

TOWN OF DIBBLE
FINANCIAL STATEMENTS
and
INDEPENDENT ACCOUNTANT'S REPORT

June 30, 2014

TOWN OF DIBBLE
June 30, 2014

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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Dibble
Dibble, Oklahoma

Trustees of the Dibble Public Works Authority
Dibble, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Dibble and Public Trusts, Dibble, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis and Statement of Revenues, Expenses and Changes in Fund Balance of Dibble Public Works Authority for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and budget laws of the State of Oklahoma and for 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.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of Oklahoma statutes, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.



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 Dibble 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 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 below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the **Town of Dibble**, 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 changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: The Town prepared a budget for the General Fund but did not prepare a budget for the Public Works Authority.

- ✦ In the General Fund, current total appropriations exceeded current total expenditures.
- ✦ In the Public Works Authority, the budget appropriations and expenditures could not be analyzed.

Recommendation: The Town should continue to monitor each budget on a regular basis to ensure that expenditures are properly appropriated.

The Town should also prepare a budget for the Public Works Authority in order to track appropriations and expenditures compared to expected amounts.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions were found as a result of applying the procedure. While tracing material bank account balances, we discovered an outstanding account in the name of "Explorer Post 2007" that has a balance of \$0.69. This account is not on the Town's records and should be closed if there will not be any further activity.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: Actual deposits in financial institutions exceeded FDIC coverage limits and there were no pledges of collateral securing the uninsured deposits. Accordingly, uninsured and uncollateralized deposits were \$69,121 at June 30, 2014.

Recommendation: The Town should secure a collateral pledge arrangement with its depository financial institution to ensure that deposits in excess of FDIC insurance coverage are secured by the bank collateral pledge.

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

Findings: The town received \$8,746 in Motor Vehicle Tax and Gas Tax. These tax revenues should be spent on Street and Alley expenditures; \$3,691 was spent on Street and Alley throughout the year and the remainder was retained in the General Fund or Street and Alley bank accounts.

Recommendation: The town should implement procedures to ensure that motor vehicle and gas tax revenue are expended for roadway maintenance and improvements.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure. However, we noted that some expenditures attributable to the Public Works Authority were paid by General Fund during the year, and accounted for accordingly.

7. **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: The Town reports that it has no reserve account requirements.

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

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No exceptions were found as a result of applying the procedure.

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

Findings: No exceptions were noted as a result of applying the procedure.

5. **Procedures Performed:** We compared 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 exceptions were found as a result of applying the procedure. However, we noted that some expenditures attributable to the Public Works Authority were paid by General Fund during the year, and accounted for accordingly.

6. **Procedures Performed:** We compared 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 exceptions were found as a result of applying the procedures to the Authority's Debt Service. Although, the Authority has not kept an accurate record of historic meter deposits maintained; accordingly, the correct liability for customer deposits is unknown and the procedure cannot be applied.

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

1. **Procedures Performed:** From the Town and Authority's trial balances, we noted there were no reported grant receipts or disbursements during the year.

Findings: No exceptions were noted as there was no grant activity.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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.

Jayna Vaughn, PC

Jayna Vaughn, PC
November 12, 2015

TOWN OF DIBBLE AND PUBLIC TRUSTS
Dibble, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Prior Year Adjustments</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
TOWN:					
General Fund	\$ 188,656	\$ -	\$ 430,595	\$ (301,638)	\$ 317,613
Town Subtotal	<u>188,656</u>	<u>-</u>	<u>430,595</u>	<u>(301,638)</u>	<u>317,613</u>
PUBLIC WORKS AUTHORITY:					
Dibble Public Works Authority	58,064	6,426	75,929	(58,051)	82,368
Public Works Subtotal	<u>58,064</u>	<u>6,426</u>	<u>75,929</u>	<u>(58,051)</u>	<u>82,368</u>
Overall Totals	<u>\$ 246,720</u>	<u>\$ 6,426</u>	<u>\$ 506,524</u>	<u>\$ (359,689)</u>	<u>\$ 399,981</u>

