

**CBEW Professional Group, LLP**

Certified Public Accountants

P.O. Box 790

Cushing, OK 74023

918-225-4216 FAX 918-225-4315

May 10, 2017

Office of the State Auditor and Inspector
State of Oklahoma
2300 North Lincoln Boulevard, Room 100
Oklahoma City, OK 73105

Management is responsible for the accompanying financial statements and supporting information of the Town of Lone Chimney, Oklahoma as of and for the year ended June 30, 2016, included in the accompanying form (SA&I Form 2643) prescribed by the Oklahoma State Auditor and Inspector. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements and supporting information.

Other Matters

The financial statements and supporting information included in the accompanying prescribed form are presented in accordance with the requirements of the Oklahoma State Auditor and Inspector, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of management and the Office of the Oklahoma Auditor and Inspector and is not intended to be and should not be used by anyone other than these specified parties.

CBEW Professional Group, LLP

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Certified Public Accountants

Cushing, Oklahoma

DUE DATE: December 31, 2016

FORM SA&I 2643

IMPORTANT

This report is to be compiled by your auditor from the audited financial statements of the municipality as required by Oklahoma Statutes, Section 17-105.1 of Title 11.

This report details the funds available to the municipality and the use of those funds including information relating to the duly constituted authorities of the municipality (public trusts, etc.) for the fiscal year ending June 30, 2012. See supplementary instructions (coverage of this report) for information related to entities and activities to be included in this report on page 5 of this document.

This report, principally for planning purposes at the local, State, and national level, is used by the Office of the State Auditor, the Oklahoma Municipal League, public interest groups, State and Federal agencies and universities.

For assistance in completing this report, please call the Office of the State Auditor at (405) 521-3495. When completed, please return this form to the Office of the State Auditor at the address below.

**OFFICE OF THE STATE AUDITOR AND INSPECTOR
STATE OF OKLAHOMA
GARY JONES, AUDITOR AND INSPECTOR
ANNUAL SURVEY OF CITY AND TOWN FINANCES**

TOWN OF LONE CHIMNEY

MAYOR

51200 E 54 RD

MARAMEC, OKLAHOMA 74045

RETURN
TO

Office of the Auditor and Inspector

State of Oklahoma

2300 North Lincoln Blvd.

Room 100 State Capitol

Oklahoma City, OK 73105

Part I**TAX REVENUES**

Items 1-3 — Report collections from all taxes imposed by your government. Include current and delinquent amounts, penalties, and interest. Do not include receipts from service charges, special assessments, interest earnings, fines or any other sources that are not taxes or licenses.

Item	Amount (Omit cents)	Item	Amount (Omit cents)
1. Property taxes — General fund, building fund, and sinking fund	T01 0	d. Use tax	T99 0
2. Local sales taxes — Taxes on goods and services, measured as a percent of sales or receipts, or as an amount per unit sold (gallon, package, etc.). Report only these taxes imposed by your government; shares of taxes imposed by another government are to be reported under part 1A below.	T06 136,838	3. Occupation and business licensing and permits	T28
a. General sales tax	T15 0	a. Enter here licenses and inspection charges on occupations and businesses: for example, inspection of restrooms, restaurants, and food manufacturing plants; food handler permits; permits; plumbing permits; taxicab licenses; tags; animal tags; vending licenses; and liquor licenses; business licenses; etc.	0
b. Franchise fee or tax	T16 1,633	b. Other licensing and permits	T29 0
c. Cigarette tax	T17 0	4. Other — Specify	T98 0
d. Hotel/Motel	T18 0		

Part IA**INTERGOVERNMENTAL REVENUE**

Report all amounts received by your government from other governments, including grants, shares of taxes imposed by other governments, payments in lieu of taxes and reimbursements for services performed for other governments, excluding loans. Also exclude here and report as "Tax Revenues" in part I, any taxes imposed by your government which were collected for it by another government.

Column (a) — Report all amounts your government received from the State (other than as collection fees), including any amounts financed wholly or in part from Federal grants to the State.

Column (c) — Report only amounts received directly from the Federal Government.

