



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

**REGULAR MEETING OF THE
BARTLESVILLE CITY COUNCIL**

**Monday, February 6, 2017
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. The Invocation will be provided by Pastor Chuck McCarthy, Bible Church of Bartlesville.**
- 4. Citizens to be heard.**
- 5. City Council Announcements and Proclamations.**
- 6. Authorities, Boards, Commissions and Committee Openings**
 - One opening on the Ambulance Commission
 - One opening on the Bartlesville Redevelopment Trust Authority
 - Three openings on the Sanitary Sewer Improvement Oversight Committee
 - One opening on the Tree Committee
 - One opening on the White Rose Cemetery Board
- 7. Consent Docket**
 - a. Approval of Minutes**
 - i. The Special Meeting Minutes of January 24, 2017.
 - b. Approval and/or Ratification of Appointments and Reappointments to Authorities, Boards, Commissions and Committees**
 - i. Reappointment of Mr. Allen Bretz to an additional three-year term on the City Planning Commission at the recommendation of Vice Mayor Kane.
 - c. Approval of Agreements and Contracts**
 - i. Approval of Contract between the City of Bartlesville and Chuck Parkin to render professional forestry services related to planning a twenty-year tree planting and caring program for the City of Bartlesville Park System.
 - ii. Approval of a Lease Agreement between the City of Bartlesville and Maddux & Ihrig, PLP for 1,850 square feet of the NE corner of the 4th floor of City Hall in the amount of \$10.00 per square foot.
 - d. Approval of Ordinance and Resolutions**
 - i. Approval of an ordinance amending Section 3-13 of the Bartlesville Municipal Code pertaining to intact permit fees.
 - ii. Approval of a resolution establishing the shelter rental fee for the Johnstone Park Pavilion and confirming the rental fee for all other park shelters.
 - iii. Approval of a resolution amending the budget of the City of Bartlesville, Oklahoma for Fiscal Year 2016-2017 appropriating FAA Grant Funds for Airport Apron Rehabilitation.
 - e. Receipt of Financials**
 - i. For the Five Months Ended November 30, 2016.
 - f. Receipt of Bids**
 - i. Bid No. 2016-2017-031 for elevator modernization at City Hall.

8. Discuss and take action to award Bid No. 2016-2017-030 for Library Materials and Processing Supplies. Presented by Vice Mayor Kane.
9. Presentation and approval of the City of Bartlesville Financial Audit for Fiscal Year 2015-2016. Presented by Anne Cole, Senior Audit Manager, Arledge & Associates.
10. Discuss and take action to approve a Field Management Agreement with the Richard Kane YMCA for Price Baseball and Softball Fields, Robinwood Park Soccer Fields, Daniels Soccer Fields, Lee Lake Soccer Fields, Artunoff Softball Fields, and Virginia Avenue Multi-Purpose Fields for Calendar Year 2017. Presented by Lisa R. Beeman, Director of Community Development and Parks Planner.
11. Discuss and take action on a resolution creating the Downtown Landscape Task Force based upon the Downtown Landscape Plan presented by Main Street Bartlesville to the City Council on May 16, 2016 and appointing members thereto. Presented by Councilman Gentges.
12. Review of the Professional Service Contract with Ambler Architects for Design of the Dewey Street and 2nd Street Landscape & Lighting Improvement Projects approved by City Council on September 17, 2012. Presented by Micah Siemers, P.E. Director of Engineering.
13. Discuss and take possible action regarding City Council liaisons to Authorities, Boards, Commissions and Committees. Presented by Mayor Copeland.
14. New Business
15. City Manager and Staff Reports.
16. City Council Comments and Inquiries.
17. 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 p.m. on Thursday, February 2, 2017.



Michael Bailey, City Clerk
Administrative Director/CFO



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.



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

**NOTICE OF SPECIAL MEETING
OF THE
BARTLESVILLE CITY COUNCIL**

**Tuesday, January 24, 2017
7 p.m.**

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

MINUTES

(The Special Meeting Notice and Agenda was posted at 5:30 p.m. on Friday, January 20, 2017)

Council Members Present were: Mayor Dale Copeland, Vice Mayor John J. Kane, Joseph Callahan, Ph.D., Jim Curd, Jr. and Alan Gentges.

Staff Present were: Ed Gordon, City Manager, Jerry Maddux, City Attorney, Mike Bailey, Administrative Director/CEO, Lisa Beeman, Director of Community Development and Parks and Recreation, Terry Lauritsen, Director of Water Utilities, Micah Siemers, P.E., Director of Engineering, Shellie McGill, Director of Human Resources and Interim Library Director, Fire Chief John Banks, and Elaine Banes, Executive Assistant.

- 1. Mayor Copeland called to order the business meeting of the Bartlesville City Council at 7:00 p.m.**
- 2. Roll called and a quorum was established.**
- 3. The Invocation was provided by Vice Mayor Kane.**
- 4. Citizens to be heard.**

There were no citizens to be heard.

- 5. City Council Announcements and Proclamations.**

There were no announcements or proclamations.

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

- One opening on the Ambulance Commission
- One opening on the Bartlesville Redevelopment Trust Authority
- Three openings on the Sanitary Sewer Improvement Oversight Committee
- One opening on the Tree Committee
- One opening on the White Rose Cemetery Board

Mayor Copeland invited citizens who wish to volunteer to contact the City Manager's Office to complete an application at the City's website, www.cityofbartlesville.org.

- 7. Consent Docket**

- a. Approval of Minutes**

- i. The Regular Meeting Minutes of January 3, 2017.

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

- i. Reappointment of Mr. David Nickel to an additional three year term on the Street and Traffic Committee at the recommendation of Councilman Callahan.

- c. Approval of Agreements and Contracts**

- i. Approval of a contract between the City of Bartlesville and Gale Cengage Learning for Chilton Library and Legal Forms in the amount of \$3701.22.
- ii. Approval of an agreement between the City of Bartlesville and the Bartlesville Regional Chamber of Commerce for the Library to be a Host Sponsor for Business After Hours in the amount of \$750.00.
- iii. Approval of a Professional Service Contract for \$19,000 with MPW Engineering, LLC for design and construction administration services for the boiler replacement at the Community Center.

d. Approval of Resolutions

- i. Approval of a resolution supporting the submission of an application to the U.S. Bureau of Reclamation for the FY 2017 WaterSMART: Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program.

e. Receipt of Bids

- i. Bid No. 2016-2017-030 for Library Materials and Processing Supplies.

Mayor Copeland read the consent agenda in full.

Vice Mayor Kane moved to approve the consent agenda, seconded by Mr. Gentges.

Ayes: Mr. Gentges, Mr. Curd, Dr. Callahan, Vice Mayor Kane, Mayor Copeland

Nays: None

Motion: Approved

8. Presentation, discussion, and receipt of the Compensation and Class Study, and approval of the recommendations made, awarding employees the adjusted compensation retroactive back to January 1, 2017. Presented by Blair Johansen, President, Johansen Group.

Mr. Johanson covered the Project Objectives, Job Rating Factors, Study Observations and Study Recommendations. He stated his appreciation of City staff who worked diligently with him during the process. He added that he feels with the new study and the accompanying software that the City is currently comparable to other cities of similar size and can stay that way into the future.

Vice Mayor Kane moved to receive the Study and approve the recommendations made, awarding employees the adjusted compensation retroactive back to January 1, 2017, seconded by Mr. Curd.

Mayor Copeland expressed his appreciation of Mr. Johanson and staff for the work conducted on this important study.

City Manager Gordon reported that it had been 17 years since the last compensation and class study, therefore the decision was made to conduct one at this time when wage adjustments had been approved by the City Council. He stated his appreciation to Shellie McGill, Laura Sanders and Mike Bailey, as well as the City directors, for their diligence in completing the study.

Mr. Johanson responded to Dr. Callahan's question stating that the Human Resources staff, Ms. McGill and Ms. Sanders, have been trained on the software and that a review should be conducted every two-three years.

Ayes: Mr. Curd, Dr. Callahan, Vice Mayor Kane, Mr. Gentges, Mayor Copeland

Nays: None

Motion: Approved

9. Discuss and take action to approve a resolution making a wage adjustment for certain contract and appointed employees of the city of Bartlesville. Presented by Jerry Maddux, City Attorney.

Mr. Maddux reported that since the City Council approved wage adjustments for all general employees, that a resolution amending the contracts of the City Manager, City Attorney, City Judge and Golf Professional is necessary to provide a wage adjustment them.

Mr. Gentges moved to approve the resolution as presented, seconded by Vice Mayor Kane.

Ayes: Dr. Callahan, Vice Mayor Kane, Mr. Gentges, Mr. Curd, Mayor Copeland

Nays: None

Motion: Approved

10. City Manager and Staff Reports.

Fire Chief Banks and Assistant Fire Chief David Topping presented information to form an Honor Guard. Chief Banks provided history of the fire department stating that six members will serve at this time. There will be an event on January 31, 2017 to honor the formation of the Honor Guard.

Mr. Gordon reported on the upcoming transition to the new Public Safety Complex. He stated that a ribbon cutting event and/or special city council meeting will be held in the new facility possibly mid-February.

11. City Council Comments and Inquiries.

Vice Mayor Kane commented that tonight's business was important and vital to staying competitive in the job market. He expressed his pride in what the staff and City Council accomplished at this meeting.

12. There being no further business, Mayor Copeland adjourned the meeting at 7:42 p.m.

Mayor Dale Copeland

Mike Bailey, Administrative Director/CFO

Memo



To: Mayor and City Council
From: John Kane, Councilman
CC: Ed Gordon, City Manager
CC: Lisa Beeman, Community Development Director *LB*
Date: January 30, 2017

Subject: Re-Appointment to the City Planning Commission

Allen Bretz's term on the City Planning Commission will expire in February, 2017. He is eligible to serve another term and would like to be reappointed to the CPC.

Please place this appointment on the next City Council Agenda.

AGREEMENT FOR PROFESSIONAL FORESTRY SERVICES

This Agreement made and entered into this 6th day of February, 2017, by and between the **City of Bartlesville**, an Oklahoma municipal corporation, hereinafter referred to as "City" and **Charles Parkin**, hereinafter referred to as the "Consultant."

WHEREAS, the City desires to enter into an agreement with the Consultant as hereinafter provided, to render professional forestry services related to planning for a twenty (20) year tree planting and caring program for the City of Bartlesville Park System,

NOW THEREFORE, for and in consideration of the mutual promises and agreements set forth herein, the City and Consultant mutually stipulate and agree to the following provisions:

- I. Employment of Consultant. The City hereby agrees to retain the professional services of the Consultant pursuant to the terms and provisions of this Agreement, and the Consultant agrees to perform the professional services identified pursuant to the terms and provisions of this Agreement in a competent, professional, and acceptable manner.
- II. Independent Contractor. It is understood by the parties hereto that the Consultant is an independent contractor and, as such, it not an employee of the City for purposes of tax, retirement system, or social security (FICA) withholding.
- III. Scope of Work and Fees for Services. Services provided by Consultant under the terms of this agreement shall be a fixed fee of \$20,000.00 as the basis for compensation for completion of a fixed scope of work, as identified in **Exhibit A**.
- IV. Liaison. The City's designated liaison with the Consultant is Lisa Beeman, Director of Parks & Recreation.
- V. Effective Date and Time of Performance. This Agreement takes effect as of the date entered into listed above. City shall furnish Consultant as needed, an office space, office furniture, computer and office equipment to be used during regular office hours for services rendered under this Agreement. Services, as per the Scope of Work provided in Exhibit A including identified deliverables, will be completed no later than May 8, 2017.
- VI. Total Agreement. This Agreement constitutes the entire understanding of the Parties and is intended as a final expression of their agreement and a complete statement of the terms thereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year as first hereinabove written.

CONSULTANT:

Charles Parkin

CITY:

Dale Copeland, Mayor

ATTEST:

City Clerk:

Scope of Work

20-Year Tree Planting and Care Program

- **Specific Parks to be included in program:**

- Johnstone Park, including new Pavilion area
- Sooner Park
- Jo Allyn Lowe Park
- Lee Lake and surrounding park area
- Robinwood Park
- Douglas Park
- Veterans Park
- Civitan Park
- Hudson Lake Park
- Pathfinder Parkway

- **Assessment:**

- For each park site, provide the following:
 - An historical overview of the tree canopy;
 - An assessment of soils, hydrology, topography, and general climatic conditions and its relation to trees and urban forestry;
 - A description of the extent, quality, and health of the existing tree canopy;
 - A description of particular problems noted in providing a sustainable tree cover.
- Provide an historical overview of the City's involvement in the Tree City USA Program.
- Provide information on the economic, environmental, and social benefits and value to the community of the urban forest, both in general and specifically as part of the overall public park system (i.e. in terms of stormwater management, energy conservation, air quality, ambient air temperature reduction and carbon storage, as well as tourism and visitor development).
- Generally, provide an assessment of the existing resources (staffing and funding) as well as the existing structures and organizations available at the City, State, and Federal levels for managing and caring for the City park urban forest.
- Generally, provide an assessment of the existing regulations, laws, policies, procedures, and programs at the City, State, and Federal levels for managing, caring, preserving, and protecting the City park urban forest.

- **Future Plans, Actions, and Activities:**

- For each park site, provide the following:
 - An overall plan identifying areas where existing trees should be retained, where existing trees should be removed, where existing trees should be replaced, and where new trees should be planted.
 - A detailed plant list for each of the areas to be planted, including the size of planting material, location to be planted and planting methods, including any special soil or site treatments. Maps of the planting sites shall be included.
 - Means of watering to include locations of water lines, means of tapping into them, what kind of irrigation to be used, along with maps of the irrigations system. Hand or trailer watering should be avoided wherever possible due to labor costs.
 - A plan for the long term care of the trees, including fertilization, pruning, and any other site care needed to ensure the long term survival of the trees.

- Sources and costs for plants and related materials.
- A schedule for implementing the program, including who, what, when, and where.
- A plan for identifying each tree by species and date of planting, along with other relevant information, that can be easily accessed by the public and which can be effectively maintained by the City.
- An estimated annual cost to implement the plan for this specific park.
- In general, provide recommendations on the following:
 - Best management practices, both generally and species specific where appropriate, which can be used by City staff, developers, and private landowners for:
 - Tree selection and planting, including site assessment, layout, and design,
 - Tree maintenance, including pruning, mulching, fertilization, irrigation, and pest management;
 - General tree care, including conservation, preservation, protection, soil health maintenance, establishment, transplanting, removal, and replacement.
 - The City organizational structure and staffing responsibilities for the management, care and maintenance of the City's park urban forest.
- In order to establish a fuller, more diverse, healthier and sustainable urban tree canopy throughout the community, provide recommendations on:
 - The City's regulations concerning required tree planting for new commercial and residential development.
 - Minimum requirements to preserve existing trees (minimize "clear cutting") for proposed land developments.
 - Programs, projects, actions, and activities, to encourage and incentivize the planting of street trees by property owners within residential neighborhoods.
 - Other ideas to generate community enthusiasm and potential funding to sustain the City's tree planting program.
- **Deliverables and Presentations:**
 - Deliverables to be provided by the Consultant at the end of this project shall be as follows:
 - Two bound copies of the final report with all maps, plans, documents, drawings, illustrations, and specifications;
 - One electronic copy of the final report with all maps, plans, documents, drawings, illustrations, and specifications;
 - Ownership and Public of Materials: All reports, information, data and other materials prepared by the Consultant pursuant to this Agreement shall be the property of the City. City shall have the exclusive and unrestricted authority to release, publish or otherwise use, in whole or in part, information relating thereto. Consultant may not copyright or patent any material produced in whole or in part under this Agreement.
 - Presentations to be given by the Consultant at the end of this project shall be as follows:
 - Presentation to the Park Board at a regular monthly meeting;
 - Presentation to the City Council at a regular monthly meeting.



City Manager's Office
City of Bartlesville
401 S. Johnstone
Bartlesville, OK 74003
918.338.4282
www.cityofbartlesville.org

To: Mayor Copeland and the City Council

From: Ed Gordon, City Manager 

Date: February 1, 2017

Subject: City Hall 4th Floor Lease with Maddux & Ihrig, PLP

With ConocoPhillips ending its lease of the fourth floor of City Hall, that space is available for rent.

I was approached by Mr. Jerry Maddux, Municipal Attorney, about the possibility of he and Mr. Drew Ihrig leasing a portion of the fourth floor. Details regarding the same have been worked out, and they are leasing 1,850 square feet.

To establish current fair market value for the lease, we asked Mr. Jim D. Swezey, Commercial Broker, for guidance. His email letter is attached.

Also attached is the lease agreement for your review and action.

The Municipal Attorney has reviewed the contract as has staff, and we recommend approval.

Drew Ihrig

From: Jim Swezey [jim@swezeyrealty.com]
Sent: Tuesday, November 29, 2016 12:02 PM
To: 'Drew Ihrig'
Subject: RE: Rental Values

Drew,

As discussed, current market rates for average office space in downtown will be between \$9.50 and \$11.00 per square foot per year. This would be for a lease where the utilities are included and the landlord takes care of most maintenance (not light bulbs). Parking and janitorial service is usually not provided at these rates. If you have questions, let me know.

Thanks,

Jim D. Swezey
Commercial Broker
Swezey Realty Services
918-336-2244 (office & FAX)
918-331-5010 (Cell)

415 SE Frank Phillips Blvd.
Bartlesville, OK 74003
www.swezeyrealty.com

From: Drew Ihrig [<mailto:dihrig@musselmanabstract.com>]
Sent: Monday, November 28, 2016 11:34 PM
To: 'Jim Swezey'
Subject: Rental Values

Jim,

Could you please let me know the going rate(s) for office space rental in downtown Bartlesville? Office condition is fair in an older building. Thanks.

Very Truly Yours,

Andrew M. Ihrig, President
The Musselman Abstract Company, Inc.
Tel: 918-336-6410
Fax: 918-336-1034
dihrig@MusselmanAbstract.com

LEASE AGREEMENT

This Lease Agreement is made and entered into this 6th day of February, 2017, by and between the City of Bartlesville, hereinafter referred to as Lessor, and Maddux & Ihrig, PLP, hereinafter referred to as Lessee.

WITNESSETH: Whereas Lessor is the owner of the building located at 401 S. Johnstone, Bartlesville, Oklahoma, and desires to lease to Lessee a portion of the 4th floor of said building and Lessee desires to lease said property and the Parties hereby agree to the following terms:

1. Term : This lease agreement shall run from January 1, 2017 through December 31, 2017.
2. Option to Renew: Lessee is granted three (3) options to renew this lease on the same terms as set forth herein. In order to exercise an option, Lessee must give at least Thirty (30) days written notice to Lessor. If Lessee does not exercise an option, then the tenancy shall be on a month-to-month basis thereafter, unless otherwise agreed by the Parties.
3. Rental: The portion of the building leased to Lessee is 1,850 square feet, located in the Northeast corner of the 4th floor of the City office building. The annual price per square foot is \$10.00. Accordingly, the annual price is \$18,500.00 and the monthly payments, which are required to be made in advance, are \$1,541.67.
4. Personal Property: Lessor includes in this lease the items of personal property shown on the attached Exhibit "A", which at the conclusion

- of the lease shall be returned to Lessor in the same condition in which they were received by the Lessee, reasonable wear and tear accepted.
5. Parking: Lessor has designated four (4) parking spaces for use by Lessee in its parking lot immediately to the South of the City Hall Building and said four (4) parking spaces are included herein.
 6. Maintenance: Lessee agrees to keep and maintain the property so leased to it in as good condition as the same are turned over to Lessee.
 7. Utilities and Cleaning: Lessor shall be responsible for payment of normal utilities, not including internet or phone. Lessor shall also be responsible for cleaning the two (2) restrooms on the 4th floor. Lessee shall be responsible for cleaning the leased facilities.
 8. Time of Essence: It is agreed that time is of the essence of this contract and should Lessee default in the payment of the rent herein provided, Lessor shall have the option to terminate said Lease after giving Ten (10) days notice to cure the default. Further, Lessor shall have the right to collect any unpaid rent required by this lease.
 9. Retroactive: This lease shall be retroactive to January 1, 2017.

Approved by the Parties hereto the day and year first above written.

Lessor
City of Bartlesville

By: _____

Mayor

Maddux & Ihrig, PLP

By: _____

Ray M. Maddux
Member

EXHIBIT "A"

- 2 Wooden bookshelves
- 6 Lateral file cabinets
- 11 Chairs
- 5 Rectangular tables
- 2 Wooden credenzas
- 2 L-Shaped desks
- 1 Round wooden table and 4 chairs
- 1 Refrigerator
- 1 Small wooden desk
- 2 Supply cabinets



ACCOUNTING AND FINANCE

MEMORANDUM

TO: Ed Gordon, City Manager

FROM: Mike Bailey, Administrative Director/CFO

SUBJECT: Amend the City's Municipal Code as it applies to intact fees for animals.

GENERAL INFORMATION:

In April 1999, the City Council adopted Ordinance 3008 that repealed and replaced all of Chapter 3 of the Bartlesville Municipal Code pertaining to the City's animal control laws. This ordinance established requirements for licenses and permits and the related fees.

On October 3, 2005 Chapter 3 was again amended by Ordinance 3183. The purpose of the amendment was primarily to regulate dangerous animals. However, this ordinance also authorized the Council to set fees via resolution. On the same night, the Council adopted Resolution 2964 which established new fees for animal licenses, intact fees, dangerous dog fees, and other miscellaneous animal related fees.

However, Ordinance 3183 did not address the intact fees already listed in Section 3-13 that was established by Ordinance 3008. This was merely an oversight at the time that Ordinance 3183 was adopted. However, the end result is that our municipal code now contains a contradiction relating to intact fees.

Ordinance 3183 coupled with Resolution 2964 set intact fees at \$40, but the preceding Ordinance 3008 set these same fees at \$20. The attached ordinance will amend Section 3-13 that was established by Ordinance 3008 to remove all reference to fees. This will allow the more recent Ordinance 3183 to prevail which was the original intent of the City Council on October 3, 2005.

Attached to this memo are:

- Proposed ordinance
- Redline copy of Section 3-13
- Resolution 2964 from October 3, 2005.

Please schedule this for the Consent agenda at the next City Council meeting.

COUNCIL ACTION REQUESTED:

Exercise the City's rights under the attached option and authorize City Staff and the mayor to execute all necessary documents to purchase the property listed in the option agreement.

ORDINANCE _____

AN ORDINANCE AMENDING SECTION 3-13 OF THE BARTLESVILLE MUNICIPAL CODE PERTAINING TO INTACT PERMIT FEES.

WHEREAS, the City of Bartlesville amended Section 3 of the Bartlesville Municipal Code on October 3, 2005 providing that all fees of said Section were to be established by Resolution of the Council; and

WHEREAS, the amendment did not remove the existing fees included in Section 3-13; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA; that

The following sub-sections of Section 3-13 of the Bartlesville Municipal Code are amended to read as follows:

Sec. 3-13. – Intact permit.

B. The city clerk or duly authorized agents of the city shall issue intact permits upon payment of the fee and approval of an application made for such purpose. The application shall state the name, address and telephone number of the owner and the name, breed, color, age and sex of the dog or cat for which the intact permit is obtained, and such other information as the city clerk may require. Neither the city clerk nor any authorized agent shall issue an intact permit until the owner presents a certificate showing the dog or cat has a current rabies vaccination at the time application is made.

D. A current intact permit may be transferred to the new owner of the dog or cat for which the permit was issued upon application of the new owner.

E. In the event a metallic or plastic tag is lost or destroyed, the owner may obtain a duplicate tag. It is unlawful to use or attempt to use a tag for which a duplicate tag has been issued.

APPROVED BY THE CITY COUNCIL AND SIGNED BY THE MAYOR OF THE CITY OF BARTLESVILLE THIS ____ DAY OF _____, 2016.

Mayor

ATTEST:

City Clerk

Sec. 3-13. - Intact permit.

- B. The city clerk or duly authorized agents of the city shall issue intact permits upon payment of the fee and approval of an application made for such purpose. The application shall state the name, address and telephone number of the owner and the name, breed, color, age and sex of the dog or cat for which the intact permit is obtained, and such other information as the city clerk may require. Neither the city clerk nor any authorized agent shall issue an intact permit until the owner presents a certificate showing the dog or cat has a current rabies vaccination at the time application is made. ~~The applicant shall pay an intact permit fee of twenty dollars (\$20.00) at the time of application.~~
- D. A current intact permit may be transferred to the new owner of the dog or cat for which the permit was issued upon application of the new owner ~~and payment of a two dollar (\$2.00) transfer fee.~~
- E. In the event a metallic or plastic tag is lost or destroyed, the owner may obtain a duplicate tag ~~upon the payment of a two dollar (\$2.00) replacement fee.~~ It is unlawful to use or attempt to use a tag for which a duplicate tag has been issued.

RESOLUTION 2964

A RESOLUTION ESTABLISHING FEES PURSUANT TO SECTION 3-1 OF THE BARTLESVILLE MUNICIPAL CODE.

WHEREAS, Section 3-1 requires establishment of fees related to animals kept in the City of Bartlesville;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE: that

Section 1. The following fees and charges are established pursuant to Chapter 3 of the Bartlesville Municipal Code:

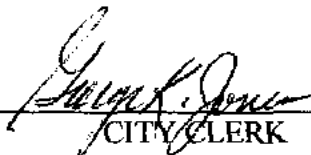
- A. Annual Animal License Fee (pursuant to 3-25 (C)) - \$10.00
- B. Annual Intact Fee (pursuant to 3-13 (B)) - \$40.00
- C. Dangerous or Potentially Dangerous Dog Permit Fee (pursuant to 3-77 (A)) - \$10.00.
- D. Intact Permit Ownership Transfer Fee (Pursuant to 3-13 (D)) - \$5.00
- E. Replacement Tags (all types) - \$10.00
- F. Fluorescent Collar (pursuant to 3-77 (A)) -- Cost Plus Handling Fee
- G. Dangerous Dog Warning Sign (pursuant to 3-77(B)) --Cost Plus Handling Fee

Fees provided in A, B, and C above may be prorated for the initial registration period by quarters. Fees for renewals may not be prorated.

PASSED BY THE CITY COUNCIL AND SIGNED BY THE MAYOR OF THE CITY OF BARTLESVILLE, OKLAHOMA THIS 3rd DAY OF October 2005.


MAYOR

ATTEST:


CITY CLERK



VOTE:

MR. MASON	ABSENT	aye	no
MRS. DALRYMPLE		<input checked="" type="radio"/> aye	no
MR. MILLER		<input checked="" type="radio"/> aye	no
VICE MAYOR DUNLAP		<input checked="" type="radio"/> aye	no
MAYOR DANIELS		<input checked="" type="radio"/> aye	no

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING THE SHELTER RENTAL FEE FOR THE JOHNSTONE PARK PAVILION AND CONFIRMING THE RENTAL FEE FOR ALL OTHER PARK SHELTERS.

WHEREAS, the City of Bartlesville provides certain services to the public within City-owned and maintained parks, including the use of picnic shelters; and

WHEREAS, it is in the best interest of the citizens of the Bartlesville that the City provide said services in a prudent fiscal manner and that the City Council establish reasonable fees to provide for said services; and

WHEREAS, with the completion of the new pavilion at Johnstone Park, the Park Board has made a recommendation to the City Council on a reasonable fee for its use; and

WHEREAS, the City Council must take official action to establish said fee for the Johnstone Park Pavilion.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA, AS FOLLOWS:

1. That the fee to be charged by the City of Bartlesville for the use of the Johnstone Park Pavilion is hereby established as set forth below:

\$25 for a minimum of two (2) hours, then \$10 for every hour thereafter.

2. That the fee for the other shelters in any other City park, including the Sooner Park Band Shell, shall remain at the current established fee as set forth below, unless otherwise approved by the City Council:

\$12.50 for a minimum of two (2) hours, then \$7.50 for every hour thereafter.

IN WITNESS WHEREOF, this resolution was adopted by the City Council of the City of Bartlesville, Oklahoma on February 6, 2017.

Dale Copeland, Mayor
City of Bartlesville

RESOLUTION _____

A RESOLUTION AMENDING THE BUDGET OF THE CITY OF BARTLESVILLE, OKLAHOMA FOR FISCAL YEAR 2016–2017, APPROPRIATING FAA GRANT FUNDS FOR AIRPORT APRON REHABILITATION.

WHEREAS, THE City of Bartlesville has received an FAA grant in the amount of \$479,639; and

WHEREAS, the City of Bartlesville needs to appropriate these revenues prior to their expenditure;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA that:

The Airport Department (147) of the Municipal Airport Fund (240) shall be increased as follows:

Other Improvements (55930)	\$ 479,639
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APPROVED BY THE CITY COUNCIL AND SIGNED BY THE MAYOR OF THE CITY OF BARTLESVILLE THIS 6th DAY OF FEBRUARY, 2017.

Mayor

Attest:

City Clerk



**REPORT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES**

For The Five Months Ended November 30, 2016

CITY COUNCIL

Ward 1 - Dale Copeland, Mayor

Ward 2 - John Kane, Vice Mayor

Ward 3 - Jim Curd

Ward 4 - Alan Gentges

Ward 5 - Joseph Callahan

City Manager
Ed Gordon

Prepared by:

Mike Bailey
Administrative Director/CFO

Jason Muninger
Internal Services Supervisor

Alicia Shelton
Accountant

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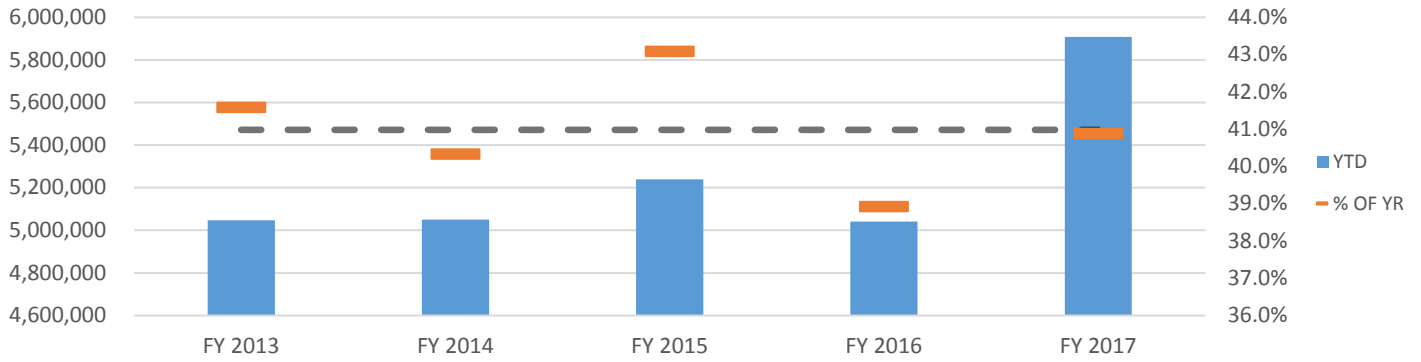
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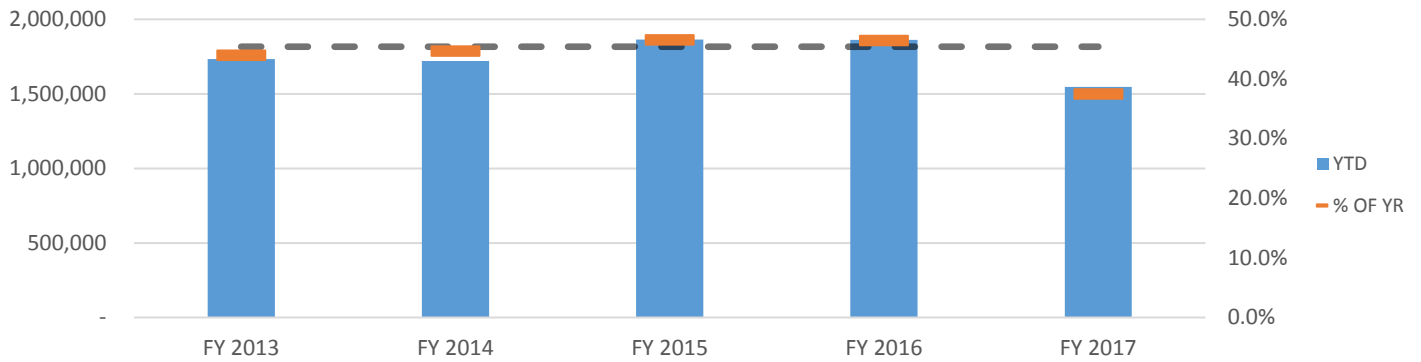
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(Dashed line represents average percent of year for 4 preceding fiscal years)

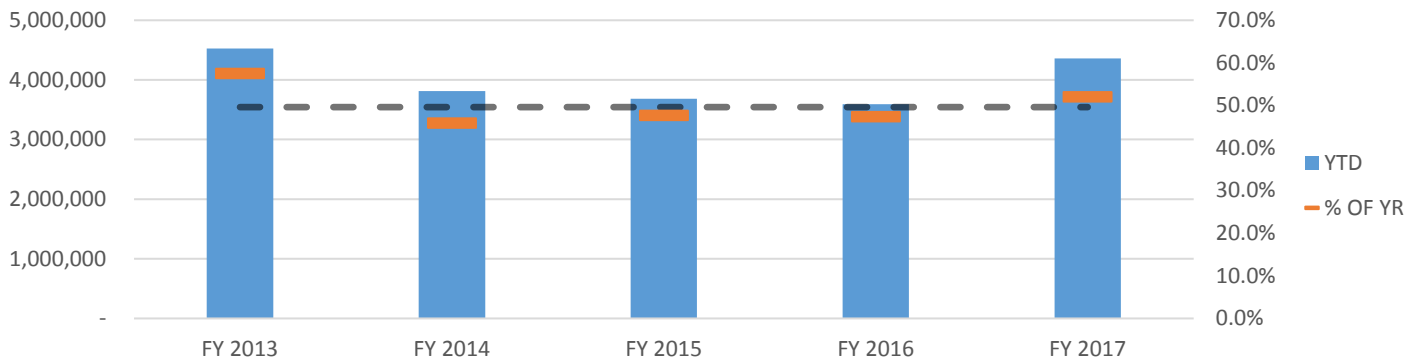
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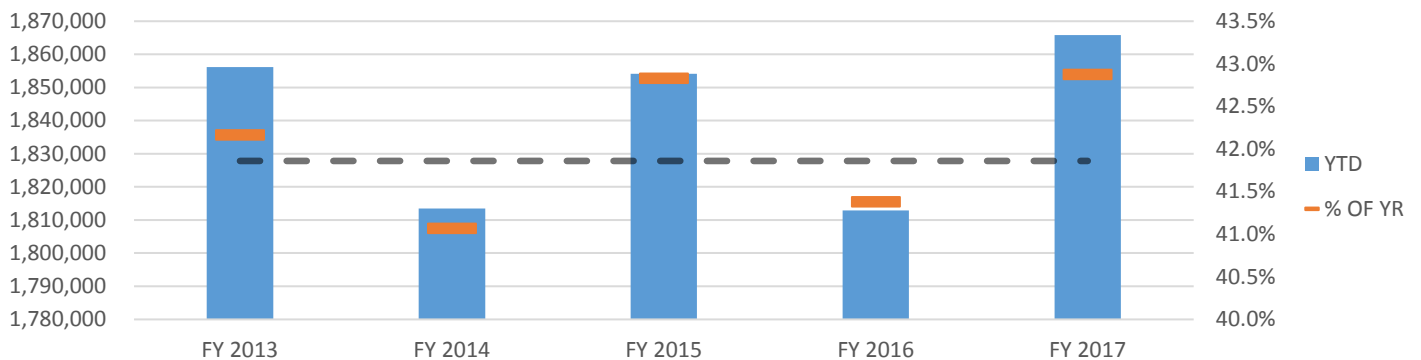
WASTEWATER FEES



WATER FEES



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GENERAL FUND

Statement of Revenue, Expenditures, and Changes in Fund Balances

42% of Year Lapsed

	2016-17 Fiscal Year						2015-16 Fiscal Year	
	Total Budget	YTD Budget	YTD Actual	YTD Encum	YTD Total	% of Budget	YTD Total	% Total Year
Revenue:								
Sales Tax	\$ 14,452,529	\$ 6,021,887	\$ 5,901,180	\$ -	\$ 5,901,180	40.8%	\$ 5,040,691	38.9%
Gross Receipt Tax	1,436,500	598,542	604,883	-	604,883	42.1%	629,416	44.9%
Licenses and Permits	220,800	92,000	161,069	-	161,069	72.9%	165,270	73.4%
Intergovernmental	646,600	269,417	280,936	-	280,936	43.4%	276,670	42.7%
Charges for Services	360,600	150,250	164,726	-	164,726	45.7%	149,928	40.3%
Court Costs	147,500	61,458	62,296	-	62,296	42.2%	51,408	36.0%
Police/Traffic Fines	466,100	194,208	165,600	-	165,600	35.5%	176,356	38.7%
Parking Fines	124,700	51,958	45,835	-	45,835	36.8%	43,325	39.9%
Other Fines	36,100	15,042	16,037	-	16,037	44.4%	16,811	40.3%
Investment Income	-	-	29,986	-	29,986	N.A.	15,905	38.1%
Miscellaneous Income	199,700	83,208	201,126	-	201,126	100.7%	126,744	45.3%
Transfers In	3,552,756	1,480,315	1,480,308	-	1,480,308	41.7%	1,361,434	41.7%
Total	\$ 21,643,885	\$ 9,018,285	\$ 9,113,982	\$ -	\$ 9,113,982	42.1%	\$ 8,053,958	40.4%
Expenditures:								
General Government	\$ 5,878,676	\$ 2,449,448	\$ 2,322,259	\$ 455,302	\$ 2,777,561	47.2%	\$ 2,664,205	49.7%
Public Safety	10,742,120	4,475,883	4,410,816	113,595	4,524,411	42.1%	4,308,673	43.4%
Street	1,468,804	612,002	623,774	(92,054)	531,720	36.2%	468,470	39.4%
Culture and Recreation	2,615,378	1,089,741	1,080,563	(6,030)	1,074,533	41.1%	914,583	45.3%
Transfers Out	1,900,704	791,960	791,960	-	791,960	41.7%	463,618	41.7%
Reserves	860,494	358,539	-	-	-	0.0%	-	N.A.
Total	\$ 23,466,176	\$ 9,777,573	\$ 9,229,372	\$ 470,813	\$ 9,700,185	41.3%	\$ 8,819,549	45.0%
Changes in Fund Balance:								
Fund Balance 7/1			\$ 2,402,102					
Net Revenue (Expense)			(115,390)					
Ending Fund Balance			\$ 2,286,712					

COMBINED WASTEWATER OPERATING & BMA WASTEWATER FUNDS

Statement of Revenue, Expenditures, and Changes in Fund Balances

42% of Year Lapsed

	2016-17 Fiscal Year						2015-16 Fiscal Year	
	Total Budget	YTD Budget	YTD Actual	YTD Encum	YTD Total	% of Budget	YTD Total	% Total Year
Revenue:								
Wastewater Fees	\$ 4,130,008	\$ 1,720,837	\$ 1,549,645	\$ -	\$ 1,549,645	37.5%	\$ 1,866,973	46.5%
Investment Income	-	-	213	-	213	N.A.	112	41.0%
Debt Proceeds	-	-	-	-	-	N.A.	-	N.A.
Miscellaneous	50,000	20,833	60,540	-	60,540	121.1%	50,610	66.1%
Total	\$ 4,180,008	\$ 1,741,670	\$ 1,610,398	\$ -	\$ 1,610,398	38.5%	\$ 1,917,695	46.8%
Expenditures:								
Wastewater Plant	\$ 2,290,987	\$ 954,578	\$ 1,117,355	\$ 1,113,751	\$ 2,231,106	97.4%	\$ 2,225,338	99.2%
Wastewater Maint	797,778	332,408	307,600	7,567	315,167	39.5%	395,758	42.2%
BMA Expenses	29,500	12,292	76,334	-	76,334	258.8%	92,609	348.5%
Transfers Out	1,200,035	500,015	500,014	-	500,014	41.7%	419,292	41.7%
Reserves	82,206	34,253	-	-	-	0.0%	-	N.A.
Total	\$ 4,400,506	\$ 1,833,546	\$ 2,001,303	\$ 1,121,318	\$ 3,122,621	71.0%	\$ 3,132,997	74.3%
Changes in Fund Balance:								
Fund Balance 7/1			\$ 554,937					
Net Revenue (Expense)			(390,905)					
Ending Fund Balance			\$ 164,032					

COMBINED WATER OPERATING & BMA WATER FUNDS
Statement of Revenue, Expenditures, and Changes in Fund Balances

42% of Year Lapsed

	2016-17 Fiscal Year						2015-16 Fiscal Year	
	Total Budget	YTD Budget	YTD Actual	YTD Encum	YTD Total	% of Budget	YTD Total	% Total Year
Revenue:								
Water Fees	\$ 8,723,081	\$ 3,634,617	\$ 4,503,658	\$ -	\$ 4,503,658	51.6%	\$ 3,737,164	47.3%
Investment Income	-	-	1,379	-	1,379	N.A.	4,244	56.4%
Debt Proceeds	-	-	-	-	-	N.A.	-	N.A.
Miscellaneous	-	-	1,285	-	1,285	N.A.	11,783	51.1%
Total	\$ 8,723,081	\$ 3,634,617	\$ 4,506,322	\$ -	\$ 4,506,322	51.7%	\$ 3,753,191	47.3%
Expenditures:								
Water Plant	\$ 2,741,818	\$ 1,142,424	\$ 1,610,801	\$ (323,564)	\$ 1,287,237	46.9%	\$ (246,435)	-10.2%
Water Administration	317,146	132,144	131,041	(16,492)	114,549	36.1%	112,546	37.9%
Water Distribution	1,525,469	635,612	559,307	17,778	577,085	37.8%	601,648	40.7%
BMA Expenses	3,115,000	1,297,917	1,566,952	-	1,566,952	50.3%	1,646,090	52.5%
Transfers Out	1,668,053	695,022	695,025	-	695,025	41.7%	635,122	41.7%
Reserves	171,651	71,521	-	-	-	0.0%	-	N.A.
Total	\$ 9,539,137	\$ 3,974,640	\$ 4,563,126	\$ (322,278)	\$ 4,240,848	44.5%	\$ 2,748,971	31.0%
Changes in Fund Balance:								
Fund Balance 7/1			\$ 1,374,720					
Net Revenue (Expense)			(56,804)					
Ending Fund Balance			\$ 1,317,916					

SANITATION FUND

Statement of Revenue, Expenditures, and Changes in Fund Balances

42% of Year Lapsed

	2016-17 Fiscal Year						2015-16 Fiscal Year	
	Total Budget	YTD Budget	YTD Actual	YTD Encum	YTD Total	% of Budget	YTD Total	% Total Year
Revenue:								
Collection Fees	\$ 4,351,589	\$ 1,813,162	\$ 1,865,845	\$ -	\$ 1,865,845	42.9%	\$ 1,812,930	41.4%
Investment Income	-	-	3,113	-	3,113	N.A.	1,761	38.4%
Miscellaneous	177,090	73,788	16,918	-	16,918	9.6%	12,147	31.0%
Total	\$ 4,528,679	\$ 1,886,950	\$ 1,885,876	\$ -	\$ 1,885,876	41.6%	\$ 1,826,838	41.3%
Expenditures:								
Sanitation	\$ 2,993,660	\$ 1,247,358	\$ 1,231,114	\$ 10,150	\$ 1,241,264	41.5%	\$ 1,094,389	41.3%
Transfers Out	1,879,621	783,175	783,176		783,176	41.7%	544,887	41.7%
Reserves	129,079	53,783	-	-	-	0.0%	-	N.A.
Total	\$ 5,002,360	\$ 2,084,316	\$ 2,014,290	\$ 10,150	\$ 2,024,440	40.5%	\$ 1,639,276	41.4%
Changes in Fund Balance:								
Fund Balance 7/1			\$ 1,706,520					
Net Revenue (Expense)			(128,414)					
Ending Fund Balance			\$ 1,578,106					

ALL OTHER FUNDS

Revenue Budget Report - Budget Basis

42% of Year Lapsed

	Budget	Actuals	Percent of Budget
Special Revenue Funds:			
Economic Development Fund	1,540,946	654,202	42%
E-911 Fund	991,724	396,060	40%
Special Library Fund	85,000	90,997	107%
Special Museum Fund	16,500	19,552	118%
Municipal Airport Fund	-	922	N/A
Harshfield Library Donation Fund	-	2,290	N/A
Restricted Revenue Fund	-	26,157	N/A
Golf Course Memorial Fund	-	1,426	N/A
Justice Assistance Grant Fund	-	114	N/A
Neighborhood Park Fund	-	23	N/A
Cemetery Care Fund	1,500	1,640	109%
Memorial Stadium Operating Fund	31,529	4,121	13%
Debt Service Fund	3,663,878	58,831	2%
Capital Project Funds:			
Sales Tax Capital Improvement Fund	2,726,892	1,124,444	41%
Park Capital Improvement Fund	-	-	N/A
Wastewater Capital Improvement Fund	-	19,588	N/A
Wastewater Regulatory Capital Fund	-	6,506	N/A
City Hall Capital Improvement Fund	117,879	40,153	34%
Storm Drainage Capital Improvement Fund	-	15,567	N/A
Community Development Block Grant Fund	-	106,152	N/A
2008B G.O. Bond Fund	-	21	N/A
2009 G.O. Bond Fund	-	51	N/A
2010 G.O. Bond Fund	-	168	N/A
2012 G.O. Bond Fund	-	34,572	N/A
2014 G.O. Bond Fund	-	4,118	N/A
2014B G.O. Bond Fund	-	6,797	N/A
2015 G.O. Bond Fund	-	5,369	N/A
Proprietary Funds:			
Adams Golf Course Operating Fund	428,005	183,499	43%
Sooner Pool Operating Fund	44,311	18,507	42%
Frontier Pool Operating Fund	57,117	23,846	42%
Internal Service Funds:			
Worker's Compensation Fund	304,929	127,456	42%
Health Insurance Fund	3,124,496	1,214,480	39%
Auto Collision Insurance Fund	1,707	2,228	131%
Stabilization Reserve Fund	792,504	330,210	42%
Capital Improvement Reserve Fund	4,508,160	1,798,678	40%
Mausoleum Trust Fund	-	22	N/A

ALL OTHER FUNDS
Expenditure Budget Report - Budget Basis

42% of Year Lapsed

	Budget	Actuals	Percent of Budget
Special Revenue Funds:			
Economic Development Fund	3,334,519	2,752,653	83%
E-911 Fund	981,596	390,848	40%
Special Library Fund	152,700	4,165	3%
Special Museum Fund	45,500	12,704	28%
Municipal Airport Fund	265,599	507	0%
Harshfield Library Donation Fund	851,739	53,399	6%
Restricted Revenue Fund	248,006	22,509	9%
Golf Course Memorial Fund	18,414	14,927	81%
Justice Assistance Grant Fund	39,606	6,930	17%
Neighborhood Park Fund	8,108	-	0%
Cemetery Care Fund	72,745	3,100	4%
Memorial Stadium Operating Fund	30,000	(1,968)	-7%
 Debt Service Fund	 3,239,700	 2,311,519	 71%
 Capital Project Funds:			
Sales Tax Capital Improvement Fund	5,895,766	2,937,015	50%
Park Capital Improvement Fund	-	-	N/A
Wastewater Capital Improvement Fund	353,305	221,544	63%
Wastewater Regulatory Capital Fund	4,374,787	999,165	23%
City Hall Capital Improvement Fund	405,761	26,718	7%
Storm Drainage Capital Improvement Fund	92,493	12,923	14%
Community Development Block Grant Fund	-	29,348	N/A
2008B G.O. Bond Fund	15,368	8,124	53%
2009 G.O. Bond Fund	17,821	-	0%
2010 G.O. Bond Fund	81,367	33,900	42%
2012 G.O. Bond Fund	228,246	50,983	22%
2014 G.O. Bond Fund	1,454,837	6,802	0%
2014B G.O. Bond Fund	106,201	4,005	4%
2015 G.O. Bond Fund	1,889,819	-	0%
 Proprietary Funds:			
Adams Golf Course Operating Fund	479,213	210,855	44%
Sooner Pool Operating Fund	46,104	4,784	10%
Frontier Pool Operating Fund	58,446	6,179	11%
 Internal Service Funds:			
Worker's Compensation Fund	450,000	138,427	31%
Health Insurance Fund	3,728,167	900,540	24%
Auto Collision Insurance Fund	300,000	47,936	16%
Stabilization Reserve Fund	5,268,958	-	0%
Capital Improvement Reserve Fund	3,719,100	544,399	15%
 Mausoleum Trust Fund	 5,000	 2,000	 40%

ALL OTHER FUNDS

Fund Balance Report - Modified Cash Basis

42% of Year Lapsed

	Beginning of Year	Change	Current
Special Revenue Funds:			
Economic Development Fund	1,829,731	(1,365,219)	464,512
E-911 Fund	354	14,174	14,528
Special Library Fund	305,612	60,210	365,822
Special Museum Fund	105,950	7,584	113,534
Municipal Airport Fund	343,890	(20,855)	323,035
Harshfield Library Donation Fund	859,964	(52,039)	807,925
Restricted Revenue Fund	249,531	3,118	252,649
Golf Course Memorial Fund	22,758	(13,501)	9,257
Justice Assistance Grant Fund	40,378	(271)	40,107
Neighborhood Park Fund	8,122	23	8,145
Cemetery Care Fund	75,377	(29,960)	45,417
Memorial Stadium Operating Fund	6,316	4,089	10,405
Debt Service Fund	2,826,462	(2,252,688)	573,774
Capital Project Funds:			
Sales Tax Capital Improvement Fund	3,160,780	(44,649)	3,116,131
Park Capital Improvement Fund	-	-	-
Wastewater Capital Improvement Fund	350,753	(201,956)	148,797
Wastewater Regulatory Capital Fund	4,115,253	(547,344)	3,567,909
City Hall Capital Improvement Fund	281,660	25,575	307,235
Storm Drainage Capital Improvement Fund	59,978	2,644	62,622
Community Development Block Grant Fund	-	(95,965)	(95,965)
2008B G.O. Bond Fund	15,395	(8,103)	7,292
2009 G.O. Bond Fund	17,852	51	17,903
2010 G.O. Bond Fund	81,522	(33,732)	47,790
2012 G.O. Bond Fund	294,056	(84,026)	210,030
2014 G.O. Bond Fund	1,456,173	(2,684)	1,453,489
2014B G.O. Bond Fund	4,833,644	(3,145,029)	1,688,615
2015 G.O. Bond Fund	1,902,978	(3,554)	1,899,424
Proprietary Funds:			
Adams Golf Course Operating Fund	93,837	(26,047)	67,790
Sooner Pool Operating Fund	25,441	(5,008)	20,433
Frontier Pool Operating Fund	27,170	(5,546)	21,624
Internal Service Funds:			
Worker's Compensation Fund	237,675	(471)	237,204
Health Insurance Fund	841,691	363,850	1,205,541
Auto Collision Insurance Fund	276,315	(45,378)	230,937
Stabilization Reserve Fund	4,476,454	330,210	4,806,664
Capital Improvement Reserve Fund	2,507,223	1,270,077	3,777,300
Mausoleum Trust Fund	7,880	22	7,902



ACCOUNTING AND FINANCE

MEMORANDUM

FROM: Mike Bailey, Administrative Director/CFO

SUBJECT: Financial Statement Explanatory Memo

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.

