

**GARVIN COUNTY, OKLAHOMA
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2004**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

September 12, 2005

TO THE CITIZENS OF
GARVIN COUNTY, OKLAHOMA

Transmitted herewith is the audit of Garvin County, Oklahoma, for the fiscal year ended June 30, 2004. A report of this type is critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the County.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our audit.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the state to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

JEFF A. McMAHAN
State Auditor and Inspector

**GARVIN COUNTY, OKLAHOMA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004**

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**GARVIN COUNTY, OKLAHOMA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004**

STATISTICAL SECTION (Unaudited)

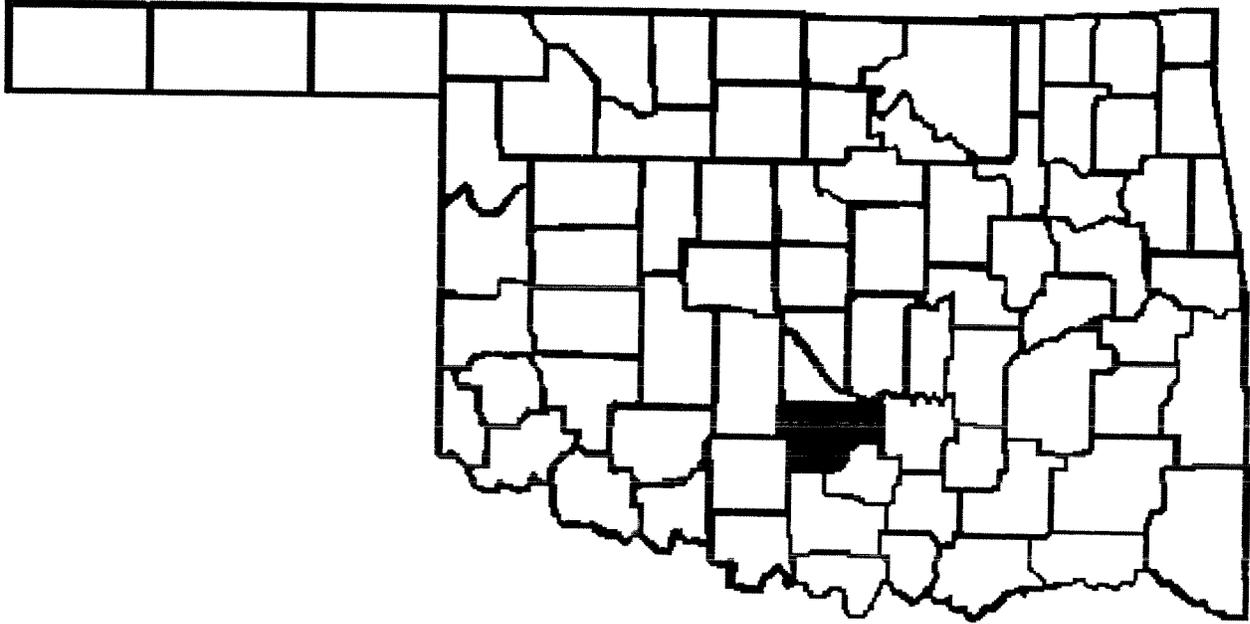
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REPORT TO THE CITIZENS
OF
GARVIN COUNTY, OKLAHOMA



Named for Samuel Garvin, a prominent Chickasaw Indian, Garvin County was once a part of the Chickasaw Nation, Indian Territory.

Pauls Valley, the county seat, was named for Smith Paul, the first white settler in this part of the Washita River Valley. In 1847 he described the area as “a section where the bottom land was rich and the blue stem grass grew so high that a man on horseback was almost hidden in its foliage.”

Annual events include the Pauls Valley Junior Livestock Show in March, the first weekend in May is Brick Fest and the Jackpot Pig Sale in May, Heritage Days and Rodeo in June, Fourth of July Celebration, and the Christmas Parade of Lights in December.

For additional county information, call the county clerk’s office at 405/238/3308 or the Chamber of Commerce at 405/238/6491.

County Seat – Pauls Valley

Area – 809.2 Square Miles

County Population – 27,210 (2000 est.)

Farms – 1,380

Land in Farms – 448,693 Acres

Primary Source: Oklahoma Almanac 2003-2004

See independent auditor’s report.

**GARVIN COUNTY OFFICIALS
AND RESPONSIBILITIES**

COUNTY ASSESSOR

Evelyn Bradley
(D) Stratford

The County Assessor has the responsibility to appraise and assess the real and personal property within the county for the purpose of ad valorem taxation. Also, the County Assessor is required to compute the ad valorem taxes due on all taxable property. The County Assessor appraises all the taxable real and personal property according to its fair cash value for which the property is actually being used as of January 1 of the taxable year at the percentages provided for in Article 10, § 8 of the Oklahoma Constitution.

The County Assessor is required to build and maintain permanent records of the taxable real property and tax exempt real property within the county. Information entered on each record includes the property's legal description, owner's name and address, and the homestead exemption status of the owner.

