



Town of Rush Springs, Oklahoma

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

For the Fiscal Year Ended June 30, 2023

TOWN OF RUSH SPRINGS, OKLAHOMA

Index

Independent Accountant's Compilation Report and Report on Applying Agreed Upon Procedures	1
Exhibit A	6
Exhibit B	7
Exhibit B-1	8
Exhibit C	9
Exhibit D	10

**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, 2023, 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, 2023, 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, 2023. 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, 2023:

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, 2023.

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, 2023:

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, 2023.

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, 2023:

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, 2023.
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.

Rahkal Henderson Willis, PLLC

Ardmore, Oklahoma
December 5, 2023

Town of Rush Springs
Summary of Changes in Fund Balances – Modified Cash Basis
For the Year Ended June 30, 2023

EXHIBIT A

	Beginning Fund Balance	Inflows	Outflows	Ending Fund Balance
General	\$ 229,579	\$ 1,005,024	\$ 752,369	\$ 482,234
EMS	332,093	895,708	888,102	339,699
Library	213,018	119,031	62,442	269,607
Fire Equipment	11,351	12,374	10,222	13,503
CLEET	3,677	20,236	20,698	3,215
Cemetery Care	40,711	3,344	-	44,055
Hampton House	4,796	-	-	4,796
Police Equipment	6,212	16,480	2,330	20,362
Total Town Funds	\$ 841,437	\$ 2,072,197	\$ 1,736,163	\$ 1,177,471
Rush Springs MIA	\$ 141,309	\$ 608,909	\$ 592,286	\$ 157,932
Meter Deposits	65,341	3,429	-	68,770
Wastewater Emergency	128,505	54,755	-	183,260
Emergency Relief	139,301	33,677	-	172,978
MIA Totals	\$ 474,456	\$ 700,770	\$ 592,286	\$ 582,940
Economic Development	\$ 64,118	\$ 4,113	\$ -	\$ 68,231
Total	\$ 1,380,011	\$ 2,777,080	\$ 2,328,449	\$ 1,828,642

See Accountant's Compilation Report

Town of Rush Springs
 Budgetary Comparison Schedule – Modified Cash Basis
 General Fund
 For the Year Ended June 30, 2023

EXHIBIT B

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Beginning Budgetary Fund Balance:	\$ 29,500	\$ 29,500	\$ 229,579	\$ 200,079
Resources (Inflows):				
Taxes	416,000	416,000	461,071	45,071
Licenses and Permits	15,100	15,100	13,164	(1,936)
Miscellaneous Revenues	25,100	25,100	88,910	63,810
Fines	1,500	1,500	1,356	(144)
Grants	17,600	17,600	49,012	31,412
Intergovernmental	28,200	28,200	33,084	4,884
Charges for Services	<u>174,400</u>	<u>277,400</u>	<u>358,427</u>	<u>81,027</u>
Total Inflows	677,900	780,900	1,005,024	224,124
Charges to Appropriations (Outflows):				
General Government	17,200	40,200	39,889	311
City Clerk	105,300	109,800	109,751	49
Court	13,200	17,200	16,371	829
Streets	15,200	15,200	15,192	8
Police	393,600	368,100	336,724	31,376
Fire	48,000	90,000	89,530	470
Cemetery	7,600	7,600	6,286	1,314
Library	40,000	40,000	36,094	3,906
Parks	<u>32,300</u>	<u>32,300</u>	<u>26,138</u>	<u>6,162</u>
Total Outflows	672,400	720,400	675,975	44,425
Excess(Deficit) of Inflows over Outflows before Other Financing Sources (Uses)	35,000	90,000	558,628	468,628
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	<u>(35,000)</u>	<u>(90,000)</u>	<u>(76,394)</u>	<u>(13,606)</u>
Ending Budgetary Fund Balance:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 482,234</u>	<u>\$ 482,234</u>

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Town of Rush Springs
 Budgetary Comparison Schedule – Modified Cash Basis
 EMS Fund
 For the Year Ended June 30, 2023

EXHIBIT B-1

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Beginning Budgetary Fund Balance:	\$ -	\$ 15,000	\$ 332,093	\$ 317,093
Resources (Inflows):				
Charges for Services	338,700	338,700	299,209	(39,491)
County 522 Taxes	433,600	433,600	458,297	24,697
Interest Income	200	200	686	486
Miscellaneous Income	<u>70,000</u>	<u>70,000</u>	<u>137,516</u>	<u>67,516</u>
Total Inflows	842,500	842,500	895,708	53,208
Charges to Appropriations (Outflows):				
Ambulance	<u>866,400</u>	<u>881,400</u>	<u>888,102</u>	<u>(6,702)</u>
Total Outflows	<u>866,400</u>	<u>881,400</u>	<u>888,102</u>	<u>(6,702)</u>
Other Financing Sources (Uses)				
Transfers In	23,900	23,900	-	(23,900)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Budgetary Fund Balance:	<u>\$ (23,900)</u>	<u>\$ (23,900)</u>	<u>\$ 339,699</u>	<u>\$ 363,599</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, 2023

EXHIBIT C

	Municipal Improvement Authority Operating Account
Operating Revenues:	
Water	\$ 224,854
Sewer	99,755
Sanitation	271,523
Miscellaneous	12,777
Total Operating Revenues	<u>608,909</u>
Operating Expenses	
Water	167,947
Sewer	134,645
Sanitation	137,374
Administration	82,002
Debt Service	16,500
Total Operating Expenses	<u>538,468</u>
Operating Income before Nonoperating Revenues and Other Financing Sources	70,441
Nonoperating Revenues (Expenses):	
Interest Revenue	528
Income before Other Financing Sources	<u>70,969</u>
Other Financing Sources (Uses):	
Transfers In	-
Transfers Out	(54,346)
Total Other Financing Uses	<u>(54,346)</u>
Net Change in Fund Balance	16,623
Fund Balance - Beginning	141,309
Fund Balance - Ending	<u><u>\$ 157,932</u></u>

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Town of Rush Springs
Schedule of Grant Activity
Modified Cash Basis
For the Year Ended June 30, 2023

EXHIBIT D

<u>GRANTOR</u>	<u>Amount Received</u>
Forestry Department Grant	\$ 10,053
Enel Energy Grant - Fire	2,500
Enel Energy Grant - Police	2,500
ARPA Funds	<u>110,200</u>
 Total Grants Received	 <u><u>\$ 125,253</u></u>

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