

**TOWN OF GAGE
ELLIS COUNTY, OKLAHOMA**

**INDEPENDENT AUDITORS REPORT
AND
FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED
JUNE 30, 2015**

*WILLIAM K GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA*

**TOWN OF GAGE
ELLIS COUNTY, OKLAHOMA
TOWN COUNCIL AND OFFICERS**

**Richard Chapman
Gary Wolfington
Troy Long
Leon Woods
Carol Froage**

**Mayor
Vice-Mayor
Trustee
Trustee
Trustee**

**Virginia Mann
Joe L. Jackson**

**Town Clerk/Treasurer
Town Attorney**

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Honorable Town Council
Town of Gage
Gage, Oklahoma

Independent Auditors' Report

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, the aggregate discretely component units, each major fund, and aggregate remaining fund information of the Town of Gage, State of Oklahoma, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Gage, State of Oklahoma, as of June 30, 2015, and the

Honorable Town Council

March 31, 2016

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respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

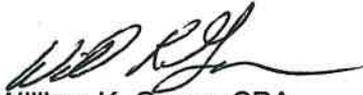
Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Gage, State of Oklahoma's basic financial statements. The management's discussion (Omitted) and analysis and budgetary comparison information located the Supplemental Section, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Gage, Oklahoma's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



William K. Gauer, CPA

Watonga, Oklahoma

March 31, 2016

TOWN OF GAGE, OKLAHOMA
Statement of Net Position - Modified Cash Basis
June 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 342,623	\$ 18,980	\$ 361,603
Certificate of deposit	419,358	-	419,358
Accounts Receivable	-	-	-
Total Current Assets	<u>761,981</u>	<u>18,980</u>	<u>780,961</u>
Non-current Assets:			
Restricted Cash	75,160	-	75,160
Certificate of deposit - restricted	-	-	-
Capital Assets (Note 4)			
Land, infrastructure	-	-	-
Capital assets, net of depreciation	-	350,959	350,959
Total Non-Current Assets	<u>75,160</u>	<u>350,959</u>	<u>426,119</u>
Total Assets	<u><u>837,141</u></u>	<u><u>369,939</u></u>	<u><u>1,207,080</u></u>
LIABILITIES			
Current portion of Long-Term Debt	-	-	-
Due to Other Funds/Governments	-	-	-
Due to Depositors	-	-	-
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Long-term Liabilities	-	-	-
Less: Current portion of Long-Term Debt	-	-	-
Total Long-Term Debt	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Invested in capital assets, net of related debt	-	350,959	350,959
Restricted	75,160	-	75,160
Unrestricted	761,981	18,980	780,962
Total Net Position	<u><u>\$ 837,141</u></u>	<u><u>\$ 369,939</u></u>	<u><u>\$ 1,207,081</u></u>

See accompanying notes to the basic financial statements.

TOWN OF GAGE, OKLAHOMA
Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functional Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 165,038	\$ 330	\$ -	\$ 52,917	\$ (111,791)	\$ -	\$ (111,791)
Public Safety	5,522	-	4,484	-	(1,037)	-	(1,037)
Airport	586,670	580	-	528,003	(58,087)	-	(58,087)
Cemetery	-	-	-	-	-	-	-
Highways and Streets	56,032	-	-	-	(56,032)	-	(56,032)
Total governmental activities	<u>813,261</u>	<u>910</u>	<u>4,484</u>	<u>580,920</u>	<u>(226,948)</u>	<u>-</u>	<u>(226,948)</u>
				856,064			
Business-Type Activities:							
Water	26,161	66,836	-	-	\$ -	40,675	40,675
Sewer	31,198	33,196	-	-	-	1,998	1,998
Sanitation	43,391	58,979	-	-	-	15,588	15,588
Administrative and Operations	49,017	1,216	-	-	-	(47,801)	(47,801)
	-	-	-	-	-	-	-
Total business-type activities	<u>149,767</u>	<u>160,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,460</u>	<u>10,460</u>
Total Primary Government	<u>963,029</u>	<u>161,137</u>	<u>4,484</u>	<u>580,920</u>	<u>(226,948)</u>	<u>10,460</u>	<u>(216,488)</u>
General Revenues:							
Taxes:							
Sales, Tobacco and Other Tax					111,644	-	111,644
Franchise Tax					15,691	-	15,691
Investment Income					802	25	827
Miscellaneous					127,133	-	127,133
Transfers-Internal Activity					14,480	(14,480)	-
Total general revenues and transfers					<u>269,750</u>	<u>(14,455)</u>	<u>255,295</u>
Changes in Net Position					42,802	(3,995)	38,807
Net Position - Beginning					<u>794,339</u>	<u>373,934</u>	<u>1,168,273</u>
Net Position - Ending					<u>837,141</u>	<u>369,939</u>	<u>1,207,081</u>

See accompanying notes to the basic financial statements.