COUNTY CLERK

Gina Mann
(D) Stratford

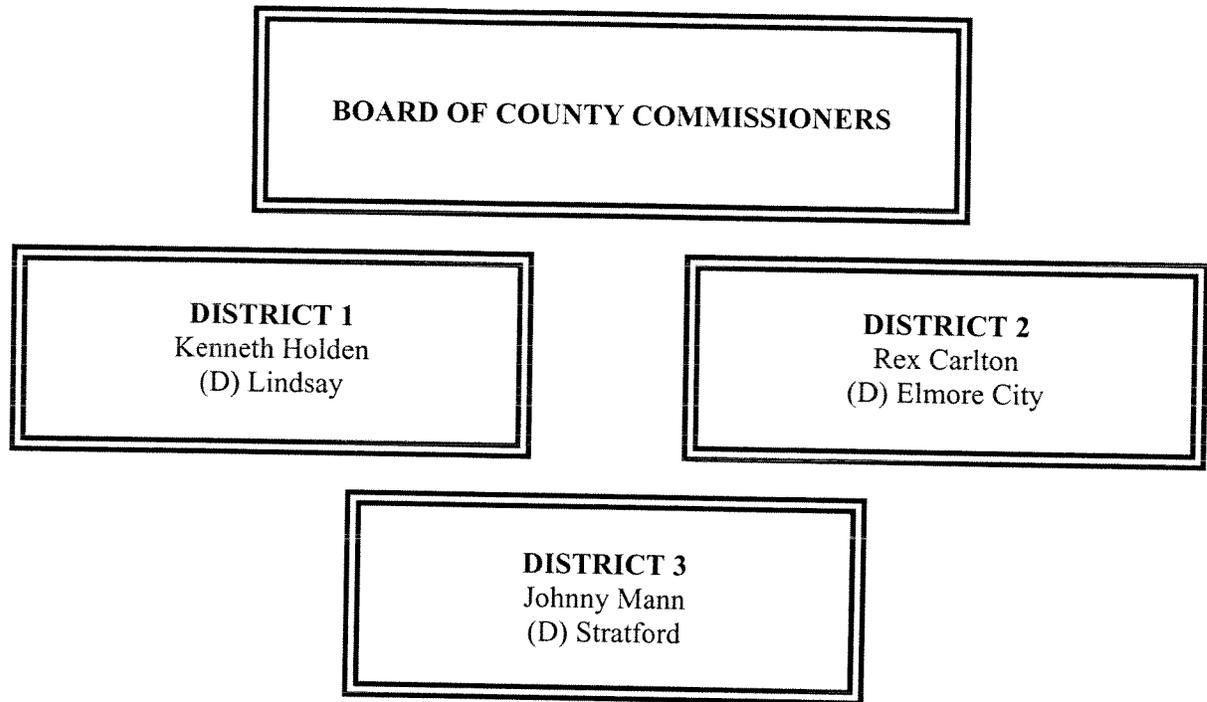
The County Clerk serves as the register of deeds and custodian of records for the county. The County Clerk also serves as the secretary to several boards, including the Board of County Commissioners, the County Excise Board, the County Board of Equalization, and the Board of Tax Roll Corrections.

The County Clerk reviews all the claims for payment of goods and services purchased or contracted by the county, and prepares the proper warrants for payment of those goods and services and the county payroll. The County Clerk, or his or her designated deputy, serves as the purchasing agent for the county. This system is a means to ensure the public that tax dollars are being spent appropriately.

Various records within the different county offices are classified as "open records." As such, they can be reviewed and mechanically copied by the public.

See independent auditor's report.

**GARVIN COUNTY OFFICIALS
AND RESPONSIBILITIES**



The Board of County Commissioners is the chief administrative body for the county. County Commissioners are also responsible for maintaining and constructing the county roads and bridges.

The Commissioners must act as a Board when entering into contracts or other agreements affecting the county's welfare. Thus, actions taken by the Board are voted on and approved by a majority of the Commissioners. The Board of County Commissioners' business meetings are open to the public.

As the county's chief administrative body, the three County Commissioners must make major financial decisions and transactions. The Board has the official duty to ensure the fiscal responsibility of the other county officers who handle county funds. The review and approval procedures empowered to the Board of County Commissioners are a means to provide the public with a fiscally efficient system of county government.

See independent auditor's report.

**GARVIN COUNTY OFFICIALS
AND RESPONSIBILITIES**

COUNTY SHERIFF
Bill Roady
(D) Elmore City

The County Sheriff is responsible for preserving the peace and protecting life and property within the county's jurisdiction. As the county's chief law enforcement officer, the Sheriff has the power and authority to suppress all unlawful disturbances, to apprehend and secure persons charged with felony or breach of peace, and to operate the county jail.

The County Sheriff has the responsibility of serving warrants and processing papers ordered by the District Court.

COUNTY TREASURER
Sandy Goggans
(D) Pauls Valley

All collections by county government from ad valorem taxes and other sources are deposited with the County Treasurer. The County Treasurer collects ad valorem taxes for the county and its political subdivisions. The County Treasurer is authorized to issue delinquent personal property tax warrants and to impose tax liens on real property for delinquent taxes.

To account for county collections and disbursements, the County Treasurer is required to maintain an accurate record of all the monies received and disbursed. The State Auditor and Inspector's Office prescribes all the forms used by the County Treasurer, and at least twice a year inspects the County Treasurer's accounts.

See independent auditor's report.

**GARVIN COUNTY OFFICIALS
AND RESPONSIBILITIES**

COURT CLERK

Mary E. James
(D) Paoli

The Court Clerk has the primary responsibility to record, file, and maintain as permanent records the proceedings of the District Court.

Court proceedings are recorded in the appropriate journal or record docket. All the court proceedings are public information except those related to juvenile, guardianship, adoption, and mental health cases.

The Court Clerk issues marriage licenses, passports, notary certificates, beer and pool hall licenses, and private process server licenses.

Monies from the court fund are identified for distribution by the Court Clerk to the appropriate units of county and state government. Court Clerks use forms and follow procedures prescribed by the Court Administrator's Office, the Oklahoma Supreme Court, and the State Auditor and Inspector.

DISTRICT ATTORNEY

Tim Kuykendall
(R) Norman

As the chief attorney for county government, the District Attorney acts as the legal advisor to the county officers on matters related to their duties. The District Attorney represents the county in civil litigation. County officials may call upon the District Attorney to clarify a law or request an official interpretation from the Attorney General.

See independent auditor's report.

**GARVIN COUNTY OFFICIALS
AND RESPONSIBILITIES**

ELECTION BOARD SECRETARY

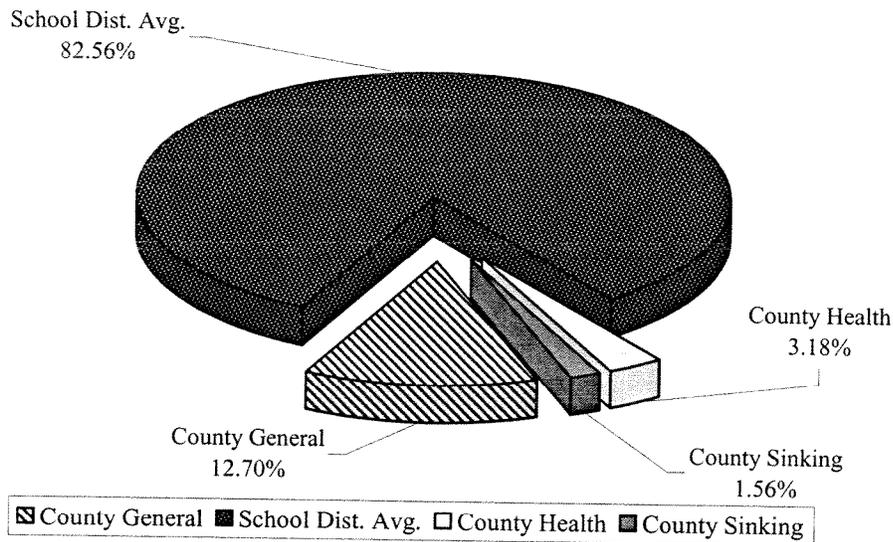
Melanie Porter
(D) Wynnewood

The Election Board Secretary is appointed by the State Election Board and is the chief administrative officer of the County Election Board. The County Election Board has direct responsibility for all the ballots used in all elections within the county. The Board also conducts all elections held within the county.

