

**FOYIL FIRE PROTECTION DISTRICT**  
**ANNUAL FINANCIAL STATEMENTS**  
**AND ACCOMPANYING**  
**INDEPENDENT AUDITOR'S REPORTS**

**For the Year Ended June 30, 2021**



**Certified Public Accountants, PLLC**

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**FOYIL FIRE PROTECTION DISTRICT  
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**FOYIL FIRE PROTECTION DISTRICT**  
**Fire District Officials**  
**June 30, 2021**

**Board of Directors**

Perry Atchley	Chairman
Kenny Carter	Treasurer
John Rhoten	Clerk
Randy Atchley	Fire Chief

**FOYIL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2021**

Our discussion and analysis of Foyil Fire Protection District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the District's financial statements beginning on page 8.

**Overview of the Financial Statements**

The District's basic financial statements consist of three components:

- 1) Governmental wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the financial statements

The basic financial statements present two different views of the District through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the District.

**Reporting the District as a Whole**

*The District's Reporting Entity Presentation*

The annual report includes all activities for which the District is fiscally responsible.

*The Statement of Net Position and the Statement of Activities*

Our financial analysis of the District as a whole begins on page 8. The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities. One of the most important questions asked about the District's finances is, "Is the District as a whole better off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District and about its activities in a way that helps answer this question. These statements include all of the District's assets and liabilities resulting from using the accrual basis of accounting.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between the assets and liabilities – as one way to measure the District's financial health or financial position. Over time, increases or decreases in the net position are one indicator of whether its financial health is improving or deteriorating.

**FOYIL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2021**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

*Net Position – Accrual Basis*

Our analysis below focuses on the net position and changes in net position of the District's activities.

	2021	2020
Current and other assets	\$ 276,885.77	\$ 246,806.81
Capital assets (net)	1,112,385.33	1,160,082.09
Deferred outflows of resources	<u>6,236.00</u>	<u>5,422.00</u>
Total Assets	<u>1,395,507.10</u>	<u>1,412,310.90</u>
Current liabilities	166,566.59	164,847.53
Non-current liabilities	812,622.33	867,918.06
Deferred outflows of resources	<u>2,274.00</u>	<u>3,445.00</u>
Total Liabilities	<u>981,462.92</u>	<u>1,036,210.59</u>
Invested in Capital Assets, Net of Related Debt	193,099.98	180,348.84
Restrict for debt service	50,732.79	35,951.37
Net Assets, Unrestricted	<u>170,211.41</u>	<u>159,800.10</u>
Total Net Assets	<u>\$ 414,044.18</u>	<u>\$ 376,100.31</u>

*Statement of Activities – Accrual Basis*

For the year ended June 30, 2021, net position of the District changed as follows:

	2021	2020
<b><u>REVENUES</u></b>		
Ad Valorem Tax	\$ 500,673.60	\$ 463,401.08
Grants	4,826.28	4,641.52
Interest Income	619.39	552.88
Other Income	<u>10,235.84</u>	<u>4,299.24</u>
Total Revenues	<u>\$ 516,355.11</u>	<u>\$ 472,894.72</u>

**FOYIL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2021**

	2021	2020
<u>EXPENDITURES</u>		
Accounting	\$ 5,300.00	\$ 5,425.00
Depreciation	130,835.86	129,769.02
Dispatching	10,009.00	8,800.00
Equipment expense	42,814.84	21,708.04
Insurance	58,914.38	57,848.10
Interest	40,082.05	46,000.95
Licenses and fees	860.00	296.23
Office expense	8,478.64	6,690.33
Other expenses	93.87	425.00
Payroll expenses	131,993.16	122,742.73
Payroll tax expense	10,893.35	10,006.40
Pension and retirement expenses	8,059.52	5,142.13
Professional Fees	422.00	-
Printing and production	483.00	483.00
Property lease	147.72	152.87
Repairs	2,747.49	2,224.84
Supplies	7,013.71	10,205.18
Telephone	6,303.25	6,048.72
Training	90.00	350.75
Utilities	12,869.40	11,937.92
Total Expenditures	<u>\$ 478,411.24</u>	<u>\$ 446,257.21</u>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2021, the District had \$1,112,385.33 (net of accumulated depreciation) invested in capital assets, building, improvements, machinery and equipment.

**Debt**

The District had eleven (11) long-term leases outstanding as of June 30, 2021 totaling \$919,285.65. The District's total obligations decreased by \$60,445.60 during the fiscal year then ended due to normal repayment of long-term debt and the addition of a new equipment lease totaling \$77,041.00.

**FOYIL FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2021**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

A product of an ongoing examination of how the District does business, our budget emphasizes outcomes or results for the community and allows for longer-term financial planning decisions.

In considering the District's budget for the fiscal year 2021/2022, the Board estimates that revenues and expenses in the coming year will approximate actual revenues and expenses for the past fiscal year. Therefore, net assets are expected to increase slightly as long-term debt is reduced by regularly scheduled principal payments.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Board of Directors at Foyil Fire Protection District, P.O. Box 54, Foyil, Oklahoma 74031.



