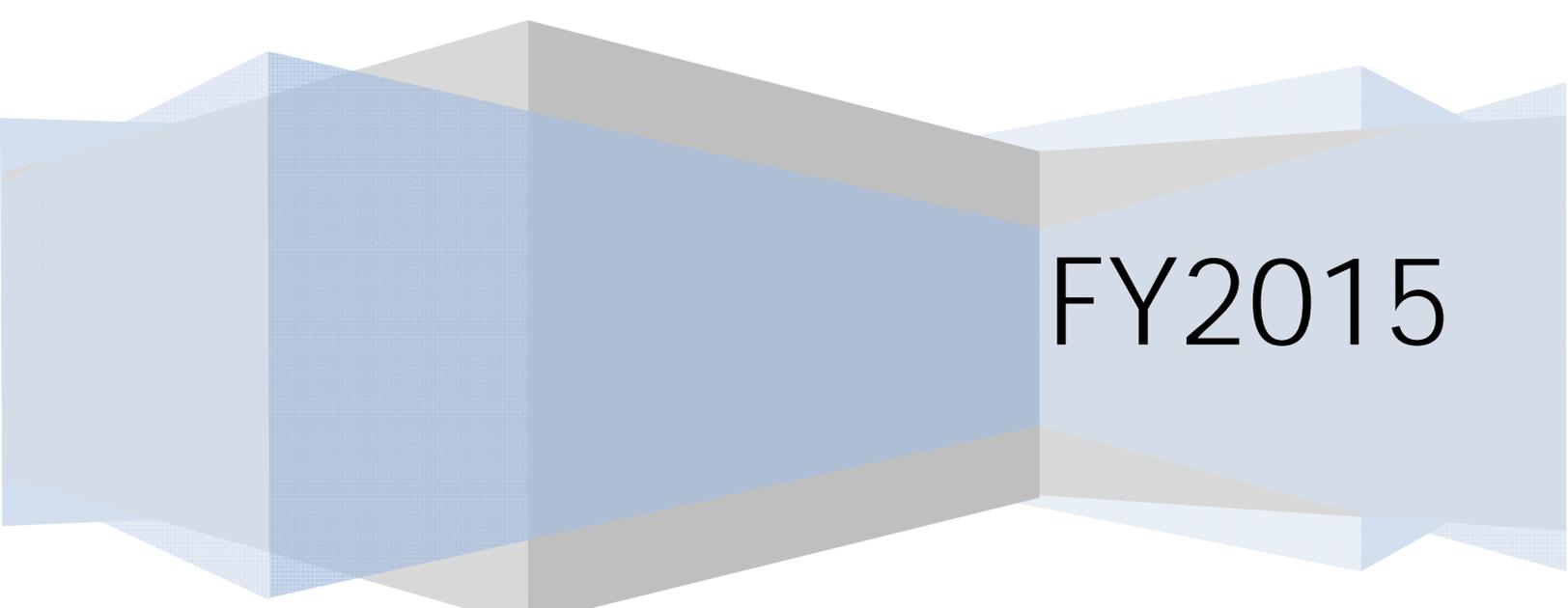


Town of Avant, Oklahoma

Annual Financial Report (unaudited)

For the Fiscal Year Ended June 30, 2015



FY2015

Town of Avant
June 30, 2015

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Board of Trustees

Justin Brown	Mayor
Kevin Petrunak	Trustee
Jeff Vincent	Trustee

Management

Earleen Reedy	Clerk/Treasurer
Gene Atkins	Fire Chief
Gerald Garrison	Police Chief

Anne Marie Elfrink, MS, CPA

Member AICPA, OSCP, and GFOA

3119 E 87th Street
Tulsa, Oklahoma 74137

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Independent Accountant's Report

To the specified users of the report:

Town Board of Trustees, Town of Avant
Trustees of the Avant Utilities Authority
Oklahoma Office of the State Auditor and Inspector
Oklahoma Department of Commerce
Indian Nations Council of Governments (INCOG)

