

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING  
AGREED-UPON PROCEDURES  
TOWN OF CORN, OKLAHOMA  
JUNE 30, 2016**

**TOWN OF CORN, OKLAHOMA**

**JUNE 30, 2016**

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**TOWN OF CORN, OKLAHOMA**

**TOWN OFFICIALS**

**JUNE 30, 2016**

**Board of Trustees**

Chairman	Barbara Nurnberg
Vice Chairman	Bert Flaming
Member	Willard Heinrichs
Member	Debbie Dyck
Member	Loren Penner

**Town Clerk / Treasurer**

Chris Loewen

**Town Utility Superintendent**

Randy Epp



**BRITTON, KUYKENDALL, & MILLER**  
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL  
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507  
WEATHERFORD, OK 73096  
580-772-3596  
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**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Specified Users of the Report:

Town Board, Town of Corn  
Corn, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Management is responsible for the accompanying financial statements of the Town of Corn, Oklahoma, which are comprised of a Summary of Changes in Fund Balances - Cash Basis as of June 30, 2016, and the related Budgetary Comparison Schedule of the General Fund - Cash Basis for the fiscal year then ended, included in the accompanying prescribed form in accordance with the basis of accounting prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are prepared in accordance with the basis of accounting prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements 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 are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2016. Management of the Town of Corn is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed in Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Procedures and Findings

As to the Town of Corn, Oklahoma as of and for the fiscal year ended June 30, 2016:

1. Procedures Performed: From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (See accompanying Exhibit 1-00) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances noted.

2. Procedures Performed: From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (See accompanying Exhibit 2-00) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No instances 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 instances noted.

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: Collateral was insufficient at one financial institution in the amount of \$52,888.74.

5. Procedures Performed: We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances 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 noted.

7. Procedures Performed: We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No instances 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. 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.

*Britton, Kuykendall & Miller*

BRITTON, KUYKENDALL, AND MILLER  
Certified Public Accountants

Weatherford, Oklahoma  
December 30, 2016

Town of Corn, Oklahoma  
 Summary of Changes in Fund Balances  
 For the Year Ended June 30, 2016

Town:	Beginning of Year Fund Balance	Receipts	Disbursements	Transfers	End of Year Fund Balance
	\$ <u>527,117.21</u>	\$ <u>558,115.36</u>	\$ <u>488,823.39</u>	\$ <u>0.00</u>	\$ <u>596,409.18</u>
Grand Total	\$ <u><u>527,117.21</u></u>	\$ <u><u>558,115.36</u></u>	\$ <u><u>488,823.39</u></u>	\$ <u><u>0.00</u></u>	\$ <u><u>596,409.18</u></u>