Purpose for which received	Amount (Omit cents)		
	From State (a)	From other local governments (b)	From Federal Government (directly) (c)
General support — Total amts rec'd (as per capita grants, shared taxes, etc.) without restrictions as to particular programs or purposes to be financed.	C30 0	D30 0	B30 0
1. Alcoholic beverage tax	C46 0	D46 0	B46 0
2. Street and highways	C42 0	D42 0	B42 0
3. Health or Hospital	C81 0	D81 0	B81 0
4. Grants received for water utilities	C50 0	D50 0	B50 0
5. Grants received for waste water utilities	C89 0	D89 0	B89 0
6. Grants received for housing, economic, & community development	C89 0	D89 0	B89 0
7. Airports	C89 0	D89 0	B89 0
8. Mass transit rail and/or bus system	C89 0	D89 0	B89 0
9. Grants received for transportation	C89 0	D89 0	B89 0
10. ALL OTHER (From State - code C89; From Fed. Gov't. - Code B89)	C89 0	D89 0	B89 0
— Include in the appropriate box, receipts from various payments such as —			
a. Parks and recreation (BOR or HUD)	C89 0	D89 0	B89 0
b. Public Safety	C89 0	D89 0	B89 0
c. Job training	C89 0	D89 0	B89 0
d. Library grants	C89 0	D89 0	B89 0
e. CDBG	C89 0	D89 0	B89 0
f. Other - Specify	C89 0	D89 0	B89 0

Part IB**OTHER REVENUES — Other than tax and intergovernmental revenues**

Enter below amounts of the stated types of revenue (net of refunds and interfund transfers) received by your government during the fiscal year. Be sure to include revenues of all funds other than the exceptions noted in the special instructions.

1. Utility sales revenue — Gross receipts of any water, electric, gas or transit systems operated by your government, from utility sales and charges. Exclude any amounts paid to such utilities by the parent government.	Amount (Omit cents)	2. Other sales and service revenue - Gross receipts from sales, rentals, maintenance assessments, and other charges for municipal services, aside from utility receipts (carried in item 1) and exclude of amounts received from other governments.	Amount (Omit cents)
a. Water supply system	A91 0	a. Sewerage charges	A90 0
b. Electric power system	A92 0	b. Refuse collection charges	A91 0
c. Gas supply system	A93 0	c. Hospital charges received on behalf of individual patients under the Medicare program or other insurance-type arrangements. Exclude Medicaid and amounts for hospital purposes received from other governments.	A96 0
d. Transit	A94 0		

Enter below amounts of the stated types of revenue (net of refunds and interfund transfers) received by your government during the fiscal year. Be sure to include revenues of all funds other than the exceptions noted in the special instructions.

Part II DIRECT EXPENDITURES BY PURPOSE AND TYPE

coverage, etc. **Exclude:** (1) capital outlay (report in columns (c.) & (d)); and (2) amounts paid to other governments (report in part III).

Column (b) — Enter in the appropriate functional category direct expenditure for supplies, materials, and contractual services.

Column (c.) — Report construction outlays from all sources; i.e., bond proceeds, assessments, grants, etc.

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PART II DIRECT EXPENDITURES BY PURPOSE AND TYPE — Continued