TOWN OF GAGE, OKLAHOMA
STATEMENT OF NET POSITION - CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Airport Improvement Fund	Other Funds	Total
ASSETS				
Cash and cash equivalents	\$ 233,283	\$ 78,116	\$ 31,225	\$ 342,623
Certificate of deposits	195,000	182,467	41,891	419,358
Total Unrestricted Assets	428,283	260,583	73,116	761,981
Restricted cash and cash equivalents	75,160	-	-	75,160
Capital Assets	-	-	-	-
Land, inexhaustible assets and construction-in-process	-	-	-	-
Other capital assets, net of accumulated depreciation	75,160	-	-	75,160
Total Restricted Assets	503,443	260,583	73,116	837,141
LIABILITIES				
Due to Other Funds/Governmental Entities	-	-	-	-
Long-term debt	-	-	-	-
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total Liabilities	-	-	-	-
NET POSITION				
Nonspendable	-	-	-	-
Invested in Capital Assets, net of debt	-	-	-	-
Restricted	75,160	-	-	75,160
Sales Tax Reserve	-	-	-	-
Committed	-	-	35,542	35,542
Cemetery Fund	-	-	-	-
Assigned	-	-	300	300
Library Fund	-	-	-	-
Fire Department Fund	-	-	37,274	37,274
Unrestricted	428,283	260,583	-	688,865
General Fund	503,443	260,583	73,116	837,141
Total Net Position	503,443	260,583	73,116	837,141

Reconciliation to Statement of Net Position:

Amount reported for governmental activities in the statement of net assets

Capital assets

\$ 837,141

See accompanying notes to the basic financial statements.

TOWN OF GAGE, OKLAHOMA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS

	General Fund	Airport Improvement Fund	Other Funds	Total
Revenues:				
Taxes	\$ 103,323	\$ -	\$ -	\$ 103,323
Intergovernmental	24,012	-	-	24,012
Charges for services	-	580	-	580
Fines and forfeitures	-	-	100	100
Licenses and permits	130	-	-	130
Investment income	714	-	88	802
Miscellaneous	48,953	592,972	70,712	712,637
Total Revenues	<u>177,131</u>	<u>593,552</u>	<u>70,900</u>	<u>841,583</u>
Expenditures:				
General Government:				
Personnell services	68,992	-	-	68,992
Maintenanince & operations	88,111	-	61,553	149,664
Contracted services	7,935	-	-	7,935
Capital Outlay	-	586,670	-	586,670
Total Expenditures	<u>165,037</u>	<u>586,670</u>	<u>61,553</u>	<u>813,261</u>
Excess (deficiency) of revenues over expenditures	12,094	6,882	9,347	28,323
Other Financing Sources				
Transfers In	171,743	-	-	171,743
Transfers Out	(157,263)	-	-	(157,263)
Total Other Financing Sources	<u>14,480</u>	<u>-</u>	<u>-</u>	<u>14,480</u>
Net Changes in Fund Balances	26,574	6,882	9,347	42,803
Fund Balance - Beginning	401,709	253,701	63,769	719,179
Fund Balance - Ending	<u>\$ 428,283</u>	<u>\$ 260,583</u>	<u>\$ 73,116</u>	<u>\$ 761,982</u>
Reconciliation to the Statement of Activities:				
Net change in fund balance				42,803
Prior year accrued expenses not recognized on fund statement				-
Governmental Funds reported as expenditures while activities report depreciation				-
Capitalized purchases				-
Depreciation expense				-
Changes in Net Position of Governmental Activities				<u>\$ 42,803</u>

See Accompanying notes to the basic financial statements.

