P.O. BOX 850 | COWETA, OKLAHOMA 74429 | PH. (918) 486-2189 | FAX (918) 486-5366 | www.cityofcoweta-ok.gov

AGENDA - REGULAR MEETING
COWETA CITY COUNCIL
COWETA CITY HALL, 310 S. BROADWAY
MONDAY, JANUARY 4, 2021 6:00 P.M.

MEETING PROCEDURE: Comments on all scheduled agenda items will be heard immediately following the presentation by staff or the petitioner. Please wait until you are recognized by the Mayor and keep your comments as brief as possible. Individuals addressing the City Council must identify themselves by name prior to making any comments. The City Council will act on an agenda item after comments from staff and the City Council have been heard.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL
EVETTE YOUNG ______
HAROLD CHANCE ______
NAOMI HOGUE ______
LOGAN BROWN ______
RANDY WOODWARD ______

IV. GENERAL CITY COUNCIL COMMENTS
(During the General City Council Comments section of the agenda, the City Council shall make no decision or take any action except as to request the City Manager to schedule the matter for Council discussion at a later date.)

V. CONSENT
(All matters under the "Consent Calendar" are considered by the City Council to be routine and will be enacted by one motion. Any Councilmember may, however, remove an item from consent by request.)

1. INCOG REPRESENTATION
APPROVAL OF THE REAPPOINTMENT OF MAYOR EVETTE YOUNG AS THE CITY'S REPRESENTATIVE TO THE INCOG BOARD OF DIRECTORS AND THE INCOG GENERAL ASSEMBLY AND CITY MANAGER ROGER KOLMAN AS COWETA'S ALTERNATE REPRESENTATIVE FOR BOTH BODIES.
(ROGER KOLMAN, CITY MANAGER)

2. MINUTES OF THE REGULAR MEETING
APPROVAL OF THE MINUTES OF THE COWETA CITY COUNCIL REGULAR MEETING HELD ON DECEMBER 7, 2020.
(JULIE CASTEEN, ASSISTANT CITY MANAGER/CITY CLERK)

Documents:

201207 MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL.PDF

3. SURPLUS PROPERTY
APPROVAL OF A DECLARATION OF SURPLUS ON THE FOLLOWING AND AUTHORIZATION FOR THE CITY MANAGER TO DISPOSE OF ACCORDINGLY:

   1. 1986 CHEVROLET D3P 4 X 4 PICKUP

2. 2009 72" GRAVELY 992168 ZERO TURN MOWER
3. 2000 CASE 580L BACKHOE

(JULIE CASTEEN, ASSISTANT CITY MANAGER)

Documents:

86-1996 BRUSH TRUCK.PDF
2009 MOWER-GRAVELY.PDF
2000 BACKHOE 2.PDF

4. MUTUAL AID AGREEMENT
RATIFICATION OF A MUTUAL AID AGREEMENT WITH THE CITY OF BROKEN ARROW REGARDING THE PROVISION OF BUILDING INSPECTION SERVICES.
(ROGER KOLMAN, CITY MANAGER)

Documents:

210104 STAFF REPORT MUTUAL AID AGREEMENT.PDF
210104 MUTUAL AID AGREEMENT CITY OF BROKEN ARROW.PDF

VI. OLD BUSINESS

1. FISCAL YEAR 2019-2020 AUDITED FINANCIAL REPORT AND OPERATING REPORT
PRESENTATION OF THE ANNUAL AUDITED FINANCIAL REPORT AND OPERATING REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020 AND DISCUSSION AND POSSIBLE ACTION TO ACKNOWLEDGE RECEIPT THEREOF.
(JULIE CASTEEN, ASSISTANT CITY MANAGER)

Documents:

210104 STAFF REPORT FY 20 AUDITED FINANCIAL REPORT AND OPERATING REPORT.PDF
FY20 COC FINANCIAL REPORT-MOBILE.PDF

2. FY 21 AUDIT CONTRACT
DISCUSSION AND POSSIBLE ACTION ON THE APPROVAL OF THE ENGAGEMENT OF ELFRINK AND ASSOCIATES, PLLC TO PROVIDE AUDITING SERVICES FOR THE FISCAL YEAR ENDING JUNE 30, 2021 IN THE AMOUNT OF TWENTY-TWO THOUSAND SIX HUNDRED DOLLARS AND NO CENTS ($22,600.00) WITH HALF BEING PAID BY THE COWETA PUBLIC WORKS AUTHORITY, AND AUTHORIZATION FOR THE MAYOR TO ACCEPT AND SIGN ALL DOCUMENTS.
(JULIE CASTEEN, ASSISTANT CITY MANAGER)

Documents:

210104 STAFF REPORT FY 21 AUDIT ENGAGEMENT LETTER.PDF
ELFRINK AND ASSOCIATES FY21 AUDIT CONTRACT.PDF

3. ORDINANCE NO 842 (CZ 20-14 REZONE)
DISCUSSION AND POSSIBLE ACTION ON THE ADOPTION OF ORDINANCE NO. 842, AN ORDINANCE OF THE CITY OF COWETA, OKLAHOMA REZONING A TRACT OF LAND LOCATED IN SECTION 18, TOWNSHIP 17 NORTH, RANGE 16 EAST OF THE INDIAN BASE AND MERIDIAN, CITY OF COWETA, OKLAHOMA, FROM GENERAL COMMERCIAL (CG) CLASSIFICATION TO RESIDENTIAL SINGLE-FAMILY (RS-3) CLASSIFICATION, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF COWETA, OKLAHOMA, PROVIDING FOR REPEALER, SEVERABILITY, AND DECLARING AN EMERGENCY.
(CAROLYN BACK, COMMUNITY DEVELOPMENT DIRECTOR)

Documents:

210104 STAFF REPORT CZ 20-14.PDF
210104 ORDINANCE 842.PDF
CZ 20-14 AERIAL VIEW MAP.PDF
CZ 20-14 ZONING MAP.PDF

4. DECLARATION OF AN EMERGENCY ORDINANCE 842
   DISCUSSION AND POSSIBLE ACTION TO DECLARE AN EMERGENCY REGARDING ORDINANCE NO. 842 MAKING IT EFFECTIVE IMMEDIATELY UPON PASSAGE AND APPROVAL.

5. ORDINANCE 843 PUD-C 20-03
   DISCUSSION AND POSSIBLE ACTION ON THE ADOPTION OF ORDINANCE NO. 843, AN ORDINANCE OF THE CITY OF COWETA, OKLAHOMA CREATING A PLANNED UNIT DEVELOPMENT OVERLAY (PUD-C 20-03) FOR A TRACT OF LAND LOCATED IN THE CITY OF COWETA, WAGONER COUNTY, OKLAHOMA WITH A PHYSICAL ADDRESS OF 25705 EAST STATE HIGHWAY 51, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF COWETA, PROVIDING FOR REPEALER, SEVERABILITY, AND DECLARING AN EMERGENCY.
   (CAROLYN BACK, COMMUNITY DEVELOPMENT DIRECTOR)

   Documents:

   210104 STAFF REPORT ORDINANCE 843 PUD C 20-03.PDF
   210104 ORDINANCE 843.PDF
   MIDWAY BOXYARD PUD-C 20-03.PDF
   CZ 20-13 PUD-C 20-03 AERIAL VIEW MAP.PDF
   CZ 20-13 PUD-C 20-03 ZONING MAP.PDF

6. DECLARATION OF AN EMERGENCY ORDINANCE 843
   DISCUSSION AND POSSIBLE ACTION TO DECLARE AN EMERGENCY REGARDING ORDINANCE NO. 843 MAKING IT EFFECTIVE IMMEDIATELY UPON PASSAGE AND APPROVAL.

7. RESOLUTION 2021-01
   DISCUSSION AND POSSIBLE ACTION ON THE ADOPTION OF RESOLUTION NO. 2021-01, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COWETA, OKLAHOMA ESTABLISHING A DATE FOR THE ELECTION OF OFFICERS, ESTABLISHING A FILING PERIOD, ESTABLISHING A TERM OF OFFICE, AND ESTABLISHING QUALIFICATIONS.
   (JULIE CASTEEN, ASSISTANT CITY MANAGER)

   Documents:

   210104 STAFF REPORT RESOLUTION 2021-01.PDF
   210104 RESOLUTION 2021-01.PDF

VII. NEW BUSINESS
(Business which was not foreseen prior to the posting of the agenda.)

VIII. EXECUTIVE SESSION
(Pursuant to 25 O.S. Section 307 the City Council may enter into executive session for the purposes specifically provided in this section.)

1. DISCUSSION
   REQUEST FOR AN EXECUTIVE SESSION FOR THE PURPOSES OF CONFIDENTIAL COMMUNICATIONS BETWEEN THE CITY COUNCIL AND ITS ATTORNEY CONCERNING A PENDING INVESTIGATION, CLAIM, OR ACTION. THE CITY COUNCIL, UPON THE ADVICE OF ITS ATTORNEY, HAS DETERMINED THAT DISCLOSURE WILL SERIOUSLY IMPAIR THE ABILITY OF THE CITY OF COWETA AS WELL AS CERTAIN OFFICIALS AND OFFICERS THEREOF TO PROCESS THE CLAIM OR CONDUCT A PENDING INVESTIGATION, LITIGATION, OR PROCEEDING IN THE PUBLIC INTEREST, AS IS AUTHORIZED BY 25 O.S. § 307.B.4. TO WIT: A CLAIM FILED BY HALL, ESTIL, ATTORNEYS AT LAW, ON BEHALF OF GNOMAN'S CREEK, PERTAINING TO THE CITY COUNCILS' DENIAL OF SPECIAL USE PERMIT APPLICATION CZ-20-12 SUP, A REQUESTED SPECIFIC USE PERMIT (SUP), FOR A MEDICAL MARIJUANA BUSINESS/GROWING USE ON PROPERTY LOCATED EAST OF THE NORTHEAST CORNER OF STATE HIGHWAY 51 AND EAST 121ST STREET SOUTH, IN SECTION 36, TOWNSHIP 18 NORTH, RANGE 15 EAST OF THE INDIAN BASE AND MERIDIAN, WAGONER COUNTY, STATE OF OKLAHOMA. PHYSICAL ADDRESS: 27541 EAST 121ST STREET SOUTH.

2. POSSIBLE ACTION
   THE CITY COUNCIL MAY TAKE ANY ACTION DEEMED NECESSARY BY THE CITY COUNCIL ARISING OUT OF THE DISCUSSIONS IN THE FOREGOING EXECUTIVE SESSION.

IX. ADJOURNMENT

IF YOU REQUIRE A SPECIAL ACCOMMODATION PURSUANT TO THE AMERICANS WITH DISABILITIES ACT, PLEASE NOTIFY CITY HALL BY 9:00 A.M. ON THE DATE OF THE MEETING.

MINUTES OF THE COWETA CITY COUNCIL REGULAR MEETING
DECEMBER 7, 2020 6:00 P.M.

The members of the Coweta City Council met in regular session on Monday, December 7, 2020 at 6:00 p.m. in the Coweta City Hall, 310 S Broadway, Coweta, Oklahoma.

COUNCILMEMBERS PRESENT: Evette Young, Harold Chance, Naomi Hogue, Logan Brown, Randy Woodward.

COUNCILMEMBERS ABSENT: None.

I. CALL TO ORDER

The meeting was called to order by Mayor Young.

II. Pledge of Allegiance given

III. ROLL CALL

Roll call taken. Councilmembers were present as shown above.

IV. GENERAL CITY COUNCIL COMMENTS

Police Chief Mike Bell stated that the Christmas parade went well with no accidents or injuries. City Manager Roger Kolman recognized the date as the start of the United States' involvement in World War II in 1941. Mr. Kolman also introduced Jerry Burtner as Coweta's new Fire Chief.

V. CONSENT

Motion by Harold Chance, second by Logan Brown to approve the consent calendar items:

1. Minutes of the Coweta City Council Regular Meeting held on November 2, 2020.
2. Declaration of surplus and authorization of the City Manager to retire K-9 Officer Si and dispose of such surplus property appropriately.

Aye: Harold Chance
Logan Brown
Randy Woodward
Evette Young
Naomi Hogue

VI. OLD BUSINESS

1. Purchase of Slide In Animal Transporter

Animal Control Officer Phyllis Baucom discussed the need for the of a slide in animal transporter for the new Animal Control vehicle.

Motion by Randy Woodward, second by Harold Chance to approve the purchase of the slide animal transporter from Jones Trailer Company at a cost of $7,060.58.

Aye: Randy Woodward
Harold Chance
Naomi Hogue
Logan Brown
Evette Young

2. Ordinance 838 Contractor Registration

Building Official John Staires described the changes needed to the City Code to discontinue the local registration of plumbing, electrical, and mechanical journeymen and apprentices. The state licensing acts were amended on November 1, 2003 to require or permit local registration of licensed contractors in each of these three occupations; however, the licensing acts contain no mention of local registration of journeymen and apprentices. The intent of the changes was to eliminate local registration of journeymen and apprentices, many of whom were required to obtain and pay for local registrations in multiple jurisdictions at their own expense.

Motion by Harold Chance, second by Randy Woodward to adopt Ordinance 838, an ordinance of the City of Coweta, Oklahoma, amending Part 5, Building Regulations and Codes of the City of Coweta, Oklahoma Code of Ordinances, particularly Sections 5-202, 5-310, and 5-802 relating to the registration of contractors in the City of Coweta, providing for repealer, severability, and declaring an emergency.

Aye: Harold Chance
Randy Woodward
Evette Young
Naomi Hogue
Logan Brown

3. Declaration of an Emergency Ordinance 838

Discussion was held regarding possible action declaring an emergency for Ordinance No. 838, making it effective immediately upon passage and approval. Motion by Harold Chance, second by Logan Brown to declare an emergency related to Ordinance 838.

Aye: Harold Chance
Logan Brown
Randy Woodward
Evette Young
Naomi Hogue

4. Ordinance 840 Political Campaign Signs

Community Development Director Carolyn Back discussed amendments needed as a result of recent Supreme Court rulings to the City Code regarding political signs on private property.

Motion by Harold Chance, second by Randy Woodward to adopt Ordinance 840, an ordinance of the City of Coweta, Oklahoma, amending Chapter 18, Sign Code of the City of Coweta Zoning Code, particularly Sections 18.3 – General Use Conditions and 18.8 – Political Signs, relating to the time periods for the location and display of political signs on private property in the City of Coweta, providing for repealer, severability, and declaring an emergency.

Aye: Harold Chance
Randy Woodward
Evette Young
Naomi Hogue
Logan Brown

5. Declaration of an Emergency Ordinance 840

Discussion was held regarding possible action declaring an emergency for Ordinance No. 840, making it effective immediately upon passage and approval. Motion by Harold Chance, second by Logan Brown to declare an emergency related to Ordinance 840.

Aye: Harold Chance
Logan Brown
Randy Woodward
Evette Young
Naomi Hogue

6. Ordinance 841 Property Maintenance Code

John Staires described the proposed changes to the City Code to assist City staff in addressing building condition and maintenance issues throughout the city. The proposed changes will aid in the preservation of property values and help to maintain neighborhood integrity and attractiveness.

Motion by Harold Chance, second by Randy Woodward to adopt Ordinance 841, an ordinance of the City of Coweta, Oklahoma, amending Part 8, Health and Sanitation, of the City of Coweta, Oklahoma Code of Ordinances, adopting the 2018 International Property Maintenance Code, providing for specific local requirements, providing for codification of same as Chapter 9, Section 9-901, providing for severability, and declaring an emergency.

Aye: Harold Chance

Randy Woodward
Evette Young
Naomi Hogue
Logan Brown

7. Declaration of an Emergency Ordinance 841

Discussion was held regarding possible action declaring an emergency for Ordinance No. 841, making it effective immediately upon passage and approval. Motion by Harold Chance, second by Logan Brown to declare an emergency related to Ordinance 841.

Aye: Harold Chance
Logan Brown
Randy Woodward
Evette Young
Naomi Hogue

8. Specific Use Permit CZ 20-12 SUP

Carolyn Back presented information on the need to take action on Specific Use Permit application CZ 20-12 SUP. City Attorney Ron Cates explained that the City Council must make a decision to approve or disapprove the application. The applicants' attorney, Stuart Van de Wiele, discussed the application and requested approval of the Specific Use Permit CZ 20-12 SUP.

Motion by Harold Chance, second by Randy Woodward to approve the application for Specific Use Permit CZ 20-12 SUP.

Aye: Harold Chance
Naomi Hogue

Nay: Randy Woodward
Evette Young
Logan Brown

VII. EXECUTIVE SESSION

Motion by Evette Young, second by Harold Chane to enter into Executive Session at 6:26 p.m. for the purposes of confidential communications related to the purchase or appraisal of real property in accordance with 25 O.S. 307.B.3.

Aye: Evette Young
Logan Brown
Randy Woodward
Harold Chance
Naomi Hogue

MINUTES OF THE COWETA CITY COUNCIL REGULAR MEETING
DECEMBER 7, 2020 6:00 P.M.

Mayor Young announced we were back in open meeting at 6:45 p.m.

Motion by Evette Young, second by Harold Chance to direct the City Manager to take appropriate action to order an appraisal on real property in accordance with 25 O.S. 307.B.3.

Aye: Evette Young
Harold Chance
Naomi Hogue
Logan Brown
Randy Woodward

VIII. NEW BUSINESS

There was no new business.

IX. ADJOURNMENT

Mayor Young adjourned the meeting at 6:46 p.m.

______________________________ ______________________________

Evette Young, Mayor | Julie Casteen, City Clerk

CITY OF COWETA/COWETA PUBLIC WORKS AUTHORITY
SURPLUS PROPERTY DECLARATION AUTHORIZATION

This form is required to dispose of any City/Authority surplus property. Department Head completes this form and submits it to the City Manager.

Department: FIRE Department Contact: Jerry Burtner Date: 12/8/2020

Items Requested to be Surplused: 1986 Chevrolet 4 x 4 Pickup

ID/Asset Tag Number: 86-1996

PROPERTY DESCRIPTION	CONDITION	DATE PUCHASED	Approximate Current Value
1986 Chevy D3P 4WD pick up VIN # 1GCGD34J1GF391996	☐ Excellent ☐ Good ☑ Fair ☐ Poor	7/23/1999 PURCHASE PRICE $61,529.00	3,000.00

Reason for being surplused:

REPLACED WITH NEW UNIT

Has it been offered for transfer to another Department within the City: Yes ☐ No ☑

Has it been offered for transfer to another agency within the State: Yes ☐ No ☑ If so, to whom:

Name of agency:

Sold for scrap metal: Yes ☐ No ☑ If yes, to whom:

Amount received:

--FINANCE USE ONLY--

Date placed on surplus website: ____________________ Did item sell: Yes ☐ No ☐

Date Sold: ____________________________ Amount received: $________________________________

Name, Address, and Telephone Number of Buyer: ____

____

Item ready to be released to buyer with a copy of receipt attached: Yes ☐ No ☐ Date: _____________

City Manager approval of the request for surplus: ______________________________ Date: _____________

Date surplus approved by City Council/Trustees: ____

Date, Amount, and receipt of funds from Public Surplus:

____

Date Insurance Cancelled: ____________________________

Date Removed from Fixed Assets: ______________________

Revised 12/1/20

CITY OF COWETA/COWETA PUBLIC WORKS AUTHORITY
SURPLUS PROPERTY DECLARATION AUTHORIZATION

This form is required to dispose of any City/Authority surplus property. Department Head completes this form and submits it to the City Manager.

Department: PWA Department Contact: Wes Richter Date: 12-3-2020

Items Requested to be Surplused: Gravely zero turn mower model 992168

ID/Asset Tag Number: Mower-Gravely

PROPERTY DESCRIPTION	CONDITION	DATE PUCHASED / PURCHASE PRICE	Approximate Current Value
72 inch cut zero turn mower Ser # 001506	☐ Excellent ☐ Good ☐ Fair ☑ Poor	5/25/2009 PURCHASE PRICE $9,569.00	scrap

Reason for being surplused:

Replaced with new mower / repairs too costly

Has it been offered for transfer to another Department within the City: Yes ☐ No ☑

Has it been offered for transfer to another agency within the State: Yes ☐ No ☑ If so, to whom:

Name of agency:

Sold for scrap metal: Yes ☐ No ☑ If yes, to whom:

Amount received:

--FINANCE USE ONLY--

Date placed on surplus website: ____________________ Did item sell: Yes ☐ No ☐

Date Sold: ____________________ Amount received: $____________________

Name, Address, and Telephone Number of Buyer: ____________________

____

Item ready to be released to buyer with a copy of receipt attached: Yes ☐ No ☐ Date: __________

City Manager approval of the request for surplus: ____________________ Date: __________

Date surplus approved by City Council/Trustees: ____________________

Date, Amount, and receipt of funds from Public Surplus:

____

Date Insurance Cancelled: ____________________

Date Removed from Fixed Assets: ____________________

Revised 12/1/20

CITY OF COWETA/COWETA PUBLIC WORKS AUTHORITY
SURPLUS PROPERTY DECLARATION AUTHORIZATION

This form is required to dispose of any City/Authority surplus property. Department Head completes this form and submits it to the City Manager.

Department: PWA Department Contact: Wes Richter Date: 12-3-2020

Items Requested to be Surplused: 580L Case Backhoe

ID/Asset Tag Number: Backhoe #2

PROPERTY DESCRIPTION	CONDITION	DATE PUCHASED	Approximate Current Value
580L Extend a hoe 4x4 Case Backhoe JJG0304508	☐ Excellent ☐ Good ☑ Fair ☐ Poor	01/01/2000 PURCHASE PRICE $55,849.00	$5,600

Reason for being surplused:

Replaced with a new Backhoe

Has it been offered for transfer to another Department within the City: Yes ☐ No ☑

Has it been offered for transfer to another agency within the State: Yes ☐ No ☑ If so, to whom:

Name of agency:

Sold for scrap metal: Yes ☐ No ☑ If yes, to whom:

Amount received:

---FINANCE USE ONLY---

Date placed on surplus website: ____________________ Did item sell: Yes ☐ No ☐

Date Sold: ______________________________ Amount received: $__________________________________

Name, Address, and Telephone Number of Buyer: ____

____

Item ready to be released to buyer with a copy of receipt attached: Yes ☐ No ☐ Date: _____________

City Manager approval of the request for surplus: ______________________________ Date: ______________

Date surplus approved by City Council/Trustees: ____

Date, Amount, and receipt of funds from Public Surplus:

____

Date Insurance Cancelled: ______________________________

Date Removed from Fixed Assets: _______________________

Revised 12/1/20

CITY OF Coweta

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Mémorandum

To: Honorable Mayor and Members of the City Council
From: Roger Kolman, City Manager
Re: Mutual Aid Agreement
Date: 01/04/2021

BACKGROUND
The City of Broken Arrow and the City of Coweta find it to be mutually beneficial to assist each other, from time to time, in certain areas related to the protection of the health, safety and welfare of the citizens of each city. In this case, the cities seek to assist each other in the area of building inspection during times when there exist shortages in the availability of staff for either of the cities.

The accompanying Mutual Aid Agreement allows either city to call for assistance, while retaining control and responsibility for the actions of the employees of the individual entities.

STAFF RECOMMENDATION
Staff recommends the affirmation of the City Council regarding the Mutual Aid Agreement with the City of Broken Arrow.

ATTACHMENTS
Mutual Aid Agreement

MUTUAL AID AGREEMENT BETWEEN CITY OF BROKEN ARROW AND THE CITY OF COWETA FOR BUILDING INSPECTION SERVICES

This Agreement is entered into between the City of Broken Arrow, a municipal corporation (Broken Arrow); and the City of Coweta, a municipal corporation (Coweta).

RECITALS:

Whereas, both parties are in the business of providing protection to public property and the citizens within their respective city limits to ensure that structures are safe, sanitary and fit for occupation and use; and

Whereas, it is mutually beneficial for the parties to assist each other in the provision of public services in order to adequately protect the public; and

Whereas, it is mutually beneficial and advantageous to each party to be able to share its manpower and expertise in times of need.

Now therefore, Broken Arrow and Coweta, each in consideration of the terms, covenants, and conditions herein set forth, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each party, hereby agree as set forth below.

