

City of Wilson, Oklahoma

Independent Accountants' Compilation  
Report and Report on Applying Agreed-  
Upon Procedures

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**CITY OF WILSON, OKLAHOMA**  
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## **Independent Accountants' Compilation Report and Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

City Council, City of Wilson  
Wilson, Oklahoma 74878

Trustees of the Wilson Public Works Authority  
Wilson, Oklahoma 74878

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Oklahoma Department of Commerce  
Oklahoma City, Oklahoma

Oklahoma Department of Agriculture  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances – Modified Cash Basis of the City of Wilson and Wilson Public Works Authority, Wilson, Oklahoma, as of June 30, 2014, and the related Budgetary Comparison Schedules – Modified Cash Basis of the General Fund, Parks and Recreation Fund and CDBG Grant Fund. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis accounting, and for designing, implementing, and maintaining internal control 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 any assurance that there are no material modifications that should be made to the financial statements.

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The supplementary information contained in Exhibits C and D is presented for purposes of supplementary analysis and is not a required part of the financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion of provide any assurance on such supplementary information.

The accompanying statements were prepared for the purpose of complying with financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17(105-107) and Title 60 – 180.1-.3. This is not intended to be a complete presentation of the City of Wilson’s assets and liabilities.

Additionally, we have performed the procedures enumerated below which were agreed to by the City Council and Trustees of the City of Wilson, and as defined within the applicable state laws of the State of Oklahoma solely to assist the City in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17 (105-107) and 60 – 180.1-.3 and to evaluate compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the City of Wilson is responsible for the City’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 below either for the purpose for which this report has been requested or for any other purpose.

**Procedures and Findings**

As to the **City of Wilson** as of and for the fiscal year ended June 30, 2014:

1. ***Procedures Performed:*** From the City’s trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

***Findings: No exceptions were noted as a result of applying the procedure.***

2. ***Procedures Performed:*** From the City’s trial balances, we prepared a budget and actual financial schedule for the General Fund, Parks and Recreation Fund and CDBG Grant Fund listing separately each fund (see accompanying Exhibits B, B-1 and B-2) and compared the actual expenditures of encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

***Findings: Expenditures exceeded budgeted amounts in the General Fund Pool and Fire Departments. Expenditures exceeded budgeted amounts in the CDBG Grant Fund and Parks and Recreation Fund.***

3. ***Procedures Performed:*** We agreed all of the City's bank account balances to bank statements and traced the timely clearance of all reconciling items to report any instances of reconciling items over one year old that have not cleared.

***Findings: Checks outstanding over 1 year totaling the following amounts were found: General Fund \$3,264, Street Sales Tax Fund \$373, and Court Fund \$55.***

4. ***Procedures Performed:*** We compared the City's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

***Findings: No exceptions were noted as a result of applying the procedure.***

5. ***Procedures Performed:*** We selected cash disbursements greater than \$500 from the Street Sales Tax, Special Sales Tax, REAP Grant and CDBG Grant Funds, and all disbursements for the Cemetery Fund. We examined invoices to determine that use of the resources complied with the fund's restriction or the grant purposes.

***Findings: No exceptions were noted as a result of applying the procedure.***

6. ***Procedures Performed:*** We compared the accounting for the City's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

***Findings: No exceptions were noted as a result of applying the procedure.***

7. ***Procedures Performed:*** We determined if there were requirements to maintain reserve accounts or debt service coverage requirements in bond indentures. We determined compliance with the requirements.

***This procedure is not applicable. The City of Wilson has no debt service or reserve account requirements.***

As to the **Wilson Public Works Authority** as of and for the fiscal year ended June 30, 2014:

1. ***Procedures Performed:*** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

***Findings: No exceptions were noted as a result of applying the procedure.***

2. ***Procedures Performed:*** We agreed all of the Authority's bank account balances to bank statements and traced the timely clearance of all reconciling items to report any instances of reconciling items over one year old that have not cleared.

***Findings: There was \$1,866 in checks outstanding over one year old.***

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 exceptions were noted as a result of applying the procedure.***

4. ***Procedures Performed:*** We selected cash disbursements greater than \$500 for grants and restricted revenue sources. We examined invoices to determine that use of the resources complied with the fund's restriction or the grant purposes. We compared the receipts and disbursements to grant agreements and supporting information.

***Findings: No exceptions were noted as a result of applying the procedure.***

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 exceptions were noted as a result of applying the procedure.***

6. ***Procedures Performed:*** We determined if there were requirements to maintain reserve accounts or debt service coverage requirements in debt contracts. We determined compliance with the requirements.

