

**TOWN OF HITCHCOCK
BLAINE COUNTY, OKLAHOMA**

**ACCOUNTANT'S REPORT
AGREED UPON PROCEDURES**

FISCAL YEAR ENDED

JUNE 30, 2016

*WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA*

OFFICERS

LeighAnne Risenhoover	Mayor
Charity Boeckman	Clerk
Donna Hoskins	Treasure
Tammie Wray	Member
Rick Edsall	Member
Keith Jacks	Member
Meradith Norris	Member

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

Independent Accountant's Report

To the Specified Users of the Report:

Town Board, Town of Hitchcock
Hitchcock, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

I have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Hitchcock and Public Trusts, Hitchcock, Oklahoma as of June 30, 2016 and the related Budgetary Comparison Schedule of General Fund-Cash Basis for the fiscal year ended June 30, 2016. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. I have not audited or reviewed the financial statements referred to above, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis described above.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and the requirements of Oklahoma Statutes and for designing, implementing, and maintain internal controls relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide an assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets,

A Professional Services Firm
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(Continued)**

Town of Hitchcock

liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, I have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2016. Management of the Town of Hitchcock is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the **Town of Hitchcock** as of and for the fiscal year ended June 30, 2016:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: None

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (see accompanying Exhibit B) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: None

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: None

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: None

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(Continued)**

Town of Hitchcock

5. Procedures Performed: We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: None

6. Procedures Performed: We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: None

7. Procedures Performed: We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: None

As to the **Town of Hitchcock Grant Programs**, as of and for the fiscal year ended June 30, 2016:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit C) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: The Town received grant funds for tree removal and the installation of warning siren. These funds were received and expended on behalf of the Town by the Northern Oklahoma Development Authority (NODA). No entries were made into any books or records.

Recommendations: The Town needs to develop a system of recording grant programs. This includes were the grants originated (Payee), amount of the grant (Award) and the CAFR (Central Authorization File) for each program. These files should be maintained separately from the regular operating books and records. All Funds, bank accounts, are maintained by the Blaine County Treasurer. The Town's records are maintained by the Clerk.

I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.


November 30, 2016

Exhibit A
Town of Hitchcock
Summary of Changes in Fund Balances
For the Fiscal Year Ended June 30, 2016

	Beginning of Year	Current Year Change		End of Year
	<u>Fund Balances</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Fund Balances</u>
TOWN:				
Governmental Funds				
General Fund	\$ 46,841	\$ 45,643	\$ 38,640	\$ 53,844
Street and Alley Fund	5,138	-	-	5,138
Light and Water Fund	11,303	-	-	11,303
Grant Fund	-	-	-	-
Town Subtotal	<u>63,282</u>	<u>45,643</u>	<u>38,640</u>	<u>70,285</u>
Overall Totals	<u>\$ 63,282</u>	<u>\$ 45,643</u>	<u>\$ 38,640</u>	<u>\$ 70,285</u>

Exhibit B
Town of Hitchcock
Budgetary Comparison Schedule General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 46,841	\$ 46,841	\$ 46,841	\$ -
Resources (Inflows):				
Taxes:				
Franchise Tax	2,793	2,793	-	(2,793)
Tobacco Tax	66	66	16	(50)
Total Taxes	2,859	2,859	16	(2,843)
Intergovernmental:				
Motor Vehicle Tax	819	819	885	65
Alcoholic Beverage Tax	1,342	1,342	1,472	130
Gas Excise Tax	94	94	280	
State Grants	-	-	-	-
Investment Income	88	88	98	10
Miscellaneous Income				
Garbage Collection Fees	24,812	24,812	37,068	12,256
Rent	2,610	2,610	5,225	2,615
Royalties	-	-	-	-
Other	-	-	600	600
Other Financing Sources:				
Transfer from Other Funds	-	-	-	-
Amounts available for appropriations	<u>79,465</u>	<u>79,465</u>	<u>92,485</u>	<u>12,833</u>
General Government:				
Personal Services	5,000	5,000	570	(4,430)
Maintenance and Operations	40,000	40,000	38,070	(1,930)
Capital Outlay	31,672	31,672	-	(31,672)
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>76,672</u>	<u>76,672</u>	<u>38,640</u>	<u>(38,031)</u>
Ending Budgetary Fund Balance	<u>\$ 2,793</u>	<u>\$ -</u>	<u>\$ 53,844</u>	<u>\$ 50,865</u>

Exhibit C
Town of Hitchcock
Blaine County, Oklahoma
Schedule of Grant Awards,
Receipts and Expenditures
For Year Ended June 30, 2016

Grant Description	Contract Number	Grant Award	Revenue Collected	Total Expenditures
NODA REAP Reimbursement		\$18,450	\$18,450	\$18,450
FEMA Outdoor Warning System			18,450	18,450
NODA REAP Reimbursement	BL 15-1	2,200	\$2,200	\$2,200
Tree Removal	BL 15-2	175	\$175	\$175
Total		<u>\$20,825</u>	<u>\$20,825</u>	<u>\$20,825</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditors' report.