McAlester City Council

NOTICE OF MEETING

Regular Meeting Agenda

Tuesday, March 12, 2013 – 6:00 pm
McAlester City Hall – Council Chambers
28 E. Washington

Steve Harrison ..... Mayor
Weldon Smith ..... Ward One
John Titsworth ..... Ward Two
Travis Read ..... Ward Three
Robert Karr ..... Ward Four
Buddy Garvin ..... Ward Five
Sam Mason, Vice Mayor ..... Ward Six

Peter J. Stasiak ..... City Manager
William J. Ervin ..... City Attorney
Cora M. Middleton ..... City Clerk

This agenda has been posted at the McAlester City Hall, distributed to the appropriate news media, and posted on the City website: www.cityofmcalester.com within the required time frame.

The Mayor and City Council request that all cell phones and pagers be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond to a page or to conduct a phone conversation.

The McAlester City Hall is wheelchair accessible. Sign interpretation or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Clerk's Office at 918.423.9300, Extension 4956.

CALL TO ORDER

Announce the presence of a Quorum.

INVOCATION & PLEDGE OF ALLEGIANCE

Lisa Anderson, Grace United Methodist Church

ROLL CALL

CITIZENS COMMENTS ON NON-AGENDA ITEMS

Residents may address Council regarding an item that is not listed on the Agenda. Residents must provide their name and address. Council requests that comments be limited to five (5) minutes.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

A. Approval of the Minutes from the February 26, 2013 Regular Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*

B. Approval of Claims for February 20, 2013 to March 5, 2013. *(Toni Ervin, Chief Financial Officer)*

C. Authorize the Mayor to sign a Contract for Services between the City of McAlester and the McAlester Area Chamber of Commerce and Agriculture to pay for the Printing Services of the McAlester Tourism Guide at a cost not to exceed $10,397.00. *(Peter J. Stasiak, City Manager)*

D. Concur with Mayor's Appointment of Carl Gullick, 1400 Timber Lane to the McAlester Audit & Finance Advisory Committee for a term to expire March, 2015. *(Steve Harrison, Mayor)*

E. Consider and Act Upon, to release the Appraisal Report on the South Side Business Park dated September 18, 2012 and prepared by H.D. Barnhouse to the public. *(William J. Ervin, City Attorney)*

ITEMS REMOVED FROM CONSENT AGENDA

PUBLIC HEARING

All persons interested in any ordinance listed under Scheduled Business shall have an opportunity to be heard in accordance with Article 2, Section 2.12(b) of the City Charter.

- AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, RELATING TO THE IMPOSITION OF A CITY EXCISE TAX (SALES TAX) OF ONE PERCENT (1%) (IN ADDITION TO ANY AND ALL OTHER EXCISE TAXES NOW IN FORCE; PROVIDED THAT SAID EXCISE TAX SHALL REPLACE AND SUPERCEDE A ONE PERCENT (1%) EXCISE TAX PRESENTLY BEING LEVIED PURSUANT TO ORDINANCE NO. 1166 OF THE CITY, AS HERETOFORE AMENDED), SAID EXCISE TAX TO BE LEVIED UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM ALL SALES TAXABLE UNDER THE OKLAHOMA SALES TAX CODE; PROVIDING FOR THE USE OF THE PROCEEDS OF SAID EXCISE TAX; PROVIDING FOR THE EFFECTIVE DATE AND STATED TERMINATION DATE OF SAID EXCISE TAX; PROVIDING FOR SUBSISTING STATE PERMITS; PROVIDING FOR PAYMENT OF TAX; PROVIDING THAT THE TAX IS IN ADDITION TO TAXES CURRENTLY LEVIED, EXCEPT AS PROVIDED ABOVE; INCORPORATING CERTAIN PROVISIONS OF PRIOR CITY ORDINANCES; PROVIDING FOR AMENDMENTS TO THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE ARE CUMULATIVE AND IN ADDITION TO ANY AND ALL TAXING PROVISIONS OF OTHER CITY ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

- AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO.

2425 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2012-2013; REPEALING ALL CONFLICTING ORDINANCES; PROVID-ING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

- AN ORDINANCE AMENDING CHAPTER 34, COURT, OF THE McALESTER MUNICIPAL CODE; BY AMENDING ARTICLE 11, MUNICIPAL COURT NOT OF RECORD, SECTION 34-35, COSTS UPON JUDGEMENT OF CONVICTION; PROVIDING FOR REPEALER AND SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

- AN ORDINANCE AMENDING ORDINANCE 2265, SECTION 102-36(a) OF McALESTER CODES REGULATING THE TRAFFIC VIOLATIONS BUREAU SCHEDULE OF FINES; REPEALING ALL CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.

- AN ORDINANCE AMENDING CHAPTER 42, EMERGENCY SERVICES, OF THE McALESTER MUNICIPAL CODE; BY AMENDING ARTICLE I, IN GENERAL, SECTION 42-1, AMBULANCE SERVICES MUST COMPLY WITH STATUTES; TO PROVIDE FOR AN EMS FEE SCHEDULE FOR THE PURPOSE OF ESTABLISHING A BASE RATE PLUS; REPEALING ALL CONFLICTING ORDINANCES.

- AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, ADDING SECTION 46.56 TO CODE OF ORDINANCES, CHAPTER 46, ENVIRONMENT, ARTICLE III. LOT CLEANING, RELATING TO THE CUTTING OF WEEDS AND VEGETATION, PROVIDING FOR NOTICE, PROVIDING FOR CUTTING BY THE CITY OF McALESTER, AND PROVIDING FOR CHARGES THEREFOR;

SCHEDULED BUSINESS

1. CONSIDER AND TAKE ACTION WITH RESPECT TO AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, RELATING TO THE IMPOSITION OF A CITY EXCISE TAX (SALES TAX) OF ONE PERCENT (1%) (IN ADDITION TO ANY AND ALL OTHER EXCISE TAXES NOW IN FORCE; PROVIDED THAT SAID EXCISE TAX SHALL REPLACE AND SUPERCEDE A ONE PERCENT (1%) EXCISE TAX PRESENTLY BEING LEVIED PURSUANT TO ORDINANCE NO. 1166 OF THE CITY, AS HERETOFORE AMENDED), SAID EXCISE TAX TO BE LEVIED UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM ALL SALES TAXABLE UNDER THE OKLAHOMA SALES TAX CODE; PROVIDING FOR THE USE OF THE PROCEEDS OF SAID EXCISE TAX; PROVIDING FOR THE EFFECTIVE DATE AND STATED TERMINATION DATE OF SAID EXCISE TAX; PROVIDING FOR SUBSISTING STATE PERMITS; PROVIDING FOR PAYMENT OF TAX; PROVIDING THAT THE TAX IS IN ADDITION TO TAXES CURRENTLY LEVIED, EXCEPT AS PROVIDED ABOVE; INCORPORATING CERTAIN PROVISIONS OF PRIOR CITY ORDINANCES; PROVIDING FOR AMENDMENTS TO THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE ARE CUMULATIVE AND IN ADDITION TO ANY AND ALL TAXING PROVISIONS OF OTHER CITY ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND CONTAINING OTHER PROVISIONS RELATED THERETO. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

Executive Summary
Motion to approve Ordinance of the City of McAlester, Oklahoma, relating to the imposition of a City Excise Tax (sales tax) of one percent (1%) which shall replace and supercede a one percent (1%) excise tax presently being levied.

2. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION AUTHORIZING THE

CALLING AND HOLDING OF AN ELECTION IN THE CITY OF MCALESTER, STATE OF OKLAHOMA, FOR THE PURPOSE OF SUBMITTING TO THE REGISTERED QUALIFIED ELECTORS OF SAID CITY THE QUESTION OF APPROVAL OR REJECTION OF AN ORDINANCE RELATING TO A CHANGE OF PURPOSE OF A ONE PERCENT (1%) EXCISE TAX (SALES TAX) PRESENTLY BEING LEVIED BY THE CITY; AND CONTAINING OTHER PROVISIONS RELATING THERETO. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

Executive Summary
Motion to approve a Resolution authorizing the calling and holding of an Election in the City of McAlester, State of Oklahoma.

3. Consider and act upon, accepting the annual Audited Financial Statements and Independent Auditor's Report for Fiscal Year ending June 30, 2012. *(Mike Gibson, CPA Assurance Services Partner, Cole & Reed, P.C. and Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to accept the annual Audit for Fiscal Year ending June 30, 2012 for the City of McAlester.

4. Consider, and act upon, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to approve the budget amendment ordinance.

5. Consider, and act upon, an Ordinance amending Chapter 34, Court, of the McAlester Municipal Code; by amending Article II, Municipal Court not of record, Section 34-35, Costs upon Judgment of Conviction; providing for repealer and severability clause; and establishing an effective date. *(Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to approve the amendment of the ordinance.

6. Consider, and act upon, an Ordinance 2265, Section 102-36a of McAlester Codes regulating the traffic violations bureau schedule of fines; repealing all conflicting ordinances; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to approve the amendment of the ordinance to update the Traffic Fines.

7. Consider, and act upon, an Ordinance amending Chapter 42, Emergency Services, of the McAlester Municipal Code; by amending Article I, In General, Section 42-1, Ambulance Services must comply with statutes; providing for an EMS Fee schedule for the purpose of establishing a base rate plus; repealing all conflicting ordinances. *(Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to approve the amendment of the ordinance.

8. Consider, and act upon, an Ordinance of the City of McAlester, Oklahoma, adding Section 46.56 to the Code of Ordinances, Chapter 46, Environment, Article III, Lot Cleaning in relating to cutting of weeds and vegetation, providing for notice, providing for cutting by the City of McAlester and providing for charges. *(Peter J. Stasiak, City Manager)*

Executive Summary
Motion to approve Ordinance by adding Section 46.56 to the Code of Ordinances, Chapter 46 Environment, Article III, Lot Cleaning.

9. Consider and act upon, a lease and contract between the Board of Education of McAlester Public Schools, District No. 80 and the City of McAlester. *(Mel Priddy, Community Services Director)*

Executive Summary
Motion to approve a lease and contract between the Board of Education of McAlester Public Schools, District No. 80 and the City of McAlester.

10. Consider and act upon, Amendment to Airport Consultant LBR's contract with the City of McAlester. *(Mel Priddy, Director Community Services)*

Executive Summary
Motion to approve an Amendment to LBR's contract with the City of McAlester.

11. Discussion, and possible action, on approval of certain costs related to the Fire Department. Funds to be used from the City of McAlester's Fire Department's portion of the county quarter cent excise tax for fire services. *(Brett Brewer, Fire Chief)*

Executive Summary
Motion to approve the purchase of 12 new twin size mattresses for the dorms of the fire departments. The cost of the mattresses not to exceed $4,788.00. Purchase to be made with funds from the City of McAlester's Fire Department's portion of the county quarter cent excise tax for fire services.

12. Consider, and act upon, Change Order No. 1 for the 14th Street / US 69 Sewer Extension with C.S. Day & Associates of Tahlequah, Oklahoma. *(David Medley, P.E., Director of Public Utilities)*

Executive Summary
Motion to approve Change Order No. 1 to the 14th Street / US 69 Sewer Extension to add 75 days to the Original Contract Time. Substantial Completion with this Change Order would be April 19, 2013. This is a zero cost change order and the Contract Price of $410,488.00 shall remain the same.

13. Discussion and possible action to implement the Marketing Alliance, Inc., Marketing Communication Plan for Tourism. *(Peter J. Stasiak, City Manager)*

Executive Summary
Discussion and/or possible action to implement the Marketing Alliance Communication Plan for Tourism.

NEW BUSINESS

Any matter not known or which could not have been reasonably foreseen prior to the time of posting the Agenda in accordance with Sec. 311.9, Title 25, Oklahoma State Statutes.

CITY MANAGER'S REPORT (Peter J. Stasiak)

- Report on activities for the past two weeks.

REMARKS AND INQUIRIES BY CITY COUNCIL

MAYORS COMMENTS AND COMMITTEE APPOINTMENTS

RECESS COUNCIL MEETING

CONVENE AS McALESTER AIRPORT AUTHORITY

Majority of a Quorum required for approval

- Approval of the Minutes from the February 26, 2013 Regular Meeting of the McAlester Airport Authority. *(Cora Middleton, City Clerk)*

- Confirm action taken on City Council Agenda Item B, regarding claims ending March 5, 2013. *(Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 1, WITH RESPECT TO AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, RELATING TO THE IMPOSITION OF A CITY EXCISE TAX (SALES TAX) OF ONE PERCENT (1%) (IN ADDITION TO ANY AND ALL OTHER EXCISE TAXES NOW IN FORCE; PROVIDED THAT SAID EXCISE TAX SHALL REPLACE AND SUPERCEDE A ONE PERCENT (1%) EXCISE TAX PRESENTLY BEING LEVIED PURSUANT TO ORDINANCE NO. 1166 OF THE CITY, AS HERETOFORE AMENDED), SAID EXCISE TAX TO BE LEVIED UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM ALL SALES TAXABLE UNDER THE OKLAHOMA SALES TAX CODE; PROVIDING FOR THE USE OF THE PROCEEDS OF SAID EXCISE TAX; PROVIDING FOR THE EFFECTIVE DATE AND STATED TERMINATION DATE OF SAID EXCISE TAX; PROVIDING FOR SUBSISTING STATE PERMITS; PROVIDING FOR PAYMENT OF TAX; PROVIDING THAT THE TAX IS IN ADDITION TO TAXES CURRENTLY LEVIED, EXCEPT AS PROVIDED ABOVE; INCORPORATING CERTAIN PROVISIONS OF PRIOR CITY ORDINANCES; PROVIDING FOR AMENDMENTS TO THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE ARE CUMULATIVE AND IN ADDITION TO ANY AND ALL TAXING PROVISIONS OF OTHER CITY ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND CONTAINING OTHER PROVISIONS RELATED THERETO. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

- Confirm action taken on City Council Agenda Item 2, WITH RESPECT TO A RESOLUTION AUTHORIZING THE CALLING AND HOLDING OF AN ELECTION IN THE CITY OF MCALESTER, STATE OF OKLAHOMA, FOR THE PURPOSE OF SUBMITTING TO THE REGISTERED QUALIFIED ELECTORS OF SAID CITY THE QUESTION OF APPROVAL OR REJECTION OF AN ORDINANCE

RELATING TO A CHANGE OF PURPOSE OF A ONE PERCENT (1%) EXCISE TAX (SALES TAX) PRESENTLY BEING LEVIED BY THE CITY; AND CONTAINING OTHER PROVISIONS RELATING THERETO. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

- Confirm action taken on City Council Agenda Item 3, accepting the annual Audited Financial Statements and Independent Auditor's Report for Fiscal Year ending June 30, 2012. *(Mike Gibson, CPA Assurance Services Partner, Cole & Reed, P.C. and Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 4, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 10, Amendment to Airport Consultant LBR's contract with the City of McAlester. *(Mel Priddy, Director Community Services)*

ADJOURN MAA

CONVENE AS McALESTER PUBLIC WORKS AUTHORITY

Majority of a Quorum required for approval

- Approval of the Minutes from the February 26, 2013 Regular Meeting of the McAlester Public Works Authority *(Cora Middleton, City Clerk)*

- Confirm action taken on City Council Agenda Item B, regarding claims ending March 5, 2013. *(Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item E, to release the Appraisal Report on the South Side Business Park dated September 18, 2012 and prepared by H.D. Barnhouse to the public. *(William J. Ervin, City Attorney)*

- Confirm action taken on City Council Agenda Item 1, WITH RESPECT TO AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, RELATING TO THE IMPOSITION OF A CITY EXCISE TAX (SALES TAX) OF ONE PERCENT (1%) (IN ADDITION TO ANY AND ALL OTHER EXCISE TAXES NOW IN FORCE; PROVIDED THAT SAID EXCISE TAX SHALL REPLACE AND SUPERCEDE A ONE PERCENT (1%) EXCISE TAX PRESENTLY BEING LEVIED PURSUANT TO ORDINANCE NO. 1166 OF THE CITY, AS HERETOFORE AMENDED), SAID EXCISE TAX TO BE LEVIED UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM ALL SALES TAXABLE UNDER THE OKLAHOMA SALES TAX CODE; PROVIDING FOR THE USE OF THE PROCEEDS OF SAID EXCISE TAX; PROVIDING FOR THE EFFECTIVE DATE AND STATED TERMINATION DATE OF SAID EXCISE TAX; PROVIDING FOR SUBSISTING STATE PERMITS; PROVIDING FOR PAYMENT OF TAX; PROVIDING THAT THE TAX IS IN ADDITION TO TAXES CURRENTLY LEVIED, EXCEPT AS PROVIDED ABOVE; INCORPORATING CERTAIN PROVISIONS OF PRIOR CITY ORDINANCES; PROVIDING FOR AMENDMENTS TO THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE ARE CUMULATIVE

AND IN ADDITION TO ANY AND ALL TAXING PROVISIONS OF OTHER CITY ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND CONTAINING OTHER PROVISIONS RELATED THERETO. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

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- Confirm action taken on City Council Agenda Item 3, accepting the annual Audited Financial Statements and Independent Auditor's Report for Fiscal Year ending June 30, 2012. *(Mike Gibson, CPA Assurance Services Partner, Cole & Reed, P.C. and Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 4, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 9, a lease and contract between the Board of Education of McAlester Public Schools, District No. 80 and the City of McAlester. *(Mel Priddy, Community Services Director)*

- Confirm action taken on City Council Agenda Item 12, Change Order No. 1 for the 14th Street / US 69 Sewer Extension with C.S. Day & Associates of Tahlequah, Oklahoma. *(David Medley, P.E., Director of Public Utilities)*

ADJOURN MPWA

RECONVENE COUNCIL MEETING

ADJOURNMENT

CERTIFICATION

I certify that this Notice of Meeting was posted on this _____ day of _____ 2013 at _____ a.m./p.m. as required by law in accordance with Section 303 of the Oklahoma Statutes and that the appropriate news media was contacted. As a courtesy, this agenda is also posted on the City of McAlester website: www.cityofmcalester.com.

_____

Cora M. Middleton, City Clerk

Council Chambers
Municipal Building
February 26, 2013

The McAlester City Council met in Regular session on Tuesday, February 26, 2013, at 6:00 P.M. after proper notice and agenda was posted, February 8, 2013, at 4:26 P.M.

Call to Order
Mayor Harrison called the meeting to order.

Pastor Robert Tate, First Indian Baptist Church gave the invocation and led the Pledge of Allegiance.

Roll Call

Council Roll Call was as follows:

Present: Weldon Smith, John Titsworth, Travis Read, Robert Karr, Buddy Garvin, Sam Mason & Steve Harrison
Absent: None
Presiding: Steve Harrison, Mayor

Staff Present: Peter J. Stasiak, City Manager; Toni Ervin, Chief Financial Officer; John Modzelewski, City Engineer/Public Works Director; Mel Priddy, Community Services Director; Pamela Kirby, Human Resources Manager/Grant Writer; William J. Ervin, City Attorney and Cora Middleton, City Clerk

Citizen's Comments on Non-agenda Items

Ginny Webb, Executive Director of McAlester Main Street Association addressed the Council informing them that the Individual Membership drive had started and Pride In McAlester and Main Street would be hosting a joint work day on Saturday, March 9th. She stated that they would meet in front of the Okla Theatre at 9:00 A.M. that day.

Consent Agenda

A. Approval of the Minutes from the February 5, 2013 Special Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*

B. Approval of the Minutes from the February 12, 2013 Regular Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*

C. Approval of Claims for February 6 – February 19, 2013. *(Toni Ervin, Chief Financial Officer)* In the following amounts: General Fund - $103,203.19; Parking Authority - $67.66; Nutrition - $1,871.72; Landfill Res./Sub-Title D - $6,595.21; Tourism Fund -

$507.40; SE Expo Center - $4,551.85; E-911 - $6,683.30; Fleet Maintenance - $12,562.87 and CIP Fund - $48,000.00.

D. Consider, and act upon, a request by the Italian Festival Foundation to partner with them for the rental fee for the use of the Southeast Expo Center for the 2013 Annual Italian in the amount of $2,125.00. *(Mel Priddy, Director of Community Services)*

E. Concur with Mayor's Re-Appointment of Cara Bland, 601 Nelson Lane to the McAlester Hospital Board for a term to expire February, 2019. *(Steve Harrison, Mayor)*

Councilman Smith moved to approve the Consent Agenda. The motion was seconded by Councilman Read. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin, Mason & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

Councilman Smith moved to open a Public Hearing to address two (2) Ordinances. The motion was seconded by Councilman Read. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin, Mason & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried and the Public Hearing was opened at 6:06 P.M.

Public Hearing

AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2425 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2012-2013; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

AN ORDINANCE TO RESCIND ORDINANCE NO. 2447 THAT AMENDED SECTIONS 54-48. TO ARTICLE III, CHAPTER 54, OF THE CODE OF THE CITY OF MCALESTER, OKLAHOMA BY PROHIBITING TOBACCO USE ON CITY-OWNED PREMISES AND PROPERTIES IN GENERAL AND DECLARING AN EMERGENCY.

There were no comments from the audience or the Council and Councilman Smith moved to close the Public Hearing. The motion was seconded by Councilman Karr and the vote was taken as follows:

AYE: Councilman Smith, Karr, Read, Garvin, Mason, Titsworth & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried and the Public Hearing was closed at 6:07 P.M.

Scheduled Business

1. Presentation of the new City of McAlester Marketing Video. *(Shari Cooper, Executive Director MPower)*

Executive Summary
The new City of McAlester Marketing Video.

Shari Cooper, Executive Director MPower addressed the Council regarding the marketing video that she had supervised. She thanked various members of the business community for their participation during the video's creation. She then presented the video for the Council's consideration.

After the presentation, there was discussion among the Council regarding the quality of the video, the various means of distribution, and tracking internet search requests of the City of McAlester. There was no vote on this item.

2. Presentation and discussion of the possible purchase of the South Side Business Development Center by the Choctaw Nation. Presented by Assistant Chief Gary Batton and Councilman Bob Pate. *(Peter Stasiak, City Manager)*

Executive Summary
Motion to approve entering into a discussion and negotiating a sale price of the South Side Business Development Center to the Choctaw Nation.

Assistant Choctaw Chief Gary Baton and Councilman Bob Pate addressed the Council regarding the possible purchase and plans for the South Side Business Development Center by the Choctaw Nation. He highlighted the proposed construction of a Food Distribution Center, a Wellness Center, a Community Center, a Head start and Independent Elderly Housing. He informed the Council that the Choctaw Nation Council and Chief Pyle had already money for Food Distribution Center, the Wellness Center and the Head start. He added that those buildings would be constructed first if a deal could be agreed upon.

There was discussion among the Council, Assistant Chief Baton, and Councilman Pate regarding the relationship between the City of McAlester and the Choctaw Nation, the jobs that had been created in McAlester, the number of citizens that would be served by this development, if there would be secondary access to the development, if the City would receive sales tax revenue from the construction work, if the Nation would put this land into a trust, the number of acres in the South Side Business Development Center, if the walking trail would be accessible to the general public and if there would be security in the development.

Vicki Brown addressed the Council expressing her concerns about the possible purchase by the Choctaw Nation, how quickly this item had developed and how often this had been discussed by the Council.

There was further discussion among the Council and Manager Stasiak addressing Ms. Brown's concerns.

Shari Cooper, Executive Director MPower addressed the Council explaining that she had attempted to market the South Side Business Development Center several times but it lacked adequate access and highway frontage. She commented that the development made a lot of sense.

There was another brief discussion among the Council regarding options for use of the property, how nothing has actually been done to develop the property and that if the property were to be sold the proceeds would go into the Economic Development Fund.

Councilman Titsworth moved to approve the negotiation for the sale of the property. City Attorney Ervin commented that the Council had options to address this matter. He stated that they could designate a committee of the Council or authorize the City Manager to negotiate with the Choctaw Nation and then bring that proposal back to the Council.

Councilman Titsworth changed his motion to approve a committee of the Council or the City Manager to negotiate a price with the Choctaw Nation to sell the South Side Business Development Center. Vice-Mayor Mason amended the motion for the Mayor to appoint a committee to meet and negotiate with the Choctaw Nation. City Attorney Ervin asked if Councilman Titsworth agreed to the amendment. Mayor Harrison stated that Councilman Titsworth had accepted the amendment to the motion and asked if Vice-Mayor Mason would second the motion. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Titsworth, Mason, Karr, Garvin, Smith, Read & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried and asked that any Council member interested in participating on the committee to contact him.

Assistant Chief Baton asked who would contact who and Mayor Harrison stated that the Committee would contact the Nation once it had been appointed.

3. Discussion and possible action regarding a proposition sales tax election. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

Executive Summary
Discussion and possible action regarding a proposition sales tax election.

A motion was made by Councilman Read and seconded by Councilman Smith to open discussion of a proposed sales tax special election.

Before the vote, Allan Brooks addressed the Council reviewing what had occurred with the previous special election and what had transpired since that election. He also reviewed the language in the draft ordinance and resolution calling for and setting the proposition for another sales tax special election.

There was discussion among the Council and Mr. Brooks concerning the language in the proposition, the time frame that the Council had to work with to call a special election and if the list of projects would change. Mr. Brooks informed the Council that he would complete the ordinance and resolution and present them to the Council at the next meeting.

There was no vote on this item.

4. Consider, and act upon, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to approve the budget amendment ordinance.

ORDINANCE NO. 2452

AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2425 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2012-2013; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

A motion was made by Councilman Read and seconded by Councilman Smith to approve **ORDINANCE NO. 2452,** amending the 2012/2013 Fiscal Year Budget.

Before the vote, Toni Ervin reviewed the exhibits to the amendment with the Council.

Mayor Harrison asked the City Attorney about the match for the ODEQ Grant. Mr. Ervin commented that the City Attorney would be recommending the funds for the ODEQ Grant match not be given by the City for Constitution reasons, but that could be addressed in the next agenda item.

Councilman Titsworth asked about the Environmental study. Manager Stasiak explained that was a request to do a Phase 1 Environmental study at the Steven Taylor Industrial Park on sites C-1 and C-3.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Read, Smith, Mason, Titsworth, Karr, Garvin & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

A motion was made by Councilman Karr and seconded by Councilman Garvin to approve the Emergency Clause. There was no discussion, and the vote was taken as follows:

AYE: Councilman Karr, Garvin, Smith, Titsworth, Read, Mason & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

5. Consider and act upon contributing $25,000 as match for an ODEQ grant for the renovation of the OKLA Theatre. *(Peter Stasiak, City Manager)*

Executive Summary

Motion to approve and act upon contributing $25,000 as match for an ODEQ grant for the renovation of the OKLA Theater.

City Attorney Ervin informed the Council that while reviewing this item he had received additional information from the City Manager. He then reviewed his opinion with the Council, stating that expenditures of public funds were restricted by the Oklahoma Constitution under Article 10 § 14, to a "Public Purpose" that fulfilled a function of the City. He stated that in this instance the primary purpose appeared to be to help a private entity qualify for a federal grant to improve private property. He added that this was not a public purpose or in furtherance of a recognized municipal function.

There was a brief discussion among the Council, City Attorney Ervin and Stephanie Giacomo concerning the request for funding, private donations, how restoring an historic downtown building would not benefit the public, and how this compared to the Partnering agreements at the Expo.

Ms. Giacomo addressed the Council stating that had she known that this was not an allowable request, she would never have brought it this far.

There was no action on this item.

6. Tabled - Update, discussion and possible action to resolve status of contract FAA AIP 3-40-0057-011-012-2011 and OAC Project #MLCC-12-75 at McAlester Regional Airport awarded June 26, 2012 by City of McAlester Airport Authority to Total Investment Company, Guthrie, Oklahoma. Seven months, as of January 26, 2013 have elapsed since said award. Bids on this project were received on September 2, 2011. *(Cora Middleton, City Clerk/Vice Mayor Sam Mason)*

Executive Summary

Update, discussion and possible action to resolve status of contract FAA AIP 3-40-0057-011-012-2011 and OAC Project #MLCC-12-75.

Vice-Mayor Mason commented that this project was eighteen (18) months from the bid opening, and eight (8) months from the award of the contract. He stated that the contractor was in default on this project and the only option was to declare the contractor in default.

There was discussion among the Council, the City Attorney and Kevin Reeder of LBR regarding the amount of time that had passed since the bids had been opened in September, 2011, the difference in the bids, the delay in awarding the bid caused by the environmental issue, the contractor's inability or refusal to get a performance bond and what action the City needed to take to clear this problem up.

Vice-Mason moved to declare Total Investment Company, the contractor, in default and authorize the City Attorney to make a claim against the contractor's bid bond and authorize the City to re-bid the project. The motion was seconded by Councilman Read.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Mason, Read, Smith, Titsworth, Karr, Garvin & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

Vice-Mayor Mason thanked Mr. Reeder for being present at the meeting.

7. Consider, and act upon, accepting Kristen Lloyd Photography, Inc and Whistle Stop Bistro as participants in the Retail Sales Tax Incentive Program for the McAlester Main Street District Businesses and Choctaw Corridor and authorizing the Mayor to sign the Certification of all Applicable Requirements. *(Toni Ervin, Chief Financial Officer)*

Executive Summary
Motion to approve certification in writing to accept the attached businesses as a participant.

A motion was made by Councilman Titsworth and seconded by Councilman Karr to accept Kristen Lloyd Photography, Inc and Whistle Stop Bistro as participants in the Retail Sales Tax Incentive Program for the McAlester Main Street District Businesses and Choctaw Corridor and authorize the Mayor to sign the Certification of all Applicable Requirements.

Before the vote, Toni Ervin addressed the Council explaining that the two (2) businesses could be certified in writing as applicants and had met all of the requirements.

Ginny Webb, Executive Director McAlester Main Street Association thanked the Council for their support of this program. She then informed the Council that the two (2) businesses had applied and the Council would be seeing their rebate requests in the future. She also commented that she would be revamping the application and bringing it back to the Council to see if the program could be moved forwarded for another round of applicants.

There was a brief discussion among the Council and Ms. Ervin concerning application process, if Old Town was included in the program, what the criteria was to meet the requirements, how would the application be verified, who would track the program and how the rebates would be approved.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Titsworth, Karr, Read, Garvin, Mason, Smith & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

8. Discussion and possible action, to rescind Ordinance 2447 (prohibiting tobacco use on City owned or controlled Property) based on Oklahoma Attorney General's Opinion 2013-2. *(William J. Ervin, City Attorney)*

Executive Summary
Discussion and possible action, to rescind Ordinance 2447 based on Oklahoma Attorney General's Opinion 2013-2.

A motion to rescind **ORDINANCE NO. 2447** was made by Councilman Read and seconded by Councilman Smith.

Before the vote, City Attorney Ervin addressed the Council informed the Council that this was brought before them under the direction that he received at the previous meeting. He stated that this was in response to the Attorney General's opinion that had been issued on February 5, 2013. He commented that he had included a copy of the Attorney General's opinion that basically set forth that municipalities did not have the authority to prohibit tobacco use in municipal parks. He advised the Council that while the Attorney General's opinion was binding on state agencies were advisory only on municipalities.

There was discussion among the Council, Attorney Ervin and Ms. Karlita Lott regarding the Attorney General's opinion, what other communities were doing in respect to the AG's opinion, what options the City had, what rescinding the ordinance would do to the City, that neither the ordinances nor the AG's opinion had been tested in a court of law, and if the City needed this ordinance.

Mayor Harrison clarified the motion as a yes vote would be to "rescind **ORDINANCE NO. 2447**". There was no further discussion, and the vote was taken as follows:

AYE: Councilman Read, Garvin & Mason
NAY: Councilman Smith, Karr, Titsworth & Mayor Harrison

Mayor Harrison declared the motion failed.

New Business

There was no new business.

City Manager's Report

Manager Stasiak reported that in his Manager's report this week he spoke of a $1.7 million shortfall in revenues. He commented that this would probably get worse. He stated that management had stabilized the City at this point and would continue to keep the Council advised as how this progressed.

Remarks and Inquiries by City Council

Councilmen Smith, Titsworth, Read, Karr and Garvin did not have any comments for the evening.

Vice-Mayor Mason asked that the City Manager move to ensure the MPower presentation be put on the City's Cable channel in the near future.

Mayor's Comments and Committee Appointments

Mayor Harrison had no comments for the evening.

Recess Council Meeting

Mayor Harrison asked for a motion to recess the Regular Meeting to convene the Authorities. Councilman Smith moved to recess the Regular Meeting and convene the Authorities. The motion was seconded by Councilman Titsworth.

There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Karr, Garvin, Read & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried and the meeting was recessed at 8:37 P.M.

Reconvene Council Meeting

The Regular Meeting was reconvened at 8:39 P.M.

Adjournment

There being no further business to come before the Council, Councilman Smith moved for the meeting to be adjourned, seconded by Councilman Titsworth. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Karr, Garvin, Mason, Read & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried, and the meeting was adjourned at 8:39 P.M.

ATTEST:

Steve Harrison, Mayor

Cora Middleton, City Clerk

CLAIMS FROM

FEBRUARY 20, 2013
THRU
MARCH 5, 2013

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 01 GENERAL FUND

VENDOR NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-1 MISC VENDOR					
ANGELO RIVERS	I-201302204666	01 -5432331	EMPLOYE TRAVE TRAVEL EXP-EMS REFRESHER	063672	114.24
RALPH JERNIGEN	I-201302204669	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-LEADERSHIP TRAINING	063673	87.67
JASON FASSIO	I-201302274714	01 -5431207	CLOTHING ALLO JASON FASSIO: CLOTHING ALLOW	063749	141.69
MICHELE GARRETT	I-201302274715	01 -5324207	CLOTHING ALLO CLOTHING ALLOWANCE	063750	156.00
01-A00026 AT & T LONG DISTANCE					
	I-201302204668	01 -5215315	TELEPHONE UTI PHONE EXP-LONG DIST CHG	063674	210.58
01-A00267 AIRGAS, INC					
	I-9012313581	01 -5432202	OPERATING SUP EMS SUPPLIES	063762	279.45
	I-9012532919	01 -5432202	OPERATING SUP EMS SUPPLIES	063762	30.74
	I-9012532920	01 -5432202	OPERATING SUP EMS SUPPLIES	063762	90.78
	I-9012760766	01 -5432202	OPERATING SUP EMS SUPPLIES	063762	30.74
	I-9907175876	01 -5432202	OPERATING SUP EMS SUPPLIES	063762	230.80
	I-9907182558	01 -5542203	REPAIRS & MAI MONTHLY BOTTLE LEASE	063762	50.51
01-A00362 ALLEGIANCE COMMUNICATIO					
	I-201302274713	01 -5431328	INTERNET SERV INTERNET SVS-FIRE ST #2	063751	62.95
	I-201302274713	01 -5865328	INTERNET SERV INTERNET SVS-PUBILC WK FAC	063751	82.95
	I-201302274713	01 -5547328	INTERNET SERV INTERNET SVS-CEMETERY	063751	59.95
01-A00751 ATWOODS					
	C-1416/9 CR	01 -5653340	CLOTHING ALLO BOOT ALLOWANCE	063767	129.99-
	I-1415/9	01 -5653340	CLOTHING ALLO BOOT ALLOWANCE	063767	100.00
	I-1474/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063767	106.89
	I-1475/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063767	25.98
	I-1486/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063767	5.18
	I-1494/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063767	27.60
01-A00770 BOLTE ENTERPRISES, INC					
	I-920612	01 -5432203	REPAIR & MAIN MISC AUTO PARTS AS NEEDED	063768	27.74
	I-920670	01 -5432203	REPAIR & MAIN MISC AUTO PARTS AS NEEDED	063768	13.49
	I-921129	01 -5432203	REPAIR & MAIN MISC AUTO PARTS AS NEEDED	063768	13.65
01-B00089 BANK OF OKLAHOMA					
	I-5075025	01 -5547308	CONTRACTED SE CEM CARE FUND ADMIN FEE	063770	367.97
01-B00180 UNION IRON WORKS, INC.					
	I-S1712771.001	01 -5548203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063771	138.85
	I-S1714858.001	01 -5548203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063771	163.06
01-B00640 SPORT SUPPLY GROUP, INC					
	I-95175421	01 -5544203	REPAIRS & MAI REPAIRS PTS FOR TENNIS CT	063774	311.62
01-C00144 COMPUTER PROJECTS OF IL					
	I-13-02-60ME	01 -5324202	OPERATING SUP YEARLY LICENSE FEE& MAINT	063775	65.00
01-C00202 CARTRIDGE WORLD					

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION		CHECK#	AMOUNT
01-C00202	CARTRIDGE WORLD	continued					
		I-109656	01 -5542202	OPERATING SUP	INK CART FOR PRINTER	063776	235.66
01-C00320	CENTERPOINT ENERGY ARKL						
		I-201302274711	01 -5215314	GAS UTILITY	GAS UTIL-607 VILLAGE BLVD	063752	33.82
01-C00430	CHIEF FIRE & SAFETY CO.						
		C-172322 CR	01 -5431202	OPERATING SUP	PARTS TO SECURE BOTTLES	063777	77.63-
		I-173872	01 -5431202	OPERATING SUP	FACE SHIELDS & HOODS	063777	810.00
		I-173915	01 -5431203	REPAIRS & MAI	REPAIR PARTS	063777	365.00
		I-174114	01 -5431202	OPERATING SUP	PARTS TO SECURE BOTTLES	063777	320.00
01-C00530	CMI INC						
		I-785544	01 -5321202	OPERATING SUP	INTOXILIZER MOUTH PIECES	063778	344.01
01-C00590	COLE & REED, PC						
		I-68268	01 -5215301	AUDITING	AUDIT FEES	063779	6,000.00
01-D00093	DARLEY & CO						
		I-17055948	01 -5431204	SMALL TOOLS	RIT BAG	063783	239.95
01-D00097	DASH MEDICAL GLOVES						
		I-INV0782451	01 -5432202	OPERATING SUP	MEDICAL SUPPLIES-EMS	063784	129.80
01-D00600	DONNA M. CREWS						
		I-201303044731	01 -5544308	CONTRACT LABO	SCOREKEEPER FEE-6 GAMES	063787	90.00
01-D00775	JUSTIN DUVALL						
		I-201303044733	01 -5544308	CONTRACT LABO	REFEREE FEE-12 GAMES	063788	300.00
01-E00105	EASTERN OKLA ORTHOPEDIC						
		I-20109407A	01 -5653348	DRUG TESTING/	PHYSICAL EXAM FEE	063789	298.00
01-E00266	ERVIN & ERVIN ATTORNEYS						
		I-12-01404-4	01 -5214302	CONSULTANTS	LEGAL FEES	063791	1,140.00
		I-MARCH 2013	01 -5214302	CONSULTANTS	LEGAL FEES-MTHLY RETAINER	063791	3,125.00
01-F00038	FED EX						
		I-2-184-37604	01 -5321202	OPERATING SUP	SHIPPING FEES	063792	30.09
01-F00170	FIRST NATIONAL BANK						
		I-032013-#133	01 -5321510	LEASE PAYMENT	LEASE #133	063793	5,185.00
01-F00321	FUTURE STARS ATHLETIC T						
		I-1005	01 -5544308	CONTRACT LABO	BB CAMP ADMIN FEE	063794	30.00
01-G00130	GALL'S, AN ARAMARK CO.,						
		I-BC0009424	01 -5431207	CLOTHING ALLO	CLOTHING ALLOWANCE	063795	74.69
		I-BC0009425	01 -5431207	CLOTHING ALLO	CLOTHING ALLOWANCE	063795	306.74

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-G00130	GALL'S, AN ARAMARK CO., continued					
		I-BC0009507	01 -5431207	CLOTHING ALLO CLOTHING ALLOWANCE	063795	78.94
01-G00316	GIVENS LAW FIRM, P.C.					
		I-#4	01 -5214302	CONSULTANTS LEGAL FEES	063872	1,017.00
01-G00375	GRAINGER, INC.					
		I-9071737978	01 -5865203	REPAIR & MAIN FANS FOR T/C CONTROLLERS	063796	447.84
01-I00061	RICOH USA, INC.					
		I-5024941122	01 -5321308	CONTRACTED SE COPIER MAINT & FEES	063800	259.40
01-I00110	IMPRESS OFFICE SUPPLY					
		I-035022	01 -5211202	OPERATING SUP OFFICE SUPPLIES	063802	5.79
		I-035037	01 -5321202	OPERATING SUP MISC OFFICE SUPPLIES	063802	30.59
		I-035043	01 -5321202	OPERATING SUP MISC OFFICE SUPPLIES	063802	6.44
01-I00120	TYLER TECHNOLOGIES					
		I-201303044723	01 -5213336	FEES MONTHLY SUPPORT FEES-COURT	063803	200.00
		I-201303044723	01 -5225349	SOFTWARE MAIN MONTHLY SUPPORT FEES-IT	063803	210.00
		I-201303044723	01 -5225349	SOFTWARE MAIN MONTHLY SUPPORT FEES-IT	063803	10.50-
01-I00195	INTEGRIS OCCUPATIONAL H					
		I-2012-15700	01 -5431305	PHYSICALS FIRE RECRUIT PHYSICAL	063805	475.00
01-K00101	KEITH A. BARNES					
		I-201303044734	01 -5544308	CONTRACT LABO REFEREE FEE-6 GAMES	063807	150.00
01-L00428	LOWE'S CREDIT SERVICES					
		I-06323	01 -5431203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063810	20.95
		I-07432	01 -5431203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063810	13.28
		I-901257	01 -5431203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063810	12.91
01-M00470	MILLER BROTHERS ENTERPR					
		I-13245-06	01 -5431316	REPAIRS & MAI REPAIRS TO OH DOOR AND	063812	95.00
		I-13289-06	01 -5431316	REPAIRS & MAI REPAIRS TO OH DOOR AND	063812	140.00
01-M00570	MOORE MEDICAL CORP.					
		I-975927761	01 -5432202	OPERATING SUP MEDICAL SUPPLIES FOR EMS	063813	221.55
		I-975978931	01 -5432202	OPERATING SUP MEDICAL SUPPLIES FOR EMS	063813	245.55
		I-976061981	01 -5432202	OPERATING SUP MEDICAL SUPPLIES FOR EMS	063813	126.00
		I-976116901	01 -5432202	OPERATING SUP MEDICAL SUPPLIES FOR EMS	063813	212.25
		I-976157961	01 -5432202	OPERATING SUP MEDICAL SUPPLIES-EMS	063813	331.50
		I-976176511	01 -5432202	OPERATING SUP MEDICAL SUPPLIES FOR EMS	063813	248.50
		I-976373461	01 -5432202	OPERATING SUP MEDICAL SUPPLIES-EMS	063813	203.90
01-M00765	MY-LOR, INC.					
		I-15899	01 -5431202	OPERATING SUP ACCOUNTABILITY TAGS	063815	83.15

