

**INDEPENDENT ACCOUNTANT'S REPORT**

**TOWN OF MANITOU, OKLAHOMA**

**JULY 1, 2010 TO JUNE 30, 2011**

BY



**FURRH**  
**& ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS



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### Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Manitou  
Manitou, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances- Modified Cash Basis of the Town of Manitou, Oklahoma as of June 30, 2011 and the related Budgetary Comparison Schedule of General Fund and Public Works Authority Fund- Modified Cash Basis, for the fiscal 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 modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by 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 modified 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 below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2011. Management of the Town of Manitou is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agree-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the

fieldwork and reporting standards applicable to attestation engagements as contained in *Government Auditing Standards* of the Comptroller General of the United States of America. 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 below either for the purpose for which this report has been requested or for any other purpose.

**Procedures and Finding**

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

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

**Findings:** We found no instances of noncompliance.

- 2. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

**Findings:** We found no instances of noncompliance.

- 3. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the Public Works Authority and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

**Findings:** We found no instances of noncompliance.

- 4. 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:** We found no instances of any significant or unusual reconciling items.

- 5. 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:** We found no uninsured or uncollateralized deposits.

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

**Findings:** We found no instances of noncompliance.

**7. 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:** We found no instances of noncompliance.

**8. Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** We found no instances of noncompliance.

As to the **Town of Manitou 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 prepared schedules of grant activity for each grant/contract and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement(s).

**Findings:** We found no instances of noncompliance.

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.



FURRH & ASSOCIATES, PC

December 6, 2011

**Town of Manitou**  
**Manitou, Oklahoma**  
**Summary of Changes in Fund Balance**  
**Modified Cash Basis**  
**For the Fiscal Year Ended June 30, 2011**  
**(Unaudited)**

	Beginning of Year Fund Balances	Current Year Receipts	Interfund Transfers	Prior Year Disbursements	Current Year Disbursements	End of Year Fund Balances
General Fund	\$ 42,721	\$ 12,629	\$ 116,709	\$ 0	\$ (123,997)	\$ 48,062
Public Works Authority	0	392,901	(116,709)	0	(276,192)	0
Cemetery Care Fund	499	0	0	0	0	499
Emergency Savings Fund	19,911	10,253	0	0	(4,632)	25,532
Capital Improvements Fund	19,659	6,335	0	0	0	25,994
Fire Department Fund	4,446	44,602	0	0	(25,570)	23,478
Grant Funds	88,264	0	0	(51,236)	(17,734)	19,294
Overall Totals	\$ 175,500	\$ 466,720	\$ 0	\$ (51,236)	\$ (448,125)	\$ 142,859

Please see accompanying Accountant's Report.

**TOWN OF MANITOU, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
MODIFIED CASH BASIS**

**General Fund**

**For the Fiscal Year Ended June 30, 2011  
(Unaudited)**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 42,721	\$ 42,721	\$ 42,721	\$ 0
Resources (Inflows):				
Interfund transfers	148,000	148,000	116,709	(31,291)
Taxes	6,800	6,800	6,846	46
Miscellaneous	700	700	5,688	4,988
Interest Income	50	50	95	45
Total Inflows	<u>155,550</u>	<u>155,550</u>	<u>129,338</u>	<u>(26,212)</u>
Amounts Available for Appropriation	<u>198,271</u>	<u>198,271</u>	<u>172,059</u>	<u>(26,212)</u>
Charges to Appropriations (Outflows):				
General Government:				
Personal Services	35,000	35,000	32,398	2,602
Maintenance, Operations, Repairs	100,000	100,000	91,599	8,401
Capital Outlay	63,271	63,271	0	63,271
Total General Government	<u>198,271</u>	<u>198,271</u>	<u>123,997</u>	<u>74,274</u>
Total Charges to Appropriations	<u>198,271</u>	<u>198,271</u>	<u>123,997</u>	<u>74,274</u>
Ending Budgetary Fund Balance:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 48,062</u>	<u>\$ 48,062</u>

Please see accompanying Accountant's Report.

**TOWN OF MANITOU, OKLAHOMA**  
**BUDGETARY COMPARISON SCHEDULE**  
**MODIFIED CASH BASIS**  
**Public Works Authority Fund**  
**For the Fiscal Year Ended June 30, 2011**  
**(Unaudited)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginni.	\$ 0	\$ 0	0	\$ 0
Resources (Inflows):				
Electric Utility Collection	275,000	275,000	270,235	(4,765)
Water Utility Collection	60,000	60,000	59,355	(645)
Garbage Collection	37,000	37,000	37,647	647
Sewer Income	20,000	20,000	22,040	2,040
Taxes	3,500	3,500	3,624	124
Total Inflows	<u>395,500</u>	<u>395,500</u>	<u>392,901</u>	<u>(2,599)</u>
Amounts Available for Appropriation	<u>395,500</u>	<u>395,500</u>	<u>392,901</u>	<u>(2,599)</u>
Charges to Appropriations (Outflows):				
General Government:				
Personal Services	45,000	45,000	50,100	(5,100)
PWA Services and Charges	202,500	202,500	226,092	(23,592)
Transfers to General Fund	148,000	148,000	116,709	31,291
Total General Government	<u>395,500</u>	<u>395,500</u>	<u>392,901</u>	<u>2,599</u>
Total Charges to Appropriations	<u>395,500</u>	<u>395,500</u>	<u>392,901</u>	<u>2,599</u>
Ending Budgetary Fund Balance:	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**Community Development Block Grant # 13770**  
**Revenue and Expenditures Compared with Budget**  
**Modified Cash Basis**  
**Year Ended June 30, 2011**

<u>Revenue</u>	<u>Budget</u>	<u>Cumulative 06/30/10</u>	<u>Current Year</u>	<u>Total</u>	<u>(Over) Under Budget</u>
CDBG Funds	\$ 236,100	\$ 236,100	\$ 0	\$ 236,100	\$ 0
Matching Funds	12,817	12,817	0	12,817	0
Total Income	248,917	248,917	0	248,917	0
<u>Expenditures</u>					
Water System Expenses	248,917	232,088	16,829	248,917	0
Total Expenditures	248,917	232,088	16,829	248,917	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 0</u>	<u>\$ 16,829</u>	<u>\$ (16,829)</u>	<u>\$ 0</u>	<u>\$ 0</u>

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**REAP GRANT- Manitou-04**  
**Revenue and Expenditures Compared with Budget**  
**Modified Cash Basis**  
**Year Ended June 30, 2011**

	<u>Budget</u>	<u>Cumulative 06/30/10</u>	<u>Current Year</u>	<u>Total</u>	<u>(Over) Under Budget</u>
<u>Revenue</u>					
State Grant	\$ 20,000	\$ 20,000	\$ 0	\$ 20,000	\$ 0
<u>Expenditures</u>					
Repairs	20,000	0	905	905	19,095
Total Expenditures	20,000	0	905	905	19,095
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 0</u>	<u>\$ 20,000</u>	<u>\$ (905)</u>	<u>\$ 19,095</u>	<u>\$ (19,095)</u>

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