

**CITY OF WAYNOKA
WOODS COUNTY, OKLAHOMA**

**AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED
JUNE 30, 2014**

WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA

CONTENTS

Page

City officials	
Contents	
Independent auditors' report	
Statement of Net Assets	
Statement of Activities	
Balance Sheet	
Governmental Funds	
Statement of Revenues, Expenditures, and Changes in Fund Balances	
Governmental Funds	
Statement of Net Assets	
Proprietary Funds	
Statement of Revenues, Expenses, and Changes in Net Assets	
Proprietary Funds	
Statement of Cash Flows	
Proprietary Funds	
Notes to financial statements	

Auditors' report on internal control over financial reporting and on compliance and other matters based upon an audit of financial statements performed in accordance with government auditing standards

Supplemental Information

Budgetary Comparison – General Fund

WILLIAM K. GAUER

CERTIFIED PUBLIC ACCOUNTANT

121 SOUTH NOBLE ~ P. O. Box 181
PHONE 580-623-5071

WATONGA, OKLAHOMA 73772
FAX 580-623-5072

WGAUER@GAUERCPA.MYGBIZ.COM

INDEPENDENT AUDITOR'S REPORT

To the City Council
Waynoka, Oklahoma

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Waynoka, State of Oklahoma, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the

aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waynoka, State of Oklahoma, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Waynoka, State of Oklahoma's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Watonga, Oklahoma
December 17, 2014

CITY OF WAYNOKA, OKLAHOMA
Statement of Net Assets
June 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Unrestricted			
Cash and cash equivalents	\$ 517,799	\$ 501,960	\$ 1,019,758
Investments	269,204	172,141	441,345
Accounts receivable, net	-	168,753	168,753
Receivable from other governments	-	-	-
Total Current Assets	<u>787,003</u>	<u>842,853</u>	<u>1,629,856</u>
Restricted assets:			
Restricted Cash and Investments	-	244,276	244,276
Investments	-	-	-
Total restricted assets	<u>-</u>	<u>244,276</u>	<u>244,276</u>
Noncurrent Assets:			
Bond Issuance Costs, net	212,373	187,749	400,122
Land and construction progress	1,436,527	3,112,031	4,548,559
Capital Assets, net	<u>1,648,900</u>	<u>3,299,780</u>	<u>4,948,681</u>
Total Non-Current Assets	<u>2,435,903</u>	<u>4,386,909</u>	<u>6,822,812</u>
Total Assets			
LIABILITIES			
Current liabilities:			
Accounts Payable	-	21,674	21,674
Accrued Expenses	6,474	9,231	15,705
Compensated absences	10,190	18,085	28,275
Notes Payable-Current	-	25,693	25,693
Total Current Liabilities	<u>16,664</u>	<u>74,684</u>	<u>91,347</u>
Liabilities payable from restricted assets:			
Customer deposits	-	49,542	49,542
Bonds payable, current	-	45,000	45,000
Bonds payable, noncurrent	-	94,542	94,542
Total Liabilities	<u>-</u>	<u>1,751,393</u>	<u>1,751,393</u>
Noncurrent liabilities:			
Notes payable, noncurrent	-	976,393	976,393
Bonds payable, noncurrent	-	775,000	775,000
Total Liabilities	<u>-</u>	<u>1,751,393</u>	<u>1,751,393</u>
NET ASSETS			
Invested in capital assets, net of related debt	1,648,900	1,522,694	3,171,594
Restricted	-	149,734	149,734
Unrestricted	770,339	793,863	1,564,202
Total Net Assets	<u>\$ 2,419,239</u>	<u>\$ 2,466,291</u>	<u>\$ 4,885,530</u>

See accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
Statement of Activities
For the Fiscal Year Ended June 30, 2014

