

INDEPENDENT ACCOUNTANT'S REPORTS  
AS OF AND FOR THE  
FISCAL YEAR ENDED JUNE 30, 2016

TOWN OF MOUNTAIN PARK, OKLA.  
AND  
PUBLIC WORKS AUTHORITY

**Lisa Brooks**  
*Certified Public Accountant*

Town of Mountain Park, Oklahoma  
Mountain Park Public Works Authority

June 30, 2016

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Independent Accountant's Report on  
Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Mountain Park  
Mountain Park, Oklahoma

Trustees of the Mountain Park Public Works Authority  
Mountain Park, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

United States Department of Agriculture, Rural Development  
Hobart, Oklahoma

SW Oklahoma Development Authority  
Burns Flat, Oklahoma

Oklahoma Department of Commerce  
Oklahoma City, Oklahoma

I have performed the procedures enumerated below which were agreed to by the specified users of this report, as identified above, and as defined within the applicable 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, 2016. Management of the Town of Mountain Park 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, I 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 Mountain Park, Oklahoma**, as of and for the fiscal year ended June 30, 2016:

1. **Procedures Performed:** From the Town's trial balances, I prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No instances noted.

2. **Procedures Performed:** From the Town's trial balances, I prepared a budget and actual financial schedule for the General Fund and any other significant funds (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:** No instances noted.

3. **Procedures Performed:** Agreed 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 instances noted.

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

**Findings:** No instances noted as the Town has no uninsured deposits.

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

**Findings:** No instances noted.

6. **Procedures Performed:** 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 noted.

7. **Procedures Performed:** Compared the Town's account balances in reserve accounts to contractually required balances and debt service requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** No instances noted. The Town has no outstanding bonds.

As to the **Mountain Park Public Works Authority**, as of and for the fiscal year ended June 30, 2016:

1. **Procedures Performed:** From the Authority's trial balances, I prepared a schedule of revenues, expenses and changes in net assets-cash basis for each fund (see accompanying Exhibit 4) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No instances noted.

2. **Procedures Performed:** Agreed 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 instances noted.

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

**Findings:** No instances noted as the Authority has no uninsured deposits.

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

**Findings:** No instances noted.

5. **Procedures Performed:** 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 instances noted.

6. **Procedures Performed:** Compared the Authority's account balances in reserve accounts to contractually required balances and debt service requirements to report any noted instances of noncompliance.

**Findings:** No instances noted.

7. **Procedures Performed:** From the Authority's trial balances, I prepared USDA Form RD 442-3 (see accompanying Exhibit 5) and a schedule of cash in bank (see accompanying Exhibit 6) and compared the schedule results to the applicable trust reserve requirements to report any noted instance of noncompliance.

**Findings:** No instances noted.

The accompanying Summary of Changes in Fund Balances - Modified Cash Basis for Town of Mountain Park and Mountain Park Public Works Authority as of and for the fiscal year ended June 30, 2016; Budgetary Comparison Schedule - Cash Basis for the General Fund and Other Significant Governmental Funds of Town of Mountain Park as of and for the fiscal year ended June 30, 2016; Statement of Revenues, Expenditures and Changes in Fund Balance - Cash Basis of Governmental Funds as of and for the fiscal year ended June 30, 2016; Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis of Mountain Park Public Works Authority as of and for the fiscal year ended June 30, 2016; prescribed USDA Form RD 442-3 - modified cash basis for Mountain Park Public Works Authority as of June 30, 2016; and Schedule of Cash in Banks - Cash Basis for Mountain Park Public Works Authority as of June 30, 2016 are presented as prescribed by Oklahoma Statutes and USDA Rural Development requirements and were not audited or reviewed by me. Accordingly, I do not express an opinion or any other form of assurance on them.

I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my 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.

*Lisa Brooks, CPA*

Lisa Brooks, CPA  
Granite, Oklahoma  
October 11, 2016

# LISA BROOKS

*Certified Public Accountant*

Management is responsible for the preparation and fair presentation of the accompanying selected financial statements which comprise a schedule of changes in fund balances - modified cash basis for each fund of Town of Mountain Park and Mountain Park Public Works Authority as of and for the fiscal year ended June 30, 2016; a budget and actual financial schedule - cash basis for the General Fund and any other significant funds of Town of Mountain Park as of and for the fiscal year ended June 30, 2016; statement of revenues, expenditures and changes in fund balance - cash basis of Town of Mountain Park governmental funds as of and for the fiscal year ended June 30, 2016; statement of revenues, expenses, and changes in net assets – modified cash basis of Mountain Park Public Works Authority as of and for the fiscal year ended June 30, 2016; prescribed USDA Form RD 442-3 - modified cash basis for Mountain Park Public Works Authority as of June 30, 2016; and statement of reserved cash in bank – cash basis for Mountain Park Public Works Authority as of June 30, 2016 and for determining that the cash (including modified cash) basis of accounting is an acceptable financial reporting framework for the purposes these statements are to serve. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included, they might influence the users' conclusions about the entities' assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Lisa Brooks, CPA*

