TOWN OF LAHOMA
GARFIELD COUNTY, OKLAHOMA

ACCOUNTANT'S REPORT
AGREED UPON PROCEDURES

FISCAL YEAR ENDED
JUNE 30, 2011

WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA

TOWN OF LAHOMA
GARFIELD COUNTY, OKLAHOMA
TOWN COUNCIL AND OFFICERS

Council July 1, 2010 to April 15, 2011:

Con Pekrul	Mayor
Trina Walker	Vice-Mayor
Gary Naugle, Jr.	Councilperson
Theresa Sharp	Councilperson
Stephen Cahoon	Councilperson

Council April 16, 2011 to June 30, 2011:

Stephen Cahoon	Mayor
Theresa Sharp	Vice-Mayor
Gary Naugle	Councilperson
David Wedel	Councilperson
Stephanie Spomer	Councilperson

Karen Naugle	Clerk
Kay Davidson	Treasurer

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WILLIAM K. GAUER

CERTIFIED PUBLIC ACCOUNTANT

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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, 2011. 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 foe 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, 2011:

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 14, 2011

Exhibit A
Town of Lahoma
Summary of Changes in Fund Balances
For the Fiscal Year Ended June 30, 2011

	Beginning of Year Fund Balances	Additions	Deletions	End of Year Fund Balances
TOWN:				
General Fund				
Checking	$ 43,450	$ 231,175	$ 253,396	21,229
Street & Sewer Sales Tax	53,719	-	53,719	-
Certificate of Deposit	35,000	431	431	35,000
Total General Fund	**132,169**	**231,606**	**307,546**	**56,229**
Capital Assets	320,493	-	-	320,493
Street & Sewer Sales Tax	-	64,101	18,300	45,801
Municipal Court Fund	27,525	70,064	66,452	31,137
Grant Fund	3,609	4,398	4,603	3,403
Town Subtotal	483,795	370,169	396,901	457,063
Public Works Authority				
Utilities Fund	59,801	184,014	179,695	64,120
Customer Deposit Fund	10,794	510	-	11,304
Capital Assets	503,774	25,410	31,243	497,940
PWA Subtotal	574,368	209,934	210,938	573,365
Overall Totals	$ 1,058,164	$ 580,103	$ 607,839	$ 1,030,428

Exhibit B
Town of Lahoma
Budgetary Comparison Schedule General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Beginning Budgetary Fund Balance:	$ 132,169	$ 132,169	$ 78,450	$ (53,719)
Resources (Inflows):				
Taxes:				
Franchise Tax	16,458	16,458	17,548	1,089
Sales Tax	127,952	127,952	73,839	(54,113)
Use Tax	6,832	6,832	9,940	3,108
Tobacco Tax	1,645	1,645	1,426	(218)
Total Taxes	152,887	152,887	102,753	(50,135)
Intergovernmental:				
Motor Vehicle Tax	1,536	1,536	1,885	350
Alcholic Beverage Tax	3,389	3,389	4,128	739
Gas Excise Tax	983	983	-	(983)
State Grants	-	-	-	-
Investment Income	667	667	772	105
Miscellaneous Income				
Police Fines	41,598	41,598	62,167	20,569
Hall Rent	540	540	775	235
Sale of Property	-	-	75	75
Miscellaneous	-	-	7,216	7,216
Other Financing Sources:				
Transfer from Other Funds	-	-	51,404	51,404
Amounts available for approproations	333,768	333,768	309,625	(24,143)
General Government:				
Personal Services	38,000	38,000	35,741	(2,259)
Maitenance and Operations	72,000	72,000	49,883	(22,117)
Capital Outlay	72,768	34,667	-	(34,667)
	182,768	144,667	85,624	(59,043)
Police Department:				
Personal Services	62,000	65,500	65,148	(352)
Maitenance and Operations	38,000	34,500	34,019	(481)
Capital Outlay	25,000	25,000	24,434	(566)
	125,000	125,000	123,601	(1,399)
Other Financing Uses:				
Transfers to other funds	26,000	64,101	44,171	(19,931)
Total Charges to Appropriations	333,768	333,768	253,396	(80,372)
Ending Budgetary Fund Balance	$ -	$ -	$ 56,229	$ 56,229

Lahoma Public Works Authority
Garfield County, Oklahoma
Exhibit C
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Revenues	
Sewer	$30,577
Trash	49,723
Water	78,174
Miscellaneoue	0
Total revenues	158,473

Expenditures	
Personnel Services	
Administrative	2,925
Sewer	20,371
Water	21,991
Beneftis	3,569
Sewer Operations	12,983
Trash Operations	42,999
Water Operations	48,934
Depreciation	31,243
Total expenditures	185,017
Operating Income	(26,544)
Other Income	
Transfer from Other Fund	25,410
Interest Income	131
	25,541
Increase in Net Assets	(1,003)
Beginning net assets	574,368
Prior Period Adjustments	0
Ending net assets	$573,365

Town of Lahoma
Garfield County, Oklahoma
Schedule of Grant Awards,
Revenues and Expenditures
For Year Ended June 30, 2011

Grant Description	Contract Number	Grant Award	Revenue Collected	Total Expenditures
NODA Operational Grant	Department of Agriculture	$ 4,397.72	4,398	4,398
Fire Department			4,398	4,398
Total		4,397.72	$4,398	$4,398

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