AGREEMENTS:

1. PURPOSE

The above recitals are incorporated herein by reference as if set out fully. The purpose of this Agreement is to facilitate, enhance and formalize cooperation and efforts between the parties in providing building inspection services to public property and the citizens within their respective city limits to ensure that structures are safe, sanitary and fit for occupation and use.

2. DURATION

This Agreement shall be effective as of December 15, 2020. This Agreement shall discontinue automatically on April 1, 2021, unless extended in writing by the parties or earlier terminated by either party, provided, however that written notification be delivered ten (10) days before the date upon which the party declares this Agreement is terminated.

3. REQUESTS FOR ASSISTANCE PROCEDURES

Either City is entitled to request assistance from the other City and the City receiving the request shall be obligated to respond thereto, provided however, if in the opinion of the City's Community Development Director, it is impossible to respond to the request on the basis of other conditions within the responding City's fence line, or because of improperly working equipment lack of manpower or any other condition determined to be, in the sole judgment of the Community Development Director, too dangerous or hazardous to its personnel and/or the inhabitants of its own City, the responding City shall not be obligated to provide the assistance contemplated herein. Upon determining that the responding City cannot assist the requesting City, the responding City shall immediately notify the requesting City in the mode that is the quickest and most efficient under the circumstances at that time.

Upon the responding City assisting the requesting City, both parties understand and agree that the requesting City shall remain in full command of the management of the inspections with the exception that the Community Development Director from the responding City shall remain in charge of its own manpower and equipment.

4. EMPLOYMENT STATUS

City of Broken Arrow's personnel shall remain employees of Broken Arrow. Broken Arrow shall continue to provide salaries, insurance and other benefits to its personnel/employees in its regular manner. City of Coweta's personnel shall remain employees of Coweta. Coweta shall continue to provide salaries, insurance and other benefits to its personnel/employees in its regular manner. No separate administrative structure is required, nor separate funding required, therefore no joint board is required to be created. No joint employment is created. No separate organization shall be created hereunder, nor shall any real or personal property be transferred between the parties, nor shall there be any joint financing, therefore no provisions for disposal of real or personal property upon termination is necessary.

5. PROPERTY

Each City shall pay their own expenses and assume the risk of damage to their own equipment, including injury to their own men and including damages or injury to third parties and/or property. Neither City shall demand or receive compensation from the other for the assistance provided. Further, each City agrees to hold the other harmless from liability that may occur due to the conduct of each respective City's equipment and manpower.

6. LIABILITIES

Liability for the conduct of City of Broken Arrow personnel shall remain the responsibility of the Broken Arrow. Liability for the conduct of City of Coweta personnel shall remain the responsibility of Coweta. The rights, duties and obligations under or arising from this Agreement shall not be assigned by any of the parties hereto without express written consent of the other parties to the Agreement.

Each City shall provide their own liability insurance and worker's compensation insurance and retirement benefits and other accidental insurance coverage deemed appropriate to protect their respective personnel and/or equipment.

7. SETTLEMENT OF DISAGREEMENTS

In the event of any disagreement(s) as to the administration of this Agreement, the City Manager of Broken Arrow and the City Manager of Coweta on behalf of their respective jurisdictions and as administrators of this Agreement shall resolve the disagreement(s).

8. AUTHORIZATION TO EXECUTE

By executing this Agreement, the signors of this Agreement affirm that they are authorized by their respective Boards, Councils or Governing Bodies to execute the same and that they have, in fact, obtained all necessary approvals and authorizations therefore to execute and enter into this Agreement for their respective Councils, Boards or Governing Bodies.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the dates hereinafter set forth.

City of Broken Arrow	City of Coweta
By: ______________________ City Manager	By: ______________________ City Manager
Date: ______________________	Date: ______________________
Attest: ______________________ City Clerk	Attest: ______________________ City Clerk
Approved as to Form: ______________________ City Attorney	Approved as to Form: ______________________ City Attorney

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Broken Arrow City Council Ratified:	Coweta City Council Ratified:
By: ______________________ Mayor	By: ______________________ Mayor
______________________ City Clerk	______________________ City Clerk

CITY OF Coweta
POST OFFICE BOX 850 ⬩ COWETA, OKLAHOMA 74429 ⬩ PH. (918) 486-2189 ⬩ FAX (918) 486-5366 ⬩ www.cityofcoweta-ok.gov

Memorandum

To: Honorable Mayor and City Council

From: Julie Casteen, Assistant City Manager

Re: Fiscal Year 2019-2020 Audited Financial Report and Operating Report

Date: January 4, 2021

BACKGROUND

The Annual Financial Report and Operating Report was prepared to present the City's financial condition and the results of its financial activities for the fiscal year ended June 30, 2020 (FY20). Elfrink and Associates has completed its audit of the financial report, which includes the City of Coweta, the Coweta Public Works Authority and the Coweta Industrial Development Authority.

STAFF RECOMMENDATION

Staff recommends a motion to acknowledge receipt of the audited FY20 Financial Report and Operating Report.

Attachments:
- FY20 Audited Financial Report and Operating Report

City of Coweta, Oklahoma

Annual Financial Report and Operating Report

Annual Financial Statements and Independent Auditor's Reports

As of and For the Fiscal Year Ended

June 30, 2020

CITY OF Coweta

CITY OF COWETA, OKLAHOMA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020

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CONTENTS

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Evette Young, Mayor – **Ward 2**
Harold Chance, Vice-Mayor– Ward 3
Logan Brown, Councilmember – Ward 4
Naomi Hogue, Councilmember – Ward 1
Randy Woodward, Councilmember – At Large

City Manager
Roger G. Kolman

Prepared by
Julie A. Casteen
Assistant City Manager

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Coweta, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coweta, Oklahoma (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coweta, Oklahoma, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter – Correction of Material Misstatements in Previously Issued Statements

As discussed in Footnote 2.E of the basic financial statements, the net positions of the governmental activities, business-type activities, and the Coweta Public Works Fund for the year ended June 30, 2019 have been restated to correct various misstatements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the pension schedules, and budgetary comparison 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,

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who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund financial statements, budgetary comparison schedule, and schedule of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the combining fund financial statements, budgetary comparison schedule, and schedule of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and Fiscal Year 2020 Operating Report have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 22, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Elfrink and Associates, PLLC

Elfrink and Associates, PLLC

Tulsa, Oklahoma
December 22, 2020

As management of the City of Coweta, we offer readers this narrative overview and analysis of the financial activities of the City of Coweta for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information contained in the accompanying financial statements and supplementary information.

Using the Financial Statement in this Annual Report

This annual report consists of a series of financial statements. The financial statements presented herein include all of the activities of the City of Coweta (the "City"), the Coweta Public Works Authority ("PWA") and the Coweta Industrial Development Authority ("CIDA"). The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole, including the PWA and CIDA component units, and present a longer-term view of the City's finances. Included in this report are government-wide statements for each of the two categories of activities – governmental and business-type.

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

Reporting the City as a Whole – Statements of Net Position and Activities

This discussion and analysis is intended to serve as an introduction to the City of Coweta's basic financial statements. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer 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 position and changes in net position from the prior year. The City's net position – the difference between assets, deferred outflows, liabilities, and deferred inflows – is one way to measure the City's financial condition or position. Over time, increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating. However, other non-financial factors must be considered, such as changes in the City's sales tax base and the condition of the City's roads, to assess the overall health of the City.

As mentioned above, in the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

Governmental Activities – Most of the City's basic services are reported here, including the police, fire, administration, community development, streets, library and parks. Sales and other taxes, license and permit fees, franchise fees, fines, grants, and reimbursements finance most of these activities.

Business-type Activities – The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sewer, ambulance service and solid waste fees are reported here, along with loan and bond proceeds. In addition, the economic development initiatives of the Coweta Industrial Development Authority (CIDA) are reported in the business-type activities.

Reporting the City's Funds – Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Coweta, 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 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 Coweta 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 how money flows into and out of those funds and the balances left at the year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-wide financial statements are explained in the reconciliation following each Governmental Fund financial statement.

The General Fund's fund balance increased from fiscal year 2019 by $1,672,500, compared to an increase of $1,140,200 in fiscal year 2019, including a prior period adjustment of $35,600. This change is mostly attributed to significant increases in sales and use taxes resulting from strong grocery sales and online purchases.

Under the terms of the PWA's 2016 revenue bonds indenture, the General Fund transfers the City's sales tax revenues to the PWA. In fiscal year 2020, the General Fund made a transfer of $3.7 million to the PWA to satisfy the requirements of the bond indenture. However, the PWA transferred the full amount of the sales tax pledge transfer back to the General Fund, with no reliance upon the General Fund for debt service in fiscal year 2020.

Proprietary funds – When the City charges customers for the services it provides – whether to outside customers or the other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same manner that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In fact, the City's proprietary funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows.

The net position of the PWA decreased from fiscal year 2019 by $1,105,900, largely attributed to a prior period adjustment related to pension deferred outflow of resources.

The net position of the CIDA increased from fiscal year 2019 by $132,100, partly due to a transfer of capital assets from the General Fund.

The City as a Whole

For the year ended June 30, 2020, the net position for the governmental activities and business-type activities changed as follows:

The City of Coweta's Change in Net Position (expressed in $ 000's)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current assets	$ 10,246	$ 9,490	$ 4,305	$ 3,579	$ 14,551	$ 13,069
Non-current assets	1,353	1,435	1,301	1,296	2,654	2,731
Capital assets	11,709	11,710	27,560	27,140	39,269	38,850
Total Assets	23,308	22,635	33,166	32,015	56,474	54,650
DEFERRED OUTFLOW OF RESOURCES						
Pension related	1,067	2,355	1,591	2,198	2,658	4,553
Total Deferred Outflows	1,067	2,355	1,591	2,198	2,658	4,553
LIABILITIES						
Current liabilities	274	273	1,574	1,515	1,848	1,788
Non-current liabilities	1,940	2,029	25,895	25,098	27,835	27,127
Total Liabilities	2,214	2,302	27,469	26,613	29,683	28,915
DEFERRED INFLOW OF RESOURCES						
Pension related	587	1,847	554	1,799	1,141	3,646
Total Deferred Inflows	587	1,847	554	1,799	1,141	3,646
NET POSITION						
Net investment in capital assets	11,709	11,710	4,293	4,002	16,002	15,712
Restricted	1,057	1,237	1,083	1,080	2,140	2,317
Unrestricted	8,808	7,894	1,358	719	10,166	8,613
Total Net Position	$ 21,574	$ 20,841	$ 6,734	$ 5,801	$ 28,308	$ 26,642

Note: Prior year adjustments recorded in the current year are reflected in the prior year column.

The City's combined net position increased from $26.6 million (as restated) to $28.3 million between fiscal years 2019 and 2020, with an increase of 3.5% in net position for governmental activities and an increase of 16.1% in net position for business-type activities. Overall, the combined net position for both governmental and business-type activities increased by 6.3% for fiscal year 2020, and the City is able to report a positive balance in net position, as well as an 18.0% increase in combined unrestricted net position.

The largest portion of the City's net position reflects its investments in capital assets, less any related debt used to acquire those assets to provide services to citizens. Capital assets are items such as land, buildings, machinery and equipment, and infrastructure, which includes streets, water and sewer lines, as well as storm water facilities. These assets are not available for future spending. Although the City's investment in 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.

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of interest is the format that is significantly different than a typical Statement of Revenues, Expenditures, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note all taxes are classified as general revenue even if restricted for a specific purpose.

Sales and use tax revenues increased by $578,800, or 14.1% over fiscal year 2019 due to substantial increases in grocery sales and purchases from online retailers. However, gross receipts tax revenues fell by $207,200, or 13.2% over fiscal year 2019 as a result of lower natural gas prices. Total expenses for governmental activities increased by $1.8 million compared to fiscal year 2019, or 44.0%, largely due to the recognition of prior period adjustments related to capital assets and pension-related deferred inflows of resources.

Governmental activities increased the City's net position by $733,100, plus $1.98 million in prior period adjustments related to deferred inflows of resources, and donated assets not recognized in fiscal year 2019. The details of the increase are summarized on the following page.

The City of Coweta's Statement of Activities (expressed in $ 000's)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program Revenues:						
Charges for services	$ 658	$ 607	$ 4,645	$ 4,466	$ 5,303	$ 5,073
Operating and capital grants and contributions	615	2,571	557	706	1,172	3,277
General Revenues:						
Sales and use taxes	4,670	4,091	-	-	4,670	4,091
Other taxes	2,166	2,344	-	-	2,166	2,344
Other general revenue	147	201	18	19	165	220
Total Revenues	8,256	9,814	5,220	5,191	13,476	15,005
EXPENSES						
General Government	1,188	1,195	593	492	1,781	1,687
Public Safety and Judiciary	3,444	1,383	-	-	3,444	1,383
Public Works	785	977	-	-	785	977
Cultural, parks and recreation	377	399	-	-	377	399
Water Service	-	-	1,433	1,465	1,433	1,465
Sewer Service	-	-	579	1,035	579	1,035
Solid Waste	-	-	577	510	577	510
Ambulance	-	-	1,288	2,553	1,288	2,553
Economic development	-	-	137	-	137	-
Non-Departmental	-	-	362	485	362	485
Interest on long-term debt	-	-	1,047	826	1,047	826
Loss on disposal of assets	-	71	-	130	-	201
Total Expenses	5,794	4,025	6,016	7,496	11,810	11,521
Increase (decrease) in net position before transfers	2,462	5,789	(796)	(2,305)	1,666	3,484
Transfers	(1,729)	(1,477)	1,729	1,477	-	-
Increases (decreases) in net position	733	4,312	933	(828)	1,666	3,484
Net position - beginning of year	20,841	16,529	5,801	6,629	26,642	23,158
Net position - end of year	$ 21,574	$ 20,841	$ 6,734	$ 5,801	$ 28,308	$ 26,642

Note: Prior year adjustments recorded in the current year are reflected in the prior year column.

Business-type Activities

Revenues from charges for services in fiscal year 2020 increased over prior year revenues by approximately $179,400, or 4.0%. An operating profit of $22,400 was recorded in fiscal year 2020, compared with a loss of $1.9 million in fiscal year 2019. The loss in fiscal year 2019 was mostly attributed to the transfer of net pension liability for ambulance service workers formerly recognized in the General Fund.

General Fund Budgetary Highlights

Fiscal year 2020 actual revenues exceeded budget by $1,356,502, or 15.1%, mostly due to sales and use tax receipts exceeding budget by 19%, and licenses and permits exceeding budget by 141%. In addition, contributions of $314,344 made by the State of Oklahoma to the public safety pension funds were not recognized in the budget. Total expenditures and transfers-out were under final appropriations by $372,100, or 4.1% under budget, partly due to lower health insurance costs and vacant positions.

Capital Asset & Debt Administration

The following is a summary of changes in capital assets and debt administration for fiscal year 2020. More detailed information on capital asset activity and long-term debt activity is contained in the accompanying notes to the financial statements on pages 34 to 35; and, pages 38 to 40, respectively.

Capital Assets

At the end of June 30, 2020, the City had $39.3 million invested in capital assets including vehicles, police and fire equipment, buildings, park facilities, water and sewer lines and roads.

The City of Coweta's Capital Assets (expressed in $ 000's)

	Governmental Activities		Business-type Activities		Total	
	6/30/2020	6/30/2019*	6/30/2020	6/30/2019*	6/30/2020	6/30/2019*
Land	$ 2,329	$ 2,339	$ 340	$ 330	$ 2,669	$ 2,669
Construction-in-progress	202	216	643	-	845	216
Other non-depreciable assets	-	-	2,020	1,935	2,020	1,935
Intangibles	25	25	-	-	25	25
Buildings & Improvements	3,123	2,965	1,000	880	4,123	3,845
Furniture & Equipment	2,460	2,351	693	585	3,153	2,936
Vehicles	1,043	980	1,145	1,063	2,188	2,043
Infrastructure	8,422	8,212	37,052	36,842	45,474	45,054
	17,604	17,088	42,893	41,635	60,497	58,723
Less: Depreciation	(5,895)	(5,378)	(15,333)	(14,495)	(21,228)	(19,873)
Totals	$ 11,709	$ 11,710	$ 27,560	$ 27,140	$ 39,269	$ 38,850

* Prior-year adjustments recorded in the current year are reflected in the prior-year column

Debt Administration

At the end of fiscal year 2020, the City had $23.3 million in outstanding long-term debt with debt service secured by sales tax transfers from the General Fund as well as pledged revenues generated by business-type activities of the City. These debts are further detailed in the following table.

See Note 3(H) for additional information about debt activity.

	Governmental Activities		Business-type Activities		Total	
	6/30/2020	6/30/2019	6/30/2020	6/30/2019	6/30/2020	6/30/2019
Revenue bonds payable	$ -	$ -	$ 22,995,000	$ 23,790,000	$ 22,995,000	$ 23,790,000
Notes payable	-	-	271,400	-	271,400	-
Totals	$ -	$ -	$ 23,266,400	$ 23,790,000	$ 23,266,400	$ 23,790,000

Economic Factors and Next Year's Budget

Due to the uncertainty surrounding the global COVID-19 pandemic, the City took a conservative approach and projected a 7.8% decrease in sales and use tax collections for fiscal year 2021, following patterns observed after the last major recession in 2008-2009. Projected expenditures were then balanced against those estimates, after budgeting a $1.04 million reserve.

The fiscal year 2021 expenditure budget includes increases in salaries and wages for all represented employees according to the terms of their respective labor agreements, with no increase budgeted for non-represented employees. Operating costs were cut 1.1% by postponing most capital projects that are funded by gross receipts tax.

The City of Coweta, located in the Tulsa Metropolitan Statistical Area (MSA), has seen a 7% increase in population over the last ten years. The economy in the MSA is driven by the manufacturing, oil and gas extraction, agriculture and transportation sectors, all of which are human capital intensive. As a result, the Tulsa suburbs, including Coweta, are benefiting from the strong economy in the MSA through residential growth. Coweta currently has approximately 1,500 new single-family residential homes in development. Most of those properties are in the northern portion of the City adjacent to the Coweta's main commercial area. This residential growth will help grow the City's sales tax collections, the most significant source of revenue for Oklahoma municipalities. Future residential growth is expected to move south along Highway 51 toward the Muskogee Turnpike which connects to the MSA, allowing convenient access for Coweta residents in their commutes to and from the employment centers to the north.

As generally expected, residential rooftops have been followed by commercial growth to serve those rooftops. Coweta's main commercial area, anchored by a Walmart Supercenter, consists of approximately 40 acres of available space that is actively being marketed for additional retail and commercial development. Further to the south, Coweta's traditional downtown, the "Broadway District", has seen a resurgence over the last few years. New restaurants and professional offices have located in the Broadway District, helping to drive traffic to the existing retail spaces. Both commercial areas are expected to continue to benefit from the residential growth in the community.

Contacting the City's Financial Management

This report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Assistant City Manager, PO Box 850, Coweta, OK 74429.

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BASIC FINANCIAL STATEMENTS

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CITY OF COWETA
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 7,198,706	$ 3,498,154	$ 10,696,860
Restricted cash and cash equivalents	910,846	101,624	1,012,470
Accounts receivable, net	264,390	570,585	834,975
Taxes receivable	323,494	-	323,494
Due from other governments	921,997	144,853	1,066,850
Advance to other funds	617,000	-	617,000
Internal balances	9,862	(9,862)	-
Total current assets	10,246,295	4,305,354	14,551,649
Non-current assets			
Net Pension Asset	15,700	-	15,700
Investments, unrestricted	1,337,423	93,300	1,430,723
Investments, restricted	-	1,208,059	1,208,059
Capital assets, non-depreciable	2,531,151	2,917,181	5,448,332
Other capital assets, net	9,178,193	24,642,693	33,820,886
Total non-current assets	13,062,467	28,861,233	41,923,700
Total assets	23,308,762	33,166,587	56,475,349
DEFERRED OUTFLOW OF RESOURCES			
Related to pensions	1,066,919	738,461	1,805,380
Unamortized asset retirement obligation	-	852,632	852,632
Total deferred outflows of resources	1,066,919	1,591,093	2,658,012
LIABILITIES			
Current liabilities:			
Accounts payable	46,899	98,170	145,069
Accrued payroll	101,259	51,906	153,165
Accrued interest payable	-	337,069	337,069
Accrued compensated absences	117,242	51,164	168,406
Deposits subject to refund	-	226,024	226,024
Current portion of long-term obligations	-	810,000	810,000
Amounts held in escrow	8,870	-	8,870
Total current liabilities	274,270	1,574,333	1,848,603
Non-current liabilities:			
Net pension liability	1,939,965	1,921,293	3,861,258
Asset retirement obligation	-	900,000	900,000
Advance from other funds	-	617,000	617,000
Noncurrent portion of long-term obligations	-	22,456,400	22,456,400
Total non-current liabilities	1,939,965	25,894,693	27,834,658
Total liabilities	2,214,235	27,469,026	29,683,261
DEFERRED INFLOW OF RESOURCES			
Related to employee pension plans	587,005	554,264	1,141,269
Total deferred inflows of resources	587,005	554,264	1,141,269
NET POSITION			
Net investment in capital assets	11,709,344	4,293,474	16,002,818
Restricted by:			
Enabling legislation	1,057,145	-	1,057,145
External contracts	-	1,083,659	1,083,659
Unrestricted	8,807,952	1,357,257	10,165,209
Total net position	$ 21,574,441	$ 6,734,390	$ 28,308,831

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION (continued)
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary Government:					
Governmental activities:					
General government:					
General government	$ 792,963	$ 26,082	$ 35,000	$ -	$ (731,881)
Code and planning	395,111	115,966	-	-	(279,145)
Total general government	1,188,074	142,048	35,000	-	(1,011,026)
Public safety and judiciary:					
Municipal court	117,319	267,142	-	-	149,823
Fire and Emergency Management	1,347,082	133,254	298,757		(915,071)
Police and Animal Control	1,979,161	15,054	4,800	-	(1,959,307)
Total public safety and judiciary	3,443,562	415,450	303,557	-	(2,724,555)
Public Works:					
Cemetery	98,575	96,950	-	-	(1,625)
Streets	686,537	-	62,308	214,563	(409,666)
Total public works	785,112	96,950	62,308	214,563	(411,291)
Cultural, parks and recreation:					
Library	243,585	3,956	-	-	(239,629)
Parks and arts & humanities	133,500	-	-	-	(133,500)
Total cultural, parks and recreation	377,085	3,956	-	-	(373,129)
Total governmental activities	5,793,833	658,404	400,865	214,563	(4,520,001)
Business-type activities:					
Administration	254,406	-	-	-	(254,406)
Finance	338,338	-	-	-	(338,338)
Water operations	1,432,623	1,857,799	-	210,587	635,763
Sewer operations	579,354	1,045,909	-	-	466,555
Solid waste operations	577,247	869,259	-	-	292,012
Ambulance service	1,288,405	782,168	346,545	-	(159,692)
Economic development	136,597	-	-	-	(136,597)
Non-Departmental	362,364	-	-	-	(362,364)
Financing costs	1,047,139	-	-	-	(1,047,139)
Total business-type activities	6,016,473	4,555,135	346,545	210,587	(904,206)
Total Primary Government	$ 11,810,306	$ 5,213,539	$ 747,410	$ 425,150	$ (5,424,207)

(continued next page.)