***This procedure was not performed. Wilson Public Works Authority does not have any requirements for reserve accounts or debt service coverage.***

As to the **City of Wilson** and **Wilson Public Works Authority** as of and for the fiscal year ended June 30, 2014:

1. ***Procedures Performed:*** From the Wilson Public Works Authority trial balance, we prepared a schedule of revenues, expenses and changes in fund balance – modified cash basis (see accompanying Exhibit C) for the fiscal year ended June 30, 2014.

***Findings: No exceptions were found as a result of applying the procedure.***

**2. Procedures Performed:** From the City of Wilson and Wilson Public Works Authority trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit D) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** *No exceptions were found as a result of applying the procedure.*

We were not engaged to and did not conduct an audit, 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 those specified parties.

*Rahel Henderson Johnson, PLLC*

January 29, 2015  
Ardmore, Oklahoma

City of Wilson, OKLAHOMA  
 Summary of Changes in Fund Balances – Cash Basis  
 For the Year Ended June 30, 2014

	Fund Balances Beginning	Revenue	Expenditures	Fund Balances Ending
CITY:				
General Fund	\$ 91,490	\$ 776,740	\$ 741,257	\$ 126,973
Parks	25,646	144,075	160,881	8,840
Street Sales Tax Fund	182,829	60,332	-	243,161
Special Sales Tax Fund	168,866	60,297	5,819	223,344
Wilson Police Car Fund	3,073	30,484	22,339	11,218
REAP Fund	10	-	5	5
Municipal Court Fund	7,782	74,047	76,872	4,957
Capital Projects Fund	362,871	73,980	-	436,851
CDBG Grant Fund	97,792	12,640	110,382	50
Fire Grant Fund	102	4,474	4,479	97
Senior Citizens	637	-	637	-
City Subtotal	941,098	1,237,069	1,122,671	1,055,496
PUBLIC WORKS AUTHORITY:				
PWA Utilities Fund	85,877	470,317	440,816	115,378
Meter Deposit Fund	79,562	22,965	19,457	83,070
PWA Sales Tax	28,612	29,815	-	58,427
	<u>165,439</u>	<u>493,282</u>	<u>460,273</u>	<u>198,448</u>
Overall Totals	<u>\$ 1,106,537</u>	<u>\$ 1,730,351</u>	<u>\$ 1,582,944</u>	<u>\$ 1,253,944</u>

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City of Wilson, OKLAHOMA  
 Budgetary Comparison Schedule – Modified Cash Basis  
 General Fund  
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 87,000	\$ 87,000	\$ 91,490	4,490
<b>Resources (Inflows):</b>				
Taxes	263,500	263,500	289,381	25,881
Franchise Tax	83,000	83,000	92,499	9,499
Charges for Services	155,400	155,400	205,120	49,720
PILOT Tax	20,000	20,000	20,428	428
Lease and Rentals	80,500	80,500	79,830	(670)
Fines and Forfeitures	65,225	65,225	59,423	(5,802)
Miscellaneous Income	19,150	19,150	26,376	7,226
Interest	-	-	220	220
Grants / Donations	<u>6,300</u>	<u>6,300</u>	<u>2,255</u>	<u>(4,045)</u>
<b>Total Inflows</b>	<b>693,075</b>	<b>693,075</b>	<b>775,532</b>	<b>82,457</b>
<b>Charges to Appropriations (Outflows):</b>				
General Government	73,300	63,300	60,227	3,073
Managerial	10,315	10,315	9,656	659
City Clerk	670	670	670	-
Pool	-	-	6,649	(6,649)
Streets	119,570	119,570	115,839	3,731
Court	5,365	5,365	5,308	57
Police	213,040	213,040	212,622	418
Fire	34,695	29,695	30,196	(501)
Code Enforcement	27,460	27,460	27,178	282
Dispatch	24,500	24,500	23,890	610
Cemetery	300	300	300	-
Senior Citizens	33,405	14,405	14,077	328
Library	4,400	4,400	1,397	3,003
Sanitation Pickup	<u>145,200</u>	<u>131,200</u>	<u>130,976</u>	<u>224</u>
<b>Total Outflows</b>	<b>692,220</b>	<b>644,220</b>	<b>638,985</b>	<b>5,235</b>
<b>Excess of Inflows over Outflows before</b>				
<b>Other Financing Sources (Uses)</b>	<u>87,855</u>	<u>135,855</u>	<u>228,037</u>	<u>92,182</u>
Transfers In	12,770	12,770	1,211	(11,559)
Transfers Out	<u>(32,205)</u>	<u>(80,205)</u>	<u>(102,270)</u>	<u>(22,065)</u>
<b>Other Financing Sources (Uses)</b>	<u>(19,435)</u>	<u>(67,435)</u>	<u>(101,059)</u>	<u>(33,624)</u>
<b>Ending Budgetary Fund Balance</b>	<b><u>\$ 68,420</u></b>	<b><u>\$ 68,420</u></b>	<b><u>\$ 126,978</u></b>	<b><u>\$ 24,934</u></b>