Lisa Brooks, CPA  
Granite, Oklahoma  
October 11, 2016

**Town of Mountain Park and  
Mountain Park Public Works Authority  
Summary of Changes in Fund Balances - Modified Cash Basis  
For the Fiscal Year Ended June 30, 2016**

Exhibit 1

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
<b>Town of Mountain Park:</b>				
General Fund	\$5,696	\$54,167	\$36,867	\$22,996
Street and Alley Fund	\$5,795	\$3,489	\$6,209	\$3,075
Fire Department Fund	\$10,178	\$10,857	\$13,989	\$7,046
<b>City Subtotal</b>	<u>\$21,669</u>	<u>\$68,513</u>	<u>\$57,065</u>	<u>\$33,117</u>
 <b>Mountain Park Public Works Authority</b>	 <u>(\$191,221)</u>	 <u>\$216,520</u>	 <u>\$184,487</u>	 <u>(\$159,188)</u>
 <b>Overall Totals</b>	 <u><u>(\$169,552)</u></u>	 <u><u>\$285,033</u></u>	 <u><u>\$241,552</u></u>	 <u><u>(\$126,071)</u></u>

**Town of Mountain Park**  
**Budgetary Comparison Schedule - Cash Basis**  
**General and Other Significant Governmental Funds**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
<b>General Fund</b>			
Budgetary Fund Balance, Beginning	5,804	2,649	(3,155)
<b><u>Resources (Inflows)</u></b>			
Taxes:			
Sales Tax	12,992	12,834	(158)
Use Tax	1,687	2,308	621
Alcoholic Tax	5,597	5,242	(355)
Cigarette Tax	140	150	10
Gasoline Excise Tax	0	0	0
Total Taxes	20,416	20,534	118
Franchise Fees	9,292	7,767	(1,525)
Rent and Fees	433	425	(8)
Other			
Interest	0	6	6
Miscellaneous	4,055	25,435	21,380
Total Other	4,055	25,441	21,386
Total Current Year Receipts	34,196	54,167	19,971
<b>Available for Appropriation</b>	<b>40,000</b>	<b>56,816</b>	<b>16,816</b>
<b><u>Charges to Appropriations (Outflows)</u></b>			
Personal Services	14,000	8,018	5,982
Maintenance and Operations	20,500	28,849	(8,349)
Capital Outlay	5,500	0	5,500
Total Charges to Appropriations	40,000	<b>36,867</b>	(3,133)
<b>Budgetary Fund Balance, Ending</b>		<b>19,949</b>	

**Town of Mountain Park**  
**Budgetary Comparison Schedule - Cash Basis**  
**General and Other Significant Governmental Funds**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
<b>Street and Alley Fund</b>			
Budgetary Fund Balance, Beginning	7,266	5,794	(1,472)
<b><u>Resources (Inflows)</u></b>			
Taxes:			
Gasoline Tax	747	766	19
Motor Vehicle Tax	2,792	2,723	(69)
Total Taxes	<u>3,539</u>	<u>3,489</u>	<u>(50)</u>
Total Current Year Receipts	<u>3,539</u>	<u>3,489</u>	<u>(50)</u>
<b>Available for Appropriation</b>	<b><u>10,805</u></b>	<b><u>9,283</u></b>	<b><u>(1,522)</u></b>
<b><u>Charges to Appropriations (Outflows)</u></b>			
Personal Services	500	0	500
Maintenance and Operations	9,500	6,209	3,291
Capital Outlay	500		500
Total Charges to Appropriations	<u>10,500</u>	<u>6,209</u>	<u>4,291</u>
<b>Budgetary Fund Balance, Ending</b>		<b><u><u>3,074</u></u></b>	

**Town of Mountain Park**  
**Budgetary Comparison Schedule - Cash Basis**  
**General and Other Significant Governmental Funds**  
**For the Fiscal Year Ended June 30, 2016**

	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
<b>Fire Department Fund</b>			
Budgetary Fund Balance, Beginning	8,668	7,178	(1,490)
 <b><u>Resources (Inflows)</u></b>			
Other Income:			
Donations/Operating Grants	5,013	6,973	1,960
Miscellaneous	2,000	3,883	1,883
Total Other	7,013	10,856	3,843
Transfers In	0		0
Total Current Year Receipts	7,013	10,856	3,843
<b>Available for Appropriation</b>	<b>15,681</b>	<b>18,034</b>	<b>2,353</b>
 <b><u>Charges to Appropriations (Outflows)</u></b>			
Personal Services	0	0	0
Maintenance and Operations	6,500	6,314	186
Capital Outlay	9,000	7,675	1,325
Total Charges to Appropriations	15,500	<b>13,989</b>	1,511
 <b>Budgetary Fund Balance, Ending</b>		<b>4,045</b>	

