

TOWN OF BYARS, OKLAHOMA

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

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

THE TOWN OF BYARS, OKLAHOMA

**INDEPENDENT ACCOUNTANT'S REPORT ON
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**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**

Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Byars
Byars, Oklahoma

Trustees of the Byars Public Works Authority
Byars, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

United States Department of Agriculture
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Byars and related Public Trust, the Budgetary Comparison Schedule- Cash Basis - General Fund, Budgetary Comparison Schedule - Cash Basis - Street and Alley Fund, Budgetary Comparison Schedule – Cash Basis - Volunteer Fire Fund, Budgetary Comparison Schedule – Cash Basis - Cemetery Perpetual Care Fund, Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis - Byars 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 in accordance with 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 Town's assets, liabilities, equity, revenues, and expenditures/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 Byars and the Byars 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 Byars 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, the Street and Alley Fund, the Volunteer Fire Fund, and the Cemetery Perpetual Care 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 significant or 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 FDIC insured 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:** The Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Byars 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 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 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 significant or 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 FDIC insured 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/or debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

Findings: The Authority met its debt service reserve balance requirement at June 30, 2015.

As to the Town of Byars and Byars 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.
October 12, 2015

EXHIBIT 1
TOWN OF BYARS AND PUBLIC TRUST
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	\$ 87,948	\$ 7,221	\$ 95,169
Street and Alley Fund	2,835	(412)	2,423
Capital Improvement Fund	9,579	3,523	13,102
Volunteer Fire Fund	24,001	454	24,455
Park Fund	1,360	-	1,360
Cemetery Care Fund	2,585	(119)	2,466
Cemetery Perpetual Care Fund	48,600	389	48,989
Town Subtotal	<u>176,908</u>	<u>11,056</u>	<u>187,964</u>
PUBLIC WORKS AUTHORITY:			
Byars Public Works Authority	22,240	20,568	42,808
PWA Subtotal	<u>22,240</u>	<u>20,568</u>	<u>42,808</u>
Overall Totals	<u>\$ 199,148</u>	<u>\$ 31,624</u>	<u>\$ 230,772</u>

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

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 82,205	\$ 82,700	\$ 87,948	\$ 5,248
Resources (Inflows):				
Taxes:				
Sales tax	30,043	30,043	35,047	5,004
Use tax	5,537	5,537	4,584	(953)
Intergovernmental	996	996	-	(996)
Franchise tax	5,559	5,559	4,822	(737)
Cigarette tax	359	359	409	50
McClain 1/2 cent sales tax	3,510	3,510	3,575	65
Total Taxes	46,004	46,004	48,437	2,433
Investment Income	35	35	48	13
Miscellaneous Income:				
Rent	700	700	2,612	1,912
Nutrition program	960	960	1,300	340
Permits	20	20	20	-
Utility service	500	-	-	-
Other	600	-	252	252
Total Miscellaneous	2,780	1,680	4,184	2,504
Other Financing Sources:				
Transfers from other funds	-	-	1,098	1,098
Total Resources (Inflows)	48,819	47,719	53,767	6,048
Amounts available for appropriation	131,024	130,419	141,715	11,296

(Continued)

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Charges to Appropriations (Outflows):				
General Government:				
Personal services	27,400	27,400	20,046	7,354
Materials and supplies	26,619	26,619	5,202	21,417
Other services and charges	21,605	21,700	12,166	9,534
Capital outlay	12,000	12,000	-	12,000
Total General Government	87,624	87,719	37,414	50,305
Fire:				
Personal services	1,400	1,400	270	1,130
Total Fire	1,400	1,400	270	1,130
Utilities:				
Other services and charges	42,000	41,300	8,862	32,438
Total Utilities	42,000	41,300	8,862	32,438
Total Charges to Appropriations	131,024	130,419	46,546	83,873
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 95,169	\$ 95,169

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EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
STREET AND ALLEY FUND
FOR THE YEAR ENDED JUNE 30, 2015

STREET AND ALLEY FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 2,940	\$ 2,940	\$ 2,835	\$ (105)
Resources (Inflows):				
Taxes	3,182	3,182	3,536	354
Interest	-	-	33	33
Amounts available for appropriation	<u>6,122</u>	<u>6,122</u>	<u>6,404</u>	<u>282</u>
Charges to appropriations (outflows):				
Other services and charges	4,522	4,522	2,883	1,639
Total Streets	<u>4,522</u>	<u>4,522</u>	<u>2,883</u>	<u>1,639</u>
Other Financing Uses:				
Transfers to other funds	<u>1,600</u>	<u>1,600</u>	<u>1,098</u>	<u>502</u>
Total Charges to Appropriations	<u>6,122</u>	<u>6,122</u>	<u>3,981</u>	<u>2,141</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,423</u>	<u>\$ 2,423</u>

