

**TOWN OF LONGDALE  
LONGDALE MUNICIPAL AUTHORITY  
BLAINE COUNTY, OKLAHOMA**

**ACCOUNTANT'S REPORT  
AGREED UPON PROCEDURES**

**FISCAL YEAR ENDED  
JUNE 30, 2012**

---

***WILLIAM K. GAUER.***  
***CERTIFIED PUBLIC ACCOUNTANT***  
***WATONGA, OKLAHOMA***

## **CONTENTS**

### Exhibit

Town officials	
Contents	
Accountant's report	
Summary of Changes in Fund Balances	A
Budgetary Comparison Schedule General Fund – Cash Basis	B
Statement of Activities - Municipal Authority – Modified Cash Basis	C
Schedule of Grant Revenues and Expenditures – Cash Basis	D

---

**WILLIAM K. GAUER**  
*CERTIFIED PUBLIC ACCOUNTANT*

121 S. NOBLE AVE. – P. O. BOX 181  
PHONE 580-623-5071  
TOLL FREE 800-230-7672

WATONGA, OKLAHOMA 73772  
FAX 580-623-5072  
WGAUER@GAUERCPA.MYGBIZ.COM

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON  
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

Independent Accountant's Report

To the Specified Users of the Report:

Town Board, Town of Longdale  
Longdale, Oklahoma

Trustees of the Longdale Municipal Authority  
Longdale, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

I have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Longdale and Public Trusts, Example, Oklahoma as of June 30, 2012 and the related Budgetary Comparison Schedule of General Fund-Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Public Works Authority-Cash Basis, and Schedule of Grant Activity-Cash Basis for the fiscal year ended June 30, 2012. 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, which is a comprehensive basis of accounting other than generally accepted accounting principles. I have not audited or reviewed the financial statements referred to above, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis described above.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and the requirements of Oklahoma Statutes and for designing, implementing, and maintain internal controls relevant to the preparation and fair presentation of the financial statements.

My 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 an assurance that there are no material modifications that should be made to the financial statements.

---

*A Professional Services Firm*

American Institute of CPAs / Oklahoma Society of CPAs

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON  
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

**(Continued)**

Town of Longdale and Public Trust

Page

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with 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, I 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 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, 2012. Management of the Town of Longdale 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. 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 Longdale** 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 A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** None

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (see accompanying Exhibit B) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** None

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:** None

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON  
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT  
(Continued)**

Town of Longdale and Public Trust

Page

**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:** None

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

**Findings:** None

**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:** None

**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:** None

As to the **Longdale Municipal Authority**, as of and for the fiscal year ended June 30, 2012:

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

**Findings:** None

**2. Procedures Performed:** We agreed the 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:** None

**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:** None

---

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON  
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

**(Continued)**

Town of Longdale and Public Trust

Page

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:**

5. **Procedures Performed:** We 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:** None

6. **Procedures Performed:** We compared the Authority'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:** None

As to the **Town of Longdale and Public Works Grant Programs**, as of and for the fiscal year ended June 30, 2012:

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

**Findings:** Grant schedule of activity needs to include CFDA and other identifying contract numbers or information.

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, we 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.

  
September 10, 2012

**Exhibit A**  
Town of Longdale  
Summary of Changes in Fund Balances  
For the Year Ended June 30, 2012

	Beginning of Year	Current Year Change		End of Year
		Receipts	Disbursements	
<b>TOWN:</b>				
<b>Governmental Fund Types</b>				
General Fund	\$ 107,886	\$ 80,324	\$ 55,149	\$ 133,062
Street and Alley	(421)	2,870	-	2,449
Municipal Court Fund	12,036	1,476	3,402	10,110
Water Well Fund	33,702	96	-	33,797
<b>Fiduciary Fund Type</b>				
Cemetery Fund	720	66	665	122
Cemetery Endowment Fund	6,350	12	-	6,362
Cemetery Trust Fund	2,065	9	-	2,073
Water Deposit Fund	15,090	1,226	1,106	15,210
Fire Fund	747	4,546	1,228	4,064
<b>Town Subtotal</b>	<b>178,175</b>	<b>90,624</b>	<b>61,550</b>	<b>207,249</b>
<b>MUNICIPAL AUTHORITY:</b>				
MA Utilities Fund	85,056	103,238	88,078	100,216
Property and Equipment Fund	20,703	16,000	3,164	33,539
MA Improvement Fund	53,061	5,087	-	58,148
<b>MA Subtotal</b>	<b>158,820</b>	<b>124,325</b>	<b>91,242</b>	<b>191,903</b>
<b>Overall Totals</b>	<b>\$ 324,921</b>	<b>\$ 214,950</b>	<b>\$ 152,792</b>	<b>\$ 399,152</b>

