreement.

7.9.3 Notwithstanding anything to the contrary herein, the Receiving Party shall have no obligation to preserve the confidentiality of any Information which:

7.9.3.1 was previously known to the Receiving Party free of any obligation to keep it confidential; or

7.9.3.2 is or becomes publicly available by other than unauthorized disclosures; or

7.9.3.3 is independently developed by the Receiving Party without a breach of this Agreement; or

7.9.3.4 is disclosed to third parties by the Disclosing Party without restrictions; or

7.9.3.5 is received from a third party not subject to any confidentiality obligations.

7.9.4 In the event that the Receiving Party is required by law or legal process to disclose any of Information of the Disclosing Party, the Receiving Party required to disclose such Information shall provide the Disclosing Party with prompt oral and written notice, unless notice is prohibited by law (in which case such notice shall be provided as early as may be legally permissible), of any such requirement so that the Disclosing Party may seek a protective order or other appropriate remedy.

7.9.5 Notwithstanding anything to the contrary herein (or to the contrary of any existing or future nondisclosure, confidentiality or similar agreement between the parties), Olsson is authorized, to use, display, reproduce, publish, transmit, and distribute Information (including, but not limited to, videos and



photographs of the Project) on and in any and all formats and media (including, but not limited to, Olsson's internet website) throughout the world and in all languages in connection with or in any manner relating to the marketing, advertising, selling, qualifying, proposing, commercializing, and promotion of Olsson and/or its services and business and in connection with any other lawful purpose of Olsson. In the event of any conflict or inconsistency between the provisions of this section and any other prior or future nondisclosure, confidentiality or similar agreement between the parties, the terms of this section shall take precedence.

7.9.6 Nothing contained in this Agreement shall be construed as altering any rights that the Disclosing Party has in the Information exchanged with or disclosed to the Receiving Party, and upon request, the Receiving Party will return all Information received in tangible form to the Disclosing Party, or at the Receiving Party's option, destroy all such Information. If the Receiving Party exercises its option to destroy the Information, the Receiving Party shall certify such destruction to the Disclosing Party.

7.9.7 The parties acknowledge that disclosure or use of Information in violation of this Agreement could cause irreparable harm for which monetary damages may be difficult to ascertain or constitute an inadequate remedy. Each party therefore agrees that the Disclosing Party shall be entitled in addition to its other rights to seek injunctive relief for any violation of this Agreement.

7.9.8 The obligations of confidentiality set forth herein shall survive termination of this Agreement but shall only remain in effect for a period of one (1) year from the date the Information is first disclosed.

#### **7.10 Damage or Injury to Subterranean Structures or Utilities, Hazardous Materials, Pollution and Contamination**

7.10.1 To the extent that work pursuant to this Agreement requires any sampling, boring, excavation, ditching or other disruption of the soil or subsurface at the Site, Olsson shall confer with Client prior to such activity and Client will be responsible for identifying, locating and marking, as necessary, any private subterranean structures or utilities and Olsson shall be responsible for arranging investigation of public subterranean structures or utilities through an appropriate utility one-call provider. Thereafter, Olsson shall take all reasonable precautions to avoid damage or injury to subterranean structures or utilities which were identified by Client or the one-call provider. Olsson shall not be responsible for any damage, liability or costs, for any property damage, injury or economic loss arising or allegedly arising from damages to subterranean structures or utilities caused by subsurface penetrations in locations approved by Client and/or the one call provider or not correctly shown on any plans, drawings or utility clearance provided to Olsson, except for damages caused by the negligence of Olsson in the use of such information.

7.10.2 It is understood and agreed that any assistance Olsson may provide Client in the disposal of waste materials shall not result in Olsson being deemed as a generator, arranger, transporter or disposer of hazardous materials or hazardous waste as defined under any law or regulation. Title to all samples and waste materials remains with Client, and at no time shall Olsson take title to the above material. Client may authorize Olsson to execute Hazardous Waste Manifest, Bill of Lading or other forms as agent of Client. If Client requests Olsson to execute such documents as its agent, the Hazardous

Waste Manifest, Bill of Lading or other similar documents shall be completed in the name of the Client. Client agrees to indemnify and hold Olsson harmless from any and all claims that Olsson is a generator, arranger, transporter, or disposer of hazardous waste as a result of any actions of Olsson, including, but not limited to, Olsson signing a Hazardous Waste Manifest, Bill of Lading or other form on behalf of Client.

7.10.3 At any time, Olsson can request in writing that Client remove samples, cuttings and hazardous substances generated by the Project(s) from the project site or other location. Client shall promptly comply with such request, and pay and be responsible for the removal and lawful disposal of samples, cuttings and hazardous substances, unless other arrangements are mutually agreed upon in writing.

7.10.4 Client shall release Olsson of any liability for, and shall defend and indemnify Olsson against any and all claims, liability and expense resulting from operations under this Agreement on account of injury to, destruction of, or loss or impairment of any property right in or to oil, gas, or other mineral substance or water, if at the time of the act or omission causing such injury, destruction, loss or impairment, said substance had not been reduced to physical possession above the surface of the earth, and for any loss or damage to any formation, strata, reservoir beneath the surface of the earth.

7.10.5 Notwithstanding anything to the contrary contained herein, it is understood and agreed by and between Olsson and Client that the responsibility for pollution and contamination shall be as follows:

7.10.5.1 Unless otherwise provided herein, Client shall assume all responsibility for, including control and removal of, and protect, defend and save harmless Olsson from and against all claims, demands and causes of action of every kind and character arising from pollution or contamination (including naturally occurring radioactive material) which originates above the surface of the land or water from spills of fuels, lubricants, motor oils, pipe dope, paints, solvents, ballast, bilge and garbage, except unavoidable pollution from reserve pits, wholly in Olsson's possession and control and directly associated with Olsson's equipment.

7.10.5.2 In the event a third party commits an act or omission which results in pollution or contamination for which either Olsson or Client, for whom such party is performing work, is held to be legally liable, the responsibility therefore shall be considered as between Olsson and Client, to be the same as if the party for whom the work was performed had performed the same and all of the obligations regarding defense, indemnity, holding harmless and limitation of responsibility and liability, as set forth herein, shall be specifically applied.

#### **7.11 Controlling Law and Venue**

The parties agree that this Agreement and any legal actions concerning its validity, interpretation or performance shall be governed by the laws of the State of Nebraska. It is further agreed that any legal action between the parties arising out of this Agreement or the performance of services shall be brought in a court of competent jurisdiction in Nebraska.

## **7.12 Subconsultants**

Olsson may utilize as necessary in its discretion subconsultants and other subcontractors. Olsson will be paid for all services rendered by its subconsultants and other subconsultants as set forth in this Agreement.

## **7.13 Assignment**

7.13.1 Client and Olsson each are hereby bound and the partners, successors, executors, administrators and legal representatives of Client and Olsson (and to the extent permitted by paragraph 7.13.2 the assigns of Client and Olsson) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

7.13.2 Neither Client nor Olsson shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Olsson from employing such subconsultants and other subcontractors as Olsson may deem appropriate to assist in the performance of services under this Agreement.

7.13.3 Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Client and Olsson, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Client and Olsson and not for the benefit of any other party. There are no third-party beneficiaries of this Agreement.

## **7.14 Indemnity**

Olsson and Client mutually agree, to the fullest extent permitted by law, to indemnify and hold each other harmless from any and all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, relating to third party personal injury or third party property damage and arising from their own negligent acts, errors or omissions in the performance of their services under this Agreement, but only to the extent that each party is responsible for such damages, liabilities or costs on a comparative basis of fault.

## **7.15 Limitation on Damages**

7.15.1 Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither party's individual employees, principals, officers or directors shall be subject to personal liability or damages arising out of or connected in any way to the Project(s) or to this Agreement.

7.15.2 Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither Client nor Olsson, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any delay damages, any punitive damages or any incidental, indirect or consequential damages arising out of or connected in any way to the Project(s)

or to this Agreement. This mutual waiver of delay damages and consequential damages shall include, but is not limited to, disruptions, accelerations, inefficiencies, increased construction costs, increased home office overhead, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other delay or consequential damages that either party may have incurred from any cause of action including, but not limited to, negligence, statutory violations, misrepresentation, fraud, deceptive trade practices, breach of fiduciary duties, strict liability, breach of contract and/or breach of strict or implied warranty. Both the Client and Olsson shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in the Project(s).

7.15.3 Notwithstanding any other provision of this Agreement, Client agrees that, to the fullest extent permitted by law, Olsson's total liability to the Client for any and all injuries, claims, losses, expenses, damages, or claims expenses of any kind arising from any services provided by or through Olsson under this Agreement, shall not exceed the amount of Olsson's fee earned under this Agreement. Client acknowledges that such causes include, but are not limited to, negligence, statutory violations, misrepresentation, fraud, deceptive trade practices, breach of fiduciary duties, strict liability, breach of contract and/or breach of strict or implied warranty. This limitation of liability shall apply to all phases of Olsson's services performed in connection with the Project(s), whether subsequent to or prior to the execution of this Agreement.

## **7.16 Entire Agreement**

This Agreement supersedes all prior communications, understandings and agreements, whether oral or written. Amendments to this Agreement must be in writing and signed by the Client and Olsson.

# **ATTACHMENT A SCOPE OF SERVICES**

This exhibit is hereby attached to and made a part of the Letter Agreement for Professional Services dated [REDACTED] between the City of Bartlesville (“City”) and Olsson, Inc. (“Olsson”) providing for professional services. Olsson’s Scope of Services for the Agreement is indicated below.

## **PROJECT DESCRIPTION AND LOCATION**

Project will be located at: Hillcrest Drive corridor between E. 18<sup>TH</sup> Street and the Caney River in the City of Bartlesville, Oklahoma

Project Description: Survey, geotechnical and engineering services to prepare construction documents (plans and specifications) for the reconstruction of Hillcrest Drive between E. 18<sup>TH</sup> Street and the Caney River, including repurposing a portion of the existing roadway as an extension of the Pathfinder Parkway pedestrian trail system, and optionally connecting the new Trail to the existing trailhead approximately ¼ mile north of Hillcrest Drive along Shawnee Avenue. The Project also includes hydraulic modeling of the proposed improvements to avoid inundation of the new roadway by nuisance floods and determine the hydraulic impacts of the proposed improvements to the floodway and floodplain of Caney River and Sand Creek.

## **SCOPE OF SERVICES**

Olsson shall provide the following services (Scope of Services) to City for the Project:

### **PROJECT UNDERSTANDING**

#### **Hillcrest Drive Reconstruction / Realignment**

The Hillcrest Drive corridor between E. 18<sup>TH</sup> Street and the Caney River is classified as a Major Arterial Street and currently carries up to 8,300 vehicles per day on a narrow two-lane open-section roadway without shoulders. Steep roadside ditches also contribute to degradation of existing roadway base materials along both sides of the corridor that requires regular patching to maintain a safe route. Reconstruction and realignment of this corridor will improve traffic safety and operations by providing wider travel lanes, and shoulders along both sides of the corridor, and improve roadside safety by providing safe drainage side slopes consistent with the AASHTO Roadside Design Guide and the ODOT Roadway Design Manual.

The proposed improvements to Hillcrest Drive will consist primarily of:

- Widening the existing narrow roadway section to two 12-foot wide drive lanes with 6-foot wide paved shoulders along both sides of the corridor.
- Providing adequately sized roadside ditches with adequate safety side slopes and clear zones along both sides of the corridor.
- Realigning Hillcrest Drive between the horizontal curve near the E. 20<sup>TH</sup> Street intersection and the Caney River bridge approach slab as an offset alignment south and west of the current alignment.

- Transitioning from an open-section roadway to a closed-section street with concrete curb and gutter to match existing section at the Caney River bridge approach.
- Maintaining the existing roadside ditch between the existing roadway and the new offset alignment with new safety slopes to the new roadway south and west of the existing roadway.
- At a minimum, matching the grade of the existing roadway, and possibly elevating the grade of the proposed roadway to avoid inundation during 10-year storm events or less, if feasible.
- Extending and/or reconstructing existing intersections at N. 3950 Road, S. Shawnee Avenue, E. 20<sup>TH</sup> Street, Crestview Drive, and E. 18<sup>TH</sup> Street.
- Extending existing drainage structures as needed to accommodate the wider pavement and roadside safety slopes.

The proposed offset alignment for Hillcrest Drive between the E. 20<sup>TH</sup> Street intersection and the Caney River bridge approach slab will tie back to its original alignment just north of E. 20<sup>TH</sup> Street at or near the north tangent of the existing horizontal curve at the intersection. Hillcrest Drive from this point north to E. 18<sup>TH</sup> Street will be reconstructed along its current alignment. The proposed shoulders along this section of Hillcrest Drive may need to be narrowed dependent on availability of right-of-way north of E. 20<sup>TH</sup> Street.

In addition to the improvements identified in the Request for Qualifications, we recommend that the City also consider:

- Improvements to the E. 18<sup>TH</sup> Street intersection to provide a Left-Turn Lane on the south leg of the intersection to match the existing Left-Turn Lane on the north leg.
- Improvements to the southeast quadrant of the E. 18<sup>TH</sup> Street intersection to provide a sidewalk connection and accessible ramp in this corner.

### **Pathfinder Parkway Trail**

Portions of existing Hillcrest Drive between the horizontal curve near the E. 20<sup>TH</sup> Street intersection and the Caney River bridge approach slab will be rehabilitated in place to serve as a pedestrian trail that will become part of the City's Pathfinder Parkway Trail. This new Trail along the repurposed existing pavement may be connected to the existing Pathfinder Parkway trailhead approximately ¼ mile north of Hillcrest Drive by extending a new trail along Shawnee Avenue, if it is determined that costs for this additional Trail fit within the City's budget for this Project.

## **DESIGN SERVICES**

### **Phase 100 - Site Investigation**

#### **Task 101 – Topographic and Boundary Survey**

Perform Field survey to map existing and topographic features, including drainage and utilities.

- The survey will be established utilizing the horizontal and vertical control supplied by the City (horizontal – NAD 83 and vertical – NVGD 88).
- Temporary control and benchmarks will be established to aide in the construction stake-out of the improvements.

- Right-of-way and easements within the survey limits will be researched and shown on the survey.
- The deliverables will include an electronic surface model of the survey.
- Topographic Survey associated with the Trail extension along Shawnee Avenue will be limited to within the existing right-of-way for Shawnee Avenue and does not include legal descriptions and exhibits for easements for the Trail extension outside of the existing right-of-way.

### **Task 102 – Geotechnical Investigation**

Perform geotechnical investigations, as detailed below.

- One (1) truck-mounted drill rig will be mobilized to the project site.
- Olsson will complete eight (8) geotechnical borings along the proposed roadway alignment to a target depth of 5 feet. This is approximately 1 boring per every 750 feet along the proposed offset alignment. Sampling of soils and Standard Penetration Testing (SPT) will be performed at 2.5-foot intervals. Bulk samples will be collected for laboratory testing. Groundwater levels in the geotechnical borings at the time of drilling and immediately at the completion of the drilling operations will be recorded.
- Where borings will be performed along the existing paved roadway, Olsson will replace the surface pavement.
- Olsson will notify Call OKIE to locate public utilities. Any private utilities not identified by the public locate service shall be located by the City prior to drilling. Olsson is not liable for damage to any utilities that are unknown or improperly located.
- Olsson will provide traffic control if needed such that the work can be completed without significant interruption to the public.
- Olsson will provide access via clearing of small trees and brush to the proposed boring locations if required. Costs for extensive grading and clearing of large trees and shrubs are not included but can be provided at cost plus 10 percent if required.
- Laboratory testing will be performed at quantities determined by Olsson to adequately characterize the subsurface conditions. Testing will include moisture content testing, hydrometer and mechanical grain size testing, Atterberg Limits testing, resilient modulus testing (at optimum moisture content), and chemical analysis testing.

Deliverable will be a concise, bound geotechnical report for use in pavement and civil design.

### **Task 103 – Environmental Research and Coordination**

The anticipated Environmental research and review for the reconstruction of Hillcrest Drive will include:

A waters and wetlands resources review. Olsson will conduct a desktop review of potential US Army Corps of Engineers (USACE) jurisdictional wetlands and waters of the US within the project area. This preliminary review will be conducted by obtaining geographic information systems (GIS) shapefiles and other digital resources that would allow potential identification of the presence of hydrophytic vegetation, hydric soils, and hydrology. The sources Olsson will review will include, but may not be limited to:

- U.S. Fish and Wildlife Service (USFWS) National Wetland Inventory (NWI);
- USDA Natural Resources Conservation Service (NRCS) Web Soil Survey (SSUGRO);
- US Geological Survey (USGS) National Hydrography Dataset (NHD); and,
- USGS topographic quadrangle maps and other local sources for digital elevation models and digital ortho imagery.

Following the desktop review, Olsson will conduct a field visit to verify, at a minimum, the features identified during the desktop review, and their boundaries based on a visual verification of hydric field indicators present. The boundaries of the wetlands will be mapped with a field global positioning (GPS) unit. Additionally, any portions of perennial, intermittent, and ephemeral streams within the project's rights-of-way (ROW) will be mapped with a field GPS unit.

During the field visit, the Olsson biologist will also conduct a preliminary assessment of project area to determine the potential for suitable habitat for birds and other wildlife species that are protected under the Endangered Species Act (ESA), the Migratory Bird Treaty Act (MBTA), and the Bald and Golden Eagle Protection Act (BGEPA). The Olsson biologist will also photo document existing conditions of the project area. Detailed investigations for threatened and endangered species are not included in this task. If a Section 404 Permit is required, additional hours and fees will need to be allocated for ESA Section 7 consultation.

Olsson will conduct a review of publicly available information from the Oklahoma Historical Society's (OHS) National Register of Historic Places (NRHP) database, and other such resources to identify information on previously recorded historic structures, historic cemeteries, and NRHP properties located within or adjacent to the study area. Please note that this task does not include an archaeological database review or cultural resources reconnaissance field visit at this time.

At the request of the City, Olsson will prepare the Oklahoma State Historic Preservation Office (SHPO) consultation letters and submit them to the City to be placed on City letterhead. Olsson assumes the City will submit the letters to the Oklahoma Archaeological Survey (OAS) and the OHS for review. Upon review of the project, under National Historic Preservation Act (NHPA) Section 106 consultation, the OAS and OHS may require additional cultural and historical resources review. Olsson will assist the City in this review (if needed) on hourly basis compensation.

A consultation with the design engineer will take place to determine the need for an Oklahoma Department of Environmental Quality (ODEQ) General Permit OKR-10. The OKR-10 Permit is required for stormwater discharges from construction sites of none (1) acre or larger. Any Oklahoma Sensitive Waters and Watersheds Harboring Endangered and Threatened Species and Their Critical Habitat of Concern will be

identified and documented. This task does not include Section 401 water quality certification, the development of the Stormwater Pollution Prevention Plan (SWPPP) or the submittal of the Notice of Intent for construction.

## **Phase 200 – Roadway / Traffic Design**

### **Task 201 – Project Kickoff / Design Charrette**

Facilitate a Project Kickoff Meeting / Design Charrette with stakeholders to establish open communications, define the City's expectations for a successful project, develop a plan to engage key stakeholders, refine project scope, review the project site, identify specific goals, determine survey area, establish schedule for completion, and establish channels of communication. Olsson will prepare and distribute minutes of the meeting.

### **Task 202 – Conceptual Design Phase**

Upon receipt of written Notice to Proceed from the City, Olsson will perform the following tasks in accordance with the Schedule provided:

- Coordinate with utility companies concerning upcoming projects and schedules in concert with the City's Utility Coordinator (UC)
- Work collaboratively with the City to develop and evaluate alternative horizontal and vertical layouts for reconstruction of Hillcrest Drive as an offset alignment south and west of the existing roadway, improvements to the existing intersections at N. 3950 Road, S. Shawnee Avenue, E. 20<sup>TH</sup> Street, Crestview Drive, and E. 18<sup>TH</sup> Street, and improvements to the storm drainage system along the Hillcrest Drive corridor to avoid inundation of the new roadway during 10-year storm events or less.
- Evaluate alternative layouts and prepare conceptual opinions of probable costs for each alternative.
- Facilitate one (1) 'Over-the-Shoulder' Review / Planning Workshop with the City to discuss recommendations and achieve consensus for preferred alternative during the Conceptual Design Phase. 'Over-the-Shoulder' Review / Planning Workshops may be conducted as teleconferences using web-based meeting applications such as GoToMeeting, or in person at the City's or Olsson's offices.
- Prepare conceptual drawings of the proposed improvements for the preferred alternative.
- Prepare a Conceptual Opinion of Probable Construction Costs for the preferred alternative using 25% contingency.
- Submit Conceptual Plans on electronic media to the City for distribution and review.
- Attend one (1) Conceptual Design Review (30% Preliminary Plan Field Review) Meeting with the City to discuss design challenges and review design issues and comments.
- Address comments received during the Conceptual Design Phase in writing. Comments will be incorporated into the Preliminary Design Phase deliverables.

### **Task 203 – Preliminary Design Phase (60% Right-of-Way & Utility Coordination)**

Following approval of the Conceptual Design (30% Preliminary Plan Field Review), and upon receipt of written Notice to Proceed from the City, Olsson will perform the following tasks in accordance with the Schedule provided:

- Conduct preliminary coordination with private and public utility companies in concert with the City's Utility Coordinator (UC).
- Facilitate informal 'Over-the-Shoulder' Review / Planning Workshop with the City and key stakeholders as needed throughout the Preliminary Design Phase to present in-progress design models, drawings and calculations, discuss design challenges, and address design issues and comments.
- Perform preliminary roadway geometric layout and design
- Perform preliminary roadway drainage analysis and design
- Prepare preliminary construction plans for the proposed project including roadway and trail plans, and utility coordination items, and existing and proposed rights-of-way and easements identified.
- Prepare preliminary construction specifications / special provisions using 2009 ODOT *Standard Specifications for Highway Construction* and published ODOT Special Provisions, and ODOT *PES Pay Item List*.
- Prepare preliminary quantity summaries for roadway and traffic construction.
- Prepare preliminary Opinion of Probable Construction Costs for roadway and traffic construction using 15% contingency.
- Submit 60% Right-of-Way and Utility Coordination Plans, Preliminary Construction Specifications, and Preliminary Opinion of Probable Construction Costs on electronic media to the City for distribution and review.
- Attend one (1) Preliminary Design (60% Right-of-Way & Utility Coordination) Meeting with the City to discuss design challenges and review design issues and comments.
- Address comments received during the Preliminary Design (60% Right-of-Way & Utility Coordination Plans) in writing. Comments will be incorporated into the 65% Right-of-Way Plan and Final Design Phase deliverables.

### **Task 204 – 65% Right-of-Way (R/W) Plan**

Following approval of the Preliminary Design (60% Right-of-Way & Utility Coordination Plans), and upon receipt of written Notice to Proceed from the City, Olsson will provide the following to the City to begin right-of-way and easement acquisition:

- Prepare "Minimum-Required" right-of-way documents based upon the comments received from the preliminary submittal.
- Prepare Right-of-Way map.
- Submit electronic copies of "Minimum-Required" right-of-way documents for the project final taking/acquisitions requirements.
- Procure and provide Property Report on all right-of-way acquisition parcels.
- To scale Preliminary Plan & Profile (P&P), One half size and one full size set.



- For each parcel provide legal descriptions in WORD & PDF formats. Each containing the project number and parcel numbers for permanent and/or temporary easements identified (i.e.: 1P, 1T), stamped and signed by surveyor and/or Professional Engineer – See provided examples
- Current deed or deeds of record for each parcel. As property ownership may change during project, review ownership before submitting deeds/ownership information to R/W Division.
- To scale R/W Plans- (plans set over aerial photos are not mandatory but are extremely helpful. If aerials are used please make sure they are to proper scale)
- Show survey data including driveways, parking surface, buildings, fencing, gates, planters, trees, parcel numbers & owner names, also show property line breaks.
- Identify encroachments in the existing R/W such as fencing, gates, signs, stockpile materials, brick columns, sprinklers/irrigation systems, landscaping, etc.
- On cover letter provide identified encroachments in tabulated format identifying the items, station locations and indicate “to be removed prior to utility relocations”, or prior to construction
- Deliver all information to the City on electronic media for distribution and review.
- Survey staking of the proposed R/W for acquisition purposes can be performed by Olsson as an Optional Additional Service.

### **Task 205 – Final Design Phase**

Following approval of the Preliminary Design (60% Right-of-Way & Utility Coordination Plans), and upon receipt of written Notice to Proceed from the City, Olsson will perform the following tasks in accordance with the Schedule provided:

- Conduct necessary design functions required to complete the final design phase of the project.
- Facilitate informal ‘Over-the-Shoulder’ Review / Planning Workshop with the City and key stakeholders as needed throughout the Final Design Phase to present in-progress design models, drawings and calculations, discuss design challenges, and address design issues and comments.
- Attend utility coordination meetings for the Project as requested by the City.
- Prepare and complete final design.
- Prepare detailed construction plans in conformance with appropriate drafting standards.
- Prepare final pay quantity summaries and notes for roadway and traffic construction
- Prepare final opinion of probable construction costs with a 10% contingency.
- Prepare Construction Specifications, Special Provisions and City standard front-end contract documents.
- Prepare Contract proposals in units compatible with ODOT specifications.

- Submit Final Construction Plans, Final Contract Bid Documents, and Final Opinion of Probable Construction Costs on electronic media to the City for distribution and review.
- Incorporate final review comments and furnish Final Drawings (AutoCAD 2013 or earlier version), and Final Specifications on electronic media to the City for bidding.

## **BIDDING SERVICES**

### **Phase 300 – Construction Letting Services**

Upon receipt of written Notice to Proceed from the City, Olsson will perform the following tasks in accordance with the Schedule provided:

- Assist the City, as requested, in advertising the Project for bids for construction.
- Conduct a pre-bid conference, if requested by City.
- Serve as the technical question point of contact during bidding and if required, draft any necessary addenda to clarify Contract documents.
- Prepare bid tabulation, if requested, and provide recommendation for award.

## **FLOODPLAIN MODELING SERVICES**

### **Phase 400 – Caney River Floodplain Model Update**

Olsson will adjust the existing HEC-RAS model provided by the City of Bartlesville to model the improvement proposed to Hillcrest Road and will report the findings in a one-page letter report to the City. The modeling effort will not include design for compensatory storage, overflow structures or any other hydraulic design. The intent is to show the impact of the proposed roadway elevation and footprint on the floodplain area by modifying the regional hydraulic model that is provided to Olsson by the City of Bartlesville. Olsson will not perform additional topographic survey in association to the hydraulic modeling effort.

## **TASKS NOT INCLUDED IN THIS CONTRACT (NIC)**

- Legal descriptions and exhibits for any right-of-way acquisition and easements for Hillcrest Drive Reconstruction and the Trail extension outside of the existing right-of-way along Hillcrest Drive and Shawnee Avenue north of the Hillcrest Drive intersection.
- Utility Relocation Plans: Any City Utilities that relocation has not been determined yet or identified to require relocation are not included in this contract but can be provided as Additional Services upon request by the CITY.
- Preparing application and supporting material for the submittal of a Letter of Map Revision (LOMR) to the Federal Emergency Management Agency (FEMA), if necessary.
- Application fees for any permits and LOMAR
- Addressing comments from FEMA, satisfying FEMA mapping requirements and obtaining the final LOMR.
- United States Army Corps of Engineers (USACE) 404 and 401 permit applications, if necessary.

- Endangered Species survey, Archeological/Cultural resources survey, wetland delineation, or any other data gathering effort that USACE may require for evaluation and issuance of a permit.
- Environmental Mitigation Plans such as Wetlands, LUST, Hazmat etc.
- Full time construction inspection or observation.
- Project Close-out Services including revisions to the drawings due to construction changes and Record / As-Built Drawings.
- Construction surveying or surveying for as-built conditions.
- Property Acquisition, Appraisals & Negotiations

Should City request work in addition to the Scope of Services, Olsson shall invoice City for such additional services (Additional Services) at the standard hourly billing labor rate charged for those employees actually performing the work, plus reimbursable expenses if any. Olsson shall not commence work on Additional Services without City's prior written approval.

Olsson agrees to provide its services in a timely, competent and professional manner, in accordance with applicable standards of care, for projects of similar geographic location, quality and scope.

## **ATTACHMENT B COMPENSATION AND ADDITIONAL SERVICES**

This exhibit is hereby attached to and made a part of the Letter Agreement for Professional Services dated [REDACTED] between the City of Bartlesville ("City") and Olsson, Inc. ("Olsson") providing for professional services. Olsson's Compensation to perform the Scope of Services for the Agreement and Additional Services is indicated below.

### **1.0 BASIC COMPENSATION**

The basic compensation for Olsson to perform all duties and responsibilities associated with the Scope of Services as described in Attachment A shall be in accordance with the following payment breakdown:

- 1.1 Phase 100 - Site Investigations Payment: The City shall pay Olsson a lump sum amount of \$35,000.00 for the completion of Site Investigations for the Project as broken out below. This amount includes all labor, material, overhead and profit associated with the Scope of Services.
  - 1.1.1 Topographic and Boundary Survey Payment: \$21,000.00
  - 1.1.2 Geotechnical Investigations and Geotechnical Engineering Report Payment: \$9,000.00
  - 1.1.3 Environmental Research and Coordination Payment: \$5,000.00
- 1.2 Phase 200 – Roadway / Traffic Design Payment: The City shall pay Olsson a lump sum amount of \$110,000.00 for the completion of Roadway / Traffic Design for the Project as broken out below. This amount includes all labor, material, overhead and profit associated with the Scope of Services.
  - 1.2.1 Task 201 – Conceptual Design Phase Payment: \$33,000.00
  - 1.2.2 Task 202 – Preliminary Design Phase (60% Right-of-Way & Utility Coordination) Payment: \$33,000.00
  - 1.2.3 Task 203 – 65% Right-of-Way (R/W) Plan Payment: \$5,500.00
  - 1.2.4 Task 204 – Final Design Phase Payment: \$38,500.00
- 1.3 Phase 300 – Construction Letting Services Payment: The City shall pay Olsson a lump sum amount of \$3,500 for the completion of the Construction Letting Phase. This amount includes all labor, material, overhead and profit associated with the Scope of Services.
- 1.4 Phase 400 – Caney River Floodplain Model Update Payment: The City shall pay Olsson a lump sum amount of \$8,000.00 for the completion of the Caney River Floodplain Model Update. This amount includes all labor, material, overhead and profit associated with the Scope of Services.

**2.0 ADDITIONAL SERVICES BASED ON TIME**

The hourly rates set forth below include all salaries, benefits, overhead and other indirect costs including federal, state, and local taxes, plus profit and effective as of January 1, 2019. Additional services requested by the City will be negotiated based on the hourly rates listed below.

Professional Services

|                                    |          |
|------------------------------------|----------|
| Project Manager                    | \$173.18 |
| Senior Engineer                    | \$164.92 |
| Mid-Level Engineer                 | \$132.70 |
| Junior Engineer                    | \$ 99.48 |
| Senior Technician                  | \$ 89.96 |
| Technician                         | \$ 73.37 |
| Junior Technician                  | \$ 58.97 |
| Senior Geotechnical Engineer       | \$168.85 |
| Mid-Level Geotechnical Engineer    | \$132.70 |
| Junior Geotechnical Engineer       | \$ 99.48 |
| Senior Geotechnical Technician     | \$ 87.62 |
| Geotechnical Technician            | \$ 71.46 |
| Junior Geotechnical Technician     | \$ 52.74 |
| Senior Environmental Engineer      | \$169.05 |
| Mid-Level Environmental Engineer   | \$119.30 |
| Junior Environmental Engineer      | \$ 86.90 |
| Senior Environmental Technician    | \$ 89.96 |
| Mid-Level Environmental Technician | \$ 73.37 |
| Senior Surveyor                    | \$127.63 |
| Mid-Level Surveyor                 | \$78.83  |
| Junior Surveyor                    | \$60.88  |
| Senior Survey Technician           | \$ 89.96 |
| Survey Technician                  | \$ 73.37 |
| Junior Survey Technician           | \$ 58.97 |

**3.0 REPRODUCTION**

All charges for reproduction are included in Basic Compensation Fee of Olsson. No separate payment will be made for these expenses.

**4.0 MILEAGE**

All costs for travel to the Project site and to the City of Bartlesville for meetings are included in the Basic Compensation of Olsson. No separate payment will be made for these expenses.

**5.0 DIRECT COSTS**

All direct costs shall be included in the Basic Compensation of Olsson. No separate payment will be made for these expenses.

**6.0 ADJUSTMENT CLAUSE**

The rates and costs described in this AGREEMENT shall not be revised annually, unless mutually agreed upon by both parties.



**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Receipt of Interim Financials for the Nine months ending March 31, 2019.

Attachments:

Interim Financials for March 31, 2019

**II. STAFF COMMENTS AND ANALYSIS**

Staff has prepared the condensed Interim Financial Statements for March 2019; these should provide sufficient information for the City Council to perform its fiduciary responsibility. All supplementary, detailed information is available for the Council's use at any time upon request. All information is subject to change pending audit.

Staff wants to reiterate the fact that once the financial software is fully implemented that financials will be delivered in a timelier manner. Staff would also like to reassure Council that the City's financial position is monitored on a daily basis and not at the formulation of the interim financial statements.

**III. RECOMMENDED ACTION**

Staff recommends the approval of the Interim Financials for March 31, 2019.



**REPORT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

For The Nine Months Ended March 31, 2019

**CITY COUNCIL**

Ward 1 - Dale Copeland, Mayor

Ward 2 - Paul Stuart

Ward 3 - Jim Curd

Ward 4 - Alan Gentges, Vice Mayor

Ward 5 - Trevor Dorsey

City Manager

Mike Bailey

Prepared by:

Jason Muninger  
Finance Director

Alicia Shelton  
Accountant

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WATER OPERATING/BMA WATER FUNDS

SANITATION

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REVENUE BUDGET STATUS

EXPENDITURE BUDGET STATUS

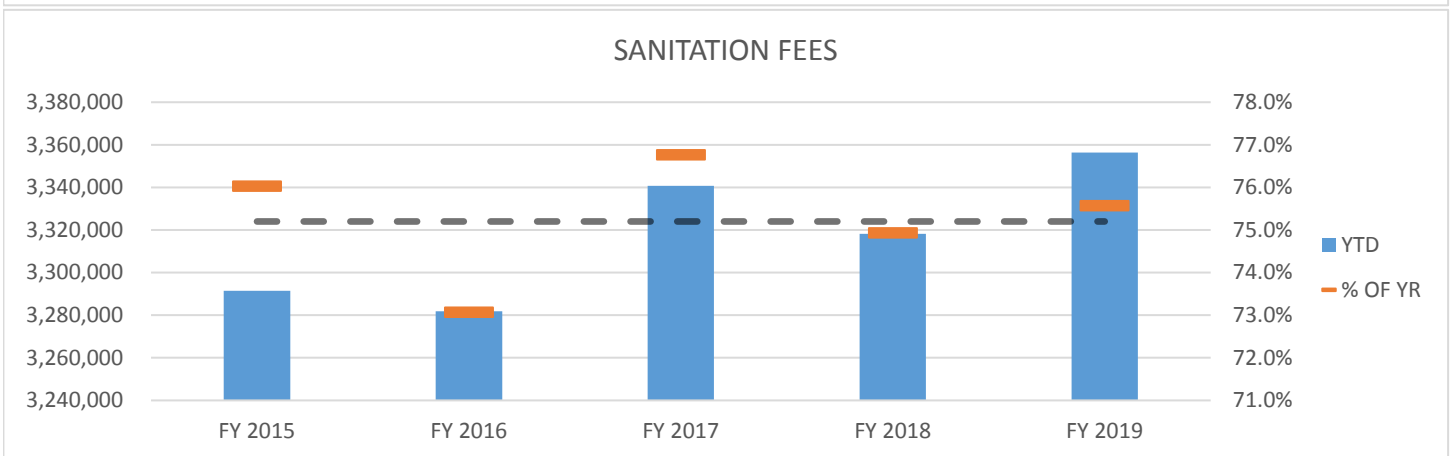
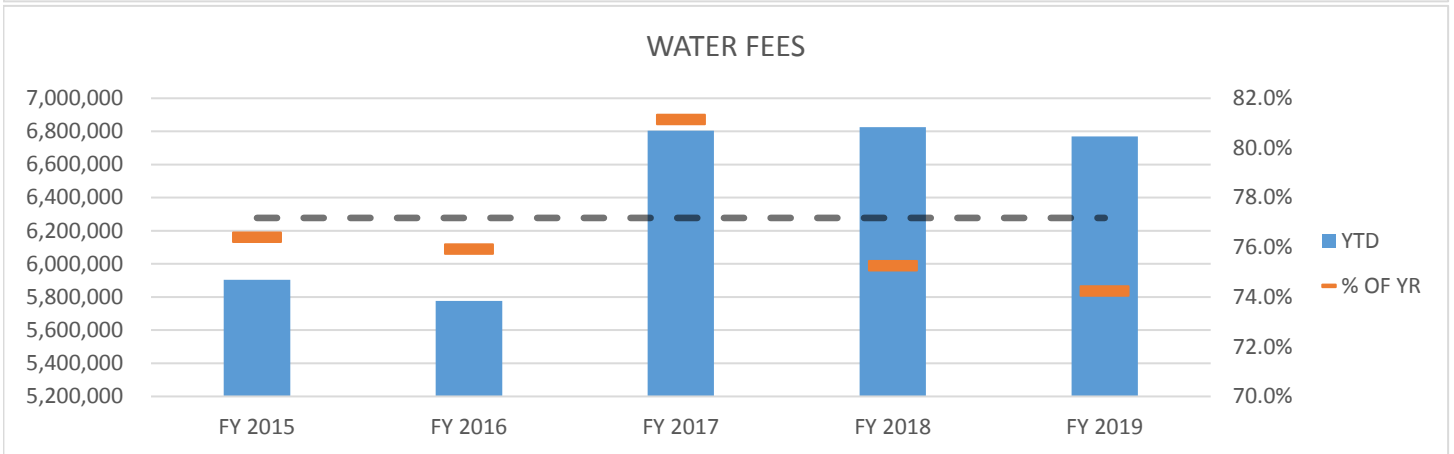
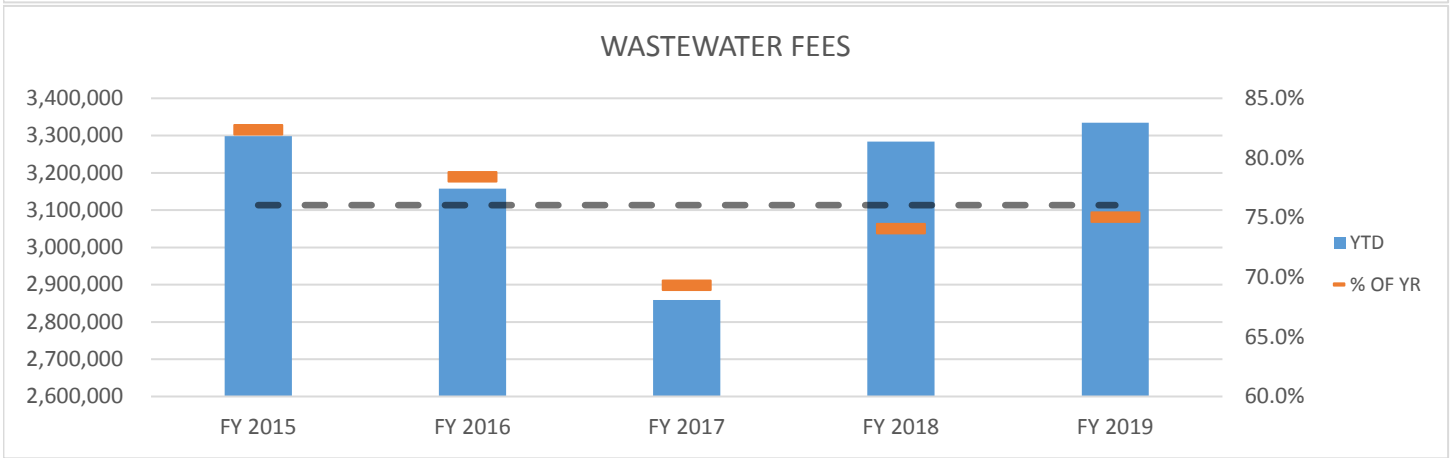
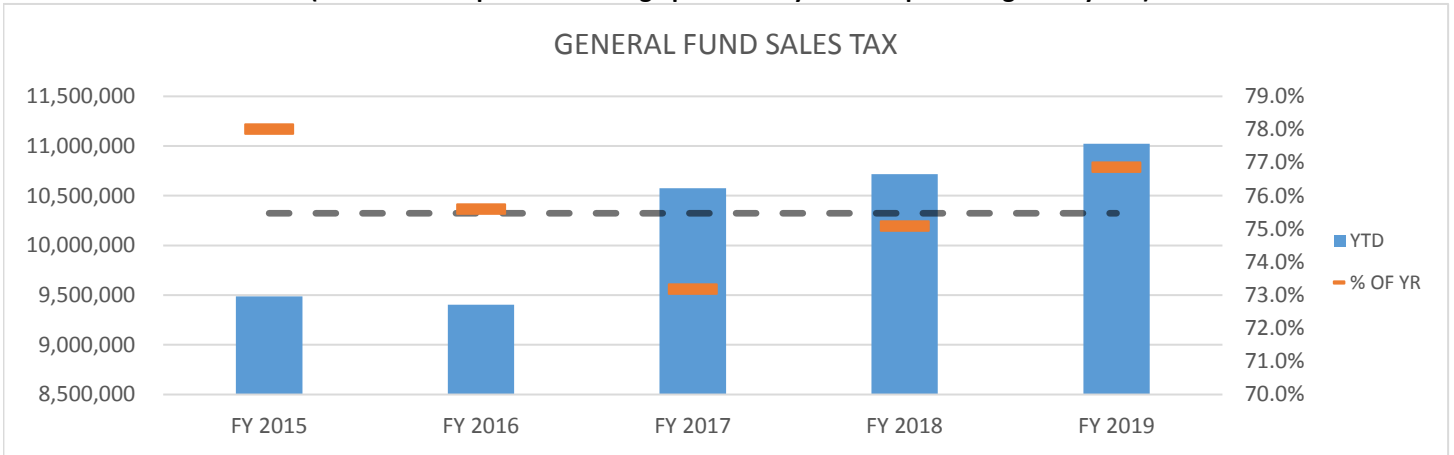
CHANGE IN FUND BALANCE

### EXPLANATORY MEMO



## FINANCIAL STATEMENT REVENUE HIGHLIGHTS

(Dashed line represents average percent of year for 4 preceding fiscal years)



**GENERAL FUND**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

75% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u>  |                             |                             |                          |                             | % of         | <u>2017-18 Fiscal Year</u>  |                        |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------|-----------------------------|--------------|-----------------------------|------------------------|
|                                 | <u>Total Budget</u>         | <u>YTD Budget</u>           | <u>YTD Actual</u>           | <u>YTD Encum</u>         | <u>YTD Total</u>            | Budget       | <u>YTD Total</u>            | <u>% Total</u><br>Year |
| <b>Revenue:</b>                 |                             |                             |                             |                          |                             |              |                             |                        |
| Sales Tax                       | \$ 14,342,014               | \$ 10,756,511               | \$ 11,023,877               | \$ -                     | \$ 11,023,877               | 76.9%        | \$ 10,687,870               | 75.3%                  |
| Gross Receipt Tax               | 1,412,900                   | 1,059,675                   | 1,078,714                   | -                        | 1,078,714                   | 76.3%        | 1,073,111                   | 77.1%                  |
| Licenses and Permits            | 271,300                     | 203,475                     | 160,048                     | -                        | 160,048                     | 59.0%        | 226,517                     | 88.0%                  |
| Intergovernmental               | 664,500                     | 498,375                     | 464,766                     | -                        | 464,766                     | 69.9%        | 482,908                     | 73.0%                  |
| Charges for Services            | 672,200                     | 504,150                     | 347,717                     | -                        | 347,717                     | 51.7%        | 276,916                     | 72.9%                  |
| Court Costs                     | 122,600                     | 91,950                      | 85,718                      | -                        | 85,718                      | 69.9%        | 87,834                      | 76.0%                  |
| Police/Traffic Fines            | 442,900                     | 332,175                     | 350,388                     | -                        | 350,388                     | 79.1%        | 308,448                     | 73.9%                  |
| Parking Fines                   | 72,500                      | 54,375                      | 62,290                      | -                        | 62,290                      | 85.9%        | 61,265                      | 74.2%                  |
| Other Fines                     | 42,000                      | 31,500                      | 49,763                      | -                        | 49,763                      | 118.5%       | 32,608                      | 75.2%                  |
| Investment Income               | 85,000                      | 63,750                      | 63,750                      | -                        | 63,750                      | 75.0%        | 80,123                      | 65.9%                  |
| Miscellaneous Income            | 237,400                     | 178,050                     | 340,290                     | -                        | 340,290                     | 143.3%       | 371,293                     | 87.4%                  |
| Transfers In                    | 4,263,594                   | 3,197,696                   | 3,197,703                   | -                        | 3,197,703                   | 75.0%        | 2,951,349                   | 74.6%                  |
| <b>Total</b>                    | <b><u>\$ 22,628,908</u></b> | <b><u>\$ 16,971,682</u></b> | <b><u>\$ 17,225,024</u></b> | <b><u>\$ -</u></b>       | <b><u>\$ 17,225,024</u></b> | <b>76.1%</b> | <b><u>\$ 16,640,242</u></b> | <b>75.5%</b>           |
| <b>Expenditures:</b>            |                             |                             |                             |                          |                             |              |                             |                        |
| General Government              | \$ 6,076,826                | \$ 4,557,620                | \$ 4,465,574                | \$ 373,690               | \$ 4,839,264                | 79.6%        | \$ 4,517,670                | 79.9%                  |
| Public Safety                   | 11,387,027                  | 8,540,270                   | 8,578,277                   | 90,193                   | 8,668,470                   | 76.1%        | 8,385,559                   | 76.6%                  |
| Street                          | 1,524,648                   | 1,143,486                   | 1,032,940                   | 14,375                   | 1,047,315                   | 68.7%        | 1,070,468                   | 74.5%                  |
| Culture and Recreation          | 2,769,526                   | 2,077,145                   | 1,986,876                   | 44,540                   | 2,031,416                   | 73.3%        | 1,985,412                   | 75.5%                  |
| Transfers Out                   | 1,387,658                   | 1,040,744                   | 1,040,750                   | -                        | 1,040,750                   | 75.0%        | 1,136,048                   | 69.0%                  |
| Reserves                        | 766,435                     | 574,826                     | -                           | -                        | -                           | 0.0%         | -                           | N.A.                   |
| <b>Total</b>                    | <b><u>\$ 23,912,120</u></b> | <b><u>\$ 17,934,091</u></b> | <b><u>\$ 17,104,417</u></b> | <b><u>\$ 522,798</u></b> | <b><u>\$ 17,627,215</u></b> | <b>73.7%</b> | <b><u>\$ 17,095,157</u></b> | <b>76.6%</b>           |
| <b>Changes in Fund Balance:</b> |                             |                             |                             |                          |                             |              |                             |                        |
| Fund Balance 7/1                |                             |                             | \$ 1,537,026                |                          |                             |              |                             |                        |
| Net Revenue (Expense)           |                             |                             | 120,607                     |                          |                             |              |                             |                        |
| <b>Ending Fund Balance</b>      |                             |                             | <b><u>\$ 1,657,633</u></b>  |                          |                             |              |                             |                        |

**COMBINED WASTEWATER OPERATING & BMA WASTEWATER FUNDS**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

75% of Year Lapsed

|                                 | <b>2018-19 Fiscal Year</b> |                            |                            |                          |                            | <b>% of Budget</b> | <b>2017-18 Fiscal Year</b> |                     |
|---------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|----------------------------|--------------------|----------------------------|---------------------|
|                                 | <b>Total Budget</b>        | <b>YTD Budget</b>          | <b>YTD Actual</b>          | <b>YTD Encum</b>         | <b>YTD Total</b>           |                    | <b>YTD Total</b>           | <b>% Total Year</b> |
| <b>Revenue:</b>                 |                            |                            |                            |                          |                            |                    |                            |                     |
| Wastewater Fees                 | \$ 4,452,797               | \$ 3,339,598               | \$ 3,338,409               | \$ -                     | \$ 3,338,409               | 75.0%              | \$ 3,287,848               | 85.7%               |
| Investment Income               | -                          | -                          | -                          | -                        | -                          | N.A.               | -                          | 0.0%                |
| Debt Proceeds                   | -                          | -                          | -                          | -                        | -                          | N.A.               | -                          | N.A.                |
| Miscellaneous                   | <u>40,000</u>              | <u>30,000</u>              | <u>34,273</u>              | <u>-</u>                 | <u>34,273</u>              | 85.7%              | <u>93,074</u>              | 137.5%              |
| <b>Total</b>                    | <b><u>\$ 4,492,797</u></b> | <b><u>\$ 3,369,598</u></b> | <b><u>\$ 3,372,682</u></b> | <b><u>\$ -</u></b>       | <b><u>\$ 3,372,682</u></b> | <b>75.1%</b>       | <b><u>\$ 3,380,922</u></b> | <b>86.6%</b>        |
| <b>Expenditures:</b>            |                            |                            |                            |                          |                            |                    |                            |                     |
| Wastewater Plant                | \$ 2,601,713               | \$ 1,951,285               | \$ 1,786,425               | \$ 782,302               | \$ 2,568,727               | 98.7%              | \$ 2,311,936               | 101.4%              |
| Wastewater Maint                | 803,416                    | 602,562                    | 496,293                    | 9,571                    | 505,864                    | 63.0%              | 618,018                    | 81.2%               |
| BMA Expenses                    | 29,500                     | 22,125                     | 28,430                     | -                        | 28,430                     | 96.4%              | 21,995                     | 76.8%               |
| Transfers Out                   | 1,251,444                  | 938,583                    | 938,586                    | -                        | 938,586                    | 75.0%              | 864,849                    | 72.1%               |
| Reserves                        | <u>84,135</u>              | <u>63,101</u>              | <u>-</u>                   | <u>-</u>                 | <u>-</u>                   | 0.0%               | <u>-</u>                   | N.A.                |
| <b>Total</b>                    | <b><u>\$ 4,770,208</u></b> | <b><u>\$ 3,577,656</u></b> | <b><u>\$ 3,249,734</u></b> | <b><u>\$ 791,873</u></b> | <b><u>\$ 4,041,607</u></b> | <b>84.7%</b>       | <b><u>\$ 3,816,798</u></b> | <b>89.4%</b>        |
| <b>Changes in Fund Balance:</b> |                            |                            |                            |                          |                            |                    |                            |                     |
| Fund Balance 7/1                |                            |                            | \$ 389,055                 |                          |                            |                    |                            |                     |
| Net Revenue (Expense)           |                            |                            | <u>122,948</u>             |                          |                            |                    |                            |                     |
| <b>Ending Fund Balance</b>      |                            |                            | <b><u>\$ 512,003</u></b>   |                          |                            |                    |                            |                     |

**COMBINED WATER OPERATING & BMA WATER FUNDS**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

75% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u> |                            |                            |                         |                            | % of<br>Budget | <u>2017-18 Fiscal Year</u> |                 |
|---------------------------------|----------------------------|----------------------------|----------------------------|-------------------------|----------------------------|----------------|----------------------------|-----------------|
|                                 | Total Budget               | YTD Budget                 | YTD Actual                 | YTD Encum               | YTD Total                  |                | YTD Total                  | % Total<br>Year |
| <b>Revenue:</b>                 |                            |                            |                            |                         |                            |                |                            |                 |
| Water Fees                      | \$ 9,531,430               | \$ 7,148,573               | \$ 7,259,325               | \$ -                    | \$ 7,259,325               | 76.2%          | \$ 7,118,530               | 78.3%           |
| Investment Income               | -                          | -                          | -                          | -                       | -                          | N.A.           | 1,123                      | 17.8%           |
| Debt Proceeds                   | -                          | -                          | -                          | -                       | -                          | N.A.           | -                          | N.A.            |
| Miscellaneous                   | 1,251                      | 938                        | 2,234                      | -                       | 2,234                      | 178.6%         | 10,277                     | 104.3%          |
| <b>Total</b>                    | <b><u>\$ 9,532,681</u></b> | <b><u>\$ 7,149,511</u></b> | <b><u>\$ 7,261,559</u></b> | <b><u>\$ -</u></b>      | <b><u>\$ 7,261,559</u></b> | <b>76.2%</b>   | <b><u>\$ 7,129,930</u></b> | <b>78.2%</b>    |
| <b>Expenditures:</b>            |                            |                            |                            |                         |                            |                |                            |                 |
| Water Plant                     | \$ 2,934,817               | \$ 2,201,113               | \$ 1,719,525               | \$ 57,636               | \$ 1,777,161               | 60.6%          | \$ 1,809,330               | 70.0%           |
| Water Administration            | 333,472                    | 250,104                    | 243,834                    | 21,773                  | 265,607                    | 79.6%          | 246,222                    | 87.7%           |
| Water Distribution              | 1,515,757                  | 1,136,818                  | 1,017,624                  | 14,240                  | 1,031,864                  | 68.1%          | 1,025,806                  | 80.8%           |
| BMA Expenses                    | 3,031,000                  | 2,273,250                  | 2,599,760                  | -                       | 2,599,760                  | 85.8%          | 2,493,240                  | 84.4%           |
| Transfers Out                   | 1,945,577                  | 1,459,183                  | 1,462,039                  | -                       | 1,462,039                  | 75.1%          | 1,367,404                  | 82.0%           |
| Reserves                        | 173,377                    | 130,033                    | -                          | -                       | -                          | 0.0%           | -                          | N.A.            |
| <b>Total</b>                    | <b><u>\$ 9,934,000</u></b> | <b><u>\$ 7,450,501</u></b> | <b><u>\$ 7,042,782</u></b> | <b><u>\$ 93,649</u></b> | <b><u>\$ 7,136,431</u></b> | <b>71.8%</b>   | <b><u>\$ 6,942,002</u></b> | <b>79.3%</b>    |
| <b>Changes in Fund Balance:</b> |                            |                            |                            |                         |                            |                |                            |                 |
| Fund Balance 7/1                |                            |                            | \$ 1,706,985               |                         |                            |                |                            |                 |
| Net Revenue (Expense)           |                            |                            | <u>218,777</u>             |                         |                            |                |                            |                 |
| <b>Ending Fund Balance</b>      |                            |                            | <b><u>\$ 1,925,762</u></b> |                         |                            |                |                            |                 |

**SANITATION FUND**

Statement of Revenue, Expenditures, and Changes in Fund Balances

75% of Year Lapsed

|                                 | 2018-19 Fiscal Year |                     |                     |                   |                     |              | 2017-18 Fiscal Year |              |
|---------------------------------|---------------------|---------------------|---------------------|-------------------|---------------------|--------------|---------------------|--------------|
|                                 | Total Budget        | YTD Budget          | YTD Actual          | YTD Encum         | YTD Total           | % of Budget  | YTD Total           | % Total Year |
| <b>Revenue:</b>                 |                     |                     |                     |                   |                     |              |                     |              |
| Collection Fees                 | \$ 4,477,523        | \$ 3,358,142        | \$ 3,372,541        | \$ -              | \$ 3,372,541        | 75.3%        | \$ 3,318,236        | 74.9%        |
| Investment Income               | -                   | -                   | 1,652               | -                 | 1,652               | N.A.         | 6,576               | 71.4%        |
| Miscellaneous                   | -                   | -                   | 11,872              | -                 | 11,872              | N.A.         | 30,056              | 70.4%        |
| <b>Total</b>                    | <b>\$ 4,477,523</b> | <b>\$ 3,358,142</b> | <b>\$ 3,386,065</b> | <b>\$ -</b>       | <b>\$ 3,386,065</b> | <b>75.6%</b> | <b>\$ 3,354,868</b> | <b>74.9%</b> |
| <b>Expenditures:</b>            |                     |                     |                     |                   |                     |              |                     |              |
| Sanitation                      | \$ 3,017,330        | \$ 2,262,998        | \$ 2,152,160        | \$ 303,955        | \$ 2,456,115        | 81.4%        | \$ 2,616,913        | 94.0%        |
| Transfers Out                   | 2,150,145           | 1,612,609           | 1,612,611           | -                 | 1,612,611           | 75.0%        | 1,499,129           | 79.5%        |
| Reserves                        | 128,611             | 96,458              | -                   | -                 | -                   | 0.0%         | -                   | N.A.         |
| <b>Total</b>                    | <b>\$ 5,296,086</b> | <b>\$ 3,972,065</b> | <b>\$ 3,764,771</b> | <b>\$ 303,955</b> | <b>\$ 4,068,726</b> | <b>76.8%</b> | <b>\$ 4,116,042</b> | <b>88.1%</b> |
| <b>Changes in Fund Balance:</b> |                     |                     |                     |                   |                     |              |                     |              |
| Fund Balance 7/1                |                     |                     | \$ 1,326,544        |                   |                     |              |                     |              |
| Net Revenue (Expense)           |                     |                     | (378,706)           |                   |                     |              |                     |              |
| <b>Ending Fund Balance</b>      |                     |                     | <b>\$ 947,838</b>   |                   |                     |              |                     |              |

**ALL OTHER FUNDS**

## Revenue Budget Report - Budget Basis

75% of Year Lapsed

|   | <u>Budget</u> | <u>Actuals</u> | <u>Percent of Budget</u> |
|---|---------------|----------------|--------------------------|
| Special Revenue Funds:                  |               |                |                          |
| Economic Development Fund               | 1,576,420     | 1,190,054      | 75%                      |
| E-911 Fund                              | 946,688       | 721,833        | 76%                      |
| Special Library Fund                    | 94,500        | 63,010         | 67%                      |
| Special Museum Fund                     | 6,500         | 21,582         | 332%                     |
| Municipal Airport Fund                  | -             | 260,349        | N/A                      |
| Harshfield Library Donation Fund        | -             | -              | N/A                      |
| Restricted Revenue Fund                 | -             | 46,226         | N/A                      |
| Golf Course Memorial Fund               | -             | 6,367          | N/A                      |
| Justice Assistance Grant Fund           | 6,000         | -              | 0%                       |
| Neighborhood Park Fund                  | -             | -              | N/A                      |
| Cemetery Care Fund                      | 2,600         | 1,841          | 71%                      |
| Memorial Stadium Operating Fund         | -             | -              | N/A                      |
| Debt Service Fund                       | 3,756,572     | 3,266,753      | 87%                      |
| Capital Project Funds:                  |               |                |                          |
| Sales Tax Capital Improvement Fund      | 2,706,040     | 2,191,110      | 81%                      |
| Park Capital Improvement Fund           | -             | -              | N/A                      |
| Wastewater Capital Improvement Fund     | -             | 9,200          | N/A                      |
| Wastewater Regulatory Capital Fund      | -             | -              | N/A                      |
| City Hall Capital Improvement Fund      | 21,049        | 20,542         | 98%                      |
| Storm Drainage Capital Improvement Fund | -             | 2,140          | N/A                      |
| Community Development Block Grant Fund  | -             | -              | N/A                      |
| 2008B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2009 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2010 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2012 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2014 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2014B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2015 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2017 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2018A G.O. Bond Fund                    | -             | -              | N/A                      |
| 2018B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2018C G.O. Bond Fund                    | 2,500,000     | 2,500,000      | 100%                     |
| Proprietary Funds:                      |               |                |                          |
| Adams Golf Course Operating Fund        | 453,549       | 312,260        | 69%                      |
| Sooner Pool Operating Fund              | 29,902        | 22,429         | 75%                      |
| Frontier Pool Operating Fund            | 40,820        | 30,617         | 75%                      |
| Internal Service Funds:                 |               |                |                          |
| Worker's Compensation Fund              | 237,170       | 156,359        | 66%                      |
| Health Insurance Fund                   | 3,369,972     | 2,193,756      | 65%                      |
| Auto Collision Insurance Fund           | 100,000       | 75,004         | 75%                      |
| Stabilization Reserve Fund              | 742,848       | 559,994        | 75%                      |
| Capital Improvement Reserve Fund        | 10,260,441    | 3,016,489      | 29%                      |
| Mausoleum Trust Fund                    | -             | -              | N/A                      |

**ALL OTHER FUNDS**

## Expenditure Budget Report - Budget Basis

75% of Year Lapsed

|   | <u>Budget</u> | <u>Actuals</u> | <u>Percent of Budget</u> |
|---|---------------|----------------|--------------------------|
| Special Revenue Funds:                  |               |                |                          |
| Economic Development Fund               | 2,521,563     | 1,485,000      | 59%                      |
| E-911 Fund                              | 1,031,634     | 784,116        | 76%                      |
| Special Library Fund                    | 194,750       | 119,111        | 61%                      |
| Special Museum Fund                     | 45,000        | 27,111         | 60%                      |
| Municipal Airport Fund                  | 309,800       | 281,638        | 91%                      |
| Harshfield Library Donation Fund        | 762,595       | 30,342         | 4%                       |
| Restricted Revenue Fund                 | 230,609       | 87,163         | 38%                      |
| Golf Course Memorial Fund               | 78,780        | 77,428         | 98%                      |
| Justice Assistance Grant Fund           | 40,243        | 30,184         | 75%                      |
| Neighborhood Park Fund                  | 8,262         | -              | 0%                       |
| Cemetery Care Fund                      | 5,682         | -              | 0%                       |
| Memorial Stadium Operating Fund         | 2,134         | 1,603          | 75%                      |
| Debt Service Fund                       | 3,814,700     | 2,571,129      | 67%                      |
| Capital Project Funds:                  |               |                |                          |
| Sales Tax Capital Improvement Fund      | 5,188,551     | 1,360,432      | 26%                      |
| Park Capital Improvement Fund           | -             | -              | N/A                      |
| Wastewater Capital Improvement Fund     | 178,548       | 83,910         | 47%                      |
| Wastewater Regulatory Capital Fund      | 1,377,317     | 1,111,770      | 81%                      |
| City Hall Capital Improvement Fund      | 55,019        | 11,868         | 22%                      |
| Storm Drainage Capital Improvement Fund | 86,342        | 26,768         | 31%                      |
| Community Development Block Grant Fund  | -             | 79,559         | N/A                      |
| 2008B G.O. Bond Fund                    | 88            | -              | 0%                       |
| 2009 G.O. Bond Fund                     | 2,636         | -              | 0%                       |
| 2010 G.O. Bond Fund                     | 410           | -              | 0%                       |
| 2012 G.O. Bond Fund                     | 136,447       | -              | 0%                       |
| 2014 G.O. Bond Fund                     | 374,904       | 283,606        | 76%                      |
| 2014B G.O. Bond Fund                    | 161,745       | 75,966         | 47%                      |
| 2015 G.O. Bond Fund                     | 1,885,404     | 1,790,451      | 95%                      |
| 2017 G.O. Bond Fund                     | 2,463,901     | 1,414,222      | 57%                      |
| 2018A G.O. Bond Fund                    | 9,580,000     | 1,704,186      | 18%                      |
| 2018B G.O. Bond Fund                    | 478,921       | 7,650          | 2%                       |
| 2018C G.O. Bond Fund                    | 2,500,000     | -              | 0%                       |
| Proprietary Funds:                      |               |                |                          |
| Adams Golf Course Operating Fund        | 517,052       | 403,959        | 78%                      |
| Sooner Pool Operating Fund              | 46,961        | 43,698         | 93%                      |
| Frontier Pool Operating Fund            | 59,940        | 51,108         | 85%                      |
| Internal Service Funds:                 |               |                |                          |
| Worker's Compensation Fund              | 425,000       | 187,979        | 44%                      |
| Health Insurance Fund                   | 4,086,963     | 2,112,656      | 52%                      |
| Auto Collision Insurance Fund           | 305,053       | 4,040          | 1%                       |
| Stabilization Reserve Fund              | 6,741,428     | -              | 0%                       |
| Capital Improvement Reserve Fund        | 13,187,348    | 2,330,752      | 18%                      |
| Mausoleum Trust Fund                    | 6,016         | -              | 0%                       |

**ALL OTHER FUNDS**

## Fund Balance Report - Modified Cash Basis

75% of Year Lapsed

|   | <u>Beginning of Year</u> | <u>Change</u> | <u>Current</u> |
|---|--------------------------|---------------|----------------|
| Special Revenue Funds:                  |                          |               |                |
| Economic Development Fund               | 1,238,523                | (61,196)      | 1,177,327      |
| E-911 Fund                              | 70,543                   | (57,681)      | 12,862         |
| Special Library Fund                    | 283,797                  | (34,202)      | 249,595        |
| Special Museum Fund                     | 108,826                  | (5,023)       | 103,803        |
| Municipal Airport Fund                  | 309,309                  | (10,751)      | 298,558        |
| Harshfield Library Donation Fund        | 761,021                  | (29,066)      | 731,955        |
| Restricted Revenue Fund                 | 242,340                  | (29,331)      | 213,009        |
| Golf Course Memorial Fund               | 18,898                   | 3,339         | 22,237         |
| Justice Assistance Grant Fund           | 40,254                   | (30,184)      | 10,070         |
| Neighborhood Park Fund                  | 8,265                    | -             | 8,265          |
| Cemetery Care Fund                      | 3,400                    | 1,841         | 5,241          |
| Memorial Stadium Operating Fund         | 2,112                    | (1,603)       | 509            |
| Debt Service Fund                       | 3,811,804                | 695,624       | 4,507,428      |
| Capital Project Funds:                  |                          |               |                |
| Sales Tax Capital Improvement Fund      | 2,834,230                | 1,327,072     | 4,161,302      |
| Park Capital Improvement Fund           | -                        | -             | -              |
| Wastewater Capital Improvement Fund     | 223,714                  | (74,710)      | 149,004        |
| Wastewater Regulatory Capital Fund      | 1,522,161                | (397,395)     | 1,124,766      |
| City Hall Capital Improvement Fund      | 28,480                   | 12,844        | 41,324         |
| Storm Drainage Capital Improvement Fund | 134,907                  | (23,542)      | 111,365        |
| Community Development Block Grant Fund  | 28,883                   | (32,658)      | (3,775)        |
| 2008B G.O. Bond Fund                    | 88                       | -             | 88             |
| 2009 G.O. Bond Fund                     | 6,809                    | -             | 6,809          |
| 2010 G.O. Bond Fund                     | 410                      | -             | 410            |
| 2012 G.O. Bond Fund                     | 128,562                  | -             | 128,562        |
| 2014 G.O. Bond Fund                     | 610,207                  | (4,961)       | 605,246        |
| 2014B G.O. Bond Fund                    | 121,246                  | (62,998)      | 58,248         |
| 2015 G.O. Bond Fund                     | 1,873,028                | (1,174,755)   | 698,273        |
| 2017 G.O. Bond Fund                     | 2,480,902                | (1,130,355)   | 1,350,547      |
| 2018A G.O. Bond Fund                    | 9,594,319                | (676,521)     | 8,917,798      |
| 2018B G.O. Bond Fund                    | 479,089                  | (7,650)       | 471,439        |
| 2018C G.O. Bond Fund                    | -                        | -             | -              |
| Proprietary Funds:                      |                          |               |                |
| Adams Golf Course Operating Fund        | 71,973                   | (35,910)      | 36,063         |
| Sooner Pool Operating Fund              | 36,045                   | (19,732)      | 16,313         |
| Frontier Pool Operating Fund            | 49,154                   | (18,995)      | 30,159         |
| Internal Service Funds:                 |                          |               |                |
| Worker's Compensation Fund              | 164,286                  | (39,617)      | 124,669        |
| Health Insurance Fund                   | 693,197                  | (103,050)     | 590,147        |
| Auto Collision Insurance Fund           | 186,874                  | 70,964        | 257,838        |
| Stabilization Reserve Fund              | 5,998,580                | 559,994       | 6,558,574      |
| Capital Improvement Reserve Fund        | 8,004,195                | 2,074,888     | 10,079,083     |
| Mausoleum Trust Fund                    | 8,018                    | -             | 8,018          |





**FROM:** Jason Muninger, CFO/City Clerk

**SUBJECT:** Financial Statement Explanatory Information

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## **GENERAL INFORMATION**

The purpose of this memo is to provide some insight as to the construction of the attached financial statements and to provide some guidance as to their use.

The format of the attached financial statements is intended to highlight our most important revenue sources, provide sufficient detail on major operating funds, and provide a high level overview of all other funds. The level of detail presented is sufficient to assist the City Council in conducting their fiduciary obligations to the City without creating a voluminous document that made the execution of that duty more difficult.

This document provides three different types of analyses for the Council's use. The first is an analysis of revenue vs budgeted expectations. This allows the Council to see how the City's revenues are performing and to have a better idea if operational adjustments are necessary.

The second analysis compares expenditures to budget. This allows the Council to ensure that the budgetary plan that was set out for the City is being followed and that Staff is making the necessary modifications along the way.

The final analysis shows the fund balance for each fund of the City. This is essentially the "cash" balance for most funds. However, some funds include short term receivables and payables depending on the nature of their operation. With very few exceptions, all funds must maintain positive fund balance by law. Any exceptions will be noted where they occur.

These analyses are presented in the final manner:

### Highlights:

The Highlights section presents a 5 year snap shot of the performance of the City's 4 most important revenue sources. Each bar represents the actual amounts earned in each year through the period of the report. Each dash represents the percent of the year's revenue that had been earned through that period. The current fiscal year will always represent the percent of the budget that has been earned, while all previous fiscal years will always represent the percent of the actual amount earned. This analysis highlights and compares not only amounts earned, but gives a better picture of how much should have been earned in order to meet budget for the year.

Major Operating Funds:

The City's major operating funds are presented in greater detail than the remainder of the City's funds. These funds include the General, Wastewater Operating, BMA – Wastewater, Water Operating, BMA – Water, and Sanitation. Due to the interrelated nature of the Wastewater Operating/BMA – Wastewater and the Water Operating/BMA – Water funds, these have been combined into Wastewater Combined and Water Combined funds. This should provide a better picture of the overall financial condition of these operating segments by combining revenues, operating expenses, and financing activities in a single report.

Other Funds:

All other funds of the City are reported at a high level. These funds are often created for a limited purpose, limited duration, and frequently contain only a one-time revenue source. This high level overview will provide Council with sufficient information for a summary review. Any additional information that is required after that review is available.

These condensed financial statement should provide sufficient information for the City Council to perform its fiduciary responsibility while simplifying the process. All supplementary, detailed information is available for the Council's use at any time upon request. Additionally, any other funds that the Council chooses to classify as a Major Operating fund can be added to that section to provide greater detail in the future.



**Agenda Item 6.d.ii.**

*August 28, 2019*

Prepared by Jason Muninger, CFO/City Clerk  
Accounting and Finance

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**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Receipt of Interim Financials for the Ten months ending April 30, 2019.

Attachments:

Interim Financials for April 30, 2019

**II. STAFF COMMENTS AND ANALYSIS**

Staff has prepared the condensed Interim Financial Statements for April 2019; these should provide sufficient information for the City Council to perform its fiduciary responsibility. All supplementary, detailed information is available for the Council's use at any time upon request. All information is subject to change pending audit.

Staff wants to reiterate the fact that once the financial software is fully implemented that financials will be delivered in a timelier manner. Staff would also like to reassure Council that the City's financial position is monitored on a daily basis and not at the formulation of the interim financial statements.

**III. RECOMMENDED ACTION**

Staff recommends the approval of the Interim Financials for April 30, 2019.



