

**THE TOWN OF BYNG, OKLAHOMA**

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

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2013**

Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Byng  
Byng, Oklahoma

Trustees of the Byng Public Works Authority  
Byng, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

**Report on Compiled Financial Statements and Schedules**

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Byng and related Public Trusts for the year ended June 30, 2013, the Budgetary Comparison Schedule- Cash Basis - General Fund, Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis - Byng Public Works Authority and the Schedule of Grant Activity – Cash Basis for the year ended June 30, 2013. 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 on the cash basis of accounting. If the omitted disclosures were included in the financial statements, 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.

Town of Byng and Byng Public Works Authority  
Page 2

### **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, 2013. Management of the Town of Byng and the Byng 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 Byng as of and for the fiscal year ended June 30, 2013:

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 (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 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 insured or collateralized at June 30, 2013.

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.

Town of Byng and Byng Public Works Authority  
Page 3

**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:** A search for Town debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

**Findings:** The Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Byng Public Works Authority, as of and for the fiscal year ended June 30, 2013:

- 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 Exhibits 1 and 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 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 insured or collateralized at June 30, 2013.

- 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.

Town of Byng and Byng Public Works Authority  
Page 4

**6. Procedures Performed:** A search for Authority debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

**Findings:** The Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Town of Byng and Byng Public Works Authority grant programs, as of and for the fiscal year ended June 30, 2013:

**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.*  
Crawford & Associates, P.C.  
January 8, 2014

**EXHIBIT 1**  
**TOWN OF BYNG AND BYNG PUBLIC TRUSTS**  
**SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
<b>TOWN:</b>			
General Fund	\$ 34,555	\$ 12,736	\$ 47,291
Street and Alley	31,376	(7,057)	24,319
Fire Department	16,438	(8,041)	8,397
<b>City Subtotal</b>	<u>82,369</u>	<u>(2,362)</u>	<u>80,007</u>
<b>PUBLIC WORKS AUTHORITY:</b>			
Byng Public Works Authority	1,558,124	(277,653)	1,280,471
<b>PWA Subtotal</b>	<u>1,558,124</u>	<u>(277,653)</u>	<u>1,280,471</u>
<b>Overall Totals</b>	<u>\$ 1,640,493</u>	<u>\$ (280,015)</u>	<u>\$ 1,360,478</u>

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

EXHIBIT 2  
TOWN OF BYNG, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$50,308	\$50,308	\$34,555	(\$15,753)
<b>Resources (inflows):</b>				
<b>Taxes:</b>				
Sales tax	57,155	57,156	51,202	(5,954)
Franchise tax	30,696	30,696	21,117	(9,579)
P.I.L.O.T	1,496	1,496	1,320	(176)
<b>Total Taxes</b>	<u>89,347</u>	<u>89,348</u>	<u>73,639</u>	<u>(15,709)</u>
<b>Intergovernmental:</b>				
Alcoholic beverage tax	6,584	6,584	6,941	357
Cigarette tax	764	764	671	(93)
Grant revenue	10,000	23,450	23,450	-
<b>Total Intergovernmental</b>	<u>17,348</u>	<u>30,798</u>	<u>31,062</u>	<u>264</u>
<b>Miscellaneous Income:</b>				
Restitution	1,267	-	-	-
Lease income	30,000	30,000	30,000	-
Rent	-	-	50	50
Other	127	126	77	(49)
<b>Total Miscellaneous</b>	<u>31,394</u>	<u>30,126</u>	<u>30,127</u>	<u>1</u>
<b>Other Financing Sources:</b>				
Transfers from other funds	25,000	25,000	21,251	(3,749)
<b>Total Resources (inflows)</b>	<u>163,089</u>	<u>175,272</u>	<u>156,079</u>	<u>(19,193)</u>
<b>Amounts available for appropriation</b>	<u>213,397</u>	<u>225,580</u>	<u>190,634</u>	<u>(34,946)</u>
<b>Charges to Appropriations (Outflows):</b>				
<b>General Government:</b>				
Personal services	\$52,799	\$54,799	\$54,576	\$223
Maintenance and operations	36,815	36,815	35,401	1,414
Capital outlay	10,000	10,000	8,569	1,431
<b>Total General Government</b>	<u>99,614</u>	<u>101,614</u>	<u>98,546</u>	<u>3,068</u>
<b>Emergency Management:</b>				
Personal services	16,294	17,509	17,493	16
Maintenance and operations	9,000	24,040	14,826	9,214
Capital outlay	7,000	7,000	2,478	4,522
<b>Total Emergency Management</b>	<u>32,294</u>	<u>48,549</u>	<u>34,797</u>	<u>13,752</u>
<b>Other Financing Sources:</b>				
Transfers out	10,000	10,000	10,000	-
<b>Total Charges to Appropriations</b>	<u>141,908</u>	<u>160,163</u>	<u>143,343</u>	<u>16,820</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ 71,489</u>	<u>\$ 65,417</u>	<u>\$ 47,291</u>	<u>\$ (18,126)</u>

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

**EXHIBIT 3**  
**TOWN OF BYNG, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS**  
**BYNG PUBLIC WORKS AUTHORITY**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<b>Operating Revenues:</b>	
Charges for services:	
Electric	\$11,453,704
<b>Total Operating Revenues</b>	11,453,704
<b>Operating Expenses:</b>	
Cost of Electricity	11,684,064
Office supplies	858
Maintenance and operations	34,257
<b>Total Operating Expenses</b>	11,719,179
Operating Income	(265,475)
<b>Non-Operating Revenues:</b>	
Investment income	15,259
Miscellaneous	1,063
<b>Total Non-Operating Revenues</b>	16,322
<b>Net Income Before Contributions and Transfers</b>	(249,153)
Transfers out	(28,500)
<b>Change in fund balance</b>	(277,653)
<b>Fund Balance - beginning</b>	1,558,124
<b>Fund Balance - ending</b>	\$1,280,471

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

TOWN OF BYNG, OKLAHOMA  
 SCHEDULE OF GRANT ACTIVITY - CASH BASIS  
 Year Ended June 30, 2013

	<u>Volunteer Fire Assistance Grant</u>	<u>FY 2013 REAP 13-061</u>	<u>EMW-201-FO-04691</u>	<u>FEMA-1883-DR-OK</u>	<u>Emergency Management Performance Grant</u>
Awarding agency	State Department of Agriculture	Southern Oklahoma Development Authority	US Department of Homeland Security	State of Oklahoma Department of Emergency Management	Department of Emergency Management
CFDA No.	N/A	N/A	97.044	N/A	97.042
Award Amount	\$ 4,484	\$ 13,450	\$ 35,369	\$ 184	\$ 10,000
Program Budget	4,484	13,450	37,230	184	10,000
Current Year Activity:					
Current Year Receipts:					
Received from agency	4,484	13,450	18,275	184	10,000
Received from local funds	-	-	962	-	-
Total current year receipts	4,484	13,450	19,237	184	10,000
Current Year Disbursements	4,484	13,450	19,237	-	10,000
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	13,450	18,275	184	10,000
Received from local funds	-	-	962	-	-
Total program To-Date Receipts	4,484	13,450	19,237	184	10,000
Program To-Date Disbursements	4,484	13,450	19,237	184	10,000
Program To-Date Unexpended Grant Funds	\$ -	\$ -	\$ -	\$ -	\$ -

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