To finance the operation of the County Election Board, the County Excise Board must appropriate sufficient funds annually. The state and counties split the election costs, but counties must pay for any county elections not held concurrently with state elections.

**GARVIN COUNTY, OKLAHOMA
AD VALOREM TAX DISTRIBUTION
SHARE OF THE AVERAGE MILLAGE**

Property taxes are calculated by applying a millage rate to the assessed valuation of property. Millage rates are established by the Oklahoma Constitution. One mill equals one-thousandth of a dollar. For example, if the assessed value of a property is \$1,000.00 and the millage rate is 1.00, then the tax on that property is \$1.00. This chart shows the different entities of the County and their share of the various millages as authorized by the Constitution.



County-Wide Millages		School District Millages							
				Gen.	Bldg.	Skg.	Tech Cntr.	Common	Total
Co. General	10.27								
County Health	2.57	Stratford	I-2	36.51	5.22	6.07	11.25	4.11	63.16
County Sinking	1.26	Paoli	I-5	35.96	5.14	4.79	11.25	4.11	61.25
		Maysville	I-7	35.99	5.14	12.94	11.25	4.11	69.43
		Lindsay	I-9	35.92	5.13	4.89	11.25	4.11	61.30
		Pauls Valley	I-18	35.58	5.08	15.83	11.25	4.11	71.85
		Wynnewood	I-38	35.96	5.14	2.96	11.25	4.11	59.42
Wynnewood EMS (SD)	3.08	Elmore City-Pernell	I-72	36.32	5.19	10.50	11.25	4.11	67.37
Pauls Valley Ambulance (City)	3.06	Whitebead	D-16	36.01	5.14	15.44	11.25	4.11	71.95
		Alex	J1-56	35.00	5.00	11.46	15.00	4.11	70.57
		Byars	JD-4MC	37.03	5.29	17.60	11.25	4.11	75.28
		Bray-Doyle	J1-42	35.41	5.06	7.87	12.14	4.11	64.59
		Wayne	J1-10	36.71	5.24	8.04	10.49	4.11	64.59

See independent auditor's report.

FINANCIAL SECTION



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Independent Auditor's Report

TO THE OFFICERS OF
GARVIN COUNTY, OKLAHOMA

We have audited the special-purpose financial statements of Garvin County, Oklahoma, as of and for the year ended June 30, 2004, as listed in the table of contents. These special-purpose financial statements are the responsibility of Garvin County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. Oklahoma Statutes, in addition to audit responsibilities, assign other responsibilities to the State Auditor and Inspector's Office. Those responsibilities include providing various information technology (IT) support for county government.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of all funds of Garvin County, Oklahoma, and comparisons of such information with the corresponding budgeted information for the general fund and county health department fund of the County, and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Garvin County in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of all funds of Garvin County, Oklahoma, and comparisons of such information with the corresponding budgeted information for the general fund and the county health department fund of the County, as of and for the year ended June 30, 2004, in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2005, on our consideration of Garvin County'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

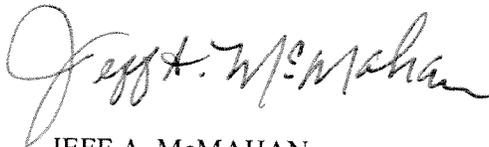
Our audit was conducted for the purpose of forming an opinion on the special-purpose financial statements of Garvin County, Oklahoma, taken as a whole. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the special-purpose financial statements. The information listed in the table of contents under *Introductory Section* and *Statistical Section* has not been audited by us, and accordingly, we express no opinion on it.

The American Institute of Certified Public Accountants' Statement on Auditing Standards No. 87 requires the inclusion of the following paragraph in this report:

This report is intended solely for the information and use of the management of the County and is not intended to be and should not be used by anyone other than these specified parties.

However, the Oklahoma Open Records Act states that all records of public bodies and public officials shall be open to any person, except as specifically exempted. The purpose of this Act is to ensure and facilitate the public's right of access to and review of government records so they may efficiently and intelligently exercise their inherent political power. Therefore, this report is a matter of public record and its distribution is in no way limited or restricted.

Sincerely,



JEFF A. McMAHAN
State Auditor and Inspector

July 7, 2005

Special-Purpose Financial Statements

**GARVIN COUNTY, OKLAHOMA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - ALL FUNDS
FOR THE YEAR ENDED, JUNE 30, 2004**

All County Funds	Beginning Cash Balances July 1, 2003	Receipts Apportioned	Disbursements	Ending Cash Balances June 30, 2004
General Fund	\$ 428,647	\$ 1,732,950	\$ 1,619,389	\$ 542,208
T-Highway	3,803,889	4,792,829	5,461,016	3,135,702
County Health	431,663	308,022	310,286	429,399
Resale	166,607	62,048	48,167	180,488
County Clerk Lien Fee	105,215	66,218	53,314	118,119
Sheriff's Service Fee	130,671	447,830	471,155	107,346
Treasurer's Mortgage Certification Fee	27,893	11,072	2,869	36,096
CSSP	24,698		11,083	13,615
GOLTB 96	447,130	5,855	51,012	401,973
GOLTB 97	233,730	574	233,611	693
County Assessor Revolving	10,266	7,213		17,479
Election Fund	3,143			3,143
Sheriff Training	1,422	8,052	7,143	2,331
Sheriff Drug Enforcement	277	350	250	377
Health Building Repairs	422			422
County Assessor Hardware	160			160
LLEBG - Sheriff		4,159	4,159	
Sheriff Drug Task Force	2,081		1,956	125
REAP		11,243	11,243	
Hazard Mitigation Grant	2,160			2,160
CENA	280	5,495	5,764	11
County Sinking	212,133	148,375	204,110	156,398
Official Depository	287,785	2,939,878	2,955,759	271,904
Schools	103,943	8,089,152	7,807,636	385,459
Cities and Towns	13,171	191,013	189,340	14,844
Protest Tax (all)	132,310	465	113,148	19,627
EMS - Pauls Valley	177	37,749	37,590	336
Law Library	8,733	26,767	25,950	9,550
Individual Redemption	8,272	74,726	77,929	5,069
Excess Resale	3,016			3,016
Fair Barn	2,570	2,187	2,111	2,646
District Attorney Drug Fund	1,000			1,000
District Attorney Confinement	2,333	823		3,156
Civil Defense	89		35	54
County Commissioners 8-2	10			10
EFTPS	10	616,588	616,588	10
Super Now Account No. 10	52,129	666,292	586,570	131,851
Court Clerk Trust Account	44,000			44,000
Court Clerk Supplemental		87,000	60,339	26,661
EMS - Wynnewood	258	67,588	67,513	333
Total County Funds	<u>\$ 6,692,293</u>	<u>\$ 20,412,513</u>	<u>\$ 21,037,035</u>	<u>\$ 6,067,771</u>

