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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:

Town Board, Town of Fort Supply
Fort Supply, Oklahoma

Trustees of the Fort Supply Public Works Authority
Fort Supply, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

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 Fort Supply (the Town) and the Fort Supply Public Works 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, 2013 for the Town and for the Authority. Management of the Town of Fort Supply 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
August 27, 2013

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

As to the Town of Fort Supply 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. 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.

Exhibit I

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

	<u>Beginning of Year Fund Balance</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
TOWN OF FORT SUPPLY			
General Fund	\$ 20,178	\$ 30,261	\$ 50,439

See accountant's report.

**TOWN OF FORT SUPPLY, 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>
Beginning Budgetary Fund Balance:	\$ 5,000	\$ 5,089	\$ 89
Resources (Inflows):			
Tax revenues	38,846	42,478	3,632
Licenses and permits	760	760	-
Other Revenue	16,315	26,076	9,761
Transfer in	86,000	88,622	2,622
Total current year resources	<u>141,921</u>	<u>157,936</u>	<u>16,015</u>
Amounts available for appropriation	<u>\$ 146,921</u>	<u>\$ 163,025</u>	<u>\$ 16,104</u>
Charges to Appropriations (Outflows):			
General Government:			
Personal services	34,000	73,020	(39,020)
Materials and supplies	10,000	4,241	5,759
Other charges and services	86,000	49,623	36,377
Capital Outlay	250	-	250
Total General Government	<u>130,250</u>	<u>126,884</u>	<u>3,366</u>
Fire Department:			
Materials and supplies	3,400	3,869	(469)
Other charges and services	6,000	5,384	616
Total Fire Department	<u>9,400</u>	<u>9,253</u>	<u>147</u>
Street and Alley			
Materials and supplies	1,500	2,325	(825)
Total Street and Alley	<u>1,500</u>	<u>2,325</u>	<u>(825)</u>
Cemetery			
Materials and supplies	250	-	250
Total Cemetery	<u>250</u>	<u>-</u>	<u>250</u>
Community Building			
Materials and supplies	-	315	(315)
Other Charges and Services	350	-	350
Total Community Building	<u>350</u>	<u>315</u>	<u>35</u>
Total Charges to Appropriations	141,750	138,777	2,973
Change in Fund Balance	171	19,159	18,988
Ending Budgetary Fund Balance	<u>\$ 5,171</u>	<u>\$ 24,248</u>	<u>\$ 19,077</u>

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

As to the Fort Supply 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 III. 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.

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

Operating Revenues:

Charges for services:

Electric	\$	319,309
Water		83,724
Sewer		23,123
Sanitation		32,420
Grant income		3,200
Other		38,805
Total Operating Revenues		<u>500,581</u>

Operating Expenses:

Administration		24,323
Electric		176,180
Water		72,206
Sanitation		27,656
Total Operating Expenses		<u>300,365</u>
Operating Income	\$	200,216

Non-Operating Expenses:

Transfer to General fund		<u>123,622</u>
Total Non-Operating Expenses		<u>123,622</u>

Change in fund balance \$ 76,594

Fund Balance - beginning, restated 138,910

Fund Balance - ending \$ 215,504