TOWN OF GAGE, OKLAHOMA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2015

	Public Facilities Authority	Sewer Savings Fund	Total
ASSETS			
Cash and cash equivalents	\$ 2,672	\$ 16,309	\$ 18,980
Certificates of deposit - unrestricted	-	-	-
Accounts receivable	-	-	-
Total Unrestricted Assets	<u>2,672</u>	<u>16,309</u>	<u>18,980</u>
Cash in bank - restricted	-	-	-
Certificates of deposit - restricted	-	-	-
Taxes receivable - restricted	-	-	-
Capital Assets			
Land, inexhaustible assets and construction-in-process	-	-	-
Other capital assets, net of accumulated depreciation	350,959	-	350,959
Total Restricted Assets	<u>350,959</u>	<u>-</u>	<u>350,959</u>
Total Assets	<u>353,631</u>	<u>16,309</u>	<u>369,939</u>
LIABILITIES			
Current-portion of Long-Term Debt	-	-	-
Meter Liability	-	-	-
Compensated absences	-	-	-
Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Long-term debt	-	-	-
Less: Current Portion of Long-Term Debt	<u>-</u>	<u>-</u>	<u>-</u>
Total Long-Term Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Invested in Capital Assets, net of Debt	350,959	-	350,959
Restricted	-	-	-
Unrestricted	2,672	16,309	18,980
Total Net Position	<u>\$ 353,631</u>	<u>\$ 16,309</u>	<u>\$ 369,939</u>

See accompanying notes to the basic financial statements,

TOWN OF GAGE, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 PROPRIETARY FUNDS

	Public Facilities Authority	Sewer Savings Fund	Total
Revenues:			
Charges for services:			
Water	\$ 66,836	\$ -	\$ 66,836
Sanitation	58,979	-	58,979
Sewer	33,196	-	33,196
Other receipts	1,216	-	1,216
Total Revenues	<u>160,227</u>	<u>-</u>	<u>160,227</u>
Expenses:			
Administration and operations	49,017	-	49,017
Water	26,161	-	26,161
Sewer	31,198	-	31,198
Sanitation	43,391	-	43,391
Depreciation	-	-	-
Total Expenses	<u>149,767</u>	<u>-</u>	<u>149,767</u>
Operating Income (Loss)	<u>10,460</u>	<u>-</u>	<u>10,460</u>
Non-operating revenues (expenses):			
Investment Income	11	14	25
Investment expense (interest)	-	-	-
Grants Receipts	-	-	-
Total Non-operating Revenues (Expenses)	<u>11</u>	<u>14</u>	<u>25</u>
Net Income (Loss) before contributions and transfers	10,471	14	10,485
Transfers in	155,463	1,800	157,263
Transfers out	<u>(171,743)</u>	<u>-</u>	<u>(171,743)</u>
Changes in Net Position	(5,808)	1,814	(3,995)
Net Position - Beginning	359,439	14,495	373,934
Net Position - Ending	<u>\$ 353,631</u>	<u>\$ 16,309</u>	<u>\$ 369,939</u>

See Accompanying notes to the basic financial statements.

TOWN OF GAGE, OKLAHOMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

	Public Works Authority	Sewer Savings	Total
Cash Flows from Operating Activities	<u>Water/Trash</u>		
Receipts from customers	159,011	\$ -	159,011
Other income	1,216	-	1,216
Payments to Suppliers	(134,222)	-	(134,222)
Payments to Employees	(15,545)	-	(15,545)
Net Cash Provided (Used) by Operating Activities	<u>10,460</u>	<u>-</u>	<u>10,460</u>
Cash Flows from Capital and Related Financing Activities			
Grant Receipts	-	-	-
Recognition of Customer Deposits	4,563	-	4,563
Net Cash Provided (Used) by Capital and Related	<u>4,563</u>	<u>-</u>	<u>4,563</u>
Cash Flows from Investing Activities			
Investment Receipts	11	14	25
Transfers	(16,280)	1,800	(14,480)
Cash Flows provided (Used) by Investing Activities	<u>(16,269)</u>	<u>1,814</u>	<u>(14,455)</u>
Net Increase (Decrease) In Cash	(1,245)	1,814	568
Cash, Beginning of Fiscal Year	3,917	14,495	18,412
Total Cash, End of Year	<u>\$ 2,672</u>	<u>\$ 16,309</u>	<u>\$ 18,980</u>

Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities:

Operating Loss	\$ 10,460	\$ -	\$ 10,460
Adjustments to reconcile Net Income to Net Cash			
Depreciation	-	-	-
Gain on Sale of Land	-	-	-
(Increase) Decrease in Accounts Receivable	-	-	-
Increase (Decrease) in Accrued Expenses	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 10,460</u>	<u>\$ -</u>	<u>\$ 10,460</u>

See Accompanying notes to the basic financial statements.