## **INDEPENDENT AUDITORS REPORT**

To the Board of Directors  
Foyil Fire Protection District  
Foyil, Oklahoma

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Foyil Fire Protection District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Foyil Fire Protection District as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2 through 5, budgetary comparison information on pages 26 and 27, and the net pension information, in pages 28 and 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2021 on our consideration of the Foyil Fire Protection District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foyil Fire Protection District's internal control over financial reporting and compliance.



OBER & LITTLEFIELD  
CERTIFIED PUBLIC ACCOUNTANTS, PLLC  
December 3, 2021

**FOYIL FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 187,900.56
Restricted cash and cash equivalents	68,923.53
Ad valorem taxes receivable	651.89
Prepaid insurance	19,409.79
Total Current Assets	<u>276,885.77</u>
Noncurrent Assets:	
Capital assets, net of accumulated depreciation	<u>1,112,385.33</u>
Total Noncurrent Assets	<u>1,112,385.33</u>
Deferred Outflows of Resources:	
Deferred outflows of resources - current year pension plan contributions	<u>6,236.00</u>
Total Assets and Deferred Outflows of Resources	<u>1,395,507.10</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	7,800.43
Accrued interest payable	18,440.15
Employees retirement payable	4,049.52
Payroll taxes payable	3,296.47
Current portion of long-term debt	<u>132,980.02</u>
Total Current Liabilities	<u>166,566.59</u>
Noncurrent Liabilities:	
Capital leases payable, net of current portion	786,305.33
Net pension liability	<u>26,317.00</u>
Total Noncurrent Liabilities	<u>812,622.33</u>
Deferred Inflows of Resources:	
Deferred inflows - unamortized pension investment income	<u>2,274.00</u>
Total Liabilities and Deferred Inflows of Resources	<u>981,462.92</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	193,099.98
Restricted for debt service	50,732.79
Unrestricted	<u>170,211.41</u>
Total Net Position	<u>\$ 414,044.18</u>

The accompanying notes are an integral part of these financial statements.

**FOYIL FIRE PROTECTION DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**June 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants	Capital Grants	
Governmental activities:					
General fund	\$ 428,466.19	\$ -	\$ 4,826.28	\$ -	\$ (423,639.91)
Sinking fund	49,945.05	-	-	-	(49,945.05)
Total governmental activities	<u>\$ 478,411.24</u>	<u>\$ -</u>	<u>\$ 4,826.28</u>	<u>\$ -</u>	<u>(473,584.96)</u>
General revenues:					
Ad valorem taxes					500,673.60
Interest income					619.39
Other					<u>10,235.84</u>
Total general revenues					<u>511,528.83</u>
Change in net position					37,943.87
Net position, beginning of year					<u>376,100.31</u>
Net position, end of year					<u>\$ 414,044.18</u>

The accompanying notes are an integral part of these financial statements.

**FOYIL FIRE PROTECTION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2021**

	<u>General Fund</u>	<u>Sinking Fund</u>	<u>Total Governmental Fund</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 187,900.56	\$ -	\$ 187,900.56
Restricted cash and cash equivalents	-	68,923.53	68,923.53
Ad valorem taxes receivable	402.48	249.41	651.89
Prepaid insurance	<u>19,409.79</u>	<u>-</u>	<u>19,409.79</u>
Total ASSETS	<u>\$ 207,712.83</u>	<u>\$ 69,172.94</u>	<u>\$ 276,885.77</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 7,800.43	\$ -	\$ 7,800.43
Payroll taxes payable	3,296.47	-	3,296.47
Employee retirement payable	4,049.52	-	4,049.52
Accrued interest payable	<u>-</u>	<u>18,440.15</u>	<u>18,440.15</u>
Total LIABILITIES	<u>15,146.42</u>	<u>18,440.15</u>	<u>33,586.57</u>
Fund balances:			
Restricted for debt service	-	50,732.79	50,732.79
Unassigned	<u>192,566.41</u>	<u>-</u>	<u>192,566.41</u>
<b>Total liabilities and fund balance</b>	<u>\$ 207,712.83</u>	<u>\$ 69,172.94</u>	<u>\$ 243,299.20</u>

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities of \$2,381,473.85 are not financial resources and, therefore are not reported in the funds, net of accumulated depreciation of \$1,269,088.52	1,112,385.33
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet	
Due within one year	(132,980.02)
Long-term portion	(786,305.33)
Certain liabilities are not due and payable in the current period from current financial resources, and, therefore, are not reported in the fund	
Net pension liability	(26,317.00)
Pension related deferred inflows	(2,274.00)
Pension related deferred outflows	<u>6,236.00</u>
Net position of governmental activities	<u>414,044.18</u>

The accompanying notes are an integral part of these financial statements.