I have compiled the accompanying Summary of Changes in Fund Balance – Cash Basis of the Town of Avant and Avant Utilities Authority, Avant, Oklahoma as of June 30, 2015 and the related Budgetary Comparison Schedule of General Fund – Cash Basis, Statement of Revenues, Expenses, and Changes in Fund Balance of the Avant Utilities Authority Operating Fund – Cash Basis, and Schedule of Grant Activity – Cash Basis for the fiscal year ended June 30, 2015 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 demonstrate 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.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis and the requirements of Oklahoma statutes and for designing, implementing, and maintaining internal control 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 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 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, 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 and Utilities 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, 2015. Management of the Town of Avant 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 Avant** as of and for the fiscal year ended June 30, 2015:

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

Findings: No exceptions were found as a result of applying the procedure.

2. Procedures Performed: From the Town's trial balances, I prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No exceptions were found as a result of applying the procedure.

3. Procedures Performed: I 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: No exceptions were found as a result of applying the procedure.

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

Findings: No exceptions were found as a result of applying the procedure.

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

Findings: No exceptions were found as a result of applying the procedure.

6. Procedures Performed: I 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: No exceptions were found as a result of applying the procedure.

7. Procedures Performed: I 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: No exceptions were found as a result of applying the procedure.

As to the **Avant Utilities Authority**, as of and for the fiscal year ended June 30, 2015:

1. Procedures Performed: From the Authority's trial balances, I prepared a schedule of revenues, expenses and changes in fund balances for the operating fund and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. Procedures Performed: I agreed 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 exceptions were found as a result of applying the procedure.

3. Procedures Performed: I compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No exceptions were found as a result of applying the procedure.

4. Procedures Performed: I compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

5. Procedures Performed: I compared 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 exceptions were found as a result of applying the procedure.

6. Procedures Performed: I compared 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 exceptions were found as a result of applying the procedure.

As to the **Town of Avant and Avant Utilities Authority Grant Programs**, as of and for the fiscal year ended June 30, 2015:

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

Findings: No exceptions were found as a result of applying the procedure.

I was not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, I 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.

Anne Marie Elfrink, MS, CPA

Anne Marie Elfrink, MS, CPA
Tulsa, Oklahoma
August 19, 2015

Town of Avant and Avant Utilities Authority
 Summary of Changes in Fund Balances – Cash Basis
 Fiscal Year Ended June 30, 2015
 (unaudited)

	<u>Balances 6/30/2014</u>	<u>Activity 7/1/2014 - 6/30/2015</u>			<u>Balances 6/30/2015</u>
		<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers, net</u>	
Town of Avant					
General Fund	\$ 24,101	\$ 120,120	\$ 117,994	\$ (6,000)	\$ 20,227
Total Town	<u>24,101</u>	<u>120,120</u>	<u>117,994</u>	<u>(6,000)</u>	<u>20,227</u>
Avant Utilities Authority					
Operating fund	53,543	251,455	255,128	6,000	55,870
Meter Deposit Fund	8,934	2,600	2,491	-	9,043
Total AUA	<u>62,477</u>	<u>254,055</u>	<u>257,619</u>	<u>6,000</u>	<u>64,913</u>
Total Town and Authority	<u>\$ 86,578</u>	<u>\$ 374,175</u>	<u>\$ 375,613</u>	<u>\$ -</u>	<u>\$ 85,140</u>

See independent accountant's report

Town of Avant
 Budgetary Comparison Schedule – Cash Basis – General Fund
 Fiscal Year Ended June 30, 2015
 (unaudited)

	Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
Beginning general fund balance	\$ 19,500	\$ 24,101	\$ 4,601
Revenues			
Sales tax	10,000	11,305	1,305
Franchise tax	5,000	5,152	152
Alcoholic beverage tax	7,000	7,921	921
Cigarette tax	135	121	(14)
Gasoline tax	1,000	1,003	3
Motor vehicle tax	2,200	2,443	243
Grant revenue	43,691	46,706	3,015
Police and fire dues	28,000	28,005	5
Fines and forfeitures	3,000	8,916	5,916
Donations	-	5,886	5,886
Miscellaneous income	5,215	2,628	(2,587)
Investment income	100	34	(66)
Total revenues	<u>105,341</u>	<u>120,120</u>	<u>14,779</u>
Expenditures:			
General government:			
Personal services	13,100	13,021	(79)
Materials and supplies	29,310	32,508	(3,198)
Capital outlay	15,720	12,547	3,173
Total general government	<u>58,130</u>	<u>58,076</u>	<u>(104)</u>
Police:			
Personal services	800	800	-
Materials and supplies	11,300	6,413	4,887
Total police	<u>12,100</u>	<u>7,213</u>	<u>4,887</u>
Fire:			
Personal services	1,200	1,200	-
Materials and supplies	16,300	19,425	(3,125)
Capital outlay	27,971	27,971	-
Total fire	<u>45,471</u>	<u>48,596</u>	<u>(3,125)</u>
Municipal court:			
Personal services	3,000	2,400	600
Materials and supplies	900	1,709	(809)
Total municipal court	<u>3,900</u>	<u>4,109</u>	<u>(209)</u>
Total expenditures	<u>119,601</u>	<u>117,994</u>	<u>1,449</u>
Transfers (to) from AUA, net	(5,240)	(6,000)	(760)
Ending general fund balance	<u>\$ -</u>	<u>\$ 20,227</u>	<u>\$ 20,069</u>

See independent accountant's report

Avant Utilities Authority
Statement of Revenues, Expenses, and Changes in Fund Balance – Cash Basis – Operating Fund
Fiscal Year Ended June 30, 2015
(unaudited)

Operating Revenues:	
Gas	\$ 86,128
Water	92,800
Sewer	25,037
Trash	28,823
Penalties	4,755
Administrative fees	9,530
Other	4,266
Total operating revenues	251,339
Operating Expenses:	
Administration	48,758
Gas	63,456
Water	47,002
Sewer	31,314
Trash	29,454
Total operating expenses	219,984
Operating income	31,355
Non-operating revenues (expenses)	
Investment income	116
Grants	-
Debt service	(35,144)
Transfer from Town, net	6,000
Total non-operating revenues (expenses)	(29,028)
Change in fund balance	2,327
Fund balance - beginning	53,543
Fund balance - ending	\$ 55,870

See independent accountant's report

Town of Avant and Avant Utilities Authority
 Schedule of Grant Activity – Cash Basis
 For the Fiscal Year Ended June 30, 2015
 (unaudited)

	CFDA#	Contract #	Award Amount	7/1/2014 - 6/30/2015		6/30/2015 Unexpended
				Receipts	Disbursements	
Grants - Federal Source						
<u>US Department of Housing and Urban Development</u>						
<i>Passed through Oklahoma Department of Commerce</i>						
Community Development Block Grant 2013	14.228	15629	\$ 49,200	\$ 16,400	\$ 16,400	\$ -
Community Development Block Grant 2014	14.228	16257	300,500	-	-	300,500
Total grants - federal source			349,700	16,400	16,400	300,500
Grants - State Source						
Oklahoma Department of Agriculture - Fire Operations	N/A	N/A	4,484	4,484	4,484	-
Total grants - state source			4,484	4,484	4,484	-
Grants - Other Source						
Firehouse Subs Grant	N/A	N/A	18,282	18,282	18,282	-
Osage Nation Targeted Services Grant	N/A	N/A	7,540	7,540	7,540	-
Total grants - other source			25,822	25,822	25,822	-
Total Current Year Grant Acitivity			\$ 380,006	\$ 46,706	\$ 46,706	\$ 300,500

See independent accountant's report