

REPORT OF AUDIT

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY

GARFIELD COUNTY - OKLAHOMA

JULY 1, 2010 TO JUNE 30, 2011

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

OFFICERS

MICHAEL POSTIER	CHAIRMAN
JAMES SIMUNEK	TRUSTEE
MARK BOLZ	TRUSTEE
KATHY HUGHES	SECRETARY

AUDIT BY

PATRICK W. CARROLL
CERTIFIED PUBLIC ACCOUNTANT

CERTIFICATE #4081

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

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Chas. W. Carroll, P.A.

The Broadway Tower - Suite 805
114 E. Broadway

Enid, Oklahoma 73701
Phone 580-234-5468
Fax 580-234-5425

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
The Garfield County Criminal Justice Authority
Garfield County, Oklahoma

I have audited the accompanying financial statement of the business-type activities of the Garfield County Criminal Justice Authority, a component unit of Garfield County, Oklahoma, as of and for the year ended June 30, 2011, as listed in the Table of Contents. The financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I 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 opinion.

In my opinion the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Garfield County Criminal Justice Authority, a component unit of Garfield County, Oklahoma, as of June 30, 2011, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Garfield County Criminal Justice Authority has not presented the required supplemental information which includes the Management's Discussions and Analysis that the Governmental Accounting Standards board has determined is necessary, to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, I have also issued a report dated June 28, 2011 on my consideration of the Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations and contracts, grants and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and do not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

Sincerely,



Chas. W. Carroll, P.A.

June 28, 2011

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
BALANCE SHEET
AS OF JUNE 30, 2011

2010/2011

ASSETS

Current Assets-

Cash in Operating Accounts	\$0.00
Receivables	123,320.19

Total Current Assets

123,320.19

Noncurrent Assets-

Restricted Assets	
Cash and Cash Equivalents	73,204.87
Deferred Charges	172,403.95

Property and Equipment-

Buildings	8,973,050.40
Equipment	217,728.11
Less: Accumulated Depreciation	<u>(1,025,605.84)</u>

Total Noncurrent Assets

8,410,781.49

TOTAL ASSETS

\$8,534,101.68

LIABILITIES

Current Liabilities

Accounts Payable	\$0.00
Interest Payable	68,660.00
Current Portion of Bonds Payable	<u>670,000.00</u>

Total Current Liabilities

738,660.00

Long-Term Debt

Bonds Payable less Current Portion	4,430,000.00
Bond Discounts	<u>(89,771.40)</u>

Total Long-Term Debt

4,340,228.60

TOTAL LIABILITIES

5,078,888.60

NET ASSETS

Invested in Capital Assets Net of Related Debt	2,996,512.67
Restricted for Debt Service	458,700.41
Unrestricted	0.00

TOTAL NET ASSETS

\$8,534,101.68

The accompanying notes are an integral part of these financial statements.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2011

	----- 2010/2011 -----
OPERATING REVENUES	

Cash In Operating Accounts	\$0.00
OPERATING EXPENSES	

Trustee Fees	9,435.02
Depreciation	256,894.91

TOTAL OPERATING EXPENSES	266,329.93

OPERATING INCOME (LOSS)	(266,329.93)
NON-OPERATING REVENUES (EXPENSES)	
Sales Tax Revenues	228,691.28
Local Donation	12,996.00
Dividend Income	2,694.01
Interest Paid on Bonds	(253,237.86)
Amortization of Bond Issue Costs	(9,995.91)

TOTAL NON-OPERATING REVENUES (EXPENSES)	(18,852.48)

OTHER FINANCING SOURCES (EXPENSES)	
Bonds Issued for Refunding Debt (Net)	4,828,832.40
Payment to Bond Escrow for Refunding Debt	(4,828,832.40)

INCOME (LOSS) BEFORE OPERATING TRANSFERS	(285,182.41)
OPERATING TRANSFERS IN (OUT)	(2,449.94)