**FOYIL FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – GOVERNMENTAL FUND**  
**June 30, 2021**

	<b>General Fund</b>	<b>Sinking Fund</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 312,400.82	\$ 188,272.78	\$ 500,673.60
Grant income	4,826.28	-	4,826.28
Other income	10,235.84	-	10,235.84
Interest income	616.80	2.59	619.39
Total Revenues	<u>328,079.74</u>	<u>188,275.37</u>	<u>\$ 516,355.11</u>
<b>Expenditures:</b>			
Accounting and legal fees	5,300.00	-	5,300.00
Capital assets	6,098.10	77,041.00	83,139.10
Dispatching expense	10,009.00	-	10,009.00
Equipment expense	32,951.84	9,863.00	42,814.84
Insurance	58,914.38	-	58,914.38
Licenses and fees	860.00	-	860.00
Office expense	8,478.64	-	8,478.64
Other expenses	93.87	-	93.87
Payroll expenses	131,993.16	-	131,993.16
Payroll tax expenses	10,893.35	-	10,893.35
Pension expense	1,020.00	-	1,020.00
Printing and production	483.00	-	483.00
Professional fees	422.00	-	422.00
Property lease	147.72	-	147.72
Retirement	4,673.52	-	4,673.52
Repairs	2,747.49	-	2,747.49
Supplies	7,013.71	-	7,013.71
Telephone	6,303.25	-	6,303.25
Training	90.00	-	90.00
Utilities	12,869.40	-	12,869.40
Debt service:			
Principal	-	137,488.90	137,488.90
Interest	-	40,082.05	40,082.05
Total Expenditures	<u>301,362.43</u>	<u>264,474.95</u>	<u>565,837.38</u>
Excess (deficiency) or revenues over expenditures	<u>26,717.31</u>	<u>(76,199.58)</u>	<u>(49,482.27)</u>
<b>Other Financing Sources (Uses):</b>			
Loan Proceeds	-	77,041.00	77,041.00
Transfers in (out)	(13,940.00)	13,940.00	-
Total Other Financing Sources (Uses)	<u>(13,940.00)</u>	<u>90,981.00</u>	<u>77,041.00</u>
Net change in fund balance	12,777.31	14,781.42	27,558.73
Fund balance, beginning of year	<u>179,789.10</u>	<u>35,951.37</u>	<u>215,740.47</u>
Fund balance, end of year	<u>\$ 192,566.41</u>	<u>\$ 50,732.79</u>	<u>\$ 243,299.20</u>

continued

The accompanying notes are an integral part of these financial statements.

**FOYIL FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**AND CHANGE IN NET POSITION**  
**June 30, 2021**

Net change in fund balances - total governmental funds	\$ 27,558.73
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.	
Purchases of capital assets	83,139.10
Depreciation expense	<u>(130,835.86)</u>
	<u>(47,696.76)</u>
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
Lease proceeds	(77,041.00)
Principal payments on long-term	<u>137,488.90</u>
	<u>60,447.90</u>
Certain liabilities are not due and payable in the current period from current financial resources, and, therefore, are not reported in the fund	
Pension related deferred inflows/outflows	<u>(2,366.00)</u>
	<u>(2,366.00)</u>
Change in net position of governmental activities	<u>\$ 37,943.87</u>

The accompanying notes are an integral part of these financial statements.

**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 1 - Summary of Significant Accounting Policies**

Foyil Fire Protection District, (the “District”) was created on September 5, 2000 and was organized for the purpose of providing fire protection services for the owners and occupants of land located within the District. The District is exempt from federal and state income taxes.

The Board of Directors consists of three (3) members serving two, four or six year terms. The vacant Board seats are elected by a vote of the citizens and include a Chairman, Treasurer and Clerk. All Board members serve without pay.

The accounting policies of the District conform to generally accepted accounting principles applicable to governmental units. The District complies with generally accepted accounting principles and applies all relevant Government Accounting Standards Board (GASB) pronouncements. In addition, the District applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The District has elected not to follow FASB pronouncements issued since that date.

**1.A. Financial Reporting Entity**

The District complies with GASB Statement No. 14, “*The Financial Reporting Entity*.” This statement establishes standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The District considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the District’s financial statements.

**1.B. Basis of Presentation**

The accounts of the District are organized into funds, each of which is considered to be a separate accounting entity. The District uses the following fund types:

**Government Wide Statements**

The statement of net position and the statement of activities present financial information about the reporting government, as a whole. These statements include the financial activities of the overall government, in its entirety, except those that are fiduciary. Eliminations have been made to minimize duplicate transactions. Governmental activities generally are financed through taxes and other exchange, and non-exchange, transactions. Operating grants include operating-specific and discretionary (either operational or capital) grants.

The statement of activities presents a comparison between direct expenses and direct revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with, and are clearly identifiable to, a function. Direct revenues include charges paid by the recipients of goods or services offered by the District, and grants and contributions that are restricted to meeting the operational, or capital, requirements of a particular function. Revenues that are not classified as direct revenues, including all taxes, are presented as general revenues.