INVITATION FOR BIDS

**City of Bartlesville
ELEVATOR MODERNIZATION AT CITY HALL
Bid No. 2016-2017-031**

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 23rd day of January, 2017 at such time bids will be opened and publicly read.

The project consists of furnishing all engineering, labor, materials, transportation, services and equipment necessary and reasonably incidental to modernize two (2) elevators at City Hall, as called for in the plans and specifications on file in the Engineering Department, (918)338-4251 City Hall, 401 S. Johnstone, Bartlesville, Oklahoma 74003. Plans, specifications, and contract documents may be examined and are available at a nonrefundable charge of **\$25.00** in this office.


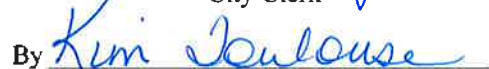
Proposals shall be submitted in sealed envelopes and marked, "City Clerk, City Hall, 401 S. Johnstone, Bartlesville, Oklahoma 74003. **PROPOSAL FOR ELEVATOR MODERNIZATION AT CITY HALL, BID NO. 2016-2017-031.**" Proposals shall be accompanied by a five percent (5%) bid guarantee.

Each Bidder must deposit with his Bid, security in the amount, form, and subject to the conditions provided in the Instruction to 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 informalities or to reject any or all Bids and select **the lowest and best bid**. Construction schedule and all alternates shall be considered in the evaluation of bids to determine 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 16th day of December, 2016.


City Clerk
By 

BID REVIEW RECOMMENDATION

DATE: February 2, 2017

BID NO: 2016-2017-030

DEPARTMENT: Library

BUDGET AMOUNT: \$60,000.00

SOURCE OF FUND: General (101) Funds & Special Library (208) Funds

PROJECT / EQUIPMENT DESCRIPTION:

Provides for library materials in all formats; including books, CDs, DVDs. Also includes cataloging records and processing supplies.

COMMENTS:

The library received 6 bids for materials and processing supplies. We would like to continue using Ingram. The library has used Ingram for over 11 years. They continue to offer competitive discounts and have the largest inventory of materials to select from. Ingram's electronic services are the best we have seen/used and allow technological efficiencies in inventory control. Their advanced website continues to improve with updates each year. Midwest Tape provides us the very best selections and discounts for our CDs and DVDs.

RECOMMENDATION:

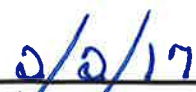
Primary Vendor – Ingram Library Services

Secondary Vendor – Midwest Tape, LLC



Council Member 

Staff Member



Date

Date



January 7, 2017

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, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted 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 July 5, 2016. 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. The City adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* during 2016. This Statement provides guidance for determining a fair value measurement for financial reporting purposes and provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The adoption of the statement did not have a material impact to the City. 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 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. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's 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 January 7, 2017.

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, 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.

Arledge & Associates, P.C.

**THE CITY OF BARTLESVILLE,
OKLAHOMA**

**ANNUAL FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORTS**

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2016**

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

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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, 2016, 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 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2016, 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.

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 schedule, 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 January 7, 2017 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.



January 7, 2017

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

The management of the City of Bartlesville, Oklahoma, is pleased to present its perspective of the City's financial performance as a whole for the fiscal year ended June 30, 2016. 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, 2016, the City's total net position increased by \$4.5 million or 2.5% from the prior year.
- During the year, the City's expenses for governmental activities were \$24.7 million and were funded by program revenues of \$5.1 million and further funded with taxes and other general revenues that totaled \$24 million.
- In the City's business-type activities, such as utilities, program expenses exceed program revenues by \$2.5 million.
- Sales tax increased by \$897,169 or 5.4% over the prior fiscal year, however this increase was related to an increase in the City's rate from 3% to 3.4%.
 - Removing the effect of the City's sales tax rate increase from 3.0% to 3.4%, this translates into a decrease in taxable sales of approximately \$6.1 million from the prior year.
- At June 30, 2016, the General Fund reported an unassigned fund balance of \$3,048,301, which is an increase of 13.4% from the prior year unassigned fund balance. A majority of this increase is related to the net effect of an increased commitment for the next fiscal year's budget of about \$379,000 and unassigned net revenues over expenditures of approximately \$728,000.
- For budgetary reporting purposes, the General Fund reported revenues over estimates of \$384,668 or 2.4%, while expenditures were under the final appropriations by \$514,639 or 2.7%.
- Noteworthy changes to the City's capital assets included:
 - Completed over \$531 thousand in major road rehabilitations
 - Completed the rehabilitation of the City Operation Facility costing over \$2.5 million
 - Completed over \$1.3 million in wastewater projects
 - Completed construction of MJ Lee Lake costing over \$765 thousand
 - Through a partnership with the Bartlesville Public Schools, provided financing for improvements to the High School and Central Middle School. Over \$4.6 million spent in fiscal year 2016.
- The City retained its AA- bond rating despite difficult economic times. This bond rating is the 3rd highest in the State of Oklahoma for public entities.
- The City added an additional \$673 thousand dollars to its stabilization reserve fund, bringing the total to \$4.5 million or 14.7 % of budgeted expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Bartlesville (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

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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).

About the City

The City of Bartlesville is an incorporated municipality with a population of approximately 36,258 located in north-east 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** – Finances certain facilities for the purpose of promoting economic development in the City of Bartlesville and surrounding areas

CITY OF BARTLESVILLE, OKLAHOMA
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- **The Bartlesville Education Authority** – 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 non-major 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. 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 nonfinancial 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.

CITY OF BARTLESVILLE, OKLAHOMA
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- 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, and sanitation 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.

CITY OF BARTLESVILLE, OKLAHOMA
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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 exceeded liabilities by approximately \$187.8 million at the close of the most recent fiscal year.

TABLE 1
NET POSITION (In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	<u>2016</u>	<u>2015</u>		<u>2016</u>	<u>2015</u>		<u>2016</u>	<u>2015</u>	
Current assets	\$ 40,173	\$ 39,773	1%	\$ 11,480	\$ 13,618	-16%	\$ 51,653	\$ 53,391	-3%
Capital assets, net	83,140	80,172	4%	175,060	171,259	2%	258,200	251,431	3%
Other non-current assets	-	320	-100%	4,089	10,608	-61%	4,089	10,928	-63%
Total assets	<u>123,313</u>	<u>120,265</u>	3%	<u>190,629</u>	<u>195,485</u>	-2%	<u>313,942</u>	<u>315,750</u>	-1%
Deferred outflows of resources	<u>2,096</u>	<u>1,897</u>	10%	<u>742</u>	<u>424</u>	75%	<u>2,838</u>	<u>2,321</u>	22%
Current liabilities	6,076	4,364	39%	6,865	7,608	-10%	12,941	11,972	8%
Non-current liabilities	33,349	34,373	-3%	80,743	84,587	-5%	114,092	118,960	-4%
Total liabilities	<u>39,425</u>	<u>38,737</u>	2%	<u>87,608</u>	<u>92,195</u>	-5%	<u>127,033</u>	<u>130,932</u>	-3%
Deferred inflows of resources	<u>1,807</u>	<u>3,604</u>	-50%	<u>119</u>	<u>238</u>	-50%	<u>1,926</u>	<u>3,842</u>	-50%
Net position									
Invested in capital assets, net of related debt	66,655	62,992	6%	94,081	86,723	8%	160,736	149,715	7%
Restricted	26,657	29,110	-8%	4,650	9,973	-53%	31,307	39,083	-20%
Unrestricted	(9,135)	(12,281)	26%	4,913	6,780	-28%	(4,222)	(5,501)	23%
Total net position	<u>\$ 84,177</u>	<u>\$ 79,821</u>	5%	<u>\$ 103,644</u>	<u>\$ 103,476</u>	0%	<u>\$ 187,821</u>	<u>\$ 183,297</u>	3%

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 2016, this investment in capital assets, net of related debt amounted to \$160.7 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, \$31.3 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.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for business-type activities. Governmental activities had negative unrestricted net position.

The decrease in other non-current assets of approximately \$320,000 or 100% is due to market decline and the decrease of net pension assets and ultimately the increase in net pension liability. The 39% increase in governmental current liabilities is due to a \$1,200,000 increase in accounts payable and a \$575,000 increase bond payments due within one year.

CITY OF BARTLESVILLE, OKLAHOMA
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The increase in deferred outflow of resources and the 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.

The 61% decrease in business-type non-current assets is largely due to a decrease in restricted cash of approximately \$6.2 million. This decrease was due in large part to the BEA construction of the school facility upgrades.

Changes in Net Position

For the year ended June 30, 2016, net position of the primary government changed as follows:

TABLE 2
CHANGES IN NET POSITION (In Thousands)

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2016	2015		2016	2015		2016	2015	
Revenues									
Charges for service	\$ 2,664	\$ 2,836	-6%	\$ 20,471	\$ 18,954	8%	\$ 23,135	\$ 21,790	6%
Operating grants and contributions	2,153	2,030	6%	193	223	-13%	2,346	2,253	4%
Capital grants and contributions	239	194	23%	-	-	-	239	194	23%
Taxes	24,562	23,665	4%	-	-	-	24,562	23,665	4%
Intergovernmental revenue	315	307	3%	-	-	-	315	307	3%
Investment income	431	220	96%	9	278	-97%	440	498	-12%
Gain on sales of assets	25	31	-19%	2	8	-75%	27	39	-31%
Miscellaneous	683	931	-27%	662	675	-2%	1,345	1,606	-16%
Total revenues	31,072	30,214	3%	21,337	20,138	6%	52,409	50,352	4%
Expenses									
General government	6,465	7,126	-9%	-	-	-	6,465	7,126	-9%
Public safety	11,789	11,741	0%	-	-	-	11,789	11,741	0%
Culture, parks and recreation	2,618	2,696	-3%	-	-	-	2,618	2,696	-3%
Public works	3,488	3,334	5%	-	-	-	3,488	3,334	5%
Interest on long-term debt	379	353	7%	-	-	-	379	353	7%
Water	-	-	-	8,067	8,119	-1%	8,067	8,119	-1%
Wastewater	-	-	-	4,610	4,663	-1%	4,610	4,663	-1%
Sanitation	-	-	-	2,989	2,956	1%	2,989	2,956	1%
Community Center	-	-	-	1,569	1,503	4%	1,569	1,503	4%
Other Business-Type Activities	-	-	-	5,912	5,708	4%	5,912	5,708	4%
Total expenses	24,739	25,250	-2%	23,147	22,949	1%	47,886	48,199	-1%
Excess (deficiency) before transfers	6,333	4,964	28%	(1,810)	(2,811)	-36%	4,523	2,153	110%
Transfers	(1,978)	2,467	-180%	1,978	(2,467)	180%	-	-	0%
Change in net position	4,355	7,431	-41%	168	(5,278)	103%	4,523	2,153	110%
Beginning net position	79,821	72,390	10%	103,476	108,754	-5%	183,297	181,144	1%
Ending net position	\$ 84,176	\$ 79,821	5%	\$ 103,644	\$ 103,476	0%	\$ 187,820	\$ 183,297	2%

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Explanations for changes in excess of 20% and \$100,000 are as follows:

Governmental Activities:

Miscellaneous revenue decreased approximately \$248,000 or 27% due primarily to one-time revenues received by the City of Bartlesville in fiscal year 2015 for penalty and interest associated with the revenues collected by Washington County.

Investment income increased \$211,000 or 96% due to a slight increase on the rate of return on investments.

Business-Type Activities:

Investment income decreased approximately \$269,000 or 97% due to investment losses from the Community Center Trust Authority with a year over year variance of \$274,000.

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)

	Total Expense of Services		% Inc. (Dec.)	Net Revenue (Expense) of Services		% Inc. (Dec.)
	<u>2016</u>	<u>2015</u>		<u>2016</u>	<u>2015</u>	
General government	\$ 6,465	\$ 7,126	-9%	(\$5,994)	(\$6,693)	10%
Public safety	11,789	11,741	0%	(9,499)	(9,469)	0%
Culture, parks and recreation	2,618	2,696	-3%	(2,217)	(2,479)	11%
Public works	3,488	3,334	5%	(1,594)	(1,197)	-33%
Interest on long-term debt	379	353	7%	(379)	(353)	-7%
Total	<u>24,739</u>	<u>\$ 25,250</u>	-2%	<u>(\$19,683)</u>	<u>(\$20,191)</u>	-3%

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 presently levies a three and four-tenths-cent (\$.034) sales tax on taxable sales within the City. Effective January 1, 2016 an additional four-tenths cent sales tax was approved by voters. Prior to January 1, 2016, the sales tax rate was three cents. 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

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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". Sales tax revenue reported in the Government-wide Financial Statements totaled \$17,399,333 which represented a 5.4% 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 47.6% of net governmental expenses. The Fire department consists of 67 full-time employees, including one administrative assistant. The Police department consists of 65 full time employees with 58 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 general 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 very minimal increase of \$168,000 in net position.

TABLE 4
Net Revenue (Expense) of Business-Type Activities
(In Thousands)

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	<u>2016</u>	<u>2015</u>		<u>2016</u>	<u>2015</u>	
Water	\$ 8,066	\$ 8,118	-1%	\$ (166)	\$ (114)	-46%
Wastewater	4,610	4,663	-1%	(543)	(269)	-102%
Sanitation	2,989	2,956	1%	1,430	1,491	4%
Community center	1,569	1,503	4%	(875)	(979)	11%
Other business-type activities	<u>5,912</u>	<u>5,709</u>	4%	<u>(2,329)</u>	<u>(3,900)</u>	40%
Total	<u><u>\$ 23,146</u></u>	<u><u>\$ 22,949</u></u>	1%	<u><u>\$ (2,483)</u></u>	<u><u>\$ (3,771)</u></u>	34%

The City's business-type activities include utility services for water, wastewater, and sanitation and the operation of the community center.

Total assets from governmental activity are approximately \$123.3 million, which represents an increase of \$3 million from the prior fiscal year. This increase can mainly be attributed to the issuance of new G.O. Bond debt and The increased accrual related to the sales tax increase, as well as 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 \$673,315 being set aside in a formal stabilization reserve fund and \$2.4 million being set aside in a formal capital reserve

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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 worker's 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 worker's compensation. Despite the City's best efforts, worker's compensation expense continues to escalate due to increasing medical and settlement costs. To help offset these increases, the City began levying worker's compensation court judgments on property tax. While this step has lessened worker's 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 worker's 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 Worker's 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 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 38. The governmental funds utilize the modified accrual basis of accounting. All governmental funds combined received total revenues of \$31.0 million for the year and \$33.4 million in expenditures resulting in a deficiency in revenues over expenditures of (\$2.4 million). 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 \$1.3 million. When combined with the deficiency mentioned above, the City's governmental funds' fund balances in total finished the year down approximately \$1.1 million less than where they started.

The individual net change in fund balances for the year was only significant in the Economic Development Fund, CIP – Wastewater Regulatory Fund, Capital Reserve Fund, 2014B G.O. Bond Fund and the 2015 G.O. Bond Fund. The Economic Development Fund received sales tax revenue. It received approximately \$1.6 million in revenue and had transfers out to the Bartlesville Development Authority of about \$3.2 million. This resulted in decreased fund balance of \$1.6 million. The CIP – Wastewater Regulatory Fund receives dedicated utility revenues that are accumulated to pay for regulatory required

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wastewater projects. It received approximately \$1.5 million in revenues and paid approximately \$2.5 million for projects. This resulted in a decrease of \$1.0 million. The Capital Reserve Fund is a capital improvement fund used to accumulate amounts from the Water, Wastewater, and Sanitation operations that will be used to finance these funds' long term capital plans. This fund accumulated \$0.3 million in transfers while spending \$1.1 million which resulted in decreased fund balance of \$813,000. The 2014B G.O. Bond Fund spent \$1.1 million of prior year bond proceeds which explains the decrease in fund balance of the same amount. The 2015 G.O. Bond Fund received \$2 million in bond proceeds and incurred \$0.1 million in project expenditures. This resulted in an increased fund balance of \$1.9 million.

The general fund reflects an increase in fund balance of \$1,401,777 which brings it up to \$9.5 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 meet 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.

For the general fund, budget basis revenue was up by \$384,668 over the budget estimates of \$16,293,407. 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 2016 were \$514,639 below the final budget of \$18,935,146. These savings were achieved through spending restraints and careful monitoring of budget results.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2016, the City had \$258 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 increase of approximately \$6.8 million over last year.

TABLE 5
Capital Assets
(In Thousands)
(Net of accumulated depreciation)

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Land	\$ 3,386	\$ 3,386	\$ 6,323	\$ 4,575	\$ 9,709	\$ 7,961
Works of art	-	-	46	46	46	46
Buildings	5,381	5,888	105,565	107,424	110,946	113,312
Infrastructure	63,449	61,058	35,449	36,258	98,898	97,316
Machinery, furniture and equipment	3,088	3,422	3,183	3,726	6,271	7,148
Construction in progress	7,836	6,418	24,494	19,230	32,330	25,648
Totals	<u>\$ 83,140</u>	<u>\$ 80,172</u>	<u>\$ 175,060</u>	<u>\$ 171,259</u>	<u>\$ 258,200</u>	<u>\$ 251,431</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 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

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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, 2016 the City of Bartlesville had \$98,442,126 in outstanding debt. Table 3 summarizes the outstanding debt. This decrease of \$4,834,621 over last year is due to the net effect of issuance of \$2 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)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2016	2015	2016	2015	2016	2015	2015-2016
General obligation bonds	\$ 16,485	\$ 17,180	\$ -	\$ -	\$ 16,485	\$ 17,180	-4.0%
Notes payable	-	-	80,121	84,135	80,121	84,135	-4.8%
Workers' compensation claims liability	951	1,083	-	-	951	1,083	-12.2%
Accrued compensated absences	707	685	179	193	886	878	0.9%
Totals	\$ 18,143	\$ 18,948	\$ 80,300	\$ 84,328	\$ 98,443	\$ 103,276	-4.7%

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 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.

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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 Administrative Director/CFO, Mike Bailey at the City of Bartlesville, 401 S. Johnstone Ave, Bartlesville, OK 74003, by phone at (918) 338-4212 or by email at mlbailey@cityofbartlesville.org.

**CITY OF BARTLESVILLE, OKLAHOMA
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BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE

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Statement of Net Position– June 30, 2016

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 108,675	\$ 3,037,695	\$ 3,146,370
Investments	35,336,247	6,141,691	41,477,938
Interest receivable	14,846	-	14,846
Restricted cash and cash equivalents, current	55,214	-	55,214
Accounts receivable, net of allowance	1,044,231	1,827,750	2,871,981
Internal balances	138,945	(138,945)	-
Due from other governmental agencies	3,314,683	-	3,314,683
Inventories	55,036	399,612	454,648
Prepaid expenses	104,876	39,894	144,770
Incentive loans receivable, current	-	171,700	171,700
Restricted cash and cash equivalents, noncurrent	-	1,462,034	1,462,034
Restricted investments	-	1,156,781	1,156,781
Mortgage and security agreement	-	747,686	747,686
Incentive loans receivable, noncurrent	-	722,812	722,812
Capital Assets:			
Land and construction in progress	11,221,932	30,862,635	42,084,567
Other capital assets, net of depreciation	71,918,035	144,197,155	216,115,190
Total Assets	<u>\$ 123,312,720</u>	<u>\$ 190,628,500</u>	<u>\$ 313,941,220</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred amounts related to pensions	<u>2,096,098</u>	<u>742,167</u>	<u>2,838,265</u>
LIABILITIES			
Accounts payable and accrued expenses	2,265,077	2,311,178	\$ 4,576,255
Due to depositors	100	1,244,288	1,244,388
Advanced revenues	89,848	169,844	259,692
Long-term liabilities			
Due within one year:			
Bonds, capital leases and contracts	3,270,000	3,121,778	6,391,778
Compensated absences	70,674	17,858	88,532
Claims payable	380,381	-	380,381
Due in more than one year:			
Compensated absences	636,065	160,721	796,786
Bonds, capital leases and contracts	13,215,000	76,999,052	90,214,052
Claims payable	570,597	-	570,597
Net OPEB obligation	271,797	118,953	390,750
Net pension liability	18,655,122	3,464,868	22,119,990
Total liabilities	<u>39,424,661</u>	<u>87,608,540</u>	<u>127,033,201</u>
DEFERRED INFLOW OF RESOURCES			
Deferred amounts related to pensions	<u>1,807,335</u>	<u>118,581</u>	<u>1,925,916</u>
NET POSITION			
Net investment in capital assets	66,654,967	94,081,146	160,736,113
Restricted by:			
Enabling legislation	10,670,211	-	10,670,211
Statutory requirements	14,872,778	-	14,872,778
External contracts	1,114,380	4,649,622	5,764,002
Unrestricted (deficit)	(9,135,514)	4,912,778	(4,222,736)
Total net position	<u>\$ 84,176,822</u>	<u>\$ 103,643,546</u>	<u>\$ 187,820,368</u>

See accompanying notes to the basic financial statements.

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Statement of Activities –Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental Activities							
General Government	\$ 6,464,983	\$ 364,734	\$ 106,152	\$ 20	\$ (5,994,077)	\$ -	\$ (5,994,077)
Public Safety	11,788,660	759,499	1,530,382	-	(9,498,779)	-	(9,498,779)
Culture and Recreation	2,618,120	36,248	125,995	238,625	(2,217,252)	-	(2,217,252)
Public Works	3,488,221	1,504,282	390,179	-	(1,593,760)	-	(1,593,760)
Interest on Long-term debt	379,093	-	-	-	(379,093)	-	(379,093)
Total governmental activities	<u>24,739,077</u>	<u>2,664,763</u>	<u>2,152,708</u>	<u>238,645</u>	<u>(19,682,961)</u>	<u>-</u>	<u>(19,682,961)</u>
Business-Type Activities:							
Water	8,066,387	7,900,381	-	-	-	(166,006)	(166,006)
Wastewater	4,610,153	4,067,363	-	-	-	(542,790)	(542,790)
Sanitation	2,989,459	4,419,260	-	-	-	1,429,801	1,429,801
Community Center	1,568,615	514,987	178,100	-	-	(875,528)	(875,528)
Other Business-Type Activities	5,912,350	3,568,827	14,793	-	-	(2,328,730)	(2,328,730)
Total business-type activities	<u>23,146,964</u>	<u>20,470,818</u>	<u>192,893</u>	<u>-</u>	<u>-</u>	<u>(2,483,253)</u>	<u>(2,483,253)</u>
Total primary government	<u>\$ 47,886,041</u>	<u>\$ 23,135,581</u>	<u>\$ 2,345,601</u>	<u>\$ 238,645</u>	<u>\$ (19,682,961)</u>	<u>\$ (2,483,253)</u>	<u>\$ (22,166,214)</u>
General revenues:							
Taxes:							
Sales and use taxes					\$ 17,399,333	\$ -	\$ 17,399,333
TIF tax revenue					1,131,067	-	1,131,067
Property taxes					3,679,441	-	3,679,441
Franchise taxes and public service taxes					1,378,428	-	1,378,428
Other taxes					974,613	-	974,613
Intergovernmental revenue not restricted to specific programs					314,722	-	314,722
Unrestricted investment earnings					431,446	8,653	440,099
Miscellaneous					683,490	661,513	1,345,003
Gain (loss) on sale of assets					24,825	2,377	27,202
Transfers					(1,977,875)	1,977,875	-
Total general revenues and transfers					<u>24,039,490</u>	<u>2,650,418</u>	<u>26,689,908</u>
Change in net position					4,356,529	167,165	4,523,694
Net position - beginning					79,820,293	103,476,381	183,296,674
Net position - ending					<u>\$ 84,176,822</u>	<u>\$ 103,643,546</u>	<u>\$ 187,820,368</u>

See accompanying notes to the basic financial statements.

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BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS

CITY OF BARTLESVILLE, OKLAHOMA
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Governmental Funds Balance Sheet - June 30, 2016

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Improvement Sales Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 2,775	-	-	\$ -	\$ 2,775
Investments	6,823,806	2,754,437	3,373,895	21,346,374	34,298,512
Interest receivable	-	-	-	14,846	14,846
Receivable from other governments	41,006	17,898	-	106,615	165,519
Due from other funds	177,271	-	-	-	177,271
Taxes receivable, net	2,520,590	-	518,707	352,439	3,391,736
Other receivables, net of allowance	478,925	-	27,282	121,197	627,404
Inventories	55,036	-	-	-	55,036
Prepaid expenses	96,931	-	-	-	96,931
Cash - restricted	55,214	-	-	-	55,214
Total assets	<u>\$ 10,251,554</u>	<u>\$ 2,772,335</u>	<u>\$ 3,919,884</u>	<u>\$ 21,941,471</u>	<u>\$ 38,885,244</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 134,424	\$ -	\$ -	\$ 1,344,082	\$ 1,478,506
Accrued payroll payable	474,083	-	-	24,338	498,421
Due to other funds	-	-	-	81,748	81,748
Advanced revenue	89,848	-	-	-	89,848
Other payables	54,186	-	100,752	81,259	236,197
Total liabilities	<u>752,541</u>	<u>-</u>	<u>100,752</u>	<u>1,531,427</u>	<u>2,384,720</u>
Fund balances:					
Nonspendable	151,967	-	-	-	151,967
Restricted	-	2,772,335	3,819,132	20,065,902	26,657,369
Committed	4,476,454	-	-	366,992	4,843,446
Assigned	1,822,291	-	-	-	1,822,291
Unassigned	3,048,301	-	-	(22,850)	3,025,451
Total fund balances	<u>9,499,013</u>	<u>2,772,335</u>	<u>3,819,132</u>	<u>20,410,044</u>	<u>36,500,524</u>
Total liabilities and fund balances	<u>\$ 10,251,554</u>	<u>\$ 2,772,335</u>	<u>\$ 3,919,884</u>	<u>\$ 21,941,471</u>	<u>\$ 38,885,244</u>

See accompanying notes to the basic financial statements.

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances – Year Ended June 30, 2016

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Improvement Sales Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Sales and miscellaneous taxes	\$ 14,604,765	\$ -	\$ 2,781,996	\$ 3,496,680	\$ 20,883,441
Property taxes	-	3,679,441	-	-	3,679,441
Intergovernmental	2,089,231	-	-	528,016	2,617,247
Licenses and permits	220,844	-	-	-	220,844
Charges for services	381,585	-	-	1,509,753	1,891,338
Fees and fines	773,925	-	-	-	773,925
Investment earnings	173,069	-	35,508	214,111	422,688
Miscellaneous	280,524	-	5,020	180,204	465,748
Contributions and donations	-	-	-	75,180	75,180
Total revenues	<u>18,523,943</u>	<u>3,679,441</u>	<u>2,822,524</u>	<u>6,003,944</u>	<u>31,029,852</u>
EXPENDITURES					
Current:					
General government	5,307,148	74,000	24,694	565,312	5,971,154
Public safety	11,445,436	-	24,112	1,079,965	12,549,513
Public works	1,202,189	-	48,816	186,867	1,437,872
Culture and recreation	2,013,737	-	28,117	245,123	2,286,977
Capital outlay	-	-	2,995,283	5,084,636	8,079,919
Debt service:					
Principal	-	2,695,000	-	-	2,695,000
Interest and other charges	-	379,093	-	-	379,093
Total expenditures	<u>19,968,510</u>	<u>3,148,093</u>	<u>3,121,022</u>	<u>7,161,903</u>	<u>33,399,528</u>
Excess (deficiency) of revenues over expenditures	<u>(1,444,567)</u>	<u>531,348</u>	<u>(298,498)</u>	<u>(1,157,959)</u>	<u>(2,369,676)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	-	-	-	2,000,000	2,000,000
Transfers in	3,940,751	-	-	909,180	4,849,931
Transfers out	(1,094,407)	-	-	(4,462,942)	(5,557,349)
Total other financing sources and uses	<u>2,846,344</u>	<u>-</u>	<u>-</u>	<u>(1,553,762)</u>	<u>1,292,582</u>
Net change in fund balances	1,401,777	531,348	(298,498)	(2,711,721)	(1,077,094)
Fund balances - beginning	8,097,236	2,240,987	4,117,630	23,121,765	37,577,618
Fund balances - ending	<u>\$ 9,499,013</u>	<u>\$ 2,772,335</u>	<u>\$ 3,819,132</u>	<u>\$ 20,410,044</u>	<u>\$ 36,500,524</u>

See accompanying notes to the basic financial statements.

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Total fund balance, governmental funds	\$ 36,500,524
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.	83,139,967
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Accounts receivable, net of allowance for doubtful accounts	
Pension related deferred outflows	2,096,098
Internal service funds	322,804
Internal balance related to internal service fund classified as BTA	43,422
Some liabilities 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	(16,485,000)
Net pension liability	(18,655,122)
Accrued compensated absences liability	(706,739)
Net OPEB obligation	(271,797)
Pension related deferred inflows	(1,807,335)
Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 84,176,822</u>

See accompanying notes to the basic financial statements.

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Net change in fund balances - total governmental funds: \$ (1,077,094)

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	8,351,502
Book value of Disposed capital assets	(64)
Depreciation expense	(4,112,786)
Capital assets transferred to business-type activities	(1,270,457)

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.

1,446,427

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Principal payments on long-term debt	2,695,000
Proceeds of long-term debt	(2,000,000)

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.

553,119

Internal service fund activity related to Enterprise Funds

(128,602)

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	(21,245)
Change in OPEB liability	(79,271)

Change in net position of governmental activities

\$ 4,356,529

See accompanying notes to the basic financial statements.

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Proprietary Funds Statement of Net Position - June 30, 2016

	Enterprise Funds									
	BMA	Wastewater Fund	Water Fund	Solid Waste Fund	Community Center Trust Authority	Bartlesville Development Authority	Bartlesville Education Authority	Other Enterprise Funds	Total	Total Internal Service Funds
ASSETS										
Current assets:										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 294,898	\$ 975,190	\$ -	\$ 1,767,607	\$ 3,037,695	\$ -
Investments	-	-	40,556	1,202,787	4,652,676	-	-	245,672	6,141,691	1,037,735
Due from other funds	-	-	-	-	-	77,900	-	-	77,900	-
Accounts receivable, net	888,735	-	-	333,286	67,974	26,264	-	29,034	1,345,293	-
Cash held by third parties	-	-	-	-	-	-	-	-	-	105,900
Other receivables	93,242	579	4,517	11,145	-	-	306,885	66,090	482,458	174,255
Incentive loans receivable, current	-	-	-	-	-	171,700	-	-	171,700	-
Prepaid expenses	-	-	-	-	-	39,894	-	-	39,894	-
Inventory	-	47,906	351,706	-	-	-	-	-	399,612	7,945
Total current assets	981,977	48,485	396,779	1,547,218	5,015,548	1,290,948	306,885	2,108,403	11,696,243	1,325,835
Non-current assets:										
Restricted:										
Cash and cash equivalents	153,384	-	-	-	-	-	1,308,650	-	1,462,034	-
Investments	1,156,781	-	-	-	-	-	-	-	1,156,781	-
Mortgage and security agreement	-	-	-	-	-	-	-	747,686	747,686	-
Incentive loans receivable	-	-	-	-	-	722,812	-	-	722,812	-
Capital assets:										
Land and construction in progress	724,569	32,187	1,228,118	-	1,035,952	3,844,491	23,401,203	596,115	30,862,635	-
Other capital assets, net of accumulated depreciation	44,680,729	18,439,084	8,735,006	1,382,539	5,398,418	62,317,249	-	3,244,130	144,197,155	-
Total non-current assets	46,715,463	18,471,271	9,963,124	1,382,539	6,434,370	66,884,552	24,709,853	4,587,931	179,149,103	-
Total assets	47,697,440	18,519,756	10,359,903	2,929,757	11,449,918	68,175,500	25,016,738	6,696,334	190,845,346	1,325,835
DEFERRED OUTFLOW OF RESOURCES										
Deferred amounts related to pensions	-	63,705	277,479	210,398	-	-	-	190,585	742,167	-
LIABILITIES										
Current liabilities:										
Accounts payable	-	4,201	213,823	34,160	88,404	579,029	279,441	71,186	1,270,244	52,080
Accrued personnel expenses	-	17,103	61,866	44,492	4,604	-	-	6,307	134,372	-
Accrued interest payable	415,513	-	-	-	-	-	306,885	3,427	725,825	-
Due to other funds	173,423	-	-	-	-	-	-	-	173,423	-
Other accrued expenses	-	-	47,917	-	-	-	121,595	-	169,512	-
Advanced revenue	-	-	-	-	-	161,040	-	16,517	177,557	-
Deposit liability	1,156,781	-	-	-	7,507	80,000	-	-	1,244,288	-
Compensated absences	-	1,834	8,559	6,621	-	-	-	844	17,858	-
Claims and judgments	-	-	-	-	-	-	-	-	-	380,381
Incentives payable	-	-	-	-	-	-	-	11,225	11,225	-
Bonds, notes and loans payable	1,559,975	-	-	-	-	1,454,803	-	107,000	3,121,778	-
Total current liabilities	3,305,692	23,138	332,165	85,273	100,515	2,274,872	707,921	216,506	7,046,082	432,461
Non-current liabilities:										
Net pension liability	-	454,701	1,588,471	1,179,827	-	-	-	241,869	3,464,868	-
Claims and judgments	-	-	-	-	-	-	-	-	-	570,570
Compensated absences	-	16,509	77,034	59,585	-	-	-	7,593	160,721	-
Bonds, notes and loans payable	38,834,824	-	-	-	-	12,573,542	24,950,000	640,686	76,999,052	-
Net OPEB obligation	-	15,528	52,788	46,463	-	-	-	4,174	118,953	-
Total non-current liabilities	38,834,824	486,738	1,718,293	1,285,875	-	12,573,542	24,950,000	894,322	80,743,594	570,570
Total liabilities	42,140,516	509,876	2,050,458	1,371,148	100,515	14,848,414	25,657,921	1,110,828	87,789,676	1,003,031
DEFERRED INFLOW OF RESOURCES										
Deferred amounts related to pensions	-	22,594	50,652	37,622	-	-	-	-	110,868	-
NET POSITION										
Net investment in capital assets	5,010,499	18,471,271	9,963,124	1,382,539	6,434,370	50,527,895	(1,548,797)	3,840,245	94,081,146	-
Restricted for other purposes	546,425	-	-	-	70,226	1,605,500	907,614	1,519,857	4,649,622	-
Unrestricted	-	(420,280)	(1,426,852)	348,846	4,844,807	1,193,691	-	415,989	4,956,201	322,804
Total net position	\$ 5,556,924	\$ 18,050,991	\$ 8,536,272	\$ 1,731,385	\$ 11,349,403	\$ 53,327,086	\$ (641,183)	\$ 5,776,091	\$ 103,686,969	\$ 322,804
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds									(43,422)	
Net Position of Business-type Activities									\$ 103,643,547	

See accompanying notes to the basic financial statements.

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position - Year Ended June 30, 2016

	Enterprise Funds									
	<u>BMA</u>	<u>Wastewater Fund</u>	<u>Water Fund</u>	<u>Solid Waste Fund</u>	<u>Community Center Trust Authority</u>	<u>Bartlesville Development Authority</u>	<u>Bartlesville Education Authority</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Total Internal Service Funds</u>
REVENUES										
Water	\$ 11,917,035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,917,035	\$ -
Sanitation	-	-	-	4,419,260	-	-	-	-	4,419,260	-
Charges for services	-	-	-	-	492,213	3,121,480	-	398,011	4,011,704	3,414,929
Lease revenue	-	-	-	-	-	-	-	550	550	-
Interest and investment revenue	-	-	-	-	-	44,781	-	-	44,781	-
Miscellaneous	-	-	100	-	22,774	48,590	-	553	72,017	-
Total operating revenues	<u>11,917,035</u>	<u>-</u>	<u>100</u>	<u>4,419,260</u>	<u>514,987</u>	<u>3,214,851</u>	<u>-</u>	<u>399,114</u>	<u>20,465,347</u>	<u>3,414,929</u>
OPERATING EXPENSES										
Personal services	-	774,456	2,110,766	1,599,633	607,646	51,863	-	395,492	5,539,856	2,522,136
Contractual services	78,975	2,069,939	262,396	757,024	123,183	70,753	-	417,242	3,779,512	347,708
Utilities	-	2,894	409,273	5,279	116,123	5,285	-	53,135	591,989	3,818
Repairs and maintenance	-	90,349	613,132	259,325	28,226	5,380	-	69,595	1,066,007	24,951
Other supplies and expenses	47,624	41,487	774,918	169,067	300,282	2,433	83,924	70,012	1,489,747	-
Programs	-	-	-	-	-	1,051,066	-	259,602	1,310,668	-
Depreciation	1,704,946	1,608,238	669,474	238,129	393,155	1,915,048	-	294,841	6,823,831	-
Total Operating Expenses	<u>1,831,545</u>	<u>4,587,363</u>	<u>4,839,959</u>	<u>3,028,457</u>	<u>1,568,615</u>	<u>3,101,828</u>	<u>83,924</u>	<u>1,559,919</u>	<u>20,601,610</u>	<u>2,898,613</u>
Operating income	<u>10,085,490</u>	<u>(4,587,363)</u>	<u>(4,839,859)</u>	<u>1,390,803</u>	<u>(1,053,628)</u>	<u>113,023</u>	<u>(83,924)</u>	<u>(1,160,805)</u>	<u>(136,263)</u>	<u>516,316</u>
NON-OPERATING REVENUES (EXPENSES)										
Interest and investment revenue	9,286	740	4,674	12,783	(66,035)	-	-	2,424	(36,128)	8,758
Miscellaneous revenue	50,609	1,003	21,077	-	-	-	614,332	-	687,021	28,045
Gain (loss) on capital asset disposal	-	25,001	1,871	506	-	-	-	100	27,478	-
Operating grants and contributions	-	-	-	-	178,100	-	-	14,793	192,893	-
Transfer of capital assets to governmental activities	-	-	-	(326,363)	-	-	-	-	(326,363)	-
Interest expense	(1,563,622)	-	-	-	-	(496,921)	(613,770)	-	(2,674,313)	-
Total non-operating revenue (expenses)	<u>(1,503,727)</u>	<u>26,744</u>	<u>27,622</u>	<u>(313,074)</u>	<u>112,065</u>	<u>(496,921)</u>	<u>562</u>	<u>17,317</u>	<u>(2,129,412)</u>	<u>36,803</u>
Income (loss) before transfers and capital contributions	8,581,763	(4,560,619)	(4,812,237)	1,077,729	(941,563)	(383,898)	(83,362)	(1,143,488)	(2,265,675)	553,119
Capital contributions	-	1,460,159	53,512	-	-	-	-	83,149	1,596,820	-
Transfers in	-	3,939,938	6,273,535	-	344,741	3,216,490	-	984,494	14,759,198	-
Transfers out	(10,213,473)	(1,006,305)	(1,524,290)	(1,307,712)	-	-	-	-	(14,051,780)	-
Change in net position	(1,631,710)	(166,827)	(9,480)	(229,983)	(596,822)	2,832,592	(83,362)	(75,845)	38,563	553,119
Total net position - beginning	7,188,634	18,217,818	8,545,752	1,961,368	11,946,225	50,494,494	(557,821)	5,851,936	103,648,406	(230,315)
Total net position - ending	<u>\$ 5,556,924</u>	<u>\$ 18,050,991</u>	<u>\$ 8,536,272</u>	<u>\$ 1,731,385</u>	<u>\$ 11,349,403</u>	<u>\$ 53,327,086</u>	<u>\$ (641,183)</u>	<u>\$ 5,776,091</u>	<u>\$ 103,686,969</u>	<u>\$ 322,804</u>
Change in Net Position, Enterprise Funds									38,563	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds									128,602	
Change in Net Position of Business-type Activities									<u>\$ 167,165</u>	

See accompanying notes to the basic financial statements.

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2016

	Enterprise Funds									
	BMA	Wastewater Fund	Water Fund	Solid Waste Fund	Community Center Trust Authority	Bartlesville Development Authority	Bartlesville Education Authority	Other Enterprise Funds	Total Enterprise Funds	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts from customers	\$ 12,111,210	\$ 537	\$ 18,036	\$ 4,388,286	\$ 677,330	\$ 1,943,549	\$ 614,332	\$ 415,002	\$ 20,168,282	\$ 3,347,375
Receipts from investments	-	-	-	-	-	1,696	-	-	1,696	-
Payments to suppliers and employees	(126,599)	(3,011,582)	(3,926,315)	(2,922,467)	(1,187,289)	(1,055,998)	(1,529,137)	(599,099)	(14,358,486)	(3,002,500)
Payments for incentives and operations	-	-	-	-	-	-	-	(642,957)	(642,957)	-
Receipts of customer meter deposits	234,754	-	-	-	-	-	-	-	234,754	-
Refunds of customer meter deposits	(215,994)	-	-	-	-	-	-	-	(215,994)	-
Interfund receipts/payments	173,423	-	-	-	-	-	-	-	173,423	(43,852)
Net cash provided by (used in) operating activities	<u>12,176,794</u>	<u>(3,011,045)</u>	<u>(3,908,279)</u>	<u>1,465,819</u>	<u>(509,959)</u>	<u>889,247</u>	<u>(914,805)</u>	<u>(827,054)</u>	<u>5,360,718</u>	<u>301,023</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES										
Transfers from other funds	-	3,939,938	6,273,535	-	344,741	3,216,490	-	949,970	14,724,674	-
Transfers to other funds	(10,213,473)	(1,006,305)	(1,524,290)	(1,307,712)	-	-	-	-	(14,051,780)	-
Net cash provided by (used in) noncapital financing activities	<u>(10,213,473)</u>	<u>2,933,633</u>	<u>4,749,245</u>	<u>(1,307,712)</u>	<u>344,741</u>	<u>3,216,490</u>	<u>-</u>	<u>949,970</u>	<u>672,894</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Purchases of capital assets	-	(14,131)	(1,104,125)	(119,083)	(106,765)	(1,629,378)	(4,661,842)	-	(7,635,324)	-
Proceeds from sale of capital asset	-	25,001	1,871	506	-	-	-	100	27,478	-
Proceeds from debt	3,355,000	-	-	-	-	-	-	-	3,355,000	-
Decrease in security interest in property	-	-	-	-	-	-	-	100,000	100,000	-
Principal paid on debt	(5,842,890)	-	-	-	-	(1,425,999)	-	(100,000)	(7,368,889)	-
Interest and fiscal agent fees paid on debt	(1,607,178)	-	-	-	-	(497,446)	(613,770)	-	(2,718,394)	-
Net cash provided by (used in) capital and related financing activities	<u>(4,095,068)</u>	<u>10,870</u>	<u>(1,102,254)</u>	<u>(118,577)</u>	<u>(106,765)</u>	<u>(3,552,823)</u>	<u>(5,275,612)</u>	<u>100</u>	<u>(14,240,129)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES										
Sale of investments	1,418,752	65,802	256,614	-	119,307	-	-	-	1,860,475	-
Purchase of investments	-	-	-	(52,313)	(286,175)	-	-	(48,483)	(386,971)	(263,881)
Interest and dividends	9,286	740	4,674	12,783	511,792	-	-	2,424	541,699	8,758
Net cash provided by (used in) investing activities	<u>1,428,038</u>	<u>66,542</u>	<u>261,288</u>	<u>(39,530)</u>	<u>344,924</u>	<u>-</u>	<u>-</u>	<u>(46,059)</u>	<u>2,015,203</u>	<u>(255,123)</u>
Net increase (decrease) in cash and cash equivalents	(703,709)	-	-	-	72,941	552,914	(6,190,417)	76,957	(6,191,314)	45,900
Balances - beginning of year	<u>857,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,957</u>	<u>422,276</u>	<u>7,499,067</u>	<u>1,690,650</u>	<u>10,691,043</u>	<u>60,000</u>
Balances - end of year	<u>\$ 153,384</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,898</u>	<u>\$ 975,190</u>	<u>\$ 1,308,650</u>	<u>\$ 1,767,607</u>	<u>\$ 4,499,729</u>	<u>\$ 105,900</u>
Reconciliation to Statement of Net Position:										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 294,898	\$ 975,190	\$ -	\$ 1,767,607	\$ 3,037,695	\$ -
Cash held by third parties	-	-	-	-	-	-	-	-	-	105,900
Restricted cash and cash equivalents - noncurrent	153,384	-	-	-	-	-	1,308,650	-	1,462,034	-
Total cash and cash equivalents, end of year	<u>\$ 153,384</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,898</u>	<u>\$ 975,190</u>	<u>\$ 1,308,650</u>	<u>\$ 1,767,607</u>	<u>\$ 4,499,729</u>	<u>\$ 105,900</u>

See accompanying notes to the basic financial statements.

