

**CITY OF WAYNOKA
WOODS COUNTY, OKLAHOMA**

**AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED
JUNE 30, 2013**

WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA

**CITY OF WAYNOKA
WOODS COUNTY, OKLAHOMA
CITY COUNCIL AND OFFICERS**

Susan Bradford
Michael Duval
Travis George
Troy Bradford
Daniel Schmidt
Caleb Zook
Tim Crissup
Ronnie Pitts

Ward 1 Seat 1
Ward 1 Seat 2
Ward 2 Seat 1
Ward 2 Seat 2
Ward 3 Seat 1
Ward 3 Seat 2
Ward 4 Seat 1
Ward 4 Seat 2

Sharlotte Bolar

City Clerk/Treasurer

WILLIAM K. GAUER

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Waynoka, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Waynoka, State of Oklahoma, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

City of Waynoka
December 18, 2013

management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waynoka, Oklahoma, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information (located in supplemental section) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

The combining and individual non-major fund financial statements and the schedule of expenditures 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 and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

City of Waynoka
December 18, 2013

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2013, on our consideration of the City of Waynoka, State of Oklahoma'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 City of Waynoka, State of Oklahoma's internal control over financial reporting and compliance.



Watonga, Oklahoma
December 18, 2013

CITY OF WAYNOKA, OKLAHOMA
Statement of Net Assets
June 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Unrestricted			
Cash and cash equivalents	\$ 604,851	\$ 331,380	\$ 936,231
Investments	266,391	171,655	438,047
Accounts receivable, net	-	175,213	175,213
Receivable from other governments	-	-	-
Total Current Assets	<u>871,242</u>	<u>678,248</u>	<u>1,549,490</u>
Restricted assets:			
Restricted Cash and Investments	-	115,734	115,734
Investments	-	58,854	58,854
Total restricted assets	<u>-</u>	<u>174,588</u>	<u>174,588</u>
Noncurrent Assets:			
Bond Issuance Costs, net	212,373	187,749	400,122
Land and construction progress	1,474,098	3,275,301	4,749,399
Capital Assets, net	<u>1,686,471</u>	<u>3,463,050</u>	<u>5,149,521</u>
Total Non-Current Assets	<u>2,557,714</u>	<u>4,315,886</u>	<u>6,873,599</u>
Total Assets			
	<u>2,557,714</u>	<u>4,315,886</u>	<u>6,873,599</u>
LIABILITIES			
Current liabilities:			
Accounts Payable	57,516	14,404	71,920
Accrued Expenses	1,300	6,437	7,737
Compensated absences	13,382	18,085	31,467
Notes Payable-Current	-	73,206	73,206
Total Current Liabilities	<u>72,198</u>	<u>112,132</u>	<u>184,330</u>
Liabilities payable from restricted assets:			
Customer deposits	-	49,542	49,542
Bonds payable, current	-	40,000	40,000
	<u>-</u>	<u>89,542</u>	<u>89,542</u>
Noncurrent liabilities:			
Notes payable, noncurrent	-	957,351	957,351
Bonds payable, noncurrent	-	825,000	825,000
Total Liabilities	<u>-</u>	<u>1,782,351</u>	<u>1,782,351</u>
NET ASSETS			
Invested in capital assets, net of related debt	1,686,471	1,607,493	3,293,964
Restricted	-	85,046	85,046
Unrestricted	799,044	639,322	1,438,366
Total Net Assets	<u>\$ 2,485,515</u>	<u>\$ 2,331,861</u>	<u>\$ 4,817,376</u>

See accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
Statement of Activities
For the Fiscal Year Ended June 30, 2013

