

**TOWN OF FORT COBB**  
June 30, 2016

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Fort Cobb  
Fort Cobb, Oklahoma

Fort Cobb Economic Development Authority  
Fort Cobb, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Caddo County Clerk  
Anadarko, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

Management is responsible for the accompanying Summary of Changes in Fund Balances-Modified Cash Basis of the Town of Fort Cobb and Fort Cobb Economic Development Authority as of and for the year ended June 30, 2016, and the related Budgetary Comparison Schedule-Modified Cash Basis-General Fund, Budgetary Comparison Schedule-Modified Cash Basis-Fire Department Cash Fund, Budgetary Comparison Schedule-Modified Cash Basis-Capital Improvement Cash Fund, and Schedule of Grant Activity-Modified Cash Basis for the year ended June 30, 2016, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. 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 modified 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. 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 accompanying financial statements and schedules nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements or schedules.

The financial statements and schedules are prepared in accordance with the modified cash basis of accounting, which is a 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 in accordance with the modified 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 Town'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.

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 Economic Development Authority in meeting its 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, 2016. Management of the Town of Fort Cobb and Fort Cobb Economic Development Authority is 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 and the additional requirements prescribed by Oklahoma Statutes. 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 Fort Cobb** as of and for the fiscal year ended June 30, 2016:

1. **Procedures Performed:** From the Town's trial balances, we compiled a 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 exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we compiled a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) 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 exceptions were found as a result of applying the procedure.

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 exceptions were found as a result of applying the procedure.

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 exceptions were found as a result of applying the procedure.

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

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

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 exceptions were found as a result of applying the procedure.

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:** Town had no contractual or debt service requirements. This procedure does not apply.

As to the **Fort Cobb Economic Development Authority**, as of and for the fiscal year ended June 30, 2016:

Fort Cobb Economic Development Authority was inactive during the fiscal year; therefore no testing procedures were performed.

As to the **Town of Fort Cobb and Fort Cobb Economic Development Authority** grant programs, as of and for the fiscal year ended June 30, 2016:

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 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 the accounting records. 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.

*Angel, Johnston & Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 14, 2016

TOWN OF FORT COBB  
Fort Cobb, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCES-MODIFIED CASH BASIS  
For the Fiscal year ended June 30, 2016  
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
<b>TOWN:</b>				
General Fund	\$ 65,642	\$ 419,411	\$ 383,230	\$ 101,822 **
Street and Alley Fund	10,680	5,818	5,774	10,724
Fire Department Cash Fund	21,797	14,288	14,677	21,408
Capital Improvement Cash Fund	25,550	22,138	13,870	33,819
REAP Fund	-	6,148	6,148	-
Police Department Cash Fund	2,217	241	1,091	1,367
Meter Deposit Fund	-	-	-	- **
Court Fund	-	-	-	-
Air Evac Fund	-	-	-	-
<b>Town Total</b>	<u>\$ 125,886</u>	<u>\$ 468,045</u>	<u>\$ 424,791</u>	<u>\$ 169,139</u>
<b>TRUST:</b>				
EDA Fund - Inactive	\$ -	\$ -	\$ -	\$ -
<b>Trust Total</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Overall Total</b>	<u>125,886</u>	<u>468,045</u>	<u>424,791</u>	<u>169,139</u>

\*\* Beginning Fund Balance was adjusted for prior period activity.