**REPORT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

For The Ten Months Ended April 30, 2019

**CITY COUNCIL**

Ward 1 - Dale Copeland, Mayor

Ward 2 - Paul Stuart

Ward 3 - Jim Curd

Ward 4 - Alan Gentges, Vice Mayor

Ward 5 - Trevor Dorsey

City Manager

Mike Bailey

Prepared by:

Jason Muninger  
Finance Director

Alicia Shelton  
Accountant

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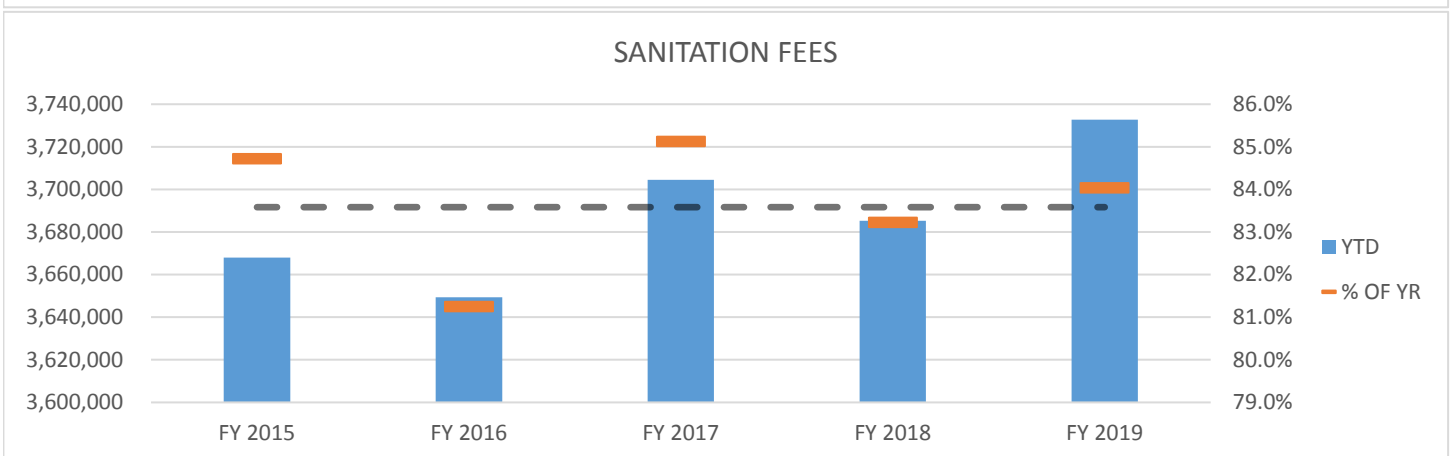
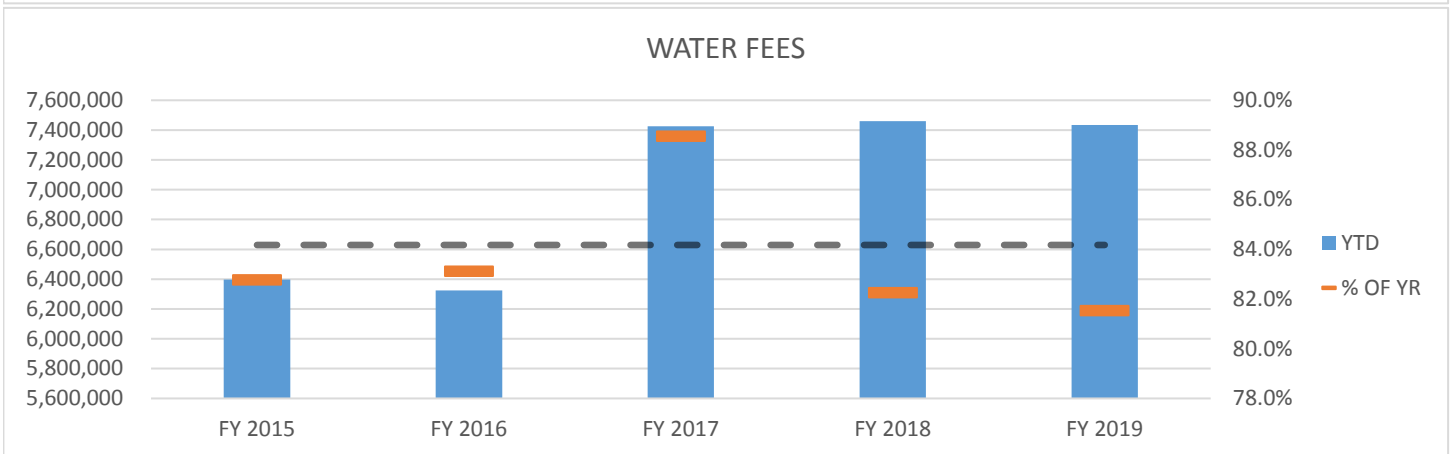
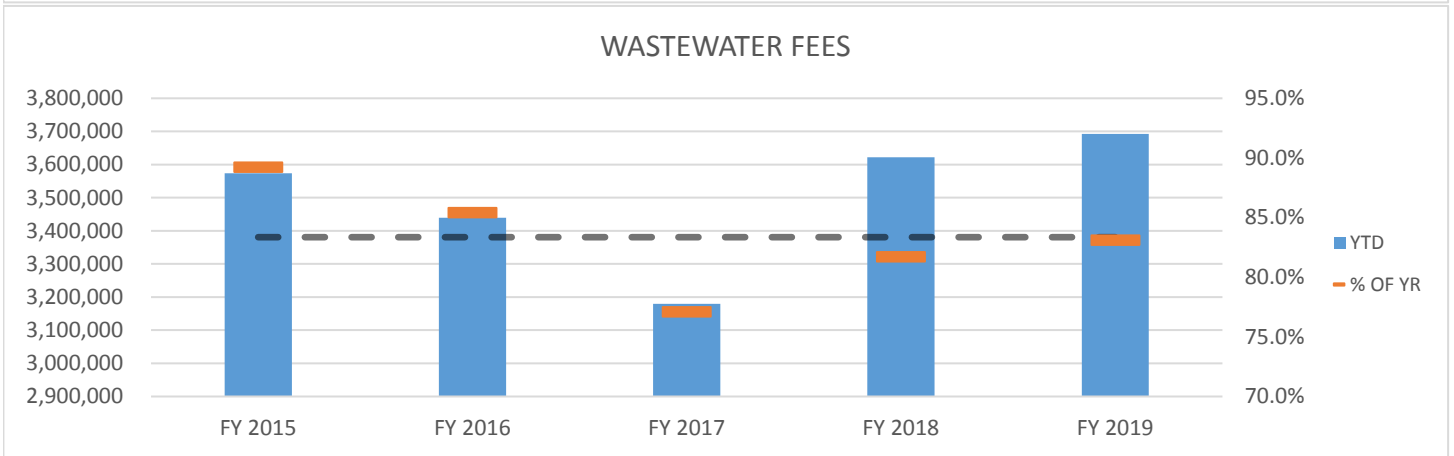
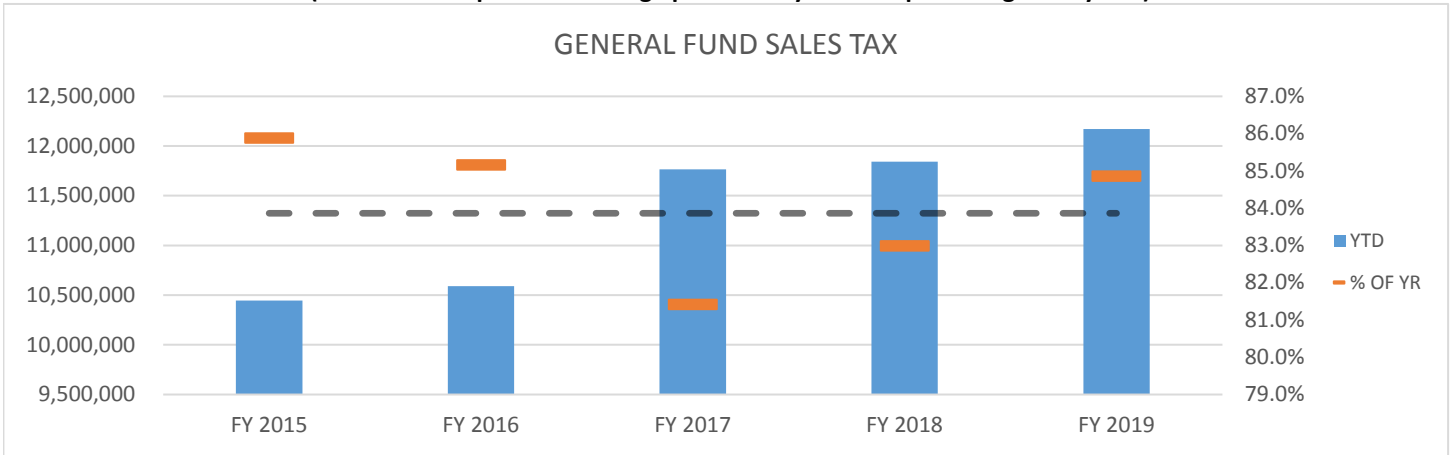
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## FINANCIAL STATEMENT REVENUE HIGHLIGHTS

(Dashed line represents average percent of year for 4 preceding fiscal years)



**GENERAL FUND**

Statement of Revenue, Expenditures, and Changes in Fund Balances

83% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u> |                      |                      |                   |                      | <u>% of Budget</u> | <u>2017-18 Fiscal Year</u> |                     |
|---------------------------------|----------------------------|----------------------|----------------------|-------------------|----------------------|--------------------|----------------------------|---------------------|
|                                 | <u>Total Budget</u>        | <u>YTD Budget</u>    | <u>YTD Actual</u>    | <u>YTD Encum</u>  | <u>YTD Total</u>     |                    | <u>YTD Total</u>           | <u>% Total Year</u> |
| <b>Revenue:</b>                 |                            |                      |                      |                   |                      |                    |                            |                     |
| Sales Tax                       | \$ 14,342,014              | \$ 11,951,678        | \$ 12,170,316        | \$ -              | \$ 12,170,316        | 84.9%              | \$ 11,814,356              | 83.2%               |
| Gross Receipt Tax               | 1,412,900                  | 1,177,417            | 1,193,178            | -                 | 1,193,178            | 84.4%              | 1,171,061                  | 84.2%               |
| Licenses and Permits            | 271,300                    | 226,083              | 211,178              | -                 | 211,178              | 77.8%              | 240,451                    | 93.4%               |
| Intergovernmental               | 664,500                    | 553,750              | 510,186              | -                 | 510,186              | 76.8%              | 524,228                    | 79.3%               |
| Charges for Services            | 672,200                    | 560,167              | 389,222              | -                 | 389,222              | 57.9%              | 318,851                    | 84.0%               |
| Court Costs                     | 122,600                    | 102,167              | 95,287               | -                 | 95,287               | 77.7%              | 96,638                     | 83.7%               |
| Police/Traffic Fines            | 442,900                    | 369,083              | 385,349              | -                 | 385,349              | 87.0%              | 338,603                    | 81.1%               |
| Parking Fines                   | 72,500                     | 60,417               | 70,215               | -                 | 70,215               | 96.8%              | 70,064                     | 84.9%               |
| Other Fines                     | 42,000                     | 35,000               | 56,130               | -                 | 56,130               | 133.6%             | 36,406                     | 84.0%               |
| Investment Income               | 85,000                     | 70,833               | 70,833               | -                 | 70,833               | 83.3%              | 100,663                    | 82.8%               |
| Miscellaneous Income            | 237,400                    | 197,833              | 360,136              | -                 | 360,136              | 151.7%             | 396,938                    | 93.4%               |
| Transfers In                    | 4,263,594                  | 3,552,995            | 3,553,000            | -                 | 3,553,000            | 83.3%              | 3,279,279                  | 82.9%               |
| <b>Total</b>                    | <b>\$ 22,628,908</b>       | <b>\$ 18,857,423</b> | <b>\$ 19,065,030</b> | <b>\$ -</b>       | <b>\$ 19,065,030</b> | <b>84.3%</b>       | <b>\$ 18,387,538</b>       | <b>83.4%</b>        |
| <b>Expenditures:</b>            |                            |                      |                      |                   |                      |                    |                            |                     |
| General Government              | \$ 6,076,826               | \$ 5,064,022         | \$ 4,950,004         | \$ 344,791        | \$ 5,294,795         | 87.1%              | \$ 4,914,275               | 86.9%               |
| Public Safety                   | 11,387,027                 | 9,489,189            | 9,458,862            | 83,406            | 9,542,268            | 83.8%              | 9,227,537                  | 84.3%               |
| Street                          | 1,524,648                  | 1,270,540            | 1,137,515            | 10,259            | 1,147,774            | 75.3%              | 1,179,482                  | 82.0%               |
| Culture and Recreation          | 2,769,526                  | 2,307,938            | 2,187,103            | 73,915            | 2,261,018            | 81.6%              | 2,225,615                  | 84.6%               |
| Transfers Out                   | 1,387,658                  | 1,156,382            | 1,156,386            | -                 | 1,156,386            | 83.3%              | 1,262,278                  | 76.7%               |
| Reserves                        | 766,435                    | 638,696              | -                    | -                 | -                    | 0.0%               | -                          | N.A.                |
| <b>Total</b>                    | <b>\$ 23,912,120</b>       | <b>\$ 19,926,767</b> | <b>\$ 18,889,870</b> | <b>\$ 512,371</b> | <b>\$ 19,402,241</b> | <b>81.1%</b>       | <b>\$ 18,809,187</b>       | <b>84.3%</b>        |
| <b>Changes in Fund Balance:</b> |                            |                      |                      |                   |                      |                    |                            |                     |
| Fund Balance 7/1                |                            |                      | \$ 1,537,026         |                   |                      |                    |                            |                     |
| Net Revenue (Expense)           |                            |                      | 175,160              |                   |                      |                    |                            |                     |
| <b>Ending Fund Balance</b>      |                            |                      | <b>\$ 1,712,186</b>  |                   |                      |                    |                            |                     |

**COMBINED WASTEWATER OPERATING & BMA WASTEWATER FUNDS**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

83% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u> |                            |                            |                          |                            | <u>% of Budget</u> | <u>2017-18 Fiscal Year</u> |                     |
|---------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|----------------------------|--------------------|----------------------------|---------------------|
|                                 | <u>Total Budget</u>        | <u>YTD Budget</u>          | <u>YTD Actual</u>          | <u>YTD Encum</u>         | <u>YTD Total</u>           |                    | <u>YTD Total</u>           | <u>% Total Year</u> |
| <b>Revenue:</b>                 |                            |                            |                            |                          |                            |                    |                            |                     |
| Wastewater Fees                 | \$ 4,452,797               | \$ 3,710,664               | \$ 3,697,436               | \$ -                     | \$ 3,697,436               | 83.0%              | \$ 3,626,731               | 94.5%               |
| Investment Income               | -                          | -                          | -                          | -                        | -                          | N.A.               | -                          | 0.0%                |
| Debt Proceeds                   | -                          | -                          | -                          | -                        | -                          | N.A.               | -                          | N.A.                |
| Miscellaneous                   | <u>40,000</u>              | <u>33,333</u>              | <u>34,273</u>              | <u>-</u>                 | <u>34,273</u>              | 85.7%              | <u>93,074</u>              | 137.5%              |
| <b>Total</b>                    | <b><u>\$ 4,492,797</u></b> | <b><u>\$ 3,743,997</u></b> | <b><u>\$ 3,731,709</u></b> | <b><u>\$ -</u></b>       | <b><u>\$ 3,731,709</u></b> | <b>83.1%</b>       | <b><u>\$ 3,719,805</u></b> | <b>95.3%</b>        |
| <b>Expenditures:</b>            |                            |                            |                            |                          |                            |                    |                            |                     |
| Wastewater Plant                | \$ 2,601,713               | \$ 2,168,094               | \$ 2,178,206               | \$ 399,721               | \$ 2,577,927               | 99.1%              | \$ 2,312,361               | 101.4%              |
| Wastewater Maint                | 803,416                    | 669,513                    | 545,668                    | 3,244                    | 548,912                    | 68.3%              | 691,735                    | 90.9%               |
| BMA Expenses                    | 29,500                     | 24,583                     | 28,430                     | -                        | 28,430                     | 96.4%              | 28,636                     | 100.0%              |
| Transfers Out                   | 1,251,444                  | 1,042,870                  | 1,042,872                  | -                        | 1,042,872                  | 83.3%              | 960,944                    | 80.1%               |
| Reserves                        | <u>84,135</u>              | <u>70,113</u>              | <u>-</u>                   | <u>-</u>                 | <u>-</u>                   | 0.0%               | <u>-</u>                   | N.A.                |
| <b>Total</b>                    | <b><u>\$ 4,770,208</u></b> | <b><u>\$ 3,975,173</u></b> | <b><u>\$ 3,795,176</u></b> | <b><u>\$ 402,965</u></b> | <b><u>\$ 4,198,141</u></b> | <b>88.0%</b>       | <b><u>\$ 3,993,676</u></b> | <b>93.5%</b>        |
| <b>Changes in Fund Balance:</b> |                            |                            |                            |                          |                            |                    |                            |                     |
| Fund Balance 7/1                |                            |                            | \$ 389,055                 |                          |                            |                    |                            |                     |
| Net Revenue (Expense)           |                            |                            | <u>(63,467)</u>            |                          |                            |                    |                            |                     |
| <b>Ending Fund Balance</b>      |                            |                            | <b><u>\$ 325,588</u></b>   |                          |                            |                    |                            |                     |



**COMBINED WATER OPERATING & BMA WATER FUNDS**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

83% of Year Lapsed

|                                 | <b>2018-19 Fiscal Year</b> |                     |                     |                   |                     | <b>% of Budget</b> | <b>2017-18 Fiscal Year</b> |                     |
|---------------------------------|----------------------------|---------------------|---------------------|-------------------|---------------------|--------------------|----------------------------|---------------------|
|                                 | <b>Total Budget</b>        | <b>YTD Budget</b>   | <b>YTD Actual</b>   | <b>YTD Encum</b>  | <b>YTD Total</b>    |                    | <b>YTD Total</b>           | <b>% Total Year</b> |
| <b>Revenue:</b>                 |                            |                     |                     |                   |                     |                    |                            |                     |
| Water Fees                      | \$ 9,531,430               | \$ 7,942,858        | \$ 7,754,301        | \$ -              | \$ 7,754,301        | 81.4%              | \$ 7,787,632               | 85.6%               |
| Investment Income               | -                          | -                   | -                   | -                 | -                   | N.A.               | 1,123                      | 17.8%               |
| Debt Proceeds                   | -                          | -                   | -                   | -                 | -                   | N.A.               | -                          | N.A.                |
| Miscellaneous                   | 1,251                      | 1,043               | 894                 | -                 | 894                 | 71.5%              | 10,277                     | 104.3%              |
| <b>Total</b>                    | <b>\$ 9,532,681</b>        | <b>\$ 7,943,901</b> | <b>\$ 7,755,195</b> | <b>\$ -</b>       | <b>\$ 7,755,195</b> | <b>81.4%</b>       | <b>\$ 7,799,032</b>        | <b>85.6%</b>        |
| <b>Expenditures:</b>            |                            |                     |                     |                   |                     |                    |                            |                     |
| Water Plant                     | \$ 2,934,817               | \$ 2,445,681        | \$ 1,851,969        | \$ 87,909         | \$ 1,939,878        | 66.1%              | \$ 1,990,143               | 77.0%               |
| Water Administration            | 333,472                    | 277,893             | 268,285             | 18,084            | 286,369             | 85.9%              | 268,293                    | 95.5%               |
| Water Distribution              | 1,515,757                  | 1,263,131           | 1,110,024           | 8,150             | 1,118,174           | 73.8%              | 1,145,274                  | 90.2%               |
| BMA Expenses                    | 3,031,000                  | 2,525,833           | 2,599,760           | -                 | 2,599,760           | 85.8%              | 2,493,241                  | 84.4%               |
| Transfers Out                   | 1,945,577                  | 1,621,314           | 1,624,485           | -                 | 1,624,485           | 83.5%              | 1,519,338                  | 91.1%               |
| Reserves                        | 173,377                    | 144,481             | -                   | -                 | -                   | 0.0%               | -                          | N.A.                |
| <b>Total</b>                    | <b>\$ 9,934,000</b>        | <b>\$ 8,278,333</b> | <b>\$ 7,454,523</b> | <b>\$ 114,143</b> | <b>\$ 7,568,666</b> | <b>76.2%</b>       | <b>\$ 7,416,289</b>        | <b>84.7%</b>        |
| <b>Changes in Fund Balance:</b> |                            |                     |                     |                   |                     |                    |                            |                     |
| Fund Balance 7/1                |                            |                     | \$ 1,706,985        |                   |                     |                    |                            |                     |
| Net Revenue (Expense)           |                            |                     | 300,673             |                   |                     |                    |                            |                     |
| <b>Ending Fund Balance</b>      |                            |                     | <b>\$ 2,007,658</b> |                   |                     |                    |                            |                     |

**SANITATION FUND**

Statement of Revenue, Expenditures, and Changes in Fund Balances

83% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u> |                     |                     |                   |                     | % of<br>Budget | <u>2017-18 Fiscal Year</u> |                 |
|---------------------------------|----------------------------|---------------------|---------------------|-------------------|---------------------|----------------|----------------------------|-----------------|
|                                 | Total Budget               | YTD Budget          | YTD Actual          | YTD Encum         | YTD Total           |                | YTD Total                  | % Total<br>Year |
| <b>Revenue:</b>                 |                            |                     |                     |                   |                     |                |                            |                 |
| Collection Fees                 | \$ 4,477,523               | \$ 3,731,269        | \$ 3,732,687        | \$ -              | \$ 3,732,687        | 83.4%          | \$ 3,685,299               | 83.2%           |
| Investment Income               | -                          | -                   | 1,652               | -                 | 1,652               | N.A.           | 7,880                      | 85.6%           |
| Miscellaneous                   | -                          | -                   | 33,055              | -                 | 33,055              | N.A.           | 35,237                     | 82.6%           |
| <b>Total</b>                    | <b>\$ 4,477,523</b>        | <b>\$ 3,731,269</b> | <b>\$ 3,767,394</b> | <b>\$ -</b>       | <b>\$ 3,767,394</b> | <b>84.1%</b>   | <b>\$ 3,728,416</b>        | <b>83.2%</b>    |
| <b>Expenditures:</b>            |                            |                     |                     |                   |                     |                |                            |                 |
| Sanitation                      | \$ 3,017,330               | \$ 2,514,442        | \$ 2,388,951        | \$ 222,299        | \$ 2,611,250        | 86.5%          | \$ 2,456,945               | 88.2%           |
| Transfers Out                   | 2,150,145                  | 1,791,788           | 1,791,789           | -                 | 1,791,789           | 83.3%          | 1,665,699                  | 88.3%           |
| Reserves                        | 128,611                    | 107,176             | -                   | -                 | -                   | 0.0%           | -                          | N.A.            |
| <b>Total</b>                    | <b>\$ 5,296,086</b>        | <b>\$ 4,413,406</b> | <b>\$ 4,180,740</b> | <b>\$ 222,299</b> | <b>\$ 4,403,039</b> | <b>83.1%</b>   | <b>\$ 4,122,644</b>        | <b>88.3%</b>    |
| <b>Changes in Fund Balance:</b> |                            |                     |                     |                   |                     |                |                            |                 |
| Fund Balance 7/1                |                            |                     | \$ 1,326,544        |                   |                     |                |                            |                 |
| Net Revenue (Expense)           |                            |                     | (413,346)           |                   |                     |                |                            |                 |
| <b>Ending Fund Balance</b>      |                            |                     | <b>\$ 913,198</b>   |                   |                     |                |                            |                 |

**ALL OTHER FUNDS**

## Revenue Budget Report - Budget Basis

83% of Year Lapsed

|   | <u>Budget</u> | <u>Actuals</u> | <u>Percent of Budget</u> |
|---|---------------|----------------|--------------------------|
| Special Revenue Funds:                  |               |                |                          |
| Economic Development Fund               | 1,576,420     | 1,320,355      | 84%                      |
| E-911 Fund                              | 946,688       | 806,490        | 85%                      |
| Special Library Fund                    | 94,500        | 135,673        | 144%                     |
| Special Museum Fund                     | 6,500         | 21,582         | 332%                     |
| Municipal Airport Fund                  | -             | 260,349        | N/A                      |
| Harshfield Library Donation Fund        | -             | -              | N/A                      |
| Restricted Revenue Fund                 | -             | 90,887         | N/A                      |
| Golf Course Memorial Fund               | -             | 7,367          | N/A                      |
| Justice Assistance Grant Fund           | 6,000         | -              | 0%                       |
| Neighborhood Park Fund                  | -             | -              | N/A                      |
| Cemetery Care Fund                      | 2,600         | 1,841          | 71%                      |
| Memorial Stadium Operating Fund         | -             | -              | N/A                      |
| Debt Service Fund                       | 3,756,572     | 3,616,960      | 96%                      |
| Capital Project Funds:                  |               |                |                          |
| Sales Tax Capital Improvement Fund      | 2,706,040     | 2,522,946      | 93%                      |
| Park Capital Improvement Fund           | -             | -              | N/A                      |
| Wastewater Capital Improvement Fund     | -             | 9,200          | N/A                      |
| Wastewater Regulatory Capital Fund      | -             | -              | N/A                      |
| City Hall Capital Improvement Fund      | 21,049        | 22,232         | 106%                     |
| Storm Drainage Capital Improvement Fund | -             | 2,140          | N/A                      |
| Community Development Block Grant Fund  | -             | -              | N/A                      |
| 2008B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2009 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2010 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2012 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2014 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2014B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2015 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2017 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2018A G.O. Bond Fund                    | -             | -              | N/A                      |
| 2018B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2018C G.O. Bond Fund                    | 2,500,000     | 2,500,000      | 100%                     |
| Proprietary Funds:                      |               |                |                          |
| Adams Golf Course Operating Fund        | 453,549       | 349,776        | 77%                      |
| Sooner Pool Operating Fund              | 29,902        | 24,920         | 83%                      |
| Frontier Pool Operating Fund            | 40,820        | 34,018         | 83%                      |
| Internal Service Funds:                 |               |                |                          |
| Worker's Compensation Fund              | 237,170       | 187,972        | 79%                      |
| Health Insurance Fund                   | 3,369,972     | 2,467,112      | 73%                      |
| Auto Collision Insurance Fund           | 100,000       | 83,336         | 83%                      |
| Stabilization Reserve Fund              | 742,848       | 622,212        | 84%                      |
| Capital Improvement Reserve Fund        | 10,260,441    | 3,363,332      | 33%                      |
| Mausoleum Trust Fund                    | -             | -              | N/A                      |

**ALL OTHER FUNDS**

## Expenditure Budget Report - Budget Basis

83% of Year Lapsed

|   | <u>Budget</u> | <u>Actuals</u> | <u>Percent of Budget</u> |
|---|---------------|----------------|--------------------------|
| Special Revenue Funds:                  |               |                |                          |
| Economic Development Fund               | 2,521,563     | 1,485,000      | 59%                      |
| E-911 Fund                              | 1,031,634     | 857,359        | 83%                      |
| Special Library Fund                    | 194,750       | 145,628        | 75%                      |
| Special Museum Fund                     | 45,000        | 28,920         | 64%                      |
| Municipal Airport Fund                  | 309,800       | 280,850        | 91%                      |
| Harshfield Library Donation Fund        | 762,595       | 30,898         | 4%                       |
| Restricted Revenue Fund                 | 230,609       | 116,772        | 51%                      |
| Golf Course Memorial Fund               | 78,780        | 77,428         | 98%                      |
| Justice Assistance Grant Fund           | 40,243        | 33,537         | 83%                      |
| Neighborhood Park Fund                  | 8,262         | -              | 0%                       |
| Cemetery Care Fund                      | 5,682         | -              | 0%                       |
| Memorial Stadium Operating Fund         | 2,134         | 1,603          | 75%                      |
| Debt Service Fund                       | 3,814,700     | 2,571,129      | 67%                      |
| Capital Project Funds:                  |               |                |                          |
| Sales Tax Capital Improvement Fund      | 5,188,551     | 1,434,297      | 28%                      |
| Park Capital Improvement Fund           | -             | -              | N/A                      |
| Wastewater Capital Improvement Fund     | 178,548       | 83,910         | 47%                      |
| Wastewater Regulatory Capital Fund      | 1,377,317     | 1,111,770      | 81%                      |
| City Hall Capital Improvement Fund      | 55,019        | 23,236         | 42%                      |
| Storm Drainage Capital Improvement Fund | 86,342        | 26,502         | 31%                      |
| Community Development Block Grant Fund  | -             | 79,559         | N/A                      |
| 2008B G.O. Bond Fund                    | 88            | -              | 0%                       |
| 2009 G.O. Bond Fund                     | 2,636         | -              | 0%                       |
| 2010 G.O. Bond Fund                     | 410           | -              | 0%                       |
| 2012 G.O. Bond Fund                     | 136,447       | 15,000         | 11%                      |
| 2014 G.O. Bond Fund                     | 374,904       | 283,606        | 76%                      |
| 2014B G.O. Bond Fund                    | 161,745       | 80,774         | 50%                      |
| 2015 G.O. Bond Fund                     | 1,885,404     | 1,790,451      | 95%                      |
| 2017 G.O. Bond Fund                     | 2,463,901     | 1,444,316      | 59%                      |
| 2018A G.O. Bond Fund                    | 9,580,000     | 1,721,316      | 18%                      |
| 2018B G.O. Bond Fund                    | 478,921       | 7,650          | 2%                       |
| 2018C G.O. Bond Fund                    | 2,500,000     | -              | 0%                       |
| Proprietary Funds:                      |               |                |                          |
| Adams Golf Course Operating Fund        | 517,052       | 427,428        | 83%                      |
| Sooner Pool Operating Fund              | 46,961        | 45,106         | 96%                      |
| Frontier Pool Operating Fund            | 59,940        | 51,603         | 86%                      |
| Internal Service Funds:                 |               |                |                          |
| Worker's Compensation Fund              | 425,000       | 195,804        | 46%                      |
| Health Insurance Fund                   | 4,086,963     | 2,239,655      | 55%                      |
| Auto Collision Insurance Fund           | 305,053       | 7,769          | 3%                       |
| Stabilization Reserve Fund              | 6,741,428     | -              | 0%                       |
| Capital Improvement Reserve Fund        | 13,187,348    | 2,379,067      | 18%                      |
| Mausoleum Trust Fund                    | 6,016         | -              | 0%                       |

**ALL OTHER FUNDS**

## Fund Balance Report - Modified Cash Basis

83% of Year Lapsed

|   | <u>Beginning of Year</u> | <u>Change</u> | <u>Current</u> |
|---|--------------------------|---------------|----------------|
| Special Revenue Funds:                  |                          |               |                |
| Economic Development Fund               | 1,238,523                | (8,811)       | 1,229,712      |
| E-911 Fund                              | 70,543                   | (48,585)      | 21,958         |
| Special Library Fund                    | 283,797                  | 16,847        | 300,644        |
| Special Museum Fund                     | 108,826                  | (6,832)       | 101,993        |
| Municipal Airport Fund                  | 309,309                  | (10,751)      | 298,558        |
| Harshfield Library Donation Fund        | 761,021                  | (30,249)      | 730,772        |
| Restricted Revenue Fund                 | 242,340                  | 11,446        | 253,786        |
| Golf Course Memorial Fund               | 18,898                   | (16,751)      | 2,147          |
| Justice Assistance Grant Fund           | 40,254                   | (33,537)      | 6,717          |
| Neighborhood Park Fund                  | 8,265                    | -             | 8,265          |
| Cemetery Care Fund                      | 3,400                    | 1,841         | 5,241          |
| Memorial Stadium Operating Fund         | 2,112                    | (1,603)       | 509            |
| Debt Service Fund                       | 3,811,804                | 1,045,831     | 4,857,635      |
| Capital Project Funds:                  |                          |               |                |
| Sales Tax Capital Improvement Fund      | 2,834,230                | 1,469,246     | 4,303,476      |
| Park Capital Improvement Fund           | -                        | -             | -              |
| Wastewater Capital Improvement Fund     | 223,714                  | (74,710)      | 149,004        |
| Wastewater Regulatory Capital Fund      | 1,522,161                | (540,346)     | 981,815        |
| City Hall Capital Improvement Fund      | 28,480                   | 12,024        | 40,504         |
| Storm Drainage Capital Improvement Fund | 134,907                  | (23,542)      | 111,365        |
| Community Development Block Grant Fund  | 28,883                   | (84,010)      | (55,127)       |
| 2008B G.O. Bond Fund                    | 88                       | -             | 88             |
| 2009 G.O. Bond Fund                     | 6,809                    | -             | 6,809          |
| 2010 G.O. Bond Fund                     | 410                      | -             | 410            |
| 2012 G.O. Bond Fund                     | 128,562                  | -             | 128,562        |
| 2014 G.O. Bond Fund                     | 610,207                  | (102,969)     | 507,238        |
| 2014B G.O. Bond Fund                    | 121,246                  | (78,432)      | 42,814         |
| 2015 G.O. Bond Fund                     | 1,873,028                | (1,456,261)   | 416,767        |
| 2017 G.O. Bond Fund                     | 2,480,902                | (1,319,471)   | 1,161,431      |
| 2018A G.O. Bond Fund                    | 9,594,319                | (782,662)     | 8,811,657      |
| 2018B G.O. Bond Fund                    | 479,089                  | (7,650)       | 471,439        |
| 2018C G.O. Bond Fund                    | -                        | 2,500,000     | 2,500,000      |
| Proprietary Funds:                      |                          |               |                |
| Adams Golf Course Operating Fund        | 71,973                   | (30,755)      | 41,218         |
| Sooner Pool Operating Fund              | 36,045                   | (18,618)      | 17,427         |
| Frontier Pool Operating Fund            | 49,154                   | (16,136)      | 33,018         |
| Internal Service Funds:                 |                          |               |                |
| Worker's Compensation Fund              | 164,286                  | (17,679)      | 146,607        |
| Health Insurance Fund                   | 693,197                  | 8,828         | 702,025        |
| Auto Collision Insurance Fund           | 186,874                  | 75,487        | 262,361        |
| Stabilization Reserve Fund              | 5,998,580                | 622,212       | 6,620,792      |
| Capital Improvement Reserve Fund        | 8,004,195                | 2,356,251     | 10,360,446     |
| Mausoleum Trust Fund                    | 8,018                    | -             | 8,018          |



**FROM:** Jason Muninger, CFO/City Clerk  
**SUBJECT:** Financial Statement Explanatory Information

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## **GENERAL INFORMATION**

The purpose of this memo is to provide some insight as to the construction of the attached financial statements and to provide some guidance as to their use.

The format of the attached financial statements is intended to highlight our most important revenue sources, provide sufficient detail on major operating funds, and provide a high level overview of all other funds. The level of detail presented is sufficient to assist the City Council in conducting their fiduciary obligations to the City without creating a voluminous document that made the execution of that duty more difficult.

This document provides three different types of analyses for the Council's use. The first is an analysis of revenue vs budgeted expectations. This allows the Council to see how the City's revenues are performing and to have a better idea if operational adjustments are necessary.

The second analysis compares expenditures to budget. This allows the Council to ensure that the budgetary plan that was set out for the City is being followed and that Staff is making the necessary modifications along the way.

The final analysis shows the fund balance for each fund of the City. This is essentially the "cash" balance for most funds. However, some funds include short term receivables and payables depending on the nature of their operation. With very few exceptions, all funds must maintain positive fund balance by law. Any exceptions will be noted where they occur.

These analyses are presented in the final manner:

### Highlights:

The Highlights section presents a 5 year snap shot of the performance of the City's 4 most important revenue sources. Each bar represents the actual amounts earned in each year through the period of the report. Each dash represents the percent of the year's revenue that had been earned through that period. The current fiscal year will always represent the percent of the budget that has been earned, while all previous fiscal years will always represent the percent of the actual amount earned. This analysis highlights and compares not only amounts earned, but gives a better picture of how much should have been earned in order to meet budget for the year.

Major Operating Funds:

The City's major operating funds are presented in greater detail than the remainder of the City's funds. These funds include the General, Wastewater Operating, BMA – Wastewater, Water Operating, BMA – Water, and Sanitation. Due to the interrelated nature of the Wastewater Operating/BMA – Wastewater and the Water Operating/BMA – Water funds, these have been combined into Wastewater Combined and Water Combined funds. This should provide a better picture of the overall financial condition of these operating segments by combining revenues, operating expenses, and financing activities in a single report.

Other Funds:

All other funds of the City are reported at a high level. These funds are often created for a limited purpose, limited duration, and frequently contain only a one-time revenue source. This high level overview will provide Council with sufficient information for a summary review. Any additional information that is required after that review is available.

These condensed financial statement should provide sufficient information for the City Council to perform its fiduciary responsibility while simplifying the process. All supplementary, detailed information is available for the Council's use at any time upon request. Additionally, any other funds that the Council chooses to classify as a Major Operating fund can be added to that section to provide greater detail in the future.



**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Receipt of Interim Financials for the Eleven months ending May 31, 2019.

Attachments:

Interim Financials for May 31, 2019

**II. STAFF COMMENTS AND ANALYSIS**

Staff has prepared the condensed Interim Financial Statements for May 2019; these should provide sufficient information for the City Council to perform its fiduciary responsibility. All supplementary, detailed information is available for the Council's use at any time upon request. All information is subject to change pending audit.

Staff wants to reiterate the fact that once the financial software is fully implemented that financials will be delivered in a timelier manner. Staff would also like to reassure Council that the City's financial position is monitored on a daily basis and not at the formulation of the interim financial statements.

**III. RECOMMENDED ACTION**

Staff recommends the approval of the Interim Financials for May 31, 2019.





**REPORT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

For The Eleven Months Ended May 31, 2019

**CITY COUNCIL**

Ward 1 - Dale Copeland, Mayor

Ward 2 - Paul Stuart

Ward 3 - Jim Curd

Ward 4 - Alan Gentges, Vice Mayor

Ward 5 - Trevor Dorsey

City Manager  
Mike Bailey

Prepared by:

Jason Muninger  
Finance Director

Alicia Shelton  
Accountant

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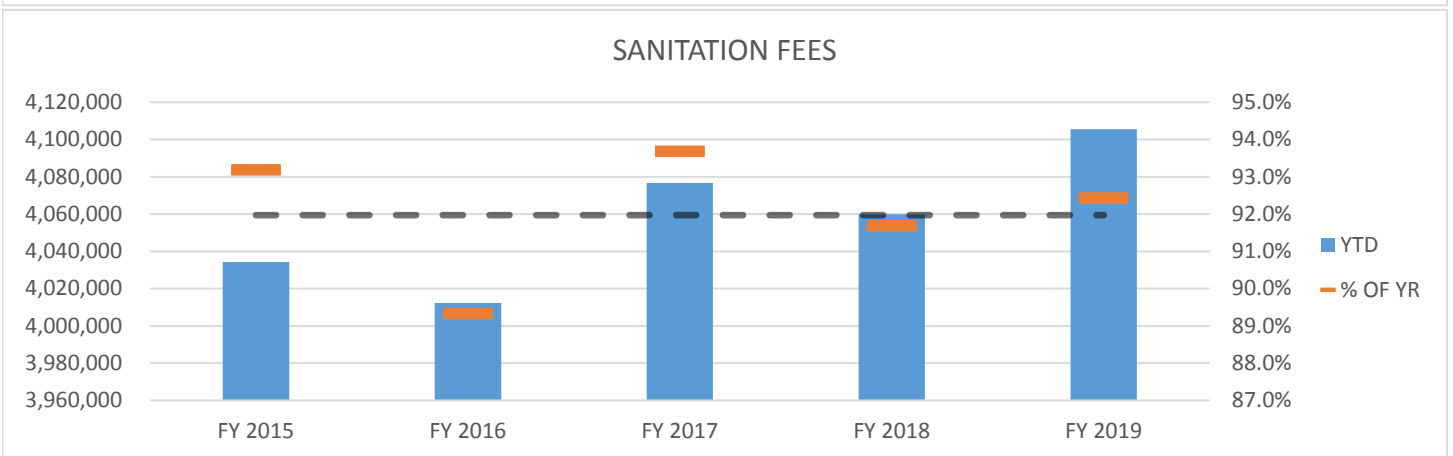
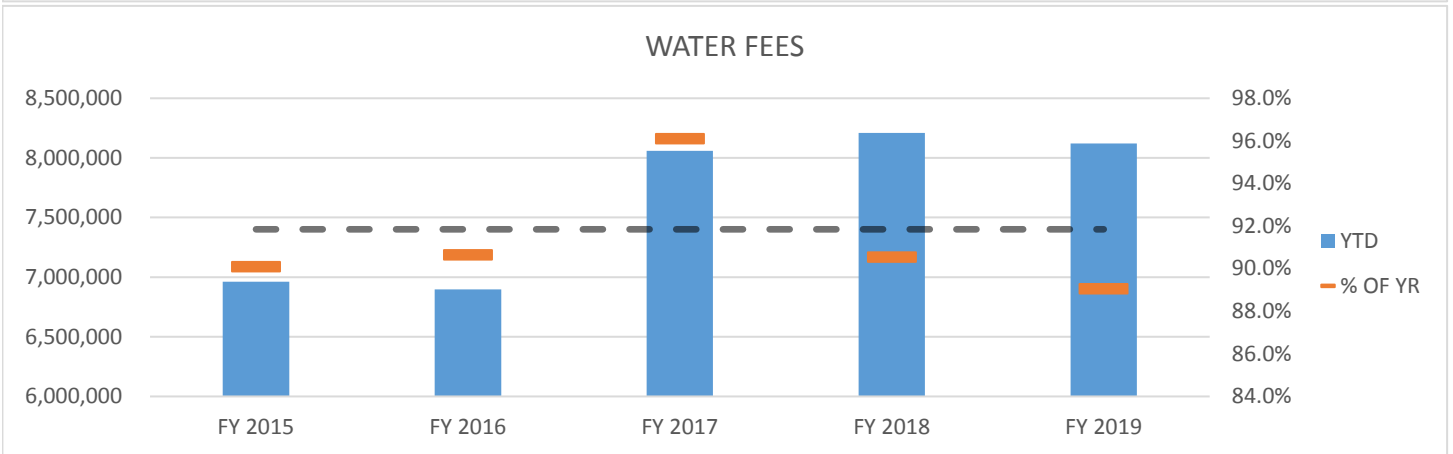
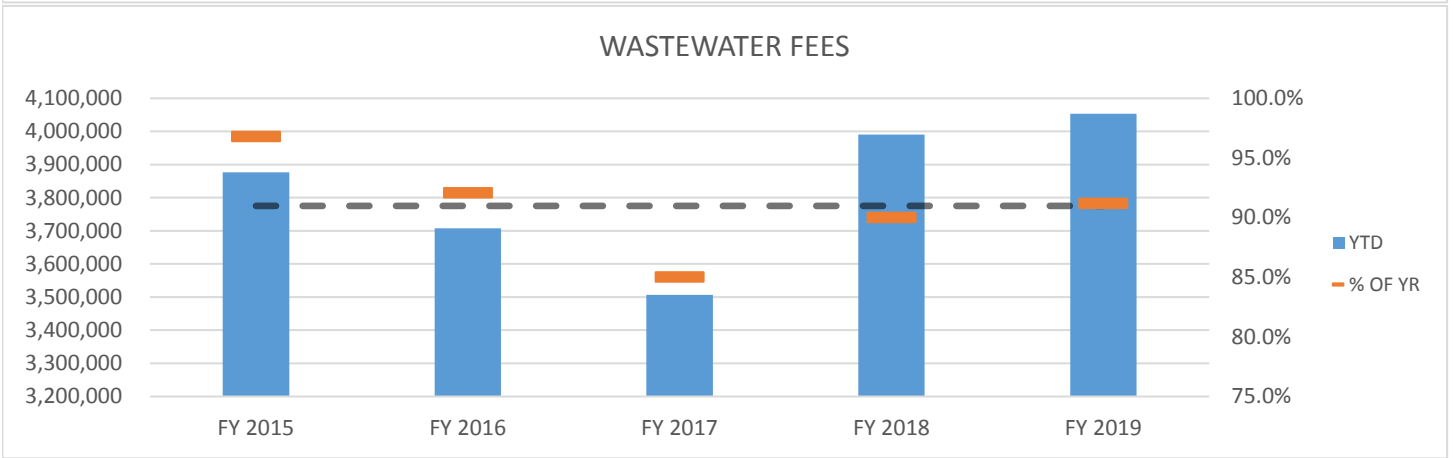
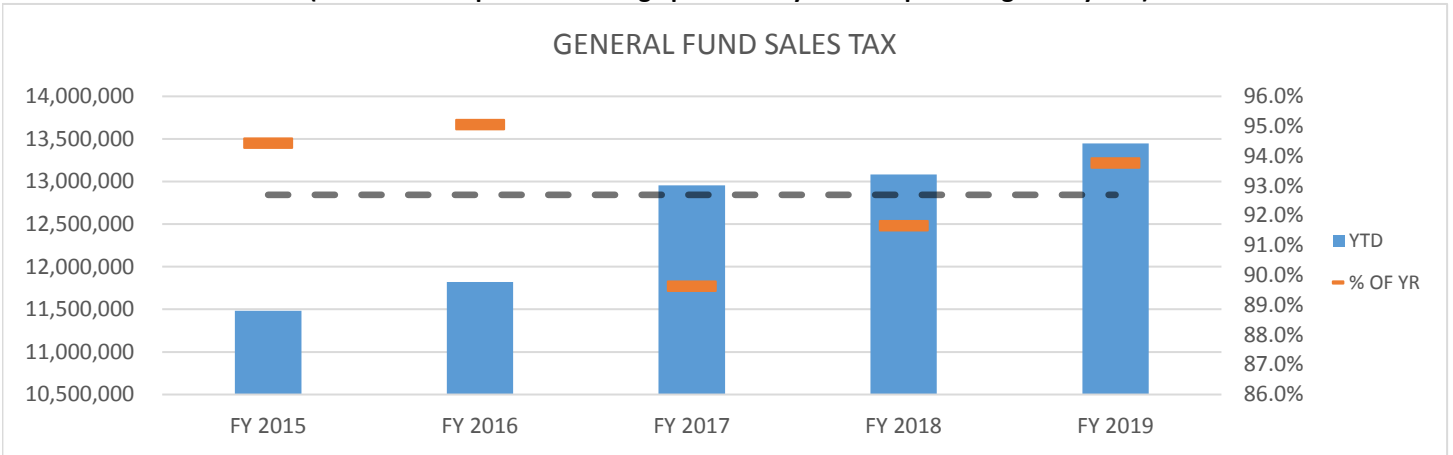
EXPENDITURE BUDGET STATUS

CHANGE IN FUND BALANCE

## EXPLANATORY MEMO

## FINANCIAL STATEMENT REVENUE HIGHLIGHTS

(Dashed line represents average percent of year for 4 preceding fiscal years)



**GENERAL FUND**

Statement of Revenue, Expenditures, and Changes in Fund Balances

92% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u> |                      |                      |                   |                      |              | <u>2017-18 Fiscal Year</u> |              |
|---------------------------------|----------------------------|----------------------|----------------------|-------------------|----------------------|--------------|----------------------------|--------------|
|                                 | Total Budget               | YTD Budget           | YTD Actual           | YTD Encum         | YTD Total            | % of Budget  | YTD Total                  | % Total Year |
| <b>Revenue:</b>                 |                            |                      |                      |                   |                      |              |                            |              |
| Sales Tax                       | \$ 14,342,014              | \$ 13,146,846        | \$ 13,448,261        | \$ -              | \$ 13,448,261        | 93.8%        | \$ 13,060,387              | 92.0%        |
| Gross Receipt Tax               | 1,412,900                  | 1,295,158            | 1,342,987            | -                 | 1,342,987            | 95.1%        | 1,326,543                  | 95.3%        |
| Licenses and Permits            | 271,300                    | 248,692              | 245,215              | -                 | 245,215              | 90.4%        | 252,556                    | 98.1%        |
| Intergovernmental               | 664,500                    | 609,125              | 568,642              | -                 | 568,642              | 85.6%        | 582,034                    | 88.0%        |
| Charges for Services            | 672,200                    | 616,183              | 428,431              | -                 | 428,431              | 63.7%        | 351,331                    | 92.5%        |
| Court Costs                     | 122,600                    | 112,383              | 108,771              | -                 | 108,771              | 88.7%        | 106,905                    | 92.6%        |
| Police/Traffic Fines            | 442,900                    | 405,992              | 432,610              | -                 | 432,610              | 97.7%        | 379,851                    | 91.0%        |
| Parking Fines                   | 72,500                     | 66,458               | 75,750               | -                 | 75,750               | 104.5%       | 77,769                     | 94.2%        |
| Other Fines                     | 42,000                     | 38,500               | 63,012               | -                 | 63,012               | 150.0%       | 40,122                     | 92.6%        |
| Investment Income               | 85,000                     | 77,917               | 77,917               | -                 | 77,917               | 91.7%        | 117,324                    | 96.5%        |
| Miscellaneous Income            | 237,400                    | 217,617              | 371,660              | -                 | 371,660              | 156.6%       | 410,372                    | 96.6%        |
| Transfers In                    | 4,263,594                  | 3,908,295            | 3,908,297            | -                 | 3,908,297            | 91.7%        | 3,607,209                  | 91.2%        |
| <b>Total</b>                    | <b>\$ 22,628,908</b>       | <b>\$ 20,743,166</b> | <b>\$ 21,071,553</b> | <b>\$ -</b>       | <b>\$ 21,071,553</b> | <b>93.1%</b> | <b>\$ 20,312,403</b>       | <b>92.1%</b> |
| <b>Expenditures:</b>            |                            |                      |                      |                   |                      |              |                            |              |
| General Government              | \$ 6,076,826               | \$ 5,570,424         | \$ 5,355,999         | \$ 307,231        | \$ 5,663,230         | 93.2%        | \$ 5,234,953               | 92.6%        |
| Public Safety                   | 11,387,027                 | 10,438,108           | 10,356,890           | 67,900            | 10,424,790           | 91.5%        | 10,035,869                 | 91.7%        |
| Street                          | 1,524,648                  | 1,397,594            | 1,239,914            | 25,515            | 1,265,429            | 83.0%        | 1,281,172                  | 89.1%        |
| Culture and Recreation          | 2,769,526                  | 2,538,732            | 2,398,015            | 63,634            | 2,461,649            | 88.9%        | 2,418,651                  | 91.9%        |
| Transfers Out                   | 1,387,658                  | 1,272,020            | 1,272,022            | -                 | 1,272,022            | 91.7%        | 1,388,508                  | 84.4%        |
| Reserves                        | 766,435                    | 702,565              | -                    | -                 | -                    | 0.0%         | -                          | N.A.         |
| <b>Total</b>                    | <b>\$ 23,912,120</b>       | <b>\$ 21,919,443</b> | <b>\$ 20,622,840</b> | <b>\$ 464,280</b> | <b>\$ 21,087,120</b> | <b>88.2%</b> | <b>\$ 20,359,153</b>       | <b>91.2%</b> |
| <b>Changes in Fund Balance:</b> |                            |                      |                      |                   |                      |              |                            |              |
| Fund Balance 7/1                |                            |                      | \$ 1,537,026         |                   |                      |              |                            |              |
| Net Revenue (Expense)           |                            |                      | 448,713              |                   |                      |              |                            |              |
| <b>Ending Fund Balance</b>      |                            |                      | <b>\$ 1,985,739</b>  |                   |                      |              |                            |              |

**COMBINED WASTEWATER OPERATING & BMA WASTEWATER FUNDS**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

92% of Year Lapsed

|                                 | <b>2018-19 Fiscal Year</b> |                            |                            |                          |                            | <b>% of Budget</b> | <b>2017-18 Fiscal Year</b> |                     |
|---------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|----------------------------|--------------------|----------------------------|---------------------|
|                                 | <b>Total Budget</b>        | <b>YTD Budget</b>          | <b>YTD Actual</b>          | <b>YTD Encum</b>         | <b>YTD Total</b>           |                    | <b>YTD Total</b>           | <b>% Total Year</b> |
| <b>Revenue:</b>                 |                            |                            |                            |                          |                            |                    |                            |                     |
| Wastewater Fees                 | \$ 4,452,797               | \$ 4,081,731               | \$ 4,057,440               | \$ -                     | \$ 4,057,440               | 91.1%              | \$ 3,994,675               | 104.1%              |
| Investment Income               | -                          | -                          | -                          | -                        | -                          | N.A.               | -                          | 0.0%                |
| Debt Proceeds                   | -                          | -                          | -                          | -                        | -                          | N.A.               | -                          | N.A.                |
| Miscellaneous                   | <u>40,000</u>              | <u>36,667</u>              | <u>34,273</u>              | <u>-</u>                 | <u>34,273</u>              | 85.7%              | <u>48,075</u>              | 71.0%               |
| <b>Total</b>                    | <b><u>\$ 4,492,797</u></b> | <b><u>\$ 4,118,398</u></b> | <b><u>\$ 4,091,713</u></b> | <b><u>\$ -</u></b>       | <b><u>\$ 4,091,713</u></b> | <b>91.1%</b>       | <b><u>\$ 4,042,750</u></b> | <b>103.5%</b>       |
| <b>Expenditures:</b>            |                            |                            |                            |                          |                            |                    |                            |                     |
| Wastewater Plant                | \$ 2,601,713               | \$ 2,384,904               | \$ 2,373,788               | \$ 207,795               | \$ 2,581,583               | 99.2%              | \$ 2,312,742               | 101.4%              |
| Wastewater Maint                | 803,416                    | 736,465                    | 599,645                    | 37,474                   | 637,119                    | 79.3%              | 757,347                    | 99.6%               |
| BMA Expenses                    | 29,500                     | 27,042                     | 28,430                     | -                        | 28,430                     | 96.4%              | 1,087                      | 3.8%                |
| Transfers Out                   | 1,251,444                  | 1,147,157                  | 1,147,158                  | -                        | 1,147,158                  | 91.7%              | 1,057,039                  | 88.1%               |
| Reserves                        | <u>84,135</u>              | <u>77,124</u>              | <u>-</u>                   | <u>-</u>                 | <u>-</u>                   | 0.0%               | <u>-</u>                   | N.A.                |
| <b>Total</b>                    | <b><u>\$ 4,770,208</u></b> | <b><u>\$ 4,372,692</u></b> | <b><u>\$ 4,149,021</u></b> | <b><u>\$ 245,269</u></b> | <b><u>\$ 4,394,290</u></b> | <b>92.1%</b>       | <b><u>\$ 4,128,215</u></b> | <b>96.7%</b>        |
| <b>Changes in Fund Balance:</b> |                            |                            |                            |                          |                            |                    |                            |                     |
| Fund Balance 7/1                |                            |                            | \$ 389,055                 |                          |                            |                    |                            |                     |
| Net Revenue (Expense)           |                            |                            | <u>(57,308)</u>            |                          |                            |                    |                            |                     |
| <b>Ending Fund Balance</b>      |                            |                            | <b><u>\$ 331,747</u></b>   |                          |                            |                    |                            |                     |

**COMBINED WATER OPERATING & BMA WATER FUNDS**  
Statement of Revenue, Expenditures, and Changes in Fund Balances

92% of Year Lapsed

|                                 | <u>2018-19 Fiscal Year</u> |                            |                            |                          |                            | % of<br>Budget | <u>2017-18 Fiscal Year</u> |                 |
|---------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|----------------------------|----------------|----------------------------|-----------------|
|                                 | Total Budget               | YTD Budget                 | YTD Actual                 | YTD Encum                | YTD Total                  |                | YTD Total                  | % Total<br>Year |
| <b>Revenue:</b>                 |                            |                            |                            |                          |                            |                |                            |                 |
| Water Fees                      | \$ 9,531,430               | \$ 8,737,144               | \$ 8,468,659               | \$ -                     | \$ 8,468,659               | 88.8%          | \$ 8,568,180               | 94.2%           |
| Investment Income               | -                          | -                          | -                          | -                        | -                          | N.A.           | 1,123                      | 17.8%           |
| Debt Proceeds                   | -                          | -                          | -                          | -                        | -                          | N.A.           | -                          | N.A.            |
| Miscellaneous                   | 1,251                      | 1,147                      | 894                        | -                        | 894                        | 71.5%          | 10,278                     | 104.3%          |
| <b>Total</b>                    | <b><u>\$ 9,532,681</u></b> | <b><u>\$ 8,738,291</u></b> | <b><u>\$ 8,469,553</u></b> | <b><u>\$ -</u></b>       | <b><u>\$ 8,469,553</u></b> | <b>88.8%</b>   | <b><u>\$ 8,579,581</u></b> | <b>94.2%</b>    |
| <b>Expenditures:</b>            |                            |                            |                            |                          |                            |                |                            |                 |
| Water Plant                     | \$ 2,934,817               | \$ 2,690,249               | \$ 2,071,609               | \$ 110,060               | \$ 2,181,669               | 74.3%          | \$ 2,244,297               | 86.8%           |
| Water Administration            | 333,472                    | 305,683                    | 292,347                    | 14,465                   | 306,812                    | 92.0%          | 288,261                    | 102.7%          |
| Water Distribution              | 1,515,757                  | 1,389,444                  | 1,202,475                  | 16,032                   | 1,218,507                  | 80.4%          | 1,259,268                  | 99.2%           |
| BMA Expenses                    | 3,031,000                  | 2,778,417                  | 2,599,760                  | -                        | 2,599,760                  | 85.8%          | 2,493,241                  | 84.4%           |
| Transfers Out                   | 1,945,577                  | 1,783,446                  | 1,786,931                  | -                        | 1,786,931                  | 91.8%          | 1,671,272                  | 100.2%          |
| Reserves                        | 173,377                    | 158,929                    | -                          | -                        | -                          | 0.0%           | -                          | N.A.            |
| <b>Total</b>                    | <b><u>\$ 9,934,000</u></b> | <b><u>\$ 9,106,168</u></b> | <b><u>\$ 7,953,122</u></b> | <b><u>\$ 140,557</u></b> | <b><u>\$ 8,093,679</u></b> | <b>81.5%</b>   | <b><u>\$ 7,956,339</u></b> | <b>90.8%</b>    |
| <b>Changes in Fund Balance:</b> |                            |                            |                            |                          |                            |                |                            |                 |
| Fund Balance 7/1                |                            |                            | \$ 1,706,985               |                          |                            |                |                            |                 |
| Net Revenue (Expense)           |                            |                            | 516,431                    |                          |                            |                |                            |                 |
| <b>Ending Fund Balance</b>      |                            |                            | <b><u>\$ 2,223,416</u></b> |                          |                            |                |                            |                 |

**SANITATION FUND**

Statement of Revenue, Expenditures, and Changes in Fund Balances

92% of Year Lapsed

|                                 | <b>2018-19 Fiscal Year</b> |                     |                     |                   |                     | <b>% of Budget</b> | <b>2017-18 Fiscal Year</b> |                     |
|---------------------------------|----------------------------|---------------------|---------------------|-------------------|---------------------|--------------------|----------------------------|---------------------|
|                                 | <b>Total Budget</b>        | <b>YTD Budget</b>   | <b>YTD Actual</b>   | <b>YTD Encum</b>  | <b>YTD Total</b>    |                    | <b>YTD Total</b>           | <b>% Total Year</b> |
| <b>Revenue:</b>                 |                            |                     |                     |                   |                     |                    |                            |                     |
| Collection Fees                 | \$ 4,477,523               | \$ 4,104,396        | \$ 4,105,507        | \$ -              | \$ 4,105,507        | 91.7%              | \$ 4,059,820               | 91.7%               |
| Investment Income               | -                          | -                   | 1,652               | -                 | 1,652               | N.A.               | 8,941                      | 97.1%               |
| Miscellaneous                   | -                          | -                   | 38,189              | -                 | 38,189              | N.A.               | 39,115                     | 91.6%               |
| <b>Total</b>                    | <b>\$ 4,477,523</b>        | <b>\$ 4,104,396</b> | <b>\$ 4,145,348</b> | <b>\$ -</b>       | <b>\$ 4,145,348</b> | <b>92.6%</b>       | <b>\$ 4,107,876</b>        | <b>91.7%</b>        |
| <b>Expenditures:</b>            |                            |                     |                     |                   |                     |                    |                            |                     |
| Sanitation                      | \$ 3,017,330               | \$ 2,765,886        | \$ 2,567,495        | \$ 135,430        | \$ 2,702,925        | 89.6%              | \$ 2,618,166               | 94.0%               |
| Transfers Out                   | 2,150,145                  | 1,970,966           | 1,970,967           | -                 | 1,970,967           | 91.7%              | 1,832,269                  | 97.2%               |
| Reserves                        | 128,611                    | 117,893             | -                   | -                 | -                   | 0.0%               | -                          | N.A.                |
| <b>Total</b>                    | <b>\$ 5,296,086</b>        | <b>\$ 4,854,745</b> | <b>\$ 4,538,462</b> | <b>\$ 135,430</b> | <b>\$ 4,673,892</b> | <b>88.3%</b>       | <b>\$ 4,450,435</b>        | <b>95.3%</b>        |
| <b>Changes in Fund Balance:</b> |                            |                     |                     |                   |                     |                    |                            |                     |
| Fund Balance 7/1                |                            |                     | \$ 1,326,544        |                   |                     |                    |                            |                     |
| Net Revenue (Expense)           |                            |                     | (393,114)           |                   |                     |                    |                            |                     |
| <b>Ending Fund Balance</b>      |                            |                     | <b>\$ 933,430</b>   |                   |                     |                    |                            |                     |

**ALL OTHER FUNDS**

## Revenue Budget Report - Budget Basis

92% of Year Lapsed

|   | <u>Budget</u> | <u>Actuals</u> | <u>Percent of Budget</u> |
|---|---------------|----------------|--------------------------|
| Special Revenue Funds:                  |               |                |                          |
| Economic Development Fund               | 1,576,420     | 1,457,364      | 92%                      |
| E-911 Fund                              | 946,688       | 884,936        | 93%                      |
| Special Library Fund                    | 94,500        | 137,069        | 145%                     |
| Special Museum Fund                     | 6,500         | 21,582         | 332%                     |
| Municipal Airport Fund                  | -             | 260,349        | N/A                      |
| Harshfield Library Donation Fund        | -             | -              | N/A                      |
| Restricted Revenue Fund                 | -             | 105,736        | N/A                      |
| Golf Course Memorial Fund               | -             | 10,567         | N/A                      |
| Justice Assistance Grant Fund           | 6,000         | -              | 0%                       |
| Neighborhood Park Fund                  | -             | -              | N/A                      |
| Cemetery Care Fund                      | 2,600         | 2,233          | 86%                      |
| Memorial Stadium Operating Fund         | -             | -              | N/A                      |
| Debt Service Fund                       | 3,756,572     | 3,722,986      | 99%                      |
| Capital Project Funds:                  |               |                |                          |
| Sales Tax Capital Improvement Fund      | 2,706,040     | 2,764,140      | 102%                     |
| Park Capital Improvement Fund           | -             | -              | N/A                      |
| Wastewater Capital Improvement Fund     | -             | 9,200          | N/A                      |
| Wastewater Regulatory Capital Fund      | -             | -              | N/A                      |
| City Hall Capital Improvement Fund      | 21,049        | 23,922         | 114%                     |
| Storm Drainage Capital Improvement Fund | -             | 2,140          | N/A                      |
| Community Development Block Grant Fund  | -             | -              | N/A                      |
| 2008B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2009 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2010 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2012 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2014 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2014B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2015 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2017 G.O. Bond Fund                     | -             | -              | N/A                      |
| 2018A G.O. Bond Fund                    | -             | -              | N/A                      |
| 2018B G.O. Bond Fund                    | -             | -              | N/A                      |
| 2018C G.O. Bond Fund                    | 2,500,000     | 2,500,000      | 100%                     |
| Proprietary Funds:                      |               |                |                          |
| Adams Golf Course Operating Fund        | 453,549       | 388,118        | 86%                      |
| Sooner Pool Operating Fund              | 29,902        | 27,411         | 92%                      |
| Frontier Pool Operating Fund            | 40,820        | 37,419         | 92%                      |
| Internal Service Funds:                 |               |                |                          |
| Worker's Compensation Fund              | 237,170       | 214,689        | 91%                      |
| Health Insurance Fund                   | 3,369,972     | 2,777,264      | 82%                      |
| Auto Collision Insurance Fund           | 100,000       | 91,668         | 92%                      |
| Stabilization Reserve Fund              | 742,848       | 684,430        | 92%                      |
| Capital Improvement Reserve Fund        | 10,260,441    | 3,676,845      | 36%                      |
| Mausoleum Trust Fund                    | -             | -              | N/A                      |



**ALL OTHER FUNDS**

## Expenditure Budget Report - Budget Basis

92% of Year Lapsed

|   | <u>Budget</u> | <u>Actuals</u> | <u>Percent of Budget</u> |
|---|---------------|----------------|--------------------------|
| Special Revenue Funds:                  |               |                |                          |
| Economic Development Fund               | 2,521,563     | 1,635,000      | 65%                      |
| E-911 Fund                              | 1,031,634     | 932,119        | 90%                      |
| Special Library Fund                    | 194,750       | 154,384        | 79%                      |
| Special Museum Fund                     | 45,000        | 30,730         | 68%                      |
| Municipal Airport Fund                  | 309,800       | 280,850        | 91%                      |
| Harshfield Library Donation Fund        | 762,595       | 30,898         | 4%                       |
| Restricted Revenue Fund                 | 230,609       | 143,720        | 62%                      |
| Golf Course Memorial Fund               | 78,780        | 77,428         | 98%                      |
| Justice Assistance Grant Fund           | 40,243        | 36,890         | 92%                      |
| Neighborhood Park Fund                  | 8,262         | -              | 0%                       |
| Cemetery Care Fund                      | 5,682         | -              | 0%                       |
| Memorial Stadium Operating Fund         | 2,134         | 1,957          | 92%                      |
| Debt Service Fund                       | 3,814,700     | 3,943,859      | 103%                     |
| Capital Project Funds:                  |               |                |                          |
| Sales Tax Capital Improvement Fund      | 5,188,551     | 1,537,764      | 30%                      |
| Park Capital Improvement Fund           | -             | -              | N/A                      |
| Wastewater Capital Improvement Fund     | 178,548       | 116,054        | 65%                      |
| Wastewater Regulatory Capital Fund      | 1,377,317     | 1,109,070      | 81%                      |
| City Hall Capital Improvement Fund      | 55,019        | 23,236         | 42%                      |
| Storm Drainage Capital Improvement Fund | 86,342        | 25,812         | 30%                      |
| Community Development Block Grant Fund  | -             | 79,559         | N/A                      |
| 2008B G.O. Bond Fund                    | 88            | -              | 0%                       |
| 2009 G.O. Bond Fund                     | 2,636         | -              | 0%                       |
| 2010 G.O. Bond Fund                     | 410           | -              | 0%                       |
| 2012 G.O. Bond Fund                     | 136,447       | 17,500         | 13%                      |
| 2014 G.O. Bond Fund                     | 374,904       | 290,207        | 77%                      |
| 2014B G.O. Bond Fund                    | 161,745       | 81,128         | 50%                      |
| 2015 G.O. Bond Fund                     | 1,885,404     | 1,790,451      | 95%                      |
| 2017 G.O. Bond Fund                     | 2,463,901     | 1,544,316      | 63%                      |
| 2018A G.O. Bond Fund                    | 9,580,000     | 1,721,355      | 18%                      |
| 2018B G.O. Bond Fund                    | 478,921       | 7,650          | 2%                       |
| 2018C G.O. Bond Fund                    | 2,500,000     | -              | 0%                       |
| Proprietary Funds:                      |               |                |                          |
| Adams Golf Course Operating Fund        | 517,052       | 451,721        | 87%                      |
| Sooner Pool Operating Fund              | 46,961        | 45,724         | 97%                      |
| Frontier Pool Operating Fund            | 59,940        | 52,780         | 88%                      |
| Internal Service Funds:                 |               |                |                          |
| Worker's Compensation Fund              | 425,000       | 208,160        | 49%                      |
| Health Insurance Fund                   | 4,086,963     | 2,659,718      | 65%                      |
| Auto Collision Insurance Fund           | 305,053       | 34,235         | 11%                      |
| Stabilization Reserve Fund              | 6,741,428     | -              | 0%                       |
| Capital Improvement Reserve Fund        | 13,187,348    | 2,376,041      | 18%                      |
| Mausoleum Trust Fund                    | 6,016         | -              | 0%                       |

**ALL OTHER FUNDS**

## Fund Balance Report - Modified Cash Basis

92% of Year Lapsed

|   | <u>Beginning of Year</u> | <u>Change</u> | <u>Current</u> |
|---|--------------------------|---------------|----------------|
| Special Revenue Funds:                  |                          |               |                |
| Economic Development Fund               | 1,238,523                | 50,281        | 1,288,804      |
| E-911 Fund                              | 70,543                   | (44,691)      | 25,852         |
| Special Library Fund                    | 283,797                  | (6,183)       | 277,614        |
| Special Museum Fund                     | 108,826                  | (8,642)       | 100,184        |
| Municipal Airport Fund                  | 309,309                  | (20,501)      | 288,808        |
| Harshfield Library Donation Fund        | 761,021                  | (30,249)      | 730,772        |
| Restricted Revenue Fund                 | 242,340                  | 7,311         | 249,651        |
| Golf Course Memorial Fund               | 18,898                   | (13,551)      | 5,347          |
| Justice Assistance Grant Fund           | 40,254                   | (36,890)      | 3,364          |
| Neighborhood Park Fund                  | 8,265                    | -             | 8,265          |
| Cemetery Care Fund                      | 3,400                    | 2,233         | 5,633          |
| Memorial Stadium Operating Fund         | 2,112                    | (1,957)       | 155            |
| Debt Service Fund                       | 3,811,804                | (220,873)     | 3,590,931      |
| Capital Project Funds:                  |                          |               |                |
| Sales Tax Capital Improvement Fund      | 2,834,230                | 1,367,733     | 4,201,963      |
| Park Capital Improvement Fund           | -                        | -             | -              |
| Wastewater Capital Improvement Fund     | 223,714                  | (74,710)      | 149,004        |
| Wastewater Regulatory Capital Fund      | 1,522,161                | (619,788)     | 902,373        |
| City Hall Capital Improvement Fund      | 28,480                   | 7,052         | 35,532         |
| Storm Drainage Capital Improvement Fund | 134,907                  | (23,672)      | 111,235        |
| Community Development Block Grant Fund  | 28,883                   | (84,123)      | (55,240)       |
| 2008B G.O. Bond Fund                    | 88                       | -             | 88             |
| 2009 G.O. Bond Fund                     | 6,809                    | -             | 6,809          |
| 2010 G.O. Bond Fund                     | 410                      | -             | 410            |
| 2012 G.O. Bond Fund                     | 128,562                  | (2,407)       | 126,155        |
| 2014 G.O. Bond Fund                     | 610,207                  | (135,101)     | 475,106        |
| 2014B G.O. Bond Fund                    | 121,246                  | (78,931)      | 42,315         |
| 2015 G.O. Bond Fund                     | 1,873,028                | (1,607,735)   | 265,293        |
| 2017 G.O. Bond Fund                     | 2,480,902                | (1,397,492)   | 1,083,410      |
| 2018A G.O. Bond Fund                    | 9,594,319                | (923,996)     | 8,670,323      |
| 2018B G.O. Bond Fund                    | 479,089                  | (7,650)       | 471,439        |
| 2018C G.O. Bond Fund                    | -                        | 2,500,000     | 2,500,000      |
| Proprietary Funds:                      |                          |               |                |
| Adams Golf Course Operating Fund        | 71,973                   | (24,045)      | 47,928         |
| Sooner Pool Operating Fund              | 36,045                   | (16,753)      | 19,292         |
| Frontier Pool Operating Fund            | 49,154                   | (15,055)      | 34,099         |
| Internal Service Funds:                 |                          |               |                |
| Worker's Compensation Fund              | 164,286                  | (5,168)       | 159,118        |
| Health Insurance Fund                   | 693,197                  | (111,083)     | 582,114        |
| Auto Collision Insurance Fund           | 186,874                  | 75,297        | 262,171        |
| Stabilization Reserve Fund              | 5,998,580                | 684,430       | 6,683,010      |
| Capital Improvement Reserve Fund        | 8,004,195                | 2,529,888     | 10,534,083     |
| Mausoleum Trust Fund                    | 8,018                    | -             | 8,018          |



**FROM:** Jason Muninger, CFO/City Clerk

**SUBJECT:** Financial Statement Explanatory Information

---

## **GENERAL INFORMATION**

The purpose of this memo is to provide some insight as to the construction of the attached financial statements and to provide some guidance as to their use.

The format of the attached financial statements is intended to highlight our most important revenue sources, provide sufficient detail on major operating funds, and provide a high level overview of all other funds. The level of detail presented is sufficient to assist the City Council in conducting their fiduciary obligations to the City without creating a voluminous document that made the execution of that duty more difficult.

This document provides three different types of analyses for the Council's use. The first is an analysis of revenue vs budgeted expectations. This allows the Council to see how the City's revenues are performing and to have a better idea if operational adjustments are necessary.

The second analysis compares expenditures to budget. This allows the Council to ensure that the budgetary plan that was set out for the City is being followed and that Staff is making the necessary modifications along the way.

The final analysis shows the fund balance for each fund of the City. This is essentially the "cash" balance for most funds. However, some funds include short term receivables and payables depending on the nature of their operation. With very few exceptions, all funds must maintain positive fund balance by law. Any exceptions will be noted where they occur.

These analyses are presented in the final manner:

### Highlights:

The Highlights section presents a 5 year snap shot of the performance of the City's 4 most important revenue sources. Each bar represents the actual amounts earned in each year through the period of the report. Each dash represents the percent of the year's revenue that had been earned through that period. The current fiscal year will always represent the percent of the budget that has been earned, while all previous fiscal years will always represent the percent of the actual amount earned. This analysis highlights and compares not only amounts earned, but gives a better picture of how much should have been earned in order to meet budget for the year.

Major Operating Funds:

The City's major operating funds are presented in greater detail than the remainder of the City's funds. These funds include the General, Wastewater Operating, BMA – Wastewater, Water Operating, BMA – Water, and Sanitation. Due to the interrelated nature of the Wastewater Operating/BMA – Wastewater and the Water Operating/BMA – Water funds, these have been combined into Wastewater Combined and Water Combined funds. This should provide a better picture of the overall financial condition of these operating segments by combining revenues, operating expenses, and financing activities in a single report.

Other Funds:

All other funds of the City are reported at a high level. These funds are often created for a limited purpose, limited duration, and frequently contain only a one-time revenue source. This high level overview will provide Council with sufficient information for a summary review. Any additional information that is required after that review is available.

These condensed financial statement should provide sufficient information for the City Council to perform its fiduciary responsibility while simplifying the process. All supplementary, detailed information is available for the Council's use at any time upon request. Additionally, any other funds that the Council chooses to classify as a Major Operating fund can be added to that section to provide greater detail in the future.

(Published in Bartlesville, OK Examiner-Enterprise 7/28/2019, 7/31/2019, & 8/4/2019)

**INVITATION FOR BIDS**

**City of Bartlesville  
Price Fields Renovation Project - Phase III  
Bid No. 2019-2020-010**

Notice is hereby given that the City of Bartlesville will receive sealed bids at the office of the City Clerk until **2:00 p.m.** on the 21st day of August, 2019 at such time bids will be opened and publicly read.

The project consists of furnishing all materials, labor, and expenses necessary to construct the project as called for in the plans and specifications on file in the Engineering Department, 3<sup>rd</sup> Floor, City Hall, 401 S. Johnstone, Bartlesville, Oklahoma 74003, (918) 338-4251. Plans, specifications, and contract documents may be examined in this office and are available at a nonrefundable charge of **\$25.00** or they can be requested and received via email at no charge (kdtoulou@cityofbartlesville.org).

No documents will be mailed until payment is received in full.

**A mandatory pre-bid conference will be held on August 12, 2019 at 2:00 p.m. in the City Hall, 3<sup>rd</sup> Floor Conference Room, 401 S. Johnstone, Bartlesville, Oklahoma.**

The major work on the project shall consist of the following:

- Demolition of Existing Sports Fields
- Parking Lot Modifications and Additions
- Sports Field Construction with Grading, Irrigation, Sodding and Sports Lighting
- Site Utilities Including Electrical, Storm Sewer, Sanitary Sewer, and Water
- Building Construction with Block Construction and Metal Build

Proposals shall be submitted in sealed envelopes and marked, "City Clerk, City Hall, 401 S. Johnstone, Bartlesville, Oklahoma 74003, **Price Fields Renovation Project - Phase III, Bid No. 2019-2020-010**". Proposals shall be accompanied by a five percent (5%) bid guarantee.

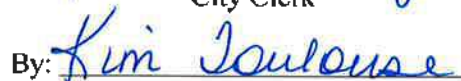
Each Bidder must deposit with his Bid, security in the amount, form, and subject to the conditions provided in the Information for Bidders. All Bids must be made on the required Bid form and Bidder shall be a record plan holder with the City.

The Owner reserves the right to waive any informality or to reject any or all Bids and select the lowest and best bid.

Bids received more than ninety-six (96) hours (excluding Saturdays, Sundays and Holidays) before the time set for receiving bids, as well as bids received after the time set for receipt of bids, will not be considered and will be returned unopened. No Bidder may withdraw his Bid within 30 days after the actual date of the opening thereof.

**DATED this 24<sup>th</sup> day of July, 2019.**

  
City Clerk

By:   
Deputy Clerk

INV-1

(Published in Bartlesville, OK Examiner-Enterprise 7/28/2019, 7/31/2019, & 8/4/2019)

**INVITATION FOR BIDS**

**City of Bartlesville  
Sooner Park Pavilion  
Bid No. 2019-2020-012**

Notice is hereby given that the City of Bartlesville will receive sealed bids at the office of the City Clerk until **2:00 p.m.** on the 21st day of August, 2019 at such time bids will be opened and publicly read.