TOWN OF GAGE, OKLAHOMA
 STATEMENT OF NET POSITION - OTHER FUNDS
 FIDUCIARY FUND - Cash Basis
 JUNE 30, 2015

	Meter Fund
ASSETS	
Cash and cash equivalents	\$ 7,982
Certificate of deposits	-
Accounts receivable	-
Capital Assets	
Land, inexhaustible assets and construction-in-process	-
Other capital assets, net of accumulated depreciation	-
Total Assets	7,982
LIABILITIES	
Accrued expenses	-
Due to Other Funds	-
Customer Deposits	7,982
Long-term debt	
Due within one year	-
Due in more than one year	-
Total Liabilities	7,982
NET ASSETS	
Nonspendable	-
Restricted	-
Committed	-
Assigned	-
Unassigned	-
General Fund	-
Total Net Assets	-

See accompanying notes to the basic financial statements,

Notes to Financial Statements

Town of Gage

June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Boise City, Oklahoma operates under a strong-mayor form of government with an elected five-member Council. In defining the reporting entity for financial reporting purposes, management has considered potential component units by applying criteria set forth in Statement 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity," as amended by Statement 39 of the Governmental Accounting Standards Board, "Determining Whether Certain Organizations are Component Units."

Blended Component Unit—Public Facilities Authority

The Public Facilities Authority (PFA) was established by the Council as a Public Trust. The purpose of the Trust is to finance, develop, and operate the water, wastewater, and sanitation services or activities of the Town of Gage.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the Town of Gage (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component unit.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported typically reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. However, the Town of Gage and its related Authorities utilize the cash basis of accounting in preparing its financial statements. Additionally, a non-cash expense is also used to show the wear and tear in the utility and other infrastructure of the town. This expense is called depreciation. Together with the Cash Basis of accounting and the inclusion of depreciation, the Town and its related Authority are using the Modified Cash-Basis of accounting, which is an another Comprehensive basis of accounting other than the prescribed Accrual Accounting promoted by Governmental Accounting Standards.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting. Revenues are recognized as soon as they are both received. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The Town considers all revenues available if they are collected within by the end of the fiscal year, June 30. Expenditures generally are recorded when paid.

The Town reports the following major governmental funds:

The general fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The airport improvement fund uses its receipts or revenues to maintain and operate the Town's airport.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The Town's enterprise fund consists of the activities of the Public Facilities Authority.

The Town reports the following major enterprise fund:

The Public Facilities Authority fund accounts for the activities at the various water, wastewater, and sanitation services performed by the Town.

The Town applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARBs). As permitted by GASB No. 20, the Town has elected not to follow subsequent private-sector guidance in its business-type activities and enterprise funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds and internal service fund are charges for services to customers. Operating expenses for the enterprise funds and the internal service fund include the cost of personnel, contractual services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets

1. Deposits and Investments

The Town's and its component unit's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and readily convertible to cash.

The Town has established a formal Investment Policy that governs the investment of all funds other than its permanent funds, private-purpose trust funds, and agency funds. Pursuant to its Investment Policy and applicable Oklahoma law, Investments for the City and its component unit are reported at fair value. Additionally, Investments are restricted or confined to Certificate of Deposits.

2. Receivables and Payables

The Town does not record receivables or payables on the face of the basic financial statements. Interfund balances are recorded as due "due to/from other funds."

3. Inventories and prepaid items

The Town does not maintain or record amounts on the basic financial statements for inventory or prepaid items.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets

with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. All infrastructure, regardless of acquisition date, has been reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No business-type activity interest was capitalized in the current period.

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the assets' estimated useful lives ranging from 5 to 50 years.

Assets	Years
Buildings	45–50
Improvements other than buildings	20
Machinery and equipment	5–20
Vehicles	5–15
Intangibles	5–20
Infrastructure	20–50

See Figure No. 1 for detail of Capital Assets.