Functional Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
General government:	\$ 244,420	\$ -	\$ -	\$ -	\$ (244,420)	\$ -	\$ (244,420)
Administration	244,420	-	-	-	(244,420)	-	(244,420)
Total general government	54,307	-	-	-	(54,307)	-	(54,307)
Public safety and judiciary:	190,157	15,016	-	-	(175,141)	-	(175,141)
Legal & courts	29,486	11,829	-	-	(13,172)	-	(13,172)
Police	273,949	26,845	4,484	-	(242,620)	-	(242,620)
Fire	9,522	-	-	-	(9,522)	-	(9,522)
Total public safety and judiciary	1,622	-	-	-	(1,622)	-	(1,622)
Transportation:	11,144	-	-	-	(11,144)	-	(11,144)
Street & Alley	14,297	-	-	-	(14,297)	-	(14,297)
Airport	32,391	3,444	-	-	(28,947)	-	(28,947)
Total transportation	34,308	-	-	-	(31,204)	-	(34,308)
Cultural, parks and recreation:	41,332	4,407	-	-	(36,924)	-	(36,924)
Cemetery	122,328	7,851	3,104	-	(111,373)	-	(114,477)
Total cultural, parks and recreation	23,177	-	-	-	(23,177)	-	(23,177)
Public services:	79,398	135,282	-	-	55,884	-	55,884
Tourism	102,575	135,282	-	-	32,707	-	32,707
Ambulance and clinic	236,258	-	-	-	(236,258)	-	(236,258)
Total public services	754,416	169,979	7,588	-	(576,849)	-	(576,953)
Total governmental activities	1,157,712	1,245,401	-	-	87,689	-	87,689.02
Business-Type Activities:							
Electricity	256,801	340,783	-	18,167	102,148	-	102,148
Water	111,454	131,183	-	-	19,729	-	19,729
Sewer	239,618	178,801	-	-	178,801	-	178,801
Sanitation	16,294	195,266	-	-	(44,352)	-	(44,352)
General and administrative	1,781,876	133,520	-	18,167	117,226	-	117,226
Economic development	2,536,294	2,224,932	-	18,167	461,242	-	461,242
Total business-type activities	2,394,932	7,588	-	18,167	(576,849)	461,242	(118,711)
Total Primary Government							
	2,409,353	2,485,515	2,331,861	4,956,015			
General Revenues:							
Taxes:							
Sales tax		716,766	-	-			716,766
Use tax		37,418	-	-			37,418
Franchise tax		14,531	-	-			14,531
Cigarette tax		9,069	-	-			9,069
Alcoholic beverage tax		18,382	-	-			18,382
Investment income		1,826	1,238	-			3,064
Miscellaneous		159,734	12,134	-			171,868
Transfers - Internal activity		(304,716)	(689,415)	-			(994,131)
Total general revenues and transfers		653,011	(676,043)	-			(23,032)
Changes in Net Assets		76,162	(214,801)	-			(141,743)
Net Assets - Beginning		2,409,353	2,546,662	4,956,015			
Net Assets - Ending		2,485,515	2,331,861	4,814,272			

CITY OF WAYNOKA, OKLAHOMA
STATEMENT OF FUND BALANCES
GOVERNMENTAL FUNDS - Cash Basis
JUNE 30, 2013

	General Fund	Other Funds	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 116,310	\$ 488,542	\$ 604,851
Investments	158,020	108,371	266,391
Due from Other Funds	-	-	-
Receivable from other governments	-	-	-
Total Current Assets	274,330	596,912	871,242
Non-current Assets:			
Capital Assets			
Capital assets, net of accumulated depreciation	-	-	-
Total Non-Current Assets	-	-	-
Total Assets	274,330	596,912	871,242
LIABILITIES			
Compensated absences	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Total Liabilities	-	-	-
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	25,353	25,353
Committed	-	481,322	481,322
Assigned	-	90,237	90,237
Unassigned	274,330	-	274,330
Total Net Assets	274,330	596,912	871,242

Reconciliation to Statement of Net Assets:

Amount reported for governmental activities in the statement of net assets are different because:

Capital assets, net of depreciation	1,686,471
Taxes Receivable	-
Accounts payable	(57,516)
Accrued Expenses	(1,300)
Compensated Absences	(13,382)
	\$ 2,485,515

See accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2013

	Utility Authority	Industrial Authority	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 93,016	\$ 238,363	\$ 331,380
Investments	171,655	-	171,655
Accounts Receivable, net	175,213	-	175,213
Total Current Assets	439,884	238,363	678,248
Noncurrent Assets:			
Restricted cash and cash equivalents	82,082	-	82,082
Restricted Investments	33,652	-	33,652
Total restricted assets	115,734	-	115,734
Noncurrent assets:			
Bond issuance cost, net	58,854	-	58,854
Capital Assets, net of accumulated depreciation	3,226,897	236,153	3,463,050
Total noncurrent assets	3,285,751	236,153	3,521,904
Total Assets	3,841,370	474,516	4,315,886
LIABILITIES			
Current Liabilities:			
Accounts payable	14,404	-	14,404
Wages and benefits payable	6,437	-	6,437
Accrued interest	-	-	-
Other accrued liabilities	-	-	-
Compensated absences	18,085	-	18,085
Notes payable, current	73,206	-	73,206
Total current liabilities	112,132	-	112,132
Liabilities payable from restricted assets:			
Customer deposits	49,542	-	49,542
Bonds payable, current	40,000	-	40,000
	89,542	-	89,542
Noncurrent Liabilities:			
Notes payable, non-current	953,518	-	953,518
Bonds payable, non-current	825,000	-	825,000
Total noncurrent liabilities	1,778,518	-	1,778,518
Total Liabilities	1,980,192	-	1,980,192
NET ASSETS			
Invested in Capital Assets, net of debt	1,394,027	236,153	1,630,180
Restricted	66,192	-	66,192
Unrestricted	400,958	238,363	639,322
Total Net Assets	\$ 1,861,178	\$ 474,516	\$ 2,335,694

See accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUNDS - Cash Basis
 JUNE 30, 2013