The project consists of furnishing all materials, labor, and expenses necessary to construct the project as called for in the plans and specifications on file in the Engineering Department, 3<sup>rd</sup> Floor, City Hall, 401 S. Johnstone, Bartlesville, Oklahoma 74003, (918) 338-4251. Plans, specifications, and contract documents may be examined and are available in this office at a nonrefundable charge of \$25.00 or they can be requested and received via email at no charge (kdtoulou@cityofbartlesville.org).

No documents will be mailed until payment is received in full.

**A mandatory pre-bid conference will be held on August 8th, 2019 at 2:00 p.m. in the City Hall, 3<sup>rd</sup> Floor Conference Room, 401 S. Johnstone, Bartlesville, Oklahoma.**

The major work on the project shall consist of the following:

|            |           |   |
|------------|-----------|---|
| <b>1</b>   | <b>LS</b> | <b>40' Hexagon Pavilion Structure w/ Power &amp; Lights</b> |
| <b>360</b> | <b>SY</b> | <b>Sod</b>  |
| <b>440</b> | <b>SF</b> | <b>Sidewalks &amp; Ramp</b>                                 |
| <b>225</b> | <b>LF</b> | <b>Narrow Trickle Channel</b>                               |


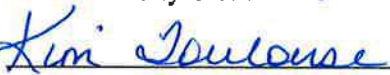
Proposals shall be submitted in sealed envelopes and marked, "City Clerk, City Hall, 401 S. Johnstone, Bartlesville, Oklahoma 74003, Sooner Park Pavilion, Bid No. 2019-2020-012". Proposals shall be accompanied by a five percent (5%) bid guarantee.

Each Bidder must deposit with his Bid, security in the amount, form, and subject to the conditions provided in the Information for Bidders. All Bids must be made on the required Bid Form and Bidder shall be a record plan holder with the City.

The Owner reserves the right to waive any informality or to reject any or all Bids and select the lowest and best bid.

Bids received more than ninety-six (96) hours (excluding Saturdays, Sundays and Holidays) before the time set for receiving bids as well as bids received after the time set for receipt of bids will not be considered, and will be returned unopened. No Bidder may withdraw his Bid within 30 days after the actual date of the opening thereof.

**DATED this 24<sup>th</sup> day of July, 2019.**

  
City Clerk  
By:   
Deputy Clerk

INV-1



## BID REVIEW RECOMMENDATION

### I. SUBJECT, ATTACHMENTS, AND BACKGROUND

**A. SUBJECT:**

Discuss and take action to award Bid No. 2019-2020-012, Sooner Park Pavilion Project for the Engineering Department. Total budgeted amount for this project is \$95,000.00 (see Section II, C. Budget Amount, for additional budget information).

**B. ATTACHMENTS:**

Project Drawing Set

### II. PROJECT DESCRIPTION, STAFF COMMENTS AND ANALYSIS, AND BUDGET AMOUNT.

**A. PROJECT DESCRIPTION:**

This project consists of furnishing all materials, labor, & expenses necessary to construct a new 40' Hexagon shaped pavilion structure at Sooner Park.

**B. COMMENTS:**

In addition to advertising in the local newspaper, Bid News Construction Reports, Dodge Reports, & Southwest Construction News, Nine (9) bid invitations were mailed to regional contractors. Six (6) contractors attended the mandatory pre-bid meeting and four (4) of them submitted a bid:

- Jeff Graham Construction (Coffeyville, KS)..... \$107,855.00
- Stout Construction (Claremore, OK)..... \$118,306.00
- Magnum Construction (Broken Arrow, OK)..... \$128,500.00
- Stronghand, LLC ..... \$125,977.33

The bids were evaluated for addendums, bid bonds, line item prices, and arithmetic. All bids have all necessary components. One addition error was found on one bid tab but it did not change the overall outcome of the bids.

Jeff Graham Construction (low bidder), a Coffeyville, Kansas based, family-owned and operated, general contracting company, has the experience, qualifications, and bonding capacity needed to complete this project and has demonstrated the necessary technical and project-related expertise to be approved as the contractor for this project.

**C. BUDGET AMOUNT:**

| Project          | Project # | Source of Funding                  | Amount of Fund     |
|------------------|-----------|------------------------------------|--------------------|
| Playground Sale  |           |                                    | \$13,300.00        |
| Pavilions        | 18014     | 2017 GO Bond: Fund 481 / Dept 431  | \$60,000.00        |
| Daniels Fld Ltng | 19023     | 2018A GO Bond: Fund 482 / Dept 431 | \$21,700.00        |
|                  |           | <b>TOTAL</b>                       | <b>\$95,000.00</b> |

\$95,000 was originally budgeted for this project utilizing funds from the sale of playground equipment at Sooner Park and Johnstone Park, funds remaining after completion of the Civitan Park Shelter, and a portion of the savings from the Daniels Fields Lighting project. The low bid of \$107,855 from Jeff Graham is \$12,855.00 over the original budget. Additional savings from the Daniels Fields Lighting project are available and will be utilized to cover the deficit.

**III. RECOMMENDED ACTION**

Councilman Dorsey reviewed this bid with staff and recommends that the City Council award Bid No. 2019-2020-012 to Jeff Graham Construction in the amount of \$107,855.00 at their next business meeting.

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Council Member or Staff Member

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Date





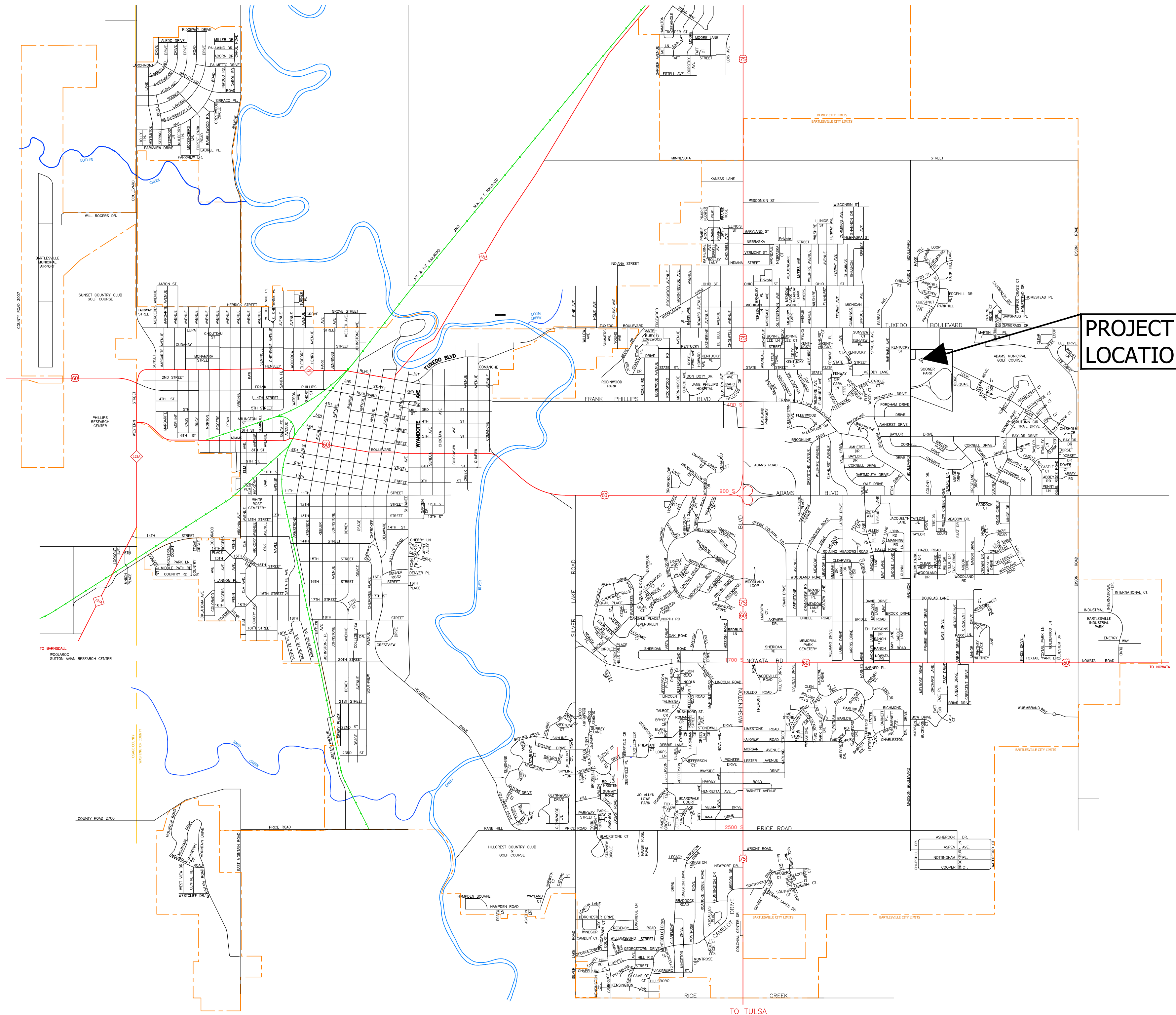
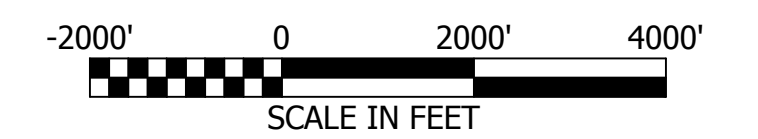
# CONSTRUCTION DRAWINGS FOR CITY OF BARTLESVILLE SOONER PARK PAVILION

PROJECT NO. 18014 481/431

BID NO. 2019-2020-012



ENGINEER  
CITY OF BARTLESVILLE  
ENGINEERING DEPT  
401 S JOHNSTONE AVE  
BARTLESVILLE, OK 74003  
PHONE: (918) 338-4251



**PROJECT  
LOCATION**

| CODE DATA  |  |
|--|--|
| PROJECT NAME: SOONER PARK PAVILION   | OCCUPANCY TYPE: MAIN OCCUPANCY-ASSEMBLY GROUP A-5  |
| PROJECT ADDRESS: SOONER PARK, BARTLESVILLE, OK   | NO. OF STORIES: 1  |
| ZONING: C-6  | GROSS FLOOR AREA: 1039 S.F.<br>OPEN-SIDED STRUCTURE ON 1293 SF SLAB                                    |
| SETBACKS: N/A  | TYPE OF CONSTRUCTION: TYPE 2-B   |
| CODES:<br>INTERNATIONAL BUILDING CODE 2015<br>INTERNATIONAL FIRE CODE 2015<br>NATIONAL ELECTRIC CODE 2014<br>INTERNATIONAL PLUMBING CODE 2015<br>INTERNATIONAL MECHANICAL CODE 2015<br>CITY CURRENT ADOPTED REGULATIONS & ORDINANCES | FIRE PROTECTION: N/A<br>FIRE EXTINGUISHERS: N/A<br>DESIGN LOADS: PER IBC 2015 & CITY OF BARTLESVILLE   |
| HANDICAP REGULATIONS:<br>INTERNATIONAL BUILDING CODE CH.11<br>ICC/ ANSI A117.1-2009  | FLOOR: CONCRETE SLAB-ON-GRADE<br>COLUMN BASES: STONE SKIRTED BASES, 24" HIGH (+-) w/CAST CONCRETE CAPS |
| PARKING SPACES (TOTAL): N/A  | ROOF: R-PANEL OR STANDING SEAM METAL ROOF  |

| Sheet No | Sheet Title                          |
|----------|--------------------------------------|
| C-1      | COVER SHEET & LOCATOR MAP            |
| C-2      | NOTES & PAY QUANTITIES               |
| C-3      | EXISTING LAYOUT & ENLARGED SITE PLAN |
| C-4      | LAYOUT COORDINATES & GRADING PLAN    |
| C-5      | MISC DETAILS                         |
| C-6      | FOUNDATION DETAILS                   |
| C-7      | PAVILION DETAILS                     |
| C-8      | ELECTRICAL DETAILS                   |



**BID SET**



**COVER SHEET**

|                         |            |
|-------------------------|------------|
| DATE:<br>07/26/19       | SHEET ID   |
| PROJECT NO.:<br>2019050 | <b>C-1</b> |



**GENERAL CONSTRUCTION NOTES**

- ALL WORK SHALL BE PERFORMED IN A PROFESSIONAL AND WORKMANLIKE MANNER IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS AND ALL APPLICABLE CURRENT CITY, STATE, & FEDERAL CODES.
- THE CONTRACTOR SHALL UTILIZE THE CALL OKIE SYSTEM (1-800-522-6543) AT LEAST 48 HOURS IN ADVANCE OF BEGINNING ANY EXCAVATION.
- CONTRACTOR SHALL MAKE ALL NECESSARY PROVISIONS DURING CONSTRUCTION FOR THE SUPPORT AND PROTECTION OF ANY UTILITY POLES, GAS MAINS, TELEPHONE CABLES, SANITARY SEWER LINES, ELECTRICAL CABLES, DRAINAGE PIPES, UTILITY SERVICE LINES, AND ANY OTHER STRUCTURES BOTH ABOVE AND BELOW GROUND. CONTRACTOR IS LIABLE FOR ALL DAMAGES DONE TO SUCH EXISTING FACILITIES AS A RESULT OF CONTRACTORS OPERATIONS.
- CONTRACTOR SHALL OBTAIN PRIOR APPROVAL FROM CITY FOR ANY AREAS TO BE USED FOR STAGING, MOBILIZATION, EQUIPMENT AND MATERIAL STORAGE, AND GENERAL PROJECT CONSTRUCTION MANAGEMENT. REQUEST SHALL BE SUBMITTED TO CITY ENGINEER WITHIN 5 DAYS OF NOTICE TO PROCEED.
- CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING GENERAL SAFETY AT, AND ADJACENT TO, THE PROJECT AREA, INCLUDING THE PERSONAL SAFETY OF THE CONSTRUCTION CREW AND THE GENERAL PUBLIC AND THE SAFETY OF PUBLIC AND PRIVATE PROPERTY.
- CONTRACTOR SHALL BE RESPONSIBLE FOR KEEPING STREETS AND SIDEWALKS ADJACENT TO PROJECT FREE OF MUD AND DEBRIS CAUSED BY CONSTRUCTION ACTIVITIES.
- NO EQUIPMENT OR MATERIAL SHALL BE DEPOSITED ON PRIVATE PROPERTY WITHOUT WRITTEN PERMISSION. THE CONTRACTOR IS RESPONSIBLE FOR ALL DAMAGES RESULTING FROM SUCH ACTS AND SHALL REMOVE THE MATERIAL AND RESTORE THE PROPERTY AT THE EXPENSE OF THE CONTRACTOR.
- THE LOCATIONS OF ALL DRIVEWAYS, SIDEWALKS, STRUCTURES, UTILITIES, AND OTHER ITEMS SHOWN ON PLANS ARE APPROXIMATE. ACCURATE LOCATIONS SHALL BE VERIFIED AT THE TIME OF CONSTRUCTION AFTER CONSULTATION WITH OWNER AND UTILITY COMPANIES.
- THE CONTRACTOR PERSONNEL SHALL WEAR IDENTIFYING CLOTHING OR HATS AT ALL TIMES.
- CONSTRUCTION ACTIVITIES SHALL BE LIMITED TO THE HOURS OF 7:00 A.M. AND 7:00 P.M. UNLESS APPROVED OR DIRECTED BY THE CITY ENGINEER.
- CONSTRUCTION DEBRIS SUCH AS BROKEN CONCRETE, EXCESS FILL, ETC., SHALL BECOME THE PROPERTY OF THE CONTRACTOR. MATERIALS SHALL BE COMPLETELY REMOVED FROM THE SITE PRIOR TO ACCEPTANCE OF THE PROJECT. ALL MATERIALS SHALL BE DISPOSED OF IN A MANNER THAT IS IN COMPLIANCE WITH ALL LOCAL, STATE, & FEDERAL REGULATIONS.
- OPERATION OF ANY WATER VALVES THAT MAY BE REQUIRED FOR THE PROJECT SHALL BE PERFORMED BY THE CITY OF BARTLESVILLE WATER UTILITIES DEPARTMENT. WORK TO BE DISCUSSED WITH WATER UTILITIES DIRECTOR, TERRY LAURITSEN, 72 HOURS IN ADVANCE OF THE NEED TO COMMENCE SUCH WORK.
- CONTRACTOR SHALL BE RESPONSIBLE FOR PROPER BARRICADES, LIGHTING, AND SIGNAGE WITHIN AND AROUND THE CONSTRUCTION AREA. ALL CONSTRUCTION SIGNAGE SHALL BE IN ACCORDANCE WITH OSHA SAFETY REGULATIONS AND STANDARD CONSTRUCTION SAFETY PRACTICES.
- CONTRACTOR SHALL FULL-DEPTH SAWCUT EXISTING PAVEMENT AT AREAS TO BE REMOVED. COSTS OF SAWCUTS ARE SUBSIDIARY TO OTHER ITEMS OF WORK.
- CONTRACTOR SHALL PRESERVE AND PROTECT OR REMOVE AND REPLACE (WITH PRIOR APPROVAL OF LANDOWNER), ALL TREES, SHRUBS, HEDGES, RETAINING WALLS, LANDSCAPING, STRUCTURES, SIDEWALKS, ETC, IN OR NEAR THE PROPOSED CONSTRUCTION AREA. THIS WORK SHALL BE CONSIDERED INCIDENTAL AND NOT A SEPARATE PAY ITEM.
- CONTRACTOR SHALL CLEAN AND RESTORE THE AREA OF OPERATIONS AND CONSTRUCTION TO A CONDITION AS GOOD OR BETTER THAN EXISTED PRIOR TO CONSTRUCTION.
- CONTRACTOR SHALL MAINTAIN POSITIVE DRAINAGE AND SHALL NOT ALLOW OBSTRUCTION TO REMAIN THAT CAUSES WATER DAMAGE TO SITE OR ADJACENT PROPERTIES.
- CONSTRUCTION STAKING CAN BE PROVIDED BY OWNER IF NECESSARY TO ESTABLISH GRADES AND LAYOUT.
- CONTRACTOR SHALL PROVIDE ALL MATERIALS, EQUIPMENT, AND LABOR NECESSARY TO CONSTRUCT THE STRUCTURE, SLAB, ELECTRICAL, AND SITE WORK FOR A FINISHED PRODUCT.

**SELECT BACKFILL NOTES**

- SELECT BACKFILL SHALL BE BACKFILLED AND COMPACTED TO 95% STANDARD PROCTOR DENSITY.
- SELECT BACKFILL MAY INCLUDE EITHER SELECT BORROW MATERIAL THAT MEETS THE REQUIREMENTS OF ODOT SPECIFICATION SUBSECTION 705.01 AND/OR SELECTIVELY EXCAVATED MATERIAL.
- SELECT BACKFILL SHALL BE REPRESENTATIVE OF SOILS IN THE VICINITY AND BE REASONABLY FREE OF CLAY LUMPS, OBJECTIONABLE WEEDS, RUBBLE, LITTER, BRUSH, GRADING, OR MAINTENANCE OPERATIONS. SELECT BACKFILL SHALL NOT CONTAIN MORE THAN 5% BY VOLUME OF STONES, STUMPS, OR OTHER OBJECTS LARGER THAN ONE INCH (1") IN ANY DIMENSION. SELECT BACKFILL SHALL NOT BE PLACED WHEN THE SUBGRADE IS FROZEN, EXCESSIVELY WET, EXTREMELY DRY, OR IN A CONDITION OTHERWISE DETRIMENTAL TO PROPER GRADING.

**PAY ITEMS TABLE**

| PAY ITEM | ESTIMATED QUANTITY | UNIT | DESCRIPTION OF PAY ITEM               | PAY ITEM NOTES |
|----------|--------------------|------|---------------------------------------|----------------|
| 1        | 1                  | LS   | Shelter                               | 1              |
| 2        | 1                  | LS   | Shelter Installation                  | 2,6,8,9,12     |
| 3        | 1                  | LS   | Ramp                                  | 2,5,6,8,9,12   |
| 4        | 1                  | LS   | Electrical & Lighting                 | 2,6,12         |
| 5        | 6                  | EA   | 24" Stone Column Wrap w/ Concrete Cap | 6,12           |
| 6        | 440                | SF   | 4" Sidewalk                           | 2,5,6,8,9,12   |
| 7        | 225                | LF   | 18" Wide Trickle Channel              | 2,5,6,8,9,12   |
| 8        | 360                | SY   | Sod                                   | 3,4,6,10,11    |
| 9        | 1                  | EA   | Engineer's Allowance                  | 7              |

**PAY ITEM NOTES**

- PRE-ENGINEERED AND PRE-FABRICATED 40' SINGLE TIER HEXAGON METAL PAVILION STRUCTURE PACKAGE PER DRAWINGS & SPECIFICATIONS.
- MOBILIZATION, CLEARING, EARTHWORK, EXCAVATION, SALVAGED TOPSOIL AND SITE RESTORATION SHALL BE SUBSIDIARY TO OTHER ITEMS OF WORK AND NO SEPARATE PAYMENT WILL BE MADE.
- ALL BARE UNPAVED TOPSOIL AREAS SHALL BE FINE GRADED AND RAKED, REMOVING RIDGES AND DEPRESSIONS, FILLED AS REQUIRED TO MEET FINISHED GRADES AND CREATE POSITIVE DRAINAGE PER GRADING PLAN.
- DISTURBED AREAS SHALL BE SODDED WITH BERMUDA GRASS. SODDING INCLUDES COST OF 10-20-10 FERTILIZER ESTIMATED AT 200 LBS PER 1000 SY OF SODDING AND COST OF WATERING ESTIMATED AT 80 GALLONS PER SQUARE YARD. CONTRACTOR SHALL PROVIDE SUFFICIENT WATER FOR ADEQUATE GRASS GROWTH AS APPROVED BY THE ENGINEER.
- SAWCUTTING AND REMOVAL OF PAVEMENT NECESSARY FOR NEW WORK SHALL BE SUBSIDIARY TO OTHER ITEMS AND WILL NOT BE PAID AS SEPARATE PAY ITEM.
- PAY ITEM INCLUDES ALL EQUIPMENT, LABOR, AND MATERIALS REQUIRED TO CONSTRUCT AND INSTALL A FINISHED PRODUCT.
- THIS PAY ITEM SHALL COVER ITEMS THAT WERE UNFORSEEN DURING DESIGN AND MAY ONLY BE USED WITH WRITTEN PERMISSION OF THE CITY ENGINEER.
- REMOVED ITEMS BECOME THE PROPERTY OF THE CONTRACTOR UNLESS OTHERWISE NOTED ON THE PLANS. THE CONTRACTOR SHALL REMOVE FROM THE PROJECT AREA ALL SURPLUS MATERIAL. THIS SHALL BE INCIDENTAL AND NOT A SEPARATE PAY ITEM.
- MATERIALS REMOVED MUST BE DISPOSED OF AT A LOCATION APPROVED BY CITY INSPECTOR.
- GENERAL CONTRACTOR SHALL GUARANTEE ALL SOD AND PLANT MATERIALS FOR A PERIOD OF ONE (1) YEAR FROM DATE OF PROJECT'S SUBSTANTIAL COMPLETION.
- THROUGHOUT THE WARRANTY PERIOD CONTRACTOR SHALL PERFORM OPERATIONS SUCH AS ROLLING, REGRADING, RESODDING, AND/OR REPLANTING AS REQUIRED TO ESTABLISH A SMOOTH TURF SURFACE, FREE OF ERODED OR BARE AREAS.
- ALL MATERIALS, METHODS, ETC. TO MEET ALL APPLICABLE CITY, STATE, AND FEDERAL CODES AND REQUIREMENTS.

**UTILITY COMPANY CONTACT INFORMATION**

WATER - CITY OF BARTLESVILLE  
401 S JOHNSTONE AVENUE  
BARTLESVILLE, OKLAHOMA 74003  
CONTACT: TERRY LAURITSEN  
(918) 338-4107

TELEPHONE - SBC COMMUNICATIONS  
119 EAST SIXTH STREET  
BARTLESVILLE, OKLAHOMA 74003  
CONTACT: JAY HALFERTY  
(918) 662-3033

SEWER - CITY OF BARTLESVILLE  
401 S JOHNSTONE AVENUE  
BARTLESVILLE, OKLAHOMA 74003  
CONTACT: TERRY LAURITSEN  
(918) 338-4107

CABLE - CABLE ONE  
4127 S.E. NOWATA ROAD  
BARTLESVILLE, OKLAHOMA 74006  
CONTACT: DENNIS ANDERSON  
(918) 335-0332

ELECTRIC - AEP / PSO  
310 S. COMANCHE AVE.  
BARTLESVILLE, OKLAHOMA 74003  
CONTACT: TIEN CHAO  
(918) 337-1216

GAS - OKLAHOMA NATURAL GAS  
3601 NE INDIANA  
BARTLESVILLE, OKLAHOMA 74006  
CONTACT: JOLEEN CHULEEWAH  
(918) 335-5701



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| DESIGNED BY: SKC |
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| CHECKED BY: WMS  |

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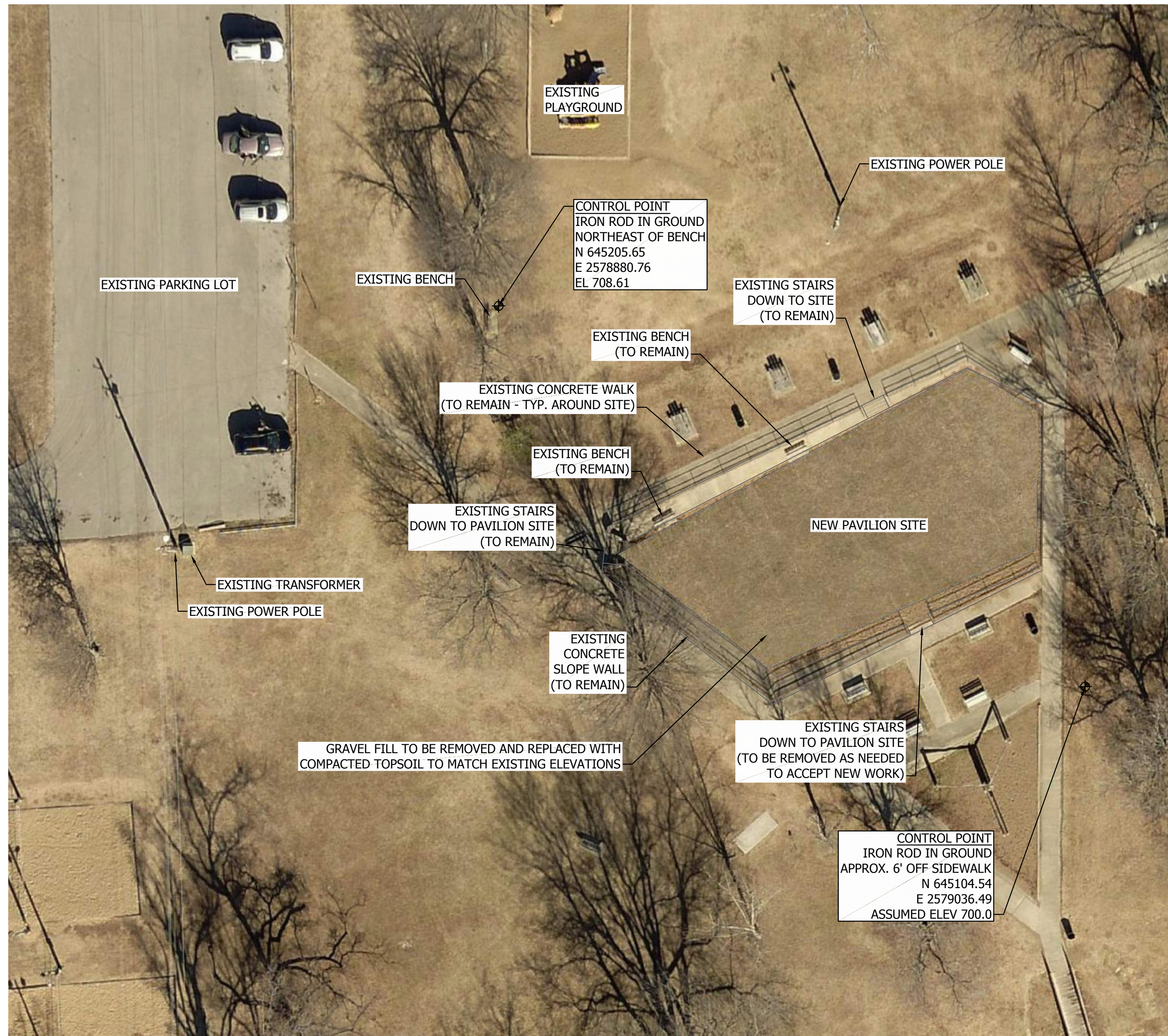
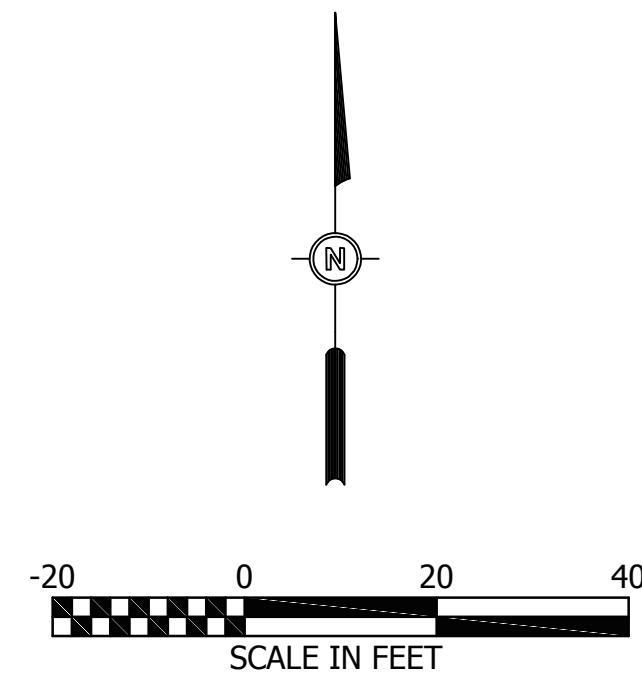
PROJECT:  
**SOONER PARK SHELTER**

**NOTES & PAY ITEM QUANTITIES**

| PROJECT NUMBER | DATE     | SHEET      |
|----------------|----------|------------|
| 2019050        | 07/26/19 | <b>C-2</b> |

Drawing Name: G:\PROJECTS\2019\050\_Sooner Park Shelter\CAD\2019\050\_Sooner Park Shelter.dwg Layout Name: C-2 Notes & Pay Quant Plotted By: SKC\HARLES Plotted on: 7/29/2019 1:06:25 PM

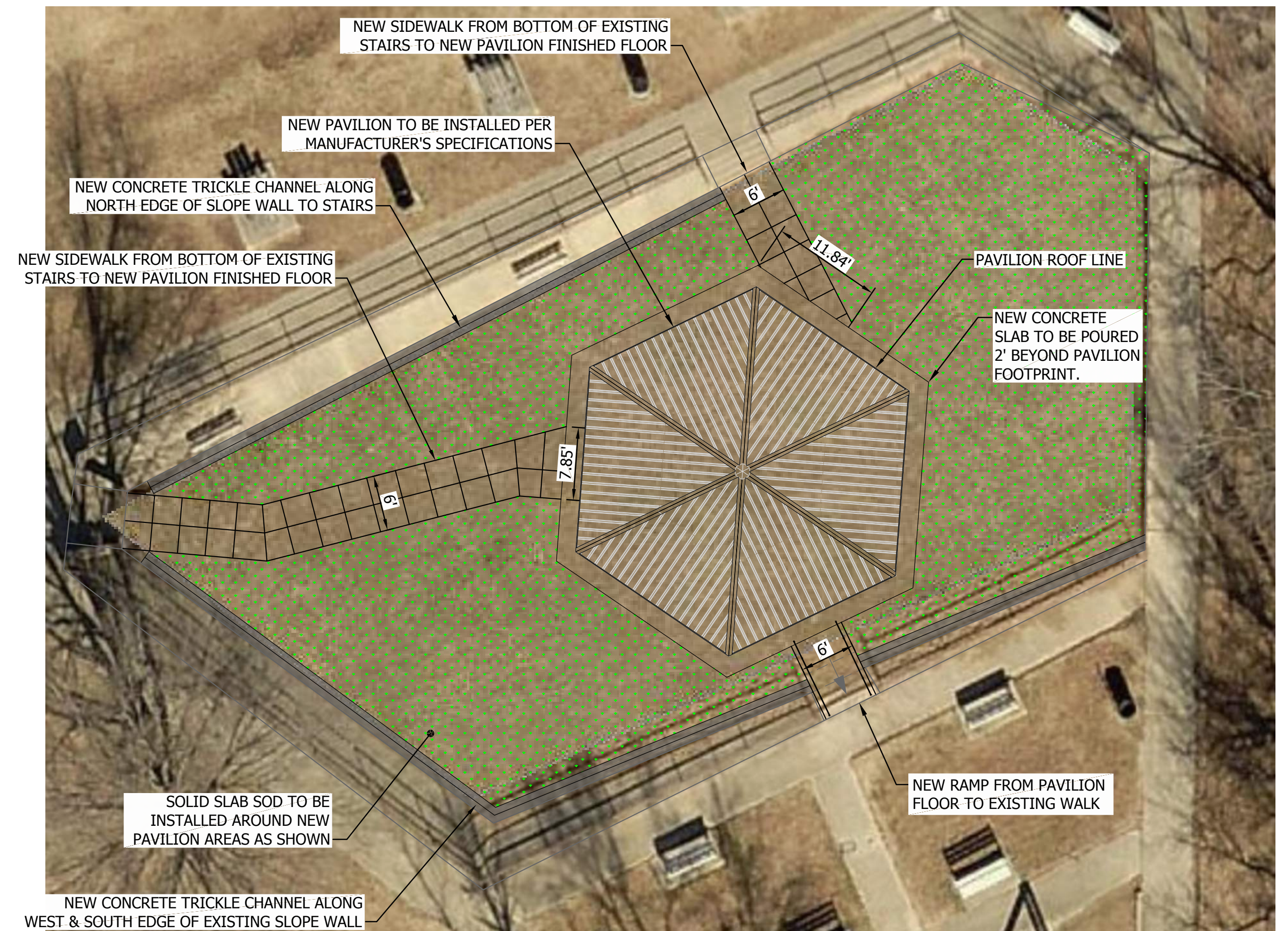
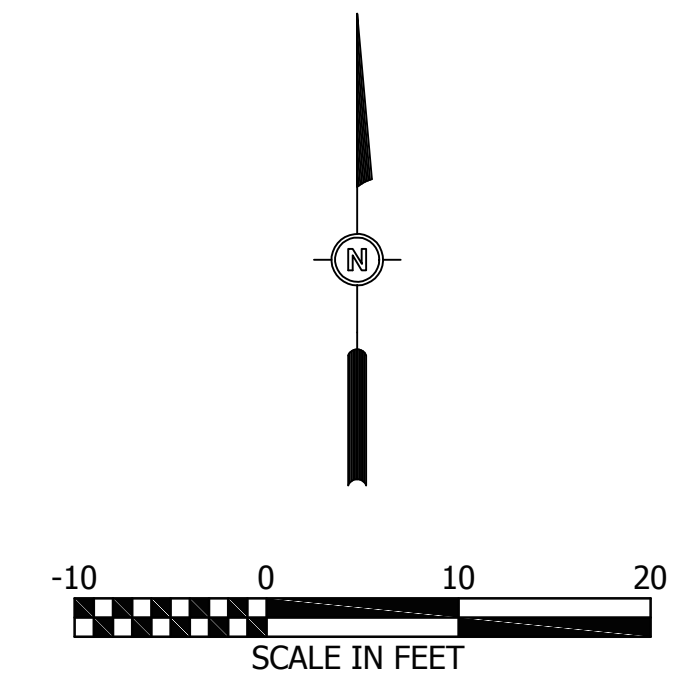




**A** EXISTING OVERALL SITE LAYOUT  
1" = 20'

**SITE PLAN NOTES**

1. LOCATIONS OF UTILITIES ARE TO BE SITE VERIFIED. CONTRACTOR SHALL VERIFY THE EXACT LOCATIONS AND DEPTHS OF ALL UTILITIES PRIOR TO CONSTRUCTION. EXISTING POWER POLES, GUY WIRES, ETC. TO BE RELOCATED/REMOVED BY CITY OF BARTLESVILLE, CONTRACTOR TO VERIFY, COORDINATE AND NOTIFY CITY OF ANY ADDITIONAL SITE REQUIREMENTS PRIOR TO START OF WORK/CONSTRUCTION.
2. CONTRACTOR SHALL CALL OKLAHOMA'S ONE-CALL SYSTEM AND LOCATE ALL UNDERGROUND LINES AND STRUCTURES AS REQUIRED PRIOR TO COMMENCING ANY WORK. CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DAMAGE TO UNDERGROUND LINES OR STRUCTURES.
3. ANY AREAS DISTURBED DURING CONSTRUCTION THAT ARE NOT COVERED WITH PAVEMENT, WALKWAYS, BUILDING, SOD, PLANTING BED OR TREE MULCH: SHALL BE FINISH GRADED AS REQUIRED, TOP SOILED 2" DEEP AND COVERED WITH BLENDED SEED WITH STRAW COVER. CONTRACTOR IS RESPONSIBLE FOR FURNISHING ALL MATERIALS, TOOLS, EQUIPMENT, LABOR, AND REQUIRED INITIAL WATERING FOR ALL PLANTED AREAS. INSTALL ALL SOD ON MINIMUM OF 2" GRADED TOP SOIL. WATER AS REQUIRED FOR ROOT START.
4. ALL EXISTING MATERIAL UNDER PAVILION SLAB/FOOTINGS/FOUNDATIONS TO BE EXCAVATED AND REMOVED (TO A CITY DESIGNATED LOCATION). REMOVE MATERIAL TO A GENERAL DEPTH OF 1' BELOW EXISTING GRADE AND 4' DEPTH AT ALL COLUMN FOUNDATION LOCATIONS. REMOVE EXISTING MATERIAL TO 3' BEYOND THE SLAB/FOUNDATION PERIMETERS. IF ANY UNUSUAL OR QUESTIONABLE SITE SUBSURFACE CONDITIONS ARE ENCOUNTERED DURING EXCAVATION, BACKFILLING, OR CONSTRUCTION, NOTIFY THE OWNER FOR REVIEW AND EVALUATION.
5. ALL FILL AREAS TO BE FILLED, COMPACTED AND PREPARED IN 8" LIFTS WITH ADDED MOISTURE AS REQUIRED, TO A MINIMUM COMPACTION OF 95% STANDARD PROCTOR DENSITY. ALL FILL MATERIAL TO BE TESTED AND APPROVED (BY THE CITY OR THEIR REPRESENTATIVE) AND PLACED UNDER THE SUPERVISION OF AN APPROVED GEO-TECH ENGINEER.



**B** ENLARGED SITE PLAN  
1" = 10'

Drawing Name: G:\PROJECTS\2019050\_Sooner Park Shelter\CAD\2019050\_Sooner Park Shelter.dwg Layout Name: C-3 Demo.n Stepan Plotted By: SKCHARLES Plotted on: 7/29/2019 1:06:32 PM

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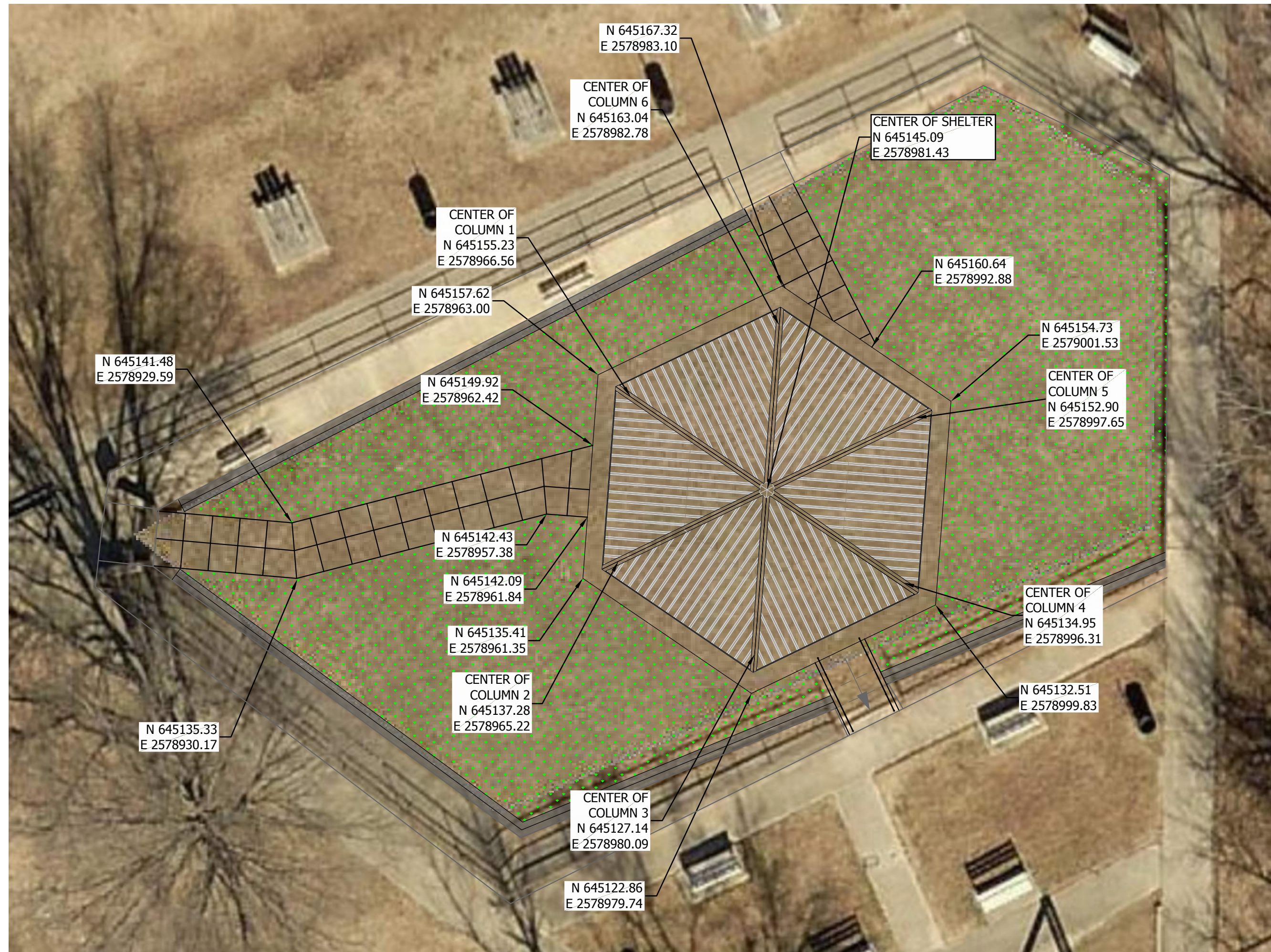
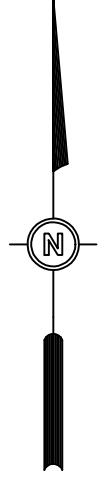
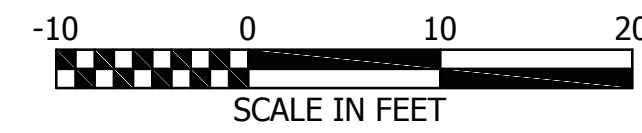
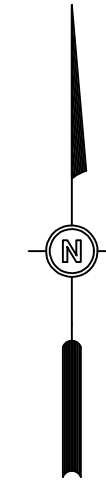
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PROJECT:  
**SOONER PARK SHELTER**

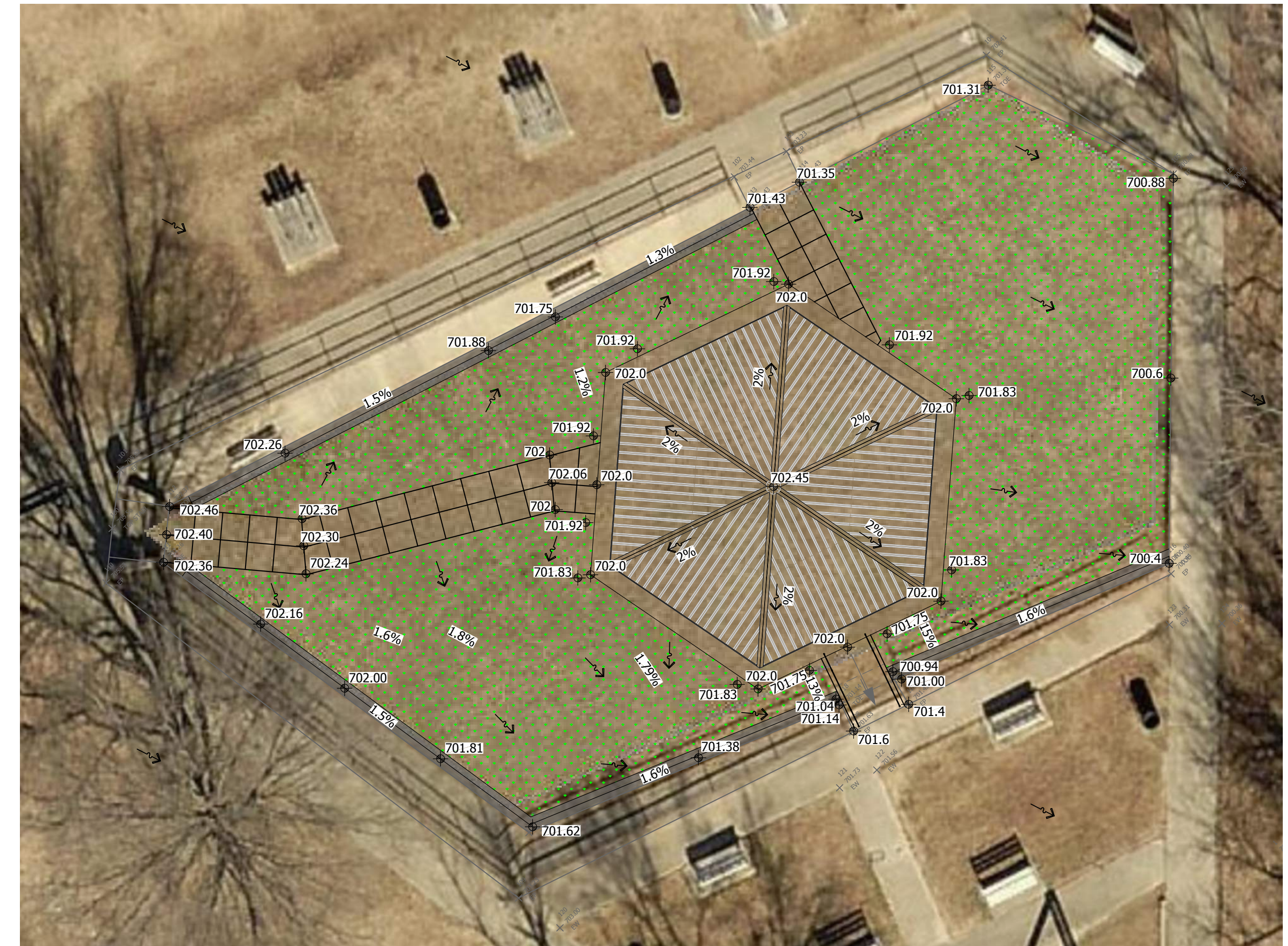
**DEMOLITION & SITE PLAN**

| PROJECT NUMBER | DATE     | SHEET      |
|----------------|----------|------------|
| 2019050        | 07/26/19 | <b>C-3</b> |





**A** LAYOUT COORDINATES  
1" = 10'



**B** GRADING PLAN  
1" = 10'

CONTROL POINTS: SEE EXISTING OVERALL SITE LAYOUT FOR CONTROL POINTS

BASIS OF BEARINGS:  
HORIZONTAL: OKLAHOMA STATE PLANE GRID, NAD 1983, NORTH ZONE.  
VERTICAL: ASSUMED ELEVATION

Drawing Name: G:\PROJECTS\2019\050\_Sooner Park Shelter\CAD\2019\050\_Sooner Park Shelter.dwg Layout Name: C-4 Coords n Grading Plotted By: SKCHARLES Plotted on: 7/29/2019 1:06:40 PM



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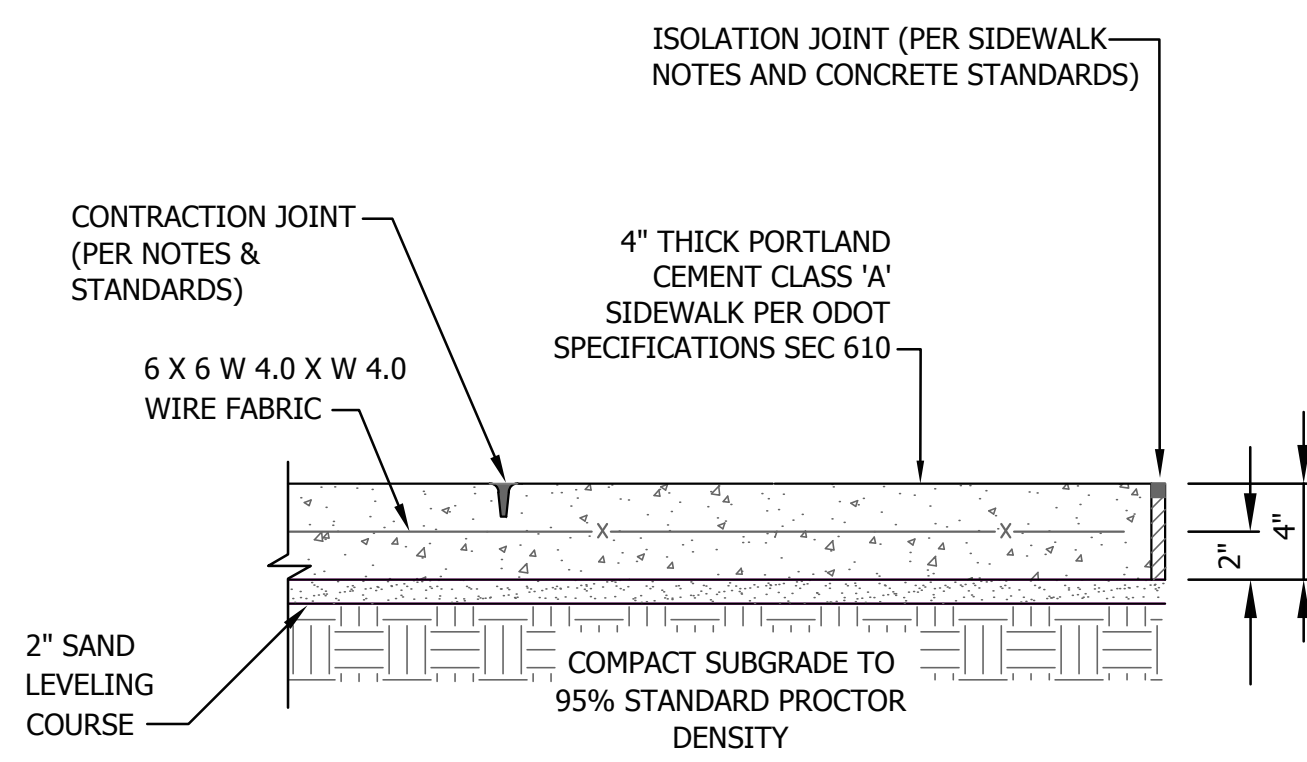
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PROJECT:  
**SOONER PARK SHELTER**

**COORDINATE LAYOUT & GRADING PLAN**

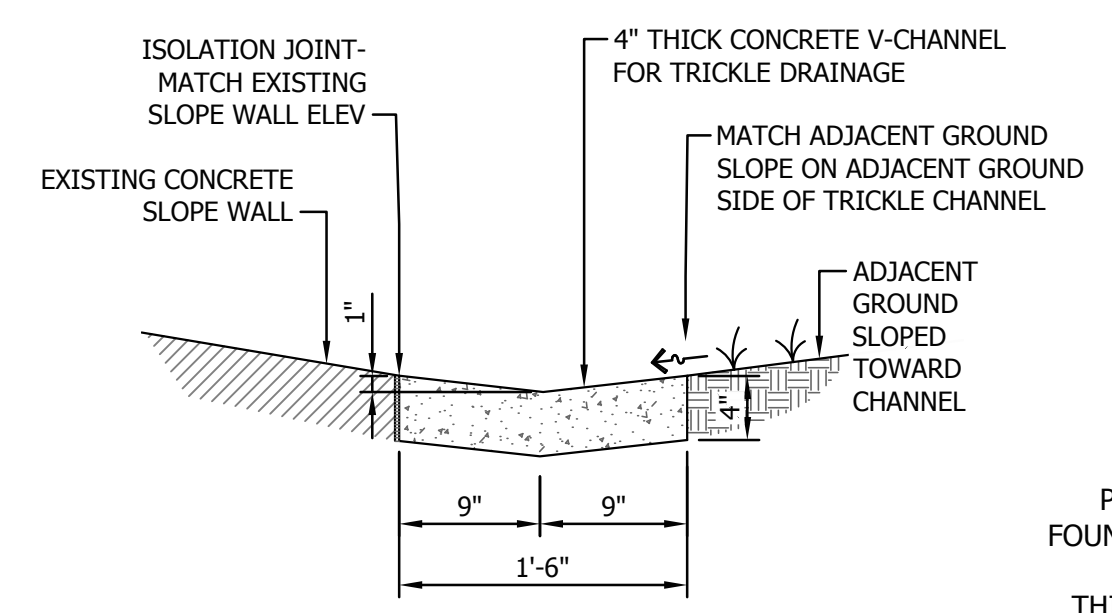
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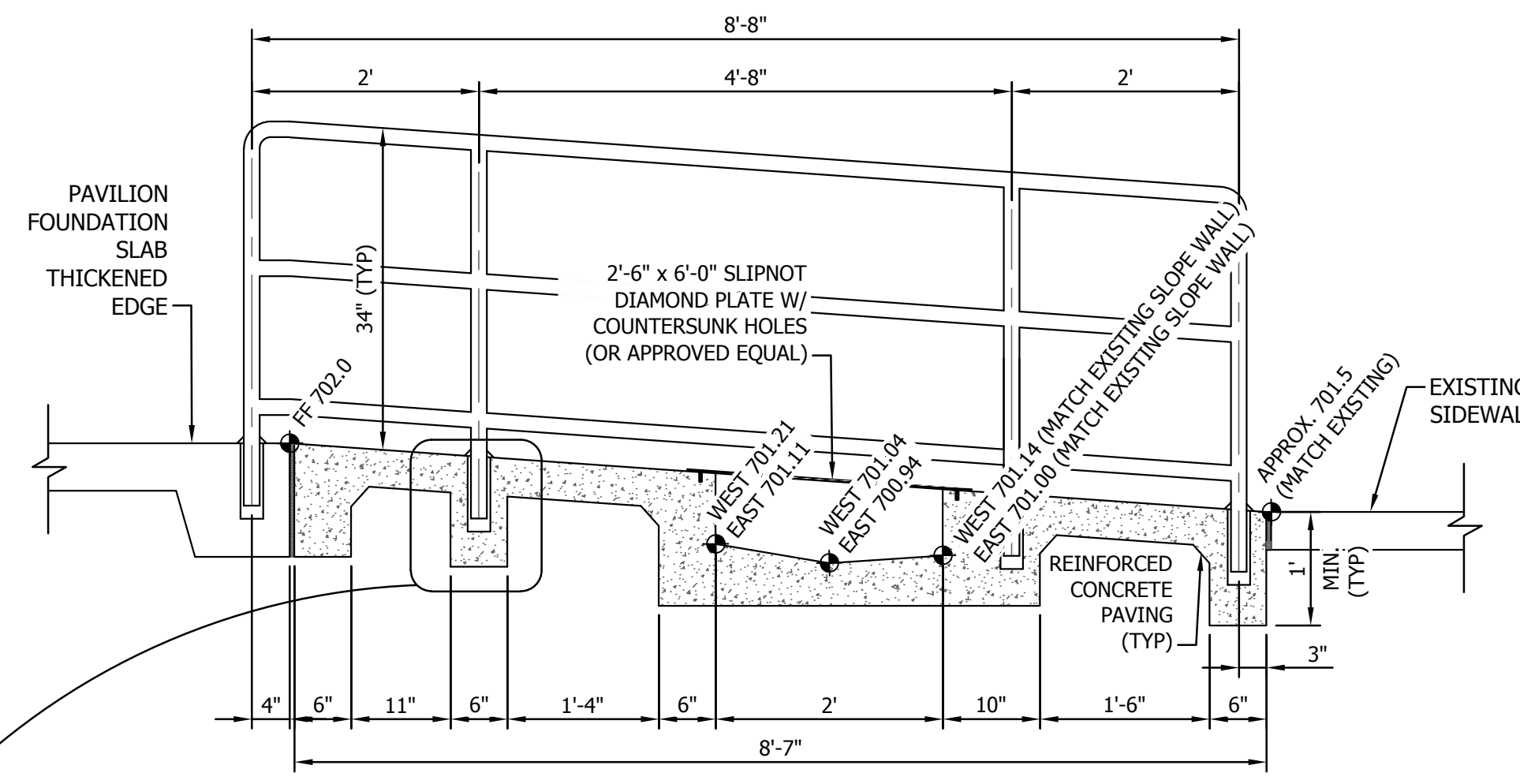


- SIDEWALK NOTES:**
1. PLACE ISOLATION JOINT BETWEEN ALL NEW SIDEWALKS AND EXISTING PAVEMENT, SIDEWALKS, CURB AND GUTTER, AND STRUCTURES (MAX SPACING 250 FEET).
  2. CONTRACTION JOINT SPACING TO GENERALLY MATCH WIDTH OF SIDEWALK. (SEE PLAN LAYOUT)
  3. CROSS SLOPES ON ALL WALKWAYS SHALL BE 1/4"/FT UNLESS SPECIFICALLY NOTED OTHERWISE.
  4. MEDIUM BROOM FINISH.

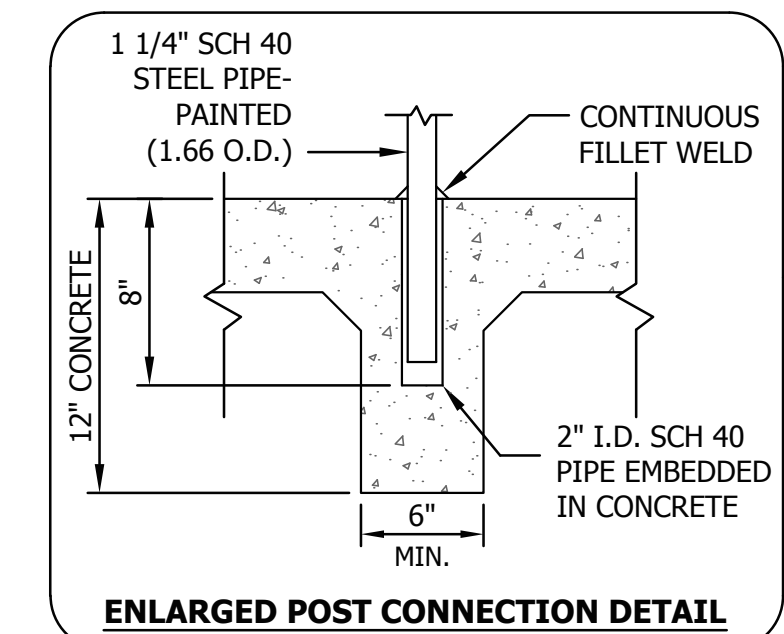
**A CONCRETE SIDEWALK**  
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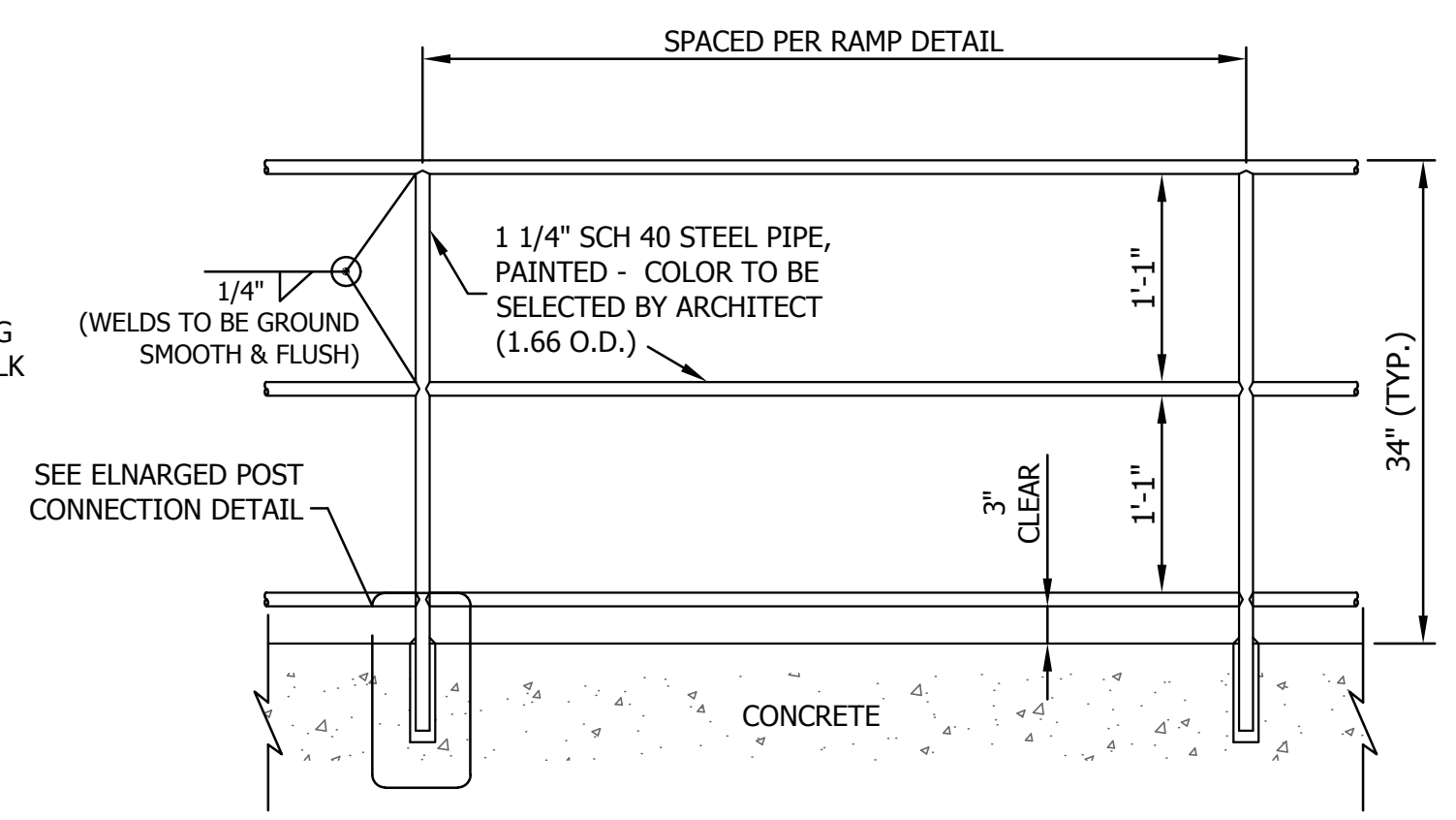
**B TRICKLE CHANNEL**  
1" = 1'-0"



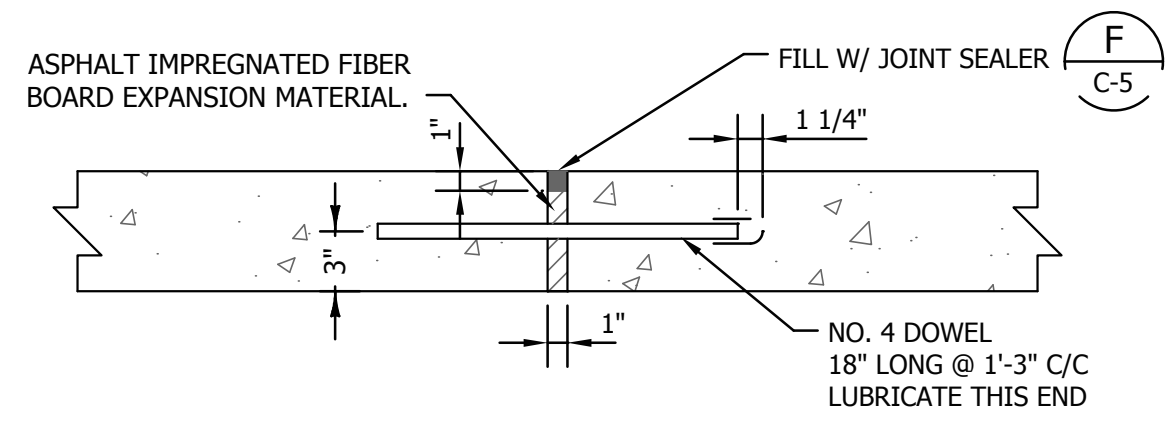
**C RAMP DETAIL**  
3/4" = 1'-0"



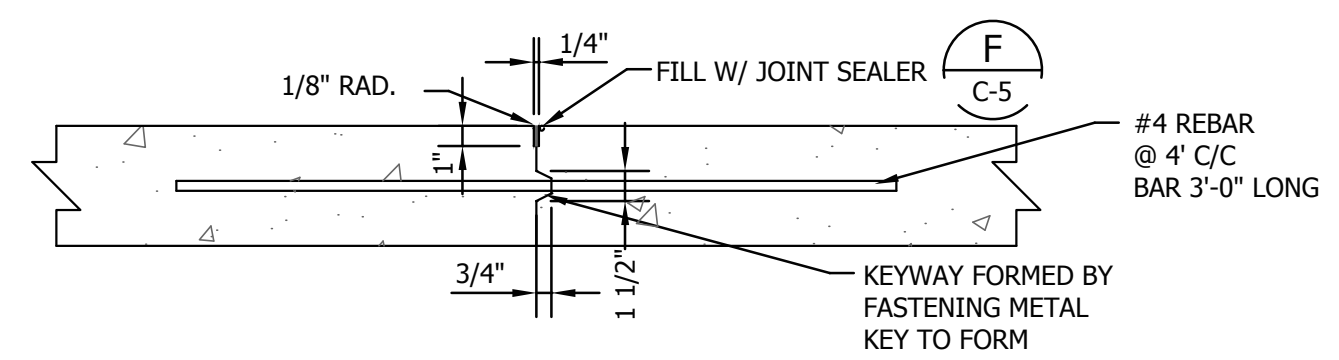
**ENLARGED POST CONNECTION DETAIL**



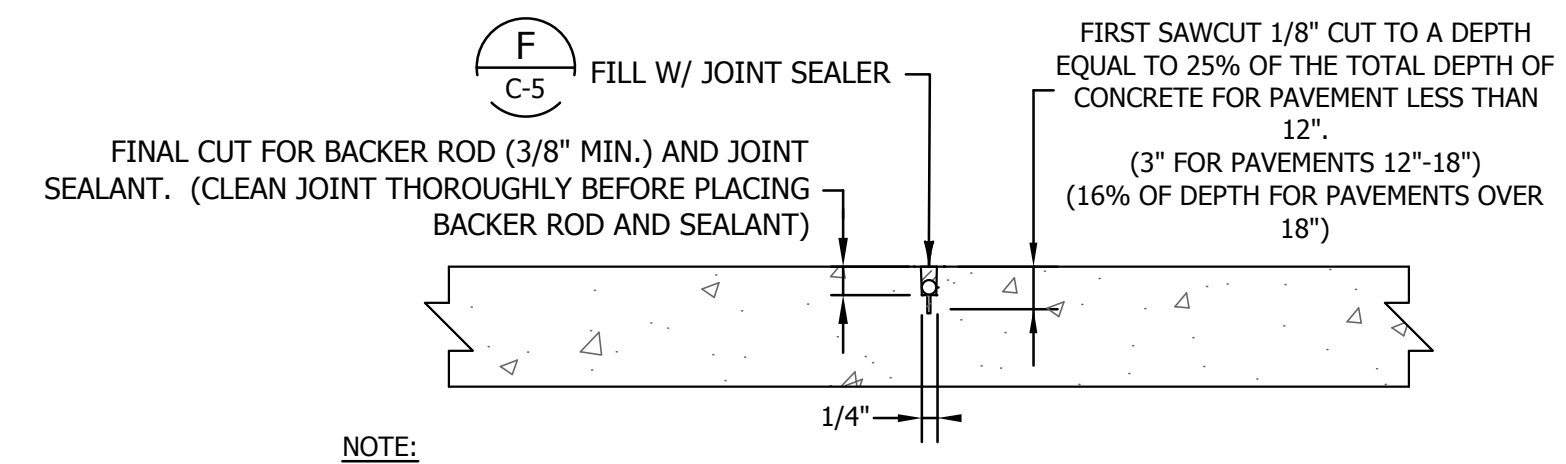
**D TYPICAL HANDRAIL DETAIL**  
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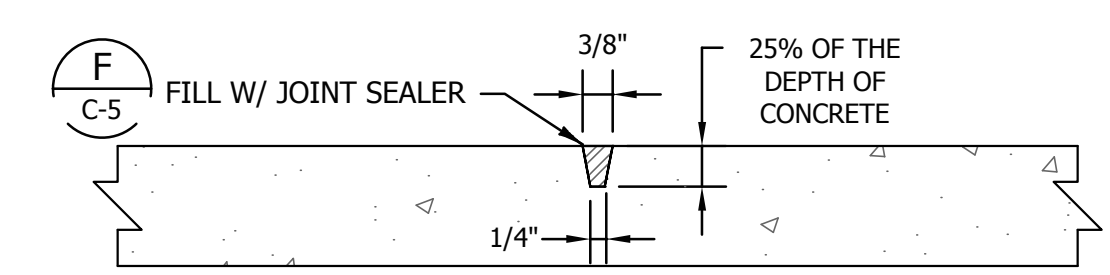
**E1 EXPANSION JOINT DETAIL**  
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**E2 CONSTRUCTION JOINT DETAIL**  
NTS



**SAWED TRANSVERSE CONTRACTION JOINT**



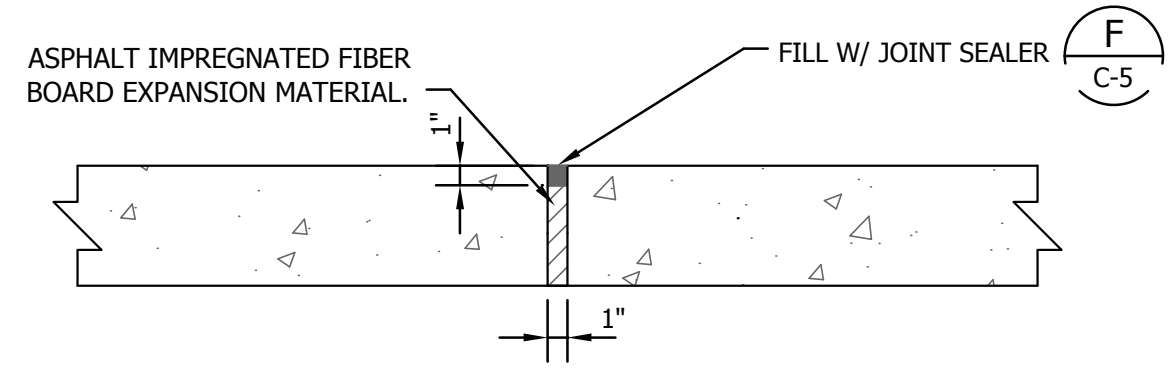
**TOOLED CONTRACTION JOINT**

**CONTRACTION JOINTS GENERAL NOTES:**

ALL CONTRACTION JOINTS, INCLUDING THOSE IN CURBS, SHALL BE SEALED WITH A SELF-LEVELING, LOW MODULUS, SILICON SEALANT AT A SPACING OF 24 TIMES THE THICKNESS OF THE SLAB (MAXIMUM OF 15'-0" O.C. FOR NON-REINFORCED SLABS AND 30'-0" FOR REINFORCED SLABS).

PANELS SHOULD BE SQUARE OR CLOSE TO SQUARE (MAX. RATIO 1 TO 1.5)

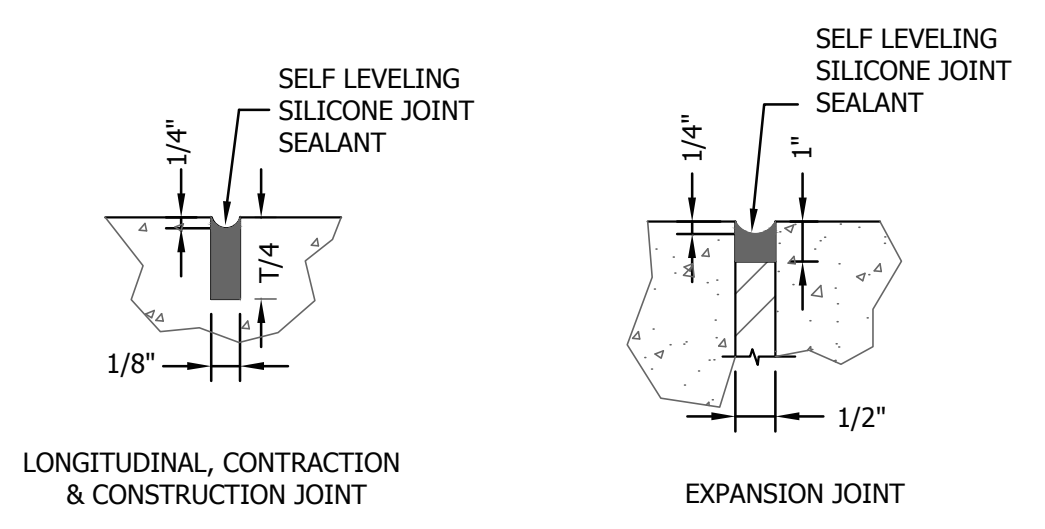
JOINT DEPTH SHOULD BE AS NOTED ON DETAILS.



**E4 ISOLATION JOINT DETAIL**  
NTS

**E STANDARD CONCRETE PAVEMENT JOINTS**

- NOTES:**
1. REINFORCEMENT SHALL HAVE 1 1/2" MIN. COVER ON EXPOSED FACES AND 2" COVER ON GROUND CONTACT SURFACES.
  2. ALL JOINTS MUST CONFORM TO ALL ODOT STANDARDS AND SPECIFICATIONS FOR JOINTS AND SEALERS.



