

**TOWN OF ROFF and PUBLIC TRUSTS
ROFF, OKLAHOMA**

**Agreed Upon Procedures
June 30, 2011**

With Independent Accountants' Report Thereon

JOHNSTON & BRYANT

Certified Public Accountants

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MEMBER
American Institute of Certified Public Accountants
Oklahoma Society of Certified Public Accountants

Independent Accountant's Report

Town Council
Town of Roff and Public Trusts
Roff, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Roff and the Roff Public Works Authority, Roff, Oklahoma as of June 30, 2011 and the related Budgetary Comparison Schedule of General Fund-Cash Basis; Statement of Revenues, Expenses and Changes in Fund Balance of the Public Works authority-Cash Basis; and Schedule of Grant Activity-Cash Basis for the fiscal year ended June 30, 2011 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the state of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements; they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the state of Oklahoma solely to assist the Town and Public Works authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes 11-17 (105-107) and 60-180.1-3 and 60-180.1-3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2011. Management of the Town of Roff 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. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we 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 Roff** 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 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of non compliance.

Findings: None

2. **Procedures Performed:** From the Town's trial balances, 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 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: The town spent \$37,915 in maintenance & operations in the general fund more than had been appropriated and did not file a budget supplement

3. **Procedures Performed:** We 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: None

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

Findings: The Town's deposits did not exceed FDIC limits at June 30, 2011.

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

Findings: None

6. **Procedures Performed:** We 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: None

7. **Procedures Performed:** We 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 non compliance.

Findings: None

As to the **Roff Public Works Authority**, as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: None

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances or reconciling items that have not cleared.

Findings: None

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: The Authority's deposits did not exceed FDIC limits at June 30, 2011.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: None

5. **Procedures Performed:** We compared the accounting for the Authorities activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: None

6. **Procedures Performed:** We compared the Authority'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: None

As to the **Town of Roff and Public Works Grant Programs**, as of and for the fiscal year ended June 30, 2011:

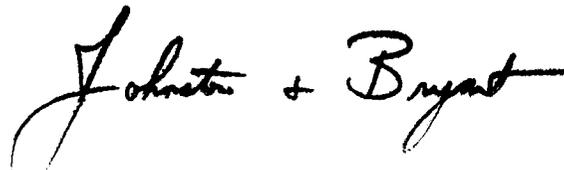
1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: None

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we 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 information 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.

January 26, 2012

A handwritten signature in black ink that reads "Johnston + Bryant". The signature is written in a cursive style with a plus sign between the two names.

TOWN OF ROFF AND PUBLIC WORKS AUTHORITY
ROFF, OKLAHOMA
 Summary of Changes in Fund Balance – Cash Basis
 For the Fiscal Year Ended June 30, 2011
 (Unaudited)

| | Fund Balance June 30, 2010 | Current Year Receipts | Current Year Disbursements | Fund Balance June 30, 2011 |
|-------------------------------|----------------------------------|-----------------------------|----------------------------------|----------------------------------|
| Town: | | | | |
| General Fund | \$ 29,061 | \$ 226,926 | \$ 232,820 | \$ 23,167 |
| Street and Alley Fund | 56,355 | 6,274 | 17,293 | 45,336 |
| Fire Fund | 8,815 | 80,315 | 66,792 | 22,338 |
| Municipal Court Fund | 5,890 | 29,636 | 31,015 | 4,511 |
| Park Fund | 5,721 | 235 | 1,962 | 3,994 |
| Town Sub-Totals | <u>105,842</u> | <u>343,386</u> | <u>349,882</u> | <u>99,346</u> |
| Public Works Authority | | | | |
| Gross Revenue Fund | 36,427 | 235,638 | 220,975 | 51,090 |
| OWRB Grant Fund | - | 11,700 | 11,700 | - |
| RDA Reserve Fund | 21,097 | 201 | - | 21,298 |
| PWA Sub-Totals | <u>57,524</u> | <u>247,539</u> | <u>232,675</u> | <u>72,388</u> |
| Overall Totals | <u>\$ 163,366</u> | <u>\$ 590,925</u> | <u>\$ 582,557</u> | <u>\$ 171,734</u> |

