

# **City of Cedar Valley**

## **Independent Accountant's Compilation Report and Report on Agreed Upon Procedures**

**Year Ended June 30, 2022**

City of Cedar Valley, Oklahoma  
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June 30, 2022

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

To the Specified Users of the Report:

City Council, City of Cedar Valley  
Cedar Valley, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Management is responsible for the accompanying Summary of Changes in Fund Balance – Cash Basis (Exhibit A) as the City of Cedar Valley, Oklahoma and the related Budgetary Comparison Schedule of General Fund – Cash Basis (Exhibit B) for the year ended June 30, 2022 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 nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements and schedules.

These financial statements and schedules have been prepared on the basis of accounting prescribed by the Oklahoma Statutes, that demonstrate compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements and schedules prepared on 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 City of Cedar Valley's assets, liabilities, fund balances, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying statements were prepared for the purpose of complying with financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17(105-107) and Title 60 – 180.1-.3 and are not intended to be a complete presentation of the City of Cedar Valley's assets, liabilities, revenues, expenses and changes in fund balances.

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 City of Cedar Valley in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17 (105-107) evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the City of Cedar Valley is responsible for the City'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 fieldwork and reporting standards applicable to attestation engagements as contained in *Government Auditing Standards* of the Comptroller of the United States of America. 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 **City of Cedar Valley** as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the City's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) 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 were noted.*

2. **Procedures Performed:** From the City's trial balances, we prepared a cash basis budget and actual financial schedule for the General Fund (see accompanying Exhibit B) 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 were noted.*

3. **Procedures Performed:** We agreed the City'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 of noncompliance were noted.*

4. **Procedures Performed:** We compared the City's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** *No instances of noncompliance were noted.*

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

**Finding:** *No instances of noncompliance were noted.*

6. **Procedures Performed:** We compared the accounting for the City's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** *There were no legal or contractual requirements for separate funds. No instances of noncompliance were noted.*

7. **Procedures Performed:** We compared the City'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:** *There were no contractual reserve requirements or debt service coverage requirements. 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. 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.

A handwritten signature in black ink that reads "HBC CPAs & Advisors". The signature is written in a cursive, slightly slanted style.

HBC CPAs & Advisors  
Oklahoma City, Oklahoma  
July 25, 2022

**City of Cedar Valley**  
**Summary of Changes in Fund Balances - Cash Basis**  
**Year Ended June 30, 2022**

Fund Balance, beginning of year	\$	71,513
Revenues:		
ARPA Grant		10,106
TSET Grant (PARK)		10,000
Sales Tax		9,376
Use Tax		7,629
Alcohol Tax		6,962
Motor Vehicle Tax		3,084
Cedar Valley RV Park		1,449
GEX/Gas Excise		700
Cigar Tax		75
OMAG Reimbursement		74
MM Interest		29
Total Revenues:		49,484
Expenditures:		
TSET/park		10,000
Legal Fees		4,943
Professional Fees (Audit, Bank Charges, etc)		2,156
Insurance and Bonds		1,916
Memberships		1,073
Office Supplies		349
Training		329
Communications		105
Printing & Misc		44
Total Expenditures:		20,915
Revenues over (under) expenditures:	\$	28,569
Fund Balance, end of year:	\$	100,082

**City of Cedar Valley**  
**Budgetary Comparison Schedule - Cash Basis**  
**General Fund**  
**Year Ended June 30, 2022**

	<b>Budgeted Amount</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
Beginning budgetary fund balance:	\$ 71,513	\$ 71,513	
Resources (Inflows):			
ARPA Grant	10,106	10,106	-
TSET Grant	10,000	10,000	-
Sales Tax	9,500	9,376	(124)
Use Tax	8,000	7,629	(371)
Alcohol Tax	7,000	6,962	(38)
Motor Vehicle Tax	3,000	3,084	84
Cedar Valley RV Park	2,000	1,449	(551)
GEX/Gas Excise	700	700	-
Cigar Tax	100	75	(25)
OMAG Reimb (Insurance)	-	74	74
Interest	-	29	29
Total Inflows:	<u>50,406</u>	<u>49,484</u>	<u>(922)</u>
Charges to Appropriations (Outflows)			
Road Maintenance	20,000	-	20,000
TSET Grant (Park)	10,000	10,000	-
Legal Fees	5,000	4,943	58
Emergency Siren Maintenance	5,000	-	5,000
Professional Fees (Audit, Bank Charges, etc)	2,500	2,156	344
Insurance and Bonds	2,500	1,916	584
Memberships	2,000	1,073	927
Training	2,000	329	1,671
Weed, Grass and Tree Control	1,500	-	1,500
Printing & Misc	1,000	44	956
Office Supplies	1,000	349	651
Contract Services	1,000	-	1,000
Travel and Mileage	500	-	500
Communications	500	105	395
Total Outflows:	<u>54,500</u>	<u>20,915</u>	<u>33,585</u>
Ending Budgetary fund balance:	<u>\$ 67,419</u>	<u>\$ 100,082</u>	<u>\$ (34,507)</u>