

Town of Carter
Agreed Upon Procedures
June 30, 2015



CPAs+ADVISORS

801 Frisco, Clinton, OK 73601

580-323-1766 | 580-323-1768 fax

Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Carter
Carter, Oklahoma

Trustees of the Carter Utility Authority
Carter, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Management is responsible for the accompanying financial statements of the Town of Carter and the Carter Utility Authority, which comprise the Statement of Changes in Unrestricted Fund Balances (GAAP Basis), the Budgetary Comparison Schedule-Cash Basis for the General Fund, The Carter Utility Authority Balance Sheet, and the Statement of Revenues, Expenses, and Changes in Fund Balance for the Carter Utility Authority for the fiscal year ended June 30, 2015, in accordance with accounting principles accepted in the State of Oklahoma for municipalities meeting the criteria for Agreed Upon Procedures. 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. We did not audit or review the accuracy or completeness of the information provided by management. Accordingly, we do not express and opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

We have performed the procedures enumerated within Appendix A and Appendix B 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 of Carter (the Town) and the Carter Utility Authority (the 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, 2015. Management

of the Town of Carter 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, we make no representation regarding the sufficiency of the procedures described in Appendix A or B, either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on financial accountability and compliance with contractual requirements. 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.



RSMeacham CPAs & Advisors
September 28, 2015

**Town of Carter, Oklahoma
Procedures and Findings
For the Year Ended June 30, 2015**

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

- I. Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I, no instances of noncompliance noted.

- II. Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II, no instances of noncompliance noted.

- III. Agree 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: No instances of noncompliance noted.

- IV. Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.

- V. Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. Compare 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 of noncompliance noted.

- VII. Compare 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: No instances of noncompliance noted.

- VIII. Prepare a schedule of grant receipts and expenditures for the general fund.

Findings: See Exhibit V, no instances of noncompliance noted.

**Carter, Oklahoma Utility Authority
Procedures and Findings
For the Year Ended June 30, 2015**

As to the Carter Utility Authority, as of and for the year ended June 30, 2015:

- I. Prepare a schedule of revenues, expenditures and changes in fund balance for each fund from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I & IV, no instances of noncompliance noted.

- II. Agree 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: No instances of noncompliance noted.

- III. Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted.

- IV. Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. Compare 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 of noncompliance noted.

- VI. Compare 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: No instances of noncompliance noted.

- VII. Prepare a balance sheet for the Authority.

Findings: No instances of noncompliance noted.

**TOWN OF CARTER, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES (GAAP)
FOR THE YEAR ENDED JUNE 30, 2015**

	Beginning of Year Fund Balances	Current Year Change	End of Year Fund Balances
TOWN (GAAP):			
General Fund	\$ 147,945	\$ 40,718	\$ 188,663
Street & Alley	2,725	370	3,095
Fire Department	7,873	(1,975)	5,898
TOWN TOTAL	158,543	39,113	197,656
 CARTER PUBLIC WORKS AUTHORITY			
PWA	706,421	15,305	721,726
Meter Fund	12,010	300	12,310
PWA TOTAL	718,431	15,605	734,036

**TOWN OF CARTER, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 147,945	\$ 147,945	\$ 147,945	\$ -
Resources (Inflows):				
Taxes:				
Sales tax	40,000	40,000	57,801	17,801
Use tax	20,000	20,000	56,552	36,552
Tobacco tax	500	500	634	134
Total Taxes	<u>60,500</u>	<u>60,500</u>	<u>114,987</u>	<u>54,487</u>
Intergovernmental:				
Alcoholic beverage tax	1,000	1,000	1,770	770
Franchise tax	4,500	4,500	5,324	824
Total Intergovernmental	<u>5,500</u>	<u>5,500</u>	<u>7,094</u>	<u>1,594</u>
Fines and Forfeitures				-
Investment Income	500	500	677	177
Miscellaneous Income	-	-	11,808	11,808
Grants	90,000	90,000	-	(90,000)
Total current year resources	<u>156,500</u>	<u>156,500</u>	<u>134,566</u>	<u>(21,934)</u>
Amounts available for appropriation	<u>\$ 304,445</u>	<u>\$ 304,445</u>	<u>\$ 282,511</u>	<u>\$ (21,934)</u>
Charges to Appropriations (Outflows):				
General government:				
Personal services	65,000	65,000	44,197	20,803
Materials and supplies	50,000	50,000	49,651	349
Other services and charges	-	-	-	-
Capital outlay	189,445	189,445	-	189,445
Total General Government	<u>304,445</u>	<u>304,445</u>	<u>93,848</u>	<u>210,597</u>
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>304,445</u>	<u>304,445</u>	<u>93,848</u>	<u>210,597</u>
Change in Fund Balance	(147,945)	(147,945)	40,718	188,663
Ending Budgetary Fund Balance	<u>0</u>	<u>0</u>	<u>188,663</u>	<u>188,663</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OTHER ACCRUALS			-	
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)			<u>188,663</u>	

**CARTER MUNICIPAL AUTHORITY, CARTER, OKLAHOMA
BALANCE SHEET
JUNE 30, 2015**

	<u>2015</u>
ASSETS	
Current assets:	
Cash, including time deposits	\$ 233,003
Accounts receivable (net)	<u>18,024</u>
Total current assets	<u>251,027</u>
Restricted assets:	
Cash, including time deposits	<u>12,310</u>
Total restricted assets	<u>12,310</u>
Non-current assets:	
Capital assets (net)	<u>470,699</u>
Total non-current assets	<u>470,699</u>
Total assets	<u><u>734,036</u></u>
LIABILITIES	
Liabilities, payable from restricted assets	
Meter deposits payable	<u>12,310</u>
Total liabilities payable from restricted assets	<u>12,310</u>
Total liabilities	<u><u>12,310</u></u>
FUND BALANCE	
Unrestricted	<u><u>721,726</u></u>

**CARTER MUNICIPAL AUTHORITY, CARTER, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2015</u>
Operating Revenues:	
Charges for services:	
Water	65,945
Sewer	12,344
Sanitation	40,466
Other	6,075
Total Operating Revenues	124,830
Operating Expenses:	
Administration	24,081
Water	47,103
Sanitation	11,518
Depreciation	27,583
Total Operating Expenses	110,285
Operating Income	14,544
Non-Operating Revenues:	
Interest	761
Total Non-Operating Revenues	761
Net Income Before Contributions and Transfers	15,305
Transfers in	-
Transfers out	-
Change in fund balance	15,305
Fund Balance - beginning	706,421
Fund Balance - ending	721,726

**TOWN OF CARTER, OKLAHOMA
SCHEDULE OF GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Grant revenue	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
Grant received from:						
Dept of Agriculture	2014-2015	Fire Grant	4,484	4,484	4,484	-
SWODA	Oct 28, 2014- Oct 28, 2015	Waterline Replacement Project	90,000	-	-	-
SWODA	September 1, 2014- June 15, 2015	CENA	1,260	1,260	1,256	4
Total			95,744	5,744	5,740	4

See accountant's report.