

**TOWN OF LAHOMA
GARFIELD COUNTY, OKLAHOMA**

**ACCOUNTANT'S REPORT
AGREED UPON PROCEDURES**

**FISCAL YEAR ENDED
JUNE 30, 2010**

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

**TOWN OF LAHOMA
GARFIELD COUNTY, OKLAHOMA
TOWN COUNCIL AND OFFICERS**

Con Pekrul
Trina Walker
Gary Naugle, Jr.
Theresa Sharp
Stephen Cahoon

Karen Naugle
Kay Davidson

Mayor
Councilperson
Councilperson
Councilperson
Councilperson

Clerk
Treasurer

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WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT

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FAX 580-623-5072

Honorable Town Council
Town of Lahoma
Lahoma, 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 Lahoma 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 Lahoma 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.

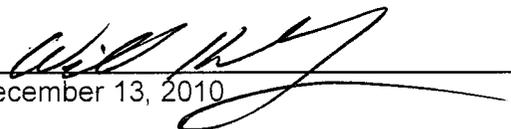

December 13, 2010

Exhibit A
Town of Lahoma
Summary of Changes in Fund Balances
For the Fiscal Year Ended June 30, 2010

	Beginning of Year <u>Fund Balances</u>	<u>Additions</u>	<u>Deletions</u>	End of Year <u>Fund Balances</u>
TOWN:				
General Fund	\$ 108,309	\$ 236,572	\$ 212,712	\$ 132,169
Capital Assets	320,493	-	-	320,493
Street & Sewer Sales Tax	48,010	18,709	13,000	53,719
Municipal Court Fund*	15,381	55,841	43,697	27,525
Grant Fund	539	5,100	2,030	3,609
Town Subtotal	<u>492,732</u>	<u>316,222</u>	<u>271,439</u>	<u>537,514</u>
Public Works Authority				
Utilities Fund	65,110	143,781	149,091	59,801
Customer Deposit Fund	9,748	1,046	-	10,794
Capital Assets	529,434	-	25,660	503,774
PWA Subtotal	<u>604,292</u>	<u>144,827</u>	<u>174,751</u>	<u>574,368</u>
Overall Totals	<u>\$ 1,097,024</u>	<u>\$ 461,048</u>	<u>\$ 446,189</u>	<u>\$ 1,111,883</u>

Exhibit B
Town of Lahoma
Budgetary Comparison Schedule General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 108,309	\$ 108,309	\$ 108,309	\$ -
Resources (Inflows):				
Taxes:				
Franchise Tax	15,297	15,297	18,287	2,990
Sales Tax	97,408	97,408	142,169	44,761
Use Tax	4,607	4,607	7,591	2,984
Gas Tax	980	980	1,092	112
Tobacco Tax	1,327	1,327	1,828	501
Total Taxes	119,618	119,618	170,967	51,349
Intergovernmental:				
Motor Vehicle Tax	4,061	4,061	3,765	(296)
Alcoholic Beverage Tax	1,773	1,773	1,706	(67)
State Grants	-	-	-	-
Investment Income	1,137	1,137	741	(396)
Miscellaneous Income				
Police Fines	32,293	32,293	46,220	13,927
Hall Rent	297	297	600	303
Sale of Property	-	-	1,225	1,225
Miscellaneous	-	-	11,347	11,347
Other Financing Sources:				
Transfer from Other Funds	-	-	-	-
Amounts available for appropriations	<u>267,489</u>	<u>267,489</u>	<u>344,881</u>	<u>77,392</u>
General Government:				
Personal Services	100,000	100,000	74,480	(25,520)
Maintenance and Operations	110,000	117,681	117,681	-
Capital Outlay	32,489	24,808	-	(24,808)
Other Financing Uses:				
Transfers to other funds	25,000	25,000	20,550	(4,450)
Total Charges to Appropriations	<u>267,489</u>	<u>267,489</u>	<u>212,712</u>	<u>(54,777)</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 132,169</u>	<u>\$ 132,169</u>

Lahoma Public Works Authority
Garfield County, Oklahoma
Exhibit C
Statement of Activities
For the Fiscal Year Ended June 30, 2010

Revenues	
Sewer	\$27,260
Trash	48,970
Water	65,526
Miscellaneous	244
	142,000
Total revenues	
	142,000
Expenditures	
Personnel Services	
Administrative	8,833
Sewer	14,149
Water	16,884
Benefitis	2,379
Sewer Operations	7,273
Trash Operations	44,494
Water Operations	51,899
Depreciation	25,663
	171,574
Total expenditures	
	171,574
Operating Income	
	(29,574)
Other Income	
Interest Income	138
	138
Increase in Net Assets	
	(29,436)
Beginning net assets	
	603,804
Prior Period Adjustments	
	0
Ending net assets	
	\$574,368