

Kay County Home Finance Authority

Independent Accountant's Report on
Applying Agreed-Upon Procedures

Year Ended June 30, 2014

Kimberlye R. Mayer, CPA, P.C.

723 West Doolin

Blackwell, OK 74631

(580) 363-1453
Fax (580) 363-0068

Independent Accountant's Report

To the Specified Users of the Report:

Board of Trustees of the Kay County Home Finance Authority

We have compiled the accompanying Statement of Changes in Net Position – Cash Basis of the Kay County Home Finance for the year ended June 30, 2014 and the Statement of Revenues, Expenses and Changes in Net Position – Cash Basis for the year then ended. 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 of the State of Oklahoma applicable to public trusts and the presentation requirements prescribed in Oklahoma Statutes §11-17-105-.107 and §60-180-1-.3.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance about whether the financial statements are in accordance with the form prescribed by Oklahoma Statutes, which is a basis of accounting other than accounting principles generally accepted in the United States of America in the United States.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the form prescribed by Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair representation 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 basis of accounting prescribed by Oklahoma Statutes. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's assets, liabilities, net position, 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 on the next page 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 Kay County Home Finance Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Kay County Home Finance Authority is responsible for the Authority'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.

Procedures and Findings:

1. **Procedures Performed:** From the Authority's trial balances, we compiled a statement of revenues, expenses and changes in net position - cash basis for the Authority (see page 5) and compared the schedule results to the applicable trust prohibitions for creating net position deficits to report any noted instance of noncompliance.

Findings: No instances of noncompliance were noted.

2. **Procedures Performed:** We 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 unusual reconciling items were noted that did not clear on a timely basis.

3. **Procedures Performed:** We compared 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 were noted.

4. **Procedures Performed:** We compared 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 were noted.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances on noncompliance.

Findings: No instances of noncompliance were noted.

6. **Procedures Performed:** A search for the Authority's debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purpose of determining contract compliance.

Findings: The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

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.

A handwritten signature in black ink, reading "Kimberlye R. Mayer CPA, PC". The signature is written in a cursive, flowing style.

Kimberlye R. Mayer, CPA, P.C.
January 4, 2015

KAY COUNTY HOME FINANCE AUTHORITY
STATEMENT OF CHANGES IN NET POSITION
CASH BASIS
YEAR ENDED JUNE 30, 2014

	<u>Net Position</u> <u>6/30/13</u>	<u>Change</u>	<u>Net Position</u> <u>6/30/14</u>
EXCESS FUNDS:			
Deposit Accounts	\$ 53,901	\$ (1,008)	\$ 52,893
Certificate of Deposit	<u>106,029</u>	<u>2,227</u>	<u>108,256</u>
Total	<u>\$ 159,930</u>	<u>\$ 1,219</u>	<u>\$ 161,149</u>

KAY COUNTY HOME FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
CASH BASIS
YEAR ENDED JUNE 30, 2014

Revenues:	
Investment income	\$ 2,244
Expenses:	
Professional fees	1,025
Distributions to Kay County	
Total Expenses	<u>1,025</u>
Change in Net Position	1,219
Net Position, beginning of year	<u>159,930</u>
Net Position, end of year	<u><u>\$ 161,149</u></u>