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

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

	VOLUNTEER FIRE FUND			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance	\$ 25,381	\$ 44,552	\$ 24,001	\$ (20,551)
Resources (Inflows):				
Grant revenue	4,027	-	4,484	4,484
Donations	693	624	675	51
Reimbursements	7,307	7,307	1,929	(5,378)
Investment income	10	10	13	3
Miscellaneous	54	54	-	(54)
Total inflows	<u>12,091</u>	<u>7,995</u>	<u>7,101</u>	<u>(894)</u>
Amounts available for appropriation	<u>37,472</u>	<u>52,547</u>	<u>31,102</u>	<u>(21,445)</u>
Charges to appropriations (outflows):				
Materials and supplies	33,050	28,125	922	27,203
Other services and charges	4,422	9,422	5,725	3,697
Total Fire	<u>37,472</u>	<u>37,547</u>	<u>6,647</u>	<u>30,900</u>
Other Financing Uses:				
Transfers to other funds	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total Charges to Appropriations	<u>37,472</u>	<u>52,547</u>	<u>6,647</u>	<u>45,900</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,455</u>	<u>\$ 24,455</u>

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

EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CEMETERY PERPETUAL CARE FUND
FOR THE YEAR ENDED JUNE 30, 2015

CEMETERY PERPETUAL CARE FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 33,360	\$ 23,871	\$ 48,600	\$ 24,729
Resources (Inflows):				
Burial expense	1,875	1,260	1,200	(60)
Donations	1,700	-	-	-
Utility service	-	-	-	-
Investment income	17	17	364	347
Total inflows	<u>3,592</u>	<u>1,277</u>	<u>1,564</u>	<u>287</u>
Other financing sources:				
Transfers from other funds	<u>30</u>	<u>30</u>	<u>25</u>	<u>(5)</u>
Amounts available for appropriation	<u>36,982</u>	<u>25,178</u>	<u>50,189</u>	<u>25,011</u>
Charges to appropriations (outflows):				
Other services and charges	36,582	25,178	1,200	23,978
Total Cemetery	<u>36,582</u>	<u>25,178</u>	<u>1,200</u>	<u>23,978</u>
Other financing sources:				
Transfers to other funds	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Charges to Appropriations	<u>36,982</u>	<u>25,178</u>	<u>1,200</u>	<u>23,978</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,989</u>	<u>\$ 48,989</u>

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

EXHIBIT 3

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

Operating Revenues:	
Charges for services:	
Water	\$ 37,124
Sewer	17,423
Garbage	17,898
Total Operating Revenues	<u>72,445</u>
Operating Expenses:	
Water:	
Personal services	4,237
Materials and supplies	2,537
Other services and charges	5,319
Total Water	<u>12,093</u>
Sewer:	
Personal services	1,979
Materials and supplies	1,185
Other services and charges	2,484
Total Sewer	<u>5,648</u>
Garbage:	
Personal services	2,033
Materials and supplies	1,217
Other services and charges	17,668
Total Garbage	<u>20,918</u>
Total Operating Expenses	38,659
Operating Income	33,786
Non-Operating Revenues (Expenses):	
Transfer out	(3,568)
Investment income	82
Debt service - principal	(4,989)
Interest expense	(4,743)
Total Non-Operating Revenues (Expenses)	<u>(13,218)</u>
Change in fund balance	20,568
Fund Balance - beginning	<u>22,240</u>
Fund Balance - ending	<u><u>\$ 42,808</u></u>

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

EXHIBIT 4

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

	Rural Fire Grant
Awarding agency	Oklahoma Department of Agriculture
CFDA #	N/A
Award Amount	\$ 4,484
Program Budget	4,484
Current Year Activity:	
Current Year Receipts:	
Received from agency	4,484
Total current year receipts	4,484
Current Year Disbursements	4,484
Beginning of Year Unexpended Grant Funds	-
End of Year Unexpended Grant Funds	-
Program To-Date Activity:	
Program To-Date Receipts:	
Received from agency	4,484
Total program To-Date Receipts	4,484
Program To-Date Disbursements	4,484
Program To-Date Unexpended Grant Funds	\$ -

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