

**CITY OF ANTLERS
PUSHMATAHA COUNTY, OKLAHOMA**

**AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED
JUNE 30, 2011**

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

**CITY OF ANTLERS
PUSHMATAHA COUNTY, OKLAHOMA
CITY COUNCIL AND OFFICERS**

Brent Franks, through May 2, 2011
Mike Burrage, as of May 2, 2011
Mike Baggett
Roy E. Jackson
Madge Gentry
Jack Matthews, as of May 1, 2011

Mayor
Mayor
Councilmember
Councilmember
Councilmember
Councilmember

Joel Taylor
Jennie L. Simpson

City Manager
City Clerk

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INDEPENDENT AUDITOR'S REPORT

Honorable City Council
City of Antlers
Antlers, Oklahoma

I 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 Antlers, Oklahoma, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my 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 Antlers, Oklahoma, as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 25 through 27 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Antlers, Oklahoma's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements section are

Honorable City Council
December 21, 2011
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presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The non-major fund financial statements have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.



Watonga, Oklahoma
December 21, 2011

CITY OF ANTLERS, OKLAHOMA
Statement of Net Assets
June 30, 2011

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 481,637	\$ 227,193	\$ 708,830
Certificate of deposit	-	64,237	64,237
Accounts Receivable	110,932	119,590	230,522
Total Current Assets	592,569	411,020	1,003,589
Non-current Assets:			
Restricted Cash	86,070	482,420	568,489
Certificate of deposit - restricted	-	85,997	85,997
Taxes receivable - restricted	-	7,995	7,995
Capital Assets (Note 4)			
Land, infrastructure	129,721	504,667	634,389
Capital assets, net of depreciation	1,335,153	18,874,581	20,209,734
Total Non-Current Assets	1,550,944	19,955,660	21,506,604
Total Assets	2,143,513	20,366,680	22,510,193
LIABILITIES			
Current portion of Long-Term Debt	-	98,792	98,792
Due to Other Funds/Governments	40,588	-	40,588
Due to Depositors	-	54,320	54,320
Compensated Absences	42,067	19,933	62,001
Total Current Liabilities	82,655	173,045	255,700
Long-term Liabilities (Note 6)	-	5,941,777	5,941,777
Less: Current portion of Long-Term Debt	-	(98,792)	(98,792)
Total Long-Term Debt	-	5,842,985	5,842,985
Total Liabilities	82,655	6,016,030	6,098,685
NET ASSETS			
NonSpendable			
Invested in capital assets, net of related debt	1,464,874	13,363,218	14,828,092
Restricted			
Capital Outlay Fund	68,659		68,659
Health Supplement Fund	24,999		24,999
Debt Service and Maintenance		522,092	522,092
Committed			
911 Fund	33,209		33,209
Cemetery Fund	12,539		12,539
Assigned			
Library	27,982		27,982
Street & Alley Fund	81,142		81,142
Senior Citizens Fund	294		294
Unrestricted			
General Fund	347,159		347,159
Proprietary Funds		391,087	391,087
Total Net Assets	\$ 2,060,858	\$ 14,276,397	\$ 16,337,255

See accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functional Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating		Governmental Activities	Business-Type Activities	Total
			Grants and Contributions	Capital Grants and Contributions			
Primary Government:							
Governmental Activities:							
General Government	\$ 707,823	\$ 1,852	\$ -	\$ -	\$ (705,971)	\$ -	\$ (705,971)
Public Safety	1,020,423	673,531	4,398	8,150	(334,345)	-	(334,345)
Airport	79,385	22,824	-	40,827	(15,734)	-	(15,734)
Cemetery	18,011	7,790	-	-	(10,221)	-	(10,221)
Street and Alley	78,764	-	-	-	(78,764)	-	(78,764)
Culture, Parks and Recreation	85,172	15,870	21,059	70,815	22,572	-	22,572
Depreciation	116,499	-	-	-	(116,499)	-	(116,499)
Total governmental activities	<u>2,106,076</u>	<u>721,867</u>	<u>25,457</u>	<u>119,792</u>	<u>(1,238,961)</u>	<u>-</u>	<u>(1,238,961)</u>
Business-Type Activities:							
Water	1,121,573	828,411	-	-	-	(293,162)	(293,162)
Sewer	380,303	299,788	-	-	-	(80,516)	(80,516)
Sanitation	137,178	198,358	-	-	-	61,180	61,180
Administrative and Operations	72,981	-	-	-	-	(72,981)	(72,981)
Industrial Trust Authority	18,756	40,650	-	99,750	-	121,644	121,644
Total business-type activities	<u>1,730,792</u>	<u>1,367,206</u>	<u>-</u>	<u>99,750</u>	<u>-</u>	<u>(263,836)</u>	<u>(263,836)</u>
Total Primary Government	<u>3,836,868</u>	<u>2,089,073</u>	<u>25,457</u>	<u>219,542</u>	<u>(1,238,961)</u>	<u>(263,836)</u>	<u>(1,502,796)</u>
Total Component Unit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues:							
Taxes:							
Sales, Tobacco and Other Tax					1,108,638	90,708	1,199,347
Use Tax					73,277	-	73,277
EMS Authority					73,200	-	73,200
Franchise Tax					68,452	-	68,452
E-911 Taxes, Restricted for Public Safety					34,457	-	34,457
Investment Income					1,087	7,975	9,062
Miscellaneous					13,547	23,060	36,607
Transfers-Internal Activity					17,165	(42,665)	(25,500)
Total general revenues and transfers					<u>1,389,822</u>	<u>79,078</u>	<u>1,468,901</u>
Changes in Net Assets					150,862	(184,757)	(33,896)
Prior Period Adjustment					(40,000)	(40,000)	(40,000)
Net Assets - Beginning					<u>1,909,996</u>	<u>14,501,154</u>	<u>16,411,150</u>
Net Assets - Ending					<u>2,060,858</u>	<u>14,276,397</u>	<u>16,337,255</u>

See accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General Fund	Other Funds	Total
ASSETS			
Cash and cash equivalents	\$ 246,112	\$ 235,525	\$ 481,637
Accounts receivable	97,632	13,300	110,932
Total Unrestricted Assets	<u>343,744</u>	<u>248,825</u>	<u>592,569</u>
Restricted cash and cash equivalents	86,070	-	86,070
Capital Assets			
Land, inexhaustible assets and construction-in-process	-	-	-
Other capital assets, net of accumulated depreciation	86,070	-	86,070
Total Restricted Assets	<u>86,070</u>	<u>248,825</u>	<u>678,639</u>
Total Assets	<u>429,814</u>	<u>248,825</u>	<u>678,639</u>
LIABILITIES			
Accrued expenses	-	-	-
Due to Other Funds/Governmental Entities	40,588	-	40,588
Compensated Absences	-	-	-
Long-term debt	-	-	-
Due within one year	-	-	-
Due in more than one year	-	-	-
Total Liabilities	<u>40,588</u>	<u>-</u>	<u>40,588</u>
NET ASSETS			
Nonspendable	-	-	-
Invested in Capital Assets, net of debt	-	-	-
Restricted			
Capital Outlay Fund	-	68,659	68,659
Health Supplement Fund	-	24,999	24,999
Committed			
911 Fund	-	33,209	33,209
Cemetery Fund	-	12,539	12,539
Assigned			
Library	-	27,982	27,982
Street & Alley Fund	-	81,142	81,142
Senior Citizens Fund	-	294	294
General Fund - EMS/Fire/Ambulance	86,070	-	86,070
Unrestricted			
General Fund	303,156	-	303,156
Total Net Assets	<u>389,226</u>	<u>248,825</u>	<u>638,051</u>
Reconciliation to Statement of Net Assets:			
Amount reported for governmental activities in the statement of net assets			
Capital assets			1,464,874
Compensated Absences not accrued on fund statements			(42,067)
			<u>\$ 2,060,858</u>

See accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Public Works Authority		Industrial Authority	Total
	Water/Trash	Sewer		
ASSETS				
Cash and cash equivalents	\$ 176,556	\$ 43,457	\$ 7,181	\$ 227,193
Certificates of deposit - unrestricted	64,237	-	-	64,237
Accounts receivable	89,705	29,885	-	119,590
Total Unrestricted Assets	330,498	73,342	7,181	411,020
Cash in bank - restricted	314,249	168,170	-	482,420
Certificates of deposit - restricted	-	85,997	-	85,997
Taxes receivable - restricted	-	7,995	-	7,995
Capital Assets				
Land, inexhaustible assets and construction-in-process	49,637	-	455,030	504,667
Other capital assets, net of accumulated depreciation	14,070,130	3,690,218	1,114,233	18,874,581
Total Restricted Assets	14,434,016	3,952,381	1,569,263	19,955,660
Total Assets	14,764,514	4,025,723	1,576,444	20,366,680
LIABILITIES				
Current-portion of Long-Term Debt	35,329	40,272	23,191	98,792
Meter Liability	54,320	-	-	54,320
Compensated absences	19,933	-	-	19,933
Current Liabilities	109,582	40,272	23,191	173,045
Long-term debt	3,219,755	2,465,893	256,128	5,941,777
Less: Current Portion of Long-Term Debt	(35,329)	(40,272)	(23,191)	(98,792)
Total Long-Term Liabilities	3,184,426	2,425,622	232,938	5,842,985
Total Liabilities	3,294,008	2,465,893	256,128	6,016,030
NET ASSETS				
Invested in Capital Assets, net of Debt Restricted	10,825,759	1,224,325	1,313,135	13,363,218
Unrestricted	259,929	262,163	-	522,092
Total Net Assets	310,564	73,342	7,181	391,087
	\$ 11,396,252	\$ 1,559,830	\$ 1,320,315	\$ 14,276,397

See accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

	General Fund	Other Funds	Total
Revenues:			
Taxes	\$ 1,172,692	\$ 195,649	\$ 1,368,341
Intergovernmental	92,897	25,649	118,547
Charges for services	653,831	-	653,831
Fines and forfeitures	31,786	8,845	40,631
Licenses and permits	1,852	-	1,852
Investment income	764	323	1,087
Miscellaneous	101,772	196,205	297,977
Total Revenues	<u>2,055,593</u>	<u>426,672</u>	<u>2,482,265</u>
Expenditures:			
Administrative	73,914		
City Clerk	64,884	-	64,884
Finance	35,620	-	35,620
Receipt Clerk	24,767	-	24,767
Police Department	346,828	-	346,828
Fire/EMS/Ambulance Department	669,383	10	669,392
Animal Control	4,212	-	4,212
Municipal Court	41,356	8,845	50,201
Public Safety	36,760	11,813	48,573
City Bus	304	-	304
Inmate	37,864	-	37,864
Airport:	70,694	8,691	79,385
Cemetery	16,955	1,056	18,011
Streets and Alley	-	78,764	78,764
Library	40,884	21,922	62,806
Swimming Pool	22,366	-	22,366
General Government	633,501	74,322	707,823
Senior Citizens Nutrition	4,562	54,582	59,144
Total Expenditures	<u>2,050,939</u>	<u>260,004</u>	<u>2,310,944</u>
Excess (deficiency) of revenues over expenditures	4,654	166,668	171,321
Other Financing Sources			
Transfers In	50,165	4,500	54,665
Transfers Out	-	37,500	37,500
Total Other Financing Sources	<u>50,165</u>	<u>(33,000)</u>	<u>17,165</u>
Net Changes in Fund Balances	54,819	133,668	188,487
Prior Period Adjustment	-	-	-
Fund Balance - Beginning	328,577	115,158	443,735
Fund Balance - Ending	<u>\$ 383,396</u>	<u>\$ 248,825</u>	<u>\$ 632,221</u>

Reconciliation to the Statement of Activities:

