



# **Town of Rush Springs, Oklahoma**

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

For the Fiscal Year Ended June 30, 2022

*TOWN OF RUSH SPRINGS, OKLAHOMA*

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

To the Specified Users of the Report:

Town Board, Town of Rush Springs  
Rush Springs, Oklahoma

Trustees of the Rush Springs Municipal Improvement Authority  
Rush Springs, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Oklahoma Department of Agriculture  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances – Modified Cash Basis of the Town of Rush Springs, Oklahoma and Rush Springs Municipal Improvement Authority, as of June 30, 2022, and the Budgetary Comparison Schedule of General Fund - Modified Cash Basis and the Budgetary Comparison Schedule of EMS Fund - Modified Cash Basis as of and the year ended June 30, 2022, and the accompanying supplementary information contained in Exhibits C, and D which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We did not audit or review the accompanying 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 assurance about whether these financial statements are in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis accounting, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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. This is not intended to be a complete presentation of the Town of Rush Springs’s assets and liabilities.

The modified cash basis of accounting presents receipts received, expenditures paid and CD’s with an original maturity of over 90 days treated as cash in the Municipal Improvement Authority during the fiscal year. Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's Summary of Changes in Fund Balances – Modified Cash Basis, Budgetary Comparison Schedule of General Fund and EMS Fund – Modified Cash Basis, and Statement of Revenues, Expenses and Changes in Fund Balance of the Municipal Improvement Authority – Modified Cash Basis. Accordingly, the financial statements are not designed for those who are not informed of 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 and Municipal Improvement Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17 (105-107) and 60 – 180.1-.3 and to evaluate compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town of Rush Springs 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 standards prescribed by the Oklahoma Statutes. The sufficiency of the procedures is solely the responsibility of those parties specified on page one of 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.

The Town of Rush Springs has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17(105-107) and Title 60 – 180.1-.3. Additionally, the specified users of the report, as identified above, have agreed to and acknowledged that the procedures performed are appropriate for their purposes. 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 the purposes.

## **Procedures and Findings**

As to the **Town of Rush Springs** as of and for the fiscal year ended June 30, 2022:

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 and EMS Fund (see accompanying Exhibit B and 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: No instances of noncompliance were 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: The Town's deposits were fully insured or collateralized as of June 30, 2022.***

5. ***Procedures Performed:*** We compared Town's use of restricted revenues and resources exceeding \$1,000 to their restrictions to report any noted instances of noncompliance.

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

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

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

7. ***Procedures Performed:*** 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 Rush Springs has no debt service or reserve account requirements.***

As to the **Rush Springs Municipal Improvement Authority** as of and for the fiscal year ended June 30, 2022:

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: All bank accounts appeared properly reconciled without exception.***

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, 2022.***

4. ***Procedures Performed:*** We compared use of restricted revenues and resources to their restrictions that exceeded \$1,000 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 Rush Springs Municipal Improvement Authority has no debt service or reserve account requirements.***

As to the **Town of Rush Springs** and **Rush Springs Municipal Improvement Authority**, as of and for the fiscal year ended June 30, 2022:

1. ***Procedures Performed:*** From the Rush Springs Municipal Improvement 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, 2022.
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.***

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 standards prescribed by the Oklahoma Statutes. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the compliance. 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.

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.

*Rakhal Henderson Willis, PLLC*

Ardmore, Oklahoma  
December 14, 2022

Town of Rush Springs  
Summary of Changes in Fund Balances – Modified Cash Basis  
For the Year Ended June 30, 2022

EXHIBIT A

	<b>Beginning Fund Balance</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Ending Fund Balance</b>
General	\$ 193,864	\$ 707,219	\$ 671,504	\$ 229,579
EMS	311,813	728,839	708,559	332,093
Library	138,966	117,856	43,804	213,018
Fire Equipment	9,828	6,862	5,339	11,351
CLEET	2,189	8,490	7,002	3,677
Cemetery Care	36,193	4,518	-	40,711
Hampton House	10,153	-	5,357	4,796
Police Equipment	7,795	6,579	8,162	6,212
<b>Total Town Funds</b>	<b>\$ 710,801</b>	<b>\$ 1,580,363</b>	<b>\$ 1,449,727</b>	<b>\$ 841,437</b>
Rush Springs MIA	\$ 147,366	\$ 589,442	\$ 595,499	\$ 141,309
Meter Deposits	63,392	1,948	-	65,340
Wastewater Emergency	85,438	54,099	11,032	128,505
Emergency Relief	98,586	40,715	-	139,301
<b>MIA Totals</b>	<b>\$ 394,782.00</b>	<b>\$ 686,204.00</b>	<b>\$ 606,531.00</b>	<b>\$ 474,455.00</b>
Economic Development	\$ 60,068	\$ 4,050	\$ -	\$ 64,118
<b>Total</b>	<b>\$ 1,165,651</b>	<b>\$ 2,270,617</b>	<b>\$ 2,056,258</b>	<b>\$ 1,380,010</b>

