

**TOWN OF LEEDEY  
LEEDEY, OKLAHOMA**

**AGREED UPON PROCEDURES  
AND ACCOMPANYING  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED**

**JUNE 30, 2016**



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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 Leedey  
Leedey, Oklahoma

Trustees of the Leedey Public Works Authority  
Leedey, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Management is responsible for the accompanying financial statements of the Town of Leedey and the Leedey Public Works Authority, which comprise the Statement of Changes in Unrestricted Fund Balances (GAAP Basis), the Budgetary Comparison Schedule-Cash Basis for the General Fund, the Budgetary Comparison Schedule-Cash Basis for the REAP Fund , and the Statement of Revenues, Expenses, and Changes in Fund Balance for the Leedey Public Works Authority for the fiscal year ended June 30, 2016, in accordance with accounting principles accepted in the State of Oklahoma for municipalities meeting the criteria for Agreed Upon Procedures. 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. We did not audit or review 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.

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 Leedey (the Town) and the Leedey Public Works Authority (the 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, 2016.

Management of the Town of Leedey 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.

Handwritten signature in black ink that reads "RS Meacham CPAs & Advisors".

RSMeacham CPAs & Advisors  
August 23, 2016

**Town of Leedey, Oklahoma  
Procedures and Findings  
For the Year Ended June 30, 2016**

As to the Town, of Leedey as of and for the fiscal year ended June 30, 2016:

- 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 Exhibit II, 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.
- VIII. Prepare a schedule of grant receipts and expenditures for the general fund.  
  
Findings: See Exhibit IV, no instances of noncompliance noted.

**Leedey, Oklahoma Public Works Authority  
Procedures and Findings  
For the Year Ended June 30, 2016**

As to the Leedey Public Works Authority, as of and for the fiscal year ended June 30, 2016:

- 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 & IV, 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.

**TOWN OF LEEDEY, OKLAHOMA**  
**SUMMARY OF CHANGES IN UNRESTRICTED FUND BALANCES (CASH BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
<b>TOWN:</b>			
General Fund	\$ 68,685	\$ 9,597	\$ 78,282
Street & Alley Fund	1,539	496	2,035
Cemetery	24,124	(19,716)	4,408
Cemetery Improvements	4,641	16,959	21,600
Museum	1,228	(21)	1,207
Community Building	12,132	(4,163)	7,969
REAP	-	-	-
Fire	3,327	385	3,712
<b>CITY TOTAL</b>	<u>115,676</u>	<u>3,537</u>	<u>119,213</u>
<b>LEEDEY PUBLIC WORKS AUTHORITY :</b>			
LPWA (unrestricted)	777,709	6,675	784,384
Meter fund	14,752	(69)	14,683
<b>LPWA TOTAL</b>	<u>\$ 792,461</u>	<u>\$ 6,606</u>	<u>\$ 799,067</u>

See accountant's report.

