

Town of Taloga
Agreed Upon Procedures
June 30, 2012

RSMeacham CPAs & Advisors

801 Frisco, Clinton, OK 73601

580-323-1766 | 580-323-1768 fax

Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Taloga
Taloga, Oklahoma

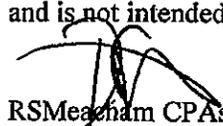
Trustees of the Taloga Public Works Authority
Taloga, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have performed the procedures enumerated within Appendix A and Appendix B 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 of Taloga (the Town) and the Taloga Public Works Authority (the Authority) in meeting its financial accountability requirements as prescribed by such state laws and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2012 for the Town and for the Authority. Management of the Town of Taloga 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 and the additional requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. 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 in Appendix A or B, either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on financial accountability and compliance with contractual requirements. 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.



RSMeacham CPAs & Advisors
August 23, 2012

**Town of Taloga, Oklahoma
Procedures and Findings
For the Year Ended June 30, 2012**

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

- I. Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I, no instances of noncompliance noted.

- II. Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II, no instances of noncompliance noted.

- III. Agree 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: No instances of noncompliance noted.

- IV. Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.

- V. Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. Compare 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: No instances of noncompliance noted.

- VII. Compare 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: No instances of noncompliance noted.

- VIII. Prepare a schedule of grant receipts and expenditures for the general fund.

Findings: No instances of noncompliance noted.

**Taloga, Oklahoma Public Works Authority
Procedures and Findings
For the Year Ended June 30, 2012**

As to the Taloga Public Works Authority, as of and for the year ended June 30, 2012:

- I. Prepare a schedule of revenues, expenditures and changes in fund balance for each fund from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I & III, IV, & V, no instances of noncompliance noted.
- II. Agree the Authority'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: No instances of noncompliance noted.
- III. Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.
- IV. Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.
- V. Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.
- VI. Compare the Authority'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: No instances of noncompliance noted. Reserve balances required by the loan resolution security agreement are as follows: Loan paid in full September 2011.
- VII. Prepare a cash basis balance sheet for the Authority.

Findings: See Exhibit III

**TOWN OF TALOGA, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES (GAAP)
FOR THE YEAR ENDED JUNE 30, 2012**

	Beginning of Year Fund Balances	Current Year Change	End of Year Fund Balances
TOWN (GAAP):			
General Fund	\$ 149,576	\$ 374,254	\$ 523,830
Street & Alley Fund	23,793	(7,751)	16,042
Fire Fund	95,181	87,971	183,152
Ambulance Fund	89,562	84,956	174,518
Municipal Court Fund	25	-	25
CITY TOTAL	<u>358,137</u>	<u>539,430</u>	<u>897,567</u>
TALOGA PUBLIC WORKS AUTHORITY			
PWA	156,625	117,480	274,105
Meter Fund	12,170	508	12,678
Polycart Fund	3,300	450	3,750
PWA TOTAL	<u>172,095</u>	<u>118,438</u>	<u>290,533</u>

See accountant's report.

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 100,091	\$ 100,091	\$ 149,576	\$ 49,485
Resources (Inflows):				
Taxes:				
Sales tax	72,498	72,498	386,246	313,748
Use tax	6,745	6,745	145,739	138,995
Tobacco tax	1,735	1,735	8,117	6,382
Total Taxes	<u>80,978</u>	<u>80,978</u>	<u>540,102</u>	<u>459,124</u>
Intergovernmental:				
Alcoholic beverage tax	10,596	10,596	10,771	175
Franchise tax	9,389	9,389	10,388	999
Total Intergovernmental	<u>19,985</u>	<u>19,985</u>	<u>21,159</u>	<u>1,174</u>
Fines and Forfeitures	-	-	-	-
Investment Income	881	881	680	(201)
Gas Tax	1,245	1,245	1,019	(226)
Miscellaneous Income	3,844	3,844	9,469	5,625
Transfers from other funds	82,800	82,800	13,800	(69,000)
Restitution	3,600	3,600	3,000	(600)
Grants-Other	-	-	18,166	18,166
Total current year resources	<u>193,332</u>	<u>193,332</u>	<u>607,395</u>	<u>414,063</u>
Amounts available for appropriation	<u>\$ 293,423</u>	<u>\$ 293,423</u>	<u>\$ 756,971</u>	<u>\$ 463,548</u>
Charges to Appropriations (Outflows):				
General government:				
Personal services	132,000	142,000	140,937	1,063
Other services and charges	151,423	151,423	74,204	77,219
Capital outlay	10,000	-	-	-
Total General Government	<u>293,423</u>	<u>293,423</u>	<u>215,141</u>	<u>78,282</u>
Other Financing Uses:				
Transfers to other funds	-	-	18,000	(18,000)
Total Charges to Appropriations	<u>293,423</u>	<u>293,423</u>	<u>233,141</u>	<u>60,282</u>
Change in Fund Balance	(100,091)	(100,091)	374,254	474,345
Ending Budgetary Fund Balance	<u>-</u>	<u>-</u>	<u>523,830</u>	<u>523,830</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
OTHER ACCRUALS			-	
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)			<u>523,830</u>	