CITY OF COWETA
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION (continued)
For the Year Ended June 30, 2020

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Net (expense)/revenue	$ (4,520,001)	$ (904,206)	$ (5,424,207)
General revenues:			
Taxes:			
Sales and use taxes	4,669,724	-	4,669,724
Gross receipts tax	1,358,765	-	1,358,765
Hotel/motel tax	25,839	-	25,839
Intergovernmental	513,379	-	513,379
Franchise taxes	267,578	-	267,578
Investment earnings	45,893	15,271	61,164
Miscellaneous/Other Fees	120,233	90,070	210,303
Gain (loss) on disposal of assets	(19,160)	2,890	(16,270)
Transfers - internal activities	(1,729,105)	1,729,105	-
Total general revenues and transfers	5,253,146	1,837,336	7,090,482
Change in net position	733,145	933,130	1,666,275
Net position - beginning of year	18,862,993	7,708,130	26,571,123
Prior period adjustment	1,978,303	(1,906,870)	71,433
Net position - end of year	$ 21,574,441	$ 6,734,390	$ 28,308,831

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 3,583,532	$ 3,139,735	$ 475,439	$ 7,198,706
Investments	747,042	528,181	62,200	1,337,423
Due from other governments	767,929	-	154,068	921,997
Due from other funds	42,809	86,234	4,500	133,543
Advance to other funds	-	617,000	-	617,000
Taxes receivable	-	323,494	-	323,494
Accounts receivable, net	257,302	-	7,088	264,390
Restricted assets:				
Cash and cash equivalents	8,870	-	901,976	910,846
Total assets	$ 5,407,484	$ 4,694,644	$ 1,605,271	$ 11,707,399
Liabilities and Fund Balances:				
Liabilities				
Accounts payable	$ 25,918	$ 17,173	$ 3,808	$ 46,899
Compensated absences	117,242	-	-	117,242
Other accrued expenses	101,259	-	-	101,259
Due to other funds	123,681	-	-	123,681
Amounts held in escrow	8,870	-	-	8,870
Total liabilities	376,970	17,173	3,808	397,951
Fund balances				
Nonspendable	-	617,000	-	617,000
Restricted	-	-	1,057,145	1,057,145
Unrestricted:				
Committed	16,518	-	-	16,518
Assigned	-	4,060,471	544,318	4,604,789
Unassigned	5,013,996	-	-	5,013,996
Total fund balances	5,030,514	4,677,471	1,601,463	11,309,448
Total liabilities and fund balance	$ 5,407,484	$ 4,694,644	$ 1,605,271	$ 11,707,399

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
June 30, 2020

Total Fund Balance, Governmental Funds		$ 11,309,448
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the fund statements, net of		11,709,344
Land	2,329,311	
Intangibles	24,855	
Construction in Progress	201,841	
Buildings & Improvements	3,123,426	
Vehicles	1,043,074	
Equipment	2,460,033	
Infrastructure	8,421,587	
Accumulated Depreciation	(5,894,783)	
Amounts related to pensions are applicable to future periods, and, therefore, are not reported in the funds		
Pension related deferred outflows of resources		1,066,919
Net Pension Asset		15,700
Net pension liability		(1,939,965)
Pension related deferred inflows of resources		(587,005)
Total Net Position - Governmental Activities		$ 21,574,441

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	General Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 4,695,563	$ 1,358,765	$ -	$ 6,054,328
Intergovernmental programs	613,650	4,912	326,022	944,584
Licenses and permits	140,000	-	-	140,000
Charges for services	15,687	-	235,576	251,263
Franchise fees	267,578	-	-	267,578
Fines and forfeits	267,142	-	-	267,142
Interest income	26,077	18,114	1,702	45,893
Miscellaneous	110,976	-	9,256	120,232
Total revenues	6,136,673	1,381,791	572,556	8,091,020
Expenditures:				
General government	1,012,108	75,000	21,315	1,108,423
Public safety	3,102,679	-	178,358	3,281,037
Highways and roads	344,117	77,990	72,544	494,651
Cultural and recreational	320,604	750	12,586	333,940
Capital outlay	48,373	805,329	21,895	875,597
Total expenditures	4,827,881	959,069	306,698	6,093,648
Excess (deficiency) of revenues over expenditures	1,308,792	422,722	265,858	1,997,372
Other financing sources (uses):				
Transfers in	4,182,925	-	-	4,182,925
Transfers out	(3,819,203)	(1,400,000)	(192,040)	(5,411,243)
Total other financing sources (uses)	363,722	(1,400,000)	(192,040)	(1,228,318)
Net change in fund balances	1,672,514	(977,278)	73,818	769,054
Fund balances - beginning of year	3,358,000	5,654,749	1,527,645	10,540,394
Prior period adjustment	-	-	-	-
Fund balance - end of year	$ 5,030,514	$ 4,677,471	$ 1,601,463	$ 11,309,448

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds	$	769,054
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets		
Capital asset purchases capitalized		875,596
Capital assets donated		214,563
Depreciation expense		(571,135)
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		
Book value of capital assets disposed or sold		(19,160)
Book value of capital assets transferred to other component units		(500,787)
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense		
State of Oklahoma on-behalf pension contributions		284,004
Net pension expense - Police		(84,381)
Net pension expense - Fire		(234,609)
Change in Net Position of Governmental Activities	$	733,145

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	Enterprise Funds		
	Public Works Authority	Industrial Development Authority	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and equivalents	$ 3,465,799	$ 32,355	$ 3,498,154
Restricted cash and equivalents	101,624	-	101,624
Accounts receivable, net	570,585	-	570,585
Due from other governments	144,853	-	144,853
Due from other funds	-	35,000	35,000
Total current assets	4,282,861	67,355	4,350,216
Non-current Assets:			
Investments, unrestricted	93,300	-	93,300
Restricted investments	1,208,059	-	1,208,059
Capital assets:			
Non-depreciable assets	2,907,181	10,000	2,917,181
Other assets, net of depreciation	24,542,152	100,541	24,642,693
Total non-current assets	28,750,692	110,541	28,861,233
Total assets	33,033,553	177,896	33,211,449
DEFERRED OUTFLOW OF RESOURCES			
Deferred amounts related to pensions	738,461	-	738,461
Unamortized asset retirement obligation	852,632	-	852,632
Total deferred outflows	1,591,093	-	1,591,093
LIABILITIES			
Current liabilities:			
Accounts payable	98,170	-	98,170
Accrued payroll	51,906	-	51,906
Accrued interest payable	337,069	-	337,069
Accrued compensated absences	51,164	-	51,164
Due to other funds	44,862	-	44,862
Deposits subject to refund	226,024	-	226,024
Revenue bonds payable	810,000	-	810,000
Total current liabilities	1,619,195	-	1,619,195
Non-current liabilities:			
Net pension liability	1,921,293	-	1,921,293
Asset retirement obligation	900,000	-	900,000
Advance from other funds	617,000	-	617,000
Notes Payable	271,400	-	271,400
Revenue bonds payable	22,185,000	-	22,185,000
Total non-current liabilities	25,894,693	-	25,894,693
Total liabilities	27,513,888	-	27,513,888
DEFERRED INFLOW OF RESOURCES			
Deferred amounts related to pensions	554,264	-	554,264
Net position:			
Net investment in capital assets	4,182,933	110,541	4,293,474
Restricted for:		-	-
Debt Service	1,083,659	-	1,083,659
Unrestricted	1,289,902	67,355	1,357,257
Net position	$ 6,556,494	$ 177,896	$ 6,734,390

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2020

	Enterprise Funds		
	Public Works Authority	Industrial Development Authority	Total Enterprise Funds
Operating Revenues:			
Water revenue	$ 1,857,799	$ -	$ 1,857,799
Sewer revenue	1,045,909	-	1,045,909
Solid waste revenue	869,259	-	869,259
Ambulance revenue	782,168	-	782,168
Operating grants	346,545	-	346,545
Miscellaneous charges	90,070	-	90,070
Total revenues	4,991,750	-	4,991,750
Operations expense:			
General administrative	250,306	-	250,306
Finance	338,338	-	338,338
Water operations	840,285	-	840,285
Sewer operations	280,073	-	280,073
Solid waste operations	542,193	-	542,193
Ambulance service	1,277,645	-	1,277,645
Economic development	-	136,597	136,597
Non-departmental	358,200	-	358,200
Depreciation	941,597	4,100	945,697
Total operations expense	4,828,637	140,697	4,969,334
Operating income (loss)	163,113	(140,697)	22,416
Non-operating revenues (expenses):			
Interest revenue	15,229	42	15,271
Interest expense and fiscal agent fees	(814,179)	-	(814,179)
Other finances sources (uses)	(232,960)	-	(232,960)
Donations/grants	210,587	-	210,587
Gain (loss) on disposal of assets	2,890	-	2,890
Total Non-operating revenues (expenses)	(818,433)	42	(818,391)
Income (loss) before operating transfers	(655,320)	(140,655)	(795,975)
Transfers in	5,193,861	272,794	5,466,655
Transfers out	(3,737,550)	-	(3,737,550)
Change in net position	800,991	132,139	933,130
Total Net position, beginning	7,662,373	45,757	7,708,130
Prior period adjustment	(1,906,870)	-	(1,906,870)
Total Net position, ending	$ 6,556,494	$ 177,896	$ 6,734,390

The accompanying notes are an integral part of the basic financial statements.

CITY OF COWETA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2020

	Enterprise Funds		
	Public Works Authority	Industrial Development Authority	Total Enterprise Funds
Cash flows from operating activities:			
Receipts from customers	$ 4,989,611	$ -	$ 4,989,611
Payments to vendors and employees	(4,197,154)	(174,191)	(4,371,345)
Net cash provided by (used in) operating activities	792,457	(174,191)	618,266
Cash flows from noncapital financing activities:			
Transfers from other funds	-	158,153	158,153
Net cash provided by noncapital financing activities	-	158,153	158,153
Cash flows from capital and related financing activities:			
Transfers and advances from other funds	5,810,861	114,641	5,925,502
Transfers to other funds	(3,737,550)	-	(3,737,550)
Acquisition and construction of capital assets	(651,657)	(114,641)	(766,298)
Gain on sale of capital assets	3,250	-	3,250
Principal paid on revenue bonds	(795,000)	-	(795,000)
Interest paid on revenue bonds	(814,742)	-	(814,742)
Fiscal agent fees	(4,228)	-	(4,228)
Net cash provided by (used in) capital and related financing activities	(189,066)	-	(189,066)
Cash flows from investing activities:			
(Purchase) liquidation of investments	(1,723)	-	(1,723)
Interest on investments	15,229	42	15,271
Net cash provided by (used in) investing activities	13,506	42	13,548
Net increase (decrease) in cash and cash equivalents	616,897	(15,996)	600,901
Balances - beginning of year	2,950,526	48,351	2,998,877
Balances - end of year	$ 3,567,423	$ 32,355	$ 3,599,778
	-	-	
Reconciliation to Statement of Net Position:			
Cash and cash equivalents	$ 3,465,799	$ 32,355	$ 3,498,154
Restricted cash and cash equivalents - current	101,624	-	101,624
Total cash and cash equivalents - end of year	$ 3,567,423	$ 32,355	$ 3,599,778
Reconciliation of operating income to net cash			
Operating income (loss)	$ 163,113	$ (140,697)	$ 22,416
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	941,597	4,100	945,697
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(9,908)	-	(9,908)
(Increase) decrease in due from other governments	(144,853)	-	(144,853)
(Increase) decrease in due from other funds	-	(35,000)	(35,000)
Increase (decrease) in customer deposits	7,769	-	7,769
Increase (decrease) in accounts payable	33,258	(2,594)	30,664
(Increase) decrease in due to other funds	(44,862)	-	(44,862)
Increase (decrease) in advances from other funds	617,000	-	617,000
Increase (decrease) in accrued expenses	11,405	-	11,405
Increase (decrease) in deferred inflow	7,390	-	7,390
(Increase) decrease in deferred outflow	(607,391)	-	(607,391)
Increase (decrease) in net pension liability	(181,420)	-	(181,420)
Increase (decrease) in compensated absences	(641)	-	(641)
Total adjustments	629,344	(33,494)	595,850
Net cash provided by (used in) operating activities	$ 792,457	$ (174,191)	$ 618,266
Noncash Activities			
Contributed capital assets	$ 210,587	$ -	$ 210,587

The accompanying notes are an integral part of the basic financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.A. General Statement

The City's accounting and financial reporting policies conform with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

Implementation of GASB Statement No. 83 – The City adopted the requirements of GASB Statement No. 83, which establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for legally enforceable asset retirement obligations and requires that recognition occur when the liability is both incurred and reasonably estimable.

The impact for the PWA is as follows:

Asset retirement obligation liability – The asset retirement obligation reported under GASB Statement No. 83 is the best estimate of the current value of future outlays to be incurred once a tangible capital asset is retired. Under GASB Statement No. 83, the full asset retirement obligation associated with the closure of the wastewater treatment plant is now recognized.

Deferred outflows of resources – unamortized asset retirement obligation costs – GASB Statement No. 83 requires recognition of deferred outflows of resources associated with an ARO based on the useful life of the asset and estimated liability at the time of recognition. Deferred outflows of resources reported at the beginning of a tangible capital asset's estimated useful life will be reduced by the recognition of amortization expense over the entire estimated useful life. Deferred outflows of resources reported after a tangible capital asset has been placed into operation will be reduced by the recognition of amortization expense over the remaining estimated useful life.

1.B. Financial Reporting Entity

The City's financial reporting entity is comprised of the following:

Primary Government:	City of Coweta
Blended Component Units:	Coweta Public Works Authority Coweta Industrial Development Authority

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity" as amended by Statement 61, and includes all component units of which the City appointed a voting majority of the unit's board and for which the City is financially accountable.

Blended Component Units:

A blended component unit is a separate legal entity that meets the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. In addition, management and staff of the City are also the management and staff of the component unit. The component unit funds are blended into those of the City's by appropriate fund category to comprise the primary government presentation.

The City has two component units that are blended into the reporting fund categories of the City's report:

Coweta Public Works Authority (the "PWA")

The PWA was created August 10, 1964 pursuant to a Trust Indenture for the benefit of the City of Coweta, Oklahoma to acquire, construct, develop, equip, operate, maintain, repair, enlarge and remodel water, sewer, solid waste and ambulance service facilities. The PWA was established 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 PWA. The PWA generally retains title to assets which are acquired or constructed with PWA debt or other Authority generated resources. In addition, the City has leased the water, sanitary sewer and solid waste systems owned by the City to the PWA on a long-term basis. The City, as beneficiary of the Public Trust, receives title to any residual assets when the Public Trust is dissolved. Debt issued by the PWA requires two-thirds approval of the City Council. The PWA is reported as an enterprise fund. The PWA does not issue a separate annual financial report.

The Coweta Industrial Development Authority (the "CIDA")

The CIDA was created April 23, 1979 pursuant to a Trust Indenture for the benefit of the City of Coweta, Oklahoma to promote, finance and develop recreation, sports, culture, tourism, entertainment and communication media projects and other economic development projects. The CIDA is a public trust and an agency of the State of Oklahoma under Title 60, Oklahoma Statutes 1991, Section 176, et seq., and is governed by a board consisting of five trustees appointed by the City Council. The CIDA is exempt from State and Federal income taxes. The CIDA is reported as an enterprise fund. The CIDA does not issue a separate annual financial report.

1.C. Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements: Fund financial statements of the reporting entity are organized into funds, each of which is considered a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. The City presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City, or if it meets the following criteria:

- Total assets plus deferred outflows or liabilities plus deferred inflows or revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and

- Total assets plus deferred outflows or liabilities plus deferred inflows or revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the City are described below:

GOVERNMENTAL FUNDS

a. General Fund: The general fund is the primary operating fund of the City government and will always be classified as a major fund. It is used to account for all financial resources except those legally or administratively required to be accounted for in other funds.

b. Special Revenue Fund: Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the City. The reporting entity includes the following special revenue funds:

   - Street and Alley Fund
   - Library Fund
   - E-911 Fund
   - Cemetery Fund
   - Self-Insurance Fund
   - Rural Firefighters Fund

c. Debt Service Fund: The debt service fund is used to account for the accumulation of ad-valorem taxes levied by the City for use in retiring general obligation bonds, court-assessed judgements, and their related interest expense and fiscal agent fees. State law refers to this fund as the Sinking Fund. The City currently has no general long-term debt and no active Sinking Fund.

d. Capital Projects Fund: A capital projects fund is used to account for the resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes the following capital project funds:

   - Capital Improvement Fund
   - Community Development Block Grant (CDBG) Fund

PROPRIETARY FUNDS

a. Enterprise Fund: Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds:

   - Coweta Public Works Authority (PWA): Accounts for the operations of providing public works (water, sewer and solid waste) and ambulance service to the City.

   - Coweta Industrial Development Authority (CIDA): Promotes the development of industry in the City. This fund does not meet the percentage criteria for a major fund, but the City has elected to treat this non-major fund as though it were a major fund for purposes of presentation within the proprietary funds of the financial statements rather than aggregating this information separately, solely for the benefit of user understandability of the financial statements.

MAJOR AND NON-MAJOR FUNDS
The funds are further classified as major or non-major as follows:

Major:	**Non-Major:**
General Fund	Street and Alley Fund
Capital Improvement Fund	Cemetery Fund
Coweta Public Works Authority	Library Fund
	Self-Insurance Fund
	E-911 Fund
	Rural Firefighters Fund
	Community Development Block Grant (CDBG) Fund
	Debt Service Fund
	Coweta Industrial Development Authority (treated as a major fund for presentation purposes)

1.D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus
In the government-wide Statement of Net Position and the Statement of Activities both governmental and business-type activities are presented using the economic resources measurement focus as defined in item 2 below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

1. All governmental fund types utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

2. Proprietary fund types utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent, financial or nonfinancial), along with deferred outflows and deferred inflows associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting
In the government-wide Statement of Net Position and Statement of Activities both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is

incurred, or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred. All proprietary funds utilize the accrual basis of accounting.

1.E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

1. **Cash and Cash Equivalents:** For the purpose of financial reporting, cash and cash equivalents includes all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of 12 months or less.

2. **Investments:** Investments are reported at fair value which is determined using selected bases. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. All non-negotiable certificates of deposit are carried at cost. Additional cash and investment disclosures are presented in 3.A.

3. **Accounts Receivable/Due from Other Governments**: In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, gross receipts tax, franchise taxes and court fines. In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, gross receipts tax, franchise tax and grants and other similar intergovernmental revenues, since they are usually both measurable and available. Available has been defined by the City as collected within 60 days of year end. Proprietary fund receivables consist of all revenues earned at year-end and not yet received. Utility and ambulance accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon the periodic aging of accounts receivable.

4. **Restricted Assets:** Restricted assets reported in the fund financial statements include current assets that are legally restricted as to their use. The primary restricted assets are related to utility customer deposits and trustee accounts restricted for debt service.

5. **Inventories:** Due to their immaterial nature, the City has chosen to record consumable materials and supplies as expenditures/expenses at the time of purchase; therefore, no balances for inventory on-hand are reported on the balance sheet.

6. **Capital Assets:** General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported in the business-type activities column of the government-wide statement of net position and in the respective funds. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date

received. The City maintains a capitalization threshold of $5,000 for the governmental and proprietary funds.

The City's infrastructure consists of roads, bridges, culverts, curbs and gutter, streets and sidewalks, drainage systems and similar assets that are immovable and of value only to the City. Such infrastructure assets acquired are capitalized in accordance with the requirements of GASB 34. Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Prior to the implementation of GASB 89 in fiscal year 2018, interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Class of Asset	Estimated Useful Life
Buildings	20 - 100 years
Furniture, Fixtures and Equipment	10 - 25 years
Land Improvements	10 - 40 years
Vehicles	5 - 20 years
Infrastructure	10 - 50 years

7. **Compensated Absences:** It is the City's policy to require employees to use all earned vacation by their next accrual date, unless otherwise approved by the City Manager. Full-time regular employees who have been employed continuously for at least 12 months are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. The expense and related liability for vested vacation benefits and compensatory time is recorded in the respective funds of the City or component unit as a current liability.

8. **Long-term Debt:** Accounting treatment of long-term debt varies depending upon the source of repayment and whether the debt is reported in the government-wide or fund financial statements.

   a. Government-wide Financial Statements: All long-term debts to be repaid from governmental and business-type component unit resources are reported as liabilities in the government-wide statements. The long-term debts accounted for in fiscal year 2020 consists of pension benefits, revenue bonds payable and notes payable.

   b. Fund Financial Statements: Long-term debt of governmental funds is not reported as a liability in the fund financial statements. Payment of principal and interest is reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

9. **Deferred Outflow/Inflow of Resources:** Deferred outflows and inflows are the consumption or acquisition of net position by the City that are applicable to a future reporting period. At June 30, 2020, the City's deferred outflows and deferred inflows of resources were comprised of pension related deferrals and unamortized asset retirement obligation costs. As discussed in Note 1.I., certain pension amounts are deferred, some as outflows and others as inflows, and amortized as a component of pension expense in future periods.

10. Equity Classifications

a. Government-wide Financial Statements: Equity is classified as net position and is displayed in three components:

1. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balance of bonds, notes, leases or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
2. Restricted – Consists of net position with constraints placed on the use 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.
3. Unrestricted – All other net position that does not meet the definition of "net investment in capital assets" or "restricted."

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

b. Fund Financial 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:

- 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.
- Restricted – consists of fund balance with constraints placed on the use of resources either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation.
- 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 by ordinance.
- 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. City management has the authority to assign fund balance.
- 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, or represents deficit fund balances in non-general fund governmental funds.

It is the City's policy to first use restricted fund balances prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balances 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. Proprietary fund equity is classified the same as in the government-wide statements.

1.F. Revenues, Expenditures and Expenses

1. **Sales Tax:** The City levies a three-cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The Tax Commission receives the sales tax approximately one month after collection by vendors. The entire sales tax is recorded as revenue within the General Fund. The 3% sales tax levy is a permanent tax which funds general operation of the City. Sales tax resulting from sales occurring prior to year-end and received by the City after year end have been accrued and is included under the caption *Due From Other Governments* because they represent taxes on sales occurring during the reporting period.

2. **Property Tax:** Under State law, municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonds and court-assessed judgments. As of June 30, 2020, the City had no outstanding general obligation bonds or judgements. No property tax was levied during the fiscal year ended June 30, 2020.

3. **Program Revenues:** In the Statement of Activities, revenues 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 listed activity:

Activity	Program Revenue
General Government	Licenses and permits, fees, operating and capital grants.
Public Safety & Judiciary	Court fines, fire runs, operating and capital grants
Public Works	Motor fuel tax, commercial vehicle tax, cemetery sales
Cultural, Parks and Recreation	Library fines, park fees

   All other governmental revenues are reported as general. Aside from motor vehicle taxes, all taxes are classified as general revenue even if restricted for a specific purpose.

4. **Operating Revenues and Expenses:** Operating revenues and expenses for proprietary funds and similar discretely presented component units are those that result from providing services and producing and delivering goods and/or services. It also includes all revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

5. **Expenditures/Expenses:**

   a. Government-wide Financial Statements: In the government-wide financial statements, expenses are reported on the accrual basis and are classified by function for both governmental and business-type activities.

   b. Fund Financial Statements: In the fund financial statements, proprietary funds report expenses relating to use of economic resources. Governmental funds report expenditures of financial resources which are classified as follows:

      - Current (further classified by function)

- Debt Service
- Capital Outlay

1.G. Internal and Interfund Balances and Activities

1. **Government-wide Financial Statements:** In the process of aggregating the financial information for the government-wide statement of net position and statement of activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified. The eliminations or reclassifications, if any, in the government-wide statements are as follows:

    - Internal balances – amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.

    - Internal activities – amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities.

2. **Fund Financial Statements:** Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

    - Interfund loans – amounts provided with a requirement for repayment are reported as interfund receivables and payables.

    - Interfund services – sales or purchases of goods and services between funds are reported as revenue and expenditures/expenses.

    - Interfund reimbursements – repayments from funds responsible for certain expenditures or expenses to the funds that initially paid for them are not reported as reimbursements. Rather, the reimbursements are reported as adjustments to expenditures/expenses in the respective funds.

    - Interfund transfers – flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

1.H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1.I. Pensions

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Firefighter's Pension & Retirement System (OFPRS) and Oklahoma Police Pension & Retirement System (OPPRS), and additions to/deductions from OFPRS and OPPRS's fiduciary net position have been determined on the same basis as they are reported by OFPRS and OPPRS. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by these funds are reported at fair value.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component units are subject to various federal, state and local laws and contractual regulations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources is detailed below.