5. Compensated Absences

Under the terms of personnel policies and union contracts, vacation and sick leave (compensated absences) are granted in varying amounts according to length of service. Certain employees also earn compensatory time. A liability for vested or accumulated vacation, sick and compensatory leave is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All accumulated leave is accrued when incurred in the government-wide financial statements. Sick leave is valued based on the vesting method that calculates the amount of sick leave that is expected to become eligible for payout at termination.

The Town does not record any balances or amounts for compensated absences.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

7. Fund Equity

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable—resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted—resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed—resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned—resources neither restricted nor committed for which a government has a stated intended use as established by the Town Council or a body or official to which the Town Council has delegated the authority to assign amounts for specific purposes.

Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

8. Use of Estimates

Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

9. New Pronouncements

Beginning with the fiscal year ended June 30, 2007, and continuing with these statements, the Town has applied the provisions of Governmental Accounting Standards Board Statement 51. During the fiscal year ended June 30, 2010 the City has not adopted the provisions of Statements No. 45 and 54.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance—total governmental funds and net assets—governmental activities as reported in the government-wide statement of net assets.

There are no reconciling items in the Governmental Funds

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances—total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities.

There are no reconciling items in the Governmental Funds

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

An annual budget of the General Fund is legally adopted by the City Council through the passage of an appropriation resolve. There is a difference between the budgetary basis (Cash Basis) and generally accepted accounting principles (GAAP). The legal level of budgetary control is that level of expenditure authority that may not be exceeded or reassigned without the approval of the City Council. The City Charter gives the City Manager may at any time transfer any unencumbered appropriation balance, or portion thereof, between general classifications of expenditures within an office, department or agency. Accordingly, the legal level of budgetary control is an office, department or agency. Historically, the appropriated budget for the General Fund is prepared by department or activity.

The accounting system is employed as a budgetary management control device to monitor the individual departments. The Council did not make any amended budgetary appropriations throughout the year.

All appropriations of the general fund lapse at the end of the fiscal year to the extent that they have not been expended or lawfully encumbered. Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as a designation of fund balances and do not constitute expenditures or liabilities. The commitments are re-appropriated and honored during the subsequent year.

The amounts reported as "Final Budgeted Amounts" on the Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual, for the General Fund, include the adopted budget as well as prior-year encumbrances, additional appropriations and transfers.

B. State statute prohibits the use of deficit spending. No council shall operate or approve encumbrances or expenditures that result in a fund deficit for the current or future years.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Primary government:

As of June 30, 2015, the primary government had the following investments:

Interest rate risk. The City does not currently have a policy regarding interest rate risk.

Credit risk. The City does not have a formal policy regarding credit risk. Oklahoma statutes authorize the City to invest only in certificates of deposits that are either guaranteed or fully collateralized by the financial institution that holds the deposits.

Custodial credit risk—deposits. This is the risk that in the event of a bank failure, the City's deposits may not be returned to it.

B. Receivables

The Town does not record receivables.

D. Interfund Balances and Transfers

The composition of interfund balances as of June 30, 2015, is as follows. The due to/from balances result from receipts and disbursements being made through the General Fund cash accounts. These balances will be eliminated when cash transfers are made to the appropriate funds. The advances are interfund loans from the general fund.

Due to/from other funds:

NONE

Transfer between Funds

<i>Transferring Fund</i>	<i>Receiving Fund</i>	<i>Amount</i>
General Fund	Sewer Savings Fund	\$ 1,800
Public Works Authority	General Fund	\$ 157,263
General Fund	Public Works Authority	\$ 171,743

E. Leases

The Town has no operating or capital leases as of June 30, 2015 that are presented separately.

F. Long-Term Debt

Business-type long-term debt payable from net revenues generated by the utility resources pledged to the debt includes the following:

Notes Payable:

Customer Deposits:

Customer deposits reported as a liability within the Statement of Net Assets are comprised of utility customer deposits payable. \$ 7,982

G. Short-Term Debt

The Town did not issue or retire any short-term debt during the fiscal year and had none outstanding at June 30, 2015.

H. Components of Fund Balances

Fund Balances are divided up into three categories; (1) Invested in capital assets, net of debt, (2) Restricted, and (3) Unrestricted.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and other risks for which the City insurance. There have been no significant changes in insurance coverage during the past fiscal year. For the three fiscal years ended June 30, 2015, 2014 and 2013 there have been no settlements in excess of coverage.

The Town belongs to the OKLAHOMA MUNICIPAL ASSURANCE GROUP (OMAG) for most of its municipal property and liability exposures.