**FOYIL FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 1 – Summary of Significant Accounting Policies:** continued

**1.B. Basis of Presentation** continued

**Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures. An emphasis is placed on major funds with the governmental categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The District reports the following major government funds:

*General Fund* – The general fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

*Sinking Fund* – The sinking fund accounts primarily for all taxes received and expended for long-term leases.

**1.C. Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included in the statement of net position and the operating statements present increases (revenues) and decreases (expenditures) in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenditures are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.



**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 1 – Summary of Significant Accounting Policies:** continued

**1.D. Assets, Liabilities and Net Assets**

**Cash and Cash Equivalents**

For the purposes of cash flows, the District considers all cash on hand, demand deposits, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

**Fair Value of Financial Instruments**

The District's financial statements include cash and investments. The District's estimates of the fair value of all financial instruments do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net assets. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

**Restricted Cash**

Restricted assets include cash and investments of the governmental fund that are legally restricted as to their use.

**Ad Valorem Taxes Receivable**

The Rogers County Commissioner prepares the tax levy in late December of each year, and bills taxpayers for the District's levy, and other Rogers County real property taxes. These combined taxes become a lien as of January 1<sup>st</sup>, based on assessed property values as of that date. Tax payments are due during the period December 31<sup>st</sup> to March 31<sup>st</sup>. The tax roll is returned to the Rogers County Commissioner of Finance after March 31<sup>st</sup>, at which time all unpaid taxes and penalties are payable to that office. The District retains full tax levies for all unpaid items returned to the County. The County enforces tax liens. The County reports the annual tax roll assessed, and collections on those amounts, to the District.

**Capital Assets**

The land, building, vehicles and equipment of the District are recorded at cost. Donated capital assets are reported at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All reported capital assets are depreciated on the straight-line basis over the estimated useful lives ranging from five (5) to fifty (50) years.

**Deferred Outflows of Resources**

Deferred outflows are the consumption of net position by the District that are applicable to a future reporting period. At June 30, 2020, the District reported deferred outflows of resources related to its defined benefit pension plan.

**FOYIL FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 1 – Summary of Significant Accounting Policies:** continued

**1.D. Assets, Liabilities and Net Assets:** continued

**Compensated Absences**

The District's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences (when material) is recorded as long-term debt in the financial statements.

**Deferred Inflows of Resources**

Deferred inflows are the acquisitions of net position by the District that are applicable to a future reporting period. As of June 30, 2020, the District reported deferred inflows of resources related to its defined benefit pension plan.

**Equity Classification**

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definitions of "restricted" or "invested in capital assets, net of related debt".

*Fund Financial Statements:*

In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable – amounts that are not in a spendable form (i.e. inventory) or are required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.
- c. Committed – amounts that can be spent only for specific purposes determined by a formal action of government's highest level of decision-making authority.
- d. Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.
- e. Unassigned – amounts that are available for any purpose.

**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 1 – Summary of Significant Accounting Policies:** continued

**1.D. Assets, Liabilities and Net Assets:** continued

**Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2 - Budgetary Requirements**

The District adopts annual operations and capital budgets. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The current operating budget details the District's plans to earn, and expend, funds for charges incurred for operation, maintenance, certain interest and general functions, and other charges for the fiscal year. The capital budget details the plan to receive, and expend, cash basis capital contribution fees, special assessments, grants, borrowings, and certain revenues for capital projects.

All unexpended, and unencumbered, appropriations in the operating budget lapse at the end of the fiscal year. No appropriation for a capital project in the capital budget lapses until the purpose for which the appropriation was made has been accomplished or abandoned.

The Board of Directors adopts a budget at the meeting prior to the beginning of the new fiscal year. Actual revenues, and expenditures, are monitored and compared with the budget during the year. Significant variations from budgeted amounts are researched, and the board is informed of the results.

**Note 3 – Detailed Notes Concerning Accounts**

**3.A. Deposits and Investments**

State statutes govern the District's investment policy. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. Investments are stated at cost. Currently the District invests entirely in certificates of deposit.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's cash deposits, including interest-bearing certificates of deposits, are maintained in financial institutions. The District does not have a deposit policy for custodial risk. As of June 30, 2020, none of the District's deposits or investments were exposed to custodial credit risk because they were uninsured or uncollateralized.