TOWN OF ROFF AND PUBLIC WORKS AUTHORITY
ROFF, OKLAHOMA
 Budgetary Comparison Schedule – Cash Basis
 General Fund
 For the Fiscal Year Ended June 30, 2011
 (Unaudited)

| | Budgetary Amounts | | Actual | Variance |
|--------------------------------------|-------------------|------------------|------------------|--------------------|
| | Original | Final | | |
| Beginning Budgetary Fund Balance | \$ 60,000 | \$ 60,000 | \$ 29,061 | \$ (30,939) |
| Resources (Inflows): | | | | |
| Taxes: | | | | |
| Sales and Use Tax | 129,600 | 129,600 | 109,157 | (20,443) |
| Tobacco Tax | 1,500 | 1,500 | 889 | (611) |
| Franchise Tax | 20,000 | 20,000 | 24,240 | 4,240 |
| Total Taxes | <u>151,100</u> | <u>151,100</u> | <u>134,286</u> | <u>(16,814)</u> |
| Intergovernmental: | | | | |
| Alcoholic Beverage | 3,500 | 3,500 | 4,481 | 981 |
| Grant Revenue | - | - | 44,930 | 44,930 |
| Total Intergovernmental | <u>3,500</u> | <u>3,500</u> | <u>49,411</u> | <u>45,911</u> |
| Fines and Forfeitures: | | | | |
| Court Fines | 50,000 | 50,000 | 30,864 | (19,136) |
| Investment Income | 250 | 250 | 305 | 55 |
| Miscellaneous Income | - | - | 12,060 | 12,060 |
| Other Financing Sources: | | | | |
| Transfers From Other Funds | - | - | - | - |
| Total Other Financing Sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Amounts Available for Appropriations | <u>264,850</u> | <u>264,850</u> | <u>255,987</u> | <u>(8,863)</u> |
| Charges to Appropriation(Outflows): | | | | |
| Personal Services | 80,000 | 80,000 | 69,905 | 10,095 |
| Maintenance and Operations | 125,000 | 125,000 | 162,915 | (37,915) |
| Total Expenditures | <u>205,000</u> | <u>205,000</u> | <u>232,820</u> | <u>(27,820)</u> |
| Other Financing Uses: | | | | |
| Transfers to Other Funds | - | - | - | - |
| Total Uses Financing Sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Charges to Appropriations | <u>205,000</u> | <u>205,000</u> | <u>232,820</u> | <u>(27,820)</u> |
| Ending Budgetary Fund Balance | <u>\$ 59,850</u> | <u>\$ 59,850</u> | <u>\$ 23,167</u> | <u>\$ (36,683)</u> |

**TOWN OF ROFF AND PUBLIC TRUSTS
ROFF, OKLAHOMA**

Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis
Roff Public Works Authority
Year Ended June 30, 2011
(Unaudited)

| | |
|---------------------------------------|------------------|
| Operating Revenue: | |
| Charges for Services | \$ 211,603 |
| Utility Revenue | 522 |
| Other | <u>212,125</u> |
| Total Operating Revenue | <u>212,125</u> |
| | |
| Operating Expenses | |
| Personal Services | 54,864 |
| Debt Service | 33,724 |
| Maintenance and Operations | 98,296 |
| Capital Outlay | 10,750 |
| Total Operating Expenses | <u>197,634</u> |
| Net Operating Income (Loss) | 14,491 |
| | |
| Non-Operating Revenue (Expense): | |
| Grant Revenue | 24,678 |
| Grant Expenditures | (24,678) |
| Interest Income | 171 |
| Total Non-Operating Revenue (Expense) | <u>171</u> |
| Net Income Before Transfers | 14,662 |
| | |
| Other Financing Sources (Uses) | |
| Operating Transfers From RDA Reserve | - |
| Operating Transfers (Out) | - |
| Total Other Financing Sources (Uses) | <u>-</u> |
| Net Income | 14,662 |
| | |
| Fund Balance - Beginning | <u>36,428</u> |
| Fund Balances - Ending | <u>\$ 51,090</u> |

TOWN OF ROFF AND PUBLIC TRUSTS
ROFF, OKLAHOMA
Schedule of Grant Activity – Cash Basis
Year Ended June 30, 2011
(Unaudited)

| | Beginning of Year Unexpended Grant Funds | Current Year Receipts | Current Year Disbursements | End of Year Unexpended Grant Funds |
|-------------------------------|---|-----------------------------|----------------------------------|---|
| Town: | | | | |
| FEMA-1623-DR-OK | \$ - | \$ 44,930 | \$ 44,930 | \$ - |
| Town Sub-Totals | <u>-</u> | <u>44,930</u> | <u>44,930</u> | <u>-</u> |
| Public Works Authority: | | | | |
| OWRB REAP Grant FAP 05-0043-R | - | 11,700 | 11,700 | - |
| FEMA Funds-1623-DR-OK | - | 12,978 | 12,978 | - |
| PWA Sub-Totals | <u>-</u> | <u>24,678</u> | <u>24,678</u> | <u>-</u> |
| Overall Totals | <u>\$ -</u> | <u>\$ 69,608</u> | <u>\$ 69,608</u> | <u>\$ -</u> |