2.A. Fund Accounting Requirements

The City complies, in all material respects, with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include the following:

Fund	Required by
Debt Service Fund (Sinking Fund)	State Law
Coweta Public Works Authority Fund	Trust Indenture
Coweta Industrial Development Authority Fund	Trust Indenture

2.B. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

Revenue Source	Legal Restriction of Use
Sales Tax	See Note I
Gasoline Excise and Commercial Vehicle Tax	Street and alley purposes
Cemetery Sales	Cemetery maintenance
Wagoner County shared sales tax revenues	Rural fire operations and equipment
E-911 Revenue	E-911 Emergency Service Purposes
Ad Valorem Tax	Debt service on bonds and judgements
Grants Revenue	Based on individual grant agreements

For the year ending June 30, 2020, the City complied, in all material respects, with these revenue restrictions.

2.C. Debt Restrictions and Covenants

1. **General Obligation Debt:** Article 10, Sections 26 and 27 of the Oklahoma Constitution limits the amount of outstanding general obligation bonded debt of the municipality for non-utility or non-street purposes to no more than 10% of net assessed valuation. For the year ended June 30, 2020, the City complied with the legal debt limit.

2. **Other Long-term Debt:** As required by the Oklahoma State Constitution, the City (excluding public trusts) may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue, without obtaining voter approval. For the year ended June 30, 2020, no such debt was incurred by the City.

3. **Revenue Bond and Notes Payable Debt:** The bond indenture and note agreements relating to the long-term issues of the PWA contain a number of restrictions or covenants that are financial related such as a required flow of funds through special accounts, required reserve account balances, and debt service coverage requirements. The following schedule presents a summary of the most significant requirements and the PWA's level of compliance thereon as of June 30, 2020:

Requirement	Level of Compliance
Flow of funds through General Fund and other bond accounts	All required accounts have been established and are used per bond indenture requirements
Bond Account	Monthly debt service payments received from the PWA are held in a Bond Account by the PWA's trustee bank to be transferred to the Sinking Fund as necessary.
Sinking Fund Account	Funds transferred to the Sinking Fund Account are used for the payment of principal and interest and for redemption of bonds.
Revenue Bond / 2019 OWRB CWSRF Promissory Note Requirement	For the year ended June 30, 2020, available sales tax and operating revenues, as defined by the bond indenture and loan agreement, were $3,736,050; the bond coverage requirement was 125% of annual principal and interest requirements, or $2,014,095. Actual coverage was 268%. In addition, available revenues without tax transfers, as defined by the bond indenture, were $1,665,088; the bond coverage requirement was 75% of annual principal and interest requirements. Actual coverage was 103%.

2.D. Fund Equity/Net Position Restrictions

Title 11, section 17-211 of the Oklahoma statutes prohibits the creation of a deficit fund balance in any individual fund of the City (excluding public trusts). The City had no fund balance deficits at June 30, 2020.

2.E. Prior Period Adjustments

A prior period adjustment to the unrestricted net position was made due to capital assets that were not depreciated in prior years after construction was completed. In addition, infrastructure donated by a developer was not recognized in fiscal year 2019 when received. Furthermore, assets belonging to Wagoner County purchased with Rural Fire Sales Tax funds were included in the City's capital assets in error. As a result, depreciation expense and net assets were misstated in fiscal year 2019. Additionally, Deferred Outflows and Deferred Inflows related to pensions were improperly classified between Governmental Activities and Business-Type Activities in prior years, resulting in a misstatement of net position between Governmental Activities and Business-Type Activities; the overall position of the City was unaffected by this misstatement.

Beginning balances for fiscal year 2020 were restated as follows:

	Governmental Activities	Business-Type Activities	General Fund	PWA
Beginning balances, as previously reported	$ 18,862,993	$ 7,708,130	$ 3,358,000	$ 7,662,373
Depreciation on assets after transfer from CIP	(61,882)	(523,890)	-	(523,890)
Donated infrastructure not recognized	904,639	-	-	-
Disposal of Wagoner County Assets	(70,511)	(130,055)	-	(130,055)
Deferred Outflows/Inflows reclassed from BTA	1,206,057	(1,252,925)	-	(1,252,925)
Beginning balances, restated	$ 20,841,296	$ 5,801,260	$ 3,358,000	$ 5,755,503

NOTE 3. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for various assets, deferred outflows, liabilities, deferred inflows, equity, revenues and expenditures/expenses.

3.A. Deposits and Investments

1. **Deposits:** Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The deposit policy of the City for custodial credit risk requires compliance with the provisions of state law. State law requires collateralization of all deposits with federal depository insurance, U.S. government issues, U.S. government insured securities, State of Oklahoma bonds or bonds of any county or school district of the State of Oklahoma. At June 30, 2020 the City's bank balances of $9,341,863 were not exposed to custodial credit risk.

2. **Investments:** The City may legally invest in direct obligations of the U.S. government and agency securities, certificates of deposit and savings accounts or savings certificates of savings and loan associations.

   Interest Rate Risk—Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City's investment policy does not address interest rate risk.

   Credit Risk—Investment credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy does not address credit risk.

   Concentration of Credit Risk—The City places no limit on the amount that may be invested in any one issuer.
   Custodial Credit Risk—Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial risk. However, the City's investments are in the City's name, thus the City has no custodial risk at June 30, 2020.

   Investment Credit Risk—The City has no policy that limits its investment choices other than the limitation of state law as follows:

1) Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.

2) Certificates of deposits 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.

3) With certain limitation, negotiable certificates of deposit, prime banker's acceptances, prime commercial paper and repurchase agreements with certain limitations.

4) 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.

5) 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.

6) Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs (1) through (4).

Fair Value Measurement—The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended June 30, 2020, money market funds held by the City were valued using quoted prices in active markets (Level 1 inputs). The City had the following deposits and investments at June 30, 2020:

Type	Weighted Average Maturity (Months)	Standard & Poor's Credit Rating	Value
Demand deposits	N/A	(1)	$ 9,341,862
Petty cash and change funds	N/A	(1)	925
Short-term money market funds	1.54	AAAm	1,083,659
Certificates of deposit	15.23	(1)	3,921,666
			$ 14,348,112

(1) Not subject to rating

Reconciliation to Statement of Net Position	
Cash and cash equivalents	$ 10,696,860
Restricted Cash and cash equivalents	1,012,470
Investments	1,430,723
Restricted investments	1,208,059
	$ 14,348,112

3.B. Accounts Receivable

The accounts receivable of the governmental activities consist of hotel tax, franchise taxes, and court fines. The remaining receivables are intergovernmental revenues and/or due from various customers. The accounts receivable of the business-type activities are amounts due from utility customers and ambulance service operations. All receivables are expected to be collected within one year, except for court fines, which are expected within two years. Receivables detail at June 30, 2020 is as follows:

	Governmental Activities	Business-Type Activities	Total
Service receivables	$ -	$ 1,086,739	$ 1,086,739
Due from other governments	921,997	144,853	1,066,850
Municipal court fine receivable	494,717	-	494,717
Taxes receivable	323,494	-	323,494
Other receivables	363,884	18,612	382,496
Advance to other funds	617,000	-	617,000
Internal Balances	9,862	(9,862)	-
Allowance for uncollectible accounts	(594,211)	(534,766)	(1,128,977)
Net accounts receivable	$ 2,136,743	$ 705,576	$ 2,842,319

3.C. Accounts Payable

Accounts payable balances are payables to vendors. Accrued liabilities are salaries and wages payable as well as accrued insurance where applicable.

3.D. Restricted Assets

Certain assets of the City are restricted in their use through grant agreements, contracts or laws and ordinances. Cash in the amount of $162,719 at June 30, 2020 has been restricted in use for E911 operations; $327,684 for street maintenance; $371,060 for cemetery maintenance; and $40,513 for library operations. Further, municipal court bonds received in relation to defendant warrants are restricted in their use toward resolution of the defendant's warrants. As of June 30, 2020, cash in the amount of $8,870 has been restricted for municipal court bonds.

Certain assets of the PWA are restricted in their use by bond and note indentures. Investments, classified as non-current, in the amount of $1,083,659 at June 30, 2020 have been restricted for debt service. Customer deposits received for water, sewer and solid waste services are restricted in their use toward the customer's final bill. As of June 30, 2020, cash and cash equivalents in the amount of $226,024, of which $101,624, is classified as current and $124,400 is classified as non-current, have been restricted for customer utility deposits.

3.E. Capital Assets

Governmental capital asset activity for the year ended is summarized as follows:

Governmental Activities	Balance 6/30/2019, as previously stated	Prior Period Adjustment	Additions	Disposals	Balance 6/30/2020
Non-depreciable assets:					
Land	$ 2,339,311	$ -	$ -	$ (10,000)	$ 2,329,311
Construction in progress	216,148	-	15,187	(29,494)	201,841
Total non-depreciable assets	2,555,459	-	15,187	(39,494)	2,531,152
Depreciable assets:					
Intangibles	24,855	-	-	-	24,855
Buildings and improvements	2,964,941	-	281,660	(123,175)	3,123,426
Furniture, fixtures and equipment	2,369,249	(18,106)	158,375	(49,485)	2,460,033
Vehicles	1,217,144	(237,549)	63,479		1,043,074
Infrastructure	7,303,945	908,079	209,563	-	8,421,587
Total depreciable assets	13,880,134	652,424	713,077	(172,660)	15,072,975
Less accumulated depreciation:					
Intangibles	(1,657)	-	(4,971)	-	(6,628)
Buildings and improvements	(828,978)	-	(79,866)	16,237	(892,607)
Furniture, fixtures and equipment	(1,548,549)	(536)	(141,708)	37,866	(1,652,927)
Vehicles	(837,881)	175,487	(68,907)		(731,301)
Infrastructure	(2,280,508)	(55,129)	(275,683)	-	(2,611,320)
Total accumulated depreciation	(5,497,573)	119,822	(571,135)	54,103	(5,894,783)
Net depreciable assets	8,382,561	772,246	141,942	(118,557)	9,178,192
Net governmental activities capital assets	$ 10,938,020	$ 772,246	$ 157,129	$ (158,051)	$ 11,709,344

Business-type capital asset activity for the year ended is as follows:

Business-Type Activities	Balance 6/30/2019, as previously stated	Prior Period Adjustment	Additions	Disposals	Balance 6/30/2020
Non-depreciable assets:					
Land	$ 329,789	$ -	$ 10,000	-	$ 339,789
Construction in progress	-	-	642,757	-	642,757
Other non-depreciable assets	1,934,635	-	-	-	1,934,635
Total non-depreciable assets	2,264,424	-	652,757	-	2,917,181
Depreciable assets:					
Intangibles	-	-	85,000	-	85,000
Buildings and improvements	880,850	-	119,500		1,000,350
Furniture, fixtures and equipment	585,562	-	124,044	(16,075)	693,531
Vehicles	1,418,438	(355,922)	190,502	(108,400)	1,144,618
Infrastructure	36,841,582	-	210,587		37,052,169
Total depreciable assets	39,726,432	(355,922)	729,633	(124,475)	39,975,668
Less accumulated depreciation:					
Buildings and improvements	(786,600)	-	(24,712)		(811,312)
Furniture, fixtures and equipment	(438,255)	-	(29,187)	14,465	(452,977)
Vehicles	(1,047,474)	225,867	(65,609)	108,400	(778,816)
Infrastructure	(11,924,932)	(523,891)	(841,047)		(13,289,870)
Total accumulated depreciation	(14,197,261)	(298,024)	(960,555)	122,865	(15,332,975)
Net depreciable assets	25,529,171	(653,946)	(230,922)	(1,610)	24,642,693
Net Business-Type activities capital assets	$ 27,793,595	$ (653,946)	$ 421,835	$ (1,610)	$ 27,559,874

Depreciation expense was charged to functions in the Statement of Activities as follows:

Governmental Activities	
General government	$ 79,652
Public safety and judiciary	157,878
Public works	290,460
Cultural, parks and recreation	43,145
Total depreciation expense for governmental activities	$ 571,135
Business-Type Activities	
Water	$ 592,338
Sewer	299,281
Solid waste	35,054
Administrative	4,164
Ambulance	10,760
Economic development	4,100
Total depreciation expense for business-type activities	$ 945,697

3.F. Interfund Transfers and Loans

Interfund Transfers: Interfund transfers were made to comply with security agreements, economic development agreements, and to fund projects and/or cash shortages in various funds as needed. Interfund transfers reported in the fund financial statements for the year ended June 30, 2020, consisted of the following:

	TRANSFERS OUT						
TRANSFERS IN	**General Fund**	**Cemetery Fund**	**Rural Fire Fund**	**Capital Improvement Fund**	**Sinking Fund**	**PWA**	**Total Transfers Out**
General Fund	$ -	$ 56,875	$ -	$ 390,000	$ -	$3,736,050	$ 4,182,925
Cap. Imp. Fund	-	-	-	-	-	1,500	1,500
CIDA	197,794	-	-	75,000	-	-	272,794
PWA	3,736,050	-	126,800	1,322,646	8,365	-	5,193,861
Total Transfers In	$3,933,844	$ 56,875	$ 126,800	$ 1,787,646	$ 8,365	$3,737,550	$ 9,651,080

Reconciliation to Fund Financial Statements:

	Transfers In	Transfers Out	Net Transfers
Governmental Funds	$ 4,184,425	$ (5,412,743)	$ (1,228,318)
Enterprise Funds	5,466,655	(3,737,550)	1,729,105
Total Transfers	$ 9,651,080	$ (9,150,293)	$ 500,787

Reconciliation to Statement of Activities:

Net Transfers Governmental funds	$ (1,228,318)
Capital outlay for governmental capital project funds reported as transfers to business-type activities	(500,787)
Net Transfers/Internal Activity	$ (1,729,105)

The General Fund transferred sales tax revenues totaling $3,736,050 to the PWA in order to satisfy the terms of a security agreement related to the issuance of revenue bonds by the PWA. The PWA transferred the full amount back to the General Fund.

Interfund Loans Receivables and Payables: The Capital Improvement Fund made an advance to the PWA during fiscal year 2020 to fund improvements to the water system. The balance of this advance at June 30, 2020 was $617,000 and is scheduled to be paid over a ten-year period in equal installments, including 1% interest per annum.

	Interfund Loan Receivable	Interfund Loan Payable
Capital Improvement Fund	$ 617,000	$ -
PWA	-	617,000
	$ 617,000	$ 617,000

3.G. Fund Balances and Net Position

Fund balance is classified as Nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon use of the resources in the governmental funds. The constraints placed on fund balance for the governmental funds are presented on the following page:

Government-Wide Financial Statements:

Net Position Restrictions at June 30, 2020 were as follows:

Fund	Restricted By	Amount
Streets & Alley	State Statute 11 O.S. § 36-114	$ 334,577
Cemetery	State Statute 11 O.S. § 26-109	374,610
Library	Shared Revenue Agreement with State	41,622
E-911	State Statutes 62 O.S. § 28.11-.21 and 63 O.S. § 2843.2	175,069
Rural Fire	State Statute 68 O.S. § 2701-06	131,267
		$ 1,057,145

Fund Level Financial Statements:

Fund Balance	General Fund	Capital Improvement Fund	Other Governmental Funds	Total
Nonspendable:				
Advance to other funds	$ -	$ 617,000	$ -	$ 617,000
Total Nonspendable	-	617,000	-	617,000
Restricted For:				
Streets and Alleys	-	-	334,577	334,577
Cemetery	-	-	374,610	374,610
Library operations	-	-	41,622	41,622
E-911	-	-	175,069	175,069
Rural Fire operations	-	-	131,267	131,267
Total Restricted	-	-	1,057,145	1,057,145
Committed For:				
Court Technology	16,518	-	-	16,518
Total Committed	16,518	-	-	16,518
Assigned For:				
Capital Improvements	-	4,060,471	258,409	4,318,880
Health/Wellness	-	-	129,477	129,477
Rural Fire operations	-	-	156,432	156,432
Total Assigned	-	4,060,471	544,318	4,604,789
Unassigned:	5,013,996	-	-	5,013,996
Total Committed	5,013,996	-	-	5,013,996
TOTAL FUND BALANCE	$ 5,030,514	$ 4,677,471	$ 1,601,463	$ 11,309,448

3.H. Long-term Debt

The City's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

1. **Governmental Activities: As of June 30, 2020, the governmental activities had no long-term obligations.**
2. **Business-Type Activities:** As of June 30, 2020, the long-term debt payable from business-type activities resources consisted of the following:

Revenue Bonds:		**Balance 6/30/20**
Series 2016A Tax-Exempt Capital Improvement Revenue Bonds dated September 30, 2016 (publicly traded), original issue amount of $23,980,000, interest rates range from 2.0% to 4.0%, semiannual interest and annual principal installments commencing August 1, 2017 through August 1, 2039.	$	22,680,000
Series 2016B Taxable Refunding Bonds dated September 30, 2016 (publicly traded), original issue amount of $1,195,000, interest rates range from 1.03% to 2.04%, semiannual interest and annual principal installments commencing August 1, 2017 through August 1, 2039.		315,000
Total Revenue Bonds Payable	$	22,995,000
Current portion	$	810,000
Non-current portion		22,185,000
Total Revenue Bonds Payable	$	22,995,000

Notes Payable (Direct Borrowing):		**Balance 6/30/20**
Series 2019 Clean Water SRF Promissory Note to the Oklahoma Water Resources Board, not to exceed $11,373,000, secured by utility revenues and Sales tax revenue, interest rate of 1.58% and administrative fee of 0.5%, semiannual principal installments commence the earlier of (i) the March 15th or September 15th following the date the project is complete, or (ii) September 15, 2022. Remaining funds left to draw are $11,101,600. Final maturity March 2052. The loan is collateralized by the pledge of revenues. In the event of default, the lender may file suit to require any or all of the borrower covenants to be performed; accelerate the payment of principal and interest accrued on the note; appoint temporary trustees to take over, operate and maintain the System on a profitable basis; or file suit to enforce or enjoin the action or inaction of the Borrower under the provisions of the loan agreement.	$	271,400
Total Notes Payable	$	271,400
Current portion	$	-
Non-current portion		271,400
Total Notes Payable	$	271,400

The 2016 A and 2016B revenue bonds and the 2019 OWRB Note are not indebtedness of the State of Oklahoma or of the City but are obligations payable solely from resources of the PWA. The revenue bonds are collateralized by utility revenues from the PWA and pledged sales tax from the City.

Customer Deposits
Deposits totaling $226,024 are included in the current liabilities if the PWA:

Deposits Subject to Refund		Balance 6/30/20
Current portion	$	226,024
Total Deposits Subject to Refund	$	226,024

3.I. Applicability of Federal Arbitrage Regulations

Certain debt issuances of the PWA issued after the Tax Reform Act of 1986 are subject to the federal arbitrage regulations. The arbitrage rebate regulations require that all earnings from the investment of gross proceeds of an issue in excess of the amount that could have been earned had the yield on the investment been equal to the yield on the bonds be remitted to the federal government. These carry strict penalties for noncompliance including taxability of interest retroactive to the date of the issue. The City's management believes it is in compliance with these rules and regulations.

3.J. Changes in Long-term Obligations

Changes in the long-term obligations for the year ended June 30, 2020 are summarized below:

Business-type Activities:

		Balance June 30, 2019		Additions		Reductions		Balance June 30, 2020
Revenue Bond 2016A	$	23,175,000	$	-	$	(495,000)	$	22,680,000
Revenue Bond 2016B		615,000		-		(300,000)		315,000
OWRB Note		-		271,400		-		271,400
Total	$	23,790,000	$	271,400	$	(795,000)	$	23,266,400

3.K. Maturities of Long-term Debt

The debt service maturities for long-term indebtedness in the coming years are as follows:

Business-type Activities:

Year Ending June 30,	Principal	Interest	Total
2021	$ 810,000	$ 797,119	$ 1,607,119
2022	825,000	776,581	1,601,581
2023	857,000	751,381	1,608,381
2024	872,000	721,156	1,593,156
2025	917,000	685,456	1,602,456
2026-2030	5,145,000	2,838,680	7,983,680
2031-2035	6,250,000	1,726,240	7,976,240
2036-2040	7,753,000	608,372	8,361,372
2041-2045	4,229,000	-	4,229,000
2046-2050	4,692,000	-	4,692,000
2051-2052	2,018,000	-	2,018,000
	$ 34,368,000	$ 8,904,985	$ 43,272,985
Remaining loan proceeds to be drawn:	(11,101,600)		
	$ 23,266,400		

3.L. Pledge of Future Revenues

Sales Tax Pledge: The City has pledged future sales tax revenues to repay $25,175,000 of Series 2016A and 2016B Utility System Revenue Bonds and $11,373,000 of OWRB Note Payable Series 2019. The Series 2019 Note was secured on a parity with the existing bonds with the priority of the liens shared in the collateral on a proportionate, co-equal basis. Proceeds from the bonds and notes provided financing for capital assets and for defeasing and refunding the PWA's 2009A and 2009B Utility System Revenue Bonds, and to pay the costs of issuance for the Series 2016 Bonds and the 2019 Note. The bonds and note are payable from pledged sales tax revenues and further secured by net water, sewer and solid waste revenues. The 2016A and 2016B bonds are payable through 2039 and 2040 respectively. The total principal and interest payable for the remainder of the life of the bonds is $31,899,985. The Series 2019 Note is payable through 2052; the amortization schedule for interest and administrative fees of the Series 2019 Note has not yet been determined. Pledged sales taxes received in the current year were $3,736,050 and net utility revenues were $1,665,088. Debt service payments of $1,611,276 for the bonds and note for the current fiscal year were 43% of the pledged sales taxes and 30% of both pledged sales taxes and net utility revenues combined.

An annual appropriation for the transfer of pledged sales tax is made based on estimated sales tax revenues. Net utility revenues are used first to service the debt for the bonds, with any remaining pledged sales taxes transferred back to the General Fund. The total amount of pledged sales taxes used to service the debt in fiscal year 2020 was $0.

NOTE 4. EMPLOYEE PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

4.A. Pension Plan Obligations

Each qualified employee participates in one of the three retirement plans in which the City participates. These are the Oklahoma Firefighters Pension & Retirement System (FPRS), the Oklahoma Police Pension and Retirement System (OPPRS) and the Oklahoma Municipal Retirement Fund (OkMRF):

Name of Plan/System	Type of Plan
Oklahoma Police Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Firefighters Pension and Retirement Fund	Cost Sharing Multiple Employer – Defined Benefit Plan
Oklahoma Municipal Retirement Fund	Defined Contribution Plan Defined Contribution Plan (CMO)

A summary of all the amounts recorded in the City's financial statements for the Defined Benefit pension plans is as follows:

	Governmental Activities	Business-type Activities	Plan Totals
Net Pension Asset:			
Police	$ 15,700	$ -	$ 15,700
Total	$ 15,700	$ -	$ 15,700
Net Pension Liability:			
Firefighters	$ 1,939,965	$ 1,921,293	$ 3,861,258
Total	$ 1,939,965	$ 1,921,293	$ 3,861,258
Deferred Outflows of Resources:			
Police	$ 298,749	$ -	$ 298,749
Firefighters	768,170	738,461	1,506,631
Total	$ 1,066,919	$ 738,461	$ 1,805,380
Deferred Inflows of Resources:			
Police	$ 84,008	$ -	$ 84,008
Firefighters	502,997	554,264	1,057,261
Total	$ 587,005	$ 554,264	$ 1,141,269
Pension Expense:			
Police	$ 185,784	$ -	$ 185,784
Firefighters	325,306	307,811	633,117
Total	$ 511,090	$ 307,811	$ 818,901

1. Oklahoma Police Pension & Retirement System (OPPRS)
Summary of Significant Accounting Policies

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Police Pension & Retirement System (OPPRS) and additions to/deductions from OPPRS's fiduciary net position have been determined on the same basis as they are reported by OPPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan description – The City of Coweta, as the employer, participates in the Oklahoma Police Pension and Retirement Plan – a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Police Pension and Retirement System (OPPRS). Title 11 of the Oklahoma State Statutes, through the Oklahoma Legislature, grants the authority to establish and amend the benefit terms to the OPPRS. OPPRS issues a publicly available financial report that can be obtained at www.ok.gov/OPPRS.

Benefits provided – OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later.

Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

Monthly benefits for participants due to permanent disability incurred in the line of duty are 2.5% of the participants' final average salary multiplied by 20 years. This disability benefit is reduced by stated percentages for partial disability based on the percentage of impairment. After 10 years of credited service, participants who retire due to disability incurred from any cause are eligible for a monthly benefit based on 2.5% of their final average salary multiplied by the years of service. This disability benefit is also reduced by stated percentages for partial disability based on the percentage of impairment. Effective July 1, 1998, once a disability benefit is granted to a participant, that participant is no longer allowed to apply for an increase in the dollar amount of the benefit at a subsequent date.