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:	\$ 154,289	\$ -	\$ -	\$ -	\$ (154,289)	\$ -	\$ (154,289)
Administration:	-	-	-	-	-	-	-
Total general government	154,289	-	-	-	(154,289)	-	(154,289)
Public safety and judiciary:	56,286	-	-	-	(56,286)	-	(56,286)
Legal & courts	180,968	25,854	-	-	(135,114)	-	(135,114)
Police	35,034	8,194	-	-	(26,839)	-	(26,839)
Fire	252,286	34,048	-	-	(218,238)	-	(218,238)
Total public safety and judiciary	568,304	68,196	-	-	(490,108)	-	(490,108)
Transportation:	38,626	-	-	-	(38,626)	-	(38,626)
Street & Alley	3,521	-	-	-	(3,521)	-	(3,521)
Airport	42,148	-	-	-	(42,148)	-	(42,148)
Cultural, parks and recreation:	44,727	-	-	-	(44,727)	-	(44,727)
Parks	3,001	2,542	-	-	(459)	-	(459)
Swimming pool	55,982	-	3,104	-	(52,878)	-	(52,878)
Library	32,418	9,548	-	-	(22,870)	-	(22,870)
Cemetery	136,127	12,090	3,104	-	(120,934)	-	(120,934)
Public services:	35,479	-	-	-	(35,479)	-	(35,479)
Toursim	145,913	92,827	-	-	(53,086)	-	(53,086)
Ambulance and clinic	181,392	92,827	-	-	(88,565)	-	(88,565)
Total public services	236,258	185,654	-	-	(236,258)	-	(236,258)
Total governmental activities	786,243	138,965	3,104	-	(624,174)	-	(624,174)
Business-Type Activities:							
Electricity	1,369,680	1,306,537	-	-	-	(63,143)	(63,142,69)
Water	196,333	320,559	-	-	-	124,227	124,227
Sewer	111,283	131,161	-	-	-	19,877	19,877
Sanitation	185,954	196,636	-	-	-	30,682	30,682
General and administrative	261,808	65,157	-	-	-	(196,650)	(196,650)
Economic development	10,075	73,140	-	-	-	63,065	63,065
Total business-type activities	2,115,132	2,093,190	-	-	-	(21,942)	(21,942)
Total Primary Government	2,881,375	2,232,155	3,104	-	(624,174)	(21,942)	(646,116)
General Revenues:							
Taxes:							
Sales tax					612,104	-	612,104
Use tax					64,430	-	64,430
Franchise tax					15,062	-	15,062
Cigarette tax					6,295	-	6,295
Alcoholic beverage tax					19,121	-	19,121
Investment income					3,188	1,060	4,248
Miscellaneous					(33,114)	155,311	122,197
Transfers - Internal activity					(129,188)	-	(129,188)
Total general revenues and transfers					557,898	156,372	714,270
Changes in Net Assets					(66,276)	134,430	68,154
Net Assets - Beginning					2,485,515	2,331,861	4,817,376
Net Assets - Ending					\$ 2,419,239	\$ 2,466,291	\$ 4,885,530

See accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
STATEMENT OF FUND BALANCES
GOVERNMENTAL FUNDS - Cash Basis
JUNE 30, 2014

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 14,922	\$ 502,876	\$ 517,799
Investments	160,522	108,682	269,204
Due from Other Funds	-	-	-
Receivable from other governments	-	-	-
Total Current Assets	<u>175,444</u>	<u>611,559</u>	<u>787,003</u>
Non-current Assets:			
Capital Assets			
Capital assets, net of accumulated depreciation	-	-	-
Total Non-Current Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>175,444</u>	<u>611,559</u>	<u>787,003</u>
LIABILITIES			
Compensated absences	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	61,777	61,777
Committed	-	430,269	430,269
Assigned	-	119,513	119,513
Unassigned	175,444	-	175,444
Total Net Assets	<u>175,444</u>	<u>611,559</u>	<u>787,003</u>

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	1,648,900
Taxes Receivable	-
Accounts payable	-
Accrued Expenses	(6,474)
Compensated Abscences	(10,190)
	<u>\$ 2,419,239</u>

See accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2014

	Utility Authority	Industrial Authority	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 173,112	\$ 328,847	\$ 501,960
Investments	172,141	-	172,141
Accounts Receivable, net	168,753	-	168,753
Total Current Assets	<u>514,006</u>	<u>328,847</u>	<u>842,853</u>
Noncurrent Assets:			
Restricted cash and cash equivalents	54,289	-	54,289
2008 Bond Construction Account	128,536	-	128,536
2008 Bond Sinking Fund Account	27,716	-	27,716
Restricted Investments	33,736	-	33,736
Total restricted assets	<u>244,276</u>	<u>-</u>	<u>88,025</u>
Noncurrent assets:			
Capital Assets, net of accumulated depreciation	3,066,538	233,243	3,299,780
Total noncurrent assets	<u>3,066,538</u>	<u>233,243</u>	<u>3,299,780</u>
Total Assets	<u>3,824,820</u>	<u>562,090</u>	<u>4,230,658</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	21,674	-	21,674
Wages and benefits payable	9,231	-	9,231
Accrued interest	-	-	-
Other accrued liabilities	-	-	-
Compensated absences	18,085	-	18,085
Notes payable, current	25,693	-	25,693
Total current liabilities	<u>74,684</u>	<u>-</u>	<u>74,684</u>
Liabilities payable from restricted assets:			
Customer deposits	49,542	-	49,542
Bonds payable, current	45,000	-	45,000
	<u>94,542</u>	<u>-</u>	<u>94,542</u>
Noncurrent Liabilities:			
Notes payable, non-current	976,393	-	976,393
Bonds payable, non-current	775,000	-	775,000
Total noncurrent liabilities	<u>1,751,393</u>	<u>-</u>	<u>1,751,393</u>
Total Liabilities	<u>1,920,619</u>	<u>-</u>	<u>1,920,619</u>
NET ASSETS			
Invested in Capital Assets, net of debt	1,244,451	233,243	1,477,694
Restricted	194,734	-	194,734
Unrestricted	465,016	328,847	793,863
Total Net Assets	<u>\$ 1,904,201</u>	<u>\$ 562,090</u>	<u>\$ 2,466,291</u>

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, 2014

	General Fund	Other Funds	Total
Revenues:			
Sales tax	\$ 516,751	\$ 95,353	\$ 612,104
Use tax	64,430	-	64,430
Franchise tax	15,062	-	15,062
Cigarette tax	6,295	-	6,295
Intergovernmental	19,121	12,566	31,686
Licenses and permits	1,541	-	1,541
Fines and forfeitures	-	25,854	25,854
Investment income	2,116	1,072	3,188
Charges for services	110,736	15,749	126,485
Rental income	7,055	-	7,055
Donations	2,394	-	2,394
Miscellaneous	71,430	5,941	77,371
Total Revenues	816,932	156,534	973,466
Expenditures:			
General government:			
Administration	-	687	-
General Government	153,602	687	154,289
Total general government	153,602	687	154,289
Public safety and judiciary:			
Legal and court	56,285	-	56,285
Police Department	159,502	1,466	160,968
Fire Department	35,034	-	35,034
Total public safety and judiciary	250,820	1,466	252,286
Transportation:			
Street Department	-	38,626	38,626
Airport	-	3,521	3,521
Total transportation	-	42,148	42,148
Cultural, parks and recreation:			
Parks	44,727	-	44,727
Swimming Pool	3,001	-	3,001
Library	47,642	8,340	55,982
Cemetery	32,418	-	32,418
Total cultural, parks and recreation	127,787	8,340	136,127
Public services:			
Tourism	-	35,479	35,479
Ambulance	145,913	-	145,913
Total public services	145,913	35,479	181,392
Capital outlay	-	198,687	198,687
Total Expenditures	678,122	286,807	964,930
Excess (deficiency) of revenues over expenditures	138,810	(130,274)	8,537
Other Financing Sources			
Transfers In	279,055	129,188	408,243
Transfers Out	(516,751)	(20,680)	(537,431)
Total Other Financing Sources	(237,696)	108,508	(129,188)
Net Changes in Fund Balance	(98,886)	(21,765)	(120,651)
Fund Balance - Beginning	274,330	633,324	907,654
Fund Balance - Ending	\$ 175,444	\$ 611,559	\$ 787,003

Reconciliation to the Statement of Activities:

Net change in fund balances	(120,651)
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	198,687
Depreciation	(236,258)

Change in net assets of governmental activities See Accompanying notes to the basic financial statements.

\$ (158,222)