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-MC0050	MCALESTER CHAMBER OF					
		I-3586	01 -5431202	OPERATING SUP CHAMBER BANQUET TICKETS	063816	120.00
01-MC0098	MCAFEE & TAFT					
		I-394451	01 -5210303	CONSULTANTS/B LEGAL FEES	063817	1,856.50
01-MC0140	MCALESTER PAINT & SUPPL					
		I-00084348	01 -5543203	REPAIRS & MAI REPAIR ITEMS FOR POOLS	063819	108.50
		I-00084600	01 -5543316	REPAIRS & MAI POOL DECK REPAIRS	063819	975.00
		I-00084603	01 -5543316	REPAIRS & MAI POOL DECK REPAIRS	063819	925.00
		I-00084747	01 -5543203	REPAIRS & MAI REPAIR ITEMS FOR POOLS	063819	209.98
01-MC0226	MC DONALDS RESTURANT					
		I-FEB 2013	01 -5321202	OPERATING SUP PRISONER MEALS	063820	134.08
01-N00025	NASCO					
		I-209887	01 -5322202	OPERATING SUP LEATHER RESTRAINT GLOVES	063821	197.48
01-N00040	NAT'L. ASSOC. OF FIRE					
		I-16353	01 -5431330	DUES & SUBSCR ANNUAL DUES	063822	45.00
01-N00150	NATIONAL REGISTRY OF EM					
		I-2013 EMT CERT FEES	01 -5432330	DUES & SUBSCR ANNUAL EMS CERT. FEES	063823	225.00
01-N00343	NORTHERN SAFETY CO INC					
		I-900202061/10017575	01 -5865203	REPAIR & MAIN CAUTION TAPE	063826	200.86
		I-900202061/10017575	01 -5865218	STREET REPAIR CAUTION TAPE	063826	203.37
01-O00222	OKLA CODE ENFORCEMENT A					
		I-2013 DUES-SANTINO	01 -5652330	DUES & SUBSCR ANNUAL DUES-SANTINO	063831	35.00
01-O00305	OKLA NURSERY & LANDSCAP					
		I-2013-537	01 -5542330	DUES & SUBSCR MEMBERSHIP DUES-YRLY	063835	20.00
01-O00520	OIL-OK INDEPENDENT LIVI					
		I-022014-2010/2011	01 -5101355	OIL-OK FOR IN CONTRACT WITH OIL	063836	2,000.00
01-O00556	OMAG-OK MUNICIPAL ASSUR					
		I-4TH QTR PMTS	01 -5215321	AUTO INSURANC GEN-AUTO	063837	14,319.77
		I-4TH QTR PMTS	01 -5215322	LIABILITY INS GEN-GEN LIAB & EQUIP	063837	5,650.88
01-P00208	PEARSON VUE					
		I-0007-3715-2699	01 -5652331	EMPLOYEE TRAV BLDG INSP. TEST FEE	063676	160.00
01-P00250	PETTY CASH					
		I-201302204665	01 -5321202	OPERATING SUP EXPENSE TO HAVE KEY MADE	063677	3.88
		I-201302204665	01 -5321202	OPERATING SUP PRISONER MEALS	063677	10.03
		I-201302204665	01 -5653202	OPERATING SUP INS MEETING EXP	063677	39.95
		I-201302204665	01 -5211202	OPERATING SUP REIMB OFFICE FURNITURE EXP	063677	103.44

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-P00250	PETTY CASH	continued				
		I-201302204665	01 -5431212	FUEL EXPENSE FUEL EXP ON NEW VEH	063677	20.00
		I-201302204665	01 -5320202	OPERATING EXP BATTERY FOR KEY FOB	063677	7.95
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-TRAINING CLASS	063677	42.77
		I-201302204665	01 -5321202	OPERATING SUP BATTERY FOR REMOTE UNIT	063677	6.52
		I-201302204665	01 -5321202	OPERATING SUP KEY EXP	063677	3.88
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-TULSA	063677	21.51
		I-201302204665	01 -5210202	OPERATING SUP EMPLOYEE MTG EXP	063677	70.45
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	9.64
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	12.37
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	19.05
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	14.04
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	19.00
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	27.60
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	24.00
		I-201302204665	01 -5431331	EMPLOYEE TRAV TRAVEL EXP-FITNESS TEST	063677	24.00
		I-201302204665	01 -5431212	FUEL EXPENSE FUEL EXP (CARD NOT WORKING)	063677	65.01
01-P00510	PRO-KIL, INC					
		I-71791	01 -5548203	REPAIRS & MAI PEST CONTROL-CITY HALL	063844	170.00
01-P00560	PUBLIC SERVICE/AEP					
		I-201302274710	01 -5215313	ELECTRIC UTIL ELECT UTIL-KOMAR PAVILION	063753	38.44
		I-201302274710	01 -5215313	ELECTRIC UTIL ELECT UTIL-KOMAR PARK	063753	36.78
01-R00300	RICHARD RUSHING					
		I-201303044730	01 -5544308	CONTRACT LABO REFEREE FEE-6 GAMES	063845	150.00
01-S00190	SECURITY SYS. & ENG. IN					
		I-28471	01 -5547203	REPAIRS & MAI SEC MONITORING FEE-CEM	063851	120.00
		I-28472	01 -5547203	REPAIRS & MAI SEC MONITORING FEE-CEM	063851	120.00
		I-28473	01 -5548316	REPAIRS & MAI ALARM MONTERING-LIBRARY	063851	60.00
01-S00329	SHRED-IT USA, INC-OKLAH					
		I-9401579828	01 -5212308	CONTRACTED SE SHREDDING SERVICE	063853	64.00
01-S00726	STAPLES ADVANTAGE					
		I-22969	01 -5225202	OPERATING SUP MISC CS SUPPLIES	063856	13.98
		I-22976	01 -5431202	OPERATING SUP MISC OFFICE SUPPLIES	063856	269.89
		I-77588	01 -5225202	OPERATING SUP MISC CS SUPPLIES	063856	44.95
		I-78651	01 -5652202	OPERATING SUP MISC OFFICE SUPPLIES	063856	4.49
		I-82726	01 -5225202	OPERATING SUP MISC CS SUPPLIES	063856	37.81
01-T00131	TESCORP					
		I-891380	01 -5432316	REPAIRS & MAI CASCADE SYS REPAIRS	063858	597.00
01-T00185	MEDICINE SHOPPE					
		I-582796	01 -5542202	OPERATING SUP POISON IVY VACCINE	063859	325.00

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-T00458	TONYA M BARNES					
		I-201303044732	01 -5544308	CONTRACT LABO SCOREKEEPER FEE-6 GAMES	063860	90.00
01-T00630	TWIN CITIES READY MIX,					
		I-77679	01 -5865218	STREET REPAIR CONCRETE FOR MISC POURS	063862	240.00
		I-LATE FEES	01 -5865218	STREET REPAIR CONCRETE FOR MISC POURS	063862	52.58
01-W00040	WALMART COMMUNITY BRC					
		I-01214	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063866	91.20
		I-01369	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	063866	69.00
		I-02613	01 -5431202	OPERATING SUP MISC SUPPLIES AS NEEDED	063866	30.09
		I-05496	01 -5431202	OPERATING SUP MISC SUPPLIES AS NEEDED	063866	197.52
		I-08533	01 -5431202	OPERATING SUP MISC SUPPLIES AS NEEDED	063867	242.86
01-X00020	XEROX CORP-MAJOR ACCOUN					
		I-800610913	01 -5215312	EQUIPMENT REN LEASE ON COPIER	063871	1,898.77
				FUND 01 GENERAL FUND	TOTAL:	59,567.13

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 02 MPWA

VENDOR NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION		CHECK#	AMOUNT
01-A00103 ACCURATE LABS & MINING						
	I-3B12038	02 -5974304	LAB TESTING	LAB TESTING FEES	063760	115.00
	I-3B12041	02 -5974304	LAB TESTING	LAB TESTING FEES	063760	90.00
	I-3B12046	02 -5974304	LAB TESTING	LAB TESTING FEES	063760	430.00
	I-3B19016	02 -5974304	LAB TESTING	LAB TESTING FEES	063760	1,480.00
01-A00267 AIRGAS, INC						
	I-9012633705	02 -5973203	REPAIRS & MAI	MONTHLY RENTAL ON BOTTLES	063762	92.17
	I-9907175877	02 -5974203	REPAIRS & MAI	MONTHLY BOTTLE RENTAL FEE	063762	57.95
	I-9907182559	02 -5973203	REPAIRS & MAI	MONTHLY RENTAL ON BOTTLES	063762	89.02
01-A00430 ALTIVIA						
	I-244106	02 -5974206	CHEMICALS	ALUM FOR WTP	063764	3,375.79
01-A00582 AT&T						
	I-201302204667	02 -5267315	TELEPHONE UTI	PHONE EXP-INTERNET SVS CITY H	063675	830.15
01-A00751 ATWOODS						
	I-1493/9	02 -5974203	REPAIRS & MAI	HEATERS & SUPPLIES FOR	063767	9.98
01-B00180 UNION IRON WORKS, INC.						
	I-S1711385.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	105.04
	I-S1712414.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	116.77
	I-S1712542.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	8.23
	I-S1712749.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	9.54
	I-S1712939.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	68.24
	I-S1713027.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	58.71
	I-S1713049.001	02 -5975230	SEWER MAIN RE	MISC REPAIR & MAINT ITEMS	063771	96.41
01-C00590 COLE & REED, PC						
	I-68268	02 -5267301	AUDITING	AUDIT FEES	063779	6,000.00
01-C00840 CRAWFORD & ASSOCIATES						
	I-7170	02 -5267302	CONSULTANTS	AUDIT PREP FEES	063782	1,357.50
01-D00322 DEPT. OF ENVIR. QUALITY						
	I-61012448	02 -5864329	DEQ FEES	DEQ QTRLY RPTS-LF	063785	60.39
01-D00540 DOLESE BROTHERS						
	I-AG13013241	02 -5975218	STREET REPAIR	GRAVEL FOR STREET REPAIRS	063786	830.57
	I-AG13015502	02 -5975218	STREET REPAIR	GRAVEL FOR STREET REPAIRS	063786	683.19
	I-AG13018373	02 -5975218	STREET REPAIR	GRAVEL FOR STREET REPAIRS	063786	501.44
	I-RM13007287	02 -5975218	STREET REPAIR	CONCRETE FOR MISC REPAIRS	063786	428.50
	I-RM13008313	02 -5975218	STREET REPAIR	CONCRETE FOR MISC REPAIRS	063786	340.50
	I-RM13009118	02 -5975218	STREET REPAIR	CONCRETE FOR MISC REPAIRS	063786	717.50
01-F00170 FIRST NATIONAL BANK						
	I-032013-#134	02 -5864510	LEASE PAYMENT	CATERPILLAR & COMPACTOR	063793	8,524.37
	I-201303044720	02 -5866510	LEASE PURCHAS	LEASE 131 PMT-TRASH TRUCKS	063793	36,094.08

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 02 MPWA

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-G00490	GRISSOM IMPLEMENT INC					
		I-12-01695	02 -5974401	CAPITAL OUTLA TRACTOR FOR SLUDGE REMOVA	063797	17,500.00
01-H00100	HAYNES EQUIPMENT,LLC					
		I-9109646-IN	02 -5973401	CAPITAL OUTLA 4-PUMP ROTATOR ASSYS	063799	12,419.46
01-I00106	IMS INFRASTRUCTURE MANA					
		I-11712-3	02 -5871302	CONSULTANTS PVMT MGMT PRGM DEV	063801	2,755.00
01-I00120	TYLER TECHNOLOGIES					
		I-201303044723	02 -5216336	FEES MONTHLY SUPPORT FEES-UB&C	063803	293.16
01-I00140	INDIAN NATION WHOLESALE					
		I-5798035	02 -5267202	OPERATING SUP BREAKROOM SUPPLIES	063804	139.42
01-M00532	MISTY VALLEY WATER CO.					
		I-80246	02 -5866230	RECYCLING CEN WATER FOR RECYCLE CTR	063873	7.59
01-N00250	MCALESTER NEWS CAPITAL					
		I-05609425	02 -5974317	ADVERTISING/P PUBLICATION COSTS	063824	24.50
01-O00275	OKLA DEPT OF COMMERCE					
		I-032013-#8908	02 -5267521	CDBG LOAN #89 CDBG - EDIF #8908	063834	1,145.83
01-O00556	OMAG-OK MUNICIPAL ASSUR					
		I-4TH QTR PMTS	02 -5267321	AUTO INSURANC MPWA-AUTO	063837	3,396.56
		I-4TH QTR PMTS	02 -5267322	LIABILITY INS MPWA-GEN LIAB & EQUI	063837	165.05
01-P00040	PACE ANALYTICAL SERVICE					
		I-137501545	02 -5973304	LAB TESTING TESTING FEES AS NEEDED	063838	189.47
		I-137501545	02 -5973304	LAB TESTING TESTING FEES AS NEEDED	063838	135.00
01-P00250	PETTY CASH					
		I-201302204665	02 -5975331	EMPLOYEE TRAV TRAVEL EXP-WTR LIC TEST	063677	37.90
		I-201302204665	02 -5974331	EMPLOYEE TRAV FUEL EXP (CARD NOT WORKING)	063677	8.74
01-P00420	POSTMASTER					
		I-12-01788	02 -5216202	OPERATING SUP YRLY PRESORT MAIL FEES	063842	400.00
01-S00234	SHARE CORPORATION					
		I-834329	02 -5975240	LAND IMPROVEM ODOR CONTROL FOR SWR WK	063852	816.75
01-S00530	SOUTHWEST CHEMICAL SERV					
		I-96499	02 -5974206	CHEMICALS CAUSTIC FOR WTP	063854	4,634.70
01-T00010	T. H. ROGERS LUMBER CO.					
		I-468909	02 -5975218	STREET REPAIR FORMING MATERIALS	063857	43.40
		I-469277	02 -5975218	STREET REPAIR FORMING MAT FOR ST CREWS	063857	454.82
		I-469736	02 -5975218	STREET REPAIR FORMING MAT FOR ST CREWS	063857	259.99

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 02 MPWA

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-T00473	TONY'S REFRIGERATION, I					
		I-1143	02 -5974203	REPAIRS & MAI NEW ELECT FOR AERATORS	063861	1,200.00
01-U00051	UTILITY SUPPLY CO.					
		I-066000	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	106.92
		I-066001	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	363.62
		I-066002	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	336.16
		I-066003	02 -5975235	WATER MAIN RE MISC REPAIR ITEMS	063863	1,688.26
		I-066004	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	153.05
		I-066005	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	876.98
		I-066006	02 -5975235	WATER MAIN RE MISC REPAIR SUPPLIES	063863	249.54
		I-066018	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	548.80
		I-066019	02 -5975230	SEWER MAIN RE REPAIR PTS-KFC PUMP ST	063863	2,692.72
		I-066020	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	300.00
		I-066021	02 -5975211	WATER METERS REPLACEMENT WTR METERS	063863	344.00
		I-066022	02 -5975240	LAND IMPROVEM FIRE HYD; VALVES; MISC	063863	7,909.88
01-U00122	UNIT LINER CO					
		I-0794311-IN	02 -5973316	REPAIRS & MAI POND LINER REPAIRS	063864	4,075.00
01-U00128	UNITED PACKAGING & SHIP					
		I-117563	02 -5864203	REPAIRS & MAI SHIPPING FEES-TESTS	063865	61.06
		I-117841	02 -5973316	REPAIRS & MAI SHIPPING FEES FOR SAMPLES	063865	30.68
01-W00194	WELCH STATE BANK					
		I-201303044721	02 -5975523	LEASES/LOANS LEASE PMT-JD BACKHOE	063868	18,864.82
				FUND 02 MPWA	TOTAL:	147,199.87

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 03 AIRPORT AUTHORITY

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-F00170	FIRST NATIONAL BANK					
		I-032013-#119817	03 -5876511	FNB LOAN #119 LOAN #119817 - AIRPORT AUTH	063793	2,510.00
01-O00240	OKLA CORPORATION COMM.					
		I-SOR-3561	03 -5876322	INSURANCE/BON INS DED-FUEL TANK REPAIRS	063832	101.09
01-O00556	OMAG-OK MUNICIPAL ASSUR					
		I-4TH QTR PMTS	03 -5876321	AUTO INSURANC AIRPORT-AUTO	063837	201.71
		I-4TH QTR PMTS	03 -5876322	INSURANCE/BON AP-GEN LIAB & EQUIP	063837	62.00
01-T00010	T. H. ROGERS LUMBER CO.					
		I-469696	03 -5876208	LAND MAINTENA MATERIALS FOR REPAIRS	063857	31.92

FUND 03 AIRPORT AUTHORITY TOTAL: 2,906.72

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 08 NUTRITION

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-A00276	A LEROY DICK					
		I-201303044728	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	063763	130.52
01-E00207	EMMA E. BELLIS					
		I-201303044724	08 -5549308	CONTRACT SERV CONTRACT MEAL DELIVERY	063790	135.00
		I-201303044725	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	063790	101.70
01-O00556	OMAG-OK MUNICIPAL ASSUR					
		I-4TH QTR PMTS	08 -5549321	AUTO INSURANC NUTRITION-AUTO	063837	160.85
		I-4TH QTR PMTS	08 -5549322	LIABILITY INS NUTR-GEN LIAB & EQUI	063837	846.70
01-R00304	RICHELLE CHEYENNE					
		I-201303044726	08 -5549308	CONTRACT SERV CONTRACT MEAL DELIVERY	063846	135.00
		I-201303044727	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	063846	82.49
01-S00580	AT & T					
		I-201302274709	08 -5549315	TELEPHONE UTI PHONE UTIL-NUTRITION	063754	172.14
01-W00040	WALMART COMMUNITY BRC					
		I-001370	08 -5549202	OPERATING SUP MISC SUPPLIES FOR NUTRITI	063866	331.00
		I-001409	08 -5549202	OPERATING SUP MISC SUPPLIES FOR NUTRITI	063866	54.49
				FUND 08 NUTRITION	TOTAL:	2,149.89

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 09 LANDFILL RES./SUB-TITLE D

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-S00132	STEARNS, CONRAD & SCHMI					
		I-0196386	09 -5864327	SUB TITLE D E GRD WTR/GAS MONITORING FE	063850	590.00
		I-0204929	09 -5864327	SUB TITLE D E GRD WTR/GAS MONITORING FE	063850	1,110.00
				FUND 09 LANDFILL RES./SUB-TITLE DTOTAL:		1,700.00

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 11 EMPLOYEE RETIREMENT

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-A00664	MHBT INC.					
		I-281279	11 -5220302 CONSULTANTS	YRLY ACTURIAL SERVICE	063766	9,228.75
			FUND 11	EMPLOYEE RETIREMENT	TOTAL:	9,228.75

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 27 TOURISM FUND

VENDOR NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-MC0134 MCALESTER MAIN STREET					
	I-022014-2010/2011	27 -5655353	MAIN STREET P CONTRACT WITH MCALESTER MAIN S	063818	1,166.67
01-P00450 PRIDE IN MCALESTER					
	I-022014-2010-2011	27 -5655352	MISC PRIDE IN CONTRACT WITH PRIDE IN McALEST	063843	2,500.00
			FUND 27 TOURISM FUND	TOTAL:	3,666.67

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 28 SE EXPO CENTER

VENDOR NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-400329 JIMMY WILLIAMS					
	I-12-01740	28 -5654308	CONTRACT SERV ANNOUNCER FOR OSSAA	063759	100.00
01-A00633 ANGELIA P. BARROWS					
	I-12-01736	28 -5654308	CONTRACT SERV GATEKEEPER FEE-OSSAA TOUR	063765	75.00
01-B00192 BEN E. KEITH					
	I-01984699	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063772	423.35
	I-01993458	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063772	159.40
01-B00479 BRAD WILSON					
	I-12-01737	28 -5654308	CONTRACT SERV SCOREKEEPER FEE-OSSAA TOU	063773	50.00
01-C00823 COUNTRY MART					
	I-2-19-13	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063781	55.80
	I-2-22-13	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063781	46.93
01-J00110 JACKIE BRANNON CORR. CT					
	I-CC20130060	28 -5654308	CONTRACT SERV MONTHLY INMATE FEES	063806	188.54
01-L00343 LINDA TESTA					
	I-12-01741	28 -5654308	CONTRACT SERV GATE KEEPER FEE-OSSAA	063808	50.00
01-L00351 LITTLE CEASARS PIZZA					
	I-104542	28 -5654224	CATERING CATERING SUPPLIES	063809	50.00
01-O00556 OMAG-OK MUNICIPAL ASSUR					
	I-4TH QTR PMTS	28 -5654321	AUTO INSURANC EXPO-AUTO	063837	246.66
	I-4TH QTR PMTS	28 -5654322	LIABILITY INS EXPO-GEN LIAB & EQUI	063837	906.70
01-P00076 PAMELA M. KERNS					
	I-12-01738	28 -5654308	CONTRACT SERV SCOREKEEPER FEE-OSSAA	063839	125.00
01-P00082 PARADISE DONUTS					
	I-4629-15	28 -5654224	CATERING CATERING SUPPLIES	063840	20.70
01-P00210 PEPSI COLA					
	I-106828	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063841	490.00
01-P00250 PETTY CASH					
	I-201302204665	28 -5654331	TRAVEL & TRAI TRAVEL EXP-KIAMICHI BD MTG	063677	34.10
01-P00510 PRO-KIL, INC					
	I-70763	28 -5654316	REPAIRS & MAI QTRLY PEST CONTROL FEE	063844	365.00
01-P00560 PUBLIC SERVICE/AEP					
	I-201302274710	28 -5654313	ELECTRIC UTIL ELECT UTIL-EXPO RV	063753	40.23
01-S00065 SANDRA SMITH					

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 28 SE EXPO CENTER

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-S00065	SANDRA SMITH	continued				
		I-12-01739	28 -5654308	CONTRACT SERV SCOREKEEPER FEE-OSSAA	063848	100.00
01-W00040	WALMART COMMUNITY BRC					
		C-08436 CR	28 -5654202	OPERATING SUP MOUNTING BRKT FOR MONITOR	063866	94.83-
		I-00293	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063866	73.66
		I-008259	28 -5654210	CONCESSION SU CONCESSION & HOSPITALITY	063866	171.32
		I-03612	28 -5654202	OPERATING SUP MOUNTING BRKT FOR MONITOR	063866	19.00
		I-06844	28 -5654210	CONCESSION SU CONCESSION & HOSPITALITY	063866	76.00
		I-07303	28 -5654210	CONCESSION SU CONCESSION SUPPLIES	063866	186.78
		I-07742	28 -5654210	CONCESSION SU CONCESSION & HOSPITALITY	063866	139.98
		I-07781	28 -5654202	OPERATING SUP MOUNTING BRKT FOR MONITOR	063866	94.83
		I-08258	28 -5654210	CONCESSION SU CONCESSION & HOSPITALITY	063867	183.64
		I-08437	28 -5654202	OPERATING SUP MOUNTING BRKT FOR MONITOR	063867	87.00
01-W00270	WHITE ELECTRICAL SUPPLY					
		I-S1575083.001	28 -5654203	REPAIR & MAIN BULBS FOR PARKING LOT LTS	063870	242.09
				FUND 28 SE EXPO CENTER	TOTAL:	4,706.88

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 29 E-911

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-C00144	COMPUTER PROJECTS OF IL					
		I-13-02-60ME	29 -5324308	CONTRACTED SE YEARLY LICENSE FEE& MAINT	063775	195.00
01-O00556	OMAG-OK MUNICIPAL ASSUR					
		I-4TH QTR PMTS	29 -5324321	AUTO INSURANC 911 - AUTO	063837	759.66
		I-4TH QTR PMTS	29 -5324322	LIABILITY INS 911-GEN LIAB & EQUIP	063837	266.70
01-P00250	PETTY CASH					
		I-201302204665	29 -5324207	CLOTHING ALLO CLOTHING ALLOW REIMB	063677	22.50
01-W00392	WINDSTREAM CORPORATION					
		I-201302274712	29 -5324315	TELEPHONE UTI PHONE UTIL-CTY TRUNK 911 LINE	063755	452.50
				FUND 29 E-911	TOTAL:	1,696.36

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 30 ECONOMIC DEVELOPMENT

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-M00270	MPOWER ECONOMIC DEVELOP					
		I-022014-2010-2011	30 -5211360	ECONOMIC DEVE MPOWER ECONOMIC DEV	063811	19,542.75
01-MC0134	MCALESTER MAIN STREET					
		I-022014-2010/2011	30 -5211353	MAIN STREET P CONTRACT WITH MCALESTER MAIN S	063818	1,166.66
01-N00347	MEHLBURGER BRAWLEY, INC					
		I-MC-11-05-08	30 -5211405	8 INCH WATER 8" WTR MAIN-TAYLOR BUS PK	063827	570.00
		I-MC-12-01-07	30 -5211407	14 ST/69 HWY ENG FEE-14TH & 69 SWR EXT	063827	1,738.00
01-O00275	OKLA DEPT OF COMMERCE					
		I-032013-#12248	30 -5211510	CDBG / EDIF D CDBG - EDIF CONT #12248	063833	282.50
01-P00450	PRIDE IN MCALESTER					
		I-022014-2010-2011	30 -5211352	MISC PRIDE IN CONTRACT WITH PRIDE IN McALEST	063843	2,500.00
01-R00464	ROBISON INTERNATIONAL,					
		I-022014-2012-13	30 -5211361	LOBBYING SERV LOBBYING SERVICES-MDSA	063847	2,000.00
				FUND 30 ECONOMIC DEVELOPMENT	TOTAL:	27,799.91

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 32 GIFTS & CONTRIBUTIONS

VENDOR NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-S00100 JODY LYNN WOOD dba SCOR					
	I-100	32 -5215405	CAPITAL OUTLA ADA SIDEWALK REPAIRS	063849	6,801.30
			FUND 32 GIFTS & CONTRIBUTIONS TOTAL:		6,801.30

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 33 CDBG GRANTS FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-N00347	MEHLBURGER BRAWLEY, INC					
		I-MC-11-03-07	33 -5871513	2010 CDBG PRO CONSULTANT FEES-2010 CDBG	063827	4,540.00
				FUND 33 CDBG GRANTS FUND	TOTAL:	4,540.00

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 35 FLEET MAINTENANCE

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-A00200	ADAM TRUE VALUE & AG SU					
		I-245168	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063761	102.00
01-A00770	BOLTE ENTERPRISES, INC					
		C-916173 CR	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	63.79-
		C-917074 CR	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	135.79-
		C-917302 CR	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	12.84-
		C-917580 CR	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	36.00-
		I-917064	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	116.30
		I-919377	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	59.02
		I-921235	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	69.49
		I-921239	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	6.72
		I-921271	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	3.67
		I-921282	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063768	71.84
		I-921410	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063768	7.49
		I-921425	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063769	10.18
		I-921426	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063769	74.43
		I-921444	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063769	18.80
		I-921483	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063769	163.03
		I-921484	35 -5862203	REPAIRS & MAI SMALL REPAIR PARTS	063769	35.98
		I-921490	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063769	99.00
		I-921533	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063769	47.25
		I-921546	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063769	4.40
		I-921752	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063769	83.18
01-C00430	CHIEF FIRE & SAFETY CO.					
		I-173592	35 -5862203	REPAIRS & MAI REPAIR PARTS-LADDER 1	063777	1,031.67
01-C00669	CONTINENTAL RESEARCH CO					
		I-382411-DCT-1	35 -5862203	REPAIRS & MAI SHOP SUPPLIES	063780	236.03
01-H00068	HAROLD'S EQUIPMENT, INC					
		I-201303044729	35 -5862203	REPAIRS & MAI PUMP GEAR BOX FOR WTP	063798	1,738.10
01-N00271	NIX FORD MERCURY INC.					
		I-141370	35 -5862203	REPAIRS & MAI 35.50	063825	35.50
		I-141467	35 -5862203	REPAIRS & MAI 35.50	063825	46.00
01-O00075	O'REILLY AUTO PARTS					
		C-0230-482051 CR	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	42.39-
		C-0230-491691 CR	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	49.29-
		C-0230-492136 CR	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	33.29-
		I-0230-474669-1	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	37.39
		I-0230-482048	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	42.39
		I-0230-485021	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	23.76
		I-0230-486913	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	15.28
		I-0230-486986	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	17.59
		I-0230-493278	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	151.69
		I-0230-493361	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	331.94

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 35 FLEET MAINTENANCE

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-O00075	O'REILLY AUTO PARTS continued					
		I-0230-493414	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	365.47
		I-0230-493605	35 -5862205	PETROLEUM PRO ANTIFREEZE & FLUIDS	063828	780.00
		I-0230-493606	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	18.61
		I-0230-493763	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063828	39.51
		I-0230-493823	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	43.98
		I-0230-493850	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	43.78
		I-0230-493897	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	151.98
		I-0230-494209	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	3.65
		I-0230-494656	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	23.79
		I-0230-494770	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	236.00
		I-0230-494882	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	5.71
		I-0230-494887	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	16.22
		I-0230-494904	35 -5862203	REPAIRS & MAI MISC REPAIR PARTS	063829	14.54
01-O00122	OK TIRE					
		I-7108	35 -5862203	REPAIRS & MAI MISC VEHICLE REPAIRS	063830	40.00
01-P00250	PETTY CASH					
		I-201302204665	35 -5862203	REPAIRS & MAI SHIPPING FEE	063677	17.03
		I-201302204665	35 -5862203	REPAIRS & MAI REIMB AUTO PART	063677	3.00
01-S00710	STANDARD MACHINE LLC					
		I-231459	35 -5862203	REPAIRS & MAI MISC PARTS FOR REPAIRS	063855	2.00
01-W00195	WELDON PARTS INC.					
		I-9867307-00	35 -5862203	REPAIRS & MAI REPAIR PARTS FOR VEHICLES	063869	300.40

FUND 35 FLEET MAINTENANCE TOTAL: 6,412.40

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 36 WORKER'S COMPENSATION

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-M00629	MUTUAL ASSURANCE ADIMIN					
		I-9217	36 -5215315	THIRD PARTY A W/C ADMINISTRATION FEE	063814	941.68
				FUND 36 WORKER'S COMPENSATION	TOTAL:	941.68

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
FUND : 41 CIP FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-F00170	FIRST NATIONAL BANK					
		I-032013-#137	41 -5865510	LEASE PAYMENT LEASE PAYMENT ON DURAPATCHER	063793	3,378.84
01-N00347	MEHLBURGER BRAWLEY, INC					
		I-MC-11-02-05	41 -5975406	RESIDUAL HAND RESIDUAL HANDLING IMPROV	063827	1,713.00
				FUND 41 CIP FUND	TOTAL:	5,091.84
					REPORT GRAND TOTAL:	284,409.40

** G/L ACCOUNT TOTALS **

YEAR	ACCOUNT	NAME	AMOUNT	=========LINE ITEM========= ANNUAL BUDGET	BUDGET AVAILABLE	OVER BUDG	=======GROUP BUDGET======= ANNUAL BUDGET	BUDGET AVAILABLE	OVER BUDG
2012-2013	01 -5101355	OIL-OK FOR INDEPENDENT LIV	2,000.00	24,000	8,000.00				
	01 -5210202	OPERATING SUPPLIES	70.45	2,600	458.46				
	01 -5210303	CONSULTANTS/BENEFITS	1,856.50	62,500	37,500.00				
	01 -5211202	OPERATING SUPPLIES	109.23	6,300	2,699.56				
	01 -5212308	CONTRACTED SERVICES	64.00	2,300	25.40-	Y			
	01 -5213336	FEES	200.00	2,500	700.00				
	01 -5214302	CONSULTANTS	5,282.00	135,200	712.30				
	01 -5215301	AUDITING	6,000.00	23,000	3,000.00				
	01 -5215312	EQUIPMENT RENTALS	1,898.77	30,900	116.82-	Y			
	01 -5215313	ELECTRIC UTILITY	75.22	315,000	140,192.00				
	01 -5215314	GAS UTILITY	33.82	14,000	12,928.00				
	01 -5215315	TELEPHONE UTILITY	210.58	27,900	4,139.51				
	01 -5215321	AUTO INSURANCE	14,319.77	85,000	5,376.06				
	01 -5215322	LIABILITY INSURANCE/BONDS	5,650.88	145,000	41,217.60				
	01 -5225202	OPERATING SUPPLIES	96.74	2,600	2,118.75				
	01 -5225349	SOFTWARE MAINTENANCE	199.50	45,400	1,888.72				
	01 -5320202	OPERATING EXPENSE	7.95	4,300	2,885.67				
	01 -5321202	OPERATING SUPPLIES	569.52	12,700	5,568.77				
	01 -5321308	CONTRACTED SERVICES	259.40	15,000	6,642.88				
	01 -5321510	LEASE PAYMENTS	5,185.00	62,220	15,555.00				
	01 -5322202	OPERATING SUPPLIES	197.48	2,700	1,905.74				
	01 -5324202	OPERATING SUPPLIES	65.00	1,500	616.12				
	01 -5324207	CLOTHING ALLOWANCE	156.00	1,000	761.78				
	01 -5431202	OPERATING SUPPLIES	1,995.88	11,700	1,614.85				
	01 -5431203	REPAIRS & MAINT SUPPLIES	412.14	13,000	7,888.30				
	01 -5431204	SMALL TOOLS	239.95	5,100	4,134.05				
	01 -5431207	CLOTHING ALLOWANCE	602.06	18,500	2,422.76				
	01 -5431212	FUEL EXPENSE	85.01	19,600	4,478.54				
	01 -5431305	PHYSICALS	475.00	25,000	21,523.00				
	01 -5431316	REPAIRS & MAINTENANCE	235.00	11,100	7,752.55				
	01 -5431328	INTERNET SERVICE	62.95	2,800	1,289.20				
	01 -5431330	DUES & SUBSCRIPTIONS	45.00	8,100	4,823.00				
	01 -5431331	EMPLOYEE TRAVEL & TRAININ	301.65	9,300	5,683.81				
	01 -5432202	OPERATING SUPPLIES	2,381.56	21,000	3,146.02				
	01 -5432203	REPAIR & MAINT SUPPLIES	54.88	7,500	4,232.96				
	01 -5432316	REPAIRS & MAINTENANCE	597.00	4,800	2,737.13				
	01 -5432330	DUES & SUBSCRIPTIONS	225.00	1,500	755.00				
	01 -5432331	EMPLOYE TRAVEL & TRAINING	114.24	3,500	591.63				
	01 -5542202	OPERATING SUPPLIES	560.66	6,000	4,004.00				
	01 -5542203	REPAIRS & MAINT SUPPLIES	376.36	52,600	11,638.68				
	01 -5542330	DUES & SUBSCRIPTIONS	20.00	800	474.00				
	01 -5543203	REPAIRS & MAINT SUPPLIES	318.48	13,000	2,739.78				
	01 -5543316	REPAIRS & MAINTENANCE	1,900.00	7,000	4.65				
	01 -5544203	REPAIRS & MAINTENANCE SUPP	311.62	8,500	1,164.99				
	01 -5544308	CONTRACT LABOR	810.00	22,000	12,782.83				

** G/L ACCOUNT TOTALS **

YEAR	ACCOUNT	NAME	AMOUNT	=========LINE ITEM========= ANNUAL BUDGET	BUDGET AVAILABLE	OVER BUDG	=======GROUP BUDGET======= ANNUAL BUDGET	BUDGET AVAILABLE	OVER BUDG
	01 -5547203	REPAIRS & MAINT SUPPLIES	240.00	10,500	2,465.82				
	01 -5547308	CONTRACTED SERVICES	367.97	4,500	84.32				
	01 -5547328	INTERNET SERVICE	59.95	840	360.80				
	01 -5548203	REPAIRS & MAINTENANCE SUPP	471.91	54,500	30,013.75				
	01 -5548316	REPAIRS & MAINTENANCE	60.00	23,000	7,683.53				
	01 -5652202	OPERATING SUPPLIES	4.49	1,900	859.84				
	01 -5652330	DUES & SUBSCRIPTIONS	35.00	1,300	12.00				
	01 -5652331	EMPLOYEE TRAVEL & TRAININ	160.00	1,600	217.96				
	01 -5653202	OPERATING SUPPLIES	39.95	2,800	771.37				
	01 -5653340	CLOTHING ALLOCATION	29.99-	0	16.63-	Y			
	01 -5653348	DRUG TESTING/PHYSICALS	298.00	22,200	14,910.25				
	01 -5865203	REPAIR & MAINT-TRAFFIC CON	648.70	114,500	90,122.28				
	01 -5865218	STREET REPAIRS & MAINTENAN	495.95	275,000	45,959.97				
	01 -5865328	INTERNET SERVICE	82.95	1,510	241.20				
	02 -5216202	OPERATING SUPPLIES	400.00	13,500	1,302.59				
	02 -5216336	FEES	293.16	4,500	1,311.56				
	02 -5267202	OPERATING SUPPLIES	139.42	6,000	3,797.58				
	02 -5267301	AUDITING	6,000.00	23,000	3,000.00				
	02 -5267302	CONSULTANTS	1,357.50	25,000	6,172.25				
	02 -5267315	TELEPHONE UTILITY	830.15	50,900	6,052.37				
	02 -5267321	AUTO INSURANCE - FLEET	3,396.56	30,000	10,815.57				
	02 -5267322	LIABILITY INSURANCE/BONDS	165.05	51,000	26,986.72				
	02 -5267521	CDBG LOAN #8908	1,145.83	13,750	3,437.53				
	02 -5864203	REPAIRS & MAINT SUPPLIES	61.06	4,500	4,438.94				
	02 -5864329	DEQ FEES	60.39	8,500	7,159.44				
	02 -5864510	LEASE PAYMENTS	8,524.37	102,293	25,573.67				
	02 -5866230	RECYCLING CENTER EXPENSE	7.59	4,600	2,076.32				
	02 -5866510	LEASE PURCHASE	36,094.08	56,140	20,045.92				
	02 -5871302	CONSULTANTS	2,755.00	166,060	32,840.42				
	02 -5973203	REPAIRS & MAINT SUPPLIES	181.19	61,680	28,923.61				
	02 -5973304	LAB TESTING	324.47	37,600	12,533.91				
	02 -5973316	REPAIRS & MAINTENANCE	4,105.68	40,500	12,875.06				
	02 -5973401	CAPITAL OUTLAY	12,419.46	20,805	0.54				
	02 -5974203	REPAIRS & MAINT SUPPLIES	1,267.93	96,500	986.15				
	02 -5974206	CHEMICALS	8,010.49	385,000	85,447.04				
	02 -5974304	LAB TESTING	2,115.00	30,000	13,267.59				
	02 -5974317	ADVERTISING/PRINTING/POSTA	24.50	3,000	291.66				
	02 -5974331	EMPLOYEE TRAVEL & TRAININ	8.74	2,000	158.92				
	02 -5974401	CAPITAL OUTLAY	17,500.00	37,500	0.63				
	02 -5975211	WATER METERS	3,029.53	45,000	3,460.39				
	02 -5975218	STREET REPAIRS & MAINTENAN	4,259.91	158,000	62,875.48				
	02 -5975230	SEWER MAIN REPAIR	3,155.66	100,000	55,829.82				
	02 -5975235	WATER MAIN REPAIR	1,937.80	50,000	10,722.83				
	02 -5975240	LAND IMPROVEMENTS	8,726.63	10,000	1,023.37				
	02 -5975331	EMPLOYEE TRAVEL & TRAININ	37.90	2,000	907.52				

** G/L ACCOUNT TOTALS **

YEAR	ACCOUNT	NAME	AMOUNT	=========LINE ITEM========= ANNUAL BUDGET	BUDGET AVAILABLE	OVER BUDG	=======GROUP BUDGET======= ANNUAL BUDGET	BUDGET AVAILABLE	OVER BUDG
	02 -5975523	LEASES/LOANS	18,864.82	18,865	0.18				
	03 -5876208	LAND MAINTENANCE SUPP.	31.92	2,400	1,786.08				
	03 -5876321	AUTO INSURANCE	201.71	1,200	393.18				
	03 -5876322	INSURANCE/BONDS	163.09	15,217	4,360.99				
	03 -5876511	FNB LOAN #119817 PAYMENTS	2,510.00	30,300	7,710.00				
	08 -5549202	OPERATING SUPPLIES	385.49	1,500	529.58				
	08 -5549308	CONTRACT SERVICES	584.71	15,500	5,074.16				
	08 -5549315	TELEPHONE UTILITY	172.14	2,400	502.40				
	08 -5549321	AUTO INSURANCE	160.85	3,200	2,736.59				
	08 -5549322	LIABILITY INSURANCE/BONDS	846.70	3,600	60.23				
	09 -5864327	SUB TITLE D EXPENSE	1,700.00	80,000	18,443.68				
	11 -5220302	CONSULTANTS	9,228.75	38,020	7,020.00				
	27 -5655352	MISC PRIDE IN MCALESTER	2,500.00	30,000	10,000.00				
	27 -5655353	MAIN STREET PROGRAM	1,166.67	14,000	4,666.64				
	28 -5654202	OPERATING SUPPLIES	106.00	3,500	1,883.60				
	28 -5654203	REPAIR & MAINT SUPPLIES	242.09	20,000	5,301.88				
	28 -5654210	CONCESSION SUPPLIES	2,006.86	29,000	14,802.33				
	28 -5654224	CATERING	70.70	1,200	882.30				
	28 -5654308	CONTRACT SERVICES	688.54	4,500	1,646.88				
	28 -5654313	ELECTRIC UTILITY	40.23	63,000	30,131.41				
	28 -5654316	REPAIRS & MAINTENANCE	365.00	22,000	9,942.43				
	28 -5654321	AUTO INSURANCE	246.66	1,300	313.35				
	28 -5654322	LIABILITY INSURANCE/BONDS	906.70	30,168	11,557.31				
	28 -5654331	TRAVEL & TRAINING	34.10	1,000	54.21-	Y			
	29 -5324207	CLOTHING ALLOWANCE	22.50	2,500	2,138.70				
	29 -5324308	CONTRACTED SERVICES	195.00	80,000	38,758.24				
	29 -5324315	TELEPHONE UTILITY	452.50	60,000	22,014.05				
	29 -5324321	AUTO INSURANCE	759.66	1,500	0.35				
	29 -5324322	LIABILITY INSURANCE/BONDS	266.70	3,000	640.23				
	30 -5211352	MISC PRIDE IN MCALESTER	2,500.00	30,000	10,000.00				
	30 -5211353	MAIN STREET PROGRAM	1,166.66	14,000	4,666.72				
	30 -5211360	ECONOMIC DEVELOP. SERVICES	19,542.75	234,513	78,171.00				
	30 -5211361	LOBBYING SERVICES	2,000.00	24,000	8,000.00				
	30 -5211405	8 INCH WATER MAIN-TAYLOR I	570.00	35,671	26,522.50				
	30 -5211407	14 ST/69 HWY SWR EXTENSION	1,738.00	454,408	6,387.00				
	30 -5211510	CDBG / EDIF DURALINE LOAN	282.50	3,390	847.50				
	32 -5215405	CAPITAL OUTLAY ADA COMPLIA	6,801.30	32,500	25,698.70				
	33 -5871513	2010 CDBG PROJECT	4,540.00	155,292	2,752.00				
	35 -5862203	REPAIRS & MAINTENANCE SUPP	5,632.40	369,900	190,110.83				
	35 -5862205	PETROLEUM PRODUCTS	780.00	23,600	18,200.25				
	36 -5215315	THIRD PARTY ADM FEES	941.68	12,000	700.00				
	41 -5865510	LEASE PAYMENTS	3,378.84	40,547	10,137.44				
	41 -5975406	RESIDUAL HANDLING IMPROVEM	1,713.00	31,350	0.00				
	** 2012-2013 YEAR TOTALS **		284,409.40						

NO ERRORS

** END OF REPORT **

PACKET: 09352 CLAIMS FOR 3/12/2013
VENDOR SET: 01
BANK : FNB FIRST NATIONAL BANK

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT

** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
01	2/2013	1,730.16CR
01	3/2013	57,836.97CR
02	2/2013	876.79CR
02	3/2013	146,323.08CR
03	3/2013	2,906.72CR
08	2/2013	172.14CR
08	3/2013	1,977.75CR
09	3/2013	1,700.00CR
11	3/2013	9,228.75CR
27	3/2013	3,666.67CR
28	2/2013	74.33CR
28	3/2013	4,632.55CR
29	2/2013	475.00CR
29	3/2013	1,221.36CR
30	3/2013	27,799.91CR
32	3/2013	6,801.30CR
33	3/2013	4,540.00CR
35	2/2013	20.03CR
35	3/2013	6,392.37CR
36	3/2013	941.68CR
41	3/2013	5,091.84CR
ALL		284,409.40CR

CONTRACT FOR SERVICES

THIS CONTRACT, MADE AND ENTERED INTO THIS _____ DAY OF _____, 2013, BY AND BETWEEN *THE CITY OF MCALESTER* ("CITY") AND *THE MCALESTER AREA CHAMBER OF COMMERCE AND AGRICULTURE* ("CHAMBER") (TOGETHER THE "PARTIES") IS FOR THE SERVICES DESCRIBED MORE FULLY HEREUNDER.

