

**TOWN OF SPRINGER
AND
SPRINGER PUBLIC WORKS AUTHORITY
INDEPENDENT ACCOUNTANT'S REPORT
As of and For the Year Ended June 30, 2011**



Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Springer
Springer, Oklahoma

Trustees of the Springer Public Works Authority
Springer, Oklahoma

Oklahoma Office of the State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances – Cash Basis of the Town of Springer for the year ended June 30, 2011, the Budgetary Comparison Schedule – Cash Basis – General Fund, Budgetary Comparison Schedule – Cash Basis – Street and Alley Fund, and the Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis – Springer Public Works Authority for the year ended June 30, 2011, in accordance with Statement 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 applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes §11-17 (105-107) and §60-180.1-3, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

This compilation is limited to presenting information in the form of financial statements prescribed by the above noted 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 prepared on the cash basis of accounting. If the omitted disclosures were included in the 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 evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2011. Management of the Town 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 additional requirements prescribed by Oklahoma Statutes. 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 Springer, Oklahoma** as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Town's trial balances, we obtained 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 noncompliance.

Findings: No instances of fund balance deficits were noted.

2. **Procedures Performed:** From the Town's trial balances, we obtained a budget and actual financial schedule for the General fund and Street and Alley 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's General fund shows general government expenditures for other services and charges exceeding appropriations by \$8,214.

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: Material bank accounts included the General fund and the Street and Alley fund. These accounts appeared properly reconciled without exception.

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 were fully insured or collateralized as of 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: Materially restricted revenues consist of street and alley funds and the Town's grants. No instances of noncompliance were noted regarding these restricted revenues.

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: All required funds have been established.

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

1. **Procedures Performed:** From the Authority's trial balances, we obtained a schedule of revenues, expenses, and changes in fund balance – cash basis – for the Authority (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances of fund balance deficits were noted.

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 of reconciling items that have not cleared.

Findings: The accounts appeared properly reconciled without exception.

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 were fully insured or collateralized as of June 30, 2011.

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

Findings: No instances of noncompliance were noted regarding restricted revenues.

5. **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: All required funds have been established.

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

1. **Procedures Performed:** From the Town's and Authority's trial balances, we compiled 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 on noncompliance with the grant agreements.

Findings: No instances of noncompliance were noted.

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.

Wright & Associates, P.C.
September 27, 2011

EXHIBIT 1

**TOWN OF SPRINGER AND PUBLIC TRUST
SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
TOWN:			
General Fund	\$ 78,932	\$ 51,752	\$ 130,684
Street and Alley Fund	19,878	2,065	21,943
Town Subtotal	<u>98,810</u>	<u>53,817</u>	<u>152,627</u>
PUBLIC WORKS AUTHORITY:			
Springer Public Works Authority	46,176	9,434	55,610
PWA Subtotal	<u>46,176</u>	<u>9,434</u>	<u>55,610</u>
Overall Totals	<u>\$ 144,986</u>	<u>\$ 63,251</u>	<u>\$ 208,237</u>

See Accountant's Report

EXHIBIT 2
TOWN OF SPRINGER, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 76,350	\$ 76,350	\$ 78,932	\$ 2,582
Resources (Inflows):				
Taxes:				
Sales tax	53,000	53,000	76,939	23,939
Use tax	3,000	3,000	8,582	5,582
Franchise tax	23,000	23,000	23,123	123
Total Taxes	<u>79,000</u>	<u>79,000</u>	<u>108,644</u>	<u>29,644</u>
Intergovernmental:				
Alcoholic beverage tax	2,500	2,500	2,641	141
Tobacco tax	-	700	980	280
Grant revenue	700	-	-	-
Total Intergovernmental	<u>3,200</u>	<u>3,200</u>	<u>3,621</u>	<u>421</u>
Miscellaneous Income:				
Permits	100	100	125	25
Miscellaneous	2,000	2,000	426	(1,574)
Rent	700	700	575	(125)
Oil Royalties	1,000	1,000	1,349	349
Oil Drilling	-	-	2,500	2,500
Total Miscellaneous	<u>3,800</u>	<u>3,800</u>	<u>4,975</u>	<u>1,175</u>
Total Resources (Inflows)	<u>86,000</u>	<u>86,000</u>	<u>117,240</u>	<u>31,240</u>
Amounts available for appropriation	<u>162,350</u>	<u>162,350</u>	<u>196,172</u>	<u>33,822</u>

