



Town of Ringling, Oklahoma

Independent Accountants' Compilation Report and
Report on Applying Agreed-Upon Procedures Report

For the Fiscal Year Ended June 30, 2015

TOWN OF RINGLING, OKLAHOMA

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**Independent Accountants' Compilation Report and
Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

City Council, City of Ringling
Ringling, Oklahoma

Trustees of the Ringling Municipal Authority
Ringling, Oklahoma

Trustees of the Ringling Economic Development Authority
Ringling, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Rural Development
Oklahoma Department of Agriculture
Oklahoma City, Oklahoma

Oklahoma Department of Libraries
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances – Modified Cash Basis of the Town of Ringling, Oklahoma, Ringling Municipal Authority, and Ringling Economic Development Authority, as of June 30, 2015, and the Budgetary Comparison Schedule of General Fund and Emergency Fund - Modified Cash Basis as of and the year ended June 30, 2015, and the accompanying supplementary information contained in Exhibits C and D which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. 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 the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis accounting, and for designing, implementing, and

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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.

The accompanying statements were prepared for the purpose of complying with financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17(105-107) and Title 60 – 180.1-.3. This is not intended to be a complete presentation of the Town of Ringling’s assets and liabilities.

Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's Summary of Changes in Fund Balances – Modified Cash Basis, Budgetary Comparison Schedule of General Fund and Emergency Fund – Modified Cash Basis, and the accompanying supplementary information contained in Exhibits C and D which are presented only for supplementary analysis purposes . Accordingly, the financial statement is not designed for those who are not informed of such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the Town Board of the Town of Ringling, Trustees of the Ringling Municipal Authority, and Trustees of the Ringling Economic Development Authority, 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 Oklahoma Statutes Title 11 – 17 (105-107) and 60 – 180.1-.3 and to evaluate compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2015. Management of the Town of Ringling 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, 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.

Procedures and Findings

As to the **Town of Ringling** as of and for the fiscal year ended June 30, 2015:

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.

No exceptions were found as a result of applying the procedure.

2. ***Procedures Performed:*** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and Emergency Fund listing separately each fund (see accompanying Exhibits B, and B-1) and compared the actual expenditures of encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

No exceptions were found as a result of applying the procedure.

3. ***Procedures Performed:*** We agreed the Town's bank account balances to bank statements and traced the timely clearance to report any reconciling items exceeding \$500 that have not cleared.

No exceptions were found as a result of applying the 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.

No exceptions were found as a result of applying the procedure.

5. ***Procedures Performed:*** We compared use of restricted revenues and resources to their restrictions that exceeded \$500 to report any noted instances of noncompliance.

No exceptions were found as a result of applying the procedure.

6. ***Procedures Performed:*** We compared the accounting for the City's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

No exceptions were found as a result of applying the procedure.

7. ***Procedures Performed:*** Determine compliance with reserve accounts and debt service coverage requirement of bond indentures.

This procedure was not performed. The Town of Ringling has no debt service or reserve account requirements.

As to the **Ringling Municipal Authority** and **Ringling Economic Development Authority** as of and for the fiscal year ended June 30, 2015:

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

No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's bank account balances to bank statements and traced the timely clearance to report any reconciling items that exceed \$500 that have not cleared.

No exceptions were found as a result of applying the procedure.

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.

No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared use of restricted revenues and resources to their restrictions that exceeded \$500 to report any noted instances of noncompliance.

No exceptions were found as a result of applying the procedure.

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.

No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** Determine compliance with reserve accounts and debt service coverage requirement of bond indentures.

No exceptions were found as a result of applying the procedure.

As to the **Town of Ringling, Ringling Municipal Authority, and Ringling Economic Development Authority** as of and for the fiscal year ended June 30, 2015:

1. **Procedures Performed:** From the Ringling Municipal Authority's Operating Account trial balance, we prepared a statement of revenues, expenses and changes in fund balance – modified cash basis (see accompanying Exhibit C) for the year ended June 30, 2015.

No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's 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.

No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an examination, 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.

Rahel Henderson Johnson, PLLC

February 17, 2016
Ardmore, Oklahoma

Town of Ringling
 Summary of Changes in Fund Balances – Modified Cash Basis
 For the Year Ended June 30, 2015

EXHIBIT A

	Fund Balances Beginning	Inflows	Outflows	Fund Balances Ending
Town:				
General Fund	89,708	412,455 \$	421,801	80,362
Court Fund	1,740	2,803	2,640	1,903
Grant Fund	383	2	-	385
Cemetery Fund	13,045	1,225	-	14,270
Street and Alley Fund	58,092	15,305	26,738	46,659
Emergency Fund	11,247	25,149	23,418	12,978
Capital Improvements Fund	0	5,106	0	5,106
Library	23,643	10,923	13,792	20,774
Town Subtotal per 06/30/14	197,858	472,968	488,389	182,437
Police Fund	2,102	17,509	17,366	2,245
Total Town Restated	199,960	490,477	505,755	184,682
Municipal Authority:				
Municipal Authority Operating Accounting	75,476	350,912	346,926	79,462
Rural Development Debt Service Reserve	25,382	13		25,395
Meter Deposit	34,915	11,849	6,050	40,714
Ringling Municipal Authority Subtotal	135,773	362,774	352,976	145,571
Ringling Economic Development Authority	5,106	0	5,106	-
Overall Totals Restate	\$ 340,839	\$ 853,251	\$ 863,837	\$ 330,253