**LONGITUDINAL, CONTRACTION & CONSTRUCTION JOINT**

**EXPANSION JOINT**

BACKER RODS ARE ACCEPTABLE FOR USE IN CONTRACTION AND/OR CONSTRUCTION JOINTS PROVIDED THAT THE SILICONE JOINT SEALANT IS AT LEAST 1/2" THICK.

**F JOINT SEAL DETAIL**  
NTS

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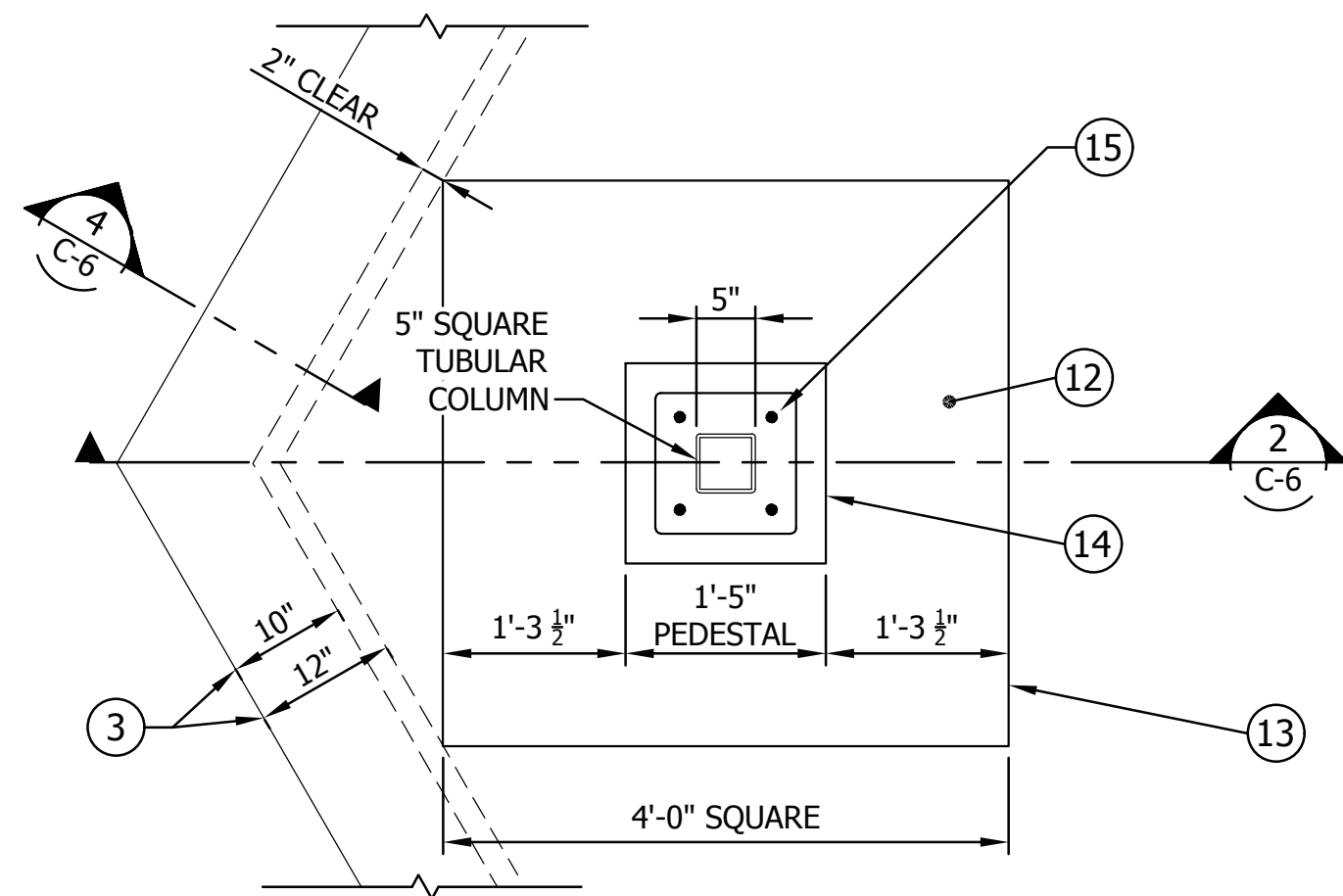
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PROJECT:  
**SOONER PARK SHELTER**

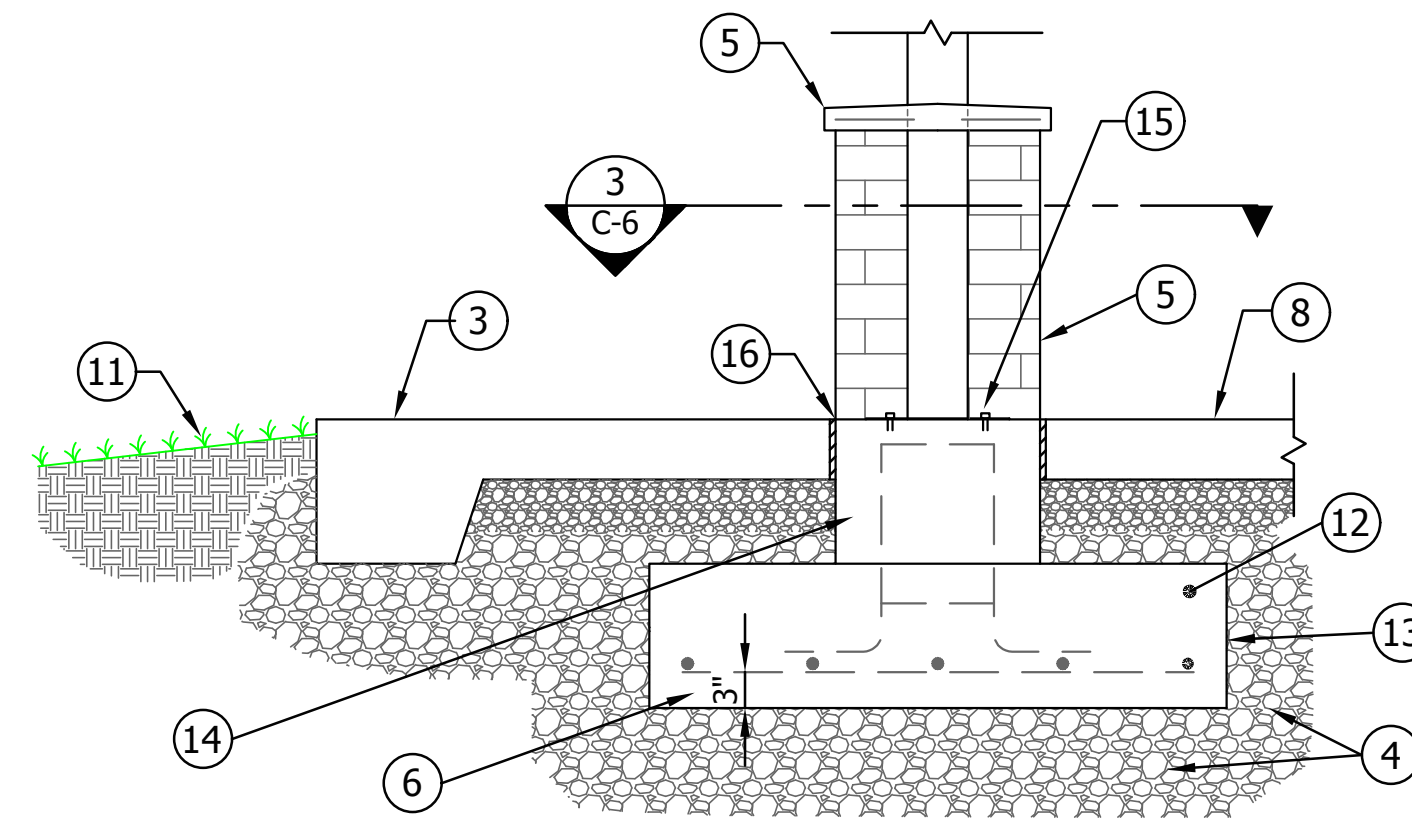
**SITE DETAILS**

| PROJECT NUMBER | DATE     | SHEET      |
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| 2019050        | 07/26/19 | <b>C-5</b> |

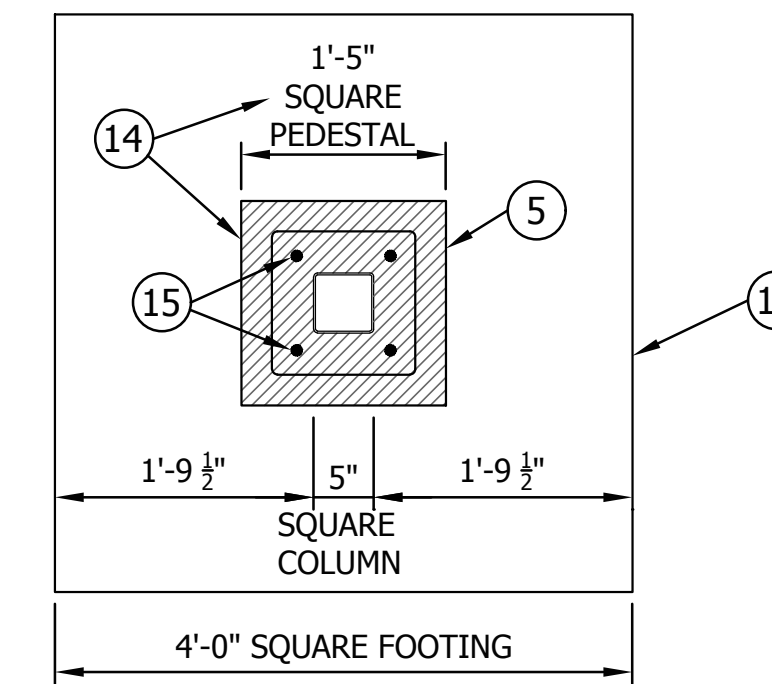




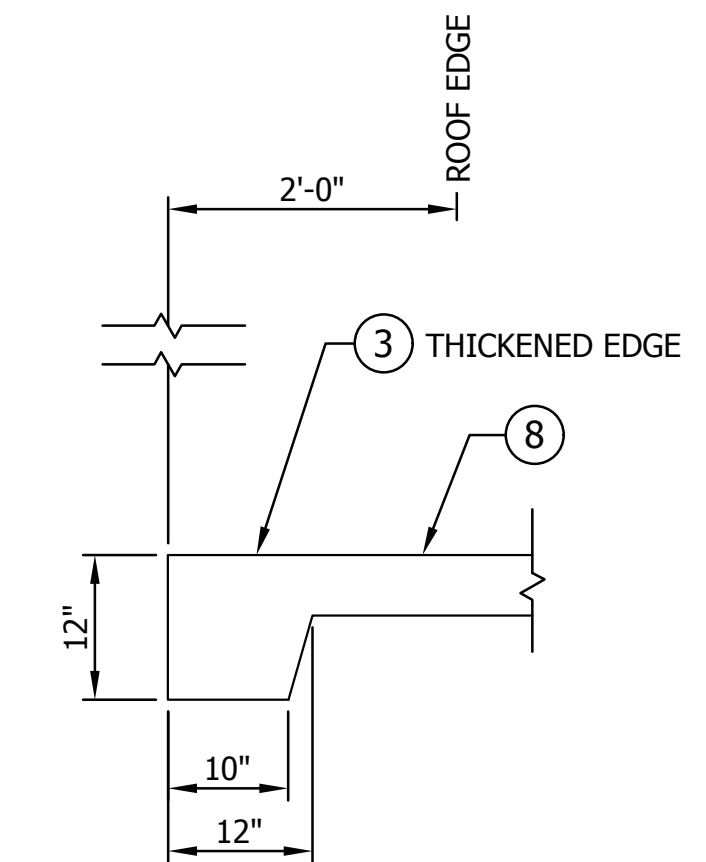
**FOUNDATION DETAIL #1**  
3/4" = 1'-0"



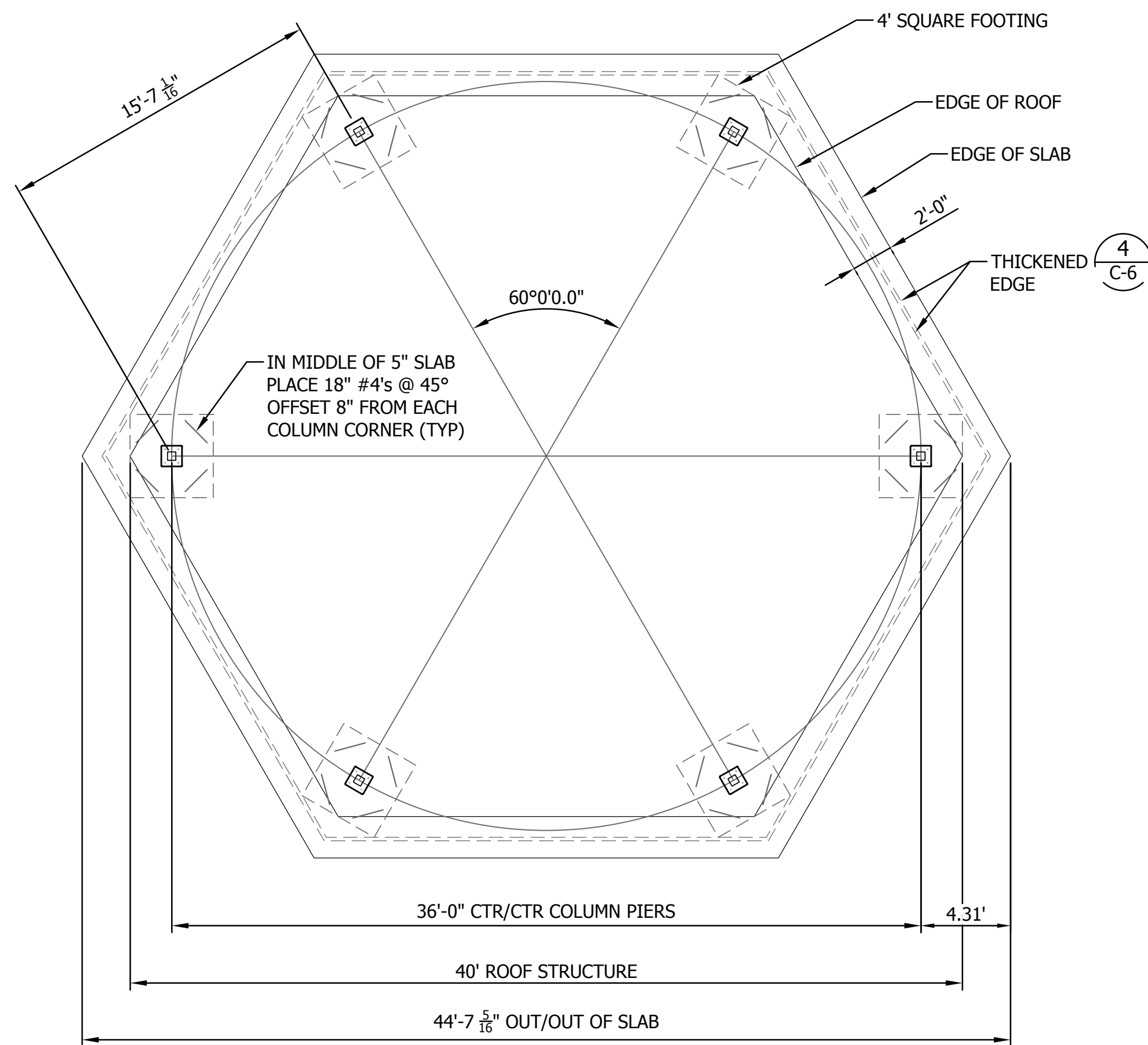
**FOUNDATION DETAIL #2**  
3/4" = 1'-0"



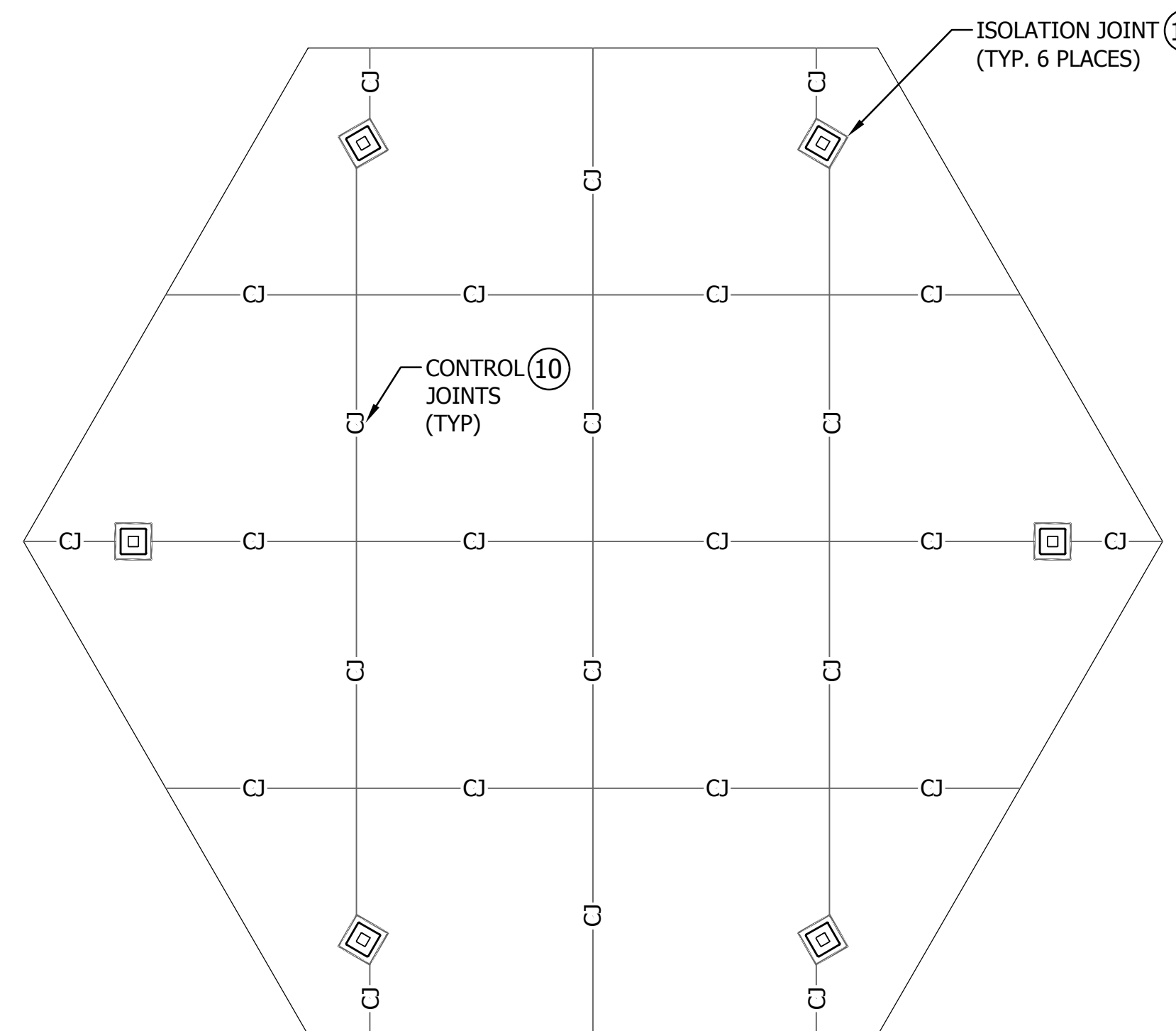
**FOUNDATION DETAIL #3**  
3/4" = 1'-0"



**FOUNDATION DETAIL #4**  
3/4" = 1'-0"



**FOUNDATION PLAN**  
3/16" = 1'-0"



**JOINT LAYOUT PLAN**  
3/16" = 1'-0"

**FOUNDATION NOTES** SHOWN AS (X)

- ALL CONCRETE TO MEET ACI, INTERNATIONAL BUILDING CODE, AND ALL LOCAL CODES OR REQUIREMENTS.
- CONCRETE FOR FOOTINGS/SLABS SHALL HAVE A MINIMUM COMPRESSIVE STRENGTH OF 3000 PSI @ 28 DAYS. MAXIMUM SLUMP OF 5 INCHES. AIR-ENTRAINING OF 4%-6% MAXIMUM. WATER CONTENT SHALL BE CONTROLLED & MINIMIZED.
- CONTINUOUS THICKENED SLAB/EDGE FOOTING: 10" WIDE @ BASE x 12" DEEP w/ (2) #5 BARS CONTINUOUS. SEE DETAIL #2-THIS SHEET.
- ALL EXISTING MATERIAL UNDER PAVILION SLAB/FOOTINGS/FOUNDATIONS TO BE EXCAVATED AND REMOVED (TO A CITY DESIGNATED LOCATION). REMOVE MATERIAL TO A GENERAL DEPTH OF 1' BELOW EXISTING GRADE AND 4' DEPTH AT ALL COLUMN FOUNDATION LOCATIONS. IF ANY UNUSUAL OR QUESTIONABLE SITE SUBSURFACE CONDITIONS ARE ENCOUNTERED DURING EXCAVATION, BACKFILL, OR CONSTRUCTION, NOTIFY THE INSPECTOR AND ENGINEER FOR REVIEW AND EVALUATION. ALL FILL AREAS TO BE FILLED, COMPACTED AND PREPARED IN 8" LIFTS WITH ADDED MOISTURE AS REQUIRED. ALL FILL MATERIAL TO BE TESTED AND APPROVED (BY THE CITY OR THEIR REPRESENTATIVE) AND PLACED UNDER THE SUPERVISION OF AN APPROVED GEO-TECH ENGINEER.
- 24" TALL STONE VENEER SKIRT AROUND COLUMN WITH PRECAST CONCRETE TOP, FITTED AND CAULKED IN PLACE AS REQUIRED. STONE SHALL BE "BUFF TUMBLED" STONE FROM OKLAHOMA STONE OR PRE-APPROVED EQUAL. INSTALL WALL TIES, WEEP HOLES, ETC. PER INDUSTRY STANDARDS.
- 3" CLEAR-TYPICAL FOR ALL REINFORCEMENT.
- ALL REBAR SHALL CONFORM TO ASTM A-615, GRADE 60.
- 5" CONCRETE SLAB W/6x6-10/10 W.W.F. ON 4" LAYER OF CLEAN, CRUSHED STONE OR APPROVED EQUAL FILL MATERIAL. SLAB TO RECEIVE A BROOM FINISH AND (2) COATS OF SEALER ("SEAL-KRETE" CLEAR-SEAL PROTECTIVE SEALER. SATIN OR GLOSS FINISH TO BE SELECTED BY OWNER. SEAL PER MANUFACTURER'S REQUIREMENTS.
- CONCRETE SLAB/WALK. INSTALL FIBER EXPANSION JOINT MATERIAL WHERE REQUIRED.
- (C) CUT CONTROL JOINTS AS SHOWN. PLACE JOINTS GENERALLY WHERE SHOWN. CUT JOINTS AS SOON AS POSSIBLE AFTER POUR (MAX. 24 HOURS).
- INSTALL SOD ON 3" OF GRADED TOP SOIL. WATER AS REQUIRED FOR ROOT START.
- FINAL FOUNDATION DESIGN WILL BE PROVIDED UPON BUILDING SUPPLIER SELECTION AND COLUMN LOADS ARE PROVIDED PER THE BUILDING SPECIFICATION.
- 4'x4'x1' DEEP COLUMN FOOTINGS w/(5) #5 BARS EA. WAY. {TYPICAL 6 LOCATIONS}.
- 1'-5"x 1'-5"x1' PEDESTAL w/(4) #5 BARS VERTICAL w/8" LEGS, (2) #3 TIES AS SHOWN.
- (A.B.) ANCHOR BOLTS FURNISHED BY BUILDING SUPPLIER. TEMPLATES AVAILABLE AT ADDITIONAL CHARGE FROM SUPPLIER.
- EXPANSION MATERIAL w/ SELF LEVELING CAULK (TYPICAL@ALL COLUMN BASES) ISOLATION JOINTS.

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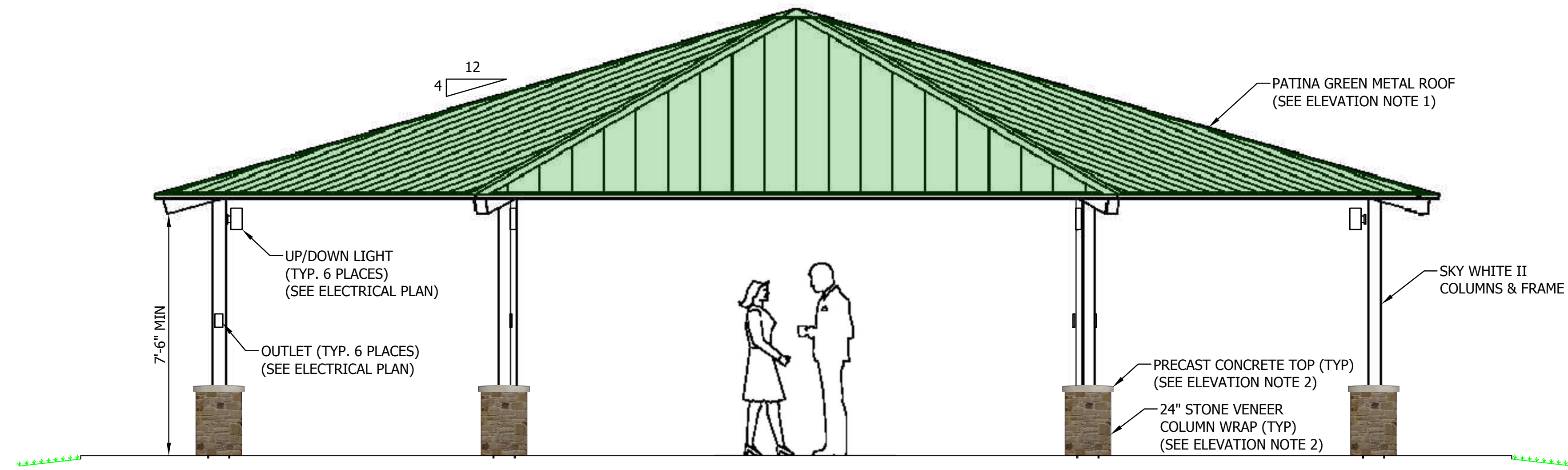
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PROJECT:  
**SOONER PARK SHELTER**

**FOUNDATION DETAILS**

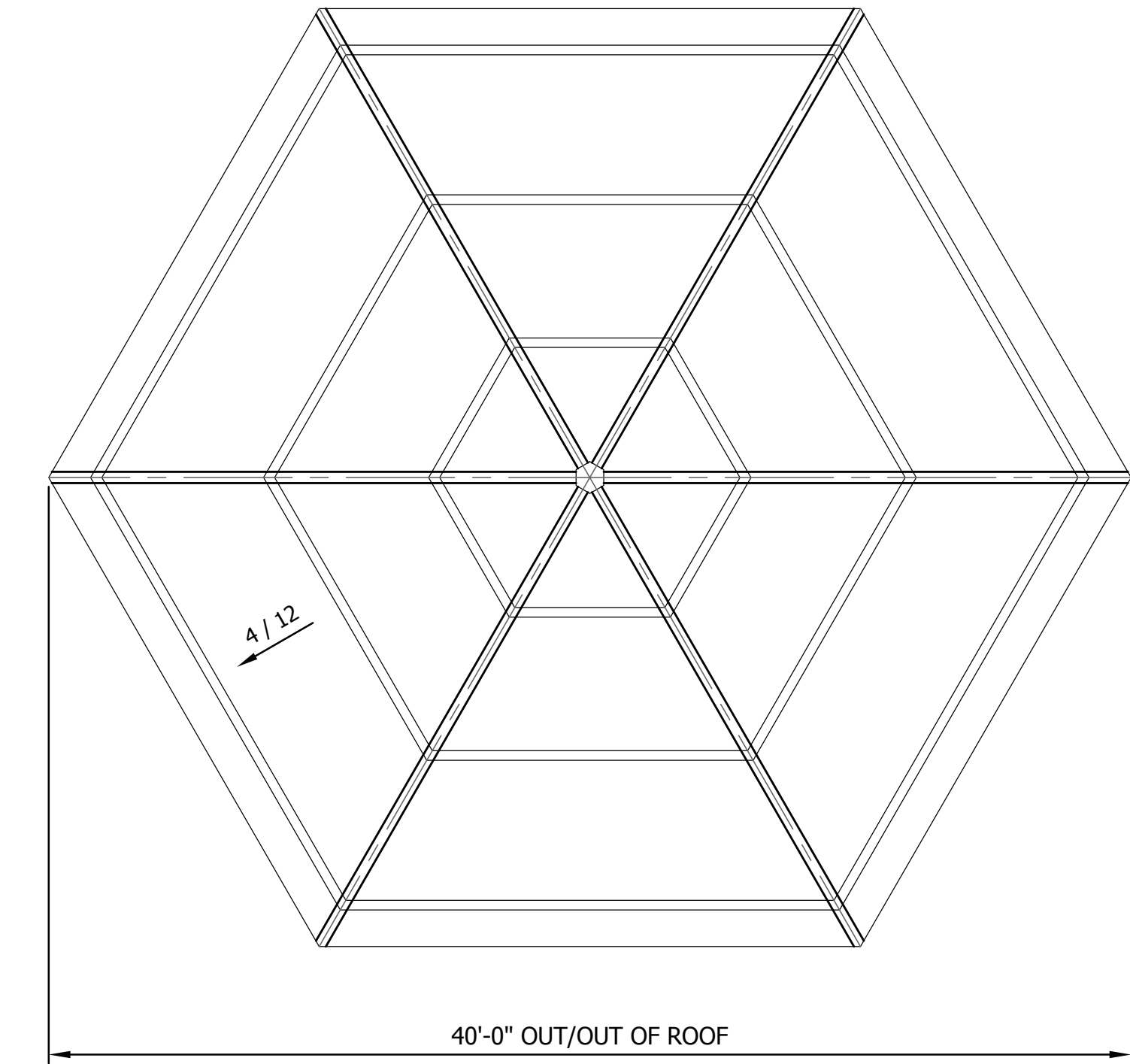
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### PAVILION ELEVATION

3/8" = 1'-0"



### ROOF PLAN

3/16" = 1'-0"

#### ELEVATION NOTES

- METAL ROOF ON PRE-ENGINEERED METAL BUILDING. SUBMIT DRAWINGS & SPECIFICATIONS FOR APPROVAL PRIOR TO FABRICATION. BUILDING SUPPLIER TO VERIFY & DESIGN FOR ALL LOAD CONDITIONS.
- 24" STONE VENEER SKIRT WITH PRECAST CONCRETE TOP: ALL STONE VENEER INSTALLATION, ATTACHMENT, FLASHING, WEEP HOLES, CONTROL JOINTS (CJ), ETC., TO CONFORM TO INDUSTRY STANDARDS. STONE SHALL BE "BUFF TUMBLED" STONE FROM OKLAHOMA STONE OR APPROVED EQUAL. PRECAST CONCRETE TOP TO BE FITTED AND CAULKED IN PLACE.
- TYPICAL OVERHANG: SLAB EDGE 2' PAST ROOF EDGE.

#### BUILDING DESIGN LOADS

ALL LOADS PER 2015 INTERNATIONAL BUILDING CODES AND THE CITY OF BARTLESVILLE.

#### METAL SHELTER/PAVILION SPECIFICATIONS

(ALSO SEE WRITTEN SPECIFICATIONS: PRE-FABRICATED SITE SHELTER SPECIFICATIONS)

**DESCRIPTION OF PROJECT:** Shelter Type: 40' (roof size) Single Tier Hexagon Shelter. Roof Slope: 4:12. Eave Height: 7'-6" minimum clearance. The structure shall be a pre-engineered package and shall be shipped as a pre-cut (excluding standing seam roof panels) and pre-fabricated package that shall include the structural framing members, roof panels, fasteners, and roof trim, as well as job specific installation instructions. The structure shall be shipped in an un-assembled package for ease of shipment and minimum shipping charges.

**SUBMITTALS:** Submit a minimum of five (5) sets of submittal drawings and (2) sets of structure calculations signed and sealed by a Professional Engineer licensed in the state of Oklahoma.

**PRODUCT DESIGN REQUIREMENTS:** The structure shall meet all design requirements for the International Building Code 2015. Design according to the requirements of the national, state or local building codes as indicated. Column loads for foundation design shall be furnished for the specific structure, not a generic structure.

**SUBMITTAL DRAWINGS:** Anchor bolt layout with all appropriate dimensions for installation, elevation and plan views of the framing members along with the member sizes and locations indicated on the drawings, connection details for every connection on the frame, roof panel connections, and trim installation details. Any accessories on the structure shall have an installation detail as well as connection details.

**FOUNDATION DESIGN:** By others (see foundation detail sheet). Anchor bolts shall be supplied by the manufacturer. Foundation materials and labor shall be provided by the Project Contractor.

**MANUFACTURER QUALIFICATIONS:** The manufacturer shall be approved by the City of Bartlesville. The product shall be designed, engineered, and fabricated at a facility operated and directly supervised by the manufacturer.

**FIELD OR SITE CONDITIONS:** Foundations shall be installed per the building manufacturer anchor bolt layout drawings. All foundations shall be cast at the same elevation unless specifically noted otherwise.

**MANUFACTURER WARRANTY:** Shelter shall have a 5 year limited warranty on the steel framing members and a roofing manufacturer's limited warranty.

**MANUFACTURERS:** Acceptable Manufacturer: RCP Shelters, Inc., 2100 SE Rays Way, Stuart, FL 34994, or approved equal.

**PRODUCT REQUIREMENTS AND MATERIALS:** The pre-engineered and pre-fabricated package of parts shall be pre-cut and packaged unless noted otherwise. These packages will include all parts and pieces necessary to field assemble the shelter at the job site. The shelter shall be shipped in knocked down format to minimize shipping expenses. Field labor will be kept to a minimum with no on-site welding required. Hollow Structure Section (HSS) columns shall meet ASTM A500 Grade B with a minimum wall thickness of 3/16" (0.1875). The columns shall attach to the foundation with a minimum of four (4) anchor rods and shall meet OSHA Steel Erection Standard 29 CFR 1926.755(a)(1). "I" Beams, tapered columns, or open channel sections shall not be accepted for primary members. Anchor rods shall be ASTM F1554, Grade 36 unless otherwise noted. Structural fasteners shall be ATM A325 high strength bolts and A563 nuts. All structural fasteners shall be hidden within the framing whenever possible. No field welding shall be required to finish the construction of the shelter. Manufacturer shall supply all fasteners. Roof system shall be structural 24 gauge Galvalume® panels with ribs that are 1-1/2" high and 7.2" on center. Ribs shall run with the pitch of the roof. Roof panels shall be 3' wide and pre-cut by the length from the eave to the ridge. Angles shall be factory pre-cut. Matching roof trim & fasteners shall be supplied. Hip and ridge beams shall have cap plates for metal deck bearing, as metal deck cannot structurally bear on beam corner only. Panels and trim shall be pre-painted with Kynar 500® paint system.

**BUILDING COLOR:** Patina Green Roof with Sky White II Powder Coated Frame & Columns.

**FACTORY FRAME FINISH:** Powder Coat Finish: The columns and frame shall be sandblasted to near-white condition (SSPC-SP10 specification, Steel Structure Painting Council), five stage washed, including detergent, phosphate, and rust protectant sealant, epoxy primed, then top coated with TGIC powder. The columns and frame shall be packaged in foam, cardboard, and stretch wrap to protect the finish during transit. The color shall be Sky White II. Field touch up painting shall be required by contractor. Touch up paint shall be provided by manufacturer.

**ELECTRICAL ACCESS:** Provide in all column bases a 1 3/4" diameter hole, located in the center of the plate for electrical wiring into the column base.

**STORAGE HANDLING AND INSTALLATION:** All storage, handling, and installation to be strictly per building suppliers instructions.

Drawing Name: G:\PROJECTS\20190500\_Sooner Park Shelter\CAD\20190500\_Sooner Park Shelter.dwg Layout Name: C-7 Pavilion Details Plotted on: 7/29/2019 1:06:53 PM



ENGINEERING SERVICES

| # | DATE | DESCRIPTION | BY |
|---|------|-------------|----|
|   |      |             |    |

DESIGNED BY: SKC  
DRAWN BY: SKC  
CHECKED BY: WMS

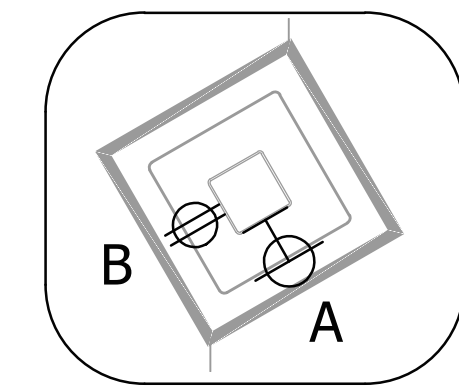
**BID SET**

PROJECT:  
**SOONER PARK SHELTER**

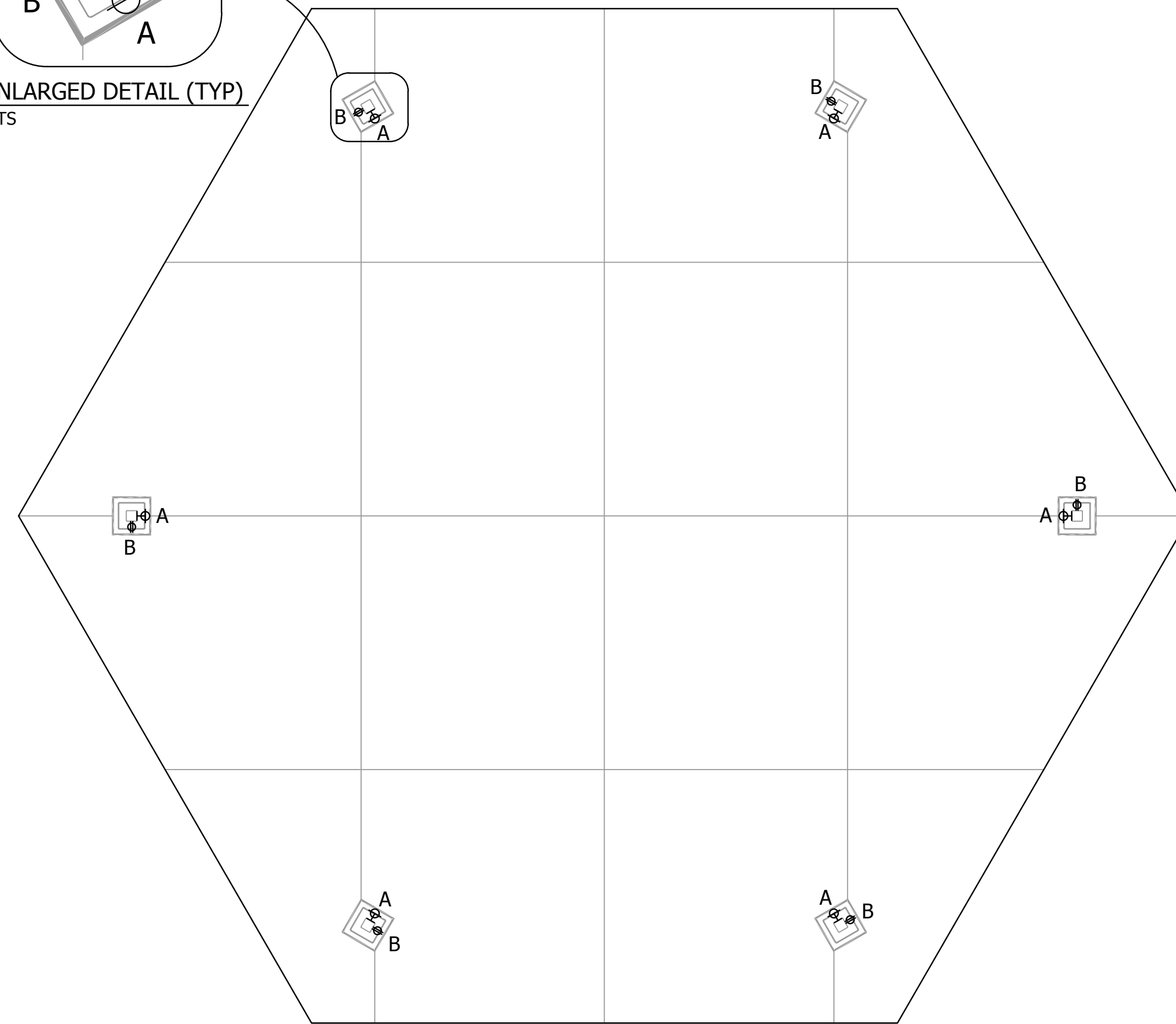
**BUILDING DETAILS**

| PROJECT NUMBER | DATE     | SHEET      |
|----------------|----------|------------|
| 2019050        | 07/26/19 | <b>C-7</b> |

| ELECTRICAL FIXTURE SCHEDULE |             |                   |           |   |
|-----------------------------|-------------|-------------------|-----------|---|
| MARK                        | DESCRIPTION | LAMPS             | MOUNTING  | REMARKS   |
| ⊕                           | A           | LED UP/DOWN LIGHT | 14W (LED) | 8" WHITE LED OUTDOOR UP/DOWN LIGHT - PROGRESS P563001-030-30K OR APPROVED EQUAL |
| ⊕                           | B           | OUTLET            | N/A       | DUPLX GFCI OUTLET IN VERTICAL WHITE WEATHERPROOF PROTECTOR COVER                |



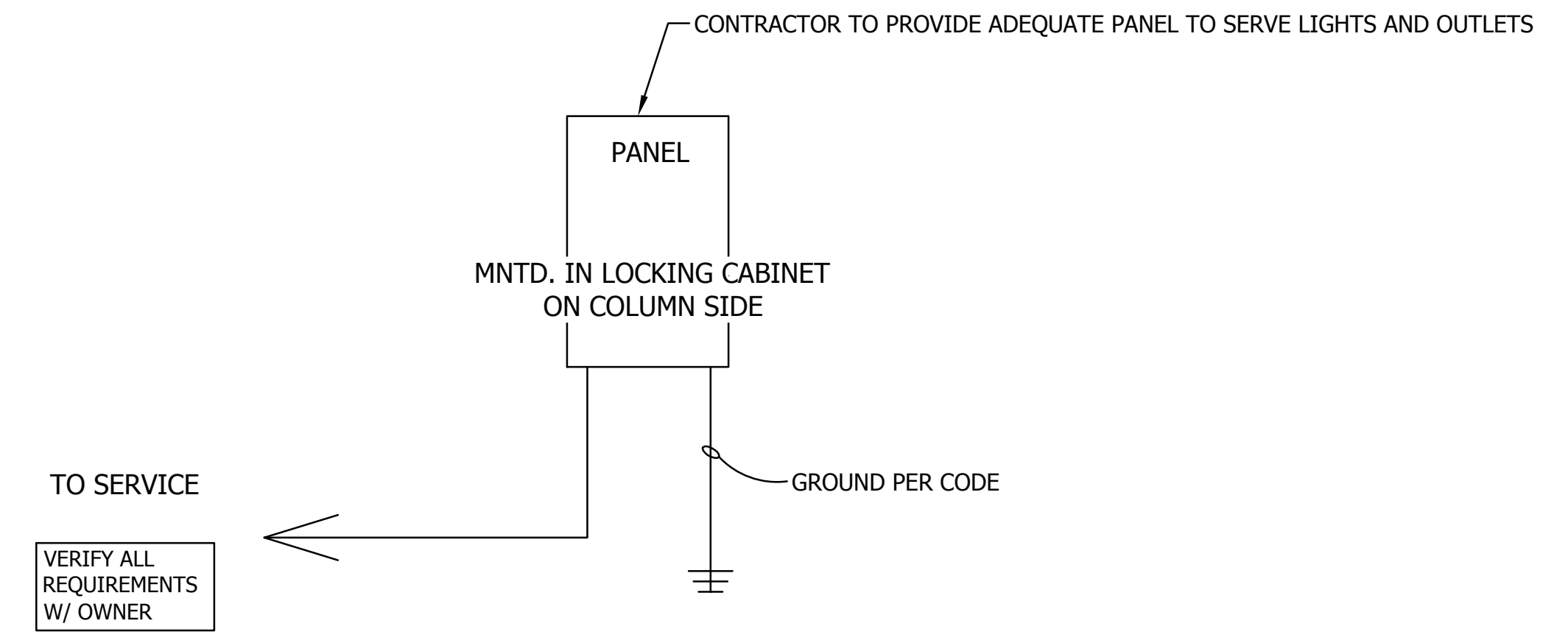
ENLARGED DETAIL (TYP)  
NTS



**ELECTRICAL PLAN**  
1/4" = 1'-0"

**ELECTRICAL NOTES**

- ALL ELECTRICAL MATERIALS, METHODS, ETC. TO MEET ALL CITY, STATE, AND NEC CODE REQUIREMENTS.
- COORDINATE ALL ROUGH-IN LOCATIONS WITH ALL TRADES AS REQUIRED.
- FIXTURE LOCATIONS ARE TO BE VERIFIED AND ADJUSTED WITH ALL OTHER TRADES AND INSTALLATIONS.
- COORDINATE ALL SERVICE REQUIREMENTS WITH OWNER AND PUBLIC SERVICE UTILITY COMPANY. VERIFY EXACT LOCATION OF EQUIPMENT PRIOR TO INSTALLATION. SERVICE TO BE CONNECTED TO OWNER SPECIFIED LOCATION.
- FURNISH AND INSTALL ALL REQUIRED MATERIAL AND LABOR INCLUDING FEES, TRENCHING, BACKFILL, CONDUIT, GROUNDING, ETC. FOR A COMPLETE INSTALLATION.
- PROVIDE A TEMPORARY CONSTRUCTION SERVICE CONNECTION PER CODE.
- ALL OUTLETS AT COLUMNS TO BE 48" ABOVE FINISHED FLOOR TO BOTTOM OF OUTLET. FIXTURE "A" TO BE MOUNTED 7" ABOVE FINISHED FLOOR (AFF).
- ALL OUTLETS REQUIRED BY CODE TO BE GFCI (GROUND FAULT CIRCUIT INTERRUPTER) PROTECTED.
- REVIEW ALL DRAWINGS, NOTES, SITE/EXISTING CONDITIONS, ETC. FOR ALL REQUIREMENTS OF WORK SCOPE.
- ALL LIGHTING TO BE ON PHOTO-CELL (PC) OPERATION.
- COLUMN LIGHT(S) WIRING TO BE INSIDE COLUMNS THRU BASE OR APPROVED ALTERNATE METHOD. ALTERNATE METHOD TO BE APPROVED PRIOR TO ANY WORK. SEE BUILDING SPECIFICATIONS ON BUILDING DETAILS SHEET FOR REQUIRED COLUMN BASE PLATE ELECTRICAL ACCESS HOLE(S).
- AT ALL OUTLET LOCATIONS ON COLUMNS, INSTALL WHITE DUPLEX TAMPER RESISTANT GFCI OUTLET IN A WEATHERPROOF WHITE, HEAVY DUTY, DIE CAST METAL, VERTICAL PROTECTOR COVER WITH POWDER COAT FINISH AT REQUIRED HEIGHT AS PREVIOUSLY NOTED.
- PANEL TO BE LOCATED IN 16 GAUGE LOCKING STEEL CABINET-PAINTED TO MATCH COLUMN/BUILDING COLOR (POWDER COATED FINISH). VERIFY COLOR MATCH WITH BUILDING SUPPLIER. CABINET TO EXTEND INTO PEDESTAL FOR CONDUIT RUNS TO PANEL. PANEL MOUNTING HEIGHT TO BE 4' TO BOTTOM OF PANEL (+/-). VERIFY PRIOR TO CABINET INSTALL.



**ONE LINE DIAGRAM**  
NTS

Drawing Name: G:\PROJECTS\20190501\_Sooner Park Shelter\CAD\20190501\_Sooner Park Shelter.dwg Layout Name: C-8 Electrical Plan & Details Plotted By: SKCHARLES Plotted on: 7/29/2019 1:06:56 PM



ENGINEERING SERVICES

| # | DATE | DESCRIPTION | BY |
|---|------|-------------|----|
|   |      |             |    |

DESIGNED BY: SKC  
DRAWN BY: SKC  
CHECKED BY: WMS

**BID SET**

PROJECT:  
**SOONER PARK SHELTER**

**ELECTRICAL DETAILS**

| PROJECT NUMBER | DATE     | SHEET      |
|----------------|----------|------------|
| 2019050        | 07/26/19 | <b>C-8</b> |





August 22, 2019

Arledge & Associates, P.C.  
309 North Bryant Avenue  
Edmond, Oklahoma 73034

This representation letter is provided in connection with your audit of the financial statements of the City of Bartlesville, Oklahoma (the "City"), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of August 22, 2019, the following representations made to you during your audit.

#### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 18, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

#### **Information Provided**

- 10) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the City and involves—
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.

#### **Government-specific**

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

- 22) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 27) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 28) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 29) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34 .
- 30) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 32) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 33) Provisions for uncollectible receivables have been properly identified and recorded.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 37) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 38) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 39) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 40) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource


classification is available. That policy determines the fund balance classifications for financial reporting purposes.

41) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

42) With respect to the Other Supplementary Information

a) We acknowledge our responsibility for presenting the Other Supplementary Information in accordance with accounting principles generally accepted in the United States of America, and we believe the Other Supplementary Information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Other Supplementary Information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

b) If the Other Supplementary Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature:   
Title: CEO/City Clerk

Signature: \_\_\_\_\_  
Title: \_\_\_\_\_





August 22, 2019

The Honorable Mayor and City Council of the  
City of Bartlesville, Oklahoma

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bartlesville, Oklahoma (the “City) for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 18, 2018. We did not audit the financial statements of the Community Center Trust Authority, Bartlesville Development Authority, and the Bartlesville Redevelopment Trust Authority. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Community Center Trust Authority, Bartlesville Development Authority, and the Bartlesville Redevelopment Trust Authority are based on the reports of the other auditors.

Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. During fiscal 2018, the City implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement established standards for recognizing and measuring liabilities, deferred flows, and expenses. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period..

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City’s financial statements were:

1. Management’s estimate of the allowance for uncollectible accounts that is based on past balances and historical collections experience.
2. Pension assets, deferred outflows, liabilities, and deferred inflows, which are based on actuarial reports and the City’s contribution towards the plans.
3. The liability for the Other Post-Employment Benefits which is based on an actuarial report.

We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

1. The disclosure of Risk Management in Note 9 to the financial statements.
2. The disclosure of Commitments and Contingencies in Note 10 to the financial statements
3. The disclosure of Pension and OPEB Plan Participation in Note 11 to the financial statements

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 22, 2019.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Crawford & Associates, P.C. acts as consultants for the City of Bartlesville and assisted the City in pre-audit matters and in drafting the City's financial statements and advised the City on a number of issues. There were no unresolved differences impacting our opinions on the City's financial statements as a result of these discussions.



*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, Budgetary Comparison Information, Pension Plan Information, and Post-employment Benefit Plan Information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Nonmajor Governmental Combining Statements, Non Major Enterprise Funds Combining Schedules, and Internal Service Funds Combining Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

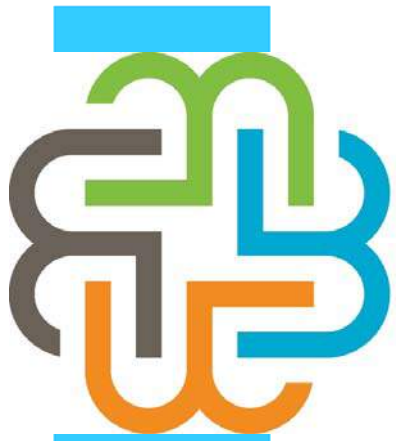
Sincerely,



Arledge & Associates, P.C.

City of Bartlesville  
 Adjusting Journal Entries not Posted [Passed]  
 Communications Letter Attachment  
 6/30/2018

| Entry Number | Account Description |                  | Current Assets | Non-current Assets | Deferred Outflow | Debit (Credit)      |                         |                  | Equity          | Revenue        | Expenses                    | Explanation |
|--------------|---------------------|------------------|----------------|--------------------|------------------|---------------------|-------------------------|------------------|-----------------|----------------|-----------------------------|-------------|
|              |                     |                  |                |                    |                  | Current Liabilities | Non-current Liabilities | Deferred Inflow  |                 |                |                             |             |
| (1)          | Expense             | BTA              | -              | -                  | -                | -                   | -                       | -                | -               | 282,298        |                             |             |
|              | Accounts payable    |                  | -              | -                  | -                | (282,298)           | -                       | -                | -               | -              | Unrecorded accounts payable |             |
| (2)          | AR                  | BTA              | 605,990        | -                  | -                | -                   | -                       | -                | -               | -              | Unbilled Utility AR         |             |
|              | Net Assets          |                  | -              | -                  | -                | -                   | -                       | (564,964)        | -               | -              |                             |             |
|              | Revenue             |                  | -              | -                  | -                | -                   | -                       | -                | (41,026)        | -              |                             |             |
| (3)          | Net Assets          | Gov't activities | -              | -                  | -                | -                   | -                       | 255,100          | -               | -              | Health care reserves        |             |
|              | Reserves            |                  | -              | -                  | -                | (232,141)           | -                       | -                | -               | -              |                             |             |
|              | Expense             |                  | -              | -                  | -                | -                   | -                       | -                | -               | (22,959)       |                             |             |
|              |                     |                  | <u>605,990</u> | <u>-</u>           | <u>-</u>         | <u>(514,439)</u>    | <u>-</u>                | <u>(309,864)</u> | <u>(41,026)</u> | <u>259,339</u> |                             |             |



city of  
bartlesville  
CONNECTED / CREATIVE / VIBRANT

Agenda Item 8.

ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORTS

AS OF AND FOR THE FISCAL YEAR  
ENDED JUNE 30, 2018

**THE CITY OF BARTLESVILLE,  
OKLAHOMA**

**ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORTS**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**

**CITY OF BARTLESVILLE, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2018**

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**CITY OF BARTLESVILLE, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Year Ended June 30, 2018**

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council  
City of Bartlesville, Oklahoma

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bartlesville, Oklahoma (the "City"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Community Center Trust Authority, Bartlesville Development Authority, and the Bartlesville Redevelopment Trust Authority, which represents 56 percent, 63 percent, and 17 percent, respectively, of the assets, net position, and revenues of the business-type activities. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Community Center Trust Authority, Bartlesville Development Authority, and the Bartlesville Redevelopment Trust Authority are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, based on our audit and the report of other auditors', the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2018 the City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension exhibits, and other post-employment benefits funding schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



August 22, 2019

**CITY OF BARTLESVILLE, OKLAHOMA  
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As of and for the Year Ended June 30, 2018**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**CITY OF BARTLESVILLE, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2018**

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The management of the City of Bartlesville, Oklahoma (the “City”), is pleased to present its perspective of the City’s financial performance as a whole for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to summarize for the reader the financial information more fully contained in the attached financial statements and notes and to explain the major points in the financial statements, both positive and negative. Comparisons with prior fiscal years are provided as needed. Please read it in conjunction with the City’s financial statements, which follow this section.

***FINANCIAL HIGHLIGHTS***

- For the fiscal year ended June 30, 2018, the City’s total net position increased by \$3.2 million or 1.7% from the prior year.
- During the year, the City’s expenses for governmental activities were \$28.2 million and were funded by program revenues of \$6.4 million and further funded with taxes and other general revenues that totaled \$26.4 million.
- In the City’s business-type activities, such as utilities, program expenses exceed program revenues by \$4.2 million.
- Taxes increased by \$825,775 or 3.3% over the prior fiscal year.
- At June 30, 2018, the General Fund reported an unassigned fund balance of \$3,682,233, which is a increase of 28% from the prior year unassigned fund balance. The majority of this is related to the net effect of a decreased commitment for the next fiscal year’s budget of about \$809,761.
- For budgetary reporting purposes, the General Fund reported revenues under estimates of \$136,027 or 0.6%, while expenditures were under the final appropriations by \$1,194,247 or 5.3%.
  - Noteworthy changes to the City’s capital assets included:
    - Completed over \$2.2 million in Street replacement.
    - Completed the rehabilitation at the Airport costing over \$511 thousand.
    - Completed over \$2.8 million in Park projects.
  - The City has retained its AA- bond rating making it one of the highest in the State of Oklahoma for public entities.
  - The City added an additional \$729 thousand dollars to its stabilization reserve fund, bringing the total to \$5.99 million or 17.25 % of budgeted expenditures.

***OVERVIEW OF THE FINANCIAL STATEMENTS***

The financial statements presented herein include all of the activities of the City and its component units. Included in this report are government-wide statements for each of two categories of activities – governmental and business-type. The government-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately and combined. These statements include all assets of the City (including infrastructure capital assets) as well as all liabilities (including all long-term debt), as well as deferred outflows and deferred inflows.

### **About the City**

The City of Bartlesville is an incorporated municipality with a population of approximately 36,258 located in northeast Oklahoma. The City is a home rule charter form of government and operates under a charter that provides for three branches of government:

- Legislative – the City Council is a five-member governing body elected by the citizens. The City Council elects the Mayor from its members.
- Executive – the City Manager is the Chief Executive Officer and is appointed by the City Council
- Judicial – the Municipal Judge is a practicing attorney appointed by the City Council

The City provides typical municipal services such as public safety, health and welfare, street and alley maintenance, parks and recreation, and certain utility services including water, wastewater, and sanitation.

### ***The City's Financial Reporting Entity***

This annual report includes all activities for which the City of Bartlesville City Council is fiscally responsible. These activities, defined as the City's financial reporting entity, are operated within separate legal entities that make up the primary government.

The City's financial reporting entity includes the primary government (City of Bartlesville) and the blended component units as follows.

- **The City of Bartlesville** – that operates the public safety, health and welfare, streets and highways, parks and recreation, and administrative activities
- **The Bartlesville Municipal Authority** – finances projects and development for the City's water and wastewater utilities
- **The Bartlesville Community Center Trust Authority** – develops, finances, and operates the Community Center for cultural and recreational activities for the citizens of Bartlesville
- **The Bartlesville Library Trust Authority** – encourages, finances, and promotes the public library
- **The Bartlesville History Museum Trust Authority** – establishes, improves, maintains, administers, and operates facilities for use as a history museum
- **The Adult Center Trust Authority** – Encourages, finances, and promotes cultural and recreational activities for the older citizens of Bartlesville
- **The Bartlesville Redevelopment Trust Authority** – Develops, redevelops, restores, and beautifies a certain portion of central Bartlesville, OK jurisdictional boundaries
- **The Bartlesville Development Authority (BDA)** – Finances certain facilities for the purpose of promoting economic development in the City of Bartlesville and surrounding areas
- **The Bartlesville Education Authority (BEA)** – Finances certain facilities for the purpose of improving educational buildings in the City of Bartlesville and surrounding areas

### **Using This Annual Report**

This annual report is presented in a format that substantially meets the presentation requirements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles. The presentation includes financial statements that communicate the City's financial condition and changes therein at two distinct levels:

- **The City as a Whole** (a government-wide presentation)
- **The City's Funds** (a presentation of the City's major and aggregate nonmajor funds)

The City's various government-wide and fund financial statements are presented throughout this annual report and are accompanied by:

- **Management's Discussion and Analysis** – that provides useful analysis that facilitates a better understanding of the City's financial condition and changes therein
- **Footnotes** - that elaborate on the City's accounting principles used in the preparation of the financial statements and further explain financial statement elements
- **Supplemental** – that provide additional information about specified elements of the financial statements, such as budgetary comparison information

### **Reporting the City as a Whole**

#### **The Statement of Net Position and the Statement of Activities**

One of the most frequently asked questions about the City's finances is, "Has the City's overall financial condition improved, declined or remained steady over the past year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, along with all deferred outflows and deferred inflows. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two government-wide statements report the City's net position and changes in them from the prior year. You can think of the City's net position – the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources – as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other non-financial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, in the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities** -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- **Business-type activities** -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, sanitation and community center activities are reported here.

## **Reporting the City's Most Significant Funds**

### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money.

*Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

*Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows. In fact, the City's enterprise funds are essentially the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

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

### **Net Position**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the primary government, assets and deferred outflows exceeded liabilities and deferred inflows by approximately \$192.4 million at the close of the most recent fiscal year.

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

|                                  | Governmental     |                  | % Inc.     | Business-Type    |                   | % Inc.     | Total             |                   | % Inc.    |
|----------------------------------|------------------|------------------|------------|------------------|-------------------|------------|-------------------|-------------------|-----------|
|                                  | Activities       |                  | (Dec.)     | Activities       |                   | (Dec.)     |                   |                   | (Dec.)    |
|                                  | 2018             | 2017             |            | 2018             | 2017              |            | 2018              | 2017              |           |
| Current assets                   | \$ 50,022        | \$ 37,925        | 32%        | \$ 10,567        | \$ 11,297         | -6%        | \$ 60,589         | \$ 49,222         | 23%       |
| Capital assets, net              | 90,786           | 88,284           | 3%         | 165,959          | 172,341           | -4%        | 256,745           | 260,625           | -1%       |
| Other noncurrent assets          | -                | -                | -          | 2,578            | 2,701             | -5%        | 2,578             | 2,701             | -5%       |
| <b>Total assets</b>              | <b>140,808</b>   | <b>126,209</b>   | <b>12%</b> | <b>179,104</b>   | <b>186,339</b>    | <b>-4%</b> | <b>319,912</b>    | <b>312,548</b>    | <b>2%</b> |
| Deferred outflows of resources   | 5,655            | 5,199            | 9%         | 630              | 949               | -34%       | 6,285             | 6,148             | 2%        |
| Current liabilities              | 4,931            | 5,034            | -2%        | 6,671            | 7,095             | -6%        | 11,602            | 12,129            | -4%       |
| Noncurrent liabilities           | 43,158           | 37,080           | 16%        | 76,745           | 78,309            | -2%        | 119,903           | 115,389           | 4%        |
| <b>Total liabilities</b>         | <b>48,089</b>    | <b>42,114</b>    | <b>14%</b> | <b>83,416</b>    | <b>85,404</b>     | <b>-2%</b> | <b>131,505</b>    | <b>127,518</b>    | <b>3%</b> |
| Deferred inflows of resources    | 1,833            | 1,000            | 83%        | 418              | 266               | 57%        | 2,251             | 1,266             | 78%       |
| Net position                     |                  |                  |            |                  |                   |            |                   |                   |           |
| Net investment in capital assets | 67,051           | 71,769           | -7%        | 88,693           | 93,893            | -6%        | 155,744           | 165,662           | -6%       |
| Restricted                       | 37,321           | 25,184           | 48%        | 1,771            | 3,118             | -43%       | 39,092            | 28,302            | 38%       |
| Unrestricted (deficit)           | (7,831)          | (8,659)          | 10%        | 5,436            | 4,607             | 18%        | (2,395)           | (4,052)           | 41%       |
| <b>Total net position</b>        | <b>\$ 96,541</b> | <b>\$ 88,294</b> | <b>9%</b>  | <b>\$ 95,900</b> | <b>\$ 101,618</b> | <b>-6%</b> | <b>\$ 192,441</b> | <b>\$ 189,912</b> | <b>1%</b> |

\*\* - The prior year has not been restated to reflect the effect of the implementation of GASB 75 in fiscal year 2018 related to other post-employment benefits (OPEB) liabilities and related deferrals.

The largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. For 2018, this investment in capital assets, net of related debt, amounted to \$155.7 million. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A major portion of the City's net position, \$39.1 million, also represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is available to meet the government's ongoing obligations to citizens and creditors.

The increase in current assets in governmental-type activities of approximately \$12.1 million or 32% is due primarily to issuance of G.O. Bonds at the end of the fiscal year.

The increase in deferred outflow of resources and the change in deferred inflow of resources for both the governmental and business-type activities is due to changes in the pension plans including contributions by the City and participants and asset valuations.

### **Changes in Net Position**

For the year ended June 30, 2018, net position of the primary government changed as follows:



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

|                                      | Governmental Activities |                  | % Inc. (Dec.) | Business-Type Activities |                   | % Inc. (Dec.) | Total             |                   | % Inc. (Dec.) |
|--------------------------------------|-------------------------|------------------|---------------|--------------------------|-------------------|---------------|-------------------|-------------------|---------------|
|                                      | 2018                    | 2017             |               | 2018                     | 2017              |               | 2018              | 2017              |               |
| <b>Revenues</b>                      |                         |                  |               |                          |                   |               |                   |                   |               |
| Charges for service                  | \$ 4,225                | \$ 3,833         | 10%           | \$ 21,500                | \$ 20,721         | 4%            | \$ 25,725         | \$ 24,554         | 5%            |
| Operating grants and contributions   | 2,040                   | 2,167            | -6%           | 97                       | 182               | -47%          | 2,137             | 2,349             | -9%           |
| Capital grants and contributions     | 162                     | 592              | -73%          | 59                       | 285               | -79%          | 221               | 877               | -75%          |
| Taxes                                | 25,939                  | 25,113           | 3%            | -                        | -                 | -             | 25,939            | 25,113            | 3%            |
| Intergovernmental revenue            | 326                     | 337              | -3%           | -                        | -                 | -             | 326               | 337               | -3%           |
| Investment income                    | 535                     | 323              | 66%           | 353                      | 467               | -24%          | 888               | 790               | 12%           |
| Gain on sales of assets              | 6                       | -                | 100%          | (55)                     | -                 | 100%          | (49)              | -                 | 100%          |
| Miscellaneous                        | 1,337                   | 639              | 109%          | 696                      | 626               | 11%           | 2,033             | 1,265             | 61%           |
| <b>Total revenues</b>                | <b>34,570</b>           | <b>33,004</b>    | <b>5%</b>     | <b>22,650</b>            | <b>22,281</b>     | <b>2%</b>     | <b>57,220</b>     | <b>55,285</b>     | <b>4%</b>     |
| <b>Expenses</b>                      |                         |                  |               |                          |                   |               |                   |                   |               |
| General government                   | 7,394                   | 6,910            | 7%            | -                        | -                 | -             | 7,394             | 6,910             | 7%            |
| Public safety                        | 13,571                  | 13,497           | 1%            | -                        | -                 | -             | 13,571            | 13,497            | 1%            |
| Culture, parks and recreation        | 3,159                   | 3,736            | -15%          | -                        | -                 | -             | 3,159             | 3,736             | -15%          |
| Public works                         | 3,803                   | 3,864            | -2%           | -                        | -                 | -             | 3,803             | 3,864             | -2%           |
| Interest on long-term debt           | 289                     | 315              | -8%           | -                        | -                 | -             | 289               | 315               | -8%           |
| Water                                | -                       | -                | -             | 8,089                    | 7,920             | 2%            | 8,089             | 7,920             | 2%            |
| Wastewater                           | -                       | -                | -             | 4,398                    | 4,633             | -5%           | 4,398             | 4,633             | -5%           |
| Sanitation                           | -                       | -                | -             | 2,995                    | 3,079             | -3%           | 2,995             | 3,079             | -3%           |
| Community Center                     | -                       | -                | -             | 1,671                    | 1,594             | 5%            | 1,671             | 1,594             | 5%            |
| Other Business-Type Activities       | -                       | -                | -             | 8,627                    | 7,646             | 13%           | 8,627             | 7,646             | 13%           |
| <b>Total expenses</b>                | <b>28,216</b>           | <b>28,322</b>    | <b>0%</b>     | <b>25,780</b>            | <b>24,872</b>     | <b>4%</b>     | <b>53,996</b>     | <b>53,194</b>     | <b>2%</b>     |
| Excess (deficiency) before transfers | 6,354                   | 4,682            | 36%           | (3,130)                  | (2,591)           | -21%          | 3,224             | 2,091             | 54%           |
| Transfers                            | 2,314                   | (565)            | 510%          | (2,314)                  | 565               | -510%         | -                 | -                 | -             |
| <b>Change in net position</b>        | <b>8,668</b>            | <b>4,117</b>     | <b>111%</b>   | <b>(5,444)</b>           | <b>(2,026)</b>    | <b>-169%</b>  | <b>3,224</b>      | <b>2,091</b>      | <b>54%</b>    |
| <b>Beginning net position</b>        | <b>87,873</b>           | <b>84,177</b>    | <b>4%</b>     | <b>101,344</b>           | <b>103,644</b>    | <b>-2%</b>    | <b>189,217</b>    | <b>187,821</b>    | <b>1%</b>     |
| <b>Ending net position</b>           | <b>\$ 96,541</b>        | <b>\$ 88,294</b> | <b>9%</b>     | <b>\$ 95,900</b>         | <b>\$ 101,618</b> | <b>-6%</b>    | <b>\$ 192,441</b> | <b>\$ 189,912</b> | <b>1%</b>     |

\*\* - The prior year has not been restated to reflect the effect of the implementation of GASB 75 in fiscal year 2018 related to other post-employment benefits (OPEB) liabilities and related deferrals.

Explanations for changes in excess of 20% and \$100,000 are as follows:

*Governmental Activities:*

Capital grants and contributions decreased approximately \$430,000 or 72% due primary due to the difference in the amount FAA Grant proceeds received versus the prior year.

Investment income increased \$212,000 or 65% due to a increases on the rate of return on investments.

Miscellanies income increased by \$ 698,000 or 109% and was due to some one time reimbursements of expenses from a prior year.

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Transfers for operating expenses from the Business Type to Governmental Type are generally more than offset with capital assets transfers back to Business Type, FY 2018 had a reduction of capital asset transfers moving from Government Type to Business Type.

*Business-Type Activities:*

Capital grants decreased approximately \$225,000 due to fewer capital grants in fiscal year 2018 for the Bartlesville Development Authority (\$175,000 less) and the Bartlesville Community Center Trust Authority (\$50,000 less).

Investment income decreased approximately \$114,000 or 24% this was mainly attributed to The Community Center Trust Authorities Investments not performing as well as then the prior year.

**Governmental Activities**

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or, if it is self-financing, through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note all taxes are classified as general revenue even if restricted for a specific purpose.

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

|                               | <b>Total Expense</b> |                  | <b>% Inc.</b> | <b>Net Revenue</b> |                   | <b>% Inc.</b> |
|-------------------------------|----------------------|------------------|---------------|--------------------|-------------------|---------------|
|                               | <b>of Services</b>   |                  |               | <b>(Expense)</b>   |                   |               |
|                               | **                   |                  | <b>(Dec.)</b> | **                 |                   | <b>(Dec.)</b> |
|                               | <u>2018</u>          | <u>2017</u>      |               | <u>2018</u>        | <u>2017</u>       |               |
| General government            | \$ 7,393             | \$ 6,910         | 7%            | (\$6,853)          | (\$6,135)         | -12%          |
| Public safety                 | 13,572               | 13,497           | 1%            | (11,362)           | (11,419)          | 0%            |
| Culture, parks and recreation | 3,159                | 3,736            | -15%          | (3,015)            | (3,468)           | 13%           |
| Public works                  | 3,803                | 3,864            | -2%           | (271)              | (393)             | 31%           |
| Interest on long-term debt    | 289                  | 315              | -8%           | (289)              | (315)             | 8%            |
| <b>Total</b>                  | <u>28,216</u>        | <u>\$ 28,322</u> | 0%            | <u>(\$21,790)</u>  | <u>(\$21,730)</u> | 0%            |

\*\* - The prior year has not been restated to reflect the effect of the implementation of GASB 75 in fiscal year 2018 related to other post-employment benefits (OPEB) liabilities and related deferrals.

Explanations for significant changes are listed above under Table 2.

Several revenue sources fund the City of Bartlesville's governmental activities with sales tax being the largest. The City levies a three and four-tenths-cent (\$.034) sales tax on taxable sales within the City. The Sales Tax is allocated among three funds: The General Fund, the Economic Development Fund, and the Sales

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Tax Capital Improvement Fund. Two and sixty-five hundredths cents (\$.0265) of the tax collected is deposited in the General Fund, twenty-five hundredths cent (\$.0025) is deposited in the Economic Development Fund, and five-tenths cent (\$.005) is deposited in the Sales Tax Capital Improvement Fund. Sales taxes collected by the State in June and July (which represent sales for May and June) and received by the City in July and August have been accrued and are included under the caption “Due from other governments”. Sales tax revenue reported in the Government-wide Financial Statements totaled \$18,343,576, which represented a 1.3% increase over prior year receipts.

Public Safety is one of the most important yet costly governmental expense activities in the City. Combined, the Police and Fire departments accounted for 48.1% of net governmental expenses. The Fire department consists of 70 full-time employees, including one administrative assistant. The Police department consists of 68 full time employees with 61 being sworn enforcement personnel and 7 being civilian personnel.

The City has many other operating departments involved in governmental type activities including street, park, building maintenance, library, museum, technical services, cemetery, legal, swimming pools, stadium, airport, economic development, and community development, which provide services to the public. The city council, administration, accounting and finance, and general services departments provide services both internally and externally and are categorized as general governmental functions.

**Business-Type Activities**

Overall, the business-type activities saw a decrease of \$5,723,000 in net position.

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

|                                | <b>Total Expense</b> |                 | <b>% Inc.<br/>Dec.</b> | <b>Net Revenue</b> |                  | <b>% Inc.<br/>Dec.</b> |
|--------------------------------|----------------------|-----------------|------------------------|--------------------|------------------|------------------------|
|                                | <b>of Services</b>   |                 |                        | <b>(Expense)</b>   |                  |                        |
|                                | <b>2018</b>          | <b>2017</b>     |                        | <b>2018</b>        | <b>2017</b>      |                        |
|                                |                      | **              |                        | **                 |                  |                        |
| Water                          | \$ 8,089             | \$ 7,920        | 2%                     | \$ 1,434           | \$ 1,176         | 22%                    |
| Wastewater                     | 4,398                | 4,633           | -5%                    | 32                 | (736)            | 104%                   |
| Sanitation                     | 2,995                | 3,079           | -3%                    | 1,474              | 1,405            | 5%                     |
| Community center               | 1,671                | 1,594           | 5%                     | (984)              | (759)            | -30%                   |
| Other business-type activities | 8,627                | 7,646           | 13%                    | (6,080)            | (4,769)          | -27%                   |
| <b>Total</b>                   | <b>\$25,780</b>      | <b>\$24,872</b> | <b>4%</b>              | <b>\$(4,124)</b>   | <b>\$(3,683)</b> | <b>-12%</b>            |

\*\* - The prior year has not been restated to reflect the effect of the implementation of GASB 75 in fiscal year 2018 related to other post-employment benefits (OPEB) liabilities and related deferrals.

The City’s business-type activities include utility services for water, wastewater, sanitation and the operation of the community center.

