

# **Town of Cement, Oklahoma**

Independent Accountants' Report on Applying  
Agreed-Upon Procedures

For the Fiscal Year Ended June 30, 2024

*TOWN OF CEMENT, OKLAHOMA*

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## **Independent Accountants' Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cement  
Cement, Oklahoma

Trustees of the Cement Public Works Authority  
Cement, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Oklahoma Department of Agriculture  
Oklahoma City, Oklahoma

Oklahoma Water Resources Board  
Oklahoma City, Oklahoma

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, 2024. Management of the Town of Cement (the Town) and the Cement Public Works Authority (the Authority) are responsible for the Town's and the Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town and the Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting their 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, 2024. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

## **Procedures and Findings**

As to the **Town of Cement** as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Town'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 fund balance deficits were noted.***

2. ***Procedures Performed:*** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund (see accompanying Exhibit B) and Fire Department Fund (see accompanying Exhibit B-1) and compared the actual expenditures of encumbrances 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 Town's bank account balances to bank statements and traced the timely clearance to report any reconciling items that have not cleared.

***Findings: Checks outstanding more than one year were not voided for the General Fund.***

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: The Town's deposits were fully insured or collateralized as of June 30, 2024.***

5. ***Procedures Performed:*** We compared Town's use of restricted revenues and resources exceeding \$750 to their restrictions to report any noted instances of noncompliance.

***Findings: Materially restricted revenues and expenditures that exceeded \$750 consisted of the General Fund, Fire Department Equipment & Maintenance Fund, Street & Alley Fund, Cemetery Care Fund, Reserve Police Grant Fund and OWRB REAP Fund. 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 exceptions were found as a result of applying the procedure.***

7. ***Procedures Performed:*** From the debt documents we compiled the debt service compliance schedule to determine compliance with reserve accounts and debt service coverage requirement of bond indentures.

***Findings: This procedure was not performed. The Town of Cement has no debt service or reserve account requirements.***

As to the **Cement Public Works Authority** as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

***Findings: No instances of fund balance deficits were noted.***

2. ***Procedures Performed:*** We agreed the Authority's bank account balances to bank statements and traced the timely clearance to report any reconciling items that have not cleared.

***Findings: Checks outstanding more than one year were not voided for the Public Works Authority Fund.***

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: The Authority's deposits were fully insured or collateralized as of June 30, 2024.***

4. ***Procedures Performed:*** We compared use of restricted revenues and resources to their restrictions that exceeded \$750 to report any noted instances of noncompliance.

***Findings: There were no materially restricted revenues and expenditures.***

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 regarding separate funds.***

6. ***Procedures Performed:*** From the debt documents we compiled the debt service compliance schedule to determine compliance with reserve accounts and debt service coverage requirement of bond indentures.

***Findings: This procedure was not performed. The Cement Public Works Authority has no debt service or reserve account requirements.***

As to the **Town of Cement** and **Cement Public Works Authority**, as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Cement Public Works Authority's Operating Account trial balance, we prepared a statement of revenues, expenses and changes in fund balance – modified cash basis (see accompanying Exhibit C) for the year ended June 30, 2024.
2. ***Procedures Performed:*** From the Town's and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit D) 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 engaged by the Town of Empire City to perform this agreed-upon procedures engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed by Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Town and the Authority meeting their 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, 2024. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town and the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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 those specified parties.

*Rahhal Henderson Willis, PLLC*

Rahhal Henderson Willis PLLC  
Ardmore, Oklahoma  
January 8, 2025

Town of Cement  
Summary of Changes in Fund Balances – Modified Cash Basis  
For the Year Ended June 30, 2024

<b>Fund</b>	<b>Beginning Cash Balance</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Ending Cash Balance</b>
General Fund	\$ 109,005	\$ 229,441	\$ 223,477	\$ 114,969
Fire Department Fund	29,975	24,650	26,795	27,830
Street & Alley Fund	275	4,273	2,440	2,108
Municipal Court Fund	2,500	5,000	308	7,192
Capital Improvement Fund	19,322	11,294	-	30,616
Cemetery Care Fund	3,993	502	3,832	663
Fire Dept Grant & Donations Fund	7,864	11,244	-	19,108
CDBG Grant Fund	1	-	-	1
REAP Fund	1	-	-	1
Reserve Police Fund	2,187	638	2,825	-
<b>City Funds Total</b>	<b>\$ 175,123</b>	<b>\$ 287,042</b>	<b>\$ 259,677</b>	<b>\$ 202,488</b>
Cement Public Works Authority	27,090	330,613	345,620	12,083
Meter Deposit Fund	29,188	4,422	3,075	30,535
OWRB REAP Fund	85,748	-	9,095	76,653
<b>Public Works Funds Total</b>	<b>\$ 142,026</b>	<b>\$ 335,035</b>	<b>\$ 357,790</b>	<b>\$ 119,271</b>
<b>Overall Total</b>	<b>\$ 317,149</b>	<b>\$ 622,077</b>	<b>\$ 617,467</b>	<b>\$ 321,759</b>