THE "PARTIES" HERETO AGREE THAT THE "CHAMBER" SHALL PRODUCE (THE "SERVICES") THE MCALESTER TOURISM GUIDE PUBLICATION IN ACCORDANCE WITH THE PROVISIONS SET FORTH BELOW, AND AS MORE SPECIFICALLY DESCRIBED IN APPENDICES A & B, WHICH ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. *THE PARTIES FURTHER AGREE AS FOLLOWS*:

1. **SCOPE OF SERVICES.** THE CHAMBER AGREES TO PRODUCE, SELL, PRINT (THROUGH A LOCAL COMMERCIAL PRINTING SERVICE) AND DISTRIBUTE THE ANNUAL MCALESTER TOURISM GUIDE ("GUIDE"):
   a. THE "GUIDE" WILL DEPICT POINTS OF INTEREST, FESTIVALS, GROUPS/ORGANIZATIONS, HISTORIC SITES, SOUTHEAST EXPO CENTER, LODGING, DINING, SHOPPING, ETC. THAT WILL GENERATE INTEREST AND TOURS STARTING AND ENDING IN MCALESTER AND THE SURROUNDING AREAS.
   b. THE "CHAMBER" SHALL BE EXCLUSIVELY ENTITLES TO SELL ADVERTISEMENT SPACE WITHIN THE "GUIDE" TO BOTH CHAMBER MEMBERS AND NON-CHAMBER BUSINESSES.
   c. THE "CHAMBER" WILL HAVE FINAL AUTHORITY ON THE THEME, EDITORIAL, AND PHOTOGRAPHIC CONTENT OF THE "GUIDE".
   d. THE "CHAMBER" MARKETING LOGO WILL BE USED IN CONJUNCTION WITH THE "CITY" MARKETING LOGO ON THE COVER OF THE "GUIDE".

2. **TERM.** THE "SERVICES" SHALL COMMENCE ON OR ABOUT _____, 2013 ("START DATE") AND CONTINUE _____, 2013, WHEN THE GUIDE SHALL BE DISTRIBUTED ("INVOICE DATE").

3. **PRICE AND PAYMENT.** THE "CITY" SHALL PAY TO THE CHAMBER THE SUM SPECIFIED IN THE INVOICE FOR PRINTING OF "SERVICES" WITHIN THIRTY (30) DAYS OF RECEIPT OF INVOICE. THE "CITY" SHALL NOT BE LIABLE FOR ANY COSTS OTHER THAN THE PRICE SPECIFIED THEREIN, AN AMOUNT NOT TO EXCEED $10,397.00.

ACCEPTED:

FOR THE CITY:	FOR THE CHAMBER:
_____	_____
PRINT NAME, TITLE	PRINT NAME, TITLE
_____	_____
SIGNATURE DATE	SIGNATURE DATE
28 E. WASHINGTON (PO BOX 578) MCALESTER, OK 74502 918-423-9300	101 S. 2ND ST., STE. E (PO BOX 759) MCALESTER, OK 74502 918-423-2550

APPENDICES:

A – BRIGGS PRINTING QUOTE (1/21/2013)
B – CHAMBER LETTER – CAMPAIGN ANNOUNCEMENT TO MEMBERSHIP
C – INVOICE FOR PRINTING OF SERVICES AT 9000 COPIES

THE MCALESTER CHAMBER OF COMMERCE

Invoice

101 S. 2ND ST. STE. E
PO BOX 759
MCALESTER, OK 74502
918-423-2550
FAX: 918-423-1345
WWW.MCALESTER.ORG

Invoice No. 00000304

Customer ID: The City (

Date
03/0402013

Quantity	Item	Description	Total
1	Printing + Tax	9000 20123-2014 McAlester Toursim Guides	$10,397.00

Subtotal:	$10,397.00
Tax:	0.00
Shipping:	0.00
Miscellaneous:	0.00
Balance Due:	$10,397-.00

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Phone: Error! Reference source not found.
Fax: Error! Reference source not found.
E-Mail: Error! Reference source not found.
Web: Error! Reference source not found.

BRIGGS PRINTING, LLC
505 South Second
McAlester, OK 74501
918 423-7326 or Toll Free 888 267-3608
FAX 918 423-3557

Estimate Number: 18974

1/21/2013

Customer ID: 32550
McAlester Chamber of Commerce
10 South Third
P. O. Box 759
McAlester, OK 74502

Thank you for allowing us to help with your printing needs. We appreciate the opportunity to serve you. Please call if you have any questions about your quote.

This quote is good for 30 days.

Quantities	**4500**	**7000**	**9000**
Unit Cost:	$1.66833	$1.21036	$1.15522
Unit Cost per 1000:	$1,668.33	$1,210.36	$1,155.22
Estimate Price:	**$7,507.50**	**$8,472.50**	**$10,397.00**

Estimate Specifications

Description	2013 Chamber Tourism Magazine - 36 pages including TAX
Type of Estimate:	Flat Sheet
Finished Size:	8.5 x 11
Stock Description:	Custom Stock No Reference Code, WHITE, 0#
Graphics Operation:	Photo Composition
Additional Operations:	print and finish, Freight, TAX

Estimate Notes:
Price includes TAX

Authorized By:_____ **Date:**_____

Carl Gullick
BIO

Carl Gullick, a native of Greenville, SC was raised in Charlotte. He attended Wingate College, where he was Student Body President. He continued his education at UNC-Chapel Hill and was a Senior Class Marshall and Governor of the NC student Legislature.

His first job after graduation was as a senior aide in the U.S. Senate. In addition to other duties, he was in charge of the successful effort to save the New River. This represented the first time in history that Congress revoked a license issued by the Federal Power Commission.

He later went into a corporate career in Human Resources. He worked for Celanese and BASF, where he was an HR director. At American Thread, he was the Corporate Vice President of HR, and was in charge of multinational human resource operations. Later he formed Carolina Staff resources which he ran until he sold after eleven years. Since then he has been a consultant in the areas of governmental relations and economic development.

In 1992, he was elected to the York County Council and was then selected by the Council to be their Chairman. While Chairman, he conceived the Pennies for Progress program. He lobbied the legislature to change the law to make such a program possible. He has led the first campaign for public support. The program initially raised $99.2 million. He also led the successful effort to obtain $162 million for roads, to that was added another $30 million.

He was the negotiator in efforts that resulted in over $1 billion in new industrial investment in the county. Companies that came to York County as a result of these efforts included Black and Decker, U.S. Food Service, West Marine, and Tyco.

During Gullick's tenure the county's undesignated reserve fund was taken from a negative $100,000 to a positive balance of over $20 million. However, the county maintained the second lowest millage rate in the state and had its bond rating upgraded twice.

Also, the council adopted the York County Forever program that had preserved over 2,000 acres when Gullick retired from the council.

Gullick served a total of eight year on the board of directors of the Rock Hill Chamber of Commerce and The York County Regional Chamber of Commerce. In 2005 he served as the Chamber's Chairman.

In 2006, he was elected to the SC House of Representatives. During his second year in office he was one of only two legislators given the Champions of Public Education Award.

Gullick currently resides in McAlester, Oklahoma.

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	1
Department:	City Manager		
Prepared By:	Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	1

Subject

CONSIDER AND TAKE ACTION WITH RESPECT TO AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, RELATING TO THE IMPOSITION OF A CITY EXCISE TAX (SALES TAX) OF ONE PERCENT (1%) (IN ADDITION TO ANY AND ALL OTHER EXCISE TAXES NOW IN FORCE; PROVIDED THAT SAID EXCISE TAX SHALL REPLACE AND SUPERCEDE A ONE PERCENT (1%) EXCISE TAX PRESENTLY BEING LEVIED PURSUANT TO ORDINANCE NO. 1166 OF THE CITY, AS HERETOFORE AMENDED), SAID EXCISE TAX TO BE LEVIED UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM ALL SALES TAXABLE UNDER THE OKLAHOMA SALES TAX CODE; PROVIDING FOR THE USE OF THE PROCEEDS OF SAID EXCISE TAX; PROVIDING FOR THE EFFECTIVE DATE AND STATED TERMINATION DATE OF SAID EXCISE TAX; PROVIDING FOR SUBSISTING STATE PERMITS; PROVIDING FOR PAYMENT OF TAX; PROVIDING THAT THE TAX IS IN ADDITION TO TAXES CURRENTLY LEVIED, EXCEPT AS PROVIDED ABOVE; INCORPORATING CERTAIN PROVISIONS OF PRIOR CITY ORDINANCES; PROVIDING FOR AMENDMENTS TO THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE ARE CUMULATIVE AND IN ADDITION TO ANY AND ALL TAXING PROVISIONS OF OTHER CITY ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND CONTAINING OTHER PROVISIONS RELATED THERETO. (*Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

Recommendation

Motion to approve Ordinance of the City of McAlester, Oklahoma, relating to the imposition of a City Excise Tax (sales tax) of one percent (1%) which shall replace and supercede a one percent (1%) excise tax presently being levied.

Discussion

Attachment: Ordinance

Approved By

		Initial	*Date*
Department Head			
City Manager	P. Stasiak	PJS	03/05/13

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") MET IN REGULAR SESSION IN THE COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING, 28 EAST WASHINGTON AVENUE, IN SAID CITY ON THE 12TH DAY OF MARCH, 2013, AT 6:00 O'CLOCK P.M.

PRESENT:

ABSENT:

(OTHER PROCEEDINGS)

Thereupon, the following Ordinance was introduced and caused to be read by the Mayor. Councilmember _____ moved passage of the Ordinance and Councilmember _____ seconded the motion. The motion carrying with it the approval of said Ordinance was approved by the following vote:

AYE:

NAY:

The Ordinance so approved is as follows:

[see next page]

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, RELATING TO THE IMPOSITION OF A CITY EXCISE TAX (SALES TAX) OF ONE PERCENT (1%) (IN ADDITION TO ANY AND ALL OTHER EXCISE TAXES NOW IN FORCE; PROVIDED THAT SAID EXCISE TAX SHALL REPLACE AND SUPERCEDE A ONE PERCENT (1%) EXCISE TAX PRESENTLY BEING LEVIED PURSUANT TO ORDINANCE NO. 1166 OF THE CITY, AS HERETOFORE AMENDED), SAID EXCISE TAX TO BE LEVIED UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM ALL SALES TAXABLE UNDER THE OKLAHOMA SALES TAX CODE; PROVIDING FOR THE USE OF THE PROCEEDS OF SAID EXCISE TAX; PROVIDING FOR THE EFFECTIVE DATE AND STATED TERMINATION DATE OF SAID EXCISE TAX; PROVIDING FOR SUBSISTING STATE PERMITS; PROVIDING FOR PAYMENT OF TAX; PROVIDING THAT THE TAX IS IN ADDITION TO TAXES CURRENTLY LEVIED, EXCEPT AS PROVIDED ABOVE; INCORPORATING CERTAIN PROVISIONS OF PRIOR CITY ORDINANCES; PROVIDING FOR AMENDMENTS TO THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE ARE CUMULATIVE AND IN ADDITION TO ANY AND ALL TAXING PROVISIONS OF OTHER CITY ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

WHEREAS, the City of McAlester, Oklahoma (the "City") currently levies a three and one half percent (3.5%) excise tax (sales tax); and

WHEREAS, of said three and one half percent (3.5%) excise tax, two percent (2%) is levied pursuant to Ordinance No. 1166 of the City, as amended by Ordinance No. 1310 of the City (collectively, the "General Purpose Ordinance"), and the purpose of said General Purpose Ordinance is to provide revenue for the support of the functions of the municipal government of the City of McAlester, and with the term of said General Purpose Ordinance being unlimited in duration; and

WHEREAS, of said three and one half percent (3.5%) excise tax, one-half of one percent (0.5%) is levied pursuant to Ordinance No. 2159, as it amends the Two Percent Ordinance (said amendment to the General Purpose Ordinance being referred to as the "Half Percent Ordinance"), and the purpose of said Half Percent Ordinance is to provide revenues to be used (i) one-quarter of one percent (0.25%) for education and (ii) one-quarter of one percent (0.25%) for economic development, and with the term of said Half Percent Ordinance expiring on July 1, 2018; and

WHEREAS, of said three and one half percent (3.5%) excise tax, one percent (1%) is levied pursuant to various amendments to the General Purpose Ordinance, which amendments include, but not by way of limitation, Ordinance No. 1576, Ordinance No. 1983, Ordinance No. 2036, Ordinance No. 2037, Ordinance No. 2038, Ordinance No. 2091, and Ordinance No. 2144 (the amendments to the General Purpose Ordinance being collectively referred to as the "Prior One

Percent Ordinance"), and the purpose of said Prior One Percent Ordinance is to provide revenue for the support of payment of principal and interest on indebtedness incurred on behalf of the City by The McAlester Public Works Authority and any indebtedness incurred to refund or advance refund the same and for providing capital improvements of said City, and with the term of said Prior One Percent Ordinance expiring on November 30, 2031; and

WHEREAS, pursuant to this Ordinance No. _____ of the City, which will replace and supersede the Prior One Percent Ordinance in its entirety, the registered qualified voters of the City are being asked to modify the purpose for which the proceeds of said excise tax can be expended.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA, AS FOLLOWS:

Section 1. Citations and Codification. This Ordinance shall be known and may be cited as the City of McAlester Sales Tax Ordinance of 2013, and the same shall be codified and incorporated into the Code of Ordinances of the City of McAlester, Oklahoma (the "City").

Section 2. Tax Imposed. There is hereby imposed an excise tax of one percent (1%), in addition to any and all other excise taxes now in force; provided that said excise tax shall replace and supercede the one percent (1%) excise tax presently being levied pursuant to the Prior One Percent Ordinance; said excise tax to be levied upon the gross proceeds or gross receipts derived from all sales taxable under the Oklahoma Sales Tax Code.

Section 3. Purpose of Revenues. It is hereby declared to be the purpose of this Ordinance and the excise tax levied hereunder to provide revenues to be used by the City, or any public trust having the City as beneficiary thereof, for the purpose of funding debt service in connection with obligations issued by the City, or any public trust having the City as beneficiary thereof, which obligations have heretofore or hereafter been approved by the voters of the City, including, but not by way of limitation, (i) The McAlester Public Works Authority's Utility System Revenue Bonds, Series 2002, (ii) The McAlester Public Works Authority's Utility System and Sales Tax Revenue Refunding Note, Series 2012, and (iii) The McAlester Public Works Authority debt obligations which were approved by the voters of the City on November 6, 2012, and which can be issued in the original aggregate principal amount of not to exceed $13,800,000 with the proceeds to be used to fund street improvements, as well as related infrastructure improvements within the project areas.

Section 4. Effective Date and No Stated Termination Date. The provisions of this Ordinance and the collection of the excise tax referenced herein shall become effective on and after May 14, 2013, subject to approval by a majority of the qualified electors of the City of McAlester, Oklahoma, voting on the same in the manner prescribed by law. The provisions of this Ordinance and the collection of the excise tax referenced herein shall terminate and shall cease to be levied after November 30, 2031. Any excise tax revenues levied or collected pursuant to the Prior One Percent Ordinance and not expended or obligated for expenditure as of May 14, 2013, shall be available for the purposes set forth in this Ordinance No. ____.

Section 5. Subsisting State Permits. All valid and subsisting permits to do business issued by the Oklahoma Tax Commission pursuant to the Oklahoma Sales Tax Code are, for the purposes

of this Ordinance, hereby ratified, confirmed and adopted in lieu of any requirement for an additional City permit for the same purpose.

Section 6. Payment of Tax. The tax herein levied shall be paid to the Tax Collector at the time and in the manner and form prescribed for payment of the state sales tax under the State Tax Law of the State of Oklahoma.

Section 7. This Tax in Addition to Taxes Currently Levied; Administrative Procedures. The tax levied hereby is in addition to any and all other excise taxes levied or assessed by the City (except as provided in Section 2 hereof with respect to the replacement of the one percent (1%) currently being levied) pursuant to existing City Ordinances (the "Existing Ordinances"); provided, however, that those provisions, if any, of said Existing Ordinances relating to Definitions; Tax Collector Defined; Classification of Taxpayers - Permit to Do Business; Subsisting State Permits; the portion of Tax Rate - Sales Subject to Tax, pertaining to Sales Subject to Tax (not rate of Tax); the provisions of said Existing Ordinances regarding Exemptions and Other Exempt Transfers; the provisions of said Existing Ordinances regarding Tax Due When--Returns--Records; the portion of said Existing Ordinances regarding tax constituting debt; Vendor's Duty to Collect Tax; Returns and Remittances - Discounts; Interest and Penalties--Delinquency; Waiver of Interest and Penalties; Erroneous Payments--Claim for Refund; Fraudulent Returns; and Records Confidential shall apply to the excise tax levied and assessed by this Ordinance. For purposes of this Ordinance, references in said Existing Ordinances, to specific provisions of the Oklahoma Statutes shall be deemed to be references to said statutory provisions, as amended.

Section 8. Amendments. The people of the City of McAlester, Oklahoma, by their approval of this Ordinance at the election hereinabove provided for, hereby authorize the City by Ordinance duly enacted to make such administrative and technical changes or additions in the method and manner of administration and enforcing this Ordinance as may be necessary or proper for efficiency and fairness or in order to make the same consistent with the Oklahoma Sales Tax Code, as amended, except that the rate of the tax herein provided for shall not be changed without approval of the qualified electors of the City as provided by law.

Section 9. Provisions Cumulative. The provisions hereof shall be cumulative and in addition to any and all other taxing provisions of City Ordinances.

Section 10. Severability. The provisions of this Ordinance are severable, and if any part or provision hereof shall be adjudged invalid by any court of competent jurisdiction, such adjudication shall not affect or impair any of the remaining parts or provisions hereof.

PASSED AND APPROVED THIS 12TH DAY OF MARCH, 2013.

CITY OF MCALESTER, OKLAHOMA

(SEAL)

By: _____
Name: Steve Harrison
Title: Mayor

ATTEST:

By: _____
Name: Cora Middleton
Title: City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF PITTSBURG)

I, the undersigned, the duly qualified and acting Clerk of the City of McAlester, in said County and State, hereby certify that the foregoing copy of proceedings is a true and complete copy of the proceedings had by the City Council of said City at a regular meeting held on the date therein set out, insofar as the same relate to the introduction, reading and adoption of Ordinance No. _____, as the same appears of record in my office.

I further certify that attached hereto are true and complete copies of the notice given to the City Clerk of McAlester, Oklahoma, on or before December 15, 2012, and of public notice posted at the Municipal Building, 28 East Washington Avenue, in McAlester, Oklahoma, at least twenty-four (24) hours prior to this meeting, excluding Saturdays, Sundays and legal holidays, all in compliance with the Oklahoma Open Meeting Act.

WITNESS MY HAND AND THE SEAL OF SAID CITY THIS 12TH DAY OF MARCH, 2013.

(SEAL)

_____
City Clerk

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	2
Department:	City Manager		
Prepared By:	Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	1

Subject

CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION AUTHORIZING THE CALLING AND HOLDING OF AN ELECTION IN THE CITY OF MCALESTER, STATE OF OKLAHOMA, FOR THE PURPOSE OF SUBMITTING TO THE REGISTERED QUALIFIED ELECTORS OF SAID CITY THE QUESTION OF APPROVAL OR REJECTION OF AN ORDINANCE RELATING TO A CHANGE OF PURPOSE OF A ONE PERCENT (1%) EXCISE TAX (SALES TAX) PRESENTLY BEING LEVIED BY THE CITY; AND CONTAINING OTHER PROVISIONS RELATING THERETO. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

Recommendation

Motion to approve a Resolution authorizing the calling and holding of an Election in the City of McAlester, State of Oklahoma.

Discussion

Attachment: Resolution.

Approved By

		Initial	*Date*
Department Head			
City Manager	P. Stasiak	PJS	03/05/13

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") MET IN REGULAR SESSION IN THE COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING, 28 EAST WASHINGTON AVENUE, IN SAID CITY ON THE 12TH DAY OF MARCH, 2013, AT 6:00 O'CLOCK P.M.

PRESENT:

ABSENT:

(OTHER PROCEEDINGS)

Thereupon, the following resolution was introduced and caused to be read by the Mayor. Councilmember _____ moved passage of the Resolution and Councilmember _____ seconded the motion. The motion carrying with it the approval of said Resolution was approved by the following vote:

AYE:

NAY:

The Resolution so approved is as follows:

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING THE CALLING AND HOLDING OF AN ELECTION IN THE CITY OF MCALESTER, STATE OF OKLAHOMA, FOR THE PURPOSE OF SUBMITTING TO THE REGISTERED QUALIFIED ELECTORS OF SAID CITY THE QUESTION OF APPROVAL OR REJECTION OF ORDINANCE NO. ____ RELATING TO A CHANGE OF PURPOSE OF A ONE PERCENT (1%) EXCISE TAX (SALES TAX) PRESENTLY BEING LEVIED BY THE CITY; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of McAlester, Oklahoma (the "City") currently levies a three and one half percent (3.5%) excise tax (sales tax); and

WHEREAS, of said three and one half percent (3.5%) excise tax, two percent (2%) is levied pursuant to Ordinance No. 1166 of the City, as amended by Ordinance No. 1310 of the City (collectively, the "General Purpose Ordinance"), and the purpose of said General Purpose Ordinance is to provide revenue for the support of the functions of the municipal government of the City, and with the term of said General Purpose Ordinance being unlimited in duration; and

WHEREAS, of said three and one half percent (3.5%) excise tax, one-half of one percent (0.5%) is levied pursuant to Ordinance No. 2159, as it amends the Two Percent Ordinance (said amendment to the General Purpose Ordinance being referred to as the "Half Percent Ordinance"), and the purpose of said Half Percent Ordinance is to provide revenues to be used (i) one-quarter of one percent (0.25%) for education and (ii) one-quarter of one percent (0.25%) for economic development, and with the term of said Half Percent Ordinance expiring on July 1, 2018; and

WHEREAS, of said three and one half percent (3.5%) excise tax, one percent (1%) is levied pursuant to various amendments to the General Purpose Ordinance, which amendments include, but not by way of limitation, Ordinance No. 1576, Ordinance No. 1983, Ordinance No. 2036, Ordinance No. 2037, Ordinance No. 2038, Ordinance No. 2091, and Ordinance No. 2144 (the amendments to the General Purpose Ordinance being collectively referred to as the "Prior One Percent Ordinance"), and the purpose of said Prior One Percent Ordinance is to provide revenue for the support of payment of principal and interest on indebtedness incurred on behalf of the City by The McAlester Public Works Authority and any indebtedness incurred to refund or advance refund the same and for providing capital improvements of said City, and with the term of said Prior One Percent Ordinance expiring on November 30, 2031; and

WHEREAS, pursuant to Ordinance No. _____ of the City, which will replace and supersede the Prior One Percent Ordinance in its entirety, the registered qualified voters of the City are being asked to modify the purpose for which the proceeds of said excise tax can be expended; and

WHEREAS, the City Council has determined to call a special election on May 14, 2013, for the purpose of submitting the hereinafter referenced proposition to the registered qualified voters of the City.

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

SECTION 1. That the Mayor of the City be, and he is hereby authorized and directed to call a special election to be held in said City on the 14th day of May, 2013, for the purpose of submitting to the registered, qualified voters thereof the following proposition:

PROPOSITION

"SHALL ORDINANCE NO. ____ OF THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") BE APPROVED, WHICH ORDINANCE DOES NOT INCREASE OR EXTEND THE TERM OF ANY CITY SALES TAX, BUT DOES MODIFY THE PURPOSE OF AN EXISTING ONE PERCENT (1%) SALES TAX CURRENTLY BEING LEVIED BY THE CITY, TO ALLOW THE TAX TO BE USED TO PAY DEBT SERVICE ON OBLIGATIONS HERETOFORE OR HEREAFTER APPROVED BY THE VOTERS OF THE CITY; ALL AS MORE SPECIFICALLY SET OUT IN ORDINANCE NO._____ OF SAID CITY?"

/_____/ YES - FOR THE ABOVE PROPOSITION

/_____/ NO - AGAINST THE ABOVE PROPOSITION

SECTION 2. That such call for said election shall be by proclamation, signed by the Mayor of the City and attested by the City Clerk, setting forth the proposition to be voted upon and the hours of opening and closing of the polls. That the ballots shall set forth the proposition to be voted upon substantially as set out in Section 1 hereof, and that the returns of said election shall be made to and canvassed by the Pittsburg County Election Board.

PASSED AND APPROVED THIS 12TH DAY OF MARCH, 2013.

CITY OF MCALESTER, OKLAHOMA

(SEAL)

By: _____
Name: Steve Harrison
Title: Mayor

ATTEST:

By: _____
Name: Cora Middleton
Title: City Clerk

STATE OF OKLAHOMA)
)SS
COUNTY OF PITTSBURG)

I, the undersigned, the duly qualified and acting Clerk of the City of McAlester, in said County and State, hereby certify that the foregoing copy of proceedings is a true and complete copy of the proceedings had by the City Council of said City at a regular meeting held on the date therein set out, insofar as the same relate to the introduction, reading and adoption of a Resolution as the same appears of record in my office.

I further certify that attached hereto are true and complete copies of the notice given to the City Clerk of McAlester, Oklahoma, on or before December 15, 2012, and of public notice posted at the Municipal Building, 28 East Washington Avenue, in McAlester, Oklahoma, at least twenty-four (24) hours prior to this meeting, excluding Saturdays, Sundays and legal holidays, all in compliance with the Oklahoma Open Meeting Act.

WITNESS MY HAND AND THE SEAL OF SAID CITY THIS 12TH DAY OF MARCH, 2013.

(SEAL)

_____
City Clerk

SPECIAL ELECTION PROCLAMATION AND NOTICE

Under and by virtue of the Statutes of the State of Oklahoma, and Acts complementary, supplementary, and enacted pursuant thereto, and Resolution No. _____ of the City Council of the City of McAlester, Oklahoma, dated March 12, 2013, authorizing the calling of an election on the proposition hereinafter set forth, I, the undersigned Mayor of the City of McAlester, Oklahoma, hereby call a special election and give notice thereof to be held in the City of McAlester, Oklahoma, on the 14th day of May, 2013, for the purpose of submitting to the registered, qualified voters in said City, the following proposition:

PROPOSITION

"SHALL ORDINANCE NO. ____ OF THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") BE APPROVED, WHICH ORDINANCE DOES NOT INCREASE OR EXTEND THE TERM OF ANY CITY SALES TAX, BUT DOES MODIFY THE PURPOSE OF AN EXISTING ONE PERCENT (1%) SALES TAX CURRENTLY BEING LEVIED BY THE CITY, TO ALLOW THE TAX TO BE USED TO PAY DEBT SERVICE ON OBLIGATIONS HERETOFORE OR HEREAFTER APPROVED BY THE VOTERS OF THE CITY; ALL AS MORE SPECIFICALLY SET OUT IN ORDINANCE NO._____ OF SAID CITY?"

/_____/ YES - FOR THE ABOVE PROPOSITION

/_____/ NO - AGAINST THE ABOVE PROPOSITION

That only the registered, qualified voters of the City of McAlester, Oklahoma, may vote upon the proposition as above set forth.

The polls shall be opened at 7:00 o'clock a.m. and shall remain open continuously until and be closed at 7:00 o'clock p.m.

Such election shall be conducted by those precinct officers designated by the County Election Board of Pittsburg County, Oklahoma, which officers shall also act as counters and certify the results thereof as required by law.

The number and location of the polling places for the election shall be the same as prescribed by the County Election Board for state and county elections and shall include all precincts totally or partially contained within the city limits of the City of McAlester, Oklahoma. As of March 12, 2013, the following polling places have been designated by the Pittsburg County Election Board for the May 14, 2013, special election to be held in the City of McAlester, Oklahoma:

PRECINCT NUMBER	LOCATION
1	J.I. Stipe Center, 801 N. 9th
3	First Baptist Church, 100 E. Washington Avenue
4	Central Christian Church, 920 East Central Avenue
5	American Legion, 400 S. 2nd
6	Central Christian Church, 920 East Central Avenue
7	Assembly of God Church East, 1800 Hardy Springs Rd.
8	William Gay School, 600 W. Madison
11	Christ United Methodist Church, 2621 N. Ash
14	Edmond Doyle School, 520 E. Smith
15	Kiamichi Vo-Tech, 301 Kiamichi Drive
32	Frink School, 4610 Frink Road
36	Haywood School, 4070 Haywood Road, Haywood
40	Assembly of God Church West, 1800 Hardy Springs Rd.
41	Krebs City Hall, 5 NE Washington, Krebs
42	Bug Tussle Baptist Church East, 5180 Flowery Mound Road
46	Bug Tussle Baptist Church West, 5180 Flowery Mound Road

DATED this 12th day of March, 2013.

(SEAL)

_____
Mayor

ATTEST:

_____
City Clerk

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	3
Department:	Finance		
Prepared By:	Toni Ervin, CFO/Mike Gibson, Cole & Reed	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	1

Subject

Consider and act upon accepting the annual Audited Financial Statements and Independent Auditor's Report for Fiscal Year ending June 30, 2012.

Recommendation

Motion to accept the annual Audit for Fiscal Year ending June 30, 2012 for the City of McAlester.

Discussion

Approved By

		Initial	*Date*
Department Head		TE	03/05/12
City Manager	P. Stasiak	PJS	03/05/12

THE CITY OF MCALESTER, OKLAHOMA

ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2012

CITY OF MCALESTER, OKLAHOMA

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2012

City Council

Steve Harrison, Mayor
Weldon Smith, Member Ward 1
John Titsworth, Member Ward 2
Travis Read, Member Ward 3
Robert Karr, Member Ward 4
Buddy Garvin, Member Ward 5
Sam Mason, Vice-Mayor, Ward 6

Administration

Peter J. Stasiak	City Manager
Cora Middleton	City Clerk
Toni Ervin	Chief Financial Officer

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Independent Auditors' Report

Honorable Mayor and City Council
The City of McAlester, Oklahoma
McAlester, Oklahoma

We have audited the accompanying financial statements 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 of McAlester, Oklahoma (the "City") as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the McAlester Regional Health Center Authority (the "Authority"), which represents 99.9% of the total assets, net assets and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority, is based solely on the report of the other auditors.

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

In our opinion based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of McAlester, Oklahoma, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards,* we have also issued our report dated February 28, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of McAlester, Oklahoma's financial statements as a whole. The supplementary information, including the schedule of expenditures of federal awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, as shown in the table of contents are presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Cole & Reed P.C.

Oklahoma City, Oklahoma
February 28, 2013

As management of the City of McAlester, we offer readers this narrative overview and analysis of the financial activities of the City of McAlester for the fiscal year ended June 30, 2012. We encourage readers to use this information in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's overall financial position improved during the year ended June 30, 2012. Total net assets increased by $2,234,736 and the City's total government-wide assets continued to exceed its total liabilities at June 30, 2012, by $21,864,322 which represents its total government-wide net assets.

- The City's governmental activities experienced a decrease in net assets of $939,965, while business-type activities experienced a current year increase in net assets of $3,174,701. However, while overall financial condition did improve from the prior year, there are still several areas of concern and conditions that are worth noting in terms of the City's financial position. These concerns or conditions include the following:

  - While the City has total government-wide net assets amounting to $21,864,322, there is a total of $56,944,785 invested in capital assets, net of related debt and $12,714,667 of net assets restricted for various purposes, thus leaving the City with a negative $47,795,130 of unrestricted net assets, with $51,414,376 of negative unrestricted net assets located in the City's business-type activities and a positive $3,619,246 of unrestricted net assets in the City's governmental activities. The majority of this negative balance is the result of the McAlester Public Works Authority (MPWA) issuing revenue bonded indebtedness related to activities and capital improvements on behalf of the City's governmental activities including street and drainage improvements. A smaller portion is the result of the MPWA issuing revenue bonded indebtedness for the benefit of entities not included within the City's primary government, primarily school system improvements and economic development activities. The net result of these debt issues by the MPWA for capital items on behalf of others causes the debt to be shown by the MPWA in the business-type activity column. Capital assets for the City that were purchased by these debt issues are found in the governmental activities column, and in the case of the school system improvements and economic development, they are not shown at all in these financial statements, but rather in each of those entities separate financial statements. Most of this debt is expected to be retired from future dedicated sales tax collections. The result of reporting the long-term debt without corresponding capital assets is to report a large negative amount of unrestricted net assets.

  - At June 30, 2012, the City's governmental funds reported combined ending fund balances of $17,427,790. That net amount is the result of $12,528,800 in restricted fund balance, $3,026,575 of assigned fund balance, and $1,872,415 in unassigned fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the financial reporting entity of the City of McAlester (the "City"). The financial reporting entity consists of the following separate legal entities:

- The Primary Government
  - City of McAlester
  - McAlester Public Works Authority
  - McAlester Airport Authority
  - McAlester Municipal Improvement Authority (currently inactive)

- Discretely Presented Component Units
  - McAlester Regional Health Center
  - McAlester Parking Authority

The entities included as part of the primary government are included in this report within the governmental-wide statements in either of two categories of activities – governmental and business-type. The discretely presented component units are combined and reported in a single column labeled Component Units. This management discussion and analysis focuses on the primary government as defined above.

The governmental-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately and combined. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt).

Reporting the City as a Whole

The Statement of Net Assets and Statement of Activities

This discussion and analysis is intended to serve as an introduction to the City of McAlester's basic financial statements. The Statement of Net Assets and the Statement of Activities (on pages 17 & 18, respectively) report information about the City as a whole and about its activities in a way that helps answer questions. 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 statements report the City's net assets and changes in net assets from the prior year. You can think of the City's net assets – the difference between assets and liabilities – as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other non-financial factors, such as changes in the City's tax base, the condition of the City's roads and other infrastructure, and the quality of services to assess the overall health of the City.

The Statement of Net Assets and the Statement of Activities are divided into three types of activities:

- Governmental activities -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.

- Business-type activities -- The City's activities that charge a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sewer, and solid waste collections utilities, along with its airport activities, are reported here.

- Discretely-presented component units -- These account for activities of the City's reporting entity that do not meet the criteria for blending, and include the Regional Health Center Authority and the Parking Authority.

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. The City of McAlester, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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. All of the funds of the City of McAlester can be divided into two categories: governmental funds and proprietary funds.

Governmental funds -- Most of the City's basic services are reported in governmental funds, which focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. These funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". 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. Enterprise funds are one type of proprietary funds and are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City uses enterprise funds to account for its water and sewer operations and solid waste collection, disposal services, and airport services. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary funds - When the City is responsible for assets that – because of a trust arrangement or other fiduciary requirement – can be used only for trust beneficiaries or other parties, such as the City's single employer Defined Benefit Retirement Plan and Trust Fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance operations.

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

For the year ended June 30, 2012, net assets for the governmental activities and business-type activities increased $2,234,736. The results indicate the City, as a whole, improved its financial condition from the prior year.

The City of McAlester's Change in Net Assets

	Governmental Activities	Business-type Activities	Total
Beginning net assets	$ 49,520,871	$ (29,891,285)	$ 19,629,586
Increase in net assets	(939,965)	3,174,701	2,234,736
Ending net assets	**$ 48,580,906**	**$ (26,716,584)**	**$ 21,864,322**

Following is a summary comparison of change in net assets from last year for the City of McAlester.

The City of McAlester's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	$ 19,841,759	$ 19,899,374	$ 10,097,830	$ 11,586,587	$ 29,939,589	$ 31,485,961
Capital assets	32,714,977	33,615,497	25,550,077	23,408,132	58,265,054	57,023,629
Total assets	52,556,736	53,514,871	35,647,907	34,994,719	88,204,643	88,509,590
Liabilities:						
Long-term liabilities	3,160,252	2,905,022	60,121,684	62,488,799	63,281,936	65,393,821
Other liabilities	815,578	1,088,978	2,242,807	2,397,205	3,058,385	3,486,183
Total liabilities	3,975,830	3,994,000	62,364,491	64,886,004	66,340,321	68,880,004
Net assets:						
Invested in capital assets	32,432,860	33,224,076	24,511,925	22,155,024	56,944,785	55,379,100
Restricted	12,528,800	15,583,329	185,867	669,133	12,714,667	16,252,462
Unrestricted	3,619,246	713,466	(51,414,376)	(52,715,442)	(47,795,130)	(52,001,976)
Total net assets	**$ 48,580,906**	**$ 49,520,871**	**$ (26,716,584)**	**$ (29,891,285)**	**$ 21,864,322**	**$ 19,629,586**

The significant decrease in governmental activity restricted net assets and increase in unrestricted net assets are primarily the result of the Capital Improvement Plan Fund starting the year with restricted net assets of $3,344,679 and ending the year with assigned net assets of $2,106,826. The change was due to the City expending all monies set aside by City Council for repayment of unsupported bond activity. The City transferred excess monies in the current year to this fund to be spent on capital projects not related to the unsupported bond activity. The General Fund still owes $800,000 to the Capital Improvement Fund related to economic development activities of unsupported bond activity.

The largest portion of the City's net assets reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. This year the investment in capital assets, net of related debt, amounted to $57 million. 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 portion of the City's net assets, $12.7 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets is generally considered to be used to meet the government's ongoing obligations to citizens and creditors. However, for the current year, these unrestricted net assets amounted to a negative $48 million. The majority of this negative balance is the result of the McAlester Public Works Authority (MPWA) issuing revenue bonded indebtedness related to activities and capital improvements on behalf of the City's governmental activities including street and drainage improvements. A smaller portion is the result of the MPWA issuing revenue bonded indebtedness for the benefit of entities not included within the City's primary government, primarily school system improvements and economic development activities. Most of this debt is expected to be retired from future dedicated sales tax collections. However, the result of reporting the long-term debt without corresponding capital assets is to report a large negative amount of unrestricted net assets.

