INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES TOWN OF ELDORADO, OKLAHOMA & ELDORADO PUBLIC WORKS AUTHORITY JUNE 30, 2012

TOWN OF ELDORADO, OKLAHOMA &
ELDORADO PUBLIC WORKS AUTHORITY

JUNE 30, 2012

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TOWN OF ELDORADO, OKLAHOMA &
ELDORADO PUBLIC WORKS AUTHORITY

TOWN OFFICIALS

JUNE 30, 2012

Board of Trustees

Mayor	Tommy Spradlin
Trustee	Voda Thibodeaux
Trustee	James Crozier
Trustee	Carolyn Boyd
Trustee	Dora S. Brownlow

Town Clerk

Janice Hunter

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507
WEATHERFORD, OK 73096
580-772-3596
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Specified Users of the Report:

Town Board, Town of Eldorado
Eldorado, Oklahoma

Trustees of the Eldorado Public Works Authority
Eldorado, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

United States Department of Agriculture
Rural Development
Hobart, Oklahoma

Oklahoma Department of Commerce
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances of the Town of Eldorado, Oklahoma and Eldorado Public Works Authority as of and for the fiscal year ended June 30, 2012, and the related Budgetary Comparison Schedules of the General Fund and Emergency Services Fund - Cash Basis, Statement of Revenues, Expenses and Changes in Fund Net Assets of the Proprietary Fund, and the Statement of Reserved Cash in Bank and Investments of the Proprietary Fund as of and for the fiscal year ended June 30, 2012, included in the accompanying prescribed form. We have not audited or reviewed the prescribed financial statements and, accordingly, do not express an opinion or provide any assurance about whether the prescribed financial statements are in accordance with the basis of accounting 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 accounting principles generally accepted in the United States of America.

The management of the Town of Eldorado, Oklahoma and Eldorado Public Works Authority is responsible for the preparation and fair presentation of the prescribed financial statements in accordance with the basis of accounting 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 accounting principles generally accepted in the United States of America, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the prescribed 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 and supporting information as prescribed by Oklahoma Statutes that is the representation of management without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the prescribed financial statements.

These prescribed 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 differ from accounting principles generally accepted in the United States of America. Accordingly, these prescribed forms are not designed for those who are not informed about such differences.

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 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, we 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 Eldorado Public Works Authority in meeting their 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 Eldorado 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 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 Eldorado, Oklahoma 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 1-00) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

   Findings: No instances noted.

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 2-00 and 3-00) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

   Findings: No instances noted.

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: No instances noted.

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: No instances noted.

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

   Findings: No instances noted.

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: No instances noted.

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: No instances noted.

As to the Eldorado Public Works 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 4-00) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

   Findings: No instances noted.

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: No instances noted.

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: No instances noted.

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: No instances noted.

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: No instances noted.

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: No instances noted.

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.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL, AND MILLER
Certified Public Accountants

Weatherford, Oklahoma
August 13, 2012

Exhibit 1-00

Town of Eldorado, Oklahoma &
Eldorado Public Works Authority
Summary of Changes in Fund Balances
For the Year Ended June 30, 2012

Town:	Beginning of Year Fund Balance	Receipts	Disbursements	Transfers & Adjustments	End of Year Fund Balance
General Fund	$ 41,649.32	$ 62,100.36	$ 56,048.43	$ 0.00	$ 47,701.25
Emergency Services Fund	5,447.75	40,353.94	29,108.71	4,621.70	21,314.68
Town Subtotal	47,097.07	102,454.30	85,157.14	4,621.70	69,015.93
Enterprise Funds:					
Eldorado Public Works Authority	1,647,030.99	431,716.63	320,541.00	(4,621.70)	1,753,584.92
Enterprise Funds Subtotal	1,647,030.99	431,716.63	320,541.00	(4,621.70)	1,753,584.92
Grand Total	$ 1,694,128.06	$ 534,170.93	$ 405,698.14	$ 0.00	$ 1,822,600.85

See Accountant's Report.