Net change in fund balances	150,862
Prior year accrued expenses not recognized on fund statement	-
Compensated Abscences not accrued on fund statements	42,067
Governmental Funds reported as expenditures while activities report depreciation	
Capitalized purchases	79,721
Depreciation expense	(116,499)
Changes in Net Assets of Governmental Activities	<u>\$ 156,151</u>

See Accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
PROPRIETARY FUNDS

	Public Works Authority		Industrial Authority	Total
	Water/Trash	Sewer		
Revenues:				
Charges for services:				
Water	\$ 828,411	\$ -	\$ -	\$ 828,411
Sanitation	198,358	-	-	198,358
Sewer	-	299,788	-	299,788
Rental	-	-	40,650	40,650
Other receipts	15,283	5,031	439	20,752
Total Revenues	<u>1,042,051</u>	<u>304,818</u>	<u>41,089</u>	<u>1,387,958</u>
Expenses:				
Administration and operations	72,981	-	-	72,981
Industrial Trust Expenditures	-	-	18,756	18,756
Water	614,813	-	-	614,813
Sewer	-	201,337	-	201,337
Sanitation	137,178	-	-	137,178
Depreciation	366,364	74,447	-	440,811
Total Expenses	<u>1,191,336</u>	<u>275,785</u>	<u>18,756</u>	<u>1,485,877</u>
Operating Income (Loss)	<u>(149,285)</u>	<u>29,033</u>	<u>22,333</u>	<u>(97,919)</u>
Non-operating revenues (expenses):				
Sales Tax	-	90,708	-	90,708
Investment Income	4,887	3,064	24	7,975
Investment expense (interest)	(140,397)	(104,518)	(759)	(245,674)
Grants Receipts	3,068	-	99,750	102,818
Total Non-operating Revenues (Expenses)	<u>(132,442)</u>	<u>(10,746)</u>	<u>99,015</u>	<u>(44,173)</u>
Net Income (Loss) before contributions and trans	(281,727)	18,287	121,349	(142,092)
Transfers in	-	-	-	-
Transfers out	<u>(42,665)</u>	<u>-</u>	<u>-</u>	<u>(42,665)</u>
Changes in Net Assets	(324,392)	18,287	121,349	(184,757)
Net Assets - Beginning	11,720,645	1,541,542	1,238,966	14,501,153
Prior Period Adjustments	-	-	(40,000)	(40,000)
Net Assets - Ending	<u>\$ 11,396,252</u>	<u>\$ 1,559,830</u>	<u>\$ 1,320,315</u>	<u>\$ 14,276,397</u>

See Accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

	Public Works Authority		Line	Total
	Water/Trash	Sewer	Improvement Fund	
Cash Flows from Operating Activities				
Receipts from customers	1,016,711	\$ 290,268	\$ 40,650	\$ 1,347,629
Other income	15,283	5,031	439	20,752
Payments to Suppliers	(646,919)	(149,964)	(15,882)	(812,764)
Payments to Employees	(191,559)	(51,374)	(2,874)	(245,807)
Net Cash Provided (Used) by Operating Activities	<u>193,515</u>	<u>93,961</u>	<u>22,333</u>	<u>309,809</u>
Cash Flows from Capital and Related Financing Activities				
Grant Receipts	3,068	-	99,750	102,818
Proceeds from new borrowing	-	-	30,677	30,677
Repayments of Principal from Loans	(34,923)	(40,272)	(21,216)	(96,411)
Interest Paid on Debt	(140,397)	(104,518)	(759)	(245,674)
Purchases of Capital Assets or Infrastructure	-	(42,298)	(131,196)	(173,494)
Net Cash Provided (Used) by Capital and Related	<u>(172,252)</u>	<u>(187,088)</u>	<u>(22,744)</u>	<u>(382,084)</u>
Cash Flows from Investing Activities				
Investment Receipts	4,887	3,064	24	7,975
Transfers	(42,665)	-	-	(42,665)
Cash Flows provided (Used) by Investing Activities	<u>(37,778)</u>	<u>3,064</u>	<u>24</u>	<u>(34,690)</u>
Net Increase (Decrease) in Cash	(16,516)	(90,063)	(386)	(106,965)
Cash, Beginning of Fiscal Year	571,558	387,688	7,567	966,812
Total Cash, End of Year	<u>\$ 555,042</u>	<u>\$ 297,624</u>	<u>\$ 7,181</u>	<u>\$ 859,847</u>

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

Operating Loss	\$ (149,285)	\$ 29,033	\$ 22,333	\$ (97,919)
Adjustments to reconcile Net Income to Net Cash				
Depreciation	366,364	74,447	-	440,811
Gain on Sale of Land	-	-	-	-
(Increase) Decrease in Accounts Receivable	(10,058)	(9,519)	-	(19,577)
Increase (Decrease) in Accrued Expenses	<u>(13,506)</u>	<u>-</u>	<u>-</u>	<u>(13,506)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 193,515</u>	<u>\$ 93,961</u>	<u>\$ 22,333</u>	<u>\$ 309,809</u>

**CITY OF ANTLERS
 PUSHMATAHA COUNTY, OKLAHOMA
 NOTES TO FINANCIAL STATEMENTS
 FISCAL YEAR ENDED JUNE 30, 2011**

Note 1 - Summary of Significant Accounting Policies

The accounting policy of the City of Antlers is to prepare its financial statements on the accrual basis of accounting. This basis of accounting is the prescribed method of accounting principles generally accepted in the United States of America. These principles include all relevant Governmental Accounting Standards Board announcements.

1.A Financial Reporting Entity

The City's financial reporting entity is composed of the following:

Primary Government:	City of Antlers
Blended Component Units	Public Works Authority Industrial Trust Authority
Discretely Presented Component Units	None

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

BLENDED COMPONENT UNIT

A blended component unit is a separate legal unit that meets the component unit criteria. In addition, the component unit's governing body is the same or substantially the same as the City Council or the component unit provides services to the City. The component unit's funds are blended into those of the City by appropriate fund type to constitute the primary government presentation. The blended component units are presented below:

<u>Component Unit</u>	<u>Brief Description/Inclusion Criteria</u>	<u>Fund Included In</u>
Antlers Public Works Authority	Created to finance, develop, and operate the water, wastewater, And sanitation activities of the City, Current City Council serves as entire governing body (Trustees).	Proprietary Funds
Industrial Trust Authority	Created to finance, develop and operate city owned property to attract or retain existing business industry	Proprietary Funds

DISCRETLY PRESENTED COMPONENT UNIT

Discretely presented component units are separate legal unit entities that meet component unit criteria but do not meet the criteria for blending. None exists.

