

**Town of Taloga**  
**Agreed Upon Procedures**  
**June 30, 2013**

# **RSMeacham CPAs & Advisors**

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Members of American  
Institute of Certified  
Public Accountants

Members of Oklahoma  
Society of Certified  
Public Accountants

## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Board, Town of Taloga  
Taloga, Oklahoma

Trustees of the Taloga Public Works Authority  
Taloga, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have compiled the accompanying Statement of Changes in Unrestricted Fund Balances (GAAP Basis), the Budgetary Comparison Schedule-Cash Basis for the General Fund, the Budgetary Comparison Schedule-Cash Basis for the Fire Fund, the Budgetary Comparison Schedule-Cash Basis for the Ambulance Fund, the Public Works Balance Sheet, and the Statement of Revenues, Expenses, and Changes in Fund Balance for the Town of Taloga and the Taloga Public Works Authority for the fiscal year ended June 30, 2013, 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, 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 cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We have performed the procedures enumerated within Appendix A and Appendix B 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 of Taloga (the Town) and the Taloga Public Works Authority (the Authority) in meeting its financial accountability requirements as prescribed by such state laws and evaluating compliance with specified legal or

contractual requirements for the fiscal year ended June 30, 2013 for the Town and for the Authority. Management of the Town of Taloga 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 in Appendix A or B, either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on financial accountability and compliance with contractual requirements. 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.



RSMeacham CPAs & Advisors  
September 30, 2013

**Town of Taloga, Oklahoma  
Procedures and Findings  
For the Year Ended June 30, 2013**

As to the Town of Taloga as of and for the fiscal year ended June 30, 2013:

- I. Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I, no instances of noncompliance noted.

- II. Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibits II-IV, no instances of noncompliance noted.

- III. Agree 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 instances of noncompliance noted.

- IV. Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.

- V. Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. Compare 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.

- VII. Compare 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: No instances of noncompliance noted.

- VIII. Prepare a schedule of grant receipts and expenditures for the general fund.

Findings: No instances of noncompliance noted.

**Taloga, Oklahoma Public Works Authority  
Procedures and Findings  
For the Year Ended June 30, 2013**

As to the Taloga Public Works Authority, as of and for the year ended June 30, 2013:

- I. Prepare a schedule of revenues, expenditures and changes in fund balance for each fund from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I, V, & VI, no instances of noncompliance noted.

- II. Agree 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 instances of noncompliance noted.

- III. Compare 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 noted.

- IV. Compare 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 noted.

- V. Compare the accounting for the Authority'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.

- VI. Compare the Authority'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: No instances of noncompliance noted.

- VII. Prepare a cash basis balance sheet for the Authority.

Findings: See Exhibit V

**TOWN OF TALOGA, OKLAHOMA  
SUMMARY OF CHANGES IN FUND BALANCES (GAAP)  
FOR THE YEAR ENDED JUNE 30, 2013**

	Beginning of Year Fund Balances	Current Year Change	End of Year Fund Balances
<b>TOWN (GAAP):</b>			
General Fund	\$ 523,830	\$ 8,504	\$ 532,334
Street & Alley Fund	16,042	2,002	18,044
Fire Fund	183,152	21,263	204,415
Ambulance Fund	174,518	16,160	190,678
Park Fund	1,916	439	2,355
Municipal Court Fund	35	35	70
<b>TOWN TOTAL</b>	<u>899,493</u>	<u>48,403</u>	<u>947,896</u>
<b>TALOGA PUBLIC WORKS AUTHORITY</b>			
PWA	274,105	92,305	366,410
Meter Fund	12,678	(54)	12,624
Polycart Fund	3,750	300	4,050
<b>PWA TOTAL</b>	<u>290,533</u>	<u>92,551</u>	<u>383,084</u>

**TOWN OF TALOGA, OKLAHOMA**  
**BUDGETARY COMPARISON SCHEDULE - CASH BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 523,830	\$ 523,830	\$ 523,830	\$ -
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales tax	80,000	80,000	153,256	73,256
Use tax	-	-	56,546	56,546
Tobacco tax	6,679	6,679	3,546	(3,133)
<b>Total Taxes</b>	<u>86,679</u>	<u>86,679</u>	<u>213,348</u>	<u>126,669</u>
<b>Intergovernmental:</b>				
Alcoholic beverage tax	9,504	9,504	10,967	1,463
Franchise tax	10,000	10,000	10,816	816
<b>Total Intergovernmental</b>	<u>19,504</u>	<u>19,504</u>	<u>21,783</u>	<u>2,279</u>
<b>Fines and Forfeitures</b>	-	-	-	-
<b>Investment Income</b>	-	-	2,650	2,650
<b>Gas Tax</b>	965	965	1,105	140
<b>Miscellaneous Income</b>	24,800	24,800	7,068	(17,732)
<b>Transfers from other funds</b>	82,800	82,800	-	(82,800)
<b>Restitution</b>	-	-	5,100	5,100
<b>Total current year resources</b>	<u>214,748</u>	<u>214,748</u>	<u>251,054</u>	<u>36,306</u>
<b>Amounts available for appropriation</b>	<u>\$ 738,578</u>	<u>\$ 738,578</u>	<u>\$ 774,884</u>	<u>\$ 36,306</u>
<b>Charges to Appropriations (Outflows):</b>				
<b>General government:</b>				
Personal services	142,000	162,000	155,155	6,845
Other services and charges	130,830	103,798	57,363	46,435
Capital outlay	25,000	32,032	30,032	2,000
<b>Total General Government</b>	<u>297,830</u>	<u>297,830</u>	<u>242,550</u>	<u>55,280</u>
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<u>297,830</u>	<u>297,830</u>	<u>242,550</u>	<u>55,280</u>
<b>Change in Fund Balance</b>	(83,082)	(83,082)	8,504	91,586
<b>Ending Budgetary Fund Balance</b>	<u>440,748</u>	<u>440,748</u>	<u>532,334</u>	<u>91,586</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OTHER ACCRUALS</b>			-	
<b>UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)</b>			<u>532,334</u>	