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Total assets from governmental activities are approximately \$140.8 million, which represents an increase of \$14.6 million from the prior fiscal year. This increase can mainly be attributed to the issuance of new G.O. Bond debt and the conservative financial policies implemented by the City Council and City Staff. The most significant financial policies are the City's Stabilization Reserve Fund and Capital Reserve Fund policies which were adopted by ordinance. These policies institutionalize incremental, annual savings and resulted in an additional \$729,000 being set aside in a formal stabilization reserve fund and \$5.0 million being set aside in a formal capital reserve fund. These policies provide for stability and planned capital replacement even during difficult economic times.

The City's method for investing surplus funds changed significantly in 2009. In an effort to increase efficiency, internal controls, and transparency, the Council and City Staff selected Arvest Asset Management to actively manage the City's investments. The Administrative Director/CFO was appointed to fulfill the job of Treasurer in addition to existing duties. This arrangement allows for greater security, since all of the funds are invested and monitored by a third party who is contracted by the Council. It also allows for greater efficiency, since the investing functions can now be integrated with existing finance processes. This has created a more seamless recording of investing activity and a more reliable reconciliation to the general ledger. This process continues today.

The City continues in its efforts to further reduce expenditures through more efficient procurement and use of goods and services along with improvements in energy efficiency. Money-saving programs and approaches to service delivery are constantly sought. This entails regular reevaluation and in many cases rebidding of our service contracts. Available grants are continually sought and applied for to reduce local expenses.

The City has continued its concerted effort to improve work place safety so that workers' compensation costs are reduced. This includes continued in-house safety training and monitoring trends in injuries to better focus training on important issues. The City is "own risk" or self-insured for workers' compensation. Despite the City's best efforts, workers' compensation expense continues to escalate due to increasing medical and settlement costs. To help offset these increases, the City began levying workers' compensation court judgments on property tax. While this step has lessened workers' compensation's impact on the City's general revenues, it does create a slight increase in the property tax levy. It is the City's hope that the workers' compensation reform that recently emerged from the State Legislature will help to control these costs long-term.

In recent years, the City also elected to return to an "own risk" or self-funded plan for employee health insurance, but this program differs from the Workers' Compensation program in that the City obtains reinsurance to cover the largest claims. This self-insured plan, like most insurance plans, has had its ups and downs, but recently the performance of the plan has stabilized and is allowing the City to set aside additional funds for future catastrophic illnesses and to provide for greater rate stability for employees.

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

Information on the City's major funds starts on page 39. The governmental funds utilize the modified accrual basis of accounting. All governmental funds combined received total revenues of \$34.70 million for the year and \$34.76 million in expenditures resulting in a deficiency in revenues over expenditures of (\$55 thousand). The City's governmental funds also had other financing sources and uses (mainly transfers and debt proceeds) that netted to create other financing sources of \$12.8 million. When combined with the deficiency mentioned above, the City's governmental funds' fund balances in total finished the year up approximately \$12.8 million, more than where they started.

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The individual net change in fund balances for the year was only significant in the Debt Service Fund CIP – Wastewater Regulatory Fund, Capital Reserve Fund, 2014B G.O. Bond Fund and the 2017 G.O. Bond Fund 2018A G.O. Bond Fund. The Debt Service Fund received approximately \$4.3 million in revenue and paid \$3.4 million for debt service payments in a increased fund balance of \$0.9 million. The CIP – Wastewater Regulatory Fund received dedicated utility revenues that were accumulated to pay for regulatory required wastewater projects. It received approximately \$173,000 in revenues and paid approximately \$1.3 million for projects. This resulted in a decrease of \$1.1 million. In FY17, the City began using the Capital Reserve Fund for business-type and governmental-type projects and is phasing out the use of the CIP-Wastewater Regulatory Fund. The Capital Reserve Fund is a capital improvement fund used to accumulate amounts from the General, Water, Wastewater, and Sanitation Funds that will be used to finance these funds’ long-term capital plans. This fund accumulated \$4.2 million in revenue and transfers while spending \$1.2 million which resulted in an increased fund balance of \$3.0 million. The 2014B G.O. Bond Fund spent \$.8 million of prior year bond proceeds, which explains the decrease in fund balance of the same amount. The 2017 G.O. Bond Fund spent \$.8 million of prior year bond proceeds, which explains the decrease in fund balance of the same amount. The 2018A G.O. Bond Fund received \$9.7 million in bond proceeds, with \$0.1 million in professional services expense therefore the increase in fund balance by \$9.6 million.

The general fund reflects an increase in fund balance of \$737,455 which brings it up to \$10.3 million. While no standard is established for the desired level of fund balance that should be carried, it is desirable to have at least two months of average expenditures so that fluctuations in revenue and expenditures can be absorbed without major disruptions to the normal operations. With careful monitoring of revenue and expenditures combined with conservative budgeting, the City management believes the fund balance is adequate to allow the City to meets its obligations and reflects a good financial condition of the City as a whole.

### **General Fund Budgetary Highlights**

The City’s budget is prepared in accordance with Oklahoma Law and is based on anticipated cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is required for all funds of the City except agency funds. The City Council is provided with a detailed line-item budget for all departments; however the City’s budget is adopted with the legal level of control set at the department level. This means that a department’s budget may exceed its annual appropriations for a single line item but may not exceed its appropriations in total. Normally, several meetings are devoted to discussion and explanation of the proposed budget by staff. When the City Council is satisfied with the final form of the budget, it is adopted and the powers of the Council and City Manager are defined as follows.

The City Manager may transfer appropriations from one department within a fund after the budget is adopted by the City Council. The Council must approve any budget amendments that would alter the total budget by fund or would make any interfund transfers of money. The Finance Director closely monitors the budget throughout the year and works with department directors to resolve budget issues that may arise over the course of the year. He also provides the City Manager and City Council with a summary report on the revenue, expenditures, and changes in fund balances as compared to the budget after the close of each monthly accounting cycle. Department directors have access to view their budgets online at any time.

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For the general fund, budget basis revenue was down by \$136,027 over the budget estimates of \$22,202,335. The City continues the conservative practice of estimating revenues based on long term trends adjusted for known factors. Expenditures are estimated using the most detailed data available. Salary and related expenses are calculated to the dollar based on the current staffing. Expenditures for 2018 were \$1,290,984 below the final budget of \$23,493,319. These savings were achieved through spending restraints and careful monitoring of budget results.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of June 30, 2018, the City had \$256.7 million invested in capital assets, net of depreciation, including police and fire equipment, buildings, park facilities, streets, and water lines and sewer lines. (See Table 5). This represents a net decrease of approximately \$3.9 million over last year.

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

|                                    | <b>Governmental</b> |                  | <b>Business-Type</b> |                   | <b>Total</b>      |                   |
|------------------------------------|---------------------|------------------|----------------------|-------------------|-------------------|-------------------|
|                                    | <b>Activities</b>   |                  | <b>Activities</b>    |                   |                   |                   |
|                                    | <u>2018</u>         | <u>2017</u>      | <u>2018</u>          | <u>2017</u>       | <u>2018</u>       | <u>2017</u>       |
| Land                               | \$ 3,354            | \$ 3,354         | \$ 7,252             | \$ 7,512          | \$ 10,606         | \$ 10,866         |
| Works of art                       | -                   | -                | 46                   | 46                | 46                | 46                |
| Buildings                          | 4,092               | 4,590            | 97,748               | 101,658           | 101,840           | 106,248           |
| Infrastructure                     | 63,091              | 60,668           | 33,783               | 35,768            | 96,874            | 96,436            |
| Machinery, furniture and equipment | 4,064               | 3,206            | 2,847                | 3,129             | 6,911             | 6,335             |
| Construction in progress           | 16,184              | 16,466           | 24,283               | 24,228            | 40,467            | 40,694            |
| <b>Totals</b>                      | <u>\$ 90,785</u>    | <u>\$ 88,284</u> | <u>\$ 165,959</u>    | <u>\$ 172,341</u> | <u>\$ 256,744</u> | <u>\$ 260,625</u> |

Perhaps the City’s most important long-term capital needs revolve around a long-term sustainable water supply and an expansion of our wastewater treatment capacity. The construction of the Ted Lockin potable water treatment plant was completed in September of 2006, and the City is continuing to make progress on the issue of long-term water supply. However, the City’s water needs now largely lie in the hands of the United States Congress where discounted pricing for water rights on Copan Lake must be approved. The City is also examining possibilities for indirect wastewater reuse that will allow the City to utilize effluent from the wastewater plant as a supplementary water supply.

In addition to the need for long-term water supply, the City is also currently undertaking the early stages of planning for its long-term wastewater needs with the completion of several studies, collection system improvements, treatment process evaluations, and the purchase of land as a possible future site for a wastewater treatment plant. It is anticipated that the City will need to construct this new wastewater treatment plant or renovate the existing plant in the near future. To fund these future improvements, the City implemented a dedicated utility fee in FY 2009 which has been incrementally increased over the years to pay for engineering, design, land acquisition, and eventually the debt service for this project.

Funds provided by the capital improvement sales tax are providing a large portion of the City’s general capital needs including some street, drainage, park, and facilities improvements as well as equipment and vehicle replacements. In 2013, the citizens approved an extension of the capital improvements sales tax

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for an additional seven years beginning July 1, 2014. In addition to more “traditional” City projects, this extension added needed improvements to the City’s world class Community Center that is now 30 years old.

With regard to infrastructure, the engineering department maintains a list of street, drainage, and park improvements awaiting construction. These are funded on a priority basis as funds become available from the sales tax reserved for capital improvements. As part of the annual budget process, City Staff prioritizes these projects and makes recommendations to the City Council. The projects that can be provided for from the capital improvement fund are included in the budget while the balance of projects are kept on the list waiting funding at a later date. Priorities sometimes change if external funding, such as grants or donations, becomes available for specific purposes.

Water and sewer projects are most often funded with loans through the Oklahoma Water Resources Board’s Drinking Water State Revolving Fund or the Clean Water State Revolving Fund. These are revenue notes payable over terms up to 30 years with very favorable interest rates. Water and/or sewer revenues are pledged to the repayment of principal and interest. This process allows the City’s utility rates to be set at a level that covers the full cost of their operations and preserves general revenues for functions that do not have a dedicated source of funding.

See Note 4 to the financial statements for more detail information on the City’s capital assets and changes therein.

**Long-Term Debt**

As of June 30, 2018 the City of Bartlesville had approximately \$102,021,000, in outstanding debt. Table 6 summarizes the outstanding debt. This increase of approximately \$5,766,000 over last year is due primarily to the net effect of issuance of \$10.25 million in G.O. Bonds and normal debt service payments. The City’s changes in long-term debt by type of debt are as follows:

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

|  | <u>Governmental</u> |                  | <u>Business-Type</u> |                  | <u>Total</u>      |                  | <u>Total</u>      |
|--|---------------------|------------------|----------------------|------------------|-------------------|------------------|-------------------|
|  | <u>Activities</u>   |                  | <u>Activities</u>    |                  |                   |                  | <u>Percentage</u> |
|  | <u>2018</u>         | <u>2017</u>      | <u>2018</u>          | <u>2017</u>      | <u>2018</u>       | <u>2017</u>      | <u>Change</u>     |
| General obligation bonds               | \$ 23,735           | \$ 16,515        | \$ -                 | \$ -             | \$ 23,735         | \$ 16,515        | 43.7%             |
| Notes payable                          | -                   | -                | 76,753               | 77,789           | 76,753            | 77,789           | -1.3%             |
| Workers' compensation claims liability | 525                 | 979              | -                    | -                | 525               | 979              | -46.4%            |
| Accrued compensated absences           | 842                 | 808              | 166                  | 164              | 1,008             | 972              | 3.7%              |
| <b>Totals</b>                          | <b>\$ 25,102</b>    | <b>\$ 18,302</b> | <b>\$ 76,919</b>     | <b>\$ 77,953</b> | <b>\$ 102,021</b> | <b>\$ 96,255</b> | <b>6.0%</b>       |

All of the City’s General Obligation Bonds are composed of bonds with maturities of ten years or less, although the city may legally issue debt with maturities as long as 25 years. All general obligation bonds must be approved by a vote of the qualified electors of the City. Most of the other notes are Oklahoma Water Resources Board (OWRB) revenue notes for improvements to the City’s water and sewer system, permanent notes used to replace the OWRB notes, or obligations of the City’s authorities which are secured solely by the lease revenues of the facilities associated with the debt. All of these notes carry

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favorable interest rates and/or administrative fees due to State subsidization (in the case of OWRB financing) or due to rates negotiated at or near inflation (in the case of the private placement note).

See Note 5 to the financial statements for more detail information on the City's long-term debt and changes therein.

**The Economic Outlook**

The City of Bartlesville maintains a healthy financial condition by actively managing its expenditures. The City maintains a flexible management style by exercising constraint on filling vacancies in the workforce, continually stressing the performance of key revenue sources, enforcing budgetary control on departments, and encouraging the city council to address revenue shortfalls and adjust rates for services when justified. The City has a quality accounting and budgetary control program and conservative financial management policies. We believe that we are well positioned to meet the challenges of the near future, and we feel that our oversight and attention to financial condition are of even more importance in the current economic climate. The employees, management, and Council of the City of Bartlesville are committed to providing excellent service to its citizens. The financial management team is further committed to providing full disclosure of the financial position of the City.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the tax and service revenues it receives. If you have questions about this report or need additional financial information, contact the current CFO/City Clerk, Mike Bailey at the City of Bartlesville, 401 S. Johnstone Ave, Bartlesville, OK 74003, by phone at (918) 338-4212 or by email at [jmuninger@cityofbartlesville.org](mailto:jmuninger@cityofbartlesville.org).



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**BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE**

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**Statement of Net Position– June 30, 2018**

|  | <u>Governmental</u><br><u>Activities</u> | <u>Business-type</u><br><u>Activities</u> | <u>Total</u>          |
|--|--|---|-----------------------|
| <b>ASSETS</b>                                    |  |   |                       |
| Cash and cash equivalents                        | \$ 109,150                               | \$ 2,768,934                              | \$ 2,878,084          |
| Investments                                      | 44,121,105                               | 5,895,785                                 | 50,016,890            |
| Interest receivable                              | 99,348                                   | -   | 99,348                |
| Restricted cash and cash equivalents, current    | 59,291                                   | 1,389,452                                 | 1,448,743             |
| Accounts receivable, net of allowance            | 1,135,349                                | 2,214,568                                 | 3,349,917             |
| Internal balances                                | 1,007,317                                | (1,007,317)                               | -                     |
| Due from other governmental agencies             | 3,348,753                                | -   | 3,348,753             |
| Inventories                                      | 56,477                                   | 458,118                                   | 514,595               |
| Prepaid expenses                                 | 85,816                                   | 54,264                                    | 140,080               |
| Incentive loans receivable, current              | -  | 183,468                                   | 183,468               |
| Restricted cash and cash equivalents, noncurrent | -  | 204,658                                   | 204,658               |
| Mortgage and security agreement                  | -  | 526,901                                   | 526,901               |
| Incentive loans receivable, noncurrent           | -  | 346,453                                   | 346,453               |
| Other assets                                     | -  | 110,045                                   | 110,045               |
| Capital Assets:                                  |  |   |                       |
| Land and construction in progress                | 19,538,399                               | 31,581,245                                | 51,119,644            |
| Other capital assets, net of depreciation        | 71,247,246                               | 134,377,540                               | 205,624,786           |
| Total Assets                                     | <u>140,808,251</u>                       | <u>179,104,114</u>                        | <u>319,912,365</u>    |
| <b>DEFERRED OUTFLOW OF RESOURCES</b>             |  |   |                       |
| Deferred amounts related to pensions             | 5,626,876                                | 615,208                                   | 6,242,084             |
| Deferred amounts related to OPEB                 | 27,958                                   | 15,163                                    | 43,121                |
| Total deferred outflow of resources              | <u>5,654,834</u>                         | <u>630,371</u>                            | <u>6,285,205</u>      |
| <b>LIABILITIES</b>                               |  |   |                       |
| Accounts payable and accrued expenses            | 1,126,751                                | 543,989                                   | \$ 1,670,740          |
| Accrued interest payable                         | -  | 699,451                                   | 699,451               |
| Due to depositors                                | -  | 1,243,819                                 | 1,243,819             |
| Restricted cash reserves                         | -  | 225,630                                   | 225,630               |
| Advanced revenues                                | 85,547                                   | 170,261                                   | 255,808               |
| Long-term liabilities                            |  |   |                       |
| Due within one year:                             |  |   |                       |
| Compensated absences                             | 84,160                                   | 16,398                                    | 100,558               |
| Bonds, capital leases and contracts              | 3,425,000                                | 3,448,399                                 | 6,873,399             |
| Incentives payable                               | -  | 323,844                                   | 323,844               |
| Claims payable                                   | 209,934                                  | -   | 209,934               |
| Due in more than one year:                       |  |   |                       |
| Compensated absences                             | 757,444                                  | 150,091                                   | 907,535               |
| Bonds, capital leases and contracts              | 20,310,000                               | 73,304,244                                | 93,614,244            |
| Incentives payable                               | -  | 63,914                                    | 63,914                |
| Claims payable                                   | 314,902                                  | -   | 314,902               |
| Net OPEB liability                               | 3,731                                    | 2,023                                     | 5,754                 |
| Total OPEB liability                             | 768,096                                  | 416,595                                   | 1,184,691             |
| Net pension liability                            | 21,003,609                               | 2,807,698                                 | 23,811,307            |
| Total liabilities                                | <u>48,089,174</u>                        | <u>83,416,356</u>                         | <u>131,505,530</u>    |
| <b>DEFERRED INFLOW OF RESOURCES</b>              |  |   |                       |
| Deferred amounts related to pensions             | 1,802,575                                | 401,559                                   | 2,204,134             |
| Deferred amounts related to OPEB                 | 30,048                                   | 16,296                                    | 46,344                |
| Total Deferred inflow of resources               | <u>1,832,623</u>                         | <u>417,855</u>                            | <u>2,250,478</u>      |
| <b>NET POSITION</b>                              |  |   |                       |
| Net investment in capital assets                 | 67,050,645                               | 88,692,828                                | 155,743,473           |
| Restricted by:                                   |  |   |                       |
| Enabling legislation                             | 19,367,886                               | -   | 19,367,886            |
| Statutory requirements                           | 16,941,063                               | -   | 16,941,063            |
| External contracts                               | 1,012,728                                | 1,771,559                                 | 2,784,287             |
| Unrestricted (deficit)                           | (7,831,034)                              | 5,435,887                                 | (2,395,147)           |
| Total net position                               | <u>\$ 96,541,288</u>                     | <u>\$ 95,900,274</u>                      | <u>\$ 192,441,562</u> |

See accompanying notes to the basic financial statements.

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**Statement of Activities –Year Ended June 30, 2018**

| Functions/Programs  | Expenses             | Program Revenue      |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          |                        |
|---|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|------------------------|
|   |                      | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                           | Business-type Activities | Total                  |
| <b>Primary government</b>                                     |                      |                      |                                    |                                  |   |                          |                        |
| <b>Governmental Activities</b>                                |                      |                      |                                    |                                  |   |                          |                        |
| General Government  | \$ 7,392,884         | \$ 394,098           | \$ 134,533                         | \$ 11,500                        | \$ (6,852,753)                                    | \$ -                     | \$ (6,852,753)         |
| Public Safety   | 13,571,614           | 745,694              | 1,463,654                          | -                                | (11,362,266)                                      | -                        | (11,362,266)           |
| Culture and Recreation  | 3,159,390            | 37,694               | 107,153                            | -                                | (3,014,543)                                       | -                        | (3,014,543)            |
| Public Works  | 3,803,289            | 3,047,853            | 334,470                            | 150,000                          | (270,966)   | -                        | (270,966)              |
| Interest on Long-term debt                                    | 289,177              | -                    | -                                  | -                                | (289,177)   | -                        | (289,177)              |
| Total governmental activities                                 | <u>28,216,354</u>    | <u>4,225,339</u>     | <u>2,039,810</u>                   | <u>161,500</u>                   | <u>(21,789,705)</u>                               | <u>-</u>                 | <u>(21,789,705)</u>    |
| <b>Business-Type Activities:</b>                              |                      |                      |                                    |                                  |   |                          |                        |
| Water   | 8,089,001            | 9,522,842            | -                                  | -                                | -   | 1,433,841                | 1,433,841              |
| Wastewater  | 4,398,050            | 4,430,330            | -                                  | -                                | -   | 32,280                   | 32,280                 |
| Sanitation  | 2,995,460            | 4,469,674            | -                                  | -                                | -   | 1,474,214                | 1,474,214              |
| Community Center  | 1,670,558            | 548,869              | 78,008                             | 59,482                           | -   | (984,199)                | (984,199)              |
| Other Business-Type Activities                                | 8,627,449            | 2,528,605            | 18,583                             | -                                | -   | (6,080,261)              | (6,080,261)            |
| Total business-type activities                                | <u>25,780,518</u>    | <u>21,500,320</u>    | <u>96,591</u>                      | <u>59,482</u>                    | <u>-</u>  | <u>(4,124,125)</u>       | <u>(4,124,125)</u>     |
| Total primary government                                      | <u>\$ 53,996,872</u> | <u>\$ 25,725,659</u> | <u>\$ 2,136,401</u>                | <u>\$ 220,982</u>                | <u>\$ (21,789,705)</u>                            | <u>\$ (4,124,125)</u>    | <u>\$ (25,913,830)</u> |
| <b>General revenues:</b>                                      |                      |                      |                                    |                                  |   |                          |                        |
| <b>Taxes:</b>   |                      |                      |                                    |                                  |   |                          |                        |
| Sales and use taxes   |                      |                      |                                    |                                  | \$ 18,343,576                                     | \$ -                     | \$ 18,343,576          |
| TIF tax revenue   |                      |                      |                                    |                                  | 1,060,254   | -                        | 1,060,254              |
| Property taxes  |                      |                      |                                    |                                  | 4,075,456   | -                        | 4,075,456              |
| Franchise taxes and public service taxes                      |                      |                      |                                    |                                  | 1,392,024   | -                        | 1,392,024              |
| Other taxes   |                      |                      |                                    |                                  | 1,067,904   | -                        | 1,067,904              |
| Intergovernmental revenue not restricted to specific programs |                      |                      |                                    |                                  | 326,375   | -                        | 326,375                |
| Unrestricted investment earnings                              |                      |                      |                                    |                                  | 535,306   | 353,322                  | 888,628                |
| Miscellaneous   |                      |                      |                                    |                                  | 1,336,755   | 696,179                  | 2,032,934              |
| Gain (Loss) on sale of assets                                 |                      |                      |                                    |                                  | 6,113   | (54,630)                 | (48,517)               |
| Transfers   |                      |                      |                                    |                                  | 2,314,067   | (2,314,067)              | -                      |
| Total general revenues and transfers                          |                      |                      |                                    |                                  | <u>30,457,830</u>                                 | <u>(1,319,196)</u>       | <u>29,138,634</u>      |
| Change in net position  |                      |                      |                                    |                                  | 8,668,125   | (5,443,321)              | 3,224,804              |
| Net position - beginning, restated                            |                      |                      |                                    |                                  | 87,873,163  | 101,343,595              | 189,216,758            |
| Net position - ending   |                      |                      |                                    |                                  | <u>\$ 96,541,288</u>                              | <u>\$ 95,900,274</u>     | <u>\$ 192,441,562</u>  |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA  
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**BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS**

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Governmental Funds Balance Sheet - June 30, 2018**

City of Bartlesville  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2018**

|  | <u>General Fund</u>  | <u>Debt Service</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|----------------------|---------------------|---|---|
| <b>ASSETS</b>                            |                      |                     |   |   |
| Cash and cash equivalents                | \$ 3,250             | -                   | \$ -                                    | \$ 3,250                                |
| Investments                              | 6,526,929            | 3,740,556           | 33,149,575                              | 43,417,060                              |
| Interest receivable                      | -                    | -                   | 99,349                                  | 99,349                                  |
| Receivable from other governments        | 40,728               | 10,003              | 705                                     | 51,436                                  |
| Due from other funds                     | 918,501              | -                   | -                                       | 918,501                                 |
| Taxes receivable, net                    | 2,719,965            | -                   | 825,774                                 | 3,545,739                               |
| Other receivables, net of allowance      | 739,024              | -                   | 136,249                                 | 875,273                                 |
| Inventories                              | 56,476               | -                   | -                                       | 56,476                                  |
| Prepaid expenses                         | 85,816               | -                   | -                                       | 85,816                                  |
| Cash - restricted                        | 59,291               | -                   | -                                       | 59,291                                  |
| Total assets                             | <u>\$ 11,149,980</u> | <u>\$ 3,750,559</u> | <u>\$ 34,211,652</u>                    | <u>\$ 49,112,191</u>                    |
| <br><b>LIABILITIES AND FUND BALANCES</b> |                      |                     |   |   |
| Liabilities:                             |                      |                     |   |   |
| Accounts payable                         | \$ 75,508            | \$ -                | \$ 144,514                              | \$ 220,022                              |
| Accrued payroll payable                  | 628,694              | -                   | 35,838                                  | 664,532                                 |
| Advanced revenue                         | 85,407               | -                   | 140                                     | 85,547                                  |
| Other payables                           | 67,471               | -                   | 168,099                                 | 235,570                                 |
| Total liabilities                        | <u>857,080</u>       | <u>-</u>            | <u>348,591</u>                          | <u>1,205,671</u>                        |
| <br>Fund balances:                       |                      |                     |   |   |
| Nonspendable                             | 142,293              | -                   | -                                       | 142,293                                 |
| Restricted                               | -                    | 3,750,559           | 33,571,118                              | 37,321,677                              |
| Committed                                | 5,998,580            | -                   | 291,943                                 | 6,290,523                               |
| Assigned                                 | 469,794              | -                   | -                                       | 469,794                                 |
| Unassigned                               | 3,682,233            | -                   | -                                       | 3,682,233                               |
| Total fund balances                      | <u>10,292,900</u>    | <u>3,750,559</u>    | <u>33,863,061</u>                       | <u>47,906,520</u>                       |
| Total liabilities and fund balances      | <u>\$ 11,149,980</u> | <u>\$ 3,750,559</u> | <u>\$ 34,211,652</u>                    | <u>\$ 49,112,191</u>                    |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances – Year Ended June 30, 2018**

|   | <b>General Fund</b>  | <b>Debt Service</b> | <b>Other<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|---|----------------------|---------------------|---|---|
| <b>REVENUES</b>                                   |                      |                     |   |   |
| Sales and miscellaneous taxes                     | \$ 15,687,251        | \$ -                | \$ 6,176,507                            | \$ 21,863,758                           |
| Property taxes                                    | -                    | 4,075,456           | -                                       | 4,075,456                               |
| Intergovernmental                                 | 2,267,349            | -                   | 383,438                                 | 2,650,787                               |
| Licenses and permits                              | 254,528              | -                   | -                                       | 254,528                                 |
| Charges for services                              | 406,022              | -                   | 3,053,493                               | 3,459,515                               |
| Fees and fines                                    | 765,824              | -                   | -                                       | 765,824                                 |
| Investment earnings                               | 171,016              | 21,883              | 332,831                                 | 525,730                                 |
| Miscellaneous                                     | 441,244              | 171,818             | 444,383                                 | 1,057,445                               |
| Contributions and donations                       | -                    | -                   | 51,451                                  | 51,451                                  |
| Total revenues                                    | <u>19,993,234</u>    | <u>4,269,157</u>    | <u>10,442,103</u>                       | <u>34,704,494</u>                       |
| <b>EXPENDITURES</b>                               |                      |                     |   |   |
| Current:  |                      |                     |   |   |
| General government                                | 5,656,721            | 28,011              | 760,246                                 | 6,444,978                               |
| Public safety                                     | 12,616,457           | -                   | 1,138,661                               | 13,755,118                              |
| Public works                                      | 1,423,173            | -                   | 1,162,385                               | 2,585,558                               |
| Culture and recreation                            | 2,632,254            | -                   | 285,272                                 | 2,917,526                               |
| Capital outlay                                    | 6,549                | -                   | 5,731,160                               | 5,737,709                               |
| Debt service:                                     |                      |                     |   |   |
| Principal   | -                    | 3,030,000           | -                                       | 3,030,000                               |
| Interest and other charges                        | -                    | 289,177             | -                                       | 289,177                                 |
| Total expenditures                                | <u>22,335,154</u>    | <u>3,347,188</u>    | <u>9,077,724</u>                        | <u>34,760,066</u>                       |
| Excess (deficiency) of revenues over expenditures | <u>(2,341,920)</u>   | <u>921,969</u>      | <u>1,364,379</u>                        | <u>(55,572)</u>                         |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                      |                     |   |   |
| Proceeds from long-term debt                      | -                    | -                   | 10,250,000                              | 10,250,000                              |
| Other source                                      | -                    | -                   | 1,225                                   | 1,225                                   |
| Transfers in                                      | 4,685,693            | -                   | 1,755,952                               | 6,441,645                               |
| Transfers out                                     | (1,606,318)          | -                   | (2,197,811)                             | (3,804,129)                             |
| Total other financing sources and uses            | <u>3,079,375</u>     | <u>-</u>            | <u>9,809,366</u>                        | <u>12,888,741</u>                       |
| Net change in fund balances                       | 737,455              | 921,969             | 11,173,745                              | 12,833,169                              |
| Fund balances - beginning                         | 9,555,445            | 2,828,590           | 22,689,316                              | 35,073,351                              |
| Fund balances - ending                            | <u>\$ 10,292,900</u> | <u>\$ 3,750,559</u> | <u>\$ 33,863,061</u>                    | <u>\$ 47,906,520</u>                    |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA  
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**Reconciliation of Governmental Funds and Government-Wide Financial Statements:**

|  |    |               |
|--|----|---------------|
| Total fund balance, governmental funds   | \$ | 47,906,520    |
| Amounts reported for governmental activities in the Statement of Net Position are different because:   |    |               |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.                                |    |               |
|  |    | 90,785,645    |
| Other long-term assets, deferred outflows and internal service fund activity are either not available to pay for current period expenditures and are deferred in the funds, or are combined with governmental activities at the government-wide financial statements |    |               |
| Pension related deferred outflows  |    | 5,626,876     |
| OPEB related deferred outflows   |    | 27,958        |
| Internal service funds   |    | 290,136       |
| Internal balance related to internal service fund classified as BTA  |    | 88,816        |
| Some liabilities and deferred inflows are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.  |    |               |
| Bonds payable  |    | (23,735,000)  |
| Net pension liability  |    | (21,003,609)  |
| Accrued compensated absences liability   |    | (841,604)     |
| Net OPEB liability   |    | (3,731)       |
| Total OPEB liability   |    | (768,096)     |
| Pension related deferred inflows   |    | (1,802,575)   |
| OPEB related deferred inflows  |    | (30,048)      |
| Net Position of Governmental Activities in the Statement of Net Position   |    | \$ 96,541,288 |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Reconciliation of Governmental Funds and Government-Wide Financial Statements:**

Net change in fund balances - total governmental funds: \$ 12,833,169

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

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

|  |             |
|--|-------------|
| Capital asset purchases capitalized                    | 7,139,204   |
| Depreciation expense                                   | (4,314,073) |
| Capital assets transferred to business-type activities | (323,449)   |

In the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as an element of pension expense. The fund financials report pension contributions as expenditures. 548,557

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

|                                      |              |
|--------------------------------------|--------------|
| Principal payments on long-term debt | 3,030,000    |
| Proceeds of long-term debt           | (10,250,000) |

Internal service funds are used by management to charge the costs of certain activities, such as workers' compensation and health insurance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. 25,390

Internal service fund activity related to Enterprise Funds 13,318

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

|  |          |
|--|----------|
| Change in compensated absence liability        | (33,684) |
| Change in OPEB liability and related deferrals | (307)    |

Change in net position of governmental activities \$ 8,668,125

See accompanying notes to the basic financial statements.



**CITY OF BARTLESVILLE, OKLAHOMA  
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**BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS**

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Proprietary Funds Statement of Net Position - June 30, 2018**

|   | Enterprise Funds |                 |              |                  |                                    |                                  |                        | Total         | Total Internal Service Funds |
|---|------------------|-----------------|--------------|------------------|------------------------------------|----------------------------------|------------------------|---------------|------------------------------|
|   | BMA              | Wastewater Fund | Water Fund   | Solid Waste Fund | Bartlesville Development Authority | Bartlesville Education Authority | Other Enterprise Funds |               |                              |
| <b>ASSETS</b>   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Current assets:   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Cash and cash equivalents   | \$ -             | \$ -            | \$ -         | \$ -             | \$ 620,944                         | \$ -                             | \$ 2,147,990           | \$ 2,768,934  | \$ 45,900                    |
| Restricted cash and cash equivalents  | 1,163,822        | -               | -            | -                | 225,630                            | -                                | -                      | 1,389,452     | -                            |
| Investments   | -                | -               | -            | 827,024          | -                                  | -                                | 5,068,761              | 5,895,785     | 704,045                      |
| Accounts receivable, net  | 1,287,393        | -               | -            | 306,261          | 78,539                             | -                                | -                      | 1,672,193     | -                            |
| Cash held by third parties  | -                | -               | -            | -                | -                                  | -                                | -                      | -             | 60,000                       |
| Other receivables   | 107,825          | -               | 5,265        | 13,464           | -                                  | 306,829                          | 108,992                | 542,375       | 11,654                       |
| Incentive loans receivable, current   | -                | -               | -            | -                | 183,468                            | -                                | -                      | 183,468       | -                            |
| Prepaid expenses  | -                | -               | -            | -                | 37,854                             | -                                | -                      | 37,854        | -                            |
| Inventory   | -                | 60,262          | 397,856      | -                | -                                  | -                                | 16,410                 | 474,528       | -                            |
| Total current assets  | 2,559,040        | 60,262          | 403,121      | 1,146,749        | 1,146,435                          | 306,829                          | 7,342,153              | 12,964,589    | 821,599                      |
| Noncurrent assets:  |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Restricted:   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Cash and cash equivalents   | 181,052          | -               | -            | -                | -                                  | 23,606                           | -                      | 204,658       | -                            |
| Mortgage and security agreement   | -                | -               | -            | -                | -                                  | -                                | 526,901                | 526,901       | -                            |
| Incentive loans receivable  | -                | -               | -            | -                | 346,453                            | -                                | -                      | 346,453       | -                            |
| Other assets  | -                | -               | -            | -                | 110,045                            | -                                | -                      | 110,045       | -                            |
| Capital assets:   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Land and construction in progress   | 724,569          | 32,187          | 135,877      | -                | 4,773,267                          | 24,283,278                       | 1,632,067              | 31,581,245    | -                            |
| Other capital assets, net of accumulated depreciation   | 41,270,838       | 16,090,714      | 9,770,945    | 1,285,906        | 58,418,971                         | -                                | 7,540,166              | 134,377,540   | -                            |
| Total noncurrent assets   | 42,176,459       | 16,122,901      | 9,906,822    | 1,285,906        | 63,648,736                         | 24,306,884                       | 9,699,134              | 167,146,842   | -                            |
| Total assets  | 44,735,499       | 16,183,163      | 10,309,943   | 2,432,655        | 64,795,171                         | 24,613,713                       | 17,041,287             | 180,111,431   | 821,599                      |
| <b>DEFERRED OUTFLOW OF RESOURCES</b>  |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Deferred amounts related to pensions  | -                | 78,248          | 269,721      | 205,396          | -                                  | -                                | 61,853                 | 615,208       | -                            |
| Deferred amounts related to OPEB  | -                | 2,048           | 6,590        | 5,266            | -                                  | -                                | 1,259                  | 15,163        | -                            |
| Total Deferred Outflow of Resources   | -                | 80,296          | 276,311      | 210,662          | -                                  | -                                | 63,112                 | 630,371       | -                            |
| <b>LIABILITIES</b>  |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Current liabilities:  |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Accounts payable  | -                | 4,223           | 54,828       | 149,278          | 47,589                             | -                                | 126,116                | 382,034       | 6,627                        |
| Restricted cash reserves  | -                | -               | -            | -                | 225,630                            | -                                | -                      | 225,630       | -                            |
| Accrued personnel expenses  | -                | 18,124          | 70,824       | 52,130           | -                                  | -                                | 12,089                 | 153,167       | -                            |
| Incentives payable  | -                | -               | -            | -                | -                                  | -                                | 323,844                | 323,844       | -                            |
| Accrued interest payable  | 392,622          | -               | -            | -                | -                                  | 306,829                          | 2,411                  | 701,862       | -                            |
| Due to other funds  | 644,553          | 118,159         | 155,789      | -                | -                                  | -                                | -                      | 918,501       | -                            |
| Advanced revenue  | -                | -               | -            | -                | 166,489                            | -                                | 3,772                  | 170,261       | -                            |
| Deposit liability   | 1,163,822        | -               | -            | -                | 79,997                             | -                                | -                      | 1,243,819     | -                            |
| Compensated absences  | -                | 1,612           | 7,705        | 5,974            | -                                  | -                                | 1,107                  | 16,398        | -                            |
| Claims and judgments  | -                | -               | -            | -                | -                                  | -                                | -                      | -             | 209,934                      |
| Bonds, notes and loans payable  | 1,699,326        | -               | -            | -                | 1,627,073                          | -                                | 128,377                | 3,454,776     | -                            |
| Total current liabilities   | 3,900,323        | 142,118         | 289,146      | 207,382          | 2,146,778                          | 306,829                          | 597,716                | 7,590,292     | 216,561                      |
| Noncurrent liabilities:   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Incentives payable  | -                | -               | -            | -                | -                                  | -                                | 63,914                 | 63,914        | -                            |
| Claims and judgments  | -                | -               | -            | -                | -                                  | -                                | -                      | -             | 314,902                      |
| Compensated absences  | -                | 12,951          | 69,917       | 60,326           | -                                  | -                                | 6,897                  | 150,091       | -                            |
| Bonds, notes and loans payable  | 35,495,903       | -               | -            | -                | 12,453,655                         | 24,950,000                       | 404,686                | 73,304,244    | -                            |
| Net OPEB liability  | -                | 273             | 879          | 703              | -                                  | -                                | 168                    | 2,023         | -                            |
| Total OPEB liability  | -                | 56,268          | 181,065      | 144,678          | -                                  | -                                | 34,584                 | 416,595       | -                            |
| Net pension liability   | -                | 379,228         | 1,220,313    | 975,075          | -                                  | -                                | 233,082                | 2,807,698     | -                            |
| Total noncurrent liabilities  | 35,495,903       | 448,720         | 1,472,174    | 1,180,782        | 12,453,655                         | 24,950,000                       | 743,331                | 76,744,565    | 314,902                      |
| Total liabilities   | 39,396,226       | 590,838         | 1,761,320    | 1,388,164        | 14,600,433                         | 25,256,829                       | 1,341,047              | 84,334,857    | 531,463                      |
| <b>DEFERRED INFLOW OF RESOURCES</b>   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Deferred amounts related to pensions  | -                | 44,377          | 205,934      | 132,579          | -                                  | -                                | 18,669                 | 401,559       | -                            |
| Deferred amounts related to OPEB  | -                | 2,201           | 7,083        | 5,659            | -                                  | -                                | 1,353                  | 16,296        | -                            |
| Total Deferred Inflow of Resources  | -                | 46,578          | 213,017      | 138,238          | -                                  | -                                | 20,022                 | 417,855       | -                            |
| <b>NET POSITION</b>   |                  |                 |              |                  |                                    |                                  |                        |               |                              |
| Net investment in capital assets  | 4,800,178        | 16,122,901      | 9,906,822    | 1,285,906        | 48,071,510                         | (666,722)                        | 9,172,233              | 88,692,828    | -                            |
| Restricted for other purposes   | 181,052          | -               | -            | -                | 1,040,000                          | 23,606                           | 526,901                | 1,771,559     | -                            |
| Unrestricted (deficit)  | 358,043          | (496,858)       | (1,294,905)  | (169,001)        | 1,083,228                          | -                                | 6,044,196              | 5,524,703     | 290,136                      |
| Total net position  | \$ 5,339,273     | \$ 15,626,043   | \$ 8,611,917 | \$ 1,116,905     | \$ 50,194,738                      | \$ (643,116)                     | \$ 15,743,330          | \$ 95,989,090 | \$ 290,136                   |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds |                  |                 |              |                  |                                    |                                  |                        |               | (88,816)                     |
| Net Position of Business-type Activities  |                  |                 |              |                  |                                    |                                  |                        |               | \$ 95,900,274                |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
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**Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position - Year Ended June 30, 2018**

| Enterprise Funds  |                     |                      |                     |                     |  |  |                           |                       |                                 |
|---|---------------------|----------------------|---------------------|---------------------|--|--|---------------------------|-----------------------|---------------------------------|
|   | BMA                 | Wastewater<br>Fund   | Water Fund          | Solid Waste<br>Fund | Bartlesville<br>Development<br>Authority | Bartlesville<br>Education<br>Authority | Other Enterprise<br>Funds | Total                 | Total Internal<br>Service Funds |
| <b>REVENUES</b>   |                     |                      |                     |                     |  |  |                           |                       |                                 |
| Water   | \$ 13,910,602       | \$ -                 | \$ -                | \$ -                | \$ -                                     | \$ -                                   | \$ -                      | \$ 13,910,602         | \$ -                            |
| Sanitation  | -                   | -                    | -                   | 4,469,674           | -  | -                                      | -                         | 4,469,674             | -                               |
| Charges for services  | -                   | -                    | -                   | -                   | 2,165,630                                | -                                      | 897,844                   | 3,063,474             | 2,875,701                       |
| Lease revenue   | -                   | -                    | -                   | -                   | -  | -                                      | 23,611                    | 23,611                | -                               |
| Total operating revenues  | <u>13,910,602</u>   | <u>-</u>             | <u>-</u>            | <u>4,469,674</u>    | <u>2,165,630</u>                         | <u>-</u>                               | <u>921,455</u>            | <u>21,467,361</u>     | <u>2,875,701</u>                |
| <b>OPERATING EXPENSES</b>   |                     |                      |                     |                     |  |  |                           |                       |                                 |
| Personal services   | -                   | 627,837              | 2,071,538           | 1,535,048           | 57,673                                   | -                                      | 1,039,694                 | 5,331,790             | 2,275,117                       |
| Contractual services  | 1,976               | 2,116,194            | 189,672             | 918,185             | 60,448                                   | -                                      | 606,213                   | 3,892,688             | 584,024                         |
| Utilities   | -                   | 4,195                | 493,640             | 5,099               | 3,547                                    | -                                      | 166,234                   | 672,715               | 12,795                          |
| Repairs and maintenance   | -                   | 146,436              | 624,122             | 195,106             | 2,241                                    | -                                      | 101,875                   | 1,069,780             | 33,446                          |
| Other supplies and expenses   | 160,108             | 57,760               | 725,367             | 182,695             | 1,948                                    | 1,500                                  | 151,676                   | 1,281,054             | -                               |
| Programs  | -                   | -                    | -                   | -                   | 3,430,350                                | -                                      | 778,560                   | 4,208,910             | -                               |
| Amortization expense  | -                   | -                    | -                   | -                   | 2,411                                    | -                                      | -                         | 2,411                 | -                               |
| Depreciation  | 1,704,946           | 1,318,914            | 721,133             | 297,862             | 1,964,639                                | -                                      | 691,201                   | 6,698,695             | -                               |
| Total operating expenses  | <u>1,867,030</u>    | <u>4,271,336</u>     | <u>4,825,472</u>    | <u>3,133,995</u>    | <u>5,523,257</u>                         | <u>1,500</u>                           | <u>3,535,453</u>          | <u>23,158,043</u>     | <u>2,905,382</u>                |
| Operating income (loss)   | <u>12,043,572</u>   | <u>(4,271,336)</u>   | <u>(4,825,472)</u>  | <u>1,335,679</u>    | <u>(3,357,627)</u>                       | <u>(1,500)</u>                         | <u>(2,613,998)</u>        | <u>(1,690,682)</u>    | <u>(29,681)</u>                 |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>  |                     |                      |                     |                     |  |  |                           |                       |                                 |
| Interest and investment revenue   | 3,652               | 2                    | -                   | 11,873              | 33,780                                   | -                                      | 304,015                   | 353,322               | 9,576                           |
| Miscellaneous revenue   | 42,870              | 50,201               | 8,129               | -                   | -  | 613,938                                | 1,196                     | 716,334               | 45,495                          |
| Gain (loss) on capital asset disposal   | -                   | -                    | 4,270               | 1,100               | (60,000)                                 | -                                      | -                         | (54,630)              | -                               |
| Operating grants and contributions  | -                   | -                    | -                   | -                   | -  | -                                      | 95,395                    | 95,395                | -                               |
| Interest expense  | (1,371,360)         | -                    | -                   | -                   | (576,615)                                | (613,714)                              | -                         | (2,561,689)           | -                               |
| Miscellaneous expenses  | -                   | -                    | -                   | -                   | -  | -                                      | (33,468)                  | (33,468)              | -                               |
| Total non-operating revenue (expenses)  | <u>(1,324,838)</u>  | <u>50,203</u>        | <u>12,399</u>       | <u>12,973</u>       | <u>(602,835)</u>                         | <u>224</u>                             | <u>367,138</u>            | <u>(1,484,736)</u>    | <u>55,071</u>                   |
| Income (loss) before transfers and capital contributions  | 10,718,734          | (4,221,133)          | (4,813,073)         | 1,348,652           | (3,960,462)                              | (1,276)                                | (2,246,860)               | (3,175,418)           | 25,390                          |
| Capital contributions   | -                   | 37,028               | 12,800              | 273,621             | -  | -                                      | 59,482                    | 382,931               | -                               |
| Transfers in  | -                   | 4,097,567            | 6,137,691           | -                   | 1,094,168                                | -                                      | 1,264,030                 | 12,593,456            | -                               |
| Transfers out   | (10,235,258)        | (1,156,837)          | (1,953,030)         | (1,885,847)         | -  | -                                      | -                         | (15,230,972)          | -                               |
| Change in net position  | 483,476             | (1,243,375)          | (615,612)           | (263,574)           | (2,866,294)                              | (1,276)                                | (923,348)                 | (5,430,003)           | 25,390                          |
| Total net position - beginning, restated  | 4,855,797           | 16,869,418           | 9,227,529           | 1,380,479           | 53,061,032                               | (641,840)                              | 16,666,678                | 101,419,093           | 264,746                         |
| Total net position - ending   | <u>\$ 5,339,273</u> | <u>\$ 15,626,043</u> | <u>\$ 8,611,917</u> | <u>\$ 1,116,905</u> | <u>\$ 50,194,738</u>                     | <u>\$ (643,116)</u>                    | <u>\$ 15,743,330</u>      | <u>\$ 95,989,090</u>  | <u>\$ 290,136</u>               |
| Change in Net Position, Enterprise Funds  |                     |                      |                     |                     |  |  |                           | (5,430,003)           |                                 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds |                     |                      |                     |                     |  |  |                           | (13,318)              |                                 |
| Change in Net Position of Business-type Activities  |                     |                      |                     |                     |  |  |                           | <u>\$ (5,443,321)</u> |                                 |

See accompanying notes to the basic financial statements.

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**Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2018**

|  | Enterprise Funds    |                    |                    |                    |                                    |                                  |                        | Total Enterprise Funds | Total Internal Service Funds |
|--|---------------------|--------------------|--------------------|--------------------|------------------------------------|----------------------------------|------------------------|------------------------|------------------------------|
|  | BMA                 | Wastewater Fund    | Water Fund         | Solid Waste Fund   | Bartlesville Development Authority | Bartlesville Education Authority | Other Enterprise Funds |                        |                              |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                    |                     |                    |                    |                    |                                    |                                  |                        |                        |                              |
| Receipts from customers  | \$ 13,659,645       | \$ 50,201          | \$ 3,939           | \$ 4,447,748       | \$ 2,332,613                       | \$ 613,994                       | \$ 1,010,036           | \$ 22,118,176          | \$ 2,919,331                 |
| Payments to suppliers and employees  | (162,084)           | (2,998,173)        | (4,190,140)        | (2,800,031)        | (4,539,750)                        | (1,500)                          | (1,888,838)            | (16,580,516)           | (3,369,212)                  |
| Payments for incentives and operations   | -                   | -                  | -                  | -                  | -                                  | -                                | (649,190)              | (649,190)              | -                            |
| Receipts of customer meter deposits  | 214,662             | -                  | -                  | -                  | -                                  | -                                | -                      | 214,662                | -                            |
| Refunds of customer meter deposits   | (199,061)           | -                  | -                  | -                  | -                                  | -                                | -                      | (199,061)              | -                            |
| Interfund receipts/payments  | (236,432)           | 7,241              | 33,849             | -                  | -                                  | -                                | -                      | (195,342)              | -                            |
| <b>Net cash provided by (used in) operating activities</b>                     | <u>13,276,730</u>   | <u>(2,940,731)</u> | <u>(4,152,352)</u> | <u>1,647,717</u>   | <u>(2,207,137)</u>                 | <u>612,494</u>                   | <u>(1,527,992)</u>     | <u>4,708,729</u>       | <u>(449,881)</u>             |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                         |                     |                    |                    |                    |                                    |                                  |                        |                        |                              |
| Transfers from other funds   | -                   | 4,097,567          | 6,137,691          | -                  | 1,094,168                          | -                                | 1,264,030              | 12,593,456             | -                            |
| Transfers to other funds   | (10,235,258)        | (1,156,837)        | (1,953,030)        | (1,885,847)        | -                                  | -                                | -                      | (15,230,972)           | -                            |
| <b>Net cash provided by (used in) noncapital financing activities</b>          | <u>(10,235,258)</u> | <u>2,940,730</u>   | <u>4,184,661</u>   | <u>(1,885,847)</u> | <u>1,094,168</u>                   | <u>-</u>                         | <u>1,264,030</u>       | <u>(2,637,516)</u>     | <u>-</u>                     |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                |                     |                    |                    |                    |                                    |                                  |                        |                        |                              |
| Purchases of capital assets  | -                   | -                  | (36,579)           | -                  | -                                  | (54,875)                         | (161,662)              | (253,116)              | -                            |
| Proceeds from sale of capital asset  | -                   | -                  | 4,270              | 1,100              | 200,000                            | -                                | -                      | 205,370                | -                            |
| Proceeds from capital grant  | -                   | -                  | -                  | -                  | -                                  | -                                | 59,482                 | 59,482                 | -                            |
| Proceeds from debt   | -                   | -                  | -                  | -                  | 2,529,880                          | -                                | -                      | 2,529,880              | -                            |
| Decrease in security interest in property                                      | -                   | -                  | -                  | -                  | -                                  | -                                | 113,785                | 113,785                | -                            |
| Administrative reimbursements  | -                   | -                  | -                  | -                  | -                                  | -                                | 63,914                 | 63,914                 | -                            |
| Principal paid on debt   | (1,639,595)         | -                  | -                  | -                  | (1,812,461)                        | -                                | (114,000)              | (3,566,056)            | -                            |
| Interest and fiscal agent fees paid on debt                                    | (1,387,077)         | -                  | -                  | -                  | (577,433)                          | (613,770)                        | (525)                  | (2,578,805)            | -                            |
| <b>Net cash provided by (used in) capital and related financing activities</b> | <u>(3,026,672)</u>  | <u>-</u>           | <u>(32,309)</u>    | <u>1,100</u>       | <u>339,986</u>                     | <u>(668,645)</u>                 | <u>(39,006)</u>        | <u>(3,425,546)</u>     | <u>-</u>                     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                    |                     |                    |                    |                    |                                    |                                  |                        |                        |                              |
| Sale of investments  | 1,148,219           | -                  | -                  | 225,157            | -                                  | -                                | 35,665                 | 1,409,041              | 440,305                      |
| Purchase of investments  | -                   | -                  | -                  | -                  | -                                  | -                                | (109,416)              | (109,416)              | -                            |
| Interest and dividends   | 3,652               | 1                  | -                  | 11,873             | 33,780                             | -                                | 304,015                | 353,321                | 9,576                        |
| <b>Net cash provided by investing activities</b>                               | <u>1,151,871</u>    | <u>1</u>           | <u>-</u>           | <u>237,030</u>     | <u>33,780</u>                      | <u>-</u>                         | <u>230,264</u>         | <u>1,652,946</u>       | <u>449,881</u>               |
| <b>Net increase (decrease) in cash and cash equivalents</b>                    | <u>1,166,671</u>    | <u>-</u>           | <u>-</u>           | <u>-</u>           | <u>(739,203)</u>                   | <u>(56,151)</u>                  | <u>(72,704)</u>        | <u>298,613</u>         | <u>-</u>                     |
| <b>Balances - beginning of year</b>  | <u>178,203</u>      | <u>-</u>           | <u>-</u>           | <u>-</u>           | <u>1,585,777</u>                   | <u>79,757</u>                    | <u>2,220,694</u>       | <u>4,064,431</u>       | <u>105,900</u>               |
| <b>Balances - end of year</b>  | <u>\$ 1,344,874</u> | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 846,574</u>                  | <u>\$ 23,606</u>                 | <u>\$ 2,147,990</u>    | <u>\$ 4,363,044</u>    | <u>\$ 105,900</u>            |
| <b>Reconciliation to Statement of Net Position:</b>                            |                     |                    |                    |                    |                                    |                                  |                        |                        |                              |
| Cash and cash equivalents  | \$ -                | \$ -               | \$ -               | \$ -               | \$ 620,944                         | \$ -                             | \$ 2,147,990           | \$ 2,768,934           | \$ 45,900                    |
| Restricted cash and cash equivalents - current                                 | 1,163,822           | -                  | -                  | -                  | 225,630                            | -                                | -                      | 1,389,452              | -                            |
| Cash held by third parties   | -                   | -                  | -                  | -                  | -                                  | -                                | -                      | -                      | 60,000                       |
| Restricted cash and cash equivalents - noncurrent                              | 181,052             | -                  | -                  | -                  | -                                  | 23,606                           | -                      | 204,658                | -                            |
| Total cash and cash equivalents, end of year                                   | <u>\$ 1,344,874</u> | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 846,574</u>                  | <u>\$ 23,606</u>                 | <u>\$ 2,147,990</u>    | <u>\$ 4,363,044</u>    | <u>\$ 105,900</u>            |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2018, (Continued)**

|  | Enterprise Funds     |                       |                       |                     |  |  |                           |                           | Total Internal<br>Service Funds |
|--|----------------------|-----------------------|-----------------------|---------------------|--|--|---------------------------|---------------------------|---------------------------------|
|  | BMA                  | Wastewater<br>Fund    | Water Fund            | Solid Waste<br>Fund | Bartlesville<br>Development<br>Authority | Bartlesville<br>Education<br>Authority | Other Enterprise<br>Funds | Total Enterprise<br>Funds |                                 |
| <b>Reconciliation of operating income (loss) to net cash provided by (used in)</b>                       |                      |                       |                       |                     |  |  |                           |                           |                                 |
| <b>Operating Activities:</b>   |                      |                       |                       |                     |  |  |                           |                           |                                 |
| Operating income (loss)  | \$ 12,043,572        | \$ (4,271,336)        | \$ (4,825,472)        | \$ 1,335,679        | \$ (3,357,627)                           | \$ (1,500)                             | \$ (2,613,998)            | \$ (1,690,682)            | \$ (29,681)                     |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: |                      |                       |                       |                     |  |  |                           |                           |                                 |
| Depreciation and amortization expense  | 1,704,946            | 1,318,914             | 721,133               | 297,862             | 1,967,050                                | -                                      | 691,201                   | 6,701,106                 | -                               |
| Miscellaneous revenue  | 42,870               | 50,201                | 8,129                 | -                   | -  | 613,938                                | 1,196                     | 716,334                   | 45,495                          |
| Miscellaneous expense  | -                    | -                     | -                     | -                   | -  | -                                      | (33,468)                  | (33,468)                  | -                               |
| Operating grants and contributions   | -                    | -                     | -                     | -                   | -  | -                                      | 95,395                    | 95,395                    | -                               |
| Change in assets and liabilities:  |                      |                       |                       |                     |  |  |                           |                           |                                 |
| Due from other funds   | (236,432)            | 7,241                 | 33,849                | -                   | -  | -                                      | -                         | (195,342)                 | -                               |
| Accrued compensated absences   | -                    | (1,554)               | 577                   | 6,560               | -  | -                                      | (1,713)                   | 3,870                     | -                               |
| Accounts receivable  | (214,210)            | -                     | -                     | (19,263)            | 162,869                                  | -                                      | 12,398                    | (58,206)                  | -                               |
| Other receivable   | (79,617)             | -                     | (4,190)               | (2,663)             | -  | 56                                     | (15,958)                  | (102,372)                 | (1,865)                         |
| Accounts payable   | -                    | (12,260)              | (37,121)              | 108,317             | (983,539)                                | -                                      | (29,732)                  | (954,335)                 | (9,368)                         |
| Advanced revenue   | -                    | -                     | -                     | -                   | 4,114                                    | -                                      | (4,450)                   | (336)                     | -                               |
| Accrued salaries payable   | -                    | (1,384)               | 1,165                 | 1,225               | -  | -                                      | 565                       | 1,571                     | -                               |
| Claims liability   | -                    | -                     | -                     | -                   | -  | -                                      | -                         | -                         | (454,462)                       |
| Net and total OPEB liability and related deferrals   | -                    | (2,239)               | (7,202)               | (5,753)             | -  | -                                      | (1,375)                   | (16,569)                  | -                               |
| Net pension liability and related deferrals  | -                    | (39,789)              | (118,678)             | (74,247)            | -  | -                                      | 61,478                    | (171,236)                 | -                               |
| Deposits subject to refund   | 15,601               | -                     | -                     | -                   | (4)                                      | -                                      | (1,624)                   | 13,973                    | -                               |
| Prepaid expenses   | -                    | -                     | -                     | -                   | -  | -                                      | (6,751)                   | (6,751)                   | -                               |
| Inventory  | -                    | 11,475                | 75,458                | -                   | -  | -                                      | 318,844                   | 405,777                   | -                               |
| <b>Net cash provided by (used in) operating activities</b>   | <u>\$ 13,276,730</u> | <u>\$ (2,940,731)</u> | <u>\$ (4,152,352)</u> | <u>\$ 1,647,717</u> | <u>\$ (2,207,137)</u>                    | <u>\$ 612,494</u>                      | <u>\$ (1,527,992)</u>     | <u>\$ 4,708,729</u>       | <u>\$ (449,881)</u>             |
| <b>Noncash activities:</b>   |                      |                       |                       |                     |  |  |                           |                           |                                 |
| Contributed capital assets   | \$ -                 | \$ 37,028             | \$ 12,800             | \$ 273,621          | \$ -                                     | \$ -                                   | \$ -                      | \$ 323,449                | \$ -                            |
|  | <u>\$ -</u>          | <u>\$ 37,028</u>      | <u>\$ 12,800</u>      | <u>\$ 273,621</u>   | <u>\$ -</u>                              | <u>\$ -</u>                            | <u>\$ -</u>               | <u>\$ 323,449</u>         | <u>\$ -</u>                     |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
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**Fiduciary Funds Statement of Net Position - June 30, 2018**

|   | <b><u>Mausoleum</u></b><br><b><u>Endowment</u></b> |
|---|--|
| <b>ASSETS</b>                                 |  |
| Receivables:                                  |  |
| Other receivables                             | \$ 107   |
| Total receivables                             | <u>107</u>   |
| Investments:                                  |  |
| Other investments                             | 8,018  |
| Total investments                             | <u>8,018</u>                                       |
| Total assets                                  | <u><u>\$ 8,125</u></u>                             |
| <b>LIABILITIES</b>                            |  |
| Total liabilities                             | <u>-</u>   |
| <b>NET POSITION</b>                           |  |
| Held in trust for benefits and other purposes | 8,125  |
| Total net position                            | <u><u>\$ 8,125</u></u>                             |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Fiduciary Funds Statement of Revenues, Expenses, and Changes in Net Position - Year Ended June 30, 2018**

|                                | <b><u>Mausoleum</u></b><br><b><u>Endowment</u></b> |
|--------------------------------|--|
| <b>ADDITIONS</b>               |  |
| Investment earnings:           |  |
| Investment earnings            | \$ 107   |
| Total net investment earnings  | <u>107</u>   |
| Total additions                | <u>107</u>   |
| <b>DEDUCTIONS</b>              |  |
| Miscellaneous expenses         | -  |
| Total deductions               | <u>-</u>   |
| Change in net position         | <u>107</u>   |
| Total net position - beginning | 8,018  |
| Total net position - ending    | <u>\$ 8,125</u>                                    |

See accompanying notes to the basic financial statements.

**CITY OF BARTLESVILLE, OKLAHOMA  
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**FOOTNOTES TO THE BASIC FINANCIAL STATEMENTS**



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**NOTE 11.**

**RETIREMENT AND OPEB PLANS**

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- C. Defined Benefit Plan
- D. Defined Contribution Plan
- E. OPEB
- F. Component Unit Retirement Plans

**Footnotes to the Basic Financial Statements:**

**1. Summary of Significant Accounting Policies**

**A. Introduction**

The financial statements of the *City of Bartlesville, Oklahoma* (the City) are prepared in accordance with U.S. Generally Accepted Governmental Accounting Principles promulgated by the Governmental Accounting Standards Board (GASB). The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

**B. Financial Reporting Entity**

*City of Bartlesville, Oklahoma* is a charter city in which citizens elect five council members by ward. The council members elect one of these members as mayor. The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships).

Some of the component units of the City - Bartlesville Development Authority, Bartlesville Community Center Trust Authority, and Bartlesville Redevelopment Trust Authority - issue separately audited financial statements. Copies of component unit reports may be obtained from the City's Finance Department.

Due to restrictions of the State Constitution relating to the issuance of municipal debt, the City created public trusts to finance City services with revenue bonds or other non-general obligation financing, and provide for multi-year contracting. Financing services by these public trusts are solely for the benefit of the City. Public trusts created to provide financing services are blended into the City's primary government although retaining separate legal identity. Component units that do not meet the criteria for blending are reported discretely. However, the City currently has no discretely presented component units.

Component units are reported in the City's basic financial statements in accordance with GASB 61 as shown in the following table:

| <b>Blended Component<br/>Units Reported with the<br/>Primary Government</b> | <b>Brief Description<br/>of Activity's<br/>Relationship to City</b>   | <b>Reporting<br/>Funds</b> |
|---|---|----------------------------|
| Bartlesville Municipal Authority  | Finance projects and development for the City's water, solid waste and wastewater utilities. The City Council is the governing body. Assets financed by the Trust are managed by City employees who provide services to citizens. | Enterprise Fund            |
| Bartlesville Community Center Trust Authority                               | Develop, finance and operate the Community Center for cultural and recreational activities for the citizens of Bartlesville. Their Board consists of eight members appointed by the City Council and one Council member.          | Enterprise Fund            |

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|  |  |                         |
|--|--|-------------------------|
| Bartlesville Library<br>Trust Authority          | Encourage, finance and promote the public library. The City Council appoints members of the Trust Authority Board. City employees manage trust assets and provide services to citizens.  | Special Revenue<br>Fund |
| Bartlesville History<br>Museum Trust Authority   | Establish, improve, maintain, administer and operate facilities for use as a history museum. Their Board consists of nine members, one of whom must be a member of the City Council. Members are appointed by the Mayor with the approval of City Council. | Special Revenue<br>Fund |
| Adult Center Trust<br>Authority                  | Encourage, finance and promote cultural and recreational activities for the older citizens of Bartlesville. Their Board consists of six members appointed by the City Council. (Classified as Governmental Special Revenue prior to July 1, 2010)          | Enterprise Fund         |
| Bartlesville<br>Redevelopment<br>Trust Authority | Develop, redevelop, restore and beautify a certain portion of central Bartlesville, Oklahoma jurisdictional boundaries. (Classified as Discretely Presented prior to July 1, 2010)   | Enterprise Fund         |
| Bartlesville Development<br>Authority (BDA)      | Finances certain facilities for the purpose of promoting economic development in the City of Bartlesville, Oklahoma and surrounding areas.   | Enterprise Fund         |
| Bartlesville Education<br>Authority (BEA)        | Finances certain facilities for the purpose of improving educational buildings in the City of Bartlesville, Oklahoma and surrounding areas.  | Enterprise Fund         |

The City and its component units provide typical municipal services such as public safety, street maintenance, culture, parks and recreation, airport, and certain utility services including water, wastewater, and sanitation.

Each of the above component units are Public Trusts established pursuant to Title 60 of Oklahoma State law. Public Trusts (Authorities) have no taxing power. The Authorities are generally created to finance City services through issuance of revenue bonds or other non-general obligation debt and to enable the City Council to delegate certain functions to the governing body (Trustees) of the Authority. The Authorities generally retain title to assets which are acquired or constructed with Authority debt or other Authority generated resources. In addition, the City has leased certain existing assets at the creation for the Authorities to the Trustees on a long-term basis. The City, as beneficiary of the Public Trusts, receives title to any residual assets when a Public Trust is dissolved.

### **C. Basis of Presentation and Accounting**

#### *Government-Wide Financial Statements:*

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between the expenses and program revenues directly associated with the different governmental functions and business-type activities to arrive at the net revenue or expense of the function or activity prior to the use of taxes and other general revenues. Program revenues include (1) fees, fines, and service charges generated by the program or activity, (2) operating grants and contributions that are restricted to meeting the operational requirements of the program or activity, and (3) capital grants and contributions that are restricted to meeting the capital requirement of the program or activity. The policy for allocating indirect expenses to functions is on a percentage basis of the activity.

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

#### *Fund Financial Statements:*

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets (including deferred outflows), liabilities (including deferred inflows), revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent (10%) of the corresponding total for all funds of that category or type, and
- b. Total assets (including deferred outflows), liabilities (including deferred inflows), revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least five percent (5%) of the corresponding total for all governmental and enterprise funds combined.
- c. A fund not meeting the criteria of (a) or (b) except that management has elected to report the fund as a major fund due to its significance to the users of the financial statements.

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The funds of the *City of Bartlesville, Oklahoma* are described below:

*Governmental Funds:*

Governmental Fund Types:

General Fund – The General Fund is the primary fund of the City, which accounts for all financial transactions not accounted for in other funds and certain Public Trust activities that require separate accountability for services rendered. Also reported in the General Fund is the stabilization reserve account which can only be used in certain limited and unusual circumstances.

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 or administratively restricted to expenditures for specified purposes.

Debt Service Fund – As prescribed by State law, the Debt Service Fund receives all ad valorem taxes paid to the City for the retirement of general obligation bonded debt. Such revenues are used for the payment of principal and interest on the City's general obligation bonds.

Capital Projects Funds – The Capital Projects Funds account for major capital improvements which are financed from the City's general obligation bond issues, certain federal grants and other specific receipts.

The City's governmental funds include:

| <u>Fund</u>                                    | <u>Brief Description</u>  |
|--|---|
| <b>Major:</b>                                  |   |
| <b>General Fund</b>                            | See above for description.  |
| <b>Debt Service Fund:</b>                      |   |
| Debt Service Fund                              | See above for description.  |
| <b>Capital Project Fund:</b>                   |   |
| Capital Improvement Sales<br>Tax Fund          | Accounts for revenues and expenditures related to a sales tax issue restricted for capital improvements       |
| <b>Nonmajor:</b>                               |   |
| <b>Special Revenue Funds:</b>                  |   |
| Bartlesville History<br>Museum Trust Authority | See above for description.  |
| E-911 Fund                                     | Accounts for revenues and expenditures of the E-911 service that is legally restricted for public safety use. |
| Special Library Fund                           | Accounts for State Library Assistance and library donations which are provided to the library for operations. |

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|---------------------------------------|--|
| Special Museum Fund                   | Accounts for museum grants and donations that are provided primarily by the BHMTA.   |
| Economic Development Fund             | Accounts for revenues and expenditures of promoting economic diversification.  |
| Bartlesville Library Trust Authority  | See blended component units above for description.   |
| Restricted Revenues Fund              | Accounts for receipts and expenditures of donations and other revenues that are restricted for specific purposes.  |
| Municipal Airport Fund                | See above for description.   |
| Harshfield Library Donation Fund      | Accounts for receipts and expenditures related to the Harshfield library donation.   |
| Golf Course Memorial Fund             | Accounts for donations and proceeds of an annual memorial golf tournament.   |
| Justice Assistance Grant Fund (JAG)   | Accounts for revenues and expenditures related to the Justice Assistance Grant.  |
| Neighborhood Park Fund                | Accounts for the receipt and expenditures of development fees that are restricted for use in the various parks of the City.                                    |
| Cemetery Perpetual Care Fund          | Accounts for revenues and expenditures of the cemetery's upkeep in accordance with State law.  |
| Memorial Stadium Operating Fund       | Accounts for receipt of stadium fees and transfers from the City for capital improvements.   |
| Housing TIF Districts Fund            | Accounts for ad valorem and general sales taxes that are to be used to fund infrastructure improvements to the designated Tax Increment Financing (TIF) areas. |
| BRTA Pass Through Fund                | Accounts for sales taxes and hotel/motel taxes that are to be passed through to the BRTA as part of existing TIF structures.                                   |
| Hotel Motel Tax Fund                  | Accounts for hotel motel taxes restricted for the community center, economic development, and tourism purposes.  |
| <b>Capital Project Funds:</b>         |  |
| Capital Improvement Sales Tax Fund    | Accounts for revenues and expenditures related to a sales tax issue restricted for capital improvements  |
| Capital Improvement - Wastewater Fund | Accounts for the revenues and expenditures associated with improving the wastewater system.  |

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| Capital Improvement –<br>Wastewater Regulatory<br>Fund | Accounts for revenues and expenditures associated with the wastewater capital investment fees. |
| Capital Improvement –<br>City Hall Fund                | Accounts for revenues and expenditures associated with improving City Hall.                    |
| Capital Improvement -<br>Storm Sewer Fund              | Accounts for revenues and expenditures associated with improving the storm sewer system.       |
| Community Development<br>Block Grant Fund              | Accounts for revenues and expenditures related to the Community Development Block Grant.       |
| Capital Reserve Fund                                   | Accounts for proceeds and expenditures associated with the City’s capital reserve ordinance.   |
| 2008B G.O. Bond Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2008B G.O. Bond.        |
| 2009 G.O. Bond Fund                                    | Accounts for bond proceeds and expenditures associated with the series 2009 G.O. Bond.         |
| 2010 G.O. Bonds Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2010 G.O. Bond.         |
| 2012 G.O. Bonds Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2012 G.O. Bond.         |
| 2014 G.O. Bonds Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2014 G.O. Bond.         |
| 2014B G.O. Bond Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2014B G.O. Bond.        |
| 2015 G.O. Bonds Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2015 G.O. Bond.         |
| 2017 G.O. Bond Fund                                    | Accounts for bond proceeds and expenditures associated with the series 2017 G.O. Bond.         |
| 2018A G.O. Bond Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2018A G.O. Bond.        |
| 2018B G.O. Bond Fund                                   | Accounts for bond proceeds and expenditures associated with the series 2018B G.O. Bond.        |

The governmental funds are reported on the modified accrual basis of accounting. On the modified accrual basis of accounting, revenues are recorded when earned and measurable and available to pay current financial obligations, while expenditures are recorded when incurred and payable from current financial resources. The City defines revenue availability as collected within 60 days of period end.

The reconciliation of the governmental funds financial statements to the governmental activities presentation in the government-wide financial statements is the result of the use of the accrual basis of accounting and economic resources measurement focus at the government-wide level.



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The General Fund, Debt Service Fund, and Capital Improvement Sales Tax Fund are considered major funds and therefore are displayed in separate columns. All other governmental funds are considered nonmajor funds and are aggregated under the column titled Other Governmental Funds.

*Proprietary Funds:*

Proprietary Fund Types:

Enterprise Funds – The City's Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that 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.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Non-operating revenues and expenses of the proprietary funds include such items as investment earnings, interest expense and subsidies.

Internal Service Funds – (Included in governmental activities in government-wide statements.) The City's Internal Service Funds are used to account for the financing of services provided by one department to other departments of the City.

The City's proprietary funds include:

| <u>Fund</u>                        | <u>Brief Description</u>   |
|------------------------------------|--|
| <b>Major:</b>                      |  |
| <b>Enterprise Funds:</b>           |  |
| Bartlesville Municipal Authority   | See above for description.   |
| Wastewater Fund                    | Accounts for activities of the public trust in providing wastewater services to the public.  |
| Water Fund                         | Accounts for activities of the public trust in providing water services to the public.       |
| Solid Waste Fund                   | Accounts for activities of the public trust in providing solid waste services to the public. |
| Bartlesville Development Authority | See above for description.   |
| Bartlesville Education Authority   | See above for description.   |
| <b>Nonmajor:</b>                   |  |
| Adams Municipal Golf Course        | Accounts for revenues and expenses of the municipal golf course.                             |
| Sooner Pool                        | Accounts for revenues and expenses of Sooner Pool.   |

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|---|--|
| Frontier Pool                                 | Accounts for revenues and expenses of Frontier Pool. |
| Community Center<br>Trust Authority           | See above for description.                           |
| Adult Center Trust Authority                  | See above for description.                           |
| Bartlesville Redevelopment<br>Trust Authority | See above for description.                           |

**Internal Service Funds:**

|                          |  |
|--------------------------|--|
| Workers' Compensation    | Accounts for the revenues and expenditures of the City's workers' compensation plan. |
| Health Insurance         | Accounts for the revenues and expenditures of the City's health insurance plan.      |
| Auto Collision Insurance | Accounts for the revenues and expenditures of the City's auto insurance plan.        |

For purposes of the statement of revenues, expenses and changes in fund net position, operating revenues and expenses are considered those whose cash flows are related to operating activities, while revenues and expenses related to financing, capital and investing activities are reported as non-operating or transfers and contributions.

Fiduciary Fund Types:

Trust Funds – (Not included in government-wide statements.) Trust Funds are used to account for assets held by the City in a trustee capacity. Expendable Trust Funds are accounted for in essentially the same manner as proprietary funds. No non-expendable trust funds or pension funds are used and/or maintained.

**Fund**

Mausoleum Endowment Fund

**Brief Description**

Accounts for the revenue and expenditures of the mausoleum. Comprised initially of monies on deposit for the mausoleum's care when the City accepted the mausoleum.

**D. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b below.

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In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

c. The trust fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Trust fund equity is classified as net position.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (within 60 days of period end) to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

**E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity**

**Cash and Investments**

For the purposes of the statements of net position, balance sheets, and statement of cash flows, "cash and cash equivalents" includes all demand and savings accounts, and certificates of deposits or short-term investments with an original maturity of three months or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price.

## **Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines, and ambulance fees. Business-type activities report utilities as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

## **Deposit with Third-Party Administrator**

The City is self-insured for workers' compensation insurance. The claims for workers' compensation injuries are administered by a third-party administrator. The City has placed a deposit with the third-party administrator to allow for the payment of these claims.

## **Inventory**

Inventories for the Enterprise Funds and General Fund are capitalized at cost and charged to expense on the first-in, first-out and average cost basis. Inventories for the general fund and all other funds are insignificant and purchases of such items are expensed.