Survivor's benefits are payable in full to the participant's beneficiary upon the death of a retired participant. The beneficiary of any active participant killed in the line of duty is entitled to a pension benefit.

Contributions – The contribution requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were $101,403. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of $97,400 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of $97,288. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the City reported an asset of $15,700 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2019. The City's proportion of the net pension asset was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2019. Based upon this information, the City's proportion was 0.24593%.

For the year ended June 30, 2020, the City recognized pension expense of $185,784. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,422	$ 74,128
Changes of assumptions	40,089	-
Net difference between projected and actual earnings on pension plan investments	143,471	-
Changes in proportion	2,507	5,357
City contributions during measurement date	1,857	4,523
City contributions subsequent to the measurement date	101,403	-
Total	$ 298,749	$ 84,008

In the year ending June 30, 2020, $101,403 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2021	$	67,266
2022		(21,784)
2023		21,651
2024		45,501
2025		704
	$	113,338

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.5% to 12.0% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense
Cost-of-living adjustments:	Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
Mortality rates:	Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA. Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA. Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Fixed income	4.79%
Domestic equity	5.74%
International equity	9.19%
Real estate	7.99%
Private equity	10.20%
Commodities	3.50%

The current allocation policy is that approximately 60% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 25% of assets in fixed income to include investment grade bonds, high yield and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

Discount Rate – The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	$ 668,826	$ (15,700)	$ (594,476)

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OPPRS; which can be located at www.ok.gov/OPPRS.

2. Oklahoma Firefighter's Pension and Retirement Fund (FPRS)
Summary of Significant Accounting Policies

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position FPRS and additions to/deductions from FPRS's fiduciary net position have been determined on the same basis as they are reported by FPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Plan description* –** The City of Coweta, as the employer, participates in the Firefighters Pension & Retirement – a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Firefighters Pension & Retirement System (FPRS). Title 11 of the Oklahoma State Statutes grants the authority to establish and amend the benefit terms to the FPRS. FPRS issues a publicly available financial report that can be obtained at www.ok.gov/fprs

***Benefits provided* –** FPRS provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members. The Plan's benefits are established and amended by Oklahoma statute. Retirement provisions are as follows:

Normal Retirement:

- Hired Prior to November 1, 2013
  Normal retirement is attained upon completing 20 years of service. The normal retirement benefit is equal to 50% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. For volunteer firefighters, the monthly pension benefit for normal retirement is $150.60 per month.

- Hired After November 1, 2013
  Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Participants must be age 50 to begin receiving benefits. For volunteer firefighters, the monthly pension benefit for normal retirement is $165.66 per month.

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in-the-line-of-duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not-in-the-line-of-duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 30 months. For volunteer firefighters, the not-in-line-of-duty disability is also limited to only those with less than 20 years of service and is $7.53 per year of service. For volunteer firefighters, the in-line-of-duty pension is $150.60 with less than 20 years of service, or $7.53 per year of service, with a maximum of 30 years.

A $5,000 lump sum death benefit is payable to the qualified spouse or designated recipient upon the participant's death. The $5,000 death benefit does not apply to members electing the vested benefit.

***Contributions* –** The contribution requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were $180,521. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of $431,799 during the calendar year; $216,944 of this amount is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance; the remaining $214,855 has been recognized as revenue in the PWA Statement of Revenues, Expenses and Changes in Net Position. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of $371,632. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the City reported a liability of $3,861,258 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2019. Based upon this information, the City's proportion was 0.3654%.

For the year ended June 30, 2020, the City recognized pension expense of $633,117. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 646,566	$ 78,540
Changes of assumptions	-	99,193
Net difference between projected and actual earnings on pension plan investments	-	279,511
Changes in proportion	659,474	578,996
City contributions during measurement date	20,070	21,022
City contributions subsequent to the measurement date	180,521	-
Total	$ 1,506,631	$ 1,057,262

In the year ending June 30, 2020, $180,521 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2021	$	134,751
2022		5,690
2023		111,896
2024		31,050
2025		(14,539)
	$	268,848

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	3%
Salary increases:	3.5% to 9.0% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense

For 2019, mortality rates were based on:

Active members – Pub-2010 Public Safety Table with generational mortality improvement using MP-2018.

Retired members – Pub-2010 Public Safety Below Median Table with generational mortality improvement using Scale MP-2018.

Disabled members – Pub-2010 Public Safety Disabled Table set forward 2 years

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	20%	4.90%
Domestic equity	47%	7.09%
International equity	15%	9.19%
Real estate	10%	7.99%
Other assets	8%	5.57%

Discount Rate – The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 36% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	$ 4,985,979	$ 3,861,258	$ 2,626,219

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the FPRS, which can be located at www.ok.gov/fprs.

3. Oklahoma Municipal Retirement Fund (OkMRF)

Defined Contributions Plan
The City has provided a defined contribution plan and trust known as the City of Coweta Plan and Trust (the "Plan") in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). OkMRF operations are supervised by a nine-member Board of Trustees elected by the participating municipalities. The plan is administered by JP Morgan Chase of Oklahoma City. The OkMRF Plan issues a separate financial report that may be obtained from OkMRF. The defined contribution plan is available to all full-time employees except those participating in state fire or police program and the City Manager. Employees are eligible 6 months following the employee's employment commencement date. Each employee shall be required to contribute 5% of his or her compensation. The City, as employer, is required to make contributions to the plan, under the government pick-up option, at a rate of 6% of covered payroll. The City's contributions for each employee (and interest allocated to the employee's account) are vested at a rate of 20% after completion of one year of service and then 20% per year for the next four years. The employee is fully vested after 5 years of service. City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting are allocated back to remaining eligible participants. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the City Council and PWA Board. Participants are permitted to make voluntary deductible contributions to the plan. For the year ended June 30, 2020, the following amounts were paid into the defined contribution plan:

Employee contributions made:	$83,334
Employer (City) contributions made:	$95,918

Defined Contributions Plan - CMO

The City has also provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Customized Manager Option Plan (OkMRF-CMO). The defined contribution plan is available to any person who is in the position of City Manager as of January 1, 2010. Employees are eligible on the employee's employment commencement date. The City has elected the variable funding option. The City intends to contribute to the Plan for the benefit of the participants on a monthly basis. The contribution may be varied from year to year by the City. The City's contributions for each employee (and interest allocated to the employee's account) are vested at 100% immediately upon the participation date. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the City Council. The City contributes 14% to the plan and the employee contributes 5% to the plan.

Employee contributions made: $6,182
Employer (City) contributions made: $17,308

OkMRF issues a publicly available financial report that includes financial statements and required supplementary information for the fund. That report may be obtained by writing to:
Oklahoma Municipal Retirement System, 525 Central Park Drive, Oklahoma City, OK 73105
or by calling 888-394-6673.

4.B. Other Post-Employment Benefits (OPEB)

The City does not provide health insurance benefits for retirees and is subject to other post-employment benefits only to the extent that benefits may be provided to former employees under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

NOTE 5. 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's health and life; and natural disasters. The City manages these various risks of loss as follows:

Type of Loss	Method Managed	Risk of Loss Retained
1. General Liability: • Torts • Errors and omissions • Police liability • Vehicles	Purchased commercial insurance through Oklahoma Municipal Assurance Group (OMAG).	None
2. Physical Property: • Theft • Damage to assets • Natural disasters	All physical property is insured through OMAG with a deductible of $1,000 ($500 for vehicles).	None
3. Workers' Compensation: • Employee injures	Participates in the OMAG risk entity pool. Participation fee includes an actuarially determined amount held by OMAG as the loss reserve fund, to pay claims incurred. Claims are administered by the State Insurance Fund.	Specific aggregate stop loss coverage is provided by the State Insurance Fund and covers all claims above the loss reserve fund.

4. Health and Life • Medical and dental	All group coverage is insured through a commercial carrier.	None

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City.

(1) Oklahoma Municipal Assurance Group (OMAG)
Workers' Compensation Plan

The title to all assets acquired by the Plan are vested in the Plan. In the event of termination of the Plan, such property shall belong to the then members of the Plan in equal shares. Each participating city pays for all costs, premiums, or other fees attributable to its respective participation in the Plan, policy or service established under the agreement establishing the Oklahoma Municipal Assurance Group and is responsible for its obligations under any contract entered into with the Plan.

Reserves for policy and contract claims provide for reported claims on a case basis and a provision for incurred but not reported claims limited to specific retention levels for each member as outlined in the Plan's reinsurance agreement.

The Plan's workers' compensation coverage is reinsured for losses in excess of respective retention levels. The reinsurance agreement covers losses incurred within the effective period of the agreement. Each Plan member's liability for claims losses is limited to their individual retention levels as outlined in the Plan's reinsurance agreement.

NOTE 6. CONTINGENT LIABILITIES

Construction Commitments
At June 30, 2020, the City had awarded construction contracts totaling $1,180,108 for the engineering design of upgrades to the wastewater plant, and for the installation of an automatic meter reading (AMR) system. Of this amount, $537,351 was outstanding, with $525,080 to be paid from draws from the OWRB loan, and remaining amount payable from encumbered funds in the PWA.

Grant Program Involvement
In the normal course of operations, the City participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency to ensure compliance with specific provisions of the grant or loan. Any liability or reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

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 accrual 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. This statutory taxing ability is not available to the City's public trusts (Authorities). 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.

Global Pandemic

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. Due to the pandemic, the City took steps to limit non-essential spending, while continuing to provide safe and essential services to residents. The extent of the ultimate impact of the pandemic on the City's operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. The City continues to actively monitor developments and will take steps to respond accordingly to current situations.

NOTE 7. DEBT COVERAGE

There are two net revenue percentage covenants regarding bond debt servicing as per the Bond Indenture dated November 1, 2016 and the Loan Agreement for the Clean Water SRF Loan dated October 1, 2019. The PWA must meet both these requirements to remain in compliance with their agreements. The debt service funding requirement for the fiscal year ending June 30, 2020 was as follows:

	Debt Service Requirements
Annual interest payments - 2016 Series Revenue Bonds	$812,872
Annual principal payments - 2016 Series Revenue Bonds	795,000
Annual interest payments - 2019 Series CWSRF Note	3,404
Annual principal payments - 2019 Series CWSRF Note	-
Total Debt Service Requirements	$ 1,611,276

The first test per the indenture and loan agreement is 125% of net revenues to debt service funding requirements, excluding from net revenues depreciation, non-cash contributions and interest expense on said bonds and notes. The net revenues for this test are revenues from the mortgaged property reduced by actual expenses associated with that revenue. Allocated overhead expenses also reduce revenues. For this test, sales taxes transferred in are added to revenues. The PWA met this covenant for fiscal year 2020 as outlined on the following page:

Utility Operating Revenues	$ 3,863,037
Sales Tax transfers in	3,736,050
Direct Utility Expenses	(1,662,551)
Allocated Overhead (% of Dept. Expenses)	(535,398)
Net Revenues for 125%	$ 5,401,138
Revenues required for 125% coverage of debt service:	$ 2,014,095
Actual Net Revenues	5,401,138
Actual coverage	335%

The second test per the indenture is 75% of revenues based solely on net utility revenue of the PWA, consequently Sales Tax is subtracted from the net revenue number. For this test, sales taxes transferred in are added to revenues. The PWA met this covenant for fiscal year 2020 as outlined below:

Net Revenues (from above)	$	5,401,138
Sales Tax (from above)		(3,736,050)
Net Revenues for 75%	$	1,665,088
Total Debt Service Requirements	$	1,611,276
Actual coverage		103%

Thus, according to the coverage requirement, the PWA has the resources to pay its obligations, but will continue to examine its rate structure to implement strategies to continue to satisfy both tests in the future. A 2.4% increase was implemented in fiscal year 2020, with plans for additional increases in future years based on the Consumer Price Index.

NOTE 8. TAX ABATEMENTS

The City attracts and/or maintains business development through the CIDA, which has the ability to induce developers with a sales tax and/or hotel-motel tax abatement agreement. These incentives stimulate economic growth and are seen as a benefit to all the residents and business owners throughout the City. Some of the factors considered are the jobs created during the development of the project, the permanent jobs that will remain after the completion of the project, the cost of the improvements to the property and the amount of sales tax that is expected to be generated by the business.

For the fiscal year ended June 30, 2020 the CIDA abated hotel-motel tax that would have otherwise been remitted to the City totaling $15,722 under an agreement with one entity for the development of a hotel which generates tax and other revenue to fund government services. The amount abated represents 50% of the hotel-motel taxes generated by the entity.

Due to the confidentiality laws in Oklahoma Statutes, Title 68, Section 1354.11, the amounts of sales taxes rebated will not be disclosed. The City had one active agreement that resulted in sales tax abatements as of June 30, 2020:
Under the terms of a sales tax rebate agreement, a business received rebated sales taxes during fiscal year 2020 for the redevelopment of a restaurant site. The agreement allows for a rebate of 50% of the taxes collected for a period of seven years, not to exceed $250,000. The amount abated in fiscal year 2020 represents 50% of the sales tax generated by the entity in fiscal year 2020

NOTE 9. RECENTLY ISSUED ACCOUNTING STANDARDS

In May of 2020, the GASB issued Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance”, effective immediately to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. Certain Statements that first became effective after June 15, 2018 and later have been postponed by one year up to 18 months depending upon the pronouncement.

GASB Statement No. 87, “Leases” — GASB No. 87 was issued June 2017. The primary objective of this Statement is to increase the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about activities. This Statement is effective for periods beginning after June 15, 2021. The City has not yet determined the impact that implementation of GASB 87 will have on its net position.

GASB Statement No. 90, "Majority Equity Interests" — GASB No. 90, Majority Equity Interests (An amendment of GASB Statement 14 and 61) was issued August 2018 and will be effective for the City beginning with its fiscal year ending June 30, 2021. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Since the City does not currently hold any majority equity interest, management does not currently expect implementation of this statement to impact its financial position.

GASB Statement No. 91, "Conduit Debt Obligations" — The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. At this time, the City does not expect that implementation of this statement will impact its financial position as the City has not issued any conduit debt.

Statement No. 92, "Omnibus 2020" — The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The treatment of insurance recoveries and terminology used to refer to derivative instruments were effective upon issuance and did not impact the City's financial presentation. The remaining requirements of this Statement are effective for reporting periods beginning after June 15, 2020. The impact to the City's financial reporting for these remaining requirements has not been determined.

Statement No. 93, "Replacement of Interbank Offered Rates" — Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged. Because the City is not aware of any agreements in which variable payments depend on an interbank offered rate, no changes to the City's financial presentation is currently anticipated.

Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements" — The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The impact to the City's financial reporting for these remaining requirements has not been determined.

Statement No. 96, "Subscription-Based Information Technology Arrangements" — This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The impact to the City's financial reporting has not been determined.

Statement No. 97, "Certain component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32" — The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. The impact to the City's financial presentation has not been determined.

REQUIRED SUPPLEMENTARY INFORMATION

City of Coweta, Oklahoma
Budgetary Comparison Schedule
General Fund
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance With
	Original Budget	**Final Budget**	**Actual**	**Final Budget Over (Under)**
Beginning Budgetary Fund Balance	$ 2,404,683	$ 2,404,683	$ 3,358,000	$ 953,317
Resources (Inflows)				
TAXES				
Sales Tax	3,736,050	3,736,050	4,274,006	537,956
Use Tax	200,000	200,000	395,718	195,718
Hotel-Motel Tax	28,000	28,000	25,839	(2,161)
Franchise Tax	275,000	275,000	267,578	(7,422)
Total Taxes	4,239,050	4,239,050	4,963,141	724,091
LICENSES & PERMITS				
Building Permits	40,000	40,000	113,918	73,918
Licenses	18,000	18,000	25,805	7,805
Park & Recreation Fee	5,000	5,000	12,368	7,368
Total Licenses & Permits	63,000	63,000	152,091	89,091
CHARGES FOR SERVICES				
Fire Runs	3,500	3,500	(1,415)	(4,915)
Zoning Fees	2,500	2,500	2,048	(452)
Animal Shelter Fees	850	850	2,815	1,965
Copy Fees	750	750	985	235
Special Assessments	1,000	1,000	450	(550)
Abatements	1,000	1,000	4,545	3,545
Special Police Services	20,000	20,000	11,254	(8,746)
Total Charges for Services	29,600	29,600	20,682	(8,918)
INTERGOVERNMENTAL				
Alcohol Beverage Tax	110,000	110,000	147,689	37,689
Cigarette Tax	33,000	33,000	39,668	6,668
Grants	-	10,000	111,950	101,950
Total Intergovernmental	143,000	153,000	299,307	146,307
FINES & FORFEITURES				
Fines and Forfeitures	250,000	250,000	253,008	3,008
Technology Fee	10,000	10,000	14,135	4,135
Total Fines & Forfeitures	260,000	260,000	267,143	7,143
INVESTMENT INCOME				
Interest Earned	12,500	12,500	26,077	13,577
Total Investment Income	12,500	12,500	26,077	13,577
OTHER				
Miscellaneous	1,000	2,650	73,628	70,978
Collection fees	6,000	6,000	5,592	(408)
UBCC Permit Fee	-	-	277	277
Insurance Reimbursements	-	14,371	14,371	-
Sale of Assets	-	-	20	20
Transfers in	4,182,925	4,182,925	4,182,925	-
Total Other	4,189,925	4,205,946	4,276,813	70,867
Total Resources (Inflows)	8,937,075	8,963,096	10,005,254	1,042,158
Amounts Available for Appropriation	11,341,758	11,367,779	13,363,254	1,995,475

City of Coweta, Oklahoma
Budgetary Comparison Schedule
General Fund
FOR THE YEAR ENDED JUNE 30, 2020

Charges to Appropriations (outflows)	Budgeted Amounts			Variance With
	Original Budget	Final Budget	Actual	Final Budget Over (Under)
GENERAL GOVERNMENT				
CITY COUNCIL				
Personal services	18,035	18,035	17,769	(266)
Materials and supplies	500	500	50	(450)
Other services and charges	1,000	1,000	441	(559)
Total City Council	19,535	19,535	18,260	(1,275)
CITY MANAGER				
Personal services	214,877	199,777	151,740	(48,037)
Materials and supplies	15,600	13,550	3,361	(10,189)
Other services and charges	17,720	18,770	15,293	(3,477)
Capital Outlay	-	-	-	-
Total City Manager	248,197	232,097	170,394	(61,703)
FINANCE				
Personal services	107,781	107,781	95,977	(11,804)
Materials and supplies	11,400	12,100	9,953	(2,147)
Other services and charges	5,300	22,650	13,724	(8,926)
Capital Outlay	-	-	-	-
Total Finance	124,481	142,531	119,654	(22,877)
CITY ATTORNEY				
Personal services	14,000	14,000	7,141	(6,859)
Personal services	-	-	-	-
Total City Attorney	14,000	14,000	7,141	(6,859)
COMMUNITY DEVELOPMENT:				
Personal services	336,729	336,729	289,781	(46,948)
Materials and supplies	17,700	18,400	8,695	(9,705)
Other services and charges	21,010	21,410	21,125	(285)
Capital Outlay	1,100	-	-	-
Total Community Development	376,539	376,539	319,601	(56,938)
NON-DEPARTMENTAL:				
Materials and supplies	-	11,700	10,147	(1,553)
Other services and charges	581,102	516,602	367,379	(149,223)
Capital Outlay	-	35,500	34,680	(820)
Total Non-Departmental	581,102	563,802	412,206	(151,596)

(continued)

City of Coweta, Oklahoma
Budgetary Comparison Schedule
General Fund
FOR THE YEAR ENDED JUNE 30, 2020

Charges to Appropriations (outflows) *(continued)*	Budgeted Amounts			Variance With
	Original Budget	Final Budget	Actual	Final Budget Over (Under)
PUBLIC SAFETY AND JUDICIARY				
MUNICIPAL COURT				
Personal services	107,677	107,777	103,764	(4,013)
Materials and supplies	3,000	3,200	2,295	(905)
Other services and charges	22,230	22,030	11,260	(10,770)
Capital Outlay	-	-	-	-
Total Municipal Court	132,907	133,007	117,319	(15,688)
POLICE:				
Personal services	1,552,729	1,536,529	1,469,763	(66,766)
Materials and supplies	89,300	106,137	94,009	(12,128)
Other services and charges	62,350	76,850	68,061	(8,789)
Capital Outlay	2,500	13,300	13,225	(75)
Total Police	1,706,879	1,732,816	1,645,058	(87,758)
ANIMAL CONTROL				
Personal services	44,642	59,642	52,292	(7,350)
Materials and supplies	8,800	13,800	10,263	(3,537)
Other services and charges	15,775	11,275	4,701	(6,574)
Capital Outlay	-	-	-	-
Total Animal Control	69,217	84,717	67,256	(17,461)
FIRE:				
Personal services	873,963	873,963	865,056	(8,907)
Materials and supplies	56,200	68,034	44,444	(23,590)
Other services and charges	74,000	67,150	55,743	(11,407)
Capital Outlay	-	-	-	-
Total Fire	1,004,163	1,009,147	965,243	(43,904)
CIVIL DEFENSE				
Materials and supplies	2,000	2,000	316	(1,684)
Other services and charges	2,300	6,400	6,369	(31)
Capital Outlay	-	-	-	-
Total Civil Defense	4,300	8,400	6,685	(1,715)
PUBLIC WORKS				
CEMETERY:				
Personal services	72,654	76,924	76,327	(597)
Materials and supplies	11,500	13,500	11,102	(2,398)
Other services and charges	8,300	2,030	1,553	(477)
Capital Outlay	-	-	-	-
Total Cemetery	92,454	92,454	88,982	(3,472)
STREETS:				
Personal services	267,301	261,301	179,032	(82,269)
Materials and supplies	66,600	40,100	33,372	(6,728)
Other services and charges	24,550	57,050	42,730	(14,320)
Capital Outlay	-	-	-	-
Total Streets	358,451	358,451	255,134	(103,317)

(continued)

City of Coweta, Oklahoma
Budgetary Comparison Schedule
General Fund
FOR THE YEAR ENDED JUNE 30, 2020

Charges to Appropriations (outflows) *(continued)*	**Budgeted Amounts** Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
CULTURAL, PARKS AND RECREATION				
LIBRARY				
Personal services	198,282	198,282	144,445	(53,837)
Materials and supplies	9,100	25,300	24,102	(1,198)
Other services and charges	58,260	64,060	42,474	(21,586)
Capital Outlay	20,000	6,658	-	(6,658)
Total Library	285,642	294,300	211,021	(83,279)
PARKS				
Personal services	88,958	88,958	78,368	(10,590)
Materials and supplies	20,500	20,700	13,690	(7,010)
Other services and charges	25,200	25,000	17,525	(7,475)
Capital Outlay	-	-	-	-
Total Parks	134,658	134,658	109,583	(25,075)
ARTS & HUMANITIES				
Materials and supplies	-	-	-	-
Other services and charges	500	500	-	(500)
Total Arts & Humanities	500	500	-	(500)
OTHER FINANCING USES				
Transfers out	3,784,050	3,822,250	3,819,203	(3,047)
Total Other Financing Uses	3,784,050	3,822,250	3,819,203	(3,047)
Total Charges to Appropriations	8,937,075	9,019,204	8,332,740	(686,464)
Ending Budgetary Fund Balance	$ 2,404,683	$ 2,348,575	$ 5,030,514	$ 2,681,939
Ending Unobligated Budgetary Fund Balance			$ 5,030,514	

Reconciliation to Statement of Revenues, expenditures and changes in Fund Balance:

Total Resources per Budgetary Comparison Schedule	$ 10,005,254
State payments made on-behalf of police and fire pension not considered a budgetary resource	314,344
Less Transfer in	(4,182,925)
Total Revenues per Statement of Revenues, Expenditures and Changes in Fund Balance	$ 6,136,673
Total Charges to Appropriations per Budgetary Comparison Schedule	$ 8,332,740
State payments made on-behalf of police and fire pensions	314,344
Less Transfer out	(3,819,203)
Total Expenditures per Statement of Revenues, Expenditures and Changes in Fund Balance	$ 4,827,881

BUDGETARY INFORMATION

The City prepares its annual operating budget under the provisions of the Municipal Budget Act of 1979 (the "Budget Act"). In accordance with those provisions, the following process is followed to adopt the annual budget:

1. Prior to July 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing July 1.
2. Public hearings are held at regular or special meetings to obtain taxpayer input. At least one public hearing must be held no later than 15 days prior to July 1.
3. Subsequent to the public hearings, but no later than seven days prior to July 1, the budget is adopted by resolution of the City Council.
4. The adopted budget is filed with the Office of the State Auditor and Inspector.

