TOWN OF BYNG, OKLAHOMA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

THE TOWN OF BYNG, OKLAHOMA

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Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Byng
Byng, Oklahoma

Trustees of the Byng Public Works Authority
Byng, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Oklahoma Department of Agriculture, Food and Forestry
Oklahoma City, Oklahoma

Oklahoma Department of Emergency Management
Oklahoma City, Oklahoma

Report on Compiled Financial Statements and Schedules

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Byng and it's related Public Trust for the year ended June 30, 2015, the Budgetary Comparison Schedule- Cash Basis - General Fund, Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis - Byng Public Works Authority and the Schedule of Grant Activity – Cash Basis for the year ended June 30, 2015. The financial statements and schedules 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 applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes § 11-17-105-.107 and § 60-180-1-.3, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We have not audited or reviewed the aforementioned financial statements and schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and schedules are in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements and schedules in accordance with the cash basis of accounting and applicable Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and schedules.

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 schedules, in order to meet the requirements of applicable

Oklahoma Statutes, without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and schedules.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements and schedules 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 and Authority's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements and schedules are not designed for those who are not informed about such matters.

Report on Applying Agreed-Upon Procedures

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 Public Works Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2015. Management of the Town of Byng and the Byng Public Works Authority are responsible for the Town's and 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 to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. The sufficiency of these 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 Byng as of and for the fiscal year ended June 30, 2015:

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

   Findings: No instances of noncompliance noted.

2. **Procedures Performed**: From the Town's trial balances, we compiled a cash basis budget and actual financial schedule for the General Fund (see accompanying Exhibit 2) and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

   Findings: No instances of noncompliance 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 unusual reconciling items were noted that did not clear on a timely basis.

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: All deposits were insured or collateralized at June 30, 2015.

5. **Procedures Performed:** We compared the Town's use of material restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

   Findings: No instances of noncompliance were 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 of noncompliance were noted.

7. **Procedures Performed:** A search for Town debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

   Findings: The Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Byng Public Works Authority, as of and for the fiscal year ended June 30, 2015:

1. **Procedures Performed:** From the Authority's trial balances, we compiled a schedule of revenues, expenses and changes in fund balances – cash basis for the Authority (see accompanying Exhibits 1 and 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

   Findings: No instances of noncompliance were 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 unusual reconciling items were noted that did not clear on a timely basis.

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: All deposits were insured or collateralized at June 30, 2015.

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 of noncompliance were 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 of noncompliance were noted.

6. **Procedures Performed:** A search for Authority debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

   Findings: The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Town of Byng and Byng Public Works Authority grant programs, as of and for the fiscal year ended June 30, 2015:

1. **Procedures Performed:** From the Town and Authority's trial balances, we compiled a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) 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 instances of noncompliance were 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 and an opinion on the related financial statements and schedules. 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.

Crawford & Associates, P.C.

Crawford & Associates, P.C.
August 21, 2015

EXHIBIT 1
TOWN OF BYNG AND BYNG PUBLIC TRUSTS
SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2015

	Beginning of Year Fund Balances	Current Year Change	End of Year Fund Balances
TOWN:			
General Fund	$ 42,174	$ 30,155	$ 72,329
Street and Alley	23,598	(2,058)	21,540
Fire Department	2,300	2,068	4,368
Town Subtotal	68,072	30,165	98,237
PUBLIC WORKS AUTHORITY:			
Byng Public Works Authority	1,598,449	485,967	2,084,416
PWA Subtotal	1,598,449	485,967	2,084,416
Overall Totals	$ 1,666,521	$ 516,132	$ 2,182,653

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2
TOWN OF BYNG, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Beginning Budgetary Fund Balance:	$37,010	$37,010	$42,174	$5,164
Resources (Inflows):				
Taxes:				
Sales tax	54,484	59,483	57,668	(1,815)
Franchise tax	18,628	23,692	23,543	(149)
P.I.L.O.T	1,479	1,479	1,317	(162)
Total Taxes	74,591	84,654	82,528	(2,126)
Intergovernmental:				
Alcoholic beverage tax	7,372	7,372	7,445	73
Cigarette tax	671	672	680	8
Grant revenue	10,000	10,000	10,000	-
Total Intergovernmental	18,043	18,044	18,125	81
Miscellaneous Income:				
Lease income	54,000	54,000	54,000	-
Other	22	22	13	(9)
Total Miscellaneous	54,022	54,022	54,013	(9)
Other Financing Sources:				
Transfers from other funds	15,000	15,000	-	(15,000)
Total Resources (Inflows)	161,656	171,720	154,666	(17,054)
Amounts available for appropriation	198,666	208,730	196,840	(11,890)
Charges to Appropriations (Outflows):				
General Government:				
Personal services	$70,557	$70,557	$59,805	$10,752
Maintenance and operations	68,296	68,296	40,559	27,737
Capital outlay	10,000	10,000	1,620	8,380
Total General Government	148,853	148,853	101,984	46,869
Emergency Management:				
Personal services	21,370	21,370	17,585	3,785
Maintenance and operations	6,590	6,590	4,942	1,648
Capital outlay	17,000	17,000	-	17,000
Total Emergency Management	44,960	44,960	22,527	22,433
Total Charges to Appropriations	193,813	193,813	124,511	69,302
Ending Budgetary Fund Balance	$ 4,853	$ 14,917	$ 72,329	$ 57,412

See independent accountant's report on agreed-upon procedures.

EXHIBIT 3
TOWN OF BYNG, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS
BYNG PUBLIC WORKS AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Operating Revenues:	
Charges for services:	
Electric	$11,556,246
Total Operating Revenues	11,556,246
Operating Expenses:	
Cost of Electricity	10,865,045
Maintenance and operations	58,243
Capital outlay	2,365
Total Operating Expenses	10,925,653
Operating Income	630,593
Non-Operating Revenues:	
Investment income	20,494
Miscellaneous	380
Total Non-Operating Revenues	20,874
Net Income Before Transfers	651,467
Transfers out	(165,500)
Change in fund balance	485,967
Fund Balance - beginning	1,598,449
Fund Balance - ending	$2,084,416

See independent accountant's report on agreed-upon procedures.

EXHIBIT 4

TOWN OF BYNG , OKLAHOMA
SCHEDULE OF GRANT ACTIVITY - CASH BASIS
Year Ended June 30, 2015

	Volunteer Fire Assistance Grant	Emergency Management Performance Grant 2015	Emergency Management Performance Grant 2014
Awarding agency	State Department of Agriculture	Department of Emergency Management	Department of Emergency Management
CFDA No.	N/A	97.042	97.042
Award Amount	$ 4,484	$ 10,000	$ 10,000
Program Budget	4,484	10,000	10,000
Current Year Activity:			
Current Year Receipts:			
Received from agency	4,484	5,000	5,000
Current Year Disbursements	4,484	7,500	2,500
Beginning of Year Due from Agency	-	-	(2,500)
End of Year Unexpended Grant Fund or (Due from Agency)	-	(2,500)	-
Program To-Date Activity:			
Program To-Date Receipts:			
Received from agency	4,484	5,000	10,000
Program To-Date Disbursements	4,484	7,500	10,000
Program To-Date Unexpendeed Grant Funds or (Due From Agency)	$ -	$ (2,500)	$ -

See independent accountant's report on agreed-upon procedures.