Exhibit 2-00

Town of Eldorado, Oklahoma
Budgetary Comparison Schedule - Cash Basis
General Fund
For the Year Ended June 30, 2012

Revenues	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Sales Tax	$ 26,036.70	$ 26,036.70	$ 27,493.25	$ 1,456.55
Interest	0.00	0.00	233.50	233.50
Alcoholic Beverage Tax	1,870.61	1,870.61	2,144.87	274.26
Franchise Tax	3,648.63	3,648.63	3,751.23	102.60
Late Fees	3,107.40	3,107.40	2,517.22	(590.18)
Miscellaneous	0.00	0.00	3,790.74	3,790.74
Use Tax	1,965.91	1,965.91	1,899.51	(66.40)
Gasoline Tax	1,087.07	1,087.07	843.15	(243.92)
Commercial Vehicle Tax	3,035.30	3,035.30	3,098.56	63.26
Rental Income	0.00	0.00	530.00	530.00
Cigarette Tax	365.22	365.22	451.69	86.47
Oil and Gas Royalties	0.00	0.00	0.00	0.00
Donations	0.00	0.00	0.00	0.00
FEMA Disaster Assistance	0.00	0.00	4,496.09	4,496.09
SWODA REAP Grant	0.00	0.00	0.00	0.00
CENA Grant	0.00	0.00	1,131.00	1,131.00
Cemetery Income	0.00	0.00	260.00	260.00
Proceeds from Sale of Property	0.00	0.00	0.00	0.00
Total Revenues	41,116.84	41,116.84	52,640.81	11,523.97
Expenditures				
Administration:				
Personal Services	17,000.00	17,000.00	15,848.24	1,151.76
Maintenance & Operations	31,246.84	31,246.84	15,654.70	15,592.14
Capital Outlay	5,000.00	5,000.00	0.00	5,000.00
Total Administration	53,246.84	53,246.84	31,502.94	21,743.90
Street and Alley:				
Personal Services	0.00	0.00	0.00	0.00
Maintenance & Operations	1,000.00	1,000.00	663.60	336.40
Capital Outlay	0.00	0.00	0.00	0.00
Total Street and Alley	1,000.00	1,000.00	663.60	336.40
Civil Defense:				
Personal Services	0.00	0.00	0.00	0.00
Maintenance & Operations	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00
Total Civil Defense	0.00	0.00	0.00	0.00
Police Department:				
Personal Services	23,000.00	23,000.00	20,809.25	2,190.75
Maintenance & Operations	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00
Total Police Department	23,000.00	23,000.00	20,809.25	2,190.75

See Accountant's Report.

Town of Eldorado, Oklahoma
Budgetary Comparison Schedule - Cash Basis
General Fund, (Continued)
For the Year Ended June 30, 2012

Expenditures, (Continued)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Fire Department:				
Personal Services	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Maintenance & Operations	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00
Total Fire Department	0.00	0.00	0.00	0.00
Cemetery:				
Personal Services	0.00	0.00	0.00	0.00
Maintenance & Operations	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00
Total Cemetery	0.00	0.00	0.00	0.00
Community Building:				
Personal Services	0.00	0.00	0.00	0.00
Maintenance & Operations	4,000.00	4,000.00	3,072.64	927.36
Capital Outlay	0.00	0.00	0.00	0.00
Total Community Building	4,000.00	4,000.00	3,072.64	927.36
Total Expenditures	81,246.84	81,246.84	56,048.43	25,198.41
Excess Revenues Over (Under) Total Expenditures	(40,130.00)	(40,130.00)	(3,407.62)	36,722.38
Other Financing Sources (Uses)				
Operating Transfers In	0.00	0.00	0.00	0.00
Operating Transfers Out	0.00	0.00	0.00	0.00
Net Other Financing Sources (Uses)	0.00	0.00	0.00	0.00
Excess of Revenues and Other Sources over Expenditures and Other Uses	(40,130.00)	(40,130.00)	(3,407.62)	36,722.38
Prior Period Adjustments	0.00	0.00	0.00	0.00
Budgetary Fund Balance, Beginning	40,130.00	40,130.00	40,130.00	0.00
Budgetary Fund Balance, Ending	$ 0.00	$ 0.00	36,722.38	$ 36,722.38
Adjustments to Conform with GAAP: Revenue Accruals			10,978.87	
Fund Balance, End of Year (GAAP Basis)			$ 47,701.25	

See Accountant's Report.

