

Town Of Glencoe, Oklahoma

Accountant's Report on
Applying Agreed-Upon Procedures

Year Ended June 30, 2011

Kimberlye R. Mayer, CPA, P.C.

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Accountant's Report

To the Specified Users of the Report:

Board of Trustees of the Town of Glencoe
Glencoe, Oklahoma

Board of Trustees of the Glencoe Public Works Authority
Glencoe, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances – Cash Basis of the Town of Glencoe and Public Trust for the year ended June 30, 2011, the Budgetary Comparison Schedule – Cash Basis – General Fund, and the Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis – Glencoe Public Works Authority for the year ended June 30, 2011, 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 applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes §11-17-105-.107 and §60-180-1-.3, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

This compilation is limited to presenting information in the form of financial statements prescribed by the above noted Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the 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 on the next page 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 applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2011. Management of the Town of Glencoe 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 on the next page either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings:

As to the Town of Glencoe as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Town's trial balances, we compiled a cash basis schedule of changes in fund balances for each fund (see page 5) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

2. **Procedures Performed:** From the Town's trial balances, we compiled a cash basis budget and actual financial schedule for the General Fund (see page 6) and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No instances of noncompliance noted.

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 unusual reconciling items were noted that did not clear on a timely basis.

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: At June 30, 2011 the Town had deposits of \$132,985 that were uninsured.

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

Findings: No instances of noncompliance were noted.

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 instances of noncompliance noted.

7. **Procedures Performed:** A search for Town debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purpose of determining contract compliance.

Findings: The Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Glencoe Public Works Authority as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Authority's trial balances, we compiled a schedule of revenues, expenses and changes in net assets - cash basis for the Authority (see page 7) and compare the schedule results to the applicable trust prohibitions for creating net asset deficits to report any noted instance of noncompliance.

Findings: No instances of noncompliance noted.

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

Findings: No unusual reconciling items were noted that did not clear on a timely basis.

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: At June 30, 2011 the Town had deposits of \$132,985 that were uninsured.

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 instances of noncompliance were noted.

5. **Procedures Performed:** We compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances on noncompliance.

Findings: No instances of noncompliance were noted.

6. **Procedures Performed:** A search for the Authority's debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purpose of determining contract compliance.

Findings: No instances of noncompliance were noted.

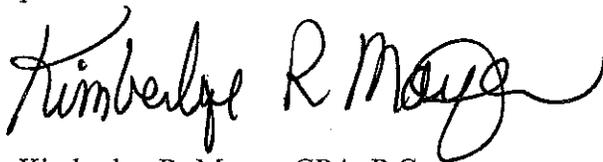
As to the Town of Glencoe and Glencoe Public Works Authority grant programs, as of and for the fiscal year ended June 30, 2011:

1. **Procedures Performed:** From the Town and Authority's trial balances, we compiled a schedule of grant activity for each grant/contract (see page 8) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: No instances of noncompliance were noted.

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.

A handwritten signature in black ink that reads "Kimberlye R. Mayer". The signature is written in a cursive style with a large, looping initial "K" and a long, sweeping tail.

Kimberlye R. Mayer, CPA, P.C.
November 1, 2011

TOWN OF GLENCOE, OKLAHOMA
 STATEMENT OF CHANGES IN FUND BALANCES
 CASH BASIS
 YEAR ENDED JUNE 30, 2011

	Fund Balances <u>6/30/10</u>	Change <u>Change</u>	Fund Balances <u>6/30/11</u>
TOWN:			
General Fund	\$ 191,500	\$ (4,159)	\$ 187,341
Police Department Fund	<u>27,887</u>	<u>6,855</u>	<u>34,742</u>
Total Town	<u>219,387</u>	<u>2,696</u>	<u>222,083</u>
 PUBLIC WORKS AUTHORITY:			
Glencoe Public Works Authority	<u>151,737</u>	<u>9,164</u>	<u>160,901</u>
PWA Subtotal	<u>151,737</u>	<u>9,164</u>	<u>160,901</u>
 TOWN TOTALS	 <u><u>\$ 371,124</u></u>	 <u><u>\$ 11,860</u></u>	 <u><u>\$ 382,984</u></u>

