



INDEPENDENT ACCOUNTANT'S COMPILATION REPORT AND
REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Trustees
Stephens County Public Safety Communications Authority

We have compiled the accompanying statement of revenue, expenses and changes in net assets of the Stephens County Public Safety Communications Authority for the year ended June 30, 2012. 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 statement is in accordance with accounting principles generally accepted in the United States of America.

The management of Stephens County Public Safety Communications Authority is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America 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 of 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 not material modifications that should be made to the financial statements.

The accompanying statement was prepared for the purpose of presenting the changes in net assets of Stephens County Public Safety Communications Authority and is not intended to be a complete presentation of Stephens County Public Safety Communications Authority's assets and liabilities.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's net assets, 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 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 Stephens County Public Safety Communications Authority in meeting its financial accountability requirements as

prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements. The agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and additional requirements prescribed in Oklahoma Statutes 60-180.1-3. The sufficiency of these procedures is solely the responsibility of those parties specified in the 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.

Our procedures and findings are as follows for the fiscal year ended June 30, 2012.

1. **Procedure Performed:** From the Authority's records maintained on QuickBooks, we prepared a schedule of revenue, expenses and changes in net assets and determined compliance with the applicable trust or other prohibitions for creating fund balance deficits.

Findings: There were not fund balance deficits. We posted audit adjustments from the previous agreed upon procedure engagement and a money market account was not posted to the records for the entire year. We made the necessary adjustments to reflect the bank activity and reconcile to the bank statements.

2. **Procedure Performed:** We obtained the bank reconciliation and agreed amounts from the reconciliation to the General Ledger, the bank statement and a confirmation of the amounts on the bank statement. We reviewed reconciling items for reasonableness.

Findings: All reconciliations agreed to the supporting documents. There were no unusual reconciling items however it was noted some outstanding checks were subsequently voided in the following year.

3. **Procedure Performed:** We determined if the bank balance was covered by FDIC insurance, and if any excess balance was covered by pledged collateral.

Findings: The cash balances were below the amount covered by FDIC insurance, therefore no additional collateral was needed.

4. **Procedure Performed:** We determined that the use of material-restricted revenues and resources were in compliance with the restrictions.

Findings: The Authority only had one fund and none of revenues were restricted except to the purpose for which the Authority was formed.

5. **Procedure Performed:** We determined compliance with requirements for separate funds.

Findings: The Authority only used one fund for their operations. There are no other requirements.

6. **Procedure Performed:** We determined compliance with reserve account and debt

service coverage requirements of bond indentures.

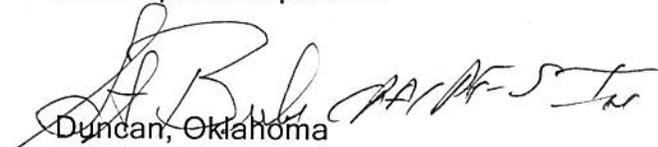
Findings: There are no reserve account requirements or debt service coverage requirements.

7. **Other Matters Coming to Our Attention:** We noted during the procedures that in June 2011 the Trustees agreed to discontinue the operations of the Authority. During this year we noted the winding down of the operations of the Authority. As part of this, fixed assets were distributed to the various beneficiaries. These assets were not "tracked" in any way to the final disposition as there were no lists made in the process. In checking with the accounting department of the City of Duncan whom is the primary beneficiary, there were no entries made in the fixed asset records. As of the end of the fiscal year, the only asset was remaining cash.

In October 2011, a cash withdrawal was made from the money market account in the amount of \$114,249.00. This amount was represented to have been used to pay an invoice for mapping services. The bank records showed only a withdrawal slip and there was not a copy of an invoice in the records nor a cancelled check as it was allegedly paid with a bank cashier's check. Discussions with Authority representatives remember the payment and expense and appear confident the withdrawal was properly used.

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 those specified parties.



Duncan, Oklahoma
September 6, 2013

STEPHENS COUNTY PUBLIC SAFETY COMMUNICATIONS AUTHORITY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
 June 30, 2012

REVENUE	
Communication fees	\$ <u>515</u>
OPERATING EXPENSES	
Mapping fees	114,249
Professional fees	854
Repairs and Maintenance	605
Command post vehicle	394
Other expenses	325
Supplies	252
Employee costs	98
Total Expenses	<u>116,777</u>
Income from Operations	<u>(116,262)</u>
OTHER INCOME AND EXPENSE	
Interest income	41
Interest expense	<u>13</u>
Total Other Income	<u>54</u>
NET INCOME (LOSS)	(116,208)
BEGINNING NET ASSETS	250,595
DISTRIBUTIONS TO BENEFICIARIES	<u>(70,080)</u>
ENDING NET ASSETS	\$ <u>64,307</u>