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# **Town of Mead, Oklahoma**

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Annual Financial Report  
June 30, 2012

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TOWN OF MEAD, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2012

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Town of Mead, Oklahoma  
Statement of Revenues, Expenditures and Changes in Fund Balance -- Cash Basis  
General Fund  
For the Year Ended June 30, 2012  
(Unaudited)

Revenues	
Sales and use taxes	\$ 20,013
Franchise taxes	3,808
Alcoholic beverage tax	780
Cigarette tax	367
Gasoline excise tax	231
Motor vehicle tax	845
Miscellaneous other revenues	<u>39</u>
Total revenues	<u>26,083</u>
Expenditures	
General government	
Personal services	3,600
Maintenance & operations	8,623
Capital expenditures	<u>21,000</u>
Total general government	<u>33,223</u>
Street department	
Personal services	2,000
Maintenance & operations	5,828
Capital expenditures	<u>-</u>
Total street department	<u>7,828</u>
Fire department	
Maintenance & operations	901
Capital expenditures	<u>-</u>
Total fire department	<u>901</u>
Community services	
Maintenance & operations	2,490
Capital expenditures	<u>-</u>
Total community services	<u>2,490</u>
Total expenditures	<u>44,442</u>
Excess of revenues over (under) expenditures	(18,359)
Beginning fund balance, adjusted to cash basis	<u>42,149</u>
Ending fund balance	\$ <u>23,790</u>

See Accountant's Report

Town of Mead, Oklahoma  
Budgetary Comparison Schedule -- Cash Basis  
General Fund  
For the Year Ended June 30, 2012  
(Unaudited)

	Final Budget <u>Amounts</u>	Actual <u>Amounts</u>	Variance Positive (Negative)
<b>Revenues</b>			
Sales and use taxes	\$ 45,000	20,013	(24,987)
Franchise taxes	4,500	3,808	(692)
Alcoholic beverage tax	750	780	30
Cigarette tax	800	367	(433)
Gasoline excise tax	250	231	(19)
Motor vehicle tax	825	845	20
Miscellaneous other revenues	-	39	39
	<u>52,125</u>	<u>26,083</u>	<u>(26,042)</u>
<b>Total revenues</b>			
<b>Expenditures</b>			
General government	35,600	33,223	2,377
Street department	28,000	7,828	20,172
Fire protection	11,000	901	10,099
Cemetery	8,000	-	8,000
Community services	5,500	2,490	3,010
	<u>88,100</u>	<u>44,442</u>	<u>43,658</u>
<b>Total expenditures</b>			
Excess of revenues over expenditures	(35,975)	(18,359)	17,616
Beginning fund balance	<u>36,389</u>	<u>42,149</u>	<u>5,760</u>
Ending fund balance	\$ <u>414</u>	<u>23,790</u>	<u>23,376</u>

See Accountant's Report

Town of Mead, Oklahoma  
Schedule of Grant Activity -- Cash Basis  
General Fund  
For the Year Ended June 30, 2012  
(Unaudited)

<u>Grant Program Agency and Description</u>	<u>Beginning of the Year Unexpended Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of the Year Unexpended Funds</u>
Rural Economic Action Plan (REAP) Passed through S.O.D.A. (No grant receipts or disbursements this year)	-	-	-	-

See Accountant's Report

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Specified Users of the Report:

Town Council, Town of Mead  
Mead, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have compiled the following accompanying financial statements of Town of Mead, Oklahoma – General Fund for the year ended June 30, 2012:

Statement of Revenues, Expenditures and Changes in Fund Balance – Cash Basis  
Budgetary Comparison Schedule – Cash Basis  
Schedule of Grant and Award Program Activity – Cash Basis

These financial statements have been prepared in a format and basis of accounting that demonstrates compliance with the cash basis, and budget laws of the State of Oklahoma, which are comprehensive bases 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 such bases of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the selected bases of accounting 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.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, fund balance, revenues and expenditures. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by such state laws and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2012. Management of the Town of Mead is responsible for the Town's financial accountability and its compliance with those legal and contractual agreements. 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 (Sec 11-17.105-.107). 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.

(continued)

**Procedures and Findings**

As to the Town of Mead as of and for the fiscal year ended June 30, 2012:

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:** We noted no instances of noncompliance.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund (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:** We noted no instances of noncompliance as to expenditures exceeding appropriations at the legal level of control (department totals).

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:** We noted no findings in regards to this procedure.

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:** All of the Town's depository accounts were fully insured.

(continued)

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

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

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:** We noted no instances of noncompliance.

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.

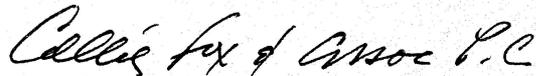
**Findings:** The Town did not have any outstanding debt issues which carried reserve requirements or debt service coverage requirements.

8. **Procedures Performed:** From the Town's trial balances, we searched for grant activity for the year in order to compare the receipts and disbursements to grant agreements and supporting information and to report any noted instances of noncompliance with the grant agreement.

**Findings:** The Town had no grant program revenues or disbursements

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.



COLLIER, FOX & ASSOCIATES, P.C.  
November 5, 2012