

Cordell Recreation Authority

Agreed Upon Procedures

June 30, 2014



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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:

Cordell Recreation Authority, Board of Trustees
Cordell, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Statement of Revenues, Expenses, and Changes in Fund Balance, the Balance Sheet, and the Debt Rollforward for the Cordell Recreation Authority (the Authority), in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. 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.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

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 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 Cordell Recreation Authority (the Authority) in meeting its financial accountability requirements as prescribed by such state laws and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014 for the Authority. Management of the Authority is responsible for the Authority'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 §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, 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
December 15, 2014

**Cordell Recreation Authority
Procedures and Findings
For the Year Ended June 30, 2014**

As to the Cordell Recreation Authority, as of and for the year ended June 30, 2014:

- I. Prepare a schedule of revenues, expenditures and changes in fund balance/net assets for each fund from the Authority's trial balance and determine compliance with any applicable trust or other prohibitions for creating fund balance deficits.

Findings: See Exhibit I. No instances of noncompliance noted.

- II. Agree the Authority's material bank account balances to bank statements, and trace significant reconciling items to subsequent clearance. 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. 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. Report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. Determine compliance with requirements for separate funds. Report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. Determine compliance with reserve account and debt service coverage requirements of bond indentures. Report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VII. Prepare a cash balance sheet for the fund from the Authority's trial balance.

Findings: See Exhibit II.

- VIII. Prepare a rollforward of debt activity for any outstanding debt held by the Authority.

Findings: See Exhibit III.

CORDELL RECREATION AUTHORITY, CORDELL, OK
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Operating Revenues:**Charges for services:**

Golf course	\$ 67,320
Total Operating Revenues	<u>67,320</u>

Operating Expenses:

Cost of goods sold	3,056
Personal services	19,807
Materials and supplies	7,656
Other charges and services	26,069
Depreciation and amortization	<u>20,814</u>
Total Operating Expenses	<u>77,402</u>
Operating Income	\$ (10,082)

Non-Operating Revenues/(Expenses):

Other income	2,500
Interest income	502
Interest expense	<u>(13,676)</u>
Total Non-Operating Revenues	<u>(10,674)</u>

Change in fund balance	\$ (20,756)
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Fund Balance - beginning	<u>268,268</u>
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Fund Balance - ending	<u><u>\$ 247,512</u></u>
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CORDELL RECREATION AUTHORITY, CORDELL, OK
BALANCE SHEET - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2014

	2014
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 85,507
Accounts receivable	(287)
Total current assets	85,219
Non-current assets:	
Deferred loan fees, net of amortization	2,945
Land and mineral rights	126,811
Capital assets (net)	229,760
Total non-current assets	359,517
Total assets	444,736
LIABILITIES	
Current liabilities	
Notes payable, current	\$ 7,809
Total current liabilities	7,809
Noncurrent liabilities:	
Notes payable, non-current	189,415
Total non-current liabilities	189,415
Total liabilities	197,224
FUND BALANCE	
Unrestricted	247,512
Fund Balance	\$ 247,512

**CORDELL RECREATION AUTHORITY, CORDELL, OK
DEBT ROLLFORWARD
FOR THE YEAR ENDED JUNE 30, 2014**

	June 30, 2013 Balance	Additions	Payments	June 30, 2014 Balance	Current Balance
Bank of Cordell	<u>\$ 204,535</u>	<u>-</u>	<u>7,301</u>	<u>\$ 197,235</u>	<u>7,809</u>
	<u>\$ 204,535</u>	<u>\$ -</u>	<u>\$ 7,301</u>	<u>\$ 197,235</u>	<u>\$ 7,809</u>

Note payable dated July 24, 2005 payable to the Bank of Cordell in monthly installments at a fixed interest rate of 6.75%. Debt is collateralized with the real estate and all equipment of the Trust. The loan matures on July 27, 2029. The note contains no restrictive covenants.