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Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2016, (Continued)

	Enterprise Funds									
	BMA	Wastewater Fund	Water Fund	Solid Waste Fund	Community Center Trust Authority	Bartlesville Development Authority	Bartlesville Education Authority	Other Enterprise Funds	Total Enterprise Funds	Total Internal Service Funds
Reconciliation of operating income to net cash provided by										
Operating Activities:										
Operating income	\$ 10,085,490	\$ (4,587,363)	\$ (4,839,859)	\$ 1,390,803	\$ (1,053,628)	\$ 113,023	\$ (83,924)	\$ (1,160,805)	\$ (136,263)	\$ 516,316
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:										
Depreciation expense	1,704,946	1,608,238	669,474	238,129	393,155	1,915,048	-	294,841	6,823,831	-
Sales and miscellaneous taxes	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	50,609	1,003	21,077	-	-	-	614,332	-	687,021	28,045
Operating grants and contributions	-	-	-	-	178,100	-	-	14,793	192,893	-
Interest and investment revenue	-	-	-	-	-	-	-	-	-	-
Change in assets and liabilities:										
Due from other funds	-	-	-	-	-	-	-	-	-	(43,852)
Accrued compensated absences	173,423	(3,665)	(12,006)	(913)	-	-	-	-	156,839	-
Accounts receivable	132,955	-	-	(21,653)	(15,757)	(97,080)	-	-	(1,535)	-
Other receivable	10,611	(466)	(3,141)	(9,321)	-	-	-	(4,305)	(6,622)	(95,599)
Accounts payable	-	(10,220)	172,174	(93,387)	(12,044)	125,405	(1,445,213)	(31,658)	(1,294,943)	36,204
Advanced revenue	-	-	-	-	-	1,506	-	5,398	6,904	-
Accrued salaries payable	-	4,248	12,033	9,062	-	-	-	664	26,007	-
Claims liability	-	-	-	-	-	-	-	-	-	(132,146)
Increase in land	-	-	-	-	-	(1,168,130)	-	-	(1,168,130)	-
Net OPEB obligation	-	3,696	12,834	10,480	-	-	-	1,008	28,018	-
Net pension liability and related deferrals	-	(34,872)	(79,754)	(57,381)	-	-	-	51,284	(120,723)	-
Deposits subject to refund	18,760	-	-	-	-	-	-	1,726	20,486	-
Prepaid expenses	-	-	-	-	215	(525)	-	-	(310)	(7,945)
Inventory	-	8,356	138,889	-	-	-	-	-	147,245	-
Net cash provided by (used in) operating activities	<u>\$ 12,176,794</u>	<u>\$ (3,011,045)</u>	<u>\$ (3,908,279)</u>	<u>\$ 1,465,819</u>	<u>\$ (509,959)</u>	<u>\$ 889,247</u>	<u>\$ (914,805)</u>	<u>\$ (827,054)</u>	<u>\$ 5,360,718</u>	<u>\$ 301,023</u>
Noncash activities:										
Contributed capital assets	\$ -	\$ (1,460,159)	\$ (53,512)	\$ -	\$ -	\$ -	\$ -	\$ (83,149)	\$ (1,596,820)	\$ -
Capital assets transferred to governmental activities	-	-	-	326,363	-	-	-	-	326,363	-
	<u>\$ -</u>	<u>\$ (1,460,159)</u>	<u>\$ (53,512)</u>	<u>\$ 326,363</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (83,149)</u>	<u>\$ (1,270,457)</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

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Fiduciary Funds Statement of Net Position - June 30, 2016

	<u>Mausoleum</u> <u>Endowment</u>
ASSETS	
Cash and cash equivalents	\$ -
Receivables:	
Other receivables	61
Total receivables	61
Investments:	
Other investments	7,880
Total Investments	7,880
Total assets	\$ 7,941
LIABILITIES	
Total liabilities	-
NET POSITION	
Held in trust for benefits and other purposes	\$ 7,941

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Fiduciary Funds Statement of Revenues, Expenses, and Changes in Net Position - Year Ended June 30, 2016

	<u>Mausoleum</u> <u>Endowment</u>
ADDITIONS	
Contributions:	\$ -
Total contributions	<u>-</u>
Investment earnings:	
Investment earnings (losses)	<u>80</u>
Total net investment earnings	<u>80</u>
Total additions	<u>80</u>
DEDUCTIONS	
Miscellaneous expense	<u>-</u>
Total deductions	<u>-</u>
Change in net position	80
Net position - beginning	<u>7,861</u>
Net position - ending	<u><u>\$ 7,941</u></u>

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FOOTNOTES TO THE BASIC FINANCIAL STATEMENTS

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NOTE 11.

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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).

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:

Blended Component Units Reported with the Primary Government	Brief Description of Activity's Relationship to City	Reporting Funds
Bartlesville Municipal Authority	Finance projects and development for the City's water 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

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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
Bartlesville Library 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 Fund
Bartlesville History 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 Fund
Adult Center Trust 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 Redevelopment 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 Authority	Finances certain facilities for the purpose of promoting economic development in the City of Bartlesville, Oklahoma and surrounding areas.	Enterprise Fund
Bartlesville Education Authority	Finances certain facilities for the purpose of improving educational buildings in the City of Bartlesville, Oklahoma and surrounding areas.	Enterprise Fund

The City provides typical municipal services such as public safety, street maintenance, culture, parks and recreation, airport, and certain utility services including water, wastewater, and sanitation.

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Each of these 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, liabilities, 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, liabilities, 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>
Major:	
General Fund	See above for description.
Debt Service Fund:	
Debt Service Fund	See above for description.
Capital Project Fund:	
Capital Improvement Sales Tax Fund	Accounts for revenues and expenditures related to a sales tax issue restricted for capital improvements
Non-Major:	
Special Revenue Funds:	
Bartlesville History 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.
Police Grant Fund	Accounts for revenues and expenditures related to grants.
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.
Capital Project Funds:	
Capital Improvement - Wastewater Fund	Accounts for the revenues and expenditures associated with improving the wastewater system.
Capital Improvement – Wastewater Regulatory Fund	Accounts for revenues and expenditures associated with the wastewater capital investment fees.

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Capital Improvement – City Hall Fund	Accounts for revenues and expenditures associated with improving City Hall.
Capital Improvement - Park and Recreation Fund	Accounts for revenues and expenditures associated with improving the parks and recreation facilities.
Capital Improvement - Storm Sewer Fund	Accounts for revenues and expenditures associated with improving the storm sewer system.
Community Development 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. Bond Fund	Accounts for bond proceeds and expenditures associates with the series 2015 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.

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 non-major funds and are aggregated under the column titled Other Governmental Funds.

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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>
Major:	
Enterprise Funds:	
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 Community Center Trust Authority	See above for description.
Bartlesville Development Authority	See above for description.
Bartlesville Education Authority	See above for description.
Non-Major:	
Adams Municipal Golf Course	Accounts for revenues and expenses of the municipal golf course.

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Sooner Pool	Accounts for revenues and expenses of Sooner Pool.
Frontier Pool	Accounts for revenues and expenses of Frontier Pool.
Adult Center Trust Authority	See above for description.
Bartlesville Redevelopment 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.

<u>Fund</u>	<u>Brief Description</u>
Mausoleum Endowment Fund	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.

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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.

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.
- d. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

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 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, Liabilities, 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.

The City implemented GASB 72, *Fair Value Measurement and Application*, which added additional note disclosures regarding the determination of fair values for investments.

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 worker's compensation insurance. The claims for worker's 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, 2016 the City has deferred outflows of resources related to pensions.

Deferred Inflows of Resources

Deferred inflows are the acquisition of net position that are applicable to a future reporting period. At June 30, 2016 the City has deferred inflows of resources related to pensions.

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, 2016.

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.

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.

The City early implemented GASB 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, which clarified the requirements for reporting the amounts of covered payroll for pensions.

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. A capitalization threshold of \$2,500 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

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- Buildings	15-50 years
- Other Improvements	5-100 years
- Machinery and Equipment	10-40 years
- Vehicles	5-15 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.
- 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 do not meet the definition of “restricted.”

Fund Statements:

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, 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.

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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. Effective January 1, 2016 an additional four-tenths cent sales tax was approved by voters. Prior to January 1, 2016, the sales tax rate was three cents. The sales 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 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

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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, noncapital 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.

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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 4/5th'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.

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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 nonoperational 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.

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, 2016, the City had the following balances committed for stabilization:

	Amount Committed for Stabilization	Original Budgeted Operating Expenses	Stabilization as % of Budgeted Expenses
General	\$ 2,570,951	19,622,183	13.1%
Wastewater	457,529	3,227,278	14.2%
Water	868,650	4,576,239	19.0%
Sanitation	579,324	2,972,640	19.5%
	<u>\$ 4,476,454</u>	<u>30,398,340</u>	<u>14.7%</u>

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.

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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, 2016, the Hotel/Motel Tax Fund reported a deficit fund balance of \$14,408 and the Housing TIF District had a deficit fund balance of \$8,442. Additionally, the Worker's Compensation internal service fund reported a deficit net position of \$758,398. 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, 2016, the reporting entity held the following deposits and investments:

Primary Government:

	Credit Rating	Carrying Value	On Demand	Maturities in Years	
				Less Than One	1-5
Type Deposits:					
Petty Cash	N/A	\$ 2,775	2,775		
Demand Deposits	N/A	9,847,403	9,847,402		
Time Deposits	N/A	15,225,416		11,527,028	3,698,388
Total Deposits		<u>25,075,594</u>			
Investments:					
Corporate Stocks and Bonds					
Community Center	N/A	3,841,931		N/A	N/A
Library Trust Authority	AAAAA	12,958		N/A	N/A
Agencies of the U.S. Govt.					
GNMA/FHLB/FNMA/FFCR	AAA	16,919,249		10,822,201	5,286,302
Mutual Funds					
Library Trust Authority	AAA-AAAAA	1,197,202		N/A	N/A
Total Investments:		<u>21,971,340</u>			
Note Payments held in trust and cash with fiscal agent		259,283			
Total:		<u>\$ 47,306,217</u>	<u>9,850,177</u>	<u>22,349,229</u>	<u>8,984,690</u>
Reconciliation to Statement of Net Position:					
Cash and Cash Equivalents:					
Government-wide		\$ 3,146,370			
Investments:					
Government-wide		41,477,938			
Mausoleum		7,880			
Restricted Cash and Cash Equivalents:					
Government-wide, current		55,214			
Government-wide, noncurrent		1,462,034			
Restricted Investments:					
Government-wide		1,156,781			
Total:		<u>\$ 47,306,217</u>			

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The City implemented GASB 72, *Fair Value Measurement and Application*, during the fiscal year ended June 30, 2016. 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, 2016:

Corporate stocks and bonds of \$3,854,889, U.S. Government and Agency bonds and notes of \$16,919,249, and mutual funds of \$1,197,202 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, 2016 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.

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.

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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, 2016 are as follows:

	Current	Noncurrent	
	Cash and cash equivalents	Cash and cash equivalents	Investments
Series 2009 Principal Bond Account	\$ -	\$ 87,722	\$ -
Series 2009 Interest Bond Account	-	65,662	-
Utility deposits	-	-	1,156,781
Bartlesville Educational Authority	-	1,308,650	-
Court bonds	55,214	-	-
Total	<u>\$ 55,214</u>	<u>\$ 1,462,034</u>	<u>\$ 1,156,781</u>

3. Accounts and Notes Receivable

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:

	Accounts Receivable	Less: Allowance for Uncollectible Accounts	Net Accounts Receivable
Governmental Activities:			
Franchise taxes	\$ 149,486	\$ -	\$ 149,486
Utilities(bug and light)	(113,713)	28,585	(85,128)
Business License	62,732	-	62,732
Court fines	289,220	-	289,220
Fuel Billing	4,085	-	4,085
Abatement	59,649	-	59,649
Demolition	55,112	-	55,112
Lodging tax	61,512	-	61,512
E-911 tax	31,574	-	31,574
Other	218,679	(39,504)	179,175
Interest receivable	236,814	-	236,814
Total Governmental Activities	<u>\$ 1,055,150</u>	<u>\$ (10,919)</u>	<u>\$ 1,044,231</u>
Business-Type Activities:			
Golf Memberships	\$ 10,045	\$ -	\$ 10,045
Utilities(sanitation)	501,937	(168,651)	333,286
Utilities(Waste water)	520,832	(242,892)	277,940
Utilities(Water)	949,018	(338,223)	610,795
Judgements(BMA)	91,367	-	91,367
From other Govt's	306,885	-	306,885
Interest receivable	14,755	-	14,755
Other	182,677	-	182,677
	<u>\$ 2,577,516</u>	<u>\$ (749,766)</u>	<u>\$ 1,827,750</u>

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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. BDC 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 on 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 BDC will recognize incentive payment expense. Notes receivable due from the Sunway Hotel Group Inc. for the year ended June 30, 2016 were \$579,512. Incentive expense for the hotel for the year ended June 30, 2016 was \$160,938.

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, 2016 Dilbeck added four new employees. As a result, incentive expense for Dilbeck for the year ended June 30, 2016 was \$4,840. Notes receivable due from Dilbeck for the year ended June 30, 2016 was \$20,000.

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, 2016, Husky employed twenty-eight employees. Therefore, incentive expense for Husky was \$7,200. Due to not meeting the employment target, Husky repaid \$9,720 to the BDA. Notes receivable due from Husky for the year ended June 30, 2016 was \$135,000.

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, 2016 Superior did not add any employees; therefore, Superior is to repay \$25,184, which is included in accounts receivable. Because of not meeting the employment targets, Superior is to repay \$25,184. Superior repaid \$7,084 during the year ended June

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30, 2016 and \$7,084 was included in accounts receivable. Notes receivable due from Superior for the year ended June 30, 2016 was \$160,000.

	Balance 7/1/2015	Additions	Forgiven	Payments	Balance 6/30/2016
Business-Type Activities/Bartlesville Development Authority:					
Sunway/Hotel	\$ 706,388	\$ -	\$ (126,876)	\$ -	\$ 579,512
Husky	150,000	-	(5,280)	(9,720)	135,000
Dilbeck	24,000	-	(4,000)	-	20,000
Superior	180,000	-	(9,000)	(11,000)	160,000
Total Business-Type Activities/Bartlesville Development Authority	<u>\$ 1,060,388</u>	<u>\$ -</u>	<u>\$ (145,156)</u>	<u>\$ (20,720)</u>	<u>\$ 894,512</u>
Reconciliation to Statement of Net Position:					
Incentive loans receivable, current					171,700
Incentive loans receivable, noncurrent					722,812
Total Incentive Loans Receivable					<u>\$ 894,512</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. For the year ended June 30, 2016, capital assets balances changed as follows:

	Balance at July 1, 2015	Additions	Disposals	Transfers	CIP	Balance at June 30, 2016
Governmental activities:						
Capital assets not being depreciated:						
Land	\$ 3,385,695	\$ 25,659	\$ -	\$ (25,659)	\$ -	\$ 3,385,695
Construction in progress	6,417,710	7,594,434	64	-	(6,175,843)	7,836,237
Total capital assets not being depreciated	<u>9,803,405</u>	<u>7,620,093</u>	<u>64</u>	<u>(25,659)</u>	<u>(6,175,843)</u>	<u>11,221,932</u>
Other capital assets:						
Infrastructure and improvements	96,036,860	-	-	(741,403)	6,095,426	101,390,883
Buildings	13,209,880	-	-	-	-	13,209,880
Equipment and furniture	12,681,149	731,409	350,018	(503,395)	80,417	12,639,562
Total other capital assets at historical cost	<u>121,927,889</u>	<u>731,409</u>	<u>350,018</u>	<u>(1,244,798)</u>	<u>6,175,843</u>	<u>127,240,325</u>
Less accumulated depreciation for:						
Infrastructure and improvements	34,978,973	2,962,925	-	-	-	37,941,898
Buildings	7,322,262	506,239	-	-	-	7,828,501
Equipment and furniture	9,258,287	643,622	350,018	-	-	9,551,891
Total accumulated depreciation	<u>51,559,522</u>	<u>4,112,786</u>	<u>350,018</u>	<u>-</u>	<u>-</u>	<u>55,322,290</u>
Other capital assets, net	<u>70,368,367</u>	<u>(3,381,377)</u>	<u>-</u>	<u>(1,244,798)</u>	<u>6,175,843</u>	<u>71,918,035</u>
Governmental activities capital assets, net	<u>\$ 80,171,772</u>	<u>\$ 4,238,716</u>	<u>\$ 64</u>	<u>\$ (1,270,457)</u>	<u>\$ -</u>	<u>\$ 83,139,967</u>
Business-type activities:						
Capital assets not being depreciated:						
Land	\$ 4,574,890	\$ 1,722,505	\$ -	\$ 25,659	\$ -	\$ 6,323,054
Works of Art	46,137	-	-	-	-	46,137
Construction in progress	19,229,875	5,885,052	-	(621,483)	-	24,493,444
Total capital assets not being depreciated	<u>23,850,902</u>	<u>7,607,557</u>	<u>-</u>	<u>(595,824)</u>	<u>-</u>	<u>30,862,635</u>
Other capital assets:						
Infrastructure and improvements	80,510,808	88,890	-	1,362,886	-	81,962,584
Buildings	161,585,595	1,625,216	-	-	-	163,210,811
Equipment and furniture	13,376,578	32,006	(105,589)	503,395	-	14,017,568
Total other capital assets at historical cost	<u>255,472,981</u>	<u>1,746,112</u>	<u>(105,589)</u>	<u>1,866,281</u>	<u>-</u>	<u>259,190,963</u>
Less accumulated depreciation for:						
Infrastructure and improvements	44,356,611	2,157,335	-	-	-	46,513,946
Buildings	53,491,519	4,153,898	-	-	-	57,645,417
Equipment and furniture	10,216,258	512,598	(105,589)	-	-	10,834,445
Total accumulated depreciation	<u>108,064,388</u>	<u>6,823,831</u>	<u>(105,589)</u>	<u>-</u>	<u>-</u>	<u>114,993,808</u>
Other capital assets, net	<u>147,408,593</u>	<u>(5,077,719)</u>	<u>-</u>	<u>1,866,281</u>	<u>-</u>	<u>144,197,155</u>
Business-type activities capital assets, net	<u>\$ 171,259,495</u>	<u>\$ 2,529,838</u>	<u>\$ -</u>	<u>\$ 1,270,457</u>	<u>\$ -</u>	<u>\$ 175,059,790</u>

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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	\$ 857,055	Wastewater	\$ 1,651,102
Public safety	440,139	Water	2,331,556
Public works	2,303,341	Sanitation	238,129
Culture and recreation	512,251	Golf	91,252
		Swimming pools	194,855
		Community center	393,155
		Other	1,923,782
Depreciation expense	<u>\$ 4,112,786</u>		<u>\$ 6,823,831</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. As of June 30, 2016, the Council has not requested the return of the land.

5. Long-Term Debt and Debt Service Requirements

For the year ended June 30, 2016, the reporting entity's long-term debt changed as follows:

Type of Debt	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016	Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 17,180,000	\$ 2,000,000	\$ 2,695,000	\$ 16,485,000	\$ 3,270,000
Workers' compensation claims liability	1,083,097	163,159	295,278	950,978	380,381
Accrued compensated absences	685,494	1,130,064	1,108,819	706,739	70,674
Total Governmental Activities	<u>18,948,591</u>	<u>3,293,223</u>	<u>4,099,097</u>	<u>18,142,717</u>	<u>3,721,055</u>
Business-Type Activities:					
Notes Payable	84,134,719	3,355,000	7,368,889	80,120,830	3,121,778
Accrued compensated absences	193,437	327,927	342,785	178,579	17,858
Total Business-Type Activities	<u>84,328,156</u>	<u>3,682,927</u>	<u>7,711,674</u>	<u>80,299,409</u>	<u>3,139,636</u>
Total Long-Term Debt	<u>\$ 103,276,747</u>	<u>\$ 6,976,150</u>	<u>\$ 11,810,771</u>	<u>\$ 98,442,126</u>	<u>\$ 6,860,691</u>

Reconciliation to Statement of Net Position:

Governmental Activities:

Due within one year - bonds, capital leases, contracts	\$ 3,270,000
Due within one year - compensated absences	70,674
Due within one year - claims payable	380,381
Due in more than one year - bonds, capital leases, contracts	13,215,000
Due in more than one year - compensated absences	636,065
Due in more than one year - claims payable	570,597
Total Governmental Activities Long-term Debt	<u>\$ 18,142,717</u>

Business-Type Activities:

Due within one year - bonds, capital leases, contracts	\$ 3,121,778
Due within one year - compensated absences	17,858
Due in more than one year - bonds, capital leases, contracts	76,999,052
Due in more than one year - compensated absences	160,721
Total Business-Type Activities Long-term Debt	<u>\$ 80,299,409</u>

Governmental accrued compensated absences will be liquidated by the general fund.

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In July 2015, the City entered into a capital lease agreement with Syneco Systems, Inc. for the use of an odor scrubber at the City's Shawnee Lift Station. The lease term was for 2 years at a cost of \$14,131 with the total amount due at lease signing. This asset has been recorded as Equipment in the City's capital assets in the Wastewater Fund with a useful life equal to the 2 year lease term. Amortization is recorded with accumulated depreciation and depreciation expense. There is no bargain purchase provision and the City does not have the option to retain possession of the scrubber at lease termination.

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.

General obligation bonds payable at June 30, 2016, are comprised of the following issues:

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	\$ -
	Long-term	2,000,000
	Total	<u>2,000,000</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	\$ 575,000
	Long-term	4,625,000
	Total	<u>5,200,000</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	\$ 165,000
	Long-term	1,170,000
	Total	<u>1,335,000</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	330,000
	Long-term	2,010,000
	Total	<u>2,340,000</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	710,000
	Long-term	1,450,000
	Total	<u>2,160,000</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	330,000
	Long-term	1,020,000
	Total	<u>1,350,000</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	220,000
	Long-term	460,000
	Total	<u>680,000</u>
On June 1, 2008, \$3,000,000 General Obligation Bonds, Series 2008A, due in annual installments of \$340,000, except for a final installment of \$380,000 through June 1, 2018; semi-annual interest at rates varying from 2.7% to 4.75%.	Current	440,000
	Long-term	480,000
	Total	<u>920,000</u>
On April 1, 2007, \$3,500,000 General Obligation Bonds, Series 2007, due in annual installments of \$500,000 from April 1, 2009 through April 1, 2017; semi-annual interest at rates varying from 3.40% to 4.75%.	Current	500,000
	Long-term	-
	Total	<u>500,000</u>
Total current portion		3,270,000
Total long-term portion		<u>13,215,000</u>
Total general obligation bonds		<u>\$ 16,485,000</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	\$	38,134
Long-term		190,663
Total		<u>228,797</u>

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	254,103
Total	<u>290,403</u>

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	193,374
Total	<u>220,999</u>

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	170,000
Long-term	3,185,000
Total	<u>3,355,000</u>

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	1,090,000
Long-term	32,375,000
Total	<u>33,465,000</u>

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	197,916
Long-term	2,636,684
Total	<u>2,834,600</u>

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	24,950,000
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	107,000
Long-term	640,686
Total	<u>747,686</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 (3.25% at June 30, 2014). The note will mature on March 15, 2023.

Current	1,454,803
Long-term	12,573,542
Total	<u>14,028,345</u>

Total current portion	3,121,778
Total long-term portion	<u>76,999,052</u>
Total notes payable	<u>\$ 80,120,830</u>

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In May 2016, the City issued \$3,355,000 of notes payable to refund the outstanding debt obligation of the OWRB Note Series 2009 and to pay certain expenses related to the issuance of the notes. The refunding resulted in a present value economic gain of \$191,921. Any accounting gain or loss was insignificant and recognized in full in the current year.

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, 2016, 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, 2016, the City's workers' compensation claims liability was \$950,978 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 Worker's 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:

Claim liability, June 30, 2013	\$ 988,695
Claims and changes in estimates	574,546
Claims payments	<u>(361,848)</u>
Claim liability, June 30, 2014	1,201,393
Claims and changes in estimates	397,106
Claims payments	<u>(515,402)</u>
Claim liability, June 30, 2015	1,083,097
Claims and changes in estimates	198,356
Claims payments	<u>(330,475)</u>
Claim liability, June 30, 2016	<u><u>\$ 950,978</u></u>

Debt Service Requirements to Maturity:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>General</u>	
	<u>Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 3,270,000	\$ 314,167
2018	3,030,000	222,927
2019	2,600,000	158,872
2020	1,650,000	120,259
2021	1,290,000	97,375
2022-2026	<u>4,645,000</u>	<u>178,975</u>
Totals	<u><u>\$ 16,485,000</u></u>	<u><u>\$ 1,092,575</u></u>

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Year Ending June 30,	Business Type Activities	
	Notes Payable	
	Principal	Interest
2017	\$ 3,121,778	\$ 2,554,530
2018	3,259,412	2,462,679
2019	3,381,455	2,347,619
2020	19,495,593	2,032,312
2021	12,578,790	1,600,453
2022-2026	16,079,612	5,552,349
2027-2031	10,494,190	3,338,131
2032-2036	10,540,000	1,394,893
2037-2041	1,170,000	22,874
Totals	<u>\$ 80,120,830</u>	<u>\$ 21,305,840</u>

6. Net Position and Fund Balances

The following tables show the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement 54:

	General Fund	Debt Service Fund	Capital Improvement Sales Tax Fund	Other Governmental Funds	Total
Fund balances:					
Non-spendable					
Inventory	\$ 55,036	\$ -	\$ -	\$ -	\$ 55,036
Prepaid items	96,931	-	-	-	96,931
Sub-total Non-spendable	<u>151,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,967</u>
Restricted for:					
Debt service	-	2,772,335	-	-	2,772,335
CIP Sales tax	-	-	3,819,132	-	3,819,132
History museum	-	-	-	127,551	127,551
E-911	-	-	-	8,618	8,618
Special library	-	-	-	305,649	305,649
Special museum	-	-	-	105,914	105,914
Economic development	-	-	-	2,050,523	2,050,523
Library	-	-	-	1,341,369	1,341,369
Restricted revenues	-	-	-	247,707	247,707
Harshfield library donation	-	-	-	866,673	866,673
Justice assistance	-	-	-	41,148	41,148
Police grants	-	-	-	-	-
Neighborhood parks	-	-	-	8,185	8,185
Cemetery	-	-	-	75,965	75,965
BRTA PassThrough	-	-	-	9,266	9,266
CIP Parks & Recreation	-	-	-	-	-
CIP Wastewater	-	-	-	353,489	353,489
CIP Wastewater Regulatory	-	-	-	3,977,754	3,977,754
CIP Storm Sewer	-	-	-	60,446	60,446
CIP City Hall	-	-	-	281,107	281,107
Community Develop Grant	-	-	-	8	8
Capital reserve	-	-	-	2,431,960	2,431,960
2008B G.O. bonds	-	-	-	7,391	7,391
2009 G.O. bonds	-	-	-	17,991	17,991
2010 G.O. bonds	-	-	-	82,158	82,158
2012 G.O. bonds	-	-	-	265,376	265,376
2014 G.O. bonds	-	-	-	1,467,539	1,467,539
2014B G.O. bonds	-	-	-	4,014,291	4,014,291
2015 G.O. bonds	-	-	-	1,917,824	1,917,824
Sub-total Restricted	<u>-</u>	<u>2,772,335</u>	<u>3,819,132</u>	<u>20,065,902</u>	<u>26,657,369</u>
Committed to:					
Stabilization reserve	4,476,454	-	-	-	4,476,454
Municipal airport	-	-	-	343,573	343,573
Golf course	-	-	-	17,054	17,054
Memorial stadium	-	-	-	6,365	6,365
Sub-total Committed	<u>4,476,454</u>	<u>-</u>	<u>-</u>	<u>366,992</u>	<u>4,843,446</u>
Assigned to:					
Next year's budget	1,822,291	-	-	-	1,822,291
Unassigned:	<u>3,048,301</u>	<u>-</u>	<u>-</u>	<u>(22,850)</u>	<u>3,025,451</u>
Total fund balances	<u>\$ 9,499,013</u>	<u>\$ 2,772,335</u>	<u>\$ 3,819,132</u>	<u>\$ 20,410,044</u>	<u>\$ 36,500,524</u>

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The restrictions of net position are as follows:

	Enabling Legislation	Statutory Requirement	External Contracts	Total
Restricted Net Position - Governmental Activities:				
Economic Development	\$ -	\$ 2,050,523	\$ -	\$ 2,050,523
E-911	-	8,618	-	8,618
Special Library	-	305,649	-	305,649
Special Museum	-	105,914	-	105,914
Bartlesville History Museum Trust Authority	-	127,551	-	127,551
Bartlesville Library Trust Authority	-	1,341,369	-	1,341,369
Restricted Revenues	-	-	247,707	247,707
Harshfield Library Donation	-	-	866,673	866,673
Justice Assistance Grant	41,148	-	-	41,148
Neighborhood Park	8,185	-	-	8,185
Cemetery Perpetual Care	75,965	-	-	75,965
Debt Service	2,772,335	-	-	2,772,335
BRTA Pass Through	-	9,266	-	9,266
Capital Improvement Funds:				
Sales Tax Capital Improvement Fund	-	3,819,132	-	3,819,132
Wastewater Fund	-	353,489	-	353,489
Wastewater Regulatory Fund	-	3,977,754	-	3,977,754
Storm Sewer Fund	-	60,446	-	60,446
CDBG Fund	8	-	-	8
City Hall	-	281,107	-	281,107
Capital Reserve Fund	-	2,431,960	-	2,431,960
General Obligation Bond Funds:				
2008B G.O. Bond Fund	7,391	-	-	7,391
2009 G.O. Bond Fund	17,991	-	-	17,991
2010 G.O. Bond Fund	82,158	-	-	82,158
2012 G.O. Bond Fund	265,376	-	-	265,376
2014 G.O. Bond Fund	1,467,539	-	-	1,467,539
2014B G.O. Bond Fund	4,014,291	-	-	4,014,291
2015 G.O. Bond Fund	1,917,824	-	-	1,917,824
Total restricted net position	<u>\$ 10,670,211</u>	<u>\$ 14,872,778</u>	<u>\$ 1,114,380</u>	<u>\$ 26,657,369</u>
Restricted Net Position - Business-type Activities:				
Bartlesville Municipal Authority	\$ -	\$ -	\$ 546,425	\$ 546,425
Community Center	-	-	70,226	70,226
Bartlesville Development Authority	-	-	1,605,500	1,605,500
Bartlesville Education Authority	-	-	907,614	907,614
Bartlesville Redevelopment Trust Authority	-	-	1,519,857	1,519,857
Total restricted net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,649,622</u>	<u>\$ 4,649,622</u>

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.

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Balances:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>	<u>Nature of Balance</u>
Wastewater Fund	General Fund	\$ 15,677	To cover negative cash
Water Fund	General Fund	157,746	To cover negative cash
Housing TIF District Fund	General Fund	3,848	To cover negative cash
Economic Development Fund	BDA	77,900	June payment for infrastructure overage
Total		<u>\$ 255,171</u>	

Reconciliation to Fund Financial Statements:

	<u>Due From</u>	<u>Due To</u>	<u>Net</u>
Governmental Funds	\$ 177,271	\$ (81,748)	\$ 95,523
Proprietary Funds	77,900	(173,423)	(95,523)
Total	<u>255,171</u>	<u>(255,171)</u>	<u>-</u>

Reconciliation to Government-Wide Statements:

Net Interfund Balances	95,523	(95,523)
Consolidation of internal service funds activities related to enterprise funds	43,422	(43,422)
Total Internal Balances	<u>\$ 138,945</u>	<u>\$ (138,945)</u>

Transfers:

Internal transfers between funds and activities for the year ended June 30, 2016 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose of Transfer</u>
General Fund	<i>E-911 Fund</i>	480,695	To subsidize the operations of the fund
General Fund	<i>Memorial Stadium Fund</i>	14,480	To subsidize the operations of the fund
General Fund	Adams Municipal Golf Course Fund	92,331	To subsidize the operations of the fund
General Fund	Sooner Pool Fund	55,968	To subsidize the operations of the fund
General Fund	Frontier Pool Fund	58,489	To subsidize the operations of the fund
2010 G.O. Bond Fund	<i>2012 G.O. Bond Fund</i>	55,759	To refund expenditures
Economic Development Fund	Bartlesville Development Authority	3,216,490	To subsidize the operations of the fund
BRTA Pass-Through	Bartlesville Redevelopment Trust Authority	626,800	To transfer TIF taxes
BRTA Pass-Through	Bartlesville Redevelopment Trust Authority	119,841	To transfer sales taxes
BRTA Pass-Through	Bartlesville Redevelopment Trust Authority	31,065	To transfer hotel/motel taxes
Solid Waste Fund	<i>Capital Reserve Fund</i>	260,000	Capital reserve fund established by Ordinance
Wastewater Fund	<i>Capital Reserve Fund</i>	30,000	Capital reserve fund established by Ordinance
Hotel/Motel Fund	Bartlesville Community Center Trust Authority	344,741	To transfer hotel/motel taxes
Solid Waste Fund	General Fund	968,882	To subsidize the operations of the fund
Wastewater Fund	General Fund	893,882	To subsidize the operations of the fund
Water Fund	General Fund	1,404,672	To subsidize the operations of the fund
Bartlesville Library Trust Authority	<i>Special Library Fund</i>	68,246	To subsidize the operations of the fund
General Fund	General Fund - Stabilization Account	392,444	Stabilization reserve fund established by Ordinance
Wastewater Fund	General Fund - Stabilization Account	82,423	Stabilization reserve fund established by Ordinance
Water Fund	General Fund - Stabilization Account	119,618	Stabilization reserve fund established by Ordinance
Solid Waste Fund	General Fund - Stabilization Account	78,830	Stabilization reserve fund established by Ordinance
BMA - Wastewater	Wastewater Fund	3,939,938	To subsidize the operations of the fund
BMA - Water	Water Fund	6,273,535	To subsidize the operations of the fund
Total		<u>\$ 19,609,129</u>	

Reconciliation to Fund Financial Statements:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Government-Wide Capital Asset Transfers</u>	<u>Statement of Activities Net Transfers</u>
Governmental Funds	\$ 4,849,931	\$ (5,557,349)	\$ (1,270,457)	\$ (1,977,875)
Proprietary Funds	14,759,198	(14,051,780)	1,270,457	1,977,875
	<u>\$ 19,609,129</u>	<u>\$ (19,609,129)</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, \$7,620,000 of 2009 SRF and \$726,006 of 2004A SRF Oklahoma Water Resources Board Notes Payable. 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 \$56,918,572. Pledged net water and sewer utility revenues in the current fiscal year were \$3,914,791. Debt service payments of \$3,131,833 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
- Worker’s 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 \$90,000 individual and \$2,590,664 aggregate.

10. Commitments and Contingencies

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.

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, 2016, the City had awarded construction contracts totaling \$10,602,571 for various City projects and of this amount \$6,707,032 was outstanding and payable from various funds.

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Operating Leases:

The City leases office space on the 4th 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 sales tax revenues generated from the operations of the Project Facilities (Hilton Garden Inn Hotel) between September 1, 2010 and August 31, 2015 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 within 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, and on each November 1st 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, 2016 is \$508,543. As of this date of this agreement, the projected payments under this obligation were as follows:

Year Ended November 1	Principal	Interest	Debt Service
2011	\$ 112,000	\$ 87,500	\$ 199,500
2012	125,000	79,660	204,660
2013	144,000	70,910	214,910
2014	159,000	60,830	219,830
2015	180,000	49,700	229,700
2016	87,000	37,100	124,100
2017	98,000	31,010	129,010
2018	105,000	24,150	129,150
2019	115,000	16,800	131,800
2020	125,000	8,750	133,750
Total	<u>\$ 1,250,000</u>	<u>\$ 466,410</u>	<u>\$ 1,716,410</u>

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

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

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 complete 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 determine 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 \$461,404. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$1,133,735 (modified-accrual); these on-behalf

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payments did not meet the criteria of a special funding situation. For full-accrual reporting, the amount of on-behalf payments made were \$1,129,653.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the City reported a liability of \$13,142,017 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2015. Based upon this information, the City's proportion was 1.2382% percent.

For the year ended June 30, 2016, the City recognized pension expense of \$1,158,231. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 259,645	\$ -
Net difference between projected and actual earnings on pension plan investments		(979,643)
Changes in proportion related to city contributions during the measurement period	-	(13,049)
Changes in proportion and differences between City contributions and proportionate share of contributions	276,557	-
City contributions subsequent to the measurement date	461,404	-
Total	<u>\$ 997,606</u>	<u>\$ (992,692)</u>

\$461,404 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, 2017. 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:

2017	\$ (254,373)
2018	(254,373)
2019	(254,373)
2020	227,471
2021	63,026
2022	16,132
Total	<u>\$ (456,490)</u>

	Amortized	Contributions Subsequent	Total
Deferred Inflow	\$ (992,692)	\$ -	\$ (992,692)
Deferred Outflow	536,202	461,404	997,606
	<u>\$ (456,490)</u>	<u>\$ 461,404</u>	

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Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2015, 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, 2015, 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, 2015, 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%	5.13%
Domestic equity	42%	8.02%
International equity	15%	9.94%
Real estate	10%	7.47%
Other assets	13%	6.25%

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 (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' Net Pension Liability	\$ 17,063,533	\$ 13,142,017	\$ 9,853,027

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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.

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.

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 determine 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 \$327,774. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$303,639 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 \$314,548. 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, 2016, the City reported a liability of \$36,138 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2015. 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, 2015. Based upon this information, the City's proportion was 0.8863 percent.

For the year ended June 30, 2016, the City recognized pension expense of \$117,109. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (199,830)
Net difference between projected and actual earnings on pension plan investments	-	(139,058)
Changes in proportion	-	(52,472)
Difference between City contributions and proportionate share of contributions during measurement period	3,384	-
City contributions subsequent to the measurement date	327,774	-
Total	<u>\$ 331,158</u>	<u>\$ (391,360)</u>

\$327,774 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2017. 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:

2017	\$ (157,971)
2018	(157,971)
2019	(157,971)
2020	108,961
2021	(23,024)
Total	<u>\$ (387,976)</u>

	Amortized	Contributions Subsequent	Total
Deferred Inflows	\$ (391,360)	-	\$ (391,360)
Deferred Outflows	3,384	327,774	331,158
	<u>\$ (387,976)</u>	<u>\$ 327,774</u>	

Actuarial Assumptions-The total pension liability was determined by an actuarial valuation as of July 1, 2015, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation: 3%

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Salary increases: 4.5% to 17% average, including inflation

Investment rate of return: 7.5% net of pension plan investment expense

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 nondisabled 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, 2015, 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, 2015, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Fixed income	2.83%
Domestic equity	6.47%
International equity	6.98%
Real estate	5.50%
Private Equity	5.96%
Commodities	3.08%

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 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

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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 (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability	\$ 2,171,509	\$ 36,138	\$ (1,764,126)

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.

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. 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

<u>Provision</u>	<u>As of 07/01/16 OkMRF Plan</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.
b. Period Required to Vest	7 years of credited service
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service

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	-Early retirement at age 55 with 7 years of Service, or meeting the Rule of 80
	-Disability retirement upon disability with 7 years of service
	-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.

<i>D. Employees Covered by Benefit Terms</i>	
Active Employees	109
Active Employees – opted out 1/1/2010	27
Deferred Vested Former Employees	34
Retirees or Retiree Beneficiaries	<u>104</u>
Total	<u>274</u>

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

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actuarially determined rate is 19.94% of covered payroll as of 7-1-15. For the year ended June 30, 2016, the City recognized \$1,149,535 of employer contributions to the plan which exceeds the actuarially determined amount based on covered payroll of \$5,187,454. 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, 2016
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.75%
c. Projected Salary Increase	Varies between 7.42% and 4% 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 st based on the percentage change in the CPI. The maximum increase or decrease in any year is 3%.
e. Inflation Rate	3%
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 Ultimate rates are age-related as shown Additional rates per thousand are added during the first 5 years: Year 1: 215 Year 2: 140 Year 3: 95 Year 4: 65 Year 5: 40
j. Date of last experience study	September 2012 for fiscal years 2007 thru 2011

G. Discount Rate – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.75% 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

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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 (3.0%). 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, 2015 are summarized in the following table:

	<u>Target Allocation</u>	<u>Real Return</u>	<u>Weighted Return</u>
Large cap stocks S&P 500	25%	5.40%	1.35%
Small/mid cap stocks Russell 2500	10%	7.50%	0.75%
Long/short equity MSCI ACWI	10%	6.10%	0.61%
International stocks MSCI EAFE	20%	5.10%	1.02%
Fixed income bonds Barclay's Capital Aggregate	30%	2.60%	0.78%
Real estate NCREIF	5%	4.80%	0.24%
Cash equivalents 3 month Treasury	0%	0.00%	0.00%
	<u> </u>		<u> </u>
TOTAL	<u>100%</u>		
Average Real Return			4.75%
Inflation			3.00%
Long-term expected return			<u>7.75%</u>

- H. *Changes in Net Pension Liability* – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2015 which is also the measurement date. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2015 and the City's report ending date of June 30, 2016, that would have had a significant impact on the

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net pension liability. The following table reports the components of changes in net pension liability:

SCHEDULE OF CHANGES IN NET PENSION LIABILITY			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	<u>\$ 23,054,741</u>	<u>\$ 13,940,194</u>	<u>\$ 9,114,547</u>
Changes for the Year:			
Service cost	343,430	-	343,430
Interest expense	1,749,982	-	1,749,982
Benefit changes	-		-
Experience losses (gains) - (amortized over avg remain svc period of actives & inactives)	(422,875)		(422,875)
Changes of assumptions	-		-
Contributions--City	-	1,145,860	(1,145,860)
Contributions--members	-	327,700	(327,700)
Net investment income	-	399,025	(399,025)
Expected return on plan investments	-	-	-
Expensed portion of current-period differences between actual and expected returns on plan investments	-	-	-
Non expensed portion of earnings on plan investments above expectation			
Refunds of contributions (amortized over closed 5-year period)	-	-	-
Benefits paid	(966,693)	(966,693)	-
Plan administrative expenses	-	(29,336)	29,336
Change in deferred contributions made subsequent to the measurement date	-	-	-
Net Changes	<u>703,844</u>	<u>876,556</u>	<u>(172,712)</u>
Balances End of Year	<u>\$ 23,758,585</u>	<u>\$ 14,816,750</u>	<u>\$ 8,941,835</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 7.75 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 (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 11,731,507	\$ 8,941,835	\$ 6,577,897

The City reported \$463,606 in pension expense for the year ended June 30, 2016. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (285,131)
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	103,235	-
City contributions subsequent to the measurement date	1,149,535	-
Total	<u>\$ 1,252,770</u>	<u>\$ (285,131)</u>

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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:

Year ended June 30:

2017	\$ (155,150)
2018	(155,150)
2019	(27,049)
2020	155,451
2021	2
	<u>\$ (181,896)</u>

	Amortized	Contributions Subsequent	Total
Deferred Inflows	\$ (285,131)	-	\$ (285,131)
Deferred Outflows	103,235	1,149,535	1,252,770
	<u>\$ (181,896)</u>	<u>\$ 1,149,535</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, 2016, the City contributed \$108,813 to the plan.

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Annual OPEB Cost and Net OPEB Obligation

Plan Description: The City provides post-retirement benefit options for health care, and prescription drug benefits for retired employees and their dependents that elect to make required contributions. The benefits are provided in accordance with State law, police and firefighter's union contracts and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The relationship for these benefits is not formalized in a contract or plan document, only a few sentences in the administrative policy. These benefits are considered for accounting purposes to be provided in accordance with a single employer substantive plan. A substantive plan is one in which the plan terms are understood by the city and plan members. This understanding is based on communications between the employers and plan member and the historical pattern of practice with regard to the sharing of benefit costs. Eligible employees are retired from active service under the pension plan, having completed at least 20 continuous years of credited service.

Funding Policy. The plan pays the retiree's medical (including dental and vision) premiums in the amount in effect under the State and Education Employees Group Insurance Act 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.

The payment of premiums under the retirement plan will terminate with respect to the retiree, the earlier of the date of the retiree's death or the 65th birthday of the retiree; with respect to the spouse or eligible dependent of a retiree, the 65th birthday of the retiree or, in the event that the retiree dies before attaining age 65, the date on which the retiree would have attained age 65. Funding requirement for fiscal year ending June 30, 2016 was \$(9,987) per actual paid payroll based on actuarial percentages. Plan members receiving benefits contributed \$186,931 of the total premiums, through their payment of the full determined premium in fiscal year 2015.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years on a level dollar method. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation. The City's significant OPEB calculations for 2016 are as follows:

Annual required contribution	\$ 104,798
Interest on net OPEB obligation	10,773
Amortization of Net OPEB Obligation	<u>(18,270)</u>
Annual OPEB cost (expense)	97,301
Employer Contributions (expected claims less contributions)	<u>9,987</u>
Change in Net OPEB Obligation	107,288
Net OPEB obligation—beginning of year	<u>283,462</u>
Net OPEB obligation—end of year	<u><u>\$ 390,750</u></u>

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The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net unfunded OPEB obligation for 2016 was as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/14	\$112,725	23.0%	\$196,122
6/30/15	\$112,725	23.0%	\$283,462
6/30/16	\$ 97,301	-10.0%	\$390,750

Funded Status and Funding Progress. As of June 30, 2016, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$931,219, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$931,219. The covered payroll (annual payroll of active employees covered by the plan) was \$10.1 million, and the ratio of the UAAL to the covered payroll was 7 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2016, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 3.8 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 6.12 percent initially, reduced by decrements to an ultimate rate of 4.87 percent in 2060, based upon dependent rates. There were no assets to determine the actuarial value of assets. The UAAL is being amortized over 30 years as level percent of pay. The remaining amortization period at June 30, 2016, was twenty-six years.

E. 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

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contribution up to 1 percent of the employee's annual salary. During the fiscal years ending June 30, 2016, BDA paid a total of \$13,945 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, 2016, the employer contributed \$17,261 to the plan.

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Budgetary Comparison Schedule (Budgetary Basis) – Year Ended June 30, 2016

General Fund				
	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 14,016,757	\$ 14,016,757	\$ 14,352,956	\$ 336,199
Licenses and permits	208,800	208,800	220,843	12,043
Intergovernmental	624,650	624,650	647,996	23,346
Charges for services	388,600	388,600	377,461	(11,139)
Fees and fines	879,700	879,700	749,523	(130,177)
Investment earnings	-	-	41,756	41,756
Miscellaneous	174,900	174,900	287,540	112,640
Total revenues	<u>16,293,407</u>	<u>16,293,407</u>	<u>16,678,075</u>	<u>384,668</u>
EXPENDITURES				
Departmental:				
General government	5,559,235	5,583,442	5,267,529	315,913
Public safety	10,096,355	10,058,574	9,939,718	118,856
Public works	1,186,512	1,188,490	1,205,657	(17,167)
Cultural amd recreation	2,093,044	2,104,640	2,007,603	97,037
Total Expenditures	<u>18,935,146</u>	<u>18,935,146</u>	<u>18,420,507</u>	<u>514,639</u>
Excess (deficiency) of revenues over expenditures	<u>(2,641,739)</u>	<u>(2,641,739)</u>	<u>(1,742,432)</u>	<u>899,307</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,267,436	3,267,436	3,267,436	-
Transfers out	(1,094,407)	(1,094,407)	(1,112,658)	(18,251)
Total other financing sources and uses	<u>2,173,029</u>	<u>2,173,029</u>	<u>2,154,778</u>	<u>(18,251)</u>
Net change in fund balances	(468,710)	(468,710)	412,346	881,056
Fund balances - beginning	1,443,565	1,443,565	2,310,059	866,494
Fund balances - ending	<u>\$ 974,855</u>	<u>\$ 974,855</u>	<u>\$ 2,722,405</u>	<u>\$ 1,747,550</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 Fund
Total revenue and transfers- budgetary basis	\$ 19,945,511
Total expenditures and transfers - budgetary basis	<u>(19,533,165)</u>
Change in fund balance - budgetary basis	412,346
Revenue accruals	408,552
Expenditure accruals	(92,376)
Changes in Fund Balance - Stabilization Fund	673,315
Changes in Fund Balance - Court Bond Fund	(60)
Change in fund balance - GAAP basis	<u><u>\$ 1,401,777</u></u>

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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>2016</u>	<u>2015</u>
City's proportion of the net pension liability	1.238168%	1.209825%
City's proportionate share of the net pension liability	\$ 13,142,017	\$ 12,441,208
City's covered-employee payroll	\$ 3,272,207	\$ 3,356,189
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	402%	371%
Plan fiduciary net position as a percentage of the total pension liability	68.27%	68.12%

*The amounts present for each fiscal year were determined as of 6/30

Notes to Schedule:

Only two fiscal years are presented because 10-year data is not yet available.

