Town of Taloga

Agreed Upon Procedures

June 30, 2014

rsmeacham
CPAs+ADVISORS

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Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Taloga
Taloga, Oklahoma

Trustees of the Taloga Public Works Authority
Taloga, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Statement of Changes in Unrestricted Fund Balances (GAAP Basis) for the Town of Taloga and The Taloga Public Works Authority, the Budgetary Comparison Schedule-Cash Basis for the General Fund, the Budgetary Comparison Schedule-Cash Basis for the Fire Fund, the Budgetary Comparison Schedule-Cash Basis for the Ambulance Fund, the Budgetary Comparison Schedule-Cash Basis for the REAP Fund, the Public Works Balance Sheet, and the Statement of Revenues, Expenses, and Changes in Fund Balance for the Taloga Public Works Authority, and The Schedule of Grants for the Town of Taloga, for the fiscal year ended June 30, 2014, 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 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 Trust's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We have performed the procedures enumerated within Appendix A and Appendix B 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 of Taloga (the Town) and

the Taloga Public Works Authority (the Authority) in meeting its financial accountability requirements as prescribed by such state laws and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014 for the Town and for the Authority. Management of the Town of Taloga 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 in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. 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 in Appendix A or B, either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on financial accountability and compliance with contractual requirements. 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.

RSMeacham CPAs & Advisors
August 31, 2014

Town of Taloga, Oklahoma
Procedures and Findings
For the Year Ended June 30, 2014

As to the Town of Taloga as of and for the fiscal year ended June 30, 2014:

I. Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I, no instances of noncompliance noted.

II. Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibits II-V, no instances of noncompliance noted.

III. Agree 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 of noncompliance noted.

IV. Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.

V. Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

VI. Compare 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 of noncompliance noted.

VII. Compare 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 of noncompliance noted. The Town has no debt reserve requirements at this time.

VIII. Prepare a schedule of grant receipts and expenditures.

Findings: See Exhibit VIII. No instances of noncompliance noted.

Taloga, Oklahoma Public Works Authority
Procedures and Findings
For the Year Ended June 30, 2014

As to the Taloga Public Works Authority, as of and for the year ended June 30, 2014:

I. Prepare a schedule of revenues, expenditures and changes in fund balance for each fund from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I, VI, & VII, no instances of noncompliance noted.

II. Agree 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: No instances of noncompliance noted.

III. Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.

IV. Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

V. Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

VI. Compare 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: No instances of noncompliance noted. The PWA has no debt reserve requirements at this time.

VII. Prepare a cash basis balance sheet for the Authority.

Findings: See Exhibit V

VIII. Prepare a schedule of grant receipts and expenditures.

Findings: See Exhibit VIII. No instances of noncompliance noted.

Exhibit I

TOWN OF TALOGA, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES (GAAP)
FOR THE YEAR ENDED JUNE 30, 2014

	Beginning of Year Fund Balances	Current Year Change	End of Year Fund Balances
TOWN (GAAP):			
General Fund	$ 532,334	$ (20,969)	$ 511,365
Street & Alley Fund	18,044	158	18,202
Fire Fund	204,415	(7,255)	197,160
Ambulance Fund	190,678	(5,479)	185,199
Park Fund	2,355	1,897	4,252
Municipal Court Fund	70	-	70
Reap Fund	-	1	1
TOWN TOTAL	947,896	(31,647)	916,249
TALOGA PUBLIC WORKS AUTHORITY			
PWA	366,410	25,132	391,542
Meter Fund	12,624	(272)	12,352
Polycart Fund	4,050	(125)	3,925
PWA TOTAL	383,084	24,735	407,819

See accountant's report.

Exhibit II

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	$ 532,334	$ 532,334	$ 532,334	$ -
Resources (Inflows):				
Taxes:				
Sales tax	70,000	70,000	47,370	(22,630)
Use tax	10,000	10,000	1,615	(8,385)
Tobacco tax	1,800	1,800	881	(919)
Total Taxes	81,800	81,800	49,866	(31,934)
Intergovernmental:				
Alcoholic beverage tax	9,744	9,744	11,407	1,663
Franchise tax	10,000	10,000	10,235	235
Total Intergovernmental	19,744	19,744	21,642	1,898
Fines and Forfeitures				-
Investment Income	-	-	3,126	3,126
Gas Tax	835	835	1,305	470
Miscellaneous Income	24,800	24,800	11,911	(12,889)
Transfers from other funds	82,800	82,800	82,800	-
Restitution	-	-	4,200	4,200
Total current year resources	209,979	209,979	174,850	(35,129)
Amounts available for appropriation	$ 742,313	$ 742,313	$ 707,184	$ (35,129)
Charges to Appropriations (Outflows):				
General government:				
Personal services	162,000	162,000	153,619	8,381
Materials and supplies	52,230	52,230	6,144	46,086
Other services and charges	50,600	50,600	36,056	14,544
Capital outlay	32,032	32,032	-	32,032
Total General Government	296,862	296,862	195,819	101,043
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	296,862	296,862	195,819	101,043
Change in Fund Balance	(86,883)	(86,883)	(20,969)	65,914
Ending Budgetary Fund Balance	445,451	445,451	511,365	65,914

ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES	
OTHER ACCRUALS	-
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)	511,365

Exhibit III

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	$ 204,416	$ 204,416	$ 204,415	$ (1)
Resources (Inflows):				
Taxes:				
Sales tax	20,000	20,000	11,843	(8,157)
Total Taxes	20,000	20,000	11,843	(8,157)
Fire Runs	1,500	1,500	-	(1,500)
Investment Income	15	15	973	958
Gas Tax	200	200	326	126
Miscellaneous Income	12,600	12,600	21,220	8,620
Grants-Other	-	-	4,474	4,474
Total current year resources	34,315	34,315	38,836	4,521
Amounts available for appropriation	$ 238,731	$ 238,731	$ 243,251	$ 4,520
Charges to Appropriations (Outflows):				
General government:				
Personal services	-	-	-	-
Materials and supplies	28,000	28,000	20,977	7,023
Other services and charges	14,800	14,800	12,981	1,819
Capital outlay	25,000	25,000	12,133	12,867
Total General Government	67,800	67,800	46,091	21,709
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	67,800	67,800	46,091	21,709
Change in Fund Balance	(33,485)	(33,485)	(7,255)	26,230
Ending Budgetary Fund Balance	170,931	170,931	197,160	26,229

ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES	
OTHER ACCRUALS	-
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)	197,160

Exhibit IV

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
AMBULANCE FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	$ 190,678	$ 190,678	$ 190,678	$ -
Resources (Inflows):				
Taxes:				
Sales tax	20,000	20,000	11,843	(8,157)
Total Taxes	20,000	20,000	11,843	(8,157)
Ambulance runs	5,000	5,000	6,999	1,999
Investment Income	-	-	873	873
Gas Tax	200	200	326	126
Miscellaneous Income	430	430	60	(370)
Total current year resources	25,630	25,630	20,101	(5,529)
Amounts available for appropriation	$ 216,308	$ 216,308	$ 210,779	$ (5,529)
Charges to Appropriations (Outflows):				
General government:				
Other services and charges	15,650	17,500	17,822	(322)
Capital outlay	25,000	23,150	7,758	15,392
Total General Government	40,650	40,650	25,580	15,070
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	40,650	40,650	25,580	15,070
Change in Fund Balance	(15,020)	(15,020)	(5,479)	9,541
Ending Budgetary Fund Balance	175,658	175,658	185,199	9,541

ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES	
OTHER ACCRUALS	-
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)	185,199

Exhibit V

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
REAP FUND
FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	$ 1	$ 1	$ 1	$ -
Resources (Inflows):				
Grants	-	30,461	30,461	-
Total current year resources	-	30,461	30,461	-
Amounts available for appropriation	$ 1	$ 30,462	$ 30,462	$ -
Charges to Appropriations (Outflows):				
General government:				
Grant expenditures	-	30,461	30,461	-
Total General Government	-	30,461	30,461	-
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	-	30,461	30,461	-
Change in Fund Balance	-	-	-	-
Ending Budgetary Fund Balance	1	1	1	-
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
OTHER ACCRUALS			-	
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)			1	

Exhibit VI

TALOGA PUBLIC WORKS AUTHORITY, TALOGA, OKLAHOMA
BALANCE SHEET-CASH BASIS
JUNE 30, 2014

	2014
ASSETS	
Current assets:	
Cash, including time deposits	$ 391,542
Total current assets	391,542
Total assets	391,542
LIABILITIES	
Total liabilities	-
FUND BALANCE	
Unrestricted	391,542
Fund Balance	391,542

See accountant's report.

Exhibit VII

TALOGA PUBLIC WORKS AUTHORITY TALOGA, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Operating Revenues:	
Charges for services:	
Water	91,253
Sewer	27,241
Sanitation	48,195
Gas	138,007
Other	4,406
Total Operating Revenues	309,102
Operating Expenses:	
Administration	36,249
Water	27,801
Sanitation	38,621
Gas	99,572
Total Operating Expenses	202,243
Operating Income	106,859
Non-Operating Revenues:	
Interest	1,073
Total Non-Operating Revenues	1,073
Net Income Before Contributions and Transfers	107,932
Transfers in	-
Transfers out	(82,800)
Change in fund balance	25,132
Fund Balance - beginning	366,410
Fund Balance - ending	391,542

See accountant's report.

Exhibit VIII

TOWN OF TALOGA, OKLAHOMA
SCHEDULE OF GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Grant revenue Grant received from:	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
Dept of Agriculture	2013-2014	Fire Grant	4,474	4,474	4,474	-
REAP	2013-2014	Water plant	30,461	30,461	30,461	-
		Total	34,935	34,935	34,935	-

See accountant's report.