1.B BASIS OF PRESENTATION**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Statement of Net Assets and Statements of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charges to external parties for goods or services.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized in to three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria: (1) Total assets, liabilities, revenues, or expenses total at least 10 percent of the total of all funds, of that type and (2) Total assets, liabilities, revenues, or expenses of the individual fund are at least 5 percent of all funds combined.

Governmental Funds**General Fund**

The General Fund is the principal fund of the City, which accounts for all revenue that can be legally expended within a certain specific fiscal year and for all financial transactions not properly accounted for in other funds.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of the specific revenue source that are either legally restricted for

specific purposes or designated to finance particular functions or activities. The reporting entity includes the following special revenue funds:

<u>Fund</u>	<u>Brief Description</u>
<u>Non Major Funds</u>	
Library Fund	Accounts for the City's library operations
Ambulance/EMS	Accounts for the operation of the City's ambulance service
Capital Outlay	Accounts for the expenditures for capital assets
911 Fund	Accounts for the receipt and expenditure of 911 fees and expenses
Cemetery Fund	Accounts for cemetery revenues that are legally restricted for cemetery use.
Court Fund	Accounts for assets held by City in a custodial capacity.
Senior Citizens	Accounts for receipts and expenditures of the nutrition fund.

Proprietary Funds

Enterprise Fund

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise fund that is reported as a major fund:

<u>Fund</u>	<u>Brief Description</u>
Public Works Authority	Accounts for the activities of the public trust in providing water, wastewater, and sanitation services to the public.
Trash Fund	Accounts for the activities of the public trust in providing sanitation services to the public.
Meter Fund	The Meter Fund accounts for the various deposits for services provided by the Public Works Authority.
Industrial Trust Authority	Accounts for receipts and expenditure for capital

improvement of city property to promote and maintain commercial development.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

MEASUREMENT FOCUS

In the government-wide Statement of Net Assets and the Statement of Activities, both governmental and businesslike activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item b below.

In the fund financial statement, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds are fund balance as their measure of available financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current, financial, or non-financial) associated with their activities are reported. Proprietary fund equity is classified as net assets.

BASIS OF ACCOUNTING

The Government Accounting Standards Board has issued GASB Statement No. 34 which defines Accrual Basis of Accounting as the accounting principle generally accepted in the United States of America. The City adopted this accounting standard for the fiscal year ended June 30, 2004.

In the government-wide Statement of Net Assets and Statement of Activities and the fund financial statements, governmental, business-like, and component unit activities are presented using an accrual basis of accounting. This basis recognizes assets, liabilities, net assets, revenues, and expenses when they result from transactions, as they occur, including depreciation in the government-wide statements, and proprietary fund statements. This is the prescribed basis of accounting recommended by accounting principles generally accepted in the United States of America.

1.D. ASSETS, LIABILITIES, AND EQUITY

INVESTMENTS

The City's investment policies are governed by Oklahoma Statutes. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts and savings certificates of savings and loan associations, and trust companies.

The Treasurer manages the cash resources of each fund. Each fund's cash and time certificates of deposit purchased are reported separately in the individual financial statements as cash or investments. Oklahoma Statutes require that municipal funds be either fully insured or collateralized by acceptable collateral valued at no more than market value. As of June 30, 2008, all cash and time deposits of the City are entirely insured or collateralized as required by Oklahoma Statutes.

CAPITAL ASSETS

The City's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental operations or proprietary operations and whether they are reported in the government-wide or fund financial statements.

In the Fund financial statements assets purchases are recorded as capital outlay.

Use of Estimates

The preparation of financial statements in conformity with the other comprehensive basis of accounting used by the City requires management to make estimates and assumptions that effect certain reported amounts and disclosures (such as

estimated useful lives in determining depreciation); accordingly results could differ from these estimates.

An example of an estimate is depreciation. Depreciation is provided for over the assets' estimated useful life using the straight-line method. The range of estimated useful lives by type of assets is as follows:

Buildings	20 – 40 Years
Machinery, furniture, and equipment	5 – 35 Years
Utility property and improvements	5 – 50 Years
Infrastructure	20 – 50 Years

Note 2 - Cash and Investments

The City utilizes the services of a Treasurer for cash and investment control and accountability. The treasurer is authorized to deposit funds in accounts that are either fully insured or collateralized by acceptable collateral valued at no more than market value. Permissible investments include direct obligations of the United States Government and its Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations, and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. As of the current fiscal year end all cash and investments of the Town were entirely insured or collateralized as required by Oklahoma Statutes.

Deposits

The City's cash deposits at year-end are categorized to give an indication of the level of risk assumed by the Town at year-end as follows:

- (A) Insured or collateralized with securities held by the City or by its agent in the City's name.
- (B) Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.
- (C) Uncollateralized.

All deposits of the City are categorized as (A) type deposits identified above. The carrying amount and market value is equal to the cash balance reported in the financial statement and in the following chart as of June 30, 2010.

<u>Deposit Categories of Credit Risk</u>						
	<u>Category</u>			<u>Bank Balance</u>	<u>Carrying Amount</u>	<u>Market Value</u>
	<u>A</u>	<u>B</u>	<u>C</u>			
Cash	\$ 507,181	\$ 770,139	\$	\$ 1,277,320	\$ 1,277,320	\$ 1,277,320
Investments		150,234		150,234	150,234	150,234
Total	\$ <u>507,181</u>	\$ <u>920,373</u>	\$	\$ <u>1,427,554</u>	\$ <u>1,427,554</u>	\$ <u>1,427,554</u>

INVESTMENTS

The City's investments as of June 30, 2011, were Certificates of Deposits.