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SCHEDULE OF CITY CONTRIBUTIONS
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	<u>2016</u>	<u>2015</u>
Statutorially required contribution	\$ 461,404	\$ 458,109
Contributions in relation to the statutorially required contribution	<u>461,404</u>	<u>458,109</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 3,295,740	\$ 3,272,207
Contributions as a percentage of covered- employee payroll	14.00%	14.00%

Notes to Schedule:

*Only two fiscal years are presented because 10-year data is not yet available.

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OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability (asset)	0.8863%	0.9499%
City's proportionate share of the net pension liability (asset)	\$ 36,138	\$ (319,824)
City's covered-employee payroll	\$ 2,510,992	\$ 2,561,631
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.44%	-12.49%
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.82%	101.53%

The amounts present for each fiscal year were determined as of 6/30

Notes to Schedule:

*Only two fiscal years are presented because 10-year data is not yet available.

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SCHEDULE OF CITY CONTRIBUTIONS
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	<u>2016</u>	<u>2015</u>
Statutorially required contribution	\$ 327,774	\$ 326,429
Contributions in relation to the statutorially required contribution	<u>327,774</u>	<u>326,429</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 2,521,335	\$ 2,510,992
Contributions as a percentage of covered- employee payroll	13.00%	13.00%

Notes to Schedule:

*Only two 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 Two Fiscal Years

	2016	2015
Total pension liability		
Service cost	\$ 343,430	\$ 318,728
Interest	1,749,983	1,689,642
Changes of benefit terms	-	-
Differences between expected and actual experience	(422,875)	-
Changes of assumptions	-	-
Benefit payments, including refunds of member contributions	(966,693)	(857,478)
Net change in total pension liability	<u>703,845</u>	<u>1,150,892</u>
Total pension liability - beginning	<u>23,054,740</u>	<u>21,903,848</u>
Total pension liability - ending (a)	<u><u>\$ 23,758,585</u></u>	<u><u>\$ 23,054,740</u></u>
Plan fiduciary net position		
Contributions - employer	\$ 1,145,860	\$ 1,230,392
Contributions - member	327,700	344,472
Net investment income	399,025	1,903,979
Benefit payments, including refunds of member contributions	(966,693)	(857,478)
Administrative expense	(29,336)	(28,636)
Other	-	-
Net change in plan fiduciary net position	<u>876,556</u>	<u>2,592,729</u>
Plan fiduciary net position - beginning	<u>13,940,194</u>	<u>11,347,465</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 14,816,750</u></u>	<u><u>\$ 13,940,194</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 8,941,835</u></u>	<u><u>\$ 9,114,546</u></u>
Plan fiduciary net position as a percentage of the total pension liability	62.36%	60.47%
Covered employee payroll	\$ 5,312,233	\$ 5,583,554
Net pension liability as a percentage of covered-employee payroll	168.33%	163.24%

Notes to Schedule:

Only two 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 Two Fiscal Years	
	2016	2015
Actuarially determined contribution	\$ 1,034,378	\$ 1,073,765
Contributions in relation to the actuarially determined contribution	1,149,535	1,230,391
Contribution deficiency (excess)	<u>\$ (115,157)</u>	<u>\$ (156,626)</u>
Covered employee payroll	\$ 5,187,454	\$ 5,312,233
Contributions as a percentage of covered-employee payroll	22.16%	23.16%

Notes to Schedule:

1. Only two fiscal years are presented because 10-year data is not yet available.
2. Latest Valuation Date: July 1, 2015
3. Actuarially determined contribution rate is calculated as of July 1, 2015
July 2015 through June 16 contributions were at a rate of 19.94%
4. Methods and assumptions used to determine contribution rates:
 - Actuarial cost method - Unit Credit
 - Amortization method - Level dollar amount
 - Remaining amortization period - 24 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:

	July 1, 2011	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015
Actuarial accrued liability - AAL (a)	\$ 698,862	\$ 740,434	\$ 744,477	\$ 834,021	\$ 839,943
Actuarial value of plan assets (b)	-	-	-	-	-
Unfunded actuarial accrued liability - UAAL (funding excess) (a) - (b)	698,862	740,434	744,477	834,021	839,943
Funded ratio (b)/(a)	-	-	-	-	-
Covered payroll - [c]	9,900,000	10,100,000	10,275,000	10,194,500	10,114,000
UAAL (funding excess) as a % of covered payroll [UAAL/c]	7%	7%	7%	8%	8%

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OTHER SUPPLEMENTARY INFORMATION

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Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2016

	<u>Bartlesville History Museum Trust Authority</u>	<u>E-911 Fund</u>	<u>Special Library Fund</u>	<u>Special Museum Fund</u>	<u>Economic Development Fund</u>	<u>Bartlesville Library Trust Authority</u>	<u>Restricted Revenues Fund</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	126,564	354	305,612	105,950	1,829,731	1,340,353	249,531
Interest receivable	-	-	-	-	-	-	-
Receivable from other governments	-	-	-	-	-	-	-
Taxes receivable, net	-	31,574	-	-	283,958	-	-
Other receivables, net of allowance	987	-	2,357	827	14,734	1,016	-
Total assets	<u>\$ 127,551</u>	<u>\$ 31,928</u>	<u>\$ 307,969</u>	<u>\$ 106,777</u>	<u>\$ 2,128,423</u>	<u>\$ 1,341,369</u>	<u>\$ 249,531</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 736	\$ 1,419	\$ -	\$ -	\$ -	\$ 1,824
Due to other funds	-	-	-	-	77,900	-	-
Accrued payroll payable	-	22,574	901	863	-	-	-
Other payables	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>23,310</u>	<u>2,320</u>	<u>863</u>	<u>77,900</u>	<u>-</u>	<u>1,824</u>
Fund balances:							
Restricted	127,551	8,618	305,649	105,914	2,050,523	1,341,369	247,707
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>127,551</u>	<u>8,618</u>	<u>305,649</u>	<u>105,914</u>	<u>2,050,523</u>	<u>1,341,369</u>	<u>247,707</u>
Total liabilities and fund balances	<u>\$ 127,551</u>	<u>\$ 31,928</u>	<u>\$ 307,969</u>	<u>\$ 106,777</u>	<u>\$ 2,128,423</u>	<u>\$ 1,341,369</u>	<u>\$ 249,531</u>

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Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2016, (Continued)

	<u>Municipal Airport</u> <u>Fund</u>	<u>Harshfield</u> <u>Library</u> <u>Donation</u>	<u>Golf Course</u> <u>Memorial Fund</u>	<u>Justice</u> <u>Assistance Grant</u> <u>Fund</u>	<u>Police Grant</u> <u>Fund</u>	<u>Neighborhood</u> <u>Park Fund</u>	<u>Cemetery</u> <u>Perpetual</u> <u>Fund</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	343,890	859,964	22,758	40,378	-	8,122	75,377
Interest receivable	-	-	-	-	-	-	-
Receivable from other governments	-	-	-	455	-	-	-
Taxes receivable, net	-	-	-	-	-	-	-
Other receivables, net of allowance	2,683	6,709	178	315	-	63	588
Total assets	<u>\$ 346,573</u>	<u>\$ 866,673</u>	<u>\$ 22,936</u>	<u>\$ 41,148</u>	<u>\$ -</u>	<u>\$ 8,185</u>	<u>\$ 75,965</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 3,000	\$ -	\$ 5,882	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Accrued payroll payable	-	-	-	-	-	-	-
Other payables	-	-	-	-	-	-	-
Total liabilities	<u>3,000</u>	<u>-</u>	<u>5,882</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Restricted	-	866,673	-	41,148	-	8,185	75,965
Committed	343,573	-	17,054	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>343,573</u>	<u>866,673</u>	<u>17,054</u>	<u>41,148</u>	<u>-</u>	<u>8,185</u>	<u>75,965</u>
Total liabilities and fund balances	<u>\$ 346,573</u>	<u>\$ 866,673</u>	<u>\$ 22,936</u>	<u>\$ 41,148</u>	<u>\$ -</u>	<u>\$ 8,185</u>	<u>\$ 75,965</u>

CITY OF BARTLESVILLE, OKLAHOMA
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Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2016, (Continued)

	<u>Memorial Stadium Operating Fund</u>	<u>Housing TIF Districts</u>	<u>BRTA Pass Through</u>	<u>Hotel Motel Tax Fund</u>	<u>CIP- Wastewater Fund</u>	<u>CIP-Wastewater Regulatory Fund</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	6,316	-	9,266	29,463	350,753	4,178,093
Interest receivable	-	-	-	-	-	-
Receivable from other governments	-	-	-	-	-	-
Taxes receivable, net	-	-	-	36,907	-	-
Other receivables, net of allowance	49	406	-	-	2,736	32,600
Total assets	<u>\$ 6,365</u>	<u>\$ 406</u>	<u>\$ 9,266</u>	<u>\$ 66,370</u>	<u>\$ 353,489</u>	<u>\$ 4,210,693</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 80,778	\$ -	\$ 170,099
Due to other funds	-	3,848	-	-	-	-
Accrued payroll payable	-	-	-	-	-	-
Other payables	-	5,000	-	-	-	62,840
Total liabilities	<u>-</u>	<u>8,848</u>	<u>-</u>	<u>80,778</u>	<u>-</u>	<u>232,939</u>
Fund balances:						
Restricted	-	-	9,266	-	353,489	3,977,754
Committed	6,365	-	-	-	-	-
Unassigned	-	(8,442)	-	(14,408)	-	-
Total fund balances	<u>6,365</u>	<u>(8,442)</u>	<u>9,266</u>	<u>(14,408)</u>	<u>353,489</u>	<u>3,977,754</u>
Total liabilities and fund balances	<u>\$ 6,365</u>	<u>\$ 406</u>	<u>\$ 9,266</u>	<u>\$ 66,370</u>	<u>\$ 353,489</u>	<u>\$ 4,210,693</u>

CITY OF BARTLESVILLE, OKLAHOMA
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Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2016, (Continued)

	<u>CIP-City Hall Fund</u>	<u>CIP-Park and Recreation Fund</u>	<u>CIP-Storm Sewer Fund</u>	<u>CDBG Fund</u>	<u>Capital Reserve Fund</u>	<u>2008B GO Bond Fund</u>	<u>2009 GO Bond Fund</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	281,660	-	59,978	-	2,520,641	15,395	17,852
Interest receivable	-	-	-	-	-	-	-
Receivable from other governments	-	-	-	106,160	-	-	-
Taxes receivable, net	-	-	-	-	-	-	-
Other receivables, net of allowance	2,197	-	468	-	-	120	139
Total assets	<u>\$ 283,857</u>	<u>\$ -</u>	<u>\$ 60,446</u>	<u>\$ 106,160</u>	<u>\$ 2,520,641</u>	<u>\$ 15,515</u>	<u>\$ 17,991</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 2,750	\$ -	\$ -	\$ 106,152	\$ 75,262	\$ 8,124	\$ -
Due to other funds	-	-	-	-	-	-	-
Accrued payroll payable	-	-	-	-	-	-	-
Other payables	-	-	-	-	13,419	-	-
Total liabilities	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>106,152</u>	<u>88,681</u>	<u>8,124</u>	<u>-</u>
Fund balances:							
Restricted	281,107	-	60,446	8	2,431,960	7,391	17,991
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>281,107</u>	<u>-</u>	<u>60,446</u>	<u>8</u>	<u>2,431,960</u>	<u>7,391</u>	<u>17,991</u>
Total liabilities and fund balances	<u>\$ 283,857</u>	<u>\$ -</u>	<u>\$ 60,446</u>	<u>\$ 106,160</u>	<u>\$ 2,520,641</u>	<u>\$ 15,515</u>	<u>\$ 17,991</u>

CITY OF BARTLESVILLE, OKLAHOMA
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Combining Balance Sheet – Nonmajor Governmental Funds – June 30, 2016, (Continued)

	<u>2010 GO Bond</u>	<u>2012 GO Bond</u>	<u>2014 GO Bond</u>	<u>2014B GO Bond</u>	<u>2015 GO Bond</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Governmental</u>
						<u>Funds</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	81,522	294,056	1,456,173	4,833,644	1,902,978	21,346,374
Interest receivable	-	-	-	-	14,846	14,846
Receivable from other governments	-	-	-	-	-	106,615
Taxes receivable, net	-	-	-	-	-	352,439
Other receivables, net of allowance	636	2,314	11,366	37,709	-	121,197
Total assets	<u>\$ 82,158</u>	<u>\$ 296,370</u>	<u>\$ 1,467,539</u>	<u>\$ 4,871,353</u>	<u>\$ 1,917,824</u>	<u>\$ 21,941,471</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 30,994	\$ -	\$ 857,062	\$ -	\$ 1,344,082
Due to other funds	-	-	-	-	-	81,748
Accrued payroll payable	-	-	-	-	-	24,338
Other payables	-	-	-	-	-	81,259
Total liabilities	<u>-</u>	<u>30,994</u>	<u>-</u>	<u>857,062</u>	<u>-</u>	<u>1,531,427</u>
Fund balances:						
Restricted	82,158	265,376	1,467,539	4,014,291	1,917,824	20,065,902
Committed	-	-	-	-	-	366,992
Unassigned	-	-	-	-	-	(22,850)
Total fund balances	<u>82,158</u>	<u>265,376</u>	<u>1,467,539</u>	<u>4,014,291</u>	<u>1,917,824</u>	<u>20,410,044</u>
Total liabilities and fund balances	<u>\$ 82,158</u>	<u>\$ 296,370</u>	<u>\$ 1,467,539</u>	<u>\$ 4,871,353</u>	<u>\$ 1,917,824</u>	<u>\$ 21,941,471</u>

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June 30, 2016

	Special Revenue Funds						
	<u>Bartlesville History Museum Trust Authority</u>	<u>E-911 Fund</u>	<u>Special Library Fund</u>	<u>Special Museum Fund</u>	<u>Economic Development Fund</u>	<u>Bartlesville Library Trust Authority</u>	<u>Restricted Revenues Fund</u>
REVENUES							
Taxes	\$ -	\$ 392,222	\$ -	\$ -	\$ 1,617,210	\$ -	\$ -
Intergovernmental	-	-	81,119	12,148	-	-	272,858
Charges for services	-	2,400	105	52	-	-	500
Investment earnings	1,291	34	3,152	1,102	16,321	38,906	-
Miscellaneous	-	-	3,011	-	-	-	41,960
Contributions and donations	-	-	10,169	-	-	-	43,684
Total revenues	<u>1,291</u>	<u>394,656</u>	<u>97,556</u>	<u>13,302</u>	<u>1,633,531</u>	<u>38,906</u>	<u>359,002</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	203	-	14,542
Public Safety	-	919,143	-	-	-	-	59,525
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	135,315	53,016	-	-	11,501
Capital Outlay	-	-	-	-	-	-	234,268
Total Expenditures	<u>-</u>	<u>919,143</u>	<u>135,315</u>	<u>53,016</u>	<u>203</u>	<u>-</u>	<u>319,836</u>
Excess (deficiency) of revenues over expenditures	<u>1,291</u>	<u>(524,487)</u>	<u>(37,759)</u>	<u>(39,714)</u>	<u>1,633,328</u>	<u>38,906</u>	<u>39,166</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from long-term debt, net	-	-	-	-	-	-	-
Transfers in	-	480,695	68,246	-	-	-	-
Transfers out	-	-	-	-	(3,216,490)	(68,246)	-
Total other financing sources and uses	<u>-</u>	<u>480,695</u>	<u>68,246</u>	<u>-</u>	<u>(3,216,490)</u>	<u>(68,246)</u>	<u>-</u>
Net change in fund balances	1,291	(43,792)	30,487	(39,714)	(1,583,162)	(29,340)	39,166
Fund balances (deficits) - beginning	126,260	52,410	275,162	145,628	3,633,685	1,370,709	208,541
Fund balances (deficits) - ending	<u>\$ 127,551</u>	<u>\$ 8,618</u>	<u>\$ 305,649</u>	<u>\$ 105,914</u>	<u>\$ 2,050,523</u>	<u>\$ 1,341,369</u>	<u>\$ 247,707</u>

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June 30, 2016, (Continued)

	Special Revenue Funds						
	<u>Municipal</u> <u>Airport Fund</u>	<u>Harshfield</u> <u>Library</u> <u>Donation</u>	<u>Golf Course</u> <u>Memorial Fund</u>	<u>Justice</u> <u>Assistance</u> <u>Grant Fund</u>	<u>Police Grant</u> <u>Fund</u>	<u>Neighborhood</u> <u>Park Fund</u>	<u>Cemetery</u> <u>Perpetual Fund</u>
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	53,044	-	-	2,695	-	-	-
Charges for services	-	-	-	-	-	-	2,414
Investment earnings	3,499	8,789	177	413	-	82	768
Miscellaneous	-	-	-	-	-	-	-
Contributions and donations	-	-	21,327	-	-	-	-
Total revenues	<u>56,543</u>	<u>8,789</u>	<u>21,504</u>	<u>3,108</u>	<u>-</u>	<u>82</u>	<u>3,182</u>
EXPENDITURES							
Current:							
General government	7,550	-	-	-	-	-	2,200
Public Safety	-	-	-	3,849	-	-	-
Public works	-	-	-	-	-	-	-
Culture and recreation	-	9,814	444	-	-	-	-
Capital Outlay	11,909	-	29,107	-	-	-	-
Total Expenditures	<u>19,459</u>	<u>9,814</u>	<u>29,551</u>	<u>3,849</u>	<u>-</u>	<u>-</u>	<u>2,200</u>
Excess (deficiency) of revenues over expenditures	<u>37,084</u>	<u>(1,025)</u>	<u>(8,047)</u>	<u>(741)</u>	<u>-</u>	<u>82</u>	<u>982</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from long-term debt, net	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	37,084	(1,025)	(8,047)	(741)	-	82	982
Fund balances (deficits) - beginning	<u>306,489</u>	<u>867,698</u>	<u>25,101</u>	<u>41,889</u>	<u>-</u>	<u>8,103</u>	<u>74,983</u>
Fund balances (deficits) - ending	<u>\$ 343,573</u>	<u>\$ 866,673</u>	<u>\$ 17,054</u>	<u>\$ 41,148</u>	<u>\$ -</u>	<u>\$ 8,185</u>	<u>\$ 75,965</u>

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June 30, 2016, (Continued)

	Special Revenue Funds					CIP- Wastewater Regulatory Fund
	<u>Memorial Stadium Operating Fund</u>	<u>Housing TIF Districts</u>	<u>BRTA Pass Through</u>	<u>Hotel Motel Tax Fund</u>	<u>CIP-Wastewater Fund</u>	
REVENUES						
Taxes	\$ -	\$ 375,160	\$ 772,773	\$ 339,315	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	51,200	1,437,088
Investment earnings	55	1,055	-	-	3,606	44,940
Miscellaneous	13,719	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-
Total revenues	<u>13,774</u>	<u>376,215</u>	<u>772,773</u>	<u>339,315</u>	<u>54,806</u>	<u>1,482,028</u>
EXPENDITURES						
Current:						
General government	-	384,670	-	13,785	-	-
Public Safety	-	-	-	-	-	-
Public works	-	-	-	-	-	118,599
Culture and recreation	35,033	-	-	-	-	-
Capital Outlay	-	-	-	-	28,074	2,371,687
Total Expenditures	<u>35,033</u>	<u>384,670</u>	<u>-</u>	<u>13,785</u>	<u>28,074</u>	<u>2,490,286</u>
Excess (deficiency) of revenues over expenditures	<u>(21,259)</u>	<u>(8,455)</u>	<u>772,773</u>	<u>325,530</u>	<u>26,732</u>	<u>(1,008,258)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from long-term debt, net	-	-	-	-	-	-
Transfers in	14,480	-	-	-	-	-
Transfers out	-	-	(777,706)	(344,741)	-	-
Total other financing sources and uses	<u>14,480</u>	<u>-</u>	<u>(777,706)</u>	<u>(344,741)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(6,779)	(8,455)	(4,933)	(19,211)	26,732	(1,008,258)
Fund balances (deficits) - beginning	13,144	13	14,199	4,803	326,757	4,986,012
Fund balances (deficits) - ending	<u>\$ 6,365</u>	<u>\$ (8,442)</u>	<u>\$ 9,266</u>	<u>\$ (14,408)</u>	<u>\$ 353,489</u>	<u>\$ 3,977,754</u>

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June 30, 2016, (Continued)

	<u>CIP-City Hall Fund</u>	<u>CIP-Park and Recreation Fund</u>	<u>CIP-Storm Sewer Fund</u>	<u>CDBG Fund</u>	<u>Capital Reserve Fund</u>	<u>2008B GO Bond Fund</u>	<u>2009 GO Bond Fund</u>
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	106,152	-	-	-
Charges for services	-	-	15,994	-	-	-	-
Investment earnings	2,865	(136)	606	-	-	156	181
Miscellaneous	121,514	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-	-
Total revenues	<u>124,379</u>	<u>(136)</u>	<u>16,600</u>	<u>106,152</u>	<u>-</u>	<u>156</u>	<u>181</u>
EXPENDITURES							
Current:							
General government	58,349	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public works	-	-	-	-	66,386	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital Outlay	29,519	3,366	-	106,152	1,036,603	8,124	-
Total Expenditures	<u>87,868</u>	<u>3,366</u>	<u>-</u>	<u>106,152</u>	<u>1,102,989</u>	<u>8,124</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>36,511</u>	<u>(3,502)</u>	<u>16,600</u>	<u>-</u>	<u>(1,102,989)</u>	<u>(7,968)</u>	<u>181</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from long-term debt, net	-	-	-	-	-	-	-
Transfers in	-	-	-	-	290,000	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	36,511	(3,502)	16,600	-	(812,989)	(7,968)	181
Fund balances (deficits) - beginning	244,596	3,502	43,846	8	3,244,949	15,359	17,810
Fund balances (deficits) - ending	<u>\$ 281,107</u>	<u>\$ -</u>	<u>\$ 60,446</u>	<u>\$ 8</u>	<u>\$ 2,431,960</u>	<u>\$ 7,391</u>	<u>\$ 17,991</u>

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – For the Year Ended June 30, 2016, (Continued)

	<u>2010 GO Bond</u>		<u>2014 GO Bond</u>	<u>2014B GO Bond</u>	<u>2015 GO Bond</u>	<u>Total-Other</u>
	<u>Fund</u>	<u>2012 GO Bond Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Governmental</u>
						<u>Funds</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,496,680
Intergovernmental	-	-	-	-	-	528,016
Charges for services	-	-	-	-	-	1,509,753
Investment earnings	837	3,048	14,872	49,911	17,581	214,111
Miscellaneous	-	-	-	-	-	180,204
Contributions and donations	-	-	-	-	-	75,180
Total revenues	<u>837</u>	<u>3,048</u>	<u>14,872</u>	<u>49,911</u>	<u>17,581</u>	<u>6,003,944</u>
EXPENDITURES						
Current:						
General government	-	28,813	-	-	55,200	565,312
Public Safety	-	97,448	-	-	-	1,079,965
Public works	-	-	1,882	-	-	186,867
Culture and recreation	-	-	-	-	-	245,123
Capital Outlay	-	15,708	2,000	1,163,562	44,557	5,084,636
Total Expenditures	<u>-</u>	<u>141,969</u>	<u>3,882</u>	<u>1,163,562</u>	<u>99,757</u>	<u>7,161,903</u>
Excess (deficiency) of revenues over expenditures	<u>837</u>	<u>(138,921)</u>	<u>10,990</u>	<u>(1,113,651)</u>	<u>(82,176)</u>	<u>(1,157,959)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from long-term debt, net	-	-	-	-	2,000,000	2,000,000
Transfers in	-	55,759	-	-	-	909,180
Transfers out	(55,759)	-	-	-	-	(4,462,942)
Total other financing sources and uses	<u>(55,759)</u>	<u>55,759</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>(1,553,762)</u>
Net change in fund balances	(54,922)	(83,162)	10,990	(1,113,651)	1,917,824	(2,711,721)
Fund balances (deficits) - beginning	137,080	348,538	1,456,549	5,127,942	-	23,121,765
Fund balances (deficits) - ending	<u>\$ 82,158</u>	<u>\$ 265,376</u>	<u>\$ 1,467,539</u>	<u>\$ 4,014,291</u>	<u>\$ 1,917,824</u>	<u>\$ 20,410,044</u>

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Combining Statement of Net Position – Non-Major Enterprise Fund – June 30, 2016

	<u>Adams Municipal Golf Course</u>	<u>Sooner Pool</u>	<u>Frontier Pool</u>	<u>Adult Center Trust Authority</u>	<u>Bartlesville Redevelopment Trust Authority</u>	<u>Total</u>
ASSETS						
Current assets:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,767,607	\$ 1,767,607
Investments	93,229	25,091	27,170	100,182	-	245,672
Accounts receivable, net	-	-	-	-	29,034	29,034
Other receivables	10,775	546	234	-	54,535	66,090
Total current assets	<u>104,004</u>	<u>25,637</u>	<u>27,404</u>	<u>100,182</u>	<u>1,851,176</u>	<u>2,108,403</u>
Non-current assets:						
Mortgage and security agreement	-	-	-	-	747,686	747,686
Capital assets:						
Land and construction in progress	498,500	-	-	97,615	-	596,115
Other capital assets, net of accumulated depreciation	<u>1,162,456</u>	<u>275,715</u>	<u>1,646,311</u>	<u>159,648</u>	<u>-</u>	<u>3,244,130</u>
Total non-current assets	<u>1,660,956</u>	<u>275,715</u>	<u>1,646,311</u>	<u>257,263</u>	<u>747,686</u>	<u>4,587,931</u>
Total assets	<u>1,764,960</u>	<u>301,352</u>	<u>1,673,715</u>	<u>357,445</u>	<u>2,598,862</u>	<u>6,696,334</u>
DEFERRED OUTFLOW OF RESOURCES						
Deferred amounts related to pensions	<u>190,585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,585</u>
LIABILITIES						
Current liabilities:						
Accounts payable	9,894	2,044	1,222	-	58,026	71,186
Accrued personnel expenses	6,307	-	-	-	-	6,307
Accrued interest payable	-	-	-	-	3,427	3,427
Advanced revenue	16,517	-	-	-	-	16,517
Compensated absences	844	-	-	-	-	844
Incentives payable	-	-	-	-	11,225	11,225
Loans payable	-	-	-	-	107,000	107,000
Total current liabilities	<u>33,562</u>	<u>2,044</u>	<u>1,222</u>	<u>-</u>	<u>179,678</u>	<u>216,506</u>
Non-current liabilities:						
Net pension liability	241,869	-	-	-	-	241,869
Net OPEB obligation	4,174	-	-	-	-	4,174
Bonds, notes and loans payable	-	-	-	-	640,686	640,686
Compensated absences	<u>7,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,593</u>
Total non-current liabilities	<u>253,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640,686</u>	<u>894,322</u>
Total liabilities	<u>287,198</u>	<u>2,044</u>	<u>1,222</u>	<u>-</u>	<u>820,364</u>	<u>1,110,828</u>
NET POSITION						
Net investment in capital assets	1,660,956	275,715	1,646,311	257,263	-	3,840,245
Restricted for other purposes	-	-	-	-	1,519,857	1,519,857
Unrestricted	<u>7,391</u>	<u>23,593</u>	<u>26,182</u>	<u>100,182</u>	<u>258,641</u>	<u>415,989</u>
Total net position	<u>\$ 1,668,347</u>	<u>\$ 299,308</u>	<u>\$ 1,672,493</u>	<u>\$ 357,445</u>	<u>\$ 1,778,498</u>	<u>\$ 5,776,091</u>

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Combining Statement of Revenues, Expenses, and Changes in Net Position – Non-Major Enterprise Funds – Year Ended June 30, 2016

	<u>Adams Municipal</u> <u>Golf Course</u>	<u>Sooner Pool</u>	<u>Frontier Pool</u>	<u>Adult Center</u> <u>Trust Authority</u>	<u>Bartlesville</u> <u>Redevelopment</u> <u>Trust Authority</u>	<u>Total</u>
REVENUES						
Charges for services	\$ 360,420	\$ 43	\$ 184	\$ 37,364	\$ -	\$ 398,011
Lease revenue	-	-	-	-	550	550
Miscellaneous operating revenue	-	-	-	-	553	553
Total operating revenues	<u>360,420</u>	<u>43</u>	<u>184</u>	<u>37,364</u>	<u>1,103</u>	<u>399,114</u>
OPERATING EXPENSES						
Personal services	274,990	-	2,767	21,737	95,998	395,492
Contractual services	107,119	30,016	36,377	-	243,730	417,242
Utilities	25,354	4,483	10,759	8,336	4,203	53,135
Repairs and maintenance	47,581	7,116	4,264	10,634	-	69,595
Other supplies and expenses	43,485	4,589	3,246	6,350	12,342	70,012
Programs	-	-	-	-	259,602	259,602
Depreciation	91,252	21,611	173,244	8,734	-	294,841
Total operating expenses	<u>589,781</u>	<u>67,815</u>	<u>230,657</u>	<u>55,791</u>	<u>615,875</u>	<u>1,559,919</u>
Operating income (loss)	<u>(229,361)</u>	<u>(67,772)</u>	<u>(230,473)</u>	<u>(18,427)</u>	<u>(614,772)</u>	<u>(1,160,805)</u>
NON-OPERATING REVENUES (EXPENSES)						
Interest and investment revenue	969	266	306	11	872	2,424
Gain (loss) on capital asset disposal	100	-	-	-	-	100
Operating grants and contributions	-	-	-	14,793	-	14,793
Total non-operating revenue (expenses)	<u>1,069</u>	<u>266</u>	<u>306</u>	<u>14,804</u>	<u>872</u>	<u>17,317</u>
Income (loss) before transfers	<u>(228,292)</u>	<u>(67,506)</u>	<u>(230,167)</u>	<u>(3,623)</u>	<u>(613,900)</u>	<u>(1,143,488)</u>
Capital contributions	83,149	-	-	-	-	83,149
Transfers in	92,331	55,968	58,489	-	777,706	984,494
Transfers out	-	-	-	-	-	-
Change in net assets	<u>(52,812)</u>	<u>(11,538)</u>	<u>(171,678)</u>	<u>(3,623)</u>	<u>163,806</u>	<u>(75,845)</u>
Total net position - beginning	<u>1,721,159</u>	<u>310,846</u>	<u>1,844,171</u>	<u>361,068</u>	<u>1,614,692</u>	<u>5,851,936</u>
Total net position - ending	<u>\$ 1,668,347</u>	<u>\$ 299,308</u>	<u>\$ 1,672,493</u>	<u>\$ 357,445</u>	<u>\$ 1,778,498</u>	<u>\$ 5,776,091</u>

Combining Cash Flow Statement – Non-Major Enterprise Funds – Year Ended June 30, 2016

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

	<u>Adams Municipal Golf Course</u>	<u>Sooner Pool</u>	<u>Frontier Pool</u>	<u>Adult Center Trust Authority</u>	<u>Bartlesville Redevelopment Trust Authority</u>	<u>Total Other Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 361,742	\$ -	\$ -	\$ 52,157	\$ 1,103	\$ 415,002
Payments to suppliers and employees	(443,799)	(47,449)	(60,794)	(47,057)	-	(599,099)
Payments for incentives and operations	-	-	-	-	(642,957)	(642,957)
Net cash provided by (used in) operating activities	<u>(82,057)</u>	<u>(47,449)</u>	<u>(60,794)</u>	<u>5,100</u>	<u>(641,854)</u>	<u>(827,054)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	-	-	-	-	-	-
Transfers from/to other funds	92,331	55,968	58,489	-	743,182	949,970
Net cash provided by noncapital financing activities	<u>92,331</u>	<u>55,968</u>	<u>58,489</u>	<u>-</u>	<u>743,182</u>	<u>949,970</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from sale of capital asset	100	-	-	-	-	100
Decrease in security interest in property	-	-	-	-	100,000	100,000
Principal paid on debt	-	-	-	-	(100,000)	(100,000)
Net cash provided by capital and related financing activities	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
(Purchase) Sale of investments	(11,343)	(8,785)	1,999	(30,354)	-	(48,483)
Interest and dividends	969	266	306	11	872	2,424
Net cash provided by (used in) investing activities	<u>(10,374)</u>	<u>(8,519)</u>	<u>2,305</u>	<u>(30,343)</u>	<u>872</u>	<u>(46,059)</u>
Net increase (decrease) in cash and cash equivalents	-	-	-	(25,243)	102,200	76,957
Balances - beginning of year	-	-	-	25,243	1,665,407	1,690,650
Balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,767,607</u>	<u>\$ 1,767,607</u>
Reconciliation to Statement of Net Position:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,767,607	\$ 1,767,607
Total cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,767,607</u>	<u>\$ 1,767,607</u>
Reconciliation of operating income to net cash provided by (used in) Operating Activities:						
Operating income	\$ (229,361)	\$ (67,772)	\$ (230,473)	\$ (18,427)	\$ (614,772)	\$ (1,160,805)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
Depreciation expense	91,252	21,611	173,244	8,734	-	294,841
Operating grants and contribution	-	-	-	14,793	-	14,793
Change in assets and liabilities:						
Other receivable	(4,078)	(43)	(184)	-	-	(4,305)
Accounts payable	50	(1,245)	(3,381)	-	(27,082)	(31,658)
Deferred revenue	5,398	-	-	-	-	5,398
Accrued salaries payable	664	-	-	-	-	664
OPEB liability	1,008	-	-	-	-	1,008
Pension liability	51,284	-	-	-	-	51,284
Compensated absence liability	1,726	-	-	-	-	1,726
Net cash provided by (used in) operating activities	<u>\$ (82,057)</u>	<u>\$ (47,449)</u>	<u>\$ (60,794)</u>	<u>\$ 5,100</u>	<u>\$ (641,854)</u>	<u>\$ (827,054)</u>
Noncash activities:						
Contributed capital assets	\$ (83,149)	\$ -	\$ -	\$ -	\$ -	\$ (83,149)
	<u>\$ (83,149)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (83,149)</u>

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Combining Statement of Net Position – Internal Service Funds – June 30, 2016

	Internal Service Funds			
	<u>Workers'</u>	<u>Health</u>	<u>Auto Collision</u>	
	<u>Compensation</u>	<u>Insurance</u>	<u>Insurance Fund</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	133,822	627,598	276,315	1,037,735
Cash held by third parties	60,000	45,900	-	105,900
Other receivables	1,044	173,211	-	174,255
Prepaid Expenses	-	7,945	-	7,945
Total current assets	<u>194,866</u>	<u>854,654</u>	<u>276,315</u>	<u>1,325,835</u>
Total non-current assets	-	-	-	-
Total assets	<u>194,866</u>	<u>854,654</u>	<u>276,315</u>	<u>1,325,835</u>
LIABILITIES				
Current liabilities:				
Accounts payable	2,313	49,767	-	52,080
Claims and judgments	<u>380,381</u>	<u>-</u>	<u>-</u>	<u>380,381</u>
Total current liabilities	<u>382,694</u>	<u>49,767</u>	<u>-</u>	<u>432,461</u>
Non-current liabilities:				
Claims and judgments	<u>570,570</u>	<u>-</u>	<u>-</u>	<u>570,570</u>
Total non-current liabilities	<u>570,570</u>	<u>-</u>	<u>-</u>	<u>570,570</u>
Total liabilities	<u>953,264</u>	<u>49,767</u>	<u>-</u>	<u>1,003,031</u>
NET POSITION				
Unrestricted	(758,398)	804,887	276,315	322,804
Total net position	<u>\$ (758,398)</u>	<u>\$ 804,887</u>	<u>\$ 276,315</u>	<u>\$ 322,804</u>

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds
– Year Ended June 30, 2016

	Internal Service Funds			
	<u>Workers'</u>	<u>Health</u>	<u>Auto Collision</u>	
	<u>Compensation</u>	<u>Insurance</u>	<u>Insurance Fund</u>	<u>Total</u>
REVENUES				
Charges for services	\$ 469,956	\$ 2,926,722	\$ 18,251	\$ 3,414,929
Total operating revenues	<u>469,956</u>	<u>2,926,722</u>	<u>18,251</u>	<u>3,414,929</u>
OPERATING EXPENSES				
Personal services	142,091	2,380,045	-	2,522,136
Contractual services	21,068	326,640	-	347,708
Utilities	-	-	3,818	3,818
Repairs and maintenance	-	-	24,951	24,951
Total Operating Expenses	<u>163,159</u>	<u>2,706,685</u>	<u>28,769</u>	<u>2,898,613</u>
Operating income	<u>306,797</u>	<u>220,037</u>	<u>(10,518)</u>	<u>516,316</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest and investment revenue	1,293	7,465	-	8,758
Miscellaneous revenue	<u>17,896</u>	<u>3,500</u>	<u>6,649</u>	<u>28,045</u>
Total non-operating revenue (expenses)	<u>19,189</u>	<u>10,965</u>	<u>6,649</u>	<u>36,803</u>
Income (loss) before transfers	<u>325,986</u>	<u>231,002</u>	<u>(3,869)</u>	<u>553,119</u>
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Change in net position	<u>325,986</u>	<u>231,002</u>	<u>(3,869)</u>	<u>553,119</u>
Total net position - beginning	<u>(1,084,384)</u>	<u>573,885</u>	<u>280,184</u>	<u>(230,315)</u>
Total net position - ending	<u>\$ (758,398)</u>	<u>\$ 804,887</u>	<u>\$ 276,315</u>	<u>\$ 322,804</u>

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

Combining Cash Flow Statement – Internal Service Funds – Year Ended June 30, 2016

	Internal Service Funds			
	<u>Workers'</u>	<u>Health</u>	<u>Auto Collision</u>	
	<u>Compensation</u>	<u>Insurance</u>	<u>Insurance Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 486,808	\$ 2,835,667	\$ 24,900	\$ 3,347,375
Payments to suppliers and employees	(310,427)	(2,663,304)	(28,769)	(3,002,500)
Interfund receipts/payments	(43,852)	-	-	(43,852)
Net cash provided by (used in) operating activities	<u>132,529</u>	<u>172,363</u>	<u>(3,869)</u>	<u>301,023</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
(Purchase) Sale of investments	(133,822)	(133,928)	3,869	(263,881)
Interest and dividends	1,293	7,465	-	8,758
Net cash provided by (used in) investing activities	<u>(132,529)</u>	<u>(126,463)</u>	<u>3,869</u>	<u>(255,123)</u>
Net decrease in cash and cash equivalents	-	45,900	-	45,900
Balances - beginning of year	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
Balances - end of year	<u>\$ 60,000</u>	<u>\$ 45,900</u>	<u>\$ -</u>	<u>\$ 105,900</u>
Reconciliation to Statement of Net Assets:				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Cash held by third parties	60,000	45,900	-	105,900
Total cash and cash equivalents, end of year	<u>\$ 60,000</u>	<u>\$ 45,900</u>	<u>\$ -</u>	<u>\$ 105,900</u>
	(Continued)	(Continued)	(Continued)	(Continued)
Reconciliation of operating income to net cash provided by (used in)				
Operating Activities:				
Operating income	\$ 306,797	\$ 220,037	\$ (10,518)	\$ 516,316
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Miscellaneous revenue	17,896	3,500	6,649	28,045
Change in assets and liabilities:				
Due to/from other funds	(43,852)	-	-	(43,852)
Other receivable	(1,044)	(94,555)	-	(95,599)
Accounts payable	(15,122)	51,326	-	36,204
Claims liability	(132,146)	-	-	(132,146)
Prepaid expense	-	(7,945)	-	(7,945)
Net cash provided by (used in) operating activities	<u>\$ 132,529</u>	<u>\$ 172,363</u>	<u>\$ (3,869)</u>	<u>\$ 301,023</u>

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

INTERNAL CONTROL AND COMPLIANCE INFORMATION

CITY OF BARTLESVILLE, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2016

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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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 7, 2017.

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.

A handwritten signature in cursive script that reads "Arledge & Associates, P.C.".

January 7, 2017

Memo



To: Ed Gordon, City Manager
From: Lisa R. Beeman, Director of Parks and Recreation
Date: February 1, 2017
Subject: Approval of a Field Management Agreement with the Richard Kane YMCA for Price Baseball and Softball Fields, Robinwood Park Soccer Fields, Daniels Soccer Fields, Lee Lake Soccer Fields, Artunoff Softball Fields, and Virginia Avenue Multi-Purpose Fields for Calendar Year 2017.

With the recent shift in athletic field maintenance responsibilities from primary user groups to the City Park Department Staff, use of the fields will now be authorized by a rental agreement. The process of maintaining a master schedule of all fields, as well as coordinating and managing the overall scheduling, use and utilization of fields creates a great deal of paperwork for which we do not have staffing to manage. Rather than look to hire an additional city employee to manage this responsibility, I approached Robert Phillips, CEO of the Richard Kane YMCA, on the possibility of contracting this responsibility, keeping rental revenue as payment for services. The specific responsibilities for both the YMCA and the City under such a contract, as well as user group obligations, are clearly identified in the proposed Field Management Agreement attached hereto.

In addition to centralizing field scheduling and management responsibilities, such an arrangement also provides opportunities to centralize information within the community on youth and adult recreational sports programs. Robert Phillips has worked at various YMCAs throughout Alabama and Oklahoma for over 20 years and has experience in field management and master scheduling, including working with local city government and non-profit program providers.

After further discussion, Robert proposed and received approval from the YMCA Board to enter into a Field Management Agreement with the City of Bartlesville. Prior to seeking City Council approval of the agreement, Robert and I met with the primary user groups (Washington County Youth Baseball and Softball Association, the Bartlesville Area Amateur Baseball Program, Bartlesville Adult Softball Program, and the Washington County Soccer Club) to discuss how field scheduling would proceed under the contract. While the user groups were mostly glad to see the City take over the care and maintenance of the fields, there remains some misgivings with the groups in how this will all work going forward. It is clear that all parties (the City, the YMCA, and the user groups) will all have to work together to refine the process into a system that works for everyone.

I am proposing to you and the City Council that the City of Bartlesville enter into a Field Management Agreement with the Richard Kane YMCA to provide field management services for calendar year 2017 for the following City-owned and maintained facilities: Price Baseball and Softball Fields, Robinwood Park Soccer Fields, Daniels Soccer Fields, Lee Lake Soccer Fields, Artunoff Softball Fields, and Virginia Avenue Multi-Purpose Fields. The YMCA will be an independent contractor and as part of the agreement, the YMCA will retain all rental fees charged and collected for the use of the fields. Under this agreement, the YMCA may also permit advertising signage and manage concession services as a form of revenue generation. No other fees would be charged to the user groups for the use of the fields and no other fees would be paid to the YMCA for execution of the agreement.

The City would continue to provide water, sewer and trash services and to supply paper products to all restrooms. Electricity will be paid by the City and will be reimbursed by the YMCA through monthly billings.

Like the existing partnership between the YMCA and the City in the pool management program, Robert and I believe that this field management program will also be successful, and will further benefit the community by providing a centralized information point within the community on youth and adult recreational sports programs.

I recommend that we give this a try for this this calendar year. No doubt, after one year, we will identify needed modifications in how the program functions, which we can make prior to moving forward with a second year. Because the agreement is on a one year term (January 1 to December 31), the Council will have an annual opportunity to review how the program has functioned before agreeing to move forward for another year.

Please schedule this for Council consideration at its February 6, 2017 regular meeting.

**City of Bartlesville/Richard Kane YMCA
Field Management Agreement**

THIS AGREEMENT made and entered into this 6th day of February, 2016, by and between the City of Bartlesville ("City"), a municipal corporation, and the Richard Kane YMCA ("YMCA").

WITNESSETH:

The City, finding it to be in the best interests to do so, does hereby contract with the YMCA, for an annual term beginning on January 1, 2017, and ending on December 31, 2016, for day-to-day management services of certain City-owned facilities or fields, as further identified herein. For and in consideration of the mutual undertakings herein set out, the parties agree as follows:

A. City agrees to engage the YMCA to provide management services for the following facilities, herein called "Fields", as further set forth herein:

1. Price Baseball and Softball Fields – Use by Reservation Only
2. Robinwood Park Soccer Fields – Use by Reservation Only
3. Daniels Soccer Fields – Use by Reservation Only
4. Lee Lake Soccer Fields – Open for public use unless reserved
5. Artunoff Softball Fields – Open for public use unless reserved
6. Virginia Multi-Purpose Fields – Open for public use unless reserved

Sports field lighting will only be turned on for reserved use. A map and description of each of these facilities is provided in **Appendix A**.

B. YMCA agrees to provide Field Management Services as follows:

1. Maintain a master schedule of all Fields; coordinate and manage the overall scheduling, use, and utilization of Fields; allocate field use and issue field use permits to all user groups which detail site use, equipment needs, participation times, and light usage.
2. Allocate fields in accordance with the Allocation Policy provided in **Appendix B**.
3. Communicate field use schedule with City to ensure efficient management of the field maintenance program.
4. Issue field use permits in accordance with the City's Facility Use Policy and only for the intended use of the field unless otherwise approved by the City. YMCA may require compliance with additional conditions, rules or policies as it deems appropriate.
5. Perform asset management of the Fields by accurately tracking the utilization of fields and adjusting scheduling as needed to maintain the quality of the Fields and to allow for appropriate rest and repair of turf areas.
6. Manage concession services at the Fields either through exercising the sole and exclusive right to sell concessions, to contract with vendors for the sale of concessions, or to grant other organizations or users groups the opportunity to provide such services. YMCA shall approve all outside vendors which desire to operate at the Fields to ensure compliance with all applicable Federal, State, and Local laws.
7. Enforce the sportsmanship "code of conduct" policy, provided in **Appendix C**, for all users.
8. Enforce the background check policy for managers, board of directors, volunteers, coaches and referees, provided in **Appendix D**, for all users groups.

C. YMCA shall establish the process for field scheduling and deadlines for field requests and shall communicate this to all known users groups. Requests that are not received within the stated

deadlines and/or without the required documentation will only be considered after all other requests have been processed. Submission of an application request does not constitute approval.

