

TOWN OF EMPIRE CITY, OKLAHOMA

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

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

To the Specified Users of the Report:

Town Council, Town of Empire City
Duncan, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Report on Compiled Financial Statements and Schedules

Management is responsible for the accompanying financial statements and schedules of the Town of Empire City, Empire City, Oklahoma, which comprise a Summary of Changes in Fund Balances-Modified Cash Basis as of the year ended June 30, 2021, and the related Budgetary Comparison Schedule-General Fund-Modified Cash Basis, Budgetary Comparison Schedule-Street & Alley Fund-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the year then ended in accordance with the modified cash basis of accounting, and for determining that the modified 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 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. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements and schedules.

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 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, fund balances, 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 and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17.105-.107 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2021.

Management of the Town of Empire City is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements.

Town of Empire City has agreed to and acknowledge that the procedures performed are appropriate to meet the intended purpose of assisting users in evaluating the selected financial information and compliance requirements of the Town of Empire City as of and for the fiscal year ended June 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures and Findings

As to the **Town of Empire City** as of and for the fiscal year ended June 30, 2021:

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

2. **Procedures Performed:** From the Town's trial balances, we prepared a modified cash basis 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 the Town'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.

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 reserve balances and debt service requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

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

As to the **Town of Empire City** grant programs, as of and for the fiscal year ended June 30, 2021:

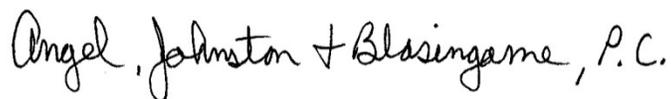
1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

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

We were engaged by Town of Empire City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion on compliance, and an opinion or conclusion on the related financial statements and schedules. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Town of Empire City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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 and Blasingame, P.C.
Chickasha, Oklahoma
January 21, 2022

TOWN OF EMPIRE CITY
 Empire City, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCES
 MODIFIED CASH BASIS
 For The Year Ended June 30, 2021

TOWN:	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
General Fund	\$ 61,201	\$ 42,427	\$ 40,792	\$ 62,836
Street & Alley Fund	112,448	8,292	-	120,740
Town Total	<u>\$ 173,649</u>	<u>\$ 50,719</u>	<u>\$ 40,792</u>	<u>\$ 183,576</u>

See Independent Accountant's Report on Agreed-Upon Procedures.

TOWN OF EMPIRE CITY, OKLAHOMA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND-MODIFIED CASH BASIS
For The Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Beginning Budgetary Fund Balance:	\$ 61,201	\$ 61,201	\$ 61,201	\$ -
Resources (Inflow):				
Taxes:				
Alcohol beverage Tax	6,577	6,577	8,198	1,621
Total Taxes	<u>6,577</u>	<u>6,577</u>	<u>8,198</u>	<u>1,621</u>
Other Revenue:				
Grants	4,177	4,177	4,826	649
Fire Subscription Fees	21,402	21,402	25,494	4,092
Rental	518	518	200	(318)
Donations	4,602	4,602	2,980	(1,622)
Miscellaneous	-	-	729	729
Total Other Revenue	<u>30,699</u>	<u>30,699</u>	<u>34,229</u>	<u>3,530</u>
Other Financing Sources:				
Transfers from other funds	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources (Inflows)	<u>37,276</u>	<u>37,276</u>	<u>42,427</u>	<u>5,151</u>
Amounts available for appropriation	<u>98,477</u>	<u>98,477</u>	<u>103,628</u>	<u>5,151</u>
Charges to Appropriations (Outflows):				
Personal Services	10,000	10,000	9,997	3
Maintenance & Operations	70,000	70,000	30,795	39,205
Capital Outlay	18,477	18,477	-	18,477
Total Other	<u>98,477</u>	<u>98,477</u>	<u>40,792</u>	<u>57,685</u>
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations (Outflows)	<u>98,477</u>	<u>98,477</u>	<u>40,792</u>	<u>57,685</u>
Unallocated (Restricted) Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Budgetary Fund Balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>62,836</u>	\$ <u>62,836</u>
Current Year Encumbrances			<u>-</u>	
Ending Fund Balance			<u>\$ 62,836</u>	

See Independent Accountant's Report on Agreed-Upon Procedures.

TOWN OF EMPIRE CITY, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
STREET & ALLEY FUND-MODIFIED CASH BASIS
For The Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Beginning Budgetary Fund Balance:	\$ 112,449	\$ 112,449	\$ 112,449	\$ -
Resources (Inflow):				
Taxes:				
Motor Vehicle Tax	-	-	6,421	6,421
Gasoline Tax	-	-	1,520	1,520
Total Taxes	<u>-</u>	<u>-</u>	<u>7,941</u>	<u>7,941</u>
Other Revenue:				
Interest	-	-	350	350
Total Other Revenue	<u>-</u>	<u>-</u>	<u>350</u>	<u>350</u>
Other Financing Sources:				
Transfers from other funds	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Resources (Inflows)	<u>-</u>	<u>-</u>	<u>8,291</u>	<u>8,291</u>
Amounts available for appropriation	<u>112,449</u>	<u>112,449</u>	<u>120,740</u>	<u>8,291</u>
Charges to Appropriations (Outflows):				
Personal Services	5,000	5,000	-	5,000
Maintenance & Operations	50,000	50,000	-	50,000
Capital Outlay	57,449	57,449	-	57,449
Total Other	<u>112,449</u>	<u>112,449</u>	<u>-</u>	<u>112,449</u>
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations (Outflows)	<u>112,449</u>	<u>112,449</u>	<u>-</u>	<u>112,449</u>
Unallocated (Restricted) Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,740</u>	<u>\$ 120,740</u>
Current Year Encumbrances			<u>-</u>	
Ending Fund Balance			<u>\$ 120,740</u>	

See Independent Accountant's Report on Agreed-Upon Procedures.

TOWN OF EMPIRE CITY
Empire City, Oklahoma
SCHEDULE OF GRANT ACTIVITY
MODIFIED CASH BASIS
For The Year Ended June 30, 2021

	<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 - FY21	\$ 4,826	\$ -	\$ -	\$ -	\$ 4,826	\$ 4,826	\$ -
OK Department of Agriculture - Rural Fire Matching Grant 80/20	5,451	-	-	-	-	-	-
Town Total	<u>\$ 10,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,826</u>	<u>\$ 4,826</u>	<u>\$ -</u>

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