## **Deferred Outflows of Resources**

Deferred outflows are the consumption of net position that are applicable to a future reporting period. At June 30, 2018 the City has deferred outflows of resources related to pensions and other post-employment benefits (OPEB).

## **Deferred Inflows of Resources**

Deferred inflows are the acquisition of net position that are applicable to a future reporting period. At June 30, 2018 the City has deferred inflows of resources related to pensions and OPEB.

## **Arbitrage Rebate**

The proceeds from the City's tax-exempt bond issues are subject to arbitrage rebate laws under the Internal Revenue Code. This arbitrage rebate limits the earnings on investment of tax-exempt proceeds in non-purpose investments. The City had no arbitrage rebate liability at June 30, 2018.

**Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Firefighters Pension & Retirement System (OFPRS), Oklahoma Police Pension & Retirement System (OPPRS), and the Oklahoma Municipal Retirement System (OkMRF) and additions to/deductions from these pension plans' fiduciary net position have been determined on the same basis as they are reported by each listed pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Post-employment Benefits**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oklahoma Municipal Retirement Fund Retiree Medical Plan and additions to/deductions from this OPEB plan's fiduciary net position have been determined on the same basis as they are reported by OPEB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Capital Assets**

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-Wide Statements*

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 1992.

Prior to October 1, 2003, governmental activities' infrastructure assets were not capitalized. Since that time, all governmental infrastructure assets have been recorded as acquired. The governmental infrastructure assets for the preceding 20 years were recorded at their actual historical cost, or estimated historical cost if actual was unavailable, as of July 1, 2006.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. Prior to July 1, 2017, a capitalization threshold of \$2,500 was used to report capital assets. Effective July 1, 2017, the City's capitalization threshold is \$10,000. The range of estimated useful lives by type of asset is as follows:

|                           |             |
|---------------------------|-------------|
| - Buildings               | 15-50 years |
| - Other Improvements      | 5-100 years |
| - Machinery and Equipment | 5-40 years  |
| - Vehicles                | 2-15 years  |
| - Infrastructure          | 25-50 years |

### *Fund Financial Statements*

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

### **Restricted Assets**

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to promissory note trustee accounts and utility meter deposits.

### **Long-Term Debt**

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

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists of notes payable, general obligation bonds, claims payable and accrued compensated absences.

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

### **Compensated Absences**

Full-time permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time permanent employees to specified maximums. Generally, after meeting certain minimum accruals and service requirements, employees are entitled up to ten percent of their sick leave balance and all accrued vacation leave and compensatory time balances upon retirement.

The estimated current portion of the liability for vested vacation and compensatory time attributable to the City's governmental funds is recorded as an expenditure and liability in the respective funds. The amounts attributable to proprietary funds and similar component units are charged to expense and credited to a corresponding liability in the applicable fund or component unit. The estimated liabilities include required salary-related payments.

### **Equity Classifications**

#### *Government-Wide Statements:*

Equity is classified as net position and displayed in three components:

- a. *Net investment in capital assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.

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- b. *Restricted net position* - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* - All other net position that does not meet the definition of “restricted.”

*Fund Statements:*

Governmental fund equity is classified as fund balance. Fund balance is classified as non-spendable, restricted, committed, assigned and unassigned.

- a. Non-spendable – The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.
- b. Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purpose specified by the legislation.

c. Committed – The committed fund balance classification includes amounts that can be used only for specific purposes imposed by ordinance or resolution of City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with those constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

d. Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter, ordinance or resolution.

e. Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or

assigned. The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within the unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Proprietary fund equity is classified the same as in the government-wide statements.

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

## **F. Revenues, Expenditures, and Expenses**

### **Sales Tax**

The City presently levies a three and four-tenths-cent (\$.034) sales tax on taxable sales within the City. The Tax Commission receives the sales tax approximately one month after collection by vendors. The Sales Tax is allocated among three funds: The General Fund, the Economic Development Fund, and the Sales Tax Capital Improvement Fund. Two and sixty-five hundredths cents of the tax collected is deposited in the General Fund as of January 1, 2016 (prior to that date, two and twenty-five hundredths cents was deposited in the General Fund), twenty-five hundredths cent is deposited in the Economic Development Fund, and five-tenths cent is deposited in the Sales Tax Capital Improvement Fund. Sales taxes collected by the State in June and July (which represent sales for May and June) and received by the City in July and August have been accrued and are included under the caption "Due from other governments".

### **Property Tax**

Under State law, municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonded debt approved by voters and any court-assessed judgments. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. Property taxes unpaid are attached by an enforceable lien on the property the day after the due date. The Treasurer of Washington County bills and collects the property taxes and remits to the City its portion in the month following collection. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end.

### **Operating Revenues and Expenses**

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities.

### **Cigarette, Tobacco, and Tobacco Products Tax**

Beginning in January 2005, the City receives tax levied on wholesalers for cigarettes, tobacco and tobacco products. The tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The Tax Commission receives the tax approximately one month after accumulation by wholesalers. The cigarette, tobacco and tobacco products tax is allocated to the General Fund. The cigarette, tobacco and tobacco products tax collected by the State in June and July (which



represents collections for May and June) and received by the City in July and August have been accrued and are included under the caption "Due from other governments".

### **Income Taxes**

As a municipal government, the income of the City and its public authorities, which is derived from the exercise of any essential governmental function, is not subject to federal or state income taxes.

### **Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

|                                    |  |
|------------------------------------|--|
| Governmental Funds - By Character: | Current (further classified by function) |
|                                    | Debt Service                             |
|                                    | Capital Outlay                           |

Proprietary Fund - By Operating and Non-Operating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

### **G. Internal and Interfund Balances and Activities**

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

#### *Fund Financial Statements:*

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

#### *Government-Wide Financial Statements:*

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effect of interfund services between funds, if any, are not eliminated in the Statement of Activities.

#### **H. Stabilization Reserve Fund**

On March 21, 2011 the City Council adopted an ordinance which established requirements for a stabilization reserve. This ordinance requires that the General Fund, Water Operating Fund, Wastewater Operating Fund, and Sanitation Fund set aside a certain amount each year which will be committed for the purpose of stabilization.

The ordinance also established a minimum and maximum amount that must be set aside for this purpose. The amount committed for stabilization for each fund should be between 16% and 35% of budgeted annual non-capital operating expenses. If the amounts committed for stabilization are less than the minimum required amounts, then 2% of budgeted annual non-capital operating expenses must be set aside each year until such minimum is met.

Amounts committed for stabilization may be used only in certain limited and unusual circumstances that must be declared to exist by a 4/5<sup>th</sup>'s majority of the City Council. The circumstances differ depending on whether the amounts to be used are in excess of the minimum required balance or below this level.

For amounts in excess of the minimum required balances, one of the following criteria must be declared by the City Council:

- Expenditures for emergency situations for life, health, or public safety issues for which no existing appropriation exists;
- Situations where a significant revenue decline arises that could not have reasonably been foreseen, and for which new revenue is not available and transfers of existing appropriations are not considered feasible or appropriate in maintaining existing service levels;
- Correcting the results of an inaccurate estimate, accounting error, or budgeting error;
- Expenditures where the proposed use is of a non-operational nature involving capital or technical purchases having a useful life of greater than five years that will improve the efficiency of the City government. These efficiency improvements should result in tangible benefits that can be measured financially, through better service to the citizens, or in increased productivity for City employees;
- Expenditures where the proposed use is of a nonrecurring nature, such as a study, start-up costs of a program whose ongoing costs are otherwise funded, or matching funds for a grant. These expenditures should result in tangible benefits that can be measured financially, through better service to the citizens, or in increased productivity for City employees.

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For amounts that are below the minimum required balances, one of the following criteria must be declared by the City Council:

- Expenditures for emergency situations for life, health, or public safety issues for which no existing appropriation exists;
- Situations where a significant revenue decline arises that could not have reasonably been foreseen, and for which new revenue is not available and transfers of existing appropriations are not considered feasible or appropriate in maintaining existing service levels;
- Correcting the results of an inaccurate estimate, accounting error, or budgeting error.

As of June 30, 2018, the City had the following balances committed for stabilization:

|            | <b>Amount<br/>Committed<br/>for<br/>Stabilization</b> | <b>Original<br/>Budgeted<br/>Operating<br/>Expenses</b> | <b>Stabilization<br/>as % of<br/>Budgeted<br/>Expenses</b> |
|------------|---|---|--|
| General    | \$ 3,515,370  | \$ 20,773,458   | 16.9%  |
| Wastewater | 623,583   | 3,171,825   | 19.7%  |
| Water      | 1,118,946   | 4,721,358   | 23.7%  |
| Sanitation | 740,681   | 2,857,072   | 25.9%  |
|            | \$ 5,998,580  | \$ 31,523,713   | 19.0%  |

**I. Use of Estimates**

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

**J. Stewardship, Compliance, and Accountability**

By its nature as a local government unit, the City and its component units are subject to various federal, state, and local laws and contractual regulations.

**K. Deficit Fund Balances or Net Position**

Title 11, Section 17-211 of the Oklahoma Statutes prohibits the creation of a deficit fund balance in any individual fund of the City (excluding public trusts). At June 30, 2018, the Workers' Compensation internal service fund reported a deficit net position of \$358,331. This was related to an unfunded claims liability. It is anticipated this deficit will be reduced with future charges to other funds.

**2. Cash, Cash Equivalents, and Investments**

At June 30, 2018, the reporting entity held the following deposits and investments:

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**Primary Government:**

|  | Credit Rating | Carrying Value       | On Demand         | Maturities in Years |                  |
|--|---------------|----------------------|-------------------|---------------------|------------------|
|  |               |                      |                   | Less Than One       | 1-5              |
| Type Deposits:   |               |                      |                   |                     |                  |
| Petty Cash   | N/A           | \$ 3,250             | 3,250             | -                   | -                |
| Demand Deposits  | N/A           | 21,372,445           | 21,372,445        | -                   | -                |
| Time Deposits  | N/A           | 5,799,250            | -                 | 5,749,629           | 49,621           |
| Total Deposits   |               | <u>27,174,945</u>    |                   |                     |                  |
| Investments:   |               |                      |                   |                     |                  |
| Corporate Stocks and Bonds                             |               |                      |                   |                     |                  |
| Community Center                                       | N/A           | 4,144,603            | -                 | -                   | -                |
| Library Trust Authority                                | AAAAA         | 19,579               | -                 | -                   | -                |
| Agencies of the U.S. Govt.                             |               |                      |                   |                     |                  |
| GNMA/FHLB/FNMA/FFCR                                    | AAA           | 21,634,436           |                   | 18,899,474          | 2,734,962        |
| Mutual Funds   |               |                      |                   |                     |                  |
| Library Trust Authority                                | AAA-AAAAA     | 1,295,877            | -                 | -                   | -                |
| Total Investments:                                     |               | <u>27,094,495</u>    |                   |                     |                  |
| Note Payments held in trust and cash with fiscal agent |               |                      |                   |                     |                  |
|  |               | 286,953              | -                 | -                   | -                |
| Total:   |               | <u>\$ 54,556,393</u> | <u>21,375,695</u> | <u>24,649,103</u>   | <u>2,784,583</u> |
| Reconciliation to Statement of Net Position:           |               |                      |                   |                     |                  |
| Cash and Cash Equivalents:                             |               |                      |                   |                     |                  |
| Government-wide  |               | \$ 2,878,084         |                   |                     |                  |
| Mausoleum  |               | 8,018                |                   |                     |                  |
| Investments:   |               |                      |                   |                     |                  |
| Government-wide  |               | 50,016,890           |                   |                     |                  |
| Restricted Cash and Cash Equivalents:                  |               |                      |                   |                     |                  |
| Government-wide, current                               |               | 1,448,743            |                   |                     |                  |
| Government-wide, noncurrent                            |               | 204,658              |                   |                     |                  |
| Total:   |               | <u>\$ 54,556,393</u> |                   |                     |                  |

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2018:

Corporate stocks and bonds of \$4,164,182, U.S. Government and Agency bonds and notes of \$21,634,436, and mutual funds of \$1,295,877 were all valued using quoted market prices in active markets for identical assets which are Level 1 inputs.

*Custodial Credit Risk* – Exposure to custodial credit risk related to deposits exists when the City holds deposits that are uninsured and uncollateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City’s name: or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the City holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City’s name.

The City’s policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level to cover the uninsured deposits and accrued interest thereon. At June 30, 2018 the City was not exposed to custodial credit risk.

*Investment Interest Rate Risk* - the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

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

*Concentration of Investment Credit Risk* - the City places no limit on the amount it may invest in any one issuer. Since the City has all investments in certificates of deposit, government securities, or money market accounts, there is no concentration of investment credit risk exposure.

*Restricted Cash and Investments* – The amounts reported as restricted assets of the proprietary fund statement of net position are comprised of amounts restricted for debt service, debt reserve, or construction purposes. The restricted assets of governmental activities relates to amounts held for court bonds. The restricted assets as of June 30, 2018 are as follows:

|                                    | Current                      | Noncurrent                   |
|------------------------------------|------------------------------|------------------------------|
|                                    | Cash and cash<br>equivalents | Cash and cash<br>equivalents |
| Series 2009 Principal Bond Account | \$ -                         | \$ 92,899                    |
| Series 2009 Interest Bond Account  | -                            | 88,153                       |
| Utility deposits                   | 1,163,822                    | -                            |
| Bartlesville Development Authority | 225,630                      | -                            |
| Bartlesville Educational Authority | -                            | 23,606                       |
| Court bonds                        | 59,291                       | -                            |
| Total                              | \$ 1,448,743                 | \$ 204,658                   |

### 3. Accounts and Notes Receivable

- A. Accounts Receivable - Accounts receivable of the business-type activities includes customers utilities services provided, both billed and unbilled, due at year end, reported net of allowance for uncollectible amounts, interest, judgments, amounts due from other governments, and miscellaneous receivables. The governmental activities receivables include fines, taxes, interest, and miscellaneous receivables as follows:

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|                                       | Accounts<br>Receivable | Less: Allowance<br>for Uncollectible<br>Accounts | Net<br>Accounts<br>Receivable |
|---------------------------------------|------------------------|--|-------------------------------|
| <b>Governmental Activities:</b>       |                        |  |                               |
| Franchise taxes                       | \$ 143,446             | \$ -   | \$ 143,446                    |
| Utilities(bug and light)              | (102,011)              | 16,839   | (85,172)                      |
| Business License                      | 95,198                 | -  | 95,198                        |
| Court fines                           | 372,096                | -  | 372,096                       |
| Fuel Billing                          | 5,771                  | -  | 5,771                         |
| Abatement                             | 98,803                 | -  | 98,803                        |
| Demolition                            | 77,632                 | -  | 77,632                        |
| Lodging tax                           | 54,863                 | -  | 54,863                        |
| E-911 tax                             | 50,113                 | -  | 50,113                        |
| Other                                 | 53,184                 | (27,542)   | 25,642                        |
| Interest receivable                   | 296,957                | -  | 296,957                       |
| <b>Total Governmental Activities</b>  | <b>\$ 1,146,052</b>    | <b>\$ (10,703)</b>                               | <b>\$ 1,135,349</b>           |
| <b>Business-Type Activities:</b>      |                        |  |                               |
| Golf Memberships                      | \$ 14,360              | \$ -   | \$ 14,360                     |
| Utilities(sanitation)                 | 448,483                | (142,222)  | 306,261                       |
| Utilities(Waste water)                | 821,298                | (352,272)  | 469,026                       |
| Utilities(Water)                      | 1,350,965              | (532,598)  | 818,367                       |
| Judgements(BMA)                       | 107,825                | -  | 107,825                       |
| From other Govt's                     | 306,829                | -  | 306,829                       |
| Interest receivable                   | 15,328                 | -  | 15,328                        |
| Other                                 | 176,572                | -  | 176,572                       |
| <b>Total Business-Type Activities</b> | <b>\$ 3,241,660</b>    | <b>\$ (1,027,092)</b>                            | <b>\$ 2,214,568</b>           |

**B. Incentive Loans Receivable –**

BDC, now BDA, Board of Directors on March 1, 2009 approved a loan to Sunway Hotel Group, Inc. to develop, construct, and operate a hotel in downtown Bartlesville. BDA Board of Directors approved the loan to provide development financing assistance and to defray a portion of the costs associated with the design, development and construction of the hotel for the principal amount of \$1,250,000. The maturity date of the loan shall be June 1, 2020. Interest shall not accrue prior to June 1, 2010, but thereafter shall accrue on the principal balance at the rate of Wall Street Journal Prime plus two percent. Principal and interest shall be paid in ten annual payments. The first payment shall be due one year from the date the hotel is operational in the ordinary course of business. The first payment shall be comprised of ten percent of the principal balance together with all accrued and unpaid interest on the unpaid principal balance.

Thereafter, Sunway Hotel Group Inc., beginning one year from the date of the first payment due, and then continuing on the same date of each successive year for nine consecutive annual periods, make payments of principal and accrued interest and unpaid interest. If the hotel has been operational in the ordinary course of business for the twelve months preceding the due date of each annual payment of principal and interest, Sunway Hotel Group Inc. shall be entitled to a credit equal to the principal amount and interest then due for such annual payment. It is the intention of the parties that if the hotel has been operational in the ordinary course of business for a period of ten years from the date of the first day of operations, then the note shall be considered paid in full. During each year for which the payment is credited against the note, the BDA will recognize incentive payment expense. Notes receivable due from the Sunway Hotel Group Inc. for the year ended June 30, 2018 were \$304,921. Incentive expense for the hotel for the year ended June 30, 2018 was \$160,938.

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In the fiscal year of June 30, 2014, an economic development agreement was made between the BDC, now BDA, and Dilbeck Manufacturing Inc. The BDA agreed to a forgivable loan of \$30,000 to Dilbeck, to be repaid in ten years, with the expectation that they would move operations and employ four employees. The BDA would then credit Dilbeck on their notes and interest with \$1,000 for each new job created plus a proportionate share for each employee over four. During the year ended June 30, 2018, the BDA was notified that Dilbeck is in forbearance. It was agreed that Dilbeck would pay the BDA \$1,000 with the remaining \$14,000 written off and expensed to bad debt.

In the fiscal year of June 30, 2014, an economic development agreement was made between the BDC, now BDA, and Husky Portable Containment Company. The BDA agreed to a forgivable loan of \$150,000 to Husky, to be repaid in ten years, with the expectation that they would move operations and employ twenty-two employees. The BDA would then credit Husky on their notes and interest with \$1,000 for each new job created earning a wage of \$31,200 or more, plus a proportionate share for each employee over twenty-two. During the year ended June 30, 2018, Husky employed twenty-five employees. Therefore, incentive expense for Husky was \$3,480. Due to not meeting the employment target, Husky repaid \$11,385 to the BDA with the remaining \$2,535 repaid in July 2018. Notes receivable due from Husky for the year ended June 30, 2018 was \$105,000.

In the fiscal year of June 30, 2014, an economic development agreement was made between the BDC, now BDA, and Superior Companies Inc. The BDA agreed to a forgivable loan of \$200,000 to Superior, to be paid in ten years, with the expectation that they would expand employment in the Bartlesville area by twenty employees over the current seventy. The BDA would then credit Superior on their notes and interest with \$1,000 for each new job created in excess of seventy plus a proportionate share for each employee over twenty. During the year ended June 30, 2018, Superior did not add any employees; therefore, Superior is to repay \$25,487 for fiscal year 2018, which is included in accounts receivable. The total accounts receivable from Superior at June 30, 2018 is \$76,004. Notes receivable due from Superior for the year ended June 30, 2018 was \$120,000. Superior made no repayments during the year ended June 30, 2018. Subsequent to the date of the financial statements, the BDA has been notified that Superior is in forbearance. Management has become doubtful that the remaining balance of the loan will be collectible. Management has elected to not record an allowance for doubtful account due to the nature of the agreement being a forgivable loan and that if the terms of the agreement are met or not, there would be no difference in change in net position or cash flow.

|   | Balance<br>7/1/2017 | Additions   | Forgiven            | Payments           | Balance<br>6/30/2018 |
|---|---------------------|-------------|---------------------|--------------------|----------------------|
| Business-Type Activities/Bartlesville Development Authority:      |                     |             |                     |                    |                      |
| Sunway/Hotel  | \$ 445,812          | \$ -        | \$ (140,891)        | \$ -               | \$ 304,921           |
| Husky   | 120,000             | -           | (3,615)             | (11,385)           | 105,000              |
| Dilbeck   | 15,000              | -           | (14,000)            | (1,000)            | -                    |
| Superior  | 140,000             | -           | (20,000)            | -                  | 120,000              |
| Total Business-Type Activities/Bartlesville Development Authority | <u>\$ 720,812</u>   | <u>\$ -</u> | <u>\$ (178,506)</u> | <u>\$ (12,385)</u> | <u>\$ 529,921</u>    |
| Reconciliation to Statement of Net Position:                      |                     |             |                     |                    |                      |
|   |                     |             |                     |                    | 183,468              |
|   |                     |             |                     |                    | 346,453              |
|   |                     |             |                     |                    | <u>\$ 529,921</u>    |

#### 4. Capital Assets and Depreciation

##### *Capital Assets:*

Capital assets consist of land, land improvement, construction in progress, buildings and building improvements, machinery and equipment, and infrastructure. Capital assets are reported at actual or estimated historical cost. Donated capital assets are recorded at their fair value at the date of donation.

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For the year ended June 30, 2018, capital assets balances changed as follows:

|   | Balance at<br>July 1, 2017 | Additions             | Disposals         | Transfers           | CIP                | Balance at<br>June 30, 2018 |
|---|----------------------------|-----------------------|-------------------|---------------------|--------------------|-----------------------------|
| <b>Governmental activities:</b>               |                            |                       |                   |                     |                    |                             |
| Capital assets not being depreciated:         |                            |                       |                   |                     |                    |                             |
| Land  | \$ 3,353,945               | \$ -                  | \$ -              | \$ -                | \$ -               | \$ 3,353,945                |
| Construction in progress                      | 16,465,989                 | 5,541,207             | -                 | -                   | (5,822,742)        | 16,184,454                  |
| Total capital assets not being depreciated    | <u>19,819,934</u>          | <u>5,541,207</u>      | <u>-</u>          | <u>-</u>            | <u>(5,822,742)</u> | <u>19,538,399</u>           |
| Other capital assets:                         |                            |                       |                   |                     |                    |                             |
| Infrastructure and improvements               | 101,638,232                | -                     | -                 | -                   | 5,596,743          | 107,234,975                 |
| Buildings                                     | 12,414,111                 | -                     | -                 | -                   | -                  | 12,414,111                  |
| Equipment and furniture                       | 13,378,378                 | 1,597,998             | 36,788            | (286,421)           | 188,971            | 14,842,138                  |
| Total other capital assets at historical cost | <u>127,430,721</u>         | <u>1,597,998</u>      | <u>36,788</u>     | <u>(286,421)</u>    | <u>5,785,714</u>   | <u>134,491,224</u>          |
| Less accumulated depreciation for:            |                            |                       |                   |                     |                    |                             |
| Infrastructure and improvements               | 40,969,732                 | 3,173,642             | -                 | -                   | -                  | 44,143,374                  |
| Buildings                                     | 7,824,325                  | 497,862               | -                 | -                   | -                  | 8,322,187                   |
| Equipment and furniture                       | 10,172,636                 | 642,569               | 36,788            | -                   | -                  | 10,778,417                  |
| Total accumulated depreciation                | <u>58,966,693</u>          | <u>4,314,073</u>      | <u>36,788</u>     | <u>-</u>            | <u>-</u>           | <u>63,243,978</u>           |
| Other capital assets, net                     | <u>68,464,028</u>          | <u>(2,716,075)</u>    | <u>-</u>          | <u>(286,421)</u>    | <u>5,785,714</u>   | <u>71,247,246</u>           |
| Governmental activities capital assets, net   | <u>\$ 88,283,962</u>       | <u>\$ 2,825,132</u>   | <u>\$ -</u>       | <u>\$ (286,421)</u> | <u>\$ (37,028)</u> | <u>\$ 90,785,645</u>        |
| <b>Business-type activities:</b>              |                            |                       |                   |                     |                    |                             |
| Capital assets not being depreciated:         |                            |                       |                   |                     |                    |                             |
| Land  | \$ 7,511,830               | \$ -                  | \$ 260,000        | \$ -                | \$ -               | \$ 7,251,830                |
| Works of Art                                  | 46,137                     | -                     | -                 | -                   | -                  | 46,137                      |
| Construction in progress                      | 24,228,403                 | 54,875                | -                 | -                   | -                  | 24,283,278                  |
| Total capital assets not being depreciated    | <u>31,786,370</u>          | <u>54,875</u>         | <u>260,000</u>    | <u>-</u>            | <u>-</u>           | <u>31,581,245</u>           |
| Other capital assets:                         |                            |                       |                   |                     |                    |                             |
| Infrastructure and improvements               | 84,453,840                 | 161,661               | -                 | -                   | -                  | 84,615,501                  |
| Buildings                                     | 163,210,812                | -                     | -                 | -                   | -                  | 163,210,812                 |
| Equipment and furniture                       | 14,360,768                 | 36,580                | 27,145            | 286,421             | 37,028             | 14,693,652                  |
| Total other capital assets at historical cost | <u>262,025,420</u>         | <u>198,241</u>        | <u>27,145</u>     | <u>286,421</u>      | <u>37,028</u>      | <u>262,519,965</u>          |
| Less accumulated depreciation for:            |                            |                       |                   |                     |                    |                             |
| Infrastructure and improvements               | 48,685,875                 | 2,146,458             | -                 | -                   | -                  | 50,832,333                  |
| Buildings                                     | 61,552,945                 | 3,910,090             | -                 | -                   | -                  | 65,463,035                  |
| Equipment and furniture                       | 11,232,055                 | 642,147               | 27,145            | -                   | -                  | 11,847,057                  |
| Total accumulated depreciation                | <u>121,470,875</u>         | <u>6,698,695</u>      | <u>27,145</u>     | <u>-</u>            | <u>-</u>           | <u>128,142,425</u>          |
| Other capital assets, net                     | <u>140,554,545</u>         | <u>(6,500,454)</u>    | <u>-</u>          | <u>286,421</u>      | <u>37,028</u>      | <u>134,377,540</u>          |
| Business-type activities capital assets, net  | <u>\$ 172,340,915</u>      | <u>\$ (6,445,579)</u> | <u>\$ 260,000</u> | <u>\$ 286,421</u>   | <u>\$ 37,028</u>   | <u>\$ 165,958,785</u>       |

Depreciation of capital assets is included in total expenses and is charged or allocated to the activities primarily benefiting from the use of the specific asset. Depreciation expense has been allocated as follows:

| Governmental Activities: |                     | Business-Type Activities: |                     |
|--------------------------|---------------------|---------------------------|---------------------|
| General government       | \$ 955,253          | Wastewater                | \$ 1,361,778        |
| Public safety            | 448,880             | Water                     | 2,383,215           |
| Public works             | 2,323,123           | Sanitation                | 297,862             |
| Culture and recreation   | 586,817             | Golf                      | 95,891              |
|                          |                     | Swimming pools            | 193,590             |
|                          |                     | Community center          | 392,991             |
|                          |                     | Other                     | 1,973,368           |
| Depreciation expense     | <u>\$ 4,314,073</u> |                           | <u>\$ 6,698,695</u> |

On October 16, 2010, the BDC received a quit-claim deed from the City of Bartlesville for the Sunset Industrial Park. The land was given to the BDC on a condition that they would maintain, insure, and market it as a possible location for local business development. With the quit-claim deed, the Bartlesville City Council has the right to ask for the return of the deed and the property after twelve months. During the year ended June 30, 2018, a portion of the land with a cost basis of \$260,000 was sold for \$200,000. As of June 30, 2018, the Council has not requested the return of the land.



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**5. Long-Term Debt and Debt Service Requirements**

For the year ended June 30, 2018, the reporting entity's long-term debt changed as follows:

| Type of Debt                           | Balance<br>July 1, 2017 | Additions            | Deductions          | Balance<br>June 30, 2018 | Due Within<br>One Year |
|--|-------------------------|----------------------|---------------------|--------------------------|------------------------|
| <b>Governmental Activities:</b>        |                         |                      |                     |                          |                        |
| General obligation bonds               | \$ 16,515,000           | \$ 10,250,000        | \$ 3,030,000        | \$ 23,735,000            | \$ 3,425,000           |
| Workers' compensation claims liability | 979,298                 | (214,870)            | 239,592             | 524,836                  | 209,934                |
| Accrued compensated absences           | 807,919                 | 1,502,425            | 1,468,740           | 841,604                  | 84,160                 |
| Total Governmental Activities          | <u>18,302,217</u>       | <u>11,537,555</u>    | <u>4,738,332</u>    | <u>25,101,440</u>        | <u>3,719,094</u>       |
| <b>Business-Type Activities:</b>       |                         |                      |                     |                          |                        |
| Notes Payable                          | 77,788,819              | 2,529,880            | 3,566,056           | 76,752,643               | 3,448,399              |
| Accrued compensated absences           | 163,972                 | 365,803              | 363,286             | 166,489                  | 16,398                 |
| Total Business-Type Activities         | <u>77,952,791</u>       | <u>2,895,683</u>     | <u>3,929,342</u>    | <u>76,919,132</u>        | <u>3,464,797</u>       |
| Total Long-Term Debt                   | <u>\$ 96,255,008</u>    | <u>\$ 14,433,238</u> | <u>\$ 8,667,674</u> | <u>\$ 102,020,572</u>    | <u>\$ 7,183,891</u>    |

**Reconciliation to Statement of Net Position:**

**Governmental Activities:**

|  |                      |
|--|----------------------|
| Due within one year - bonds, capital leases, contracts       | \$ 3,425,000         |
| Due within one year - compensated absences                   | 84,160               |
| Due within one year - claims payable                         | 209,934              |
| Due in more than one year - bonds, capital leases, contracts | 20,310,000           |
| Due in more than one year - compensated absences             | 757,444              |
| Due in more than one year - claims payable                   | 314,902              |
| Total Governmental Activities Long-term Debt                 | <u>\$ 25,101,440</u> |

**Business-Type Activities:**

|  |                      |
|--|----------------------|
| Due within one year - bonds, capital leases, contracts       | \$ 3,448,399         |
| Due within one year - compensated absences                   | 16,398               |
| Due in more than one year - bonds, capital leases, contracts | 73,304,244           |
| Due in more than one year - compensated absences             | 150,091              |
| Total Business-Type Activities Long-term Debt                | <u>\$ 76,919,132</u> |

Governmental accrued compensated absences will be liquidated by the general fund.

*Governmental activities long-term debt:*

Governmental activities long-term debt payables from net revenues include the following:

*General Obligation Bonds To Be Repaid Through Governmental Type Activity:*

Under state law, the City annually levies taxes for the retirement of general obligation bonds computed by dividing the original principal amount of bonds by the number of tax years the bonds will be outstanding. State law also requires that a specific fund be established for the retirement of the general obligation bonds. The fund established is the City's Debt Service Fund.

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General obligation bonds payable at June 30, 2018, are comprised of the following issues:

|   |                               |  |
|---|-------------------------------|--|
| On June 1, 2018 \$525,000 General Obligation Bonds, Series 2018B, serial bonds due in one annual installment of \$525,000 through June 1, 2020; semi-annual interest at rate of 3.00%. Proceeds used for storm drainage facilities.   | Current<br>Long-term<br>Total | \$ -<br><u>525,000</u><br><u>525,000</u>           |
| On June 1, 2018 \$9,725,000 General Obligation Bonds, Series 2018A, serial bonds due in annual installments of \$1,140,000 through June 1, 2028; semi-annual interest at rates varying from 2.75% to 3.00%. Proceeds used for equipment, parks and recreational facilities, and streets, roads and bridges                      | Current<br>Long-term<br>Total | \$ -<br><u>9,725,000</u><br><u>9,725,000</u>       |
| On June 28, 2017, \$3,300,000 General Obligation Bonds, Series 2017, serial bonds due in annual installments of \$825,000 through June 1, 2022; semi-annual interest at rates varying from 1.25% to 1.8%. Proceeds used for public safety equipment, parks, recreational and cultural projects, and streets, roads and bridges. | Current<br>Long-term<br>Total | \$ 825,000<br><u>2,475,000</u><br><u>3,300,000</u> |
| On December 1, 2015, \$2,000,000 General Obligation Bonds, Series 2015, serial bonds due in annual installments of \$220,000, except for a final installment of \$240,000 through December 1, 2025; semi-annual interest at rates varying from 1.5% to 2.1%.  | Current<br>Long-term<br>Total | 220,000<br><u>1,560,000</u><br><u>1,780,000</u>    |
| On December 1, 2014, \$5,200,000 General Obligation Bonds, Series 2014B, serial bonds due in annual installments of \$575,000, except for a final installment of \$600,000 through December 1, 2024; semi-annual interest at rates varying from 1.1% to 2.1%.   | Current<br>Long-term<br>Total | 575,000<br><u>3,475,000</u><br><u>4,050,000</u>    |
| On June 1, 2014, \$1,500,000 General Obligation Bonds, Series 2014, serial bonds due in annual installments of \$165,000, except for a final installment of \$180,000 through June 1, 2024; semi-annual interest at rates varying from 1% to 2.15%.   | Current<br>Long-term<br>Total | 165,000<br><u>840,000</u><br><u>1,005,000</u>      |
| On November 1, 2012, \$3,000,000 General Obligation Bonds, Series 2012, serial bonds due in annual installments of \$330,000, except for a final installment of \$360,000 through November 1, 2022; semi-annual interest at rates varying from 1.8% to 1.05%.   | Current<br>Long-term<br>Total | 330,000<br><u>1,350,000</u><br><u>1,680,000</u>    |
| On December 1, 2010, \$5,000,000 General Obligation Bonds, Series 2010, serial bonds due in annual installments of \$710,000, except for a final installment of \$740,000 through December 1, 2018; semi-annual interest at rates varying from 2.15% to .75%.   | Current<br>Long-term<br>Total | 740,000<br>-<br><u>740,000</u>                     |
| On September 1, 2009, \$3,000,000 General Obligation Bonds Series 2009, due in annual installments of \$330,000 through September 1, 2020; semi-annual interest at rates varying from 2.7% to 5.7%.   | Current<br>Long-term<br>Total | 330,000<br><u>360,000</u><br><u>690,000</u>        |
| On September 1, 2008, \$2,000,000 General Obligation Bonds Series 2008B, due in annual installments of \$220,000 through September 1, 2018; semi-annual interest at rates varying from 2.7% to 5.7%.  | Current<br>Long-term<br>Total | 240,000<br>-<br><u>240,000</u>                     |
| Total current portion   |                               | 3,425,000  |
| Total long-term portion   |                               | <u>20,310,000</u>                                  |
| Total general obligation bonds  |                               | \$ <u>23,735,000</u>                               |

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*Business-type activities* long-term debt payable from net revenues generated by and taxes pledged to the City's business-type activities include the following:

**Notes Payable:**

Note payable by the BMA to the Oklahoma Water Resources Board, proceeds of \$743,591 were used to refinance an interim construction loan on November 19, 2002, principle payments of \$19,066 are due semi-annually starting March 15, 2003. This note is interest free, but is subject to a 0.5% administrative fee. The note will mature March 15, 2022.

|           |    |         |  |
|-----------|----|---------|--|
| Current   | \$ | 38,133  |  |
| Long-term |    | 114,399 |  |
| Total     |    | 152,532 |  |

Note payable by the BMA to the Oklahoma Water Resources Board, proceeds of \$726,006 were used to refinance an interim construction loan on March 31, 2004, principle payments of \$18,150 are due semi-annually starting September 15, 2004. This note bears no interest but is subject to a 1/2% administrative fee. The note will mature March 15, 2024.

|           |  |         |  |
|-----------|--|---------|--|
| Current   |  | 36,300  |  |
| Long-term |  | 181,502 |  |
| Total     |  | 217,802 |  |

Note payable by the BMA to the Oklahoma Water Resources Board, proceeds of \$552,498 were used to refinance an interim construction loan on March 31, 2004, principle payments of \$13,812 are due semi-annually starting September 15, 2004. This note bears no interest but is subject to a 1/2% administrative fee. The note will mature March 15, 2024.

|           |  |         |  |
|-----------|--|---------|--|
| Current   |  | 27,625  |  |
| Long-term |  | 138,124 |  |
| Total     |  | 165,749 |  |

Note payable by the BMA to Arvest Bank proceeds of \$3,355,000 were used to refinance Oklahoma Water Resources Board Note 2009 to a fixed interest rate of 2.2% per annum on May 24, 2016. Principal and interest are due semiannually starting on September 1, 2016. Principal payments range from \$85,000 to \$135,000. This note matures September 1, 2030.

|           |  |           |  |
|-----------|--|-----------|--|
| Current   |  | 210,000   |  |
| Long-term |  | 2,770,000 |  |
| Total     |  | 2,980,000 |  |

Note payable by the BMA to the Oklahoma Water Resources Board, proceeds of \$40,445,000 were used to refinance indebtedness incurred for construction water system. Principle and interest payments of \$2,387,700 will be due in two semi-annual installments commencing on March 15, 2009. This note bears interest at a rate of 3.91% per annum. The note will mature on March 15, 2036.

|           |  |            |  |
|-----------|--|------------|--|
| Current   |  | 1,180,000  |  |
| Long-term |  | 30,065,000 |  |
| Total     |  | 31,245,000 |  |

Note payable by the BMA to Oklahoma Water Resources Board, proceeds of \$3,810,000 were used to finance construction improvements to the drinking water system on August 30, 2012, \$500,000 of principal forgiveness was received due to State/Federal green initiative grant bringing beginning balance to \$3,310,000. This note bears interest at a rate of 2.29% per annum. Principal and interest are due semiannually starting March 15, 2014. The note will mature on September 15, 2028.

|           |  |           |  |
|-----------|--|-----------|--|
| Current   |  | 207,268   |  |
| Long-term |  | 2,226,878 |  |
| Total     |  | 2,434,146 |  |

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Note titled Bartlesville Education Authority Lease Revenue Note, Series 2013 payable by the BEA to BOKF, proceeds of \$24,950,000 used to establish construction escrow account to finance construction improvements to Bartlesville High School and Central Middle School on November 1, 2013. Note bears interest at a rate of 2.46% per annum payable semi-annually beginning July 1, 2014. Principal payments are due in two installments. \$16,000,000 is payable July 1, 2019 and \$8,950,000 on July 1, 2020.

|           |                   |
|-----------|-------------------|
| Current   | -                 |
| Long-term | <u>24,950,000</u> |
| Total     | <u>24,950,000</u> |

Note payable by the BRTA to BancFirst proceeds of \$1,200,000 were used to finance costs associated with the construction of Downtown Bartlesville Hotel. Principal and interest are due annually on June 1st with a variable interest rate starting at 5.5%. The note will mature on June 1, 2022.

|           |                |
|-----------|----------------|
| Current   | 122,000        |
| Long-term | <u>404,686</u> |
| Total     | <u>526,686</u> |

The Note Payable bears a fixed interest rate of 4.25%. BDA has no liability in the event of default. BDA did not guarantee payment of the \$935,000 loan, it merely assigned the lease. American Heritage Bank holds the mortgage on the building and could foreclose in the event Springs Global defaulted, but BDA would not be liable for any deficiency. The lease serves as collateral for this obligation

|           |                |
|-----------|----------------|
| Current   | 152,408        |
| Long-term | <u>491,885</u> |
| Total     | <u>644,293</u> |

Note payable by the BDA to Arvest proceeds of \$6,865,000 were used to finance costs associated with the construction of the original ABB facility in the Bartlesville Industrial Park with additional principal authorized on March 21, 2013 to be used to expand said facility with a total amount available of \$17,000,000. Principal and interest payments of \$55,613 are due monthly from March 15, 2013 through July 30, 2014 increasing to \$166,122 monthly starting December 15, 2014 through maturity with a variable interest rate indexed to Wall Street Prime on January 15th of each year (4.5% at June 30, 2018). The note will mature on March 15, 2023.

|           |                   |
|-----------|-------------------|
| Current   | 1,355,821         |
| Long-term | <u>9,731,425</u>  |
| Total     | <u>11,087,246</u> |

Note Payable to BancFirst of \$2,529,880 dated January 11, 2018, to fund an incentive payment to GBT Realty Corp. upon completion of Silver Lake Village, Phase I. Tax increment financing (TIF) revenues will service the loan for a term of 15 years.

|           |                  |
|-----------|------------------|
| Current   | 118,844          |
| Long-term | <u>2,230,345</u> |
| Total     | <u>2,349,189</u> |

|                         |                      |
|-------------------------|----------------------|
| Total current portion   | 3,448,399            |
| Total long-term portion | <u>73,304,244</u>    |
| Total notes payable     | <u>\$ 76,752,643</u> |

All of the City's notes with the OWRB have a debt coverage covenant of 125% of maximum annual debt service. As of June 30, 2018, the City fully complied with the requirement.

**Workers' Compensation Claims Liability:**

The City self-insures workers' compensation claims liability. The administration of claims for insurance is primarily performed by third party administrators. At June 30, 2018, the City's workers' compensation claims liability was \$524,836 based upon the estimated claims payable reported as reserves in the third party administrator's monthly and quarterly reports to the City. The claims liability is reported in the Workers' Comp internal service fund. All court-ordered judgments are levied in accordance with State law over three years. The following schedule shows the changes in the claims liability for the past three years:

|                                 |                   |
|---------------------------------|-------------------|
| Claims liability, June 30, 2015 | \$ 1,083,097      |
| Claims and changes in estimates | 198,356           |
| Claims payments                 | <u>(330,475)</u>  |
| Claims liability, June 30, 2016 | 950,978           |
| Claims and changes in estimates | 300,116           |
| Claims payments                 | <u>(271,796)</u>  |
| Claims liability, June 30, 2017 | 979,298           |
| Claims and changes in estimates | (214,870)         |
| Claims payments                 | <u>(239,592)</u>  |
| Claims liability, June 30, 2018 | <u>\$ 524,836</u> |

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Debt Service Requirements to Maturity:

| <u>Year Ending June 30,</u> | Governmental Activities     |                     |
|-----------------------------|-----------------------------|---------------------|
|                             | General<br>Obligation Bonds |                     |
|                             | <u>Principal</u>            | <u>Interest</u>     |
| 2019                        | 3,425,000                   | 580,665             |
| 2020                        | 3,605,000                   | 461,496             |
| 2021                        | 3,255,000                   | 389,725             |
| 2022                        | 3,255,000                   | 321,501             |
| 2023                        | 2,460,000                   | 250,800             |
| 2024-2028                   | 7,735,000                   | 552,274             |
| Totals                      | <u>\$ 23,735,000</u>        | <u>\$ 2,556,461</u> |

| <u>Year Ending June 30,</u> | Business Type Activities |                      |
|-----------------------------|--------------------------|----------------------|
|                             | Notes Payable            |                      |
|                             | <u>Principal</u>         | <u>Interest</u>      |
| 2019                        | 3,448,399                | 2,922,225            |
| 2020                        | 19,749,269               | 2,535,796            |
| 2021                        | 12,862,069               | 2,013,273            |
| 2022                        | 4,045,755                | 1,680,394            |
| 2023                        | 3,875,325                | 1,451,796            |
| 2024-2028                   | 14,857,044               | 4,663,642            |
| 2029-2033                   | 10,179,782               | 2,574,611            |
| 2034-2038                   | 7,735,000                | 616,705              |
| Totals                      | <u>\$ 76,752,643</u>     | <u>\$ 18,458,442</u> |

**6. Net Position and Fund Balances**

The following tables show the fund balance classifications as shown on the Governmental Funds Balance Sheet:

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|                             | <b>General<br/>Fund</b>  | <b>Debt<br/>Service<br/>Fund</b> | <b>Capital<br/>Improvement<br/>Sales Tax<br/>Fund</b> | <b>Other<br/>Governmental<br/>Funds</b> | <b>Total</b>             |
|-----------------------------|--------------------------|----------------------------------|---|---|--------------------------|
| <b>Fund balances:</b>       |                          |                                  |   |   |                          |
| <b>Non-spendable</b>        |                          |                                  |   |   |                          |
| Inventory                   | \$ 56,477                | \$ -                             | \$ -  | \$ -                                    | \$ 56,477                |
| Prepaid items               | 85,816                   | -                                | -   | -                                       | 85,816                   |
| Sub-total Non-spendable     | <u>142,293</u>           | <u>-</u>                         | <u>-</u>  | <u>-</u>                                | <u>142,293</u>           |
| <b>Restricted for:</b>      |                          |                                  |   |   |                          |
| Debt service                | -                        | 3,750,559                        | -   | -                                       | 3,750,559                |
| CIP Sales tax               | -                        | -                                | 3,409,775   | -                                       | 3,409,775                |
| History museum              | -                        | -                                | -   | 124,955                                 | 124,955                  |
| E-911                       | -                        | -                                | -   | 96,690                                  | 96,690                   |
| Special library             | -                        | -                                | -   | 303,976                                 | 303,976                  |
| Special museum              | -                        | -                                | -   | 109,033                                 | 109,033                  |
| Economic development        | -                        | -                                | -   | 1,498,130                               | 1,498,130                |
| Library                     | -                        | -                                | -   | 1,449,752                               | 1,449,752                |
| Restricted revenues         | -                        | -                                | -   | 241,154                                 | 241,154                  |
| Harshfield library donation | -                        | -                                | -   | 771,574                                 | 771,574                  |
| Justice assistance          | -                        | -                                | -   | 41,489                                  | 41,489                   |
| Neighborhood parks          | -                        | -                                | -   | 8,375                                   | 8,375                    |
| Cemetery                    | -                        | -                                | -   | 3,414                                   | 3,414                    |
| Housing TIF Districts       | -                        | -                                | -   | 1,232                                   | 1,232                    |
| Hotel Motel Tax Fund        | -                        | -                                | -   | 8,726                                   | 8,726                    |
| CIP Wastewater              | -                        | -                                | -   | 226,632                                 | 226,632                  |
| CIP Wastewater Regulatory   | -                        | -                                | -   | 1,561,189                               | 1,561,189                |
| CIP City Hall               | -                        | -                                | -   | 29,461                                  | 29,461                   |
| CIP Storm Sewer             | -                        | -                                | -   | 136,259                                 | 136,259                  |
| Community Develop Grant     | -                        | -                                | -   | 144,068                                 | 144,068                  |
| Capital reserve             | -                        | -                                | -   | 7,995,211                               | 7,995,211                |
| 2008B G.O. bonds            | -                        | -                                | -   | 89                                      | 89                       |
| 2009 G.O. bonds             | -                        | -                                | -   | 7,014                                   | 7,014                    |
| 2010 G.O. bonds             | -                        | -                                | -   | 415                                     | 415                      |
| 2012 G.O. bonds             | -                        | -                                | -   | 129,957                                 | 129,957                  |
| 2014 G.O. bonds             | -                        | -                                | -   | 627,083                                 | 627,083                  |
| 2014B G.O. bonds            | -                        | -                                | -   | 124,202                                 | 124,202                  |
| 2015 G.O. bonds             | -                        | -                                | -   | 1,893,352                               | 1,893,352                |
| 2017 G.O. bonds             | -                        | -                                | -   | 2,522,073                               | 2,522,073                |
| 2018A GO bonds              | -                        | -                                | -   | 9,625,207                               | 9,625,207                |
| 2018B GO bonds              | -                        | -                                | -   | 480,631                                 | 480,631                  |
| Sub-total Restricted        | <u>-</u>                 | <u>3,750,559</u>                 | <u>3,409,775</u>                                      | <u>30,161,343</u>                       | <u>37,321,677</u>        |
| <b>Committed to:</b>        |                          |                                  |   |   |                          |
| Stabilization reserve       | 5,998,580                | -                                | -   | -                                       | 5,998,580                |
| Municipal airport           | -                        | -                                | -   | 270,500                                 | 270,500                  |
| Golf course                 | -                        | -                                | -   | 19,157                                  | 19,157                   |
| Memorial stadium            | -                        | -                                | -   | 2,286                                   | 2,286                    |
| Sub-total Committed         | <u>5,998,580</u>         | <u>-</u>                         | <u>-</u>  | <u>291,943</u>                          | <u>6,290,523</u>         |
| <b>Assigned to:</b>         |                          |                                  |   |   |                          |
| Next year's budget          | 469,794                  | -                                | -   | -                                       | 469,794                  |
| <b>Unassigned:</b>          | <u>3,682,233</u>         | <u>-</u>                         | <u>-</u>  | <u>-</u>                                | <u>3,682,233</u>         |
| <br>Total fund balances     | <br><u>\$ 10,292,900</u> | <br><u>\$ 3,750,559</u>          | <br><u>\$ 3,409,775</u>                               | <br><u>\$ 30,453,286</u>                | <br><u>\$ 47,906,520</u> |

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The restrictions of net position are as follows:

|  | <u>Enabling<br/>Legislation</u> | <u>Statutory<br/>Requirement</u> | <u>External<br/>Contracts</u> | <u>Total</u>                |
|--|---------------------------------|----------------------------------|-------------------------------|-----------------------------|
| <b>Restricted Net Position - Governmental Activities:</b>  |                                 |                                  |                               |                             |
| Economic Development                                       | \$ -                            | \$ 1,498,130                     | \$ -                          | \$ 1,498,130                |
| E-911  | -                               | 96,690                           | -                             | 96,690                      |
| Special Library  | -                               | 303,976                          | -                             | 303,976                     |
| Special Museum   | -                               | 109,033                          | -                             | 109,033                     |
| Bartlesville History Museum Trust Authority                | -                               | 124,955                          | -                             | 124,955                     |
| Bartlesville Library Trust Authority                       | -                               | 1,449,752                        | -                             | 1,449,752                   |
| Restricted Revenues  | -                               | -                                | 241,154                       | 241,154                     |
| Harshfield Library Donation                                | -                               | -                                | 771,574                       | 771,574                     |
| Justice Assistance Grant                                   | 41,489                          | -                                | -                             | 41,489                      |
| Neighborhood Park  | 8,375                           | -                                | -                             | 8,375                       |
| Cemetery Perpetual Care                                    | 3,414                           | -                                | -                             | 3,414                       |
| Housing TIF Districts                                      | 1,232                           | -                                | -                             | 1,232                       |
| Hotel Motel Tax Fund                                       | 8,726                           | -                                | -                             | 8,726                       |
| Debt Service   | 3,750,559                       | -                                | -                             | 3,750,559                   |
| <b>Capital Improvement Funds:</b>                          |                                 |                                  |                               |                             |
| Sales Tax Capital Improvement Fund                         | -                               | 3,409,775                        | -                             | 3,409,775                   |
| Wastewater Fund  | -                               | 226,632                          | -                             | 226,632                     |
| Wastewater Regulatory Fund                                 | -                               | 1,561,189                        | -                             | 1,561,189                   |
| Storm Sewer Fund   | -                               | 136,259                          | -                             | 136,259                     |
| CDBG Fund  | 144,068                         | -                                | -                             | 144,068                     |
| City Hall  | -                               | 29,461                           | -                             | 29,461                      |
| Capital Reserve Fund                                       | -                               | 7,995,211                        | -                             | 7,995,211                   |
| <b>General Obligation Bond Funds:</b>                      |                                 |                                  |                               |                             |
| 2008B G.O. Bond Fund                                       | 89                              | -                                | -                             | 89                          |
| 2009 G.O. Bond Fund  | 7,014                           | -                                | -                             | 7,014                       |
| 2010 G.O. Bond Fund  | 415                             | -                                | -                             | 415                         |
| 2012 G.O. Bond Fund  | 129,957                         | -                                | -                             | 129,957                     |
| 2014 G.O. Bond Fund  | 627,083                         | -                                | -                             | 627,083                     |
| 2014B G.O. Bond Fund                                       | 124,202                         | -                                | -                             | 124,202                     |
| 2015 G.O. Bond Fund  | 1,893,352                       | -                                | -                             | 1,893,352                   |
| 2017 G.O. Bond Fund  | 2,522,073                       | -                                | -                             | 2,522,073                   |
| 2018A G.O. Bond Fund                                       | 9,625,207                       | -                                | -                             | 9,625,207                   |
| 2018B G.O. Bond Fund                                       | 480,631                         | -                                | -                             | 480,631                     |
| <b>Total restricted net position</b>                       | <b><u>\$ 19,367,886</u></b>     | <b><u>\$ 16,941,063</u></b>      | <b><u>\$ 1,012,728</u></b>    | <b><u>\$ 37,321,677</u></b> |
| <b>Restricted Net Position - Business-type Activities:</b> |                                 |                                  |                               |                             |
| Bartlesville Municipal Authority                           | \$ -                            | \$ -                             | \$ 181,052                    | \$ 181,052                  |
| Bartlesville Development Authority                         | -                               | -                                | 1,040,000                     | 1,040,000                   |
| Bartlesville Education Authority                           | -                               | -                                | 23,606                        | 23,606                      |
| Bartlesville Redevelopment Trust Authority                 | -                               | -                                | 526,901                       | 526,901                     |
| <b>Total restricted net position</b>                       | <b><u>\$ -</u></b>              | <b><u>\$ -</u></b>               | <b><u>\$ 1,771,559</u></b>    | <b><u>\$ 1,771,559</u></b>  |

**Prior Period Adjustment**

|   | Wastewater<br>Fund          | Water Fund                 | Solid Waste<br>Fund        | Adams Golf<br>Course       | Government-Wide             |                              |
|---|-----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|------------------------------|
|   |                             |                            |                            |                            | Governmental<br>Activities  | Business-type<br>Activities  |
| Beginning fund balance/net position, as previously reported | \$ 16,907,087               | \$ 9,345,204               | \$ 1,469,918               | \$ 1,509,496               | \$ 88,293,823               | \$ 101,618,096               |
| Net OPEB liability  | (58,780)                    | (189,146)                  | (151,134)                  | (36,127)                   | (802,373)                   | (435,186)                    |
| Net OPEB Obligation   | 19,004                      | 64,691                     | 56,277                     | 5,114                      | 352,950                     | 145,086                      |
| OPEB Deferred outflow-contributions subsequent              | 2,107                       | 6,780                      | 5,418                      | 1,295                      | 28,763                      | 15,600                       |
| <b>Beginning fund balance/net position, restated</b>        | <b><u>\$ 16,869,418</u></b> | <b><u>\$ 9,227,529</u></b> | <b><u>\$ 1,380,479</u></b> | <b><u>\$ 1,479,778</u></b> | <b><u>\$ 87,873,163</u></b> | <b><u>\$ 101,343,596</u></b> |

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**7. Internal and Interfund Balances and Transfers**

The City's policy is to eliminate interfund transfers and balances in the statements of activities and net position to avoid the grossing up of balances. Only the residual balances transferred between governmental and business-type activities are reported as internal transfers and internal balances and then offset in the total column in the government-wide statements. Interfund transfers and balances between funds are not eliminated in the fund financial statements.

*Balances:*

| <u>Due From</u> | <u>Due To</u> | <u>Amount</u>     | <u>Nature of Balance</u>      |
|-----------------|---------------|-------------------|-------------------------------|
| Wastewater Fund | General Fund  | \$ 118,159        | To cover negative pooled cash |
| Water Fund      | General Fund  | 155,789           | To cover negative pooled cash |
| BMA Wastewater  | General Fund  | 421,752           | To cover negative pooled cash |
| BMA Water       | General Fund  | 222,801           | To cover negative pooled cash |
| Total           |               | <u>\$ 918,501</u> |                               |

**Reconciliation to Fund Financial Statements:**

|                    | <u>Due From</u> | <u>Due To</u>    | <u>Net</u> |
|--------------------|-----------------|------------------|------------|
| Governmental Funds | \$ 918,501      | \$ -             | \$ 918,501 |
| Proprietary Funds  | -               | (918,501)        | (918,501)  |
| Total              | <u>918,501</u>  | <u>(918,501)</u> | <u>-</u>   |

**Reconciliation to Government-Wide Statements:**

|  |                     |                       |
|--|---------------------|-----------------------|
| Net Interfund Balances   | 918,501             | (918,501)             |
| Consolidation of internal service funds activities related to enterprise funds | 88,816              | (88,816)              |
| Total Internal Balances  | <u>\$ 1,007,317</u> | <u>\$ (1,007,317)</u> |

*Transfers:*

Internal transfers between funds and activities for the year ended June 30, 2018 were as follows:

| <u>Transfer From</u>                 | <u>Transfer To</u>                            | <u>Amount</u>        | <u>Purpose of Transfer</u>                          |
|--------------------------------------|---|----------------------|---|
| Bartlesville Library Trust Authority | Special Library Fund                          | \$ 70,265            | To subsidize the operations of the fund             |
| BMA - Wastewater                     | Wastewater Fund                               | 4,097,567            | To subsidize the operations of the fund             |
| BMA - Water                          | Water Fund                                    | 6,137,691            | To subsidize the operations of the fund             |
| General Fund                         | Adams Municipal Golf Course Fund              | 147,484              | To subsidize the operations of the fund             |
| General Fund                         | Bartlesville History Museum Trust Authority   | 5,500                | To subsidize the operations of the fund             |
| General Fund                         | Capital Reserve Fund                          | 446,500              | Capital reserve fund established by Ordinance       |
| General Fund                         | E-911 Fund                                    | 473,187              | To subsidize the operations of the fund             |
| General Fund                         | Frontier Pool Fund                            | 58,446               | To subsidize the operations of the fund             |
| General Fund                         | Sooner Pool Fund                              | 44,393               | To subsidize the operations of the fund             |
| Memorial Stadium Operating Fund      | General Fund                                  | 14,171               | To subsidize the operations of the fund             |
| Hotel Motel Tax Fund                 | Bartlesville Community Center Trust Authority | 311,360              | To subsidize the operations of the fund             |
| BRTA Pass-through                    | Bartlesville Redevelopment Trust Authority    | 702,347              | Transfer TIF, sales tax, and hotel/motel tax        |
| Economic Development Fund            | Bartlesville Development Authority            | 1,094,168            | To subsidize the operations of the fund             |
| Solid Waste Fund                     | Capital Reserve Fund                          | 750,000              | Capital reserve fund established by Ordinance       |
| Solid Waste Fund                     | General Fund                                  | 1,055,339            | To subsidize the operations of the fund             |
| Wastewater Fund                      | General Fund                                  | 1,072,034            | To subsidize the operations of the fund             |
| Water Fund                           | Capital Reserve Fund                          | 16,000               | Capital reserve fund established by Ordinance       |
| Water Fund                           | General Fund                                  | 1,809,027            | To subsidize the operations of the fund             |
| General Fund                         | General Fund-Stabilization Fund               | 436,308              | Stabilization reserve fund established by Ordinance |
| Solid Waste Fund                     | General Fund-Stabilization Fund               | 80,508               | Stabilization reserve fund established by Ordinance |
| Wastewater Fund                      | General Fund-Stabilization Fund               | 84,803               | Stabilization reserve fund established by Ordinance |
| Water Fund                           | General Fund-Stabilization Fund               | 128,003              | Stabilization reserve fund established by Ordinance |
| Total                                |   | <u>\$ 19,035,101</u> |   |

**Reconciliation to Fund Financial Statements:**

|                    | <u>Transfers In</u>  | <u>Transfers Out</u>   | <u>Government-Wide<br/>Capital Asset Transfers</u> | <u>Statement of<br/>Activities<br/>Net Transfers</u> |
|--------------------|----------------------|------------------------|--|--|
| Governmental Funds | \$ 6,441,645         | \$ (3,804,129)         | \$ (323,449)                                       | \$ 2,314,067   |
| Proprietary Funds  | 12,593,456           | (15,230,972)           | 323,449  | (2,314,067)  |
|                    | <u>\$ 19,035,101</u> | <u>\$ (19,035,101)</u> | <u>\$ -</u>  | <u>\$ -</u>  |



## **8. Pledged Future Revenues**

*Utility Net Revenues Pledge* – The City has pledged the net water and sewer utility revenues to repay the following notes payable: \$552,498 of 2004C SRF, \$3,810,000 of 2012 SRF, \$40,445,000 of 2008 SRF, \$743,591 of 2002A SRF, and \$726,006 of 2004A SRF Oklahoma Water Resources Board Notes Payable as well as \$3,355,000 utility system revenue note 2016 with Arvest Bank. Proceeds from the bonds provided for the purchase or construction of water and utility systems. The bonds are payable from pledged net water and sewer utility revenues through 2037. The total principal and interest payable for the remainder of the life of these bonds is \$50,910,028. Pledged net water and sewer utility revenues in the current fiscal year were \$3,783,258. Debt service payments of \$3,026,606 for the current fiscal year were 80% of total pledged revenues for these notes.

## **9. Risk Management**

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

- General Liability – Covered through participation in Oklahoma Municipal Assurance Group risk entity pool (1)
- Physical Property – Purchased insurance with \$2,500 deductible
- Workers' Compensation – Self-insured with third-party administration of the claims process (2)
- Employee's Group Medical – Self-insured with City paying a portion of health care and life and disability premiums (3)

### *(1) Liability Protection 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.

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.

*(2) Workers' Compensation*

The Workers' Compensation Insurance Fund is used to account for activities with participating funds charged through an estimated annual claim cost for each fund. Judgments are levied on property taxes. The claims process is administered by Consolidated Benefits Resource. The entire risk of loss is retained by the City.

*(3) Health and Life Insurance:*

Health insurance is administered by Blue Cross Blue Shield of Oklahoma. Life and disability insurance is purchased through Allstate. The City retains no risk associated with life and disability. Health claims are reinsured with a self-insured retention level of \$100,000 individual and \$3,120,843 aggregate.

The City maintains a stop-loss policy for plans to limit risk associated with the plans. 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.

## **10. Commitments and Contingencies**

*Litigation:*

The City is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings. State statutes provide for the levy of an ad valorem tax over a three-year period by a City Sinking Fund for the payment of any court assessed judgment rendered against the City. While the outcome of the above noted proceedings cannot be predicted, due to the insurance coverage maintained by the City and the State statute relating to judgments, the City feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the City.

*Federal and State Award Programs:*

In the normal course of operations, the City participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency to ensure compliance with specific provisions of the grant or loan. Any liability or reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed that the amount, if any, would not be material.

*Construction Commitments:*

At June 30, 2018, the City had awarded construction contracts totaling \$6,369,669 for various City projects and of this amount \$624,376 was outstanding and payable from various funds.

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*Operating Leases:*

The City leases office space on the 4<sup>th</sup> floor of City Hall and the Bartlesville Municipal Airport to ConocoPhillips.

*BRTA Series 2009B Note:*

In accordance with the Downtown Bartlesville Hotel Project Master Development Agreement, on May 15, 2009, BRTA executed a development and financing assistance agreement, coined the “Series 2009B Note”. The agreement, structured similar to a note obligation, requires BRTA to pay the principal amount of \$1,250,000 to Bartlesville Hotel, LLC, with interest accruing at 7.00% per annum. The Series 2009B Note shall be a special, limited obligation of BRTA payable solely from Allocable Increment Revenues received by BRTA. Allocable Increment Revenues shall mean in any given loan year: a) two-thirds of those incremental occupancy tax revenues generated from the operations of the Project Facilities (Hilton Garden Inn Hotel) between September 1, 2010 and August 31, 2018 and, b) those incremental sales tax revenues generated from the operation of the Project Facilities between September 1, 2010 and August 31, 2020, and collected with the boundaries of the “Downtown Bartlesville Hotel Increment District,” less certain direct administrative costs and professional service costs. Interest shall not begin to accrue on the outstanding principal balance until November 1, 2010. Thereafter, interest accrued at 7.00% shall be due and payable on November 1, 2011, and on each November 1<sup>st</sup> thereafter, until this note has been paid in full. All accrued and unpaid interest shall be due and payable at the time the unpaid principal balance becomes due and payable in full. Principal on this Series 2009B Note shall be due in a single installment on November 1, 2020, in the full amount of the then outstanding balance of the principal of the note. All payments of principal and interest made by BRTA shall be applied, first to interest accrued and unpaid on this note and, second, to the payment of principal. Unique to this obligation, all principal and interest payments are payable solely from the Allocable Increment Revenues as defined above, such that if amounts are insufficient to satisfy this obligation, no other amounts are due or payable to Bartlesville Hotel LLC. Considering this, only amounts receivable for allocable revenues are reflected as payable under this obligation. The outstanding balance of this incentive obligation as of June 30, 2018 is \$317,342.

*Subsequent Events:*

Subsequent to June 30, 2018, the City issued G.O. Bonds 2018C in the amount of \$2.5 million for capital improvements.

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**11. Pension Plan Participation**

The City of Bartlesville participates in four pension or retirement plans:

- Oklahoma Firefighter’s Pension and Retirement System (OFPRS) – a statewide cost-sharing plan.
- Oklahoma Police Pension and Retirement System (OPPRS) – a statewide cost-sharing plan.
- Defined Contribution Plan
- Employee Retirement System Defined Benefit Plan

The aggregate total for all pension related items for three defined benefit plans are as follows:

|                               | Governmental<br>Activities | Business-type<br>Activities | Plan<br>Totals       |
|-------------------------------|----------------------------|-----------------------------|----------------------|
| <b>Pension Expense:</b>       |                            |                             |                      |
| Employee Retirement System    | \$ 316,372                 | \$ 171,592                  | \$ 487,964           |
| Police                        | 432,873                    | -                           | 432,873              |
| Firefighters                  | 1,815,607                  | -                           | 1,815,607            |
|                               | <u>\$ 2,564,852</u>        | <u>\$ 171,592</u>           | <u>\$ 2,736,444</u>  |
| <b>Net Pension Liability:</b> |                            |                             |                      |
| Employee Retirement System    | \$ 5,176,692               | \$ 2,807,698                | \$ 7,984,390         |
| Police                        | 72,459                     | -                           | 72,459               |
| Firefighters                  | 15,754,458                 | -                           | 15,754,458           |
|                               | <u>\$ 21,003,609</u>       | <u>\$ 2,807,698</u>         | <u>\$ 23,811,307</u> |
| <b>Deferred Outflow:</b>      |                            |                             |                      |
| Employee Retirement System    | \$ 1,186,169               | \$ 615,208                  | \$ 1,801,377         |
| Police                        | 942,542                    | -                           | 942,542              |
| Firefighters                  | 3,498,165                  | -                           | 3,498,165            |
|                               | <u>\$ 5,626,876</u>        | <u>\$ 615,208</u>           | <u>\$ 6,242,084</u>  |
| <b>Deferred Inflow:</b>       |                            |                             |                      |
| Employee Retirement System    | \$ 413,869                 | \$ 401,559                  | \$ 815,428           |
| Police                        | 479,164                    | -                           | 479,164              |
| Firefighters                  | 909,542                    | -                           | 909,542              |
|                               | <u>\$ 1,802,575</u>        | <u>\$ 401,559</u>           | <u>\$ 2,204,134</u>  |

***Firefighters’ Plan:***

***Plan description*** - The City of Bartlesville, as the employer, participates in the Firefighters Pension & retirement—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Firefighters Pension & Retirement System (FPRS). Title 11 of the Oklahoma State Statutes grants the authority to establish and amend the benefit terms to the FPRS. FPRS issues a publicly available financial report that can be obtained at [www.ok.gov/fprs](http://www.ok.gov/fprs)

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**Benefits provided** - FPRS provides retirement, disability, and death benefits to members of the plan. Benefits for members hired prior to November 1, 2013 are determined as 2.5 percent of the employee's final average compensation times the employee's years of service and have reached the age of 50 or have completed 20 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month. Benefits vest with 10 years or more of service

Benefits for members hired after November 1, 2013 are determined as 2.5 percent of the employee's final average compensation times the employee's years of service and have reached the age of 50 or have complete 22 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month. Benefits vest with 11 years or more of service

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in-the-line-of-duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not-in-the-line-of-duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 30 months. For volunteer firefighters, the not-in-line-of-duty disability is also limited to only those with less than 20 years of service and is \$7.53 per year of service. For volunteer firefighters, the in-line-of-duty pension is \$150.60 with less than 20 years of service, or \$7.53 per year of service, with a maximum of 30 years.

A \$5,000 lump sum death benefit is payable to the qualified spouse or designated recipient upon the participant's death. The \$5,000 death benefit does not apply to members electing the vested benefit.

**Contributions** - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$525,422. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$1,242,376 (modified-accrual); these on-behalf payments did not meet the criteria of a special funding situation. For full-accrual reporting, the amount of on-behalf payments made were \$1,103,977.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2018, the City reported a liability of \$15,754,458 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2017. Based upon this information, the City's proportion was 1.2526% percent.

For the year ended June 30, 2018, the City recognized pension expense of \$1,815,607. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience  | \$ 2,104,524                      | \$ -                             |
| Net difference between projected and actual earnings on pension plan investments                          | -                                 | 439,023                          |
| Changes in proportion related to city contributions during the measurement period                         | -                                 | 13,836                           |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 868,219                           | 456,683                          |
| City contributions subsequent to the measurement date   | 525,422                           | -                                |
| Total   | \$ 3,498,165                      | \$ 909,542                       |

The \$525,422 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30: |              |
|---------------------|--------------|
| 2019                | \$ 197,137   |
| 2020                | 684,605      |
| 2021                | 530,766      |
| 2022                | 84,262       |
| 2023                | 457,213      |
| 2024                | 109,218      |
| Total               | \$ 2,063,201 |

**Actuarial Assumptions**-The total pension liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

|                            |   |
|----------------------------|---|
| Inflation:                 | 3%  |
| Salary increases:          | 3.5% to 9.0% average, including inflation   |
| Investment rate of return: | 7.5% net of pension plan investment expense |

Mortality rates were based on the RP2000 combined healthy with blue collar adjustment as appropriate, with adjustments for generational mortality improvement using scale AA for healthy lives and no mortality improvement for disabled lives.

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

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The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017, are summarized in the following table:

| <u>Asset Class</u>   | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------|--------------------------|---|
| Fixed income         | 20%                      | 4.38%   |
| Domestic equity      | 47%                      | 7.72%   |
| International equity | 15%                      | 9.70%   |
| Real estate          | 10%                      | 6.96%   |
| Other assets         | 8%                       | 5.75%   |

**Discount Rate**-The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 36% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**-The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

|                                  | 1% Decrease<br>(6.5%) | Current<br>Discount Rate<br>(7.5%) | 1% Increase<br>(8.5%) |
|----------------------------------|-----------------------|------------------------------------|-----------------------|
| Employers' Net Pension Liability | \$ 20,667,551         | \$ 15,754,458                      | \$ 11,590,736         |

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the FPRS; which can be located at [www.ok.gov/fprs](http://www.ok.gov/fprs).

***Police Plan:***

**Plan description**-The City of Bartlesville, as the employer, participates in the Oklahoma Police Pension and Retirement Plan—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Police Pension and Retirement System (OPPRS). Title 11 of the Oklahoma State Statutes, through the Oklahoma Legislature, grants the authority to establish and amend the benefit terms to the OPPRS. OPPRS issues a publicly available financial report that can be obtained at [www.ok.gov/OPPRS](http://www.ok.gov/OPPRS).

**Benefits provided**-OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later.

Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

Monthly benefits for participants due to permanent disability incurred in the line of duty are 2.5% of the participants' final average salary multiplied by 20 years. This disability benefit is reduced by stated percentages for partial disability based on the percentage of impairment. After 10 years of credited service, participants who retire due to disability incurred from any cause are eligible for a monthly benefit based on 2.5% of their final average salary multiplied by the years of service. This disability benefit is also reduced by stated percentages for partial disability based on the percentage of impairment. Effective July 1, 1998, once a disability benefit is granted to a participant, that participant is no longer allowed to apply for an increase in the dollar amount of the benefit at a subsequent date.

Survivor's benefits are payable in full to the participant's beneficiary upon the death of a retired participant. The beneficiary of any active participant killed in the line of duty is entitled to a pension benefit.

**Contributions** -The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$380,885. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$374,928 during the fiscal year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$322,949. These on-behalf payments did not meet the criteria of a special funding situation.



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**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** -At June 30, 2018, the City reported a liability of \$72,459 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2017. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2017. Based upon this information, the City's proportion was 0.9420 percent.

For the year ended June 30, 2018, the City recognized pension expense of \$432,873. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience   | \$ 3,639                          | \$ 438,070                       |
| Net difference between projected and actual earnings on pension plan investments                         | 539,697                           | -                                |
| Changes in proportion  | 16,357                            | 39,135                           |
| Difference between City contributions and proportionate share of contributions during measurement period | 1,964                             | 1,959                            |
| City contributions subsequent to the measurement date  | 380,885                           | -                                |
| Total  | \$ 942,542                        | \$ 479,164                       |

The \$380,885 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30: |             |
|---------------------|-------------|
| 2019                | \$ (27,005) |
| 2020                | 256,705     |
| 2021                | 116,275     |
| 2022                | (216,050)   |
| 2023                | (47,432)    |
| Total               | \$ 82,493   |

**Actuarial Assumptions**-The total pension liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

- Inflation: 3%
- Salary increases: 4.5% to 17% average, including inflation
- Investment rate of return: 7.5% net of pension plan investment expense

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Cost-of-living adjustment: Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary

Mortality rates:

Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.

Active employees (post-retirement) and non-disabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.

Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years with fully generational improvement using Scale AA.

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017, are summarized in the following table:

| Asset Class          | Long-Term Expected<br>Real Rate of Return |
|----------------------|---|
| Fixed income         | 4.51%                                     |
| Domestic equity      | 6.62%                                     |
| International equity | 9.70%                                     |
| Real estate          | 6.96%                                     |
| Private Equity       | 9.86%                                     |
| Commodities          | 5.18%                                     |

The current allocation policy is that approximately 60% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 25% of assets in fixed income to include investment grade bonds, high yield and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

**Discount Rate**-The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually

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required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**-The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

|  | 1% Decrease<br>(6.5%) | Current Discount<br>Rate (7.5%) | 1% Increase<br>(8.5%) |
|--|-----------------------|---------------------------------|-----------------------|
| Employers' net pension liability (asset) | \$ 2,448,934          | \$ 72,459                       | \$ (1,934,832)        |

**Pension plan fiduciary net position**-Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OPPRS; which can be located at [www.ok.gov/OPPRS](http://www.ok.gov/OPPRS).

***Defined Benefit Plan:***

***A. Plan Description***

The City contributes to the OkMRF for all eligible employees except for those covered by the Police and Firefighter Pension Systems. The plan is an agent multiple employer - defined benefit plan administered by OkMRF. The OkMRF plan issues a separate financial report and can be obtained from OkMRF or from their website: [www.okmrf.org/reports.html](http://www.okmrf.org/reports.html). Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

***B. Summary of Significant Accounting Policies***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by OkMRF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value based on published market prices. Detailed information about the OkMRF plans' fiduciary net position is available in the separately issued OkMRF financial report.