(Continued)

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EXHIBIT 2
TOWN OF SPRINGER, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges to Appropriations (Outflows):				
General Government:				
Personal services	\$ 20,000	\$ 20,000	\$ 12,467	\$ 7,533
Materials and supplies	21,000	12,846	5,633	7,213
Other services and charges	20,000	20,000	28,214	(8,214)
Capital outlay	5,380	5,380	-	5,380
Total General Government	<u>66,380</u>	<u>58,226</u>	<u>46,314</u>	<u>11,912</u>
Council:				
Personal services	2,000	2,002	2,002	-
Total Council	<u>2,000</u>	<u>2,002</u>	<u>2,002</u>	<u>-</u>
Maintenance:				
Personal services	8,000	14,622	14,622	-
Total Maintenance	<u>8,000</u>	<u>14,622</u>	<u>14,622</u>	<u>-</u>
Fire:				
Personal services	1,020	2,550	2,318	232
Other services and charges	-	-	232	-
Total Fire	<u>1,020</u>	<u>2,550</u>	<u>2,550</u>	<u>232</u>
Total Charges to Appropriations	77,400	77,400	65,488	12,144
Ending Budgetary Fund Balance	<u>\$ 84,950</u>	<u>\$ 84,950</u>	<u>\$ 130,684</u>	<u>\$ 45,966</u>

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EXHIBIT 2
TOWN OF SPRINGER, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
STREET AND ALLEY FUND
FOR THE YEAR ENDED JUNE 30, 2011

	STREET AND ALLEY FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 19,965	\$ 19,965	\$ 19,878	\$ (87)
Resources (Inflows):				
Gasoline excise tax	4,800	4,800	4,848	48
Motor vehicle tax	1,100	1,100	1,105	5
Miscellaneous income	-	-	52	52
Investment income	90	90	80	(10)
Amounts available for appropriation	<u>25,955</u>	<u>25,955</u>	<u>25,963</u>	<u>8</u>
Charges to appropriations (outflows):				
Streets	18,000	18,000	4,020	13,980
Total Streets	<u>18,000</u>	<u>18,000</u>	<u>4,020</u>	<u>13,980</u>
Total Charges to Appropriations	<u>18,000</u>	<u>18,000</u>	<u>4,020</u>	<u>13,980</u>
Ending Budgetary Fund Balance	<u>\$ 7,955</u>	<u>\$ 7,955</u>	<u>\$ 21,943</u>	<u>\$ 13,988</u>

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EXHIBIT 4

TOWN OF SPRINGER , OKLAHOMA
 SCHEDULE OF GRANT ACTIVITY - CASH BASIS
 Year Ended June 30, 2011

	REAP 10-074	REAP 11-115
Awarding agency	Southern Oklahoma Development Association	Southern Oklahoma Development Association
Award Amount	\$ 16,000	\$ 12,006
Program Budget	16,000	12,006
Current Year Activity:		
Current Year Receipts:		
Received from agency	-	-
Received from local funds	-	-
Total current year receipts	-	-
Current Year Disbursements	-	-
Beginning of Year Unexpended Grant Funds	-	-
End of Year Unexpended Grant Funds	-	-
Program To-Date Activity:		
Program To-Date Receipts:		
Received from agency	-	-
Received from local funds	-	-
Total program To-Date Receipts	-	-
Program To-Date Disbursements	-	-
Program To-Date Unexpended Grant Funds	\$ -	\$ -