CITY OF WAYNOKA, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2014

	Utility Authority	Industrial Authority	Total
Operating revenues:			
Charges for services:			
Electric charges	\$ 1,306,537	\$ -	\$ 1,306,537
Water charges	320,559	-	320,559
Sewer charges	131,161	-	131,161
Sanitation charges	196,636	-	196,636
Penalties	15,114	-	15,114
Total charges for services	1,970,008	-	1,970,008
Lease and rental income	-	67,590	67,590
Ambulance subscriptions	10,530	-	10,530
Miscellaneous	44,493	5,550	50,043
Total operating revenues	2,025,031	73,140	2,098,171
Cost of Sales:			
Cost of Providing Electricity	1,208,202	-	1,208,202
Cost of Providing Water	136,943	-	136,943
Cost of Providing Sewer	24,844	-	24,844
Cost of Sanitation Services	165,954	-	165,954
Total Cost of Sales	1,535,942	-	1,535,942
Contribution Margin	489,089	73,140	562,229
General and Administrative:			
Administrative	91,443	-	91,443
General Services	165,865	5,684	171,548
Accounting and auditing	4,500	-	4,500
Other services and charges	-	1,481	1,481
Depreciation	160,360	2,910	163,270
Total Expenses	422,167	10,075	432,242
Operating Income (Loss)	66,922	63,065	129,987
Non-operating revenues (expenses):			
Investment income	644	416	1,060
Interest Expense	(53,790)	-	(53,790)
Gain on Sale of Assets	-	24,093	24,093
Record 2008 Bond Account Balances	156,253	-	156,253
Write-off Bond Issuance Cost	(58,854)	-	(58,854)
Retirement of Nursing Home Debt	(64,319)	-	(64,319)
Other-Transfers In	258,376	-	258,376
Other-Transfers Out	(258,376)	-	(258,376)
Total Non-operating Revenues (Expenses)	(20,065)	24,509	4,443
Changes in Net Assets	46,856	87,574	134,430
Net Assets - Beginning	1,857,345	474,516	2,331,861
Net Assets - Ending	<u>\$ 1,904,201</u>	<u>\$ 562,090</u>	<u>\$ 2,466,291</u>

See Accompanying notes to the basic financial statements.

CITY OF WAYNOKA, OKLAHOMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

	Utility Authority	Industrial Authority	Total
Cash Flows from Operating Activities			
Receipts from customers	\$ 1,970,008	\$ 67,590	\$ 2,037,597
Other income	55,024	5,550	60,574
Payments to Suppliers	(1,631,885)	(7,165)	(1,639,050)
Payments to Employees	(165,865)	-	(165,865)
Net Cash Provided (Used) by Operating Activities	<u>227,281</u>	<u>65,975</u>	<u>293,256</u>
Cash Flows from Capital and Related Financing Activities			
Sale of Assets	-	-	-
Principal Paid on Debt	(69,638)	-	(69,638)
Interest Paid on Debt	(56,673)	-	(56,673)
Purchases of Capital Assets	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(126,310)</u>	<u>-</u>	<u>(126,310)</u>
Cash Flows from Investing Activities			
Investment Purchases	-	-	-
Investment Receipts	644	416	1,060
Transfers	-	-	-
Cash Flows provided (Used) by Investing Activities	<u>644</u>	<u>416</u>	<u>1,060</u>
Net Increase (Decrease) In Cash	101,615	66,391	168,006
Cash, Beginning of Fiscal Year	194,689	218,773	413,462
Cash, End of Fiscal Year	<u>\$ 296,304</u>	<u>\$ 285,164</u>	<u>\$ 581,468</u>

Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities:

Operating Loss	\$ 66,922	\$ 63,065	\$ 129,987
Adjustments to reconcile Net Income to Net Cash			
Depreciation	160,360	2,910	163,270
(Increase) Decrease in Accounts Receivable	-	-	-
Increase (Decrease) in Accounts Payable	-	-	-
Increase (Decrease) in Accrued Expenses	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 227,281</u>	<u>\$ 65,975</u>	<u>\$ 293,256</u>

See Accompanying notes to the basic financial statements.

Notes to Financial Statements
City of Waynoka
June 30, 2014

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 o 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 \$1,632,236 are as follows:

Capital assets, net	\$ 1,648,900
Accrued expenses	(6,474)
Compensated absences	(10,190)
Net adjustment to increase fund balance	\$ 1,632,236

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 \$(37,571) difference is as follows:

Capital outlay	198,687
Depreciation expense	(236,258)
Net adjustment to increase net changes in fund balances	\$ (37,571)

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, 2014, 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	\$ 20,680
General Fund	Utility Authority	258,376
Restricted Sales Tax	General Fund	(129,188)
Waynoka NCA	General Fund	(129,188)
Utility Authority	General Fund	(258,376)

E. Leases

The City has no operating or capital leases as of June 30, 2014 that are 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 \$ 110,686
 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%.