The City of McAlester's Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for Services	$ 2,846,516	$ 2,696,929	$ 10,316,966	$ 9,692,631	$ 13,163,482	$ 12,389,560
Grants & Contributions	1,130,423	1,029,048	1,874	5,624	1,132,297	1,034,672
Capital Grants & Contributions	143,137	429,725	364,662	22,231	507,799	451,956
General Revenues:						
Sales & Use Tax	15,256,164	14,342,476	-	-	15,256,164	14,342,476
Other Taxes	1,783,761	1,873,286	-	-	1,783,761	1,873,286
Other General Revenues	669,863	672,268	37,512	37,615	707,375	709,883
Total Revenues	**21,829,864**	**21,043,732**	**10,721,014**	**9,758,101**	**32,550,878**	**30,801,833**
Program Expenses:						
Legislature	119,262	97,162	-	-	119,262	97,162
Administration	2,605,293	2,652,254	-	-	2,605,293	2,652,254
Public safety	8,346,194	8,001,693	-	-	8,346,194	8,001,693
Community services	2,965,005	2,190,693	-	-	2,965,005	2,190,693
Administration services	1,057,394	1,073,608	-	-	1,057,394	1,073,608
Health and welfare	290,065	285,502	-	-	290,065	285,502
Public works	2,635,362	2,616,066	-	-	2,635,362	2,616,066
Economic development	257,449	250,974	-	-	257,449	250,974
Interest on long-term debt	16,019	23,099	-	-	16,019	23,099
Water	-	-	2,826,263	2,586,210	2,826,263	2,586,210
Sewer	-	-	1,574,716	1,501,178	1,574,716	1,501,178
Sanitation	-	-	4,132,892	3,727,028	4,132,892	3,727,028
Airport	-	-	336,310	335,902	336,310	335,902
Governmental interest & amortization expense	-	-	3,153,918	3,550,238	3,153,918	3,550,238
Total Expenses	**18,292,043**	**17,191,051**	**12,024,099**	**11,700,556**	**30,316,142**	**28,891,607**
Excess/(Deficiency)	3,537,821	3,852,681	(1,303,085)	(1,942,455)	2,234,736	1,910,226
Net Transfers	(4,477,786)	(3,356,890)	4,477,786	3,356,890	-	-
Increase/(Decrease) Net Assets	**$ (939,965)**	**$ 495,791**	**$ 3,174,701**	**$ 1,414,435**	**$ 2,234,736**	**$ 1,910,226**

For the year ended June 30, 2012, on a government-wide basis, the City experienced an improvement in its financial condition resulting in an increase in total net assets of $2,234,736. The increase in net assets can be attributable to an increase in sales tax and utility revenues in the current year.

The City's governmental activities decrease in net assets of $939,965 in 2012 represents a significant change from the increase in net assets experienced in the prior year. This year's decrease in the change in net assets from the prior year change can be attributable to an increase in expenses in the current year of approximately $1.1 million and an increase in net transfers of approximately $1.1 million related to the purchase of capital assets from governmental funds for business-type activities.

The business-type activities current year increase in net assets of $3,174,701 is also due to the purchase of capital assets from governmental funds for business-type activities.

In reviewing the activity net (expense)/revenue, all business-type functions, with the exception of sanitation, (water, sewer and airport) charges for services more than covered all related expenses. Sanitation services were outsourced in the prior year accounting for the exception noted above. Governmental interest and amortization expense on business-type reported debt of $3.2 million is funded through dedicated sales tax transferred to the MPWA by the General Fund and other Dedicated Sales Tax funds.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2012 fiscal year, the governmental funds reported a combined fund balance of $17,427,790. However, that net amount is the result of $12,528,800 in restricted fund balance, $3,026,575 of assigned fund balance, and $1,872,415 in unassigned fund balance.

For the reasons discussed previously in regards to business-type activities, the enterprise funds reported combined net assets of a negative $26.7 million.

Proprietary fund net asset restrictions are listed below:

Enterprise Funds:		
Restricted For Economic Development	$	185,867
Total Enterprise Fund Restrictions	$	185,867

The General Fund's total fund balance increased by $720,712, or 59.4% in large part due to an increase in current year sales tax, a decrease in expenses, and offset by a decrease in net transfers.

The McAlester Public Works Authority enterprise fund reported an increase in net assets, after transfers and capital contributions of $2,973,665 for the year. This change is due mainly to an increase in capital contributions from governmental activities.

General Fund Budgetary Highlights

For the year ended June 30, 2012, the General Fund reported actual budgetary basis revenues above final estimates by $1,293,349 or an 8.3% positive variance. General Fund actual expenditures were under final appropriations by $682,136 or a 4.4% positive variance.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital Assets

At June 30, 2012, the City had approximately $58.3 million invested in capital assets including land, buildings, machinery and equipment, park facilities, water, sewer and stormwater systems, roads and bridges. This represents a net increase of $1,241,425 from last year.

Below are details regarding the City's capital assets for the years ended June 30, 2012 and 2011.[1]

The City of McAlester's Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Land	$ 675,209	$ 675,209	$ 212,571	$ 212,571	$ 887,780	$ 887,780
Buildings and Improvements	7,243,526	7,133,654	5,923,049	5,888,361	13,166,575	13,022,015
Machinery and Equipment	10,589,103	9,290,915	3,476,918	2,913,532	14,066,021	12,204,447
Infrastructure	62,830,794	62,070,765	-	-	62,830,794	62,070,765
Utility Property	-	-	41,627,606	39,758,148	41,627,606	39,758,148
Water rights contracts	-	-	719,075	719,075	719,075	719,075
Construction-in-progress	60,525	735,669	987,740	78,497	1,048,265	814,166
Totals	81,399,157	79,906,212	52,946,959	49,570,184	134,346,116	129,476,396
Less Depreciation	(48,684,180)	(46,290,715)	(27,396,882)	(26,162,052)	(76,081,062)	(72,452,767)
Totals, Net	***$ 32,714,977***	***$ 33,615,497***	***$ 25,550,077***	***$ 23,408,132***	***$ 58,265,054***	***$ 57,023,629***

This year's more significant capital asset additions include $348,853 for Water Tower Project, $432,624 for WTB Filter Clearwell Improvements, $141,519 for a 12" Water Main Project, $238,777 for 2009 CDBG Water & Sewer Improvements, $371,095 for a Utility Extension Project, $910,733 for Highway 69 Utility Relocate, $291,172 for Airport Runway Improvements, $573,880 for Elks Road Project, $130,698 for a 2012 Ford Ambulance, $313,629 for a 3100 XL Gradall, $129,985 for a portable Asphalt Zipper, and $312,500 for a 2013 Jet Vacuum Sewer Cleaner.

[1] For more detailed information on capital asset activity please refer to page 48-49, Note 5. Capital Assets and Depreciation
[2] For more detailed information on long-term debt activity please refer to page 50-57, Note 7. Long-Term Debt and Debt Service Requirements

Debt Administration

At year-end, the City had $64.2 million in long-term debt outstanding, which represents a $1,861,529 decrease from the prior year.[2]

The City of McAlester's Long-term Debt

	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Capital leases payable	$ 282,117	$ 391,421	$ -	$ -	$ 282,117	$ 391,421
Claims liability	409,499	319,759	-	-	409,499	319,759
Accrued compensation	2,119,295	1,837,385	300,264	292,099	2,419,559	2,129,484
Notes Payable	-	-	810,602	1,000,251	810,602	1,000,251
Revenue Bonds Payable	-	-	55,895,942	58,586,519	55,895,942	58,586,519
Landfill Closure and Post-Closure	-	-	3,312,793	2,550,000	3,312,793	2,550,000
Net pension benefit obligation	349,341	356,457	103,878	106,844	453,219	463,301
Water contract obligations	-	-	227,550	252,857	227,550	252,857
Deposits subject to refund	-	-	429,429	408,647	429,429	408,647
Totals	**$ 3,160,252**	**$ 2,905,022**	**$ 61,080,458**	**$ 63,197,217**	**$ 64,240,710**	**$ 66,102,239**

The MPWA issued $5,490,000 of Series 2011 Taxable Sales Tax Revenue Refunding Bonds in the current year to refund the 2003B and 2004 Series Revenue Bonds.

The 1999A Revenue Bonds contain $5,928,932 (par value) of capital appreciation bonds. The accreted value of these bonds on the maturity date of February 1, 2030 will be $25,623,620. No payments are required to be made on these bonds until maturity.

The 2002 Revenue Bonds contain $746,818, $704,610, $664,799, and $920,949 (par value) of capital appreciation bonds. The accreted value of the first three bonds is $3,930,000 each, and will require three separate $3,930,000 payments maturing February 1, 2031, February 1, 2032 and February 1, 2033. The fourth bond will mature on February 1, 2034 and require a payment of $5,770,000. No payments are required to be made on these bonds until maturity.

ECONOMIC OUTLOOK

Despite the seemingly volatile National economy, the City of McAlester's economic outlook remains cautiously optimistic. Our local economy, based on our revenue performance in fiscal year 2011-2012, has demonstrated stability and steady growth. Our Sales tax revenues out performed expectations and our Oil/Gas revenues were over budget. The hotel/motel tax revenue increased 10% from the previous year. Therefore, the overall local economy reflected both resiliency and growth and was not negatively affected by national economic conditions as of June 30, 2012.

The City's took a measured fiscal approach to the local economy. First, the accomplishment and pursuit of refinancing our existing bonds to a lower interest rate establishes a long term strategy to improve the City's financial position for the future. Second, the City maintains this long term strategy by continuing to prioritize Capital. Using budget revenues, the City was able to fund much needed capital projects and equipment. Third, the City is constantly seeking cost savings and more efficient use of ongoing expenditures. Our fiscal strategic plan will continue to focus on seeking efficiencies that will result in improved financial health for the generations to come.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Clerk's Office at 1st and Washington, McAlester, Oklahoma or phone at (918) 423-9300.

BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE

Government-Wide Statement of Net Assets– June 30, 2012

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS:				
Cash and cash equivalents	$ 13,770,297	$ 5,490,135	$ 19,260,432	$ 11,202,913
Investments	1,721,416	-	1,721,416	3,181,157
Interest receivable	-	13	13	-
Accounts receivable, net of allowance	-	1,333,407	1,333,407	13,819,495
Franchise tax receivable	60,858	-	60,858	-
Ambulance receivable, net of allowance	79,276	-	79,276	-
Court fines receivable, net of allowance	1,074,557	-	1,074,557	-
Due from other governments	2,027,919	39,399	2,067,318	-
Prepaid expenses	11,445	-	11,445	1,231,334
Other receivables	74,341	-	74,341	1,035,000
Internal balances	203,655	(203,655)	-	-
Inventory	-	-	-	2,358,206
Investment in joint venture	-	1,775,410	1,775,410	3,874,987
Restitution receivable:				
Due within one year	5,937	-	5,937	-
Due in more than one year	85,014	-	85,014	-
Notes receivable:				
Due within one year	174,000	-	174,000	27,525
Due in more than one year	553,044	-	553,044	253,165
Capital assets:				
Land and other non-depreciable assets	735,734	1,919,386	2,655,120	1,361,562
Other capital assets, net of depreciation	31,979,243	23,630,691	55,609,934	22,439,863
Unamortized bond issuance costs	-	1,663,121	1,663,121	-
Total assets	52,556,736	35,647,907	88,204,643	60,785,207
LIABILITIES:				
Accounts payable	442,018	437,877	879,895	3,056,388
Accrued payroll liabilities	353,769	46,156	399,925	3,455,044
Accrued interest payable	244	1,149,038	1,149,282	-
Escrow deposit liabilities	4,132	510,449	514,581	-
Deferred revenue	15,415	99,287	114,702	-
Long-term liabilities:				
Due within one year	326,375	3,697,080	4,023,455	1,108,928
Due in more than one year	2,833,877	56,424,604	59,258,481	1,472,131
Total liabilities	3,975,830	62,364,491	66,340,321	9,092,491
NET ASSETS:				
Invested in capital assets, net of related debt	32,432,860	24,511,925	56,944,785	21,204,246
Restricted	12,528,800	185,867	12,714,667	720,426
Unrestricted	3,619,246	(51,414,376)	(47,795,130)	29,768,044
Total net assets	$ 48,580,906	$ (26,716,584)	$ 21,864,322	$ 51,692,716

See accompanying notes to the basic financial statements.

Government-Wide Statement of Activities –Year Ended June 30, 2012

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
					Primary Government			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**	**Component Units**
Primary Government:								
Governmental activities:								
Legislature	$ 119,262	$ -	$ -	$ -	$ (119,262)	$ -	$ (119,262)	$ -
Administration	2,605,293	1,130,512	100,430	-	(1,374,351)	-	(1,374,351)	-
Public safety	8,346,194	1,305,145	806,373	123,162	(6,111,514)	-	(6,111,514)	-
Community services	2,965,005	121,072	-	19,975	(2,823,958)	-	(2,823,958)	-
Administration services	1,057,394	285,993	-	-	(771,401)	-	(771,401)	-
Health and welfare	290,065	-	63,786	-	(226,279)	-	(226,279)	-
Public works	2,635,362	3,794	159,834	-	(2,471,734)	-	(2,471,734)	-
Economic development	257,449	-	-	-	(257,449)	-	(257,449)	-
Interest on long-term debt	16,019	-	-	-	(16,019)	-	(16,019)	-
Total governmental activities	18,292,043	2,846,516	1,130,423	143,137	(14,171,967)	-	(14,171,967)	-
Business-type activities:								
Water	2,826,263	5,171,920	1,874	45,315	-	2,392,846	2,392,846	-
Sewer	1,574,716	1,748,119	-	45,315	-	218,718	218,718	-
Sanitation	4,132,892	3,285,025	-	-	-	(847,867)	(847,867)	-
Airport	336,310	111,902	-	274,032	-	49,624	49,624	-
Governmental interest & amort expense	3,153,918	-	-	-	-	(3,153,918)	(3,153,918)	-
Total business-type activities	12,024,099	10,316,966	1,874	364,662	-	(1,340,597)	(1,340,597)	-
Total primary government	$30,316,142	$13,163,482	$1,132,297	$507,799	(14,171,967)	(1,340,597)	(15,512,564)	-
Component Units:								
Parking	$ 1,423	$ 9,679	$ -	$ -				8,256
Health and welfare	76,444,848	82,354,743	-	9,004				5,918,899
Total Component Units	$ 76,446,271	$82,364,422	$ -	$ 9,004				5,927,155
General revenues:								
Taxes:								
Sales and use taxes					15,256,164	-	15,256,164	-
Franchise and public service taxes					584,264	-	584,264	-
Hotel/motel taxes					549,088	-	549,088	-
E-911 taxes					650,409	-	650,409	-
Intergovernmental revenue not restricted to specific programs					332,365	-	332,365	-
Investment income					139,075	11,717	150,792	179,410
Miscellaneous					198,423	25,795	224,218	-
Transfers - Internal activity					(4,477,786)	4,477,786	-	-
Total general revenues and transfers					13,232,002	4,515,298	17,747,300	179,410
Change in net assets					(939,965)	3,174,701	2,234,736	6,106,565
Net assets - beginning					49,520,871	(29,891,285)	19,629,586	45,586,151
Net assets - ending					$ 48,580,906	$ (26,716,584)	##########	$ 51,692,716

See accompanying notes to the basic financial statements.

BASIC FINANCIAL STATEMENTS – GOVERNMENTAL FUNDS

Governmental Funds Balance Sheet - June 30, 2012

		Special Revenue	Capital Project	Debt Service		
	General Fund	Reserve Fund	Capital Improvement Plan Fund	Dedicated Sales Tax - MPWA	Other Governmental Funds	Total Governmental Funds
ASSETS:						
Cash and cash equivalents	$ 2,150,775	$ 2,744,376	$ 1,067,765	$ 3,770,586	$ 4,017,914	$ 13,751,416
Investments	-	862,661	319,592	-	539,163	1,721,416
Receivables:						
Due from other funds	2,256	-	800,000	-	25,000	827,256
Due from other governments	1,184,570	-	-	531,916	311,433	2,027,919
Franchise tax receivable	60,858	-	-	-	-	60,858
Court fines receivable, net of allowance	1,074,557	-	-	-	-	1,074,557
Ambulance receivable, net of allowance	79,276	-	-	-	-	79,276
Prepaid expenses	11,445	-	-	-	-	11,445
Notes receivable	-	-	-	-	727,044	727,044
Other receivables	13,432	-	-	-	60,909	74,341
Total assets	$ 4,577,169	$ 3,607,037	$ 2,187,357	$ 4,302,502	$ 5,681,463	$ 20,355,528
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts payable	$ 177,742	$ -	$ 80,531	$ -	$ 164,148	$ 422,421
Accrued payroll liabilities	336,040	-	-	-	12,402	348,442
Due to other funds	1,042,545	-	-	-	27,256	1,069,801
Amounts held in escrow	4,132	-	-	-	-	4,132
Deferred revenue	1,082,942	-	-	-	-	1,082,942
Total liabilities	2,643,401	-	80,531	-	203,806	2,927,738
Fund Balances:						
Restricted	-	3,607,037	-	4,302,363	4,619,400	12,528,800
Assigned	61,353	-	2,106,826	139	858,257	3,026,575
Unassigned	1,872,415	-	-	-	-	1,872,415
Total fund balances	1,933,768	3,607,037	2,106,826	4,302,502	5,477,657	17,427,790
Total liabilities and fund balances	$ 4,577,169	$ 3,607,037	$ 2,187,357	$ 4,302,502	$ 5,681,463	$ 20,355,528

See accompanying notes to the basic financial statements.

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – Year Ended June 30, 2012

		Special Revenue	Capital Project	Debt Service		
	General Fund	Reserve Fund	Capital Improvement Plan Fund	Dedicated Sales Tax - MPWA	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	$ 9,559,668	$ -	$ -	$ 4,187,172	$ 3,293,085	$ 17,039,925
Intergovernmental	1,559,506	-	-	-	117,074	1,676,580
Charges for services	1,947,362	-	-	-	203,416	2,150,778
Fines and forfeitures	634,183	-	-	-	-	634,183
Licenses and permits	92,307	-	-	-	-	92,307
Investment income	46,163	29,576	1,598	30,109	31,629	139,075
Miscellaneous	257,327	-	-	-	15,600	272,927
Total Revenues	14,096,516	29,576	1,598	4,217,281	3,660,804	22,005,775
Expenditures:						
Current:						
Legislature	118,071	-	-	-	-	118,071
Administration	2,359,521	-	-	3,000	16,146	2,378,667
Public safety	7,168,673	-	-	-	429,495	7,598,168
Community services	1,984,767	-	-	-	702,942	2,687,709
Administration services	505,034	-	-	-	536,259	1,041,293
Health and welfare	293,906	-	-	-	-	293,906
Public works	1,136,893	-	-	-	-	1,136,893
Economic development	-	-	-	-	257,449	257,449
Capital outlay	210,600	-	3,203,780	-	1,075,411	4,489,791
Debt service:						
Principal retirement	74,926	-	34,378	-	-	109,304
Interest and fiscal charges	9,958	-	6,168	-	-	16,126
Total Expenditures	13,862,349	-	3,244,326	3,000	3,017,702	20,127,377
Excess (deficiency) of revenues over expenditures	234,167	29,576	(3,242,728)	4,214,281	643,102	1,878,398
Other Financing Sources (Uses):						
Transfers in	2,349,668	-	2,113,093	-	663,059	5,125,820
Transfers out	(1,863,123)	-	(108,218)	(3,368,108)	(1,506,551)	(6,846,000)
Total Other Financing Sources (Uses)	486,545	-	2,004,875	(3,368,108)	(843,492)	(1,720,180)
Net change in fund balances	720,712	29,576	(1,237,853)	846,173	(200,390)	158,218
Fund balances - beginning	1,213,056	3,577,461	3,344,679	3,456,329	5,678,047	17,269,572
Fund balances - ending	$ 1,933,768	$ 3,607,037	$ 2,106,826	$ 4,302,502	$ 5,477,657	$ 17,427,790

See accompanying notes to the basic financial statements.

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets:

Total fund balances - governmental funds	$	17,427,790
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of $48,684,180		32,714,977
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds:		
Court fines receivable, net of allowance for doubtful accounts of $1,313,348		1,016,536
Ambulance receivable, net of allowance for doubtful accounts of $996,930		50,991
		1,067,527
Certain long-term assets are not available to pay for current fund liabilites and, therefore, are not reported in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets:		
Restitution receivable		90,951
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:		
Accrued interest payable		(244)
Capital lease obligations payable		(282,117)
Accrued compensated absences		(2,088,637)
Net pension benefit obligation		(349,341)
		(2,720,339)
Net assets of governmental activities	$	48,580,906

See accompanying notes to the basic financial statements.

Reconciliation of the Statement of Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Net change in fund balances - total governmental funds	$	158,218
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays and issue costs as expenditures while governmental activities report depreciation and amortization expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized		1,510,742
Capital assets contributed		4,375
Book value on capital assets disposed		(11,086)
Depreciation expense		(2,404,551)
		(900,520)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Restitution revenue		(5,937)
Deferred revenue		(30,752)
		(36,689)
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 Assets:		
Capital lease obligation principal payments		109,304
		109,304
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Accrued interest expense		107
Accrued compensated absences expenses		(277,248)
Accrued net pension benefit obligation		6,863
		(270,278)
Change in net assets of governmental activities	$	(939,965)

See accompanying notes to the basic financial statements.

BASIC FINANCIAL STATEMENTS – PROPRIETARY FUNDS

Proprietary Funds Statement of Net Assets - June 30, 2012

	Enterprise Funds			
	McAlester Public Works Authority	McAlester Airport Authority	Total	Internal Service Funds
ASSETS:				
Current Assets:				
Cash and cash equivalents	$ 1,446,982	$ 126,098	$ 1,573,080	$ 18,881
Restricted cash and cash equivalents	3,267,957	-	3,267,957	-
Restricted interest receivable	13	-	13	-
Due from other funds	-	-	-	446,200
Accounts receivable, net of allowance	1,319,930	13,477	1,333,407	-
Due from other governments	-	39,399	39,399	-
Total current assets	6,034,882	178,974	6,213,856	465,081
Noncurrent Assets:				
Restricted Assets:				
Cash and cash equivalents	649,098	-	649,098	-
Investment in joint venture	1,775,410	-	1,775,410	-
Capital assets:				
Land and other non-depreciable assets	1,585,850	333,536	1,919,386	-
Other capital assets, net of depreciation	20,750,072	2,880,619	23,630,691	-
Unamortized bond issuance costs	1,663,121	-	1,663,121	-
Total noncurrent assets	26,423,551	3,214,155	29,637,706	-
Total Assets	32,458,433	3,393,129	35,851,562	465,081
LIABILITIES:				
Current Liabilities:				
Accounts payable	410,210	27,667	437,877	19,597
Accrued payroll liabilities	43,852	2,304	46,156	5,327
Due to other funds	203,655	-	203,655	-
Escrow deposit liability	510,449	-	510,449	-
Interest payable	1,148,515	523	1,149,038	-
Deferred revenue	99,287	-	99,287	-
Landfill closure and postclosure liability	331,279	-	331,279	-
Due to depositors	85,886	-	85,886	-
Notes payable	162,160	16,779	178,939	-
Water rights contract obligation	25,949	-	25,949	-
Revenue bonds payable	3,045,000	-	3,045,000	-
Accrued compensated absences	27,255	2,772	30,027	3,066
Total current liabilities	6,093,497	50,045	6,143,542	27,990
Noncurrent Liabilities:				
Claims liability	-	-	-	409,499
Landfill closure and post-closure liability	2,981,514	-	2,981,514	-
Due to depositors	343,543	-	343,543	-
Net pension benefit obligation	100,468	3,410	103,878	-
Notes payable	327,802	303,861	631,663	-
Water rights contract obligation	201,601	-	201,601	-
Revenue bonds payable, net	51,892,168	-	51,892,168	-
Accrued compensated absences	245,291	24,946	270,237	27,592
Total noncurrent liabilities	56,092,387	332,217	56,424,604	437,091
Total liabilities	62,185,884	382,262	62,568,146	465,081
NET ASSETS:				
Invested in capital assets, net of related debt	21,618,410	2,893,515	24,511,925	-
Restricted for economic development	185,867	-	185,867	-
Unrestricted (deficit)	(51,531,728)	117,352	(51,414,376)	-
Total net assets (deficit)	$ (29,727,451)	$3,010,867	$(26,716,584)	$ -

See accompanying notes to the basic financial statements.

Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Assets - Year Ended June 30, 2012

	Enterprise Funds			
	McAlester Public Works Authority	McAlester Airport Authority	Total	Internal Service Funds
Operating Revenues:				
Charges for services:				
Water	$ 3,813,669	$ -	$ 3,813,669	$ -
Sewer	1,677,088	-	1,677,088	-
Sanitation	2,645,867	-	2,645,867	-
Water taps	11,980	-	11,980	-
Sewer taps	7,400	-	7,400	-
Water districts	1,201,565	-	1,201,565	-
Service charges	92,465	-	92,465	-
Landfill	8,106	-	8,106	-
Roll-off garbage	182,221	-	182,221	-
Penalties	182,536	-	182,536	-
Recycle fees	33,737	-	33,737	-
Subtitle "D" fees	348,430	-	348,430	-
Airport rents and fees	-	111,902	111,902	-
Self insurance charges	-	-	-	1,206,073
Miscellaneous	-	-	-	2,924
Total operating revenues	10,205,064	111,902	10,316,966	1,208,997
Operating Expenses:				
Utility office	503,173	-	503,173	-
Interdepartmental	673,453	-	673,453	-
Sanitation	2,000,632	-	2,000,632	-
Engineering	379,847	-	379,847	-
Sewer	774,113	-	774,113	-
Water	997,613	-	997,613	-
Utility maintenance	989,164	-	989,164	-
Landfill	1,064,362	-	1,064,362	-
Utilities Administration	151,218	-	151,218	-
Airport	-	179,481	179,481	-
Fleet maintenance	-	-	-	733,436
Claims expense	-	-	-	475,561
Depreciation expense	1,091,879	142,951	1,234,830	-
Amortization expense	105,672	-	105,672	-
Total operating expenses	8,731,126	322,432	9,053,558	1,208,997
Operating income (loss)	1,473,938	(210,530)	1,263,408	-
Non-Operating Revenues (Expenses):				
Investment income	11,717	-	11,717	-
Interest expense and fiscal charges	(3,073,014)	(13,878)	(3,086,892)	-
Grant revenue - operating	1,874	-	1,874	-
Miscellaneous revenue	23,486	2,309	25,795	-
Gain on joint venture	116,351	-	116,351	-
Total non-operating revenues (expenses)	(2,919,586)	(11,569)	(2,931,155)	-
Net income (loss) before contributions and transfers	(1,445,648)	(222,099)	(1,667,747)	-
Capital contributions	2,848,236	274,032	3,122,268	-
Transfers in	4,874,659	149,103	5,023,762	-
Transfer out	(3,303,582)	-	(3,303,582)	-
Change in net assets	2,973,665	201,036	3,174,701	-
Total net assets (deficit) - beginning	(32,701,116)	2,809,831	(29,891,285)	-
Total net assets (deficit) - ending	$ (29,727,451)	$ 3,010,867	$ (26,716,584)	$ -

See accompanying notes to the basic financial statements.

Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2012

	Enterprise Funds			
	McAlester Public Works Authority	McAlester Airport Authority	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 10,252,274	$ 112,776	$10,365,050	$ -
Payments to suppliers	(4,202,928)	(17,355)	(4,220,283)	(767,260)
Payments to employees	(2,716,621)	(137,888)	(2,854,509)	(345,694)
Receipts of customer meter deposits	118,182	-	118,182	-
Refund of customer meter deposits	(97,400)	-	(97,400)	-
Other receipts (payments)	186,256	2,309	188,565	1,121,567
Net Cash Provided by (Used in) Operating Activities	3,539,763	(40,158)	3,499,605	8,613
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	4,874,659	149,103	5,023,762	-
Transfers to other funds	(3,303,582)	-	(3,303,582)	-
Net Cash Provided by Noncapital Financing Activities	1,571,077	149,103	1,720,180	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(237,367)	(291,172)	(528,539)	-
Proceeds from capital grant	-	234,633	234,633	-
Proceeds from sale of capital assets	-	-	-	-
Proceeds from issuance of debt	5,490,000	25	5,490,025	-
Payment of bond issuance costs	(63,900)	-	(63,900)	-
Payment to escrow for refunding of debt	(6,598,092)	-	(6,598,092)	-
Principal payment of capital debt	(3,005,270)	(14,711)	(3,019,981)	-
Interest and fiscal charges paid on capital debt	(2,155,149)	(13,949)	(2,169,098)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(6,569,778)	(85,174)	(6,654,952)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	11,729	-	11,729	-
Net Cash Provided by Investing Activities	11,729	-	11,729	-
Net Increase (Decrease) in Cash and Cash Equivalents	(1,447,209)	23,771	(1,423,438)	8,613
Balances - beginning of the year	6,811,246	102,327	6,913,573	10,268
Balances - end of the year	$ 5,364,037	$ 126,098	$ 5,490,135	$ 18,881

See accompanying notes to the basic financial statements.

Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2012, (Continued)

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 1,473,938	$ (210,530)	$ 1,263,408	$ -
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	1,091,879	142,951	1,234,830	-
Amortization expense	105,672	-	105,672	-
Operating grant	1,874	-	1,874	-
Other non-operating revenues (expenses)	139,837	2,309	142,146	-
Change in assets and liabilities:				
Receivables, net	46,057	874	46,931	-
Due from other funds	-	-	-	(87,430)
Due from other governments	10,345	-	10,345	-
Investment in joint venture	(129,475)	-	(129,475)	-
Accounts payable	54,735	25,893	80,628	9,329
Accrued payroll liabilities	(76,874)	(4,007)	(80,881)	(7,435)
Due to other funds	34,200	-	34,200	-
Escrow deposit liability	535	-	535	-
Claims liability	-	-	-	89,740
Deferred revenue	618	-	618	-
Due to depositors	20,782	-	20,782	-
Landfill closure liability	762,793	-	762,793	-
Pension benefit obligation	(2,818)	(148)	(2,966)	(253)
Accrued compensated absences	5,665	2,500	8,165	4,662
Net Cash Provided by (Used in) Operating Activities	$ 3,539,763	$ (40,158)	$ 3,499,605	$ 8,613
Noncash capital and related financing activities:				
Capital assets contributed from governmental funds	$ 2,848,236	$ -	$ 2,848,236	$ -
Accretion of capital appreciation bonds	$ (999,423)	$ -	$ (999,423)	$ -

See accompanying notes to the basic financial statements.

FIDUCIARY FUND

Statement of Fiduciary Net Assets – Pension Trust Fund - June 30, 2012

	Defined Benefit Retirement Plan and Trust Fund
ASSETS:	
Cash and cash equivalents	$ 840,931
Investments:	
Corporate bonds	1,040,227
Mortgage and asset backed securities	229,235
Government bonds	1,090,348
Mutual funds	568,038
Preferred stocks	90,092
Common stocks	6,489,652
Interest receivable	14,158
Total assets	10,362,681
LIABILITIES:	
Accounts payable	684
NET ASSETS:	
Held in trust for employee pension benefits	$ 10,361,997

Statement of Changes in Fiduciary Net Assets – Pension Trust Fund - Year Ended June 30, 2012

	Defined Benefit Retirement Plan and Trust Fund
ADDITIONS:	
Contribution from employer	$ 920,142
Reimbursement from pension trust	672,205
Total additions	1,592,347
DEDUCTIONS:	
Benefits paid to participants or beneficiaries	716,338
Administrative expenses	20,193
Realized and unrealized loss on investments	910,172
Total deductions	1,646,703
Change in net assets held in trust for employees' pension benefits	(54,356)
Net assets - beginning	10,416,353
Net assets - ending	$ 10,361,997

See accompanying notes to the basic financial statements.

DISCRETELY PRESENTED COMPONENT UNITS

Discretely Presented Component Units Combining Statement of Net Assets - June 30, 2012

	Component Units		
	Public Trusts		
	McAlester Regional Health Center Authority	McAlester Parking Authority	Total Component Units
ASSETS:			
Cash and cash equivalents	$ 11,160,734	$ 42,179	$ 11,202,913
Investments	3,181,157	-	3,181,157
Accounts receivable, net	13,819,255	240	13,819,495
Other receivables	1,035,000	-	1,035,000
Inventory	2,358,206	-	2,358,206
Investment in joint venture	3,874,987	-	3,874,987
Prepaid expenses	1,231,334	-	1,231,334
Notes receivable:			
Due within one year	27,525	-	27,525
Due in more than one year	253,165	-	253,165
Capital assets:			
Land and construction in progress	1,361,562	-	1,361,562
Other capital assets, net of depreciation	22,439,863	-	22,439,863
Total assets	60,742,788	42,419	60,785,207
LIABILITIES:			
Current Liabilities:			
Accounts payable	3,056,279	109	3,056,388
Accrued payroll payable	3,455,044	-	3,455,044
Long-term liabilities:			
Due within one year	1,108,928	-	1,108,928
Due in more than one year	1,472,131	-	1,472,131
Total liabilities	9,092,382	109	9,092,491
NET ASSETS:			
Invested in capital assets, net of related debt	21,204,246	-	21,204,246
Restricted for capital acquisitions and debt service	118,744	-	118,744
Restricted for workers' compensation claims	576,682	-	576,682
Restricted for specific operating activities	25,000	-	25,000
Unrestricted	29,725,734	42,310	29,768,044
Total net assets	$ 51,650,406	$ 42,310	$ 51,692,716

See accompanying notes to the basic financial statements.

Discretely Presented Component Units Combining Statement of Revenues, Expenses, and Changes in Net Assets - Year Ended June 30, 2012

	Component Units		
	Public Trusts		
	McAlester Regional Health Center Authority	McAlester Parking Authority	Total Component Units
Operating Revenues:			
Charges for services	$ -	$ 9,679	$ 9,679
Net patient service revenue	76,534,665	-	76,534,665
Miscellaneous	3,937,758	-	3,937,758
Total Operating Revenues	80,472,423	9,679	80,482,102
Operating Expenses:			
Parking	-	1,423	1,423
Health and welfare	76,221,016	-	76,221,016
Total Operating Expenses	76,221,016	1,423	76,222,439
Net Operating Income (Loss)	4,251,407	8,256	4,259,663
Non-Operating Revenues (Expenses):			
Investment income	179,410	-	179,410
Income from joint ventures	1,882,320	-	1,882,320
Interest expense and fiscal agent fees	(223,832)	-	(223,832)
Net Non-Operating Revenues (Expenses)	1,837,898	-	1,837,898
Net Income (Loss) Before Transfers, Contributions and Extraordinary Items	6,089,305	8,256	6,097,561
Gifts to Purchase Capital Assets and Other Capital Gifts	9,004	-	9,004
Changes in net assets	6,098,309	8,256	6,106,565
Total net assets - beginning	45,552,097	34,054	45,586,151
Total net assets - ending	$ 51,650,406	$ 42,310	$ 51,692,716

See accompanying notes to the basic financial statements.

FOOTNOTES TO THE BASIC FINANCIAL STATEMENTS

Footnotes to the Basic Financial Statements:

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City's financial reporting entity includes the primary government (City of McAlester), three blended component units, and two discretely presented component units as noted below.

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" and includes all component units for which the City is financially accountable.

The City of McAlester – that operates the public safety, health and welfare, streets and highways, parks and recreation, and administrative activities.

The City of McAlester is an incorporated municipality with a population of approximately 18,383 located in southeast Oklahoma. The City operates under the Council-Manager form of government and operates under a charter that provides for three branches of government:

- Legislative – the City Council is a seven-member governing body. Mayor is elected by the citizens at large and other six members are elected by ward.
- 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 Manager, confirmed 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.

Component Units:

Because the City is financially accountable and the City's governing body serves as the trustees for these public trusts, the following component units are blended into the City's primary government presentation as funds of the primary government for reporting purposes:

The McAlester Public Works Authority – that operates the water, wastewater, and sanitation/landfill activities of the City, with the McAlester City Council serving as trustees of the Authority.

The McAlester Airport Authority – that develops and operates the airport with the McAlester City Council serving as trustees of the Authority.

The McAlester Municipal Improvement Authority – an inactive trust that promotes the development of industry and culture and industrial, manufacturing, cultural and education activities. There is no activity reported in the City's basic financial statements since the trust is inactive.

Component units that are discretely presented in the City's report in a separate column are presented below:

The McAlester Regional Health Center Authority – that operates to finance and develop the health center facilities of the City. Separate audited component unit financial statements are issued by the Regional Health Center Authority and may be obtained at their administrative offices.

The McAlester Parking Authority (MPA) – that operates to furnish and supply public off-street parking services and facilities. The MPA does not issue separate audited component unit financial statements.

The McAlester Regional Health Center Authority and the McAlester Parking Authority 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. In accordance with state law, all debt obligations incurred by public trusts require 2/3 approval by the City Council. In addition, the City has leased certain existing assets at the creation of 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.

Joint Venture:

Association for Landfill Financial Assurance (ALFA) – A non-profit Oklahoma corporation organized for the exclusive benefit of cities, towns, counties, solid waste districts and public trusts within the State of Oklahoma that own and/or operate municipal solid waste landfills within the jurisdiction of the State of Oklahoma, including the making and management of investments on behalf of such public entities in order to provide the financial assurances as required by Subtitle D of the Resource Conservation and Recovery Act of 1976.

B. Basis of Presentation and Accounting

Government-Wide Financial Statements:

The statements of net assets and activities are reported on the accrual basis of accounting and economic resources measurement focus. Under the accrual basis of accounting, revenues are recognized when earned and expenses (including depreciation and amortization) are recorded when the liability is incurred or economic asset used. In accordance with the economic resources measurement focus, all assets and liabilities, both current and noncurrent are reported.

Program revenues within the statement of activities that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. The City has the following program revenues in each activity:

- Administration – oil and gas leases, rent, and hotel/motel charges for services
- Public safety – Fire and Police – fines and forfeitures, fire run charges, ambulance revenue, and capital and operating grants
- Community services – cemetery openings and closings, swimming pool revenues, complex concessions and rentals
- Administration services – abatements and licenses and permits

- Health and welfare – nutrition operating grant
- Airport – rental fees and fuel sales
- Public works – gas excise and vehicle tax shared by the State and street cuts
- Economic development – operating contribution

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Governmental Funds:

The City's governmental funds are comprised of the following:

Major Funds:

- General Fund – accounts for general operations of the City including: public safety, parks, public facilities, and street maintenance.

- Reserve Fund – special revenue fund that accounts for excess revenues mainly from oil and gas royalties restricted by City Charter for emergencies.

- Capital Improvement Plan Fund – capital project fund that accounts for monies set aside by City Council for repayment of unsupported bond activity.

- Dedicated Sales Tax MPWA – debt service fund that accounts for revenue received from sales tax (one-cent) approved by the voters to be used for financing debt related to capital improvements.

Aggregated Non-Major Funds (reported as Other Governmental Funds):

Special Revenue Funds:

- Juvenile Fine Fund – accounts for revenues from fines restricted by state for juvenile programs.
- Tourism / SE Expo Fund – accounts for revenues of a hotel/motel tax levy and rentals/concessions to be expended for promotion of tourism.
- E-911 Fund – accounts for E-911 revenues legally restricted for E-911 services.
- Economic Development Fund – special revenue fund that accounts for revenue received from sales tax (1/4 of one-cent) approved by the voters to be used for financing debt related to economic development and for future economic development projects.
- Gifts & Contributions Fund – accounts for revenues and expenditures of donor restricted monies.

Capital Project Funds:

- Police Equipment Fund – accounts for revenues and expenditures related to Local Law Enforcement Block Grants.
- State Forfeiture Fund – accounts for revenues received from state drug forfeitures restricted for equipment purchases.

- Cemetery Perpetual Care – accounts for 12.5% of all cemetery revenues which are legally restricted for cemetery use.
- CDBG Grants Fund – accounts for revenues and expenditures related to CDBG grants.
- Federal Forfeiture Fund – Accounts for revenues received from federal drug forfeitures restricted for equipment purchases.
- Fire Improvement Grant Fund – accounts for revenues and expenditures related to fire grants.

Debt Service Fund:

- Sales Tax Schools Fund – accounts for revenue received from sales tax (1/4 of one-cent) approved by the voters to be used for acquisition and financing of educational facilities and equipment.

The governmental funds are reported on the modified accrual basis of accounting and current financial resources measurement focus. 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 normally 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 economic resources measurement focus and accrual basis of accounting at the government-wide level.

Proprietary Funds:

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds include enterprise funds and internal service funds. Enterprise funds are used to account for business-like activities provided to the general public. Internal service funds are used to account for business-type activities provided within the government. Proprietary funds are reported on the accrual basis of accounting and economic resources measurement focus. For example, proprietary fund capital assets are capitalized and depreciated and principal payments on long-term debt are recorded as a reduction to the liability.

The City's enterprise funds include the following major funds:

- McAlester Public Works Authority Fund - that accounts for the activities of the McAlester Public Works Authority public trust in providing water, sewer, and sanitation services to the public.

- McAlester Airport Authority Fund - that currently accounts for airport fees and grants used in providing airport services.

The City's internal service funds include the following:

- Worker's Compensation Fund – that accounts for the activities of providing worker's compensation to the employees of the City.
- FLEET Maintenance Fund – that accounts for the activities of providing FLEET maintenance to the City.

The proprietary funds are reported on the accrual basis of accounting and economic resources measurement focus. For business-type activities, Financial Accounting Standard Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

For purposes of the statement of revenues, expenses and changes in fund net assets, 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:

The City has one fiduciary fund - the City of McAlester Defined Benefit Retirement Plan and Trust Fund. The pension trust fund accounts for retirement contributions and investment income for the direct benefit of employees other than those employees covered by the statewide fire and police cost-sharing pension plans. The pension trust fund is reported on the accrual basis of accounting and economic resources measurement focus.

C. Cash, Cash Equivalents, and Investments

For the purposes of the statements of net assets, balance sheets, and statement of cash flows, cash and cash equivalents includes all demand and savings accounts, certificates of deposit, and short-term investments with an original maturity of three-months or less, and money market investments. Investments consist of long-term time deposits, and U.S. agency bonds and notes. Certificates of deposit are reported at cost while investments in the U.S. agency bonds and notes and other marketable investments are reported at fair value.

D. Inventories

Inventories of goods and supplies on hand at year end are not material for the primary government. Therefore purchases of inventory type items are recorded as expenditures or expenses at the time purchased, and no balances for such inventories on hand are reported.

For the Regional Health Center Authority component unit reported inventories are reported on the lower of cost (first-in, first-out) or market.

E. Capital Assets and Depreciation

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund type or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. In the government-wide and proprietary fund financial statements, property, plant and equipment are accounted for as capital assets, net of accumulated depreciation where applicable. In the governmental fund financial statements, capital assets acquired are accounted for as capital outlay expenditures and not reported as capital assets.