**TOWN OF FORT COBB**  
Fort Cobb, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 65,502	\$ 65,502	\$ 65,642	\$ 140
<b>Charges for Services:</b>				
Permit fees	370	370	671	301
Water utility revenues	203,800	203,800	218,972	15,172
Total Charges for Services	<u>204,170</u>	<u>204,170</u>	<u>219,643</u>	<u>15,473</u>
<b>Intergovernmental-Local:</b>				
Franchise tax	15,257	15,257	20,285	5,028
Police fines	868	868	8,474	7,605
Payment in lieu of taxes	1,547	1,547	1,713	165
Total Intergovernmental-Local	<u>17,673</u>	<u>17,673</u>	<u>30,471</u>	<u>12,798</u>
<b>Intergovernmental-State:</b>				
Sales	108,129	108,129	143,007	34,878
Alcohol beverage tax	5,398	5,398	5,914	516
Use Tax	18,821	18,821	15,106	(3,714)
Tobacco Tax	1,419	1,419	2,005	587
State Grants	-	-	-	-
Total Intergovernmental-State	<u>133,766</u>	<u>133,766</u>	<u>166,033</u>	<u>32,267</u>
<b>Intergovernmental-Federal:</b>				
FEMA	-	-	-	-
Total Intergovernmental-Federal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Miscellaneous Revenue:</b>				
Interest	339	339	1,279	941
Rental	173	173	875	702
Refunds/Reimbursements	-	-	25	25
Donations	-	-	-	-
Miscellaneous	-	-	1,085	1,085
Total Miscellaneous Revenue	<u>512</u>	<u>512</u>	<u>3,264</u>	<u>2,752</u>
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	<u>421,623</u>	<u>421,623</u>	<u>485,053</u>	<u>63,430</u>
<b>Charges to Appropriations:</b>				
Personal Services	245,000	245,000	238,062	6,938
Maintenance & Operations	170,000	170,000	147,237	22,763
Capital Outlay	6,382	6,382	2,625	3,757
Debt Service	-	-	-	-
Unallocated	-	-	-	-
Total Other	<u>421,382</u>	<u>421,382</u>	<u>387,923</u>	<u>33,458</u>
<b>Other Financing Uses:</b>				
Transfers to other funds	241	241	241	-
<b>Total Charges to Appropriations</b>	<u>421,623</u>	<u>421,623</u>	<u>388,165</u>	<u>33,458</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,888</u>	<u>\$ 96,888</u>
Current Year Encumbrances	-	-	4,934	(4,934)
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>101,822</u>	<u>101,822</u>

TOWN OF FORT COBB  
Fort Cobb, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS  
FIRE DEPARTMENT CASH FUND  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 21,797	\$ 21,797	\$ 21,797	\$ (0)
<b>Revenues</b>	-	-	14,288	14,288
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	21,797	21,797	36,085	14,288
<b>Charges to Appropriations:</b>				
Personal Services	1,200	1,200	1,440	(240)
Maintenance & Operations	11,000	20,000	13,237	6,763
Capital Outlay	9,597	597	-	597
Debt Service	-	-	-	-
Unallocated	-	-	-	-
Total Other	21,797	21,797	14,677	7,119
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	21,797	21,797	14,677	7,119
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 21,408	\$ 21,408
Current Year Encumbrances	-	-	-	-
<b>Ending Fund Balance</b>	\$ -	\$ -	\$ 21,408	\$ 21,408

TOWN OF FORT COBB  
Fort Cobb, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS  
CAPITAL IMPROVEMENT CASH FUND  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 25,550	\$ 25,550	\$ 25,550	\$ -
<b>Revenues</b>	-	-	22,138	22,138
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	25,550	25,550	47,689	22,138
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	-	-	-	-
Capital Outlay	9,550	9,550	-	9,550
Debt Service	16,000	16,000	13,870	2,130
Total Other	25,550	25,550	13,870	11,680
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	25,550	25,550	13,870	11,680
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 33,819	\$ 33,819
Current Year Encumbrances	-	-	-	-
<b>Ending Fund Balance</b>	\$ -	\$ -	\$ 33,819	\$ 33,819



TOWN OF FORT COBB  
Fort Cobb, Oklahoma

SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations	\$ 4,290	\$ -	\$ -	\$ -	\$ 4,290	\$ 4,290	\$ -
Association of South Central Oklahoma REAP-Fort Cobb-142262	33,703	27,555	27,555	-	6,148	6,148	-
<b>Town Total</b>	<u>\$ 37,993</u>	<u>\$ 27,555</u>	<u>\$ 27,555</u>	<u>\$ -</u>	<u>\$ 10,438</u>	<u>\$ 10,438</u>	<u>\$ -</u>