\$ 874,613

Community Bank Note payable in monthly installments of \$725.65

\$16,788

Total Notes Payable

\$ 1,002,087

REVENUE BOND PAYABLE:

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

Secured by utility revenues and pledged sales tax

820,000

Total revenue bonds payable

\$ 820,000

Notes Payable:

	<i>Waynoka Utility Authority</i>	<i>Beg Bal</i>	<i>Additions</i>	<i>Retirements</i>	<i>End Bal</i>
Notes Payable	1,045,593	0	76,702	1,002,087	
Revenue bonds payable	<u>865,000</u>	<u>0</u>	<u>45,000</u>	<u>820,000</u>	
Total PWA	2,055,985	38,925	112,060	1,822,087	
Less Current				<u>70,693</u>	
Total Long-Term Liabilities				1,751,394	

Maturities of Long-Term debt are as follows:

	Payments due June 30, 2015	Interest	Principle
June 30, 2016	\$54,824	52,705	\$70,693
June 30, 2017	52,705	50,716	71,795
June 30, 2018	48,841	48,841	69,365
June 30, 2019	46,939	46,939	69,767
5 Year increments			70,518
June 30, 2014	205,126	205,126	444,915
June 30, 2029	146,987	146,987	166,553
June 30, 2034	98,453	98,453	148,990
June 30, 2039	73,039	73,039	146,981
June 30, 2044	44,934	44,934	175,046
June 30, 2049	12,209	12,209	165,463

Debt Service Covenants:

	2003	2008
<u>Revenue Bond Coverage</u>		
Pledged utility revenue	\$1,627,096	\$ 451,720
Pledged sales tax	129,188	129,188
Utility operating expenses	(1,509,062)	(401,967)
Exclude depreciation	67,974	74,295
Net revenues available	315,196	253,236
Annual debt service	98,306	81,268
Computed coverage	3.20	3.11
Required	1.25	1.25

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, 2014.

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, 2014, 2013 and 2012 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, 2012	19,912
June 30, 2013	20,545
June 30, 2014	21,859

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, 2014.

F. Overlapping Debt

The City has no overlapping debt as of June 30, 2014.

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, 2014.

H. Joint Venture

The City is not and has not entered into any joint ventures as of June 30, 2014.

I. Commitments

As of June 30, 2014, 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, 2014.

K. Subsequent Events

During September 2014 the City entered into the 2014 Utility System Revenue Bonds, in the amount of \$1,200,000. The Bonds are dated on September 1, 2014.

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

	July 1, 2013	Additions	Disposals	June 30, 2014
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 212,373	\$ -	\$ -	\$ 212,373
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>212,373</u>	<u>-</u>	<u>-</u>	<u>212,373</u>
Other capital assets				
Buildings	689,588	-	-	689,588
Machinery and equipment	1,286,839	-	-	1,286,839
Infrastructure	1,759,207	198,687	-	1,957,894
Total other capital assets at historical costs	<u>3,735,634</u>	<u>198,687</u>	<u>-</u>	<u>3,934,321</u>
Less accumulated depreciation for:	<u>2,261,536</u>	<u>236,258</u>	<u>-</u>	<u>2,497,794</u>
Other capital assets, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Governmental activities capital assets, net	<u>\$ 1,686,471</u>	<u>\$ (37,571)</u>	<u>\$ -</u>	<u>\$ 1,648,900</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	187,749	-	-	187,749
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>187,749</u>	<u>-</u>	<u>-</u>	<u>187,749</u>
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	<u>5,962,449</u>	<u>-</u>	<u>-</u>	<u>5,962,449</u>
Less accumulated depreciation for:	<u>2,687,148</u>	<u>163,270</u>	<u>-</u>	<u>2,850,418</u>
Other capital assets, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-Type activities capital assets, net	<u>\$ 3,463,050</u>	<u>\$ (163,270)</u>	<u>\$ -</u>	<u>\$ 3,299,780</u>

WILLIAM K. GAUER

CERTIFIED PUBLIC ACCOUNTANT

121 SOUTH NOBLE ~ P.O. BOX 181
PHONE 580-623-5071

WATONGA, OKLAHOMA 73772
FAX 580-623-5072

WGAEUER@WHEELERBROTHERS.COM

**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, 2014, 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 17, 2014.

Internal Control over Financial Reporting

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

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

and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies.

The Auditor assisted in the drafting and presentation of the basic financial statements and the related notes.