See Accountant's Compilation Report



Town of Rush Springs  
 Budgetary Comparison Schedule – Modified Cash Basis  
 General Fund  
 For the Year Ended June 30, 2022

EXHIBIT B

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ 193,864	\$ 193,864
<b>Resources (Inflows):</b>				
Taxes	419,000	419,000	414,448	(4,552)
Licenses and Permits	5,300	5,300	18,774	13,474
Miscellaneous Revenues	76,100	76,100	25,382	(50,718)
Fines	3,700	3,700	1,281	(2,419)
Grants	-	-	19,455	19,455
Intergovernmental	25,100	25,100	28,086	2,986
Charges for Services	<u>293,200</u>	<u>293,200</u>	<u>199,793</u>	<u>(93,407)</u>
Total Inflows	822,400	822,400	707,219	(115,181)
<b>Charges to Appropriations (Outflows):</b>				
General Government	59,400	49,500	21,069	28,431
City Clerk	92,400	99,500	99,259	241
Court	12,300	13,300	12,928	372
Streets	10,000	14,000	13,831	169
Police	375,000	355,000	354,285	715
Fire	62,900	51,150	48,649	2,501
Cemetery	7,000	12,000	11,372	628
Library	37,600	38,550	38,538	12
Parks	<u>11,900</u>	<u>35,500</u>	<u>35,469</u>	<u>31</u>
Total Outflows	668,500	668,500	635,400	33,100
<b>Excess(Deficit) of Inflows over Outflows before Other Financing Sources (Uses)</b>	153,900	153,900	265,683	111,783
<b>Other Financing Sources (Uses)</b>				
Transfers In	9,900	9,900	-	(9,900)
Transfers Out	<u>-</u>	<u>-</u>	<u>(36,104)</u>	<u>36,104</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ 163,800</u>	<u>\$ 163,800</u>	<u>\$ 229,579</u>	<u>\$ 65,779</u>

See Accountant's Compilation Report

Town of Rush Springs  
 Budgetary Comparison Schedule – Modified Cash Basis  
 EMS Fund  
 For the Year Ended June 30, 2022

EXHIBIT B-1

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 44,700	\$ 44,700	\$ 311,813	\$ 267,113
<b>Resources (Inflows):</b>				
Charges for Services	292,100	292,100	352,130	60,030
County 522 Taxes	289,800	289,800	318,231	28,431
Interest Income	200	200	194	(6)
Miscellaneous Income	<u>89,200</u>	<u>89,200</u>	<u>58,284</u>	<u>(30,916)</u>
Total Inflows	671,300	671,300	728,839	57,539
<b>Charges to Appropriations (Outflows):</b>				
Ambulance	<u>716,000</u>	<u>716,000</u>	<u>708,559</u>	<u>7,441</u>
Total Outflows	<u>716,000</u>	<u>716,000</u>	<u>708,559</u>	<u>7,441</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 332,093</u>	<u>\$ 332,093</u>

See Accountant's Compilation Report

Town of Rush Springs  
Statement of Revenues, Expenses and Changes in Fund Balances  
Modified Cash Basis  
Rush Springs Municipal Improvement Authority - Operating Account  
For the Year Ended June 30, 2022

EXHIBIT C

	Municipal Improvement Authority Operating Account
<b>Operating Revenues:</b>	
Water	\$ 231,955
Sewer	96,959
Sanitation	248,129
Miscellaneous	12,399
Total Operating Revenues	<u>589,442</u>
<b>Operating Expenses</b>	
Water	105,223
Sewer	211,462
Sanitation	123,000
Administration	84,004
Debt Service	18,000
Total Operating Expenses	<u>541,689</u>
Operating Income before Nonoperating Revenues and Other Financing Sources	47,753
<b>Nonoperating Revenues (Expenses):</b>	
Interest Revenue	190
Income before Other Financing Sources	47,943
<b>Other Financing Sources (Uses):</b>	
Transfers In	-
Transfers Out	(54,000)
Total Other Financing Uses	<u>(54,000)</u>
Net Change in Fund Balance	(6,057)
Fund Balance - Beginning	147,366
Fund Balance - Ending	<u><u>\$ 141,309</u></u>

See Accountant's Compilation Report

Town of Rush Springs  
Schedule of Grant Activity  
Modified Cash Basis  
For the Year Ended June 30, 2022

EXHIBIT D

<u>GRANTOR</u>	<u>Amount Received</u>
Forestry Department Grant	\$ 4,763
FEMA - Ice Storm Reimbursement	4,806
District Attorney's Taskforce	9,326
Rural Electric Grant	650
Enel Energy Grant - Fire	2,500
Enel Energy Grant - Police	<u>2,500</u>
Total Grants Received	<u>\$ 24,545</u>

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