**FOYIL FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 3 – Detailed Notes Concerning Accounts:** continued

**3.A. Deposits and Investments:** continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**3.B. Changes in Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Depreciable assets				
Buildings and improvements	\$ 327,035.33	\$ 3,573.10	\$ -	\$ 330,608.43
Furniture, fixtures and equipment	<u>1,971,299.42</u>	<u>79,566.00</u>	<u>-</u>	<u>2,050,865.42</u>
Total capital assets being depreciated	<u>2,298,334.75</u>	<u>83,139.10</u>	<u>-</u>	<u>2,381,473.85</u>
Less: accumulated depreciation				
Buildings and improvements	141,211.95	8,377.30	-	149,589.25
Furniture, fixtures and equipment	<u>997,040.71</u>	<u>122,458.56</u>	<u>-</u>	<u>1,119,499.27</u>
Total accumulated depreciation	<u>1,138,252.66</u>	<u>130,835.86</u>	<u>-</u>	<u>1,269,088.52</u>
Capital assets, net	<u>\$ 1,160,082.09</u>	<u>\$ (47,696.76)</u>	<u>\$ -</u>	<u>\$ 1,112,385.33</u>

**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 3 – Detailed Notes Concerning Accounts:** continued

**3.C. Capital Leases Payable**

As of June 30, 2021, the long-term debt to be repaid from the District's proprietary fund resources consisted of the following:

	Amount Outstanding 06/30/20	Issued	Retired	Amount Outstanding 06/30/21
o 2007 Capital lease payable to Bank of Commerce, payable in annual installments of \$16,510.37, with interest at 5.75%, final payment due January 5, 2022, secured by a GMC Pumper truck.	\$ 18,946.17	\$ -	\$ 18,946.17	\$ -
o 2008 Capital lease payable to Bank of Commerce, payable in annual installments of \$17,864.81, with interest at 4.47%, final payment due February 6, 2022, secured by two (2) 2008 Kenworth fire trucks.	50,610.50	-	14,575.13	36,035.37
o 2008 Capital lease payable to Bank of Commerce, payable in annual installments of \$20,655.25, with interest at 4.99%, final payment due January 24, 2023, secured by 2008 Kenworth tanker truck.	54,362.22	-	17,957.43	36,404.79
o 2014 Note payable to Bank of Commerce, payable in annual installments of \$8,866.59, with interest at 4.0%, final payment due June 27, 2029, secured by a 2005 F750 tanker truck.	65,420.59	-	6,427.74	58,992.85
o 2014 Capital lease payable to Welch State Bank, payable in annual installments of \$23,791.97, with interest at 3.99%, final payment due September 9, 2029, secured by a 2015 Freightliner pumper truck.	193,316.95	-	16,230.61	177,086.34
o 2016 Capital lease payable to Bank of Commerce, payable in annual installments of \$4,899.53, with interest at 2.80%, final payment due February 4, 2021, secured by bunker gear equipment.	4,733.50	-	4,733.50	-
o 2016 Capital lease payable to Welch State Bank, payable in annual installments of \$17,985.16, with interest at 3.99%, final payment due September 13, 2031, secured by a M2-106 Wildland brush truck.	168,734.25	-	11,385.61	157,348.64
o 2016 Capital lease payable to Welch State Bank, payable in annual installments of \$4,218.35, with interest at 3.39%, final payment due October 14, 2021, secured by two (2) Genesis 17C Eforce vario tools.	8,007.64	-	3,941.69	4,065.95
o 2017 Capital lease payable to Bank of Commerce, payable in annual installments of \$7,818.91, with interest at 3.25%, final payment due April 17, 2022, secured by a 2017 Ford F150.	14,828.08	-	7,330.40	7,497.68

**FOYIL FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 3 – Detailed Notes Concerning Accounts:** continued

**3.C. Capital Leases Payable:** continued

	Amount Outstanding 06/30/20	Issued	Retired	Amount Outstanding 06/30/21
o 2017 Capital lease payable to Welch State Bank, payable in annual installments of \$11,210.08, with interest at 4.01%, final payment due May 24, 2027, secured by a 2017 Ford F550 brush truck.	67,067.85	-	8,529.39	58,538.46
o 2017 Capital lease payable to Welch State Bank, payable in annual installments of \$11,210.08, with interest at 4.01%, final payment due May 24, 2027, secured by a 2017 Ford F550 brush truck.	67,067.85	-	8,529.39	58,538.46
o 2019 Capital lease payable to Welch State Bank, payable in annual installments of \$31,388.50, with interest at 4.55%, final payment due January 29, 2031, secured by a 2019 Deep South Freightliner M2-106 Pumper Tanker.	266,635.65		18,899.54	247,736.11
o 2021 Capital lease payable to Welch State Bank, payable in annual installments of \$16,904.05, with interest at 3.16%, final payment due May 4, 2026, secured by 10 SCBA's.	-	77,041.00	-	77,041.00
	<u>\$ 979,731.25</u>	<u>\$ 77,041.00</u>	<u>\$ 137,486.60</u>	<u>\$ 919,285.65</u>

*Annual Debt Service Requirement*

The schedule of estimated maturities on long-term debt and interest for fiscal years ending June 30 is as follows:

Year Ending June 30	Principal	Interest
2022	\$ 132,980.02	\$ 38,933.25
2023	124,828.70	32,850.43
2024	98,320.42	27,297.54
2025	98,051.27	23,304.68
2026	102,016.20	19,339.75
2027 - 2031	346,202.57	43,771.77
2032	16,886.17	673.76
	<u>\$ 919,285.35</u>	<u>\$ 186,171.18</u>

**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 4 – Other Information**

**4.A. Employee Retirement Systems and Pension Plans**

The District, as employer, contributes to a cost-sharing, multiple-employer, defined benefit pension plan, on behalf of the firefighters. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The cost to administer the Oklahoma Firefighters Pension and Retirement System (OFPRS) plan is financed through the contributions, insurance premium taxes, state appropriations, and investment earnings. The plan issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained for OFPRS at [www.ok.gov/FPRS](http://www.ok.gov/FPRS).