PURPOSE	EXPENDITURES BY PURPOSE AND TYPE			
	Personal Services	Operations & Maintenance	CAPITAL OUTLAY	
	(a)	(b)	(c.)	(d)
PUBLIC SAFETY — Continued	E04	E04	F04	G04
15. Correction institutions — Operation of facilities for confinement, correction and rehabilitation of adults or juveniles.	0	0	0	0
16. Other corrections — Probation and parole activities - But exclude "lookup" operations (report in Item 15).	0	0	0	0
17. Protection inspection and regulation, n.e.c. — Regulation of private enterprise for the protection of the public and inspection of hazardous activities (including building inspection), except when related to major functions, such as health, natural resources, etc.	0	0	0	0
AMBULANCE	E32	E32	F32	G32
18. All expenditures for city operated or subsidized ambulance services	0	0	0	0
CULTURE AND RECREATION	E61	E61	F61	G61
19. Parks, cultural activities, and other recreation — Include playgrounds, golf courses, swimming pools, museums, marinas, community music, drama, celebrations, and zoos.	0	0	0	0
20. Libraries — Include payments to nongovernmental libraries as well as libraries operated by the city. <i>Aid to other governmental libraries should be excluded and reported in part III.</i>	0	0	0	0
UTILITIES				
21. Gross expenditures for utility systems operated by your government. <i>Exclude interest (report in item 22); also exclude utility contributions to the parent government and deduct the cost of providing services to the parent government (e.g., for street lighting, hydrant rental, etc.).</i>	E81	E81	F81	G81
a. Water supply system	0	0	0	0
b. Electric power system	0	0	0	0
c. Gas supply system	0	0	0	0
d. Transit	0	0	0	0
e. Sewers and storm sewers — Construction, maintenance and operation of sanitary and storm systems and sewage disposal plants	0	0	0	0
f. Solid waste and landfill — The collection and disposal of garbage and landfill operations	0	0	0	0
INTEREST ON DEBT				
22. Amounts of interest paid, including any interest on short-term or nonguaranteed obligations, as well as general obligations.		I91		
a. Water supply system		0		
b. Electric power system		0		
c. Gas supply system		0		
d. Transit		0		
e. All interest not covered by items 22a through 22d		4,618		
ALL OTHER EXPENDITURES				
23. Include any amounts which have not been allocated above by purpose, such as: your employer contribution to a State administered retirement system or to the Federal Social Security System; judgments and insurance premiums; and municipal service agencies, such as a central garage or an engineering department, which serve more than one functional agency, and whose expenses are not allocated to the various departments.				
Do not include: (1) Payments for retirement of debt, (2) payments for purchase of securities, (3) transfer between funds or agencies of your government, or (4) benefits and payments from distinct employee pension funds.				
a. Housing and community development — Gross expenditure for urban renewal, slum clearance, municipal housing projects, and similar activities.	E50	E50	F50	G50
	0	0	0	0
b. Economic development	E69	E69	F69	G69
	0	0	0	0
c. Civil defense - Emergency Management	E88	E88	F88	G88
	0	0	0	0
d. Cemetery operations and maintenance	E93	E93	F93	G93
	0	0	0	0
e. Miscellaneous commercial activities	E03	E03	F03	G03
	0	0	0	0
Other — Specify	E99	E99	F99	G99
f. Development Authority	0	13,895	0	0
g.	0	0	0	0
h.	0	0	0	0

Part III INTERGOVERNMENTAL EXPENDITURES

Please detail all payments made to other governments for services or programs performed on a reimbursement or cost-sharing basis — e.g., for hospital care, highways, school tuition, or support, etc. (Such amounts should be excluded from expenditure figures reported in column (b) of part II.) Enter "None" if your government made no reportable payments to other governments during the fiscal year.

Item	Type of recipient government(s) (County, State, school districts, etc.) (a)	Amount (Omit cents) (b)	Item	Type of recipient government(s) (County, State, school districts, etc.) (a)	Amount (Omit cents) (b)
1.		0	5.		0
2.		0	6.		0
3.		0	7.		0
4.		0	8.		0

Part IV SALARIES, WAGES, AND FORCE ACCOUNT

Report the total expenditure for salaries and wages included in column (a) of part II, as well as any salaries and wages paid on force account construction projects.

Amount (Omit cents)

Z00

0

Part V DEBT OUTSTANDING, ISSUED, AND RETIRED — Report special obligations of all agencies of your government as well as general city or town debt.

1. Long term debt — Bonds, mortgages, etc., with an original term of more than one year issued in the name of your government or of particular agencies. Include revenue and nonguaranteed special assessment bonds payable solely from pledged earnings or special assessments on property owners (column (e)). Report also general obligations and any debt backed by pledged resources but guaranteed by your government if these sources are insufficient (column (f)).
When an advance refunding has resulted in a legal or in-substance defeasance, the debt may be considered extinguished, reported as retired in the year of defeasance and should not be reported herein in subsequent years.