- D. YMCA shall charge and collect fees for the use of the Fields according to the schedule identified in **Appendix E**. Such fees shall be retained by YMCA in exchange for services provided. YMCA retains the right to negotiate fees with user groups that rent fields a minimum number of hours in a season in order to establish a more affordable rental plan than that provided in Appendix E.
- E. Fields shall remain the property of the City, and may not be modified or altered without prior written permission of the City. Further, no improvements, structures, or fixtures of any kind may be built or brought upon said Fields without the prior written permission of the City.
- F. YMCA shall at all times during the term of this agreement keep in force a policy of general liability insurance in an amount no less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage, with an additional insured endorsement in the name of City of Bartlesville.
- G. City shall at all times during the term of this agreement keep in force a property insurance policy insuring all structures against damage or losses caused by fires or explosion, theft, damage from vehicles or airplanes, or acts of vandalism, unless said structures are otherwise leased to another organization, group, or person.
- H. City shall maintain the fields, to include, but not limited to grass cutting, fertilization, weed control, overseeding, sodding, and top dressing, aeration, and lining. City shall maintain all city-owned buildings and other permanent structures, parking lots, fencing, irrigation systems, benches and bleachers. City reserves the rights to close any field in the event of an unforeseen need for maintenance/repair, and to declare a field unplayable due to inclement weather and/or poor field conditions. City will notify YMCA immediately in the event of such closings. City reserves the authority to make the final decision on any and all issues related to field maintenance and conditions.
- I. City will provide water, sewer, and trash services at no cost to the YMCA. City will supply paper products to all restrooms. Electricity will be paid by the City and will be reimbursed by the YMCA through monthly billings.
- J. Advertising Signage. YMCA may permit advertising signage as a form of revenue generation. However, no advertising signage may be displayed in any location where it is visible from any public street. The YMCA shall be responsible for the maintenance of any advertising signage which it permits. User groups may place temporary signs on the fields provided they are removed after games.
- K. User group obligations. YMCA shall require, at a minimum, the following provisions for any user group or user requesting use of the fields:
 - 1. Carry Field Use Permit at all times, during scheduled use of the fields, and must be presented upon request. Permits are non-transferable and shall not be passed on to other user groups. Users shall not exchange or sublease fields under any circumstance. Doing so, shall result in revocation of permits for all parties involved.
 - 2. Prepare for games, including, but not limited to, paint field lines, chalk baselines, batter boxes, install bases; drag infield and baselines between games.
 - 3. Pick up incidental trash on field and surrounding areas before and after games and practices.
 - 4. Leave the facilities, restrooms, parking lots, and fields in the same condition in which they were found. Replace and tamp dirt into any holes dug by players into pitching mounds and outfield

areas. User groups will be charged for all costs incurred by the City for repair to the fields due to failure to comply with use policy.

5. Provide a certificate of general liability insurance in an amount no less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage, with an additional insured endorsement in the name of both the YMCA and City of Bartlesville, applicable during the term of Field use, unless sponsored or co-sponsored by the YMCA. Proof of insurance must be supplied at the time of booking or before a Field Use Permit is issued.
6. Require a signed waiver from all participants, including players, coaches, and referees, that indemnifies the City and the YMCA.
7. Vacate the facilities and fields and turn off all lights no later than 11:00 p.m. unless otherwise approved in the Field Use Permit. Any user or user group failing to turn off lights by this time shall be charged billed for excess light usage.
8. Comply with all City ordinances and policies concerning the use of City-owned facilities and fields. YMCA is authorized to enforce the a "three-strike" policy for violations of the Field Use Permit that occur within one calendar year of the first violation, which can result in the termination of any existing field use permits, the loss of future field use privileges, and/or restitution for any damages and/or costs if applicable.

F. This Agreement is binding on the parties, hereto, their heirs, executors, administrators, or assigns. All signatories to this Agreement warrant that the execution of this Agreement on behalf of the Bartlesville YMCA and City of Bartlesville has been duly authorized and approved by the appropriate governing bodies of each entity.

G. The parties to this Agreement do not condone discrimination with regard to race, color, national origin, religion, sex, age, disability or veteran status in the programs or activities in which they operate.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and first above written.

City of Bartlesville, Oklahoma

By: _____ Dated: _____
Dale Copeland, Mayor

Attest:

By: _____ Dated: _____
Mike Bailey, City Clerk

Richard Kane YMCA

By: _____ Dated: _____
Robert Phillips, CEO

By: _____ Dated: _____
Jess Kane, Board President

Appendix A – Map of Fields



Appendix B – Field Allocation Policy

The primary use of the City's sports fields is for the recreational use of the residents of Bartlesville. However, it is recognized that there is a competitive use demand as well. As such, this policy is established to promote equity and balance in the way in which fields are allocated among users, whether recreational or competitive, youth or adult, to ensure the best use and the adequate protection of the City's assets by ensuring that fields are used and maintained in a professional manner and to contribute to an enhanced community life in Bartlesville by giving priority to local sports programs. This policy shall govern the scheduling, booking and usage of sports fields owned by the City of Bartlesville. Where all is equal, youth programs will be given preference over adult programs.

For the purpose of applying this policy, the following terms shall be defined as follows:

1. **Local:** Affiliated with, officially attached or connected to a Bartlesville organization
2. **Resident:** at least 90% of all participants must be residents of Bartlesville and/or Washington County
3. **Non-resident:** less than 90% of all participants are residents of Bartlesville and/or Washington County
4. **Non-profit:** Must have a Letter of Determination from State of Oklahoma showing current status as a non-profit 501c(3) certified organization. Additionally, must be volunteer based and have a non-paid Board of Directors.
5. **For-profit:** Any status other than non-profit or not-for-profit.
6. **Youth:** Person 19 years of age or under at the start date of the season
7. **Adult:** Person 20 years of age or older at the start of the season
8. **Recreational:** Must be non-competitive in nature and have an "everyone plays, no one is turned away" philosophy requiring that each participant plays in games for a significant period of time. Organization, or portions of the organization, must assign registrants to teams in an effort to make the teams in each division of equal playing experience and talent rather than grouping teams based on talent levels. Participation and learning is stressed over winning.
9. **Competitive:** Participants are selected by demonstrating a certain level of skill and ability in a given sport and where game playing time is usually given to those with the greatest skills. Selection of players to an individual team is generally done to maximize the experience and talent of the team so as to be as successful as possible. Teams usually practice more frequently, travel out of the local area for games, and face teams that are just as good, if not better. Winning is the primary goal.

Field use permits, for practices, games, and tournament or special events, will be issued to organizations and user groups based upon the following priority group classifications:

1. **YMCA-conducted or sponsored leagues and programs, both youth and adult.**
2. **YMCA co-sponsored recreational youth and adult leagues and programs.**
3. **Local resident non-profit recreational youth and adult leagues and programs partnering with YMCA, as follows:**
 - a) Partner with YMCA: Organization must utilize the YMCA as the central point of contact for the program for the purposes of participant registration and public information and must utilize the YMCA registration program;
 - b) Organizations must maintain an affiliation with a national or state sport governing body. Those national or state bodies must have governance over the organization, including all requirements for training per each league's manual, background checks and disciplinary actions.

- c) Organization must submit a league spreadsheet listing all teams by age with each participants name, address and phone number.
 - d) Organizations must designate one representative that is available 24/7 (by cell phone number and email) as the contact responsible for all communication pertaining to permits, field use and all requests related to use of Fields.
- 4. Local resident non-profit, recreational or competitive, youth and adult leagues and programs, as follows:**
- a) Organizations must maintain an affiliation with a national or state sport governing body. Those national or state bodies must have governance over the organization, including all requirements for training per each league's manual, background checks and disciplinary actions.
 - b) Organization must submit a league spreadsheet listing all teams by age with each participants name, address and phone number.
 - c) Organizations must designate one representative that is available 24/7 (by cell phone number and email) as the contact responsible for all communication pertaining to permits, field use and all requests related to use of Fields. Organization must maintain its own participant registration program and point of contact and provide information to the YMCA.
- 5. Local non-resident non-profit, recreational or competitive, youth and adult leagues and programs, as follows:**
- a) Organizations must maintain an affiliation with a national or state sport governing body. Those national or state bodies must have governance over the organization, including all requirements for training per each league's manual, background checks and disciplinary actions.
 - b) Organization must submit a league spreadsheet listing all teams by age with each participants name, address and phone number.
 - c) Organizations must designate one representative that is available 24/7 (by cell phone number and email) as the contact responsible for all communication pertaining to permits, field use and all requests related to use of Fields. Organization must maintain its own participant registration program and point of contact and provide information to the YMCA.
- 6. Local for-profit recreational or competitive youth and adult leagues and programs, as follows:**
- a) Organizations must maintain an affiliation with a national or state sport governing body. Those national or state bodies must have governance over the organization, including all requirements for training per each league's manual, background checks and disciplinary actions.
 - b) Organization must submit a league spreadsheet listing all teams by age with each participants name, address and phone number.
 - c) Organizations must designate one representative that is available 24/7 (by cell phone number and email) as the contact responsible for all communication pertaining to permits, field use and all requests related to use of Fields. Organization must maintain its own participant registration program and point of contact and provide information to the YMCA.
- 7. All other youth or adult sports teams, leagues and programs, conducting sports or other approved activities that do not meet the required criteria of higher priority grouping categories.**

Appendix C

Code of Conduct

The City of Bartlesville sports fields and facilities are made available to provide residents with opportunities to participate in sports programs in a safe and positive environment. The City supports the belief that all sports programming and experiences, whether recreational or competitive in nature, teach character and sportsmanship. To that end, all participants and spectators attending any event at a City-owned sports field or facilities shall be held accountable for their behavior and zero tolerance shall be given to any intentional violation of the Code of Conduct as set forth below.

1. Be respectful, positive, and supportive of the players, coaches, parents, officials and staff.
2. Treat all parties involved the same way that you would like to be treated – fairly, courteously, and with respect.
3. Acknowledge the efforts of all referees, scorers, and game management officials.
4. Promote the emotional and physical well-being of the athletes ahead of any personal desire to win.
5. Never ridicule, boo, or yell at a child or other participant for making a mistake or losing a competition.
6. Always use appropriate language, tones and volume when communicating. When in doubt, remain silent.
7. Become knowledgeable, understanding and supportive of all established guidelines, rules, policies and procedures related to the organization providing the sports program.
8. Respect the opposing team, players, coaches and parents, and make them feel welcome.
9. Respect the playing fields and facilities by helping to keep them clean and disposing of trash in proper trash bins.
10. Recognize and acknowledge that the use of the City's sports fields and facilities for the use of sports programming is a privilege that can be rescinded for any individual, group, or organization.
11. Activities which are unacceptable and prohibited include:
 - a. Attempting in any way to influence the decision of an official or umpire;
 - b. Arguing with a coach, official or umpire as to a decision that has been made;
 - c. Using threatening, profane, obscene, or abusive language or gestures toward any official, player, coach, or spectator;
 - d. Intentionally causing property damage of any kind, including graffiti;
 - e. Baiting, taunting, or any other act which is intended or designed to embarrass, ridicule, or demean others under any circumstances;
 - f. Fighting, betting, gambling, or any other illegal activity;
 - g. To bring or carry, or in any manner whatsoever, possess any intoxicating or non-intoxicating beverage (as defined by Oklahoma State Statute), with or without the intent to sell or distribute;
 - h. Possession or use of a firearm or weapon;
 - i. Illegal possession or use of a controlled substance, with or without the intent to sell or distribute;
 - j. Smoking in any City building, playground, playcourt, within the fenced confines of any outdoor recreational facility, within spectator bleachers and stands, or within 50-feet thereof.
 - k. Unleashed animals.

Appendix D

Background Screening Policy

It is the intent of this policy to establish certain minimum standards for background screening to be met by any user groups or individuals who use the City's sports fields or facilities to provide sports programs for participants 18 years of age or younger. This policy is intended to protect children by investigating the background of volunteers who will be coaching children involved in athletic programs utilizing City-owned property.

General

- A. All user groups or individuals (hereinafter "User") that will be providing services on City of Bartlesville facilities, fields, or grounds to residents or the public which are 18 years of age or younger (hereinafter "Youth Program") must provide proof of completion of a criminal background check that meets the minimum screening requirements contained herein.
- B. All users shall ensure that Youth Programs shall have at least one (1) Approved Coach (or assistant coach) (hereinafter collectively referred to as "Approved Coach") present at each activity, including practices, games, and meetings. An Approved Coach is one who meets the minimum standards described in this policy and evidence of such has been provided to the City or its designee.
- C. All users will have all coaches (either head or assistant) processed for approval. Each Coach will have his or her background checked every 24 months for as long as he or she continues coaching.
- D. Any person who has been convicted of, has a pending charge against him or her in which it is alleged that he or she has committed, or has a record of a conviction of any of the crimes identified below, hereinafter known as "disqualifying crimes", shall not be considered an Approved Coach. Such person will be disqualified from volunteering for a coaching or assistant coaching position in any Youth Program or activity utilizing City-owned facilities. A Coach who willfully fails to comply with this background screening policy shall be automatically disqualified.

Minimum Background Screening Requirements

All Users shall ensure that the background screening service that they use for all Coaches meets the minimum requirements set forth herein:

- 1. Social Security Validation: Reveals the state and year the social security number was issued. Verifies the applicant's name with their given social security number. This helps to eliminate the possibility of false names and/or information.
- 2. Criminal Records Search: County and State criminal records shall be searched for the most recent 20-year period. For persons who have lived in Oklahoma for less than 20 years, the search must include criminal records search from previous States of residence.
 - a. State of Oklahoma (includes all counties): <http://www1.odcr.com/>
- 3. Address History Trace: The address history trace determines the appropriate jurisdictions in which to perform a comprehensive search. Verifies the current address and identifies any previous address of every volunteer.

4. Sex Offender Registry Search: Search of all 50 state and/or county repositories for known sex offenders.
 - a. State of Oklahoma: <https://sors.doc.state.ok.us>
 - b. National: <https://www.nsopw.gov/en>
5. Disqualifying crimes: Anyone who has a conviction, plea of guilty or no contest, deferred prosecution, or has a pending charge against him or her in which it is alleged that he or she has committed, any of the following crimes, in any State, shall not be eligible to serve as an Approved Coach:
 - Child abuse or neglect;
 - Domestic abuse;
 - A crime against a child including, but not limited to, rape, lewd molestation, child abandonment, reckless endangerment, abduction, kidnapping, exploitation, solicitation, public indecency, or child pornography;
 - A crime involving violence, including, but not limited to, rape, sexual assault, or homicide; and any offense that:
 - Has an element of the use, attempted use, or threatened use of physical force against the person or property of another;
 - By its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense;
 - Hate crimes;
 - Felony possession of a controlled substance with intent to distribute;
 - Drug trafficking
 - Driving under the influence or driving while intoxicated, two or more times in the last 5 years

Disputes of Ineligibility

Any individual who disputes the results of the background check and would like to challenge them can do so by contacting the City of Bartlesville Park and Recreation Department.

Appendix E – Fee Schedule

GROUP (See Appendix B)	Soccer or Multi-Purpose Field Per Hour	Soccer or Multi-Purpose Field with Lights Per Hour	Ball Field Per Hour	Ball Field with Lights Per Hour
Group 1: YMCA conducted or sponsored youth and adult	No charge		No charge	No charge
Group 2: YMCA co-sponsored recreational youth and adult	\$5.00		\$5.00	\$10.00
Group 3: Local resident non-profit recreational youth and adult partnering with YMCA	\$8.00		\$8.00	\$12.00
Group 4: Local resident non-profit, recreational and competitive, youth and adult	\$10.00		\$10.00	\$15.00
Group 5: Local non-resident non-profit, recreational and competitive, youth and adult	\$12.00		\$12.00	\$18.00
Group 6: Local for-profit youth and adult, both recreational and competitive	\$15.00		\$15.00	\$20.00
Group 7: Any youth or adult sports	\$20.00		\$20.00	\$25.00

Definitions:

1. Local: Affiliated with, officially attached or connected to a Bartlesville organization
2. Resident: at least 90% of all participants must be residents of Bartlesville and/or Washington County
3. Non-resident: less than 90% of all participants are residents of Bartlesville and/or Washington County
4. Non-profit: Must have a Letter of Determination from State of Oklahoma showing current status as a non-profit 501c(3) certified organization. Additionally, must be volunteer based and have a non-paid Board of Directors.
5. For-profit: Any status other than non-profit or not-for-profit
6. Youth: Person 19 years of age or under at the start date of the season
7. Adult: Person 20 years of age or older at the start of the season
8. Recreational: Must be non-competitive in nature and have an “everyone plays, no one is turned away” philosophy requiring that each participant plays in games for a significant period of time. Organization, or portions of the organization, must assign registrants to teams in an effort to make the teams in each division of equal playing experience and talent rather than grouping teams based on talent levels. Participation and learning is stressed over winning.
9. Competitive: Participants are selected by demonstrating a certain level of skill and ability in a given sport and where game playing time is usually given to those with the greatest skills. Selection of players to an individual team is generally done to maximize the experience and talent of the team so as to be as successful as possible. Teams usually practice more frequently, travel out of the local area for games, and face teams that are just as good, if not better. Winning is the primary goal.

RESOLUTION NO. _____

A RESOLUTION CREATING THE DOWNTOWN LANDSCAPE TASK FORCE BASED UPON THE DOWNTOWN LANDSCAPE PLAN PRESENTED BY MAIN STREET BARTLESVILLE TO THE CITY COUNCIL ON MAY 16, 2016, AND APPOINTING MEMBERS THERETO.

WHEREAS, on May 13, 2008, the voters approved funding to construct street lighting and streetscape improvements to Second Street (Keeler to Cherokee) and Dewey Avenue (Second to Fourth Streets); and

WHEREAS, street lighting improvements on Second Street and Dewey Avenue were completed in 2014, and funding remains to be used for the completion of streetscape improvements along these two streets; and

WHEREAS, the City Council requested and Main Street Bartlesville developed a Downtown Landscape Plan as presented to the City Council on May 16, 2016; and

WHEREAS, the City Council seeks a task force of citizens, stakeholders, staff, and City Council members to validate the Downtown Landscape Plan presented to the City Council by Main Street Bartlesville on May 16 2016 and develop a final plan that is specific for Second Street (Keeler to Cherokee) and Dewey Avenue (Second to Fourth Streets).

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA, AS FOLLOWS:

1. That a Downtown Landscape Task Force is hereby created for the purpose of validating and refining the recommendations in the Downtown Landscape Plan presented by Main Street Bartlesville to the City Council on May 16, 2016, to guide streetscape improvements within the Downtown Central Business District.
2. That the Downtown Landscape Task Force shall further provide written recommendations to the City Council on the final design for streetscape improvements to Second Street (Keeler to Cherokee) and Dewey Avenue (Second to Fourth Streets), hereinafter referred to as the "Second and Dewey Project";
3. That such recommendations shall be based upon the Downtown Landscape Plan presented by Main Street Bartlesville to the City Council on May 16, 2016, which includes the Downtown Streetscape Concept prepared by Howell and VanCuren dated March 7, 2014 as thereafter revised by Main Street Bartlesville (Revision dated April 28, 2016).
4. That such recommendations shall be used to guide the final engineering design of the Second and Dewey Project and shall include specific products, materials, and colors to be included in the construction plans and specifications, to include, but not limited to, benches, trash receptacles, bicycle racks, planter pots, type and size of trees, shrubs, or plants, concrete pavers, and utility connections.
5. That the plan and recommendations provided by the Task Force for the Second and Dewey Project shall be used in the future as a template to guide further streetscape improvements within the Downtown Central Business District.

6. That, with the understanding that installation of streetscape improvements associated with the Second and Dewey Project would be financed by the City of Bartlesville, the Task Force shall provide recommendations on the use of tax increment funds from TIF District #1 for short-term maintenance of said streetscape improvements, and identify a sustainable source of funding for the long-term maintenance of said streetscape improvements.
6. That the Task Force shall be comprised of eight (8) members as follows:
 - City Council person for Ward 4, who shall serve as Chairman
 - City Council person for Ward 3, who shall serve as Vice-Chairman
 - City Engineer
 - City Park Superintendent
 - Chairman of the Bartlesville Redevelopment Trust Authority (BRTA)
 - Chairman of Main Street Bartlesville
 - Vice-Chairman of Main Street Bartlesville
 - A member of Main Street Bartlesville Landscape Committee and Property Owner.

Other staff persons representing the City, the BRTA, or Main Street Bartlesville may assist the Task Force as needed to provide technical information.

7. That the Task Force shall present its report, which shall include a specific plan, product specifications, and written recommendations for the Second and Dewey Project, to the City Council no later than Monday, April 17, 2017.
8. That the Task Force shall review the completed project and present an evaluation report to the City Council within sixty (60) to ninety (90) days of project completion. Said Task Force shall terminate thereafter, unless further extended by the City Council.

IN WITNESS WHEREOF, this resolution was adopted by the City Council of the City of Bartlesville, Oklahoma on February 6, 2017.

Dale Copeland, Mayor
City of Bartlesville



**Downtown Landscaping Plan:
Maintenance, Upkeep, and Improvements**
Main Street Bartlesville, Inc.

I. Executive Summary

II. Scope of Work and Work Plan

- A. Scope of Work and Deliverables
- B. Work Plan

III. Current Situation

- A. Work to Date
- B. Research on other Cities' Approaches to Downtown Landscaping

IV. Geographic Area and Sub-Areas

V. Landscape Maintenance Services and Costs

VI. Landscape Capital Improvement Costs

VII. Landscape Funding Sources

- A. Operational Maintenance and Upkeep
 - 1. City General Fund
 - 2. Tax Increment Financing (TIF)
 - 3. Business Improvement District (BID)
 - 4. Hotel/Motel Tax
 - 5. Volunteer Hours/Donations
- B. Capital Improvements
 - 1. City-issued G.O. Bonds
 - 2. City Capital Improvement Project (CIP) sales tax
 - 3. Tax Increment Financing (TIF)
 - 4. Business Improvement District (BID)

VIII. Management of Downtown Landscaping



IX. Stakeholders' Preferences for Services, Funding and Management

X. Recommendation & Conclusions

XI. Implementation Plan

XII. Appendix

- A. Detailed Capital Costs for Landscaping Options
- B. City Assessment of Downtown Landscaping
 - 1. Landscape Beds and Street Trees
 - 2. Electrical & Irrigation Systems
- C. Howell & Vancuren Landscape Design
- D. Landscape Design Preferences Survey
- E. History of Downtown Landscaping

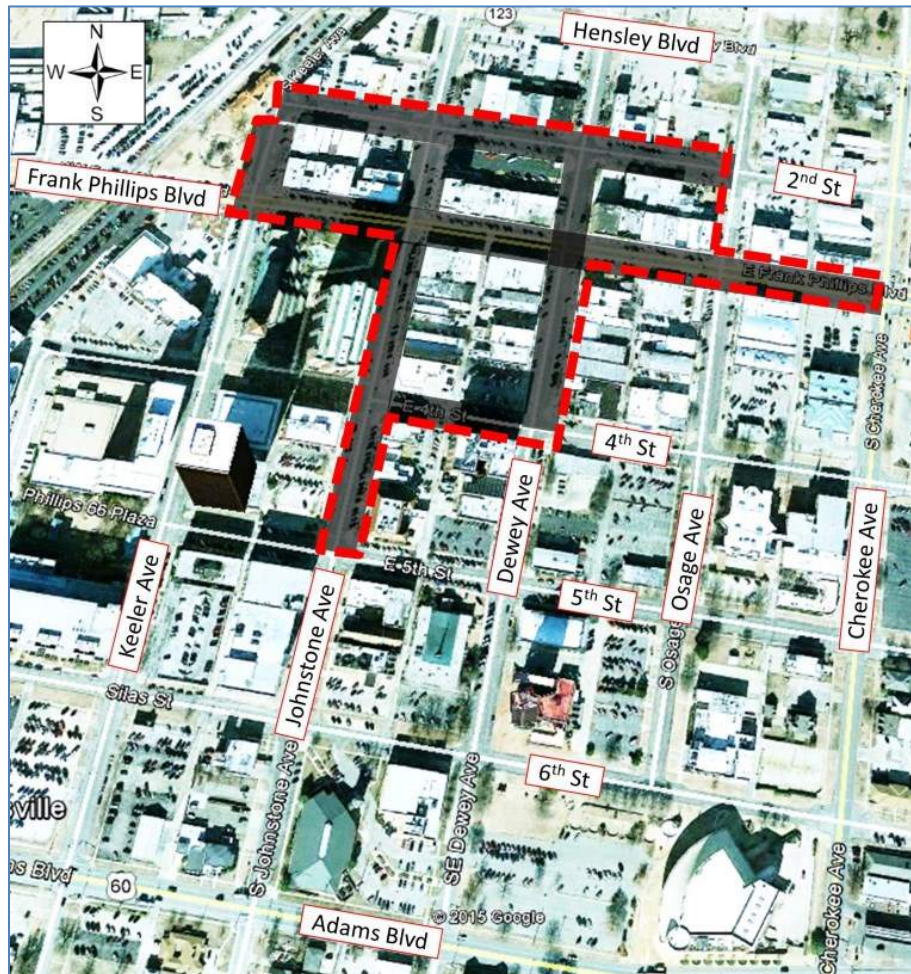


Executive Summary

RECOMMENDATION

Main Street Bartlesville recommends the following plan to address downtown landscape maintenance, upkeep and improvements.

1. The geographic area for publicly-funded landscape maintenance will be reduced in size from 376 landscape beds to approximately 120 beds that are reduced in size and contain trees only and 72 large planter pots. This Core Area is shown bounded by the dashed red line in the map below and includes the following blocks:
 - a. Second Street between Keeler and Osage Avenues
 - b. Frank Phillips Blvd between Keeler and Cherokee Avenues
 - c. Fourth Street between Johnstone and Dewey Avenues
 - d. Keeler Avenue from Second Street to Frank Phillips Blvd.
 - e. Johnstone Avenue from Second Street to Fifth Street
 - f. Dewey Avenue from Second Street to Fourth Street





2. All other public landscape elements outside the geographic area described in Item 1 above will be removed. Some landscape elements, particularly trees, outside the Core Area may be retained on a case-by-case basis; for example, to shield parking lots as per City Code.
3. A modification of the Howell & Vancuren (H&V) design will be implemented throughout the Core Area, in order to achieve a consistent look-and-feel and reduce annual maintenance costs. The original H&V design was modified to reduce costs; some examples of those modifications include using tree grates rather than pavers, repairing the existing irrigation system rather than installing a new drip irrigation system, and installing fewer trash receptacles and benches. The design includes the following:
 - a. All flat landscape beds will be eliminated and the "raised edges" removed.
 - b. Existing street trees will be replaced with trees appropriate to an urban environment, with only 8 to 10 trees per block and set closer to the curb
 - c. Electrical receptacles will be removed; outlets only on street light poles
 - d. Bollard lights will be removed
 - e. Existing irrigation system will be repaired, as possible
 - f. Raised corner planters will be retained, with trees removed and replaced by shrubs and/or other low-growing plants
 - g. Bump-out landscape areas will be reduced in size
 - h. Large planter pots will be installed, with irrigation
4. Total capital cost is \$1.61 million, without contingency or a project management fee. Applying a 15% contingency and 5% project management fee results in total project cost of \$1.93 million. This cost is to implement the H&V design throughout the entire downtown, including removing landscape elements outside the designated Core Area. Capital improvements will be publicly funded through the Downtown Commercial District Tax Increment Financing (TIF) 1 and/or Capital Improvement Projects (CIP) tax funds. Depending upon the amount of funding and timing of procuring those funds, the project may be implemented in phases.
5. Annual maintenance has been estimated at \$51,000 per year with an irrigation system in place, as opposed to manual watering. Basic landscape maintenance and upkeep will be paid from the City's General Fund or from the Downtown Commercial District TIF 1 Fund.
6. Main Street Bartlesville will be contracted by the City for oversight and monitoring of downtown landscaping, to include selecting and managing the maintenance contractor.

EXPLANATION OF RECOMMENDATION

This recommendation is based on the following:

- 1) **Bartlesville's Downtown is different from the rest of the city and should be given a place of special prominence in development plans and policies as the "heart of the city".**
 - a) Downtown is critical to Bartlesville's economic well-being.
 - b) It indicates the health of the city as a whole. Many residents, visitors and potential residents/investors judge the vitality of a city by its downtown.
 - c) It is the repository for the rich history of Bartlesville.



- d) It brings in businesses, investors, residents, and visitors – whether they locate in the Downtown or not.
- e) Experts understand the importance of Downtown – all studies, including the latest by Angelou Economics in 2012, cite downtown as critical to overall city's economic health.
 - i) "A healthy downtown is a quality of life amenity that visitors and businesses use to gauge the desirability of a community".
 - ii) "Commitment to downtown revitalization and reuse of historic buildings may be the most effective single act of fiscal responsibility a local government can take."

2) The City has unique responsibilities for Downtown

- a) Most of our peer cities take care of basic downtown services like landscaping, especially in the absence of larger public investments which bring increased economic activity and thus the need for additional services and – more importantly – the ability of the private sector to pay for those services.
- b) Bartlesville Redevelopment Trust Authority's (BRTA) attorney stated in an opinion to the BRTA, dated 12/2/2015: "the (Local Development) Act specifically prohibits the use of tax increment financing in such a way as to supplant or replace normal public functions and services. Since ongoing maintenance of public improvements or landscaping is customarily paid by general fund expenditures, volunteer donations, or by property owners through business associations or improvement districts, using revenues for such maintenance expenses would likely be supplanting or replacing "normal" functions or services."

3) Downtown businesses and property owners have already provided significant contributions to Bartlesville's Downtown in a variety of ways.

- a) Made investment in landscaping improvements and maintenance decades ago, with the understanding long-term maintenance funds would be under the trusteeship of City and/or its designee (Bartlesville Development Trust Authority, later BRTA).
- b) Took risk by locating in an area with lower traffic counts, enhanced regulations, and an unkempt appearance.
- c) Located in downtown because of promises by City to invest in the area.
- d) Pay taxes to both General fund and to TIF.

4) Downtown businesses and property owners need to play a major role with the City to manage downtown landscaping.

- a) The City has been inconsistent in its commitment to downtown.
- b) While the downtown businesses and property owners have expressed a willingness to participate in a public-private partnership, the City and its designees (such as the BRTA) have appeared unwilling to acknowledge their ongoing responsibilities for downtown landscaping.
- c) Strategic investments need to be made in downtown to make the area economically sustainable.
- d) Once Downtown Bartlesville is at a self-sustaining level, can then look to alternative funding sources such as a Business Improvement District.

5) A Business Improvement District (BID) is not an appropriate solution to landscape maintenance.

- a) Improvement Districts not used for single purpose like "landscape maintenance". Significant strategic investments are keys for Business Improvement Districts. Stillwater: \$260 million for T.



Boone Pickens stadium renovation. Tulsa: \$60 million for ONEOK Stadium. OKC: The \$350 million sales tax-funded initiative was created to revitalize Downtown (including an area of empty warehouses), improve Oklahoma City's national image and provide new and upgraded cultural, sports, recreation, entertainment and convention facilities. By funding the projects with a limited term, one-cent sales tax, the projects were built debt free. No BIDs have been established in Oklahoma cities aside from these three.

- b) The original public improvements are paid for with public money.
- c) Bartlesville's downtown improvements lack impactful strategic investments and provide little or no significant benefit to stakeholders
- d) Landscaping improvements were paid for largely with private money, with little public money invested in support of a public-private partnership.
- e) A Bartlesville BID has strong drawbacks at this point in time:
 - i) was attempted twice before and failed and is not supported now by downtown business and property owners.
 - ii) creates another financial burden on already struggling downtown merchants, especially challenging in Oklahoma's current oil economy.
 - iii) may exempt various downtown properties that have their own funds for landscape maintenance or don't pay taxes, making plan unbalanced and unfair.



Scope of Work and Work Plan

SCOPE OF WORK

Main Street Bartlesville, Inc, was tasked by the Bartlesville City Council to develop a plan by May 1, 2016, to address downtown landscape maintenance, upkeep and improvements that is long-term and sustainable and reflects the preferences of the majority of downtown business and property owners. This plan will be brought to the City Council for their approval at their first meeting in May.

- Overall goals of the landscape plan: (1) drive economic revitalization; (2) bring more people downtown; (3) attract others to Bartlesville; and (4) have the City of Bartlesville take more ownership of downtown development and recognize downtown's importance to the overall health and economic viability of the entire community.
- Components of the plan will include: (1) Review of Current Situation; (2) Geographic Area and Prioritization of Sub-Areas; (3) Landscape Maintenance Services and Costs; (4) Funding for Landscape Maintenance and Improvements; (5) Management of Downtown Landscaping; (6) Implementation. Summary Work Plan attached shows details of approach and targeted deadlines.
- Deliverables: Formal report, implementation plan, presentation.
- Others to be consulted during the study: City officials and staff, organizations involved in downtown development, downtown workers and residents, downtown customers.

Main Street Bartlesville Landscape Committee:

- Linda Robertson (chair). Phone: 918.440.8535. Email: LindaR1864@gmail.com
- Sharon Hurst (co-chair). Phone: 832.860.7463. Email: Donghu@earthlink.net
- Jim Curd. Phone: 918.397.3092. Email: JCurdJr@aol.com
- Mark Haskell. Phone: 918.914.0532. Email: HaskellWM@gmail.com
- Matt Roark. Phone: 918.907.1338. Email: MathewKRoark@gmail.com
- Mark Spencer. Phone: 918.766.2278. Email: MSpencer@SpencerManagementInc.com



WORK PLAN

#	TASK
1	Develop Scope of Work and detailed Landscape Work Plan.
1	Develop and agree to scope of work, with deliverables, among LSC members.
2	Identify key issues to be addressed.
3	Develop detailed Work Plan.
4	Review scope, deliverables, key issues, and Work Plan with City staff and incorporate their ideas.
5	Discuss approach with City Councilors and incorporate their ideas.
2	Submit Work Plan to MSB Board for approval.
3	Understand the current situation.
1	Review work to date, including: 2nd Street/Dewey Project, H&V Landscape Design, Master Gardeners' landscape bed assessment, Landscape survey results, City's electrical/ irrigation assessment, Landscape History, etc.
2	Research other cities' approaches to landscape maintenance & upkeep.
4	Define overall Geographic Area and Sub-Areas.
1	Define overall Geographic Area to be included in Landscape Plan.
2	Define Sub-Areas within the Geographic Area, based on specific criteria that differentiate the Sub-Areas.
5	Define landscape maintenance options.
1	Determine available landscape maintenance options.
2	Develop pros and cons for each maintenance option.
3	Determine scope of landscape services, and get quotes for "Phase 1" Sub-Areas
6	Determine funding options.
1	Determine funding options available, including cash and in-kind, for both short- and long-term options. Break out for (1) routine maintenance, (2) repairs & upkeep, & (3) capital improvements.
2	For each option, assess potential amount of funds available and probability of accessing those funds.
3	Develop pros and cons for each funding option.
7	Determine landscape management options.
1	Identify issues to be managed for downtown landscaping, including: (1) policies, (2) administration, (3) enforcement, etc.
2	Define landscape management structure options and roles & responsibilities of various entities within that structure.
8	Select best option for downtown landscape maintenance, upkeep and improvements.
1	Determine long-term vision for each Sub-Area; e.g. H&V design, leave as is with routine maintenance, minimize landscaping, etc.; and how each will be funded.
2	Determine short-term maintenance and improvements for each Sub-Area.
3	Prioritize each Sub-Area for implementation of long-term vision.
9	Create implementation plan.
10	Draft proposal to address landscape maintenance, upkeep and improvements.
1	Write and compile Landscape Plan report.
2	Prepare talking points and presentation.



11	Determine Stakeholders' preferences.
1	Identify what information should be gathered, including preferences for landscaping services, funding levels, management, etc.
2	Determine method(s) to use to gather this information, and develop methodology.
3	Gather information, compile and analyze.
12	Finalize landscape solution. Get approval from business & property owners, & review with all entities.
13	Bring to City Council for review and preliminary approval.



Current Situation

Downtown stakeholders rate landscaping as one of their top concerns. There are 376 landscape beds within a 12-square-block area in downtown Bartlesville. In many areas the sprinkler system is non-functional, and landscape beds are not watered. Maintenance is inconsistent, with some of the landscape beds and trees being routinely cared for and others not.

WORK TO DATE

In 1987, the Bartlesville Development Trust Authority (BDTA) and the City of Bartlesville revamped the downtown streetscape, installing bollard lighting, landscape beds and plantings, irrigation and utilities, new sidewalks and curbs, and street furniture. Monies were raised through private sources to install the new streetscape and to maintain it. In 2004, the Bartlesville Redevelopment Trust Authority (BRTA) was established by the City of Bartlesville and took over responsibilities and funds from the BDTA. In 2007, the BRTA installed new street lights, raised planters and landscape beds, angled parking and colored-concrete intersections along Frank Phillips Boulevard. In 2009, landscape maintenance funds were depleted, and responsibility for maintenance was turned over to the property owners, with the City retaining responsibility for corner planters and electricals, as well as irrigation. Bartlesville voters approved a \$900,000 project to improve the streetscape on Second Street and Dewey Avenue as part of the extension to a Capital Improvement Projects sales tax, which was partially completed in 2014 with the installation of new streetlights. However, the landscaping part of the project was deferred until a solution could be found to landscape maintenance.

Main Street Bartlesville, Inc. (MSB) began working on the landscaping issue in 2012 in order to address the current state of unmaintained beds and trees and inconsistent design. We surveyed a number of downtown stakeholders in order to determine what they want to see, inventoried the trees with the assistance of an arborist, and catalogued the planter beds with the assistance of the Master Gardeners. MSB hired an urban landscape design architect, Howell & Vancuren, to assist in creating a design for downtown landscaping that was low-maintenance and suitable to an urban environment. With assistance from the City of Bartlesville, the BRTA, and downtown stakeholders, a final design was created for the Second Street/Dewey Avenue streetscape project, with the intention to use that design as a template for the rest of downtown Bartlesville. This design plan can be viewed on Main Street Bartlesville's website, at the following link: http://www.mainstreetbartlesville.org/design_id150.html.

RESEARCH ON OTHER CITIES' APPROACHES TO DOWNTOWN LANDSCAPING

A review of other Oklahoma cities' approaches to downtown landscape maintenance is summarized below:

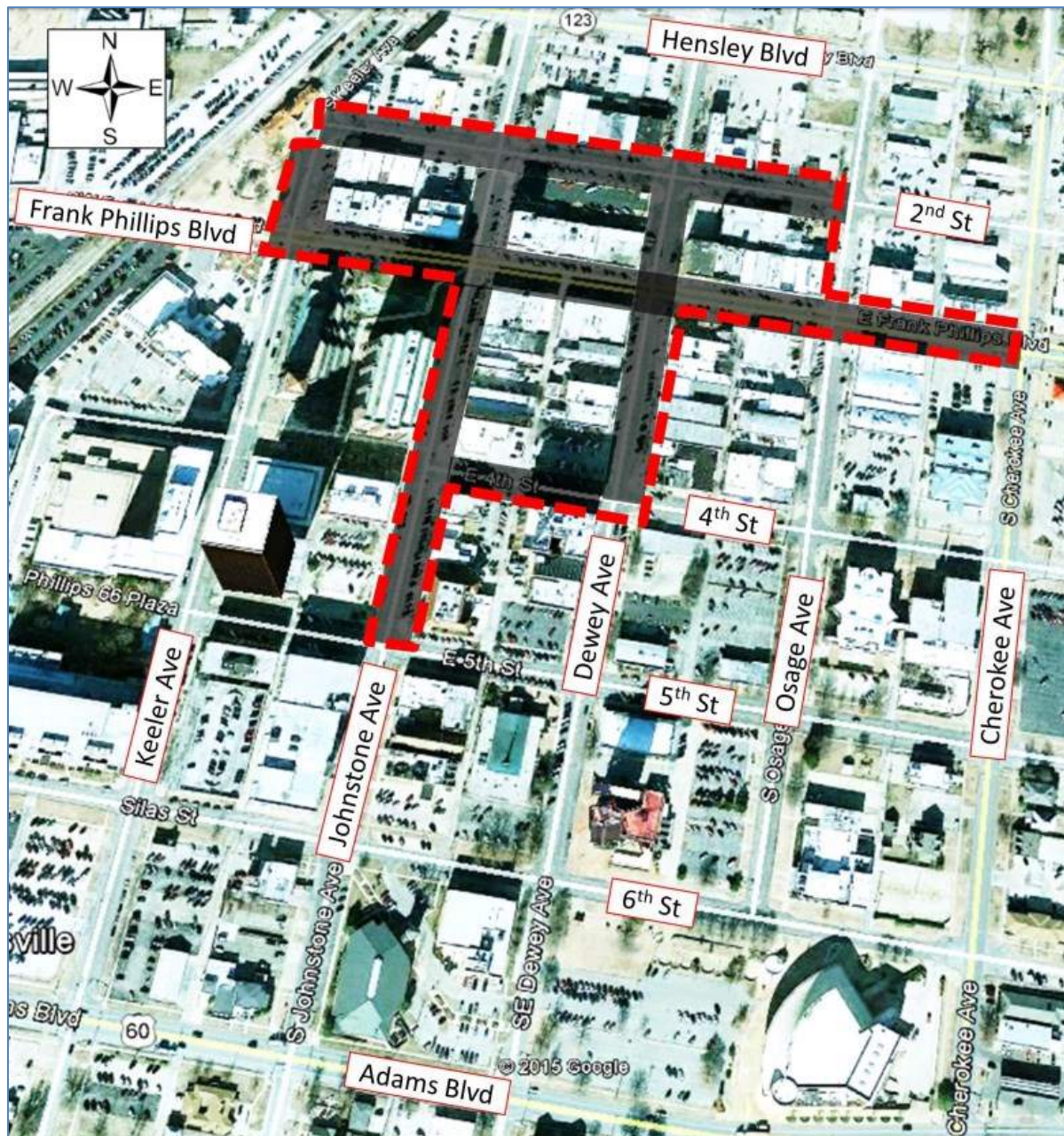
1. Broken Arrow Rose District
 - a. No BID
 - b. City provides downtown landscape maintenance
 - c. \$3.7 million spent on downtown streetscape and landscaping
 - d. \$1.4 million approved in 2014 to build Creative Arts Center in downtown Rose District
2. Edmond
 - a. No BID






- b. City provides downtown landscape maintenance
 - c. \$4.75 million spent on streetscapes and landscaping to date
- 3. Muskogee
 - a. No BID
 - b. City provides downtown landscape maintenance
 - c. Creating new Arts and Cultural District
 - d. Main Street program expanding entertainment and cultural district downtown
- 4. Moore Old Town
 - a. No BID
 - b. City provides downtown landscape maintenance through its Department of Landscape and Beautification
- 5. Shawnee
 - a. No BID
 - b. City provides downtown landscape maintenance
 - c. \$4 million for Municipal Pool Downtown and \$2 million for streetscape
- 6. Owasso
 - a. No BID
 - b. Looking into Special Assessment District. In March 2016, approved a Downtown Overlay District
 - c. Currently investing in downtown Owasso to replicate the BA Rose District, with high Quality development, enhance property values and spur economic development.
- 7. Oklahoma City
 - a. 4 BID's in downtown area, Stockyard City, Western Ave, Capitol Hill and Downtown.
 - b. New Adventure BID District
- 8. Tulsa
 - a. Stadium Improvement District (SID) funds much of downtown landscaping maintenance
 - b. 4 TIF Districts
- 9. Stillwater
 - a. BID pays for most downtown landscaping, in addition to other services and incentives
 - i. Public rights-of-way maintained by City of Stillwater
 - ii. District adjacent to T. Boone Pickens Stadium
 - iii. Some services offered under their BID are offered under Bartlesville TIF 1. City of Stillwater also offers tax incentives and fee waivers for District businesses
 - iv. BID paid for landscape improvements
 - b. City landscape improvement project: expanding upon improvements made in Downtown Stillwater and improve the overall look of City's traffic islands and ROW's. \$54K budget item in 2015

Geographic Area & Sub-Areas

Through this plan, the original area developed by the Bartlesville Development Trust Authority (BDTA) has been drastically reduced in size and scope in order to make landscape management more controllable and practical, as well as confining it to the core Central Business District. As shown in the map below, only blocks within the dashed red boundary line will be maintained. These blocks will be converted to the Howell & Vancuren (H&V) landscape design, to include removing all landscaping beds, reducing the number of trees, and installing large planter pots. Landscaping elements outside this area will be eliminated.



			HENSLEY BLVD.						
									
CHAMBER									
			2nd Street						
FRANK PHILLIPS PARK									
			Frank Phillips Blvd						
									
			COP						
			4th Street						
			CITY HALL						
			COURT HOUSE						
			5th Street						
			Silas Street						
			ADAMS BLVD						

Blue = Second Street and Dewey Avenue. Convert to H&V design. Funded.
 Red = Frank Phillips Blvd and connecting blocks to Second Street. Convert to H&V design.
 Green = Johnstone Ave to 5th; 4th Street from Johnstone to Dewey Ave. Convert to H&V design.
 Yellow = Dewey Ave from Hensley Blvd to 6th St, except blocks shown as “Blue”. Future plans.
 Black = all other blocks. To be removed from landscape system.



Landscape Maintenance Services and Costs

Three landscaping maintenance options were reviewed and cost estimates obtained from Randy Lawrence Lawn Care, a local contractor that maintained downtown landscaping prior to 2009. The three options are shown below:

- Option 1 – H&V Design, with new drip irrigation system as per H&V Design.
- Option 2 – H&V Design, with existing irrigation system, assuming fully functional after repairs.
- Option 3 – H&V Design, with no irrigation system (manual watering only).

The preferred option is Option 2 due to its lower annual costs, as compared to manual watering, and the lower capital costs, as compared to installing a new drip irrigation system.

Scope of Services for all Options:

- Yearly pruning of all trees (125 new trees) with mulching, fall and spring.
- Pre-emerge beds, spring and fall.
- Weeding, trash pick-up, insecticide spraying, planting of flowers summer and fall.
- Sprinkler start-up, monthly test, seasonal adjustments and shut down.

Options 1 and 2 (irrigation system):

Annual Operational Costs	\$ 40,000.00
Annual Material Costs*	<u>10,911.00</u>
TOTAL Maintenance Costs	\$ 50,911.00

Option 3 (no irrigation – manual watering):

Annual Operational Costs	\$ 46,000.00
Annual Material Costs*	<u>10,911.00</u>
TOTAL Maintenance Costs	\$ 56,911.00

* Annual Material Costs are the same for all Options and include:

Mulch	\$ 2,811.00
Preen	\$ 1,100.00
Pot Plantings	\$ 6,000.00
Plant replacement	<u>\$ 1,000.00</u>
Total	\$ 10,911.00

NOTE: Costs include Centennial Park landscape maintenance (\$3000 per year).

Pricing per Randy Lawrence Lawn Care 3/24/16



Landscape Capital Improvement Costs

The Landscape Committee reviewed three options requiring capital investment to bring downtown landscaping into compliance with our vision:

Option 1 – Complete H&V Design, including new drip irrigation system, as specified in final document dated March 7, 2014.

Option 2 – Modified H&V Design, repairing existing irrigation system as possible.

Option 3 – Modified H&V Design, eliminating all irrigation and replacing with manual watering.

Option 2 is recommended, due to its use of existing infrastructure (irrigation) and lower life-cycle costs as compared to the other two options. Costs are summarized below, broken out for each sub-area:

		Options		
		1	2	3
Blue Area	-	\$768,775	\$548,775	\$531,775
Red Area	-	\$713,550	\$504,550	\$492,550
Green Area	-	\$308,475	\$201,475	\$198,475
Yellow Area	-	\$91,575	\$91,575	\$91,575
Black Area	-	\$198,450	\$198,450	\$198,450
for All Areas	-	\$66,730	\$66,730	\$86,730
SUB-TOTAL	-	\$2,147,555	\$1,611,555	\$1,599,555
		-		
Contingency @	15%	\$322,133	\$241,733	\$239,933
Project Mgt Fee @	5%	\$107,378	\$80,578	\$79,978
		-		
TOTAL	-	\$2,577,066	\$1,933,866	\$1,919,466



Costs include:

376	existing beds removed (including those with trees)
72	large planter pots installed
236	existing trees removed
118	new trees planted
16	benches installed
48	trash cans installed
3	sidewalks built
228	electrical removal
64	bollard lights removed
203	irrigation repairs
14	irrigation system repairs
36	large planter pot irrigation installation
3	gas repairs
120	initial pot plantings
34	raised planters cleaned out and prepped
34	raised planters initial plantings
13	bump-outs prepared and initial plantings

A detailed breakdown of costs for each sub-area (Blue, Red, Green, Yellow and Black) is shown in the Appendix.



Landscape Funding Sources

OPERATIONAL MAINTENANCE AND UPKEEP

It is proposed that funding for maintenance and upkeep come from either the City General Fund or the Downtown Commercial District TIF 1 fund.