**Exhibit B**  
Town of Longdale  
Budgetary Comparison Schedule General Fund - Cash Basis  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 107,886	\$ 107,886	\$ 107,886	\$ -
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales Tax	43,526	43,526	64,147	20,621
Franchise Tax	7,484	7,484	7,107	(378)
Tobacco Tax	632	632	958	326
Total Taxes	51,643	51,643	72,212	20,569
<b>Intergovernmental:</b>				
Motor Vehicle Tax	-	-	-	-
Alcohol Beverage Tax	3,023	3,023	3,465	442
Gas Escise Tax	-	-	-	-
<b>Investment Income</b>	877	877	499	(378)
<b>Miscellaneous Income</b>				
Police Fines	174	174	84	(91)
Permits	-	-	191	191
Dog Tax	-	-	36	36
Royalty or Rental	662	662	361	(301)
Copies	1	1	17	16
Miscellaneous	-	-	3,460	3,460
<b>Other Financing Sources:</b>				
Transfer from Other Funds	-	-	-	-
<b>Amounts available for appropriations</b>	164,267	164,267	188,211	23,944
<b>General Government:</b>				
Personal Services	35,000	35,000	12,973	(22,027)
Maintenance and Operations	60,000	60,000	40,976	(19,024)
Capital Outlay	61,767	61,767	-	(61,767)
<b>Other Financing Uses:</b>				
Transfers to other funds	7,500	7,500	1,200	-
<b>Total Charges to Appropriations</b>	164,267	164,267	55,149	(102,817)
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	133,062	\$ 126,762

**Exhibit C**  
Longdale Municipal Authority  
Statement of Activities, by Fund - Modified Cash Basis  
For the Year Ended June 30, 2012

	Municipal Authority	Property and Equipment Fund	Line Improvement Fund	Total
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 102,860	\$ -	\$ -	\$ 102,860
Other operating income	-	-	-	-
	<u>102,860</u>	<u>-</u>	<u>-</u>	<u>102,860</u>
<b>OPERATING EXPENSES</b>				
Personal services	19,385	-	-	19,385
Maintenance & operations	25,550	-	-	25,550
Repairs & Maintenance	4,582	-	-	4,582
Insurance	2,067	-	-	2,067
Office Expense	1,425	-	-	1,425
Audit and legal	2,997	-	-	2,997
Telephone	21,888	-	-	21,888
Trash	5,404	-	-	5,404
Utilities	-	3,164	-	3,164
Depreciation	83,298	3,164	-	86,462
Total Operating Expenses	19,562	(3,164)	-	16,398
<b>NET OPERATING EXPENSES</b>				
<b>NON OPERATING REVENUES (EXPENSES):</b>				
Interest Income	378	-	307	685
Other Receipts (NODA-REAP)	16,000	-	-	16,000
Lagoon/Sewer Grant	(20,780)	16,000	4,780	-
Transfer to other fund	(4,402)	16,000	5,087	16,685
Total Other Income/Loss	15,160	12,836	5,087	33,083
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>LAPSED ENCUMBRANCES</b>	-	-	-	-
<b>NET ASSETS, Beginning of Year</b>	85,056	20,703	53,061	158,820
<b>NET ASSETS, End of Year</b>	<u>100,216</u>	<u>33,539</u>	<u>58,148</u>	<u>191,903</u>

**Exhibit D**  
 Town of Longdale  
 Blaine County, Oklahoma  
 Schedule of Grant Revenues and Expenditures  
 For the Year Ended June 30, 2012

Grant Description	Contract Number	Grant Award	Revenue Collected	Total Expenditures
<u>State of Oklahoma:</u>				
Department of Agriculture				
Fire Grant		\$ 4,413	\$ 4,413	\$ 1,228
OEDA-REAP Grant		16,000	16,000	16,000
Lagoon Sewer Grant				
Total FY11-12 Activity				
		<u>\$20,413</u>		<u>\$17,228</u>

The notes to the financial statements are an integral part of this statement.  
 See the accompanying independent auditors' report.