

TOWN OF DACOMA
WOODS COUNTY, OKLAHOMA
ACCOUNTANT'S REPORT
FISCAL YEAR ENDED
JUNE 30, 2010

WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA

**TOWN OF DACOMA
WOODS COUNTY, OKLAHOMA
TOWN COUNCIL AND OFFICERS**

Joel Shoulders
Donnie McDermott
Larry Leslie
Luther Young

Mayor
Treasurer/Clerk
Trustee
Trustee

CONTENTS

Exhibit

Town officials

Contents

Accountant's report

Town of Dacoma

Summary of Changes in Fund Balances

A

Budgetary Comparison Schedule General Fund – Cash Basis

B

Public Works Authority

Summary of Changes in Fund Balances—Modified Cash Basis

C

Statement of Revenue, Expenses and Changes in Fund Balance
—Modified Cash Basis

D

WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT

121 SOUTH NOBLE ~ P.O. BOX 181
PHONE 580-623-5071

WATONGA, OKLAHOMA 73772
FAX 580-623-5072

Honorable Town Council
Town of Dacoma
Dacoma, Oklahoma

Honorable Board of Trustees
Dacoma Public Works Authority
Dacoma, Oklahoma

Accountant's Report

I have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within applicable state laws of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by such state laws (HB 1670) and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2010. Management of the Town of Dacoma 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 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, I 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 Findings

As to the Town of Dacoma as of and for the Fiscal Year ended June 30, 2010:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (See accompanying Exhibit A) and compared the schedule to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances noted

2. **Procedures Performed:** From the Town's trial balance, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (See accompanying Exhibit B) and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: No instances noted

3. **Procedures Performed:** I 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 instances noted

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

Findings: No instances noted

5. **Procedures Performed:** I compared use of materially-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances noted

6. **Procedures Performed:** I 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 noted

7. **Procedures Performed:** I 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: No instances noted

I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I 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 informational 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.

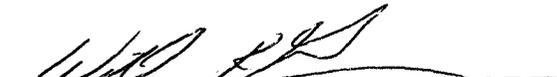

November 30, 2010

Exhibit A
Town of Dacoma
And
Dacoma Public Works Authority
Summary of Changes in Fund Balances-Budgetary Basis
For the Fiscal Year Ended June 30, 2010

	Beginning of Year <u>Fund Balances</u>	Current Year <u>Revenue</u>	Current Year <u>Expenditures</u>	End of Year <u>Fund Balances</u>
TOWN:				
General Fund:				
Operating Account	\$ 8,380	\$ 37,447	\$ 32,600	\$ 13,227
Investments (CD)	159,903	2,082	-	161,985
Total General Fund	168,283	39,529	32,600	175,212
Business Activity Center	13,270	10,836	12,019	12,087
REAP Grant Fund	-	-	-	-
Town Subtotal	181,553	50,365	44,619	187,299
 PUBLIC WORKS AUTHORITY:				
PWA Utility Fund	135,154	39,655	42,793	132,016
PWA Escrow Fund	13,006	338	-	13,345
PWA Subtotal	148,160	39,993	42,793	145,360
 Overall Totals	 \$ 329,713	 \$ 90,358	 \$ 87,412	 \$ 332,659

See Accompanying Accountant's Report

Exhibit C
Dacoma Public Works Authority
Summary of Changes in Fund Balances-Budgetary Basis
For the Fiscal Year Ended June 30, 2009

	Beginning of Year <u>Fund Balances</u>	Current Year <u>Revenue</u>	Current Year <u>Expenditures</u>	End of Year <u>Fund Balances</u>
PWA Operating Fund:				
Cash Account	7,319	38,940	37,981	8,279
Escrow Account	-	-	-	-
Investments (CD)	48,145	715	-	48,859
Escrow Investments (CD)	13,006	338	-	13,344
Total Current	68,469	39,993	37,981	70,482
PWA Capital Assets				
Property and Equipment	308,884	-	-	308,884
Accumulated Depreciation	(108,959)	-	7,722	(116,681)
Total PWA Fixed Assets	199,925	-	7,722	192,203
PWA Liabilities:				
FMA \$110,000 Note	89,140	-	2,082	87,058
FMA \$ 40,000 Note	31,095	-	828	30,267
TOTAL PWA Liabilities	120,234	-	2,910	117,324
PWA Subtotal	148,159	39,993	42,793	145,360

See Accompanying Accountant's Report

Exhibit D
Dacoma Public Works Authority
Statement of Revenues, Expenses and Changes in Fund Balance-Budgetary Basis
For the Fiscal Year Ended June 30, 2010

Operating Revenues:

Charges for Services:	
Utility Receipts	\$ 38,773
Penalties and Charges	-
Total Operating Revenues	<u>38,773</u>

Operating Expenses:

Operations	1,800
Water	8,007
Trash	10,643
Sewer (Town)	5,226
System Repair	500
Postage	497
DEQ Fee	573
Audit	1,000
Depreciation	7,722
Other	712
Total Operating Expenses:	<u>36,679</u>
Operating Income	2,094

Non-Operating Revenue (Expenses):

Investment Income	1,053
Interest Expense	(5,946)
Miscellaneous	-
Total Non-Operating Revenues (Expenses)	<u>(4,893)</u>

Net Income (Loss) Before Contributions and Transfers (2,799)

Capital Contributions

Transfers In	-
Transfers Out	<u>-</u>

Change in Fund Balance (2,799)

Fund Balance - Beginning 148,159

Fund Balance - Ending \$ 145,360