Capital assets consist of land, land improvement, construction in progress, buildings and building improvements, machinery and equipment, and infrastructure. A capitalization threshold of $2,500 is used for additions, other than land, to report capital assets. Capital assets are reported at actual or estimated historical cost. Prior to July 1, 2001, governmental activities' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost. Donated assets are recorded at their fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 2005.

Depreciable capital assets are depreciated on a straight-line basis over useful lives. The range of estimated useful lives by type of asset is as follows:

• Buildings	20 – 100 years
• Improvements other than buildings	20 - 100 years
• Equipment and vehicles	3 - 25 years
• Infrastructure	15 - 50 years

F. Long-Term Debt

Accounting treatment of long-term debt varies depending upon the source of repayment and the measurement focus applied and whether the debt is reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental activities, business-type activities, proprietary fund and component unit resources are reported as liabilities as incurred. The long-term debt consists primarily of accrued compensated absences, capital leases payable, and revenue bonds payable. This long-term debt is reported net of unamortized premiums, discounts, and amounts deferred from refundings.

Long-term debt of 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.

G. Compensated Absences

Under terms of union contracts and City personnel policies, City employees are granted comp time, vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation and comp time. The estimated liabilities for vested benefits also include salary-related payments such as employment taxes. Compensated absences are reported as accrued in the government-wide, proprietary, fiduciary and component unit financial statements. Governmental funds report only the matured compensated absences payable to currently terminating employees.

H. Fund Balances and Net Assets

Net Assets:

Net assets reported in the government-wide and proprietary fund financial statements are displayed in three components:

a. *Invested in capital assets, net of related debt* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the 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 assets* - Consists of net assets 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 assets* - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the current year presentation, certain revenue bonds of the business-type activities were used to fund governmental capital assets (streets). The "invested in capital assets, net of related debt" for business-type activities therefore does not include the amounts related to these debt issues. The capital assets are reported in the governmental activities and are also reported in "invested in capital assets, net of related debt". This explains the large negative balance of unrestricted net assets in the business-type activities.

It is the City's policy to first use restricted net assets prior to the use of unrestricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. These classifications are defined as:

a. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

b. Restricted – consists of fund balance with constraints place on the use of resources either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

c. Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city's highest level of decision-making authority. The City's highest level of decision-making authority is made by ordinance. The City currently reports no committed fund balance.

d. Assigned – includes amounts that are constrained by the city's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action or management decision when the city council has delegated that authority. Assignments for transfers and interest income for governmental funds are made through the budgetary process.

e. Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

It is the City's policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The City's policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The only exception to this policy is for assigned interest income in governmental funds other than the General Fund. In those funds, interest income is used first before other revenues.

Proprietary fund equity is classified the same as in the government-wide statements.

I. Interfund Activities and Balances

The City's policy is to eliminate interfund transfers and balances in the statement of activities and net assets 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 then offset in the total column in the government-wide statements. Internal transfers and balances between funds are not eliminated in the fund financial statements

J. Use of Estimates

Certain estimates are made in the preparation of the financial statements, such as estimated lives for capital assets depreciation. Estimates are based on management's best judgments and may vary from actual results.

2. Deposits and Investments

Primary Government Deposits and Investments:

At June 30, 2012, the primary government held the following deposits and investments:

Type of Deposits and Investments - Primary Government	Credit Rating	Carrying Value	Maturities in Years: On Demand	Less Than One	1 - 5	6 - 10	More Than 10
Deposits:							
Petty Cash		$ 4,610	$ 4,610	$ -	$ -	$ -	$ -
Demand deposits		16,278,645	16,278,645	-	-	-	-
Demand deposits - pension trust funds		(153,402)	(153,402)	-	-	-	-
Time deposits		1,721,416	-	1,721,416	-	-	-
		17,851,269	16,129,853	1,721,416	-	-	-
Investments:							
Bond Trustee Accounts:							
Federated Treasury Obligations Fund IS #68	AAAm	2,490,022	2,490,022	-	-	-	-
Federated Treasury Obligations Ser Class #398	AAAm	487,154	487,154	-	-	-	-
Morgan Stanley Cap Serv Inc - D.S. Fund Agree	AAA	1	1	-	-	-	-
Pension Trust Funds:							
Citibank NA South Dakota Bank Deposit Program	N/A	645,040	645,040	-	-	-	-
MS Liquid Asset Fund - Money Market	N/A	349,293	349,293	-	-	-	-
Fixed Income Shares FD Series C - Money Marke	N/A	173,499	173,499	-	-	-	-
Fixed Income Shares FD Series M - Money Mark	N/A	173,380	173,380	-	-	-	-
Invesco Premier Ptf Instl (IPPXX) - Money Mark	N/A	112,507	112,507	-	-	-	-
Legg Mason WA Inst Lquid Res A -Money Mark	N/A	108,653	108,653	-	-	-	-
Corporate Bonds	AA-	35,199	-	-	17,834	17,365	
Corporate Bonds	A+	66,425	-	-	-	31,730	34,695
Corporate Bonds	AA	56,933	-	-	-	-	56,933
Corporate Bonds	AA+	31,238	-	17,435	13,803	-	-
Corporate Bonds	A	48,046	-	-	15,513	17,336	15,197
Corporate Bonds	A-	116,020	-	-	63,315	52,705	-
Corporate Bonds	BBB+	72,522	-	13,289	22,255	-	36,978
Corporate Bonds	BBB	78,886	-	5,143	16,380	31,733	25,630
Corporate Bonds	BBB-	119,962	-	102,699	-	-	17,263
Corporate Bonds	BB	172,526	-	-	172,526	-	-
Corporate Bonds	BB+	101,000	-	101,000	-	-	-
Corporate Bonds	CCC+	42,375	-	-	-	-	42,375
Corporate Bonds	A-	99,095	-	-	-	99,095	-
Governmental Bonds	N/A	1,090,348	-	23,038	687,475	296,058	83,777
Mortgage and asset backed securities	N/A	229,234	-	-	31,174	-	198,060
Preferred Stocks	A-	16,982	16,982	-	-	-	-
Preferred Stocks	BB+	73,110	73,110	-	-	-	-
Common Stocks	N/A	6,489,652	6,489,652	-	-	-	-
		13,479,102	11,119,293	262,604	1,040,275	546,022	510,908
Total Deposits and Investments		$ 31,330,371	$ 27,249,146	$ 1,984,020	$ 1,040,275	$ 546,022	$ 510,908

Reconciliation to Statement of Net Assets:	
Cash and cash equivalents	$ 19,260,432
Investments	1,721,416
Add: Fiduciary Fund cash and cash equivalents	840,931
Add: Fiduciary Fund investments	9,507,592
	$ 31,330,371

Deposit and Investment Risks

Custodial Credit Risk – Exposure to custodial credit risk related to deposits exists when the City holds deposits that are uninsured and uncollateralized; collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name; or collateralized 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 does not have a formal investment policy as it relates to custodial credit risk. Acceptable collateral is limited to U.S. Treasury securities and direct debt obligations of municipalities, counties, and school districts in the State of Oklahoma. As required by Federal 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee.

At June 30, 2012, the City was not exposed to custodial credit risk as defined above.

Investment Credit Risk – State law limits the investments available to the City and is described below.

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 of Oklahoma 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.

Investment credit risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. The City has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investments by reporting the credit quality ratings of investments in debt securities as determined by nationally recognized statistical rating organizations—rating agencies—as of the year end in the schedule above. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Retirement Plan Investments:

The Plan's investment policies provides for investment in a diversified portfolio, consisting primarily of common stocks, mutual funds, bonds, cash equivalents, and other investments. Asset allocation guidelines for the Plan are as follows:

Class	Maximum Percent	Minimum Percent	Target Percent
Large Cap Equities	30.00	10.00	20.00
Small Cap Equities	25.00	5.00	15.00
International Equities	25.00	5.00	15.00
Real Estate	20.00	5.00	10.00
Fixed Income	50.00	30.00	40.00

Large and small cap equities should be allocated between growth and value styles. Investment grade fixed income should be allocated between investment grade bonds, inflation-indexed bonds ("TIPS"), high yield bonds and international bonds.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy to manage exposure to fair value losses arising from increasing interest rates. The City discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments in the schedule above.

Concentration of Investment Credit Risk - Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the City (any over 5% are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this consideration. The City's investment policy requires diversification of investments and indicates that, with the exception of U.S. Treasury securities and authorized pools, there was no single issuer investment with more than 5% of total investments.

Restricted Cash and Investments – The amounts reported as restricted assets on the statement of net assets are comprised of the following:

	Current Cash and cash Equivalents	Non-current Cash and cash Equivalents	Current Interest Receivable
Utility Deposits	$ 429,429	$ -	$ -
Lowe's Escrow Account	510,449	-	-
Trustee Accounts (MPWA):			
1999A Sinking Fund	946,458	-	-
2002 Sinking Fund	464,510	-	-
2003A Bond Fund	429,957	-	-
2003A Bond Reserve Fund	-	649,098	-
2011 Principal Note Account	252,226	-	-
2011 Interest Note Account	49,061	-	-
2011 Construction Account	185,867	-	-
Interest Receivable	-	-	13
Total Restricted Assets	$ 3,267,957	$ 649,098	$ 13

Component Units Deposits and Investments:

McAlester Regional Health Center Authority

Deposits
At June 30, 2012, approximately $7,412,000 of the Authority's bank balances were uninsured with collateral held by the pledging financial institution and $2,349,000 of the Authority's bank balances were uninsured and uncollateralized.

3. Investment in Joint Venture

As discussed in Note 1A, the City participates (with equity interest) in the Association for Landfill Financial Assurance (ALFA). ALFA has been approved by the ODEQ as an allowable financial assurance mechanism under existing federal and state laws and regulations. As a member of ALFA, the City is required to deposit certain amounts on an annual basis into an escrow fund to be pooled with other ALFA members. The annual amount due from each member is based on the members' total estimated current cost of closure and post-closure care of the landfill, including adjustments due to inflation or resulting from any changes in the closure or the required 30 year post-closure care plan, plus any additional amount for contingencies as determined by ALFA. For the year ended June 30, 2012, the "Investment in joint venture" balance changed as follows:

Beginning Investment in Joint Venture	$ 1,645,935
Current Year Contributions	13,124
Gain from Joint Venture	116,351
Ending Investment in Joint Venture	$ 1,775,410

Separate annual financial statements are issued by ALFA and may be obtained from their administrative offices at 3414 East 85th Place, Tulsa, Oklahoma, 74137.

4. Receivables

Primary Government Accounts Receivables:

Accounts receivable of the business-type activities consists of customers utilities, airport rental accounts receivable, and airport grant receivable. Accounts receivable of the governmental activities consists of franchise tax, police fines and ambulance receivables. Receivables detail at June 30, 2012, is as follows:

	General Fund				
	Ambulance	Court	MPWA	Airport	Total
Accounts receivable	$ 1,076,206	$ 2,387,905	$ 3,069,240	$ 14,677	$ 6,548,028
Allowance for doubtful accounts	(996,930)	(1,313,348)	(1,749,310)	(1,200)	($4,060,788)
Accounts receivable, net	$ 79,276	$ 1,074,557	$ 1,319,930	$ 13,477	$ 2,487,240

Component Units:

McAlester Regional Health Center Authority

Patient receivable balances at June 30, 2012 were as follows:

	MRHCA
Medicare	$ 4,346,661
Medicaid	1,653,658
Other third-party payers	11,819,267
Patients	9,583,669
Allowance for doubtful accounts	(13,584,000)
Accounts receivable, net	$ 13,819,255

Outstanding Notes Receivable – Economic Development

The City of McAlester entered into a loan agreement dated April 28, 2005, with the McAlester Foundation for the development of an industrial tract to be used by Pliant Corporation. The original loan amount totaled $1,800,000. Monthly lease payments made by Pliant to the McAlester Foundation in the amount of $14,500 shall be paid over to the City of McAlester by the Foundation and deposited in the Economic Development Fund. The following schedule shows the current year activity related to this note receivable:

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Note Receivable				
McAlester Foundation	$ 886,500	$ -	$ 159,456	$ 727,044

5. Capital Assets and Depreciation

For the year ended June 30, 2012, capital assets balances changed as follows:

	Balance at June 30, 2011	Additions	Disposals	Balance at June 30, 2012
Governmental activities:				
Non-depreciable:				
Land	$ 675,209	$ -	$ -	$ 675,209
Construction-in-progress	735,669	1,470,192	(2,145,336)	60,525
Total non-depreciable assets at historical cost	1,410,878	1,470,192	(2,145,336)	735,734
Depreciable:				
Buildings	5,350,398	-	-	5,350,398
Other improvements	1,783,256	109,872	-	1,893,128
Machinery and equipment	9,290,915	1,320,360	(22,172)	10,589,103
Infrastructure	62,070,765	760,029	-	62,830,794
Total depreciable assets at historical cost	78,495,334	2,190,261	(22,172)	80,663,423
Less accumulated depreciation				
Buildings	(2,798,099)	(152,539)	-	(2,950,638)
Other improvements	(968,354)	(66,590)	-	(1,034,944)
Machinery and equipment	(7,050,779)	(662,673)	11,086	(7,702,366)
Infrastructure	(35,473,483)	(1,522,749)	-	(36,996,232)
Total accumulated depreciation	(46,290,715)	(2,404,551)	11,086	(48,684,180)
Net depreciable assets	32,204,619	(214,290)	(11,086)	31,979,243
Governmental activies capital assets, net	$ 33,615,497	$ 1,255,902	$ (2,156,422)	$ 32,714,977
Business-type activities				
Non-depreciable:				
Land	$ 212,571	$ -	$ -	$ 212,571
Water rights contracts	719,075	-	-	719,075
Construction-in-progress	78,497	1,496,873	(587,630)	987,740
Total non-depreciable assets at historical cost	1,010,143	1,496,873	(587,630)	1,919,386
Depreciable:				
Buildings	2,773,061	-	-	2,773,061
Other improvements	3,115,300	34,688	-	3,149,988
Machinery and equipment	2,913,532	563,386	-	3,476,918
Utility property	39,758,148	1,869,458	-	41,627,606
Total depreciable assets at historical cost	48,560,041	2,467,532	-	51,027,573
Less accumulated depreciation				
Buildings	(1,311,040)	(69,045)	-	(1,380,085)
Other improvements	(1,493,303)	(108,574)	-	(1,601,877)
Machinery and equipment	(1,662,804)	(268,377)	-	(1,931,181)
Utility property	(21,694,905)	(788,834)	-	(22,483,739)
Total accumulated depreciation	(26,162,052)	(1,234,830)	-	(27,396,882)
Net depreciable assets	22,397,989	1,232,702	-	23,630,691
Business-type capital assets, net	$ 23,408,132	$ 2,729,575	$ (587,630)	$ 25,550,077

	Balance at June 30, 2011	Additions	Transfers	Disposals	Balance at June 30, 2012
Component Units:					
Non-depreciable:					
Land	$ 909,448	$ -	$ -	$ -	$ 909,448
Construction-in-progress	479,225	452,114	-	(479,225)	452,114
Total non-depreciable assets at historical cost	1,388,673	452,114	-	(479,225)	1,361,562
Depreciable:					
Land improvements	1,336,741	6,375	-	-	1,343,116
Buildings and improvements	35,398,572	315,369	-	(81,199)	35,632,742
Machinery and equipment	32,963,123	869,808	-	(6,942,347)	26,890,584
Total depreciable assets at historical cost	69,698,436	1,191,552	-	(7,023,546)	63,866,442
Less accumulated depreciation					
Land improvements	(931,662)	(43,103)	-	-	(974,765)
Buildings and improvements	(20,328,981)	(1,330,624)	-	81,199	(21,578,406)
Machinery and equipment	(23,344,341)	(2,323,059)	-	6,793,992	(18,873,408)
Total accumulated depreciation	(44,604,984)	(3,696,786)	-	6,875,191	(41,426,579)
Net depreciable assets	25,093,452	(2,505,234)	-	(148,355)	22,439,863
Component Unit capital assets, net	$ 26,482,125	$ (2,053,120)	$ -	$ (627,580)	$ 23,801,425

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:

Depreciation expense charged to governmental activities:	
Legislature	$ 1,191
Administration	195,898
Public safety	430,845
Community services	280,813
Public works	1,495,804
Total governmental activities depreciation expense	$ 2,404,551
Depreciation expense charged to business-type activities:	
Water	$ 557,534
Sewer	244,380
Sanitation	289,965
Airport	142,951
Total business-type activities depreciation expense	$ 1,234,830

6. Economic Development Liabilities

Economic Development Agreement – Lowe's

On October 12, 2004, the City entered into an economic development agreement with Lowe's Home Centers, Inc. to provide economic development incentives to insure the construction of a Lowe's Home Improvement Warehouse in the City. The agreement requires the City to deliver incentives in the amount of $2,000,000 to Lowe's Home Centers, Inc. with $1,000,000 to be deposited into an escrow account and approximately $1,000,000 to be paid to Lowe's Home Centers, Inc. on opening day for reimbursement of infrastructure expenses of up to $800,000 and $200,000 for the initial annual economic incentive payment. The City will then pay Lowe's Home Centers, Inc. $200,000 each year on the anniversary of the opening date from the escrow account until all economic development incentives paid to Lowe's Home Centers, Inc. equals $2,000,000. The annual economic incentive payment will be subject to a minimum gross sales increase of $1,000,000 each year and the maintenance of at least 100 employees for the agreement term of 10 years.

The agreement states that the City will reimburse Lowe's Home Centers, Inc. for the public infrastructure improvements (estimated at an amount up to $800,000) and the initial economic development incentive payment of $200,000 on the opening date. The City made a payment to Lowe's Home Centers, Inc. during fiscal year 07-08, related to the opening day agreement, in the amount of $597,651 (due to Lowe's not meeting certain requirements for the full estimate).

No payments were made to Lowe's out of the escrow account during fiscal year 08-09. $200,000 was paid to Lowe's in March 2010. In addition, $400,000 was paid to Lowe's in FY 10-11. No payments were made to Lowe's out of the escrow account during fiscal year 11-12. The City has recorded on the financial statements of McAlester Public Works Authority an escrow deposit liability in the amount of $510,449, which includes interest earned on the deposit. This amount is considered a current liability of the MPWA.

7. Long-Term Debt and Debt Service Requirements

For the year ended June 30, 2012, the reporting entity's long-term debt changed as follows:

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012	Amounts Due Within One Year
Governmental Activities:					
Capital Lease Obligations	$ 391,421	$ -	$ 109,304	$ 282,117	$ 114,445
Accrued Compensated Absences	1,837,385	386,539	104,629	2,119,295	211,930
Claims Liability	319,759	562,799	473,059	409,499	-
Net Pension Benefit Obligation	356,457	-	7,116	349,341	-
Total Governmental Long-Term Debt	$ 2,905,022	$ 949,338	$ 694,108	$ 3,160,252	$ 326,375
Business-type Activities:					
Landfill Closure and Post-closure Liability	$ 2,550,000	$ 762,793	$ -	$ 3,312,793	$ 331,279
Due to Depositors	408,647	118,182	97,400	429,429	85,886
Net Pension Benefit Obligation	106,844	-	2,966	103,878	-
Notes Payable	1,000,251	25	189,674	810,602	178,939
Water Contract Obligations	252,857	-	25,307	227,550	25,949
Revenue Bonds Payable	58,586,519	6,489,423	9,180,000	55,895,942	3,045,000
Accrued Compensated Absences	292,099	26,412	18,247	300,264	30,027
Total Business-type Long-Term Debt	$ 63,197,217	$ 7,396,835	$ 9,513,594	$ 61,080,458	$ 3,697,080
			Less: Unamortized Loss on Refunding	(1,398,894)	
			Less: Unamortized Discount	(165,624)	
			Add: Unamortized Premium	605,744	
				$ 60,121,684	

Governmental activities long-term debt:

Unless otherwise indicated, the governmental activities long-term debt obligations are generally paid from the General Fund.

Capital Lease Obligations:

$98,796 capital lease with First National Bank for an ambulance, payable in annual installments of $22,664, final payment due June 5, 2014, with interest at 4.75%, paid from the General Fund	$ 42,291
$277,913 capital lease with First National Bank for 10 police vehicles, payable in monthly installments of $5,185, final payment due July 25, 2014, with interest at 4.55%, paid from the General Fund	123,392
$180,987 capital lease with First National Bank for street dept freightliner, payable in monthly installments of $3,379, final payment due July 28, 2015, with interest at 4.55%, paid from the Capital Improvement Plan Fund	116,434
Total Capital Lease Obligation	$ 282,117

Capital Lease Obligations:	
Current portion	$ 114,445
Noncurrent portion	167,672
Total Capital Lease Obligations	$ 282,117
Accrued Compensated Absences:	
Current portion	$ 211,930
Noncurrent portion	1,907,365
Total Accrued Compensated Absences	$ 2,119,295
Claims Liability:	
Current portion	$ -
Non-current portion	409,499
Total Claims Liability	$ 409,499
Net Pension Obligation:	
Current portion	$ -
Non-current portion	349,341
Total Pension Obligation	$ 349,341

Business-type activities long-term debt:

Notes Payable:

1999 CDBG-EDIF Promissory Note with McAlester Economic Development Service dated September 19, 2000, original amount of $275,000 with an annual interest rate of 0.00%, due in monthly installments of $1,146, final installment November 1, 2021.	$ 129,479
2006 CDBG-ED Promissory Note with City of McAlester dated October 1, 2006, original amount of $125,000, reduced to $67,800, with an annual interest rate of 0.00%, due in monthly installments of $282.50, final installment October 1, 2026.	49,720

PWA Note Payable for 2 trash trucks with First National Bank dated March 2, 2009, original amount of $257,565 with an annual interest rate of 4.3%, due in annual installments of $56,139, final installment April 1, 2013.	34,606
MAA Note Payable with First National Bank, renewed on July 11, 2006, original line of credit amount of $405,325, with an annual interest rate of 4.25%, due in monthly installments of $2,510, final installment July 15, 2011.	320,640
PWA Note Payable for a backhoe with Welch State Bank dated April 15, 2009, original amount of $84,100 with an annual interest rate of 3.949%, due in annual installments of $18,865, final installment March 31, 2014.	35,332
PWA Note Payable for caterpillar & trash compactor with First National Bank dated December 14, 2009, original amount of $455,000 with an annual interest rate of 4.7%, due in monthly installments of $8,524, final installment December 14, 2014.	240,825
Total Notes Payable	$ 810,602
Current portion	$ 178,939
Non-current portion	631,663
Total Notes Payable	$ 810,602

Water Rights Contract:

1987 contract with U.S. Army Corps of Engineers dated December 11, 1987, original amount of $719,075 with an annual interest rate of 2.59% due in annual installments of $31,859, final installment December 12, 2019.	$ 227,550
Current portion	$ 25,949
Non-current portion	201,601
Total Water Rights Contract	$ 227,550

Revenue Bonds Payable:

1999A Series Utility System Revenue Bonds:

Serial bonds in the amount of $3,990,000, after defeasance, originally dated May 1, 1999, issued by McAlester Public Works Authority, secured by utility revenue and pledged sales tax, principal maturing annually ranging from $305,000 to $805,000, interest rates from 4.25% to 4.75%, final maturity February 1, 2010.

Term bonds in the amount of $16,825,000, after defeasance, originally dated May 1, 1999, issued by McAlester Public Works Authority, secured by utility revenue and pledged sales tax, principal maturing annually ranging from $840,000 to $2,295,000, interest rate at 5.75%, final maturity February 1, 2020.	$ 14,665,000
Capital appreciation bonds in the face amount of $5,928,832, after defeasance, originally dated May 1, 1999, issued by McAlester Public Works Authority, secured by utility revenue and pledged sales tax, principal maturing at the accreted value of $25,623,620, interest rate at 5.70%, final maturity February 1, 2030. Interest is accreted (or added to the principal balance) until maturity, at which time, the entire principal balance of $25,623,620 will be due and payable.	25,623,620
Less: Unaccreted portion	(12,822,953)
Principal outstanding at year end	12,800,667

2002 Series Utility System Revenue Bonds:

Term bonds in the amount of $15,365,000 dated July 1, 2002, issued by McAlester Public Works Authority, secured by utility revenue and pledged sales tax, total principal due at maturity, interest Rate at 4.30%, final maturity February 1, 2034.	13,680,000
Capital appreciation bonds in the face amount of $3,037,176 dated July 1, 2003, issued by McAlester Public Works Authority, secured by utility revenue and pledged sales tax, principal maturing at the accreted value of $17,560,000, interest rate at 4.30%, final maturity February 1, 2034. Interest is accreted (or added to the principal balance) until maturity, at which time, the entire principal balance of $17,560,000 will be due and payable.	17,560,000
Less: Unaccreted portion	(12,264,725)
Principal outstanding at year end	5,295,275

2003A Series Sales Tax Revenue Bonds:

Term Bonds in the amount of $7,000,000 dated July 1, 2003, issued by McAlester Public Works Authority, secured by pledged sales tax, total principal due at maturity, initial interest rate at 2.10% increasing to 5.50%, final maturity September 1, 2018.	4,145,000

2011 Taxable Series Sales Tax Revenue Refunding Bonds:

Serial Bonds in the amount of $5,490,000 dated December 1, 2011, issued by McAlester Public Works Authority, secured by pledged sales tax, principal maturing annually ranging from $180,000 to $445,000, interest rate at 2.695%, final maturity September 1, 2018	5,310,000
Total Revenue Bonds Payable	$ 55,895,942
Current portion	$ 3,045,000
Noncurrent portion	52,850,942
Total Revenue Bonds Payable	$ 55,895,942
Unamortized loss on refunding	(1,398,894)
Unamortized bond premium/discount	440,120
Total Revenue Bonds Payable, **net**	$ 54,937,168

Landfill Closure and Post-Closure Liability:

A $3,312,793 accrued liability has been recognized in the McAlester Public Works Authority to represent the total estimated amount owed by the Authority for closure and postclosure requirements dictated by the U.S. Environmental Protection Agency and the Oklahoma Department of Environmental Quality regulations and represented the cumulative amount of such costs reported to date based on the use of approximately 74.84% of the estimated capacity of the landfill. It is estimated that an additional $1,113,800 will be recognized as closure and postclosure expense between the current balance sheet date and the date the landfill is expected to be filled to capacity. However, the actual cost of closure and postclosure may be higher due to inflation, changes in technology, or changes in landfill laws and regulation. The estimated remaining landfill life is 3.8 years.

Current portion	$ 331,279
Noncurrent portion	2,981,514
Total Landfill Closure and Postclosure Liability	$ 3,312,793

Accrued Compensated Absences:	
Current portion	$ 30,027
Noncurrent portion	270,237
Total Accrued Compensated Absences	$ 300,264
Deposits Subject to Refund:	
Current portion	$ 85,886
Noncurrent portion	343,543
Total Deposits Subject to Refund	$ 429,429
Net Pension Obligation:	
Current portion	$ -
Non-current portion	103,878
Total Net Pension Obligation	$ 103,878

Debt Service Requirements to Maturity

Long-term debt service requirements to maturity of the primary government are as follows:

	Governmental Activity Debt	
	Capital Lease Obligations Payable	
Year Ended June 30,	Principal	Interest
2013	$ 114,445	$ 10,985
2014	119,784	5,646
2015	44,522	1,152
2016	3,366	13
Total	$ 282,117	$ 17,796

	Business-Type Activity Debt	
	Notes Payable	
Year Ended June 30,	Principal	Interest
2013	$ 178,939	$ 25,572
2014	149,978	18,164
2015	85,895	12,511
2016	36,239	11,021
2017	266,052	1,757
2018-2022	77,679	-
2023-2027	15,820	-
Total	$ 810,602	$ 69,025

	Water Rights Contract Obligation		Revenue Bonds Payable	
Year Ended June 30,	Principal	Interest	Principal	Interest
2013	$ 25,949	$ 5,970	$ 3,045,000	$ 1,860,571
2014	26,629	5,289	3,220,000	1,718,607
2015	27,328	4,591	3,395,000	1,566,785
2016	28,044	3,874	3,595,000	1,404,677
2017	28,780	3,139	3,800,000	1,231,271
2018-2022	90,820	4,915	14,286,293	6,937,777
2023-2027	-	-	7,503,407	11,303,737
2028-2032	-	-	6,335,560	13,210,970
2033-2034	-	-	1,585,748	8,114,252
Total	$ 227,550	$ 27,778	46,766,008	47,348,647
Accreted Portion of Debt			9,129,934	(9,129,934)
			$ 55,895,942	$ 38,218,713

Refunding

On December 1, 2011, the City issued $5.49 million Series 2011 Sales Tax Revenue Refunding Bonds with an interest rate of 2.695% to refund $3,845,000 of outstanding 2003B Series Sales Tax Revenue Bonds and $2,530,000 of outstanding 2004 Series Sales Tax Revenue Bonds, with an average interest rate of 6.6% and an interest rate of 7.25%, respectively. The net proceeds of $5,424,472 (after payment of $63,900 of issuance costs and $1,628 to an interest account) plus an additional $800,185 of 2003B Series fund monies and $373,413 of 2004 Series fund monies were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2003B and 2004 Series bonds. As a result, the 2003B and 2004 Series bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net assets. These bonds were fully redeemed on March 1, 2012.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $376,313. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2019 using the straight line method. The City completed the refunding to reduce its total debt service payments over the next seven years by $1,182,378 and to obtain an economic gain (the difference between the present values of the old and new debt service payments) of $899,378.

Component Units have the following long-term debt at June 30, 2012:

	Balance June 30, 2011	Additions	Deductions	Transfers	Balance June 30, 2012	Amounts Due Within One Year
Component Unit Activities:						
Capital Lease Obligations	$ 2,148,135	$ -	$ 1,026,833	$ -	$ 1,121,302	$ 624,624
Notes Payable to Vendors	976,294	-	656,710	-	319,584	247,809
Notes Payable to Banks	1,503,502	-	363,329	-	1,140,173	236,495
Total Component Unit Debt	$ 4,627,931	$ -	$ 2,046,872	$ -	$ 2,581,059	$ 1,108,928

McAlester Regional Health Center Authority Component Unit

Notes Payable to Banks:

The notes payable to banks are due between November 2013 and December 2022, payable monthly, including interest at rates of 3.25% to 5.50%. The notes are secured by real estate and certain capital assets. The debt service requirements as of June 30, 2012, are as follows:

	Discretely Presented Component Unit Debt	
	Notes Payable to Banks	
Year Ended June 30,	Principal	Interest
2013	$ 236,495	$ 49,119
2014	183,142	38,876
2015	487,396	21,837
2016	33,183	11,237
2017	27,520	9,801
2018-2022	160,960	25,645
2023	11,477	172
Total	$ 1,140,173	$ 156,687

Notes Payable to Vendor:

Agreements previously recorded in obligations under capital lease were transferred to notes payable to vendor. The notes payable to vendor are due between August 2012 and November 2013, payable monthly, including interest at rates of 8.18% to 9.45%. The debt service requirements as of June 30, 2012, are as follows:

	Discretely Presented Component Unit Debt	
	Notes Payable to Vendor	
Year Ended June 30,	Principal	Interest
2013	$ 247,809	$ 14,259
2014	71,775	1,480
Total	$ 319,584	$ 15,739

Capital Lease Obligations:

The Authority is obligated under leases for equipment that are accounted for as capital leases. The following is a schedule by year of future minimum lease payments under the capital leases, including interest at rates of 3.77% to 7.00% together with the present value of the future minimum lease payments as of June 30, 2012:

Year Ended June 30,	Capital Lease Obligations Payable
2013	$ 663,678
2014	343,134
2015	153,498
2016	19,933
Total minimum lease payments	1,180,243
Less amount representing interest	58,941
Present value of future minimum lease payments	$ 1,121,302

8. Net Assets 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 and Proprietary Fund Statement of Net Assets:

	General Fund	Reserve Fund	Capital Improvement Plan Fund	Dedicated Sales Tax - MPWA	Other Governmental Funds	Total
Fund Balance:						
Restricted For:						
Grant purposes	$ -	$ -	$ -	$ -	$ 74,134	$ 74,134
Juvenile programs	-	-	-	-	11,741	11,741
Tourism	-	-	-	-	207,577	207,577
E911	-	-	-	-	1,131,488	1,131,488
Economic development	-	-	-	-	1,704,877	1,704,877
Police capital outlay	-	-	-	-	59,317	59,317
Cemetery	-	-	-	-	361,396	361,396
Emergencies	-	3,607,037	-	-	-	3,607,037
Debt Service	-	-	-	4,302,363	1,068,870	5,371,233
Sub-total Restricted	-	3,607,037	-	4,302,363	4,619,400	12,528,800
Assigned to:						
Tourism	-	-	-	-	341,056	341,056
E911	-	-	-	-	1,132	1,132
Economic development	-	-	-	-	483,325	483,325
Other	-	-	-	-	32,744	32,744
Debt service	-	-	-	139	-	139
Capital improvements	-	-	2,106,826	-	-	2,106,826
Nutrition services	4,746	-	-	-	-	4,746
Budget balancing purposes	56,607	-	-	-	-	56,607
Sub-total Assigned	61,353	-	2,106,826	139	858,257	3,026,575
Unassigned	1,872,415	-	-	-	-	1,872,415
Total Fund Balance	$ 1,933,768	$ 3,607,037	$ 2,106,826	$ 4,302,502	$ 5,477,657	$ 17,427,790

Enterprise Funds:		
Restricted For Economic Development	$	185,867
Total Enterprise Fund Restrictions	$	185,867

Restricted Net Assets – Governmental Activities

The following table shows the net assets restricted for other purposes as shown on the Statement of Net Assets:

Fund	Restricted By		Amount
Juvenile Fine Fund	State statutes and/or debt indentures	$	11,741
State Forfeiture Fund	State statutes and/or debt indentures		2,209
Cemetery Perpetual Care Fund	State statutes and/or debt indentures		361,396
Federal Forfeiture Fund	State statutes and/or debt indentures		54,153
		$	429,499
Dedicated Sales Tax - MPWA	External parties (voters)	$	4,302,363
E911 Fund	External parties (voters)		1,131,488
Reserve Fund	External parties (voters)		3,607,037
Tourism / SE Expo Fund	External parties (voters)		207,577
Economic Development Fund	External parties (voters)		1,704,877
Sales Tax - Schools Fund	External parties (voters)		1,068,870
Fire Improvement Grant Fund	External parties (grantors)		3,750
Police Equipment Fund	External parties (grantors)		2,955
CDBG Grants Fund	External parties (grantors)		70,384
		$	12,099,301

9. Dedicated Tax Revenues and Pledges of Future Revenues

Sales and Use Tax

Sales and use tax revenue represents a 3.50 cents tax on each dollar of taxable sales which is recorded as revenue within the respective funds. Upon receipt, the sales tax is recorded as follows:

- 2 cents is recorded in the General Fund.
- 1 cent recorded in the Dedicated Sales Tax Fund MPWA and then transferred to the McAlester Public Works Authority Fund for the payment of debt service restricted by voter approval.
- ¼ cent recorded in the Sales Tax Schools Fund for the acquisition, construction, equipment and financing of education facilities and the payment of debt service for such purpose restricted by voter approval (effective April 1, 2003).
- ¼ cent recorded in the Economic Development Fund for economic development and the payment of debt service for such purpose restricted by voter approval (effective April 1, 2003).

Pledge of Future Revenues

Sales Tax and Utility Net Revenues Pledge - The City has pledged one and one-half cents (or 42.86%) of future sales tax revenues to repay $55,895,942 of Series 1999, 2002, 2003, 2004and 2011 Sales Tax and Utility System Bonds. Proceeds from the bonds provided financing for capital assets, economic development, and school related capital contributions. The 2003A, 2003B, 2004 and 2011 bonds are payable solely from pledged sales tax revenues. The 1999 and 2002 bonds and the 1999 loan are payable from pledged sales tax revenues and further secured by net water, wastewater, and sanitation revenues. The bonds are payable anywhere from 2011 through 2034. The total principal and interest payable for the remainder of the life of these bonds is $94,114,655, which includes $43,183,620 of accreted bonds. Pledged sales taxes transferred in the current year were $4,871,269 and the net utility revenues were $2,671,489. Debt service payments of $4,947,874, excluding accreted interest, for the current fiscal year were 101.6% of the pledged and transferred sales taxes and 65.6% of both pledged and transferred sales taxes and utility revenues.

10. Internal and Interfund Balances and Transfers

Transfers:
Internal transfers between funds and activities for the year ended June 30, 2012, were as follows:

Transfer From	Transfer To	Amount	Nature of Transfer
General Fund	Police Equipment Fund	$ 7,640	Matching grant monies
General Fund	Fire Improvement Grant Fund	3,750	Matching grant monies
General Fund	McAlester Airport Authority	99,103	Operating transfer
General Fund	Gifts & Contributions Fund	32,500	City share of ADA project
General Fund	Capital Improvement Plan Fund	1,720,130	Transfer for capital improvements
Capital Improvement Plan Fund	McAlester Airport Authority	50,000	Matching grant monies
Capital Improvement Plan Fund	CDBG Grants Fund	58,218	Matching grant monies
Dedicated Sales Tax Fund	MPWA - Bond Trustee Acct	3,368,108	Debt payments to trustee bank
Sales Tax - Schools Fund	MPWA - Bond Trustee Acct	603,590	Debt payments to trustee bank
Economic Development Fund	MPWA - Bond Trustee Acct	899,571	Debt payments to trustee bank
Economic Development Fund	MPWA	3,390	Trustee bank fiscal agent fees
MPWA	General Fund	2,349,668	Operating transfer
MPWA	CDBG Grants Fund	77,626	Matching grant monies
MPWA - Bond Trustee Acct	Capital Improvement Plan Fund	392,963	Transfer for capital improvements
MPWA	Economic Development Fund	483,325	Reimburse for capital outlay expense
		$ 10,149,582	

	Transfers In	Transfers Out	Net Transfers/ Internal Activity
Reconciliation to Fund Financial Statements:			
Governmental Funds	$ 5,125,820	$ (6,846,000)	$ (1,720,180)
Enterprise Funds	5,023,762	(3,303,582)	1,720,180
Total Transfers	$ 10,149,582	$ (10,149,582)	$ -

Reconciliation to statement of activities:	Governmental	Business-Type
Net transfers	$ (1,720,180)	$ 1,720,180
Reclassification of expenses between activities	90,630	(90,630)
Reclassification of capital asset purchases between activities	(2,848,236)	2,848,236
Total Transfers - Internal Activity	$ (4,477,786)	$ 4,477,786

Balances:

Interfund receivables and payables at June 30, 2012, were as follows:

Due From	Due To	Amount	Nature of Interfund Balance
General Fund	Capital Improvement Plan Fund	$ 800,000	Bond related issues
General Fund	Fleet Maintenance Fund	26,791	GF share of payroll liability
General Fund	Workers Compensation Fund	215,754	GF share of claims liability
Juvenile Fine Fund	Gifts & Contributions Fund	25,000	Park donation
Gifts & Contributions Fund	General Fund	2,256	Negative share of cash
MPWA	Fleet Maintenance Fund	9,910	GF share of payroll liability
MPWA	Workers Compensation Fund	193,745	GF share of claims liability
		$ 1,273,456	

	Due From Other Fund	Due To Other Funds	Internal Service Funds Reconciliation	Net Activity/ Internal Balances
Reconciliation to Fund Financial Statements:				
Governmental Funds	$ 827,256	$ (1,069,801)	$ 446,200	$ 203,655
Enterprise Funds	-	(203,655)	-	(203,655)
Total Interfund Balances	$ 827,256	$ (1,273,456)	$ 446,200	$ -

The City continues to report an interfund receivable/payable in the original amount of $3,291,826 between the General Fund and the Capital Improvement Plan Fund (MPWA). This interfund receivable/payable is the result of questions raised in a forensic audit dealing with questioned transfers made in prior years from the MPWA to the General Fund. At the current time, the City has developed a schedule of annual reimbursements to be made by the General Fund to the Capital Improvement Plan Fund(MPWA) until the interfund payable is deemed to be satisfied. The current balance of this interfund receivable/payable is $800,000.

11. 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 and Physical Property – Purchased commercial insurance with no risk of loss retained.
- Workers' Compensation – Self- insured up to $250,000 per occurrence. Additional coverage is maintained with a reinsurance policy up to a $5,000,000 limit. The reinsurance policy also covers aggregate losses exceeding $800,000 with a limit of $1,000,000 during the two year policy period.
- Dental Insurance – Self- insured.
- Employee's Group Medical – Covered through purchased commercial insurance with no risk of loss retained.

Management believes the insurance coverage listed above is sufficient to preclude any significant uninsured losses to the City. There were no significant changes in coverage in the current year and settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

Claims Liability Analysis

The claims liabilities related to the above noted risks of loss that are retained are determined in accordance with the requirements of Statement of Financial Accounting Standard No. 5, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. For workers' compensation, changes in the claims liability for the City from July 1, 2009 to June 30, 2012 are as follows:

	Total Claims Liability
Claims liability, July 1, 2009	$ 337,035
Claims incurred	371,749
Claims paid	(404,671)
Claims liability, July 1, 2010	304,113
Claims incurred	397,938
Claims paid	(382,292)
Claims liability, June 30, 2011	319,759
Claims incurred	475,561
Claims paid	(385,821)
Claims liability, June 30, 2012	$ 409,499

12. Contingencies

Litigation:

The City is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings. State statutes provide for the levy of an ad valorem tax over a three-year period by a City Sinking Fund for the payment of any court assessed judgment rendered against the City. While the outcome of the above noted proceedings cannot be predicted, due to the insurance coverage maintained by the City and the State statute relating to judgments, the City feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the City.

Federal and State Award Programs:

The City of McAlester participates in various federal or state grant/loan programs from year to year. In 2012, the City's involvement in federal and state award programs was significant. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. The City has not been notified of any noncompliance with federal or state award requirements. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Sales Tax Related Issues (One-cent dedicated sales tax):

In July 2007, the City began segregating excess sales taxes earned related to a one-cent dedicated sales tax into a separate special revenue fund, with the intent to use these either for debt service or for capital improvements. A special election was held on August 11, 2009. As a result, the citizenry decided that the excess sales tax was restricted for debt service only. Segregation of these excess monies into a separate fund continue and are restricted solely for debt service.

