

INDEPENDENT ACCOUNTANT'S REPORT

TOWN OF MARTHA, OKLAHOMA

JULY 1, 2011 TO JUNE 30, 2012

BY





Independent Accountant's Report

To the Specified Users of the Report:

—Town Council, Town of Martha
Martha, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Martha, Oklahoma as of June 30, 2012 and the related Budgetary Comparison Schedule of the General Fund-Cash Basis and the Public Works Authority Fund-Cash Basis, for the fiscal year ended June 30, 2012 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. 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.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying statements in accordance with their comprehensive basis of accounting. Management is also responsible for the designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

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

Additionally, we 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 and Public Works Authority 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, 2012. Management of the Town of Martha is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agree-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, we 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 Finding

As to the **Town of Martha** as of and for the fiscal year ended June 30, 2012:

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

Findings: We found no instances of noncompliance.

- 2. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We found no instances of noncompliance.

- 3. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the PWA Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We found no instances of noncompliance.

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

Findings: We found no instances of noncompliance.

5. 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: We found no instances of noncompliance.

As to the **Town of Martha Grant Programs**, as of and for the fiscal year ended June 30, 2012:

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

Findings: We found no instances of noncompliance.

We were 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 we performed additional procedures, other matters might have come to our 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.

Furrh and Associates, PC

FURRH & ASSOCIATES, PC

December 5, 2013

**Town of Martha
Martha, Oklahoma**

**Summary of Changes in Fund Balance-Cash Basis
For the Fiscal Year Ended June 30, 2012
(Unaudited)**

	Beginning of Year Fund	Current Year Receipts	Current Year Disbursements	End of Year Fund Balances
General Fund	\$ 16,521	\$ 36,966	\$ 44,129	\$ 9,358
Public Works Authority	21,706	65,342	57,428	29,620
Fire Department	11,200	4,413	2,928	12,685
OWRB Grant	5	0	0	5
Dept of AG Grant	3	0	0	3
Overall Totals	\$ 49,435	\$ 106,721	\$ 104,485	\$ 51,671

Please see accompanying Accountant's Report.

**Town of Martha
Martha, Oklahoma
Budgetary Comparison Schedule-Cash Basis
General Fund
For the Fiscal Year Ended June 30, 2012
(Unaudited)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 16,521	\$ 16,521	\$ 16,521	\$ 0
Resources (Inflows):				
Alcoholic Beverages Tax	750	750	755	(5)
Franchise Tax Income	3,350	3,350	3,371	(21)
Motor Vehicle Tax	1,100	1,100	1,106	(6)
Fire	5,500	5,500	5,496	4
Garbage	25,900	25,900	25,932	(32)
Gasoline Tax	300	300	306	(6)
Other Revenue	0	0	0	0
Total Inflows	36,900	36,900	36,966	(66)
Amounts Available for Appropriation	53,421	53,421	53,487	(66)
Charges to Appropriations (Outflows):				
General Government:				
Personal Services	2,500	2,500	2,245	255
Maintenance, Operations & Repairs	50,921	50,921	41,884	9,037
Total General Government	53,421	53,421	44,129	9,292
Total Charges to Appropriations	53,421	53,421	44,129	9,292
Ending Budgetary Fund Balance	\$ 0	\$ 0	\$ 9,358	\$ (9,358)

Please see accompanying Accountant's Report.

**Town of Martha
Martha, Oklahoma**
Budgetary Comparison Schedule-Cash Basis
Public Works Authority Fund
For the Fiscal Year Ended June 30, 2012
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 21,706	\$ 21,706	\$ 21,706	\$ 0
Resources (Inflows):				
Water and Sewer Receipts	37,000	37,000	41,991	(4,991)
Meter Deposits	1,200	1,200	1,275	(75)
Other Revenue	1,000	1,000	22,076	(21,076)
Total Inflows	39,200	39,200	65,342	(26,142)
Amounts Available for Appropriation	60,906	60,906	87,048	(26,142)
Charges to Appropriations (Outflows):				
General Government:				
Personal Services	18,000	18,000	13,557	4,443
Maintenance, Operations, Repairs	42,906	42,906	24,371	18,535
Other Expenses	0	0	19,500	(19,500)
Total General Government	60,906	60,906	57,428	3,478
Total Charges to Appropriations	60,906	60,906	57,428	3,478
Ending Budgetary Fund Balance	\$ 0	\$ 0	\$ 29,620	\$ (29,620)

Please see accompanying Accountant's Report.

Town of Martha
Martha, Oklahoma
Operational Fire Grant - FY 12
Revenue and Expenditures Compared with Budget
Year Ended June 30, 2012

	<u>Budget</u>	<u>Current Year</u>	<u>(Over) Under Budget</u>
<u>Revenue</u>			
State Grant	\$ 4,413	\$ 4,413	\$ 0
Total Revenue	4,413	4,413	0
<u>Expenditures</u>			
Supplies and Maintenance	4,413	0	4,413
Total Expenditures	4,413	0	4,413
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 0</u>	<u>\$ 4,413</u>	<u>\$ (4,413)</u>

Please see accompanying Accountant's Report.

Town of Martha
Operational Fire Grant - FY11
Schedule of Revenue and Expenditures
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Cumulative</u> <u>06/30/11</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	\$ 4,398	\$ 0	\$ 4,398
Total Revenue	4,398	0	4,398
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	0	0
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 4,398</u>	<u>\$ 0</u>	<u>\$ 4,398</u>

Please see accompanying Accountant's Report.

Town of Martha
Operational Fire Grant - FY10
Schedule of Revenue and Expenditures
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Cumulative</u> <u>06/30/11</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	\$ 5,100	\$ 0	\$ 5,100
Total Revenue	5,100	0	5,100
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	1,280	1,280
Total Expenditures	0	1,280	1,280
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 5,100</u>	<u>\$ (1,280)</u>	<u>\$ 3,820</u>

Please see accompanying Accountant's Report.

Town of Martha
Operational Fire Grant - FY 08
Schedule of Revenue and Expenditures
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Cumulative</u> <u>06/30/11</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	\$ 1,696	\$ 0	\$ 1,696
Total Revenue	1,696	0	1,696
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	1,648	1,648
Total Expenditures	0	1,648	1,648
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 1,696</u>	<u>\$ (1,648)</u>	<u>\$ 48</u>

Please see accompanying Accountant's Report.

Town of Martha
Operational Fire Grant - FY 07
Schedule of Revenue and Expenditures
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Cumulative</u> <u>06/30/11</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	\$ 6	\$ 0	\$ 6
Total Revenue	6	0	6
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	0	0
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ 6</u>

Please see accompanying Accountant's Report.

Town of Martha
OWRB Grant : 2002-03
Schedule of Revenue and Expenditures
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Cumulative</u> <u>06/30/11</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	\$ 5	\$ 0	\$ 5
Total Revenue	5	0	5
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	0	0
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 5</u>	<u>\$ 0</u>	<u>\$ 5</u>

Please see accompanying Accountant's Report.

Town of Martha
Dept of AG Grant : 2003-04
Schedule of Revenue and Expenditures
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Cumulative</u> <u>06/30/11</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	\$ 3	\$ 0	\$ 3
Total Revenue	3	0	3
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	0	0
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 3</u>	<u>\$ 0</u>	<u>\$ 3</u>

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