

**INDEPENDENT ACCOUNTANT'S  
AGREED UPON PROCEDURES REPORT**

**TOWN OF TATUMS, OKLAHOMA**

**JULY 1, 2013 TO JUNE 30, 2014**

BY





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**Independent Accountant's Agreed Upon Procedures Report**

To the Specified Users of the Report:

Town Council, Town of Tatums  
Tatums, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Tatums, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of the General Fund-Cash Basis and the Street & Alley Fund-Cash Basis, 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 is responsible for the preparation and fair presentation of the accompanying statements in accordance with their comprehensive basis of accounting. Management is also responsible for the designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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, 2014. Management of the Town of Tatums is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agree-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 Finding**

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

- 1. Procedures Performed:** From the Town's trial balances, we prepared a summary of changes in fund balances for each major fund and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** We found no instances of noncompliance.

- 2. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

**Findings:** We found no instances of noncompliance.

- 3. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the Street & Alley Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

**Findings:** We found no instances of noncompliance.

- 4. 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:** We found no instances of any significant or unusual reconciling items.

**5. 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:** We found no uninsured or uncollateralized deposits.

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

**Findings:** We found no instances of noncompliance.

**7. 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:** We found no instances of noncompliance.

**8. 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 noncompliance.

**Findings:** We found no instances of noncompliance, they do not have any debt service requirements.

As to the **Town of Tatums Grant Programs**, as of and for the fiscal year ended June 30, 2014:

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

**Findings:** We found no instances of noncompliance.

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.

*Furrh & Associates, PC*

FURRH & ASSOCIATES, PC

April 22, 2015

**Town of Tatums**  
Tatums, Oklahoma

**Summary of Changes in Fund Balance-Cash Basis**  
**For the Fiscal Year Ended June 30, 2014**  
(Unaudited)

	Balance as of 7/1/13	Current Year Receipts	Current Year Disbursements	Balance as of 6/30/14
General Fund	\$ 7,291	\$ 41,553	\$ (42,680)	\$ 6,164
Street & Alley Fund	526	2,107	(1,266)	1,367
Totals	<u>\$ 7,817</u>	<u>\$ 43,660</u>	<u>\$ (43,946)</u>	<u>\$ 7,531</u>

**Town of Tatums**  
**Tatums, Oklahoma**  
**General Fund**  
**Budgetary Comparison Schedule-Cash Basis**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 7,291	\$ 7,291	\$ 0
<b>Resources (Inflows):</b>			
Sales Tax	16,000	16,471	(471)
Franchise Tax	4,000	4,695	(695)
Cigarette Tax	300	204	96
County Tax	1,000	907	93
Grant Income	9,500	9,785	(285)
Rent	4,500	4,539	(39)
Sewer Charges	4,000	4,352	(352)
Miscellaneous Income	500	600	(100)
Total Inflows	<u>39,800</u>	<u>41,553</u>	<u>(1,753)</u>
<b>Amounts Available for Appropriation</b>	<u>47,091</u>	<u>48,844</u>	<u>(1,753)</u>
<b>Charges to Appropriations (Outflows):</b>			
Maintenance, Operations & Repairs	37,591	32,895	4,696
Grant Expense-Repair	9,500	9,785	(285)
Total Outflows	<u>47,091</u>	<u>42,680</u>	<u>4,411</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ 0</u>	<u>\$ 6,164</u>	<u>\$ (6,164)</u>

Please see accompanying Accountant's Report.

**Town of Tatums**  
**Tatums, Oklahoma**  
**Street and Alley Fund**  
**Budgetary Comparison Schedule-Cash Basis**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<b>Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 526	\$ 526	\$ 0
<b>Resources (Inflows):</b>			
Gasoline Tax	400	387	13
Vehicle Tax	700	720	(20)
Miscellaneous Income	500	1,000	(500)
Total Inflows	1,600	2,107	(507)
<b>Amounts Available for Appropriation</b>	2,126	2,633	(507)
<b>Charges to Appropriations (Outflows):</b>			
Maintenance, Operations & Repairs	2,126	1,266	860
Total Outflows	2,126	1,266	860
<b>Ending Budgetary Fund Balance:</b>	\$ 0	\$ 1,367	\$ (1,367)

Please see accompanying Accountant's Report.

**Town of Tatums**  
**Tatums, Oklahoma**  
**Southern Oklahoma Development Association-REAP grant**  
**Revenue and Expenditures Compared with Budget**  
**Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<b>Budget</b>	<b>Current Year</b>	<b>(Over) Under Budget</b>
<b><u>Revenue</u></b>			
Grant Income	\$ 9,785	\$ 9,785	\$ 0
<b><u>Expenditures</u></b>			
Replace Heat Pump System	9,785	9,785	0
Total Expenditures	9,785	9,785	0
<b><u>Revenue Over (Under) Expenditures</u></b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

Please see accompanying Accountant's report.