The notes to the financial statements are an integral part of this statement.

**GARVIN COUNTY, OKLAHOMA
COMPARATIVE STATEMENT OF RECEIPTS, EXPENDITURES,
AND CHANGES IN CASH BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004**

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 428,647	\$ 428,647	\$ 428,647	\$ -
Less: Prior Year Outstanding Warrants	(65,769)	(65,769)	(65,769)	
Less: Prior Year Encumbrances	(6,748)	(6,748)	(6,505)	243
Beginning Cash Balances, Budgetary Basis	<u>356,130</u>	<u>356,130</u>	<u>356,373</u>	<u>243</u>
Receipts:				
Ad Valorem Taxes	1,097,713	1,097,713	1,172,472	74,759
Charges for Services	128,397	128,397	167,557	39,160
Intergovernmental Revenues	253,602	253,602	261,029	7,427
Miscellaneous Revenues	62,781	62,781	131,892	69,111
Total Receipts, Budgetary Basis	<u>1,542,493</u>	<u>1,542,493</u>	<u>1,732,950</u>	<u>190,457</u>
Expenditures:				
District Attorney	1,224	1,224	1,224	
Total District Attorney	<u>1,224</u>	<u>1,224</u>	<u>1,224</u>	<u>-</u>
County Sheriff	297,196	297,196	295,924	1,272
Total County Sheriff	<u>297,196</u>	<u>297,196</u>	<u>295,924</u>	<u>1,272</u>
County Treasurer	112,008	112,008	111,912	96
Total County Treasurer	<u>112,008</u>	<u>112,008</u>	<u>111,912</u>	<u>96</u>
OSU Extension	41,654	41,654	40,851	803
Total OSU Extension	<u>41,654</u>	<u>41,654</u>	<u>40,851</u>	<u>803</u>
County Clerk	134,519	134,519	128,061	6,458
Total County Clerk	<u>134,519</u>	<u>134,519</u>	<u>128,061</u>	<u>6,458</u>
Court Clerk	122,336	122,336	121,948	388
Total Court Clerk	<u>122,336</u>	<u>122,336</u>	<u>121,948</u>	<u>388</u>
County Assessor	98,349	98,349	95,928	2,421
Total County Assessor	<u>98,349</u>	<u>98,349</u>	<u>95,928</u>	<u>2,421</u>
Revaluation of Real Property	194,554	194,554	194,434	120
Capital Outlay	16,075	16,075	16,027	48
Total Revaluation of Real Property	<u>210,629</u>	<u>210,629</u>	<u>210,461</u>	<u>168</u>

continued on next page

The notes to the financial statements are an integral part of this statement.

**GARVIN COUNTY, OKLAHOMA
COMPARATIVE STATEMENT OF RECEIPTS, EXPENDITURES,
AND CHANGES IN CASH BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004**

continued from previous page

	Original Budget	Final Budget	Actual	Variance
General Government	359,124	359,124	180,738	178,386
Capital Outlay	24,642	24,642		24,642
Total General Government	<u>383,766</u>	<u>383,766</u>	<u>180,738</u>	<u>203,028</u>
Excise-Equalization Board	3,500	3,500	2,591	909
Total Excise-Equalization Board	<u>3,500</u>	<u>3,500</u>	<u>2,591</u>	<u>909</u>
County Election Board	68,048	68,048	63,768	4,280
Capital Outlay	300	300	299	1
Total County Election Board	<u>68,348</u>	<u>68,348</u>	<u>64,067</u>	<u>4,281</u>
Insurance	365,717	365,717	361,908	3,809
Total Insurance	<u>365,717</u>	<u>365,717</u>	<u>361,908</u>	<u>3,809</u>
County Purchasing Agent	33,057	33,057	28,110	4,947
Total County Purchasing Agent	<u>33,057</u>	<u>33,057</u>	<u>28,110</u>	<u>4,947</u>
Free Fair	8,426	8,426	3,944	4,482
Total Free Fair	<u>8,426</u>	<u>8,426</u>	<u>3,944</u>	<u>4,482</u>
County Audit Budget Account	12,765	12,765	7,409	5,356
Total County Audit Budget Account	<u>12,765</u>	<u>12,765</u>	<u>7,409</u>	<u>5,356</u>
County Commissioners	5,129	5,129	3,623	1,506
Total County Commissioners	<u>5,129</u>	<u>5,129</u>	<u>3,623</u>	<u>1,506</u>
Total Expenditures, Budgetary Basis	<u>1,898,623</u>	<u>1,898,623</u>	<u>1,658,699</u>	<u>239,924</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	430,624	<u>\$ 430,624</u>
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			11,396	
Add: Current Year Outstanding Warrants			100,188	
Ending Cash Balance			<u>\$ 542,208</u>	

The notes to the financial statements are an integral part of this statement.