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Town of Ringling
 Budgetary Comparison Schedule – Modified Cash Basis
 General Fund
 For the Year Ended June 30, 2015

EXHIBIT B

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 38,600	\$ 38,600	\$ 89,708	\$ 51,108
Resources (Inflows):				
Police Fines	30,500	30,500	31,355	855
Garbage Fees	165,000	165,000	173,507	8,507
Licenses & Permits	245	245	325	80
Alcohol Beverage Tax	16,000	16,000	16,255	255
Franchise Tax	41,000	41,000	8,895	(32,105)
Use Tax	7,500	7,500	10,646	3,146
Sales Tax	86,000	86,000	88,022	2,022
Cigar Tax	1,455	1,455	1,479	24
Interest Income	165	165	192	27
Franchise Cable	-	-	4,484	4,484
Housing Authority Payment	-	-	-	-
Franchise Telephone	-	-	1,100	1,100
Franchise OGE	-	-	22,907	22,907
Cemetery Lot Sales	3,500	3,500	4,050	550
Swimming Pool Revenue	2,536	2,536	9,954	7,418
Fire Service	4,800	4,800	8,450	3,650
State of Oklahoma - Grant	4,474	4,474	4,484	10
Grave Opening Revenue	8,000	8,000	6,700	(1,300)
Lease	2,700	2,700	2,100	(600)
Miscellaneous Revenue	6,370	6,370	15,555	9,185
Expense Reimbursements	1,700	1,700	1,992	292
Total Inflows	<u>381,945</u>	<u>381,945</u>	<u>412,452</u>	<u>30,507</u>
Charges to Appropriations (Outflows):				
General Government	55,025	59,025	58,060	965
Administration	35,495	29,545	29,245	300
Legal & Judicial	11,600	9,700	9,553	147
Police	116,950	112,100	111,354	746
Fire	46,175	41,725	40,928	797
Cemetery	8,250	7,300	7,061	239
Pools	7,700	16,750	16,659	91
Library	17,950	20,950	20,733	217
Community Center	3,600	3,150	3,111	39
Contract Services	121,000	123,900	123,876	24
Total Outflows	<u>423,745</u>	<u>424,145</u>	<u>420,580</u>	<u>3,565</u>
Excess of Inflows over Outflows before				
Other Financing Sources (Uses)	(3,200)	(3,600)	81,580	85,180
Transfers In	5,000	5,000	-	(5,000)
Transfers Out	(1,800)	(1,400)	(1,219)	181
Other Financing Sources (Uses)	<u>3,200</u>	<u>3,600</u>	<u>(1,219)</u>	<u>(4,819)</u>
Ending Budgetary Fund Balance:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,361</u>	<u>\$ 80,361</u>

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Town of Ringling
 Budgetary Comparison Schedule – Modified Cash Basis
 Emergency Fund
 For the Year Ended June 30, 2015

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 10,000	\$ 10,000	\$ 11,247	\$ 1,247
Resources (Inflows):				
Miscellaneous	-	-	-	-
Total Inflows	10,000	10,000	11,247	1,247
Charges to Appropriations (Outflows):				
Emergency Fund	35,000	35,000	23,417	11,583
Total Outflows	35,000	35,000	23,417	11,583
Excess of Inflows over Outflows before Other Financing Sources (Uses)	(25,000)	(25,000)	(12,170)	12,830
Transfers In	25,000	25,000	25,149	149
Transfers Out	-	-	-	-
Other Financing Sources (Uses)	25,000	25,000	25,149	149
Ending Budgetary Fund Balance:	\$ -	\$ -	\$ 12,979	\$ 12,979

Town of Ringling
Statement of Revenues, Expenses and Changes in Fund Balances
Modified Cash Basis
Ringling Municipal Authority
For the Year Ended June 30, 2015

EXHIBIT C

	Authority Operating Account
Operating Revenues:	
Water	\$ 213,500
Sewer	130,236
Miscellaneous Fees	<u>6,814</u>
Total Operating Revenues	<u>350,550</u>
Operating Expenses	
Salaries & Wages	132,132
Employee Retirement	14,084
Payroll Taxes	9,981
Contract Services	719
Power & Fuel	21,419
Repairs & Maintenance	2,590
Returned Checks	1,145
Materials & Supplies	40,292
Truck Expense	10
Insurance & Bond Expense	48,004
Fees & Permits	6,199
Telephone	2,862
Office Supplies & Expenses	14,200
Accounting & Legal	3,541
Capital Outlay	12,555
Miscellaneous Expense	6,448
Debt Service	<u>24,252</u>
Total Operating Expenses	<u>340,508</u>
Operating Income (Loss)	10,042
Nonoperating Revenue (Expense)	
Interest Income	363
Transfers Out	<u>(6,417)</u>
Total Nonoperating Revenue	<u>(6,054)</u>
Revenue Over (Under) Expenses	3,988
Fund Balance - Beginning	<u>75,476</u>
Fund Balance - Ending	<u>\$ 79,464</u>

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EXHIBIT D

Town of Ringling
 Schedule of Grant Activity
 Modified Cash Basis
 For the Year Ended June 30, 2015

<u>Agency</u>	<u>Grant Number</u>	<u>Award Amount</u>	<u>Received Current Year</u>	<u>Expenditures Current Year</u>
Oklahoma Department of Agricultures	Fire Operation	\$ 4,484	\$ 4,484	\$ 4,484
Oklahoma Department of Libraries	Library Grant	\$ 3,547	\$ 3,547	\$ 3,547
Total Grant Activity		\$ 8,031	\$ 8,031	\$ 8,031