AMOUNT, BY PURPOSE (Omit cents)

	Outstanding at beginning of fiscal year	DURING FISCAL YEAR		Outstanding total (a) plus (b) minus © (d)	DETAIL OF LONG-TERM DEBT OUTSTANDING	
		Issued (b)	Retired ©		Revenue and nonguaranteed bonds (e)	Guaranteed bonds (f)
a. Sewer debt	19U 0	29U 0	39U 0	0	44U 0	41U 0
b. Water supply system debt	19U 0	29U 0	39U 0	0	44U 0	41U 0
c. Electric power system debt	19U 0	29U 0	39U 0	0	44U 0	41U 0
d. Gas supply system debt	19U 0	29U 0	39U 0	0	44U 0	41U 0
e. Transit	19U 0	29U 0	39U 0	0	44U 0	41U 0
f. Industrial revenue and pollution control debt	16T 0	24T 0	34T 0	0	44T 0	41T 0
g. All other purposes	19U 139,941	29U 0	39U 96,382	43,559	44U 43,559	41U 0

2. Short-term (interest-bearing) debt — Tax anticipation notes, bond anticipation notes, interest-bearing warrants, and other obligations with a term of one year or less — Exclude accounts payable and other noninterest-bearing obligations.

Amount (Omit cents)

61V

a. Amount outstanding at beginning of fiscal year

0

b. Amount outstanding at end of fiscal year

64V

0

Part VI CASH AND INVESTMENTS HELD AT END OF FISCAL YEAR

Report separately for each of the three types of funds listed below, the total amount of cash on hand and on deposit and investments in Federal Government, Federal agency, State and local government, and non-governmental securities. Report all investments at carrying value. Include in the sinking fund total any mortgages and notes receivable held as offsets to housing and industrial financing loans. Exclude accounts receivable, value of real property, and all non-security assets. Assets obtained and held pursuant to an advance refunding that results in a legal or in-substance defeasance should not be reported herein.

Type of fund	Amount at end of fiscal year (Omit cents)
1. Sinking funds — Reserves held for redemption of long-term debt. All cash held for statutory sinking fund and revenue bond related accounts and any other reserves held for redemption of long-term debt.	W01 0
2. Bond funds — Unexpected proceeds from sale of G.O. and revenue bond issues held pending disbursement.	W01 0
All other funds except employee retirement funds.	W01 0
4. Retirement systems — Single employer plans only	0

Part VII AUDITOR INFORMATION

NOTE — This report will not be considered complete unless an accompanying "accountants compilation report on financial statements included in certain prescribed forms" is attached to the report. The municipality's auditor should follow the in AR Section 300 of the AICPA Professional Standards in preparing such compilation report.

Auditor's firm name

CBEW PROFESSIONAL GROUP, LLP

Address — Number and street

P.O. BOX 790

City

CUSHING

State

OK

ZIP Code

74023

TELEPHONE

Area
Code**918**

Number

225-4216

Extension

Name of contact person

CHUCK E. CROOKS, CPA

COVERAGE OF THIS REPORT

The financial reporting entity for which information is to be presented should comply with generally accepted accounting principles for governments. Current authoritative guidance is provided in GASB Codification Section 2100 and/or GASB Statement No. 14. These statements prescribe that the financial reporting entity should consist of the primary government or oversight unit and all blended and discretely presented component units.

Oklahoma Statutes, Section 17-105.1 of Title 11 require that municipalities include information relating to all of its duly constituted authorities. Copies of this form may be distributed to component units for their completion. Forms completed by component units should not be filed separately but should be returned to the appropriate municipality for inclusion in the report filed for the financial reporting entity. Such component units would include special districts, hospitals, boards, trusts, and authorities meeting the inclusion criteria of the statements reference above.

SUPPLEMENTARY INSTRUCTIONS FOR OKLAHOMA MUNICIPALITIES 2004 ANNUAL SURVEY OF CITY AND TOWN FINANCES

COVERAGE OF THIS REPORT

In addition to the fiscal activities of your general government include the revenues, expenditures, assets and debt of the following types of agencies, if they are operative in your city or town.