All funds of the City with revenues and expenditures are required to have annual budgets. The legal level of control at which expenditures may not legally exceed appropriations is the department level within a fund.

All supplemental appropriations require City Council approval. The City Manager may transfer appropriations between departments without City Council approval. Supplemental appropriations must also be filed with the Office of State Auditor and Inspector.

The annual operating budgets are prepared and presented on a non-GAAP budgetary basis of accounting. This basis records revenues when available and measurable. Encumbrances are recorded when purchase orders are issued but generally are not considered expenditures until liabilities for payments are incurred pursuant to the purchase order.

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SCHEDULE OF THE CITY OF COWETA'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020
City's proportion of the net pension liability (asset)	0.2404%	0.2398%	0.2330%	0.2522%	0.2327%	0.2459%
City's proportionate share of the net pension liability (asset)	$ (80,942)	$ 9,780	$ 356,874	$ 19,399	$ (110,853)	$ (15,700)
City's covered-employee payroll	$ 700,714	$ 677,963	$ 687,230	$ 777,572	$ 664,431	$ 801,400
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-11.55%	1.44%	51.93%	2.49%	-16.68%	-1.96%
Plan fiduciary net position as a percentage of the total pension liability (asset)	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%

* Only six fiscal years are presented because 10-year date is not yet available

Notes to Schedule:
The amounts present for each fiscal year were determined as of 6/30

SCHEDULE OF THE CITY OF COWETA'S CONTRIBUTIONS

OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020
Statutorially required contribution	$ 88,135	$ 89,340	$ 101,084	$ 86,376	$ 104,182	$ 101,403
Contributions in relation to the statutorially required contribution	88,135	89,340	101,084	86,376	104,182	101,403
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 677,963	$ 687,230	$ 777,572	$ 664,431	$ 801,400	$ 780,023
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

* Only six fiscal years are presented because 10-year date is not yet available

Notes to Schedule:
The amounts present for each fiscal year were determined as of 6/30

SCHEDULE OF THE CITY OF COWETA'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020
City's proportion of the net pension liability	0.3483%	0.3555%	0.3404%	0.3794%	0.3670%	0.3654%
City's proportionate share of the net pension liability	$ 3,581,961	$ 3,773,288	$ 4,158,431	$ 4,771,623	$ 4,131,329	$ 3,861,258
City's covered-employee payroll	$ 953,022	$ 967,448	$ 950,302	$ 967,672	$ 1,089,014	$ 1,130,300
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	376%	390%	438%	493%	379%	342%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%	72.85%

* Only six fiscal years are presented because 10-year date is not yet available

Notes to Schedule:
The amounts present for each fiscal year were determined as of 6/30

SCHEDULE OF THE CITY OF COWETA'S CONTRIBUTIONS

OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020
Statutorially required contribution	$ 135,443	$ 133,174	$ 135,470	$ 152,462	$ 158,242	$ 180,521
Contributions in relation to the statutorially required contribution	135,443	133,174	135,470	152,462	158,242	180,521
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 967,448	$ 950,302	$ 967,672	$ 1,089,014	$ 1,130,300	$ 1,289,436
Contributions as a percentage of covered-employee payroll	14.00%	14.01%	14.00%	14.00%	14.00%	14.00%

Notes to Schedule:

Only six fiscal years are presented because 10-year date is not yet available
The

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information (OSI) includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Combining Statements – Nonmajor governmental funds
- Budgetary Comparison Schedule - Major governmental funds (Capital Improvement Fund)
- Schedule of Federal Awards
- Fiscal Year 2020 Operating Report

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CITY OF COWETA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2019

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS	DEBT SERVICE	Total Non-Major Governmental Funds
	Street & Alley	Cemetery	Library	Self Insurance	E-911	Rural Firefighters	CDBG Fund	Sinking Fund	
Assets									
Cash and cash equivalents	$ -	$ -	$ -	$ 63,987	$ -	$ 153,043	$ 258,409	$ -	$ 475,439
Investments	-	-	-	62,200	-	-	-	-	62,200
Due from other funds	-	-	-	4,500	-	-	-	-	4,500
Due from other governments	9,150	-	1,300	-	12,350	131,267	-	-	154,067
Accounts receivable, net	-	3,700	-	-	-	3,389	-	-	7,089
Restricted assets:									
Cash and cash equivalents	327,684	371,060	40,513	-	162,719	-	-	-	901,976
Total assets	$ 336,834	$ 374,760	$ 41,813	$ 130,687	$ 175,069	$ 287,699	$ 258,409	$ -	$ 1,605,271
Liabilities and Fund Balances:									
Liabilities									
Accounts Payable	$ 2,257	$ 150	$ 191	$ 1,210	$ -	$ -	$ -	$ -	$ 3,808
Total liabilities	2,257	150	191	1,210	-	-	-	-	3,808
Fund balances									
Assigned	-	-	-	129,477	-	156,432	258,409		544,318
Restricted	334,577	374,610	41,622	-	175,069	131,267	-	-	1,057,145
Total fund balances	334,577	374,610	41,622	129,477	175,069	287,699	258,409	-	1,601,463
Total liabilities and fund balance	$ 336,834	$ 374,760	$ 41,813	$ 130,687	$ 175,069	$ 287,699	$ 258,409	$ -	$ 1,605,271

CITY OF COWETA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS						CAPITAL PROJECTS	DEBT SERVICE	Total
	Street & Alley	Cemetery	Library	Self Insurance	E-911	Rural Firefighters	CDBG Fund	Sinking Fund	Non-Major Governmental Funds
Revenues									
Charges for services	$ -	$ 96,950	$ 3,956	$ -	$ -	$ 134,670	$ -	$ -	$ 235,576
Intergovernmental	88,197	-	13,830	-	102,574	121,421	-	-	326,022
Interest income	315	175	20	768	75	86	262	1	1,702
Miscellaneous	-	-	2,911	4,715	-	1,630	-	-	9,256
Total Revenues	88,512	97,125	20,717	5,483	102,649	257,807	262	1	572,556
Expenditures									
General government	-	-	-	14,802	-	-	6,513	-	21,315
Public safety	-	-	-	-	60,339	118,019	-	-	178,358
Highways and roads	71,844	700	-	-	-	-	-	-	72,544
Cultural and recreational	-	-	12,586	-	-	-	-	-	12,586
Debt Service							-	-	-
Principal	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	21,895	-	-	-	21,895
Total expenditures	71,844	700	12,586	14,802	82,234	118,019	6,513	-	306,698
Excess (deficiency) of revenues over expenditures	16,668	96,425	8,131	(9,319)	20,415	139,788	(6,251)	1	265,858
Other financing sources (uses):									-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(56,875)	-	-	-	(126,800)	-	(8,365)	(192,040)
Total other financing sources (uses)	-	(56,875)	-	-	-	(126,800)	-	(8,365)	(192,040)
Net change in fund balances	16,668	39,550	8,131	(9,319)	20,415	12,988	(6,251)	(8,364)	73,818
									-
Fund balances - beginning of year	317,909	335,060	33,491	138,796	154,654	274,711	264,660	8,364	1,527,645
Fund balance - end of year	$ 334,577	$ 374,610	$ 41,622	$ 129,477	$ 175,069	$ 287,699	$ 258,409	$ -	$ 1,601,463

City of Coweta, Oklahoma
Budgetary Comparison Schedule
Major Governmental Fund (Capital Improvement Fund)
FOR THE YEAR ENDED JUNE 30, 2020

	CAPITAL IMPROVEMENT FUND			
	Budgeted Amounts			Variance With
	Original	Final	Actual Amounts	Final Budget Over (Under)
Revenues				
Gross Receipts Tax	$ 1,850,000	$ 1,850,000	$ 1,358,765	$ (491,235)
Grants	191,617	191,617	4,912	(186,705)
Interest income	10,000	10,000	18,114	8,114
Total Revenues	2,051,617	2,051,617	1,381,791	(669,826)
Expenditures				
Police	88,224	88,224	80,760	(7,464)
Community Development	90,000	90,000	75,000	(15,000)
Cemetery	34,000	34,000	33,564	(436)
Parks	453,000	453,000	4,587	(448,413)
Streets	396,000	398,200	119,352	(278,848)
Library	-	135,000	104,027	(30,973)
Water	156,000	111,013	110,170	(843)
Wastewater	45,000	89,987	89,974	(13)
Solid Waste	190,502	190,502	187,502	(3,000)
General Government	-	154,133	154,133	-
Capital outlay	1,452,726	1,744,059	959,069	(784,990)
Total expenditures	1,452,726	1,744,059	959,069	(784,990)
Excess of revenues over (under) expenditures	598,891	307,558	422,722	115,164
Other financing sources (uses):				
Operating transfers out	(1,400,000)	(2,017,000)	(1,400,000)	617,000
Total other financing sources (uses)	(1,400,000)	(2,017,000)	(1,400,000)	617,000
Net change in fund balances	(801,109)	(1,709,442)	(977,278)	732,164
Fund balances - beginning of year	5,545,202	5,115,137	5,654,749	539,612
Fund balance - end of year	$ 4,744,093	$ 3,405,695	$ 4,677,471	$ 1,271,776

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City of Coweta, Oklahoma
Schedule of Federal Awards
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Entity Identifying Number	Program or Award Amount	Revenue Collected	Federal Expenditures
Institute of Museum and Library Services Passed through Oklahoma Department of Libraries:					
Library Services and Technology Act (LSTA) Grant - Health Literacy	45.310	F19-035	$ (2,551)	$ (2,551)	$ (2,551)
Total Institute of Museum and Library Services			(2,551)	(2,551)	(2,551)
U. S. Department of Housing and Urban Development Passed through Oklahoma Department of Comerce:					
Community Development Block Grant - Non-entitlement	14.228	172960 18	(169,950)	-	-
Total U. S. Department of Housing and Urban Development			(169,950)	-	-
U. S. Department of Justice:					
Bulletproof Vest Partnership Program	16.607	2018	6,617	4,912	4,912
Total U.S. Department of Justice			6,617	4,912	4,912
U. S. Department of Homeland Security Federal Emergency Management Agency Passed through Oklahoma Department of Emergency Management:					
Disaster Grants - Public Assistance	97.036	4438-DR-OK	69,915	62,308	62,308
Total U.S. Department of Homeland Security			69,915	62,308	62,308
Total of Expenditures of Federal Awards			$ (95,969)	$ 64,669	$ 64,669

Note 1. Basis of Presentation
This schedule includes the federal grant activity of the City of Coweta, Oklahoma under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Because the schedule presents only a selected portion of the operations of the City of Coweta, Oklahoma, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Coweta, Oklahoma.

Note 2. Summary of Significant Accounting Policies
Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting which may be different from other information contained in the City's financial statements.

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EXHIBIT E
ECONOMIC AND SYSTEM INFORMATION

The City of Coweta (the "City") is located at the intersection of US62/SH 72 and SH 51. The nearest interstate highway is I-44, approximately 18 miles to the north. Coweta has a Council-Manager type of government. There is a comprehensive city plan, subdivision regulations, and a zoning code. The City provides garbage service, fire protection, law enforcement services, emergency medical services, water and wastewater treatment and library services.

Coweta has 23 full-time fire/EMS personnel, 4 part-time volunteer fire/EMS personnel and 16 full-time police officers. The City's fire insurance has a 5 classification while the adjacent area has an 8B classification.

Utility services are provided primarily by the following carriers:

Electric – Public Service Company of Oklahoma (AEP/PSO)
Natural Gas – Oklahoma Natural Gas Company (ONG)
Telephone – Windstream and Cox

The nearest commercial airport is 18 miles from Coweta in Tulsa, Oklahoma. This airport is a full-service field with three runways, the longest having a total runway length of 10,000 feet. There are at least 5 major commercial airlines operating out of the Tulsa International Airport with several airfreight companies operating there.

The nearest water transportation is the Port of Catoosa. It is 18 miles from Coweta and has a channel depth of 9 feet. It is connected via the Arkansas River to the Mississippi River and the Gulf of Mexico.

Rail service is available from Union Pacific Railroad, which operates two local trains daily. Coweta has 3,732 dwelling units. The largest banquet room in Coweta seats 250. There are 24 Protestant churches, one Catholic Church, and one Jehovah Witness in the area. Coweta has one weekly newspaper. There are sixteen television stations with additional HD television channels and cable availability.

POPULATION

Year	City of Coweta	Wagoner County
1970	2,457	22,163
1980	4,554	41,801
1990	6,159	47,883
2000	7,554	57,491
2010	9,943	73,085
2020 (est)	10,032	81,289

BUILDING PERMITS

Year	New Residential	New Commercial	Commercial Remodel	All other Permits
2000	49			
2001	70			
2002	105			
2003	87			
2004	141	5	0	182
2005	135	4	0	191
2006	144	2	1	250
2007	100	6	4	248
2008	34	4	3	240
2009	45	5	4	200
2010	15	1	4	207
2011	15	2	3	175
2012	15	2	8	183
2013	25	3	3	338
2014	30	4	6	300
2015	42	3	4	347
2016	39	4	6	347
2017	89	6	7	495
2018	32	4	5	301
2019	81	2	12	484
2020*	97	4	6	322

*From January 1, 2020 to December 4, 2020

MAJOR EMPLOYERS

Employer	Product/Service	Number of Employees
Coweta Public Schools	Education Services	442
Wal-Mart	Retail Store	250
Koweta Indian Health Facility	Health Care	112
City of Coweta	Government Services	112
Coweta Manor	Nursing Home	85
Country Mart	Retail Grocery	50
Calpine Power Plant	Power Generator	28
Sun Manufacturing	Metal Stamping	19
QuikTrip	Gasoline Station	27
Casey’s General Store	Gasoline Station	12

SALES TAX COLLECTIONS

Fiscal Year Ending June 30	Sales Tax Collections	Rate of Taxation
2000	$1,280,076	3%
2001	$1,446,714	3%
2002	$1,564,980	3%
2003	$1,475,322	3%
2004	$1,425,668	3%
2005	$1,590,202	3%
2006	$1,759,340	3%
2007	$1,878,909	3%
2008	$2,188,385	3%
2009	$1,960,457	3%
2010	$2,520,893	3%
2011	$2,690,019	3%
2012	$2,768,921	3%
2013	$2,925,122	3%
2014	$3,095,281	3%
2015	$3,376,708	3%
2016	$3,585,119	3%
2017	$3,581,177	3%
2018	$3,642,134	3%
2019	$3,801,593	3%
2020	$4,153,127	3%
2021*	$2,379,724	3%

*6 months collections

EDUCATION

Coweta has 8 primary and secondary schools with approximately 3,236 students and approximately 230 teachers.

Type	Grades	Facilities	Enrollment	Teachers
Public	Pre-K-3	3	1,058	80
Public	4-6	2	721	53
Public	7-8	1	491	34
Public	9	1	259	20
Public	10-12	1	707	43
Total		8	3,236	230

Coweta is near several fine institutions of higher education. The University of Tulsa, Oral Roberts University, Tulsa Community College, OU/OSU-Tulsa, Bacone College, Rogers State College, and Northeastern State University are all within 45 miles of the community. The Tulsa Technology Center and Indian Capital Technology Center also provide support. There is a public library in Coweta with 25,977 volumes.

NET ASSESSED VALUATION

Fiscal Year	Amount
2000	$15,482,085
2001	17,035,062
2002	18,474,813
2003	62,576,676
2004	68,791,793
2005	71,159,415
2006	72,964,265
2007	65,204,042
2008	60,800,952
2009	65,169,845
2010	73,551,888
2011	74,484,331
2012	75,633,180
2013	83,374,898
2014	80,141,148
2015	83,498,447
2016	81,267,614
2017	85,199,028
2018	86,315,223
2019	89,390,034
2020	108,115,651

UTILITY CONNECTIONS

Year	Water Connections	Sewer Connections	Garbage
2000	2,606	2,447	2,634
2001	2,620	2,496	2,649
2002	2,683	2,563	2,693
2003	2,760	2,680	2,793
2004	2,857	2,794	2,901
2005	2,953	2,921	3,033
2006	3,095	3,065	3,175
2007	3,146	3,133	3,260
2008	3,188	3,186	3,310
2009	3,198	3,195	3,323
2015	3,328	3,438	3,396
2016	3,373	3,335	3,450
2017	3,137	3,381	3,455
2018	3,188	3,483	3,557
2019	3,243	3,542	3,618
2020	3,236	3,590	3,736

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and City Council
City of Coweta, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Coweta, Oklahoma ("City"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of finding and management response, that we consider to be a material weakness. [2020-01].

Compliance and Other Matters

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

City of Coweta's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying schedule of finding and response. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

8905 South Yale Avenue, Suite 102
Tulsa, OK, 74137
Members of the AICPA and OSCPA
539-664-4662
anne.elfrink@CPA.com
Government Accounting and Auditing

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Elfrink and Associates, PLLC

Elfrink and Associates, PLLC

Tulsa, Oklahoma
December 22, 2020

CITY OF COWETA, OKLAHOMA

FISCAL YEAR ENDED JUNE 30, 2020

SCHEDULE OF FINDING AND RESPONSE

This schedule is presented as an addendum to accompany the "*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".* Consideration of items listed should be made in conjunction with that report.

2019-01 – Internal Controls over Financial Reporting

CONDITION: During the current year management discovered capital assets that were not depreciated in prior years after construction was completed. In addition, Infrastructure donated by a developer was not recognized in fiscal year 2019 when received. Furthermore, assets belonging to Wagoner County that were purchased with Rural Fire Sales Tax funds were included in the City's capital assets in error. As a result, depreciation expense and net positions were misstated in fiscal year 2019 for governmental activities, business-type activities, and the Coweta Public Works Authority fund. Additionally, deferred outflows and deferred inflows related to pensions were improperly classified between governmental activities and business-type activities, resulting in a misstatement of net position between governmental activities and business-type activities, although the overall position of the City was essentially unaffected by this misstatement.

CRITERIA: In accordance with Generally Accepted Auditing Standards (GAAS), the organization should have adequate design and implementation of controls over the preparation of the financial statements being audited such that the financial statements are fairly presented in conformity with generally accepted accounting principles.

EFFECT: Capital assets, net of depreciation, were overstated by $772,246 for governmental activities and understated by $653,945 for the business-type activities and Coweta Public Works Authority fund. Deferred items related to pensions were misstated by $1,2016,057 (net increase in deferred outflows/decrease in deferred inflows) for governmental activities and by $1,252,925 (net increase in deferred inflows/decrease in deferred outflows) for business-type activities. Net position was understated by $1,978,303 for governmental activities and overstated by $1,906,870 for business-type activities and the Coweta Public Works Authority fund.

RECOMMENDATION: We recommend that management consider policies and procedures to ensure that accounting standards are followed.

RESPONSE: Management agrees with the finding and recognizes the importance of adequate design and implementation controls to ensure that the financial statements are being accurately presented. In July 2020, we implemented new procedures to ensure developer contributions are correctly captured and recorded. In addition, management will closely review all capital asset purchases to confirm that they are properly reported by the correct entity. Management relies upon the assistance of outside experts in the complex area of pension accounting. The multi-fund nature of the City's operations involving one of those pensions exasperates the complexity of those calculations. We intend to obtain further training in this area to allow for better control over the accuracy of information provided by outside sources.

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CITY OF
Coweta

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CITY OF
Coweta
POST OFFICE BOX 850 • COWETA, OKLAHOMA 74429 • PH. (918) 486-2189 • FAX (918) 486-5366 • www.cityofcoweta-ok.gov

Memorandum

To: Honorable Mayor and City Council

From: Julie Casteen, Assistant City Manager

Re: FY21 Audit Engagement Letter

Date: January 4, 2021

BACKGROUND

Title 11, Section 17-105 of the Oklahoma State Statutes requires a full and complete annual audit of the City's financial statements to be conducted by an independent auditor. The objective of the audit is for the auditor to express an opinion on whether the City's financial statements are fairly presented and whether they conform to generally accepted accounting principles and standards.

During the audit, the auditor will examine items such as customer accounts, revenues received, cash disbursements, check reconciliations, debt reconciliations, pledged collateral, general ledger entries, and capital asset inventory.

Attached for your review is an Audit Engagement letter from Elfrink and Associates to conduct the annual Financial and Compliance Audit for the Fiscal Year Ending June 30, 2021. Elfrink and Associates just completed our FY20 audit, and we are extremely pleased with their performance and efficiency.

The fee for the audit service is $20,100, plus an additional $2,500 for a Single Audit. A Single Audit is required if we are granted federal funding of $750,000 or more during fiscal year 2021. At this time, it is expected that we will meet this threshold. The cost of the audit is split between the City and the Public Works Authority.

The Audit Engagement letter is a standard letter that is required to properly engage the audit firm for the annual financial and compliance audit of the City's financial statements.

STAFF RECOMMENDATION:

Staff recommends that Council accept the letter and direct the Mayor to sign on behalf of the City government and authorize the City Manager to sign the letter on behalf of Management.

ATTACHMENTS:

FY21 Audit Engagement Letter

December 22, 2020

To the Honorable Mayor and Members of the City Council
PO Box 850
Coweta, OK 74429

We are pleased to confirm our understanding of the services we are to provide the City of Coweta ("City"), Oklahoma for the year ended June 30, 2021. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the City as of and for the year ended June 30, 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's 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. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will 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. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Pension schedules
3) Budgetary Comparison Schedule – General Fund

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our 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, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1) Schedule of expenditures of federal awards (if applicable)
2) Combining schedules

We will also prepare the Annual Survey of City and Town Finances (SAI 2643) for the year ended June 30, 2021 in a form prescribed by the Oklahoma State Auditor and Inspector. The preparation is limited to presenting in the prescribed form information that is representative of the City's management. We will not audit or review the SAI 2643 and, accordingly, will not express an opinion or any other form of assurance on it.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Council of the City of Coweta, Oklahoma. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We may be requested to assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on July 1, 2020.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, if a single audit has been performed, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Elfrink and Associates, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Oklahoma State Auditor or its designee, a federal agency providing direct or indirect funding, or the

U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Elfrink and Associates, PLLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by Oklahoma State Auditor and Inspector. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately July 1, 2021 and to issue our reports no later than December 31, 2021. Anne Elfrink is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $20,100 plus an additional $2,500 if a single audit is required (an additional $1,000 for each major program more than one). If requested to prepare the City's financial statements for publication, our fee for this non-audit service will not exceed an additional $5,000, which includes printing twenty copies. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Elfrink and Associates, PLLC

Elfrink and Associates, PLLC

RESPONSE:

This letter correctly sets forth the understanding of the City of Coweta, Oklahoma.

Management signature: ______________________

Title: ______________________

Date: ______________________

Governance signature: ______________________

Title: ______________________

Date: ______________________

CITY OF Coweta
POST OFFICE BOX 850 • COWETA, OKLAHOMA 74429 • PH. (918) 486-2189 • FAX (918) 486-5366 • www.cityofcoweta-ok.gov

Memorandum

To:	Honorable Mayor and City Council
From:	Carolyn Back, Community Development Director
Re:	CZ 20-14 Rezone
Location:	421 E Sycamore St
Zoning:	General Commercial (CG)
Date:	12-21-2020

BACKGROUND

Owner is applying to rezone property from General Commercial (CG) to Residential Single-Family (RS-3) for the construction of a single family residence on the property. The property is located at 421 East Sycamore Street, in Section 18, Township 17 North, Range 16 East, more particularly described as follows:

Property Legal Description: Lots 23, 24, 25, and 26, Block 47, Less that part of Lots 25 and 26 described as; Beginning at the Northeast corner of Lot 26, Thence West 30 feet, Thence South 40 feet, Thence East 30 feet, Thence North 40 feet to the Point of Beginning, New Coweta, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

A rezoning request must determine whether the proposed land use, if implemented, would be compatible with the surrounding area in the manner contemplated by the Comprehensive Plan. Staff finds this rezone request not to be in accordance with the current City of Coweta Comprehensive Plan Proposed Land Use and City Limits 2020, 2025, and 2030 maps. Should the City Council approve this rezone request, a revision to the current 2020, 2025, and 2030 Maps will be required, from Commercial Medium to Residential Medium.