Town of Cement  
 Budgetary Comparison Schedule – Modified Cash Basis  
 General Fund  
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ 109,005	\$ 109,005
<b>Resources (Inflows):</b>				
Taxes	129,150	171,650	172,727	1,077
Charges for Services	-	-	48	48
License & Permits	6,500	6,500	6,571	71
Miscellaneous	41,220	43,420	17,886	(25,534)
Use of Assets	-	2,200	3,050	850
Cemetery	600	600	825	225
Grants	-	-	28,334	28,334
<b>Total Resources (Inflows)</b>	<u>177,470</u>	<u>224,370</u>	<u>229,441</u>	<u>5,071</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	115,710	137,710	135,140	2,570
Police Department	51,260	36,260	35,776	484
Streets	3,080	3,830	3,478	352
Cemetery	370	370	-	370
Fire Department	12,550	30,050	29,049	1,001
Animal Control	<u>500</u>	<u>650</u>	<u>552</u>	<u>98</u>
Total Outflows	<u>183,470</u>	<u>208,870</u>	<u>203,995</u>	<u>4,875</u>
<b>Excess of Inflows over Outflows before Other Financing Sources (Uses)</b>	(6,000)	15,500	134,451	118,951
<b>Other Financing Sources (Uses)</b>				
Transfers from Other Funds	6,000	6,000	-	(6,000)
Transfers to Other Funds	<u>-</u>	<u>(21,500)</u>	<u>(19,482)</u>	<u>2,018</u>
Total Other Financing Sources (Uses)	<u>6,000</u>	<u>(15,500)</u>	<u>(19,482)</u>	<u>(3,982)</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,969</u>	<u>\$ 114,969</u>



Town of Cement  
 Budgetary Comparison Schedule – Modified Cash Basis  
 Capital Improvements Fund  
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ 19,322	\$ 19,322
<b>Resources (Inflows):</b>				
Taxes	<u>7,720</u>	<u>7,720</u>	<u>11,294</u>	<u>3,574</u>
<b>Total Resources (Inflows)</b>	<u>7,720</u>	<u>7,720</u>	<u>11,294</u>	<u>3,574</u>
<b>Charges to Appropriations (Outflows):</b>				
Capital Improvement Expenditures	<u>7,720</u>	<u>7,720</u>	<u>-</u>	<u>7,720</u>
Total Outflows	<u>7,720</u>	<u>7,720</u>	<u>-</u>	<u>7,720</u>
<b>Excess of Inflows over Outflows before     Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>30,616</u>	<u>30,616</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,616</u>	<u>\$ 30,616</u>

Town of Cement  
Statement of Revenues, Expenses and Changes in Fund Balances  
Modified Cash Basis  
Cement Public Works Authority - Operating Account  
For the Year Ended June 30, 2024

**Operating Revenues:**

Water Revenue	\$ 162,929
Sewer Revenue	46,508
Solid Waste Revenue	86,610
Water/Sewer Taps	500
Penalties	6,282
Miscellaneous	8,698
	<hr/>
Total Operating Revenues	311,527

**Operating Expenses**

Personal Services	78,428
Maintenance and Operations	
Water	172,073
Sewer	6,992
Solid Waste	83,648
Capital Outlay	4,479
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Total Operating Expenses	<u>345,620</u>

Operating Income before Nonoperating Revenues (34,093)

**Non-Operating Revenues (Expenses):**

Interest Revenue	20
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Income before Other Financing Sources	(34,073)

**Other Financing Sources (Uses):**

Transfers In	19,066
Transfers Out	-
	<hr/>
Total Other Financing Uses	19,066

Net Change in Fund Balance (15,007)

Fund Balance - Beginning	27,090
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Fund Balance - Ending	<u><u>\$ 12,083</u></u>

Town of Cement  
Schedule of Grant Activity  
Modified Cash Basis  
For the Year Ended June 30, 2024

<u>Grant</u>	<u>Award Amount</u>	<u>Received Prior Years</u>	<u>Expended Prior Years</u>	<u>Beginning Balance</u>	<u>Received Current Year</u>	<u>Expended Current Year</u>	<u>De-Obligated</u>	<u>Ending Balance</u>
FAP-20-0011-R	\$ 99,999	\$ 99,999	\$ 14,252	\$ 85,747	\$ -	\$ 9,095	\$ -	\$ 76,652
Fire Grant	9,994	-	-	-	9,994	9,994	-	-
ALN #21.027	83,355	83,355	80,688	2,667	-	2,667	-	-
Fire 80/20 Grant	<u>30,000</u>	<u>-</u>	<u>23,060</u>	<u>(23,060)</u>	<u>28,334</u>	<u>5,274</u>	<u>1,666</u>	<u>-</u>
	<u>\$ 223,348</u>	<u>\$ 183,354</u>	<u>\$ 118,000</u>	<u>\$ 65,354</u>	<u>\$ 38,328</u>	<u>\$ 27,030</u>	<u>\$ 1,666</u>	<u>\$ 76,652</u>