Various funding options were researched and are shown below, in priority order:

- 1) City General Fund
 - a) Pros
 - i) Sufficient funds available for routine maintenance and upkeep
 - ii) Typically used in most cities of our size
 - iii) Meets City's goal of a thriving downtown, as emphasized in study after study
 - b) Cons
 - i) Subject to budgetary concerns
- 2) Downtown Commercial District Tax Increment Financing (TIF) 1 fund
 - a) Pros
 - i) Sufficient funds available for routine maintenance
 - ii) Attractive landscaping brings in investment, which meets the goals of the Redevelopment (TIF) Act
 - iii) Paid for by the property owners, so shows a direct tie between payment and benefit
 - iv) Can be legally implemented through existing Main Street program
 - b) Cons
 - i) Takes money away from property incentives
 - ii) Not a sustainable solution unless TIF extended or replaced by another funding source
 - iii) Requires Trust Authority approval
- 3) Business Improvement District (BID)
 - a) Pros
 - i) Politically popular with City, making it easy to get through Council
 - ii) Would generate sufficient revenue for routine maintenance and upkeep
 - b) Cons
 - i) Key criteria to justify BID not there
 - ii) Would probably exempt significant percentage of downtown properties from paying into funds
 - iii) Administrative costs excessive for routine maintenance only
 - iv) Will probably have significant push-back from property and business owners
 - v) Could make downtown an unattractive location for investors and businesses
- 4) Hotel/Motel Tax
 - a) Pros
 - i) Would bring in enough funds for maintenance and improvements
 - ii) Indirectly meets goal of improving downtown appearance in order to attract visitors
 - b) Cons
 - i) May have political push-back, especially from hotels
 - ii) Not a direct benefit to visitors
- 5) Volunteer Hours/Donations



- a) Pros
 - i) None
- b) Cons
 - i) Difficult to obtain
 - ii) Not sustainable
 - iii) Could probably not generate enough revenues for even routine maintenance
 - iv) Would take a great deal of time and effort to find volunteers and donors

CAPITAL IMPROVEMENTS

Various funding options were researched and are shown below:

- 1) City G.O. Bonds
 - a) Pros
 - i) Can fund larger projects
 - ii) Typical use of bonds
 - iii) Meets City's goal of a thriving downtown, as emphasized in study after study
 - b) Cons
 - i) Competing projects
- 2) City Half-Cent Capital Improvement Projects (CIP) Sales Tax
 - a) Pros
 - i) Generates sufficient funds for larger projects
 - b) Cons
 - i) Competing projects
- 3) Downtown Commercial District Tax Increment Financing (TIF) 1 fund
 - a) Pros
 - i) Sufficient revenue for small- and mid-size capital projects
 - ii) Attractive landscaping brings in investment, which meets the goals of the Redevelopment (TIF) Act
 - iii) Paid for by the property owners, so shows a direct tie between payment and benefit
 - b) Cons
 - i) Takes money away from property incentives
 - ii) Requires Trust Authority approval
- 4) Business Improvement District (BID)
 - a) Pros
 - i) Politically popular with City, making it easy to get through Council
 - b) Cons
 - i) Attempted to establish BID twice and failed both times; will have significant push-back from property and business owners
 - ii) Would not generate sufficient revenue for large-scale capital projects
 - iii) Key criteria to justify BID not there
 - iv) May exempt significant percentage of downtown properties from paying into funds
 - v) Could make downtown an unattractive location for investors and businesses



FUNDING THROUGH BUSINESS IMPROVEMENT DISTRICTS

Because a Business Improvement District (BID) has been suggested numerous times over the years as a funding source for landscape maintenance, a more thorough explanation of why this source was not recommended is summarized below:

- 1) A search for BIDs in Oklahoma uncovered a few – and all in larger cities:
 - a) Stillwater - stadium and downtown
 - b) OK City - Bricktown area, plus others throughout city
 - c) Tulsa - Stadium Improvement District
- 2) From BID documentation in a variety of places across the US:
 - a) BIDs are normally more appropriate for areas typically thought of as "destinations".
 - b) They are generally in stable areas or towns where there is a demand for additional services beyond baseline City services.
 - c) They are best used in areas with a low vacancy rate - less than 20%. Our core downtown commercial district has a 28% vacancy rate.
 - d) BIDs are typically implemented after strategic investments have been made that are targeted at increasing downtown activity and traffic.
 - e) BIDs typically have a larger purpose than just landscape maintenance. Selling a tax for just landscape maintenance to 51% of the property owners - excluding some larger companies – has proven to be unattainable and would probably be difficult to sell to downtown property owners.
 - f) BIDs are supplemental to baseline services and are normally brought on line when the need for those services increase or supplemental services are desired.
 - g) It is costly to set up and administer a BID District.
- 3) Therefore, a few observations...
 - a) Strategic investments and business development generally come before a BID. Those help make downtown a destination first. The "5 for 5" Green Space Plan is one such strategic investment.
 - b) A second strategic investment would be a capital plan for improved landscaping, as per the Howell & Vancuren landscape design. This will improve downtown's appearance and reduce the ongoing costs to maintain the landscaping.
 - c) Once the downtown economic base is stronger, additional services might be required and the property and business owners will be in a better position to help the City meet its baseline obligations with a BID.



Management of Downtown Landscaping

It is important that downtown landscape management roles and responsibilities are carefully defined. The options for overall oversight and management of downtown landscaping are outlined below:

1. Main Street
 - a. Recommended due to Main Street Bartlesville's unique focus on downtown and its relationship with downtown business and property owners
 - b. Would be part of duties of Main Street Manager
 - c. Would fall under the current Landscape Sub-committee of the Design Committee
2. City of Bartlesville
 - a. If selected as an option, Incorporate this within their existing organization and provide a single point of contact
3. New organization
 - a. Comprised of downtown business and property owners, possibly other stakeholders
 - b. Don't recommend – would be too confusing – need fewer, not more organizations for downtown.

Roles and responsibilities for the entity to manage downtown landscaping are outlined below:

1. Define scope of work to be performed – must be very specific
2. Solicit bids to contractors for downtown landscape maintenance
3. Review bids and select contractor based on objective and explicit criteria
4. Contractor to perform work with oversight
5. Performance Management
 - a. Verify work performed according to contract
 - b. Take calls from business and property owners
 - c. Work with vendor to resolve the issue
6. Pay vendor
7. Ongoing Communications with downtown stakeholders, including business and property owners and City



Stakeholders' Preferences for Services, Funding & Management

Main Street Bartlesville has attempted through a variety of methods to engage downtown stakeholders in the planning process and to solicit feedback to this final proposal. Prior to starting work, members of the Landscape Committee met with City Council members to understand the scope of work and outline an initial proposal. Throughout the four-month period, members of the Landscape Committee have met with City staff to discuss the evolving plan. Finally, Main Street Bartlesville reached out to downtown stakeholders to solicit feedback on the final proposed landscape plan. This outreach used various methods, including a public meeting on April 19, through personal visits, by email and by posting on the website.

In general, there has been widespread support for the proposed plan from downtown business and property owners and other stakeholders who are involved in downtown. Several have expressed concerns or asked questions, which MSB has addressed through personal communications and some modifications to the plan. Some of the questions and concerns – and MSB's responses – are highlighted below.

Two property owners expressed their preference to retain the flat landscape beds in front of their properties, explaining they maintain those beds and like having the color along the sidewalk. After Main Street Bartlesville's Landscape Committee members explained the rationale for removing all the landscape beds – consistent "look and feel" throughout downtown, safety concerns with raised edges around beds, desire to expand useable sidewalk space and facilitate walkability, difficulties in managing system in which some property owners are responsible for maintenance – the property owners retracted their opposition and declared support for the plan.

Several property owners and downtown workers stated they were opposed to removing healthy trees simply because they were not one of those recommended by the H&V plan. Committee members explained the rationale – these trees are not suitable to a downtown environment and thus would not last as long as those recommended, as well as attracting birds or dropping seeds and fruit.

One downtown worker expressed dismay that mature healthy trees would be removed and not replaced in areas outside the core area. The Committee members said they would evaluate concerns such as this and determine, in cooperating with the City, whether exceptions should be made.

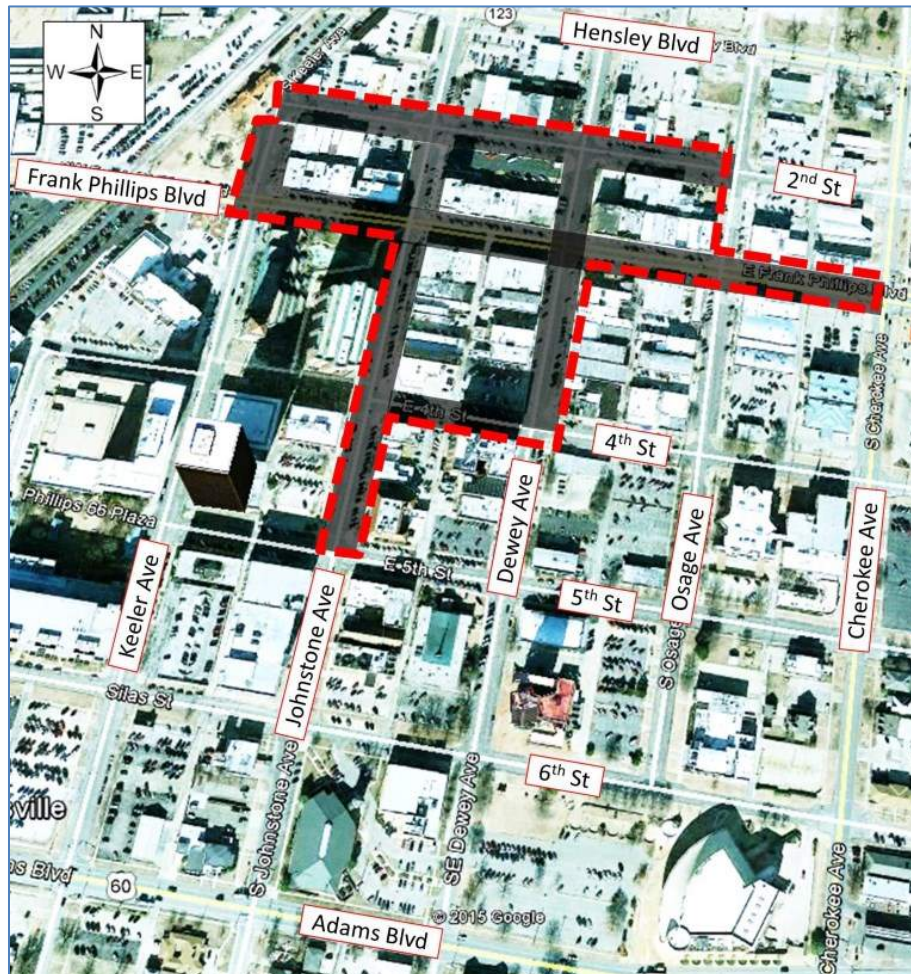
Another property owner expressed their belief that trees should be retained in front of parking lots. This might fall under City Code which requires parking areas be shielded by shrubbery or trees, and Committee members will discuss with City Staff.

Recommendation & Conclusions

RECOMMENDATION

Main Street Bartlesville recommends the following plan to address downtown landscape maintenance, upkeep and improvements.

7. The geographic area for publicly-funded landscape maintenance will be reduced in size from 376 landscape beds to approximately 120 beds that are reduced in size and contain trees only and 72 large planter pots. This Core Area is shown bounded by the dashed red line in the map below and includes the following blocks:
 - a. Second Street between Keeler and Osage Avenues
 - b. Frank Phillips Blvd between Keeler and Cherokee Avenues
 - c. Fourth Street between Johnstone and Dewey Avenues
 - d. Keeler Avenue from Second Street to Frank Phillips Blvd.
 - e. Johnstone Avenue from Second Street to Fifth Street
 - f. Dewey Avenue from Second Street to Fourth Street





8. All other public landscape elements outside the geographic area described in Item 1 above will be removed. Some landscape elements, particularly trees, outside the Core Area may be retained on a case-by-case basis; for example, to shield parking lots as per City Code.
9. A modification of the Howell & Vancuren (H&V) design will be implemented throughout the Core Area, in order to achieve a consistent look-and-feel and reduce annual maintenance costs. The original H&V design was modified to reduce costs; some examples of those modifications include using tree grates rather than pavers, repairing the existing irrigation system rather than installing a new drip irrigation system, and installing fewer trash receptacles and benches. The design includes the following:
 - a. All flat landscape beds will be eliminated and the "raised edges" removed.
 - b. Existing street trees will be replaced with trees appropriate to an urban environment, with only 8 to 10 trees per block and set closer to the curb
 - c. Electrical receptacles will be removed; outlets only on street light poles
 - d. Bollard lights will be removed
 - e. Existing irrigation system will be repaired, as possible
 - f. Raised corner planters will be retained, with trees removed and replaced by shrubs and/or other low-growing plants
 - g. Bump-out landscape areas will be reduced in size
 - h. Large planter pots will be installed, with irrigation
10. Total capital cost is \$1.61 million, without contingency or a project management fee. Applying a 15% contingency and 5% project management fee results in total project cost of \$1.93 million. This cost is to implement the H&V design throughout the entire downtown, including removing landscape elements outside the designated Core Area. Capital improvements will be publicly funded through the Downtown Commercial District Tax Increment Financing (TIF) 1 and/or Capital Improvement Projects (CIP) tax funds. Depending upon the amount of funding and timing of procuring those funds, the project may be implemented in phases.
11. Annual maintenance has been estimated at \$51,000 per year with an irrigation system in place, as opposed to manual watering. Basic landscape maintenance and upkeep will be paid from the City's General Fund or from the Downtown Commercial District TIF 1 Fund.
12. Main Street Bartlesville will be contracted by the City for oversight and monitoring of downtown landscaping, to include selecting and managing the maintenance contractor.

EXPLANATION OF RECOMMENDATION

This recommendation is based on the following:

- 6) **Bartlesville's Downtown is different from the rest of the city and should be given a place of special prominence in development plans and policies as the "heart of the city".**
 - a) Downtown is critical to Bartlesville's economic well-being.
 - b) It indicates the health of the city as a whole. Many residents, visitors and potential residents/investors judge the vitality of a city by its downtown.
 - c) It is the repository for the rich history of Bartlesville.



- d) It brings in businesses, investors, residents, and visitors – whether they locate in the Downtown or not.
- e) Experts understand the importance of Downtown – all studies, including the latest by Angelou Economics in 2012, cite downtown as critical to overall city's economic health.
 - i) "A healthy downtown is a quality of life amenity that visitors and businesses use to gauge the desirability of a community".
 - ii) "Commitment to downtown revitalization and reuse of historic buildings may be the most effective single act of fiscal responsibility a local government can take."

7) The City has unique responsibilities for Downtown

- a) Most of our peer cities take care of basic downtown services like landscaping, especially in the absence of larger public investments which bring increased economic activity and thus the need for additional services and – more importantly – the ability of the private sector to pay for those services.
- b) Bartlesville Redevelopment Trust Authority's (BRTA) attorney stated in an opinion to the BRTA, dated 12/2/2015: "the (Local Development) Act specifically prohibits the use of tax increment financing in such a way as to supplant or replace normal public functions and services. Since ongoing maintenance of public improvements or landscaping is customarily paid by general fund expenditures, volunteer donations, or by property owners through business associations or improvement districts, using revenues for such maintenance expenses would likely be supplanting or replacing "normal" functions or services."

8) Downtown businesses and property owners have already provided significant contributions to Bartlesville's Downtown in a variety of ways.

- a) Made investment in landscaping improvements and maintenance decades ago, with the understanding long-term maintenance funds would be under the trusteeship of City and/or its designee (Bartlesville Development Trust Authority, later BRTA).
- b) Took risk by locating in an area with lower traffic counts, enhanced regulations, and an unkempt appearance.
- c) Located in downtown because of promises by City to invest in the area.
- d) Pay taxes to both General fund and to TIF.

9) Downtown businesses and property owners need to play a major role with the City to manage downtown landscaping.

- a) The City has been inconsistent in its commitment to downtown.
- b) While the downtown businesses and property owners have expressed a willingness to participate in a public-private partnership, the City and its designees (such as the BRTA) have appeared unwilling to acknowledge their ongoing responsibilities for downtown landscaping.
- c) Strategic investments need to be made in downtown to make the area economically sustainable.
- d) Once Downtown Bartlesville is at a self-sustaining level, can then look to alternative funding sources such as a Business Improvement District.

10) A Business Improvement District (BID) is not an appropriate solution to landscape maintenance.

- a) Improvement Districts not used for single purpose like "landscape maintenance". Significant strategic investments are keys for Business Improvement Districts. Stillwater: \$260 million for T.



Boone Pickens stadium renovation. Tulsa: \$60 million for ONEOK Stadium. OKC: The \$350 million sales tax-funded initiative was created to revitalize Downtown (including an area of empty warehouses), improve Oklahoma City's national image and provide new and upgraded cultural, sports, recreation, entertainment and convention facilities. By funding the projects with a limited term, one-cent sales tax, the projects were built debt free. No BIDs have been established in Oklahoma cities aside from these three.

- b) The original public improvements are paid for with public money.
- c) Bartlesville's downtown improvements lack impactful strategic investments and provide little or no significant benefit to stakeholders
- d) Landscaping improvements were paid for largely with private money, with little public money invested in support of a public-private partnership.
- e) A Bartlesville BID has strong drawbacks at this point in time:
 - i) was attempted twice before and failed and is not supported now by downtown business and property owners.
 - ii) creates another financial burden on already struggling downtown merchants, especially challenging in Oklahoma's current oil economy.
 - iii) may exempt various downtown properties that have their own funds for landscape maintenance or don't pay taxes, making plan unbalanced and unfair.



Implementation Plan

1. Rescind Memorandum of Understanding, dated November 19, 1993 between the BRTA and City of Bartlesville and all BRTA policies related to landscaping.
2. Develop guidelines and policies for landscaping.
3. Confirm funding sources and project management responsibilities, as per Landscaping Plan.
4. Develop scoping construction plans with cost estimates; develop project timeline based on funding.
5. Develop construction plans for Areas that can be funded immediately (Phase 1).
6. Bid out landscape project for Phase 1 Areas.
7. Develop and implement communication plan with downtown stakeholders to minimize disruption.
8. Receive and evaluate bids; select contractor(s). Implement construction for Phase 1.



Appendix A

Detailed Capital Costs for Landscaping Options

H&V DESIGN

MODIFIED H&V DESIGN

MODIFIED H&V DESIGN

NEW DRIP IRRIGATION

IRRIGATION REPAIRS

NO IRRIGATION

Line #		COSTS - OPTION 1			COSTS - OPTION 2			COSTS - OPTION 3		
		#	Unit cost	Total Cost	#	Unit cost	Total Cost	#	Unit cost	Total Cost
	BLUE-5 BLOCKS-99 BEDS-63 TREES									
1	NEW PLANTER POTS	48	\$900	\$43,200	48	\$900	\$43,200	48	\$900	\$43,200
2	REMOVE TREES	63	\$1,125	\$70,875	63	\$1,125	\$70,875	63	\$1,125	\$70,875
3	TREE PLANTINGS	50	\$5,000	\$250,000	50	\$5,000	\$250,000	50	\$5,000	\$250,000
4	INFILL BEDS	99	\$1,050	\$103,950	99	\$1,050	\$103,950	99	\$1,050	\$103,950
5	BENCHES	32	\$500	\$16,000	0	\$500	\$0	0	\$500	\$0
6	TRASH RECEPTACLES	32	\$950	\$30,400	32	\$950	\$30,400	32	\$950	\$30,400
7	SIDEWALKS	0	\$12,000	\$0	0	\$12,000	\$0	0	\$12,000	\$0
8	WAYFINDING SIGNAGE	0	\$4,000	\$0	0	\$4,000	\$0	0	\$4,000	\$0
9	NEW DRIP IRRIGATION	1	\$221,000	\$221,000	0	\$221,000	\$0	0	\$221,000	\$0
10	ELECTRICAL REMOVAL	81	\$75	\$6,075	81	\$75	\$6,075	81	\$75	\$6,075
11	IRRIGATION REMOVAL	61	\$75	\$4,575	61	\$75	\$4,575	61	\$75	\$4,575
12	IRRIGATION SYSTEM REPAIRS	0	\$1,000	\$0	5	\$1,000	\$5,000	0	\$1,000	\$0
13	POT IRRIGATION	0	\$500	\$0	24	\$500	\$12,000	0	\$500	\$0
14	GAS REPAIRS	3	\$100	\$300	3	\$100	\$300	3	\$100	\$300
15	FIRST TIME POT PLANTING	48	\$400	\$19,200	48	\$400	\$19,200	48	\$400	\$19,200
16	CLEAN OUT RAISED PLANTERS	4	\$200	\$800	4	\$200	\$800	4	\$200	\$800
17	FIRST PLANTING FOR RAISED PLANTERS	4	\$600	\$2,400	4	\$600	\$2,400	4	\$600	\$2,400
18	BUMP OUTS	0	\$1,500	\$0	0	\$1,500	\$0	0	\$1,500	\$0
19	BLUE AREA SUB-TOTAL			\$768,775			\$548,775			\$531,775
	RED-6 BLOCKS-85 BEDS-50 TREES									
20	NEW PLANTER POTS	24	\$900	\$21,600	24	\$900	\$21,600	24	\$900	\$21,600
21	REMOVE TREES	50	\$1,125	\$56,250	50	\$1,125	\$56,250	50	\$1,125	\$56,250
22	TREE PLANTINGS	50	\$5,000	\$250,000	50	\$5,000	\$250,000	50	\$5,000	\$250,000
23	INFILL BEDS	85	\$1,050	\$89,250	85	\$1,050	\$89,250	85	\$1,050	\$89,250
24	BENCHES	16	\$500	\$8,000	16	\$500	\$8,000	16	\$500	\$8,000
25	TRASH RECEPTACLES	16	\$950	\$15,200	16	\$950	\$15,200	16	\$950	\$15,200
26	SIDEWALKS	0	\$12,000	\$0	0	\$12,000	\$0	0	\$12,000	\$0
27	WAYFINDING SIGNAGE	0	\$4,000	\$0	0	\$4,000	\$0	0	\$4,000	\$0
28	NEW DRIP IRRIGATION	1	\$221,000	\$221,000	0	\$221,000	\$0	0	\$221,000	\$0
29	ELECTRICAL REMOVAL	40	\$75	\$3,000	40	\$75	\$3,000	40	\$75	\$3,000
30	IRRIGATION REMOVAL	50	\$75	\$3,750	50	\$75	\$3,750	50	\$75	\$3,750
31	IRRIGATION SYSTEM REPAIRS	0	\$1,000	\$0	6	\$1,000	\$6,000	0	\$1,000	\$0
32	POT IRRIGATION	0	\$500	\$0	12	\$500	\$6,000	0	\$500	\$0
33	GAS REPAIRS	0	\$100	\$0	0	\$100	\$0	0	\$100	\$0
34	FIRST TIME POT PLANTING	24	\$400	\$9,600	24	\$400	\$9,600	24	\$400	\$9,600
35	CLEAN OUT RAISED PLANTERS	28	\$200	\$5,600	28	\$200	\$5,600	28	\$200	\$5,600
36	FIRST PLANTING FOR RAISED PLANTERS	28	\$600	\$16,800	28	\$600	\$16,800	28	\$600	\$16,800
37	BUMP OUTS	9	\$1,500	\$13,500	9	\$1,500	\$13,500	9	\$1,500	\$13,500
38	RED AREA SUB-TOTAL			\$713,550			\$504,550			\$492,550

H&V DESIGN **MODIFIED H&V DESIGN** **MODIFIED H&V DESIGN**
NEW DRIP IRRIGATION **IRRIGATION REPAIRS** **NO IRRIGATION**

		COSTS - OPTION 1			COSTS - OPTION 2			COSTS - OPTION 3		
		#	Unit cost	Total Cost	#	Unit cost	Total Cost	#	Unit cost	Total Cost
	GREEN-5 BLOCKS-54 BEDS-39 TREES									
39	NEW PLANTER POTS	0	\$900	\$0	0	\$900	\$0	0	\$900	\$0
40	REMOVE TREES	39	\$1,125	\$43,875	39	\$1,125	\$43,875	39	\$1,125	\$43,875
41	TREE PLANTINGS	18	\$5,000	\$90,000	18	\$5,000	\$90,000	18	\$5,000	\$90,000
42	INFILL BEDS	54	\$1,050	\$56,700	54	\$1,050	\$56,700	54	\$1,050	\$56,700
43	BENCHES	0	\$500	\$0	0	\$500	\$0	0	\$500	\$0
44	TRASH RECEPTACLES	0	\$950	\$0	0	\$950	\$0	0	\$950	\$0
45	SIDEWALKS	0	\$12,000	\$0	0	\$12,000	\$0	0	\$12,000	\$0
46	WAYFINDING SIGNAGE	0	\$4,000	\$0	0	\$4,000	\$0	0	\$4,000	\$0
47	NEW DRIP IRRIGATION	1	\$110,000	\$110,000	0	\$110,000	\$0	0	\$110,000	\$0
48	ELECTRICAL REMOVAL	45	\$75	\$3,375	45	\$75	\$3,375	45	\$75	\$3,375
49	IRRIGATION REMOVAL	39	\$75	\$2,925	39	\$75	\$2,925	39	\$75	\$2,925
50	IRRIGATION SYSTEM REPAIRS	0	\$1,000	\$0	3	\$1,000	\$3,000	0	\$1,000	\$0
51	POT IRRIGATION	0	\$500	\$0	0	\$500	\$0	0	\$500	\$0
52	GAS REPAIRS	0	\$100	\$0	0	\$100	\$0	0	\$100	\$0
53	FIRST TIME POT PLANTING	0	\$400	\$0	0	\$400	\$0	0	\$400	\$0
54	CLEAN OUT RAISED PLANTERS	2	\$200	\$400	2	\$200	\$400	2	\$200	\$400
55	FIRST PLANTING FOR RAISED PLANTERS	2	\$600	\$1,200	2	\$600	\$1,200	2	\$600	\$1,200
56	BUMP OUTS	0	\$1,500	\$0	0	\$1,500	\$0	0	\$1,500	\$0
57	GREEN AREA SUB-TOTAL			\$308,475			\$201,475			\$198,475
	YELLOW-3 BLOCKS-31 BEDS-18 TREES									
58	NEW PLANTER POTS	0	\$900	\$0	0	\$900	\$0	0	\$900	\$0
59	REMOVE TREES	18	\$1,125	\$20,250	18	\$1,125	\$20,250	18	\$1,125	\$20,250
60	TREE PLANTINGS	0	\$5,000	\$0	0	\$5,000	\$0	0	\$5,000	\$0
61	INFILL BEDS	31	\$1,050	\$32,550	31	\$1,050	\$32,550	31	\$1,050	\$32,550
62	BENCHES	0	\$500	\$0	0	\$500	\$0	0	\$500	\$0
63	TRASH RECEPTACLES	0	\$950	\$0	0	\$950	\$0	0	\$950	\$0
64	SIDEWALKS	3	\$12,000	\$36,000	3	\$12,000	\$36,000	3	\$12,000	\$36,000
65	WAYFINDING SIGNAGE	0	\$4,000	\$0	0	\$4,000	\$0	0	\$4,000	\$0
66	NEW DRIP IRRIGATION	0	\$100,000	\$0	0	\$100,000	\$0	0	\$100,000	\$0
67	ELECTRICAL REMOVAL	19	\$75	\$1,425	19	\$75	\$1,425	19	\$75	\$1,425
68	IRRIGATION REMOVAL	18	\$75	\$1,350	18	\$75	\$1,350	18	\$75	\$1,350
69	IRRIGATION SYSTEM REPAIRS	0	\$1,000	\$0	0	\$1,000	\$0	0	\$1,000	\$0
70	POT IRRIGATION	0	\$500	\$0	0	\$500	\$0	0	\$500	\$0
71	GAS REPAIRS	0	\$100	\$0	0	\$100	\$0	0	\$100	\$0
72	FIRST TIME POT PLANTING	0	\$400	\$0	48	\$0	\$0	0	\$400	\$0
73	CLEAN OUT RAISED PLANTERS	0	\$200	\$0	0	\$200	\$0	0	\$200	\$0
74	FIRST PLANTING FOR RAISED PLANTERS	0	\$600	\$0	0	\$600	\$0	0	\$600	\$0
75	BUMP OUTS	0	\$1,500	\$0	0	\$1,500	\$0	0	\$1,500	\$0
76	YELLOW AREA SUB-TOTAL			\$91,575			\$91,575			\$91,575

H&V DESIGN
NEW DRIP IRRIGATION
MODIFIED H&V DESIGN
IRRIGATION REPAIRS
MODIFIED H&V DESIGN
NO IRRIGATION

		COSTS - OPTION 1				COSTS - OPTION 2				COSTS - OPTION 3			
		#	Unit cost	Total Cost		#	Unit cost	Total Cost		#	Unit cost	Total Cost	
	BLACK-6 BLOCKS-107 BEDS-66 TREES												
77	NEW PLANTER POTS	0	\$900	\$0		0	\$0	\$0			\$0	\$0	
78	REMOVE TREES	66	\$1,125	\$74,250		66	\$1,125	\$74,250		66	\$1,125	\$74,250	
79	TREE PLANTINGS	0	\$5,000	\$0		0	\$5,000	\$0		0	\$5,000	\$0	
80	INFILL BEDS	107	\$1,050	\$112,350		107	\$1,050	\$112,350		107	\$1,050	\$112,350	
81	BENCHES	0	\$500	\$0		0	\$500	\$0		0	\$500	\$0	
82	TRASH RECEPTACLES	0	\$950	\$0		0	\$950	\$0		0	\$950	\$0	
83	SIDEWALKS	0	\$12,000	\$0		0	\$12,000	\$0		0	\$12,000	\$0	
84	WAYFINDING SIGNAGE	0	\$4,000	\$0		0	\$4,000	\$0		0	\$4,000	\$0	
85	NEW DRIP IRRIGATION	0	\$100,000	\$0		0	\$100,000	\$0		0	\$100,000	\$0	
86	ELECTRICAL REMOVAL	43	\$75	\$3,225		43	\$75	\$3,225		43	\$75	\$3,225	
87	IRRIGATION REMOVAL	35	\$75	\$2,625		35	\$75	\$2,625		35	\$75	\$2,625	
88	IRRIGATION SYSTEM REPAIRS	0	\$1,000	\$0		0	\$1,000	\$0		0	\$1,000	\$0	
89	POT IRRIGATION	0	\$500	\$0		0	\$500	\$0		0	\$500	\$0	
90	GAS REPAIRS	0	\$100	\$0		0	\$100	\$0		0	\$100	\$0	
91	FIRST TIME POT PLANTING	0	\$400	\$0		0	\$0	\$0		0	\$400	\$0	
92	CLEAN OUT RAISED PLANTERS	0	\$200	\$0		0	\$200	\$0		0	\$200	\$0	
93	FIRST PLANTING FOR RAISED PLANTERS	0	\$600	\$0		0	\$600	\$0		0	\$600	\$0	
94	BUMP OUTS	4	\$1,500	\$6,000		4	\$1,500	\$6,000		4	\$1,500	\$6,000	
95	BLACK AREA SUB-TOTAL			\$198,450				\$198,450				\$198,450	
96	ALL AREAS SUB-TOTAL			\$2,080,825				\$1,544,825				\$1,512,825	
97	WATERING TRUCK (OPTION 3)	0	\$20,000	\$0		0	\$20,000	\$0		1	\$20,000	\$20,000	
98	UPGRADE METERS WITH PHOTOCELLS	14	\$195	\$2,730		14	\$195	\$2,730		14	\$195	\$2,730	
99	REMOVE BOLLARD LIGHTS	64	\$1,000	\$64,000		64	\$1,000	\$64,000		64	\$1,000	\$64,000	
100	PROJECT SUB-TOTAL			\$2,147,555				\$1,611,555				\$1,599,555	
101	Contingency @	15%		\$322,133				\$241,733.25				\$239,933	
102	Project Management Fee @	5%		\$107,378				\$80,578				\$79,978	
103	GRAND TOTAL			\$2,577,066				\$1,933,866				\$1,919,466	



Appendix B

City Assessment of Downtown Landscaping

DOWNTOWN STREETSCAPE REPAIR

March 7, 2016

Inventory Summary:

376 total landscape beds
221 beds with trees
155 without trees
64 bollard lights
413 underground electrical junction boxes
145 electrical receptacles
14 electric meters with timeclocks

The following is a cost estimate prepared by City Staff to repair all 376 existing landscape beds, electrical outlets, bollard lights, and irrigation system located within the Downtown Central Business District, originally constructed in the late 1980's by the Bartlesville Downtown Trust Authority, and return them to good working order and a maintainable state.

Note: This estimate does not include replacement of landscape materials such as trees or shrubs and does not include concrete work.

LANDSCAPE BED REPAIR

Irrigation Repair: Repairs to underground irrigation system; because we are unable to pinpoint the actual number of leaks that lie under the contract, this estimate only includes the repair of a maximum of 6 such leaks; any actual leaks above this number are not included in this estimate.

▪ Labor and Equipment: 90 hours at \$100 per hour	\$ 9,000
▪ Materials	\$ 3,000
▪ Total	\$ 12,000

Landscape Beds: 376 beds. This includes the removal of all plant shrubs, excavating the existing dirt to level with sidewalk. Note that existing concrete lip around planter bed will remain.

▪ Labor and Equipment: 376 beds at \$300 per bed	\$112,800
--	------------------

Tree Removal: 221 trees. This includes the complete removal of the tree, including the root ball, for all existing beds with trees and for the raised planters with trees.

▪ Labor and Equipment: 221 beds at \$800 per bed	\$176,800
--	------------------

Repair of irrigation and underground drainage: 221 trees. This includes the repair of the irrigation lines and underground drainage caused by the removal of the trees.

▪ Labor and Equipment: 221 beds at \$700 per bed	\$154,700
▪ Materials: 221 beds at \$50 per bed	\$ 11,050
▪ Total	\$165,750

SUBTOTAL **\$467,350**

15% Contingency **\$ 70,103**

TOTAL LANDSCAPE BED REPAIR: **\$537,453**

ELECTRICAL SYSTEM REPAIRS:

Electrical Box and Wire Upgrades: 413 underground junction boxes. This includes the complete removal and replacement of the existing electric box and wiring with a concrete box and upgraded wiring bedded in gravel that is level with the landscape bed.

▪ Labor and Equipment: 7.5 hours per bed at \$75 per hour	\$232,313
▪ Materials (inc. wire and concrete boxes) \$400 per bed	\$165,200
▪ Additional labor, equipment, and materials for approximately 40 boxes which are under brick pavers	\$ 44,000
▪ Total	\$441,513

Receptacle Upgrades: 145 electric receptacles. This includes the complete removal and replacement of the existing electric receptacles that are located in the landscape beds.

▪ Labor and Equipment: 218 hours at \$75 per hour	\$ 16,350
▪ Materials: \$40 per recep	\$ 5,800
▪ Total	\$ 22,150

Photocell Upgrades: 14 meter locations. This includes the removal of the existing timeclocks on the electric meters and replacement of those with photocells.

▪ Labor and Equipment: 28 hours at \$75 per hour	\$ 2,100
▪ Materials	\$ 600
▪ Total	\$ 2,700

Bollard Light Repair: 64 bollard lights. This includes the repair of all bollard lights to working condition.

▪ Labor and Equipment: 60 hours at \$75 per hour	\$ 4,500
▪ Materials	\$ 6,500
▪ Total	\$ 11,000

SUBTOTAL **\$477,763**

15% Contingency **\$ 71,664**

TOTAL ELECTRICAL SYSTEM REPAIR: **\$549,427**

GRAND TOTAL: **\$1,086,880**



Appendices C and D

Howell & Vancuren Landscape Design

Landscape Design Preferences Survey (included in H&V Report)

Downtown Streetscape Concept

BARTLESVILLE, OKLAHOMA



howell & vancuren

March 7, 2014

Acknowledgements

Downtown Bartlesville, Inc.

Downtown Bartlesville, Inc Landscape Subcommittee

Linda Robertson - Chair

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Gary Crumbliss

Susan Dick

Jeremy Dorris

Maureen Forsythe

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National Main Street Center

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Project Narrative

Overview and Purpose

The purpose of the Streetscape Concept is to provide direction for streetscape related improvements in the Project Area and provide guidelines for future improvements in other parts of the downtown area.

Project Background

The City of Bartlesville is planning streetscape improvements along Dewey Avenue and Second Street as part of a Capital Improvement Project approved by the voters in 2008. New street lights will replace the low-elevation bollard lights and, in many cases, will use the same locations to minimize saw cutting of the sidewalks for new foundations. In addition, broken electrical and irrigation systems will be repaired or replaced as needed. Landscaping will be included as part of the project to the extent that funds permit.

Downtown Bartlesville, Inc. has been working on the landscaping issue for the past year in order to address the current state of unmaintained beds and trees and inconsistent design. A number of downtown stakeholders have been surveyed in order to determine what they want to see, have inventoried the trees with the assistance of an arborist, and have catalogued the planter beds.

Downtown stakeholders rate landscaping as one of their top concerns. There are approximately 360 landscape beds within a 12-square-block area in Downtown Bartlesville. In many areas the sprinkler system is non-functional, and landscape beds are not watered. Maintenance is inconsistent, with some of the landscape beds and trees being routinely cared for and others not.

A brief history of the downtown Bartlesville landscaping follows:

In 1987, the Bartlesville Development Trust

Authority (BDTA) and the City of Bartlesville revamped the downtown streetscape, installing bollard lighting, landscape beds and plantings, irrigation and utilities, new sidewalks and curbs, and street furniture. Monies were raised through private sources to install the new streetscape and to maintain it. In 2004, the Bartlesville Redevelopment Trust Authority (BRTA) was established by the City of Bartlesville and took over responsibilities and funds from the BDTA. In 2007, the BRTA installed new street lights, raised planters and landscape beds, angled parking and colored-concrete intersections along Frank Phillips Boulevard. In 2009, landscape maintenance funds were depleted, and responsibility for maintenance was turned over to the property owners, with the City retaining responsibility for corner planters and electricals, as well as irrigation.

Project Area

The Streetscape Concept covers an area along Dewey Avenue from 4th Street to 2nd and 2nd Street from Keeler Avenue to Osage Avenue. Refer Existing Conditions pg. 4-5.

Approach

Utilizing the *Tree Inventory and Health Analysis*, covering existing trees in the project area a further evaluation of both trees and landscape beds was conducted by Howell & Vancuren, Inc. (H&V). A copy of the inventory, prepared by Bill Long, a certified arborist, is included in Appendix A for reference.

In general, recommendations contained in the *Tree Inventory* were incorporated into this Concept Plan with a few exceptions including removal of all Golden Raintrees within the Project Area due to periodic insect infestations. This is a problem not uncommon to this tree type and was mentioned by numerous project constituents during the planning process.

Another resource used for development of design concepts is a survey of downtown constituents including property owners and business owners to gauge opinions regarding landscaping in the downtown area. The *Landscape Survey* was conducted by Downtown Bartlesville Inc. (DBI). A copy of the survey is included in Appendix B.

A site visit of the project area by representatives of H&V to investigate existing conditions and a kick-off meeting with the DBI Landscape Sub-Committee were conducted on October 14, 2013. Several additional site visits to review and document existing conditions were undertaken by H&V.

Based on findings derived from the initial site visit and discussions held during the kick-off meeting a preliminary concept plan was presented to the sub-committee on November 11, 2013 for review and comment. In addition to the concept plan, a plan depicting existing conditions

including trees to be removed, according to the tree survey was provided. Various tree planting options including Silva Cell (<http://www.deep-root.com>) and Structural Soil (<http://www.hort.cornell.edu>) technologies were reviewed along with a preliminary cost estimate and tree selection recommendations.

Based on committee input and further investigation by H&V, a revised concept plan along with perspective renderings were prepared. These documents were reviewed with the committee on November 25, 2013 and subsequently with downtown stakeholders in a public meeting held on the same date.

Updated concept plans, alternative tree planting methods, paving materials, recommended tree species and furnishings were reviewed with the committee on November 25, 2013.

A draft of this report document was submitted on December 9, 2013 and reviewed with the sub-committee on December 16, 2013, with a final draft being submitted on December 23, 2013.

Subsequent to submission of the final draft it was determined that due to the limited number of existing trees to be retained (17 out of 67) the project would be best served by removal and replacement of all existing trees.

Two key benefits will be achieved.

1. All trees will be similar in size and appearance providing the area with a sense of cohesiveness.

2. Irrigation installation and the addition of pavers around trees could be damaging to root systems. With new trees this will not be an issue.

Streetscape Guidelines

Based on input from the committee and persons attending the public meeting as well as observations and recommendations made by H&V, Inc. the following guidelines are intended to provide general direction for streetscape improvements in the Project Area as well as in the downtown area as a whole.

The number of trees will be limited to 4 or 5 per block to minimize visual blockage of signage and storefronts to the greatest degree possible while still providing shade and other environmental benefits afforded by trees.

Within the Project Area trees will be located in existing tree planting openings not programmed for street light fixtures.

In areas of downtown outside the project area trees will be located at approximately 40' spacings with 4 to 5 trees per block.

To eliminate a tripping hazard and widen the effective width of the sidewalk for pedestrians, the raised lip or curb around the existing planters will be removed.

Ground-level planters not utilized for tree planting will be re-surfaced with concrete paving installed flush with surrounding walk paving. The raised curbs will be removed.

The existing raised planters at intersections will be retained. New planter pots will be added to allow low-level ornamental planting. No trees will be used in the raised planters. Where there are no existing planters at intersections, planter pots will be utilized per the *Site Furnishings Standards* section.

Planters located at intersections are recommended to have permanent plantings while

planters at the mid-block area would have seasonal planting.

It is recommended that individual store or business owners wishing to add pots to their store frontage area use pots similar to those recommended in the *Site Furnishings Standards* section.

An automatic irrigation system is proposed for the Project Area to reduce the cost of manual watering and to maximize tree health and growth.

In areas outside the Project Area irrigation is recommended.

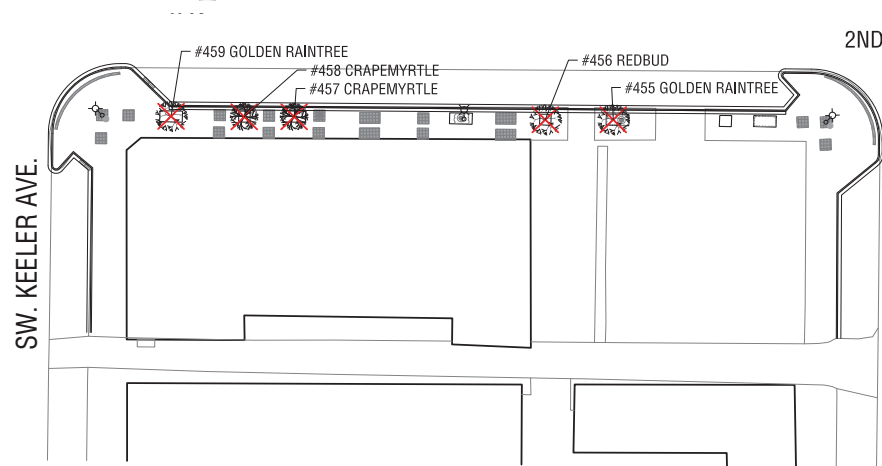
Trees when initially planted should be substantial in size to provide an immediate visual impact. A 4" caliper is recommended.

Trees should be hardy to growing conditions in Bartlesville and not require special or significant maintenance. For recommended tree types refer to *Primary Street Tree Descriptions*, pg. 18.

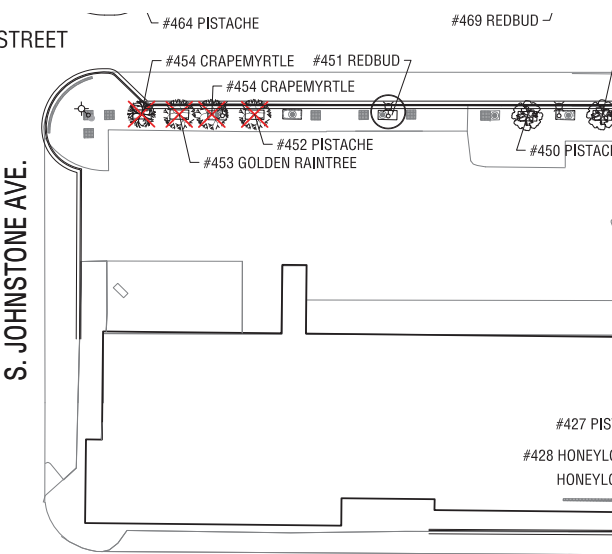
A single species of trees should be utilized for each block to simplify plant installation and maintenance as well as providing visual continuity.

Trees utilized for downtown planting should be grown in nurseries which practice the highest standard of cultural practices including root pruning as well as structural pruning of the crown to insure uniformity and survivability. As a standard for comparison, websites of the following three nurseries are provided: Bold Spring Nursery (www.boldspring.com), Select Trees, Inc. (www.selecttrees.com), Deep Fork Tree Farm (www.dftrees.com).






Concept Illustrations



Existing Conditions



FRANK PHILLIPS BL

-  EXISTING TREE TO BE SAVED
-  EXISTING TREE TO BE REMOVED (RECOMMENDED BY HEALTH ANALYSIS)
-  EXISTING TREE TO BE REMOVED (RECOMMENDED BY HOWELL & VANCUREN OR FOR FUTURE LIGHT PLACEMENT)
-  REMOVED SUBSEQUENT TO TREE SURVEY AND HEALTH ANALYSIS
-  NEW STREET LIGHT

- NOTE:
- TREES #440, #449 AND #463 SPECIFIED FOR REMOVAL BY TREE SURVEY BUT DETERMINED TO REMAIN BY THIS CONCEPT.
 - TREE #407 WAS INCORRECTLY IDENTIFIED BY THE TREE SURVEY AS A PISTACHE
 - ALL GOLDEN RAIN TREES ARE SHOWN TO BE REMOVED DUE TO THE POTENTIAL OF ATTRACTING LARGE INSECT POPULATIONS SUBSEQUENT TO SUBMISSION OF THE FINAL DRAFT IT WAS DETERMINED THAT DUE TO THE LIMITED NUMBER OF EXISTING TREES TO BE RETAINED (17 OUT OF 67) THE PROJECT WOULD BE BEST SERVED BY REMOVAL AND REPLACEMENT OF ALL EXISTING TREES. TWO KEY BENEFITS WILL BE ACHIEVED.
 - ALL TREES WILL BE SIMILAR IN SIZE AND APPEARANCE PROVIDING THE AREA WITH A SENSE OF COHESIVENESS.
 - IRRIGATION INSTALLATION AND THE ADDITION OF PAVERS AROUND TREES COULD BE DAMAGING TO ROOT SYSTEMS. WITH NEW TREES THIS WILL NOT BE AN ISSUE.



4TH STREET






Concept Plan


- 1


Numbers indicate type of permanent planting in all planter pots at each intersection.
1. Flirt Nandina


2. Green Velvet Boxwood with Moonbeam Coreopsis


3. Rose Creek Abelia


4. Walker's Low Catmint
-  Tree Species A


 Tree Species B

 Tree Species C

 Planter Pot

 Trash Receptacle (1 per bench)

 Bench (1-2 per blockface)

 Existing Raised Planter



View to North Along Dewey Ave. From 4th



View to West Along 2nd from Osage

View after diseased and decayed trees are removed.



View after diseased and decayed trees are removed.



View with additional street trees and planters.