DEQ Consent Order:

The City of McAlester is currently under two Consent Orders from the Oklahoma Department of Environmental Quality related to the water treatment plant; Case No. 07-233 and Case 09-241. Case 07-233 relates to disinfection by-products (dbp's). This work has been completed and the plant is approaching compliance. Compliance is required by July 1, 2013 or an engineering report is to be submitted to show how compliance is to be achieved. Case 09-241 relates to the discharge from the plant's backwash lagoons. As approved by DEQ, the Lagoon Improvements schedule sets the completion of construction to be by January 2014 and compliance achieved by July 1, 2014.

13. Pension Plan Participation

The City of McAlester participates in three pension or retirement plans:

1. Oklahoma Firefighter's Pension and Retirement System (OFPRS) – a statewide cost-sharing plan
2. Oklahoma Police Pension and Retirement System (OPPRS) – a statewide cost-sharing plan
3. City of McAlester Employee's Retirement System – a single-employer defined benefit plan

City of McAlester Employee's Retirement System Defined Benefit Plan:

The City contributes to the City of McAlester Employees' Retirement System (the "System"), which is a single employer defined benefit pension plan administered by the City of McAlester City Council. All non-union full-time City employees participate in the System. The City's retirement ordinance requires that actuarial valuations be performed annually to determine if the City's fixed contribution rate is adequate to fund the actuarially determined contribution requirement. The System does not issue separate annual financial statements.

The following is a summary of funding policies, contribution methods, and benefit provisions:

Year established and governing authority		1995 by City Council Ordinance
Determination of Contribution requirements		Actuarially determined
Employer		21.9% of Payroll ($885,271 annual required contribution)
Plan members		None required
Funding of administrative costs		Investment earnings
Period required to vest		10 years
Eligibility for distribution		Age 55 with ten years credited service. Annual rate of retirement starts at 5% at age 56.
Provisions for:		
Disability benefits		Yes
Death benefits		Yes

Annual Required Contributions

Actuarial assumptions:

Valuation date	July 1, 2012
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level Dollar
Amortization period	30 years remaining
Actuarial asset valuation method	5-year weighted average market value, recognizing gains and losses at the rate of 20% per year.
Investment rate of return	7.2%
Projected salary increases	Varies from 3.10% to 10.30%

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - Disclosures of the System's financial condition are prepared using the accrual basis of accounting. Employer contributions are recognized as System revenues in the period in which employee services are performed.

Method Used to Value Investments - Values of System assets are reported at fair value which approximates market. As of June 30, 2012, the System held no related party investments or individual investments (other than U.S. government and U.S. government guaranteed securities) whose market value exceeds five percent or more of the net assets available for benefits.

C. Annual Pension Cost and Net Pension Obligation

The annual pension cost and net pension obligation to the Plan for the fiscal year ended June 30, 2012 was as follows:

	2012
Annual pension cost	$ 875,888
Contributions made	(885,464)
Increase (decrease) in net pension obligation	(9,576)
Net pension obligation beginning of year	462,795
Net pension obligation end of year	$ 453,219

D. Trend Information

McAlester Employees' Retirement System			
Fiscal Year	Required Contribution	Percentage Contributed	Net Pension Obligation (Asset)
2008	533,593	99.5%	572,508
2009	518,694	116.3%	487,961
2010	657,455	102.6%	470,753
2011	806,226	101.0%	462,795
2012	875,888	101.1%	453,219

Funded Status and Funding Progress

As of July 1, 2012, the funded status of the McAlester Employees' Retirement System defined benefit plan is as follows:

Actuarial accrued liability (AAL)	$16,807,499
Actuarial value of plan assets	10,763,608
Overfunded (Unfunded) actuarial accrued liability (UAAL)	$ (6,043,891)
Funded ratio (actuarial value of plan assets/AAL)	64.0%
Annual covered payroll (active plan members)	$4,108,795
UAAL as a percentage of covered payroll	147.1%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Firefighter Pension System:

Plan Summary Information. The City of McAlester, as the employer, participates in a statewide cost-sharing multiple employer defined benefit pension plan through the Oklahoma Firefighter's Pension and Retirement System (OFPRS). The OFPRS defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Pursuant to the requirements of Title 11, section 22-102, the City must participate in the plan if they employ fulltime or volunteer firefighters.

The State made on-behalf payments to the Oklahoma Firefighter's Pension and Retirement System of $539,732 (or 26.6% of covered payroll).

The OFPRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to OFPRS, 4545 N. Lincoln Blvd., Suite 265, Oklahoma City, OK 73105-3414.

Funding Policy. OFPRS plan members are required to contribute 8% of their annual salary to the plan. The City is required by state law to contribute 13% of the members' annual salary. The plan is funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary.

Police Pension System:

Plan Summary Information. Pursuant to the requirements of Title 11, section 22-102, the City of McAlester participates in the statewide cost-sharing multi-employer defined benefit plan administered by the Oklahoma Police Pension and Retirement System (OPPRS).

The State made on-behalf payments to the Oklahoma Police Pension and Retirement System of $238,475 (or 10.9% of covered payroll).

The OPPRS issues a publicly available report that includes financial statements, which can be obtained from the Oklahoma Police Pension and Retirement System, 1001 N.W. 63rd Street, Oklahoma City, OK, 73116-7335.

Funding Policy. OPPRS plan members are required to contribute 8% of their annual salary to the plan. The City is required by state law to contribute 13% of the members' annual salary. The plan is funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary.

Summary of Contributions:

Oklahoma Firefighter's Pension and Retirement System			Oklahoma Police Pension and Retirement System		
Fiscal Year	Required Contribution	Percentage Contributed	Fiscal Year	Required Contribution	Percentage Contributed
2010	281,276	100%	2010	296,068	100%
2011	269,253	100%	2011	295,100	100%
2012	263,781	100%	2012	282,222	100%

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules (Budgetary Basis) – Year Ended June 30, 2012

	GENERAL FUND			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Beginning Budgetary Fund Balance, Restated:	$ 45,000	$ 419,692	$ 1,336,617	$ 916,925
Resources (Inflows):				
TAXES:				
Sales tax	7,888,193	8,148,793	8,334,053	185,260
Use tax	630,000	630,000	592,424	(37,576)
Franchise tax	666,500	666,500	600,661	(65,839)
Total Taxes	9,184,693	9,445,293	9,527,138	81,845
INTERGOVERNMENTAL:				
Alcoholic beverage tax	116,500	116,500	123,198	6,698
Tobacco/cigarette tax	197,600	197,600	216,174	18,574
Gas excise tax	41,950	41,950	47,598	5,648
Vehicle tax	122,600	122,600	125,051	2,451
Grant revenue	-	33,127	127,409	94,282
Total Intergovernmental	478,650	511,777	639,430	127,653
CHARGES FOR SERVICES:				
Court costs	378,000	378,000	234,387	(143,613)
Cemetery opening/closing	33,300	33,300	29,444	(3,856)
Cemetery fees	12,000	12,000	16,300	4,300
Swimming pool revenue	25,000	25,000	30,199	5,199
Ambulance revenue	408,700	408,700	457,509	48,809
Street cuts	3,500	3,500	3,794	294
Recreation fees	3,500	3,500	3,520	20
Administrative reimbursement	17,400	17,400	24,400	7,000
Oil and gas leases	505,000	805,550	1,099,295	293,745
Abatements	27,700	27,700	17,136	(10,564)
Rental property	600	600	600	-
Rental rooms	6,500	6,500	6,217	(283)
Burgular alarms	6,200	6,200	10,475	4,275
Complex concessions	14,000	14,000	16,341	2,341
Complex rental	19,500	19,500	19,350	(150)
Total Charges for Services	1,460,900	1,761,450	1,968,967	207,517
FINES AND FORFEITURES	815,000	815,000	627,213	(187,787)
LICENSES AND PERMITS	129,120	129,120	92,307	(36,813)
INVESTMENT INCOME	50,000	50,000	46,163	(3,837)
MISCELLANEOUS:				
Auctions	2,000	2,000	61,289	59,289
Hay sales	800	800	7,100	6,300
Vendors	500	500	867	367
Cemetery lots	16,500	16,500	11,638	(4,862)
Demolitions	4,400	4,400	400	(4,000)
Court admin fee	3,700	3,700	2,653	(1,047)
Miscellaneous	33,000	33,000	121,935	88,935
Credit card payment fees	6,800	6,800	5,950	(850)
Restitution reimbursements	5,500	5,500	5,937	437
Reimbursements	8,500	8,500	39,558	31,058
Total Miscellaneous	81,700	81,700	257,327	175,627
OTHER FINANCING SOURCES:				
Transfers from other funds	2,337,449	2,337,449	2,349,668	12,219
Total Other Financing Sources	2,337,449	2,337,449	2,349,668	12,219
Amounts available for appropriation	14,582,512	15,551,481	16,844,830	1,293,349

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	GENERAL FUND			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Charges to Appropriations (Outflows):				
LEGISLATURE:				
Mayor and Council:				
Personal services	4,845	5,007	5,006	1
Materials and supplies	10,580	10,418	10,048	370
Other services and charges	140,580	140,580	103,306	37,274
TOTAL LEGISLATURE	156,005	156,005	118,360	37,645
ADMINISTRATION:				
City Manager:				
Personal services	194,424	206,354	206,164	190
Materials and supplies	3,200	3,200	2,341	859
Other services and charges	37,300	131,979	113,406	18,573
Capital outlay	10,000	3,153	3,025	128
Total City Manager	244,924	344,686	324,936	19,750
Finance:				
Personal services	276,897	244,388	242,046	2,342
Materials and supplies	6,200	6,200	4,724	1,476
Other services and charges	10,700	9,475	6,669	2,806
Capital outlay	1,200	1,200	-	1,200
Total Finance	294,997	261,263	253,439	7,824
City Clerk:				
Personal services	79,553	102,489	101,456	1,033
Materials and supplies	3,650	3,650	2,369	1,281
Other services and charges	32,630	12,184	8,065	4,119
Total City Clerk	115,833	118,323	111,890	6,433
City Attorney:				
Personal services	22,829	23,508	23,506	2
Materials and supplies	200	200	-	200
Other services and charges	91,200	155,521	111,702	43,819
Total City Attorney	114,229	179,229	135,208	44,021
Court:				
Personal services	148,225	153,479	152,927	552
Materials and supplies	6,600	3,765	3,320	445
Other services and charges	16,500	16,096	13,750	2,346
Total Court	171,325	173,340	169,997	3,343
Interdepartmental:				
Personal services	285,000	29,868	-	29,868
Materials and supplies	41,000	47,163	32,630	14,533
Other services and charges	1,266,691	733,729	650,267	83,462
Total Interdepartmental	1,592,691	810,760	682,897	127,863
Information Services:				
Personal services	66,183	70,014	69,998	16
Materials and supplies	4,646	3,646	3,484	162
Other services and charges	39,540	45,555	45,015	540
Capital outlay	25,000	45,759	45,699	60
Total Information Services	135,369	164,974	164,196	778

(Continued)

(Continued)

	GENERAL FUND			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
ADMINISTRATION, (Continued):				
CID:				
Personal services	584,309	617,004	605,185	11,819
Materials and supplies	10,100	8,600	6,847	1,753
Other services and charges	5,000	4,000	2,596	1,404
Total CID	599,409	629,604	614,628	14,976
TOTAL ADMINISTRATION	3,268,777	2,682,179	2,457,191	224,988
PUBLIC SAFETY:				
Patrol:				
Personal services	2,581,385	2,756,831	2,651,297	105,534
Materials and supplies	155,200	164,242	140,704	23,538
Other services and charges	50,750	161,443	151,547	9,896
Capital outlay	-	6,000	6,000	-
Debt service	62,220	63,020	63,020	-
Total Patrol	2,849,555	3,151,536	3,012,568	138,968
Animal Control:				
Personal services	73,169	83,512	82,922	590
Materials and supplies	10,791	10,791	9,236	1,555
Other services and charges	2,000	3,781	3,665	116
Capital outlay	-	24,000	-	24,000
Total Animal Control	85,960	122,084	95,823	26,261
Communications:				
Personal services	160,151	164,305	162,279	2,026
Materials and supplies	3,000	3,000	2,154	846
Other services and charges	2,000	2,000	360	1,640
Total Communications	165,151	169,305	164,793	4,512
Fire:				
Personal services	2,578,944	2,906,318	2,904,265	2,053
Materials and supplies	75,539	75,422	72,864	2,558
Other services and charges	41,050	67,615	63,634	3,981
Capital outlay	12,000	2,802	-	2,802
Debt service	37,802	22,664	22,664	-
Total Fire	2,745,335	3,074,821	3,063,427	11,394
EMS:				
Materials and supplies	59,163	69,663	65,454	4,209
Other services and charges	57,500	50,000	43,401	6,599
Total EMS	116,663	119,663	108,855	10,808
TOTAL PUBLIC SAFETY	5,962,664	6,637,409	6,445,466	191,943
COMMUNITY SERVICES:				
Parks:				
Personal services	661,578	709,671	709,642	29
Materials and supplies	127,590	118,511	120,401	(1,890)
Other services and charges	40,500	137,343	136,080	1,263
Debt service	5,748	-	-	-
Total Parks	835,416	965,525	966,123	(598)
Swimming Pools:				
Personal services	83,035	98,663	98,582	81
Materials and supplies	42,000	42,000	39,260	2,740
Other services and charges	7,000	7,000	6,932	68
Total Swimming Pools	132,035	147,663	144,774	2,889

(Continued)

(Continued)

	GENERAL FUND			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
COMMUNITY SERVICES, (Continued):				
Recreation:				
Personal services	183,844	188,879	186,404	2,475
Materials and supplies	29,064	27,283	25,578	1,705
Other services and charges	29,700	29,586	29,484	102
Capital outlay	-	7,038	7,038	-
Total Recreation	242,608	252,786	248,504	4,282
Cemetery:				
Personal services	302,103	309,731	309,183	548
Materials and supplies	27,680	28,120	20,965	7,155
Other services and charges	2,075	35,604	35,115	489
Capital outlay	-	81,004	-	81,004
Total Cemetery	331,858	454,459	365,263	89,196
Facility Maintenance:				
Personal services	187,571	197,223	194,202	3,021
Materials and supplies	60,203	60,203	58,969	1,234
Other services and charges	22,000	50,714	47,969	2,745
Capital outlay	-	6,847	6,847	-
Total Facility Maintenance	269,774	314,987	307,987	7,000
TOTAL COMMUNITY SERVICES	1,811,691	2,135,420	2,032,651	102,769
ADMINISTRATIVE SERVICES:				
Planning & Community Development:				
Personal services	244,179	261,989	261,014	975
Materials and supplies	9,055	9,555	8,293	1,262
Other services and charges	89,900	61,545	22,823	38,722
Total Planning & Community Development	343,134	333,089	292,130	40,959
Human Resources/Risk Management:				
Personal services	173,511	184,751	184,658	93
Materials and supplies	19,991	27,941	27,205	736
Other services and charges	17,600	24,300	20,589	3,711
Total Human Resources/Risk Management	211,102	236,992	232,452	4,540
TOTAL ADMINISTRATIVE SERVICES	554,236	570,081	524,582	45,499
PUBLIC WORKS:				
Streets:				
Personal services	630,471	652,433	612,279	40,154
Materials and supplies	354,338	392,809	369,805	23,004
Other services and charges	2,510	153,417	152,727	690
Total Streets	987,319	1,198,659	1,134,811	63,848
TOTAL PUBLIC WORKS	987,319	1,198,659	1,134,811	63,848
OTHER FINANCING USES:				
Transfers to other funds	1,841,820	2,171,728	2,156,284	15,444
Total Charges to Appropriations	14,582,512	15,551,481	14,869,345	682,136
Ending Budgetary Fund Balance	$ -	$ -	$ 1,975,485	$ 1,975,485

	SPECIAL REVENUE - RESERVE FUND (Budgetary Basis)			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Beginning Budgetary Fund Balance	$ -	$ -	$ 3,577,461	$ 3,577,461
Resources (Inflows):				
Investment income	38,000	38,000	29,576	(8,424)
Amounts available for appropriation	38,000	38,000	3,607,037	3,569,037
Charges to appropriations (outflows):				
Transfers out	-	-	-	-
Total Charges to Appropriations	-	-	-	-
Ending Budgetary Fund Balance	$ 38,000	$ 38,000	$ 3,607,037	$ 3,569,037

See accompanying notes to budgetary comparison schedules

Footnotes to Budgetary Comparison Schedules:

1. The City prepares its budgets for all funds on the cash basis of accounting for all revenues except for those that are billed by the City (i.e., misc receivables and utility receivables). The modified accrual basis of accounting is used for budgeting of expenditures with the exception of the net effect of certain year-end payroll accruals and outstanding encumbrances related to capital items. The City utilizes encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation. Encumbrances outstanding and their related appropriations are lapsed at year end and are re-appropriated and re-encumbered in the subsequent fiscal year.

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 Manager, subject to a dollar limitation of $25,000. All transfers of appropriation above this limitation and all supplemental appropriations require the approval of the City Council. 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
Sources/Inflows of resources	
Actual amounts (budgetary basis) "available appropriation" from the budgetary comparison schedule	$16,844,830
Differences – budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(1,336,617)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(2,349,668)
The City reports on-behalf payments made by state in the General Fund in the fund financial statements, but are not budgeted.	778,206
The City reports grant revenue for assets contributed by grantors in the General Fund in the fund financial statements, but are not budgeted.	96,718

The City budgets for revenues on the modified cash basis of accounting, rather than on the modified accrual basis.	(739)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance – governmental funds	$14,032,730
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	$14,869,345
Differences – budget to GAAP:	
The City budgets for payroll and miscellaneous accrued liabilities on the modified cash basis, rather than on the modified accrual basis.	(145,330)
The City reports internal service activity as expenses in the General Fund in the fund financial statements, but are budgeted as transfers.	125,788
The City reports on-behalf payments made by state in the General Fund in the fund financial statements, but are not budgeted.	778,206
The City reports capital outlay for assets contributed by grantors in the General Fund in the fund financial statements, but are not budgeted.	96,718
Transfers to other funds and component units are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(2,156,284)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance – governmental funds	$13,568,443

	Reserve Fund
Sources/Inflows of resources	
Actual amounts (budgetary basis) "available appropriation" from the budgetary comparison schedule	$3,607,037
Differences – budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(3,577,461)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance – governmental funds	$29,576

4. For the year ended June 30, 2012, the City complied, in all material respects, with the applicable budget laws.

Trend Schedule of Pension Plan Funding Progress – McAlester Employees' Retirement System

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (AUUL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2003	7,212,203	8,673,171	1,460,968	83.2%	4,556,448	32.1%
7/1/2004	7,756,230	9,041,242	1,285,012	85.8%	4,684,360	27.4%
7/1/2005	7,832,545	9,483,292	1,650,747	82.6%	4,555,872	36.2%
7/1/2006	8,201,138	10,499,055	2,297,917	78.1%	4,071,060	56.4%
7/1/2007	8,777,906	11,058,765	2,280,859	79.4%	4,523,484	50.4%
7/1/2008	9,233,904	11,532,207	2,298,303	80.1%	4,082,914	56.3%
7/1/2009	9,779,352	13,164,083	3,384,731	74.3%	4,326,276	78.2%
7/1/2010	9,990,470	14,807,371	4,816,901	67.5%	4,274,311	112.7%
7/1/2011	10,503,533	15,986,289	5,482,756	65.7%	4,037,185	135.8%
7/1/2012	10,763,608	16,807,499	6,043,891	64.0%	4,108,795	147.1%

Trend Schedule of Employer Contributions

McAlester Employees' Retirement System			
Fiscal Year	Required Contribution	Percentage Contributed	Net Pension Obligation (Asset)
2003	468,209	72.6%	$36,406
2004	448,502	98.6%	41,837
2005	441,700	0.6%	480,720
2006	473,699	101%	470,216
2007	516,115	81%	569,651
2008	533,593	99.5%	572,508
2009	518,694	116.3%	487,961
2010	657,455	102.6%	470,753
2011	806,226	101.0%	462,795
2012	875,888	101.1%	453,219

SUPPLEMENTARY INFORMATION

Combining Balance Sheet, General Fund Accounts – June 30, 2012

	General Fund	Nutrition Fund	Total General Fund
ASSETS:			
Cash and cash equivalents	$ 2,145,970	$ 4,805	$ 2,150,775
Receivables:			
Due from other funds	2,256	-	2,256
Due from other governments	1,179,462	5,108	1,184,570
Franchise tax receivable	60,858	-	60,858
Court fines receivable, net of allowance	1,074,557	-	1,074,557
Ambulance receivable, net of allowance	79,276	-	79,276
Prepaid expenses	11,445	-	11,445
Other receivables, net of allowance	13,432	-	13,432
Total assets	$ 4,567,256	$ 9,913	$ 4,577,169
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts payable	$ 176,497	$ 1,245	$ 177,742
Accrued payroll liabilities	332,118	3,922	336,040
Due to other funds	1,042,545	-	1,042,545
Amounts held in escrow	4,132	-	4,132
Deferred revenue	1,082,942	-	1,082,942
Total liabilities	2,638,234	5,167	2,643,401
Fund Balances:			
Assigned	56,607	4,746	61,353
Unassigned	1,872,415	-	1,872,415
Total fund balances	1,929,022	4,746	1,933,768
Total liabilities and fund balances	$ 4,567,256	$ 9,913	$ 4,577,169

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances, General Fund Accounts – Year Ended June 30, 2012

	General Fund	Nutrition Fund	Total General Fund
Revenues:			
Taxes	$ 9,559,668	$ -	$ 9,559,668
Intergovernmental	1,495,720	63,786	1,559,506
Charges for services	1,947,362	-	1,947,362
Fines and forfeitures	634,183	-	634,183
Licenses and permits	92,307	-	92,307
Investment income	46,163	-	46,163
Miscellaneous	257,327	-	257,327
Total Revenues	14,032,730	63,786	14,096,516
Expenditures:			
Current:			
Legislature	118,071	-	118,071
Administration	2,359,521	-	2,359,521
Public safety	7,168,673	-	7,168,673
Community services	1,984,767	-	1,984,767
Administration services	505,034	-	505,034
Health and welfare	-	293,906	293,906
Public works	1,136,893	-	1,136,893
Capital outlay	210,600	-	210,600
Debt service:			
Principal retirement	74,926	-	74,926
Interest and fiscal charges	9,958	-	9,958
Total Expenditures	13,568,443	293,906	13,862,349
Excess (deficiency) of revenues over expenditures	464,287	(230,120)	234,167
Other Financing Sources (Uses):			
Transfers in	2,349,668	-	2,349,668
Transfers out	(1,863,123)	-	(1,863,123)
Interaccount transfers	(220,603)	220,603	-
Total Other Financing Sources (Uses)	265,942	220,603	486,545
Net change in fund balances	730,229	(9,517)	720,712
Fund balances - beginning	1,198,793	14,263	1,213,056
Fund balances - ending	$ 1,929,022	$ 4,746	$ 1,933,768

Combining Balance Sheet, Nonmajor Governmental Funds – June 30, 2012

	SPECIAL REVENUE FUNDS				
	JUVENILE FINE FUND	TOURISM/ SE EXPO FUND	E-911 FUND	ECONOMIC DEVELOPMENT FUND	GIFTS & CONTRIBUTIONS FUND
ASSETS					
Cash and cash equivalents	$ 36,741	$ 545,389	$ 1,091,273	$ 915,129	$ -
Investments	-	-	-	539,163	-
Receivables:					
Due from other funds	-	-	-	-	25,000
Due from other governments	-	42,518	-	132,980	-
Notes receivable	-	-	-	727,044	-
Other receivable	-	-	50,909	-	10,000
Total Assets	$ 36,741	$ 587,907	$ 1,142,182	$ 2,314,316	$ 35,000
LIABILITIES					
Accounts payable and accrued liabilities	$ -	$ 34,999	$ 1,435	$ 126,114	$ -
Accrued payroll liabilities	-	4,275	8,127	-	-
Due to other funds	25,000	-	-	-	2,256
Total Liabilities	25,000	39,274	9,562	126,114	2,256
FUND EQUITY					
Fund Balance:					
Restricted	11,741	207,577	1,131,488	1,704,877	-
Assigned	-	341,056	1,132	483,325	32,744
Total fund balances	11,741	548,633	1,132,620	2,188,202	32,744
Total Liabilities and Fund Balances	$ 36,741	$ 587,907	$ 1,142,182	$ 2,314,316	$ 35,000

(Continued)

Combining Balance Sheet, Nonmajor Governmental Funds – June 30, 2012, Continued

	CAPITAL PROJECT FUNDS				
	POLICE EQUIPMENT FUND	STATE FORFEITURE FUND	CEMETERY PERPETUAL CARE FUND	CDBG GRANTS FUND	FEDERAL FORFEITURE FUND
ASSETS					
Cash and cash equivalents	$ -	$ 2,209	$ 361,396	$ 71,984	$ 54,153
Investments	-	-	-	-	-
Receivables:					
Due from other funds	-	-	-	-	-
Due from other governments	2,955	-	-	-	-
Notes receivable	-	-	-	-	-
Other receivable	-	-	-	-	-
Total Assets	$ 2,955	$ 2,209	$ 361,396	$ 71,984	$ 54,153
LIABILITIES					
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ 1,600	$ -
Accrued payroll liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	-	1,600	-
FUND EQUITY					
Fund Balance:					
Restricted	2,955	2,209	361,396	70,384	54,153
Assigned	-	-	-	-	-
Total fund balances	2,955	2,209	361,396	70,384	54,153
Total Liabilities and Fund Balances	$ 2,955	$ 2,209	$ 361,396	$ 71,984	$ 54,153

(Continued)

Combining Balance Sheet, Nonmajor Governmental Funds – June 30, 2012, Continued

	CAPITAL PROJECT FUNDS	DEBT SERVICE FUND	TOTAL
	FIRE IMPROVEMENT GRANT FUND	SALES TAX - SCHOOLS FUND	NONMAJOR GOVERNMENTAL FUNDS
ASSETS			
Cash and cash equivalents	$ 3,750	$ 935,890	$ 4,017,914
Investments	-	-	539,163
Receivables:			
Due from other funds	-	-	25,000
Due from other governments	-	132,980	311,433
Notes receivable	-	-	727,044
Other receivable	-	-	60,909
Total Assets	$ 3,750	$ 1,068,870	$ 5,681,463
LIABILITIES			
Accounts payable and accrued liabilities	$ -	$ -	$ 164,148
Accrued payroll liabilities	-	-	12,402
Due to other funds	-	-	27,256
Total Liabilities	-	-	203,806
FUND EQUITY			
Fund Balance:			
Restricted	3,750	1,068,870	4,619,400
Assigned	-	-	858,257
Total fund balances	3,750	1,068,870	5,477,657
Total Liabilities and Fund Balances	$ 3,750	$ 1,068,870	$ 5,681,463

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Nonmajor Governmental Funds – Year Ended June 30, 2012

	SPECIAL REVENUE FUNDS				
	JUVENILE FINE FUND	TOURISM/ SE EXPO FUND	E-911 FUND	ECONOMIC DEVELOPMENT FUND	GIFTS & CONTRIBUTIONS FUND
Revenues:					
Taxes	$ -	$ 549,088	$ 650,409	$ 1,046,794	$ -
Intergovernmental	-	-	-	-	-
Charges for services	22,000	175,498	-	-	-
Investment income	-	-	8,473	11,346	45
Miscellaneous	-	-	-	-	15,600
Total Revenues	22,000	724,586	658,882	1,058,140	15,645
Expenditures:					
Current:					
Administration	-	-	-	-	16,146
Public safety	27,510	-	401,985	-	-
Community services	-	-	-	-	-
Administrative services	-	536,259	-	-	-
Economic development	-	-	-	257,449	-
Capital outlay	-	103,254	39,804	614,757	36,639
Total Expenditures	27,510	639,513	441,789	872,206	52,785
Excess (deficiency) of revenues over expenditures	(5,510)	85,073	217,093	185,934	(37,140)
Other Financing Sources (Uses):					
Transfers in	-	-	-	483,325	32,500
Transfers out	-	-	-	(902,961)	-
Total Other Financing Sources (Uses)	-	-	-	(419,636)	32,500
Net change in fund balances	(5,510)	85,073	217,093	(233,702)	(4,640)
Fund balances - beginning	17,251	463,560	915,527	2,421,904	37,384
Fund balances - ending	$ 11,741	$ 548,633	$ 1,132,620	$ 2,188,202	$ 32,744

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Nonmajor Governmental Funds – Year Ended June 30, 2012 (Continued)

	CAPITAL PROJECT FUNDS				
	POLICE EQUIPMENT FUND	STATE FORFEITURE FUND	CEMETERY PERPETUAL CARE FUND	CDBG GRANTS FUND	FEDERAL FORFEITURE FUND
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	12,955	-	-	90,630	13,489
Charges for services	-	-	5,918	-	-
Investment income	-	269	269	-	421
Miscellaneous	-	-	-	-	-
Total Revenues	12,955	269	6,187	90,630	13,910
Expenditures:					
Current:					
Administration	-	-	-	-	-
Public safety	-	-	-	-	-
Community services	-	-	2,942	-	-
Administrative services	-	-	-	-	-
Economic development	-	-	-	-	-
Capital outlay	23,500	15,868	-	240,506	1,083
Total Expenditures	23,500	15,868	2,942	240,506	1,083
Excess (deficiency) of revenues over expenditures	(10,545)	(15,599)	3,245	(149,876)	12,827
Other Financing Sources (Uses):					
Transfers in	7,640	-	-	135,844	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	7,640	-	-	135,844	-
Net change in fund balances	(2,905)	(15,599)	3,245	(14,032)	12,827
Fund balances - beginning	5,860	17,808	358,151	84,416	41,326
Fund balances - ending	$ 2,955	$ 2,209	$ 361,396	$ 70,384	$ 54,153

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Nonmajor Governmental Funds – Year Ended June 30, 2012 (Continued)

	CAPITAL PROJECT FUND	DEBT SERVICE FUND	TOTAL
	FIRE IMPROVEMENT GRANT FUND	SALES TAX - SCHOOLS FUND	NONMAJOR GOVERNMENTAL FUNDS
Revenues:			
Taxes	$ -	$ 1,046,794	$ 3,293,085
Intergovernmental	-	-	117,074
Charges for services	-	-	203,416
Investment income	-	10,806	31,629
Miscellaneous	-	-	15,600
Total Revenues	-	1,057,600	3,660,804
Expenditures:			
Current:			
Administration	-	-	16,146
Public safety	-	-	429,495
Community services	-	700,000	702,942
Administrative services	-	-	536,259
Economic development	-	-	257,449
Capital outlay	-	-	1,075,411
Total Expenditures	-	700,000	3,017,702
Excess (deficiency) of revenues over expenditures	-	357,600	643,102
Other Financing Sources (Uses):			
Transfers in	3,750	-	663,059
Transfers out	-	(603,590)	(1,506,551)
Total Other Financing Sources (Uses)	3,750	(603,590)	(843,492)
Net change in fund balances	3,750	(245,990)	(200,390)
Fund balances - beginning	-	1,314,860	5,678,047
Fund balances - ending	$ 3,750	$ 1,068,870	$ 5,477,657

Combining Schedule of Net Assets, MPWA Accounts – June 30, 2012

	Enterprise Fund - MPWA			
	McAlester Public Works Authority	Landfill Reserve Account	Bond Trustee Account	Total
ASSETS:				
Current Assets:				
Cash and cash equivalents	$ 881,139	$ 565,843	$ -	$ 1,446,982
Restricted cash and cash equivalents	939,878	-	2,328,079	3,267,957
Restricted interest receivable	-	-	13	13
Accounts receivable, net of allowance	1,260,515	59,415	-	1,319,930
Total current assets	3,081,532	625,258	2,328,092	6,034,882
Noncurrent Assets:				
Restricted Assets:				
Cash and cash equivalents	-	-	649,098	649,098
Investment in joint venture	1,775,410	-	-	1,775,410
Capital assets:				
Land and other non-depreciable assets	1,585,850	-	-	1,585,850
Other capital assets, net of depreciation	20,750,072	-	-	20,750,072
Unamortized bond issuance costs	1,663,121	-	-	1,663,121
Total noncurrent assets	25,774,453	-	649,098	26,423,551
Total Assets	28,855,985	625,258	2,977,190	32,458,433
LIABILITIES:				
Current Liabilities:				
Accounts payable	402,570	7,640	-	410,210
Accrued payroll liabilities	43,852	-	-	43,852
Due to other funds	203,655	-	-	203,655
Escrow deposit liability	510,449	-	-	510,449
Interest payable	1,148,515	-	-	1,148,515
Deferred revenue	99,287	-	-	99,287
Landfill closure and postclosure liability	331,279	-	-	331,279
Due to depositors	85,886	-	-	85,886
Notes payable	162,160	-	-	162,160
Water rights contract obligation	25,949	-	-	25,949
Revenue bonds payable, net	3,045,000	-	-	3,045,000
Accrued compensated absences	27,255	-	-	27,255
Total current liabilities	6,085,857	7,640	-	6,093,497
Noncurrent Liabilities:				
Landfill closure and post-closure liability	2,981,514	-	-	2,981,514
Due to depositors	343,543	-	-	343,543
Net pension benefit obligation	100,468	-	-	100,468
Notes payable	327,802	-	-	327,802
Water rights contract obligation	201,601	-	-	201,601
Revenue bonds payable, net	51,892,168	-	-	51,892,168
Accrued compensated absences	245,291	-	-	245,291
Total noncurrent liabilities	56,092,387	-	-	56,092,387
Total liabilities	62,178,244	7,640	-	62,185,884
NET ASSETS:				
Invested in capital assets, net of related debt	21,618,410	-	-	21,618,410
Restricted for debt service	(2,791,323)	-	2,791,323	-
Restricted for economic development	-	-	185,867	185,867
Unrestricted (deficit)	(52,149,346)	617,618	-	(51,531,728)
Total net assets (deficit)	$ (33,322,259)	$ 617,618	$ 2,977,190	$ (29,727,451)

Combining Schedule of Revenues, Expenses, and Changes in Net Assets, MPWA Accounts – Year Ended June 30, 2012

	Enterprise Fund - MPWA			
	McAlester Public Works Authority	Landfill Reserve Account	Bond Trustee Account	Total
Operating Revenues:				
Charges for services:				
Water	$ 3,813,669	$ -	$ -	$ 3,813,669
Sewer	1,677,088	-	-	1,677,088
Sanitation	2,645,867	-	-	2,645,867
Water taps	11,980	-	-	11,980
Sewer taps	7,400	-	-	7,400
Water districts	1,201,565	-	-	1,201,565
Service charges	92,465	-	-	92,465
Landfill	8,106	-	-	8,106
Roll-off garbage	182,221	-	-	182,221
Penalties	174,440	8,096	-	182,536
Recycle fees	33,737	-	-	33,737
Subtitle "D" fees	-	348,430	-	348,430
Total operating revenues	9,848,538	356,526	-	10,205,064
Operating Expenses:				
Utility office	503,173	-	-	503,173
Interdepartmental	673,453	-	-	673,453
Sanitation	2,000,632	-	-	2,000,632
Engineering	379,847	-	-	379,847
Sewer	774,113	-	-	774,113
Water	997,613	-	-	997,613
Utility maintenance	989,164	-	-	989,164
Landfill	1,026,997	37,365	-	1,064,362
Utilities Administration	151,218	-	-	151,218
Depreciation expense	1,091,879	-	-	1,091,879
Amortization expense	105,672	-	-	105,672
Total operating expenses	8,693,761	37,365	-	8,731,126
Operating income (loss)	1,154,777	319,161	-	1,473,938
Non-Operating Revenues (Expenses):				
Investment income	8,050	3,443	224	11,717
Interest expense and fiscal charges	(3,073,014)	-	-	(3,073,014)
Grant revenue - operating	1,874	-	-	1,874
Miscellaneous revenue	23,486	-	-	23,486
Gain on joint venture	116,351	-	-	116,351
Total non-operating revenues (expenses)	(2,923,253)	3,443	224	(2,919,586)
Net income (loss) before contributions and transfers	(1,768,476)	322,604	224	(1,445,648)
Contributed capital revenue	2,848,236	-	-	2,848,236
Interaccount transfers	6,119,240	(13,124)	(6,106,116)	-
Transfers in	3,390	-	4,871,269	4,874,659
Transfer out	(2,820,257)	-	(483,325)	(3,303,582)
Change in net assets	4,382,133	309,480	(1,717,948)	2,973,665
Total net assets (deficit) - beginning	(37,704,392)	308,138	4,695,138	(32,701,116)
Total net assets (deficit) - ending	$ (33,322,259)	$ 617,618	$ 2,977,190	$ (29,727,451)

Combining Schedule of Net Assets, MAA Accounts – June 30, 2012

	McAlester Airport Authority			
	McAlester Airport Authority	Airport Grant Account	Airport Hangar Account	Total
ASSETS:				
Current Assets:				
Cash and cash equivalents	$ 69,353	$ 19,985	$ 36,760	$ 126,098
Accounts receivable, net of allowance	13,477	-	-	13,477
Due from other governments	-	39,399	-	39,399
Total current assets	82,830	59,384	36,760	178,974
Noncurrent Assets:				
Capital assets:				
Land and other non-depreciable assets	333,536	-	-	333,536
Other capital assets, net of depreciation	2,880,619	-	-	2,880,619
Total noncurrent assets	3,214,155	-	-	3,214,155
Total Assets	3,296,985	59,384	36,760	3,393,129
LIABILITIES:				
Current Liabilities:				
Accounts payable	7,687	19,980	-	27,667
Accrued payroll liabilities	2,304	-	-	2,304
Interest payable	523	-	-	523
Notes payable	16,779	-	-	16,779
Accrued compensated absences	2,772	-	-	2,772
Total current liabilities	30,065	19,980	-	50,045
Noncurrent Liabilities:				
Net pension benefit obligation	3,410	-	-	3,410
Notes payable	303,861	-	-	303,861
Accrued compensated absences	24,946	-	-	24,946
Total noncurrent liabilities	332,217	-	-	332,217
Total liabilities	362,282	19,980	-	382,262
NET ASSETS:				
Invested in capital assets, net of related debt	2,893,515	-	-	2,893,515
Unrestricted	41,188	39,404	36,760	117,352
Total net assets	$ 2,934,703	$ 39,404	$ 36,760	$ 3,010,867

Combining Schedule of Revenues, Expenses, and Changes in Net Assets, MAA Accounts – Year Ended June 30, 2012

	McAlester Airport Authority			
	McAlester Airport Authority	Airport Grant Account	Airport Hangar Account	Total
Operating Revenues:				
Rents and fees	$ 111,902	$ -	$ -	$ 111,902
Total operating revenues	111,902	-	-	111,902
Operating Expenses:				
Airport	179,481	-	-	179,481
Depreciation expense	142,951	-	-	142,951
Total operating expenses	322,432	-	-	322,432
Net income (loss) before contributions and transfers	(210,530)	-	-	(210,530)
Interest expense	(13,878)	-	-	(13,878)
Miscellaneous	2,309	-	-	2,309
Contributed capital revenue	-	274,032	-	274,032
Interaccount transfers	291,172	(291,172)	-	-
Transfers in	99,103	50,000	-	149,103
Change in net assets	168,176	32,860	-	201,036
Total net assets - beginning	2,766,527	6,544	36,760	2,809,831
Total net assets - ending	$ 2,934,703	$ 39,404	$ 36,760	$ 3,010,867

Combining Statement of Net Assets, Internal Service Funds – June 30, 2012

	Internal Service Funds		
	Worker's Compensation Fund	FLEET Maintenance Fund	Total
ASSETS:			
Current Assets:			
Cash and cash equivalents	$ 942	$ 17,939	$ 18,881
Due from other funds	409,499	36,701	446,200
Total assets	410,441	54,640	465,081
LIABILITIES:			
Current Liabilities:			
Accounts payable	942	18,655	19,597
Accrued payroll liabilities	-	5,327	5,327
Estimated liability for claims	409,499	-	409,499
Accrued compensated absences - current	-	3,066	3,066
Accrued compensated absences - noncurrent	-	27,592	27,592
Total liabilities	410,441	54,640	465,081
NET ASSETS:			
Unrestricted	-	-	-
Total net assets	$ -	$ -	$ -

Combining Statement of Revenues, Expenses, and Changes in Net Assets, Internal Service Funds – Year Ended June 30, 2012

	Internal Service Funds		
	Worker's Compensation Fund	FLEET Maintenance Fund	Total
Operating Revenues:			
Charges for services:			
Self insurance charges	$ 473,059	$ 733,014	$ 1,206,073
Miscellaneous	2,502	422	2,924
Total operating revenues	475,561	733,436	1,208,997
Operating Expenses:			
Claims expense	475,561	-	475,561
FLEET maintenance expenses	-	733,436	733,436
Total operating expenses	475,561	733,436	1,208,997
Operating income (loss)	-	-	-
Total net assets - beginning	-	-	-
Total net assets - ending	$ -	$ -	$ -

Schedule of Expenditures of Federal Awards – Year Ended June 30, 2012

Federal/State Grantor/Pass through agency Grantor/Program Title	Federal CFDA Number	Grant #	Award Amount	Federal Expenditures
FEDERAL AWARDS:				
U.S. DEPARTMENT OF JUSTICE:				
Bulletproof Vest Partnership Program	16.607	2007BUBX07036796	$ 13,250	$ 2,955
District Attorney's Council:				
Justice Assistance Grant	16.738	J09-10-067	10,000	10,000
Total U.S. Department of Justice			23,250	12,955
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Passed Through to Oklahoma Department of Human Services and the Kiamichi Area Nutrition Project:				
Special Program for the Aging - Title III, Part C - Nutrition Services	93.045	N/A	63,786	63,786
Total U.S. Department of Health and Human Services			63,786	63,786
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Passed through Oklahoma Department of Commerce:				
Community Development Block Grant	14.228	13914 CDBG 09	90,630	90,630
Community Development Block Grant	14.228	14421 CDBG 10	73,874	-
Total U.S. Department of Housing and Urban Development			164,504	90,630
U.S. DEPARTMENT OF TRANSPORTATION:				
Federal Aviation Administration:				
Airport Improvement Grant	20.106	AIP 3-40-0057-010-2010	109,250	100,362
Airport Improvement Grant	20.106	AIP 3-40-0057-011-2011	1,420,815	153,600
Airport Improvement Grant	20.106	AIP 3-40-0057-012-2011	407,351	15,704
Total Federal Aviation Administration			1,937,416	269,666
Passed through Oklahoma Department of Public Safety:				
E911 Services Grant	20.610	NHTSA-2008-0142	126,877	-
Passed through Oklahoma Highway Safety Office:				
State and Community Highway Safety	20.600	SE-11-03-06-03	30,000	5,476
State and Community Highway Safety	20.600	SE-12-03-04-04	30,000	22,691
Total Oklahoma Highway Safety Office			60,000	28,167
Total U.S. Department of Transportation			2,124,293	297,833
U.S. DEPARTMENT OF HOMELAND SECURITY:				
Regional Response System Grant	97.073	#126.017	96,718	96,718
Passed through Oklahoma Office of Homeland Security:				
Multi-Hazard Mitigation Planning Grant	97.036	FEMA-1678-DR-OK	29,990	1,874
Disaster Grant - Public Assistance (Flooding)	97.036	PA-1988	4,141	4,141
Disaster Grant - Public Assistance (Severe Storm & Flooding)	97.036	PA-1988	96,289	96,289
Total Oklahoma Office of Homeland Security			130,420	102,304
Total U.S. Department of Homeland Security			227,138	199,022
TOTAL FEDERAL AWARDS			$ 2,602,971	$ 664,226

Schedule of Revenue Bond Coverage – Year Ended June 30, 2012

	Series 1999, 2002 Bonds & 1999 Loan
Gross Revenue Available for Debt Service:	
Charges for services	$ 10,205,064
Sales tax pledged and transferred	3,368,108
Total Gross Revenues Available	13,573,172
Operating Expenses:	
Water, Sewer and Sanitation	7,533,575
Total Operating Expenses	7,533,575
Net Revenues Available for Debt Service	$ 6,039,597
Debt Service Requirements:	
Average annual principal and interest requirements on bonds and subordinate debt:	
Series 1999 Utility System Revenue Bonds	$ 3,014,371
Series 2002 Utility System Revenue Bonds	940,443
1999 CDBG Loan	13,750
Total average annual debt service	$ 3,968,564
Computed Coverage	152%
Coverage Requirement	125%

NOTE: The above gross revenue and operating expenses only include the activities of the Authority related to water, sewer and sanitation services, excluding depreciation and amortization expense.