Restricted Cash

Certain cash has restrictions up it. In the Public Works Authority, certain funds are held as customer deposits and as in trustee designated restricted funds for repair of utility system.

Note 3 – Capital Assets

See Attached Figure 1.

Note 4 – Long-Term Debt

The reporting entity's long-term debt arising from cash transactions is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

GOVERNMENTAL ACTIVITIES

As of June 30, 2011, no debt is incurred by the City.

BUSINESS-TYPE ACTIVITIES***Public Works Authority:***

Department of Commerce Note in the amount of \$125,000	
Payable in monthly installments of \$520.84 with interest at 0.00%	\$ 51,562
USDA Rural Development Note in the amount of \$807,500.	
Payable in monthly installments of \$3,667 with interest at 4.50%.	\$ 756,736
USDA Rural Development Note in the amount of \$121,000.	

City of Antlers	Notes Continued	June 30, 2011
Payable in monthly installments of \$792 with interest at 4.50%.		\$ 966,666
USDA Rural Development Note in the amount of \$1,644,000. payable in monthly installments of \$7,086 with interest at 4.125%.		\$ 1,560,929
USDA Rural Development Note Dated 12/31/2007 In monthly installments of 7,331 with interest at 4.25%		\$1,629,533
USDA Rural Development Note Dated 12/31/2007 In monthly installments of 7,206 with interest at 4.375%		\$1,590,222
<i>Industrial Trust Authority:</i>		
Department of Commerce Note in the amount of \$400,000 Payable in monthly installments of \$1,666.66 with interest at 0.00%		\$ 226,667
First American Bank to purchase Land \$30,000 Payable in monthly installments with interest at 4.24%		29,461
Total Notes Payable		<u>\$ 5,941,777</u>

	Total	Principle
Payments due June 30, 2012	\$339,234	\$98,792
June 30, 2013	339,234	101,970
June 30, 2014	339,234	105,288
June 30, 2015	339,234	108,751
Payments due June 30, 2016	339,234	112,367
June 30, 2017	339,234	116,140
June 30, 2018	339,234	120,080
June 30, 2019	339,234	118,982
June 30, 2020	334,026	122,235
Payments due June 30, 2021	332,984	126,716
June 30, 2022	332,984	118,060
June 30, 2023	319,651	116,276
June 30, 2024	312,984	121,373
June 30, 2025	312,984	122,887

City of Antlers	Notes Continued	June 30, 2011
Payments due June 30 2026	309,816	122,371
June 30, 2027	303,480	127,715
June 30, 2028	303,480	133,293
June 30, 2029	303,480	139,115
June 30, 2030	303,480	145,191
Payments due June 30, 2031	303,480	151,533
June 30, 2032	303,480	158,153
June 30, 2033	303,480	165,061
June 30, 2034	303,480	172,272
June 30, 2035	303,480	179,798
Payments due June 30, 2036	303,480	187,654
June 30, 2037	303,480	195,852
June 30, 2038	303,480	204,410
June 30, 2039	303,480	213,341
June 30, 2040	303,480	222,664
Payments due June 30, 2041	303,480	232,394
June 30, 2042	303,480	242,549
June 30, 2043	303,480	253,149
June 30, 2044	303,480	264,213
June 30, 2045	285,145	255,786
Payments due June 30, 2046	224,046	213,402
June 30, 2046	174,444	164,639
June 30, 2047	130,458	109,578
June 30, 2048	43,236	26,842

Note 5 - Surety Bonds

City officials are currently covered under the provisions of a comprehensive general liability policy.

Note 6 - Commitments and Contingent Liabilities

A. Grants

In the normal course of operations, the City receives grant funds from various agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to insure compliance with

conditions precedent to the granting of funds. Any liability for reimbursement, which may arise as the result of audits of grant funds, is not believed to be material.

B. Litigation

The City, from time to time, has been named as a defendant in various lawsuits for which no reasonable estimate of actual damages, if any, can be made at this time. Management intends to vigorously contest any litigation and believes that damages if any, assessed against the City would be covered by insurance policies and would not materially affect the financial position of the City.

C. 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; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering a portion of those risks of loss. Management believes such coverage is sufficient to preclude significant uninsured losses to the City.

In the event settled claims exceed the commercial coverage provided by the City, Oklahoma statutes provide for payment by tax levy through the Sinking Fund at the rate of one-third each year. As an alternative to paying money judgments out of the Sinking Fund at the rate of one-third each year, the court, based on consideration of evidence and proof, may provide for the judgment to be paid over a period of not less than one nor more than ten years. The interest rate on any judgment when payment is extended more than three years shall be the rate prescribed by law for the first three years and at the rate of six percent for each remaining year.

Note 7 - Retirement Plan

The City of Antlers adopted by ordinance a retirement fund and system designated the "Employee Retirement System of Antlers, 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 participates in a defined contribution plan administered by the Oklahoma Municipal Retirement Fund. The City and participants are required to contribute 5.22% and 3.00% of the annual covered payroll, respectively. All participants are 100% vested after

ten years of service.

The City participates in the Oklahoma State firefighters Pension and Retirement system which applies only to the City's volunteer firefighters. Vesting occurs after 10 years of service and payments begin at age 50, or after 20 years of service, whichever is later. Contributions are made by the City at the rate of \$60 per volunteer per year.