***C. Eligibility Factors and Benefit Provisions***

|                            | As of 07/01/18<br><u>OkMRF Plan</u>  |
|----------------------------|--|
| <u>Provision</u>           |  |
| a. Eligible to participate | Full-time employees except police, firefighters and other employees who are covered under an approved system, who joined the plan prior to 1/1/2010. |

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|                                   |  |
|-----------------------------------|--|
| b. Period Required to Vest        | 7 years of credited service  |
| c. Eligibility for Distribution   | -Normal retirement at age 65 with 7 years of service<br>-Early retirement at age 55 with 7 years of Service, or meeting the Rule of 80<br>-Disability retirement upon disability with 7 years of service<br>-Death benefit with 7 years of service |
| d. Benefit Determination Base     | Final average salary - the average of the five highest consecutive annual salaries out of the last 10 calendar years of service  |
| e. Benefit Determination Methods: |  |
| Normal Retirement                 | -2.50% 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, unless Rule of 80 is met, then full benefit  |
| Disability Retirement             | -Same as normal retirement   |
| Death Benefit                     | -50% of employees accrued benefit, but terminates upon spouse re-marriage. For unmarried participants, 50% of employees accrued benefit for 120 months paid to beneficiary   |
| Prior to 7 Years of Service       | -No benefits   |
| f. Benefit Authorization          | -Benefits are established and amended by City Council adoption of an ordinance in accordance with O.S. Title, 11, Section 48-101-102   |
| g. Form of Benefit Payments       | Normal form is a 60 months certain and life thereafter basis. Employee may elect, with City consent, option form based on actuarial equivalent.  |

*D. Employees Covered by Benefit Terms*

|                                       |            |
|---------------------------------------|------------|
| Active Employees                      | 103        |
| Active Employees – opted out 1/1/2010 | 26         |
| Deferred Vested Former Employees      | 35         |
| Retirees or Retiree Beneficiaries     | <u>108</u> |
| Total                                 | <u>272</u> |

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*E. Contribution Requirements*

The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 20.17% of covered payroll as of July 1, 2017. For the year ended June 30, 2018, the City recognized \$1,154,659 of employer contributions to the plan which exceeds the actuarially determined amount based on covered payroll of \$5,253,692. Employees contribute 6% to the plan in accordance with the plan provisions adopted by the City Council.

*F. Actuarial Assumptions*

|  |  |
|--|--|
| Date of Last Actuarial Valuation                   | July 1, 2017   |
| a. Actuarial cost method                           | Entry age normal   |
| b. Rate of Return on Investments and Discount Rate | 7.50%  |
| c. Projected Salary Increase                       | Varies between 7.50% and 4.5% based on age   |
| d. Post Retirement Cost-of-Living Increase         | Benefits (attributable to service prior to 1/1/2010) in payment status are adjusted each July 1 <sup>st</sup> based on the percentage change in the CPI. The maximum increase or decrease in any year is 2.75%.    |
| e. Inflation Rate                                  | 2.75%  |
| f. Mortality Table                                 | UP 1994, with projected mortality improvement  |
| g. Percent of married employees                    | 100%   |
| h. Spouse age difference                           | 3 years (female spouses younger)   |
| i. Turnover  | Select and ultimate rates<br>Ultimate rates are age-related as shown<br>Additional rates per thousand are added during the first 5 years:<br>Year 1: 225<br>Year 2: 140<br>Year 3: 100<br>Year 4: 70<br>Year 5: 40 |
| j. Date of last experience study                   | September 2012 for fiscal years 2007 thru 2011   |

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G. *Discount Rate* – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.50% since the plan’s net fiduciary position is projected to be sufficient to make projected benefit payments.

The City has adopted a funding method that is designed to fund all benefits payable to participants over the course of their working careers. Any differences between actual and expected experience are funded over a fixed period to ensure all funds necessary to pay benefits have been contributed to the trust before those benefits are payable. Thus, the sufficiency of pension plan assets was made without a separate projection of cash flows.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.75%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2017 are summarized in the following table:

|   | <u>Target<br/>Allocation</u> | <u>Real<br/>Return</u> | <u>Weighted<br/>Return</u> |
|---|------------------------------|------------------------|----------------------------|
| Large cap stocks<br>S&P 500                       | 25%                          | 5.80%                  | 1.45%                      |
| Small/mid cap stocks<br>Russell 2500              | 10%                          | 6.40%                  | 64.00%                     |
| Long/short equity<br>MSCI ACWI                    | 10%                          | 5.00%                  | 50.00%                     |
| International stocks<br>MSCI EAFE                 | 20%                          | 6.20%                  | 1.24%                      |
| Fixed income bonds<br>Barclay's Capital Aggregate | 30%                          | 2.30%                  | 0.69%                      |
| Real estate<br>NCREIF                             | 5%                           | 4.60%                  | 0.23%                      |
| Cash equivalents<br>3 month Treasury              | 0%                           | 0.00%                  | 0.00%                      |
|   | <hr/>                        | <hr/>                  | <hr/>                      |
| TOTAL   | <u>100%</u>                  |                        |                            |
| Average Real Return                               |                              |                        | 4.75%                      |
| Inflation   |                              |                        | <u>2.75%</u>               |
| Long-term expected return                         |                              |                        | <u>7.50%</u>               |

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H. *Changes in Net Pension Liability* – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2017 which is also the measurement date. There were some changes in assumptions for: reduce discount rate from 7.75% to 7.50%; change in turnover rates; and change in pay increase assumptions. There have not been changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2017 and the City’s report ending date of June 30, 2018, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

|  | Increase (Decrease)        |                      |                          |
|--|----------------------------|----------------------|--------------------------|
|  | Total Pension<br>Liability | Plan Net<br>Position | Net Pension<br>Liability |
|  | (a)                        | (b)                  | (a) - (b)                |
| <b>Balances Beginning of Year</b>  | \$ 24,985,576              | \$ 15,298,668        | \$ 9,686,908             |
| <b>Changes for the Year:</b>   |                            |                      |                          |
| Service cost   | 314,106                    | -                    | 314,106                  |
| Interest expense   | 1,897,724                  | -                    | 1,897,724                |
| Experience losses (gains) -<br>(amortized over avg remain svc period of actives & inactives) | (879,788)                  |                      | (879,788)                |
| Changes of assumptions   | 283,261                    |                      | 283,261                  |
| Contributions--City  | -                          | 1,118,024            | (1,118,024)              |
| Contributions--members   | -                          | 317,015              | (317,015)                |
| Net investment income  | -                          | 1,916,169            | (1,916,169)              |
| Benefits paid  | (1,016,605)                | (1,016,605)          | -                        |
| Plan administrative expenses   | -                          | (33,387)             | 33,387                   |
| <b>Net Changes</b>   | <u>598,698</u>             | <u>2,301,216</u>     | <u>(1,702,518)</u>       |
| <b>Balances End of Year</b>  | <u>\$ 25,584,274</u>       | <u>\$ 17,599,884</u> | <u>\$ 7,984,390</u>      |

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.50 percent, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

|                       | 1%<br>Decrease<br>(6.50%) | Current<br>Discount<br>Rate (7.50%) | 1%<br>Increase<br>(8.50%) |
|-----------------------|---------------------------|-------------------------------------|---------------------------|
| Net Pension Liability | \$ 10,926,004             | \$ 7,984,390                        | \$ 5,483,577              |

The City reported \$487,964 in pension expense for the year ended June 30, 2018. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience   | \$ 73,374                         | \$ 622,828                       |
| Changes of assumptions   | 197,424                           | -                                |
| Net difference between projected and actual earnings<br>on pension plan investments                              | 154,050                           | -                                |
| Changes in proportion and differences between City<br>contributions and proportionate share of<br>contributions. | 221,870                           | 192,600                          |
| City contributions subsequent to the measurement date  | 1,154,659                         | -                                |
| <b>Total</b>   | <u>\$ 1,801,377</u>               | <u>\$ 815,428</u>                |

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The \$1,154,659 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2019.

*Amortization of Pension Deferrals:* Amounts reported as deferred outflows of resources (excluding deferred outflows of resources related to contributions made subsequent to the measurement date) and deferred inflows of resources will be recognized in pension expense as follows:

| <b>Year ended June 30:</b> |                     |
|----------------------------|---------------------|
| 2019                       | \$ (95,569)         |
| 2020                       | 70,474              |
| 2021                       | (440)               |
| 2022                       | <u>(143,175)</u>    |
|                            | <u>\$ (168,710)</u> |

***Defined Contribution Plan:***

On January 1, 2010, the City implemented a Defined Contribution Plan benefit. Eligible employees are all regular, full-time employees hired after December 31, 2009, except police, firefighters, and other employees who are covered under an approved system; plus any regular, full-time employees hired before January 1, 2010, who made the one-time election to participate in the City's defined contribution plan. Employees began participation upon employment.

City employees participating in the defined contribution plan become 100% vested in the plan upon completion of seven years of employment.

Employee contributions are 3% mandatory pre-tax contributions called Government Pick-Up, up to an additional 3% after-tax contributions which are eligible for employer match (called Mandatory Contributions) and voluntary after-tax contributions up to the maximum annual contribution allowed by the Internal Revenue Service.

Employer contributions are fixed at 3% by the plan, plus dollar for dollar 100% match of the mandatory (after-tax) employee contributions up to 3% of compensation.

Employees direct how their money is invested.

Upon separation of employment and before vesting, an employee can receive a distribution of the employee contribution account balance, if any. After vesting, benefit payment options include the distribution of both the employee and employer contribution account balances and can be paid in any form designated by the participant.

The plan has a loan feature. The employee can borrow the lesser of \$50,000 or 50% of the vested account balance with a minimum of \$1,000.

For the fiscal year ended June 30, 2018, the City contributed \$104,125 to the plan.



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**Other Post-Employment Benefits**

The City of Bartlesville has two other post-employment benefit plans:

- Oklahoma Municipal Retirement Fund (OkMRF) Retiree Medical Plan – an agent, multi-employer defined benefit plan.
- Implicit Rate Substantive Plan – a single-employer defined benefit plan.

The aggregate total for all OPEB related items for two defined benefit plans are as follows:

|                              | Governmental<br>Activities | Business-type<br>Activities | Plan<br>Totals      |
|------------------------------|----------------------------|-----------------------------|---------------------|
| <b>OPEB Expense:</b>         |                            |                             |                     |
| OkMRF Retiree Medical        | \$ 5,695                   | \$ 3,087                    | \$ 8,782            |
| Unfunded implicit rate       | 53,808                     | 29,182                      | 82,990              |
|                              | <u>\$ 59,503</u>           | <u>\$ 32,269</u>            | <u>\$ 91,772</u>    |
| <b>Net OPEB Liability:</b>   |                            |                             |                     |
| OkMRF Retiree Medical        | \$ 3,731                   | \$ 2,023                    | \$ 5,754            |
|                              | <u>\$ 3,731</u>            | <u>\$ 2,023</u>             | <u>\$ 5,754</u>     |
| <b>Total OPEB Liability:</b> |                            |                             |                     |
| Unfunded implicit rate       | \$ 768,096                 | \$ 416,595                  | \$ 1,184,691        |
|                              | <u>\$ 768,096</u>          | <u>\$ 416,595</u>           | <u>\$ 1,184,691</u> |
| <b>Deferred Outflow:</b>     |                            |                             |                     |
| OkMRF Retiree Medical        | 27,958                     | 15,163                      | 43,121              |
|                              | <u>\$ 27,958</u>           | <u>\$ 15,163</u>            | <u>\$ 43,121</u>    |
| <b>Deferred Inflow:</b>      |                            |                             |                     |
| OkMRF Retiree Medical        | \$ 13,274                  | \$ 7,199                    | \$ 20,473           |
| Unfunded implicit rate       | 16,774                     | 9,097                       | 25,871              |
|                              | <u>\$ 30,048</u>           | <u>\$ 16,296</u>            | <u>\$ 46,344</u>    |

**Oklahoma Municipal Retirement Fund (OkMRF) Retiree Medical Plan**

*Plan Description*

The City contributes to the OkMRF retiree medical plan for all eligible employees. The plan is an agent multiple employer - defined benefit plan administered by OkMRF. The OkMRF plan issues a separate financial report and can be obtained from OkMRF or from their website: [www.okmrf.org/reports.html](http://www.okmrf.org/reports.html). Benefits are established or amended by the City Council.

*A. Summary of Significant Accounting Policies*

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by OkMRF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value based on published market prices. Detailed information about the OkMRF plans' fiduciary net position is available in the separately issued OkMRF financial report.

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*B. Eligibility Factors and Benefit Provisions*

| <u>Provision</u>                               | As of 07/01/17<br><u>OkMRF Plan</u>   |
|--|---|
| a. Eligible to participate                     | Any participant in the retirement plan who terminates employment on or after August 1, 2006, and has completed at least 20 continuous years of credited service.  |
| b. Eligibility for Distribution                | 20 years of continuous credited service   |
| c. Medical benefits:                           | Provided under the State and Education Employees Group Insurance Act.   |
| d. Medical benefits under the retirement Plan: | The plan will pay the retiree’s medical (including dental and vision) premiums in the amount in effect at the time of retirement, but the plan will not pay more than \$10 per month per year of service. Service considered in determining this maximum benefit includes only service completed on or before January 1, 2010; credited service for determining benefit eligibility, however, is not so limited. If the premium amounts under the State and Education Employees Group Insurance increase or decrease, the premiums payments by the OPEB plan will be automatically adjusted (but in no event will they exceed the specified maximum). |
| e. Termination of Medical Benefits:            | Retiree – the earlier of the date of the retiree’s death or the 65 <sup>th</sup> birthday of the retiree.<br>Spouse/dependent – the 65 <sup>th</sup> birthday of the retiree or if retiree dies before age 65, the date on which the retiree would have attained age 65.  |

*C. Employees Covered by Benefit Terms*

|                     |                   |
|---------------------|-------------------|
| Active Employees    | 123               |
| Nonactive Employees | <u>17</u>         |
| Total               | <u><u>140</u></u> |

*D. Contribution Requirements*

The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 0.82% of covered payroll as of July 1, 2017. For the year ended June 30, 2018, the City recognized \$43,121 of employer contributions to the plan which equals the actuarially determined amount based on covered payroll of \$5,258,659. Employees do not contribute in accordance with the plan provisions adopted by the City Council.

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*E. Actuarial Assumptions*

|  |  |
|--|--|
| Date of Last Actuarial Valuation                   | July 1, 2017   |
| a. Actuarial cost method                           | Entry age normal   |
| b. Rate of Return on Investments and Discount Rate | 7.50%  |
| c. Projected Salary Increase                       | Varies between 7.50% and 4.5% based on age   |
| d. Inflation Rate                                  | 2.75%  |
| e. Mortality Table                                 | UP 1994, with projected mortality improvement  |
| f. Percent of married employees                    | 100%   |
| g. Spouse age difference                           | 3 years (female spouses younger)   |
| i. Turnover  | Select and ultimate rates<br>Ultimate rates are age-related as shown<br>Additional rates per thousand are added during the first 5 years:<br>Year 1: 225<br>Year 2: 140<br>Year 3: 100<br>Year 4: 70<br>Year 5: 40 |
| j. Date of last experience study                   | September 2012 for fiscal years 2007 thru 2011   |

*F. Discount Rate* – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.50% since the plan’s net fiduciary position is projected to be sufficient to make projected benefit payments.

The City has adopted a funding method that is designed to fund all benefits payable to participants over the course of their working careers. Any differences between actual and expected experience are funded over a fixed period to ensure all funds necessary to pay benefits have been contributed to the trust before those benefits are payable. Thus, the sufficiency of OPEB plan assets was made without a separate projection of cash flows.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.75%). Best estimates of arithmetic real rates of return for each major asset class included in the OPEB’s plan’s target asset allocation as of July 1, 2017 are summarized in the following table:

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|   | Target<br>Allocation | Real<br>Return            | Weighted<br>Return |
|---|----------------------|---------------------------|--------------------|
| Large cap stocks<br>S&P 500                       | 25%                  | 5.80%                     | 1.45%              |
| Small/mid cap stocks<br>Russell 2500              | 10%                  | 6.40%                     | 0.64%              |
| Long/short equity<br>MSCI ACWI                    | 10%                  | 5.00%                     | 0.50%              |
| International stocks<br>MSCI EAFE                 | 20%                  | 6.20%                     | 1.24%              |
| Fixed income bonds<br>Barclay's Capital Aggregate | 30%                  | 2.30%                     | 0.69%              |
| Real estate<br>NCREIF                             | 5%                   | 4.60%                     | 0.23%              |
| Cash equivalents<br>3 month Treasury              | 0%                   | 0.00%                     | 0.00%              |
|   | 100%                 |                           |                    |
|   |                      | Average Real Return       | 4.75%              |
|   |                      | Inflation                 | 2.75%              |
|   |                      | Long-term expected return | 7.50%              |

G. *Changes in Net OPEB Liability* – The net OPEB liability was determined based on an actuarial valuation performed as of July 1, 2017 which is also the measurement date. There have not been changes in benefit terms that affected measurement of the total OPEB liability. There were also no changes between the measurement date of July 1, 2017 and the City’s report ending date of June 30, 2018, that would have had a significant impact on the net OPEB liability. The following table reports the components of changes in net OPEB liability:

|   | June 30, 2018 |
|---|---------------|
| Net OPEB Liability:                         |               |
| Total OPEB Liability (TOL)                  | \$ 510,962    |
| Plan's Fiduciary Net Position               | 505,208       |
| Net OPEB Liability                          | \$ 5,754      |
| Plan's fiduciary net position as a % of TOL | 98.87%        |

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|  | Increase (Decrease)         |                                    |                                 |
|--|-----------------------------|------------------------------------|---------------------------------|
|  | Total OPEB<br>Liability (a) | Plan Fiduciary<br>Net Position (b) | Net OPEB<br>Liability (a) - (b) |
| Beginning Balances                                 | \$ 526,643                  | \$ 464,835                         | \$ 61,808                       |
| Changes for the Year:                              |                             |                                    |                                 |
| Service cost                                       | 5,710                       | -                                  | 5,710                           |
| Interest   | 37,749                      | -                                  | 37,749                          |
| Differences between expected and actual experience | -                           | -                                  | -                               |
| Assumption changes                                 | -                           | -                                  | -                               |
| Contributions - employers                          | -                           | 44,363                             | (44,363)                        |
| Net investment income                              | -                           | 56,138                             | (56,138)                        |
| Benefit payments, including refunds                | (59,140)                    | (59,140)                           | -                               |
| Administrative expense                             | -                           | (988)                              | 988                             |
| Net changes  | <u>(15,681)</u>             | <u>40,373</u>                      | <u>(56,054)</u>                 |
| Ending Balances                                    | <u>\$ 510,962</u>           | <u>\$ 505,208</u>                  | <u>\$ 5,754</u>                 |

*Sensitivity of the net OPEB liability to changes in the discount rate.* The following presents the net OPEB liability of the City, calculated using the discount rate of 7.50 percent, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

|                            | 1% Decrease<br>6.50% | Current Discount Rate<br>7.50% | 1% Increase<br>8.50% |
|----------------------------|----------------------|--------------------------------|----------------------|
| Net OPEB liability (asset) | <u>\$ 35,810</u>     | <u>\$ 5,754</u>                | <u>\$ (13,839)</u>   |

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate.* Because benefits provided under the plan are fixed dollar amounts that are not subject to inflationary increases, the net OPEB liability is not affected by assumed or actual healthcare trends. Thus, no explicit healthcare cost trend rates have been assumed in the valuation of the OPEB liability. The following table reflects this.

|                    | 1% Decrease     | Healthcare Cost<br>Trend Rate | 1% Increase     |
|--------------------|-----------------|-------------------------------|-----------------|
| Net OPEB Liability | <u>\$ 5,754</u> | <u>\$ 5,754</u>               | <u>\$ 5,754</u> |

The City reported \$8,783 in OPEB expense for the year ended June 30, 2018. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience                            | \$ -                              | \$ -                             |
| Changes of assumptions  | -                                 | -                                |
| Net difference between projected and actual earnings on OPEB plan investments | -                                 | 20,473                           |
| Contributions subsequent to the measurement date                              | 43,121                            | -                                |
| Total   | <u>\$ 43,121</u>                  | <u>\$ 20,473</u>                 |

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\$43,121 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2019.

*Amortization of Pension Deferrals:* Amounts reported as deferred outflows of resources (excluding deferred outflows of resources related to contributions made subsequent to the measurement date) and deferred inflows of resources will be recognized in OPEB expense as follows:

| <b>Year ended June 30:</b> |           |                 |
|----------------------------|-----------|-----------------|
| 2019                       | \$        | (5,119)         |
| 2020                       |           | (5,118)         |
| 2021                       |           | (5,118)         |
| 2022                       |           | (5,118)         |
|                            | <u>\$</u> | <u>(20,473)</u> |

**Health Insurance Implicit Rate Substantive Plan**

**Plan description** – The City’s implicit subsidy, defined benefit OPEB plan, provides OPEB to eligible retirees and their dependents. The plan is a substantive plan in that the plan terms are understood by the City and plan members. This understanding is based on communications between the employers and plan members and the historical pattern of practice with regard to the sharing of benefit costs. The City Council has the authority to establish and amend benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Benefits provided** – The City provides medical, prescription drug, and dental benefits to eligible retirees and their dependents. Employees retiring before January 1, 2014, pay 115% of the average employee cost. All other retirees pay 125% of the average employee premium to continue coverage in retirement. An additional contribution is required for spouse’s coverage. Coverage stops at age 65 for the retiree and spouse. Certain grandfathered retirees and spouses have lifetime benefits. The retirees and dependents pay 110% of the active employee coverage rates; this results in the retirees and beneficiaries receiving an implicit rate subsidy. Retirees and dependents coverage ceases at age 65 and are no longer eligible for the City’s OPEB plan.

**Employees covered by benefit terms** - At June 30, 2018 the following employees were covered by the benefit terms:

|   |            |
|---|------------|
| Active Employees  | 260        |
| Inactives or beneficiaries currently receiving benefit payments | <u>24</u>  |
| Total   | <u>284</u> |

**Total OPEB Liability** – The City’s total OPEB liability of \$1,184,691 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions** - The total OPEB liability was determined based on an actuarial valuation prepared as of June 30, 2018 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Discount Rate – 3.87%, based on June 30, 2018 published Bond Buyer GO 20 Index
- Termination – Civilian employees are based on the actual experience of the Oklahoma Municipal Retirement Fund (OkMRF) cities. Termination rates for police and firefighters are based on rates for these groups in Oklahoma.

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- Retirement Age: Rates for civilians based on actual experience of the OkMRF employees with unsubsidized retirement benefits. Rates for police based on assumptions in statewide police retirement system actuarial report. The following tables show these rates.

| <u>Age</u>                  | <u>Civilian<br/>Retirement<br/>Rate</u> |
|-----------------------------|---|
| 55 - 61                     | 7%                                      |
| 62                          | 30%                                     |
| 63 - 64                     | 17.5%                                   |
| 65 - 69                     | 30%                                     |
| 70                          | 100%                                    |
|                             |   |
| <u>Years of<br/>Service</u> | <u>Retirement<br/>Rate Police</u>       |
| 20                          | 20%                                     |
| 21 - 23                     | 6%                                      |
| 24                          | 10%                                     |
| 25                          | 20%                                     |
| 26 - 28                     | 10%                                     |
| 29                          | 15%                                     |
| 30 - 35                     | 100%                                    |

- Participation – 50% of general employees are assumed to elect retiree medical coverage if they meet eligibility requirements (and 50% for police and firefighters). The acceptance rate for spouses of covered retirees is assumed to be 25%. Spouses are assumed to pay the COBRA rate. Retirees are assumed to take all coverages, if any (i.e. medical, GAP, dental and vision).
- Healthcare cost trend rates - Plan year dependent rates graded from 6.05% in 2018 to 4.87% in 2060.
- Mortality Rates - The RP2000 Mortality (combined healthy male and female tables) with full cohort mortality projection using SOA scale AA.

**Changes in Total OPEB Liability** – The following table reports the components of changes in total OPEB liability:

|  | <u>Total OPEB<br/>Liability</u> |
|--|---------------------------------|
| <b>Beginning balances</b>                          | \$ 1,175,752                    |
| <b>Changes for the Year:</b>                       |                                 |
| Service cost                                       | 46,222                          |
| Interest   | 41,236                          |
| Change in assumptions                              | (30,339)                        |
| Differences between expected and actual experience | -                               |
| Benefit payments, net of retiree contributions     | (48,180)                        |
| <b>Net change in total OPEB liability</b>          | <u>8,939</u>                    |
| <br><b>Ending Balances</b>                         | <br><u>\$ 1,184,691</u>         |

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***Sensitivity of the Total OPEB Liability (Asset) to Changes in the Discount Rate***-The following presents the total OPEB liability of the employer calculated using the discount rate of 3.88%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

|                      | 1% Decrease<br>2.87% | Current Discount Rate<br>3.87% | 1% Increase<br>4.87% |
|----------------------|----------------------|--------------------------------|----------------------|
| Total OPEB liability | \$ 1,375,700         | \$ 1,184,691                   | \$ 1,034,405         |

***Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate***-The following presents the total OPEB liability of the employer calculated using the healthcare cost trend rate of 5.65% grading to 4.87%, as well as what the Plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (4.65% grading to 3.87%) or 1-percentage-point higher (6.65% grading to 5.87%) than the current rate:

|                      | 1% decrease<br>4.65% grading<br>to 3.87% | Healthcare Cost<br>Trend Rates<br>5.65% Grading<br>to 4.87% | 1% increase<br>6.65% grading<br>to 5.87% |
|----------------------|--|---|--|
| Total OPEB liability | \$ 1,040,493                             | \$ 1,184,691  | \$ 1,363,465                             |

The City reported \$82,990 in OPEB expense for the year ended June 30, 2018. At June 30, 2018, the City reported deferred inflows of resources related to OPEB from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ -                              | \$ -                             |
| Changes of assumptions                             | -                                 | 25,871                           |
| Total  | \$ -                              | \$ 25,871                        |

***Amortization of OPEB Deferrals:*** Amounts reported as deferred inflows of resources will be recognized in OPEB expense as follows:

**Year ended June 30:**

|            |    |          |
|------------|----|----------|
| 2019       | \$ | (4,468)  |
| 2020       |    | (4,468)  |
| 2021       |    | (4,468)  |
| 2022       |    | (4,468)  |
| 2023       |    | (4,468)  |
| Thereafter |    | (3,531)  |
|            | \$ | (25,871) |



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***Component Unit Retirement Plans:***

Effective July 1, 1997, Bartlesville Development Corporation (BDC) adopted the American Chamber of Commerce Executives (ACCE) 401(k) Plan as a vehicle to provide retirement plan benefits to BDC employees. In May 2005, the BDC 401(k) plan was combined with the Bartlesville Regional Chamber of Commerce plan to provide retirement benefits to all employees of the Chamber of Commerce. Upon combination of BDC and BDA, the plan carried over to the employees who operate under the BDA. BDA will pay an amount equal to 4 percent of a qualified employee's annual salary and match an employee's contribution up to 1 percent of the employee's annual salary. During the fiscal year ending June 30, 2018, BDA paid a total of \$13,321 to the plan, which has been recorded as employee benefits in the statement of activities.

The Bartlesville Community Center Trust Authority employees participate in a 403(b) Thrift Plan whereby the Trust Authority contributes 5% of eligible employees' compensation received during the plan year. Employees may elect to make salary reduction contributions to the plan. For the fiscal year ended June 30, 2018, the employer contributed \$17,663 to the plan.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**Budgetary Comparison Schedule – General Fund (Budgetary Basis) – Year Ended June 30, 2018**

|   | <u>Budgeted Amounts</u> |                    | <u>Actual Amounts,</u> | <u>Variance with</u>       |
|---|-------------------------|--------------------|------------------------|----------------------------|
|   |                         |                    | <u>Budgetary Basis</u> | <u>Final Budget -</u>      |
|   | <u>Original</u>         | <u>Final</u>       |                        | <u>Positive (Negative)</u> |
| <b>REVENUES</b>                                   |                         |                    |                        |                            |
| Taxes   | \$ 15,702,496           | \$ 15,786,583      | \$ 15,591,310          | \$ (195,273)               |
| Licenses and permits                              | 212,400                 | 212,400            | 254,528                | 42,128                     |
| Intergovernmental                                 | 651,700                 | 651,700            | 661,375                | 9,675                      |
| Charges for services                              | 619,000                 | 658,704            | 630,968                | (27,736)                   |
| Fees and fines                                    | 708,900                 | 708,900            | 659,030                | (49,870)                   |
| Investment earnings                               | 40,000                  | 40,000             | 121,567                | 81,567                     |
| Miscellaneous                                     | 4,500                   | 207,648            | 191,476                | (16,172)                   |
| Total revenues                                    | <u>17,938,996</u>       | <u>18,265,935</u>  | <u>18,110,254</u>      | <u>(155,681)</u>           |
| <b>EXPENDITURES</b>                               |                         |                    |                        |                            |
| Departmental:                                     |                         |                    |                        |                            |
| City council                                      | 24,250                  | 24,250             | 18,448                 | 5,802                      |
| Administration                                    | 810,892                 | 758,309            | 669,793                | 88,516                     |
| Accounting and finance                            | 1,541,717               | 1,573,186          | 1,572,806              | 380                        |
| Legal   | 182,318                 | 183,966            | 180,346                | 3,620                      |
| Building & neighborhood service                   | 655,080                 | 660,546            | 634,062                | 26,484                     |
| Building maintenance                              | 450,135                 | 454,064            | 452,918                | 1,146                      |
| General services                                  | 655,428                 | 655,428            | 639,630                | 15,798                     |
| Cemetery  | 17,560                  | 17,560             | 17,476                 | 84                         |
| Community development                             | 374,627                 | 377,573            | 373,629                | 3,944                      |
| Technical services                                | 440,646                 | 444,416            | 419,119                | 25,297                     |
| Engineering                                       | 281,299                 | 316,558            | 315,910                | 648                        |
| Fleet maintenance                                 | 347,714                 | 351,167            | 349,243                | 1,924                      |
| Fire  | 5,579,052               | 5,640,780          | 5,563,047              | 77,733                     |
| Police  | 5,314,038               | 5,372,087          | 5,364,680              | 7,407                      |
| Street  | 1,448,310               | 1,465,321          | 1,429,652              | 35,669                     |
| Library   | 1,271,961               | 1,294,603          | 1,293,774              | 829                        |
| History museum                                    | 172,545                 | 175,016            | 164,016                | 11,000                     |
| Park and recreation                               | 1,205,886               | 1,223,195          | 1,195,240              | 27,955                     |
| Total Expenditures                                | <u>20,773,458</u>       | <u>20,988,025</u>  | <u>20,653,789</u>      | <u>334,236</u>             |
| Excess (deficiency) of revenues over expenditures | <u>(2,834,462)</u>      | <u>(2,722,090)</u> | <u>(2,543,535)</u>     | <u>178,555</u>             |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                         |                    |                        |                            |
| Transfers in                                      | 3,929,639               | 3,936,400          | 3,956,071              | 19,671                     |
| Transfers out                                     | (1,514,738)             | (1,645,300)        | (1,645,300)            | -                          |
| Total other financing sources and uses            | <u>2,414,901</u>        | <u>2,291,100</u>   | <u>2,310,771</u>       | <u>19,671</u>              |
| Net change in fund balances                       | (419,561)               | (430,990)          | (232,764)              | 198,226                    |
| Fund balances - beginning                         | 1,279,555               | 1,279,555          | 1,436,720              | 157,165                    |
| Fund balances - ending                            | <u>\$ 859,994</u>       | <u>\$ 848,565</u>  | <u>\$ 1,203,956</u>    | <u>\$ 355,391</u>          |

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**Footnotes to Budgetary Comparison Schedules:**

1. The budgetary comparison schedule is reported on a non-GAAP budgetary basis that report revenues and expenditures on a modified cash basis. For budgetary purposes expenditures are recorded in the period the invoice is received, except for payroll expenditures that are recorded when paid.
2. The legal level of appropriation control is the department level within a fund. Transfers of appropriation within a fund require the approval of the City Council. All supplemental appropriations require the approval of the City Commission. Supplemental appropriations must be filed with the Office of the State Auditor and Inspector.
3. The budgetary basis differs from the modified accrual basis as shown in the schedule below:

|  | General<br>Fund |
|--|-----------------|
| Total revenue and transfers- budgetary basis       | \$ 22,066,325   |
| Total expenditures and transfers - budgetary basis | (22,299,089)    |
| Change in fund balance - budgetary basis           | (232,764)       |
| Revenue accruals                                   | 1,882,952       |
| Expenditure accruals                               | (1,748,397)     |
| Encumbrances                                       | 67,032          |
| Transfer accrual                                   | 38,982          |
| Changes in Fund Balance - Stabilization Fund       | 729,622         |
| Changes in Fund Balance - Court Bond Fund          | 28              |
| Change in fund balance - GAAP basis                | \$ 737,455      |

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Schedules of Required Supplementary Information

**SCHEDULE OF THE CITY OF BARTLESVILLE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM  
Last 10 Fiscal Years\***

|   | <u>2018</u>   | <u>2017</u>   | <u>2016</u>   | <u>2015</u>   |
|---|---------------|---------------|---------------|---------------|
| City's proportion of the net pension liability  | 1.2526174%    | 1.1782271%    | 1.238168%     | 1.209825%     |
| City's proportionate share of the net pension liability   | \$ 15,754,458 | \$ 14,394,559 | \$ 13,142,017 | \$ 12,441,208 |
| City's covered-employee payroll   | \$ 3,560,398  | \$ 3,295,740  | \$ 3,272,207  | \$ 3,356,189  |
| City's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 442%          | 437%          | 402%          | 371%          |
| Plan fiduciary net position as a percentage of the total pension liability                              | 66.61%        | 64.87%        | 68.27%        | 68.12%        |

\*The amounts presented for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Only four fiscal years are presented because 10-year data is not yet available.

**SCHEDULE OF CITY CONTRIBUTIONS  
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM  
Last 10 Fiscal Years\***

|  | <u>2018</u>    | <u>2017</u>    | <u>2016</u>    | <u>2015</u>    |
|--|----------------|----------------|----------------|----------------|
| Statutorially required contribution                                  | \$ 525,422     | \$ 498,456     | \$ 461,404     | \$ 458,109     |
| Contributions in relation to the statutorially required contribution | <u>525,422</u> | <u>498,456</u> | <u>461,404</u> | <u>458,109</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| City's covered-employee payroll                                      | \$ 3,753,018   | \$ 3,560,398   | \$ 3,295,740   | \$ 3,272,207   |
| Contributions as a percentage of covered-employee payroll            | 14.00%         | 14.00%         | 14.00%         | 14.00%         |

**Notes to Schedule:**

\*Only four fiscal years are presented because 10-year data is not yet available.

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Schedules of Required Supplementary Information

**SCHEDULE OF THE CITY OF BARTLESVILLE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM**

Last 10 Fiscal Years\*

|   | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  |
|---|--------------|--------------|--------------|--------------|
| City's proportion of the net pension liability (asset)  | 0.9420%      | 0.8547%      | 0.8863%      | 0.9499%      |
| City's proportionate share of the net pension liability (asset)   | \$ 72,459    | \$ 1,308,962 | \$ 36,138    | \$ (319,824) |
| City's covered-employee payroll   | \$ 2,809,097 | \$ 2,521,335 | \$ 2,510,992 | \$ 2,561,631 |
| City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 2.58%        | 51.92%       | 1.44%        | (12.49%)     |
| Plan fiduciary net position as a percentage of the total pension liability (asset)                              | 99.68%       | 93.50%       | 99.82%       | 101.53%      |

The amounts presented for each fiscal year were determined as of 6/30

**Notes to Schedule:**

\*Only four fiscal years are presented because 10-year data is not yet available.

**SCHEDULE OF CITY CONTRIBUTIONS  
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM**

Last 10 Fiscal Years\*

|  | <u>2018</u>    | <u>2017</u>    | <u>2016</u>    | <u>2015</u>    |
|--|----------------|----------------|----------------|----------------|
| Statutorially required contribution                                  | \$ 380,885     | \$ 365,183     | \$ 327,774     | \$ 326,429     |
| Contributions in relation to the statutorially required contribution | <u>380,885</u> | <u>365,183</u> | <u>327,774</u> | <u>326,429</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| City's covered-employee payroll                                      | \$ 2,929,884   | \$ 2,809,097   | \$ 2,521,335   | \$ 2,510,992   |
| Contributions as a percentage of covered-employee payroll            | 13.00%         | 13.00%         | 13.00%         | 13.00%         |

**Notes to Schedule:**

\*Only four fiscal years are presented because 10-year data is not yet available.

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**Required Supplementary Information**  
**Oklahoma Municipal Retirement Fund**

**Schedule of Changes in Net Pension Liability and Related Ratios**

**Last Four Fiscal Years**

|   | 2018                 | 2017                 | 2016                 | 2015                 |
|---|----------------------|----------------------|----------------------|----------------------|
| <b>Total pension liability</b>  |                      |                      |                      |                      |
| Service cost  | \$ 314,106           | \$ 306,603           | \$ 343,430           | \$ 318,728           |
| Interest  | 1,897,724            | 1,801,722            | 1,749,983            | 1,689,642            |
| Differences between expected and actual experience                                | (879,788)            | 159,192              | (422,875)            | -                    |
| Changes of assumptions  | 283,261              | -                    | -                    | -                    |
| Benefit payments, including refunds of member contributions                       | (1,016,605)          | (1,040,526)          | (966,693)            | (857,478)            |
| <b>Net change in total pension liability</b>                                      | <b>598,698</b>       | <b>1,226,991</b>     | <b>703,845</b>       | <b>1,150,892</b>     |
| <b>Total pension liability - beginning</b>  | <b>24,985,576</b>    | <b>23,758,585</b>    | <b>23,054,740</b>    | <b>21,903,848</b>    |
| <b>Total pension liability - ending (a)</b>                                       | <b>\$ 25,584,274</b> | <b>\$ 24,985,576</b> | <b>\$ 23,758,585</b> | <b>\$ 23,054,740</b> |
| <b>Plan fiduciary net position</b>  |                      |                      |                      |                      |
| Contributions - employer  | \$ 1,118,024         | \$ 1,098,186         | \$ 1,145,860         | \$ 1,230,392         |
| Contributions - member  | 317,015              | 311,247              | 327,700              | 344,472              |
| Net investment income   | 1,916,169            | 142,576              | 399,025              | 1,903,979            |
| Benefit payments, including refunds of member contributions                       | (1,016,605)          | (1,040,526)          | (966,693)            | (857,478)            |
| Administrative expense  | (33,387)             | (29,565)             | (29,336)             | (28,636)             |
| <b>Net change in plan fiduciary net position</b>                                  | <b>2,301,216</b>     | <b>481,918</b>       | <b>876,556</b>       | <b>2,592,729</b>     |
| <b>Plan fiduciary net position - beginning</b>                                    | <b>15,298,668</b>    | <b>14,816,750</b>    | <b>13,940,194</b>    | <b>11,347,465</b>    |
| <b>Plan fiduciary net position - ending (b)</b>                                   | <b>\$ 17,599,884</b> | <b>\$ 15,298,668</b> | <b>\$ 14,816,750</b> | <b>\$ 13,940,194</b> |
| <b>Net pension liability - ending (a) - (b)</b>                                   | <b>\$ 7,984,390</b>  | <b>\$ 9,686,908</b>  | <b>\$ 8,941,835</b>  | <b>\$ 9,114,546</b>  |
| <b>Plan fiduciary net position as a percentage of the total pension liability</b> | 68.79%               | 61.23%               | 62.36%               | 60.47%               |
| <b>Covered employee payroll</b>   | \$ 5,019,586         | \$ 4,987,399         | \$ 5,312,233         | \$ 5,583,554         |
| <b>Net pension liability as a percentage of covered-employee payroll</b>          | 159.06%              | 194.23%              | 168.33%              | 163.24%              |

**Notes to Schedule:**

Only four fiscal years are presented because 10-year data is not yet available.

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**Required Supplementary Information  
Oklahoma Municipal Retirement Fund**

**Schedule of Employer Contributions**

**Last Four Fiscal Years**

|  | 2018         | 2017         | 2016         | 2015         |
|--|--------------|--------------|--------------|--------------|
| Actuarially determined contribution                                  | \$ 1,099,597 | \$ 1,025,382 | \$ 1,034,378 | \$ 1,073,765 |
| Contributions in relation to the actuarially determined contribution | 1,154,659    | 1,126,060    | 1,149,535    | 1,230,391    |
| Contribution deficiency (excess)                                     | \$ (55,062)  | \$ (100,678) | \$ (115,157) | \$ (156,626) |
| Covered employee payroll   | \$ 5,451,648 | \$ 5,083,698 | \$ 5,187,454 | \$ 5,312,233 |
| Contributions as a percentage of covered-employee payroll            | 21.18%       | 22.15%       | 22.16%       | 23.16%       |

**Notes to Schedule:**

1. Only four fiscal years are presented because 10-year data is not yet available.
2. Latest Valuation Date: July 1, 2017
3. Actuarially determined contribution rate is calculated as of July 1, 2017  
July 2017 through June 18 contributions were at a rate of 20.17%
4. Methods and assumptions used to determine contribution rates:
  - Actuarial cost method - Unit Credit
  - Amortization method - Level dollar amount
  - Remaining amortization period - 23 years
  - Asset valuation method - Actuarial
  - Smoothing period - 4 years
  - Recognition method - Non-asymptotic
  - Corridor - 70% - 130%
  - Salary increases - 4.00% to 7.42% (varies by attained age)
  - Investment rate of return - 7.50%



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***Required Supplementary Information – OPEB***

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

| <b>Schedule of Changes in Total OPEB Liability and Related Ratios<br/>City of Bartlesville Health Insurance Implicit Rate Plan</b> | <b>Last 10 Fiscal Years</b> |
|--|-----------------------------|
|  | 2018                        |
| <b>Total OPEB liability</b>  |                             |
| Service cost   | \$ 46,222                   |
| Interest   | 41,236                      |
| Change in assumptions  | (30,339)                    |
| Differences between expected and actual experience   | -                           |
| Benefit payments, net of retiree contributions   | (48,180)                    |
| <b>Net change in total OPEB liability</b>  | <b>8,939</b>                |
| <br>   |                             |
| <b>Total OPEB liability - beginning</b>  | <b>1,175,752</b>            |
| <b>Total OPEB liability - ending</b>   | <b>\$ 1,184,691</b>         |
| <br>   |                             |
| <b>Covered employee payroll</b>  | <b>\$ 11,600,000</b>        |
| <br>   |                             |
| <b>Total OPEB liability as a percentage of covered-<br/>employee payroll</b>   | <b>10.21%</b>               |

**Notes to Schedule:**

Only the current year is presented because 10-year data is not yet available.

The discount rate used for 2018 is 3.87%.

Healthcare cost trend rates graded from 6.05% in 2018 to 4.87% in 2060.

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SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
Oklahoma Municipal Retirement Fund Retiree Medical Plan  
Last Ten Fiscal Years\*

|  | 2018         |
|--|--------------|
| Total OPEB liability   |              |
| Service cost   | \$ 5,710     |
| Interest   | 37,749       |
| Changes of assumptions   | -            |
| Experience Gain/(Loss)   | -            |
| Benefit payments, including refunds of member contributions                | (59,140)     |
| Net change in total OPEB liability   | (15,681)     |
| <br>   |              |
| Total OPEB liability - beginning   | 526,643      |
| Total OPEB liability - ending  | \$ 510,962   |
| <br>   |              |
| Plan fiduciary net position  |              |
| Contributions - employer   | \$ 44,363    |
| Net investment income  | 56,138       |
| Benefit payments   | (59,140)     |
| Administrative expense   | (988)        |
| Net change in plan fiduciary net position                                  | 40,373       |
| <br>   |              |
| Plan fiduciary net position - beginning                                    | 464,835      |
| Plan fiduciary net position - ending (b)                                   | \$ 505,208   |
| <br>   |              |
| Net OPEB liability - ending (a) - (b)                                      | \$ 5,754     |
| <br>   |              |
| Plan fiduciary net position as a percentage of<br>the total OPEB liability | 98.87%       |
| <br>   |              |
| Covered employee payroll   | \$ 5,410,122 |
| <br>   |              |
| Net OPEB liability as a percentage of covered-<br>employee payroll         | 0.11%        |

**Notes to Schedule:**

\*Only the current fiscal year is presented because 10-year data is not yet available.

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**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Oklahoma Municipal Retirement Fund Retiree Medical Plan

Last Ten Fiscal Years\*

|   | 2018         |
|---|--------------|
| Actuarially determined contribution                                     | \$ 43,121    |
| Contributions in relation to the actuarially<br>determined contribution | 43,121       |
| Contribution deficiency (excess)  | \$ -         |
| Covered employee payroll  | \$ 5,258,659 |
| Contributions as a percentage of covered-employee payroll               | 0.82%        |

**Notes to Schedule:**

1. \*Only the current fiscal year is presented because 10-year data is not yet available.
2. Valuation Date: June 30 , 2018
3. Methods and assumptions used to determine contribution rates:
  - Mortality: UP 1994 2016 with projected mortality improvement after retirement
  - Interest Rate: 7.5% per annum.
  - Inflation: 2.75% per annum.
  - Marriage Assumptions: Females are assumed to be three years younger than their male spouses.
  - Pay increases: Range from 7.42% to 4.00%
  - Aggregate cost method

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**OTHER SUPPLEMENTARY INFORMATION**

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**Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2018**

|                                      | <u>Bartlesville<br/>History<br/>Museum Trust<br/>Authority</u> | <u>E-911 Fund</u> | <u>Special<br/>Library Fund</u> | <u>Special<br/>Museum Fund</u> | <u>Economic<br/>Development<br/>Fund</u> | <u>Bartlesville<br/>Library Trust<br/>Authority</u> | <u>Restricted<br/>Revenues<br/>Fund</u> |
|--------------------------------------|--|-------------------|---------------------------------|--------------------------------|--|---|---|
| <b>ASSETS</b>                        |  |                   |                                 |                                |  |   |   |
| Investments                          | \$ 123,250   | \$ 80,393         | \$ 304,638                      | \$ 108,826                     | \$ 1,224,422                             | \$ 1,447,979  | \$ 242,724                              |
| Interest receivable                  | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Receivable from other governments    | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Taxes receivable, net                | -  | 50,113            | -                               | -                              | 262,102                                  | -   | -                                       |
| Other receivables, net of allowance  | 1,705  | 805               | 4,050                           | 1,659                          | 11,746                                   | 1,773   | -                                       |
| Total assets                         | <u>\$ 124,955</u>  | <u>\$ 131,311</u> | <u>\$ 308,688</u>               | <u>\$ 110,485</u>              | <u>\$ 1,498,270</u>                      | <u>\$ 1,449,752</u>                                 | <u>\$ 242,724</u>                       |
| <b>LIABILITIES AND FUND BALANCES</b> |  |                   |                                 |                                |  |   |   |
| Liabilities:                         |  |                   |                                 |                                |  |   |   |
| Accounts payable                     | \$ -   | \$ 1,426          | \$ 3,521                        | \$ -                           | \$ -                                     | \$ -  | \$ 1,570                                |
| Advanced revenue                     | -  | -                 | -                               | -                              | 140                                      | -   | -                                       |
| Accrued payroll payable              | -  | 33,195            | 1,191                           | 1,452                          | -  | -   | -                                       |
| Other payables                       | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Total liabilities                    | <u>-</u>   | <u>34,621</u>     | <u>4,712</u>                    | <u>1,452</u>                   | <u>140</u>                               | <u>-</u>  | <u>1,570</u>                            |
| Fund balances:                       |  |                   |                                 |                                |  |   |   |
| Restricted                           | 124,955  | 96,690            | 303,976                         | 109,033                        | 1,498,130                                | 1,449,752   | 241,154                                 |
| Committed                            | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Total fund balances                  | <u>124,955</u>   | <u>96,690</u>     | <u>303,976</u>                  | <u>109,033</u>                 | <u>1,498,130</u>                         | <u>1,449,752</u>                                    | <u>241,154</u>                          |
| Total liabilities and fund balances  | <u>\$ 124,955</u>  | <u>\$ 131,311</u> | <u>\$ 308,688</u>               | <u>\$ 110,485</u>              | <u>\$ 1,498,270</u>                      | <u>\$ 1,449,752</u>                                 | <u>\$ 242,724</u>                       |

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**Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2018, (Continued)**

|                                      | <u>Municipal<br/>Airport Fund</u> | <u>Harshfield<br/>Library<br/>Donation</u> | <u>Golf Course<br/>Memorial Fund</u> | <u>Justice<br/>Assistance Grant<br/>Fund</u> | <u>Neighborhood<br/>Park Fund</u> | <u>Cemetery<br/>Perpetual<br/>Fund</u> |
|--------------------------------------|-----------------------------------|--|--------------------------------------|--|-----------------------------------|--|
| <b>ASSETS</b>                        |                                   |  |                                      |  |                                   |  |
| Investments                          | \$ 291,704                        | \$ 761,021                                 | \$ 18,898                            | \$ 40,254                                    | \$ 8,264                          | \$ 3,400                               |
| Interest receivable                  | -                                 | -  | -                                    | -  | -                                 | -                                      |
| Receivable from other governments    | -                                 | -  | -                                    | 697  | -                                 | -                                      |
| Taxes receivable, net                | -                                 | -  | -                                    | -  | -                                 | -                                      |
| Other receivables, net of allowance  | 3,926                             | 10,573                                     | 259                                  | 538  | 111                               | 14                                     |
| Total assets                         | <u>\$ 295,630</u>                 | <u>\$ 771,594</u>                          | <u>\$ 19,157</u>                     | <u>\$ 41,489</u>                             | <u>\$ 8,375</u>                   | <u>\$ 3,414</u>                        |
| <b>LIABILITIES AND FUND BALANCES</b> |                                   |  |                                      |  |                                   |  |
| Liabilities:                         |                                   |  |                                      |  |                                   |  |
| Accounts payable                     | \$ 25,130                         | \$ 20                                      | \$ -                                 | \$ -   | \$ -                              | \$ -                                   |
| Advanced revenue                     | -                                 | -  | -                                    | -  | -                                 | -                                      |
| Accrued payroll payable              | -                                 | -  | -                                    | -  | -                                 | -                                      |
| Other payables                       | -                                 | -  | -                                    | -  | -                                 | -                                      |
| Total liabilities                    | <u>25,130</u>                     | <u>20</u>                                  | <u>-</u>                             | <u>-</u>                                     | <u>-</u>                          | <u>-</u>                               |
| Fund balances:                       |                                   |  |                                      |  |                                   |  |
| Restricted                           | -                                 | 771,574                                    | -                                    | 41,489                                       | 8,375                             | 3,414                                  |
| Committed                            | 270,500                           | -  | 19,157                               | -  | -                                 | -                                      |
| Total fund balances                  | <u>270,500</u>                    | <u>771,574</u>                             | <u>19,157</u>                        | <u>41,489</u>                                | <u>8,375</u>                      | <u>3,414</u>                           |
| Total liabilities and fund balances  | <u>\$ 295,630</u>                 | <u>\$ 771,594</u>                          | <u>\$ 19,157</u>                     | <u>\$ 41,489</u>                             | <u>\$ 8,375</u>                   | <u>\$ 3,414</u>                        |

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**Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2018, (Continued)**

|                                      | <u>Memorial<br/>Stadium<br/>Operating Fund</u> | <u>Housing TIF<br/>Districts</u> | <u>BRTA Pass<br/>Through</u> | <u>Hotel Motel Tax<br/>Fund</u> | <u>Capital<br/>Improvement<br/>Sales Tax<br/>Fund</u> | <u>CIP-<br/>Wastewater<br/>Fund</u> | <u>CIP-Wastewater<br/>Regulatory Fund</u> | <u>CIP-City Hall<br/>Fund</u> |
|--------------------------------------|--|----------------------------------|------------------------------|---------------------------------|---|-------------------------------------|---|-------------------------------|
| <b>ASSETS</b>                        |  |                                  |                              |                                 |   |                                     |   |                               |
| Investments                          | \$ 2,113                                       | \$ 6,158                         | \$ 20,118                    | \$ 41,551                       | \$ 3,035,798  | \$ 223,715                          | \$ 1,528,463                              | \$ 48,172                     |
| Interest receivable                  | -  | -                                | -                            | -                               | -   | -                                   | -   | -                             |
| Receivable from other governments    | -  | -                                | -                            | -                               | -   | -                                   | -   | -                             |
| Taxes receivable, net                | -  | -                                | -                            | 32,918                          | 480,641   | -                                   | -   | -                             |
| Other receivables, net of allowance  | 173  | 74                               | -                            | -                               | 38,975  | 2,917                               | 32,726                                    | 1,435                         |
| Total assets                         | <u>\$ 2,286</u>                                | <u>\$ 6,232</u>                  | <u>\$ 20,118</u>             | <u>\$ 74,469</u>                | <u>\$ 3,555,414</u>                                   | <u>\$ 226,632</u>                   | <u>\$ 1,561,189</u>                       | <u>\$ 49,607</u>              |
| <b>LIABILITIES AND FUND BALANCES</b> |  |                                  |                              |                                 |   |                                     |   |                               |
| Liabilities:                         |  |                                  |                              |                                 |   |                                     |   |                               |
| Accounts payable                     | \$ -   | \$ -                             | \$ 20,118                    | \$ 65,743                       | \$ 7,811  | \$ -                                | \$ -                                      | \$ 455                        |
| Advanced revenue                     | -  | -                                | -                            | -                               | -   | -                                   | -   | -                             |
| Accrued payroll payable              | -  | -                                | -                            | -                               | -   | -                                   | -   | -                             |
| Other payables                       | -  | 5,000                            | -                            | -                               | 137,828   | -                                   | -   | 19,691                        |
| Total liabilities                    | <u>-</u>                                       | <u>5,000</u>                     | <u>20,118</u>                | <u>65,743</u>                   | <u>145,639</u>  | <u>-</u>                            | <u>-</u>                                  | <u>20,146</u>                 |
| Fund balances:                       |  |                                  |                              |                                 |   |                                     |   |                               |
| Restricted                           | -  | 1,232                            | -                            | 8,726                           | 3,409,775   | 226,632                             | 1,561,189                                 | 29,461                        |
| Committed                            | 2,286  | -                                | -                            | -                               | -   | -                                   | -   | -                             |
| Total fund balances                  | <u>2,286</u>                                   | <u>1,232</u>                     | <u>-</u>                     | <u>8,726</u>                    | <u>3,409,775</u>                                      | <u>226,632</u>                      | <u>1,561,189</u>                          | <u>29,461</u>                 |
| Total liabilities and fund balances  | <u>\$ 2,286</u>                                | <u>\$ 6,232</u>                  | <u>\$ 20,118</u>             | <u>\$ 74,469</u>                | <u>\$ 3,555,414</u>                                   | <u>\$ 226,632</u>                   | <u>\$ 1,561,189</u>                       | <u>\$ 49,607</u>              |

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**Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2018, (Continued)**

|                                      | <u>CIP-Storm Sewer</u><br><u>Fund</u> | <u>CDBG Fund</u>  | <u>Capital Reserve</u><br><u>Fund</u> | <u>2008B GO Bond</u><br><u>Fund</u> | <u>2009 GO Bond</u><br><u>Fund</u> | <u>2010 GO Bond</u><br><u>Fund</u> | <u>2012 GO Bond</u><br><u>Fund</u> |
|--------------------------------------|---------------------------------------|-------------------|---------------------------------------|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>ASSETS</b>                        |                                       |                   |                                       |                                     |                                    |                                    |                                    |
| Investments                          | \$ 134,908                            | \$ 144,060        | \$ 8,014,091                          | \$ 88                               | \$ 6,808                           | \$ 410                             | \$ 128,562                         |
| Interest receivable                  | -                                     | -                 | -                                     | -                                   | -                                  | -                                  | -                                  |
| Receivable from other governments    | -                                     | 8                 | -                                     | -                                   | -                                  | -                                  | -                                  |
| Taxes receivable, net                | -                                     | -                 | -                                     | -                                   | -                                  | -                                  | -                                  |
| Other receivables, net of allowance  | 1,351                                 | -                 | -                                     | 1                                   | 206                                | 5                                  | 1,395                              |
| Total assets                         | <u>\$ 136,259</u>                     | <u>\$ 144,068</u> | <u>\$ 8,014,091</u>                   | <u>\$ 89</u>                        | <u>\$ 7,014</u>                    | <u>\$ 415</u>                      | <u>\$ 129,957</u>                  |
| <b>LIABILITIES AND FUND BALANCES</b> |                                       |                   |                                       |                                     |                                    |                                    |                                    |
| Liabilities:                         |                                       |                   |                                       |                                     |                                    |                                    |                                    |
| Accounts payable                     | \$ -                                  | \$ -              | \$ 13,300                             | \$ -                                | \$ -                               | \$ -                               | \$ -                               |
| Advanced revenue                     | -                                     | -                 | -                                     | -                                   | -                                  | -                                  | -                                  |
| Accrued payroll payable              | -                                     | -                 | -                                     | -                                   | -                                  | -                                  | -                                  |
| Other payables                       | -                                     | -                 | 5,580                                 | -                                   | -                                  | -                                  | -                                  |
| Total liabilities                    | <u>-</u>                              | <u>-</u>          | <u>18,880</u>                         | <u>-</u>                            | <u>-</u>                           | <u>-</u>                           | <u>-</u>                           |
| Fund balances:                       |                                       |                   |                                       |                                     |                                    |                                    |                                    |
| Restricted                           | 136,259                               | 144,068           | 7,995,211                             | 89                                  | 7,014                              | 415                                | 129,957                            |
| Committed                            | -                                     | -                 | -                                     | -                                   | -                                  | -                                  | -                                  |
| Total fund balances                  | <u>136,259</u>                        | <u>144,068</u>    | <u>7,995,211</u>                      | <u>89</u>                           | <u>7,014</u>                       | <u>415</u>                         | <u>129,957</u>                     |
| Total liabilities and fund balances  | <u>\$ 136,259</u>                     | <u>\$ 144,068</u> | <u>\$ 8,014,091</u>                   | <u>\$ 89</u>                        | <u>\$ 7,014</u>                    | <u>\$ 415</u>                      | <u>\$ 129,957</u>                  |



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**Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2018, (Continued)**

|                                      | <u>2014 GO Bond</u><br><u>Fund</u> | <u>2014B GO Bond</u><br><u>Fund</u> | <u>2015 GO Bond</u><br><u>Fund</u> | <u>2017 GO Bond</u><br><u>Fund</u> | <u>2018A GO Bond</u><br><u>Fund</u> | <u>2018B GO Bond</u><br><u>Fund</u> | <u>Total</u><br><u>Governmental</u><br><u>Funds</u> |
|--------------------------------------|------------------------------------|-------------------------------------|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|---|
| <b>ASSETS</b>                        |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Investments                          | \$ 610,207                         | \$ 121,246                          | \$ 1,873,025                       | \$ 2,480,902                       | \$ 9,594,318                        | \$ 479,089                          | \$ 33,149,575                                       |
| Interest receivable                  | -                                  | -                                   | 25,603                             | 41,315                             | 30,889                              | 1,542                               | 99,349  |
| Receivable from other governments    | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 705   |
| Taxes receivable, net                | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 825,774   |
| Other receivables, net of allowance  | 16,876                             | 2,956                               | -                                  | -                                  | -                                   | -                                   | 136,249   |
| Total assets                         | <u>\$ 627,083</u>                  | <u>\$ 124,202</u>                   | <u>\$ 1,898,628</u>                | <u>\$ 2,522,217</u>                | <u>\$ 9,625,207</u>                 | <u>\$ 480,631</u>                   | <u>\$ 34,211,652</u>                                |
| <b>LIABILITIES AND FUND BALANCES</b> |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Liabilities:                         |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Accounts payable                     | \$ -                               | \$ -                                | \$ 5,276                           | \$ 144                             | \$ -                                | \$ -                                | \$ 144,514  |
| Advanced revenue                     | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 140   |
| Accrued payroll payable              | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 35,838  |
| Other payables                       | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 168,099   |
| Total liabilities                    | <u>-</u>                           | <u>-</u>                            | <u>5,276</u>                       | <u>144</u>                         | <u>-</u>                            | <u>-</u>                            | <u>348,591</u>                                      |
| Fund balances:                       |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Restricted                           | 627,083                            | 124,202                             | 1,893,352                          | 2,522,073                          | 9,625,207                           | 480,631                             | 33,571,118  |
| Committed                            | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 291,943   |
| Total fund balances                  | <u>627,083</u>                     | <u>124,202</u>                      | <u>1,893,352</u>                   | <u>2,522,073</u>                   | <u>9,625,207</u>                    | <u>480,631</u>                      | <u>33,863,061</u>                                   |
| Total liabilities and fund balances  | <u>\$ 627,083</u>                  | <u>\$ 124,202</u>                   | <u>\$ 1,898,628</u>                | <u>\$ 2,522,217</u>                | <u>\$ 9,625,207</u>                 | <u>\$ 480,631</u>                   | <u>\$ 34,211,652</u>                                |

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|   | <u>Bartlesville<br/>History<br/>Museum Trust<br/>Authority</u> | <u>E-911 Fund</u> | <u>Special<br/>Library Fund</u> | <u>Special<br/>Museum Fund</u> | <u>Economic<br/>Development<br/>Fund</u> | <u>Bartlesville<br/>Library Trust<br/>Authority</u> | <u>Restricted<br/>Revenues<br/>Fund</u> |
|---|--|-------------------|---------------------------------|--------------------------------|--|---|---|
| <b>REVENUES</b>                                   |  |                   |                                 |                                |  |   |   |
| Taxes   | \$ -   | \$ 556,159        | \$ -                            | \$ -                           | \$ 1,542,909                             | \$ -  | \$ -                                    |
| Intergovernmental                                 | -  | -                 | 67,980                          | 3,567                          | -  | -   | 384                                     |
| Charges for services                              | -  | 2,400             | 36                              | 143                            | -  | -   | -                                       |
| Investment earnings                               | 1,668  | 923               | 4,209                           | 1,552                          | 13,492                                   | 109,936   | -                                       |
| Miscellaneous                                     | -  | -                 | 2,491                           | -                              | -  | -   | 52,758                                  |
| Contributions and donations                       | -  | -                 | 19,763                          | 775                            | -  | -   | 15,845                                  |
| Total revenues                                    | <u>1,668</u>   | <u>559,482</u>    | <u>94,479</u>                   | <u>6,037</u>                   | <u>1,556,401</u>                         | <u>109,936</u>                                      | <u>68,987</u>                           |
| <b>EXPENDITURES</b>                               |  |                   |                                 |                                |  |   |   |
| Current:  |  |                   |                                 |                                |  |   |   |
| General government                                | -  | -                 | -                               | -                              | 2,000                                    | -   | 26,948                                  |
| Public Safety                                     | -  | 1,000,636         | -                               | -                              | -  | -   | 115,407                                 |
| Public works                                      | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Culture and recreation                            | -  | -                 | 164,710                         | 33,892                         | -  | -   | 607                                     |
| Capital Outlay                                    | -  | -                 | -                               | -                              | -  | -   | 7,838                                   |
| Total Expenditures                                | <u>-</u>   | <u>1,000,636</u>  | <u>164,710</u>                  | <u>33,892</u>                  | <u>2,000</u>                             | <u>-</u>  | <u>150,800</u>                          |
| Excess (deficiency) of revenues over expenditures | 1,668  | (441,154)         | (70,231)                        | (27,855)                       | 1,554,401                                | 109,936   | (81,813)                                |
| <b>OTHER FINANCING SOURCES (USES)</b>             |  |                   |                                 |                                |  |   |   |
| Proceeds from long-term debt                      | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Proceeds from sale of fixed assets                | -  | -                 | -                               | -                              | -  | -   | -                                       |
| Transfers in                                      | -  | 473,187           | 70,265                          | -                              | -  | -   | -                                       |
| Transfers out                                     | (5,500)  | -                 | -                               | -                              | (1,094,168)                              | (70,265)  | -                                       |
| Total other financing sources and uses            | <u>(5,500)</u>   | <u>473,187</u>    | <u>70,265</u>                   | <u>-</u>                       | <u>(1,094,168)</u>                       | <u>(70,265)</u>                                     | <u>-</u>                                |
| Net change in fund balances                       | (3,832)  | 32,033            | 34                              | (27,855)                       | 460,233                                  | 39,671  | (81,813)                                |
| Fund balances - beginning                         | 128,787  | 64,657            | 303,942                         | 136,888                        | 1,037,897                                | 1,410,081   | 322,967                                 |
| Fund balances - ending                            | <u>\$ 124,955</u>  | <u>\$ 96,690</u>  | <u>\$ 303,976</u>               | <u>\$ 109,033</u>              | <u>\$ 1,498,130</u>                      | <u>\$ 1,449,752</u>                                 | <u>\$ 241,154</u>                       |

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|   | <u>Municipal</u><br><u>Airport Fund</u> | <u>Harshfield</u><br><u>Library</u><br><u>Donation</u> | <u>Golf Course</u><br><u>Memorial Fund</u> | <u>Justice</u><br><u>Assistance</u><br><u>Grant Fund</u> | <u>Neighborhood</u><br><u>Park Fund</u> | <u>Cemetery</u><br><u>Perpetual Fund</u> | <u>Memorial</u><br><u>Stadium</u><br><u>Operating Fund</u> |
|---|---|--|--|--|---|--|--|
| <b>REVENUES</b>                                   |   |  |  |  |   |  |  |
| Taxes   | \$ -                                    | \$ -   | \$ -                                       | \$ -   | \$ -                                    | \$ -                                     | \$ -   |
| Intergovernmental                                 | 10,800                                  | -  | -  | 6,647  | -                                       | -  | -  |
| Charges for services                              | -                                       | -  | -  | -  | -                                       | 3,061                                    | -  |
| Investment earnings                               | 3,977                                   | 10,300   | 167  | 536  | 110                                     | 30                                       | 92   |
| Miscellaneous                                     | -                                       | -  | -  | -  | -                                       | -  | -  |
| Contributions and donations                       | -                                       | -  | 15,068                                     | -  | -                                       | -  | -  |
| Total revenues                                    | <u>14,777</u>                           | <u>10,300</u>  | <u>15,235</u>                              | <u>7,183</u>   | <u>110</u>                              | <u>3,091</u>                             | <u>92</u>  |
| <b>EXPENDITURES</b>                               |   |  |  |  |   |  |  |
| Current:  |   |  |  |  |   |  |  |
| General government                                | 34,130                                  | -  | -  | -  | -                                       | -  | -  |
| Public Safety                                     | -                                       | -  | -  | 5,950  | -                                       | -  | -  |
| Public works                                      | -                                       | -  | -  | -  | -                                       | -  | -  |
| Culture and recreation                            | -                                       | 38,329   | 14,871                                     | -  | -                                       | -  | -  |
| Capital Outlay                                    | 4,213                                   | -  | 5,637                                      | -  | -                                       | -  | -  |
| Total Expenditures                                | <u>38,343</u>                           | <u>38,329</u>  | <u>20,508</u>                              | <u>5,950</u>   | <u>-</u>                                | <u>-</u>                                 | <u>-</u>   |
| Excess (deficiency) of revenues over expenditures | <u>(23,566)</u>                         | <u>(28,029)</u>  | <u>(5,273)</u>                             | <u>1,233</u>   | <u>110</u>                              | <u>3,091</u>                             | <u>92</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |  |  |  |   |  |  |
| Proceeds from long-term debt                      | -                                       | -  | -  | -  | -                                       | -  | -  |
| Proceeds from sale of fixed assets                | -                                       | -  | 1,225                                      | -  | -                                       | -  | -  |
| Transfers in                                      | -                                       | -  | -  | -  | -                                       | -  | -  |
| Transfers out                                     | -                                       | -  | -  | -  | -                                       | -  | (14,171)   |
| Total other financing sources and uses            | <u>-</u>                                | <u>-</u>   | <u>1,225</u>                               | <u>-</u>   | <u>-</u>                                | <u>-</u>                                 | <u>(14,171)</u>  |
| Net change in fund balances                       | (23,566)                                | (28,029)   | (4,048)                                    | 1,233  | 110                                     | 3,091                                    | (14,079)   |
| Fund balances - beginning                         | 294,066                                 | 799,603  | 23,205                                     | 40,256   | 8,265                                   | 323                                      | 16,365   |
| Fund balances - ending                            | <u>\$ 270,500</u>                       | <u>\$ 771,574</u>                                      | <u>\$ 19,157</u>                           | <u>\$ 41,489</u>   | <u>\$ 8,375</u>                         | <u>\$ 3,414</u>                          | <u>\$ 2,286</u>  |

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|   | <u>Housing TIF</u><br><u>Districts</u> | <u>BRTA Pass</u><br><u>Through</u> | <u>Hotel Motel</u><br><u>Tax Fund</u> | <u>Capital</u><br><u>Improvement</u><br><u>Sales Tax Fund</u> | <u>CIP-Wastewater</u><br><u>Fund</u> | <u>CIP-</u><br><u>Wastewater</u><br><u>Regulatory</u><br><u>Fund</u> | <u>CIP-City Hall</u><br><u>Fund</u> |
|---|--|------------------------------------|---------------------------------------|---|--------------------------------------|--|-------------------------------------|
| <b>REVENUES</b>                                   |  |                                    |                                       |   |                                      |  |                                     |
| Taxes   | \$ 357,907                             | \$ 702,347                         | \$ 319,467                            | \$ 2,697,718  | \$ -                                 | \$ -   | \$ -                                |
| Intergovernmental                                 | -                                      | -                                  | -                                     | -   | -                                    | 150,000  | -                                   |
| Charges for services                              | -                                      | -                                  | -                                     | -   | 42,800                               | -  | -                                   |
| Investment earnings                               | 1,752                                  | -                                  | -                                     | 38,667  | 3,088                                | 23,327   | 871                                 |
| Miscellaneous                                     | -                                      | -                                  | -                                     | 368,398   | -                                    | -  | 20,736                              |
| Contributions and donations                       | -                                      | -                                  | -                                     | -   | -                                    | -  | -                                   |
| Total revenues                                    | <u>359,659</u>                         | <u>702,347</u>                     | <u>319,467</u>                        | <u>3,104,783</u>  | <u>45,888</u>                        | <u>173,327</u>   | <u>21,607</u>                       |
| <b>EXPENDITURES</b>                               |  |                                    |                                       |   |                                      |  |                                     |
| Current:  |  |                                    |                                       |   |                                      |  |                                     |
| General government                                | 358,747                                | -                                  | -                                     | 11,605  | -                                    | -  | 26,090                              |
| Public Safety                                     | -                                      | -                                  | -                                     | 6,356   | -                                    | -  | -                                   |
| Public works                                      | -                                      | -                                  | -                                     | 86,255  | 35,584                               | 453,007  | -                                   |
| Culture and recreation                            | -                                      | -                                  | -                                     | 29,825  | -                                    | -  | -                                   |
| Capital Outlay                                    | -                                      | -                                  | -                                     | 2,476,914   | -                                    | 838,710  | 81,868                              |
| Total Expenditures                                | <u>358,747</u>                         | <u>-</u>                           | <u>-</u>                              | <u>2,610,955</u>  | <u>35,584</u>                        | <u>1,291,717</u>   | <u>107,958</u>                      |
| Excess (deficiency) of revenues over expenditures | <u>912</u>                             | <u>702,347</u>                     | <u>319,467</u>                        | <u>493,828</u>  | <u>10,304</u>                        | <u>(1,118,390)</u>   | <u>(86,351)</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>             |  |                                    |                                       |   |                                      |  |                                     |
| Proceeds from long-term debt                      | -                                      | -                                  | -                                     | -   | -                                    | -  | -                                   |
| Proceeds from sale of fixed assets                | -                                      | -                                  | -                                     | -   | -                                    | -  | -                                   |
| Transfers in                                      | -                                      | -                                  | -                                     | -   | -                                    | -  | -                                   |
| Transfers out                                     | -                                      | (702,347)                          | (311,360)                             | -   | -                                    | -  | -                                   |
| Total other financing sources and uses            | <u>-</u>                               | <u>(702,347)</u>                   | <u>(311,360)</u>                      | <u>-</u>  | <u>-</u>                             | <u>-</u>   | <u>-</u>                            |
| Net change in fund balances                       | 912                                    | -                                  | 8,107                                 | 493,828   | 10,304                               | (1,118,390)  | (86,351)                            |
| Fund balances - beginning                         | 320                                    | -                                  | 619                                   | 2,915,947   | 216,328                              | 2,679,579  | 115,812                             |
| Fund balances - ending                            | <u>\$ 1,232</u>                        | <u>\$ -</u>                        | <u>\$ 8,726</u>                       | <u>\$ 3,409,775</u>   | <u>\$ 226,632</u>                    | <u>\$ 1,561,189</u>  | <u>\$ 29,461</u>                    |

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|   | <u>CIP-Storm<br/>Sewer Fund</u> | <u>CDBG Fund</u>  | <u>Capital<br/>Reserve<br/>Fund</u> | <u>2008B GO Bond Fund</u> | <u>2009 GO Bond Fund</u> | <u>2010 GO Bond<br/>Fund</u> | <u>2012 GO Bond Fund</u> |
|---|---------------------------------|-------------------|-------------------------------------|---------------------------|--------------------------|------------------------------|--------------------------|
| <b>REVENUES</b>                                   |                                 |                   |                                     |                           |                          |                              |                          |
| Taxes   | \$ -                            | \$ -              | \$ -                                | \$ -                      | \$ -                     | \$ -                         | \$ -                     |
| Intergovernmental                                 | -                               | 144,060           | -                                   | -                         | -                        | -                            | -                        |
| Charges for services                              | 48,479                          | -                 | 2,956,574                           | -                         | -                        | -                            | -                        |
| Investment earnings                               | 1,639                           | -                 | -                                   | 1                         | 169                      | 5                            | 1,723                    |
| Miscellaneous                                     | -                               | -                 | -                                   | -                         | -                        | -                            | -                        |
| Contributions and donations                       | -                               | -                 | -                                   | -                         | -                        | -                            | -                        |
| Total revenues                                    | <u>50,118</u>                   | <u>144,060</u>    | <u>2,956,574</u>                    | <u>1</u>                  | <u>169</u>               | <u>5</u>                     | <u>1,723</u>             |
| <b>EXPENDITURES</b>                               |                                 |                   |                                     |                           |                          |                              |                          |
| Current:  |                                 |                   |                                     |                           |                          |                              |                          |
| General government                                | -                               | -                 | 120,599                             | -                         | -                        | -                            | -                        |
| Public Safety                                     | -                               | -                 | 2,399                               | -                         | -                        | -                            | 7,913                    |
| Public works                                      | 2,798                           | -                 | 491,768                             | -                         | -                        | -                            | -                        |
| Culture and recreation                            | -                               | -                 | -                                   | -                         | -                        | -                            | -                        |
| Capital Outlay                                    | 1,312                           | -                 | 557,417                             | -                         | 11,320                   | -                            | -                        |
| Total Expenditures                                | <u>4,110</u>                    | <u>-</u>          | <u>1,172,183</u>                    | <u>-</u>                  | <u>11,320</u>            | <u>-</u>                     | <u>7,913</u>             |
| Excess (deficiency) of revenues over expenditures | <u>46,008</u>                   | <u>144,060</u>    | <u>1,784,391</u>                    | <u>1</u>                  | <u>(11,151)</u>          | <u>5</u>                     | <u>(6,190)</u>           |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                                 |                   |                                     |                           |                          |                              |                          |
| Proceeds from long-term debt                      | -                               | -                 | -                                   | -                         | -                        | -                            | -                        |
| Proceeds from sale of fixed assets                | -                               | -                 | -                                   | -                         | -                        | -                            | -                        |
| Transfers in                                      | -                               | -                 | 1,212,500                           | -                         | -                        | -                            | -                        |
| Transfers out                                     | -                               | -                 | -                                   | -                         | -                        | -                            | -                        |
| Total other financing sources and uses            | <u>-</u>                        | <u>-</u>          | <u>1,212,500</u>                    | <u>-</u>                  | <u>-</u>                 | <u>-</u>                     | <u>-</u>                 |
| Net change in fund balances                       | 46,008                          | 144,060           | 2,996,891                           | 1                         | (11,151)                 | 5                            | (6,190)                  |
| Fund balances - beginning                         | 90,251                          | 8                 | 4,998,320                           | 88                        | 18,165                   | 410                          | 136,147                  |
| Fund balances - ending                            | <u>\$ 136,259</u>               | <u>\$ 144,068</u> | <u>\$ 7,995,211</u>                 | <u>\$ 89</u>              | <u>\$ 7,014</u>          | <u>\$ 415</u>                | <u>\$ 129,957</u>        |