SINGLE AUDIT AND INTERNAL CONTROL AND COMPLIANCE INFORMATION

Independent Auditors' 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*

Honorable Mayor and Members of City Council
The City of McAlester, Oklahoma

We have audited the financial statements 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 of McAlester, Oklahoma (the "City"), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 28, 2013. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the City's discretely presented component unit, the McAlester Regional Health Center Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

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An Independently Owned Member,
McGladrey Alliance

Compliance and Other Matters

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

This report is intended solely for the information of the governing body, management and others within the City and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cole & Reed P.C.

Oklahoma City, Oklahoma
February 28, 2013

Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Honorable Mayor and Members of City Council
The City of McAlester, Oklahoma

Compliance

We have audited the compliance of the City of McAlester, Oklahoma (the "City") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2012. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Finding 2012-01.

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Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as Finding 2012-01. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Example Entity's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the City Council and management of the City of McAlester and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Cole & Reed P.C.

Oklahoma City, Oklahoma
February 28, 2013

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CITY OF MCALESTER

Year Ended June 30, 2012

Section I--Summary of Auditors' Results

Financial statements

Type of auditors' report issued: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes __X__ no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes __X__ none reported

Noncompliance material to financial statements noted? _____ yes __X__ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes __X__ no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? __X__ yes _____ none reported

Type of auditors' report issued on compliance for major programs: *Unqualified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? __X__ yes _____ no

Identification of major programs:

Program	CFDA Number
Airport Improvement Program	20.106
FEMA Public Assistance Programs	97.036

Dollar threshold used to distinguish between type A and type B programs: $300,000

Auditee qualified as low-risk auditee? _____ yes ___X no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CITY OF MCALESTER

Year Ended June 30, 2012

Section II--Findings Required to be Reported in Accordance with *Government Auditing Standards:*

None to report for the June 30, 2012 period.

Section III--Finding Required to be Reported in Accordance with OMB Circular A-133:

See Finding 2012-01.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CITY OF MCALESTER

Year Ended June 30, 2012

FINDING 2012-01

Criteria
Per the OMB Circular A-133 Compliance Supplement, as a recipient of federal funding for the Airport Improvement Grant (AIG), the City of McAlester is required to fulfill specific reporting compliance requirements. In addition to the submission of Forms SF-270 or SF-271 for request for reimbursement related to grant expenditures incurred by the city, the City of McAlester should submit Form SF-425 "Federal Financial Report" at the conclusion of every quarter.

Condition
When performing testing over reporting compliance for the AIG Program, C&R noted several Forms SF-425 were not submitted for the various AIG Grant Programs, as required above.

C&R noted the Forms SF-425 were not submitted for the following quarters in fiscal year 2012:

AIP-010-2010	Quarters ending 9/30/11, 12/31/11
AIP-011-2011	Quarters ending 9/30/11
AIP-011-2012	Quarters ending 9/30/11, 3/31/12, 6/30/12

Cause
Employees responsible for preparation and submission of reports related to the AIG Program were not aware of the reporting requirements.

Effect or Potential Effect
The City of McAlester is not in compliance with A-133 requirements regarding reporting of major federal award programs.

Recommendation
C&R recommends that employees and supervisors involved in the management and implementation of the AIG Program familiarize themselves with the reporting requirements related to the federal award program. We recommend internal controls, such as a calendar, be developed and implemented to ensure reporting requirements related to the AIG Program are fulfilled.

FINDING 2012-01—Continued

The City's Response and Corrective Action Plan

The City acknowledges employees involved in the AIG program's reporting procedures were not familiar with the reporting requirements. Connie Baucom, Administrative Assistant, will prepare all missing reports (as previously discussed) with the assistance of Tim House, FAA Auditor.

Employees and supervisors involved with the AIG program understand submission of SF-425 forms is required quarterly for each grant program. Moving forward, reports will be prepared by Connie Baucom with the assistance of Tim House, then subsequently reviewed by Mel Priddy, Department Head, before submission to the FAA. All employees will cooperate to ensure reports are prepared accurately and submitted timely.

Mel Priddy, Department Head
Community Services

Deadline for Completion: 02/28/2013

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	4
Department:	Finance		
Prepared By:	Toni Ervin	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	1

Subject

Consider, and act upon, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency.

Recommendation

Motion to approve the budget amendment ordinance.

Discussion

The budget amendment ordinance is necessary to cover proposed revenue and/or expenditures not included in the budget for this fiscal year.

See attached.

Approved By

		Initial	*Date*
Department Head		T. Ervin	03/5/13
City Manager	P. Stasiak	PJS	03/5/13

Exhibit A-1

City of McAlester
Budget Amendment - FY 2012-2013
Economic Development
March 12, 2013

Estimated Revenue or Fund Balance

Fund Number	Account Number	Department	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
30	40999		Fund Balance	543,253.00	(25,000.00)	518,253.00
30	40333		Grant Revenue	133,000.00	140,000.00	273,000.00
						-
			Total		115,000.00	

Appropriations

Fund Number	Account Number	Department	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
30	5211403	Finance	Economic Development Projects	-	(25,000.00)	(25,000.00)
30	5211405	Finance	8 inch Water Main-Taylor Industrial Park	35,671.00	140,000.00	175,671.00
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
						-
					115,000.00	

FUND INFORMATION	
Original Budget - Revenues ***	$ 1,320,600
Amendments	273,000
Current Budget - Revenues	**$ 1,593,600**
Original Budget - Expenditures	$ 1,300,008
Amendments	834,591
Current Budget - Expenditures	**$ 2,134,599**

*** Does not include appropriated fund balance.

Approved by the City Council this

March 12, 2013

Approved:

Mayor

Attest:

City Clerk

Explanation of Budget Amendment:

Reverse appropriation of funds to ODEQ Grant/Matching Contribution $25,000.

Appropriate funds for the Grant portion of the CDBG EDIF Taylor Industrial Park 8 inch Water Main Project with Hampel Oil.

Posted By _____ Date _____ BA# _____ Pkt.# _____

FY 12-13 Budget Amendments listed by fund

					Revenue	Expense
004	7/24/12	01	General Fund	Appropriate funds for Fire Payroll		(206,800)
004	7/24/12	01	General Fund	Appropriate funds for Fire Payroll		206,800
010	8/14/12	01	General Fund	Budget Supplement to lapse and reappropriate e	-	105,004
017	9/25/12	01	General Fund	Appropriate funds for Fire Payroll		(51,569)
017	9/25/12	01	General Fund	Appropriate funds for Fire Payroll		51,569
028	1/8/13	01	General Fund	Appropriate funds for the Mid-Year Review	(129,200)	(66,700)
032	1/8/13	01	General Fund	Appropritate funds for the Trails Project	160,000	225,118
002	7/24/12	02	MPWA	Appropriate funds for CDBG	-	86,069
007	8/14/12	02	MPWA	Appropriate funds for CDBG (not awarded)	-	78,081
011	8/14/12	02	MPWA	Budget Supplement to lapse and reappropriate e	-	71,060
019	10/9/12	02	MPWA	Appropriate Funds to account for project bids co	-	20,990
029	1/8/13	02	MPWA	Appropriate funds for the Mid-Year Review	(43,490)	(7,594)
022	10/23/12	19	Fire Improvement Grant	Budget Supplement to lapse and reappropriate e	71,250	75,000
036	2/26/13	21	Bond Trustee Fund	Appropriate Funds to Account for the Transfer fc	3,260,000	3,260,000
024	11/13/12	24	Airport Grant	Budget Supplement to lapse and reappropriate e	1,818,803	1,834,544
033	1/22/13	26	Education Fund	Appropriated funds for Distribution to Schools foı	-	370,000
008	8/14/12	27	Tourism	Appropriate funds for rebranding	-	18,500
012	8/14/12	29	E911	Budget Supplement to lapse and reappropriate e	72,000	144,000
016	9/11/12	29	E911	Appropriate funds to operating supplies for upgra	-	20,000
031	1/8/13	29	E911	Appropriate funds for the Mid-Year Review	-	14,400
001	7/10/12	30	Economic Development	Appropriate funds for HWY 69 water & sewer	-	350,000
013	8/14/12	30	Economic Development	Budget Supplement to lapse and reappropriate e	-	79,873
015	8/28/12	30	Economic Development	Appropriate funds for the Award from the Strateg	133,000	147,780
021	10/9/12	30	Economic Development	Appropriate Funds to account for project bids co	-	35,712
034	2/26/13	30	Economic Development	Appropriate for ODEQ Grant & 14th Project	-	40,726
037	3/12/13	30	Economic Development	Appropriate Funds for the CDBG-EDIF Taylor In	115,000	115,000
003	7/24/12	33	CDBG	Appropriate funds for CDBG	164,150	164,150
006	8/14/12	33	CDBG	Appropriate funds for CDBG (not awarded)	78,081	-
006	8/14/12	33	CDBG	Appropriate funds for CDBG (not awarded)	(78,081)	-
014	8/14/12	33	CDBG	Budget Supplement to lapse and reappropriate e	73,874	134,302
020	10/9/12	33	CDBG Grant	Appropriate Funds to account for project bids co	20,990	20,990
030	1/8/13	35	Fleet Maintenance	Appropriate funds for the Mid-Year Review	(21,000)	(21,000)
035	2/26/13	38	Dedicated Sales Tax	Appropriate Funds to Account for the Refinancing		3,260,000
005	7/24/12	41	Capital Fund	Appropriate funds for Fire Payroll	(206,800)	-
009	8/14/12	41	Capital Fund	Budget Supplement to lapse and reappropriate e	-	601,423
018	9/25/12	41	Capital Fund	Appropriate funds for Fire Payroll	(51,569)	-
026	11/27/12	41	Capital Fund	Appropriate funds for Utility Maintenance Backhc	-	159,600
027	12/11/12	41	Capital Fund	Appropriate funds for lease purchase for Paver		26,120
023	11/13/12	42	Federal Forfeiture	Appropriate Funds for new SUV for Patrol		33,000
025	11/27/12	42	Federal Forfeiture	Reverse Appropriation 11/13/12 Funds for SUV 1	-	(33,000)
					5,437,008	11,363,148

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2425 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2012-2013; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

WHEREAS, the City Council heretofore adopted Ordinance No. 2425 setting forth the Budget for Fiscal Year 2012-2013 beginning July 1, 2012 and ending June 30, 2013; and

WHEREAS, the City Departments and Divisions routinely review their budget appropriations to determine if any changes are necessary; and

WHEREAS, based upon said review the City staff now recommends that certain amendments to the Budget be considered by the City Council; and

WHEREAS, the City Council has the authority to make amendments to the City Budget under Article 5, Section 5.07 (b) of the new City Charter as well as State law; and

WHEREAS, the City Council has determined that the proposed amendment to the FY 2012-2013 Budget, with the revenues and expenditures therein contained, is in the best interest of the City; and therefore, desires to adopt the same by formal action.

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

SECTION 1: The proposed amendment to the FY 2012-2013 Budget of the City of McAlester, Oklahoma, as heretofore adopted by Ordinance, as summarized in Exhibit A-1, which is attached hereto and fully incorporated herein by reference, be, and the same hereby are, completely adopted and approved as an amendment to the said FY 2012-2013 Budget.

SECTION 2: All portions of the existing FY 2012-2013 Budget, Ordinance No. 2425 except as specifically herein amended, shall remain in full force and effect, and not be otherwise affected by the adoption of the amendatory ordinance.

SECTION 3: That all other ordinances in conflict herewith are hereby repealed to the extent of any such conflict or inconsistency and all other ordinances not in conflict herewith shall remain in full force and effect.

SECTION 4: Should any paragraph, sentence, subdivision, clause, phrase, or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the

same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part or parts as declared to be invalid, illegal, or unconstitutional.

SECTION 5: That an emergency is hereby declared to exist, and for the provision of the public peace, health and safety, by reason whereof it is necessary that all acts take effect immediately and be in full force and effect from, and after the passage and approval.

PASSED and the EMERGENCY CLAUSE ruled on separately this 12th day of March, 2013.

CITY OF MCALESTER, OKLAHOMA
A Municipal Corporation

By _____
Steve Harrison, Mayor

ATTEST:

_____
Cora Middleton, City Clerk

Approved as to form and legality this 12th day of March, 2013.

_____
William J. Ervin, City Attorney

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	5
Department:	Finance		
Prepared By:	Toni Ervin	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	1

Subject

Consider, and act upon, an Ordinance amending Chapter 34, Court, of the McAlester Municipal Code; by amending Article II, Municipal Court not of record, Section 34-35, Costs upon Judgment of Conviction; providing for repealer and severability clause; and establishing an effective date.

Recommendation

Motion to approve the amendment of the ordinance.

Discussion

Staff recommends council approves the amendment of the ordinance to establish a technology fund for the express and sole purpose of funding technological maintenance and improvements for the city.

Approved By

		Initial	*Date*
Department Head		T. Ervin	3/5/2013
City Manager	P. Stasiak	PJS	3/5/2013

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 34, COURT, OF THE McALESTER MUNICIPAL CODE; BY AMENDING ARTICLE 11, MUNICIPAL COURT NOT OF RECORD, SECTION 34-35, COSTS UPON JUDGEMENT OF CONVICTION; PROVIDING FOR REPEALER AND SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

* * * * * * * * * * * *

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF McALESTER, OKLAHOMA:

Section 1. That Chapter 34, Court, Section 34-35, Clause (b) of the Code of Ordinance of the City of McAlester, Oklahoma, entitled Costs upon Judgment of conviction.

(a) If judgment of conviction is entered, the clerk of the court shall tax the costs to the defendant in a sum of not to exceed $30.00, plus the fees and mileage of jurors and witnesses, together with any collection fee which may be charged, all of which the defendant shall pay, in addition to any fine that may be imposed.

(b) Also, there is hereby established a technology fund for the express and sole purpose of funding technological maintenance and improvements for the city. There shall be a twenty-five dollar ($25.00) fee assessed in addition to any other costs or fees assessed on every citation disposed of in the municipal court except those that are voided, declined for prosecution or on which the defendant is acquitted. The revenues generated by this fee shall be deposited in a nontransferable interest bearing account. Expenditures may be made from this account only for technological maintenance and improvements for the city.

~~(b)~~ (c) In addition, regarding any such fines, costs or fees which exceed the sum of $50.00 and which remain unpaid by any individual who has filed a state income tax return, the clerk of the court may file a claim with the Oklahoma Tax Commission requesting that the amount owed to the city be deducted from any state income tax refund due to that individual, all in compliance with the provisions of O.S. 68-205.2 et seq.

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF McALESTER, OKLAHOMA ON THIS 12th DAY March, 2013.

CITY OF McALESTER, OKLAHOMA
A Municipal Corporation

By: _____
Steve Harrison, Mayor

ATTEST:

_____

CORA MIDDLETON, City Clerk

Approved as to form and legality this 12h day of March, 2013.

By: _____

William J. Ervin, City Attorney

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	6
Department:	Finance		
Prepared By:	Toni Ervin	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	2

Subject

Consider, and act upon, an Ordinance 2265, Section 102-36a of McAlester Codes regulating the traffic violations bureau schedule of fines; repealing all conflicting ordinances; and declaring an emergency.

Recommendation

Motion to approve the amendment of the ordinance to update the Traffic Fines.

Discussion

Staff recommends council approves the amendment of the ordinance to update the Traffic Fines that have not been updated since 2007.

Approved By

		Initial	*Date*
Department Head		T. Ervin	3/5/2013
City Manager	P. Stasiak	PJS	3/5/2013

ORDINANCE NO.___

AN ORDINANCE AMENDING ORDINANCE 2265, SECTION 102-36(a) OF McALESTER CODES REGULATING THE TRAFFIC VIOLATIONS BUREAU SCHEDULE OF FINES; REPEALING ALL CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.

* * * * * * * * * * * *

BE IT ORDANIED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF McALESTER, OKLAHOMA, that:

SECTION 1: Section 102-36, Traffic Violations Bureau Created, Schedule of Fines, is hereby amended to read as follows:

Sec. 102-36. <u>Traffic Violations Bureau created; Schedule of Fines.</u>

(a) A Traffic Violations Bureau is hereby established as a division of the Office of the Clerk of the Municipal Court, to be administered by the Clerk, or by subordinates designated by him for the purpose. Persons who are cited for violation of one of the traffic regulatory ordinances of this City, other than a second traffic offense within a twelve-month period, or a drivers' license offense, or a violation involving intoxicating drugs or beverages, may elect to pay a fine in the Traffic Violations Bureau according to the following schedule:

(1) All school zones violations - $325.00

(2) Reckless Driving - ~~$325.00~~ <u>$500.00</u>

(3) Fleeing, resisting, or attempting to elude officer - ~~$325.00~~ <u>$500.00</u>

(4) Leaving the scene of accident - ~~$325.00~~ <u>$500.00</u>

(5) DWI, driving while impaired - ~~$325.00~~ <u>$500.00</u>

(6) DUI, driving under the influence - ~~$325.00~~ <u>$500.00</u>

(7) Actual physical control – minimum $100.00, maximum $325.00

(8) Speeding:
1-10 mph in excess of speed limit - $50.00
11-20 mph in excess of speed limit - $73.00
21-30 mph in excess of speed limit - $125.00
31 mph & over in excess of speed limit - $200.00

(9) Transporting open container of intoxication beverage (beer) - $125.00
Transporting open container of intoxication beverage (liquor) - $200.00

(10) Driving under Suspension of license - ~~$325.00~~ $500.00

(11) Careless Driving - $98

(12) Operating vehicle without license plate (having paid all taxes due state) - $98

(13) All other weapons violations - $325.00

Parking in fire lane - $73.00
Fire zone and all other parking - $73.00; except Handicap parking minimum $150.00, maximum $250.00

No proof of Liability Insurance minimum $200, maximum $325.00

(16) Failure to Appear - $75.00

(17) All other traffic-related violations - $98.00

(18) False Identification - $325.00

SECTION 2. EMERGENCY CLAUSE.

That an emergency is hereby declared to exist for the preservation of the public peace, health and safety, by reason whereof it is necessary that this act take effect and be in full force from and after passage and approval.

PASSED and **APPROVED** this 12th day of March 2013 and the **EMERGENCY CLAUSE** acted upon separately.

CITY OF McALESTER, OKLAHOMA
A Municipal Corporation

By _____
Steve Harrison, Mayor

ATTEST:

_____
Cora Middleton, City Clerk

Approved as to form and legality this 12th day of March 2013.

By _____
William J. Ervin, City Attorney

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	7
Department:	Finance		
Prepared By:	Toni Ervin	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	2

Subject

Consider, and act upon, an Ordinance amending Chapter 42, Emergency Services, of the McAlester Municipal Code; by amending Article I, In General, Section 42-1, Ambulance Services must comply with statutes; providing for an EMS Fee schedule for the purpose of establishing a base rate plus; repealing all conflicting ordinances.

Recommendation

Motion to approve the amendment of the ordinance.

Discussion

Staff recommends council approves the amendment of the ordinance to update the EMS Fee schedule that has not been updated since 2005. With this increased rate, our rate will still be an average rate and comparable to other EMS rates.

Approved By

		Initial	*Date*
Department Head		T. Ervin	3/5/2013
City Manager	P. Stasiak	PJS	3/5/2013

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 42, EMERGENCY SERVICES, OF THE McALESTER MUNICIPAL CODE; BY AMENDING ARTICLE I, IN GENERAL, SECTION 42-1, AMBULANCE SERVICES MUST COMPLY WITH STATUTES; TO PROVIDE FOR AN EMS FEE SCHEDULE FOR THE PURPOSE OF ESTABLISHING A BASE RATE PLUS; REPEALING ALL CONFLICTING ORDINANCES.

* * * * * * * * * * * * *

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF McALESTER, OKLAHOMA:

Section 1. That Chapter 42, EMERGENCY SERVICES, Section 42-1 of the Code of Ordinance of the City of McAlester, Oklahoma, entitled Ambulance services must comply with statutes.

> All ambulance services shall be operated in compliance with statute.
> A Fee schedule for the City of McAlester Emergency Medical Services shall include, but not be limited to, a base rate of $625.00 per patient and a "loaded per mile" charge of $11.00.

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF McALESTER, OKLAHOMA ON THIS 12th DAY March, 2013.

CITY OF McALESTER, OKLAHOMA
A Municipal Corporation

By: _____
Steve Harrison, Mayor

ATTEST:

_____
Cora Middleton, City Clerk

Approved as to form and legality this 12h day of May 2013.

By: _____
William J. Ervin, City Attorney

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	8
Department:	Codes Department		
Prepared By:	Peter J. Stasiak/Jennifer Santino, Codes Department	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	2

Subject

Consider, and act upon, an Ordinance of the City of McAlester, Oklahoma, adding Section 46.56 to the Code of Ordinances, Chapter 46, Environment, Article III, Lot Cleaning in relating to cutting of weeds and vegetation, providing for notice, providing for cutting by the City of McAlester and providing for charges.

Recommendation

Motion to approve Ordinance by adding Section 46.56 to the Code of Ordinances, Chapter 46 Environment, Article III, Lot Cleaning.

Discussion

High weeds and grass can become a fire hazard as well as a breeding place for mosquitoes and rodents. Consequently, grass or weeds higher than 12 inches are not in compliance with the City of McAlester's ordinances. The current administrative fee for mowing/lot cleaning is $20.00 and has not been increased for over 30 years.

Owners of properties in violation of the grass and weeds ordinance may be issued a ticket or may receive a notice allowing 10 days to bring the property into compliance. If the property is vacant the City of McAlester may send a contractor to cut the high grass and weeds and issue a bill consisting of mowing fees and administrative service fee to the property owner. A lien will be placed against the property if the bill is not paid within 30 days.

Attachment:

1) Ordinance.
2) City survey of administrative fees for mowing/lot cleaning. Survey was done on July 13, 2012.

Approved By

		Initial	*Date*
Department Head			
City Manager	P. Stasiak	PJS	03/05/13

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MCALESTER, OKLAHOMA, ADDING SECTION 46.56 TO CODE OF ORDINANCES, CHAPTER 46, ENVIRONMENT, ARTICLE III. LOT CLEANING, RELATING TO THE CUTTING OF WEEDS AND VEGETATION, PROVIDING FOR NOTICE, PROVIDING FOR CUTTING BY THE CITY OF McALESTER, AND PROVIDING FOR CHARGES THEREFOR;

* *

WHEREAS, it is in the interest of public health, safety and welfare of the citizens of McAlester by declaring it unlawful to allow vegetation and grass to grow to a height in excess of 12 inches within the city limits; and

WHEREAS, it is recommended by the Code Enforcement Division of McAlester that changes be made in the regulation of objectionable, unsanitary and unattractive materials and in the enforcement of such regulations in accordance with state law; and

WHEREAS, the purpose of this section is to beautify and preserve the appearance of the City of McAlester by requiring property owners and occupants to maintain grass lawns at a uniform height with the boundaries of their property and on abutting street right-of-way in order to prevent unsightly, offensive or nuisance conditions.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA:

SECTION 1. Code administrator; Notice to Remove. The City Council shall designate a code administrator to be charged with the administration and enforcement of this code provision. The code administrator or an authorized assistant shall notify in writing the owner and occupant or agent in charge of any premises in the city upon which weeds exist, in a height in excess of 12 inches, in violation of the McAlester City Code, by certified mail or by personal service. Such notice shall include the following:

(a) That the owner and occupant or agent in charge of the property is in violation of the city weed control law.

(b) That the owner and occupant or agent in charge of the property is ordered to cut the weeds within 10 days of the receipt of notice.

(c) That the owner and occupant or agent in charge of the property may request an appeal to the City Council. Such appeal shall be taken by filing written notice of appeal with the City Clerk within five days after the Administrative order is rendered.

(d) That of the owner and occupant or agent in charge of the property does not cut the weeds; the city or its authorized agent will cut the weeds and assess the cost of the cutting, in the manner prescribed herein in Section 5 (b).

(e) That the owner and occupant or agent in charge of the property shall be sent notice by certified mail, return receipt requested, marked "restricted delivery" of the total cost of such cutting or removal incurred by the City. Such notice also shall state the payment of such costs is due and payable within thirty (30) days following receipt of the notice. If the cost of such removal or abatement is not paid within the thirty (30) day period, the City may levy a special assessment for such cost against the lot or piece of a land.

(f) That the code administrator should be contacted if there are any questions regarding the order. If there is a change in the record owner of title to the property subsequent to the giving of notice pursuant to this subsection, the city may not recover any costs or levy an assessment for the costs incurred by the cutting or destruction of weeds on such property unless the new record owner of title to such property is provided notice as required by this section.

SECTION 2. Abatement; Assessment of Costs.

(a) Upon the expiration of ten (10) days after receipt of the notice required by Section 1, and in the event that the owner, occupant or agent in charge of the premises shall neglect or fail to comply with the requirements of Section 1, the code administrator or an authorized agent shall cause to be cut, destroyed and/or removed all such weeds and abate the nuisance created thereby at any time during the current calendar year.

(b) The code administrator or an authorized assistant shall give notice to the owner, occupant or agent in charge of the premises by certified mail of the costs of abatement of the nuisance. The notice shall state that payment of the costs is due and payable within 30 days following receipt of the notice.

(c) If the costs of removal or abatement remain unpaid after thirty (30) days following receipt of notice, a record of the costs of cutting and destruction and/or removal shall be certified and cause such costs to be assessed against the particular lot or piece of land on which such weeds were so removed, and against such lots or pieces of land in front of or abutting on such street or alley on which such weeds where so removed. The Code Administrator shall certify the assessment to the county clerk at the time other special assessments are certified for spreading on the tax rolls of the county.

SECTION 3. Right of Entry. The code administrator, and the code administrator's authorized assistants, employees, contracting agents or other representatives are hereby expressly authorized to enter upon private property at all reasonable hours for the purpose of cutting, destroying and/or removing such weeds in a manner not inconsistent with this code provision.

SECTION 4. Unlawful Interference. It shall be unlawful for any person to interfere with or to attempt to prevent the code administrator or the code administrator's authorized representative from entering upon any such lot or piece of ground or from proceeding with such cutting and destruction. Should any person interfere with or attempt to prevent the code administrator or the code administrators authorized representative from performing his or her duties hereunder, such act shall constitute a code violation, and the code administrator may file a complaint in the Municipal Court in the City against such person, and upon conviction of said violation, the person shall be fined in an amount not to exceed $100.00 each day during or on which a violation occurs or continues shall constitute an additional or separate offense.

SECTION 5. Failure to Comply

A. If the property owner fails to maintain the property as required under this Chapter after notice is given as provided in this Chapter, the Code Administrator shall order the work to be done by a Contractor.

B. The total cost and expense of the work done, including an administrative fee of $150.00, shall be paid by the property owner. Failure to pay shall result in the cost being assessed against the property for collection in the same manner as a property tax.

SECTION 6. Effective Date. This ordinance shall be in full force and effect from and after its adoption and publication in the official City news paper.

PASSED this 12th day of March, 2013.

CITY OF MCALESTER, OKLAHOMA
A Municipal Corporation

SEAL

By _____
Steve Harrison, Mayor

ATTEST:

_____
Cora Middleton, City Clerk

Approved as to form and legality this 12th of March, 2013.

_____
William J. Ervin, City Attorney

City of McAlester

Planning and Community Development Department

P.O. BOX 578 ▪ 1ST & WASHINGTON ▪ McALESTER, OK 74502 ▪ 918-423-9300 ▪ FAX 918-421-4970

MEMORANDUM

DATE: July 13, 2012
TO: Pete Stasiak
FROM: Jennifer Santino
RE: Mowing/Lot Cleaning Administrative Fees

The City of McAlester currently charges an administrative fee of $20.00 for mowing/lot cleaning plus the contracted mow/lot cleaning charge.

The following list is of cities surveyed of varying populations regarding administrative fees for mowing/lot cleaning:

- Del City — $353.54 for the first mow, then ½ for additional mows (contract)
- Mustang — $250.00 administrative fee + additional mow charge
- Ada — $44.00 adminstrative fee + $200.00 for 2-hour mow (work by City Parks Department)
- Muskogee — $80.00 administrative fee + additional mow charge
- Tahlequah — $100.00 administrative fee + additional mow charge
- Owasso — $200.00 adminstrative fee + $150.00 basic mow charge for average lot size/height
- Bixby — $300.00 administrative fee + additional mow charge
- Moore — $100.00 administrative fee + additional mow charge
- Durant — $300.00 administrative fee + additional mow charge
- Chickasha — $50.00 administrative fee + additional mow charge
- Claremore — $100.00 administrative fee + additional mow charge
- Ardmore — $75.00 administrative fee + additional mow charge
- Sand Springs — $200.00 administrative fee + additional mow charge
- Miami — $50.00 administrative fee + additional mow charge
- Woodward — $383.18 (mowed by the City)

Calls have been made to several other cities – still waiting on their reply:

- Altus
- Bartlesville
- Bethany
- Yukon
- Glenpool
- El Reno
- Sapulpa

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	9
Department:	Community Services		
Prepared By:	Mel Priddy	**Account Code:**	
Date Prepared:	March 4, 2013	**Budgeted Amount:**	
		Exhibits:	2

Subject

Consider and act upon a lease and contract between the Board of Education of McAlester Public Schools , District No. 80 and the City of McAlester.

Recommendation

Motion to approve a lease and contract between the Board of Education of McAlester Public Schools, District No. 80 and the City of McAlester.

Discussion

The City of McAlester's Parks and Recreation Department is proposing to build a Dog Park on school property between "B" and "C" Street on West Seneca. Our plan is to build this park with grant money and donated funds. The major expense will be a fence around the perimeter of the property. Other expenses will include seating, small covered shelter and water.

1) Lease Contract.
2) Lot Site.

Approved By

		Initial	*Date*
Department Head		MWP	March 4, 2013
City Manager	P. Stasiak		March 5, 2013

RECEIVED ON
FEB 14 2013
IN CITY CLERK'S OFFICE

LEASE AND CONTRACT

THIS AGREEMENT, entered in this 11th day of February, 2013, by and between the Board of Education of McAlester Public Schools, District No. 80, Pittsburg County, Oklahoma, PARTY OF THE FIRST PART, and the City of McAlester, Oklahoma, a Municipal Corporation, PARTY OF THE SECOND PART, the terms and conditions of which are as follows to-wit:

1. That the PARTY OF THE FIRST PART, for and in consideration of the sum on One Dollar and other good and valuable considerations and in consideration of the covenants and agreements hereinafter contained, does hereby demise, lease and let unto the PARTY OF THE SECOND PART the following described real estate situated in Pittsburg County, Oklahoma.

Block 619 in The City of McAlester, formerly South McAlester IT, Pittsburg County, State of Oklahoma, consisting of 2.64 acres more or less.

A plat of said real estate property is attached as part of this lease as "Exhibit A"

2. It is further agreed by and between the parties that this lease shall be for a period of ninety-nine (99) years from the date of the execution of this agreement, subject to the provision hereinafter contained for prior termination of this agreement.

3. It is mutually understood and agreed that the lands, herein leased shall be for the intended purpose for use as a canine recreational park and related activities by the lessee which shall be operated by the City of McAlester Parks and Recreational Department without profit. It is further agreed that if for a period of twelve (12) months, or longer, said PARTY OF THE SECOND PART, fails to use such property for such use and related activities, that this lease shall be at an end and cancelled, and the property shall revert back to the PARTY OF THE FIRST PART.

4. It is further understood that the PARTY OF THE SECOND PART shall provide scheduling of the use of the facilities.

5. It is further understood and agreed that during the term of this lease said premises shall be under the exclusive jurisdiction of the PARTY OF THE SECOND PART and that the PARTY OF THE SECOND PART will indemnify and hold harmless PARTY OF THE FIRST PART from any and all claims, liens, demands, and lawsuits by reason its the negligence or use of said premises and in the event that any suit is brought naming PARTY OF THE FIRST PART as a party defendant by reason of injury or damage to any person or property that the PARTY OF THE

SECOND PART will pay all expenses, including attorney's fees, together with all damages incurred by the PARTY OF THE FIRST PART. The PARTY OF THE SECOND PART shall provide proof of liability insurance in the amount currently provided in the Government Torts Claim Act, Title 51, Okl. Stat. Secs. 151 et seq.

6. It is also agreed that the maintenance of the property and any equipment, buildings, or improvements located on said premises and of the land hereby leased shall be the sole responsibility of the PARTY OF THE SECOND PART and who will keep said premises clean and will maintain said premises in an acceptable and sanitary manner. The PARTY OF THE SECOND PART shall arrange for and pay for all utility cost related to the facilities herein leased.

7. It is further agree that the PARTY OF THE SECOND PART will not at any time, without the permission in writing of the PARTY OF THE FIRST PART, erect any additional structures on said land, cut down any trees on said land and will not sell or remove any sand, gravel, soil, or minerals of any kind and will not in any way commit waste upon said premises.

   Any improvements to the leased property which are made and paid for by the PARTY OF THE SECOND PART, or which may be made in the future shall be owned and remain the property of the PARTY OF THE SECOND PART and shall continue under its exclusive dominion and control, subject to the provisions of this agreement. If the PARTY OF THE SECOND PART abandons or fails to use the premises for twelve (12) months, the lease is cancelled, and the premises with improvements will revert to the PARTY OF THE FIRST PART.

8. It is further agreed that the violation of any of the conditions and covenants herein contained by the PARTY OF THE SECOND PART shall, except as herein above indicated, entitle the PARTY OF THE FIRST PART to re-enter said lands and take the quiet and peaceable possession thereof and will entitle the PARTY OF THE FIRST PART to terminate this lease. Provided, this provision shall not apply until PARTY OF THE FIRST PART shall first give PARTY OF THE SECOND PART written notice of the violation and a reasonable time to correct the same not to exceed sixty (60) days.

BOARD OF EDUCATION OF INDEPENDENT
SCHOOL DISTRICT #80, MCALESTER
PUBLIC SCHOOLS, IN PITTSBURG COUNTY,
STATE OK OKLAHOMA
PARTY OF THE FIRST PART,

BY: _____

RICHARD GORMAN, PRESIDENT

ATTEST:

_____

CLERK OF BOARD OF EDUCATION

CITY OF MCALESTER
PARTY OF THE SECOND PART,

BY:

_____

STEVE HARRISON, MAYOR

ATTEST:

_____

CORA MIDDLETON

RESOLUTION

BE IT RESOLVED, this 11th day of February, 2013, by the Board of Education of ISD-80, McAlester Public Schools, as follows.

1. That that strip, piece or parcel described as Block 619, City of McAlester, formerly South McAlester, Pittsburg County, Oklahoma, is of no further use, is no longer needed by the McAlester Public Schools and is declared to be surplus.

2. That pursuant to Title 70 Okl. Stat. Sec. 5-117 A (11) an agreement with the City of McAlester is hereby approved to lease such surplus property to said City in return for the mutual promises made in said lease.

3. That the lease of said surplus property to the City of McAlester and acceptance of the lease by the City of McAlester of that real property being leased is hereby authorized along with the execution, delivery, and receipt of any necessary lease to complete the same.

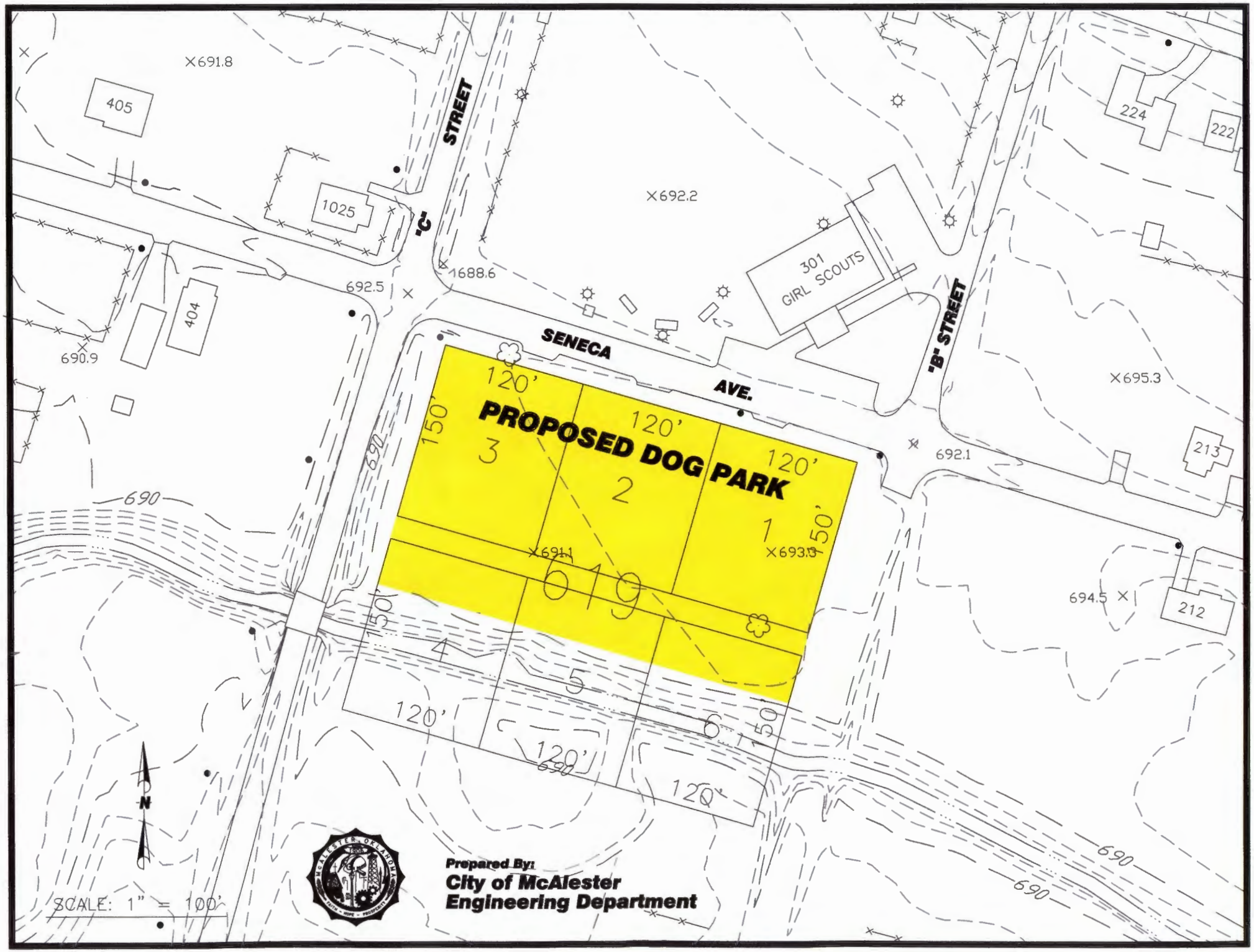
RESOLVED AND PASS ON THIS 11th DAY OF February, 2013.

BOARD OF EDUCATION OF INDEPENDENT SCHOOL DISTRICT #80, MCALESTER PUBLIC SCHOOLS, IN PITTSBURG COUNTY, STATE OK OKLAHOMA

(SEAL)

BY: Richard Gorman
RICHARD GORMAN,
PRESIDENT

ATTEST:
Mike Graham
CLERK


PROPOSED DOG PARK
SENECA AVE.
"C" STREET
"B" STREET
301 GIRL SCOUTS
405
404
1025
224
222
213
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X691.8
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120'
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SCALE: 1" = 100'
Prepared By:
City of McAlester
Engineering Department

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	10
Department:	Community Services		
Prepared By:	Mel Priddy	**Account Code:**	
Date Prepared:	March 1, 2013	**Budgeted Amount:**	
		Exhibits:	2

Subject

Consider and act upon Amendment to Airport Consultant LBR's contract with the City of McAlester.