See Accountants' Compilation Report

City of Wilson, OKLAHOMA  
 Budgetary Comparison Schedule – Modified Cash Basis  
 Parks and Recreation Fund  
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$ 510	\$ 3,310	\$ 25,646	\$ 22,336
<b>Resources (Inflows):</b>				
Miscellaneous Revenue	44,015	48,815	23,520	(25,295)
Interest	70	130	16	(114)
Total Inflows	<u>44,085</u>	<u>48,945</u>	<u>23,536</u>	<u>(25,409)</u>
<b>Charges to Appropriations (Outflows):</b>				
Operations	<u>76,800</u>	<u>158,720</u>	<u>159,670</u>	<u>(950)</u>
Total Outflows	76,800	158,720	159,670	(950)
<b>Excess of Inflows over Outflows before other Financing Sources (Uses)</b>	<u>(32,205)</u>	<u>(106,465)</u>	<u>(110,488)</u>	<u>(4,023)</u>
<b>Other Financing Sources (Uses)</b>	<u>32,205</u>	<u>106,465</u>	<u>119,328</u>	<u>12,863</u>
<b>Excess of Inflows over Outflows and other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>8,840</u>	<u>8,840</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,840</u>	<u>\$ 8,840</u>

See Accountants' Compilation Report

City of Wilson, OKLAHOMA  
 Budgetary Comparison Schedule – Modified Cash Basis  
 CDBG Grant Fund  
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 92,340	\$ 92,340	\$ 97,792	\$ 5,452
<b>Resources (Inflows):</b>				
Grants	-	-	-	-
Total Inflows	-	-	-	-
<b>Charges to Appropriations (Outflows):</b>				
Sewer Improvements	92,340	92,340	110,382	(18,042)
Total Outflows	92,340	92,340	110,382	(18,042)
<b>Excess of Inflows over Outflows before other Financing Sources (Uses)</b>	-	-	(12,590)	(12,590)
<b>Other Financing Sources (Uses)</b>	-	-	12,640	12,640
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>

See Accountants' Compilation Report

City of Wilson, OKLAHOMA  
Statement of Revenues, Expenses and Changes in Fund Balances  
Modified Cash Basis  
For the Year Ended June 30, 2014

	Public Works Authority
<b>Operating Revenues:</b>	
Water	\$ 275,198
Sewer	160,316
Water/Sewer Taps	650
Verizon Tower Rental	12,650
Penalties	15,976
Miscellaneous	506
Total Operating Revenues	465,296
<b>Operating Expenses</b>	
Salaries	138,384
Retirement	9,842
Health Insurance	19,294
Payroll Tax	20,322
Worker Compensation Insurance	5,473
Office Supplies and Postage	10,641
Phone and Cable	9,865
Vehicle Expense	6,525
Vehicle Lease	-
Misc	2,917
Repair and Replacement	44,351
Materials and Supplies	21,507
Utilities	24,990
Insurance	27,131
Accounting	6,638
Dues/fees	3,162
Purchased Water	5,616
Lab	12,558
Total Operating Expenses	369,216
Operating Income before Nonoperating Revenues and Other Financing Sources	96,080
<b>Nonoperating Revenues (Expenses):</b>	
Interest Revenue	328
Income before Other Financing Sources	96,408
<b>Other Financing Sources (Uses):</b>	
Transfers In - Sales Tax	4,693
Transfers Out	(71,600)
Total Other Financing Uses	(66,907)
Net Change in Fund Balance	29,501
Fund Balance - Beginning	85,877
Fund Balance - Ending	\$ 115,378

See Accountants' Compilation Report

City of Wilson, OKLAHOMA  
 Schedule of Grant Activity  
 Modified Cash Basis  
 For the Year Ended June 30, 2014

EXHIBIT D

Awarding Agency	Grant #	Total Award	Amount Received This Period	Amount Expended This Period	Cash in Bank
Oklahoma State Department of Agriculture	Fire Grant	\$ 4,474	\$ 4,474	\$ 4,474	\$ -
		<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

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