NET INCOME	(287,632.35)
ADJUSTMENT TO BEGINNING NET ASSETS	
Unamortized 2003 Bond Discount and Issuance Costs	(86,998.54)
BEGINNING NET ASSETS	3,829,843.97

ENDING NET ASSETS	\$3,455,213.08

The accompanying notes are an integral part of these financial statements.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2011

	----- 2010/2011 -----
Cash flows from operations:	
Cash received from:	
Customers	\$0.00
Cash payments for:	0.00
Goods and services	(5,236.12)
Employees	0.00
	<hr/>
Net cash provided[used]by operations	(5,236.12)
Cash flows from noncapital financing activities:	
Cash flows from capital and related financing activities:	
Proceeds from Issuance of Bonds	5,010,228.60
Sales Tax Revenues	105,372.95
Dividend Income	2,717.24
Return of Assets(Cost of Issuance Residue)	(2,449.94)
Principal Payment on Bonds	(6,955,000.00)
Interest Payments on Bonds	(338,261.78)
Bond Issue Costs	(172,403.95)
	<hr/>
Net cash from capital and related financing activities	(2,349,796.88)
	<hr/>
Net change in cash	(2,355,033.00)
Beginning cash	2,428,237.87
	<hr/>
Ending Cash	<u>\$73,204.87</u>
ENDING NET CHANGE IN CASH	
Reconciliation of income from operations to net cash from operations:	
Operating income (loss)	(\$287,632.35)
Adjustments to net assets	(86,998.54)
Adjustments to reconcile change in net assets to net cash from operations:	
Depreciation	256,894.91
Recapture of bond issuance costs	9,995.91
Change in assets and liabilities:	
Increase in Deferred Charges and Bond Discounts	(175,176.81)
(Increase)decrease in Accounts Receivable	(123,295.10)
(Increase)decrease in Equipment	(12,996.00)
(Increase)decrease in Accounts Payable	(80,825.02)
Increase(decrease) in Long Term Debt	(1,855,000.00)
	<hr/>
Net cash provided by operations	<u>(\$2,355,033.00)</u>

The accompanying notes are an integral part of these financial statements.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

1. Summary of Significant Accounting Policies

Financial Reporting Entity

The Garfield County Criminal Justice Authority (GCCJA) is a public trust authority established September 7, 1999, under the provisions of Title 60, Oklahoma Statutes, Sections 176 et seq., as amended and supplemented, the Oklahoma Trust Act, and other applicable statutes and laws of the State of Oklahoma, with Garfield County, Oklahoma, as its beneficiary. The purpose of the GCCJA is to administer funds for the purposes of acquiring a site for, erecting, furnishing, equipping, operating, and maintaining a County jail within the territorial limits of the Lessor, (ii) to establish and maintain oversight over the efficient, proper and lawful expenditure of all funds administered by the Lessee.

Component Unit

The Garfield County Criminal Justice Authority is a component unit of Garfield County, Oklahoma.

Basis of Presentation

The accounts of The Garfield County Criminal Justice Authority are organized as a proprietary fund. Proprietary funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through service charges and sales tax revenues.

Basis of Accounting

The Garfield County Criminal Justice Authority uses the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when incurred. Interest on revenue bonds, proceeds of which are used in financing the construction of certain assets, is capitalized during the construction period net of interest on the investment of unexpended bond proceeds.

Governmental Funds

Proprietary Fund - Proprietary Funds consist of enterprise funds and internal service funds.

The Authority's Enterprise Fund is used to report activities of the entity. The operating expenses result from fees paid to debt service administrators. Non-operating revenues consist of sales tax and investment income. Non-operating expenses result from debt service and construction activities.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

Cash Equivalents

Cash in bank and short-term investments with a maturity less than three months are considered to be cash equivalents for the purposes of the cash flow statement

Restricted Cash and Investments

Bond Covenants require maintenance of prescribed amounts of cash and investments which can be used only for debt service. These are maintained in separate accounts by a trustee bank and invested by the trustee bank. All investments are carried at "fair market value", which is the same for these investments.