The City has made all required contributions of both the City's share and the participants' contributions. They are as follows:

OMRF:		
June 30, 2008	\$	27,404
June 30, 2009		39,990
June 30, 2010		43,220
Fire Fighters:		
Voluntary	\$	1,080
Salaried		39,304

Note 8 – Transfers

The City made transfers between funds as follows:

General Fund	\$	40,161
General Fund		10,000
Public Works		(40,161)
911 Fund		(10,000)
Senior Citizens		4,500
Capital Improvement Fund		(27,500)
Net Transfers	\$	<u>(23,000)</u>

CITY OF ANTLERS, OKLAHOMA
Schedule of Changes in Capital Assets

Figure 1. Continuation of Notes to The Financial Statements

	July 1, 2010	Additions	Disposals	June 30, 2011
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 50,000	\$ 3,350	\$ -	\$ 53,350
Other inexhaustible assets	-	-	-	-
Construction in progress	-	76,371	-	76,371
Total capital assets not being depreciated	50,000	79,721	-	129,721
Other capital assets				
Buildings	1,701,659	-	-	1,701,659
Machinery and equipment	1,182,287	-	-	1,182,287
Improvements	26,526	-	-	26,526
Total other capital assets at historical costs	2,910,471	-	-	2,910,471
Less accumulated depreciation for:				
Buildings	718,771	56,722	-	775,493
Machinery and equipment	738,191	59,114	-	797,305
Improvements	1,857	663	-	2,520
Total accumulated depreciation	1,458,819	116,499	-	1,575,319
Other capital assets, net	1,451,652	(116,499)	-	1,335,153
Governmental activities capital assets, net	\$ 1,501,652	\$ (36,778)	\$ -	\$ 1,464,874
Business-type activities:				
Capital assets not being depreciated:				
Land	473,605	31,062	-	504,667
Other	-	-	-	-
Construction in progress	-	-	-	-
Total capital assets not being depreciated	473,605	31,062	-	504,667
Other capital assets				
Buildings	739,800	-	-	739,800
Ethanol Plant	115,553	-	-	115,553
Machinery and equipment	739,235	42,298	-	781,533
Improvements	21,745,069	100,134	3,074,483	18,770,720
Total other capital assets at historical costs	23,339,657	142,432	3,074,483	20,407,606
Less accumulated depreciation for:				
Buildings	328,241	24,660	-	352,901
Ethanol Plant	5,676	5,778	-	11,454
Machinery and equipment	577,465	36,962	-	614,427
Improvements	3,255,315	373,412	3,074,483	554,243
Total accumulated depreciation	4,166,697	440,811	3,074,483	1,533,025
Other capital assets, net	19,172,960	(298,379)	-	18,874,581
Business-type activities capital assets, net	\$ 19,646,565	\$ (267,317)	\$ -	\$ 19,379,248

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**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 Antlers, Oklahoma

I have audited 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 Antlers, Oklahoma, as of and for the year ended June 30, 2011, which collectively comprise the City of Antlers, Oklahoma's basic financial statements and have issued our report thereon dated December 21, 2011. I conducted my audit in accordance with 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.

Internal Control over Financial Reporting

In planning and performing my audit, I considered City of Antlers, Oklahoma's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Antlers, Oklahoma's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City of Antlers, Oklahoma's internal control over financial reporting.

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.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Antlers, Oklahoma's financial statements are free of 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 my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

I noted certain matters that we reported to management of City of Antlers, Oklahoma, in a separate letter dated December 21, 2011.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be 'W. J. S.', with a long horizontal flourish extending to the right.

Watonga, Oklahoma
December 21, 2011

SUPPLEMENTAL INFORMATION

CITY OF ANTLERS, OKLAHOMA
 Budgetary Comparison Schedule General Fund--Cash Basis
 For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 66,000	\$ 66,000	\$ 328,577	\$ 262,577
Resources (Inflows):				
Taxes:				
Franchise Tax	66,296	66,296	68,452	2,156
Sales Tax	1,054,496	1,054,496	1,088,503	34,006
Occupation Tax	5,440	5,440	4,520	(920)
Tobacco Tax	14,391	14,391	15,616	1,225
Total Taxes	<u>1,140,623</u>	<u>1,140,623</u>	<u>1,177,090</u>	<u>36,467</u>
Intergovernmental:				
Alcoholic Beverage Tax	66,943	66,943	88,500	21,557
Payment in Lieu of Taxes	7,648	7,648	8,068	420
Grants	5,100	5,100	4,398	(702)
Investment Income	668	668	764	96
Miscellaneous Income				
Cemetery	7,355	7,355	7,790	435
Rental Receipts	566	566	650	84
Airport Receipts	35,980	35,980	22,824	(13,156)
Police Fines	17,309	17,309	28,579	11,270
Animal Control	1,900	1,900	1,155	(745)
Fire/EMS Receipts	599,088	599,088	653,831	54,743
Library Fines	3,030	3,030	3,207	177
Licenses and Permits	1,234	1,234	1,852	618
Swimming Pool	-	-	12,663	12,663
Rural Fire District	12,566	12,566	8,655	(3,911)
Tourism	-	-	-	-
Insure Oklahoma	74,553	74,553	37,894	(36,659)
Miscellaneous	25,656	25,656	70,507	44,851
Other Financing Sources:				
Transfer from Other Funds	50,120	50,120	50,165	45
Amounts available for appropriations	<u>2,116,339</u>	<u>2,116,339</u>	<u>2,507,168</u>	<u>390,829</u>
Administration				
Personal Services	63,805	63,805	61,300	(2,505)
Maintenance and Operations	12,600	12,600	12,615	15
Capital Outlay	-	-	-	-
	<u>76,405</u>	<u>76,405</u>	<u>73,914</u>	<u>(2,491)</u>
City Clerk				
Personal Services	30,252	30,252	30,770	518
Maintenance and Operations	47,606	47,606	34,113	(13,493)
Capital Outlay	-	-	-	-
	<u>77,858</u>	<u>77,858</u>	<u>64,884</u>	<u>(12,975)</u>
Finance				
Personal Services	34,916	34,916	31,837	(3,079)
Maintenance and Operations	3,850	3,850	3,783	(67)
Capital Outlay	-	-	-	-
	<u>38,766</u>	<u>38,766</u>	<u>35,620</u>	<u>(3,146)</u>