The property is currently bounded to the north and west by mostly unoccupied CG zoned property, vacant AG zoned property to the east, and RS-3 zoned property to the south.

STAFF RECOMMENDATION

The City Council may approve, approve with conditions, or deny the rezone request. Staff recommends approval with the recommendation to bring forth amendments to the comprehensive plan maps at a future Council meeting.

ATTACHMENTS

1. Aerial View Map 2. Zoning Map

CITY OF COWETA, OKLAHOMA

ORDINANCE NUMBER 842

AN ORDINANCE OF THE CITY OF COWETA, OKLAHOMA REZONING A TRACT OF LAND LOCATED IN SECTION 18, TOWNSHIP 17 NORTH, RANGE 16 EAST OF THE INDIAN BASE AND MERIDIAN, CITY OF COWETA, OKLAHOMA, FROM GENERAL COMMERCIAL (CG) CLASSIFICATION TO RESIDENTIAL SINGLE-FAMILY (RS-3) CLASSIFICATION, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF COWETA, OKLAHOMA, PROVIDING FOR REPEALER, SEVERABILITY, AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COWETA, OKLAHOMA, THAT, TO-WIT:

SECTION ONE (1): ZONING CLASSIFICATION
The following described property is hereby rezoned from General Commercial (CG) classification to Residential Single-Family (RS-3)**:**

TRACT 1: LOTS 23, 24, 25, AND 26, BLOCK 47, LESS THAT PART OF LOTS 25 AND 26 DESCRIBED AS; BEGINNING AT THE NORTHEAST CORNER OF LOT 26, THENCE WEST 30 FEET, THENCE SOUTH 40 FEET, THENCE EAST 30 FEET, THENCE NORTH 40 FEET TO THE POINT OF BEGINNING, NEW COWETA, WAGONER COUNTY, STATE OF OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF.

SECTION TWO (2): ZONING MAP
The Official Zoning Map of the City of Coweta, Oklahoma be and hereby is amended to reflect the actions taken in Section One.

SECTION THREE (3): REPEALER
All ordinances or parts of ordinances, in conflict with this ordinance are hereby repealed to the extent of the conflict only.

SECTION FOUR (4): SEVERABILITY
If any part or parts of this ordinance are deemed unconstitutional, invalid, or ineffective, the remaining portions shall not be affected but shall remain in full force and effect.

SECTION FIVE (5): DECLARING AN EMERGENCY
That for the immediate preservation of the peace, health and safety of the City of Coweta, Oklahoma, and for the inhabitants thereof, an emergency is hereby declared to exist by reason whereof this ordinance shall become operative and go into effect immediately upon its passage and approval.

Approved by the City Council of the City of Coweta, Oklahoma, with the Emergency Clause voted upon and approved separately, on the 4th day of January 2021.

____

Evette Young, Mayor

ATTEST:

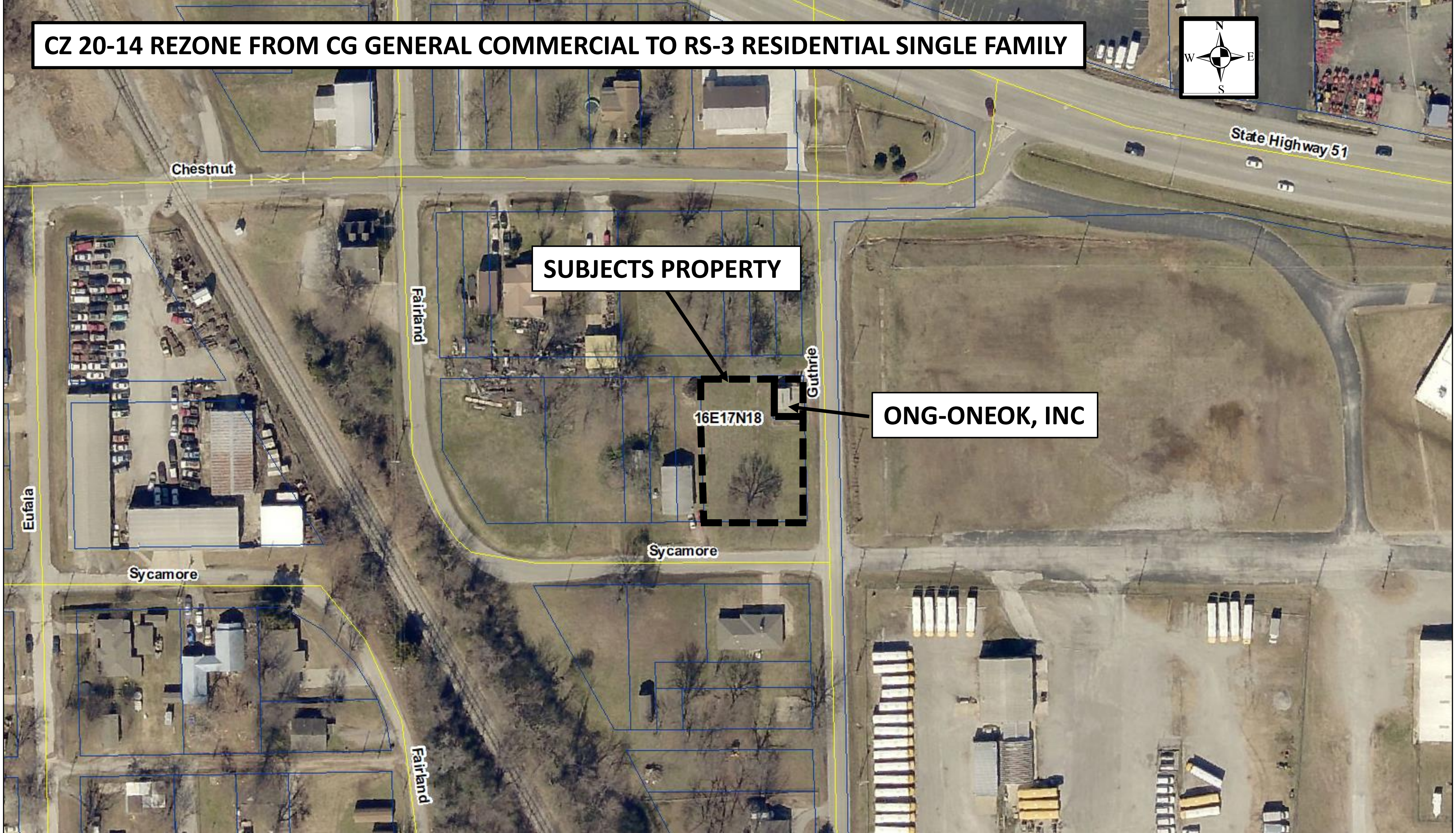
____

Julie Casteen, City Clerk

APPROVED AS TO FORM AND LEGALITY:

____

Ronald D. Cates, City Attorney


CZ 20-14 REZONE FROM CG GENERAL COMMERCIAL TO RS-3 RESIDENTIAL SINGLE FAMILY
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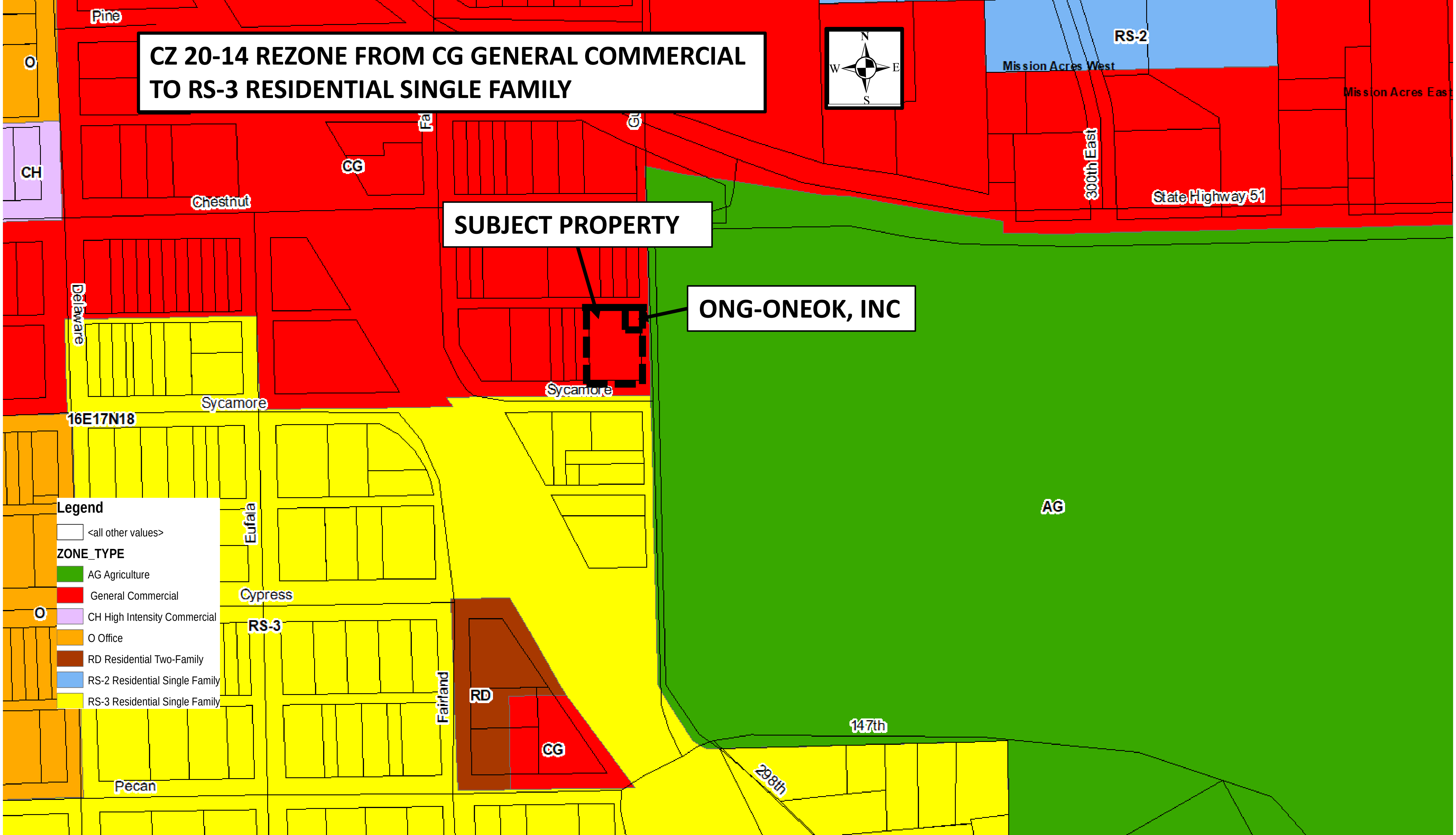
SUBJECTS PROPERTY
Fairland
Guthrie
16E17N18
ONG-ONEOK, INC
Eufala
Sycamore
Sycamore
Fairland


CZ 20-14 REZONE FROM CG GENERAL COMMERCIAL
TO RS-3 RESIDENTIAL SINGLE FAMILY
SUBJECT PROPERTY
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Pine
Chestnut
Sycamore
Cypress
Pecan
Delaware
Eufala
Fairland
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298th
300th East
State Highway 51
Mission Acres West
Mission Acres East
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CH
CG
RS-2
RS-3
RD
AG
Legend
<all other values>
ZONE_TYPE
AG Agriculture
General Commercial
CH High Intensity Commercial
O Office
RD Residential Two-Family
RS-2 Residential Single Family
RS-3 Residential Single Family

CITY OF
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Memorandum

To:	Planning Commission
From:	Carolyn Back, Community Development Director
Location:	25705 East State Highway 51
Zoning:	Commercial General (CG) and Residential Multi-Family (RM-1)
Re:	Case Number: CZ 20-13 for PUD-C 20-03
Date:	12-21-2020

BACKGROUND

The applicant, Boatmen Holdings, LLC, is seeking a Planned Unit Development ("PUD") PUD-C 20-03. The property is approximately .78 acres +/- in Coweta, Oklahoma located in Section 26, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma. The current zoning for the property is Commercial General (CG).

The applicant has submitted a PUD (PUD-C 20-03) application for Midway Boxyard, located on the northeast corner of South 257th East Avenue and East State Highway 51 in Coweta, Oklahoma. The Planned Unit Development proposes the zoning of Commercial General (CG) and RM-1 Multi-Family Residential Mixed-Use, that will allow for both uses to operate on the same property.

The overall site is approximately .78 acres and will be developed in phases, with storage containers that will be used for the Commercial Mixed-Use Development. The Exterior of the storage boxes will be painted in matte blue on all visible faces both front and back including sides that face streets.

The purpose of this Planned Unit Development document is to provide appropriate Development Standards for the overall mix of uses to ensure compatibility within the PUD and surrounding properties.

The land use categories within this PUD are commercial and multi-family residential with a maximum of two (2) multi-family units allowed. All development will go through a site plan submittal and review process with City staff.

Staff finds this request to be in accordance with and meets the objectives of the PUD, City of Coweta Comprehensive Plan, and the Proposed Land Use 2020-2030 Map.

STAFF RECOMMENDATION

Staff recommends adoption of Ordinance 843, creating Planned Unit Development ("PUD") PUD-C 20-03.

ATTACHMENTS

1. PUD-C 20-03 2. Aerial View Map 3. Zoning Map

CITY OF COWETA, OKLAHOMA

ORDINANCE NUMBER 843

AN ORDINANCE OF THE CITY OF COWETA, OKLAHOMA CREATING A PLANNED UNIT DEVELOPMENT OVERLAY (PUD-C 20-03) FOR A TRACT OF LAND LOCATED IN THE CITY OF COWETA, WAGONER COUNTY, OKLAHOMA, AS MORE PARTICULARLY HEREINAFTER DESCRIBED, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF COWETA, PROVIDING FOR REPEALER, SEVERABILITY, AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COWETA, OKLAHOMA, THAT, TO-WIT:

SECTION ONE (1): ZONING CLASSIFICATION
The following described property is hereby rezoned from General Commercial (CG) to Planned Unit Development designation:

<u>Legal Description Overall (PUD Development Area)</u>

Beginning at a point 1520.81 feet South of NW corner of Section 26, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State Of Oklahoma, According To The U.S. Government Survey Thereof; Thence N 89°55’10” E 212.97 feet to a point; Thence S 0°04’50” E 118.00 feet to a point; Thence S 21°46’10” W 90.46 feet to a point; Thence N 61°02’20” W 205.25 feet to a point; Thence due North 102.32 feet to the Point of Beginning.

SECTION TWO (2): ZONING MAP
The Official Zoning Map of the City of Coweta be hereby amended to reflect the actions taken in Section One.

SECTION THREE (3): REPEALER
All ordinances or parts of ordinances, in conflict with this ordinance are hereby repealed to the extent of the conflict only.

SECTION FOUR (4): SEVERABILITY
If any part or parts of this ordinance are deemed unconstitutional, invalid, or ineffective, the remaining portions shall not be affected but shall remain in full force and effect.

SECTION FIVE (5): DECLARING AN EMERGENCY
That for the immediate preservation of the peace, health and safety of the City of Coweta, Oklahoma, and for the inhabitants thereof, an emergency is hereby declared to exist by reason whereof this ordinance shall become operative and go into effect immediately upon its passage and approval.

Approved by the City Council of the City of Coweta, Oklahoma, with the Emergency Clause voted upon and approved separately, on the 4th day of January 2021.

____

Evette Young, Mayor

ATTEST:

____
Julie Casteen, City Clerk

APPROVED AS TO FORM AND LEGALITY:

____

Ronald D. Cates, City Attorney

Planned Unit Development
for
Midway Boxyard

PUD-C 20-03

Coweta, Oklahoma in Wagoner County
December 21, 2020

Prepared by:
Stephen Garcille
8165 E. 31st St.
Tulsa, OK 74145

Prepared for:
Boatmen Holdings
8833 S. 264th E. Ave.
Broken Arrow, OK 74014

TABLE OF CONTENTS

SECTION 1: GENERAL INFORMATION

1.1 INTRODUCTION

The Midway Boxyard is located on the northeast corner of State Highway 51 and South 257th East Avenue in Coweta, Oklahoma.

The overall site is approximately .78 acres and will be developed in phases. The purpose of this Planned Unit Development (PUD) document is to provide appropriate Development Standards for the overall mix of uses to ensure compatibility within the PUD and with surrounding properties.

The land use categories within this PUD are commercial and multi-family. All commercial development will comply with the City of Coweta Zoning Ordinance and
will go through a site plan submittal and review process with City staff.

1.2 OWNER/DEVELOPER INFORMATION

Boatmen Holdings
8165 E. 31st St.
Tulsa, OK 74145
918.938.1931

1.3 SITE AND SURROUNDING AREA

The property is currently an undeveloped site. The overall site is bordered by the following uses and/or streets:

North – Land with Single-Family Mobile Home
Zoning: Coweta - RS-1

East – Land with Single-Family Home and a Commercial Shop
Zoning: Coweta – RS-1

South –State Highway 51 and New Home Free Will Baptist Church
Zoning: Coweta – RS-1

West – South 257th East Ave
Zoning: Coweta – RS-1

Being located on the corner of State Highway 51 and South 257th Ease Ave (Midway Road), there are several commercial uses, or properties that were used for commercial businesses, ranging from hair salon to outdoor recreational vehicle (RV) storage and repair along with other auto oriented businesses to include: used auto sales and auto repair.

SECTION 2: PHYSICAL CHARACTERISTICS

The entire site is undeveloped, and the western edge is constrained by a RWD #4 water easement and Midway Rd (E 257th). The southern edge of the site is bounded by HWY 51 and the eastern edge of the site is bounded by the approximately one-acre tract with a house and commercial use shop. The northern portion of the site is constrained by the approximately one-acre tract with the mobile home.

SECTION 3: DEVELOPMENT CONCEPT
The intent of this PUD is to create a regulatory document which acknowledges the mix of uses as depicted on the overall Site Plan.

These allowed uses within this PUD are derived from the current City of Coweta Zoning Ordinance and are defined as follows:
Commercial

The City of Coweta Zoning Ordinance currently defines the Commercial General (CG) Zoning District as follows: *This district is intended to accommodate a variety of general commercial and nonresidential uses characterized primarily by retail, office, and service establishments and oriented primarily to major traffic arteries or extensive areas of predominantly commercial usage and characteristics. Certain related structures and uses are permitted outright or are permissible as a special exception subject to the restrictions and requirements intended to best fulfill the intent of this ordinance.*

The development standards for this PUD are located in Section 5: Development Standards.

3.1 EXISTING SITE
Legal Description Overall (PUD Development Area)

Beginning at a point 1520.81 feet South of NW corner of Section 26, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State Of Oklahoma, According To The U.S. Government Survey Thereof; Thence N 89°55’10” E 212.97 feet to a point; Thence S 0°04’50” E 118.00 feet to a point; Thence S 21°46’10” W 90.46 feet to a point; Thence N 61°02’20” W 205.25 feet to a point; Thence due North 102.32 feet to the Point of Beginning.

The overall site is approximately .78 acres

3.2 PROPOSED SITE
The proposed commercial development will comply with the City of Coweta Zoning Code for the CG (Commercial General) District, and Residential unless otherwise specified within this PUD. All development will go through a building permitting process.

SECTION 4: UTILITIES AND INFRASTRUCTURE
4.1 VEHICULAR AND PEDESTRIAN ACCESS
Commercial access will be off of both State Highway 51 and Midway Rd (257th). Access will be limited to passenger vehicles and box trucks and prohibit use by semi-truck traffic.

4.2 SANITARY SEWER

Sanitary sewer is not available to this parcel at current time.
There is an aerobic septic tank on the NE corner of the property that will serve the needs of the commercial as well as any future residential.

4.3 WATER

There is an 18” Rural Water District #4 water line on the west side of the property that is in an easement. There is a water meter on the southeast corner of the property that will service the retail as well as future residential. The development will tap and connect to the aforementioned public lines.

4.4 GAS, ELECTRIC, AND TELEPHONE SERVICE

Proper coordination with the various utility companies will be made in conjunction with this development. All necessary easements to serve the buildings shall be provided as required.

4.5 STORMWATER DRAINAGE

The previous square footage of buildings on the property was approximately 7200. The proposed total square footage of buildings will be approximately 5900. There is a ditch on the western edge of the property along Midway Rd. that will not be changed as part of this project.

4.6 REFUSE AND RECYCLING

Refuse services will be provided by the City of Coweta. Recycling will be handled through the MET.

SECTION 5: DEVELOPMENT STANDARDS

The property shall be developed in accordance with the City of Coweta Zoning Ordinance for the Multi-family and Commercial Development Areas and the use and development regulations of this PUD, except as noted herein:

5.1 PERMITTED USES:

Current and/or future, Multi-Family (RM-1), and Commercial General (CG) uses of the property shall be allowed, except as noted in Section 5.2 below.

Up to two (2) upper level apartments are allowed within this PUD. Building Permits and Tenant Improvements shall be submitted for review and approval by City staff at time of permitting.

On-site container self-storage is an allowed business within this PUD. The self-storage use should decrease as the commercial tenant retail use demand increases. Building Permits and Tenant Improvements shall be submitted for review and approval by City staff at time of permitting.

5.2 NON-PERMITTED USES:
The Non-Permitted uses shall be per the City of Coweta Zoning Ordinance for the RM-1 and CG zoning districts.

5.3 BULK AND AREA REQUIREMENTS
Please refer to the City of Coweta Zoning Ordinance for the Residential Multi-Family (RM-1) and Commercial General (CG) Bulk and Area Requirements, unless specified below:

Maximum Building Height – 35 ft (Not exceed two and a half (2.5) stories)
Front Building Setback - 20 ft
Side and Rear Yard Setbacks - 0 ft

5.4 ARCHITECTURAL REGULATIONS
Exterior Finishes of storage boxes with be painted in matching matte blue on all visible faces that are in the public view.

Please reference:
Section 6: Conceptual Site Plan and 3D Building Elevations – Exhibit A

5.5 SITE PLAN
A conceptual site plan is being submitted with this PUD.
Commercial Site Plans, Building Permits, and Tenant Improvements shall be submitted for review and approval by City staff at time of permitting.

5.6 LANDSCAPING AND SCREENING REGULATIONS
A landscaping plan shall be submitted to the City of Coweta for review and approval by City staff at time of permitting.

The approved landscaping shall be provided per the approved plans and maintained in accordance with the approved plans.

.

Please reference:
Section 6: Conceptual Site Plan and 3D Building Elevations – Exhibit A

5.7 LIGHTING REGULATIONS
The site lighting utilized in this PUD shall be shielded and directed away from any adjacent properties in existence at the adoption of the PUD. To accomplish this, lights shall utilize shields, shades, or other appropriate methods of directing light beams. The site lighting in this PUD shall be in accordance with City of Coweta Zoning Code.

5.8 DUMPSTER REGULATIONS
Dumpster shall be located between 2 containers on the Southeast side of the development and be shielded in the rear by a fence that matches the containers and close in the front to maintain a uniform look between containers.

5.9 STREET AND ACCESS REGULATIONS

Commercial access will be off of Hwy 51 and Midway Rd.
All access points shall be submitted for review and approval by City staff at time of permitting.

5.10 PARKING REGULATIONS

There will be 6 parking spaces for each of the 2 commercial tenants with one shared handicapped parking space with room for a wheelchair lift. There will be open parking in front of storage containers as well. The future apartments will have one dedicated parking space per unit.

5.11 SIGNAGE

All signage must go through a sign permit application review and approval process with the City of Coweta and meet current zoning code requirements unless otherwise specified below.