TOWN OF TALOGA, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
 FIRE FUND  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 183,152	\$ 183,152	\$ 183,152	\$ -
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales tax	20,000	20,000	38,315	18,315
<b>Total Taxes</b>	<u>20,000</u>	<u>20,000</u>	<u>38,315</u>	<u>18,315</u>
Fire Runs	1,500	1,500	9,625	8,125
Investment Income	15	15	502	487
Gas Tax	200	200	276	76
Miscellaneous Income	12,600	12,600	26,680	14,080
Grants-Other	-	-	4,484	4,484
<b>Total current year resources</b>	<u>34,315</u>	<u>34,315</u>	<u>79,882</u>	<u>45,567</u>
<b>Amounts available for appropriation</b>	<u>\$ 217,467</u>	<u>\$ 217,467</u>	<u>\$ 263,034</u>	<u>\$ 45,567</u>
<b>Charges to Appropriations (Outflows):</b>				
<b>General government:</b>				
Other services and charges	42,800	42,800	58,619	(15,819)
Capital outlay	25,000	25,000	-	25,000
<b>Total General Government</b>	<u>67,800</u>	<u>67,800</u>	<u>58,619</u>	<u>9,181</u>
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<u>67,800</u>	<u>67,800</u>	<u>58,619</u>	<u>9,181</u>
<b>Change in Fund Balance</b>	(33,485)	(33,485)	21,263	54,748
<b>Ending Budgetary Fund Balance</b>	<u>149,667</u>	<u>149,667</u>	<u>204,415</u>	<u>54,748</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OTHER ACCRUALS</b>				
<b>UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)</b>			<u>204,415</u>	

**TOWN OF TALOGA, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
AMBULANCE FUND  
FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 174,518	\$ 174,518	\$ 174,518	\$ -
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales tax	20,000	20,000	38,315	18,315
<b>Total Taxes</b>	<u>20,000</u>	<u>20,000</u>	<u>38,315</u>	<u>18,315</u>
Ambulance runs	-	-	5,019	5,019
Investment Income	-	-	431	431
Gas Tax	200	200	276	76
Miscellaneous Income	5,430	5,430	1,307	(4,123)
<b>Total current year resources</b>	<u>25,630</u>	<u>25,630</u>	<u>45,348</u>	<u>19,718</u>
<b>Amounts available for appropriation</b>	<u>\$ 200,148</u>	<u>\$ 200,148</u>	<u>\$ 219,866</u>	<u>\$ 19,718</u>
<b>Charges to Appropriations (Outflows):</b>				
<b>General government:</b>				
Other services and charges	15,650	34,650	22,214	12,436
Capital outlay	25,000	6,000	6,974	(974)
<b>Total General Government</b>	<u>40,650</u>	<u>40,650</u>	<u>29,188</u>	<u>11,462</u>
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<u>40,650</u>	<u>40,650</u>	<u>29,188</u>	<u>11,462</u>
<b>Change in Fund Balance</b>	(15,020)	(15,020)	16,160	31,180
<b>Ending Budgetary Fund Balance</b>	<u>159,498</u>	<u>159,498</u>	<u>190,678</u>	<u>31,180</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OTHER ACCRUALS</b>			-	
<b>UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)</b>			<u>190,678</u>	

TALOGA PUBLIC WORKS AUTHORITY, TALOGA, OKLAHOMA  
BALANCE SHEET-CASH BASIS  
JUNE 30, 2013

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	<u>2013</u>
<b>ASSETS</b>	
Current assets:	
Cash, including time deposits	\$ 366,410
Total current assets	<u>366,410</u>
<b>Total assets</b>	<u>366,410</u>
<b>LIABILITIES</b>	
<b>Total liabilities</b>	<u>-</u>
<b>FUND BALANCE</b>	
Unrestricted	<u>366,410</u>
<b>Fund Balance</b>	<u>366,410</u>

**TALOGA PUBLIC WORKS AUTHORITY TALOGA, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

<b>Operating Revenues:</b>	
<b>Charges for services:</b>	
Water	81,680
Sewer	25,854
Sanitation	46,924
Gas	115,555
Other	5,860
<b>Total Operating Revenues</b>	<u>275,873</u>
<b>Operating Expenses:</b>	
Administration	40,127
Water	44,848
Sanitation	37,155
Gas	61,907
<b>Total Operating Expenses</b>	<u>184,037</u>
<b>Operating Income</b>	91,836
<b>Non-Operating Revenues:</b>	
Interest	469
<b>Total Non-Operating Revenues</b>	<u>469</u>
<b>Net Income Before Contributions and Transfers</b>	92,305
Transfers in	-
Transfers out	-
<b>Change in fund balance</b>	92,305
<b>Fund Balance - beginning</b>	274,105
<b>Fund Balance - ending</b>	<u>366,410</u>