**GARVIN COUNTY, OKLAHOMA
COMPARATIVE STATEMENT OF RECEIPTS, EXPENDITURES,
AND CHANGES IN CASH BALANCES - BUDGET AND ACTUAL
COUNTY HEALTH DEPARTMENT FUND
FOR THE YEAR ENDED JUNE 30, 2004**

	County Health Department Fund			
	Original	Final	Actual	Variance
	Budget	Budget		
Beginning Cash Balances	\$ 431,663	\$ 431,663	\$ 431,663	\$ -
Less: Prior Year Outstanding Warrants	(739)	(739)	(739)	
Less: Prior Year Encumbrances	(98,445)	(98,445)	(92,565)	5,880
Beginning Cash Balances, Budgetary Basis	<u>332,479</u>	<u>332,479</u>	<u>338,359</u>	<u>5,880</u>
Receipts:				
Ad Valorem Taxes	274,695	274,695	293,387	18,692
Charges for Services		14,447	14,635	188
Total Receipts, Budgetary Basis	<u>274,695</u>	<u>289,142</u>	<u>308,022</u>	<u>18,880</u>
Expenditures:				
Health and Welfare	563,000	577,447	263,158	314,289
Capital Outlay	44,174	44,174	1,130	43,044
Total Expenditures, Budgetary Basis	<u>607,174</u>	<u>621,621</u>	<u>264,288</u>	<u>357,333</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	382,093	<u>\$ 382,093</u>
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			25,054	
Add: Current Year Outstanding Warrants			22,252	
Ending Cash Balance			<u>\$ 429,399</u>	

The notes to the financial statements are an integral part of this statement.

**GARVIN COUNTY, OKLAHOMA
DETAILED STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BALANCES - SINKING FUND
FOR THE YEAR ENDED JUNE 30, 2004**

Beginning Cash Balance	<u>\$ 212,133</u>
Receipts:	
Ad Valorem Tax	145,416
Miscellaneous	<u>2,959</u>
Total Receipts	<u>148,375</u>
Disbursements:	
G.O. Bonds	170,000
Interest Paid	<u>34,110</u>
Total Disbursements	<u>204,110</u>
Ending Cash Balance	<u><u>\$ 156,398</u></u>

The notes to the financial statements are an integral part of this statement.

**GARVIN COUNTY, OKLAHOMA
 DETAILED STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CHANGES IN CASH BALANCES - OFFICIAL DEPOSITORY ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2004**

Official Depository Accounts	Beginning Cash Balances		Receipts	Disbursements	Cancelled Vouchers	Ending Cash Balances June 30, 2004
	July 1, 2003					
Free Fair	\$ 1,725	\$		\$		\$ 1,725
County Assessor			7,213	7,215	2	
County Sheriff			242,780	242,780		
County Clerk			264,352	264,352		
County Clerk Protest	1,192		10			1,202
Court Clerk	122,890		1,255,477	1,307,086	1,123	72,404
Court Clerk Revolving Fund	8,073		18,403	7,913		18,563
Court Clerk Court Order	238		2			240
County Election Board	608		30,629	24,450	281	7,068
County Health Department	2,312		31,661	31,111		2,862
County Treasurer	18,814		400,852	398,077	71	21,660
District Attorney Bogus Check (5)	41,764		365,114	362,886	985	44,977
District Attorney Bogus Check (5a)	78,106		191,983	192,238	343	78,194
District Attorney Youth Advisory Council					30	30
District Attorney Criminal Restitution	912		50,051	49,066	490	2,387
District Attorney Victim Witness Fee	33		5,350	5,463	85	5
District Attorney Drug Fund	11,118		75,641	66,532		20,227
District Attorney Supervision Fees			360			360
Total Official Depository Accounts	<u>\$ 287,785</u>	<u>\$</u>	<u>\$ 2,939,878</u>	<u>\$ 2,959,169</u>	<u>\$ 3,410</u>	<u>\$ 271,904</u>

The notes to the financial statements are an integral part of this statement.

1. Summary of Significant Accounting Policies

A. Reporting Entity

Counties were created by the Constitution of Oklahoma. One county officer is appointed; however, most county officers are locally elected by their constituents. All county powers are delegated by the state.

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash balances of all funds of Garvin County, Oklahoma, and comparisons of such information with the corresponding budgeted information for the general fund and county health department fund of the County. The funds presented are established by statute, and their operations are under the control of the County officials. The general fund is the County's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Fund Accounting

The government uses funds to report on receipts, disbursements, and changes in cash balances. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

C. Basis of Accounting

The financial statements are prepared on a basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

D. Budgetary Policies

Under current Oklahoma Statutes, the general fund and the county health department fund are the only funds required to adopt a formal budget. The budget presented for the general fund and county health department fund includes the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories. Appropriations for the highway funds and other funds are made on a monthly basis, according to the funds then available.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general fund and county health department fund.

Summary of Significant Accounting Policies (continued)

Any encumbrances outstanding at year-end are included as reservations of cash balances, budgetary basis, since they do not constitute expenditures or liabilities. At the end of the year, unencumbered appropriations are lapsed.

The Comparative Statements of Receipts, Expenditures, and Changes in Cash Balances - Budget and Actual - for the General Fund and the County Health Department Fund present comparisons of the legally adopted budget with actual data. The "actual" data, as presented in the comparison of budget and actual, will differ from the data as presented in the Statement of Receipts, Disbursements, and Changes in Cash Balances - All Funds because of adopting certain aspects of the budgetary basis of accounting and the adjusting of encumbrances and outstanding warrants to their related budget year.

The County Treasurer collects and remits material amounts of intergovernmental revenues and ad valorem tax revenue for other budgetary entities, including emergency medical districts, county or city-county health departments, school districts and cities and towns. These other budgetary entities produce and file their own financial statements and estimates of needs (budgets). These related cash receipts and disbursements of other budgetary entities are not included in the County's Estimate of Needs.

E. Cash and Investments

The County pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Investments are carried at cost, which approximates market value. All funds were fully invested or deposited in interest-bearing demand accounts at June 30, 2004.

F. Risk Management

The County is exposed to various risks of loss as follows:

<u>Types of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
General Liability - Torts - Errors and Omissions - Law Enforcement Officers Liability - Vehicle Physical Plant - Theft - Damage to Assets - Natural Disasters	The County participates in a public entity risk pool; Association of County Commissioners of Oklahoma-Self-Insurance Group. (See ACCO-SIG.)	If claims exceed the authorized deductibles, the County could have to pay its share of any pool deficit. A judgment could be assessed for claims in excess of the pool's limits.

