

# **RSMeacham 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 Orlando  
Orlando, Oklahoma

Trustees of the Orlando Public Works Authority  
Orlando, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Budgetary Fund Balances of the Town of Orlando, Oklahoma as of June 30, 2013 and the related Budgetary Comparison Schedule of General Fund and Volunteer Fire Department, Statement of Revenues, Expenses and Changes in Fund Balance of Orlando Public Works Authority- Cash Basis for the fiscal year ended June 30, 2013. 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 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.

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

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.

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 Orlando (the Town) and the Orlando Public Works Authority (the Authority) in meeting its financial accountability requirements as prescribed 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, 2013. Management of the Town of Orlando 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 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 compliance. 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  
July 16, 2013

**Town of Orlando, Oklahoma  
Procedures and Findings  
For the Year Ended June 30, 2013**

As to the Town of Orlando as of and for the fiscal year ended June 30, 2013:

- 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 and III. 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.

**TOWN OF ORLANDO, OKLAHOMA  
SUMMARY OF CHANGES IN BUDGETARY FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013**

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	(Restated) Beginning of Year <u>Fund Balance</u>	Current Year <u>Change</u>	End of Year <u>Fund Balance</u>
<b>TOWN OF ORLANDO</b>			
General Fund	\$ 135,733	\$ (1,387)	\$ 134,347
Orlando Volunteer Fire Department	<u>86,286</u>	<u>4,974</u>	<u>91,260</u>
<b>TOWN TOTAL</b>	<u>222,020</u>	<u>3,587</u>	<u>225,607</u>

**TOWN OF ORLANDO, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 100,000	\$ 135,733	\$ 35,733
<b>Resources (Inflows):</b>			
<b>Taxes:</b>			
Sales tax	55,225	56,579	1,354
Cigarette tax	835	732	(103)
Gasoline tax	250	278	28
Motor vehicle tax	1,025	1,068	43
<b>Total Taxes</b>	<u>57,335</u>	<u>58,657</u>	<u>1,322</u>
<b>Intergovernmental:</b>			
Alcoholic beverage tax	1,270	1,338	68
<b>Total Intergovernmental</b>	<u>1,270</u>	<u>1,338</u>	<u>68</u>
<b>Rental Income</b>	800	1,100	300
<b>Other Income</b>	200	498	298
<b>Donations</b>	7,725	7,723	(2)
<b>Total current year resources</b>	<u>67,330</u>	<u>69,316</u>	<u>1,986</u>
<b>Amounts available for appropriation</b>	<u>\$ 167,330</u>	<u>\$ 205,049</u>	<u>\$ 37,719</u>
<b>Charges to Appropriations (Outflows):</b>			
<b>General government:</b>			
Personal services	3,000	3,040	(40)
Materials and supplies	275	389	(114)
Other services and charges	29,500	27,865	1,635
Street Department	17,500	16,408	1,092
Capital Outlay	9,000	7,680	1,320
Debt service	18,382	15,321	3,061
<b>Total General government</b>	<u>77,657</u>	<u>70,702</u>	<u>6,955</u>
<b>Total Charges to Appropriations</b>	<u>77,657</u>	<u>70,702</u>	<u>6,955</u>
<b>Change in Fund Balance</b>	(10,327)	(1,387)	8,940
<b>Ending Budgetary Fund Balance</b>	<u>\$ 89,673</u>	<u>\$ 134,347</u>	<u>\$ 44,674</u>

**TOWN OF ORLANDO, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
VOLUNTEER FIRE DEPARTMENT  
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 70,000	\$ 86,286	\$ 16,286
<b>Resources (Inflows):</b>			
<b>License, Permits &amp; Fees</b>			
Assessments	1,250	6,400	5,150
<b>Total License, Permits &amp; Fees</b>	<u>1,250</u>	<u>6,400</u>	<u>5,150</u>
<b>Intergovernmental:</b>			
Grant revenue	4,400	4,484	84
<b>Total Intergovernmental</b>	<u>4,400</u>	<u>4,484</u>	<u>84</u>
<b>Investment Income</b>	600	453	(147)
<b>Miscellaneous Income</b>	3,000	3,005	5
<b>Total current year resources</b>	<u>9,250</u>	<u>14,342</u>	<u>5,092</u>
<b>Amounts available for appropriation</b>	<u>\$ 79,250</u>	<u>\$ 100,629</u>	<u>\$ 21,379</u>
<b>Charges to Appropriations (Outflows):</b>			
<b>Fire:</b>			
Materials and supplies	1,800	600	1,200
Other services and charges	9,500	8,769	731
<b>Total Fire</b>	<u>11,300</u>	<u>9,369</u>	<u>1,931</u>
<b>Total Charges to Appropriations</b>	<u>11,300</u>	<u>9,369</u>	<u>1,931</u>
<b>Change in Fund Balance</b>	(2,050)	4,974	7,024
<b>Ending Budgetary Fund Balance</b>	<u>\$ 67,950</u>	<u>\$ 91,260</u>	<u>\$ 23,310</u>

**Orlando Public Works Authority  
Procedures and Findings  
For the Year Ended June 30, 2013**

As to the Orlando Public Works Authority, as of and for the year ended June 30, 2013:

- 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 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.

**ORLANDO PUBLIC WORKS AUTHORITY ORLANDO, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

**Operating Revenues:**

## Charges for services:

Electric	\$	126,116
Water		30,534
Sewer		10,134
Sanitation		15,333
Gas		73,288
Other		2,259
Grant Income		128,339
Total Operating Revenues		<u>386,002</u>

**Operating Expenses:**

Administration		30,736
Electric		398,473
Water		34,621
Sewer		16,539
Sanitation		14,823
Gas		25,047
Total Operating Expenses		<u>520,238</u>
Operating Income	\$	(134,236)

**Non-Operating Revenues:**

Interest		<u>1,258</u>
Total Non-Operating Revenues		<u>1,258</u>

**Change in fund balance** \$ (132,978)

**Fund Balance - beginning** 661,690

**Fund Balance - ending** \$ 528,712