For worker's compensation, the Town and its related authorities participate in OMAG.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

At time there are various claims and suits brought against the Town that arise in the normal course of the Town's activities. In the opinion of counsel and Town management, the ultimate disposition of these various claims and suits will have no material effect on the financial position of the Town.

C. Deferred Compensation Plan

The Town offers no deferred compensation plan to its employees.

D. Defined Benefit Pension Plans

The Town of Gage participates in the Oklahoma Municipal Retirement Fund. For the fiscal year ending June 30, 2015 the Town funded through its payroll the amount of \$6,480 on behalf of its employees.

The Town of Gage participates in an additional employee pension system, which is the Oklahoma Firefighters Pension and Retirement Fund. This is for volunteer firefighters involved in the Town's fire department.

Firefighters pension plan

Contributions required and contributions made

The Town makes annual contributions to the pension plan equal to the amount required by state statutes. According to Title 11, O.S. 49-122 (C) cities are to contribute \$60.00 yearly to the Oklahoma Firefighters Pension and Retirement System for each active volunteer firefighter.

E. Other Post Employment Benefits

The Town has no OPED as of June 30, 2015.

F. Overlapping Debt

The Town has no overlapping debt as of June 30, 2015.

G. Quasi-Municipal Debt

The Town does not have any debt or obligation that would be defined as Quasi-Municipal Debt, as of June 30, 2015.

H. Joint Venture

The Town is not and has not entered into any joint ventures as of June 30, 2015.

I. Commitments

As of June 30, 2015, the Town had various contractual commitments. No significant commitments are material to the financial position of the City.

J. Long-Term Receivables

The Town has no long-term receivables as of June 30, 2015.

K. Subsequent Events

As of March 31, 2016, the issuance date of this report, no subsequent reports have occurred that effect the Town or its financial statements as presented.

TOWN OF GAGE, OKLAHOMA
 Schedule of Changes in Capital Assets

Figure 1. Continuation of Notes to The Financial Statements

	July 1, 2014	Additions	Disposals	June 30, 2015
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Other inexhaustible assets	-	-	-	-
Construction in progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Other capital assets				
Buildings	-	-	-	-
Machinery and equipment	-	-	-	-
Improvements	-	-	-	-
Total other capital assets at historical costs	-	-	-	-
Less accumulated depreciation for:				
Buildings	-	-	-	-
Machinery and equipment	-	-	-	-
Improvements	-	-	-	-
Total accumulated depreciation	-	-	-	-
Other capital assets, net	-	-	-	-
Governmental activities capital assets, net	\$ -	\$ -	\$ -	\$ -
Business-type activities:				
Capital assets not being depreciated:				
Land	-	-	-	-
Other	-	-	-	-
Construction in progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Other capital assets				
Buildings	-	-	-	-
Machinery and equipment	-	-	-	-
Utility system	350,959	-	-	350,959
Total other capital assets at historical costs	350,959	-	-	350,959
Less accumulated depreciation for:				
Buildings	-	-	-	-
Machinery and equipment	-	-	-	-
Utility system	-	-	-	-
Total accumulated depreciation	-	-	-	-
Other capital assets, net	350,959	-	-	350,959
Business-type activities capital assets, net	\$ 350,959	\$ -	\$ -	\$ 350,959

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Town Council
Town of Gage, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Gage, State of Oklahoma, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Gage, State of Oklahoma's basic financial statements, and have issued our report thereon dated March 31, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Gage, State of Oklahoma's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Gage, State of Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Gage, State Oklahoma's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material

misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Gage, State of Oklahoma's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Watonga, Oklahoma
March 31, 2016

AUDITOR INFORMATION SHEET

TOWN OF GAGE

P.O. Box 328

Gage, OK 73843

EIN Number: 73-6032657

DUNS Number: 029366994

Telephone Number: (580) 923-7727

FAX Number: (580) 923-7777

Contact Person & Title: Mann, Virginia, Town Clerk

Auditor: William K. Gauer

Email Address: wgauer@gauerca.mygbiz.com

License Number: Oklahoma License No. 15637

Firm Name: William K. Gauer, C.P.A.

Address: P. O. Box 181

Watonga, OK 73772

Telephone Number: (580)623-5071

FAX Number: (580)623-5072

Records stored at the address above.