The Oklahoma Firefighters Pension Retirement System is administrator of the Oklahoma Firefighters Pension and Retirement Plan (OFPRS). The System is part of the State financial reporting entity, which is combined with other similar funds, to comprise the fiduciary pension trust funds of the State. Responsibility for administration of the OFPRS is assigned to the Oklahoma Firefighters Pension and Retirement System Board of Trustees, comprised of thirteen members, including the five members of the Board of Trustees of the Oklahoma House and Senate, two members appointed by the Oklahoma Municipal League, and the State Insurance Commissioner, or designee.

The plan provides defined retirement benefits, based on the members final average compensation, age, and terms of service. In addition, the retirement program provides for benefits upon disability, and to survivors, upon the death of eligible members. Benefits are established, and amended, by the State. Retirement provisions for the plan are as follows:

Benefits for members hired prior to November 1, 2013 are determined as 2.5% of the employee's final average compensation, multiplied by the employee's years of service, and have reached the age of 50, or have completed 20 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit, for normal retirement, is \$150.60 per month. Benefits vest with 10 years, or more, of service.

Benefits for members hired after November 1, 2013 are determined as 2.5% of the employee's final average compensation, multiplied by the employee's years of service, and have reached the age of 50, or have completed 22 years of service, whichever is later. For volunteer firefighters, the monthly pension benefit, for normal retirement, is \$165.66 per month. Benefits vest with 11 years, or more, of service.

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit, for firefighters with less than 20 years of service, is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in-the-line-of-duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities, not in-the-line-of-duty, the benefit is limited to only those with less than 20 years of service, and is 50% of final average monthly compensation, based on the most recent 60 months of salary, as opposed to 30 months. For volunteer firefighters, the not in-the-line-of-duty disability is also limited to only those with less than 20 years of service, and is \$7.53 per year of service, with a maximum of 30 years. For volunteer firefighters, the in-the-line-of-duty pension is \$150.60 with less than 20 years of service or \$7.53 per year of service with a maximum of 30 years.

A \$5,000 lump sum death benefit is payable to the qualified spouse, or designated recipient, upon the participant's death. The \$5,000 death benefit does not apply to members electing the vested benefit.

**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 4 – Other Information** continued

**4.A. Employee Retirement Systems and Pension Plans** continued

*Member and Employer Contributions*

The contribution requirements of the OFPRS plan is at an established rate, determined by Oklahoma statute, and is not based on actuarial calculations. Specific requirements for the plan are as follows:

Required employer contribution levels are 14% of applicable earnings, and firefighters contribute 9%. The Oklahoma Legislature has the authority to establish, and amend, contribution amounts. The State of Oklahoma, a non-employer contribution entity, presently allocates 36% of the insurance premium tax, collected from various types of insurance policies, to the Plan. The State of Oklahoma may also appropriate additional funds annually, as needed, to pay current costs, and to amortize the unfunded actuarial present value of accumulated plan benefits. No such appropriations were received during the year ended June 30, 2020.

*Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability. The net pension liability for the plan was measured, as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation, as of June 30, 2020. The District's proportionate share of the net pension liability was based on the District's share of contributions in the pension plan, relative to the total contributions of all participating plan employers, since the plan is a cost-sharing, multiple-employer, type plan.

At June 30, 2020, the District's proportionate share was .002136% of the total OFPRS plan.

For the year ended June 30, 2020, the District increased pension expenses by \$2,366.00 for the OFPRS plan. As of June 30, 2020, the District reported deferred outflows of resources, and deferred inflows of resources, related to the defined benefit pension plan, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>OFPRS</b>		
Difference between expected and actual plan experience	\$ 3,354.00	\$ 353.00
Net difference between projected and actual earnings on pension plan investments	1,862.00	1,475.00
Contributions subsequent to the measurement date	1,020.00	
Difference due to change in proportion	-	446.00
Total for all plans	<u>\$ 6,236.00</u>	<u>\$ 2,274.00</u>

Amounts reported as deferred outflows of resources, related to pensions, resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability, in the year ending June 30, 2021, as follows: \$1,020.00.