Receivables

All receivables will be reported at their gross value and, where appropriate, will be reduced by the estimated portion that is expected to be uncollectible.

Property, Plant and Equipment

Property, plant and equipment placed in service or purchased since inception of GCCJA will be carried at cost. Depreciation of property, plant and equipment will be charged over the estimated useful life of each item using the straight-line method of depreciation. Infrastructure fixed assets consisting of the water and sewer lines will be expensed. The estimated useful life of each major class are as follows: building, 40 years; equipment, 5-20 years. Garfield County leased land to the Authority under a twenty (20) year lease agreement. The land is not shown as an asset of the Authority, but is included as an asset of Garfield County.

FAS-34 (Capitalization of Interest Costs) requires that interest expenditures incurred during construction of assets be capitalized.

FAS-62 (Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants) concludes that constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisition of the asset or used to service the related debt) should include capitalized interest only to the extent that interest cost exceeds interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing. During the year just ended, no interest costs were capitalized because interest expenditures related to constructed assets did not exceed related interest revenue.

Bond Issue Costs

The Series 2003 Bond issue costs of \$364,448.36 were capitalized and were to be amortized on a straight-line basis over the life of the bonds, beginning with the 2003-04 fiscal year. The Series 2003 Bonds were retired in December 2010. The Series 2010 Bond issue costs of \$172,403.95 have been capitalized and will be amortized on a straight-line basis over the life of the bonds, beginning with the 2010-11 fiscal year.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

2. Stewardship, Compliance and Accountability

Budget and budgetary accounting - Article VI, Section 6.9 of the Master Bond Indenture by and between the Authority and BancFirst, Oklahoma City, Oklahoma, states that the Authority and the County shall prepare in accordance with the County's budgeting process, an annual budget of Operating Expenses of the System. Such annual budget shall be limited to the Revenues available to pay Operation and Maintenance Expenses transferred to the Operating Fund under Section 5.4 (b) plus any other funds made available to the operation and maintenance of the System by the County.

Compliance with bond covenants - Bond covenants require maintenance of prescribed amounts of cash and investments which can be used only for debt service. These are maintained in separate accounts by trustee bank and invested by the trustee bank.

3. Deposits and Investments

The State of Oklahoma allows government entities to make deposits and invest in accounts of federally insured banks, credit unions, and savings and loans associations that have offices in Oklahoma. The Authority has designated one bank for the deposit of the Sales Tax and Operating Funds and another bank for the deposits of the debt service and construction funds.

Custodial Credit Risk of Bank Deposits - At June 30, 2011 all of the Authority's deposits were either covered by federal depository insurance or collateralized through United States Government securities or security pledges by depositories.

Custodial Credit Risks of Investments - The Authority does not invest in securities that are not covered by United States government securities. At year end, none of the Authority's investments were subject to custodial credit risk due to one of the following:

- a. Investments were part of an insured pool
- b. Investments were book-entry only in the name of the Authority and were fully insured
- c. Investments were part of a mutual fund
- d. Investments were held by an agent in the Authority's name.

Concentration of Credit Risk - The Authority's investment procedure does not allow investments to be in debt securities that are not secured, registered or backed by United States government securities.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

Interest Rate Risk - The Authority's investment procedure manages its exposure to declines in fair value by limiting maturity of its investments to less than one year.