See independent accountant's report on agreed-upon procedures

TOWN OF GLENCOE, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS
 GENERAL FUND
 YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning budgetary fund balance	\$ 191,500	\$ 191,500	\$ 191,500	\$
Resources (Inflows):				
Sales tax	95,645	91,818	91,818	
Cigarette tax	1,267	1,364	1,364	
Franchise taxes	14,362	13,733	13,733	
Fire runs	1,060	2,475	2,475	
Alcoholic beverage tax	1,295	2,123	2,246	123
Fire subscriptions	4,303	4,835	4,835	
Park fees		1,840	2,140	300
Interest	4,988	2,770	2,407	(363)
Grants	6,100	4,398	4,398	
Other revenues	5,990	7,451	6,972	(479)
Total Resources	<u>135,010</u>	<u>132,807</u>	<u>132,388</u>	<u>(419)</u>
Charges (Outflows):				
General Government:				
Personnel services	27,500	27,467	28,450	(983)
Materials and supplies	2,800	2,909	2,909	
Other services and charges	31,000	27,317	30,074	(2,757)
Capital outlay	4,500	2,600	2,600	
Total General Government	<u>65,800</u>	<u>60,293</u>	<u>64,033</u>	<u>(3,740)</u>
Parks Department:				
Materials and supplies	2,500	2,359	2,359	
Other services and charges	5,000	5,906	5,906	
Capital outlay	7,500	4,903	4,903	
Total Parks Department	<u>15,000</u>	<u>13,168</u>	<u>13,168</u>	
Fire Department:				
Personnel	2,500	2,802	2,802	
Materials and supplies	5,000	6,582	6,582	
Other services and charges	5,000	8,754	8,754	
Capital outlay	4,000	840	840	
Total Fire Department	<u>16,500</u>	<u>18,978</u>	<u>18,978</u>	
Total Charges	<u>97,300</u>	<u>92,439</u>	<u>96,179</u>	<u>(3,740)</u>
Transfer in (out)	<u>10,654</u>	<u>10,654</u>	<u>(40,368)</u>	<u>(51,022)</u>
Ending budgetary fund balance	<u>\$ 239,864</u>	<u>\$ 242,522</u>	<u>\$ 187,341</u>	<u>\$ (55,181)</u>

TOWN OF GLENCOE, OKLAHOMA
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 YEAR ENDED JUNE 30, 2011

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 TOWN TOTALS	\$ 371,124	\$ 11,860	\$ 382,984

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TOWN OF GLENCOE, OKLAHOMA
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 GENERAL FUND
 YEAR ENDED JUNE 30, 2011

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TOWN OF GLENCOE, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET ASSETS - CASH BASIS
GLENCOE PUBLIC WORKS AUTHORITY
YEAR ENDED JUNE 30, 2011

Operating Revenues:	
Charges for services:	
Water	\$ 67,093
Sewer	44,149
Sanitation	53,474
Late fees	2,600
Other income	8,078
Total Operating Revenues	<u>175,394</u>
Operating Expenses:	
Water	87,177
Sewer	39,947
Sanitation	40,813
Total Operating Expenses	<u>167,937</u>
Operating income (loss)	7,457
Non-Operating Revenues (Expenses):	
Interest income	1,707
Grant revenue	
Total Non-Operating Revenues (Expenses)	<u>1,707</u>
Net Income (Loss) Before Transfers	9,164
Transfers out	<u> </u>
Change in Net Assets	9,164
Net Assets, beginning of year	<u>151,737</u>
Net Assets, end of year	<u><u>\$ 160,901</u></u>

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TOWN OF GLENCOE, OKLAHOMA
 SCHEDULE OF GRANT ACTIVITY
 CASH BASIS
 YEAR ENDED JUNE 30, 2011

<u>Grantor</u>	<u>Award Amount</u>	<u>Amount Received</u>	<u>Amount Disbursed</u>	<u>Amount Unexpended</u>
State Dept. of Agriculture	\$ 4,398	\$ 4,398	\$ 4,398	\$
Oklahoma Dept. of Commerce				
CDBG 13793-8/09	\$ 9,000	\$ 9,000	\$ 9,000	
REAP 2009-2010#19	\$ 29,750	\$ 29,750	\$ 29,750	

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