Exhibit 3-00

Town of Eldorado, Oklahoma
Budgetary Comparison Schedule - Cash Basis
Emergency Services Fund
For the Year Ended June 30, 2012

Revenues	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Interest	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Police Fines	0.00	2,700.00	2,797.32	97.32
Fire User Fees	0.00	6,000.00	6,774.37	774.37
Fire Rural Memberships	0.00	7,000.00	7,300.00	300.00
State Funding Revenue	0.00	4,412.77	4,412.77	0.00
Emergency Management User Fees	0.00	3,000.00	3,331.66	331.66
Police Department Fees	0.00	6,700.00	6,746.38	46.38
Donations	0.00	0.00	8,800.00	8,800.00
Insurance Reimbursements	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	191.44	191.44
Rural Community Fire Protection Grant	0.00	0.00	0.00	0.00
Total Revenues	0.00	29,812.77	40,353.94	10,541.17
Expenditures				
Civil Defense:				
Personal Services	0.00	0.00	0.00	0.00
Maintenance & Operations	300.00	3,300.00	2,618.97	681.03
Capital Outlay	0.00	0.00	0.00	0.00
Total Civil Defense	300.00	3,300.00	2,618.97	681.03
Police Department:				
Personal Services	0.00	0.00	0.00	0.00
Maintenance & Operations	2,700.00	9,800.00	9,744.74	55.26
Capital Outlay	0.00	2,300.00	2,288.14	11.86
Total Police Department	2,700.00	12,100.00	12,032.88	67.12
Fire Department:				
Personal Services	0.00	4,000.00	3,634.43	365.57
Maintenance & Operations	2,447.75	11,360.52	6,738.43	4,622.09
Capital Outlay	0.00	4,500.00	4,084.00	416.00
Total Fire Department	2,447.75	19,860.52	14,456.86	5,403.66
Total Expenditures	5,447.75	35,260.52	29,108.71	6,151.81
Excess Revenues Over (Under) Total Expenditures	(5,447.75)	(5,447.75)	11,245.23	16,692.98
Other Financing Sources (Uses)				
Operating Transfers In	0.00	0.00	4,621.70	4,621.70
Operating Transfers Out	0.00	0.00	0.00	0.00
Net Other Financing Sources (Uses)	0.00	0.00	4,621.70	4,621.70
Excess of Revenues and Other Sources over Expenditures and Other Uses	(5,447.75)	(5,447.75)	15,866.93	21,314.68
Prior Period Adjustments	0.00	0.00	0.00	0.00
Budgetary Fund Balance, Beginning	5,447.75	5,447.75	5,447.75	0.00
Budgetary Fund Balance, Ending	$ 0.00	$ 0.00	$ 21,314.68	$ 21,314.68

See Accountant's Report.

Exhibit 4-00

Eldorado Public Works Authority
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

	Enterprise Fund
Income:	
Electric Revenue	$ 324,675.87
Water Sales	102,925.77
Sewer Fees	47,617.34
Trash Fees	67,130.45
Power Cost Adjustment	72,818.87
Excess Power Buy Back	0.00
Homeguard Revenue	59.50
Total Income	615,227.80
Cost of Goods Sold:	
Electric Purchases	173,192.38
Water Purchases	60,903.95
Trash Service	61,535.55
Total Cost of Goods Sold	295,631.88
Gross Profit	319,595.92
Operating Expenses:	
Electric Department:	
Maintenance and Operations	10,192.45
Water Department:	
Maintenance and Operations	10,733.91
Sewer Department:	
Maintenance and Operations	2,659.86
General Operations:	
Personal Services	130,190.75
Maintenance and Operations	90,824.23
Depreciation	52,573.00
Rural Development:	
Interest Expense	23,366.80
Total Operating Expenses	320,541.00
Operating Income (Loss)	(945.08)
Non-Operating Revenues (Expenses):	
DEQ Wastewater Upgrade Grant Revenue	27,045.00
SWODA REAP Grant Revenue	68,830.00
CDBG Grant Revenue	0.00
Oklahoma Municipal Power Authority Certification Award	0.00
FEMA Disaster Assistance	0.00
Rental Income	10,800.00
Miscellaneous Revenue	4,532.08
Interest Revenue	913.63
Total Non-Operating Revenues (Expenses)	112,120.71
Income (Loss) before Operating Transfers	111,175.63
Operating Transfers:	
Operating Transfers In	0.00
Operating Transfers Out	(4,621.70)
Total Operating Transfers	(4,621.70)
Net Income (Loss)	106,553.93
Net Assets - Beginning of Year	1,647,030.99
Prior Period Adjustments	0.00
Net Assets - End of Year	$ 1,753,584.92

See Accountant's Report.

Exhibit 5-00

Eldorado Public Works Authority
Statement of Reserved Cash in Bank and Investments
For the Year Ended June 30, 2012

	USDA Rural Development Reserve Account
Balance 7-1-11	$ 32,602.14
Monthly Deposits	0.00
Interest	116.27
Balance 6-30-12	$ 32,718.41

See Accountant's Report.