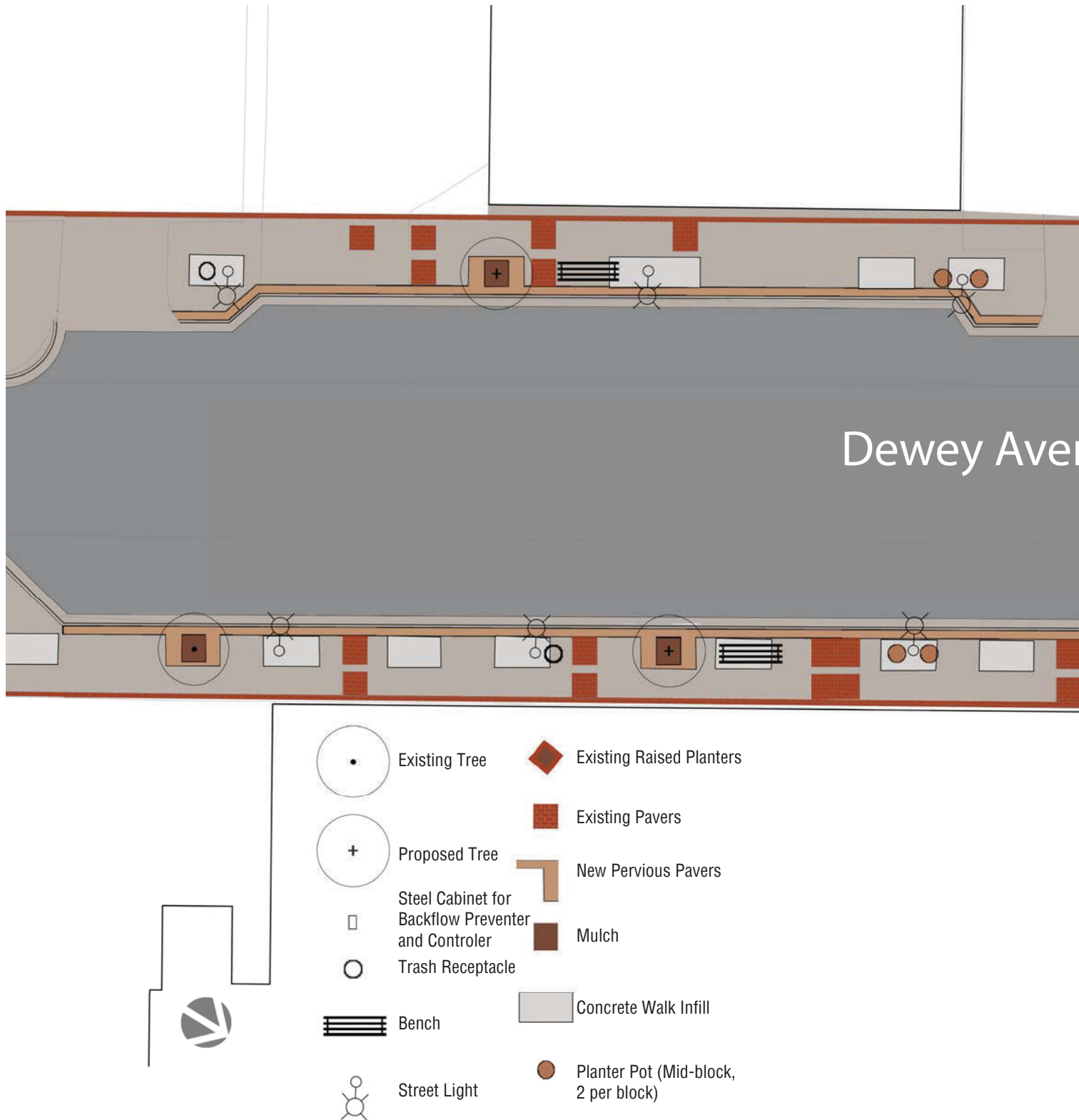
View with additional street trees and planter

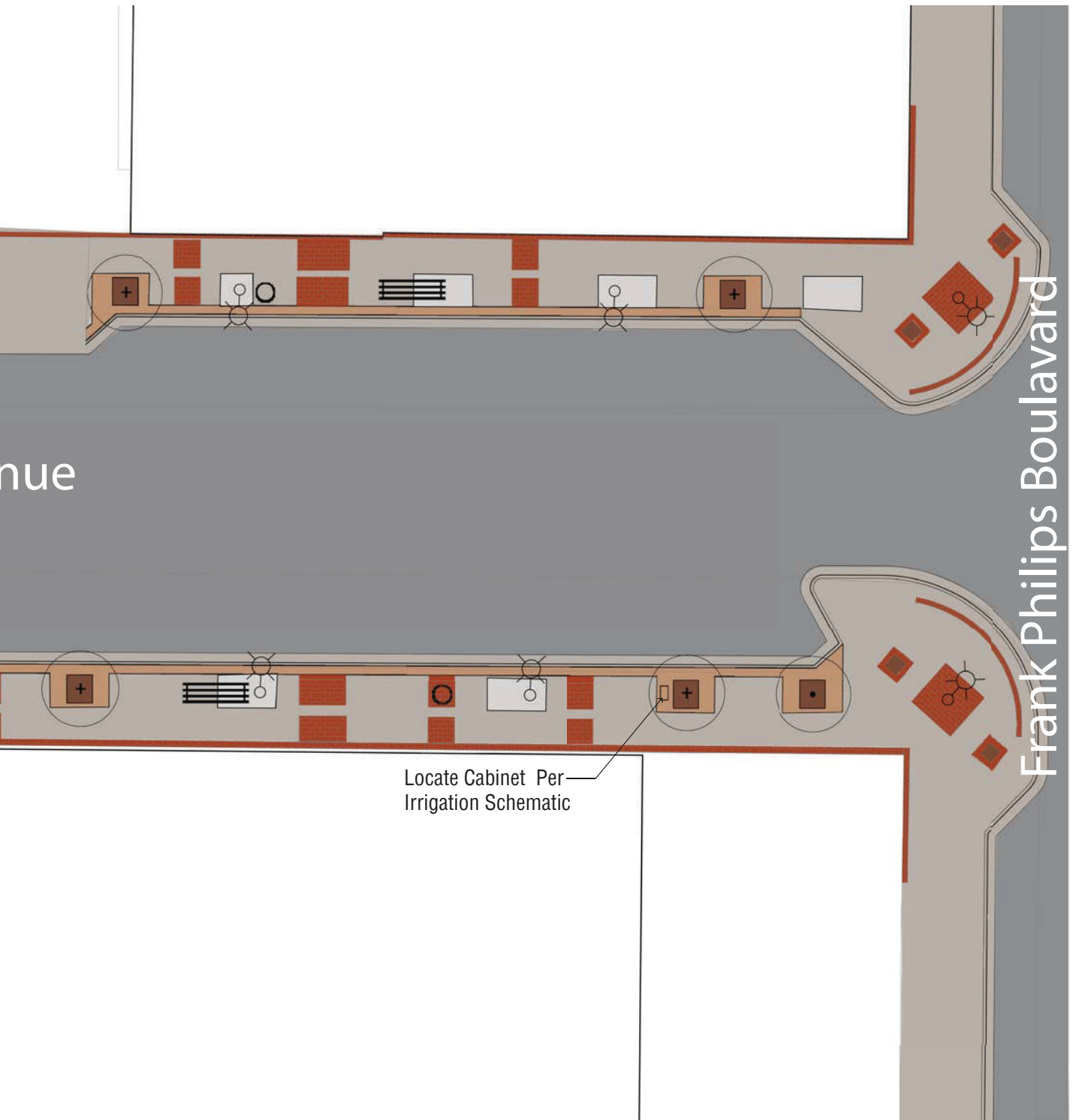
View of East Side of Dewey Between 4th and Frank Phillips Blvd.





Typical Streetscape Layout





Maintenance Recommendations

Pruning

All trees should be maintained with the highest level of branching possible with lowest branching elevated as the tree grows.

During the first five years after planting, pruning should be accomplished annually to raise branching and shape the crown. Over the next five years, routine pruning frequency can be reduced to once every two years. After ten years pruning should occur only as needed.

Fertilization

Slow-release fertilizer, such as Osmocote, should be added around the tree at the time of planting to provide 1 lb. of actual N per tree with the material being incorporated into the upper 6 inches of soil around the tree.

Every two years after planting trees should be fertilized at the rate of 1 1/2 lbs. of N per year with the material being placed inside the four water / fertilization tubes installed around the tree.

Watering

Summer – If drip irrigation is provided, provide the equivalent of 1" of water over the tree planting area per week during the growing season when not provided by rainfall. The growing season will be defined as April 1 through September 30. For the remainder of the year provide supplemental water during extended dry periods.

Periodic inspections of the irrigation system should be conducted to confirm that the system is functioning correctly. During the growing season, these inspections may need to be conducted weekly, at least in the year or two following installation of the system.

If drip irrigation is not provided, utilize "Gator Bags" and fill weekly unless watering requirements are being met by rainfall. Gator Bags should be removed in non-growing season.

Beginning with the third year after planting, the water / fertilization tubes per the Tree Planting Alternatives, Option A, pg. 25 should be utilized for weekly watering application.

Mulch

Material for mulch to equal to fine ground shredded hardwood, in a natural, dark color. The material should be placed and maintained at a thickness ranging from 2.5 to 1.5". The mulch should be kept away from direct contact with the tree trunk / root flare.

Mulch should be added as needed to maintain the prescribed depth, but at least once per year.

Weeding

Tree planting beds and raised planters are to be maintained free of weeds. Weeding to be accomplished once every two weeks during the growing season (April 1 through September 30) and as needed during other times of the year.

Seasonal Plantings

Plantings should be installed in the raised planters other than corners which shall have permanent shrub / perennial plantings. Two changes minimum per year are recommended with options including pansies or tulips during the winter and spring months and one of several warm seasonal annuals including wax-leaf begonias, purple fountain grass, periwinkles, petunias and fan flower (*Scaevola*) during the summer.

Streetscape Components

Street Tree Recommendations

Evaluation Criteria

The following criteria were used to evaluate tree options and create ranking for use in selecting trees. Refer to Street Tree Ranking, pages 16-17 which list trees by name and by ranking.

1. Tolerates compacted soils
3. Tolerates exposed locations – wind, sun
4. Tolerates high summer temperatures
5. Form conducive to achieve high branching and store front visibility
6. Density of branching and foliage not conducive to birds roosting
7. Upright arching form provides maximum shade and storefront visibility
8. Withstands drought conditions
9. Seasonal interest – fall leaf color, flowers, bark, form
10. Leaves drop clean in fall
11. Creates minimal amount of leaf / fruit litter
12. Available in 3 – 4” caliper sizes as high quality specimens
13. Tolerance of pH over 7.5
14. Grow rate is acceptable
15. Durability with regard to ice and wind damage
16. Cold hardiness
17. Overall disease resistance
18. Uniformity of appearance
19. Ease of Transplanting

Street Tree Ranking Listed by Name

Rating 1-5	Compacted Soils	Exposed Locations	High Temperatures	Ideal Form	Density of Canopy	Shade and Visibility	Drought	Seasonal Interest	Residual leaves	Leaf and Fruit Litter	Availability	pH tolerance	Grow Rate	Durability	Cold	Disease Resistance	Uniformity	Transplanting	Score
Bald Cypress, Shawnee Brave (1)	5	4	4	2	3	2	4	3	5	3	3	3	4	4	4	4	4	3	64
Elm, Bosque / Allee Lacebark	4	5	5	3	2	3	4	2	5	4	5	4	4	2	3	4	4	4	67
Elm, Princeton American (2)	4	5	5	4	3	5	4	4	5	3	3	4	4	4	3	3	4	4	67
Honeylocust, Shademaster	4	4	3	4	4	4	3	3	4	4	3	3	4	3	4	3	3	3	63
Maple, Autumn Blaze (3)	3	3	4	3	4	3	3	5	4	3	3	4	5	2	4	3	4	4	60
Maple, Legacy Sugar	3	3	4	4	4	2	2	4	4	3	2	3	2	4	5	3	4	3	59
Maple, October Glory (3)	3	2	4	4	3	3	2	5	4	3	4	3	3	3	5	3	4	4	58
Oak, Nuttall	3	4	4	4	3	4	3	3	3	3	4	2	3	3	4	3	4	3	60
Oak, Overcup	3	5	4	4	4	3	3	2	2	2	3	3	2	3	3	3	3	3	55
Oak, Sawtooth	3	5	4	4	3	3	4	2	2	2	3	4	3	4	4	3	3	3	59
Oak, Shumard	3	5	5	4	3	4	4	3	2	3	5	4	4	3	3	3	4	4	66
Oak, Swamp White	4	5	4	4	4	3	3	2	2	3	3	4	3	4	4	3	3	3	61
Pistache, Chinese	5	5	5	2	2	2	5	4	4	3	4	4	3	3	2	3	2	4	62
Plane Tree, London	4	4	4	3	3	3	4	4	3	2	3	3	5	3	3	2	4	4	61
Zelkova, Green Vase	4	4	4	4	3	5	4	3	3	3	2	4	3	4	4	3	4	4	65

1) Modest red-brown fall color

2) Resistant, not immune to DED

3) Can suffer bark damage due to sun scald. Recommended for location with some protection from south sun and wind.

Street Tree Ranking Listed by Ranking

Rating 1-5	Compacted Soils	Exposed Locations	High Temperatures	Ideal Form	Density of Canopy	Shade and Visibility	Drought	Seasonal Interest	Residual leaves	Leaf and Fruit Litter	Availability	pH tolerance	Grow Rate	Durability	Cold	Disease Resistance	Uniformity	Transplanting	Score
Elm, Bosque / Allee Lacebark	4	5	5	3	2	3	4	2	5	4	5	4	4	2	3	4	4	4	67
Elm, Princeton American	4	5	5	4	3	5	4	4	5	3	3	4	4	4	3	3	4	4	67
Oak, Shumard	3	5	5	4	3	4	4	3	2	3	5	4	4	3	3	3	4	4	66
Zelkova, Green Vase	4	4	4	4	3	5	4	3	3	3	2	4	3	4	4	3	4	4	65
Bald Cypress, Shawnee Brave	5	4	4	2	3	2	4	3	5	3	3	3	4	4	4	4	4	3	64
Honeylocust, Shademaster	4	4	3	4	4	4	3	3	4	4	3	3	4	3	4	3	3	3	63
Pistache, Chinese	5	5	5	2	2	2	5	4	4	3	4	4	3	3	2	3	2	4	62
Oak, Swamp White	4	5	4	4	4	3	3	2	2	3	3	4	3	4	4	3	3	3	61
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Maple, October Glory	3	2	4	4	3	3	2	5	4	3	4	3	3	3	5	3	4	4	58
Oak, Overcup	3	5	4	4	4	3	3	2	2	2	3	3	2	3	3	3	3	3	55

Primary Street Tree Descriptions



Elm, Bosque Lacebark

Bosque® is unique in that it is easier to maintain a dominant central leader, something that is not typical of lacebark elms in general. Bosque® also exhibits early exfoliating bark and consistent yellow-orange fall color.

Central dominant leader with strongly ascending secondary branches, pyramidal shape, and fast growth rate, dark green leaf, underside flat green, fall color yellow-orange, bark gray-orange to gray-brown.

Excellent landscape value, tough, durable tree for streetscape conditions.



Elm, Princeton American

The Princeton American Elm has thrived on the streets of New Jersey for three quarters of a century forming one of the most beautiful tree plantings in the world. The most recent research from the National Arboretum ranks Princeton at the top of the list, equal to Valley Forge, in disease tolerance. It is hardy in Zone 3 to 9, with a fast growth rate, and yellow fall color. The mature size is 60' x 40' (less in urban, streetscape conditions) and it is easy to transplant, with dark green foliage and a vase shape.



Oak, Shumard

This tree exhibits an upright habit and excellent hardiness. The foliage is lustrous green in the summer, sometimes turning various shades of deep red to orange in the fall. Similar to pin oak but more tolerant of alkaline soils and less subject to iron chlorosis.



Zelkova, Green Vase

Village Green Zelkova is a vigorous, straight trunked tree with the wine glass shape. It has dark green foliage shaped like elm leaves that turn rusty red in fall. It is highly resistant to Dutch Elm Disease and to leaf eating and bark beetles. Dark foliage, exceptional hardiness, and elegant branching habit ensure a brilliant future for street tree use. The shape of the tree is wine glass shape with a mature size 50' x 40' (less in urban, streetscape conditions).

The Village Green grows more rapidly than ordinary seedlings and develops a smooth, straight trunk; the dark green foliage turns a rusty red in fall.

Site Furnishing Standards



Bicycle Rack

Similar to the “ribbon rack” style as manufactured by Dumor or Brandir. Rack to be surfaced mounted type. Locations to be determined after other streetscape components are completed and based on user preferences. Color - black.



Bench

Similar to Park Place Long Bench manufactured by Oklahoma Correctional Industries (www.ocisales.com). 6' length steel. Color - black. 1 - 2 per block face.

Alternative bench - 93 series by Dumor (www.dumor.com).



Electrical Power Pedestal

To be located at each new tree to provide power for holiday lighting and other appropriate uses. Constructed with 4" square steel tube with steel cap. Secure tube in concrete footing. Weather-proof receptacle to be attached on one side. Paint finish - black. Receptacles at existing trees should be replaced if possible or removed.

Trash Receptacle

Similar to receptacle S-35 manufactured by Victor Stanley (victorstanley.com). One per bench. Located in vicinity but not closer than 25' from a bench. Color - black.



Planter Pot (Curbside Locations)

Similar to “Mediterranean” style as manufactured by Dura Art Stone (duraartstone.com). Material to be pre-cast concrete or “Glasscrete”. Color and finish to be selected. Size approximately 4' diameter by 3' ht. Two pots located near mid-block, each block face, on opposite sides of a light fixture. Two pots (4' dia. x 2'6" ht.) at each corner of intersections except where brick planters are currently located. Pots to have drain holes and interior waterproof coating. Color to be Stone Gray.

Alternative planter pot - Californian by Terracast (terracastplanters.com). 3'10" dia. x 2'6" ht.



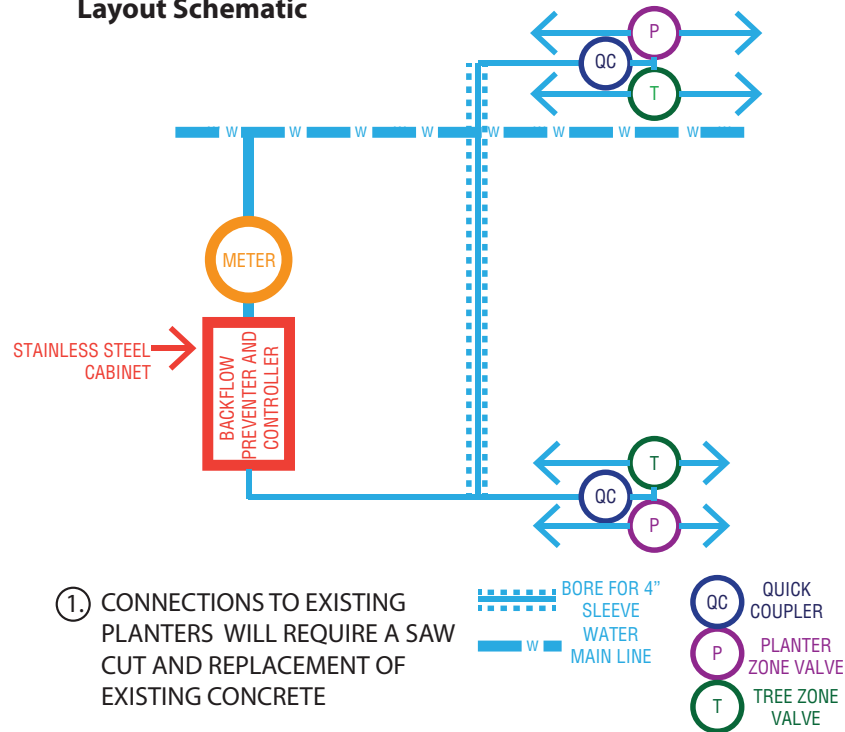
Planter Pot (Storefront Locations)

To be provided by tenants or owners. Similar to pots specified for curbside locations except smaller to avoid interference with pedestrian flow. Maximum size approximately 2' diameter x 2' height. Color to be selected by tenant or owner. Maintenance to be provided by owner.



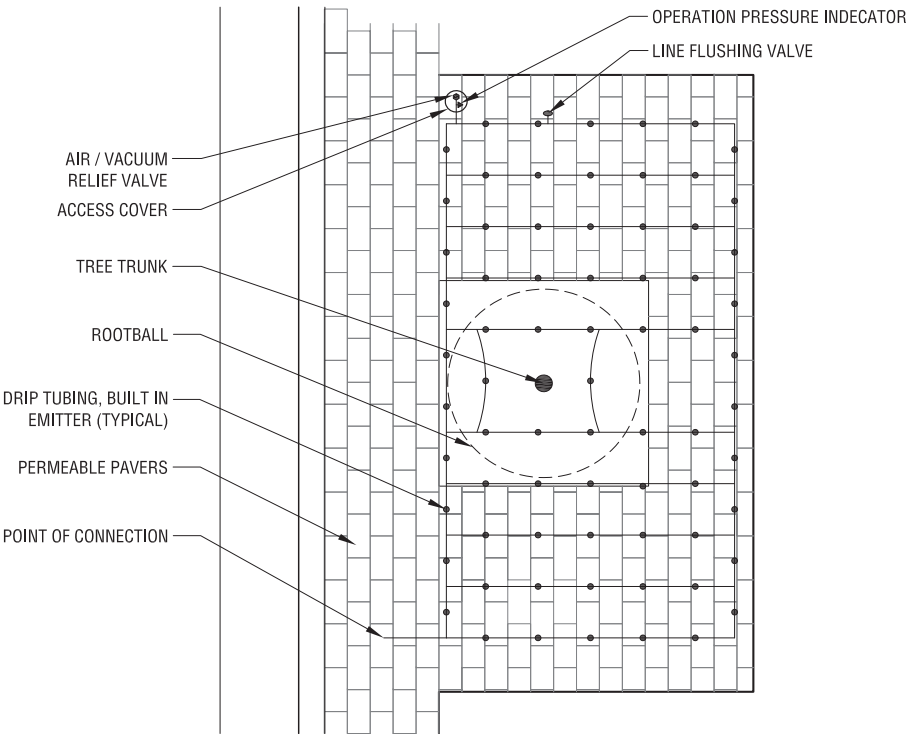
Irrigation

Layout Schematic



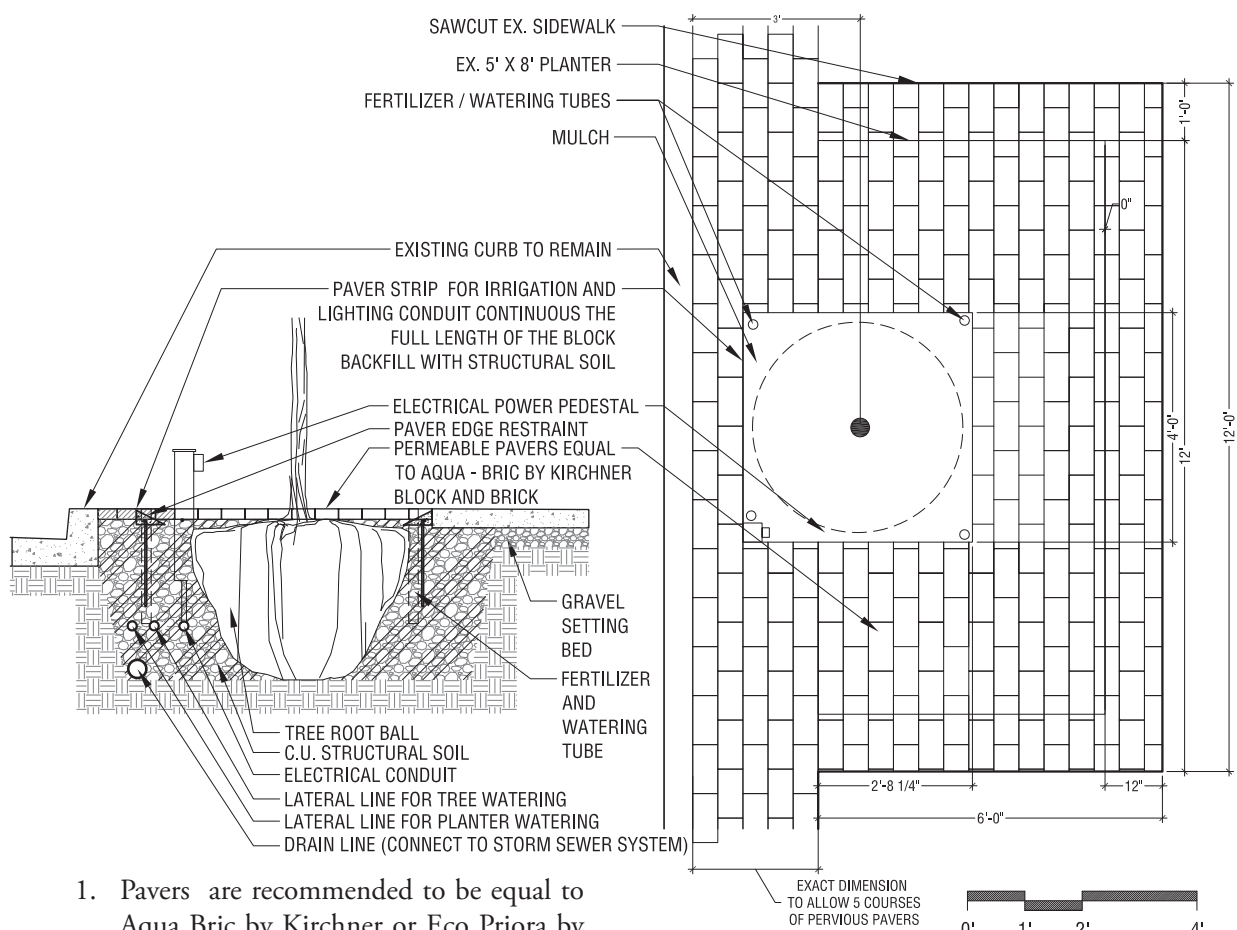


Typical Drip Irrigation Layout



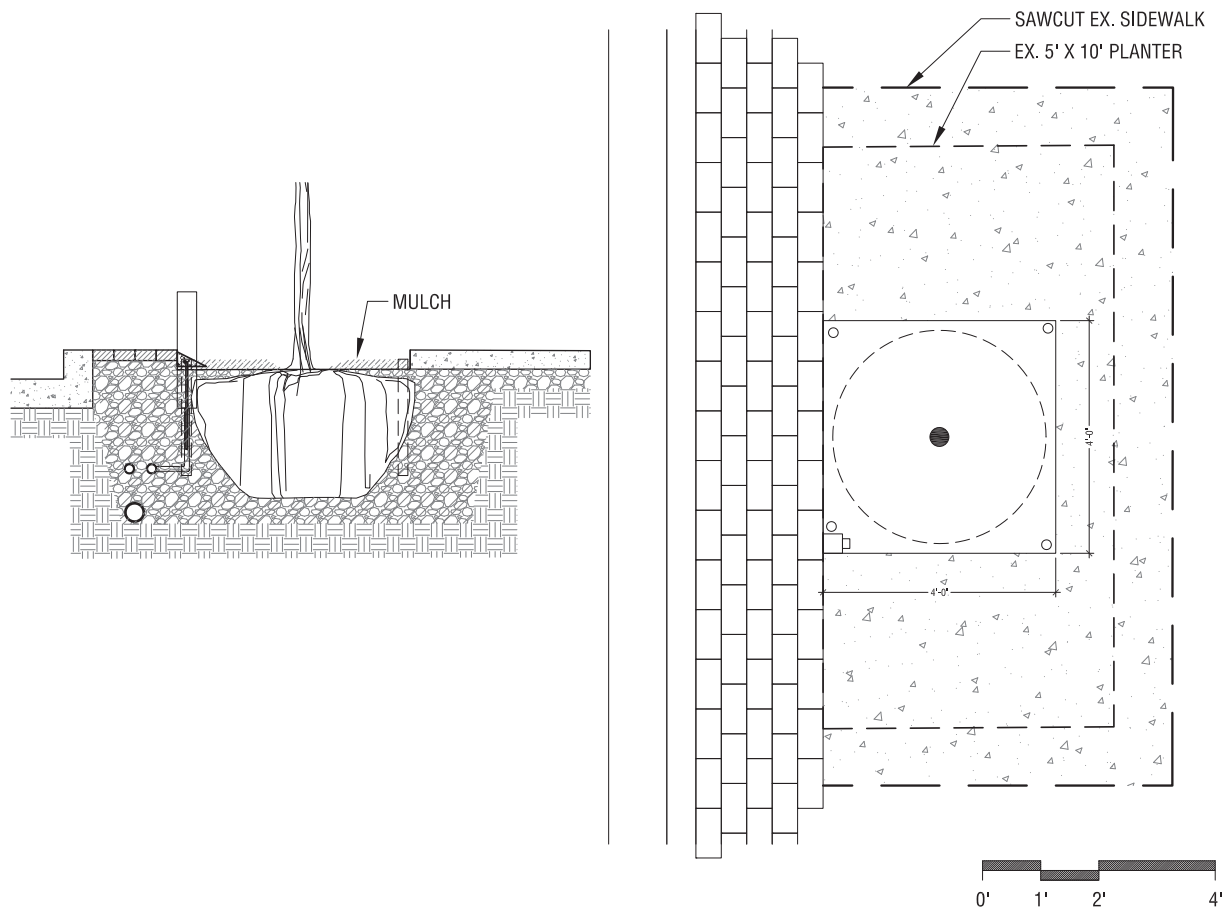
Tree Planting Alternatives

Option A - Paver Infill (Recommended Option)

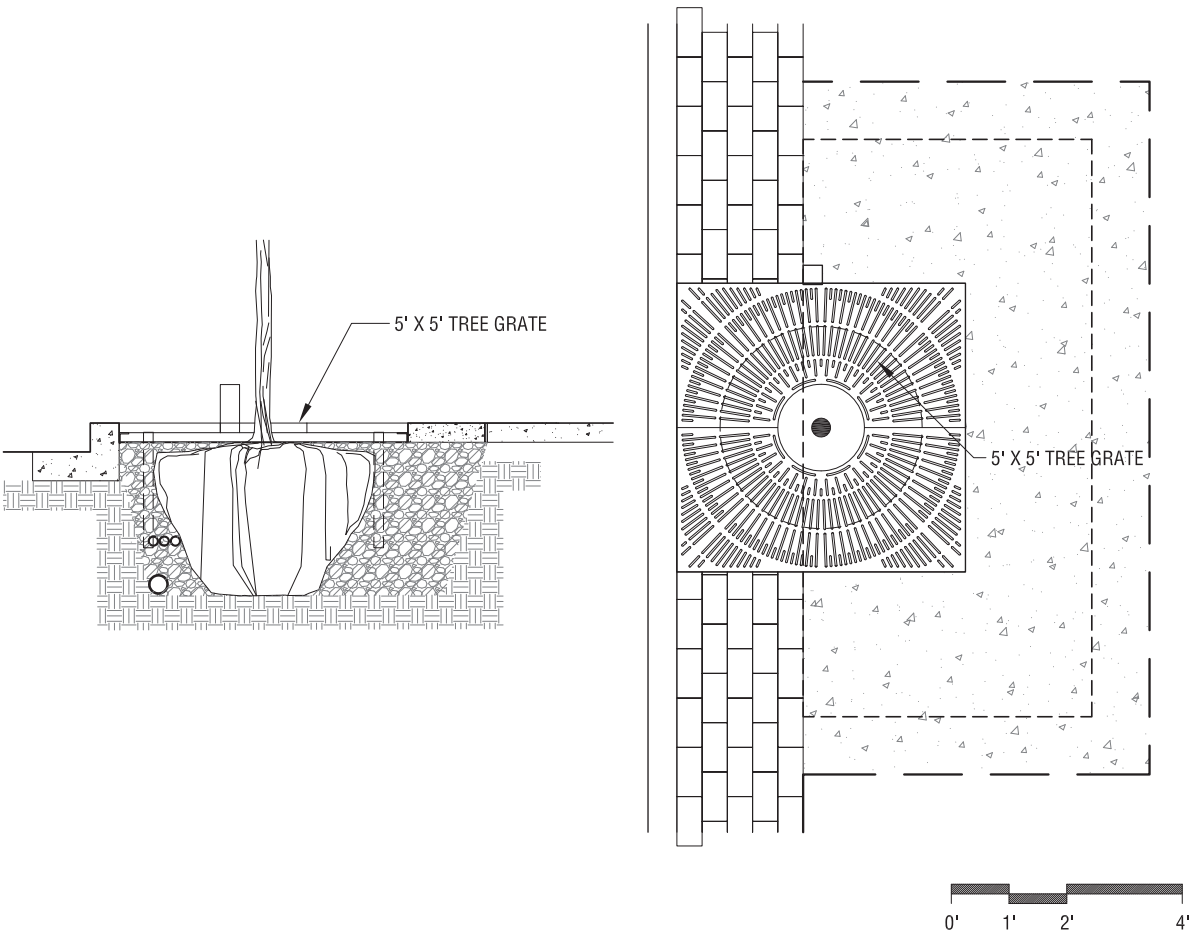


1. Pavers are recommended to be equal to Aqua Bric by Kirchner or Eco Priora by Pavestone. Color to be charcoal gray. Size 5" x 10"
2. CU Structural Soil equal to that developed by Cornell University and supplied by Minick Materials (<http://www.minick-materials.com>).

Option B - Concrete Infill



Option C - Tree Grate



Cost Projections

Recommended Tree Planting Alternative

Option A - Tree Planting with Paver Infill (*Cost Per Tree*)

Street Tree (4" caliper, 1 year warranty)	1	EA	\$1,200.00	\$1,200
Structural Soil	9	CY	\$120.00	\$1,080
Pervious Pavers	80	SF	\$15.00	\$1,200
Sawcut to Remove Raised Lip Around Planter	32	LF	\$4.00	\$128
Concrete Removal and Excavation	46	SF	\$2.00	\$92
Electrical Power Riser (Service incl. in lighting project.)	1	EA	\$500.00	\$500
Mulch in Tree Planting Area	1	LS	\$50.00	\$50
Total Option A - per tree				\$4,250

Other Tree Planting Alternatives

Option B - Tree Planting with Concrete Infill (*Cost Per Tree*)

Street Tree (4" caliper, 1 year warranty)	1	EA	\$1,200.00	\$1,200
Structural Soil	9	CY	\$120.00	\$1,080
Concrete Sidewalk	70	SF	\$7.00	\$490
Sawcut to Remove Raised Lip Around Planter	32	LF	\$4.00	\$128
Concrete Removal and Excavation	46	SF	\$2.00	\$92
Electrical Power Riser (service incl. in lighting project)	1	EA	\$500.00	\$500
Mulch in Tree Planting Area	1	LS	\$50.00	\$50
Total Option B - per tree				\$3,540

Option C - Tree Planting with Tree Grate (*Cost Per Tree*)

Street Tree (4" caliper, 1 year warranty)	1	EA	\$1,200.00	\$1,200
Structural Soil	9	CY	\$120.00	\$1,080
Tree Grate (5' square, cast iron)	1	EA	\$1,500.00	\$1,500
Concrete Sidewalk	80	SF	\$7.00	\$560
Sawcut to Remove Raised Lip Around Planter	32	LF	\$4.00	\$128
Concrete Removal and Excavation	46	SF	\$2.00	\$92
Electrical Power Riser (service incl. in lighting project)	1	EA	\$500.00	\$500
Mulch in Tree Planting Area	1	LS	\$50.00	\$50
Total Option C - per tree				\$5,110

Irrigation System and Utility Trench *(Entire Project Area)*

Irrigation Tap & Meter	4	EA	\$3,500.00	\$14,000
Irrigation Backflow Preventer	4	EA	\$1,000.00	\$4,000
Irrigation Controller	4	EA	\$250.00	\$1,000
Cabinet for Backflow Preventer/Controller	4	EA	\$2,500.00	\$10,000
Irrigation Remote Control Valve	16	EA	\$300.00	\$4,800
Tree Drip Tubing	52	EA	\$300.00	\$15,600
Low Volume Spray or Bubblers for Raised Planters (incl. piping)	56	EA	\$400.00	\$22,400
Irrigation Main Lines	350	LF	\$3.00	\$1,050
Irrigation Lateral Lines (for both raised planters and trees)	5700	LF	\$2.00	\$11,400
Bore Conduit Under Street	300	LF	\$75.00	\$22,500
Sawcut Existing Concrete Sidewalk	2550	LF	\$4.00	\$10,200
Demolish and Remove Concrete Sidewalk and Excavate	3400	SF	\$2.50	\$8,500
Pervious Concrete Paver Band at Back of Curb	3400	SF	\$15.00	\$51,000
Structural Soil Backfill in Trench	375	CY	\$120.00	\$45,000
Quick Coupler Hose Bib (below grade in valve box)	8	EA	\$250.00	\$2,000
Total Irrigation and Utility Trench				\$221,850

Infill of Existing Planter Areas Not Used for Tree Planting or New Street Light *(Cost per Planter)*

Removal of Plants (shrubs only), Backfill and Compaction	1	LS	\$250.00	\$250
Sawcut to Remove Raised Lip Around Planter	32	LF	\$4.00	\$128
Concrete Removal	84	SF	\$1.00	\$84
New Concrete Walk Paving (dowelled into surrounding walk paving)	84	SF	\$7.00	\$588
Total Infill Cost - per planter				\$1,050

Furnishings (*Entire Project Area*)

New Planter Pots with Plants and Topsoil (Terracast)	48	EA	\$900.00	\$43,200
Prepare Existing Planters (Plant removal and backfill)	8	EA	\$250.00	\$2,000
Benches	14	EA	\$500.00	\$7,000
Trash Receptacles (1 Per Bench)	14	EA	\$950.00	\$13,300
Bike Racks (Not included as a part of initial development.)				
Total Furnishings				\$65,500

Project Cost Summary

Trees and Planting Areas (Option A)	52	EA	\$4,250	\$221,000
Tree Removal	72	EA	\$750	\$54,000
Irrigation and Utility Trench	1	LS	\$221,850	\$221,850
Infill of Existing Planting Areas	10	EA	\$1,050	\$10,500
Furnishings	1	LS	\$65,500	\$65,500
10% Contingency				\$57,285
Total Project with Option A Tree Planting (Paver infill)				\$630,135
For Option B Tree Planting (Concrete infill)				\$589,523
For Option C Tree Planting (Concrete infill with tree grate)				\$679,327

Appendix A

Tree Inventory and Health Analysis
Performed by Bill Long, Certified Arborist
Dewey Avenue (4th Street to Alley north of Second Street)
Second Street (Cherokee Avenue to Keeler Avenue)
October 28, 2012

The tree inventory involved marking each tree with a numbered metal tag and identifying the tree name. The health analysis was only performed to determine the health of the trees at the time of the inventory and if the trees were recommended for pruning or removal. It was not used for any other purpose. The numbers began with 401 and ended with 478.

Definitions:

Prune: Healthy trees in good shape overall. Could use some proper pruning that would help the tree survive and keep out of the way of pedestrians/storefronts.

Remove: Trees are diseased, rotted, dead, have root flare, growing above the surface of the planter box, girding roots, too large for its location, or simply in bad health.

78 trees total

Pistache - 28:

Prune - 18: (402, 410, 418, 420, 427, 435, 441, 444, 446, 448, 450, 461, 462, 464, 468, 475, 476, 477)

Remove - 10: (407, 415, 417, 419, 424, 440, 449, 452, 463, 474)

Golden Raintree - 11:

Prune - 4: (401, 403, 422, 460)

Remove - 7: (426, 442, 453, 455, 459, 465, 478)

Honey Locust - 4:

Prune 2: (411, 412)

Remove - 2: (428, 430)

Hawthorn - 4:

Prune - 0

Remove - 4: (404, 421, 429, 471)

Pin Oak - 1:

Prune - 0

Remove - 1 (413)

Red Buds - 23:

Prune - 2: (405, 447)

Remove - 21: (406, 408, 409, 414, 416, 423, 431, 432, 433, 434, 436, 437, 438, 439, 443, 451, 456, 466, 467, 469, 473)

Crepe Myrtle - 7:

Prune - 6: (425, 445, 457, 458, 470, 472)

Remove - 1: (454)

Prune: 32

Remove: 46

Total trees: 78

Dewey Avenue (East side starting at 4th Street heading North):

401 – Golden Raintree – Prune

402 – Pistache – Prune

403 – Golden Raintree – Prune

404 – Hawthorn – Remove (Diseased)

405 – Red Bud – Prune

406 – Red Bud – Remove (Diseased)

407 – Pistache – Remove (Too large for planter bed)

408 – Red Bud – Remove (13" diameter, not well maintained)

409 – Red Bud – Remove (Diseased)

410 – Pistache – Prune

411- Honey Locust – Prune

412 – Honey Locust – Prune

413 – Pin Oak – Remove (Decay)

414 – Red Bud – Remove (Decay)

415 – Pistache – Remove (Roots higher than sidewalk)

416 – Red Bud – Remove (Decay)

417 – Pistache – Remove (10" diameter, planted incorrectly – root ball wire was not removed and is coming protruding 8" above the ground. Roots girding)

- 418 – Pistache – Prune
- 419 – Pistache – Remove (tree too large for the planter bed, 14” diameter)
- 420 – Pistache – Prune
- 421 – Hawthorn – Remove (Decay)
- 422 – Golden Raintree – Prune

West Side of Dewey Avenue starting at Alley next to Bartlesville Print Shop

- 423 – Red Bud – Remove (Rot at base – mulch should not cover bark)
- 424 – Pistache – Remove (Root Flare)
- 425 – Crepe Myrtle – Prune
- 426 – Golden Raintree – Remove
- 427 – Pistache – Prune
- 428 – Honey Locust – Remove (shrub)
- 429 – Hawthorn – Remove (2 stem, roots are a problem)
- 430 – Honey Locust – Remove (Incorrect choice of small square beds)
- 431 – Red Bud – Remove (Decay)
- 432 – Red Bud – Remove (Decay)
- 433 – Red Bud – Remove (Decay)
- 434 – Red Bud – Remove (Decay)
- 435 – Pistache – Prune

East Second Street South Side Starting at Cherokee Avenue heading West

- 436 – Red Bud – Remove (Decay)
- 437 – Red Bud – Remove (Decay)
- 438 – Red Bud – Remove (Decay)
- 439 – Red Bud – Remove (Decay)
- 440 – Pistache – Remove (Roots have grown above the bed)
- 441 – Pistache – Prune
- 442 – Golden Raintree – Remove (Root Flare)
- 443 – Red Bud – Remove
- 444 – Pistache – Prune
- 445 – Crepe Myrtle – Prune (next to bollard)
- 446 – Pistache – Prune
- 447 – Red Bud – Prune
- Empty Bed – Stump to be removed
- 448 – Pistache – Prune
- 449 – Pistache – Remove (Roots growing above the sidewalk)
- 450 – Pistache – Prune
- 451 – Red Bud – Remove (Decay)
- 452 – Pistache – Remove (Decay and Root Flare)
- 453 – Golden Raintree – Remove (Decay)
- 454 – Crepe Myrtle – Remove (Roots above the sidewalk)

- 455 – Golden Raintree – Remove (Roots above sidewalk, girding roots, bollard)
- 456 – Red Bud – Remove (Decay)
- 457 – Crepe Myrtle – Prune
- 458 – Crepe Myrtle – Prune
- 459 – Golden Raintree – Remove (Root Flare)

West Second Street North Side heading East

- 460 – Golden Raintree – Prune (Assume healthy, but could not see due to pink wrapping)
- 461 – Pistache – Prune
- 462 – Pistache – Prune
- Empty Bed
- Empty Bed
- Empty Bed – Stump Removal
- 463 – Pistache – Remove (Large tree at 19” diameter)
- 464 – Pistache – Prune
- 465 – Golden Raintree – Remove (Decay)
- 466 – Red Bud – Remove
- 467 – Red Bud – Removal (Girding Roots)
- 468 – Pistache – Prune
- 469 – Red Bud – Remove (Decay)
- 470 – Crepe Myrtle – Prune
- 471 – Hawthorn – Remove (Root problems)
- 472 – Rose / Crepe Myrtle – Prune
- 473 – Red Bud – Remove (Decay)
- 474 – Pistache – Remove (Decay)
- 475 - Pistache – Prune
- 476 – Pistache – Prune
- 477 – Pistache – Prune
- 478 – Golden Raintree – Remove (Planter bed too small for tree)

Appendix B

DBI/Bartlesville Main Street Program

Tabulations Rev. 5/31/13; Scoring Rev

Tabulations of ALL 20 Landscape Survey - - With Grouped Comments: Pre-Test (n=10) Plus Full-Scale (n=10)

= Business Owners (only)	= Property Owners (only)	= Both Property/Business Owners
= Recent Owners (< 5 yrs)	= Longer-term Owners (< 5 yrs)	
= Dewey Ave	= 2nd Street	= Frank Phillips Blvd.
		= Other Downtown Business area

PART 1

Q. 1 - - How important do you think landscaping is to the Downtown Business District?

[Point Value]	10	7	5	3	0	TOTAL
	Very Important	Somewhat Important	Neutral	Not Very Important	Not At All Important	
No.	14	5	1	0	0	20
%	70%	25%	5%	0%	0%	100%
Adjusted Point Scoring	70	18	3	0	0	90

COMMENTS

- 7 Makes downtown more appealing; People really notice if it is good or bad; People like if it looks good, is clean, and well maintained; Positive impression; People really take notice; We want the Downtown to be attractive.
- 1 It's about "first impressions"; It's like a "first date" if you're trying to recruit people to Bartlesville.
- 1 Very important especially for retailers who are trying to bring in business.
- 1 Hopefully there are enough property/business owners Downtown who see the value of landscaping
- 2 Visual effect – provides a break in the concrete; It gives dimension to the sidewalk
- 1 It's good to have variety – flowers and trees.
- 1 Needs to be Upgraded.

Q. 2 - - How important is landscaping in the Downtown Business District to you and your property and/or business?

[Point Value]	10	7	5	3	0	TOTAL
	Very Important	Somewhat Important	Neutral	Not Very Important	Not At All Important	
No.	10	8	1	1	0	20
%	50%	40%	5%	5%	0%	100%
Adjusted Point Scoring	50	28	3	2	0	82

COMMENTS

- 1 It is a way for our customers to see an attractive and visually appealing area to come to and enjoy.
- 1 Very important for the Downtown to look presentable for leasing to tenants.
- 1 Need nice landscaping that is well maintained.
- 1 RSU - - Being part of downtown, the upkeep of the landscaping is very important to the college and our image.
- 2 Needs consistency - - especially with trees.
- 2 Need sturdy, urban, upright trees that can be "sculpted".
- 1 Needs guidance on what to plant.
- 1 Not as strong on trees.

- 1 Our building is surrounded by Bradford Pear trees - problems with bird feces, swarming, etc. It's nasty.
- 1 The large busy trees cover up my business signage.
- 2 Would like to have trees taken out - just have the sidewalk.
- 1 The little piece in front of my business is not going to make a difference. But it all contributes.
- 1 Landscaping doesn't impact my business location one way or another
- 1 It's all personal.

Q. 3 - - Are you satisfied with the landscaping in the Downtown Business District?

[Point Value]	10 Very Satisfied	7 Somewhat Satisfied	5 Neutral	3 Somewhat Dissatisfied	0 Very Dissatisfied	TOTAL
No.	0	3	0	10	7	20
%	0%	15%	0%	50%	35%	100%
Adjusted Point Scoring	0	11	0	15	0	26

COMMENTS

- 7 Not well maintained; Lack of maintenance.
- 8 Not Consistent; Needs to be consistently maintained; No uniformity; Some are keeping it up and some are not; Some the desire and some do not.
- 2 Not well planned; There has been no overall plan.
- 1 City does not do a good job with what they maintain.
- 1 Only certain people care enough or are responsible for maintaining the landscaping Downtown.
- 1 Very dissatisfied in terms of the history re: the management and who's responsible
- 4 Trees need to be pruned/removed
- 1 Need more landscaping.
- 1 One person's weeds is another person's flowers.
- 2 Many trees obstruct views of business signs; Obstruct the fronts of businesses
- 1 Particularly problems around my building with the trees and birds above.

