

**TOWN OF HITCHCOCK
BLAINE COUNTY, OKLAHOMA
ACCOUNTANT'S REPORT
FISCAL YEAR ENDED
JUNE 30, 2012**

***WILLIAM K. GAUER, CPA
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA***

**TOWN OF HITCHCOCK
BLAINE COUNTY, OKLAHOMA
TOWN COUNCIL AND OFFICERS**

Meredith Norris

Chair

Jerry Unrub

Councilperson

Leigh Anne Risenhoover

Councilperson

Harriette Darnell

Town Clerk

Donna Hoskins (Blaine County Treasurer)

Treasurer

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CERTIFIED PUBLIC ACCOUNTANT

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Honorable Town Council
Town of Hitchcock
Hitchcock, 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, 2012. Management of the Town of Hitchcock 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 Hitchcock as of and for the Fiscal Year ended June 30, 2012:

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

Findings: No instances noted

5. **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

6. **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.

The Town should follow existing controls and not exceed the agreed upon spending limits. The Town's can not appropriate or expend funds that are not available in the current fiscal year. The low fund balance shows that the Town has no funds available to supplement budgeted expenditures.

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.

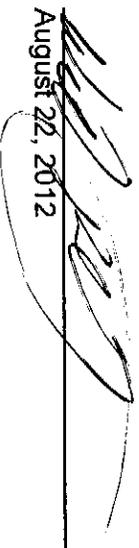

August 22, 2012

Exhibit A
Town of Hitchcock
Summary of Changes in Fund Balances
For the Fiscal Year Ended June 30, 2012

	Beginning of Year	Current Year Change		End of Year
	Fund Balances	Receipts	Disbursements	Fund Balances
TOWN:				
Governmental Funds				
General Fund	\$ 50,774	\$ 61,276	\$ 51,253	\$ 60,797
Street and Alley Fund	4,907	232	-	5,138
Light and Water Fund	11,303	-	-	11,303
Grant Fund	-	-	-	-
Town Subtotal	<u>66,983</u>	<u>61,507</u>	<u>51,253</u>	<u>77,238</u>
Overall Totals	<u>\$ 66,983</u>	<u>\$ 61,507</u>	<u>\$ 51,253</u>	<u>\$ 77,238</u>

Exhibit B
Town of Hitchcock
Budgetary Comparison Schedule General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 49,210	\$ 49,210	\$ 50,774	\$ 1,564
Resources (Inflows):				
Taxes:				
Franchise Tax	-	-	3,104	3,104
Tobacco Tax	125	125	172	47
Total Taxes	125	125	3,275	3,150
Intergovernmental:				
Motor Vehicle Tax	1,140	1,140	975	(165)
Alcoholic Beverage Tax	1,400	1,400	1,537	137
Federal Grants	-	-	16,350	16,350
Investment Income	270	270	248	(23)
Miscellaneous Income				
Garbage Collection Fees	25,355	25,355	33,018	7,663
Rent	-	-	5,275	5,275
Royalties	-	-	78	78
Other	-	-	519	519
Other Financing Sources:				
Transfer from Other Funds	-	-	-	-
Amounts available for appropriations	<u>77,500</u>	<u>77,500</u>	<u>112,049</u>	<u>34,549</u>
General Government:				
Personal Services	2,500	2,500	1,817	(683)
Maintenance and Operations	25,000	25,000	22,713	(2,287)
Capital Outlay	50,000	50,000	26,722	(23,278)
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>77,500</u>	<u>77,500</u>	<u>51,253</u>	<u>(26,247)</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,797</u>	<u>\$ 60,797</u>

Exhibit C
 Town of Hitchcock
 Blaine County, Oklahoma
 Schedule of Grant Awards,
 Receipts and Expenditures
 For Year Ended June 30, 2012

Grant Description	Contract Number	Grant Award	Revenue Collected	Total Expenditures
NODA REAP Grant FY 2011-12	2011 REAP Fund BL11-8 Water Line	\$6,350	\$6,350 6,350	\$6,350 6,350
NODA Grant FY 2011-12	Community Wildfire Protection Grant	10,000	10,000 10,000	10,000 10,000
Total		<u>\$6,350</u>	<u>\$16,350</u>	<u>\$16,350</u>

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditors' report.