See Accountant's Report

TOWN OF CORN, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
Beginning budgetary fund balance	\$ 527,117.21	\$ 527,117.21	\$ 527,117.21	\$ 0.00
Resources (inflows):				
Taxes:				
Sales tax	23,752.14	23,752.14	22,834.12	(918.02)
Franchise tax	6,712.14	6,712.14	7,222.44	510.30
Alcoholic beverage tax	6,291.13	6,291.13	6,892.19	601.06
Gasoline excise tax	838.22	838.22	943.38	105.16
Cigarette tax	284.56	284.56	282.00	(2.56)
Motor vehicle tax	3,429.02	3,429.02	3,657.48	228.46
Use tax	3,652.98	3,652.98	3,349.19	(303.79)
Other tax	4,161.30	4,161.30	3,628.55	(532.75)
Total taxes	<u>49,121.49</u>	<u>49,121.49</u>	<u>48,809.35</u>	<u>(312.14)</u>
Charges for services:				
Water	83,164.28	83,164.28	92,055.47	8,891.19
Sanitation/Sewer	37,489.46	37,489.46	45,682.12	8,192.66
Garbage Disposal	49,611.35	49,611.35	56,272.83	6,661.48
Gas	175,758.68	175,758.68	156,535.25	(19,223.43)
EMS	14,201.51	14,201.51	16,781.40	2,579.89
Urban Renewal/Meter Charge	21,881.97	21,881.97	24,325.00	2,443.03
Other	946.83	946.83	1,615.05	668.22
Total charges for services	<u>383,054.08</u>	<u>383,054.08</u>	<u>393,267.12</u>	<u>10,213.04</u>
Sale of assets	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Grant income:				
REAP grant	110,955.50	110,955.50	69,868.53	(41,086.97)
Fire department operational grant	16,275.92	16,275.92	4,289.96	(11,985.96)
CDBG grant	7,000.00	7,000.00	0.00	(7,000.00)
Total grant income	<u>134,231.42</u>	<u>134,231.42</u>	<u>74,158.49</u>	<u>(60,072.93)</u>
Investment income	<u>808.19</u>	<u>808.19</u>	<u>996.03</u>	<u>187.84</u>
Miscellaneous:				
Fire department	12,870.00	12,870.00	5,209.00	(7,661.00)
Rent	4,446.90	4,446.90	4,941.00	494.10
Reimbursement/ Refunds	12,722.46	12,722.46	12,750.75	28.29
Deposits	8,370.00	8,370.00	7,350.00	(1,020.00)
Miscellaneous	8,281.64	8,281.64	10,633.62	2,351.98
Total miscellaneous	<u>46,691.00</u>	<u>46,691.00</u>	<u>40,884.37</u>	<u>(5,806.63)</u>
Other financing sources:				
Transfers from other funds	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Amounts available for appropriation	<u>1,141,023.39</u>	<u>1,141,023.39</u>	<u>1,085,232.57</u>	<u>(55,790.82)</u>
Charges to appropriations (outflows):				
Sanitation:				
Maintenance and operations	<u>155,752.83</u>	<u>155,752.83</u>	<u>71,180.00</u>	<u>84,572.83</u>
Total sanitation	<u>155,752.83</u>	<u>155,752.83</u>	<u>71,180.00</u>	<u>84,572.83</u>

TOWN OF CORN, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS (CONTINUED)  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
Garbage:				
Maintenance and operations	\$ 56,030.69	\$ 56,030.69	\$ 20,969.29	\$ 35,061.40
Capital outlay	0.00	0.00	0.00	0.00
Total garbage department	<u>56,030.69</u>	<u>56,030.69</u>	<u>20,969.29</u>	<u>35,061.40</u>
Water:				
Maintenance and operations	42,134.60	42,134.60	30,366.99	11,767.61
Capital outlay	56,109.22	56,109.22	0.00	56,109.22
Total water department	<u>98,243.82</u>	<u>98,243.82</u>	<u>30,366.99</u>	<u>67,876.83</u>
Gas:				
Maintenance and operations	<u>145,410.54</u>	<u>145,410.54</u>	<u>47,878.56</u>	<u>97,531.98</u>
Fire Department:				
Personal services	13,745.31	13,745.31	6,240.20	7,505.11
Maintenance and operations	23,118.46	23,118.46	13,214.05	9,904.41
Capital outlay	84,110.37	84,110.37	9,704.00	74,406.37
Total fire department	<u>120,974.14</u>	<u>120,974.14</u>	<u>29,158.25</u>	<u>91,815.89</u>
General government:				
Personal services	356,445.26	356,445.26	169,086.54	187,358.72
Maintenance and operations	208,166.11	208,166.11	118,888.76	89,277.35
Capital outlay	0.00	0.00	1,295.00	(1,295.00)
Total general government	<u>564,611.37</u>	<u>564,611.37</u>	<u>289,270.30</u>	<u>275,341.07</u>
Total charges to appropriations	<u>1,141,023.39</u>	<u>1,141,023.39</u>	<u>488,823.39</u>	<u>652,200.00</u>
Ending budgetary fund balance	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>596,409.18</u>	\$ <u>596,409.18</u>