Town of Mountain Park  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance - Cash Basis  
For the Fiscal Year Ended June 30, 2016

	General Fund	Street and Alley Fund	Fire Department Fund	Total Governmental Funds
Revenues:				
Charges for services and rent	425		3,883	4,308
Taxes	28,301	3,489		31,790
Investment income	6			6
Miscellaneous	9,838			9,838
Donations/Operating Grants	15,597		6,974	22,571
<b>Total Revenues</b>	<u>54,167</u>	<u>3,489</u>	<u>10,857</u>	<u>68,513</u>
Expenditures:				
General government	36,867			36,867
Highways and streets		6,209		6,209
Public safety			13,989	13,989
<b>Total Expenditures</b>	<u>36,867</u>	<u>6,209</u>	<u>13,989</u>	<u>57,065</u>
Excess (deficiency) of revenues over expenditures	17,300	(2,720)	(3,132)	11,448
Other Financing Sources (Uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	17,300	(2,720)	(3,132)	11,448
Fund balances - beginning	5,696	5,795	10,178	21,669
<b>Fund balances - ending</b>	<u>\$22,996</u>	<u>\$3,075</u>	<u>\$7,046</u>	<u>\$33,117</u>

Town of Mountain Park  
Public Works Authority

Exhibit 4

Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis  
For the Fiscal Year Ended June 30, 2016

	<u>Mountain Park PWA</u>
Operating Revenues:	
Water charges	108,097
Sewer charges	49,315
Trash charges	43,871
Late charges	6,917
Reconnect fees	
Total operating revenues	<u>208,200</u>
Operating Expenses:	
Administration and general	114,498
Water	28,049
Sewer	10,549
Trash	31,391
Total operating expenses	<u>184,487</u>
Operating income (loss)	23,713
Non-Operating Revenues (Expenses):	
Interest income	0
Miscellaneous revenue	<u>8,320</u>
Total non-operating revenues (expenses)	8,320
Net income (loss) before transfers	32,033
Transfers in	0
Transfers out	
Change in net assets	32,033
Total net assets-beginning	(191,221)
Total net assets-ending	<u><u>(\$159,188)</u></u>

Form RD 442-3  
(Rev 3-97)

**Mountain Park Public Work Authority**

Balance Sheet - Modified Cash Basis (Regulatory)

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>ASSETS</b>		
<u>CURRENT ASSETS</u>		
1. Cash on hand in Banks	40,246	28,874
2. Time deposits and short-term investments	0	0
3. Accounts receivable	0	0
4. Less: Allowance for doubtful accounts	0	0
5. Inventories	0	0
6. Prepayments	0	0
7.		
8.		
9. Total Current Assets	<u>40,246</u>	<u>28,874</u>
<u>FIXED ASSETS</u>		
10. Land	0	0
11. Buildings	0	0
12. Furniture and equipment	3,500	3,500
13.		
14. Less: Accumulated depreciation	<u>0</u>	<u>0</u>
15. Net Total Fixed Assets	<u>3,500</u>	<u>3,500</u>
<u>OTHER ASSETS</u>		
16.		
17.		
18. Total Assets	<u><u>43,746</u></u>	<u><u>32,374</u></u>
<b>LIABILITIES AND EQUITIES</b>		
<u>CURRENT LIABILITIES</u>		
19. Accounts Payable	0	0
20. Notes payable	0	0
21. Current portion of USDA notes	18,719	20,052
22. Customer deposits		
23. Taxes payable		
24. Interest payable		
25. Kubota		
26.		
27. Total Current Liabilities	<u>18,719</u>	<u>20,052</u>
<u>LONG-TERM LIABILITIES</u>		
28. Notes payable USDA	184,215	203,542
29. Notes payable Kubota		
30.		
31. Total Long-Term Liabilities	<u>184,215</u>	<u>203,542</u>
32. Total Liabilities	<u>202,934</u>	<u>223,594</u>
<u>EQUITY</u>		
33. Retained earnings	(159,188)	(191,220)
34. Memberships		
35. Total Equity	<u>(159,188)</u>	<u>(191,220)</u>
36. Total Liabilities and Equity	<u><u>43,746</u></u>	<u><u>32,374</u></u>

**Town of Mountain Park  
Public Works Authority  
Schedule of Cash in Banks - Cash Basis  
For the Fiscal Year Ended June 30, 2016**

Contingency Fund Checking Account	\$20,052
PWA Operating Checking Account	<u>20,194</u>
<b>Total cash in banks</b>	<b>\$40,246</b>

<u>Rural Development Debt Service</u>	
RD-03	\$640
RD-04	3,307
RD-05 (\$57 x 12)	684
RD-10 (\$1,174 x 12)	<u>14,088</u>
Required cash reserve for debt service	<b>\$18,719</b>