Summary of Significant Accounting Policies (continued)

<u>Types of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
Worker's Compensation - Employees' Injuries	The County carries commercial insurance for these types of risk.	A judgment could be assessed for claims in excess of coverage.
Employee - Medical - Disability - Dental - Life	The County carries commercial insurance for these types of coverage.	None

ACCO-SIG - The pool operates as a common risk management and insurance program and is to be self-sustaining through member premiums. Each participating county chooses a \$10,000, \$25,000, or a \$50,000 deductible amount. The County has chosen a \$50,000 deductible for each insured event as stated in the County's "Certificate of Participation." The risk pool will pay legitimate claims in excess of the deductible amount for replacement value up to \$100,000 for property, and up to \$500,000 for general liability. The pool has acquired commercial reinsurance in the amount of \$1,000,000 to cover claims that exceed the pool's risk retention limits. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

Commercial Insurance - The County obtains commercial insurance coverage to pay legitimate worker's compensation claims and employees' insurance. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

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

G. Compensated Absences

All full-time Garvin County employees shall be entitled to vacation leave that is accrued on a monthly basis. Employees may accrue between 5 to 15 days per year depending on years of service. Vacation must be earned before it is taken.

Sick leave is accrued on a monthly basis. Sick leave shall accumulate at the rate of 8 hours for each calendar month of service and may be accrued up to a maximum of 60 days.

2. Stewardship, Compliance, and Accountability

Budgetary Compliance

On or before the first Monday in July of each year, each officer or department head submits an estimate of needs to the governing body. The budget is approved by fund, office, or department and object. The County Board of Commissioners may approve changes of appropriations within the fund by office or department and object. To increase or decrease the budget by fund requires approval by the County Excise Board.

3. Detailed Notes on Funds and Account Balances

A. Deposits

At year-end, the reported amount of the County's deposits was \$6,067,771 and the bank balance was \$6,193,418. Of the bank balance, all funds were covered by federal depository insurance or collateral held by the County's agent in the County's name.

Title 62 O.S. § 348.1 and § 348.3 allow the following types of investments:

- U.S. Government obligations
- Certificates of deposit
- Savings accounts
- G.O. bonds issued by counties, municipalities or school districts
- Money judgments against counties, municipalities or school districts
- Bonds and revenue notes issued by a public trust when the beneficiary of the trust is a county, municipality or school district
- Negotiable certificates of deposit
- Prime bankers acceptance which are eligible for purchase by the Federal Reserve System
- Prime commercial paper with a maturity of 180 days or less
- Repurchase agreements
- Money market funds regulated by the Securities and Exchange Commission and which investments consist of the above-mentioned types of investments

B. Description of Funds

General Fund - accounts for the general operations of the government.

T-Highway - accounts for state, local and miscellaneous receipts and disbursements for the purpose of constructing and maintaining county roads and bridges.

County Health - accounts for monies collected on behalf of the county health department from ad valorem taxes and state and local revenues.

Resale - accounts for the collection of interest and penalties on delinquent taxes and the disposition of same as restricted by statute.

Detailed Notes on Funds and Account Balances (continued)

County Clerk Lien Fee – accounts for lien collections and disbursements of sheriff process service fees as restricted by statutes.

Sheriff's Service Fee – accounts for the collection and disbursement of sheriff process service fees as restricted by statute.

Treasurer's Mortgage Certification Tax – accounts for the collection of fees by the Treasurer for mortgage tax certificates and the disbursement of the funds restricted by statutes.

CSSP – accounts for the collection of funding through the State Department of Corrections for administrative expenses and supervision of offenders.

GOLTB 96 – accounts for the collection of interest from invested general obligation limited tax bonds.

GOLTB 97 – accounts for the collection of interest from invested general obligation limited tax bonds.

County Assessor Revolving – accounts for the collection of fees for copies restricted by state statute.

Election Fund – accounts for reimbursements for state and local elections. This account will be closed out and transferred to the general fund.

Sheriff Training – accounts for grant monies and drug forfeitures and disbursed for training purposes only.

Sheriff Drug Enforcement – accounts for drug forfeitures and is used for payments for the purchase of illegal drugs in sting operations.

Health Building Repairs – accounts for monies set aside for building repairs to the county health department.

County Assessor Hardware – accounts for the collection of funding through the state for computer equipment.

LLEBG - Sheriff – accounts for grant monies received used to purchase equipment as restricted by the grant agreement.

Sheriff Drug Task Force – accounts for drug forfeitures and used to purchase equipment.

REAP – accounts for grant funds received for the maintenance and operation of fire departments and senior citizens' centers within the County.

Detailed Notes on Funds and Account Balances (continued)

Hazard Mitigation Grant – accounts for grants funds received from the Federal Emergency Management Agency, disbursements are made to individuals for safe room projects.

CENA – accounts for grant funds received for the maintenance and operation of senior citizen centers within the County.

County Sinking – accounts for the payments of interest and principal on the long-term bonded debt and civil judgments. Debt service receipts are derived generally from a special ad valorem tax levy and from interest earned on investments of cash not immediately required for debt service payments.

Official Depository - accounts for the collection and distribution of officer and board fees held in trust until the end of the month.

Schools - accounts for monies collected on behalf of the public schools in Garvin County from ad valorem taxes, state and local revenues, and remitted to them monthly.

Cities and Towns – accounts for monies collected on behalf of the cities and towns in Garvin County from ad valorem taxes, state and local revenues, and remitted to them monthly.

Protest Tax (all) – accounts for ad valorem taxes collected in protest.

EMS – Pauls Valley – accounts for the monies collected on behalf of the EMS from ad valorem taxes and remitted to them monthly.

Law Library – accounts for monies received for disbursement from the state for the law library board.

Individual Redemption – accounts for the monies collected and due to individuals from property tax sales in delinquent taxes.

Excess Resale – accounts for the proceeds of sale of property in excess of tax against property to be held in trust for a two-year period.

Fair Barn – accounts for the collection of revenue generated from building rent, booth rental, and other fees.

District Attorney Drug Fund – accounts for the collection of revenue generated from building rent, booth rental, and other fees.

District Attorney Confinement – accounts for the collection of incarceration costs and disbursed in accordance with state statutes.

Detailed Notes on Funds and Account Balances (continued)

Civil Defense – accounts for the receipt and disbursement of funds from state and local governments for civil defense purposes.

County Commissioners 8-2 – accounts for the collection of royalties and vending. This fund will be closed out and transferred to the general fund.

EFTPS – accounts for the temporary holdings of employer and employee payroll taxes.

Super Now Account No. 10 – accounts for fees transferred from district court and interest. Money is disbursed for the purpose of fees for various entities, salaries, and the operation of the Court Clerk's office.