STREET TREES

Q. 4a - - How do you feel in general about having street trees in Bartlesville's Downtown Business District?

[Point Value]	10 Strongly Like	7 Somewhat Like	5 Neutral	3 Somewhat Dislike	0 Strongly Dislike	TOTAL
No.	6	8	3	2	1	20
%	30%	40%	15%	10%	5%	100%
Adjusted Point Scoring	30	28	8	3	0	69

COMMENTS

- 1 If properly maintained and if the canopy was high enough to see the sign I would "strongly like."
-

Q. 4b - - How do you feel in general about the street trees we currently have in the Downtown Business District?

[Point Value]	10	7	5	3	0	TOTAL
	Strongly Like	Somewhat Like	Neutral	Somewhat Dislike	Strongly Dislike	
No.	0	1	2	6	11	20
%	0%	5%	10%	30%	55%	100%
Adjusted Point Scoring	0	4	5	9	0	18

COMMENTS

- 2 Some trees are good, some are dead, some are the wrong trees.
- 1 Somewhat Dislike – not the right ones.
- 2 Strongly Dislike current trees in terms of Theater Bartlesville - not sure of other areas.

Q. 4c - - In your opinion, what are the advantages of having street trees in the Downtown?

- 7 Appealing; Appealing for customers; Appealing if well maintained; Friendly; Can be very attractive; Gives sense of place; Provides beauty, greenery and CO2.
- 3 I like trees in general - - they're attractive; I like trees in open areas - - such as Centennial Park; I like flowering trees.
- 5 Add to a "green feel" of the Downtown; Unless trees are brought into the Downtown you don't see green. Presents a green, park-like atmosphere; Pleasing, blooming, seasonal color is great.
- 2 Helps downtown look "alive"; Doesn't look desolate.
- 1 Encourages foot traffic.
- 1 Trees are wonderful for foot traffic and getting people outside (walking, meeting people, etc.)
- 8 Trees give shade; Give shade for building; Shade in the summer, cooling effect.
- 1 It gives three dimensional depth to the street and sidewalk; it gives curb appeal.
- 3 Helps break up all the concrete; friendly & inviting; breaks up the façade & concrete buildings; Softens the view of the town.
- 1 Helps break up the landscaping – provides variety.
- 1 Compliments the architecture.

Q. 4d - - In your opinion, what are the disadvantages of having street trees in the Downtown?

- 13 Attracts birds roosting and nesting as well as their droppings; Unsightly, sidewalk cleaning necessary.
- 2 Attracts insects; Harbors Japanese beetles, that multiply quickly; Need exterminator to come spray
- 6 Falling leaves are everywhere; Fill-up drains, landscape beds, etc.; Not consistently cleaned-up; Can't keep out of store
- 8 The trees can obstruct business signage and hide storefront; Also - - Trees are too big; Tree canopy is too high.
- 3 Too close together – need more spacing.
- 2 Some of trees get overgrown and need to be pruned.
- 3 Lack of maintenance means sloppy conditions; General maintenance issues; High maintenance; Trees need pruning.
- 1 Has a concern over the roots breaking the concrete one day
- 1 No continuity . . . some trees, some no trees . . . pockets of trees and no – very random, like no thought to it.
- 1 Where there are no trees it does not have the same feel.
- 1 Must plant larger caliber of tree (more than 2") to be successful in making an impact. Then maintain them to maturity.
- 1 Many are not the right trees for downtown.

RAISED PLANTERS

Q. 5a - - How do you feel in general about having raised planters in Bartlesville's Downtown Business District?

	Strongly Like	Somewhat Like	Neutral	Somewhat Dislike	Strongly Dislike	TOTAL
No.	11	7	2	0	0	20
%	55%	35%	10%	0%	0%	100%
Adjusted Point Scoring	55	25	5	0	0	85

Q. 5b - - How do you feel in general about the raised planters we currently have in the Downtown Business District?

[Point Value]	10 Strongly Like	7 Somewhat Like	5 Neutral	3 Somewhat Dislike	0 Strongly Dislike	TOTAL
No.	5	10	1	2	2	20
%	25%	50%	5%	10%	10%	100%
Adjusted Point Scoring	25	35	3	3	0	66

Q. 5c - - In your opinion, what are the advantages of having raised planters in the Downtown?

- 8 They give people a place to sit.
- 6 Don't collect as much trash, leaves, etc. as the flat beds. Are usually neater and keeps the contents inside them.
- 1 Sod, mud and mulch don't get on the sidewalks.
- 1 Not as much of a tripping hazard.
- 1 Easier to control.
- 1 Cleaner streets/ sidewalks from water drainage
- 3 Provide definition; More contained; Give depth and dimension to the sidewalk.
- 2 Can work well and look good visually - if continuity of design, properly designed, & properly maintained.
- 1 They look better raised off the sidewalk.
- 1 Not as messy.
- 1 Not obtrusive.
- 1 Can improve the streetscape when correct foliage is planted
- 1 Highlights corners – especially if maintained properly.
- 1 Where currently placed they enhance the intersections.
- 1 Makes the town look better.
- 1 Planters that are well maintained are pedestrian friendly.
- 1 They don't obstruct businesses.
- 1 Current ones have color and detail.
- 2 A small dwarf tree can also go with flowers in the raised planter; Likes the small ornamental trees..
- 1 Raises up plants closer to eye level - - the current ones don't have plants high enough to see.
- 1 Likes the gravel/composite ones (on Johnstone by the ITIO bldg.) – they blend in.
- 1 Phillips raised planters are better than ours.
- 1 Not sure trees need to be placed in them.

Q. 5d - - In your opinion, what are the disadvantages of having raised planters in the Downtown?

- 2 Current lack of continuity in design, appearance and maintenance; They are different – so need consistency..
- 2 The current ones are unattractive.
- 2 I don't like the design on the corners; Square planters on rounded corners = Very Bad!
- 2 They are ugly if not watered, weeded and maintained.
- 2 The only disadvantage is when they are not maintained; Additional maintenance is required for the container..
- 1 In our climate, you must have water available for watering the planters.
- 1 Takes a lot of money to plant flowers every year.
- 1 Additional cost to build.
- 1 They are sometimes used as trash receptacles.
- 1 Don't like the red.
- 1 Not good for restaurants because it takes up room that could be used for tables and chairs.
- 1 Depending on where they are located, could take up much-needed parking space.
- 1 It takes up more sidewalk space. It must be put in sidewalks that have a wider walking area.
- 1 Could be a safety issue with line of site at intersections.
- 1 Cars can run into them (like what happened on Frank Phillips) then they aren't repaired for months or years – eyesore.
- 2 Should not have trees planted in them.
- 1 These are not big enough for the trees in them.

FLAT LANDSCAPE BEDS**Q. 6a - - How do you feel in general about having flat landscape beds in Bartlesville's Downtown Business District?**

[Point Value]	10 Strongly Like	7 Somewhat Like	5 Neutral	3 Somewhat Dislike	0 Strongly Dislike	TOTAL
No.	5	5	3	4	3	20
%	25%	25%	15%	20%	15%	100%
Adjusted Point Scoring	25	18	8	6	0	56

Q. 6b - - How do you feel in general about the flat landscape beds we currently have in the Downtown Business District?

[Point Value]	10 Strongly Like	7 Somewhat Like	5 Neutral	3 Somewhat Dislike	0 Strongly Dislike	TOTAL
No.	0	1	2	8	9	20
%	0%	5%	10%	40%	45%	100%
Adjusted Point Scoring	0	4	5	12	0	21

Q. 6c - - In your opinion, what are the advantages of having flat landscape beds in the Downtown?

- 3 If done well, it's very attractive visually and attracts people to the Downtown; Appropriate placement is important.
- 1 t can also be an introduction to the city if this looks good.
- 1 If maintained properly, pulls your eye to the bed and then to the store on the other side of it.

- 1 Encourages pedestrian traffic.
- 1 Planters that are well maintained are pedestrian friendly.
- 1 They soften the "hardscape" and bring green space to concrete.
- 1 It helps tie-in other parts of downtown as one place.
- 2 Easier to maintain.
- 1 Already there – so would not cost as much to do something with them.
- 2 Not a safety issue; No tripping hazards.
- 3 Provides variety; Especially ones that have more definition – edging or where the concrete is raised around the beds; Lots of latitude about what can be planted in them.
- 1 Depending on what you like, it gives color and contrast to the downtown area.
- 1 Can add color to the Downtown by adding flowers
- 1 They're attractive if the right things are put in them.
- 1 Can plant flowers.
- 1 Likes the edging – makes them look more finished & helps keep in the mulch.
- 1 There are no advantages.

Q. 6d - - In your opinion, what are the disadvantages of having flat landscape beds in the Downtown?

- 1 If done poorly, it's very unattractive visually and turns-off people.
- 5 They are not attractively planted for the most part; Wrong plants in them; Not attractive; They look tacky..
- 1 Need consistency of what's in them.
- 1 Planter beds are not uniform.
- 1 Not as defined. If it has a lip or a raised boarder it looks better, like it was planned. If not it looks like an afterthought.
- 8 Problems maintaining them now; Are high maintenance; Are hard to maintain.
- 5 Landscape beds collect trash; They are sometimes used as trash receptacles..
- 2 They capture fallen leaves.
- 3 Planter beds can be litter boxes for dogs and cats and ash trays for humans; .
- 1 Seems like we can never keep up with the weeds
- 3 Washes out mulch on sidewalk; Sod, mud and mulch get on the sidewalks; Can spill out onto the sidewalk easily.
- 1 We don't have water available for watering trees, plants, etc. in most Downtown areas
- 2 People short-cut across them and trample them; Prefer having raised beds.
- 4 People trip and sometimes fall on them, including older customers; The raised curbs/edging are tripping hazards.
- 2 Where in front of a restaurant, need to make sure they don't interfere with required pathways – and then inhibit outdoor
- 1 The raised curbs/edging break and crack.
- 1 Because the curbing is not a different color it is hard to see.
- 1 They are too close to the curb

BENCHES

Q. 7a - - How do you feel in general about having benches in Bartlesville's Downtown Business District?

[Point Value]	10 Strongly Like	7 Somewhat Like	5 Neutral	3 Somewhat Dislike	0 Strongly Dislike	TOTAL
No.	13	4	2	1	0	20
%	65%	20%	10%	5%	0%	100%
Adjusted Point Scoring	65	14	5	2	0	86

Q. 7b - - How do you feel in general about the benches we currently have in the Downtown Business District?

[Point Value]	10	7	5	3	0	TOTAL
	Strongly Like	Somewhat Like	Neutral	Somewhat Dislike	Strongly Dislike	
No.	1	1	3	12	3	20
%	5%	5%	15%	60%	15%	100%
Adjusted Point Scoring	5	4	8	18	0	34

COMMENTS

- 1 Makes us look trashy. Not well maintained

Q. 7c - - In your opinion, what are the advantages of having benches in the Downtown?

- 9 Allows people a place to eat, drink, gather and have conversations; People don't feel hurried; Good for events; Temporary social area.
- 2 Encourages pedestrian traffic; Encourages people to get out more, spend more time Downtown, shop, & meet people.
- 3 Resting area for walker and joggers. Shop and rest for a while; Place to sit and relax, no hurry no rush.
- 6 They look nice; Look inviting & welcoming; Flavor of tranquility; It's OK to be here and enjoy the Downtown; Encourages people to stay, no hurry in and out.
- 2 Breaks up the view – provides variety; Visually adds interest.
- 1 Makes it not so transient.
- 1 Need more of them.
- 1 These must be placed correctly or they are useless. It needs to be facing something of interest or something to look at.

Q. 7d - - In your opinion, what are the disadvantages of having benches in the Downtown?

- 9 Maintenance is a problem; Need better maintenance; Not being maintained properly.
- 6 They look like they are sagging; Not sturdy; They may sag & deteriorate; Current ones needs center support.
- 2 Benches must be of quality and a certain specification; Materials are not good.
- 1 Would like a better design.
- 1 Benches should be made out of wood.
- 1 Wood benches require too much maintenance.
- 1 Prefer metal.
- 3 Not many people use them; They are almost invisible – never see anyone using them; Not sure how much they would be utilized.
- 2 May not be worth it financially; The money could be better used for other things.
- 4 If poor placement, it doesn't look inviting as a place to sit; Benches placed in the wrong places do not incentivize dialog Might as well have art work in its place if not placed correctly.
- 1 They can be a barrier to impede foot traffic if not placed correctly or maintained.
- 1 They could be a safety hazard.
- 1 They take up space.
- 3 Smokers; Might attract smokers to sit on them – so don't put them in front of their store.
- 1 Vandalism from kids, potential for graffiti.
- 1 There are not enough of them,
- 1 Recommend sponsors for benches.
-

"STREETSCAPE ELEMENTS"

Q. 8 - - **"Streetscape elements"** include things such as street trees, fixed planters and landscape beds, benches and other street furniture, and moveable planter pots and baskets. What Streetscape elements do you think should be included in a landscape plan for the Downtown Business District?

Q. 8a - - **Trees**

[Point Value]	10 Strongly Support	7 Somewhat Support	5 Neutral	3 Somewhat Oppose	0 Strongly Oppose	TOTAL
No.	10	6	2	1	1	20
%	50%	30%	10%	5%	5%	100%
Adjusted Point Scoring	50	21	5	2	0	78

COMMENTS

- 2 Strongly Support – if the right trees.
- 1 Streetscape elements are good if place appropriately - around parking areas & along sides of buildings; Not in front of buildings.
- 1 Streetscape elements should not cause litter or harbor birds.
- 1 Very big concern about how much water it will take to maintain any of this.

Q. 8b - - **Raised Planters**

[Point Value]	10 Strongly Support	7 Somewhat Support	5 Neutral	3 Somewhat Oppose	0 Strongly Oppose	TOTAL
No.	15	4	1	0	0	20
%	75%	20%	5%	0%	0%	100%
Adjusted Point Scoring	75	14	3	0	0	92

COMMENTS

- 1 Somewhat Support – if right proportion or no trees in them
- 1 Very big concern about how much water it will take to maintain any of this.

Q. 8c - - **Flat Landscape Beds**

[Point Value]	10 Strongly Support	7 Somewhat Support	5 Neutral	3 Somewhat Oppose	0 Strongly Oppose	TOTAL
No.	7	3	3	3	4	20
%	35%	15%	15%	15%	20%	100%
Adjusted Point Scoring	35	11	8	5	0	58

COMMENTS

- 1 Strongly Support – if right plants in them.
- 1 Strongly Support – if maintained.
- 1 Strongly Support – if done correctly.
- 1 Don't want too many Landscape Beds - - now feels as if we have twice as many (or more) than we need.
- 1 Very big concern about how much water it will take to maintain any of this.

Q. 8d - - Portable Planter Pots and/or Baskets

[Point Value]	10	7	5	3	0	
	Strongly Support	Somewhat Support	Neutral	Somewhat Oppose	Strongly Oppose	TOTAL
No.	6	5	2	5	2	20
%	30%	25%	10%	25%	10%	100%
Adjusted Point Scoring	30	18	5	8	0	60

COMMENTS

- 1 Somewhat support large Planter Pots.
- 3 Concerned about the maintenance of baskets or pots; Will only support if they are well maintained.
- 2 Strongly Oppose – invites destruction.
- 2 Problem: They can be easily stolen; Issues of theft and vandalism.
- 2 Very big concern about how much water it will take to maintain any of this; Need irrigation.
- 1 The portable planter pots are nothing but trouble – do not think they are a good idea
- 1 Baskets are messy.
- 1 Pots might work for a few places downtown – but not many.
- 1 There are issues of clearance in front of businesses
- 1 Not terribly important.
- 1 No hanging baskets.

Q. 8e - - Benches (seating)

[Point Value]	10	7	5	3	0	
	Strongly Support	Somewhat Support	Neutral	Somewhat Oppose	Strongly Oppose	TOTAL
No.	11	7	2	0	0	20
%	55%	35%	10%	0%	0%	100%
Adjusted Point Scoring	55	25	5	0	0	85

COMMENTS

- 2 Strongly Support – especially the all metal ones in the picture.
- 1 Somewhat Support – if the right ones.
- 1 If raised beds are used they could used for seating instead of having benches.
- 1 Has a lot of elderly couples as business customers. And since there is not enough parking, they need a place to rest while they walk to his store, from wherever they have to park.

Q. 8f - - Bike racks

[Point Value]	10 Strongly Support	7 Somewhat Support	5 Neutral	3 Somewhat Oppose	0 Strongly Oppose	TOTAL
No.	5	5	8	1	1	20
%	25%	25%	40%	5%	5%	100%
Adjusted Point Scoring	25	18	20	2	0	64

COMMENTS

- 1 You want people to get outdoors more.
- 1 If Bike racks, what about bike lanes to go along with them to encourage biking downtown.
- 1 Many more younger people than before. Try to connect to Pathfinder better through downtown.
- 1 Would like a bike share program downtown.
- 3 Need to be strategically placed – such as near Frank & Lola's; Maybe include them at the request of the property or business owner.
- 2 Do not want bike racks on main streets and sidewalks – maybe in alleys; Not in main parts of town, but maybe around the fringe.
- 1 Should they be put on every corner or only strategic locations?
- 1 Should not be placed in front of businesses.
- 1 Should not be in the middle of the side walk.
- 1 Just to put them out anywhere without a thought as to where they can be best used is a waste of money.
- 1 Some delivery trucks have trouble maneuvering about bikes parked in various places Downtown (entrance to some alleys?).
- 1 Problem - - Current signs Downtown say, "NO Bikes, Skateboards, etc.".
- 1 Already too many kids with bicycles and skate boards on our sidewalks downtown.
- 1 Don't see many bike riders – except kids.
- 1 But - - is there really demand for bike racks.?

OTHER GENERAL STREETSCAPE COMMENTS

- 2 The fountain in Centennial Park needs to be addressed. Need something cleaner

Q. 9 - - We are going to show you several possible landscape plans and ask you to rate your reaction to each of them. Do not consider the cost of installation and maintenance for any of these plans.
Q. 9a - - PLAN A: No Landscaping

[Point Value]	10 Strongly Like	7 Somewhat Like	5 Neutral	3 Somewhat Dislike	0 Strongly Dislike	TOTAL
No.	1	4	3	3	9	20
%	5%	20%	15%	15%	45%	100%
Adjusted Point Scoring	5	14	8	5	0	31

COMMENTS

- 2 Looks "cold"; It's boring; Flowers and trees would add warm.
- 3 Clean, can see the buildings; But does seem too "dead"
- 1 Somewhat Like – especially if we don't have a good solution for maintenance.

Q. 9b - - PLAN B: Landscape Beds with Shrubs, But No Trees

[Point Value]	10	7	5	3	0	TOTAL
	Strongly Like	Somewhat Like	Neutral	Somewhat Dislike	Strongly Dislike	
No.	3	5	6	3	3	20
%	15%	25%	30%	15%	15%	100%
Adjusted Point Scoring	15	18	15	5	0	52

2 Need smaller shrubs; Somewhat Like – but shrubs are too tall

2 Need some trees.

Q. 9c - - PLAN C: Some Street Trees and Some Landscape Beds

[Point Value]	10	7	5	3	0	TOTAL
	Strongly Like	Somewhat Like	Neutral	Somewhat Dislike	Strongly Dislike	
No.	6	7	0	5	2	20
%	30%	35%	0%	25%	10%	100%
Adjusted Point Scoring	30	25	0	8	0	62

COMMENTS

3 Good that its more spread out [than Plans A & B].

3 Good that its not in front of businesses.

1 Need landscaping that can adapt to different weather conditions here.

1 Should be a variety of flowers.

1 A few too many trees.

Q. 9d - - PLAN D: Street Trees All Along Blocks, Raised Planters, and (Flat) Landscape Beds

[Point Value]	10	7	5	3	0	TOTAL
	Strongly Like	Somewhat Like	Neutral	Somewhat Dislike	Strongly Dislike	
No.	5	9	1	4	1	20
%	25%	45%	5%	20%	5%	100%
Adjusted Point Scoring	25	32	3	6	0	65

4 Can't see the businesses or building architecture through the trees; Looks crowded and blocks the buildings.

1 Problems with signage being covered up.

1 Like tall, airy trees

1 Somewhat Like – depends on trees – these are too dense.

1 Not messy.

1 Doesn't block signs.

Q. 9 - - COMMENTS

- 1 Like the color and shading.
- 1 What about color? Color is of huge importance. There are no examples of any color through the use of flowers.
- 1 Lighting is important too. Nothing showing the lighting.
- 1 Must take the watering system into account for whatever solution we come up with.
- 1 Issue with planting flowers – if only 1 person plants them on a block, you need to water the whole block. So end up wasting water.
- 3 All depends on proper maintenance . . . if a good plan for maintenance, then prefers B or C; Plan D has to be well mair
- 1 Need to have high canopies on the trees
- 1 Keep COP landscaping around its Downtown buildings as a type of "benchmark"
- 2 Too overgrown and blocks the buildings
- 1 None of these examples really show what could be; People already know what we have, but they want something to look forward
- 1 Not very good examples. Does not excite me.
- 1 It is hard to give you a good answer based on these examples.
- 1 These are not "plans". They are views of what it is now.

P A R T 2

The second part of the Landscape Survey is to get your thoughts about landscape maintenance in the Downtown Business District – who should be responsible for it and funding options.

Q. 10 - - Who currently maintains landscaping in front of your business/ property?

	Myself or One of My Staff	Contract Landscape Company	No One	Other 1: (See Below)	Other 2: (See Below)	TOTAL
No.	17	0	1	1	1	20
%	85%	0%	5%	5%	5%	100%

Other 1: The Landlord.

Other 2: The City maintains the one in front of my property – it is in the street.

Q. 11 - - Who do you think should be responsible for maintaining the landscaping in the Downtown Business District?

	Business Owners	Property Owners	Business & Property Owners	City of B'veille	Private-Public Partnershp 1 [See Below]	Private-Public Partnershp 2 [See Below]	Other 1: (See Below)	TOTAL
No.	0	2	2	5	9	3	1	22
%	0%	9%	9%	23%	41%	14%	5%	100%

NOTE: No.of responses is greater than the number of respondents because there were **Multiple Responses** from some of the people interviewed.

"Private-Public Partnership 1" = Public-Private Partnership between business/property owners and the City

"Private-Public Partnership 2" = Public-Private Partnership between property owners only and the City

Other 1: City of Bartlesville or some governing body so all is maintained consistently.

COMMENTS

- 1 Need consistency.
- 1 Business/property owners should be responsible – but it is hard to find people willing to do this kind of work.
- 1 Property Owners should be responsible – If a BID is created
- 1 The City should be responsible because that was what they [BRTA] agreed to years ago

Q. 12 - - Who do you think should pay to maintain the landscaping in the Downtown Business District?

	Business Owners	Property Owners	Business & Property Owners	City of B'ville	Private-Public Partnership 1 [See Below]	Private-Public Partnership 2 [See Below]	Other 1: (See Below)	TOTAL
No.	0	2	2	4	10	3	0	21
%	0%	10%	10%	19%	48%	14%	0%	100%

NOTE: No.of responses is greater than the number of respondents because there were **Multiple Responses** from some of the people interviewed.

"Private-Public Partnership 1" = Public-Private Partnership between business/property owners and the City

"Private-Public Partnership 2" = Public-Private Partnership between property owners only and the City

Other 1:

COMMENTS

- 1 Must NOT be voluntary. Everyone should have to pay. Maybe part of a "tax".

Q. 13 - - How much would you be willing to pay to maintain landscaping? Maintenance would include watering, weeding, mulching, pruning, trash and leaf removal from beds and planters, replacement of plants, and repair to beds & planters.

	< \$100/Yr (< \$10 per Month)	Between \$100-250/Yr (\$10-\$20/Mo)	Between \$250-500/Yr (\$20-\$40/Mo)	Between \$500-750/Yr (\$40-\$60/Mo)	Between \$750-1,000/Yr (\$60-\$80/Mo)	>\$1,000/Yr. (> \$80 per Month)	Other 1: (See Below)	TOTAL
Nothing	0	9	7	2	2	1	0	21
	0%	43%	33%	10%	10%	5%	0%	100%

Other 1:

Other 2:

NOTE: No.of responses is greater than the number of respondents because there were **Multiple Responses** from some of the people interviewed.

COMMENTS

- 6 Depends on the scope of what's being done; It depends on what you are offering us; How do we know what you are doing for that
- 1 This only tells me about the types of services and only for landscaping. It tells me nothing about frequency, types of plants, trees, and flowers, etc.
- 1 If it were the quality COP has instead of what we have now and what you are showing us in the "Plans", I would pay more
- 1 Also, I would be willing to pay more if it included more services that I have to do now like power washing the sidewalks, blowing leaves from the street and sidewalks, etc.
- 1 Would be willing to pay up to \$50/month if it also created a fund to buy plants and other landscape items.
- 1 Depends on size of the property - - maybe charge "per square foot".
- 1 Depends on how much landscaping is in front of your business & the layout of your property/business.
- 1 Relate/compare landscape maintenance costs to what it costs a business for employee parking.
- 1 It would take ~\$40 to 45,000 per year to maintain the 360 beds, so if you charge \$10 per bed per month times 360, you could raise the money you needed. I am willing to pay this [\$10-20 per month]..
- 1 Needs to be an annual assessment, as they did not want to pay for months in the winter when not as much was required. But somehow they were okay paying the same amount once a year

Q. 14 - - How would you prefer a landscape maintenance program be managed?

	[1] Only Prop Owners [See Below]	[2] Public-Pvt Partnership [See Below]	[3] No One - - Only Owns [See Below]	[4] No One - - No Landscaping [See Below]	Don't Know/ No Opinion	Business & Property Owners	Other 1: (See Below)	TOTAL
City of Bartlesville	5	7	0	0	0	1	3	20
20%	25%	35%	0%	0%	0%	5%	15%	100%

NOTE: No. of responses is greater than the number of respondents because there were Multiple Responses from some of the people interviewed.

- [1] "Only Prop Owners" = By an organization of property owners only
- [2] "Public-Pvt Partnership" = By a public-private partnership between property owners and the City
- [3] "No One" = No one; maintenance should be handled by individual business/property owners
- [4] "No One" = No one; there should not be any landscaping

Other 1: 2 - Partnership between (1) property owners & business owners and (2) the City.

Other 1: 1 - DBI should manage and hire someone with specific knowledge of landscaping.

COMMENTS

- 1 Perhaps a Public-Private partnership between the Owners & the City - - could contract with a vendor
- 1 The City should be responsible for it. It would be easier for them to contract it out; More cost efficient.
- 1 Property owners do more to add value.
- 2 Possible process to pay for landscape maintenance - - through monthly water bills, unless it's part of the rent.
- 2 The City currently spends money on downtown – trash, maintaining Centennial Park, etc. They could contribute this to the pool of money needed to take care of this.
- 1 City still provides what they normally do.
- 1 Can't trust the City to do it; Any time you get the City involved it doesn't work.
- 2 Would be good to include maintenance of alleys as well. Maybe have this person be a downtown "custodian" that people pay for and can call when they have problems with landscaping, etc. Might be a good way to sell this – especially if the landscaping part is not a full time job.
- 1 By the City of Bartlesville – snow removal, street sweeping.

Q. 15 - - Are there any other comments you would like to make?

- 1 A plan of action needs to be developed.
 - 1 Re-evaluate landscaping infrastructure and figure out what we can really manage. Then go from there.
 - 1 The Civic groups and leadership classes should not have the say in what is being planted or what is being placed down. That should be totally figured out before hand including what trees, plantings, benches, trash cans, bike racks and o their amenities should be used and where they are being placed. We should also know how and by whom they are goir maintained before putting them in. After a plan is created, then the civic groups and leadership classes can participate.
 - 1 How much landscaping do we have to do?
 - 1 If we want to attract people we need to have good maintenance of landscaping and sidewalks.
 - 1 Need a "corridor" . . . which also needs to be cleaned-up . . . Between: (1) the Community Center/Price Tower area & (2) the Downtown Historic District (over to 2nd St. or Johnstone Park).
 - 1 Need to deal with the "trash issue" in the Downtown. Need ashtrays in park areas (e.g., Centennial Park), and need more garbage cans available - particularly in high-traffic areas.
 - 1 Concerned about the animals being allowed to poop in the planters & the owners of those animals not cleaning up after
 - 1 Do not like the bollard lights. Have we considered uplights in the trees or path lighting?
 - 1 The landscaping issue casts a negative on downtown.
 - 1 Would like to work with the city more closely than we are now.
 - 1 What is the budget for landscaping specifically? What can it be used for?
-



Appendix E

History of Downtown Landscaping

History of the Downtown Improvements

1982 – 2012

Prepared by Lisa Beeman, Community Development Director
7.20.2012

BARTLESVILLE IMPROVEMENT CORPORATION (BIC) 1982-1983:

Bartlesville Improvement Corporation is formed, which included Dick Kane, Don Donaldson, Bob Lyons, Bill Jones, and Denny Kelley. This group proposed a major redevelopment plan for the downtown central business district which included plans for a parking garage, closing Dewey Avenue for a downtown mall, as well as landscape, sidewalk, and street improvements. They had proposed it would be funded through a business improvement district whereby property owners (with exception for residential properties, churches, and governmental agencies) would be assessed for the construction as well as the maintenance of the improvements (25% of the continuing assessment district would be dedicated to maintenance). (Reference #1 City Council meeting minutes of September 26, 1983.)

PROPOSED BUSINESS IMPROVEMENT DISTRICT May, June, July 1984:

By mid-1984, this very aggressive redevelopment plan had been scaled down considerably to include improvements for streets, sidewalks, curbing, street lighting, utility burial, and landscaping in the downtown area bounded by Adams Boulevard on the south, Johnstone Park on the north, Cherokee on the east, and the railroad tracks on the west (this is the area that later fell under the jurisdiction of the BRTA). The Council passed Resolution #2408 instructing the city engineer to prepare an assessment plat and plans for the Downtown Improvement District. On June 4th, 1984, the City Council passed Resolution #2409 proposing the creation of an improvement district in the downtown area and setting a public hearing date for June 25, 1984. (Reference #2a Resolutions #2408 and #2409). The public hearing scheduled for June 25, 1984 was postponed to July 2, 1984. Improvements to be considered included “rebuilding sidewalks, curbs, streets, lighting, landscaping, and burying of utilities in the downtown area” (Reference #2b Notice of Hearing dated June 19, 1984). At the meeting of July 2, 1984, Mayor Robbins read a letter received from Dick Kane of the Bartlesville Improvement Corporation which recommended that an improvement district not be created by the City and instead to create a basis of volunteer financing for such improvements in the downtown area. The Council then approved the following motion: “That the improvement district not be created, but rather to accept, in principal, the proposed volunteer-financed improvement concept.” No public hearing

was held. (Reference #2c City Council meeting minutes of July 2, 1984). Minutes of the City Council meeting from 1982 to July 2, 1984 show a variety of meetings that the BIC had with the City Council concerning various improvement plans for the downtown business district and document strong property owner opposition to any form of a mandatory assessment district.

BARTLESVILLE DOWNTOWN TRUST AUTHORITY (BDTA) 1984 – 2004:

The Bartlesville Downtown Trust Authority (BDTA) was formed by the City Council on July 23, 1984. They would collect the donated funds and build the improvements. The trust indenture also provides for the maintenance of the improvements. (Reference #3 City Council meeting minutes of July 23, 1984 and BRTA Trust Indenture dated July 23, 1984)

Late 1984-1985: BDTA hires an engineer to develop plans for the improvements, begins working with PSO and other utilities to construct the improvements in phases over a period of one year (beginning in 1986). At the same time, BDTA begins to collect funds to pay for the improvements.

Estimates for improvements are as follows: (Reference #4 Downtown Improvements – '86 and Downtown Improvement Project Updated Budget).

Utility Relocation	\$325,000
Sidewalks and Curbs	\$890,000
Paving Overlay	\$185,000
Lighting	\$278,000
Furnishings	\$100,000
(benches, fountains, etc.)	
Landscaping	\$790,000
Legal, Audit, Misc.	\$ 10,000
TOTAL	\$2,578,000

1986-1987: Construction begins and is substantially complete by the end of 1987. By July, 1987, the budget, including pledges is as follows:

Utility Relocation	\$355,000
Sidewalks and Curbs	\$1,254,000
Paving Overlay	\$185,000
Lighting	\$278,000
Street Furniture	\$100,000
Landscaping	\$450,000
Legal, Audit, Architect	\$118,000
TOTAL	\$2,740,000

Total Pledged:	\$2,754,819.15
Total Revenue Received	\$2,027,585.98
Total Obligated:	\$1,929,685.70

July 1988: With the construction substantially complete, the balance sheet for the BDTA as of July 31, 1988 is as follows: (Reference #5 BDTA Balance Sheet dated July 31, 1988). The remaining balance (together with additional pledges yet to be received) is to be used to complete the construction (primarily the street furniture) and for the long-term maintenance of the improvements.

Revenue:	
Total Pledged:	\$2,768,912
Pledges Received:	\$2,583,466
Pledges Receivable:	\$ 185,446
Interest/Investment Income	\$ 105,224
Total Revenue to Date	\$2,688,690

Total Expenditures to Date:	\$2,155,711
Cash and Investments on Hand:	\$ 532,979

August - December 1988: The BDTA begins to address maintenance of the recently constructed improvements. In its August 18, 1988 meeting, the BDTA asked City Manager Robert Metzinger if the City could possibly take over the landscape maintenance responsibilities. Mr. Metzinger said that if the City were to take on that responsibility it should be done on a contract basis, as is done with a private contractor. Mr. Sontage, BDTA member, expressed his preference to go with a private landscape maintenance contractor. (Reference #6a BDTA meeting minutes of August 18, 1988.) The BDTA then enters into a contract with Hadco Lawn and Landscape Maintenance for maintenance of the downtown landscape areas at \$18,600 per year. This landscape maintenance contract was paid with donated BDTA funds that remained after construction of the improvements was complete.

January/March 1989: In March of 1989, the BDTA had \$715,363 in total assets which was to be used for ongoing maintenance of the downtown project. At that time, the BRTA discussed the possibility of dissolving and turning over the authority's remaining funds to the City to be placed in a restricted fund to be used for downtown maintenance purposes. City Attorney Jerry Maddux noted that there would be no guarantee that the money would remain in a restricted fund and used for maintenance because a new City Council could rescind any resolution previously passed. City Manager Robert Metzinger stated that he favored the Trust Authority's continuation due to its ongoing interest in maintaining the project. (Reference #6b BDTA meeting minutes of March 9, 1989.)

1989-1999: BDTA continues to maintain the downtown landscape areas under private contractor (first with Hadco, then later with Randy Lawrence Lawn Care) at an annual rate varying from \$18,600 in 1988 to \$27,300 in 1999.

November 1992: The BDTA discusses the scope of their responsibility. Chairman Phil Sontag states that except for the continual landscape maintenance responsibility, he understood that the Trust Authority's responsibility for the sidewalks, electrical lighting, etc. ended once construction was completed and accepted. There followed a discussion of the scope of responsibility for the City and property owners, until it was decided the responsibility of the various parties needed to be clarified. (Reference #7 BDTA meeting minutes of November 4, 1992.) A Memorandum of Understanding was subsequently developed and approved by both the BDTA and City Council which outlined the maintenance responsibilities as follows:

<u>BDTA:</u>	Landscaping and planting areas Sprinkler System, from the water meter forward Electrical sidewalk lighting (3-foot bollards)
<u>City:</u>	Brick pavers and other sidewalk areas Streets and curbs Street furniture, including trash disposal bins 25-foot overhead bronze colored street lights Electrical outlets

The agreement does state that the City may delegate its maintenance responsibilities to other parties pursuant to State Laws or local ordinances. (Reference #8 Memorandum of Understanding and City Council meeting minutes of November 15, 1993.)

November 1993: In response to a growing concern from downtown property owners concerning the growth of the street trees as it pertains to blocking the view of their storefronts and signage, the BDTA pass a policy on trimming of street trees in the downtown business district. The policy basically states that the BDTA's landscape contractor will trim and prune the existing street trees to increase visibility of the storefronts and signage but that the BDTA does not support the removal and/or relocation of existing street trees in the Downtown Business District. (Reference #9a BDTA policy dated November 9, 1993.)

June 1995: Again, in response to an increasing concern from downtown property owners concerning the growth of the street trees blocking their storefronts and signage, the BDTA passed a policy concerning removal and replacement of street trees. The essence of the policy is that no live street tree shall be permanently removed, but that replacement with another street tree (list of types included) will be considered by the BDTA on a case-by-case basis. (Reference #9b BDTA policy dated June 15, 1995.)

May 1999: The BDTA, concerned over its dwindling funds, writes a letter to City Manager Richard Gertson requesting that the City of Bartlesville take over additional maintenance responsibilities in the downtown area. I do know believe that Mr. Gertson agreed to this. (Reference #10 letter to Gertson from John B. Kane dated May 6, 1999.)

September 2004: The BDTA continues to contract with Randy Lawrence Lawn Care to provide for landscape maintenance in the downtown area until September 13, 2004, when the BRTA is dissolved (2004 annual cost was \$29,700). (Reference #11a Agreement dated September 13, 2004 and Reference #11b City Council Resolution #2922 dated September 13, 2004)

Past financial records for the BDTA show the fund balances from 1985 to 1992 as follows:

YEAR	FUND BALANCE AT BEGINNING OF YEAR	REVENUE	EXPENDITURES	FUND BALANCE AT END OF YEAR
1985	\$0	\$691,899	\$4,320	\$687,579
1986	\$687,579	\$1,930,645	\$236,705	\$2,381,519
1987	\$2,381,519	\$67,615	\$1,635,929	\$813,205
1988	\$813,205	\$29,732	\$283,017	\$559,902
1989	\$559,902	\$148,983	\$67,802	\$641,101
1990	\$641,101	\$47,188	\$47,628	\$640,661
1991	\$640,661	\$40,508	\$28,239	\$652,930
1992	\$652,930	\$26,500	\$124,635	\$554,795

(Reference #11c Statement of Revenues, Expenditures, and Changes in Fund Balances for Years Ending June 30, 1985 – 90 and BDTA FY 1992-93 Operating Budget)

By the final year of its existence in 2004, the fund balance which was transferred to the City and then to the BRTA was \$373,865.30. (Reference #11d BDTA Account 2004)

BARTLESVILLE REDEVELOPMENT TRUST AUTHORITY (BRTA) 2004 to Present:

September 13, 2004: With the dissolution of the BDTA, Resolution #2923, approved by the City Council on September 13, 2004, transfers the authority of the former BDTA (which would include its maintenance responsibilities), as well as its remaining monies and properties, to the newly formed Bartlesville Redevelopment Trust Authority (BRTA). The terms of the BRTA trust indenture also provides for the maintenance of the improvements. (Reference #12 Resolution #2923 and attached BRTA trust indenture.) Additionally, with the dissolution of the BDTA and approval of Resolution #2923, a document was signed between the BDTA and Randy Lawrence Lawn Care acknowledging that the 12-month contract for landscape maintenance dated July 1, 2004 between the two parties would be transferred to the City of Bartlesville or the BRTA as its designee. (Reference #13 Transfer of Contract Obligation dated September 13, 2004)

2004 - June 2008: The BRTA continued to contract with Randy Lawrence Lawn Care for landscape maintenance in the downtown area through June of 2008 at a cost of \$29,700 per year for labor plus the cost of plants, mulch, and other materials until the remaining funds were depleted.

June 2008 – February 2009: In June of 2008, the BRTA requested \$22,000 in CIP funding (taken from the \$2.2 million allocation for the Downtown Improvement Project included in the CIP budget approved in the February 2003 election) from the City to pay for the landscape maintenance contract for an eight month period (through February 2009). This 8-month time frame gave the BRTA sufficient time to establish a business improvement district for the Downtown area, a benefit district in which property owners would pay a pro-rata annual assessment into a fund to pay for long-term landscape maintenance and other programs of benefit to the land uses in the Downtown District. This was to be the same type of district that was proposed by the Bartlesville Improvement Corporation initially in 1982 that would have funded the construction and the long-term maintenance of the downtown improvements, but was not approved due to downtown property owner opposition.

In July of 2008, City Staff began working with Bartlesville Downtown Unlimited, a subcommittee of the Bartlesville Regional Chamber of Commerce, to garner support for the formation of a Business Improvement District. However, by the end of the arduous process, only 28.8% of the downtown property owners were willing to support a business improvement district (Oklahoma Law requires support of at least 50% of the property owners).

At the request of the BRTA, City staff provided three other options (other than a BID) for a coordinated downtown landscape maintenance program:

1. A mandatory improvement district for landscape maintenance imposed by the City Council pursuant to Title 11, Article 39. Similar to a business improvement district, signatures are not required to implement this option. However, the City Council would initiate the process for an improvement district and all property owners within the district would be assessed an amount based on the linear feet of their property to pay for the cost of upkeep and maintenance of the landscape beds. This money, collected by the City, could then be used by the city to pay for staffing or contract with a private contractor.
2. Adoption of a special ordinance by the City Council addressing the downtown landscape area affirming the existing City Ordinance Section 17-88 (which is based upon the Oklahoma State Statute) which states that “the property owner, occupant, or person in charge of any building shall not permit grass or weeds to grow or accumulate upon any sidewalk or in the area between the sidewalk and the adjacent curb line, which includes the right-of-way.” In this case, the irrigation system would be turned off. (Reference #14 City Ordinance Section 17-88)

3. A hybrid of the previous option with the possibility of leaving the BRTA-owned sprinkler system operational.

February 2009 to present:

In May of 2009, City staff sent a letter to all property owners within the identified boundaries of the Downtown Business District (the original boundaries of the 1984 proposed business improvement district, and later the jurisdictional boundaries of the BDTA and the BRTA) giving them notice City Ordinance Section 17-88. (Reference #15 Letter dated May 5, 2009)

The City of Bartlesville continues to operate at no cost recovery the sprinkler system to the downtown landscape beds and have spent significant labor and funds (through the Park Department) to make repairs to the sprinkler system (repairs which are after the meter and are therefore, by the terms of the November 1992 agreement, the responsibility of the BRTA not the City).

Chris Wilson of the BRTA has developed a committee which is reviewing the need for a uniform landscape maintenance program for the downtown business district and hoping to identify some strategies to address this need.

August 29, 2012

Terry Lauritsen
City Engineer
City of Bartlesville
401 South Johnstone Avenue
Bartlesville, Oklahoma 74003

Re: Landscape and Lighting Project on Dewey and Second Street

Terry,

Thank you for considering Ambler Architects to provide design services for the renovation of the streetscaping, paving or removal/replacement of, concrete planters and lighting on a portion the downtown area. As I understand this project it will consist of new landscaping in the existing bed, rework of the existing irrigation heads along with replacement of the existing street lighting to match that on Frank Phillips Blvd. The following is a synopsis of the work to be performed:

Scope of work:

Preparation of Construction Documents for the following –

1. Preparation of Landscape/paving Plans including layout, quantities and details.
2. Preparation of Street lighting including layout, quantities and details
3. Work with the Downtown Landscape Subcommittee and Staff to determine final design requirements and approval.
4. Assist the City of Bartlesville in the development of the Bid Documents.
5. Participation in the Pre-bid Conference and assist in Addendum Items during Bidding.

This will include working with Chris Wilson and the Downtown Landscape Subcommittee to obtain their input into the project design and maintenance and all meetings as required with the City staff to complete the project.

Project Fees: Project Fees will include all Landscape Architectural, Civil and Electrical Engineering work as follows:

1. Landscape Architecture/Site Design Fee (AA) - \$20,500.00
2. Electrical Engineering Fee (STC) – 18,100.00
 - a. Attached is the proposal from STC. Please refer to this proposal for additional requirements/clarifications from STC.
3. Civil Engineering Fee is included in the Landscape Architectural Fee. This work will be performed by G&A Associates.
4. Construction Administration shall be bill hourly on an as-needed basis.

Total Design fee: 38,500.00

Reimbursables: Direct reimbursables shall be billed as required for printing.

Thank you again for your consideration. Let us know if this is acceptable and we will get the ball rolling on this project right away.

Sincerely,

A handwritten signature in black ink that reads "Randy D. Weatherly". The signature is written in a cursive, flowing style with a large initial "R" and a long, sweeping underline.

Randy D. Weatherly
Vice President

AUTHORITIES, BOARDS, COMMISSIONS, COMMITTEES AND CITY COUNCIL

A-Advisor
VM-Voting Member

		<u>STAFF</u>	<u>COUNCIL REP.</u>
1.	Adams Municipal Golf Course Operating Committee- 6 members..... 1 st Tues. of each month at 6 p.m. in the Adams Clubhouse	Benedict (A)	Copeland (VM)
2.	Adult Center Trust Authority – 7 members..... Meetings as needed at the 55+ Activity Center	Gordon & Bailey (A)	
3.	Ambulance Commission – 4 members..... Meetings as needed – City Hall	Banks & Holland (A)	
4.	Bartlesville Development Authority – 5 members..... 4 th Wed. of each month at 8 a.m. at the Depot, Silas Conference Room		Gorman & Copeland
i.	Visitors, Inc. – 12 members..... 3 rd Tuesday each month at noon at the Depot.		
5.	Bartlesville Redevelopment Trust Authority – 6 members..... 4 th Wed. of each month at 3:30 in Council Chambers at City Hall	Bailey (A)	Gorman (VM)
6.	Board of Adjustment – 5 members..... 4 th Thursday of each month at 5 p.m. in Council Chambers at City Hall	Beeman & Riley (A)	
7.	City Council-5 members..... 1 st Monday of each month at 7 p.m. in Council Chambers at City Hall	Gordon (A)	Full Council (VM)
i.	Bartlesville Education Authority-Council Members.....	Gordon & Bailey (A)	Full Council (VM)
ii.	Bartlesville Municipal Authority – Council Members.....	Gordon & Bailey (A)	Full Council (VM)
iii.	City/County Emergency Management Council..... i.ii.iii. Meet as needed	Gordon (A)	Full Council (VM)
8.	City Planning Commission –7 members..... 4 th Tuesday of each month at 7 p.m. in Council Chambers at City Hall	Beeman (A)	Kane (VM)
9.	Community Center Trust Authority – 10 members..... Meet once a quarter at 8 a.m. at the Community Center	Bailey (A)	Copeland (VM)
10.	Construction and Fire Code Appeals Board – 5 members..... Meet as needed.	McGuire & Banks (A)	
11.	Employee Advisory Committee-12 members..... 2 nd Wed. of each month at 9 a.m. in the 2 nd fl. Conf. Room at City Hall	Gordon (A)	
12.	Hazard Mitigation Planning Committee – 11 members..... Meet as needed.	Warring (A)	
13.	History Museum Trust Authority – 9 members..... Meet once a quarter Jan. April, July and Oct on 4 th Wed. at 9:15 a.m. in the Museum.	McGill (A)	Callahan(VM)
14.	Library Board – 8 members..... 2 nd Tuesday Bi-Monthly at 4:30 p.m. in the Library.	McGill (A)	
15.	Library Trust Authority – 8 members..... Meet twice a year and as needed.	McGill (A)	Gorman (VM)

16. Park Board - 6 members.....Beeman, Henry, Robinson (A) Curd (VM)
3rd Thursday of each month at 12:00 p.m. in 1st fl. Conference room at City Hall.
 - i. Tree Sub-Committee of the Park Board – 5 members..... Beeman & Robinson (A)
2nd Thursday of each month, excluding June, July and August, at 12 p.m. at City Hall
18. Sewer System Improvements Oversight Committee – 7 members..... Gordon, Lauritsen (A) Kane (VM)
2nd Monday of each month at 4 p.m. in 1st fl. Conf. Room at City Hall.
19. Street and Traffic Committee – 7 members..... Banks, Henry, Holland (A) Callahan
2nd Thursday of each month at 5:15 p.m. in 1st fl. Conf. Room at City Hall.
20. Tax Incentive District Review committee – 9 members..... Beeman (A) Gentges (VM)
Meet as needed.
21. Water Resources Committee – 13 membersGordon (VM) & Lauritsen (A) Lockin & Gorman (VM)
Meet as needed. **Mayor (or his designee) and a City Council Member sits on this committee.**
22. White Rose Cemetery Board – 9 members..... Henry (A)
Meetings are held in odd months, 4th Thursday at 9:15 a.m. at the White Rose Cemetery Office.

Total of 26 Committees - 176 positions (incl. City Council)

Feb. 1, 2017