At June 30, 2011, the Authority had the following investments:

	Fair Value	Investment Maturities Less than 1 year
U.S. Treasury/Repurchase agreements	\$ 73,205	\$ 73,205

4. Property and Equipment

A summary of property and equipment is presented below:

	Balances 07/01/10	Additions	Deletions	Balances 06/30/11
Land	\$ 0	\$ 0	\$ 0	\$ 0
Building	8,973,051	0	0	8,973,051
Equipment	204,732	12,296	0	217,728
Construction	0	0	0	0
Total	\$ 9,177,783	\$ 12,296	\$ 0	\$ 9,190,779

5. Long-Term Debt

The following is a summary of the long-term debt of the GCCJA for the year ended June 30, 2011:

	<u>Series 2003 Bonds</u>	
Debt outstanding 07/01/10		\$ 6,995,000
Additions		0
Retirement/payments		<u>6,995,000</u>
Debt outstanding 06/30/11		\$ 0

Early Extinguishment and Refunding of Series 2003 Bonds

Refunding Series Bonds of 2010 were issued on April 1, 2011 to repay outstanding debt of the Series Bonds of 2003. The debt extinguished was \$6,955,000.00. The sources of funds to refund the outstanding debt were sale of bonds 4,828,832.40, Reserve and Escrow Funds of 2,126,167.60. Total proceeds for the Refunding Series Bonds of 2010 were 5,100,000.00 of which bond discounts issuance costs and acceptance / trustee fees were \$89,771.40, \$172,403.95 and \$8,592.25 respectively.

Description of Issue	Category	Amount Extinguished or Refunded	Refunding Issued Par Value	Cash Flow Increase (Decrease)	Economic Gain / (Loss)
Revenue Bonds of 2003	Current Refunding	\$6,955,000	\$5,100,000	\$2,574,117	\$38,871

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

5. Long-Term Debt (continued)

Debt outstanding as of June 30, 2011, consisted of the following new 2010 revenue bonds, originally issued for \$5,100,000 and maturing April 1, 2018.

Refunding Series 2010 Bonds

<u>Mature</u>	<u>Interest (Per Annum)</u>	<u>Amount Maturing</u>
April 1, 2012	5.00	670,000
April 1, 2013	11.50	705,000
April 1, 2014	2.00	710,000
April 1, 2015	2.15	730,000
April 1, 2018	2.76 Avg	<u>2,285,000</u>
		\$ 5,100,000

A summary of debt service requirement to maturity is presented below:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Annual Interest</u>
2011/12	\$ 670,000.00	\$137,320.00
2012/13 thru 2014/15	2,145,000.00	276,110.00
2015/16 thru 2017/18	<u>2,285,000.00</u>	<u>133,390.00</u>
	\$ 5,100,000.00	\$546,820.00

The bonds are secured by a pledge of the gross revenues derived from the proceeds of a .25% sales tax.

6. Property Lease Agreement

Garfield County leased land to GCCJA, for a period of twenty (20) years, beginning January 1, 2003. The Lease Consideration of this Lease shall be the installation and construction of improvements to the Leased Property from time to time and operation of the Leased Property, all for the purpose of aiding the Lessor in the performance of its public functions as set forth in the Trust Indenture and the installation and construction of said improvements from time to time and said operation shall constitute the total consideration for this Lease for the entire term thereof and all extensions and renewals thereof as hereinafter provided.

7. Risk Management

The GCCJA is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The board manages this risk through the purchase of commercial insurance policies. Claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. There was no claims activity for the year just ended.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

8. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, primarily the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although, the Authority expects such amounts, if any, to be immaterial.

9. Sales Tax

The County began a .25 cent county sales tax on January 1, 2003, and continuing until January 1, 2018. The sales tax is administered by Garfield County for the Garfield County Criminal Justice Authority for the purpose of debt servicing and maintaining a new county jail.

10. Operational Budget

The Authority utilizes county sales tax revenues transferred to the debt service agent from the Garfield County Treasurer. The County Sales Tax is deposited into a Criminal Justice Tax Cash Fund and is transferred to the Bond Agent as per the debt service agreement. The Criminal Justice Tax Cash Fund also transfers funds to the Garfield County Criminal Justice Authority Detention Facility Operating Cash Fund annually for the purpose of operations as provided in the Declaration of Trust. Both the Criminal Justice Tax Cash Fund and the Garfield County Criminal Justice Authority Detention Facility Operating Cash Fund are appropriated funds and operating budgets are prepared and submitted annually to the Board of County Commissioners.