	General Fund	Other Funds	Total
Revenues:			
Sales tax	\$ 677,762	\$ 39,004	\$ 716,766
Use tax	37,418	-	37,418
Franchise tax	14,531	-	14,531
Cigarette tax	9,069	-	9,069
Intergovernmental	18,382	9,590	27,971
Licenses and permits	1,118	-	1,118
Fines and forfeitures	15,104	-	15,104
Investment income	1,097	730	1,826
Charges for services	153,861	44,626	198,487
Rental income	10,749	-	10,749
Donations	65,251	-	65,251
Miscellaneous	36,365	638	37,003
Total Revenues	1,040,707	94,587	1,135,294
Expenditures:			
General government:			
Administration	244,420	-	244,420
General Government	244,420	-	244,420
Total general government	244,420	-	244,420
Public safety and judiciary:			
Legal and court	53,019	1,288	54,307
Police Department	190,157	-	190,157
Fire Department	29,486	-	29,486
Total public safety and judiciary	272,662	1,288	273,949
Transportation:			
Street Department	-	9,522	9,522
Airport	-	1,622	1,622
Total transportation	-	11,144	11,144
Cultural, parks and recreation:			
Parks	14,297	-	14,297
Swimming Pool	32,391	-	32,391
Library	33,887	422	34,308
Cemetery	41,332	-	41,332
Total cultural, parks and recreation	121,906	422	122,328
Public services:			
Tourism	-	23,177	23,177
Ambulance	79,398	-	79,398
Total public services	79,398	23,177	102,575
Capital outlay	-	-	-
Total Expenditures	718,386	36,030	754,416
Excess (deficiency) of revenues over expenditures	322,321	58,557	380,878
Other Financing Sources			
Transfers In	446,019	168,414	614,433
Transfers Out	(580,413)	(13,256)	(593,669)
Total Other Financing Sources	(134,394)	155,157	20,764
Net Changes in Fund Balance	187,928	213,714	401,642
Fund Balance - Beginning	86,402	386,092	472,494
Fund Balance - Ending	\$ 274,330	\$ 599,806	\$ 874,136

Reconciliation to the Statement of Activities:

Net change in fund balances:

401,642

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:
 Capital assets capitalized
 Depreciation

(325,480)

Change in net assets of governmental activities

\$ 76,162

See Accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

	Utility Authority	Industrial Authority	Total
Operating revenues:			
Charges for services:			
Electric charges	\$ 1,245,401	\$ -	\$ 1,245,401
Water charges	340,783	-	340,783
Sewer charges	131,183	-	131,183
Sanitation charges	178,801	-	178,801
Penalties	17,590	-	17,590
Total charges for services	1,913,757	-	1,913,757
Lease and rental income	-	133,520	133,520
Ambulance subscriptions	11,119	-	11,119
Miscellaneous	177,676	-	177,676
Total operating revenues	2,102,552	133,520	2,236,072
Cost of Sales:			
Cost of Providing Electricity	1,033,989	-	1,033,989
Cost of Providing Water	135,173	-	135,173
Cost of Providing Sewer	22,538	-	22,538
Cost of Sanitation Services	176,019	-	176,019
Unallocated payroll	-	-	-
Total Cost of Sales	1,367,718	-	1,367,718
Contribution Margin	734,834	133,520	868,354
General and Administrative:			
Administrative	107,629	-	107,629
General Services	127,739	-	127,739
Accounting and auditing	4,250	-	4,250
Other services and charges	-	13,384	13,384
Depreciation	158,248	2,910	161,158
Total Expenses	397,866	16,294	414,160
Operating Income (Loss)	336,968	117,226	454,194
Non-operating revenues (expenses):			
Investment Income	939	299	1,238
Interest Expense	(21,446)	-	(21,446)
Gain on Sale of Assets	-	22,500	22,500
Other-Transfers In	-	-	-
Other-Transfers Out	(671,288)	-	(671,288)
Total Non-operating Revenues (Expenses)	(691,795)	22,799	(668,996)
Changes in Net Assets	(354,827)	140,025	(214,802)
Net Assets - Beginning	2,212,171	334,491	2,546,663
Net Assets - Ending	\$ 1,857,345	\$ 474,516	\$ 2,331,861

See Accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

	<u>Utility Authority</u>	<u>Industrial Authority</u>	<u>Total</u>
Cash Flows from Operating Activities			
Receipts from customers	\$ 1,913,757	\$ 133,520	\$ 2,047,277
Other income	188,795	-	188,795
Payments to Suppliers	(1,479,598)	(13,384)	(1,492,982)
Payments to Employees	(127,739)	-	(127,739)
Net Cash Provided (Used) by Operating Activities	<u>495,216</u>	<u>120,136</u>	<u>615,352</u>
Cash Flows from Capital and Related Financing Activities			
Receipts from Capital Grants	-	-	-
Proceeds from Notes	-	-	-
Principal Paid on Debt	(86,484)	-	(86,484)
Interest Paid on Debt	(19,323)	-	(19,323)
Bond Issuance Costs	-	-	-
Purchases of Capital Assets	(106,446)	-	(106,446)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(212,252)</u>	<u>-</u>	<u>(212,252)</u>
Cash Flows from Investing Activities			
Investment Purchases	-	-	-
Investment Receipts	939	299	1,238
Transfers	(404,696)	-	(404,696)
Cash Flows provided (Used) by Investing Activities	<u>(403,757)</u>	<u>299</u>	<u>(403,458)</u>
Net Increase (Decrease) In Cash	(120,793)	120,435	(358)
Cash, Beginning of Fiscal Year	315,482	98,338	413,820
Cash, End of Fiscal Year	<u>\$ 194,689</u>	<u>\$ 218,773</u>	<u>\$ 413,462</u>
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities:			
Operating Loss	\$ 336,968	\$ 117,226	\$ 454,194
Adjustments to reconcile Net Income to Net Cash			
Depreciation	158,248	2,910	161,158
(Increase) Decrease in Accounts Receivable	-	-	-
Increase (Decrease) in Accounts Payable	-	-	-
Increase (Decrease) in Accrued Expenses	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 495,216</u>	<u>\$ 120,136</u>	<u>\$ 615,352</u>

See Accompanying notes to the basic financial statements.