CITY OF ANTLERS, OKLAHOMA
 Budgetary Comparison Schedule General Fund--Cash Basis
 For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipt Clerk				
Personal Services	29,373	29,373	24,767	(4,606)
Maintenance and Operations	-	-	-	-
Capital Outlay	-	-	-	-
	<u>29,373</u>	<u>29,373</u>	<u>24,767</u>	<u>(4,606)</u>
Police Department				
Personal Services	322,820	322,820	312,740	(10,080)
Maintenance and Operations	37,168	37,168	34,087	(3,081)
Capital Outlay	-	-	-	-
	<u>359,988</u>	<u>359,988</u>	<u>346,828</u>	<u>(13,160)</u>
Fire/EMS Department				
Personal Services	483,398	483,398	496,651	13,253
Maintenance and Operations	136,756	136,756	172,732	35,976
Capital Outlay	-	-	-	-
	<u>620,154</u>	<u>620,154</u>	<u>669,383</u>	<u>49,229</u>
Animal Control				
Maintenance and Operations	6,200	6,200	4,212	(1,988)
Capital Outlay	-	-	-	-
	<u>6,200</u>	<u>6,200</u>	<u>4,212</u>	<u>(1,988)</u>
Municipal Court				
Personal Services	44,878	44,878	41,356	(3,522)
Maintenance and Operations	-	-	-	-
Capital Outlay	-	-	-	-
	<u>44,878</u>	<u>44,878</u>	<u>41,356</u>	<u>(3,522)</u>
Building Inspection/Public Safety				
Personal Services	30,794	30,794	30,040	(754)
Maintenance and Operations	9,156	9,156	6,720	(2,436)
Capital Outlay	-	-	-	-
	<u>39,950</u>	<u>39,950</u>	<u>36,760</u>	<u>(3,190)</u>
City Bus Fund				
Maintenance and Operations	300	300	304	4
Capital Outlay	-	-	-	-
	<u>300</u>	<u>300</u>	<u>304</u>	<u>4</u>
Inmate Director				
Personal Services	29,131	29,131	30,865	1,734
Maintenance and Operations	5,500	5,500	6,999	1,499
Capital Outlay	-	-	-	-
	<u>34,631</u>	<u>34,631</u>	<u>37,864</u>	<u>3,233</u>
Airport				
Maintenance and Operations	44,229	44,229	27,544	(16,685)
Capital Outlay	20,000	20,000	43,150	23,150
	<u>64,229</u>	<u>64,229</u>	<u>70,694</u>	<u>6,465</u>
Cemetery				
Personal Services	11,018	11,018	11,205	187
Maintenance and Operations	6,800	6,800	5,751	(1,049)
Capital Outlay	-	-	-	-
	<u>17,818</u>	<u>17,818</u>	<u>16,955</u>	<u>(863)</u>
Library				
Personal Services	35,191	35,191	34,269	(922)
Maintenance and Operations	5,695	5,695	6,615	920

CITY OF ANTLERS, OKLAHOMA
 Budgetary Comparison Schedule General Fund--Cash Basis
 For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Capital Outlay	-	-	-	-
	<u>40,886</u>	<u>40,886</u>	<u>40,884</u>	<u>(2)</u>
Swimming Pool				
Personal Services	-	-	13,160	13,160
Maintenance and Operations	450	450	9,206	8,756
Capital Outlay	-	-	-	-
	<u>450</u>	<u>450</u>	<u>22,366</u>	<u>21,916</u>
General Government				
Workers Comp	8,600	8,600	11,039	2,439
Utilities/Street Lamps	10,000	10,000	12,975	2,975
Utilities/Park	7,655	7,655	7,759	104
Abatements	3,000	3,000	1,785	(1,215)
Park Maintenance	2,500	2,500	565	(1,935)
Cleaning Services	15,200	15,200	15,200	-
Tax Transfers	175,749	175,749	181,417	5,668
County Hospital	351,499	351,499	362,834	11,335
Building Maintenance	3,800	3,800	1,967	(1,833)
Miscellaneous Grants	86,299	86,299	20,896	(65,402)
Insure Oklahoma	52,658	52,658	17,062	(35,597)
	<u>716,960</u>	<u>716,960</u>	<u>633,501</u>	<u>(83,459)</u>
Seniors Citizens Nutrition				
Maintenance and Operations	4,562	4,562	4,562	-
	<u>4,562</u>	<u>4,562</u>	<u>4,562</u>	<u>-</u>
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>2,173,409</u>	<u>2,173,409</u>	<u>2,124,854</u>	<u>(48,555)</u>
Ending Budgetary Fund Balance	<u>(57,070.02)</u>	<u>(57,070.02)</u>	<u>\$ 382,314</u>	<u>\$ 439,384</u>

CITY OF ANTLERS, OKLAHOMA
STATEMENT OF NET ASSETS - COMBINING OF OTHER FUNDS
GOVERNMENTAL FUNDS
JUNE 30, 2011

	Library Funds	Capital Outlay	911 Fund	Street & Alley	Health Supplement	Senior Nutrition	Cemetery Fund	Municipal Court Fund	Total Other Funds
ASSETS									
Cash and cash equivalents	\$ 27,982	\$ 63,672	\$ 33,209	\$ 72,829	\$ 24,999	\$ 294	\$ 12,539	\$ -	\$ 235,525
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	-	4,987	-	8,314	-	-	-	-	13,300
Capital Assets	-	-	-	-	-	-	-	-	-
Land, inexhaustible assets and construction-in-process	-	-	-	-	-	-	-	-	-
Other capital assets, net of accumulated depreciation	-	-	-	-	-	-	-	-	-
Total Assets	<u>27,982</u>	<u>68,659</u>	<u>33,209</u>	<u>81,142</u>	<u>24,999</u>	<u>294</u>	<u>12,539</u>	<u>-</u>	<u>248,825</u>
LIABILITIES									
Accrued expenses	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-	-	-	-
Long-term debt	-	-	-	-	-	-	-	-	-
Due within one year	-	-	-	-	-	-	-	-	-
Due in more than one year	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Capital Outlay Fund	-	68,659	-	-	-	-	-	-	68,659
Health Supplement Fund	-	-	-	-	24,999	-	-	-	24,999
Committed	-	-	-	-	-	-	-	-	-
911 Fund	-	-	33,209	-	-	-	-	-	33,209
Cemetery Fund	-	-	-	-	-	-	12,539	-	12,539
Assigned									
Library	27,982	-	-	-	-	-	-	-	27,982
Street & Alley Fund	-	-	-	81,142	-	-	-	-	81,142
Senior Citizens Fund	-	-	-	-	-	294	-	-	294
Unassigned	-	-	-	-	-	-	-	-	-
General Fund	-	-	-	-	-	-	-	-	-
Total Net Assets	<u>27,982</u>	<u>68,659</u>	<u>33,209</u>	<u>81,142</u>	<u>24,999</u>	<u>294</u>	<u>12,539</u>	<u>-</u>	<u>248,825</u>

See accompanying notes to the basic financial statements.