TOWN OF DIBBLE AND PUBLIC TRUSTS
Dibble, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
GENERAL FUND
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
Beg Budgetary Fund Balance	\$ 188,656.15	\$ 188,656.15	\$ 188,656.15	\$ -
REVENUES				
Taxes				
Sales Tax	\$ 200,000.00	\$ 200,000.00	\$ 220,447.82	\$ 20,447.82
Use Tax	\$ 9,200.00	\$ 9,200.00	\$ 8,852.69	\$ (347.31)
Franchise Tax	\$ 8,500.00	\$ 8,500.00	\$ 11,092.34	\$ 2,592.34
Motor Vehicle tax	\$ 4,800.00	\$ 4,800.00	\$ 8,746.19	\$ 3,946.19
Intergovernmental				
Alcoholic Beverage Tax	\$ 2,900.00	\$ 2,900.00	\$ 3,670.29	\$ 770.29
Cigarette Tax	\$ 1,700.00	\$ 1,700.00	\$ 2,592.71	\$ 892.71
Other Revenue				
Reimbursement for Utilities Insure Oklahoma	\$ -	\$ -	\$ -	\$ -
Fines	\$ 95,000.00	\$ 95,000.00	\$ 155,948.00	\$ 60,948.00
Licenses and Permits				
Fire Works Permits	\$ 180.00	\$ 180.00	\$ -	\$ (180.00)
Impound Vehicles	\$ 50.00	\$ 50.00	\$ -	\$ (50.00)
Accident Reports	\$ 50.00	\$ 50.00	\$ 1,168.84	\$ 1,118.84
Miscellaneous				
Rental Income	\$ 4,425.00	\$ 4,425.00	\$ 5,650.00	\$ 1,225.00
Miscellaneous Income	\$ 1,500.00	\$ 1,500.00	\$ 4,525.60	\$ 3,025.60
Tax Refund-State of OK			\$ 7,858.00	\$ 7,858.00
Interest Income	\$ 35.00	\$ 35.00	\$ 42.59	\$ 7.59
Amounts available for appropriation	\$ 516,996.15	\$ 516,996.15	\$ 619,251.22	\$ 102,255.07
EXPENSES				
Administration				
Salary & Wages	\$ 25,000.00	\$ 25,000.00	\$ 27,059.92	\$ 2,059.92
Travel	\$ -	\$ -	\$ 898.74	\$ 898.74
Electric	\$ 3,200.00	\$ 3,200.00	\$ 1,546.06	\$ (1,653.94)
Telephone	\$ 6,500.00	\$ 6,500.00	\$ 3,183.09	\$ (3,316.91)
Office Supplies	\$ 6,000.00	\$ 6,000.00	\$ 4,208.40	\$ (1,791.60)
Cleaning Supplies	\$ 300.00	\$ 300.00	\$ -	\$ (300.00)
Propane	\$ 600.00	\$ 600.00	\$ 231.25	\$ (368.75)
Water	\$ 800.00	\$ 800.00	\$ 457.73	\$ (342.27)
Repair/Maintenance	\$ 1,500.00	\$ 1,500.00	\$ 1,049.29	\$ (450.71)
Attorney	\$ 8,500.00	\$ 8,500.00	\$ 4,200.00	\$ (4,300.00)
OML Membership	\$ 950.00	\$ 950.00	\$ -	\$ (950.00)
Audit/Accounting	\$ 10,500.00	\$ 10,500.00	\$ 10,200.00	\$ (300.00)
Office Machine Rental	\$ 3,000.00	\$ 3,000.00	\$ 1,844.19	\$ (1,155.81)
Training & Membership Dues	\$ 1,500.00	\$ 1,500.00	\$ 1,389.94	\$ (110.06)