Programs Examined:

Federal Aviation Administration
Airport CFDA 20.106

TOWN OF GAGE, OKLAHOMA
 Pushmataha County, Oklahoma
 Schedule of Expenditures of Federal Awards
 For Year Ended June 30, 2015

Federal/State Grantor Pass through Grantor Program Title	Federal CDFA Number	Pass- Through Grantor's Number	Program or Award Amount	Cash/ Accrued or (Deferred) Revenue at July 1, 2014	Contract Receipts or Revenue Recognized	Contract Disbursements/ Expenditures	Interest Earned Federal Funds	Match Receipts or Revenue Recognized	Match Disbursements/ Expenditures	Cash/ Accrued or (Deferred) Revenue at June 30, 2015
Federal Aviation Administration:										
AIP-3-40-0034-04-2013 Reconstruct Runway	20.106		\$ 707,001	\$ -	\$ 528,003	\$ 529,073	\$ -	\$ 57,597	\$ 57,597	\$ -
Total Federal Programs			707,001	-	528,003	529,073	-	57,597	57,597	-
Oklahoma Department of Commerce:										
Oklahoma Economic Development Authority:										
OEDA REAP-14-13 Chip and Seal Streets			29,900	-	29,900	29,900	-	-	-	-
OEDA REAP 13-13 Chip and Seal Streets			23,017	-	23,017	23,017	-	-	-	-
Department of Agriculture - Fire			4,484	-	4,484	4,484	-	-	-	-
			-	-	-	-	-	-	-	-
Total State Programs			57,401	-	57,401	57,401	-	-	-	-
Total All Programs			764,402	-	585,404	586,474	-	57,597	57,597	-

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditors' report.

TOWN OF GAGE, OKLAHOMA
 Pushmataha County, Oklahoma
 Schedule of Findings and Questioned Costs
 June 30, 2012

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued:	Unqualified		
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	X	no
Reportable condition(s) identified not considered to be material weaknesses?	_____ yes	X	no
Noncompliance material to financial statements noted?	_____ yes	X	no

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	_____ yes	X	no
Reportable condition(s) identified not considered to be material weaknesses?	_____ yes	X	no
Type of auditor's report issued on compliance for major programs:	Unqualified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-122, Section .510(a)?	_____ yes	X	no
Identification of major programs: FAA AIP-3-40-0034-003-2010	<u>CFDA</u> 20.106	<u>Expenditure</u> \$ 529,073.39	
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 300,000		
Auditee qualified as low-risk auditee?	_____ yes	X	no

Section II - Financial Statement Findings

Significant Deficiency
 Auditor Drafted Financial Statements and Notes
 Town comingled funds with unrestricted or undesignated funds

Section III - Federal Award Findings and Questioned Costs

None

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*INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133*

To the Town Council
Town of Gage, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited the Town of Gage, State of Oklahoma's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Town of Gage, State of Oklahoma's major federal programs for the year ended June 30, 2015. Town of Gage, State of Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Gage, State of Oklahoma's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Gage, State of Oklahoma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of Gage, State of Oklahoma's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Gage, State of Oklahoma, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect

on each of its major federal programs for the year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items ; NONE Our opinion on each major federal program is not modified with respect to these matters.

Town of Gage, State of Oklahoma's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Town of Gage, State of Oklahoma's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the Town of Gage, State of Oklahoma, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Gage, State of Oklahoma's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Gage, State of Oklahoma's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Town Council