Commercial Development Identification Signage Allowed

> One (1) painted sign, name of the development, solid block letters, approximately 6' tall and 35' in length totaling approximately 210 square feet is allowed on container facing State Highway 51.
>
> One (1) painted sign, name of the development, solid block letters, approximately 6' tall and 35' in length totaling approximately 210 square feet is allowed on container facing Midway Road (South 257th East Ave).
>
> These signs will be lit from the ground up and the light beams will be shielded from view by passing automobiles and light fixtures will be shielded from sight by landscaping.

Tenant Identification Signage Allowed

> One (1) sign per tenant space, 16 square feet maximum. These signs will be situated above the doors on each retail tenant space and shall only be visible from the interior parking lot.

Tenant Kiosk Monument Sign Allowed

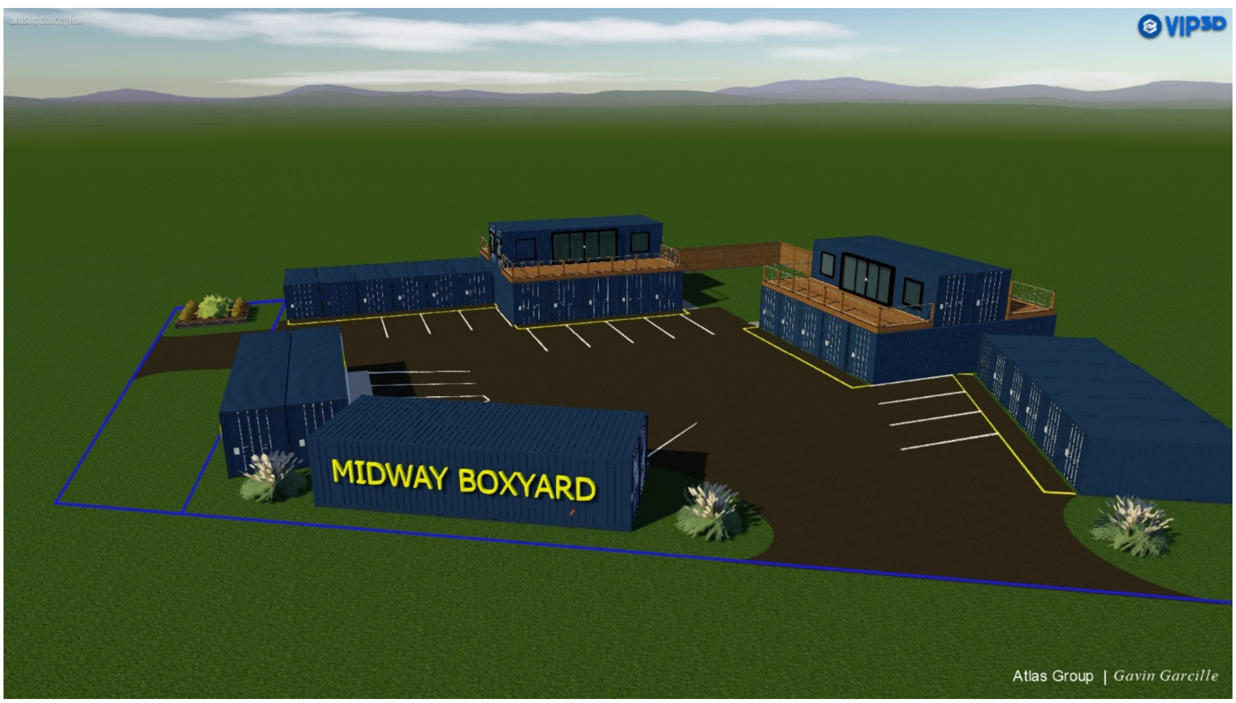
> One (1) tenant kiosk monument sign may be allowed; however, the sign must meet current zoning setback and height requirements within the current City of Coweta zoning code.

SECTION 6: EXHIBITS

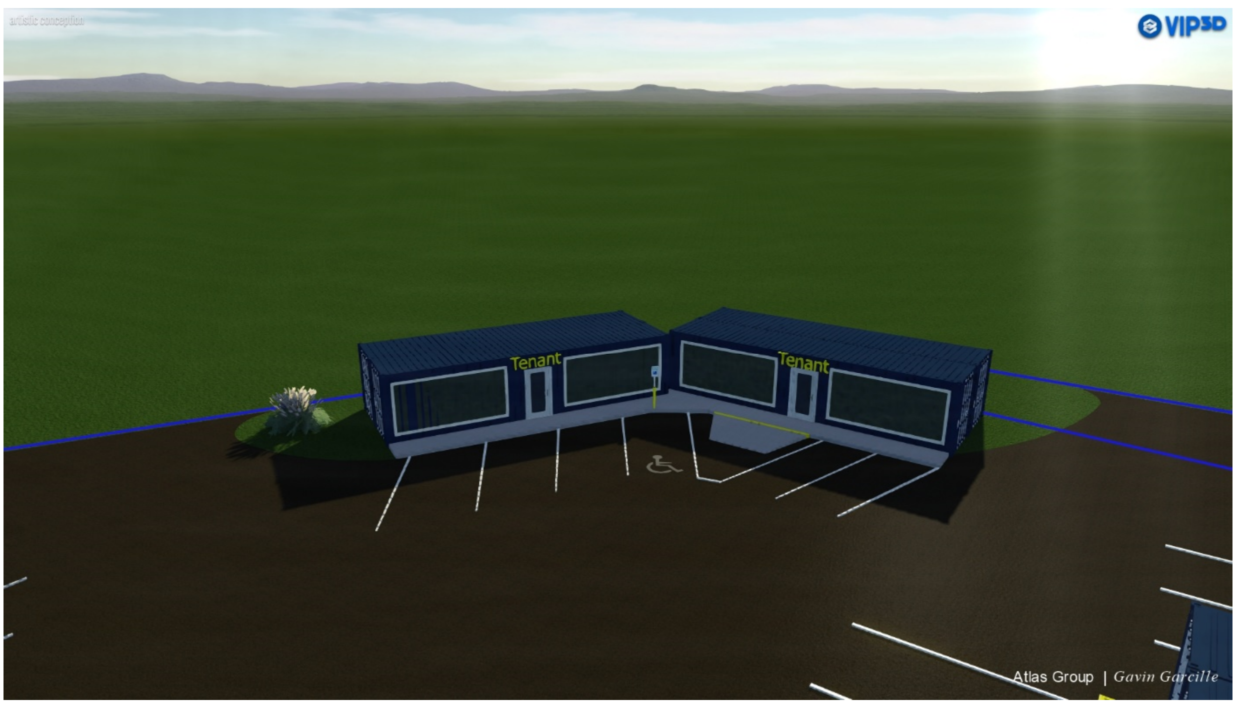
(Please refer to following pages for exhibits.)

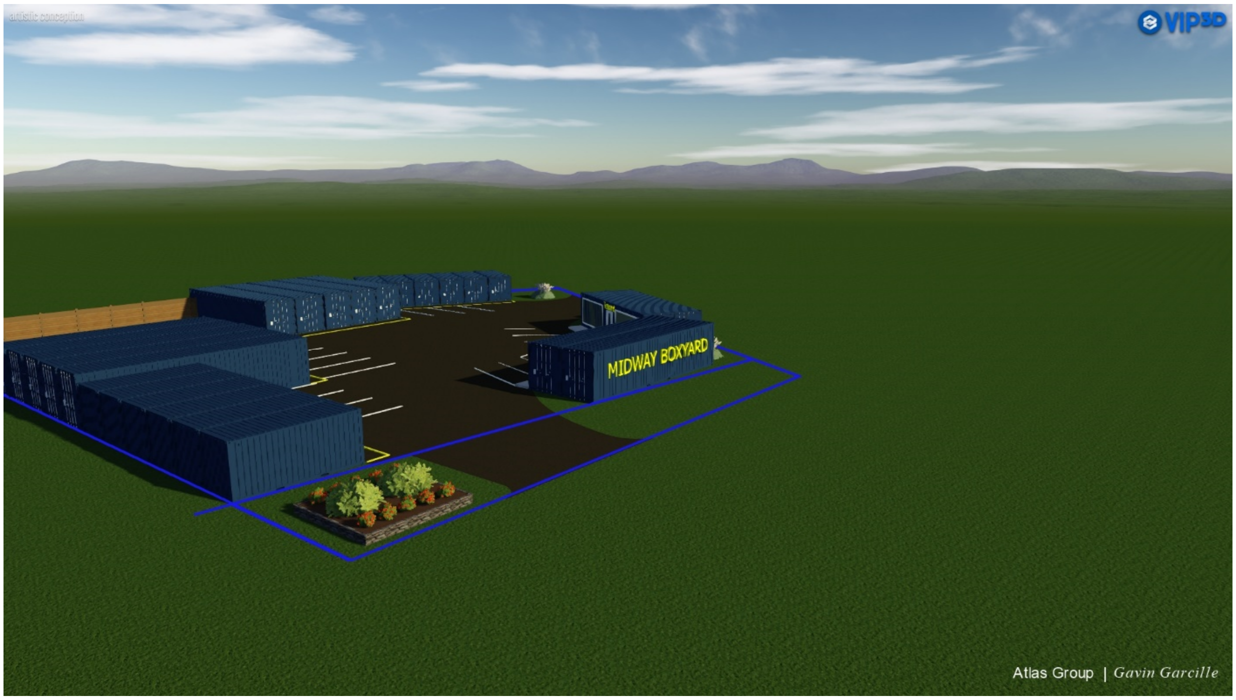
EXHIBIT A

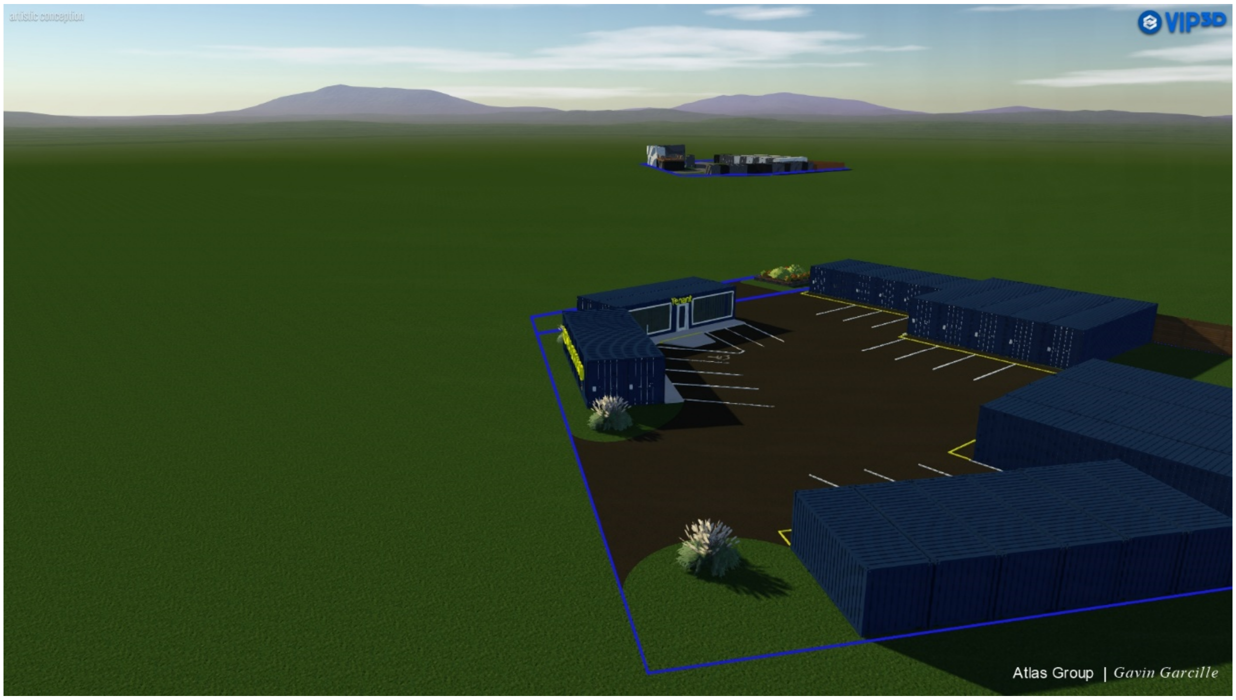
CONCEPTUAL SITE PLAN
CONCEPTUAL SITE SIGNAGE
CONCEPTUAL LANDSCAPING
CONCEPTUAL PARKING LAYOUT
CONCEPTUAL 3D BUILDING ELEVATIONS

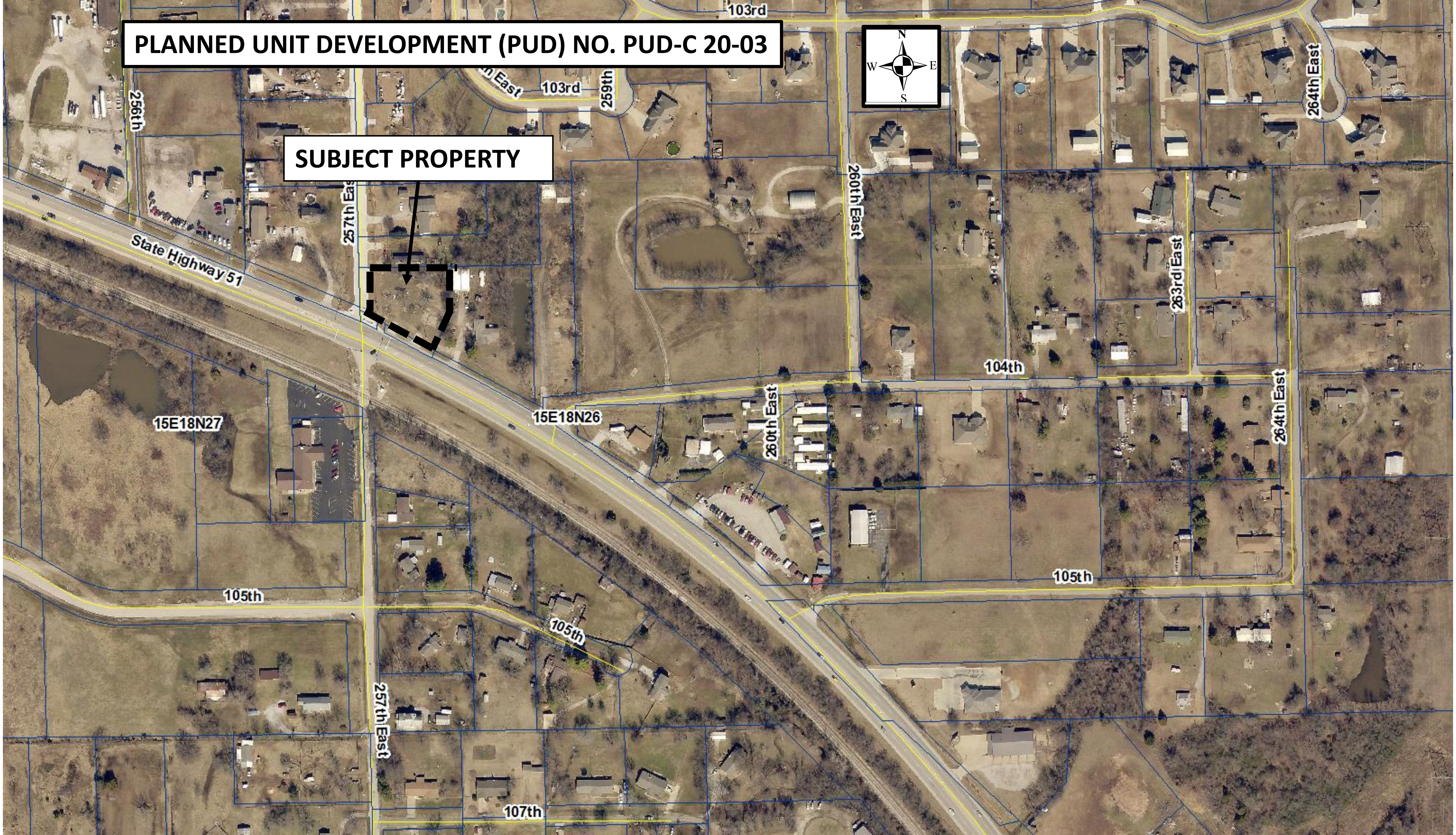



artistic conception
VIP3D
Atlas Group | Gavin Garcille

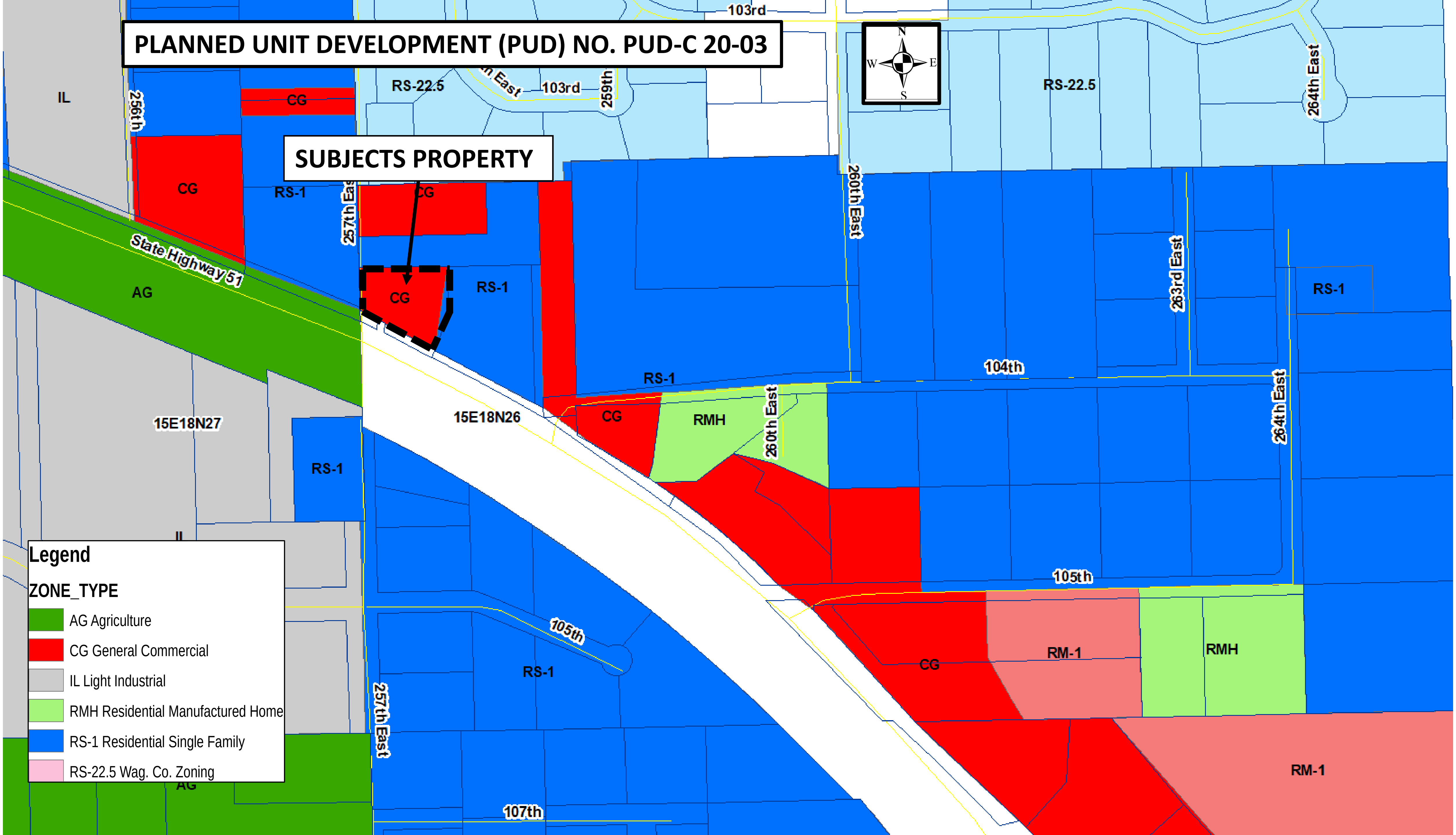

artistic conception
VIP3D
Tenant
Tenant
Atlas Group | Gavin Garcille


artistic conception
VIP3D
MIDWAY BOXYARD
Atlas Group | Gavin Garcille


artistic conception
VIP3D
Atlas Group | Gavin Garcille



PLANNED UNIT DEVELOPMENT (PUD) NO. PUD-C 20-03
SUBJECT PROPERTY
N
W
E
S
103rd
103rd
256th
257th East
259th
260th East
263rd East
264th East
State Highway 51
15E18N27
15E18N26
104th
260th East
264th East
105th
105th
105th
257th East
107th


PLANNED UNIT DEVELOPMENT (PUD) NO. PUD-C 20-03
SUBJECTS PROPERTY
N
S
E
W
103rd
RS-22.5
103rd
259th
RS-22.5
264th East
IL
256th
CG
CG
RS-1
257th East
CG
State Highway 51
AG
CG
RS-1
260th East
263rd East
RS-1
104th
RS-1
CG
RMH
260th East
264th East
15E18N27
15E18N26
RS-1
105th
105th
RS-1
RM-1
RMH
CG
257th East
RM-1
107th
AG
Legend
ZONE_TYPE
AG Agriculture
CG General Commercial
IL Light Industrial
RMH Residential Manufactured Home
RS-1 Residential Single Family
RS-22.5 Wag. Co. Zoning

CITY OF
Coweta
POST OFFICE BOX 850 ⬩ COWETA, OKLAHOMA 74429 ⬩ PH. (918) 486-2189 ⬩ FAX (918) 486-5366 ⬩ www.cityofcoweta-ok.gov

Memorandum

To: Honorable Mayor and City Council

From: Julie Casteen, Assistant City Manager

Re: Council Elections

Date: January 4, 2021

BACKGROUND

City Councilmember terms for Wards 3 and 4 and Councilmember At-Large will expire in April 2021. Per 26 O.S. § 13-102, the governing body is required to submit a resolution not fewer than fifteen days before the filing period of any regular municipal election to the secretary of the county election board. The filing period for the April 6, 2021 election begins Monday, February 1, 2021 at 8:00 a.m., and closes on Wednesday, February 3 at 5:00 p.m.

Furthermore, per 11 O.S. § 16-101, the governing body shall give notice of a general municipal election by publishing the resolution calling for the election in a newspaper of general circulation in the municipality at least ten days before the beginning of the filing period.

STAFF RECOMMENDATION:

Staff recommends approval of Resolution 2021-01.

ATTACHMENTS:

Resolution 2021-01

CITY OF COWETA, OKLAHOMA
RESOLUTION 2021-01
NOTICE OF ELECTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COWETA, OKLAHOMA, ESTABLISHING A DATE FOR THE ELECTION OF OFFICERS, ESTABLISHING A FILING PERIOD, ESTABLISHING A TERM OF OFFICE, AND ESTABLISHING QUALIFICATIONS.

BE IT RESOLVED by the governing body of the City of Coweta, Oklahoma, that for the purpose of electing officers of said City of Coweta Oklahoma that:

A nonpartisan general election, if needed, shall be held on April 6, 2021.

BE IT FURTHER RESOLVED that the filing period for electing officers of the City of Coweta, Oklahoma shall begin at 8:00 a.m. on Monday, February 1, 2021 and close at 5:00 p.m. on Wednesday, February 3, 2021.

BE IT FURTHER RESOLVED that the officers of the City of Coweta, Oklahoma to be elected are nominated by ward.

BE IT FURTHER RESOLVED that the following officers will be elected for four-year terms:

OFFICE	TERM EXPIRES
Councilmember Ward 3	2025
Councilmember Ward 4	2025
Councilmember At-Large	2025

BE IT FURTHER RESOLVED that each candidate must be a qualified elector by virtue of being a resident and registered voter within the municipality, or in the ward if an office is from a ward, for at least six (6) months prior to filing a declaration of candidacy.

BE IT FURTHER RESOLVED that absentee ballots will be provided in accordance with Oklahoma State Law.

BE IT FURTHER RESOLVED that Wagoner County Precinct No. 311 is authorized to be closed since no eligible Coweta municipal voters reside within that precinct.

Adopted this 4th day of January, 2021.

____
Evette Young, Mayor

Attest:

Approved as to form:

____
Julie Casteen, City Clerk

____
Ronald D. Cates, City Attorney