Notes to Financial Statements
City of Waynoka
June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Waynoka, Oklahoma operates under a council-manager form of government with an elected five-member Council. In defining the reporting entity for financial reporting purposes, management has considered potential component units by applying criteria set forth in Statement 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity," as amended by Statement 39 of the Governmental Accounting Standards Board, "Determining Whether Certain Organizations are Component Units."

Blended Component Unit—Waynoka Utility Authority

The Waynoka Utility Authority (WUA) was established by the Council as a Public Trust during 1978. The purpose of the Trust is to finance, develop, and operate the electric, water, wastewater, and sanitation services or activities of the City of Waynoka. The Board members of the Authority are the same as the members of the City Council.

Blended Component Unit—Waynoka Industrial Authority

The Waynoka Industrial Authority (WIA) was established by the Council as a Public Trust during 1978. The purpose is developed to finance, develop and operate a city owned property to attract or retain existing business industry within the City limits. The majority of the Board members are appointed by the City Council.

Component Units that are excluded reporting with the Primary Government's basic financial statements and Audited by Another Auditor.

Excluded Component Unit – Waynoka Nursing Center Authority

The Waynoka Nursing Center Authority (WNHA) was established during 1998 to provide nursing care to City residents. The City Council appoints a majority of the Governing Board (Trustees).

Excluded Component Unit- Waynoka Mental Health Authority (WMHA)

The Waynoka Mental Health Authority, dba Northwest Substance Abuse Treatment Center for Women and Children, was created during 1997, to provide mental health and substance abuse services for pregnant women and women with dependent children, and other as deemed fit, The City Council appoints the governing Board (Trustees).

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City of Waynoka (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component unit.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, internal service fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported typically reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting. Revenues are recognized as soon as they are both received. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within by the end of the fiscal year, June 30. Expenditures generally are recorded when paid.

The City reports the following major governmental funds:

The **general fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Restricted Sales Tax** Fund accounts for 1% sales tax restricted for street capital outlay and non-revenue producing departments.

The **Restricted Tourism** Fund accounts for hotel and motel tax receipts in accordance with the City's ordinance.

The **Airport** Fund accounts form revenues and expenses of the municipal airport in accordance with state law.

The **Municipal Court** Fund accounts for the receipt of revenue and expenses of the municipal court. Revenue is generated from police fines.

The **Library** fund is used to account for revenue and expenses related to operation of the municipal library, including state funding.

The **Grants Management** Fund accounts for revenue and expenses related to operating and capital grants received.

The **Wildlife** Fund accounts for the revenue and expenses related to wildlife permits and licenses.

The **Police Dog** Fund accounts for funds limited in use for the police dog.

The **Street & Alley** Fund accounts for the revenue, commercial vehicle tax and gas excise tax, and expenses, maintenance of city street and alleys.

The **Cemetery** Fund account for 12.5% of cemetery revenue which is restricted by State Law for Cemetery capital improvements.

The **Crimestoppers** Fund accounts for donations limited in use for the crime prevention program.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The City's enterprise fund consists of the activities of the Waynoka Utilities Authority and the Waynoka Industrial Authority.

The City reports the following major enterprise fund:

The **Waynoka Utilities Authority** fund accounts for the activities of providing electricity, at the various water, wastewater, and sanitation services provided to the public.

The **Waynoka Industrial Authority** fund accounts for the activities to promote and retain commercial or industrial development within the City limits.

The City applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations,

Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARBs). As permitted by GASB No. 20, the City has elected not to follow subsequent private-sector guidance in its business-type activities and enterprise funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds and internal service fund are charges for services to customers. Operating expenses for the enterprise funds and the internal service fund include the cost of personnel, contractual services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets

1. Deposits and Investments

The City's and its component unit's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and readily convertible to cash.

The City has established a formal Investment Policy that governs the investment of all funds other than its permanent funds, private-purpose trust funds, and agency funds. Pursuant to its Investment Policy and applicable Oklahoma law, Investments for the City and its component unit are reported at fair value. Additionally, Investments are restricted or confined to Certificate of Deposits.

2. Receivables and Payables

The City records receivables or payables on the face of the basic financial statements. Interfund balances are recorded as due "due to/from other funds."

3. Inventories and prepaid items

The City does not maintain or record amounts on the basic financial statements for inventory or prepaid items.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. All infrastructure, regardless of acquisition date, has been reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No business-type activity interest was capitalized in the current period.

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the assets' estimated useful lives ranging from 5 to 50 years.