Compliance and Other Matters

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

City of Waynoka, State of Oklahoma's Response to Findings

City of Waynoka's response to the findings identified in our audit is to continue to improve upon its understanding of the basic financial statements and better develop its skills in presenting the financial statements in the related notes. City of Waynoka's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink, appearing to be 'W. P. Kelly', written over a horizontal line.

Waynoka, Oklahoma
December 17, 2014

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, 2014

	Original	Final	General Fund	Variance Over/(Under)
Revenues:				
Taxes:				
Sales Tax	\$ -	\$ -	\$ 516,751	\$ -
Use Tax	-	-	64,430	-
Franchise Tax	-	-	15,062	-
Tabacco Tax	-	-	6,295	-
Lodging Tax	-	-	3,594	-
Total Tax Receipts	675,000	675,000	606,133	(68,867)
Intergovernmental Taxes:				
Alcoholic Beverage	-	-	19,121	19,121
Total Intergovernmental Taxes	1,000	1,000	1,541	541
License and permits	12,500	12,500	20,680	8,180
Fines and forfeitures	-	-	-	-
Charges for Services:				
Ambulance	120,000	120,000	92,827	(27,173)
Cemetery	3,500	3,500	7,173	3,673
File	7,500	7,500	8,194	694
Swimming Pool	500	500	2,542	2,042
Rental income	8,500	8,500	7,055	(1,445)
Interest	500	500	2,116	1,616
Miscellaneous	7,500	7,500	29,799	22,299
Grant	-	-	-	-
Insurance Reimbursements	30,000	30,000	17,605	(12,395)
Library	3,000	3,000	2,148	(852)
Total Revenues	869,500	869,500	816,932	(52,568)
Expenditures:				
General Government:				
Administration	19,200	19,200	-	(19,200)
Treasurer	-	-	-	-
Attorney	72,000	72,000	56,285	(15,715)
General Government	161,700	85,217	153,602	68,385
Total General Government	252,900	176,417	209,887	33,470
Public safety and judiciary:				
Legal and courts	-	-	-	-
Police	210,000	203,833	159,502	(44,331)
Fire	28,500	30,500	35,034	4,534
Total public safety and judiciary	238,500	234,333	194,535	(39,798)
Cultural, parks and recreation:				
Parks	42,300	56,100	44,727	(11,379)
Swimming Pool	10,000	10,000	3,001	(6,999)
Library	24,800	35,500	47,642	12,142
Cemetery	19,000	41,000	32,418	(8,582)
Total cultural, parks and recreation	96,100	142,600	127,787	(14,813)
Public services:				
Tourism	-	-	-	-
Ambulance	112,500	146,650	145,913	(737)
Clinic	-	-	-	-
Total public services	112,500	146,650	145,913	(737)
Total Expenditures	700,000	700,000	678,122	(21,878)
Excess (deficiency) of revenues over expenditures	169,500	169,500	138,810	(30,690)
Other Financing Sources				
Transfers In	255,500	255,500	279,055	23,555
Transfers Out	(425,000)	(425,000)	(516,751)	(91,751)
Total Other Financing Sources	(169,500)	(169,500)	(237,696)	(68,196)
Net Changes in Fund Balance	-	-	(98,886)	(98,886)
Fund Balance - Beginning	30,000	30,000	274,330	244,330
Fund Balance - Ending	\$ 30,000	\$ 30,000	\$ 175,444	\$ 145,444

See Accompanying notes to the basic financial statements.

City of Waynoka
 Combining Statement of Net Assets - Cash Basis
 Fiscal Year Ended June 30, 2014

	Restricted Sales Tax	Restricted Torusim Fund	Airport Fund	Municipal Court Fund	Library Fund	Grant Fund (FEMA)	OWRB Grant/Loan	Police Drug Dog Fund	Street & Alley Fund	Cemetery Fund	Crimestoppers Fund	Total Governmenta l Funds
ASSETS												
Cash and cash equivalents	\$ 254,134	\$ 73,552	\$ 2,870	\$ 6,689	\$ 4,249	\$ 25,366	\$ 36,412	\$ 620	\$ 68,241	\$ 28,454	\$ 2,291	\$ 502,876
Certificates of deposits	99,672	-	-	-	-	-	-	-	-	9,010	-	108,682
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 353,806	\$ 73,552	\$ 2,870	\$ 6,689	\$ 4,249	\$ 25,366	\$ 36,412	\$ 620	\$ 68,241	\$ 37,465	\$ 2,291	\$ 611,559
LIABILITIES												
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	25,366	36,412	-	-	-	-	61,777
Committed	353,806	73,552	-	-	-	-	-	620	-	-	2,291	430,269
Assigned	-	-	2,870	6,689	4,249	-	-	-	68,241	37,465	-	119,513
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	353,806	73,552	2,870	6,689	4,249	25,366	36,412	620	68,241	37,465	2,291	611,559
Total liabilities and fund balance	\$ 353,806	\$ 73,552	\$ 2,870	\$ 6,689	\$ 4,249	\$ 25,366	\$ 36,412	\$ 620	\$ 68,241	\$ 37,465	\$ 2,291	\$ 611,559