- City water districts
- Medical center authorities
- Joint airport boards
- Municipal parking districts
- Rural water, sewer, gas, and solid waste management districts with ex officio boards
- Public trust (Title 60, Section 176 of the Oklahoma Statutes)
- Separate road districts
- Sewer districts
- Utilities authorities
- Zoning districts

Part I — TAX REVENUES

This part refers to all city-imposed taxes. It does not include service charges, special assessments (such as those for paving districts), or interest earnings, fines, or any other sources which are not taxes or licenses.

1. Property taxes (code T01)

Also include city-imposed ad valorem property taxes collected by the county and paid to the city for the repayment of G.O. bonds.

2. Local sales taxes

a. General sales tax (code T09)

Report revenue from city-imposed sales tax only. This tax is collected by the State and paid back to the city minus a small percentage withheld by the State for handling expenses. Be sure to enter only the amount of the check received from the State.

b. Franchise fee or tax, public utilities (code T15)

Enter here any franchise tax collected from a private utility to operate within the city such as gas, electric, telephone, cable TV, etc.

d. Other — Specify any sales tax not mentioned above.

3. Licenses, permits, and other taxes

a. Licenses, permits, and taxes (code T99)

Enter here licenses and inspection charges on occupation and business.

b. Report only licenses and permits not included in 3a.

Part IA — INTERGOVERNMENTAL REVENUE

1. General support

From State (code C30) — Enter amount received from alcoholic beverage tax county distribution.

2. Streets and highways (codes C46, D46, and B46)

Enter receipts from commercial vehicle tags, gasoline tax, bus mileage tax, registration tags.

3. Health or hospitals (codes C42, D42, and B42)

In the appropriate column, list any intergovernmental revenues received for operation of a hospital, health facility or health department, (grants, not loans) or funds received from other government jurisdictions for health services or facilities operated by your government.

4. Grants received for utilities (codes C91 to B91)

7. Grants received for mass transit and/or bus systems (codes C94 to B94)

8. All other (From State — code C-89; From Federal Government — code B89)

Include in the appropriate box, receipts from various payments such as:

- Park and recreation (BOR or HUD)
- Community development and urban renewal
- Civic defense
- Airports
- Waste and sewer facilities
- Manpower planning and utilization

Part IB — OTHER REVENUE

3. Special assessment funds

Include —

- All transactions of special assessment funds established to finance streets, sidewalks, or other local improvements within the city.
- Assessments collected from property owners at part IB, Item 3.
- Expenditure from improvements at part II. Report as capital outlay.
- Interest paid on special assessment obligations as part II, Item 9e.
- Transactions of special assessment bonds at part V.
- Cash and security holdings of special assessment funds at part VI.

Part IV — SALARIES, WAGES, AND FORCE ACCT.

Report salaries and wages for all employees full- and part-time. Include salaries paid for employees of any utility owned and operated by your government. Report salaries in gross amounts before deductions for income taxes, Social Security, or retirement coverage.

Part V — DEBT OUTSTANDING, ISSUED & RETIRED

Also include industrial revenue or pollution control bonds, if issued by your city or town.

Hospitals — The following hospitals are classified as agencies of various municipal governments and their transactions should be included in the appropriate parts of this report.

Municipality

Anadarko
Bethany
Carnegie
Cleveland
Clinton
El Reno
Fairfax
Fairview
Hearlton
Holdenville
Lindsay
Mangum
Norman
Okeene
Pauls Valley
Pawnee
Sayre
Seminole
Tahlequah
Watonga

Hospital

Anadarko Municipal Hospital
Bethany General Hospital
Carnegie Tri-County Municipal Hospital
Cleveland Area Hospital
Clinton Regional Hospital
Park View Hospital
Fairfax Municipal Hospital
Fairview Hospital
Hearlton Municipal Hospital
Holdenville General Hospital
Lindsay Municipal Hospital
Mangum City Hospital
Norman Municipal Hospital
Okeene Municipal Hospital
Pauls Valley General Hospital
Pawnee Municipal Hospital
Sayre Memorial Hospital
Seminole Municipal Hospital
Tahlequah City Hospital
Watonga Municipal Hospital