TOWN OF MEAD, OKLAHOMA

ANNUAL FINANCIAL REPORT

JUNE 30, 2014

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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, 2014
(Unaudited)

Revenues		
Sales and use taxes	$	17,608
Franchise taxes		3,887
Alcoholic beverage tax		758
Cigarette tax		225
Gasoline excise tax		206
Motor vehicle tax		480
Miscellaneous other revenues		-
Total Revenues		23,164
Expenditures		
General Government		
Personal services		3,600
Maintenance & operations		8,035
Capital expenditures		3,000
Total General Government		14,635
Street Department		
Personal services		2,300
Maintenance & operations		7,960
Capital expenditures		-
Total Street Department		10,260
Fire Department		
Maintenance & operations		936
Capital expenditures		-
Total Fire Department		936
Cemetery Department		
Maintenance & operations		4,700
Capital expenditures		-
Total Cemetery Department		4,700
Community Services		
Maintenance & operations		3,050
Capital expenditures		-
Total Community Services		3,050
Total Expenditures		33,581
Excess of revenues over (under) expenditures		(10,417)
Beginning fund balance, cash basis		21,851
Ending fund balance, cash basis	$	11,434

See Accountant's Report

Town of Mead, Oklahoma
Budgetary Comparison Schedule -- Cash Basis
General Fund
For the Year Ended June 30, 2014
(Unaudited)

		Final Budget Amounts	Actual Amounts	Variance Positive (Negative)
Revenues				
Sales and use taxes	$	18,000	17,608	(392)
Franchise taxes		4,000	3,887	(113)
Alcoholic beverage tax		650	758	108
Cigarette tax		180	225	45
Gasoline excise tax		200	206	6
Motor vehicle tax		800	480	(320)
Miscellandous other revenues		-	-	-
Total revenues		23,830	23,164	(666)
Expenditures				
General government		15,600	14,635	965
Street department		14,400	10,260	4,140
Fire protection		3,000	936	2,064
Cemetery		8,300	4,700	3,600
Community services		3,000	3,050	(50)
Total expenditures		44,300	33,581	10,719
Excess of revenues over expenditures		(20,470)	(10,417)	10,053
Beginning fund balance		21,329	21,851	522
Ending fund balance	$	859	11,434	10,575

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Exhibit 3

Town of Mead, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balance -- Cash Basis
Cemetery Fund
For the Year Ended June 30, 2014
(Unaudited)

Revenues		
Donations	$	7,300
Miscellaneous other revenues		800
Received from Mead Cemetery Association		-
Total revenues		8,100
Expenditures		
Personal services		2,700
Maintenance & operations		300
Capital expenditures		-
Total expenditures		3,000
Excess of revenues over (under) expenditures		5,100
Beginning fund balance, cash basis		1,198
Ending fund balance, cash basis	$	6,298

See Accountant's Report

Exhibit 4

Town of Mead, Oklahoma
Budgetary Comparison Schedule -- Cash Basis
Cemetery Fund
For the Year Ended June 30, 2014
(Unaudited)

		Final Budget Amounts	Actual Amounts	Variance Positive (Negative)
Revenues				
Donations	$	1,500	7,300	5,800
Miscellaneous other revenues		-	800	800
Received from Mead Cemetery Assoc		-	-	-
Total revenues		1,500	8,100	6,600
Expenditures				
Personal services		-	2,700	(2,700)
Maintenance & operations		2,000	300	1,700
Capital expenditures		-	-	-
Total expenditures		2,000	3,000	(1,000)
Excess of revenues over expenditures		(500)	5,100	5,600
Beginning fund balance		698	1,198	500
Ending fund balance	$	198	6,298	6,100

See Accountant's Report

Town of Mead, Oklahoma
Schedule of Grant Activity -- Cash Basis
General Fund
For the Year Ended June 30, 2014
(Unaudited)

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

Collier, Fox & Associates, P.C.

Certified Public Accountants

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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 for the year ended June 30, 2014:

Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund – Cash Basis
Budgetary Comparison Schedule – General Fund – Cash Basis
Statement of Revenues, Expenditures and Changes in Fund Balance – Cemetery Fund – Cash Basis
Budgetary Comparison Schedule – Cemetery Fund – 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, 2014. 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, 2014:

1. **Procedures Performed**: From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibits 1 & 3) 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 Exhibits 2 & 4) 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 two instances of departmental / fund expenditures exceeding budgeted appropriations as follows:
   General Fund Community Services by $50
   Cemetery Fund by $1,000

   Cause: These instances of expenditures exceeding budgeted appropriations were the result of the Town not making budget adjustments from other departments or for additional revenues received to cover the additional expenditures. In both cases such adjustments could have been made as there were adequate surplus appropriations or revenues available.

   Response: The Town will more closely monitor expenditures during the year and make the budget adjustments as necessary.

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: The Town's reconciled bank account balances agreed with the year-end fund balances in the accounting records and all reconciling items were properly accounted for.

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 & Assoc P.C.

COLLIER, FOX & ASSOCIATES, P.C.
November 19, 2014