Assets	Years
Buildings	20–50
Improvements other than buildings	5–35
Machinery and equipment	5–20
Vehicles	5–15
Infrastructure	25–50

See Figure No. 1 for detail of Capital Assets.

5. Compensated Absences

Under the terms of personnel policies and union contracts, vacation and sick leave (compensated absences) are granted in varying amounts according to length of service. Certain employees also earn compensatory time. A liability for vested or accumulated vacation, sick and compensatory leave is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All accumulated leave is accrued when incurred in the government-wide financial statements. Sick leave is valued based on the vesting method that calculates the amount of sick leave that is expected to become eligible for payout at termination.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

7. Fund Equity

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable—resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted—resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed—resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned—resources neither restricted nor committed for which a government has a stated intended use as established by the Town Council or a body or official to which the Town Council has delegated the authority to assign amounts for specific purposes.

Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

8. Use of Estimates

Preparation of the City's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

9. New Pronouncements

Beginning with the fiscal year ended June 30, 2007, and continuing with these statements, the City has applied the provisions of Governmental Accounting Standards Board Statement 51. During the fiscal year ended June 30, 2010 the City has not adopted the provisions of Statements No. 45 and 54.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance—total governmental funds and net assets—governmental activities as reported in the government-wide statement of net assets.

One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.” The details of this \$1,936,859 are as follows:

Capital assets, net	\$ 1,922,729
Accounts Receivable	40,419
Current Liabilities	(26,289)
Net adjustment to increase fund balance	\$ 1,936,859

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances—total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$(52,802) difference is as follows:

Capital outlay	169,153
Depreciation expense	(221,955)
Net adjustment to increase net changes in fund balances	\$ (52,802)

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

An annual budget of the General Fund is legally adopted by the City Council through the passage of an appropriation resolve. There is a difference between the budgetary basis (Cash Basis) and generally accepted accounting principles (GAAP). The legal level of budgetary control is that level of expenditure authority that may not be exceeded or reassigned without the approval of the City Council. The City Charter gives the City Manager may at any time transfer any unencumbered appropriation balance, or portion thereof, between general classifications of expenditures within an office, department or agency. Accordingly, the legal level of budgetary control is an office, department or agency. Historically, the appropriated budget for the General Fund is prepared by department or activity.

The accounting system is employed as a budgetary management control device to monitor the individual departments. The Council did not make any amended budgetary appropriations throughout the year.

All appropriations of the general fund lapse at the end of the fiscal year to the extent that they have not been expended or lawfully encumbered. Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as a designation of fund balances and do not constitute expenditures or liabilities. The commitments are re-appropriated and honored during the subsequent year.

The amounts reported as “Final Budgeted Amounts” on the Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual, for the General Fund, include the adopted budget as well as prior-year encumbrances, additional appropriations and transfers.

B. State statute prohibits the use of deficit spending. No council shall operate or approve encumbrances or expenditures that result in a fund deficit for the current or future years.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Primary government:

As of June 30, 2013, the primary government had the following investments:

Interest rate risk. The City does not currently have a policy regarding interest rate risk. All investments are limited to time or certificate of deposits that are collateralized by financial institution, if necessary.

Credit risk. The City does not have a formal policy regarding credit risk. Oklahoma statutes authorize the City to invest only in certificates of deposits that are either guaranteed or fully collateralized by the financial institution that holds the deposits.

Custodial credit risk—deposits. This is the risk that in the event of a bank failure, the City’s deposits may not be returned to it.

B. Receivables

The City records receivables that are primarily various taxes that will be received in July of the following fiscal year.

The PWA records the billings at the end of the month and the receivable are primarily the June billings for utility services.

D. Interfund Balances and Transfers

The composition of interfund balances as of June 30, 2013, is as follows. The due to/from balances result from receipts and disbursements being made through the General Fund cash accounts. These balances will be eliminated when cash transfers are made to the appropriate funds. The advances are interfund loans from the general fund.

Transfers:

<i>Receiving Fund</i>	<i>Disbursing Fund</i>	<i>Amount</i>
General Fund	Court Fund	13,256
General Fund	Utility Authority	384,191
Restricted Sales Tax	General Fund	(168,414)
Waynoka NCA	General Fund	(168,414)
Utility Authority	General Fund	(336,827)

E. Leases

The City has no operating or capital leases as of June 30, 2013 that is presented separately.

F. Long-Term Debt

Business-type long-term debt payable from net revenues generated by the utility resources pledged to the debt includes the following:

Notes Payable:

BUSINESS-TYPE ACTIVITIES
Waynoka Utility Authority:

Notes Payable:

Rural Economic Development (RECD) in the amount of \$166,000	\$ 114,573
Payable in monthly installments of \$747.00with interest at 4.5%	
2003 OWRB note in the amount of \$1,339,000	

Payable in semi-annual installments of \$3,667 with interest at 3.5%.