11. Unexpended Construction Bond Proceeds

The Authority elected to transfer the remaining balance of the Construction Fund during the 2009-10 fiscal year in the amount of \$1,372,242.68 to the Bond Fund (Sinking Fund) per the Bond Indenture to be used for the next year debt service payment. Any remaining balance of the funds transferred may be used at the option of the Authority to redeem bonds, per Article IV, Section 4.03 Optional Redemption of the Supplemental Indenture.

12. Series 2003 Reserve Funds

The Authority utilized the remaining balances in the Debt Service Reserve Fund (\$1,055,050), the Revenue Fund (\$866) and the Escrow/Sinking Fund (\$1,372,322) to reduce the amount needed for the new Series 2003 Refunding Bonds.

13. Subsequent Events

Management has evaluated subsequent events through June 28, 2012, which is the date the financial statements were available to be issued and has determined that no additional information needs to be added to the financial statements.

Chas. W. Carroll, P.A.

The Broadway Tower - Suite 805
114 E. Broadway

Enid, Oklahoma 73701
Phone 580-234-5468
Fax 580-234-5425

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 Board of Trustees
The Garfield County Criminal Justice Authority
Garfield County, Oklahoma

I have audited the accompanying financial statements of the business-type activities of the Garfield County Criminal Justice Authority, a component unit of Garfield County, Oklahoma, as of and for the year ended June 30, 2011, which collectively comprise the Garfield County Criminal Justice Authority's basic financial statements, and have issued my report thereon dated June 28, 2011. The Authority has not presented the required supplemental information which includes the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements. I conducted my audit in accordance with generally accepted auditing standards 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 the Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material non-compliance with a type of compliance requirement of a federal program will not be prevented or detected by the Authority's internal control.

reporting, described in the accompanying schedule of findings that I consider to be significant deficiencies in internal control over financial reporting as item 11-01. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, I 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 my audit and accordingly, I 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.

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

Sincerely,



Chas. W. Carroll, P.A.
June 28, 2011

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

DISPOSITION OF PRIOR YEAR REPORTABLE CONDITIONS AND MATERIAL
INSTANCES OF NON-COMPLIANCE AND OTHER MATTERS
JUNE 30, 2011

There were no reportable conditions, either material or immaterial,
presented in the previous year audit report.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF AUDIT FINDINGS
JUNE 30, 2011

Section 1 - Findings related to the financial statements required to be
Reported in accordance with GAGAS.

11-01 Annual Audit Report - Completion and Filing Requirements

Criteria: Oklahoma Statutes require that every trust created for the benefit and furtherance of any public function with the State of Oklahoma or any county or municipality as the beneficiary thereof must cause an audit to be made no later than six (6) months following the close of each fiscal year. A copy of the audit shall be filed with the State Auditor and Inspector and one copy with each beneficiary of the trust.

Condition: The Annual audit was not completed and submitted as required by Oklahoma Statutes.

Cause: The procurement of financial information was hindered due to the newness of the Authority's existence and a determination of declaring asset ownership as well as creating asset inventories.

Effect: The condition could delay the finalization of the States closing of the fiscal year activities as well as the requirements of the trustee bank to report to its bond holders.

Recommendation: I recommend that all financial information, including equipment and property inventories, be available and compiled for financial statement review.

Views of responsible officials and planned corrective actions: We concur with auditors comments and more timely preparation will be implemented.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF OTHER MATTERS

This schedule contains matters not required to be reported in accordance with Government Auditing Standards.

There were no exceptions noted or brought to my attention for the 2010-11 fiscal year.

THE GARFIELD COUNTY CRIMINAL JUSTICE AUTHORITY
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

SCHEDULE OF OTHER MATTERS-PRIOR YEAR
JUNE 30, 2011

All prior year audit exceptions have since been resolved unless they are presented in the current year audit exceptions and recommendations followed by "A similar exception was presented in the previous years audit report".