**FOYIL FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 4 – Other Information** continued

**4.A. Employee Retirement Systems and Pension Plans** continued

The average of the expected remaining service lives of all employees that are provided with pensions, through the System (active and inactive employees), determined at July 1, 2017, the beginning of the measurement period ended June 30, 2020, is 4.69 years for OFPRS. Other amounts reported as deferred outflows of resources and deferred inflows of resources, related to the pension plan, will be recognized in pension expense (revenue), as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2020	\$ 625
2021	625
2022	625
2023	625
2024	442
Thereafter	-
	<u>\$ 2,942</u>

*Actuarial Assumptions*

For all plans, valuations are based on actuarial assumptions, the benefit provisions, and census of system members. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. Any unfunded actuarial liability is amortized, based on a level percentage of payroll.

The total pension liability, in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

	<u>OFPRS</u>
Inflation	3.00%
Salary increases including inflation	3.5% - 9.0% average, including inflation
Investment rate of return	7.50% net of pension plan investment expense
Cost of living adjustments	Half of the dollar amount of the 3% assumed increase in base pay for firefighters with 20 years of service as of May 26, 1983. No COLA is assumed for members not eligible for the increase.

**FOYIL FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021**

**Note 4 – Other Information** continued

**4.A. Employee Retirement Systems and Pension Plans** continued

Mortality rates for the OFPRS was based on the RP-2000 Blue Collar Combined Healthy Mortality Report, with generational mortality improvement, using Scale AA.

The actuarial assumption used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2019.

The long term expected rate of return on pension plan investments, for the plan, was determined using the building block method, in which best estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage, and by adding expected inflation.

*Discount Rate*

The discount rate used to measure the total pension liability, for the plan, was 7.5%. The projection of cash flows, used to determine the discount rate, assumed that contributions from plan members will be made at the current contribution rate, and that contributions from employers will be made at the contractually required rates, determined by State statutes. Projected cash flows also assume that the State of Oklahoma will continue contributing 36% of the insurance premium for the OFPRS, as established by statute. For the plan, the pension plan's fiduciary net position was expected to be available to make all projected future benefit payments of current plan members, for all future years, and hence, the blended GASB discount rate is equal to the long-term rate of return of 7.50%.

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following represents the District's proportionate share of the net pension liability, calculated using the specified discount rate, as well as what the District's proportionate share of the net pension liability would be, if it were calculated using a discount rate that is 1 percentage-point lower, or 1 percentage-point higher than the specified current rate:

Discount rate used >	<b>Current Discount</b>		
	<b>6.50%</b>	<b>7.50%</b>	<b>8.50%</b>
Cost sharing plans - proportionate share:			
Oklahoma Firefighters Pension and Retirement System	\$ 34,177.00	\$ 26,317.00	\$ 19,740.00
Total net pension liability - cost sharing plans	<u>\$ 34,177.00</u>	<u>\$ 26,317.00</u>	<u>\$ 19,740.00</u>

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available, in a separately issued financial report.

The plan issues a publicly available financial report that includes financial statements, and the required supplementary information. The report may be obtained, for the Oklahoma Firefighters Pension and Retirement System (OFPRS) at [www.ok.gov/FPRS](http://www.ok.gov/FPRS).

**FOYIL FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 4 – Other Information** continued

**4.A. Employee Retirement Systems and Pension Plans** continued

*Payables to the Pension Plan*

At June 30, 2021, the District reported no payables to the defined benefit pension plan, for legally required employer contributions.

**4.B. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public official's liability. There were no significant reductions in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**4.C. Concentrations of Credit and Market Risk**

Financial instruments that potentially expose the District to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at high-quality financial institutions and credit exposure is limited at any one institution. The District has not experienced any losses on its cash equivalents.

**4.D. Evaluation of Subsequent Events**

The District has evaluated subsequent events through December 3, 2021, the date which the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial information and disclosures not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such information includes:

- Budgetary Comparison Schedule
- Notes to Other Supplementary Information – Budget Comparison Schedule
- Schedule of Net Pension Liability
- Schedule of Employer Contributions