City of Waynoka
 Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Cash Basis
 Fiscal Year Ended June 30, 2014

	Restricted Sales Tax	Restricted Torusim Fund	Restricted Airport Fund	Municipal Court Fund	Library Fund	Grant Fund	OWRB Grant/Loan	Police Drug Dog Fund	Street & Alley Fund	Cemetery Fund	Crimestoppers Fund	Total Governmenta l Funds
REVENUES												
Investment income	\$ 970	\$ -	\$ -	\$ -	\$ -	\$ 13	\$ -	\$ -	\$ 12	\$ 76	\$ -	\$ 1,072
Charges for services	-	-	13,374	25,854	-	-	-	-	-	2,375	-	41,603
Tax Revenues	-	43,337	-	-	-	-	-	-	52,018	-	-	95,353
Intergovernmental programs	-	-	-	-	3,104	-	-	-	9,462	-	-	12,566
Miscellaneous	-	-	-	-	5,539	-	-	-	-	-	402	5,941
Total Revenues	970	43,337	13,374	25,854	8,643	13	-	-	61,490	2,451	402	166,534
EXPENDITURES												
General Government:												
General Government	-	-	-	-	-	-	-	-	687	-	-	687
Administration	-	-	-	-	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-	687	-	-	687
Public Safety and judiciary:												
Legal and courts	-	-	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	1,466	-	-	-	-	-	-	-	1,466
Total public safety and judiciary	-	-	-	1,466	-	-	-	-	-	-	-	1,466
Transportation:												
Street	30,006	-	-	-	-	-	-	-	8,620	-	-	38,626
Airport	-	-	3,521	-	-	-	-	-	-	-	-	3,521
Total transportation	30,006	-	3,521	-	-	-	-	-	8,620	-	-	42,148
Cultural, parks and recreation:												
Parks	-	-	-	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	8,340	-	-	-	-	-	-	8,340
Cemetery	-	-	-	-	-	-	-	-	-	-	-	-
Total cultural, parks and recreation	-	-	-	-	8,340	-	-	-	-	-	-	8,340
Public services:												
Ambulance	-	-	-	-	-	-	-	-	-	-	-	-
Clinic	-	-	-	-	-	-	-	-	-	-	-	-
Total public services	-	-	-	-	-	-	-	-	-	-	-	-
Economic development:												
Tourism	-	35,479	-	-	-	-	-	-	-	-	-	35,479
Total economic development	-	35,479	-	-	-	-	-	-	-	-	-	35,479
Capital outlay	159,466	-	39,221	-	-	-	-	-	-	-	-	198,687
Total expenditures	189,472	35,479	42,742	1,466	8,340	-	-	-	9,308	-	-	286,807
Excess (deficiency) of revenue over expenditures	(188,502)	7,858	(29,368)	24,388	302	13	-	-	52,182	2,451	402	(130,274)
OTHER FINANCING SOURCES (USES)												
Transfers in	129,188	-	-	-	-	-	-	-	-	-	-	129,188
Transfers out	-	-	-	(20,680)	-	-	-	-	-	-	-	(20,680)
Total other financing sources and uses	129,188	-	-	(20,680)	-	-	-	-	-	-	-	108,508
Net change in fund balance	(59,314)	7,858	(29,368)	3,708	302	13	-	-	52,182	2,451	402	(21,765)
Fund Balance - Beginning	413,120	65,694	32,238	2,981	3,947	25,353	36,412	620	16,059	35,013	1,889	633,324
Fund Balance - Ending	\$ 353,806	\$ 73,552	\$ 2,870	\$ 6,689	\$ 4,249	\$ 25,366	\$ 36,412	\$ 620	\$ 68,241	\$ 37,465	\$ 2,291	\$ 611,559