Court Clerk Trust Account – accounts for a special encumbrance from the court fund approved by the Chief Justice of Oklahoma for the purpose of purchasing computer equipment.

Court Clerk Supplemental – accounts for monies transferred from the court fund for payroll.

EMS – Wynnewood – accounts for monies collected on behalf of the EMS from ad valorem taxes and remitted to them monthly.

The following narrative details the official depository accounts.

Free Fair – accounts for collections and disbursements derived from the operation of the County Free Fair.

County Assessor – accounts for the collection for copies and proceeds from the sale of ownership books to be disbursed at the end of the month and deposited in the assessor's revolving fund.

County Sheriff – accounts for all collection of foreign service fees and cash bond monies. Monies are disbursed at the end of the month and deposited in the assessor's revolving fund.

County Clerk – accounts for the collection of filing fees and disbursed to the Oklahoma Tax Commission and general fund.

County Clerk Protest – accounts for lien bonds that have never been resolved.

Court Clerk – accounts for the collection of bond money, court fines, and fees. Money is disbursed for fees and restitution.

Court Clerk Revolving Fund – accounts for a charge of \$5.00 for each warrant. Money is disbursed in the same manner as court fund.

Detailed Notes on Funds and Account Balances (continued)

Court Clerk Court Order – accounts for interest earned on money held in trust pursuant to probate case number P-2000-34 until a legal or personal representative shall demand and accept same.

County Election Board – accounts for reimbursement of elections and is disbursed for refunds of election fees and maintenance and operation of the office.

County Health Department – accounts for the collection of state funds and charges for services. Money is disbursed on a monthly basis to be transferred to the county health department cash account.

County Treasurer – accounts for miscellaneous collections held in trust for disbursement.

District Attorney Bogus Check (5) – accounts for the collection of bogus checks and district attorney fees to be disbursed to the merchant and the district attorney fee account.

District Attorney Bogus Check (5a) – accounts for the collection of district attorney fees transferred from the bogus check restitution account and disbursement of funds restricted by state statutes.

District Attorney Youth Advisory Council – federal grant from Office of Juvenile Affairs. Collections are from juveniles that are required to perform community service and disbursement of funds are for community service supervision and transportation.

District Attorney Criminal Restitution – accounts for the collections received by court orders to reimburse victims.

District Attorney Victim Witness Fee – accounts for collections received from the state to reimburse the County for witness expenses.

District Attorney Drug Fund – accounts for collections from asset forfeitures and disbursement of funds are restricted by court order and state statute.

District Attorney Supervision Fees – accounts for collections from asset forfeitures from defendants that have entered into a DPA with the District Attorney for supervision fees. Disbursements are for the operation of the District Attorney's office.

Detailed Notes on Funds and Account Balances (continued)

C. Ad Valorem Tax

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the County Assessor within the prescribed guidelines established by the Oklahoma Tax Commission and the State Equalization Board. Title 68 O.S. § 2820.A. states, ". . . Each assessor shall thereafter maintain an active and systematic program of visual inspection on a continuous basis and shall establish an inspection schedule which will result in the individual visual inspection of all taxable property within the county at least once each four (4) years."

The assessed property value as of January 1, 2003, was approximately \$117,573,924.

Per Article 10, § 8A, with the repeal of personal property tax, the millages with the adjustment factor are 10.27 mills for general fund operations, 2.57 mills for the county health department, and 1.26 mills for the county sinking fund. In addition, the County also collects the ad valorem taxes assessed by cities and towns and school districts and remits the ad valorem taxes collected to the appropriate taxing units.

Taxes are due on November 1 following the levy date, although, they may be paid in two equal installments. If the first half is paid prior to January 1, the second half is not delinquent until April 1. Unpaid real property taxes become a lien upon said property on October 1 of each year.

Unpaid delinquent personal property taxes are published usually in May. If the taxes are not paid within 30 days from publication, they shall be placed on the personal tax lien docket.

Current year tax collections for the year ended June 30, 2004, were approximately 92.36 percent of the tax levy.

D. Pension Plan

Plan Description. The County contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Benefit provisions are established and amended by the Oklahoma Legislature. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Title 74, Sections 901 through 943, as amended, establishes the provisions of the Plan. OPERS issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73105 or by calling 1-800-733-9008.

GARVIN COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004

Detailed Notes on Funds and Account Balances (continued)

E. Capital Leases

The County acquires road machinery and equipment through lease-purchase agreements financed by the Oklahoma Department of Transportation and/or the equipment vendors or their assignees pursuant to the provisions of 69 O.S. § 636.1 through § 636.7. Lease agreements entered into with the Oklahoma Department of Transportation (ODOT) are interest free. However, starting in January 1997, ODOT began charging a one-time fee of 3% on all subsequent pieces of machinery acquired.

F. General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The County issued general obligation bonds November 14, 1967, the voters of Garvin County approved the issuance of \$1,700,000 in general obligation limited tax bonds. The bonds are to be used to secure and develop industry within the County. Bonds are issued as needed for specific purposes until the \$1,700,000 limit is reached.

On September 8, 1997, the County issued \$235,000 in general obligation bonds for industrial development. This issue (General Obligation Limited Tax Bond of 1997) completes the \$1,700,000 limit approved by the Garvin County voters in November 1967.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

<u>Series</u>	<u>Date Issued</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Balance Outstanding at June 30, 2004</u>
1996	April 1, 1996	6%	\$ 950,000	\$275,000
1997	September 8, 1997	6%	253,000	148,000
			<u>\$1,203,000</u>	<u>\$423,000</u>

Payments of principal and interest on the bonds (Series 1996 and 1997) are provided by ad valorem taxes levied against all taxable property of the County. The County levied 1.26 mills for debt service for the year ended June 30, 2004.

GARVIN COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004

Detailed Notes on Funds and Account Balances (continued)

Annual debt service requirements to maturity for general obligation bonds, including interest of \$41,840, are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$170,000	\$23,695	\$ 193,695
2006	175,000	13,635	188,635
2007	35,000	3,327	38,327
2008	43,000	1,183	44,183
Total	<u>\$423,000</u>	<u>\$41,840</u>	<u>\$464,840</u>

G. Fuel Tax

The County receives major funding for roads and highways from a state imposed fuel tax. Taxes are collected by the Oklahoma Tax Commission. Taxes are imposed on all gasoline, diesel, and special fuel sales statewide. The County's share is determined on formulas based on the County population, road miles, and land area and is remitted to the County monthly. These funds are earmarked for roads and highways only and are accounted for in the county highway fund.