**TOWN OF LEEDEY, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 120,803	\$ 120,803	\$ 68,685	\$ (52,118)
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales tax	134,208	134,208	117,524	(16,684)
Use tax	12,436	12,436	19,758	7,322
Tobacco tax	1,565	1,565	1,434	(131)
<b>Total Taxes</b>	<u>148,209</u>	<u>148,209</u>	<u>138,716</u>	<u>(9,493)</u>
<b>Intergovernmental:</b>				
Alcoholic beverage tax	15,403	15,403	16,875	1,472
Franchise tax	8,169	8,169	8,291	122
<b>Total Intergovernmental</b>	<u>23,572</u>	<u>23,572</u>	<u>25,166</u>	<u>1,594</u>
<b>Fines and Forfeitures</b>	891	891	645	(246)
<b>Investment Income</b>	172	172	97	(75)
<b>Donations</b>	-	-	-	-
<b>Miscellaneous Income</b>	-	-	6,125	6,125
<b>Royalty</b>	7,320	7,320	2,611	(4,709)
<b>Rentals</b>	20,408	20,408	3,600	(16,808)
<b>Grants-Fire</b>	-	-	4,290	4,290
<b>Total current year resources</b>	<u>200,572</u>	<u>200,572</u>	<u>181,250</u>	<u>(19,322)</u>
<b>Amounts available for appropriation</b>	<u>\$ 321,375</u>	<u>\$ 321,375</u>	<u>\$ 249,935</u>	<u>\$ (71,440)</u>
<b>Charges to Appropriations (Outflows):</b>				
<b>General government:</b>				
Personal services	53,803	53,803	53,803	(0)
Materials and supplies	83,236	83,236	8,774	74,462
Other services and charges	79,257	79,257	29,021	50,236
Capital outlay	9,505	9,505	9,505	(0)
<b>Total General Government</b>	<u>225,801</u>	<u>225,801</u>	<u>101,104</u>	<u>124,697</u>
<b>Police:</b>				
Personal services	24,000	24,000	24,000	-
Materials and supplies	50	50	50	(0)
Other services and charges	275	275	275	0
<b>Total Police</b>	<u>24,325</u>	<u>24,325</u>	<u>24,325</u>	<u>0</u>
<b>Fire:</b>				
Personal services	960	960	960	-
Materials and supplies	1,833	1,833	1,833	-
Other services and charges	233	233	233	(0)
<b>Total Fire</b>	<u>3,026</u>	<u>3,026</u>	<u>3,026</u>	<u>(0)</u>
<b>Park:</b>				
Other services and charges	7,255	7,255	7,255	(0)
Capital outlay	8,850	8,850	8,850	-
<b>Total Park</b>	<u>16,105</u>	<u>16,105</u>	<u>16,105</u>	<u>(0)</u>
<b>Total Charges to Appropriations</b>	<u>269,257</u>	<u>269,257</u>	<u>144,561</u>	<u>124,696</u>
<b>Transfers to Other Funds</b>	-	-	(25,499)	25,499
<b>Change in Fund Balance</b>	(68,685)	(68,685)	11,190	105,374
<b>Ending Budgetary Fund Balance</b>	<u>52,118</u>	<u>52,118</u>	<u>79,875</u>	<u>53,256</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OTHER ACCRUALS</b>			(1,593)	
<b>UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)</b>			<u>78,282</u>	

**LEEDEY PUBLIC WORKS AUTHORITY LEEDEY, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

<b>Operating Revenues:</b>	
<b>Charges for services:</b>	
Water	100,570
Sewer	31,086
Sanitation	48,169
Other	5,115
Total Operating Revenues	<u>184,940</u>
<b>Operating Expenses:</b>	
Administration	79,765
Water	66,685
Sewer	6,582
Sanitation	32,171
Total Operating Expenses	<u>185,204</u>
Operating Income	(263)
<b>Non-Operating Activities:</b>	
Transfers In	94,337
Transfers Out	(86,449)
Interest	404
Total Non-Operating Activities	<u>8,292</u>
<b>Net Income</b>	<b>8,029</b>
<b>Change in fund balance</b>	<b>8,029</b>
<b>Fund Balance - beginning</b>	<u>777,709</u>
<b>Fund Balance - ending</b>	<u>785,738</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>	
OTHER ACCRUALS	(1,354)
<b>UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)</b>	<u><u>784,384</u></u>

**TOWN OF LEEDEY, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
 REAP FUND  
 FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Grants-REAP	-	-	24,503	24,503
Total current year resources	-	-	24,503	24,503
<b>Amounts available for appropriation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,503</b>	<b>\$ 24,503</b>
<b>Charges to Appropriations (Outflows):</b>				
Grant expense				
Grant expense 15-20	-	-	24,503	(24,503)
Total Charges to Appropriations	-	-	24,503	(24,503)
<b>Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Budgetary Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>