\$ 887,755

Community Bank Note payable in monthly installments of \$725.65

\$24,396

Total Notes Payable

\$ 1,026,724

REVENUE BOND PAYABLE:

Utility System Refunding Revenue Bonds, Series 2008 \$1,050,000

Secured by utility revenues and pledged sales tax

865,000

Total revenue bonds payable

\$ 865,000

Notes Payable:

<i>Waynoka Utility Authority</i>	<i>Beg Bal</i>	<i>Additions</i>	<i>Retirements</i>	<i>End Bal</i>
Notes Payable	1,073,207	0	76,702	1,045,593
Revenue bonds payable	<u>905,000</u>	<u>0</u>	<u>40,000</u>	865,000
Total PWA	2,055,985	38,925	112,060	1,891,724
Less Current				<u>113,026</u>
Total Long-Term Liabilities				1,778,157

Maturities of Long-Term debt are as follows:

Payments due	June 30, 2014	Interest	Principle
June 30, 2015	75,047	70,808	\$113,026
June 30, 2016	67,470	67,470	115,456
June 30, 2017-2021	275,321	275,321	120,654
June 30, 2022-2026	152,301	152,301	697,096
June 30, 2027-2031	31,959	31,959	572,564
June 30, 2032-2034	1,257	1,257	249,789
			23,139

Total Principal Payments

\$ 1,891,724

Debt Service Covenants:

<u>Revenue Bond Coverage</u>	2003	2008
Pledged utility revenue	\$1,586,184	\$ 471,966
Pledged sales tax	168,414	168,414
Utility operating expenses	(1,492,733)	(471,624)
Exclude depreciation	83,953	74,295

Net revenues available	345,818	243,051
Annual debt service	98,306	81,268
Computed coverage	3.51	2.99
Required	1.25	1.25

Rural Economic Development requires a reserve account with a required balance of \$8,964.

G. Short-Term Debt

The City did not issue or retire any short-term debt during the fiscal year and had none outstanding at June 30, 2013.

H. Components of Fund Balances

Fund Balances are divided up into three categories: (1) Invested in capital assets, net of debt, (2) Restricted, and (3) Unrestricted.

The proprietary funds contain restricted cash amounts for customer utility deposits and other for debt service covenants.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and other risks for which the City insurance. There have been no significant changes in insurance coverage during the past fiscal year. For the three fiscal years ended June 30, 2013, 2012 and 2011 there have been no settlements in excess of coverage.

The City belongs to the OKLAHOMA MUNICIPAL ASSURANCE GROUP (OMAG) for most of its municipal property and liability exposures.

For worker's compensation, the City and its related authorities participate in OMAG.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

At time there are various claims and suits brought against the City that arise in the normal course of the City's activities. In the opinion of counsel and Town management, the ultimate disposition of these various claims and suits will have no material effect on the financial position of the City.

C. Deferred Compensation Plan

The City offers no deferred compensation plan to its employees.

D. Defined Benefit Pension Plans

The City of Waynoka is contributing by ordinance a retirement fund and system designated the "Employee Retirement System of Waynoka, Oklahoma" under authority granted by Oklahoma Statutes Title 11 § 48-101. The City participates with other cities in the Oklahoma Municipal Retirement System, which is a cost sharing, multiple-employer public employee retirement system (PERS).

The City has incurred the following expenditure for the last three years as it relates to this matter:

June 30, 2011	18,965
June 30, 2012	19,912
June 30, 2013	20,545

Firefighters pension plan

Contributions required and contributions made

The City makes annual contributions to the pension plan equal to the amount required by state statutes. According to Title 11, O.S. 49-122 (C) cities are to contribute \$60.00 yearly to the Oklahoma Firefighters Pension and Retirement System for each active volunteer firefighter.

E. Other Post Employment Benefits

The City has no OPED as of June 30, 2013.

F. Overlapping Debt

The City has no overlapping debt as of June 30, 2013.

G. Quasi-Municipal Debt

The City does not have any debt or obligation that would be defined as Quasi-Municipal Debt, as of June 30, 2013.

H. Joint Venture

The City is not and has not entered into any joint ventures as of June 30, 2013.

I. Commitments

As of June 30, 2013, the City had various contractual commitments. No significant commitments are material to the financial position of the City.

J. Long-Term Receivables

The city has no long-term receivables as of June 30, 2013.

K. Subsequent Events

As of December 18, 2013, the issuance date of this report, two (2) subsequent reports have occurred that effect the City or its financial statements as presented. The City Administrator has separated from employment with the City. The City has terminated its contract with its accounting firm to provide financial assistance as a finance director and preparation of monthly financial reports and budget comparisons.

During the Fiscal year 2012-2013 the Waynoka Nursing Home Authority has ceased operations. This may affect the amount of long-term debt due from the city. This amount will be known pending the liquidation of the Authorities assets.