TALOGA PUBLIC WORKS AUTHORITY, TALOGA, OKLAHOMA
BALANCE SHEET-CASH BASIS
JUNE 30, 2012

	<u>2012</u>
ASSETS	
Current assets:	
Cash, including time deposits	<u>\$ 274,105</u>
Total current assets	<u>274,105</u>
Total assets	<u><u>274,105</u></u>
LIABILITIES	
Total liabilities	<u>-</u>
FUND BALANCE	
Unrestricted	<u>274,105</u>
Fund Balance	<u><u>274,105</u></u>

TALOGA PUBLIC WORKS AUTHORITY TALOGA, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Operating Revenues:	
Charges for services:	
Water	86,649
Sewer	26,787
Sanitation	46,266
Gas	103,469
Other	3,641
Total Operating Revenues	<u>266,812</u>
Operating Expenses:	
Administration	34,414
Water	27,541
Sanitation	34,136
Gas	67,043
Interest	-
Total Operating Expenses	<u>163,134</u>
Operating Income	103,678
Non-Operating Revenues:	
Interest	347
Total Non-Operating Revenues	<u>347</u>
Net Income Before Contributions and Transfers	104,025
Transfers in	20,355
Transfers out	<u>(6,900)</u>
Change in fund balance	117,480
Fund Balance - beginning	156,625
Fund Balance - ending	<u><u>274,105</u></u>

Exhibit VI

TOWN OF TALOGA, OKLAHOMA
 SCHEDULE OF GRANTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Grant revenue Grant received from:	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
CDBG	2011-2012	CIP Assessment	18,166	18,166	18,166	-
REAP	2011-2012		14,054	14,054	14,054	-
		Total	32,220	32,220	32,220	-

See accountant's report.

**AGENDA
TOWN OF TALOGA
REGULAR MONTHLY MEETING
MONDAY, SEPTEMBER 10, 2012
328 SOUTH BROADWAY
TALOGA, OK. 73667
7:00 PM TOWNHALL**

1.0 CALL TO ORDER

1.1 Roll Call

1.2 Public hearing/Citizens comments

2.0 AGENDA

2.1 Russ Meachum and/or Michelle Kauk here to present the 2011-2012 annual audit for the Town of Taloga/Taloga PWA. Discuss/Vote to accept the audit as presented.

2.2 Discussion/Vote to purchase a new AED for the ambulance.

2.3 Discuss/Vote on what steps should be taken to clean up properties in town.

2.4 Discuss/Vote to approve the August 13th, 2012 regular meeting minutes.

2.5 Discuss/Vote to approve the August 2012 Town/Fire/Amb/REAP encumbered purchase orders.

2.6 Financial report on all town accounts.

2.7 Unforeseen business:

3.0 ADJORN

AGENDA
TALOGA PUBLIC WORKS AUTHORITY
REGULAR MONTHLY MEETING
MONDAY, SEPTEMBER 10, 2012
328 SOUTH BROADWAY
TALOGA, OKLAHOMA 73667
(Following Town Meeting)

1.0 CALL TO ORDER

1.1 Roll call

1.2 Public hearing/Citizens comments

2.0 AGENDA

2.1 Discuss the lock in price of \$3.74 for the natural gas from Constellation New Energy.

2.2 Discuss/Vote to use pressure relief valves while cleaning the water tower and tank.

2.3 Discuss/Vote to approve the August 13th, 2012 regular meeting minutes.

2.4 Discuss/Vote to approve the August 2012 PWA encumbered purchase orders.

2.5 Financial report for all PWA accounts.

2.6 Unforeseen business:

3.0 ADJORN