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|   | <u>2014 GO Bond</u><br><u>Fund</u> | <u>2014B GO Bond</u><br><u>Fund</u> | <u>2015 GO Bond</u><br><u>Fund</u> | <u>2017 GO Bond</u><br><u>Fund</u> | <u>2018A GO Bond</u><br><u>Fund</u> | <u>2018B GO Bond</u><br><u>Fund</u> | <u>Total-Other</u><br><u>Governmental</u><br><u>Funds</u> |
|---|------------------------------------|-------------------------------------|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|---|
| <b>REVENUES</b>                                   |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Taxes   | \$ -                               | \$ -                                | \$ -                               | \$ -                               | \$ -                                | \$ -                                | \$ 6,176,507  |
| Intergovernmental                                 | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 383,438   |
| Charges for services                              | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 3,053,493   |
| Investment earnings                               | 10,637                             | 2,480                               | 25,410                             | 40,105                             | 34,254                              | 1,711                               | 332,831   |
| Miscellaneous                                     | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 444,383   |
| Contributions and donations                       | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 51,451  |
| Total revenues                                    | <u>10,637</u>                      | <u>2,480</u>                        | <u>25,410</u>                      | <u>40,105</u>                      | <u>34,254</u>                       | <u>1,711</u>                        | <u>10,442,103</u>   |
| <b>EXPENDITURES</b>                               |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Current:  |                                    |                                     |                                    |                                    |                                     |                                     |   |
| General government                                | -                                  | -                                   | -                                  | -                                  | 134,047                             | 46,080                              | 760,246   |
| Public Safety                                     | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 1,138,661   |
| Public works                                      | 18,765                             | -                                   | 53,910                             | 20,298                             | -                                   | -                                   | 1,162,385   |
| Culture and recreation                            | 97                                 | -                                   | -                                  | 2,941                              | -                                   | -                                   | 285,272   |
| Capital Outlay                                    | 833,015                            | 130,899                             | 5,462                              | 776,555                            | -                                   | -                                   | 5,731,160   |
| Total Expenditures                                | <u>851,877</u>                     | <u>130,899</u>                      | <u>59,372</u>                      | <u>799,794</u>                     | <u>134,047</u>                      | <u>46,080</u>                       | <u>9,077,724</u>  |
| Excess (deficiency) of revenues over expenditures | <u>(841,240)</u>                   | <u>(128,419)</u>                    | <u>(33,962)</u>                    | <u>(759,689)</u>                   | <u>(99,793)</u>                     | <u>(44,369)</u>                     | <u>1,364,379</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                                    |                                     |                                    |                                    |                                     |                                     |   |
| Proceeds from long-term debt                      | -                                  | -                                   | -                                  | -                                  | 9,725,000                           | 525,000                             | 10,250,000  |
| Proceeds from sale of fixed assets                | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 1,225   |
| Transfers in                                      | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | 1,755,952   |
| Transfers out                                     | -                                  | -                                   | -                                  | -                                  | -                                   | -                                   | (2,197,811)   |
| Total other financing sources and uses            | <u>-</u>                           | <u>-</u>                            | <u>-</u>                           | <u>-</u>                           | <u>9,725,000</u>                    | <u>525,000</u>                      | <u>9,809,366</u>  |
| Net change in fund balances                       | (841,240)                          | (128,419)                           | (33,962)                           | (759,689)                          | 9,625,207                           | 480,631                             | 11,173,745  |
| Fund balances - beginning                         | 1,468,323                          | 252,621                             | 1,927,314                          | 3,281,762                          | -                                   | -                                   | 22,689,316  |
| Fund balances - ending                            | <u>\$ 627,083</u>                  | <u>\$ 124,202</u>                   | <u>\$ 1,893,352</u>                | <u>\$ 2,522,073</u>                | <u>\$ 9,625,207</u>                 | <u>\$ 480,631</u>                   | <u>\$ 33,863,061</u>                                      |

**CITY OF BARTLESVILLE, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
As of and for the Year Ended June 30, 2018

**Combining Statement of Net Position – Nonmajor Enterprise Funds – June 30, 2018**

|   | <u>Adams<br/>Municipal<br/>Golf Course</u> | <u>Sooner Pool</u> | <u>Frontier Pool</u> | <u>Community<br/>Center Trust<br/>Authority</u> | <u>Adult Center<br/>Trust<br/>Authority</u> | <u>Bartlesville<br/>Redevelopment<br/>Trust Authority</u> | <u>Total</u>         |
|---|--|--------------------|----------------------|---|---|---|----------------------|
| <b>ASSETS</b>   |  |                    |                      |   |   |   |                      |
| Current assets:                                       |  |                    |                      |   |   |   |                      |
| Cash and cash equivalents                             | \$ -                                       | \$ -               | \$ -                 | \$ 264,169                                      | \$ 26,613                                   | \$ 1,857,208  | \$ 2,147,990         |
| Investments   | 56,414                                     | 35,695             | 49,154               | 4,856,703                                       | 70,795                                      | -   | 5,068,761            |
| Other receivables                                     | 15,128                                     | 961                | 615                  | 70,126  | -   | 22,162  | 108,992              |
| Prepaid Expenses                                      | -  | -                  | -                    | 16,410  | -   | -   | 16,410               |
| Total current assets                                  | <u>71,542</u>                              | <u>36,656</u>      | <u>49,769</u>        | <u>5,207,408</u>                                | <u>97,408</u>                               | <u>1,879,370</u>  | <u>7,342,153</u>     |
| Noncurrent assets:                                    |  |                    |                      |   |   |   |                      |
| Mortgage and security agreement                       | -  | -                  | -                    | -   | -   | 526,901   | 526,901              |
| Capital assets:                                       |  |                    |                      |   |   |   |                      |
| Land and construction in progress                     | 498,500                                    | -                  | -                    | 1,035,952                                       | 97,615                                      | -   | 1,632,067            |
| Other capital assets, net of accumulated depreciation | 1,023,941                                  | 233,360            | 1,301,432            | 4,839,246                                       | 142,187                                     | -   | 7,540,166            |
| Total noncurrent assets                               | <u>1,522,441</u>                           | <u>233,360</u>     | <u>1,301,432</u>     | <u>5,875,198</u>                                | <u>239,802</u>                              | <u>526,901</u>  | <u>9,699,134</u>     |
| Total assets  | <u>1,593,983</u>                           | <u>270,016</u>     | <u>1,351,201</u>     | <u>11,082,606</u>                               | <u>337,210</u>                              | <u>2,406,271</u>  | <u>17,041,287</u>    |
| <b>DEFERRED OUTFLOW OF RESOURCES</b>                  |  |                    |                      |   |   |   |                      |
| Deferred amounts related to pensions                  | 61,853                                     | -                  | -                    | -   | -   | -   | 61,853               |
| Deferred amounts related to OPEB                      | 1,259                                      | -                  | -                    | -   | -   | -   | 1,259                |
|   | <u>63,112</u>                              | <u>-</u>           | <u>-</u>             | <u>-</u>  | <u>-</u>                                    | <u>-</u>  | <u>63,112</u>        |
| <b>LIABILITIES</b>                                    |  |                    |                      |   |   |   |                      |
| Current liabilities:                                  |  |                    |                      |   |   |   |                      |
| Accounts payable                                      | 13,430                                     | 3,331              | 5,037                | 95,162  | -   | 9,156   | 126,116              |
| Accrued personnel expenses                            | 7,437                                      | -                  | -                    | 4,652   | -   | -   | 12,089               |
| Accrued interest payable                              | -  | -                  | -                    | -   | -   | 2,411   | 2,411                |
| Advanced revenue                                      | 3,772                                      | -                  | -                    | -   | -   | -   | 3,772                |
| Notes payable   | -  | -                  | -                    | 6,377   | -   | 122,000   | 128,377              |
| Compensated absences                                  | 1,107                                      | -                  | -                    | -   | -   | -   | 1,107                |
| Incentives payable                                    | -  | -                  | -                    | -   | -   | 323,844   | 323,844              |
| Total current liabilities                             | <u>25,746</u>                              | <u>3,331</u>       | <u>5,037</u>         | <u>106,191</u>                                  | <u>-</u>                                    | <u>457,411</u>  | <u>597,716</u>       |
| Noncurrent liabilities:                               |  |                    |                      |   |   |   |                      |
| Incentives payable                                    | -  | -                  | -                    | -   | -   | 63,914  | 63,914               |
| Net pension liability                                 | 233,082                                    | -                  | -                    | -   | -   | -   | 233,082              |
| Net OPEB liability                                    | 168  | -                  | -                    | -   | -   | -   | 168                  |
| Total OPEB liability                                  | 34,584                                     | -                  | -                    | -   | -   | -   | 34,584               |
| Bonds, notes and loans payable                        | -  | -                  | -                    | -   | -   | 404,686   | 404,686              |
| Compensated absences                                  | 6,897                                      | -                  | -                    | -   | -   | -   | 6,897                |
| Total noncurrent liabilities                          | <u>274,731</u>                             | <u>-</u>           | <u>-</u>             | <u>-</u>  | <u>-</u>                                    | <u>468,600</u>  | <u>743,331</u>       |
| Total liabilities                                     | <u>300,477</u>                             | <u>3,331</u>       | <u>5,037</u>         | <u>106,191</u>                                  | <u>-</u>                                    | <u>926,011</u>  | <u>1,341,047</u>     |
| <b>DEFERRED INFLOW OF RESOURCES</b>                   |  |                    |                      |   |   |   |                      |
| Deferred amounts related to pensions                  | 18,669                                     | -                  | -                    | -   | -   | -   | 18,669               |
| Deferred amounts related to OPEB                      | 1,353                                      | -                  | -                    | -   | -   | -   | 1,353                |
| Total Deferred Inflow of Resources                    | <u>20,022</u>                              | <u>-</u>           | <u>-</u>             | <u>-</u>  | <u>-</u>                                    | <u>-</u>  | <u>20,022</u>        |
| <b>NET POSITION</b>                                   |  |                    |                      |   |   |   |                      |
| Net investment in capital assets                      | 1,522,441                                  | 233,360            | 1,301,432            | 5,875,198                                       | 239,802                                     | -   | 9,172,233            |
| Restricted for other purposes                         | -  | -                  | -                    | -   | -   | 526,901   | 526,901              |
| Unrestricted (deficit)                                | (185,845)                                  | 33,325             | 44,732               | 5,101,217                                       | 97,408                                      | 953,359   | 6,044,196            |
| Total net position                                    | <u>\$ 1,336,596</u>                        | <u>\$ 266,685</u>  | <u>\$ 1,346,164</u>  | <u>\$ 10,976,415</u>                            | <u>\$ 337,210</u>                           | <u>\$ 1,480,260</u>                                       | <u>\$ 15,743,330</u> |

**CITY OF BARTLESVILLE, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Year Ended June 30, 2018**

**Combining Statement of Revenues, Expenses, and Changes in Net Position – Nonmajor Enterprise Funds – Year Ended June 30, 2018**

|  | <u>Adams</u><br><u>Municipal Golf</u><br><u>Course</u> | <u>Sooner Pool</u> | <u>Frontier Pool</u> | <u>Community</u><br><u>Center Trust</u><br><u>Authority</u> | <u>Adult Center</u><br><u>Trust Authority</u> | <u>Bartlesville</u><br><u>Redevelopment</u><br><u>Trust Authority</u> | <u>Total</u>         |
|--|--|--------------------|----------------------|---|---|---|----------------------|
| <b>REVENUES</b>                          |  |                    |                      |   |   |   |                      |
| Charges for services                     | \$ 314,736   | \$ 130             | \$ -                 | \$ 548,869  | \$ 34,109                                     | \$ -  | \$ 897,844           |
| Lease revenue                            | -  | -                  | -                    | 23,611  | -   | -   | 23,611               |
| Total operating revenues                 | <u>314,736</u>   | <u>130</u>         | <u>-</u>             | <u>572,480</u>  | <u>34,109</u>                                 | <u>-</u>  | <u>921,455</u>       |
| <b>OPERATING EXPENSES</b>                |  |                    |                      |   |   |   |                      |
| Personal services                        | 282,177  | -                  | -                    | 636,649   | 21,320  | 99,548  | 1,039,694            |
| Contractual services                     | 117,565  | 16,279             | 18,822               | 411,108   | -   | 42,439  | 606,213              |
| Utilities                                | 18,510   | 2,727              | 11,397               | 124,831   | 6,578   | 2,191   | 166,234              |
| Repairs and maintenance                  | 37,856   | 6,698              | 2,670                | 33,854  | 20,797  | -   | 101,875              |
| Other supplies and expenses              | 55,306   | 5,969              | 4,482                | 71,125  | 7,668   | 7,126   | 151,676              |
| Programs                                 | -  | -                  | -                    | -   | -   | 778,560   | 778,560              |
| Depreciation                             | 95,891   | 21,151             | 172,439              | 392,991   | 8,729   | -   | 691,201              |
| Total operating expenses                 | <u>607,305</u>   | <u>52,824</u>      | <u>209,810</u>       | <u>1,670,558</u>  | <u>65,092</u>                                 | <u>929,864</u>  | <u>3,535,453</u>     |
| Operating income (loss)                  | <u>(292,569)</u>                                       | <u>(52,694)</u>    | <u>(209,810)</u>     | <u>(1,098,078)</u>  | <u>(30,983)</u>                               | <u>(929,864)</u>  | <u>(2,613,998)</u>   |
| <b>NON-OPERATING REVENUES (EXPENSES)</b> |  |                    |                      |   |   |   |                      |
| Interest and investment revenue          | 707  | 389                | 462                  | 292,483   | 31  | 9,943   | 304,015              |
| Miscellaneous revenue                    | 1,196  | -                  | -                    | -   | -   | -   | 1,196                |
| Operating grants and contributions       | -  | -                  | -                    | 78,008  | 17,387  | -   | 95,395               |
| Miscellaneous expenses                   | -  | -                  | -                    | -   | -   | (33,468)  | (33,468)             |
| Total non-operating revenue (expenses)   | <u>1,903</u>   | <u>389</u>         | <u>462</u>           | <u>370,491</u>  | <u>17,418</u>                                 | <u>(23,525)</u>   | <u>367,138</u>       |
| Income (loss) before transfers           | <u>(290,666)</u>                                       | <u>(52,305)</u>    | <u>(209,348)</u>     | <u>(727,587)</u>  | <u>(13,565)</u>                               | <u>(953,389)</u>  | <u>(2,246,860)</u>   |
| Capital contributions                    | -  | -                  | -                    | 59,482  | -   | -   | 59,482               |
| Transfers in                             | 147,484  | 44,393             | 58,446               | 311,360   | -   | 702,347   | 1,264,030            |
| Change in net position                   | <u>(143,182)</u>                                       | <u>(7,912)</u>     | <u>(150,902)</u>     | <u>(356,745)</u>  | <u>(13,565)</u>                               | <u>(251,042)</u>  | <u>(923,348)</u>     |
| Total net position - beginning, restated | 1,479,778  | 274,597            | 1,497,066            | 11,333,160  | 350,775                                       | 1,731,302   | 16,666,678           |
| Total net position - ending              | <u>\$ 1,336,596</u>                                    | <u>\$ 266,685</u>  | <u>\$ 1,346,164</u>  | <u>\$ 10,976,415</u>  | <u>\$ 337,210</u>                             | <u>\$ 1,480,260</u>   | <u>\$ 15,743,330</u> |



**CITY OF BARTLESVILLE, OKLAHOMA**  
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**As of and for the Year Ended June 30, 2018**

**Combining Cash Flow Statement – Nonmajor Enterprise Funds – Year Ended June 30, 2018**

|  | <u>Adams<br/>Municipal Golf<br/>Course</u> | <u>Sooner Pool</u> | <u>Frontier Pool</u> | <u>Community<br/>Center Trust<br/>Authority</u> | <u>Adult Center<br/>Trust Authority</u> | <u>Bartlesville<br/>Redevelopment<br/>Trust Authority</u> | <u>Total Other<br/>Enterprise Funds</u> |
|--|--|--------------------|----------------------|---|---|---|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |  |                    |                      |   |   |   |   |
| Receipts from customers  | \$ 305,614                                 | \$ (115)           | \$ (158)             | \$ 662,886                                      | \$ 51,496                               | \$ (9,687)  | \$ 1,010,036                            |
| Payments to suppliers and employees  | (458,014)                                  | (44,674)           | (54,115)             | (1,275,672)                                     | (56,363)                                | -   | (1,888,838)                             |
| Payments for incentives and operations   | -  | -                  | -                    | -   | -                                       | (649,190)   | (649,190)                               |
| <b>Net cash provided by (used in) operating activities</b>   | <u>(152,400)</u>                           | <u>(44,789)</u>    | <u>(54,273)</u>      | <u>(612,786)</u>                                | <u>(4,867)</u>                          | <u>(658,877)</u>  | <u>(1,527,992)</u>                      |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>   |  |                    |                      |   |   |   |   |
| Transfers from other funds   | 147,484                                    | 44,393             | 58,446               | 311,360   | -                                       | 702,347   | 1,264,030                               |
| <b>Net cash provided by noncapital financing activities</b>  | <u>147,484</u>                             | <u>44,393</u>      | <u>58,446</u>        | <u>311,360</u>                                  | <u>-</u>                                | <u>702,347</u>  | <u>1,264,030</u>                        |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>  |  |                    |                      |   |   |   |   |
| Purchases of capital assets  | -  | -                  | -                    | (161,662)                                       | -                                       | -   | (161,662)                               |
| Decrease in security interest in property  | -  | -                  | -                    | -   | -                                       | 113,785   | 113,785                                 |
| Payment on incentives payable  | -  | -                  | -                    | -   | -                                       | 63,914  | 63,914                                  |
| Proceeds from capital grant  | -  | -                  | -                    | 59,482  | -                                       | -   | 59,482                                  |
| Principal paid on debt   | -  | -                  | -                    | -   | -                                       | (114,000)   | (114,000)                               |
| Interest and fiscal agent fees paid on debt  | -  | -                  | -                    | -   | -                                       | (525)   | (525)                                   |
| <b>Net cash provided by (used in) capital and related financing activities</b>                           | <u>-</u>                                   | <u>-</u>           | <u>-</u>             | <u>(102,180)</u>                                | <u>-</u>                                | <u>63,174</u>   | <u>(39,006)</u>                         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |  |                    |                      |   |   |   |   |
| Sale of investments  | 4,209                                      | 7                  | -                    | -   | 31,449                                  | -   | 35,665                                  |
| Purchase of investments  | -  | -                  | (4,635)              | (104,781)                                       | -                                       | -   | (109,416)                               |
| Interest and dividends   | 707  | 389                | 462                  | 292,483   | 31                                      | 9,943   | 304,015                                 |
| <b>Net cash provided by (used in) investing activities</b>   | <u>4,916</u>                               | <u>396</u>         | <u>(4,173)</u>       | <u>187,702</u>                                  | <u>31,480</u>                           | <u>9,943</u>  | <u>230,264</u>                          |
| <b>Net increase (decrease) in cash and cash equivalents</b>  | <u>-</u>                                   | <u>-</u>           | <u>-</u>             | <u>(215,904)</u>                                | <u>26,613</u>                           | <u>116,587</u>  | <u>(72,704)</u>                         |
| <b>Balances - beginning of year</b>  | <u>-</u>                                   | <u>-</u>           | <u>-</u>             | <u>480,073</u>                                  | <u>-</u>                                | <u>1,740,621</u>  | <u>2,220,694</u>                        |
| <b>Balances - end of year</b>  | <u>\$ -</u>                                | <u>\$ -</u>        | <u>\$ -</u>          | <u>\$ 264,169</u>                               | <u>\$ 26,613</u>                        | <u>\$ 1,857,208</u>                                       | <u>\$ 2,147,990</u>                     |
| <b>Reconciliation to Statement of Net Position:</b>  |  |                    |                      |   |   |   |   |
| Cash and cash equivalents  | \$ -                                       | \$ -               | \$ -                 | \$ 264,169                                      | \$ 26,613                               | \$ 1,857,208  | \$ 2,147,990                            |
| Restricted cash and cash equivalents - current   | -  | -                  | -                    | -   | -                                       | -   | -                                       |
| Restricted cash and cash equivalents - noncurrent  | -  | -                  | -                    | -   | -                                       | -   | -                                       |
| <b>Total cash and cash equivalents, end of year</b>  | <u>\$ -</u>                                | <u>\$ -</u>        | <u>\$ -</u>          | <u>\$ 264,169</u>                               | <u>\$ 26,613</u>                        | <u>\$ 1,857,208</u>                                       | <u>\$ 2,147,990</u>                     |
| <b>Reconciliation of operating income (loss) to net cash provided by (used in) Operating Activities:</b> |  |                    |                      |   |   |   |   |
| Operating income (loss)  | \$ (292,569)                               | \$ (52,694)        | \$ (209,810)         | \$ (1,098,078)                                  | \$ (30,983)                             | \$ (929,864)  | \$ (2,613,998)                          |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: |  |                    |                      |   |   |   |   |
| Depreciation expense   | 95,891                                     | 21,151             | 172,439              | 392,991   | 8,729                                   | -   | 691,201                                 |
| Miscellaneous revenue  | 1,196                                      | -                  | -                    | -   | -                                       | -   | 1,196                                   |
| Miscellaneous expense  | -  | -                  | -                    | -   | -                                       | (33,468)  | (33,468)                                |
| Operating grants and contribution  | -  | -                  | -                    | 78,008  | 17,387                                  | -   | 95,395                                  |
| Change in assets and liabilities:  |  |                    |                      |   |   |   |   |
| Accounts receivable  | -  | -                  | -                    | 12,398  | -                                       | -   | 12,398                                  |
| Other receivable   | (5,868)                                    | (245)              | (158)                | -   | -                                       | (9,687)   | (15,958)                                |
| Accounts payable   | (4,992)                                    | (13,001)           | (16,744)             | 9,707   | -                                       | (4,702)   | (29,732)                                |
| Deferred revenue   | (4,450)                                    | -                  | -                    | -   | -                                       | -   | (4,450)                                 |
| Accrued salaries payable   | 2  | -                  | -                    | 563   | -                                       | -   | 565                                     |
| OPEB liability   | (1,375)                                    | -                  | -                    | -   | -                                       | -   | (1,375)                                 |
| Pension liability  | 61,478                                     | -                  | -                    | -   | -                                       | -   | 61,478                                  |
| Deposits subject to refund   | -  | -                  | -                    | (1,624)   | -                                       | -   | (1,624)                                 |
| Prepaid expenses   | -  | -                  | -                    | (6,751)   | -                                       | -   | (6,751)                                 |
| Compensated absence liability  | (1,713)                                    | -                  | -                    | 0   | -                                       | -   | (1,713)                                 |
| Change in incentives payable   | -  | -                  | -                    | -   | -                                       | 318,844   | 318,844                                 |
| <b>Net cash provided by (used in) operating activities</b>   | <u>\$ (152,400)</u>                        | <u>\$ (44,789)</u> | <u>\$ (54,273)</u>   | <u>\$ (612,786)</u>                             | <u>\$ (4,867)</u>                       | <u>\$ (658,877)</u>                                       | <u>\$ (1,527,992)</u>                   |

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Combining Statement of Net Position – Internal Service Funds – June 30, 2018**

|                              | <b>Internal Service Funds</b>                        |   |  |                     |
|------------------------------|--|---|--|---------------------|
|                              | <b><u>Workers'</u></b><br><b><u>Compensation</u></b> | <b><u>Health</u></b><br><b><u>Insurance</u></b> | <b><u>Auto Collision</u></b><br><b><u>Insurance Fund</u></b> | <b><u>Total</u></b> |
| <b>ASSETS</b>                |  |   |  |                     |
| Current assets:              |  |   |  |                     |
| Cash and cash equivalents    | \$ -   | \$ 45,900                                       | \$ -   | \$ 45,900           |
| Investments                  | 104,286  | 412,885   | 186,874  | 704,045             |
| Cash held by third parties   | 60,000   | -   | -  | 60,000              |
| Other receivables            | 2,219  | 9,435   | -  | 11,654              |
| Total current assets         | <u>166,505</u>                                       | <u>468,220</u>                                  | <u>186,874</u>   | <u>821,599</u>      |
| Non-current assets:          |  |   |  |                     |
| Total non-current assets     | <u>-</u>   | <u>-</u>  | <u>-</u>   | <u>-</u>            |
| Total assets                 | <u>166,505</u>                                       | <u>468,220</u>                                  | <u>186,874</u>   | <u>821,599</u>      |
| <b>LIABILITIES</b>           |  |   |  |                     |
| Current liabilities:         |  |   |  |                     |
| Accounts payable             | -  | 3,565   | 3,062  | 6,627               |
| Claims and judgments         | 209,934  | -   | -  | 209,934             |
| Total current liabilities    | <u>209,934</u>                                       | <u>3,565</u>                                    | <u>3,062</u>   | <u>216,561</u>      |
| Noncurrent liabilities:      |  |   |  |                     |
| Claims and judgments         | 314,902  | -   | -  | 314,902             |
| Total noncurrent liabilities | <u>314,902</u>                                       | <u>-</u>  | <u>-</u>   | <u>314,902</u>      |
| Total liabilities            | <u>524,836</u>                                       | <u>3,565</u>                                    | <u>3,062</u>   | <u>531,463</u>      |
| <b>NET POSITION</b>          |  |   |  |                     |
| Unrestricted (deficit)       | (358,331)  | 464,655   | 183,812  | 290,136             |
| Total net position           | <u>\$ (358,331)</u>                                  | <u>\$ 464,655</u>                               | <u>\$ 183,812</u>  | <u>\$ 290,136</u>   |

**CITY OF BARTLESVILLE, OKLAHOMA**  
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**Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds**  
**– Year Ended June 30, 2018**

|  | <u>Internal Service Funds</u>          |                                   |  | <u>Total</u>      |
|--|--|-----------------------------------|--|-------------------|
|  | <u>Workers'</u><br><u>Compensation</u> | <u>Health</u><br><u>Insurance</u> | <u>Auto Collision</u><br><u>Insurance Fund</u> |                   |
| <b>REVENUES</b>                          |  |                                   |  |                   |
| Charges for services                     | \$ 169,167                             | \$ 2,667,155                      | \$ 39,379                                      | \$ 2,875,701      |
| Total operating revenues                 | <u>169,167</u>                         | <u>2,667,155</u>                  | <u>39,379</u>                                  | <u>2,875,701</u>  |
| <b>OPERATING EXPENSES</b>                |  |                                   |  |                   |
| Personal services                        | (214,870)                              | 2,489,987                         | -  | 2,275,117         |
| Contractual services                     | -                                      | 584,024                           | -  | 584,024           |
| Utilities                                | -                                      | -                                 | 12,795   | 12,795            |
| Repairs and maintenance                  | -                                      | -                                 | 33,446   | 33,446            |
| Total Operating Expenses                 | <u>(214,870)</u>                       | <u>3,074,011</u>                  | <u>46,241</u>                                  | <u>2,905,382</u>  |
| Operating income (loss)                  | <u>384,037</u>                         | <u>(406,856)</u>                  | <u>(6,862)</u>                                 | <u>(29,681)</u>   |
| <b>NON-OPERATING REVENUES (EXPENSES)</b> |  |                                   |  |                   |
| Interest and investment revenue          | 1,894                                  | 7,682                             | -  | 9,576             |
| Miscellaneous revenue                    | -                                      | 44,962                            | 533  | 45,495            |
| Total non-operating revenue (expenses)   | <u>1,894</u>                           | <u>52,644</u>                     | <u>533</u>                                     | <u>55,071</u>     |
| Change in net position                   | 385,931                                | (354,212)                         | (6,329)  | 25,390            |
| Total net position - beginning           | (744,262)                              | 818,867                           | 190,141  | 264,746           |
| Total net position - ending              | <u>\$ (358,331)</u>                    | <u>\$ 464,655</u>                 | <u>\$ 183,812</u>                              | <u>\$ 290,136</u> |

**CITY OF BARTLESVILLE, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2018**

**Combining Cash Flow Statement – Internal Service Funds – Year Ended June 30, 2018**

|  | <b>Internal Service Funds</b>    |                             |  | <b>Total</b>        |
|--|----------------------------------|-----------------------------|--|---------------------|
|  | <b>Workers'<br/>Compensation</b> | <b>Health<br/>Insurance</b> | <b>Auto Collision<br/>Insurance Fund</b> |                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                                  |                             |  |                     |
| Receipts from customers  | \$ 168,831                       | \$ 2,710,588                | \$ 39,912                                | \$ 2,919,331        |
| Payments to suppliers and employees  | (250,018)                        | (3,076,015)                 | (43,179)                                 | (3,369,212)         |
| <b>Net cash provided by (used in) operating activities</b>   | <b>(81,187)</b>                  | <b>(365,427)</b>            | <b>(3,267)</b>                           | <b>(449,881)</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                                  |                             |  |                     |
| Sale of investments  | 79,293                           | 357,745                     | 3,267                                    | 440,305             |
| Interest and dividends   | 1,894                            | 7,682                       | -  | 9,576               |
| <b>Net cash provided by investing activities</b>   | <b>81,187</b>                    | <b>365,427</b>              | <b>3,267</b>                             | <b>449,881</b>      |
| <b>Net increase in cash and cash equivalents</b>   | <b>-</b>                         | <b>-</b>                    | <b>-</b>                                 | <b>-</b>            |
| <b>Balances - beginning of year</b>  | <b>60,000</b>                    | <b>45,900</b>               | <b>-</b>                                 | <b>105,900</b>      |
| <b>Balances - end of year</b>  | <b>\$ 60,000</b>                 | <b>\$ 45,900</b>            | <b>\$ -</b>                              | <b>\$ 105,900</b>   |
| <b>Reconciliation to Statement of Net Assets:</b>  |                                  |                             |  |                     |
| Cash and cash equivalents  | \$ -                             | \$ 45,900                   | \$ -                                     | \$ 45,900           |
| Cash held by third parties   | 60,000                           | -                           | -  | 60,000              |
| <b>Total cash and cash equivalents, end of year</b>  | <b>\$ 60,000</b>                 | <b>\$ 45,900</b>            | <b>\$ -</b>                              | <b>\$ 105,900</b>   |
| <b>Reconciliation of operating income (loss) to net cash provided by (used in) Operating Activities:</b> |                                  |                             |  |                     |
| Operating income (loss)  | \$ 384,037                       | \$ (406,856)                | \$ (6,862)                               | \$ (29,681)         |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: |                                  |                             |  |                     |
| Miscellaneous revenue  | -                                | 44,962                      | 533                                      | 45,495              |
| Change in assets and liabilities:  |                                  |                             |  |                     |
| Other receivable   | (336)                            | (1,529)                     | -  | (1,865)             |
| Accounts payable   | (10,426)                         | (2,004)                     | 3,062                                    | (9,368)             |
| Claims liability   | (454,462)                        | -                           | -  | (454,462)           |
| Prepaid expense  | -                                | -                           | -  | -                   |
| <b>Net cash provided by (used in) operating activities</b>   | <b>\$ (81,187)</b>               | <b>\$ (365,427)</b>         | <b>\$ (3,267)</b>                        | <b>\$ (449,881)</b> |

**CITY OF BARTLESVILLE, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2018**

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**INTERNAL CONTROL AND COMPLIANCE INFORMATION**

**CITY OF BARTLESVILLE, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2018**

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

To the Honorable Mayor and City Council  
City of Bartlesville, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bartlesville, Oklahoma, (the “City”), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated August 22, 2019. Our report includes a reference to other auditors who audited the financial statements of the Community Center Trust Authority, Bartlesville Development Authority, and the Bartlesville Redevelopment Trust Authority, as described in our report on the City’s financial statements as well as the adoption of GASB No. 75. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

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

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Arlidge & Associates, P.C.*

August 22, 2019



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA (THE "CITY") APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE BARTLESVILLE EDUCATION AUTHORITY (THE "AUTHORITY") ISSUING ITS LEASE REVENUE NOTE, SERIES 2019 (BARTLESVILLE PUBLIC SCHOOLS) (THE "NOTE"); PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE NOTE INDENTURE AUTHORIZING THE ISSUANCE OF SAID NOTE; WAIVING COMPETITIVE BIDDING WITH RESPECT TO THE SALE OF SAID NOTE AND APPROVING THE PROCEEDINGS OF THE AUTHORITY PERTAINING TO THE SALE OF SAID NOTE; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA:

SECTION 1. Indebtedness Authorized. The Bartlesville Education Authority (the "Authority") is hereby authorized to incur an indebtedness by the issuance of its Lease Revenue Note, Series 2019 (Bartlesville Public Schools), or similarly styled obligations, in the amount of \$8,700,000.00 (referred to herein as the "Note"), according to the terms and conditions of a Note Indenture by and between the Authority and BOKF, NA, as Trustee (the "Note Indenture"), provided that said Bonds shall never constitute a debt of the City of Bartlesville, Oklahoma (the "City").

SECTION 2. Organizational Document Subject to Note Indenture. The organizational document creating the Authority is hereby made subject to the terms of the Note Indenture authorizing the issuance and securing the payment of the Note as more fully described in Section 1 hereof.

SECTION 3. Waiving Competitive Bidding; Approval of Sale Proceedings. The waiving of competitive bidding for the sale of the Note and the sale of said Note by the Authority to a financial institution, is hereby approved, pursuant to 60 O.S. 176(G). The Authority shall set forth the purchaser of the Note in its Certificate of Determination.

SECTION 4. Authorizing Execution. The Chairman or Vice Chairman and City Clerk or Deputy City Clerk of the City representing the City at the closing of the above-referenced Note issue are hereby authorized to approve and make any changes to the documents approved by this Resolution, for and on behalf of the City, the execution and delivery of such documents being conclusive as to the approval of any changes contained therein by the Authority; and to execute and deliver on behalf of the City any and all certifications and documentation necessary or attendant to the delivery of the Note, as directed by Bond Counsel.

PASSED AND APPROVED THIS 3<sup>RD</sup> DAY OF SEPTEMBER, 2019.

CITY OF BARTLESVILLE, OKLAHOMA

(SEAL)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

CERTIFICATE  
OF  
CITY COUNCIL ACTION

I, the undersigned, hereby certify that I am the duly qualified and acting City Clerk of the City of Bartlesville, Oklahoma.

I further certify that the City Council of the City of Bartlesville, Oklahoma, held a Regular Meeting at 7:00 o'clock p.m., on September 3, 2019, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said City Council at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Council members present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved; and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 3<sup>RD</sup> DAY OF SEPTEMBER, 2019.

CITY OF BARTLESVILLE, OKLAHOMA

(SEAL)

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

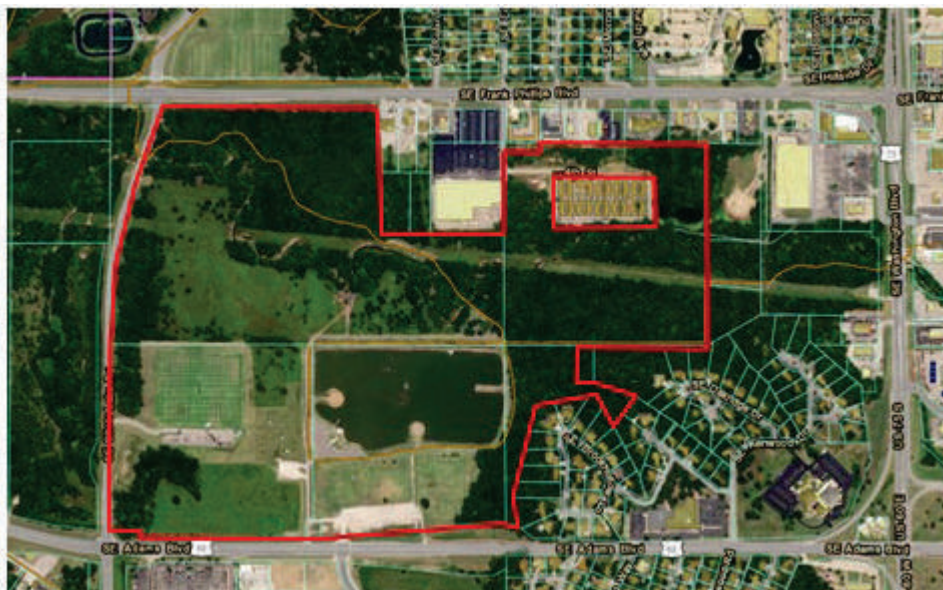
## I. SUBJECT, ATTACHMENTS, AND BACKGROUND

Consider and take action on a proposal from the Jon Lindblom of Safari Smiles for the installation of an 18-hole disc golf course on property owned by the City of Bartlesville.

Attachments:  
Proposal

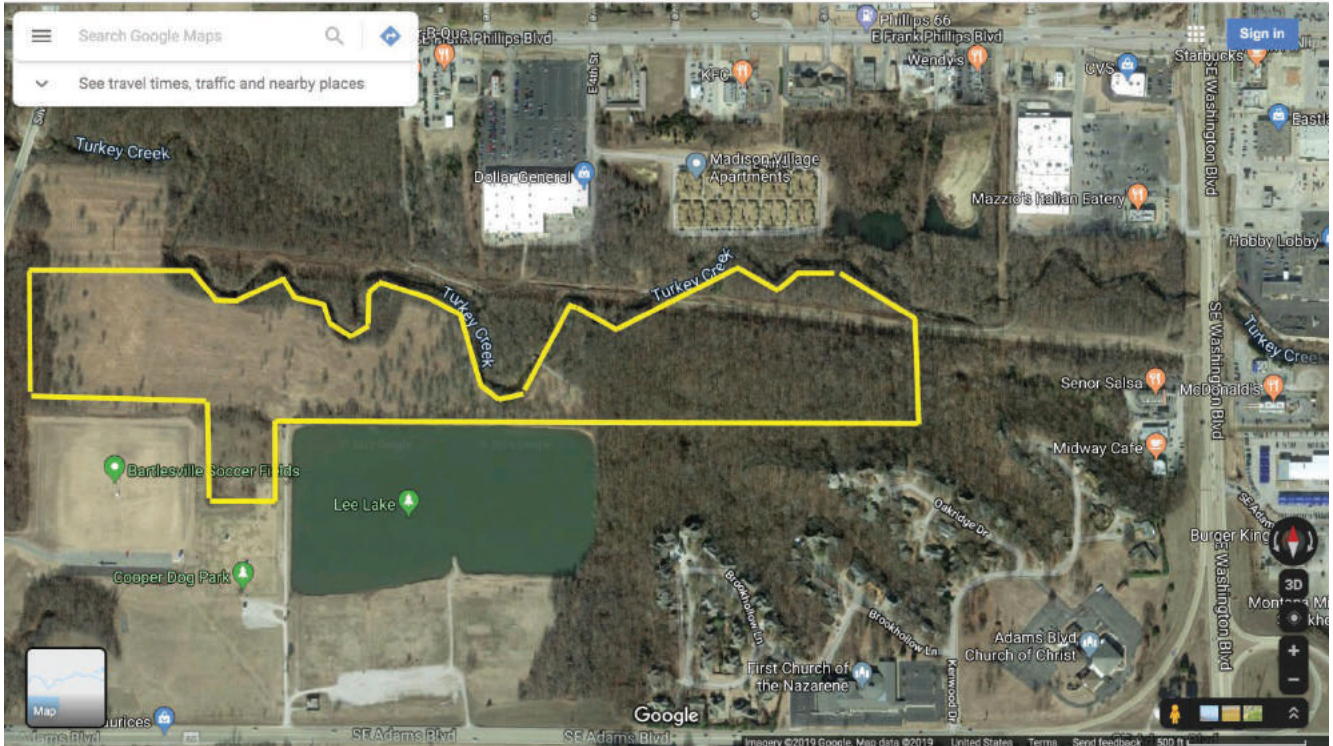
## II. STAFF COMMENTS AND ANALYSIS

At the August 15, 2019 Park Board meeting, Jon Lindblom of Safari Smiles presented a proposal to install a championship caliber 18-hole competitive length disc golf course on land owned by the City of Bartlesville lying north of Lee Lake. The City owns approximately 194 acres in the Lee Lake area (shown below). The proposed disc golf course (location shown on page 2 and in the attached proposal) would be on 45 acres lying north of Lee Lake. The majority of this 45-acre site is a wooded undeveloped area through which Pathfinder Parkway traverses (Pathfinder Parkway trail is shown in yellow in the following photograph). The western portion of this site, which has been cleared, is a former landfill site which is not suitable for development. This 45-acre site, like most of Lee Lake Park, lies within the floodplain of the Caney River. The proposed disc golf course would not interfere with Pathfinder Parkway or any other activity areas within Lee Lake Park. Users of the proposed disc golf course would share off-street parking and restrooms that are available at this site. If installed, this would be the third 18-hole disc golf course in the City of Bartlesville.



City-owned land – Approx. 194 acres

## Proposed Disc Golf Course Location – Approx. 45 acres



Installation of a disc golf course in this location would have only minimal impact on the existing landscape. The wooded area has mature trees with a dense canopy which is preferred and would be maintained. Minimal tree removal would occur to allow alleyways for holes.

If the use of this property as proposed is approved by the City Council, Mr. Lindblom would then proceed to work with a professional disc golf course designer and City Staff to layout the 18-hole course. Once a final design has been prepared, it would go back to the Park Board for final approval.

Mr. Lindblom would pay for all costs associated with course design, course equipment, professional signage and installation. Maintenance would be provided by the local disc golf club in the same manner that is done at the Shawnee disc golf course. Attached to this report is the full proposal as submitted to the Park Board.

### III. RECOMMENDED ACTION

After review of the proposal, the Park Board unanimously voted to recommend the use of this City-owned acreage for a disc golf course as proposed by Jon Lindblom subject to Park Board approval of the final course layout.



# Safari Smiles Disc Golf Park Proposal

## What is Disc Golf?

1. Similar to regular golf but you throw discs towards a basket instead of hitting a ball towards a hole. All other rules are fairly similar.
2. The first course was installed in 1975. By 1995, there were 500 courses. By 2008, 2700 courses, and in 2019 there are over 8000 courses nationwide.
3. It's the fourth fastest growing sport in the US
4. There is a professional governing body for the sport called the Professional Disc Golf Association or the PDGA
5. In the last 10 years, there's been a 4-fold increase in PDGA members, disc golf courses and PDGA tour events.
6. Texas has the most PDGA members and the most courses of any state.

## Benefits of Disc Golf

1. It encourages outdoor competitive activities for all ages
2. The average course takes between 7000 to 8000 steps to complete with lots of core muscle groups engaged during play.
3. It's a sport that costs very little to play. Dunhams sells discs locally for as little as \$8 each and you only need 1-2 to start playing. The rounds are free and family friendly. Many communities start leagues to encourage competition and usage of courses.
4. It's environmentally friendly as courses have minimal disruption to surrounding areas unlike ball golf. Courses are often constructed in areas that are unsuitable for other sports.
5. Championship level courses can host events that bring hundreds of visitors to town for a weekend. Emporia Kansas (town of 25,000 2.5 hours away) hosts disc golf events that bring an economic impact of over 1 million dollars annually to their community.

## Benefits of Proposed Location

1. The location is in the floodplain and is basically non-developable
2. The proposed location will NOT impact any other users of the area negatively. The course will be designed with SAFETY being the number one priority. Sooner Park is a poor design regarding safety as disc paths cross walkways multiple times throughout the course. This reflects the time it was installed and is common for courses of that era. Today's modern courses are built with safety being paramount to a professional design.
3. Amenities for both casual play and tournaments are already there. These include restroom facilities, ample parking and easy access to the course.
4. The area has beautiful mature trees with a dense canopy. The trees also have fairly wide spacing between them with minimal underbrush present. Minimal impact needs to be made to remove select trees to

allow alleyways for holes. The most recent course built 3 years ago off Shawnee by the high school has much denser trees and foliage comparatively.

5. The area also has open grassland and fields that also allow for more open and long shots while also not impacting any other pedestrians.
6. The location also allows for easy access for mowers, trucks, etc for course installation and maintenance
7. While pathfinder runs through this area, the course will be designed to have zero impact on its users. There is more than enough room in this location to design holes that have no chance of endangering users of pathfinder. This is similarly observed at the Shawnee course. Pathfinder is adjacent to the disc golf course at multiple points but pathfinder users are never impacted. This is crucial especially in this day and age when the majority of pathfinder users are wearing headphones and can't hear warnings.

#### What is My Plan?

1. Pending approval by this board, the city, and the city council, I will hire a professional disc golf course designer named Eric McCabe out of Emporia Kansas. His bio and estimate are in your packet. He is already familiar with Bartlesville because as a youth he was a competitive gymnast who competed here.
2. Mr. McCabe is being hired to design a championship level disc golf course and his number one emphasis in design is safety.
3. He also works at the second largest disc golf manufacturer in the US that happens to be in Kansas; Dynamic Discs.
4. His involvement in this project will add credibility to our course, make it easier to market for tournaments, and hopefully entice Dynamic Discs to come down and sponsor events.
5. Safari Smiles will pay ALL costs associated with course design, course equipment, professional signage and installation (along with a slew of volunteers from the local disc golf club)
6. Maintenance will be provided by the local disc golf club in exactly the same way as the Shawnee course. Maintenance in a wooded course is much easier than open fields that need constant mowing (like Sooner Park) although the initial installation is more difficult with some tree removal.
7. Currently, Bartlesville has two disc golf courses. Both are very nice, but are not championship caliber. The holes are too short (due to land constraints) and in Sooner Park's case, they would be too dangerous for major tournaments. Pawhuska, on the other hand, has 5 courses; all but one installed in the last 10 years. They have a very active disc golf community and 3 of the 5 are championship caliber. Two have already hosted major tournaments bringing hundreds of people to Pawhuska for the weekend from all across the nation. The newest championship level course was recently installed on the 9-hole ball golf country club course.

8. Pending approval and installation, I'm also planning on providing the Boys and Girls Club with a free disc golf basket and an assortment of discs for play and practice. Unfortunately, Bartlesville has many children who don't get to play more traditional sports due to finances.
9. This course addition fits nicely into Safari Smiles' objectives in promoting overall health through activities that are both active and fun while also improving Bartlesville in every way we can!

**Summary:**

1. The proposed location is not currently used and undevelopable
2. The location has perfect established amenities already present
3. The course will be professionally designed with safety being paramount and zero impact to pathfinder users
4. The course will be championship caliber with the ability to host major events in the future
5. Disc Golf is one of the fastest growing sports in the US and our region of the country is home to more disc golfers than anywhere else
6. My ultimate goal is to get more kids outside versus being inside behind a screen. It's a great workout, it's fun, it's cheap, it's challenging and it's a sport that growing quickly!





# DYNAMIC DISCS

Dynamic Distribution  
3601 W 6th Ave.  
Emporia, Kansas 66801  
620-208-9260  
Prepared by: Eric McCabe

DATE: 7/29/2019  
CUSTOMER: Jon Lindblom  
LOCATION: Bartlesville, OK  
EMAIL: jon.lindblomdds@gmail.com

| Product Description                                    | Quantity | Price | Extended Cost |
|--|----------|-------|---------------|
| Dynamic Discs Veteran Basket                           | 18       | \$325 | \$5,850.00    |
| - Includes ground sleeve, locking collar, lock and key |          |       |               |
| Dynamic Discs Deluxe Tee Signs - Large with Frame      | 18       | \$100 | \$1,800.00    |
| Eric McCabe Champion Design                            |          |       | \$6,000.00    |
| Dynamic Discs Course Map/Kiosk                         | 1        | \$0   | \$0           |
| Dynamic Discs Veteran Practice Basket                  | 1        | \$0   | \$0           |
|  |          |       |               |
|  |          |       |               |
| Shipping/Travel  |          |       | \$800.00      |

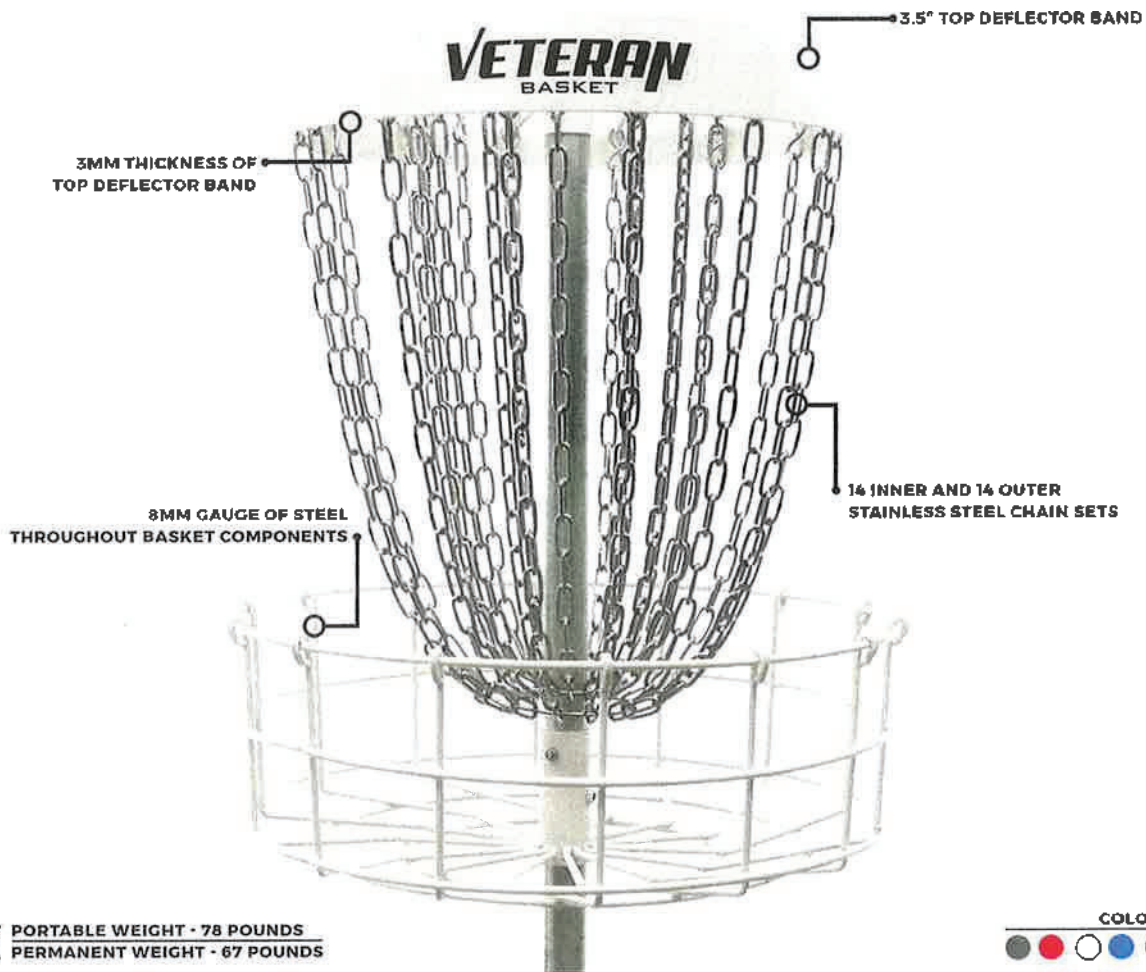
|              |             |
|--------------|-------------|
| QUOTE TOTAL: | \$14,450.00 |
|--------------|-------------|

This is NOT an invoice  
Shipping and Travel estimate may change

# VETERAN

## BASKET

AS A PDGA APPROVED CHAMPIONSHIP LEVEL DISC GOLF TARGET, THE VETERAN BASKET IS A GREAT SOLUTION FOR YOUR MOST DURABLE BASKET DEMANDS. STARTING WITH GALVANIZED METAL COMPONENTS FOLLOWED BY A POWDER COATING APPLICATION ENSURES THAT THE ELEMENTS WILL NOT COMPROMISE THE FUNCTIONALITY OR AESTHETICS OF YOUR NEW BASKET. EQUIPPED WITH AN INDUSTRY FIRST 18-8 STAINLESS STEEL CHAIN ASSEMBLY, THESE CHAINS WILL LOOK AND SOUND GREAT FOR YEARS TO COME. A PROVEN NAME WITH A GREAT PRODUCT AT A GREAT PRICE. ENLIST THE VETERAN FOR YOUR COURSE TODAY!





## IMPORTANCE OF GOOD DESIGN

There is a lot that goes into a good, quality design. It is very important that the design is well thought out and every potential mishap is considered. A good design will provide a challenging but fair layout with safety being the number one priority. A great design is more than just a collection of fun or picturesque holes, it should emphasize the character and flow of the land. The more imagination that goes into the overall course, the more successful it will be. Each course has unique geography and flora which a great design will utilize to enhance the aesthetic of your park while challenging players of all skill levels.

## WHY HIRE A PROFESSIONAL?

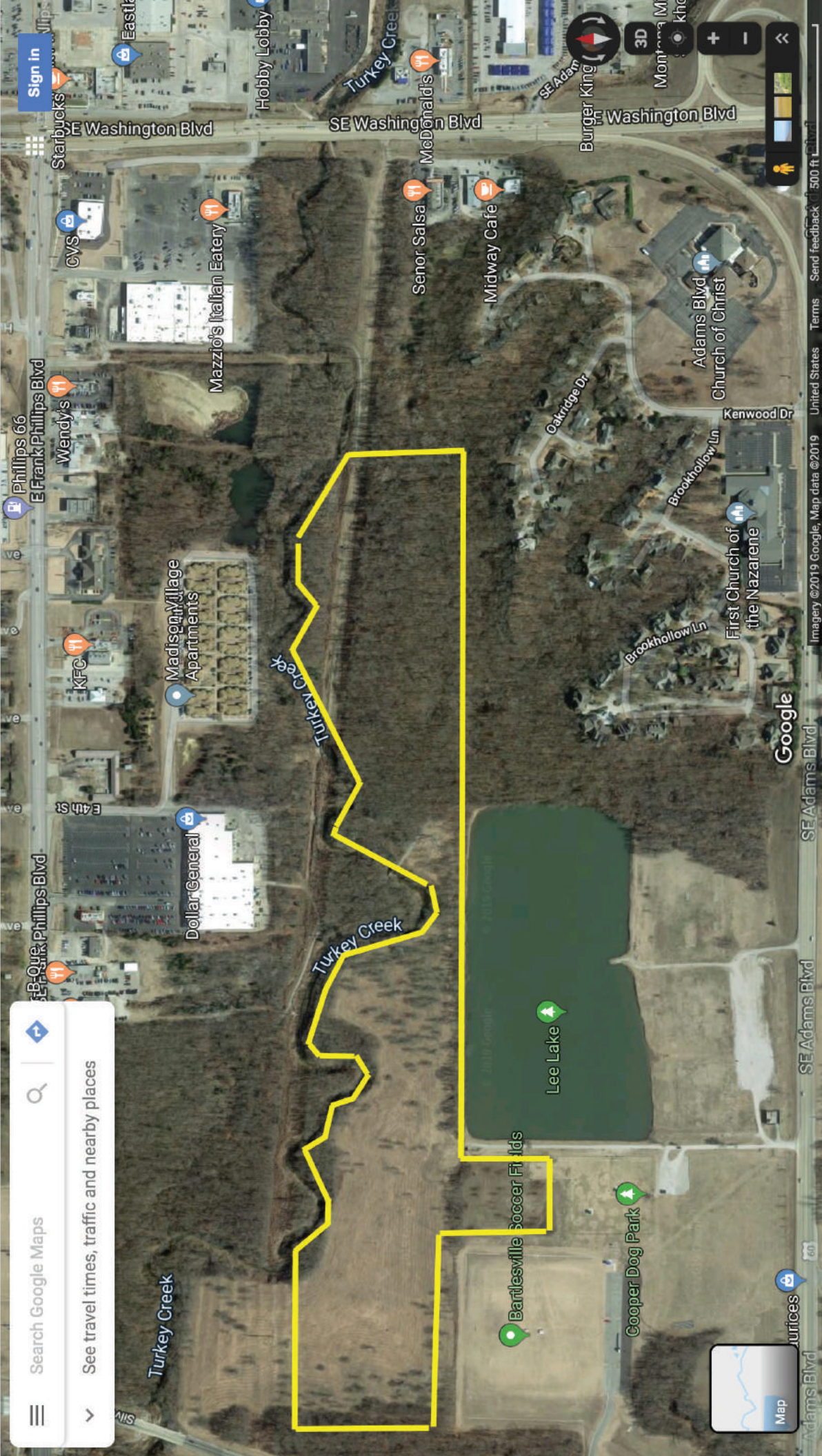
One of the most important aspects of design is ensuring safety is top priority. Hiring a professional to design your course will not only warrant safety but assure the best use of your property. Course design is an art that not everyone has an eye for. It will make or break the popularity of the course. Experience, knowledge, and credibility are all reasons to hire a professional.



My name is Eric McCabe and I am not only a Professional Disc Golf World Champion, but I'm also a World Class Course Designer. I've designed multiple courses across the United States, some of which have been utilized in the 2013 PDGA Amateur World Championships and the 2016 PDGA Professional World Championships.



Search Google Maps  
See travel times, traffic and nearby places



Google



**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Discuss and take action on a change order #1 from Jonesplan LLC for the Tower Center at Unity Square project, presented by Terry Lauritsen.

*Attachments:*

Change Orders for Gorman (building bid package) and Third Generation Electric (electrical bid package)

**II. STAFF COMMENTS AND ANALYSIS**

When Council accepted/awarded the seven work packages for the construction of the Tower Center at Unity Square project through Jonesplan, the awards were contingent on future change orders or quantity adjustments to get the project within budget. The overall cost of the original bids, without any change orders and/or quantity adjustments, was \$2,247,682.29. The available budget for construction is currently \$2,039,262, which the City's \$1.75MM GO bond funds has been augmented by the generosity of donations from the Lyon Foundation (\$250,000), Arvest Bank (\$10,000), the Parson Foundation (\$60,000) and recently ConocoPhillips donated \$100,000 toward the project. Shown below is a summary of the work packages, Jonesplan's subcontractor and modifications necessary to get the project within budget.

**WP 1 - RESTROOMS, STORAGE BUILDING AND STAGE CANOPY**

\$ 555,700.00 – Gorman Construction

**(\$4,250.00) Change order required to utilize different toilet partitions**

\$ 551,450.00 Updated value of work package

**WP 2 - DEMOLITION, EARTHWORK AND UTILITIES**

\$ 145,598.75 – Whaling Construction

No change orders necessary on work package

**WP 9 - PAINTINGS AND COATINGS**

\$ 25,000.00 – River Paint

No change orders necessary on work package

WP 26 - ELECTRICAL AND LANDSCAPE LIGHTING

\$ 310,000.00 – Third Generation Electric

**\$16,734.00** Change order required to add back embedded lights in concrete rays, to remove 6 small bollard lights and to remove 1 tall light

\$ 326,734.00 Updated cost of work package

WP 32A - ASPHALT PAVING AND CURB AND GUTTER

\$ 64,898.00 – KSL Construction

No change orders necessary on work package

WP 32B - SITE CONCRETE

\$ 315,157.79 – Jonesplan

**(\$120,223.29)** Quantity adjustments on concrete work, removal of offsite ADA ramps. Change order required to get a unit price for a standard concrete turn down curb.

\$ 194,934.50 Updated cost of work package

WP 32C - LANDSCAPE AND IRRIGATION

\$ 509,527.75 – Jonesplan

**(\$114,869.75)** Quantity adjustments for modified planting beds, decomposed granite, sod and greenscreen. Change order required to reduce number of trees, irrigation, change steel edging detail and water feature restoration

\$ 394,658.00 Updated cost of work package

CONSTRUCTION MANAGEMENT AND GENERAL CONDITIONS

\$ 290,000.00 – Jonesplan

CONTINGENCY

\$ 40,000.00 – These are funds reserved for any unexpected items that may come up during construction.

The total cost of the project, including all of the needed quantity adjustments, change orders and contingency, is \$2,033,273.25 and within the current available budget of \$2,039,262.00.

Change Order #1, which is attached, provides the modifications necessary to WP1 – Restrooms, Storage Building and Stage Canopy and WP 26 – Electrical and Landscape Lighting. For WP 1, the change order will remove the concrete block walls for the toilet partitions within the bathroom and replace them with phenolic core partitions, which will reduce contract by \$4,250.

For WP 26 (Electrical), this work package was rebid with a reduced scope, per the value engineering approved by Council in July, to bring the cost of the improvements within budget. With the recent receipt of \$100,000 from ConocoPhillips, several items left out of the accepted bids are able to be added back into the contract. One of

the high priority add backs that the Design Committee selected were the embedded lights within the concrete rays. The proposed change order will add back these embedded lights, as well as removing light fixtures that were redundant, due to other lighting components, and not needed. The change order for this bid package will increase the contract by \$16,734.00.

Change orders for the Site Concrete and Landscaping, both with Jonesplan serving as the sub, are still being developed and will be presented for Council consideration in October.

### **III. RECOMMENDED ACTION**

Staff recommends approval of Change Order #1 with Jonesplan with an overall net increase in the contract amount by \$12,484.



415 S Owasso Ave.  
Tulsa, OK 74120

office: 918.832.5544  
www.jonesplan.com

## CHANGE ORDER

Project Name Tower Center at Unity Square

Owner City of Bartlesville

Contractor Jonesplan, LLC

Change Order Number #1

Original Contract Date 8/16/2019

### The Contract is changed as follows:

Adjustment of Contract price to deduct CMU block toilet partitions from the Base Bid and to replace with phenolic core toilet partitions. This Change Order is contingent on the approval of Bartlesville City Council.

|   |                     |
|---|---------------------|
| The original Contract Sum was:                                    | <u>\$555,700.00</u> |
| Net amount of previous change orders                              | <u>\$0</u>          |
| The Contract Sum prior to this Change Order was                   | <u>\$555,700.00</u> |
| Total amount of this Change Order                                 | <u>(\$4,250.00)</u> |
| The new Contract Sum including this Change Order will be          | <u>\$551,450.00</u> |
| The Contract Time will be changed by the following number of days | <u>0 Days</u>       |
| The new date of Substantial Completion will be                    | <u>Unchanged</u>    |

Jonesplan, LLC  
Construction Manager

Gorman Construction Company  
Subcontractor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# Think Outside.





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Tulsa, OK 74120

office:918.832.5544  
www.jonesplan.com

## CHANGE ORDER

Project Name Tower Center at Unity Square

Owner City of Bartlesville

Contractor Jonesplan, LLC

Change Order Number #1

Original Contract Date 8/26/2019

### The Contract is changed as follows:

Adjustment of Contract price to deduct the value of six (6) F1 lighted bollards, and to deduct the value of one (1) F9 light pole from the project base bid amount. In addition, this Change Order will add Bid Alternate Item # 5, (23) concrete-embedded F5 lights. This Change Order is contingent on the approval of Bartlesville City Council.

The original Contract Sum was: \$310,000.00

Net amount of previous change orders \$0

The Contract Sum prior to this Change Order was \$310,000.00

Total amount of this Change Order \$16,734.00

The new Contract Sum including this Change Order will be \$326,734.00

The Contract Time will be changed by the following number of days 0 Days

The new date of Substantial Completion will be Unchanged

Jonesplan, LLC  
Construction Manager

Third Generation Electrical, Inc.  
Subcontractor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# Think Outside.

**I. SUBJECT, ATTACHMENTS, AND BACKGROUND**

Discuss and take possible action to adopt an agreement with Tri-County Technology Center for leasing of office space for East Side Substation of the Bartlesville Police Department.

Attachments:

Lease Agreement

**II. STAFF COMMENTS AND ANALYSIS**

The Bartlesville Police Department staff wants to establish an East Side Substation. The headquarters for this department is located in the downtown area. The substation will allow police officers to be more effective and available to the public. Officers will have more of a presence on the East side of Bartlesville. Officers will be able to use the dedicated office space to prepare reports, etc. without traveling to the West side. This will also enable officers to respond to calls in progress with a better response time. The substation will benefit the community with another location and more effective police officers in their area.

**III. RECOMMENDED ACTION**

Staff recommends that Council adopt the lease agreement with Tri-County Technology.

## LEASE AGREEMENT

This **LEASE AGREEMENT** ("Agreement") is made this \_\_\_\_ day of August, 2019, by and between **TRI COUNTY TECHNOLOGY CENTER** ("Landlord") and the **CITY OF BARTLESVILLE, OKLAHOMA** ("Tenant").

### RECITALS:

A. Landlord is the owner of the Tri County Technology Center Bartlesville Campus located at 6101 Nowata Road, Bartlesville, Oklahoma ("Campus"). Tenant desires to lease office space on the Campus from the Landlord for the purpose of providing a satellite office to the Bartlesville Police Department. The total space to be leased shall consist of six offices containing approximately 1266 square feet with access to the building's common areas and parking lots (the "Leased Premises"). The Leased Premises are further described and depicted on the floor plan attached hereto as Exhibit "A".

B. Upon the terms and conditions herein stated, Landlord desires to lease existing office space to Tenant and Tenant desires to lease the office space from Landlord.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound, the parties hereto agree as follows:

1. **Lease.** Upon the terms and conditions hereinafter stated, Landlord hereby leases the Leased Premises described above to Tenant and Tenant hereby leases the Leased Premises from the Landlord. The Landlord reserves the right to relocate the Leased Premises to comparable space on the Campus, provided the Landlord pays any expenses associated with relocation.

2. **Term and Renewal.** The term of this Agreement begins on the date of execution and ends on June 30, 2020, unless terminated at an earlier date as provided herein. Upon the termination of this Agreement, by lapse of time or otherwise, Tenant agrees to surrender possession of the Leased Premises to Landlord in good condition and repair, subject to ordinary wear and tear and subject to damage caused by fire or other casualties. This Agreement may be renewed for additional one (1) year periods (running from July 1 to June 30) by mutual ratification of renewal by the governing boards of Landlord and Tenant.

3. **Rental.** For the use and possession of the Leased Premises, Tenant agrees to pay Landlord rent in the amount \$100 per month. The rental amount is subject to change upon mutual agreement for any renewal period. The Landlord will invoice the Tenant for the rent on a semi-annual basis at the end of each six-month period and Tenant agrees to pay such invoice promptly upon receipt. Invoicing and payment schedule may be changed by mutual agreement between the parties. As additional consideration for the lease of the Leased Premises, Tenant agrees to provide a regular police presence on the Campus and to park its marked police cars on the Campus' East and West parking lots.

4. **Use.** The space will be used by Tenant for the purpose of providing office and meeting space for Tenant's police officers and for no other purpose. Tenant specifically agrees that it will not use the Leased Premises for the detention of prisoners or for the storage of weapons and ammunition. Tenant agrees that its operations in the office space will be in full and strict compliance with the requirements of applicable state, municipal, and federal laws, rules, and regulations. In the event that Landlord reasonably determines that Tenant is not complying with the provisions of this Agreement concerning the nature and character of the operation, Landlord shall give Tenant written notice. If Tenant fails to correct deficiencies in the operation within fifteen (15) days after receipt of Landlord's notice, Landlord shall have the right to terminate this Agreement; provided, however, if the deficiency is of a nature which cannot be reasonably expected to be cured within fifteen (15) days, Tenant shall commence appropriate curative action within such fifteen (15) day period and carry such curative action forward diligently until completing such curing, and in the event of such curing, in accordance with the provisions of this sentence, Landlord shall not have the right to terminate except as otherwise provided in this Agreement.

5. **Alterations, Additions or Improvements.** Landlord agrees to provide reasonable and necessary office furniture and to provide new paint and carpet for the Leased Premises. Landlord shall have no other obligation to provide equipment or to perform other work of any nature to make the Leased Premises ready for Tenant's use at any time during the Term of this Agreement. Tenant has inspected the Leased Premises with these considerations in mind and accepts the same in its present condition.

No alterations, additions, or improvements to the office space may be made by Tenant without the written consent of the Landlord. Tenant must submit a written proposal to the Landlord and receive written approval from the Landlord before beginning any alteration, addition, or improvement.

6. **Utilities and Custodial Services.** Landlord shall provide, at Landlord's expense, normal utility services, including water, heating and air conditioning, sewer, refuse disposal, and electricity. Routine custodial services will be provided by Landlord, at Landlord's expense, for the Leased Premises on a daily basis after normal operation hours. Landlord shall provide, at Landlord's expense, security services to the Leased Premises during Tenant's regular business hours.

7. **Liability Insurance.** Tenant shall furnish Landlord with a certificate of public liability insurance providing at least One Million Dollars (\$1,000,000) of combined single limit coverage. Tenant's insurance will be primary over any liability insurance of Landlord. The certificate shall provide for at least ten (10) days' written notice to Landlord before cancellation of the policy or reduction of the coverage for any reason, including nonpayment of the premium. Tenant agrees to maintain the above insurance coverage in force and effect during the entire term of this Agreement. All property of Tenant at the office space shall be there at Tenant's sole risk and Landlord will not be liable for any loss, theft, damage, destruction of, vandalism to, or disappearance of Tenant's property at the office space from any cause or event.

8. **Indemnification.** Tenant shall, to the extent permitted by law, indemnify and

hold the Landlord harmless from and against all liabilities, obligations, damages, claims or actions, and from all associated costs, including reasonable attorneys' fees, arising from or related to the Tenant's use and occupancy of the Leased Premises, whether or not created by the Tenant. If any such action or proceeding is brought against the Landlord, the Tenant, upon written notice from the Landlord, shall at Tenant's sole cost and expense, resist or defend the same through counsel satisfactory to Landlord. This indemnity is supplemental to, and not in lieu of, the insurance required of Tenant. The parties acknowledge that each are subject to the provisions of the Government Tort Claims Act (Okla. Stat. tit. 51, Sec 151 et. seq.).

9. **Damage by Fire or Other Casualty.** If the Leased Premises are destroyed or substantially damaged by fire or other casualty, either Tenant or Landlord can terminate this Lease. The office space shall be deemed to be "substantially damaged" if Tenant's use and occupancy is adversely affected and if, by the exercise of reasonable diligence on the part of the contractor or contractors involved, such damage could not be reasonably expected to be repaired within one (1) month after the occurrence of such damage.

10. **Notices.** Any notices required or contemplated under this Agreement shall be addressed to the parties as follows:

If to the District: Lindel Fields, Superintendent  
Tri County Technology Center  
6101 Nowata Road  
Bartlesville, OK

If to the Tenant: Jason Muninger, City Clerk  
City of Bartlesville  
401 S. Johnstone  
Bartlesville, OK 74003

All notices shall be sent certified mail, return receipt requested. Notices mailed in accordance with the foregoing shall be deemed to have been delivered five (5) days after deposit in the U.S. Mail.

11. **Tenant's Default.** Tenant's failure to perform any obligation to Landlord arising under this Agreement within thirty (30) days after notice from Landlord, specifying with particularity the obligation in which Landlord claims that Tenant is in default. Upon the occurrence of an uncorrected event of default, after notice and opportunity to cure aforesaid, Landlord shall have the right to terminate this Agreement and Tenant's rights hereunder, including the right to occupy the office space. Tenant may terminate this Agreement for any reason upon thirty (30) days' written notice to Landlord.

12. **Non-Discrimination.** Tenant agrees that it will not discriminate on the basis of race, color, religion, age, national origin, genetic information, gender, sexual orientation, or handicapped condition in the conduct of Tenant's programs conducted on the Landlord's property and in the office space.

13. **Risk of Loss.** Landlord shall have no responsibility for any loss of, damage to, or destruction or disappearance of any of Tenant's property, whether on Landlord premises or in the Leased Premises, and Tenant assumes the risk of any and all such loss. Tenant understands that Landlord does not and will not maintain any insurance covering Tenant's property. Tenant waives any right of subrogation on behalf of its insurance carrier against Landlord for any loss of, damage to, or destruction or disappearance of Tenant's property, whether occurring on Landlord's premises or in the Leased Premises.

14. **Venue / Governing Law.** The laws of the State of Oklahoma shall govern this Agreement. Any dispute between the parties arising out of this Agreement shall be brought in the Landlord Court of Washington County, Oklahoma or the United States District Court for the Northern District of Oklahoma, if federal court jurisdiction exists.

15. **Approvals and Consents.** In all instances in this Agreement in which any matter is subject to the agreement of both parties or to the approval or consent of either party, both parties agree that such approval or consent will not be unreasonably withheld, conditioned, or delayed.

16. **Miscellaneous.** This instrument represents the entire understanding between the parties hereto concerning the subject matter hereof and may be modified only by the mutual written agreement of the parties. This Agreement shall be binding upon the parties and their respective successors and assigns. Time is the essence of the obligations of the parties herein. Tenant shall not advertise or represent that Tenant is sponsored by or affiliated with Landlord.

**IN WITNESS WHEREOF,** the parties hereto have executed this Lease Agreement as of the date first above written.

**TRI COUNTY TECHNOLOGY CENTER**

**CITY OF BARTLESVILLE, OKLAHOMA**

By \_\_\_\_\_  
**President, Board of Education**

By \_\_\_\_\_  
**Mayor**

**“Landlord”**

**“Tenant”**

Attest \_\_\_\_\_  
**City Clerk**