

TOWN OF AMBER
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 Amber
Amber, Oklahoma

Trustees of the Amber Development Authority
Amber, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Grady County Clerk
Chickasha, 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 Amber and Amber Development Trust 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-Law Enforcement Fund, Statement of Revenues, Expenses and Changes in Fund Balance-Modified Cash Basis-Amber Development Authority, 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 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 Amber and Amber Development Trust 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 Amber** 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 **Amber Development Authority**, as of and for the fiscal year ended June 30, 2016:

1. **Procedures Performed:** From the Authority's trial balances, we compiled a schedule of revenues, expenditures and changes in fund balances for each fund (see accompanying Exhibit 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 exceptions were found as a result of applying the procedure.

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 exceptions were found as a result of applying the procedure.

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 found as a result of applying the procedure.

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 exceptions were found 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 found as a result of applying the procedure.

6. **Procedures Performed:** We compared 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: Authority had no contractual or debt service requirements. This procedure does not apply.

As to the **Town of Amber and Amber 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 23, 2016

TOWN OF AMBER AND PUBLIC TRUST
Amber, 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>
TOWN:				
General Fund	\$ 899,762	\$ 213,481	\$ 165,113	\$ 948,130 **
Street & Alley Fund	2,738	4,068	3,324	3,482
Law Enforcement Fund	191,262	125,639	117,920	198,981
Cemetery Fund	7,530	1,164	854	7,839
Cemetery Care Fund	2,149	166	-	2,315
Community Center Fund	5,956	805	829	5,933
Fire Department Fund	30,998	26,892	27,822	30,068
Town Subtotal	<u>1,140,395</u>	<u>372,215</u>	<u>315,861</u>	<u>1,196,749</u>
PUBLIC TRUST:				
Amber Development Authority	2,422	-	-	2,422
Public Trusts Subtotal	<u>2,422</u>	<u>-</u>	<u>-</u>	<u>2,422</u>
Overall Totals	<u>\$ 1,142,817</u>	<u>\$ 372,215</u>	<u>\$ 315,861</u>	<u>\$ 1,199,171</u>

**Beginning Fund Balance restated for prior period adjustments.

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Beginning Budgetary Fund Balance:	\$ 906,508	\$ 906,508	\$ 899,762	\$ (6,746)
Charges for Services:				
Permit fees	397	397	1,361	964
Total Charges for Services	<u>397</u>	<u>397</u>	<u>1,361</u>	<u>964</u>
Intergovernmental-Local:				
Franchise tax	5,768	5,768	6,007	239
Police Fines	8,586	8,586	7,425	(1,161)
Total Intergovernmental-Local	<u>14,354</u>	<u>14,354</u>	<u>13,432</u>	<u>(922)</u>
Intergovernmental-State:				
Sales tax	81,514	81,514	86,528	5,014
Alcohol beverage tax	2,561	2,561	2,806	245
Tobacco tax	1,264	1,264	1,416	152
Use tax	18,250	18,250	33,301	15,051
State Grants	-	-	-	-
Total Intergovernmental-State	<u>103,590</u>	<u>103,590</u>	<u>124,050</u>	<u>20,461</u>
Miscellaneous Revenue:				
Interest	38	38	134	96
Reimbursements	-	-	5,062	5,062
Miscellaneous	-	-	350	350
Total Miscellaneous Revenue	<u>38</u>	<u>38</u>	<u>5,546</u>	<u>5,508</u>
Non-Revenue Receipts:				
Transfers from other funds	<u>82,883</u>	<u>82,883</u>	<u>69,092</u>	<u>(13,791)</u>
Amounts available for appropriation	<u>1,107,769</u>	<u>1,107,769</u>	<u>1,113,243</u>	<u>5,474</u>
Charges to Appropriations:				
Personal Services	218,000	218,000	135,314	82,686
Maintenance & Operations	390,295	390,295	29,701	360,593
Capital Outlay	148,000	148,000	461	147,540
Debt Service	-	-	-	-
Total Other	<u>756,295</u>	<u>756,295</u>	<u>165,476</u>	<u>590,819</u>
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>756,295</u>	<u>756,295</u>	<u>165,476</u>	<u>590,819</u>
Unallocated (Restricted) Funds	<u>351,474</u>	<u>351,474</u>	<u>-</u>	<u>351,474</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 947,767</u>	<u>\$ 947,767</u>
Current Year Encumbrances			<u>363</u>	
Ending Fund Balance			<u>\$ 948,130</u>	

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 191,262	\$ 191,262	\$ 191,262	\$ -
Revenues	-	103,834	125,639	21,805
Non-Revenue Receipts:				
Transfers from other funds	-	-	-	-
Amounts available for appropriation	191,262	295,097	316,902	21,805
Charges to Appropriations:				
Personal Services	24,800	24,800	15,543	9,257
Maintenance & Operations	25,000	61,849	30,015	31,834
Capital Outlay	5,000	11,985	3,541	8,444
Debt Service	-	-	-	-
Total Other	54,800	98,635	49,099	49,536
Other Financing Uses:				
Transfers to other funds	26,893	86,893	69,092	17,801
Total Charges to Appropriations	81,693	185,528	118,191	67,337
Unallocated (Restricted) Funds	109,569	109,569	-	109,569
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 198,711	\$ 198,711
Current Year Encumbrances			270	
Ending Fund Balance			\$ 198,981	

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS
AMBER DEVELOPMENT AUTHORITY
For the Fiscal Year Ended June 30, 2016
(Unaudited)

	Amber Development Authority
Operating Revenues:	
Miscellaneous Revenue	\$ -
Total Operating Revenue	<u>-</u>
Operating Expenses:	
Maintenance and Operations	-
Total Operating Expenses	<u>-</u>
Operating Income (Loss)	<u>-</u>
Non-Operating Revenues (Expenses):	
Capital outlay	-
Debt service	-
Total Non-Operating Revenues (Expenses)	<u>-</u>
Net Income (Loss) Before Contributions and Transfers	-
Capital contributions	
Transfers in	-
Transfers out	<u>-</u>
Changes in Fund Balance	-
Fund Balance - beginning	<u>2,422</u>
Fund Balance - ending	<u>\$ 2,422</u>

TOWN OF AMBER AND PUBLIC TRUST
Amber, 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>
TOWN:							
OK Department of Agriculture - Fire Operations Grant	4,290	-	-	-	4,290	4,290	-
OEC Foundation, Inc Police Department Grant	2,985	-	-	-	2,985	2,985	-
Fire Department Grant	3,000	-	-	-	3,000	3,000	-
Town Subtotal	<u>\$ 10,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,275</u>	<u>\$ 10,275</u>	<u>\$ -</u>
PUBLIC TRUST:							
No Activity in Current Year	-	-	-	-	-	-	-
Trust Subtotal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Overall Totals	<u>\$ 10,275</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,275</u>	<u>\$ 10,275</u>	<u>\$ 0</u>