Town Of Lamont, Oklahoma

Accountant's Report on
Applying Agreed-Upon Procedures

Year Ended June 30, 2011

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Accountant's Report

To the Specified Users of the Report:

Board of Trustees of the Town of Lamont
Lamont, Oklahoma

Board of Trustees of the Lamont Public Works Authority
Lamont, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances – Cash Basis of the Town of Lamont and Public Trust for the year ended June 30, 2011, the Budgetary Comparison Schedule – Cash Basis – General Fund, and the Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis – Lamont Public Works Authority for the year ended June 30, 2011, 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 applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes §11-17-105-.107 and §60-180-1-.3, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

This compilation is limited to presenting information in the form of financial statements prescribed by the above noted 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 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 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 Town and Public Works 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, 2011. Management of the Town of Lamont 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 on the next page either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings:

As to the Town of Lamont as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Town's trial balances, we compiled a cash basis schedule of changes in fund balances for each fund (see page 5) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

   Findings: No instances of noncompliance noted.

2. **Procedures Performed:** From the Town's trial balances, we compiled a cash basis budget and actual financial schedule for the General Fund (see page 6) and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

   Findings: No instances of noncompliance noted.

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

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

   Findings: The Town had uninsured/uncollateralized deposits at June 30, 2011 in the amount of $121,680.

5. **Procedures Performed:** We compared the Town'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.

6. **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: No instances of noncompliance noted.

7. **Procedures Performed:** A search for Town 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 Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Lamont Public Works Authority as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Authority's trial balances, we compiled a schedule of revenues, expenses and changes in fund balances - cash basis for the Authority (see page 7) and compared the schedule results to the applicable trust prohibitions for creating net asset deficits to report any noted instance of noncompliance.

   Findings: No instances of noncompliance noted.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and trace 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: The Town had uninsured/uncollateralized deposits at June 30, 2011 in the amount of $121,680.

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.

As to the Town of Lamont and Lamont Public Works Authority grant programs, as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Town and Authority's trial balances, we compiled a schedule of grant activity for each grant/contract (see page 8) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreements.

   Findings: No instances of noncompliance were noted.

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 that these specified parties.

Kimberlye R Mayer

Kimberlye R. Mayer, CPA, P.C.
December 1, 2011

TOWN OF LAMONT, OKLAHOMA
STATEMENT OF CHANGES IN FUND BALANCES
CASH BASIS
YEAR ENDED JUNE 30, 2011

	Fund Balances 6/30/10	Change	Fund Balances 6/30/11
TOWN:			
General Fund	$ 40,520	$ 97,297	$ 137,817
Fire Department Fund	9,044	(3,771)	5,273
Total Town	49,564	93,526	143,090
PUBLIC WORKS AUTHORITY:			
Lamont Public Works Authority	187,140	14,627	201,767
PWA Subtotal	187,140	14,627	201,767
TOWN TOTALS	$ 236,704	$ 108,153	$ 344,857

See accountant's report on agreed-upon procedures

TOWN OF LAMONT, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Beginning budgetary fund balance	$ 40,520	$ 40,520	$ 40,520	$
Resources (Inflows):				
Sales tax	60,000	60,000	73,121	13,121
Cigarette tax	900	900	1,069	169
Franchise taxes	16,000	16,000	13,902	(2,098)
Gas excise tax	1,000	1,000	725	(275)
Alcoholic beverage tax	10,550	10,550	11,622	1,072
Motor vehicle tax	3,800	3,800	4,044	244
Use tax	3,000	3,000	7,919	4,919
Interest	300	300	147	(153)
Police fines	34,100	34,100	33,723	(377)
Other revenues	28,000	28,000	995	(27,005)
REAP grant	28,376	28,376		(28,376)
CDBG grant	216,108	216,108	212,201	(3,907)
Total Resources	402,134	402,134	359,468	(42,666)
Charges (Outflows):				
General Government:				
Personnel services	27,700	27,700	34,051	(6,351)
Materials and supplies	10,000	10,000	3,387	6,613
Other services and charges	20,500	20,500	4,705	15,795
Capital outlay				
Total General Government	58,200	58,200	42,143	16,057
Police Department:				
Personnel services	50,100	50,100	33,673	16,427
Materials and supplies	6,000	6,000	7,342	(1,342)
Other services and charges	5,000	5,000	8,312	(3,312)
Total Police Department	61,100	61,100	49,327	11,773
Street and Alley:				
Materials and supplies	5,000	5,000	1,943	3,057
Other services and charges	12,300	12,300	10,028	2,272
Capital outlay				
Total Street and Alley	17,300	17,300	11,971	5,329
Total Charges	136,600	136,600	103,441	33,159
Grants expense	244,484	244,484	130,354	114,130
Transfer in (out)			(28,376)	(28,376)
Ending budgetary fund balance	$ 61,570	$ 61,570	$ 137,817	$ 76,247

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TOWN OF LAMONT, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - CASH BASIS
LAMONT PUBLIC WORKS AUTHORITY
YEAR ENDED JUNE 30, 2011

Operating Revenues:	
Charges for services:	
Water	$ 67,375
Sewer	48,233
Sanitation	44,591
Late fees	2,550
Other income	1,740
Total Operating Revenues	164,489
Operating Expenses:	
Administration	37,611
Water	54,937
Sewer	16,454
Sanitation	22,937
Capital Outlay	
Total Operating Expenses	131,939
Operating income (loss)	32,550
Non-Operating Revenues (Expenses):	
Interest income	1,559
Grant revenue	50,000
Grant expenditures	(97,858)
Total Non-Operating Revenues (Expenses)	(46,299)
Net Income (Loss) Before Transfers	(13,749)
Transfers in	28,376
Change in Fund Balance	14,627
Fund Balance, beginning of year	187,140
Fund Balance, end of year	$ 201,767

See accountant's report on agreed-upon procedures

TOWN OF LAMONT, OKLAHOMA
SCHEDULE OF GRANT ACTIVITY
CASH BASIS
YEAR ENDED JUNE 30, 2011

Grantor	Award Amount	Amount Received	Amount Disbursed	Amount Unexpended
State Dept. of Agriculture	$ 4,398	$ 4,398	$ 4,398	$
Oklahoma Dept. of Commerce				
CDBG 14095-09	$ 216,108	$ 212,201	$ 165,871	$ 46,330
REAP	$ 50,000	$ 50,000	$ 50,000	$