Recommendation

Motion to approve an Amendment to LBR's contract with the City of McAlester.

Discussion

The Amendment for approval is to provide grant administration for Improve Runway 2-20 Safety Areas; Remove Runway 2-20 Approach Surface Obstructions and Improve Runway Object Free Area (ROFA) East of Runway 2-20 AIP Projects 3-40-0057-011-2011 and 3-40-0057-012-2011 at McAlester Regional Airport.

Approved By

		Initial	*Date*
Department Head		MWP	March 1, 2013
City Manager	P. Stasiak		March 5, 2013

AMENDMENT NO. 5

This Amendment, made as of the _____ day of _____, 2013, by and between the **City of McAlester**, and **LBR Inc.**, shall be made a part of the Agreement for Professional Airport Consulting Services between said parties, dated October 13, 2009.

1. The following service shall be added to Section I. A.1:

   A. Provide Grant Administration for "Improve Runway 2-20 Safety Areas; Remove Runway 2-20 Approach Surface Obstructions; and Improve Runway Object Free Area (ROFA) East of Runway 2-20," AIP Projects 3-40-0057-011-2011 and 3-40-0057-012-2011 at McAlester Regional Airport.

2. The following fee shall be added to Section V. B. as related to the above item:

   1A. Hourly not to exceed $25,000.00. Please see attached fee schedule.

In witness whereof, the parties hereto have made and executed this Amendment the day and year first written above.

LBR INC.

President

ATTEST

Secretary

(Seal)

CITY OF McALESTER

Mayor

ATTEST

City Clerk

(Seal)

Certification of Legality:
Approved as to form and legality

City Attorney

FEE SCHEDULE FOR HOURLY SERVICES* BY LBR INC. (Amendment No. 5)

LBR Inc. Airport Consultants
1802 West Wright Drive Stillwater, Oklahoma
Tel 405-377-8276 Fax 405-377-3297 WWW.LBROK.COM

***This Hourly Fee Schedule is to be utilized by LBR Inc. for billing of Grant Administration services.**

City of McAlester: McAlester Regional Airport
AIP Projects 3-40-0057-011-2011 and 3-40-0057-012-2011
(Airport ID: MLC)

Invoice Date: February 19, 2013
Invoice Number:
Invoiced Work Dates:

Item	Cost Element	Base Rate		Direct Element Cost Administrative and Labor		Profit % of Direct & Administrative		Estimated Cost Per Element	
				Overhead %	Hourly Rate	Fixed Pymt.	Hourly Rate	Hr's/Mi's/Units	Amount
1	Principal	$55.00	Hr	1.45	$134.75	1.15	$155.00	0.00	$0.00
2	Project Manager	$35.00	Hr	1.45	$85.75	1.15	$104.00	0.00	$0.00
3	Project Engineer	$26.00	Hr	1.45	$63.70	1.15	$77.00	0.00	$0.00
4	CAD Draftsperson	$24.00	Hr	1.45	$58.80	1.15	$71.00	0.00	$0.00
5	Office Manager	$23.00	Hr	1.45	$56.35	1.15	$68.00	0.00	$0.00

Total Cost This Invoice: **$0.00**

McAlester City Council

AGENDA REPORT

Meeting Date:	3/12/2013	**Item Number:**	11
Department:	Fire Department		
Prepared By:	Brett Brewer	**Account Code:**	
Date Prepared:	2/26/2013	**Budgeted Amount:**	
		Exhibits:	2

Subject

Discussion, and possible action, on approval of certain costs related to the Fire Department. Funds to be used from the City of McAlester's Fire Department's portion of the county quarter cent excise tax for fire services.

Recommendation

Motion to approve the purchase of 12 new twin size mattresses for the dorms of the fire departments. The cost of the mattresses not to exceed $4,788.00. Purchase to be made with funds from the City of McAlester's Fire Department's portion of the county quarter cent excise tax for fire services

Discussion

The fire department would like to purchase 12 new twin size mattresses for the fire department dorms. The mattresses we have now are in need of replacement. The money to be used from the city's portion of the county quarter cent excise tax for fire services.

Approved By

		Initial	*Date*
Department Head	B. Brewer	BB	2/26/2013
City Manager	P. Stasiak	PS	03/5/2013

PITTSBURG COUNTY CLERK 3/7/2013
HOPE TRAMMELL 2:05:56PM

Appropriation Ledger

Account FD-MCAL-2: MCALESTER FIRE DEPT M&O

Fiscal Year 2012-2013

Dist.	Date	Vendor	PO #	PO Amount	Adjustment Amount	Amount Approved	Paid	Warant Number	Unexpended	Unliquidated Encumbrances	Unencumbered
	1/7/2013	MONTHLY APPROPRIATION			$6020.90	DECEMBER 2012			88,031.75	2,265.00	85,766.75
	1/22/2013	TRANSFER			$-40000.00	TRANSFER TO FD-MCAL-3			48,031.75	2,265.00	45,766.75
	2/4/2013	MONTHLY APPROPRIATION			$5284.43	JANUARY 2013			53,316.18	2,265.00	51,051.18
	2/25/2013	TEXAS AMERICA SAFETY CO	005012			$1,905.00	3/4/2013	001218	51,411.18	360.00	51,051.18
	2/25/2013	MOTOROLA SOLUTIONS	005637			$360.00	3/5/2013	001219	51,051.18	0.00	51,051.18
	3/4/2013	MONTHLY APPROPRIATION			$5237.73	FEBRUARY 2013			56,288.91	0.00	56,288.91
	3/7/2013	MIDWEST PRINTING	007746	$85.00					56,288.91	85.00	56,203.91
	3/7/2013	**Range Totals:**		**$85.00**	**$0.00**	**$2,265.00**					
		Year Total:		$5,040.50	$0.00	$4,955.50			$56,288.91	$85.00	$56,203.91

* Paid column reflects the date on which the warrant was cancelled or void.

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PITTSBURG COUNTY CLERK HOPE TRAMMELL	3/7/2013 2:05:56PM

Appropriation Ledger

Account FD-MCAL-3: MCALESTER FIRE DEPT CAP OUTLAY

Fiscal Year 2012-2013

Dist.	Date	Vendor	PO #	PO Amount	Adjustment Amount	Amount Approved	Paid	Warant Number	Unexpended	Unliquidated Encumbrances	Unencumbered
	1/22/2013	TRANSFER			$40000.00	TRANSFER FROM FD-MCAL-2			44,733.99	1,800.00	42,933.99
	1/24/2013	CHIEF FIRE & SAFETY	006484	$30,320.00					44,733.99	32,120.00	12,613.99
	1/24/2013	MUSKOGEE COMMUNICATI	006485	$3,102.80					44,733.99	35,222.80	9,511.19
	1/24/2013	BULLEX	006486	$4,123.00					44,733.99	39,345.80	5,388.19
	2/25/2013	GALL S INC	005636		$-475.02				44,733.99	38,870.78	5,863.21
	2/25/2013	GALL S INC	005636			$1,324.98	3/5/2013	001220	43,409.01	37,545.80	5,863.21
	2/25/2013	CHIEF FIRE & SAFETY	006484			$30,320.00	3/4/2013	001221	13,089.01	7,225.80	5,863.21
	2/25/2013	**Range Totals:**		**$37,545.80**	**$-475.02**	**$31,644.98**					
		Year Total:		$39,345.80	$-475.02	$31,644.98			$13,089.01	$7,225.80	$5,863.21

* Paid column reflects the date on which the warrant was cancelled or void.

2

Beautiful Rooms & Accessories

815 E Wyandotte
McAlester, OK 74501
918-420-BEDS (2337)

Customer: _____ **Date:** _____

Address: _____

City: _____

Phone: _____

QTY	ITEM	Price each	Total
	Crystal Falls TXL set	309	
	Lavendar TXL set	399	
	Both have independant coils and		
	are foam encased for edge		
	support		
	Lavendar has a higher coil count **Subtotal**		
	and 3/8" gel lumbar support **Sales TAX**		
	Total		

Paid by Check_____ **Cash**_____ **Credit Card**_____

Financed by Superior_____ **GE Money**_____ **UOWN**_____

To be delivered_____

Customer Picked up_____

Joe Kozemczak
Store Manager

Quote

BOB LOFTIS
Furnitureland
700 E. Carl Albert Parkway
McAlester, OK 74501
918 - 426 - 6620

Invoice Number: WISH LIST
Date: 2/8/13
Salesman: Joe
Delivery Date:
Phone #: 918-423-6709
Delivery Instructions:

SOLD TO: McAlester Fire Dept.

Kenny Barone

QTY.	SKU NUMBER	STOCK NUMBER & DESCRIPTION	UNIT COST	AMOUNT
10		Sealy Perfect Sleeper Patterson Pillowtop		5999.50
		Regular-Bates Plush	532	
		Coil Count		
		Continuous		

DEPOSIT CONTROL
D.L.#
Exp. Date D.O.B.
Employer Work Phone
2nd ID

I want the Stainsafe Fabric Protection warranty.
☐ Yes ☐ No

Deposit
"How Paid"
BALANCE DUE

Sub-Total
Sales Tax
Delivery Charge
TOTAL SALE 5999.50

[redacted]

X
HEREBY ACKNOWLEDGE FULL RECEIPT OF THE ABOVE ARTICLES IN GOOD ORDER.
CUSTOMER'S SIGNATURE

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	12
Department:	Utilities		
Prepared By:	David Medley, P.E.	**Account Code:**	30-5211407
Date Prepared:	March 4, 2013	**Budgeted Amount:**	$410,488.00
		Exhibits:	Change Order No. 1

Subject

Consider, and act upon, Change Order No. 1 for the 14th Street / US 69 Sewer Extension with C.S. Day & Associates of Tahlequah, Oklahoma.

Recommendation

Motion to approve Change Order No. 1 to the 14th Street / US 69 Sewer Extension to add 75 days to the Original Contract Time. Substantial Completion with this Change Order would be April 19, 2013. This is a zero cost change order and the Contract Price of $410,488.00 shall remain the same.

Discussion

This Change Order adjusts the Original Contract Time due to inclement weather, problems encountered due to rock and highway boring difficulties. The Steak and Shake development will not be affected by this time addition.

Approved By

		Initial	*Date*
Department Head		DRM	3/4/13
City Manager	P. Stasiak		3/5/13

MEHLBURGER BRAWLEY

March 1, 2013

David Medley, P.E., Utilities Director
City of McAlester / McAlester Public Works Authority
P. O. Box 578
McAlester, OK 74502

Re: 14th Street / US 69 Sewer Extension
Change Order No. One (1)

Dear Mr. Medley:

Enclosed you will find four (4) copies of the Change Order No. 1 for the referenced project. This Change Order is for time only and no change to the contract price. The documented delays have been verified with the records of the resident project representative on site.

Please place this item on the agenda for approval at your next meeting and upon approval please execute all copies. Send two (2) copies to our office located at 719 S George Nigh Expressway, McAlester, OK 74501, one copy to the Contractor with payment and retain the final copy for your records.

If you have any questions please do not hesitate to contact our office at (918) 420-5500.

Sincerely,

Mehlburger Brawley

Robert Vaughan, P.E.
Project Manager

Enclosures

Project No. MC-12-01

cc w/enclosure:
Leon Burke, Resident Project Representative, Mehlburger Brawley

CHANGE ORDER
No. One (1)

Date of Issuance: 3/12/2013 Effective Date: 2/9/2013

Project: 14th Street & US 69 Sewer Extension	Owner: McAlester Public Works Authority	Owners Contract No.: MC-12-01
Contract: 14th Street & US 69 Sewer Extension		Date of Contract: November 16, 2012
Contractor: C.S. Day and Associates		

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

See attached spreadsheet of deductions to the contract quantities.

Attachments: (documents supporting change):

1. Letter from C.S. Day & Associates documenting delays

Change in Contract Price:	**Change in Contract Times:**
Original Contract Price: $ 410,488.00	Original Contract Time: Calandar Days Substantial Completion: 75 days February 9, 2012
Increase from previously approved Change Orders No. ____ to No. ____. $ -	Increase from previously approved Change Orders No. ____ to No. ____. Substantial Completion: 0 days
Contract Price prior to this Change Order: $ 410,488.00	Contract Times prior to this Change Order: Substantial Completion: 75 days February 9, 2012
Increase of this Change Order: $ -	Decrease of this Change Order: Substantial Completion: 70 days
Contract Price incorporating this Change Order: $ 410,488.00	Contract Times with all approved Change Orders: Substantial Completion: 145 days April 19, 2012

Recommended:	Accepted:	Accepted:
by: Robert D. Vaughan, Registered Professional Engineer, 21702, Oklahoma	by:	by:
Mehlburger Gawley Inc. Project Manager	Owner (Authorized Signature) / Title	Contractor (Authorized Signature) / Title
Date: 2/6/2013	Date:	Date: 2-26-13

C.S. DAY & ASSOCIATES LLC
5131 So. 4120 Rd.
P.O. Box 133
Talala, Oklahoma 74080
918-693-0706

February 26, 2013

To: City of McAlester
c/o Mehlburger Brawley

Request for additional work days on the 14th Street / US 69 Sewer Extension:

Manhole # 2: Hard limestone / sandstone caused construction delays from manholes 1 through 4. Three week delay (21 days).

US 69 Boring: Long bore across US 69 hit hard rock interspaced with soft fill material causing delays. Casing was broken and had to be pulled and reinstalled. 3 week delay (21 days).

Unmarked water line: An unmarked water line was broken and caused one day delay.

Weather Days: 27 Days

December 19, 2012:	0.58" Rainfall
December 20, 2012:	Site too wet to work
December 25, 2012:	0.27" Rain / Snow
December 26, 2012:	Site too wet / frozen
December 27, 2012:	Site too wet / frozen
December 28, 2012:	0.10" Rain / Snow. Site still too wet
December 29, 2012:	Site too wet / frozen
December 30, 2012	Site too wet / frozen
December 31, 2012:	0.83" Rainfall
January 01, 2013:	Site too wet
January 08, 2013:	0.63" Rain
January 09, 2013:	0.36" Rain
January 10, 2013:	Site too wet
January 12, 2013:	0.79" Rain
January 13, 2013:	Site too wet / frozen
January 29, 2013:	0.57" Rain
February 07, 2013:	0.42" Rain
February 08, 2013:	Site too wet
February 10, 2013:	0.26" Rain
February 12, 2013:	0.75" Rain
February 20, 2013:	1.27" Rain
February 21, 2013:	0.61" Rain
February 22-24, 2013:	Site too wet
February 25, 2013:	0.47" Rain
February 26, 2013	Site too wet

Larry Knori
Managing Member

MESONET CLIMATOLOGICAL DATA SUMMARY
(MCAL) McAlester
Latitude: 34-52-56

December 2012
Nearest City: 4.0 S McAlester
Longitude: 95-46-51

Time Zone: Midnight-Midnight CST
County: Pittsburg
Elevation: 755 feet

DAY	TEMPERATURE (F) MAX	MIN	AVG	DEWPT	DEG DAYS HDD	CDD	HUMIDITY (%) MAX	MIN	AVG	RAIN (in)	PRESSURE (in) STN	MSL	WIND SPEED (mph) DIR	AVG	MAX	SOLAR (MJ/m2)	4" SOIL TEMPERATURES SOD	BARE	MAX	MIN
1	77	62	68.9	60.1	0	5	94	52	75	0.00	29.15	29.96	S	11.5	34.6	7.11	58.5	60.2	65	55
2	78	65	70.0	60.7	0	6	89	56	73	0.00	29.19	29.99	S	10.3	26.9	6.61	60.7	62.0	66	60
3	77	63	69.3	57.8	0	5	86	46	68	0.00	29.12	29.93	S	11.4	35.1	9.97	61.5	62.3	67	59
4	68	38	58.3	40.1	12	0	82	20	54	0.00	29.34	30.16	N	9.2	28.1	12.42	60.2	59.5	64	52
5	64	31	47.4	31.8	18	0	98	26	61	0.00	29.39	30.20	E	3.5	13.7	11.71	56.1	51.4	59	45
6	63	37	52.1	46.6	15	0	98	58	83	0.00	29.11	29.91	SE	6.2	26.2	10.05	56.0	53.0	61	47
7	65	42	54.6	50.4	11	0	99	57	87	0.00	29.03	29.83	SE	3.5	13.3	5.00	56.9	54.7	60	51
8	63	41	54.8	48.2	13	0	100	58	80	0.00	29.06	29.86	N	3.0	11.1	6.92	56.9	55.7	61	51
9	62	32	52.2	44.0	18	0	97	43	75	0.00	29.06	29.86	N	11.3	30.4	2.97	57.2	55.1	58	48
10	39	15	28.7	14.1	38	0	93	31	57	0.00	29.29	30.10	NNW	9.1	29.2	12.64	51.5	44.2	49	39
11	49	12	27.8	11.5	35	0	92	19	58	0.00	29.34	30.16	SSW	2.2	12.9	12.73	48.1	40.1	48	35
12	53	16	35.9	11.4	31	0	88	13	44	0.00	29.43	30.24	S	5.1	20.7	12.79	47.2	40.3	49	35
13	61	40	48.7	17.7	15	0	41	20	29	0.00	29.41	30.22	S	7.7	23.4	12.44	49.1	44.5	53	39
14	55	44	49.9	30.5	16	0	95	28	51	0.19	29.21	30.02	SSE	8.0	30.3	1.35	50.3	46.8	49	44
15	62	49	54.7	39.3	9	0	96	34	59	0.01	28.98	29.79	SSW	8.2	22.6	8.49	51.8	49.6	53	47
16	72	47	57.0	31.5	6	0	64	16	41	0.00	28.92	29.72	SSW	7.4	26.7	11.28	52.4	49.9	57	46
17	58	35	45.2	34.7	18	0	97	36	69	0.00	29.00	29.81	NW	4.9	15.0	11.98	51.7	48.1	55	44
18	67	40	50.6	33.6	12	0	78	26	55	0.00	28.98	29.78	SSW	5.2	17.1	12.24	51.2	47.6	56	43
19	72	43	61.5	52.1	7	0	97	32	72	0.58	28.84	29.64	S	9.2	47.9	4.09	53.3	53.0	59	46
20	52	22	38.5	17.7	28	0	77	16	47	0.00	29.33	30.14	NW	16.1	43.4	12.68	50.4	45.4	53	39
21	62	17	39.2	15.6	25	0	91	14	48	0.00	29.51	30.32	SSW	4.2	17.6	12.62	47.2	41.2	49	37
22	62	38	51.0	22.2	15	0	64	15	34	0.00	29.32	30.13	SSW	8.3	24.6	10.92	48.1	42.9	48	38
23	65	37	53.9	42.6	14	0	88	49	67	0.00	29.07	29.88	SSW	7.6	19.5	11.20	51.1	49.4	56	45
24	42	25	34.0	25.7	31	0	91	52	73	0.00	29.15	29.95	NNE	6.9	18.8	9.61	48.7	42.3	47	39
25	37	25	31.1	27.9	34	0	97	76	88	0.27	29.10	29.91	N	13.7	34.4	1.17	46.5	39.3	41	37
26	30	16	22.2	16.2	42	0	99	65	78	0.01	29.36	30.17	NNW	7.7	26.0	10.08	45.2	36.5	37	36
27	34	19	28.6	25.5	38	0	99	76	88	0.02	29.21	30.02	SSE	3.7	18.5	6.32	44.8	36.0	36	36
28	36	25	32.0	29.7	34	0	100	67	91	0.10	29.19	30.00	NW	6.7	20.4	3.04	43.5	37.0	39	36
29	41	16	26.5	17.2	37	0	95	39	70	0.02	29.52	30.34	NW	4.3	15.0	12.66	42.4	36.2	40	35
30	41	19	32.0	21.9	35	0	97	39	69	0.07	29.53	30.35	SSE	4.5	19.7	5.92	41.4	35.6	37	35
31	40	35	37.5	36.6	27	0	99	84	97	0.83	29.27	30.08	ESE	3.4	17.6	0.95	41.5	39.1	41	37
	56	34	45.6	32.7	<- Monthly Averages ->						29.21	30.02	SSW	7.2	47.9	8.71	51.0	47.1	52	43

Temperature - Highest: 78
Lowest: 12

Degree Days - Total HDD: 635
Total CDD: 16

Rainfall: Monthly Total: 2.10 in.
Greatest 24 Hr: 0.83 in.

Humidity - Highest: 100
Lowest: 13

Number of Days With:
Tmax ≥ 90: 0
Tmax ≤ 32: 1
Tmin ≤ 32: 14
Tmin ≤ 0: 0
Rainfall ≥ 0.01 inch: 10
Rainfall ≥ 0.10 inch: 5
Avg Wind Speed ≥ 10 mph: 6
Max Wind Speed ≥ 30 mph: 7

© 1993,2013 Oklahoma Climatological Survey

* Denotes incomplete record

Monthly data generated on Wednesday, February 13, 2013 at 13:15 UTC

MESONET CLIMATOLOGICAL DATA SUMMARY
(MCAL) McAlester
Latitude: 34-52-56

January 2013
Nearest City: 4.0 S McAlester
Longitude: 95-46-51

Time Zone: Midnight-Midnight CST
County: Pittsburg
Elevation: 755 feet

DAY	TEMPERATURE (F) MAX	MIN	AVG	DEWPT	DEG DAYS HDD	CDD	HUMIDITY (%) MAX	MIN	AVG	RAIN (in)	PRESSURE (in) STN	MSL	WIND SPEED (mph) DIR	AVG	MAX	SOLAR (MJ/m2)	4" SOIL TEMPERATURES SOD	BARE	MAX	MIN
1	40	31	35.9	34.0	30	0	99	86	93	0.01	29.36	30.17	NNW	8.1	17.8	2.09	42.8	40.3	42	38
2	38	22	28.7	24.2	35	0	98	62	84	0.00	29.46	30.27	NNW	4.3	14.0	8.30	42.0	37.9	42	36
3	46	19	30.6	24.7	33	0	100	47	81	0.00	29.58	30.40	NNW	2.2	12.9	12.62	40.8	37.8	44	35
4	47	19	32.1	22.3	32	0	98	32	72	0.00	29.61	30.42	WSW	2.4	13.7	7.71	40.9	37.5	42	35
5	48	28	39.6	31.5	27	0	99	60	73	0.00	29.46	30.27	SSW	5.5	20.6	6.06	42.4	39.9	45	36
6	50	23	34.3	23.9	29	0	100	31	71	0.00	29.53	30.34	N	3.8	17.2	13.16	41.4	38.9	45	36
7	52	18	35.5	24.8	30	0	97	37	69	0.01	29.43	30.25	S	3.7	19.1	10.51	41.1	38.3	44	35
8	55	30	44.1	37.7	23	0	99	49	79	0.63	29.28	30.09	NE	3.8	15.2	3.73	43.2	41.6	45	37
9	52	45	49.0	48.5	16	0	99	95	98	0.36	29.37	30.18	NE	6.9	27.0	1.40	46.0	46.9	49	45
10	63	47	53.4	49.8	10	0	100	67	88	0.06	29.12	29.93	SSW	7.4	22.4	4.70	48.6	50.8	55	48
11	69	47	57.5	44.6	7	0	90	38	65	0.00	29.02	29.82	S	9.4	29.8	11.67	49.2	49.9	55	46
12	63	29	45.2	39.4	19	0	95	45	82	0.79	29.06	29.87	N	11.4	30.7	1.53	48.9	48.5	53	41
13	33	24	27.9	19.9	36	0	88	55	72	0.00	29.38	30.19	N	11.7	30.2	13.30	43.4	39.1	43	37
14	37	23	28.5	17.1	35	0	84	42	63	0.00	29.51	30.33	NNE	6.3	23.5	12.22	41.6	37.0	42	35
15	36	21	29.3	21.5	36	0	94	58	73	0.00	29.41	30.23	N	5.4	14.2	6.17	41.1	36.2	39	35
16	46	14	29.9	17.4	35	0	96	29	64	0.00	29.37	30.19	SW	2.7	13.7	13.82	40.6	36.9	43	34
17	54	24	37.3	26.9	26	0	94	39	68	0.00	29.57	30.38	NNE	4.9	21.9	13.57	41.5	39.4	47	35
18	58	24	42.0	28.3	24	0	99	33	63	0.00	29.57	30.39	S	6.5	22.3	13.66	42.2	40.3	48	35
19	65	38	50.1	34.9	13	0	94	33	58	0.00	29.37	30.18	SSW	7.6	23.6	13.70	44.7	43.8	51	39
20	66	29	46.4	37.1	18	0	100	37	75	0.00	29.36	30.17	SSW	3.3	20.7	13.66	45.3	44.9	54	38
21	45	28	35.9	18.7	28	0	67	32	51	0.00	29.48	30.29	NNE	7.4	22.2	14.00	44.4	41.5	47	37
22	56	22	38.0	25.6	26	0	94	35	65	0.00	29.44	30.25	SSE	3.9	18.9	13.84	43.6	40.8	48	36
23	68	31	49.9	41.7	15	0	94	51	75	0.00	29.38	30.19	SSW	4.4	17.2	13.34	45.4	44.9	54	38
24	52	44	47.8	44.9	17	0	98	81	90	0.00	29.33	30.15	NE	4.2	12.7	2.15	47.0	46.8	48	45
25	45	34	38.8	35.5	25	0	99	67	89	0.02	29.36	30.18	NNE	5.3	14.8	5.70	46.5	45.1	48	43
26	52	29	42.8	37.8	25	0	100	58	84	0.00	29.37	30.18	SE	3.4	14.9	3.96	45.9	44.1	48	40
27	64	45	54.6	52.1	10	0	98	83	91	0.01	29.20	30.01	S	8.1	26.9	3.50	48.3	49.7	53	46
28	72	64	68.6	62.0	0	3	87	69	80	0.00	29.10	29.91	S	10.9	30.6	4.38	53.4	58.1	61	53
29	71	48	62.9	58.2	6	0	98	66	85	0.57	28.82	29.62	S	10.2	35.2	2.60	55.9	59.1	62	54
30	48	27	39.0	30.0	28	0	95	46	72	0.00	29.08	29.89	NW	11.6	36.2	8.15	50.7	47.6	54	41
31	65	24	39.3	22.7	20	0	97	16	59	0.00	29.35	30.16	SSW	8.3	32.2	15.63	46.8	42.8	51	38
	53	31	41.8	33.5	<- Monthly Averages ->						29.35	30.16	S	6.3	36.2	8.74	45.0	43.4	48	40

Temperature - Highest: 72
Lowest: 14

Degree Days - Total HDD: 714
Total CDD: 3

Rainfall: Monthly Total: 2.46 in.
Greatest 24 Hr: 0.79 in.

Humidity - Highest: 100
Lowest: 16

Number of Days With:
Tmax ≥ 90: 0
Tmax ≤ 32: 0
Tmin ≤ 32: 22
Tmin ≤ 0: 0
Rainfall ≥ 0.01 inch: 9
Rainfall ≥ 0.10 inch: 4
Avg Wind Speed ≥ 10 mph: 5
Max Wind Speed ≥ 30 mph: 6

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* Denotes incomplete record

Monthly data generated on Wednesday, February 13, 2013 at 12:00 UTC

MESONET CLIMATOLOGICAL DATA SUMMARY
(MCAL) McAlester
Latitude: 34-52-56

February 2013
Nearest City: 4.0 S McAlester
Longitude: 95-46-51

Time Zone: Midnight-Midnight CST
County: Pittsburg
Elevation: 755 feet

DAY	TEMPERATURE (F) MAX	MIN	AVG	DEWPT	DEG DAYS HDD	CDD	HUMIDITY (%) MAX	MIN	AVG	RAIN (in)	PRESSURE (in) STN	MSL	WIND SPEED (mph) DIR	AVG	MAX	SOLAR (MJ/m2)	4" SOIL TEMPERATURES SOD	BARE	MAX	MIN
1	55	20	36.0	15.9	27	0	73	23	47	0.00	29.50	30.32	SSE	5.3	19.9	15.71	45.6	41.0	49	36
2	61	27	41.7	28.3	21	0	90	33	62	0.00	29.42	30.23	NNW	4.1	21.0	15.75	45.9	43.1	52	37
3	63	27	46.9	26.7	20	0	98	19	53	0.00	29.38	30.19	SSE	4.5	16.3	15.01	46.1	44.5	53	37
4	65	41	54.5	41.8	12	0	98	32	66	0.15	29.08	29.89	S	6.1	21.6	10.37	48.9	49.8	57	45
5	61	37	47.3	45.9	16	0	100	72	95	0.01	29.18	29.99	SW	1.7	8.1	7.60	49.5	50.2	57	46
6	65	39	51.8	46.8	13	0	100	45	85	0.00	29.18	29.99	SE	5.3	22.4	8.02	50.0	50.6	56	46
7	64	45	54.8	52.2	10	0	97	76	91	0.42	29.11	29.92	S	9.3	31.6	4.53	51.9	53.6	58	50
8	54*	36*	43.2*	35.9*	20*	0*	93*	49*	77*	0.00*	29.39*	30.20*	NNE*	6.8*	20.2*	14.72*	50.2*	49.3*	56*	45*
9	51	36	43.3	38.7	21	0	95	72	84	0.06	29.21	30.02	SE	7.2	33.5	3.67	48.5	45.5	48	43
10	63	43	54.3	37.8	12	0	98	26	59	0.26	29.00	29.81	W	9.8	28.1	15.39	50.3	50.8	56	46
11	56	29	43.2	28.1	23	0	92	31	58	0.00	29.32	30.13	NNE	4.5	16.4	17.26	48.6	46.8	55	41
12	42	36	39.6	36.4	26	0	98	69	89	0.75	29.18	29.99	NE	6.2	20.3	2.29	47.5	44.5	46	43
13	56	33	41.8	34.2	21	0	97	36	78	0.00	29.21	30.02	SW	6.7	17.7	16.23	47.4	46.4	55	42
14	66	31	48.2	32.5	17	0	99	21	62	0.01	29.24	30.05	SW	4.8	20.2	17.72	47.4	46.8	57	39
15	49	25	38.8	22.5	28	0	83	27	54	0.00	29.50	30.31	N	8.6	25.3	15.76	47.3	45.0	50	40
16	47	28	37.1	18.7	28	0	92	20	53	0.00	29.47	30.28	SSW	5.6	19.7	17.53	45.4	41.9	50	37
17	70	39	53.5	26.9	11	0	57	16	38	0.00	29.17	29.98	S	9.8	30.2	18.43	46.8	44.9	54	38
18	68	43	55.5	40.1	9	0	75	35	57	0.00	29.03	29.83	S	13.7	37.0	10.36	49.5	49.3	56	45
19	53	24	40.5	24.2	27	0	95	29	56	0.00	29.43	30.25	NE	4.0	14.5	18.93	47.6	45.6	54	39
20	42	32	35.1	31.5	28	0	99	48	89	1.27	29.32	30.13	E	6.1	16.7	1.83	43.5	40.1	44	38
21	48	32	38.4	35.7	25	0	98	74	90	0.61	28.98	29.78	E	6.9	24.1	5.61	43.5	41.4	46	39
22	41	23	30.8	22.3	33	0	95	46	72	0.00	29.26	30.08	NNW	6.2	21.6	16.27	43.4	40.5	48	36
23	49	23	34.7	23.6	29	0	92	34	67	0.00	29.21	30.02	NNE	3.3	12.1	18.02	43.2	41.3	51	36
24	63	27	46.4	31.7	20	0	95	31	60	0.00	29.05	29.86	ESE	6.2	23.2	19.62	44.7	44.2	54	36
25	47	35	42.3	38.6	24	0	98	59	88	0.47	28.75	29.55	NE	7.8	26.2	2.29	45.8	44.5	46	43
26	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
27	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
28	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	56*	32*	44.0*	32.7*	<- Monthly Averages ->						29.22*	30.03*	S *	6.4*	37.0*	12.36*	47.1*	45.7*	52*	41*

Temperature - Highest: 70*
Lowest: 20*

Degree Days - Total HDD: 519*
Total CDD: 0*

Rainfall: Monthly Total: 4.01* in.
Greatest 24 Hr: 1.27* in.

Humidity - Highest: 100*
Lowest: 16*

Number of Days With:
Tmax ≥ 90: 0*
Tmax ≤ 32: 0*
Tmin ≤ 32: 13*
Tmin ≤ 0: 0*
Rainfall ≥ 0.01 inch: 10*
Rainfall ≥ 0.10 inch: 7*
Avg Wind Speed ≥ 10 mph: 1*
Max Wind Speed ≥ 30 mph: 4*

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* Denotes incomplete record

Monthly data generated on Tuesday, February 26, 2013 at 10:49 UTC

McAlester City Council

AGENDA REPORT

Meeting Date:	March 12, 2013	**Item Number:**	13
Department:	City Manager		
Prepared By:	Peter J. Stasiak, City Manager	**Account Code:**	
Date Prepared:	March 5, 2013	**Budgeted Amount:**	
		Exhibits:	1

Subject

Discussion and possible action to implement the Marketing Alliance, Inc., Marketing Communication Plan for Tourism.

Recommendation

Discussion and/or possible action to implement the Marketing Alliance Communication Plan for Tourism.

Discussion

Attachment:
By email to City Council Members for March 12th City Council Meeting: Marketing Alliance, Inc. Marketing Communication Plan

Copies of the Marketing Alliance Plan was presented at the January 8th City Council Meeting.

Approved By

		Initial	*Date*
Department Head			
City Manager	P. Stasiak	PJS	03/05/13

City of McAlester
HOMETOWN Friendly
P.O. BOX 578 • 1ST & WASHINGTON • McALESTER, OKLAHOMA 74502 • 918 423-9300 • FAX 421-4971 • www.cityofmcalester.com

City Manager Report to the Council

March 12, 2013

Business

- The Staff has been working non-stop on the plan for the budget shortfall for the current fiscal year. The Cities sales tax collections received in January was approximately 11% below budget. This was followed up with a 9% decline in sales tax revenue for February. The entire model that was developed by the staff for budget reductions was based on a 10% decline in revenues through the end of the fiscal year. We are expecting March's sales tax numbers to be received on March 8, 2013. We have recently learned that March's preliminary numbers are approximately 17.5% below budget. With this new information, we have had to re-design the entire model for budget reductions and will have the model completed this weekend.

- The pre-construction conference for the Residual Handling Project at the Water Treatment Plant has been completed. The contractor is mobilizing to the site this week and will begin work on the project. The City and ODEQ have put a completion date of January 14, 2014 for this project. The City believes that this schedule will be met.

- The Streets Department has started the repair work to the Washington Street Bridge. Anticipated completion time is two weeks. Once repairs are completed, all lanes will be reopened to traffic.

- The City purchased two Freightliner Trash Trucks in 2009. These trash trucks were converted to dump trucks when the City privatized refuse collection. Final payment on the trucks will occur on April 1, 2013. The finalization of the lease payments will free up $56,139.24 beginning with the 2013 – 2014 fiscal budget.

Labor Issues:

- Fraternal Order of Police (FOP)
  - The arbitration hearing on Officer Munholland's reprimand was heard on January 9, 2013. A decision will be rendered in the near future.
  - Grievance 11-15-12: New Evaluation System. This relates to measuring the activity or work of our Police Officers.
  - The FOP has requested negotiations for the 2013-2014 fiscal year. The initial meeting has been re-scheduled for March 8, 2013.
  - **No new grievances received since the last report**.

- International Association of Fire Fighters (IAFF)
  - During February 2013 the Oklahoma District Court ruled in favor of all issues previously submitted to the PERB related to the FY 2010-11 CBA. The IAFF Local 2284 has filed an appeal of Judge Dixon's ruling with the Oklahoma Supreme Court.

The following grievances were mediated on February 12, 2013:

- Grievance with Arbitration Requested 11-26-12: Facial Hair. This relates to the SCBA face mask being tightly sealed to the face. **The IAFF and the**
- **City will be working on verbage to the Rules and Regulations for implementation.**
- Grievance with Arbitration Requested 11-26-12: Hours Worked per Pay Period. This relates to the 27 day work cycle for Firefighters.
- Grievance with Arbitration Requested 11-26-12: Duty Exchange. This relates to Fire Recruits being allowed Duty Exchange during the probationary period.
- Grievance submitted for Minimum Complement. This relates to the equipment and clothing issued to new Fire Fighters. This grievance was not settled during Mediation in February.
- Mandatory Respirator Evaluation & Fit Test for SCBA mask. The IAFF and the City will be working on verbage to the CBA for implementation. No new update.
- **No new grievances received since the last report**.

- The IAFF has requested negotiations for the 2013 – 2014 fiscal year. **The IAFF has been given a list of dates that Staff is available to meet. A date has not been determined for negotiations at this time.**

Miscellaneous:

- Attended the Chamber of Commerce annual banquet.

Waiver of Fees:

- N/A

Water Break Adjustments:

- 516 E. Wichita Ave., repairs verified, billing adjustment $84.97
- 359 W. Monroe Ave., repairs verified, billing adjustment $27.99
- 524 E. Seminole Ave., repairs verified, billing adjustment $12.62

Monthly Reports:

Upcoming Events:

- March 8th. 9th. & 10th. – Fishing and Hunting Expo at the EXPO Center.

Council Chambers
Municipal Building
February 26, 2013

The McAlester Airport Authority met in a Regular session on Tuesday, February 26, 2013, at 6:00 P.M. after proper notice and agenda was posted February 8, 2013.

Present: Weldon Smith, John Titsworth, Travis Read, Robert Karr, Buddy Garvin, Sam Mason, & Steve Harrison
Absent: None
Presiding: Steve Harrison, Chairman

A motion was made by Mr. Smith and seconded by Mr. Titsworth to approve the following:

- Approval of the Minutes from the February 12, 2013 Regular Meeting of the McAlester Airport Authority. *(Cora Middleton, City Clerk)*

- Confirm action taken on City Council Agenda Item C, regarding claims ending February 19, 2013. (*Toni Ervin, Chief Financial Officer)* In the amount of $2,167.34.

- Confirm action taken on City Council Agenda Item 1, Presentation of the new City of McAlester Marketing Video. *(Shari Cooper, Executive Director MPower)*

- Confirm action taken on City Council Agenda Item 3, regarding the calling of a sales tax special election. (*Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

- Confirm action taken on City Council Agenda Item 6, resolve status of contract FAA AIP 3-40-0057-011-012-2011 and OAC Project #MLCC-12-75 at McAlester Regional Airport awarded June 26, 2012 by City of McAlester Airport Authority to Total Investment Company, Guthrie, Oklahoma. Seven months, as of January 26, 2013 have elapsed since said award. Bids on this project were received on September 2, 2011. *(Cora Middleton, City Clerk/Vice Mayor Sam Mason)*

- Confirm action taken on City Council Agenda Item 8, to rescind Ordinance 2447 (prohibiting tobacco use on City owned or controlled Property) based on Oklahoma Attorney General's Opinion 2013-2. *(William J. Ervin, City Attorney)*

There was no discussion, and the vote was taken as follows:

AYE: Trustees Karr, Garvin, Mason, Smith, Titsworth, Read, & Chairman Harrison
NAY: None

Chairman Harrison declared the motion carried.

There being no further business to come before the Authority, Mr. Smith moved for the meeting to be adjourned, seconded by Mr. Titsworth.

There was no discussion and the vote was taken as follows:

AYE: Trustees Karr, Garvin, Mason, Smith, Titsworth, Read, & Chairman Harrison
NAY: None

Chairman Harrison declared the motion carried.

ATTEST:

Steve Harrison, Chairman

Cora Middleton, Secretary

Council Chambers
Municipal Building
February 26, 2013

The McAlester Public Works Authority met in a Regular session on Tuesday, February 26, 2013, at 6:00 P.M. after proper notice and agenda was posted February 8, 2013.

Present: Weldon Smith, John Titsworth, Travis Read, Robert Karr, Buddy Garvin, Sam Mason, & Steve Harrison
Absent: None
Presiding: Steve Harrison, Chairman

A motion was made by Mr. Garvin and seconded by Mr. Smith to approve the following:

- Approval of the Minutes from the February 12, 2013 Regular Meeting of the McAlester Public Works Authority *(Cora Middleton, City Clerk)*

- Confirm action taken on City Council Agenda Item C, regarding claims ending February 19, 2013. *(Toni Ervin, Chief Financial Officer)* In the amount of $230,859.56.

- Confirm action taken on City Council Agenda Item 1, Confirm action taken on City Council Agenda Item 1, Presentation of the new City of McAlester Marketing Video. *(Shari Cooper, Executive Director MPower)*

- Confirm action taken on City Council Agenda Item 2, discussion of the possible purchase of the South Side Business Development Center by the Choctaw Nation. Presented by Assistant Chief Gary Batton and Councilman Bob Pate. *(Peter Stasiak, City Manager)*

- Confirm action taken on City Council Agenda Item 3, regarding the calling of a sales tax special election. *(Jon Wolff, Municipal Finance Services, Inc. and Allan Brooks, OK Public Finance Law Group PLLC)*

- Confirm action taken on City Council Agenda Item 4, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 7, Resolution 11-10, establishing a Retail Sales Tax Incentive Program for McAlester Main Street District Businesses and Choctaw Corridor and authorizing the Mayor to sign the Certification of all Applicable Requirements. *(Toni Ervin, Chief Financial Officer)*

- Confirm action taken on City Council Agenda Item 8, to rescind Ordinance 2447 (prohibiting tobacco use on City owned or controlled Property) based on Oklahoma Attorney General's Opinion 2013-2. *(William J. Ervin, City Attorney)*

There was no discussion, and the vote was taken as follows:

AYE: Trustees Smith, Titsworth, Read, Karr, Garvin, Mason, & Chairman Harrison
NAY: None

Chairman Harrison declared the motion carried.

There being no further business to come before the Authority, Mr. Garvin moved for the meeting to be adjourned, seconded by Mr. Smith. There was no discussion and the vote was taken as follows:

AYE: Trustees Smith, Titsworth, Read, Karr, Garvin, Mason, & Chairman Harrison
NAY: None

Chairman Harrison declared the motion carried.

ATTEST:

Steve Harrison, Chairman

Cora Middleton, Secretary