CITY OF ANTLERS, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 COMBINED OTHER FUNDS

	Library	Capital Improvement	911 Fund	Street & Alley	Health Supplement	Senior Nutrition	Cemetery Fund	Municipal Court Fund	Total Other Funds
Revenues:									
Taxes	\$ -	\$ 73,277	\$ 34,457	\$ 87,915	\$ -	\$ -	\$ -	\$ -	\$ 195,649
Intergovernmental	-	-	-	25,649	-	-	-	-	25,649
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	8,845	8,845
Licenses and permits	-	-	-	-	-	-	-	-	-
Investment income	-	106	33	112	50	-	23	-	323
Miscellaneous	35,489	102,294	-	7,845	-	47,977	2,600	-	196,205
Total Revenues	<u>35,489</u>	<u>175,677</u>	<u>34,490</u>	<u>121,522</u>	<u>50</u>	<u>47,977</u>	<u>2,623</u>	<u>8,845</u>	<u>426,672</u>
Expenditures:									
City Clerk	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Police Department	-	-	-	-	-	-	-	-	-
Fire Department	-	-	-	-	-	-	-	-	-
EMS/Ambulance	-	10	-	-	-	-	-	-	10
Animal Control	-	-	-	-	-	-	-	-	-
Municipal Court	-	-	-	-	-	-	-	-	-
Public Safety	-	-	11,813	-	-	-	-	8,845	8,845
City Bus	-	-	-	-	-	-	-	-	11,813
Inmate	-	-	-	-	-	-	-	-	-
Airport:	-	8,691	-	-	-	-	-	-	8,691
Cemetery	-	-	-	-	-	-	1,056	-	1,056
Streets and Alley	-	-	-	78,764	-	-	-	-	78,764
Library	19,422	2,500	-	-	-	-	-	-	21,922
Swimming Pool	-	-	-	-	-	-	-	-	-
General Government	-	74,322	-	-	-	-	-	-	74,322
Senior Citizens Nutrition	-	2,400	-	-	-	52,182	-	-	54,582
Total Expenditures	<u>19,422</u>	<u>87,923</u>	<u>11,813</u>	<u>78,764</u>	<u>-</u>	<u>52,182</u>	<u>1,056</u>	<u>8,845</u>	<u>260,004</u>
Excess (deficiency) of revenues over expenditures	16,067	87,754	22,677	42,758	50	(4,206)	1,568	-	166,668
Other Financing Sources									
Transfers In	-	-	-	-	-	4,500	-	-	4,500
Transfers Out	-	27,500	10,000	-	-	-	-	-	37,500
Total Other Financing Sources	-	<u>(27,500)</u>	<u>(10,000)</u>	-	-	<u>4,500</u>	-	-	<u>(33,000)</u>
Net Changes in Fund Balances	16,067	60,254	12,677	42,758	50	294	1,568	-	133,668
Prior Period Adjustment	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning	11,914	8,405	20,533	38,384	24,949	-	10,972	-	115,158
Fund Balance - Ending	<u>\$ 27,982</u>	<u>\$ 68,659</u>	<u>\$ 33,209</u>	<u>\$ 81,142</u>	<u>\$ 24,999</u>	<u>\$ 294</u>	<u>\$ 12,539</u>	<u>\$ -</u>	<u>\$ 248,825</u>

See Accompanying notes to the basic financial statements.

CITY OF ANTLEERS, OKLAHOMA
 Pushmataha County, Oklahoma
 Schedule of Expenditures of Federal Awards
 For Year Ended June 30, 2011

Federal/State Grantor Pass through Grantor Program Title	Federal CDFA Number	Pass- Through Grantor's Number	Program or Award Amount	Cash/ Accrued or (Deferred) Revenue at July 1, 2010	Contract Receipts or Revenue Recognized	Contract Disbursements/ Expenditures	Interest Earned Federal Funds	Match Receipts or Revenue Recognized	Match Disbursements/ Expenditures	Cash/ Accrued or (Deferred) Revenue at June 30, 2011
The American Recovery Act Rural Enterprise Grant	10.783		\$ 99,750	\$ -	\$ 99,750	\$ 99,750	\$ -	\$ 33,750	\$ 33,750	\$ -
The American Recovery Act Strm Shelter Improvements	10.780		75,000	8,150	8,150		-	-	-	-
<i>Department of Commerce</i> Water Distribution Improvements	10.766		350,000	-	<i>No Activity during Fiscal Year</i>		-	-	-	-
<i>Federal Aviation Administration</i> Airport Improvement AIP Project 3-40-0110-004-2010	20.106		371,296	34,027	34,027	34,027	-	2,323	2,323	-
2010 Airport Terminal Grant	10.780			6,800	6,800					
OK Tourism & Recreation Grant Recreational Trail Program	20.219		159,829	58,490	58,490	58,490	-	-	-	-
Total Federal Programs			1,055,875	207,217	207,217	207,217	-	36,073	36,073	-
State of Oklahoma: State Aid - Library			-	18,659	18,659	18,659	-	-	-	-
Department of Agriculture - Fire			4,398	4,398	4,398	4,398	-	-	-	-
OK DOC KEDDO			-	2,400	2,400	2,400	-	-	-	-
Total State Programs			4,398	25,457	25,457	25,457	-	-	-	-
Total All Programs			1,060,273	232,673	232,673	232,673	-	36,073	36,073	-

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