March 31, 2016

Page 2

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



William K. Gauer, CPA

Watonga, Oklahoma

March 31, 2016

SUPPLEMENTAL INFORMATION

TOWN OF GAGE, OKLAHOMA
 Budgetary Comparison Schedule General Fund--Cash Basis
 For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 150,000	\$ 150,000	\$ 401,709	\$ 251,709
Resources (Inflows):				
Taxes:				
Franchise Tax	13,500	13,500	15,691	2,191
Sales Tax	65,000	65,000	80,900	15,900
Use Tax	2,500	2,500	5,768	3,268
Tobacco Tax	1,000	1,000	964	(36)
Total Taxes	<u>82,000</u>	<u>82,000</u>	103,323	21,323
Intergovernmental:				
Alcoholic Beverage Tax	17,000	17,000	20,382	3,382
Motor Vehicle Tax	3,000	3,000	2,841	(159)
Gas Excise Tax	750	750	789	39
State Grant	-	-	4,484	4,484
Investment Income	6,500	6,500	714	(5,786)
Miscellaneous Income				
Rental	12,500	12,500	16,050	3,550
Royalty	600	600	5,383	4,783
Licenses & permits	-	-	130	130
Fireworks Donations	700	700	625	(75)
Airport Hanger Rental	-	-	3,090	3,090
Sale of Surplus	-	-	15,500	15,500
Miscellaneous	26,950	26,950	3,820	(23,130)
Other Financing Sources:				
Transfer from Other Funds	<u>125,000</u>	<u>125,000</u>	<u>171,743</u>	<u>46,743</u>
Amounts available for appropriations	<u>425,000</u>	<u>425,000</u>	<u>750,583</u>	<u>325,583</u>
General Government:				
Personal Services	150,000	150,000	68,992	(81,008)
Maintenance and Operations	135,000	135,000	88,111	(46,889)
Contract Services	40,000	40,000	7,935	(32,066)
Capital Outlay	25,000	25,000	-	(25,000)
	<u>350,000</u>	<u>350,000</u>	<u>165,037</u>	<u>(184,963)</u>
Other Financing Uses:				
Transfers to other funds	-	-	157,263	157,263
Reserves	75,000	75,000	-	(75,000)
Total Charges to Appropriations	<u>425,000</u>	<u>425,000</u>	<u>322,300</u>	<u>(102,700)</u>
Ending Budgetary Fund Balance	<u>-</u>	<u>-</u>	<u>\$ 428,283</u>	<u>\$ 428,283</u>

TOWN OF GAGE, OKLAHOMA
 STATEMENT OF NET ASSETS - COMBINING OF OTHER FUNDS
 GOVERNMENTAL FUNDS - Cash Basis
 Combined with General Fund in Fund Statements
 JUNE 30, 2015

	Library Fund	Fire Department Fund	Cemetery Fund	REAP Grants	Total Other Funds
ASSETS					
Cash and cash equivalents	\$ 300	\$ 15,724	\$ 15,201	\$ -	\$ 31,225
Certificate of deposits	-	21,550	20,341	-	41,891
Accounts receivable	-	-	-	-	-
Capital Assets					
Land, inexhaustible assets and construction-in-process	-	-	-	-	-
Other capital assets, net of accumulated depreciation	-	-	-	-	-
Total Assets	<u>300</u>	<u>37,274</u>	<u>35,542</u>	<u>-</u>	<u>73,116</u>
LIABILITIES					
Accrued expenses	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Compensated Absences	-	-	-	-	-
Long-term debt					
Due within one year	-	-	-	-	-
Due in more than one year	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed					
Cemetery Fund	-	-	35,542	-	35,542
Assigned					
Library Fund	300	-	-	-	300
Fire Department Fund	-	37,274	-	-	37,274
Unassigned					
General Fund	-	-	-	-	-
Total Net Assets	<u>300</u>	<u>37,274</u>	<u>35,542</u>	<u>-</u>	<u>73,116</u>

See accompanying notes to the basic financial statements,

TOWN OF GAGE, OKLAHOMA
 STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
 SPECIAL REVENUE FUNDS - Cash Basis
 COMBINED OTHER FUNDS

	Library Fund	Fire Department Fund	Cemetery Fund	REAP Grants	Total Other Funds
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	100	-	-	-	100
Licenses and permits	-	-	-	-	-
Investment income	-	88	-	-	88
Miscellaneous	-	10,188	4,493	56,032	70,712
Total Revenues	<u>100</u>	<u>10,276</u>	<u>4,493</u>	<u>56,032</u>	<u>70,900</u>
Expenditures:					
General Government:					
Personnell services	-	-	-	-	-
Maintenanince & operations	-	5,522	-	56,032	61,553
Contracted services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>5,522</u>	<u>-</u>	<u>56,032</u>	<u>61,553</u>
Excess (deficiency) of revenues over expenditures	100	4,754	4,493	-	9,347
Other Financing Sources					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	100	4,754	4,493	-	9,347
Fund Balance - Beginning	200	32,520	31,049	-	63,769
Fund Balance - Ending	<u><u>\$ 300</u></u>	<u><u>\$ 37,274</u></u>	<u><u>\$ 35,542</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 73,116</u></u>

See Accompanying notes to the basic financial statements.