**FOYIL FIRE PROTECTION DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget to Actual – Fire Fund**  
**For the Fiscal Year Ended June 30, 2021**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Budget Variance</b>	
	<b>Original</b>	<b>Final</b>		<b>Original to Final</b>	<b>Final to Actual</b>
Revenues:					
Ad valorem tax	\$ 293,453.68	\$ 293,453.68	\$ 313,762.07	\$ -	\$ 20,308.39
Grants	-	-	4,826.28	-	4,826.28
Other income	-	-	10,235.84	-	10,235.84
Interest	289.40	289.40	616.80	-	327.40
Transfers	-	-	(13,940.00)	-	(13,940.00)
Total Revenues	<u>293,743.08</u>	<u>293,743.08</u>	<u>315,500.99</u>	<u>-</u>	<u>21,757.91</u>
Expenditures:					
Capital expenditures	86,500.00	86,500.00	6,098.10	-	80,401.90
Dispatching expense	11,000.00	11,000.00	10,009.00	-	991.00
Equipment expense	32,500.00	32,500.00	28,693.46	-	3,806.54
Firefighter supplies	8,000.00	8,000.00	7,013.71	-	986.29
Insurance	45,000.00	45,000.00	44,362.55	-	637.45
Other expenses	2,500.00	2,500.00	2,099.59	-	400.41
Personal services	165,000.00	165,000.00	161,958.09	-	3,041.91
Professional fees	6,000.00	6,000.00	5,947.00	-	53.00
Repairs and maintenance	74,975.00	74,975.00	2,997.49	-	71,977.51
Supplies	9,000.00	9,000.00	8,740.12	-	259.88
Telephone	6,500.00	6,500.00	6,132.70	-	367.30
Utilities	16,000.00	16,000.00	12,830.54	-	3,169.46
Total Expenditures	<u>462,975.00</u>	<u>462,975.00</u>	<u>296,882.35</u>	<u>-</u>	<u>166,092.65</u>
Excess of Revenues over/(under) expenditures					
Before Other Sources/(Uses)	(169,231.92)	(169,231.92)	18,618.64	-	187,850.56
Cash Fund Balance, beginning of year	<u>169,281.92</u>	<u>169,281.92</u>	<u>169,281.92</u>	<u>-</u>	<u>-</u>
Cash Fund Balance, end of year	<u>\$ 50.00</u>	<u>\$ 50.00</u>	<u>187,900.56</u>	<u>\$ -</u>	<u>\$ 187,850.56</u>

**FOYIL FIRE PROTECTION DISTRICT**  
**Notes to Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2021**

Budgetary Accounting

The budget formally adopted by the District is on a cash basis and prepared on a regulatory basis of accounting. Therefore, a reconciliation of the Statement of Revenues, Expenses, and Changes in Net Position (Budget and Actual) must be shown.

**FOYIL FIRE PROTECTION DISTRICT**  
**Schedule of Foyil Fire Protection District's Share**  
**Of Net Pension Liability**  
**For the Fiscal Year Ended June 30, 2021**

<b>Oklahoma Firefighters Pension and Retirement Plan (OFPRS)</b>	<b>June 30, 2020</b>	<b>June 30, 2019</b>	<b>June 30, 2018</b>	<b>June 30, 2017</b>	<b>June 30, 2016</b>	<b>June 30, 2015</b>
District's proportion of the net pension liability	0.002136%	0.002079%	0.002161%	0.003166%	0.002605%	0.001882%
District's proportionate share of the net pension liability	\$ 26,317.00	\$ 21,966.00	\$ 24,330.00	\$ 39,824.00	\$ 31,821.00	\$ 19,979.00
District's covered employee payroll	\$ 131,993.16	\$ 122,742.73	\$ 118,882.98	\$ 110,292.83	\$ 107,635.84	\$ 102,501.60
District's proportionate share of the net pension liability as percentage of it's covered employee payroll	20%	18%	20%	36%	30%	19%
Plan fiduciary net position as a percentage of the total pension liability	69.98%	72.85%	70.73%	66.61%	64.87%	68.27%

\* The amounts present for each fiscal year were determined as of as of June 30.

Notes to the Schedule:

Only six years are presented because 10 year data is not yet available.

**FOYIL FIRE PROTECTION DISTRICT**  
**Schedule of Employer Contributions**  
**For the Fiscal Year Ended June 30, 2021**

<b><u>Oklahoma Firefighters Pension and Retirement Plan (OFPRS)</u></b>	<b><u>June 30, 2020</u></b>	<b><u>June 30, 2019</u></b>	<b><u>June 30, 2018</u></b>	<b><u>June 30, 2017</u></b>	<b><u>June 30, 2016</u></b>	<b><u>June 30, 2015</u></b>
Statutorily required contribution	\$ 1,020.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 1,200.00	\$ 1,020.00
Contributions related to the statutorily required contributions ( does not include State contributions)	\$ 1,020.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 1,200.00	\$ 1,020.00
District's covered employee payroll	\$ 131,993.16	\$ 122,742.73	\$ 118,882.98	\$ 110,292.83	\$ 107,635.84	\$ 102,501.60
Contributions as a percentage of covered employee payroll	0.77%	0.73%	0.76%	0.82%	1.11%	1.00%

\* The amounts present for each fiscal year were determined as of June 30.

Notes to the Schedule:

Only five years are presented because 10 year data is not yet available.



**REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS**



Certified Public Accountants, PLLC  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors  
Foyil Fire Protection District  
Foyil, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Foyil Fire Protection District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 3, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Foyil Fire Protection District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foyil Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foyil Fire Protection District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foyil Fire Protection District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Ober & Littlefield, PLLC". The signature is written in a cursive, flowing style.

OBER & LITTLEFIELD  
CERTIFIED PUBLIC ACCOUNTANTS, PLLC  
December 3, 2021