Publications	\$ 500.00	\$ 500.00	\$ 1,085.71	\$ 585.71
Computer Software	\$ 4,200.00	\$ 4,200.00	\$ 2,329.95	\$ (1,870.05)
Medicare	\$ 600.00	\$ 600.00	\$ 392.36	\$ (207.64)
Social Security	\$ 1,500.00	\$ 1,500.00	\$ 1,677.73	\$ 177.73
Contract Labor	\$ 6,000.00	\$ 6,000.00	\$ -	\$ (6,000.00)
Miscellaneous	\$ 500.00	\$ 500.00	\$ 648.94	\$ 148.94
Capital Outlay	\$ -	\$ -	\$ 5,922.33	\$ 5,922.33
Trash Services	\$ 2,300.00	\$ 2,300.00	\$ 1,056.91	\$ (1,243.09)
Workers Comp	\$ 6,300.00	\$ 6,300.00	\$ 4,200.02	\$ (2,099.98)
Property Insurance	\$ 900.00	\$ 900.00	\$ 5,892.26	\$ 4,992.26
Community Center				
Electric	\$ 8,500.00	\$ 8,500.00	\$ 5,834.29	\$ (2,665.71)
Propane	\$ 2,725.00	\$ 2,725.00	\$ 2,471.25	\$ (253.75)
Water	\$ 1,200.00	\$ 1,200.00	\$ 529.34	\$ (670.66)
Repair/Maintenance	\$ -	\$ -	\$ 2,357.50	\$ 2,357.50
Police				
Salary & Wages	\$ 75,000.00	\$ 75,000.00	\$ 66,140.75	\$ (8,859.25)
Travel & Training	\$ 750.00	\$ 750.00	\$ 1,031.72	\$ 281.72
Membership Dues	\$ 100.00	\$ 100.00	\$ 75.00	\$ (25.00)
Vehicle Fuel	\$ 23,500.00	\$ 23,500.00	\$ 15,468.84	\$ (8,031.16)
Uniforms	\$ 2,575.00	\$ 2,575.00	\$ 3,366.06	\$ 791.06
Vehicle Expense	\$ 5,000.00	\$ 5,000.00	\$ 5,532.16	\$ 532.16
Dispatch/Mobilecop	\$ 19,850.00	\$ 19,850.00	\$ 14,413.30	\$ (5,436.70)
Medicare	\$ 1,000.00	\$ 1,000.00	\$ 959.05	\$ (40.95)
Social Security	\$ 3,500.00	\$ 3,500.00	\$ 4,100.72	\$ 600.72
Equipment	\$ 15,000.00	\$ 15,000.00	\$ 2,217.42	\$ (12,782.58)
Liability Insurance	\$ 8,750.00	\$ 8,750.00	\$ 3,504.36	\$ (5,245.64)
Workers Comp	\$ 7,500.00	\$ 7,500.00	\$ -	\$ (7,500.00)
OSBI Fees/Cleet/AFis	\$ 7,550.00	\$ 7,550.00	\$ 718.62	\$ (6,831.38)
Interest Expense	\$ 3,500.00	\$ 3,500.00	\$ 3,406.54	\$ (93.46)
Capital Outlay	\$ 76,000.00	\$ 76,000.00	\$ -	\$ (76,000.00)
Debt Service	\$ 15,400.00	\$ 15,400.00	\$ 19,742.56	\$ 4,342.56
Annual Qualifications	\$ 500.00	\$ 500.00	\$ -	\$ (500.00)
Jail Fees	\$ 500.00	\$ 500.00	\$ -	\$ (500.00)
Fire				
Electric	\$ 2,200.00	\$ 2,200.00	\$ 1,650.00	\$ (550.00)
Telephone	\$ -	\$ -	\$ 1,757.57	\$ 1,757.57
Vehicle Fuel	\$ 8,500.00	\$ 8,500.00	\$ 6,811.23	\$ (1,688.77)
Pension	\$ 3,200.00	\$ 3,200.00	\$ 1,380.00	\$ (1,820.00)
Liability Insurance	\$ 1,250.00	\$ 1,250.00	\$ 7,525.89	\$ 6,275.89
Capital Outlay	\$ -	\$ -	\$ 7,375.00	\$ 7,375.00
Court				
Municipal Judge	\$ 3,500.00	\$ 3,500.00	\$ 3,300.00	\$ (200.00)
AFIS, OSBI, CLEET Fees	\$ -	\$ -	\$ 14,428.61	\$ 14,428.61
NSF Fee, Office Expense	\$ -	\$ -	\$ 1,017.00	\$ 1,017.00
Streets				
Electric	\$ 3,500.00	\$ 3,500.00	\$ 2,662.88	\$ (837.12)
Repairs & Maintenance	\$ 500.00	\$ 500.00	\$ 1,027.93	\$ 527.93
Parks				
Repairs & Maintenance	\$ 3,000.00	\$ 3,000.00	\$ 2,816.28	\$ (183.72)
Other financing sources (uses):				
Contributed Expenses-DPWA	\$ 9,750.00	\$ 9,750.00	\$ 18,541.93	\$ 8,791.93
Transfers to other funds	\$ -	\$ -	\$ -	\$ -
Total Charges to Appropriations	\$ 404,950.00	\$ 404,950.00	\$ 301,638.62	\$ (103,311.38)
End Budgetary Fund Balance	\$ 112,046.15	\$ 112,046.15	\$ 317,612.60	\$ (205,566.45)

TOWN OF DIBBLE AND PUBLIC TRUSTS
Dibble, Oklahoma

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS
DIBBLE PUBLIC WORKS AUTHORITY
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	PWA
Operating Revenues:	
Charges for services:	
Water & Sewer Revenues	\$ 57,387
Total Operating Revenue	<u>57,387</u>
Operating Expenses:	
Personal Services	6,083
Maintenance & Operations	47,092
Total Operating Expenses	<u>53,175</u>
Operating Income (Loss)	<u>4,212</u>
Non-Operating Revenues (Expenses):	
Capital Outlay	4,876
Total Non-Operating Revenues (Expenses)	<u>(4,876)</u>
Net Income (Loss) Before Contributions and Transfers	(664)
Contributed Revenue from General Fund	18,542
Changes in Fund Balance	17,878
Fund Balance - beginning	<u>58,064</u>
Prior Period Adjustments	6,426
Fund Balance - ending	<u>\$ 82,368</u>