CITY OF WAYNOKA, OKLAHOMA
Schedule of Changes in Capital Assets
Figure 1. Continuation on Notes

	July 1, 2012	Additions	Disposals	June 30, 2013
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 212,373	\$ -	\$ -	\$ 212,373
Construction in progress	-	-	-	-
Total capital assets not being depreciated	212,373	-	-	212,373
Other capital assets				
Buildings	689,588	-	-	689,588
Machinery and equipment	1,286,839	-	-	1,286,839
Infrastructure	1,759,207	-	-	1,759,207
Total other capital assets at historical costs	3,735,634	-	-	3,735,634
Less accumulated depreciation for:				
Other capital assets, net	2,025,278	236,258	-	2,261,536
Governmental activities capital assets, net	\$ 1,922,729	\$ (236,258)	\$ -	\$ 1,686,471
Business-type activities:				
Capital assets not being depreciated:				
Land	187,749	-	-	187,749
Construction in progress	-	-	-	-
Total capital assets not being depreciated	187,749	-	-	187,749
Other capital assets				
Buildings	110,198	-	-	110,198
Machinery and equipment	723,729	-	-	723,729
Utility Property	5,049,400	-	-	5,049,400
Other improvements	79,122	-	-	79,122
Total other capital assets at historical costs	5,962,449	-	-	5,962,449
Less accumulated depreciation for:				
Other capital assets, net	2,525,990	161,158	-	2,687,148
Business-Type activities capital assets, net	\$ 3,624,208	\$ (161,158)	\$ -	\$ 3,463,050

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

To the City Council
City of Waynoka, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Waynoka, State of Oklahoma, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise City of Waynoka, State of Oklahoma's basic financial statements, and have issued our report thereon dated December 18, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Waynoka, Oklahoma'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 City of Waynoka, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Waynoka, Oklahoma'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

City of Waynoka
December 18, 2013

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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

We noted certain matters that we reported to management of City of Waynoka, Oklahoma, in a separate letter dated December 18, 2013.

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.



Watonga, Oklahoma

December 18, 2013

SUPPLEMENTAL INFORMATION

CITY OF WAYNOKA, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGETARY COMPARISON - GENERAL FUND (Cash Basis)
 GOVERNMENTAL FUNDS
 FISCAL YEAR ENDED JUNE 30, 2013

	Original	Final	General Fund	Variance Over (Under)
Revenues:				
Taxes:				
Sales Tax	\$ 422,000	\$ 546,969	\$ 677,762	\$ 130,793
Use Tax	18,000	20,000	37,418	17,418
Franchise Tax	12,750	12,750	14,531	1,781
Tobacco Tax	5,750	6,000	9,069	3,069
Intergovernmental Taxes:				
Alcoholic Beverage	15,000	15,000	18,382	3,382
License and permits	1,625	1,625	1,118	(507)
Fines and forfeitures	-	-	15,104	15,104
Charges for Services:				
Ambulance	67,500	121,564	135,282	13,719
Cemetery	4,025	4,025	3,306	(720)
Fire	12,000	13,250	11,829	(1,421)
Swimming Pool	1,500	1,500	3,444	1,944
Rental Income	6,000	6,000	10,749	4,749
Interest	-	-	1,097	1,097
Miscellaneous	35,000	23,030	33,508	10,478
Grant	-	65,251	65,251	-
Insurance Reimbursements	7,500	8,500	-	(8,500)
Library	3,500	3,500	2,857	(643)
Total Revenues	<u>612,150</u>	<u>848,964</u>	<u>1,040,707</u>	<u>191,744</u>
Expenditures:				
General Government:				
Administration	1,100	1,100	-	(1,100)
Treasurer	-	-	53,019	(18,981)
General Government	24,000	253,884	244,420	(9,464)
Total General Government	<u>241,000</u>	<u>326,984</u>	<u>297,439</u>	<u>(29,545)</u>
Public safety and judiciary:				
Legal and courts	-	-	190,157	(16,993)
Police	242,150	207,150	29,486	1,486
Fire	28,000	28,000	219,643	(15,508)
Total public safety and judiciary	<u>270,150</u>	<u>235,150</u>	<u>412,286</u>	<u>(138,000)</u>
Cultural, parks and recreation:				
Parks	24,800	42,300	14,297	(28,003)
Swimming Pool	10,000	20,000	32,391	12,391
Library	30,300	19,800	33,887	14,087
Cemetery	56,300	31,500	41,332	9,832
Total cultural, parks and recreation	<u>121,400</u>	<u>113,600</u>	<u>121,906</u>	<u>8,306</u>
Public services:				
Tourism	-	-	79,398	(62,602)
Ambulance	135,350	142,000	-	-
Clinic	-	-	79,398	-
Total public services	<u>135,350</u>	<u>142,000</u>	<u>79,398</u>	<u>(62,602)</u>
Total Expenditures	<u>767,900</u>	<u>817,734</u>	<u>718,386</u>	<u>(99,348)</u>
Excess (deficiency) of revenues over expenditures	(155,750)	31,230	322,321	291,092
Other Financing Sources				
Transfers In	350,000	443,770	446,019	2,249
Transfers Out	(194,250)	(475,000)	(580,413)	(105,413)
Total Other Financing Sources	<u>155,750</u>	<u>(31,230)</u>	<u>(134,394)</u>	<u>(103,164)</u>
Net Changes in Fund Balance	-	(0)	187,928	187,928
Fund Balance - Beginning	43,374	43,374	86,402	43,028
Fund Balance - Ending	<u>\$ 43,374</u>	<u>\$ 43,374</u>	<u>\$ 274,330</u>	<u>\$ 230,956</u>

See Accompanying notes to the basic financial statements.

