

City of Cedar Valley

Independent Accountant's Compilation Report and Report on Agreed Upon Procedures

Year Ended June 30, 2021



City of Cedar Valley, Oklahoma
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June 30, 2021

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Independent Accountant's Compilation Report and Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

City Council, City of Cedar Valley
Cedar Valley, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Management is responsible for the accompanying Summary of Changes in Fund Balance – Cash Basis (Exhibit A) as the City of Cedar Valley, Oklahoma and the related Budgetary Comparison Schedule of General Fund – Cash Basis (Exhibit B) for the year ended June 30, 2021 and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements and schedules.

These financial statements and schedules have been prepared on the basis of accounting prescribed by the Oklahoma Statutes, that demonstrate 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.

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 and schedules, they might influence the user's conclusions about the City of Cedar Valley's assets, liabilities, fund balances, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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 and are not intended to be a complete presentation of the City of Cedar Valley's assets, liabilities, revenues, expenses and changes in fund balances.

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 City of Cedar Valley in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17 (105-107) evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2021. Management of the City of Cedar Valley 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 and the fieldwork and reporting standards applicable to attestation engagements as contained in *Government Auditing Standards* of the Comptroller of the United States of America. 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 Cedar Valley** as of and for the fiscal year ended June 30, 2021:

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 instances of noncompliance were noted.*

2. **Procedures Performed:** From the City's trial balances, we prepared a cash basis budget and actual financial schedule for the General Fund (see accompanying Exhibit B) 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 were noted.*

3. **Procedures Performed:** We agreed the City'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 were noted.*

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 instances of noncompliance were noted.*

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

Finding: *No instances of noncompliance were noted.*

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: *There were no legal or contractual requirements for separate funds. No instances of noncompliance were noted.*

7. **Procedures Performed:** We compared the City'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: *There were no contractual reserve requirements or debt service coverage requirements. 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. 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.

A handwritten signature in black ink that reads "HBC CPAs & Advisors". The signature is written in a cursive, slightly slanted style.

HBC CPAs & Advisors
Oklahoma City, Oklahoma
December 21, 2021

City of Cedar Valley
Summary of Changes in Fund Balances - Cash Basis
Year Ended June 30, 2021

Fund Balance, beginning of year	\$ 57,811
Revenues:	
REAP Grant	55,000
Use Tax	8,976
Sales Tax	7,470
Alcohol Tax	5,002
Motor Vehicle Tax	2,415
Cedar Valley RV Park	1,226
GEX/Gas Excise	562
OTC Vendor Reimbursement	100
Cigar Tax	68
Interest	15
Total Revenues:	<u>80,834</u>
Expenditures:	
Road Maintenance	59,155
Professional Fees (Legal, Bank Charges, etc)	2,256
Insurance and Bonds	1,882
Weed, Grass and Tree Control	1,846
Memberships	990
Printing & Misc	476
Office Supplies	387
Training	85
Communications	55
Total Expenditures:	<u>67,132</u>
Revenues over (under) expenditures:	<u>13,702</u>
Fund Balance, end of year:	<u><u>\$ 71,513</u></u>

City of Cedar Valley
Budgetary Comparison Schedule - Cash Basis
General Fund
Year Ended June 30, 2021

	Budgeted Amount	Actual	Variance Positive (Negative)
Beginning budgetary fund balance:	\$ 57,811	\$ 57,811	\$ -
Resources (Inflows):			
Revenues:			
Sales Tax	8,000	7,470	(530)
Use Tax	9,000	8,976	(24)
REAP Grant	55,000	55,000	-
Alcohol Tax	5,000	5,002	2
Motor Vehicle Tax	4,500	2,415	(2,085)
Cedar Valley RV Park	2,000	1,226	(774)
GEX/Gas Excise	600	562	(38)
OTC Reimbursement	-	100	100
Cigar Tax	100	68	(32)
Interest	100	15	(85)
Total Inflows:	84,300	80,834	(3,466)
Charges to Appropriations (Outflows)			
Road Maintenance	63,000	59,155	3,845
Emergency Siren Maintenance	3,000	-	3,000
Professional Fees (Legal, Bank Charges)	2,900	2,256	644
Insurance and Bonds	2,000	1,882	118
Weed, Grass and Tree Control	2,000	1,846	154
Memberships	1,300	990	310
Contract Services	1,000	-	1,000
Printing & Misc	1,000	476	524
Communications	500	55	445
Office Supplies	500	387	113
Training	500	85	415
Travel and Mileage	500	-	500
Total Outflows:	78,200	67,132	11,068
Ending Budgetary fund balance:	\$ 63,911	\$ 71,513	\$ (7,602)

See Independent Accountant's Compilation Report and Report on Agreed Upon Procedures