4. Contingent Liabilities

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in management's opinion, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

INTERNAL CONTROL AND COMPLIANCE SECTION



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

**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 OFFICERS OF
GARVIN COUNTY, OKLAHOMA

We have audited the special-purpose financial statements of Garvin County, Oklahoma, as of and for the year ended June 30, 2004, and have issued our report thereon dated July 7, 2005. Our report contains an explanatory paragraph discussing that the financial statements are not a complete presentation, and describes certain responsibilities of the State Auditor and Inspector's Office other than audit responsibilities. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Garvin County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 2004-1.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider item 2004-1 to be a material weakness.

Compliance and Other Matters

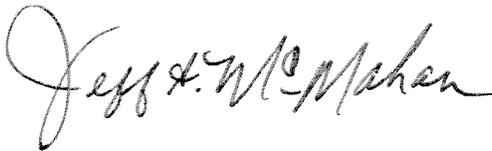
As part of obtaining reasonable assurance about whether Garvin County's special-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted a certain matter that we reported to management of Garvin County and is included in Section 2 of the schedule of findings, contained within this report.

The American Institute of Certified Public Accountants' Statement on Auditing Standards No. 87 requires the inclusion of the following paragraph in this report:

This report is intended solely for the information and use of the management of the County and is not intended to be and should not be used by anyone other than these specified parties.

However, the Oklahoma Open Records Act states that all records of public bodies and public officials shall be open to any person, except as specifically exempted. The purpose of this Act is to ensure and facilitate the public's right of access to and review of government records so they may efficiently and intelligently exercise their inherent political power. Therefore, this report is a matter of public record and its distribution is in no way limited or restricted.

Sincerely,



JEFF A. McMAHAN
State Auditor and Inspector

July 7, 2005

SECTION 1 - Findings related to 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*

Finding 2004-1 - Segregation of Duties (Repeat Finding)

Criteria: Segregation of duties over asset custody, transaction authorization, bookkeeping and reconciliation is an important element of effective internal control over government assets and resources.

Condition: The limited number of office personnel within several County offices prevents a proper segregation of accounting functions, which is necessary to assure adequate internal control structure.

Recommendation: We recommend management be aware of this condition and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: We concur with the auditor's findings. Management does have knowledge of office operations and will perform a periodic review of these operations.

SECTION 2 - Other Findings - This section contains findings not required to be reported in 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*, but which we believed were significant enough to bring to the County's attention. We recommend that the County consider these matters and take appropriate corrective action.

Finding 2004-3 - Fixed Assets Inventory (Repeat Finding)

Criteria: Title 19 O.S. 2001, § 178.1 states, "The board of county commissioners in each county of this state shall take, or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment belonging to the county or leased or otherwise let to it or to any department thereof, other than that which is affixed to and made a part of lands and buildings, the cost of which as to each complete working unit thereof is more than Two Hundred Fifty Dollars (\$250.00), and therefore maintain or cause to be maintained a continuous inventory record thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into custody of the county or of any office, board, department, commission or any or either thereof, and the disposition thereof whether sold, exchanged, leased, or let where authorized by statute, junked, strayed or stolen, and biennially thereafter...."

**GARVIN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS
JUNE 30, 2004**

Condition: All offices, except the County Clerk and County Treasurer, do not perform a biennial verification of the fixed assets inventory.

Recommendation: We recommend that the Board of County Commissioners cause a biennial inventory to be taken of all working tools, apparatus, machinery, and equipment belonging to the County. We also recommend that these inventories be documented on form #3512.

Views of responsible officials and planned corrective actions: All officers will work together to compile a complete listing of County inventory. We will also try to conduct a physical inventory of all items once every two years.

**STATISTICAL SECTION
(Unaudited)**

**GARVIN COUNTY, OKLAHOMA
TOP TEN TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2004
(UNAUDITED)**

<u>TAXPAYER NAME</u>	<u>ASSESSED VALUE</u>	<u>% OF TOTAL NET VALUATION</u>
OG&E	\$ 4,326,008	3.68%
Southwestern Bell	2,338,989	1.99%
Anadarko Gathering	1,746,128	1.48%
Williams Pipeline Company	1,612,603	1.37%
Enogex	1,604,932	1.37%
Valor Communications	982,606	0.84%
Alltel Okla.	838,259	0.71%
Eott Energy Pipeline	813,533	0.69%
Seaway Products	710,467	0.60%
Burlington Northern & Santa Fe	666,012	0.57%
Total	<u>\$ 15,639,537</u>	<u>13.30%</u>

Source: (Provided by Oklahoma Tax Commission - Ad Valorem Division)

**GARVIN COUNTY, OKLAHOMA
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE YEAR ENDED JUNE 30, 2004
(UNAUDITED)**

Total net assessed value as of January 1, 2003		<u>\$ 117,573,924</u>
Debt limit - 5% of total assessed value		5,878,696
Total bonds outstanding	423,000	
Total judgments outstanding	-	
Less cash in sinking fund	<u>156,398</u>	<u>266,602</u>
Legal debt margin		<u>\$ 5,612,094</u>

**GARVIN COUNTY, OKLAHOMA
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
 VALUE AND NET BONDED DEBT PER CAPITA
 FOR THE YEAR ENDED JUNE 30, 2004
 (UNAUDITED)**

	2004
Estimated population	27,210
Net assessed value as of January 1, 2003	\$ 117,573,924
Gross bonded debt	423,000
Less available sinking fund cash balance	156,398
Net bonded debt	\$ 266,602
Ratio of net bonded debt to assessed value	0.23%
Net bonded debt per capita	\$ 9.80

**GARVIN COUNTY, OKLAHOMA
ASSESSED VALUE OF PROPERTY
FOR THE YEAR ENDED JUNE 30, 2004
(UNAUDITED)**

<u>Valuation Date</u>	<u>Personal</u>	<u>Public Service</u>	<u>Real Estate</u>	<u>Homestead Exemption</u>	<u>Net Value</u>	<u>Estimated Fair Market Value</u>
1/1/2003	\$32,801,205	\$23,067,151	\$69,095,805	\$7,390,237	\$117,573,924	\$1,027,286,787