City of Waynoka
 Combining Statement of Net Assets - Cash Basis
 Fiscal Year Ended June 30, 2013

	Restricted Sales Tax	Restricted Torusim Fund	Restricted Airport Fund	Municipal Court Fund	Library Fund	Grant Fund	Wildlife Fund	Police Drug Dog Fund	Street & Alley Fund	Cemetery Fund	Crimestoppers Fund	Total Governmenta I Funds
ASSETS												
Cash and cash equivalents	\$ 313,697	\$ 65,694	\$ 32,238	\$ 2,981	\$ 3,947	\$ 25,353	\$ -	\$ 620	\$ 16,059	\$ 26,066	\$ 1,889	\$ 488,542
Certificates of deposits	99,423	-	-	-	-	-	-	-	-	8,947	-	108,371
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 413,120	\$ 65,694	\$ 32,238	\$ 2,981	\$ 3,947	\$ 25,353	\$ -	\$ 620	\$ 16,059	\$ 35,013	\$ 1,889	\$ 596,912
LIABILITIES												
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	25,353	-	-	-	-	-	25,353
Committed	413,120	65,694	-	-	-	-	-	620	-	-	1,889	481,322
Assigned	-	-	32,238	2,981	3,947	-	-	-	16,059	35,013	-	90,237
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	413,120	65,694	32,238	2,981	3,947	25,353	-	620	16,059	35,013	1,889	596,912
Total Liabilities and fund balance	\$ 413,120	\$ 65,694	\$ 32,238	\$ 2,981	\$ 3,947	\$ 25,353	\$ -	\$ 620	\$ 16,059	\$ 35,013	\$ 1,889	\$ 596,912

City of Waynoka
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Cash Basis
Fiscal Year Ended June 30, 2013

	Restricted Sales Tax	Restricted Torusim Fund	Airport Fund	Municipal Court Fund	Library Fund	Grant Fund	Wildlife Fund	Police Drug Dog Fund	Street & Alley Fund	Cemetery Fund	Crimestoppers Fund	Total Governmenta l Funds
REVENUES												
Investment income	\$ 704	\$ -	\$ -	\$ -	\$ -	\$ 13	\$ -	\$ -	\$ 8	\$ 5	\$ -	\$ 730
Charges for services	-	-	28,508	15,016	-	-	-	-	-	1,102	-	44,626
Tax Revenues	-	39,004	-	-	-	-	-	-	-	-	-	39,004
Intergovernmental programs	-	-	-	-	3,104	-	-	-	6,486	-	-	9,590
Miscellaneous	-	-	-	-	435	-	-	-	-	-	203	638
Total Revenues	704	39,004	28,508	15,016	3,539	13	-	-	6,494	1,107	203	94,587
EXPENDITURES												
General Government:												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Administration	-	-	-	-	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety and judiciary:												
Legal and courts	-	-	-	1,288	-	-	-	-	-	-	-	1,288
Police	-	-	-	-	-	-	-	-	-	-	2,887	2,887
Total public safety and judiciary	-	-	-	1,288	-	-	-	-	-	-	2,887	4,175
Transportation:												
Street	-	-	-	-	-	-	-	-	9,522	-	-	9,522
Airport	-	-	1,622	-	-	-	-	-	-	-	-	1,622
Total transportation	-	-	1,622	-	-	-	-	-	9,522	-	-	11,144
Cultural, parks and recreation:												
Parks	-	-	-	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	422	-	-	-	-	-	-	422
Cemetery	-	-	-	-	-	-	-	-	-	6	-	6
Total cultural, parks and recreation	-	-	-	-	422	-	-	-	-	6	-	428
Public services:												
Ambulance	-	-	-	-	-	-	-	-	-	-	-	-
Clinic	-	-	-	-	-	-	-	-	-	-	-	-
Total public services	-	-	-	-	-	-	-	-	-	-	-	-
Economic development:												
Tourism	-	23,177	-	-	-	-	-	-	-	-	-	23,177
Total economic development	-	23,177	-	-	-	-	-	-	-	-	-	23,177
Capital outlay												
Total expenditures	-	23,177	1,622	1,288	422	-	-	-	9,522	6	2,887	38,924
Excess (deficiency) of revenue over expenditures	704	15,827	26,886	13,728	3,117	13	-	-	(3,028)	1,101	(2,684)	55,663
OTHER FINANCING SOURCES (USES)												
Transfers in	168,414	-	-	-	-	-	-	-	-	-	-	168,414
Transfers out	-	-	-	(13,256)	-	-	-	-	-	-	-	(13,256)
Total other financing sources and uses	168,414	-	-	(13,256)	-	-	-	-	-	-	-	155,157
Net change in fund balance	169,118	15,827	26,886	472	3,117	13	-	-	(3,028)	1,101	(2,684)	210,821
Fund Balance - Beginning	244,003	49,867	5,352	2,509	829	25,340	-	620	19,086	33,912	4,573	283,579
Fund Balance - Ending	\$ 413,120	\$ 65,694	\$ 32,238	\$ 2,981	\$ 3,947	\$ 25,353	\$ -	\$ 620	\$ 16,059	\$ 35,013	\$ 1,889	\$ 494,400