

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

**TOWN OF BRAY, OKLAHOMA**

**AS OF AND FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2020**

BY





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

To the Specified Users of the Report:

Town Council, Town of Bray  
Bray, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

### **Report on Compiled Financial Statements and Schedules**

Management is responsible for the accompanying financial statements and schedules of the Town of Bray, Oklahoma, which are comprised of the Summary of Changes in Fund Balances - Cash Basis as of June 30, 2020, the Budgetary Comparison Schedule for the General Fund - Cash Basis, the Budgetary Comparison Schedule for the Fire Department Fund - Cash Basis, the Budgetary Comparison Schedule for the Grant Fund - Cash Basis, and Schedule of Grant Activity - Cash Basis for the fiscal year then ended June 30, 2020 and for determining that the cash basis of accounting is an acceptable financial reporting framework. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma statutes, which demonstrates compliance with the cash basis and budget laws of the State of Oklahoma applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes §11-17 (105-107) and §60-180.1-3.

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 accompanying financial statements and schedules 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 assurance on these financial statements and schedules.

The financial statements are prepared in accordance with the cash basis of accounting, 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 and schedules prepared in accordance with the modified 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 Town's assets, liabilities, fund balances, revenues, and expenses. Accordingly, these financial statements and schedules are not designed for those who are not informed about such matters.

## **Report on Applying Agreed-Upon Procedures**

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, 2020. Management of the Town of Bray is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements.

The Town of Bray has agreed to and acknowledges that the procedures performed are appropriate to meet the intended purpose of assisting users in evaluating the selected financial information and compliance requirements of the Town of Bray for the fiscal year ended June 30, 2020. This report may not be suitable for any other purpose. The procedures 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 Finding**

As to the **Town of Bray** as of and for the fiscal year ended June 30, 2020:

- 1. Procedures Performed:** From the Town's trial balances and other accounting records, we compiled a cash basis schedule of changes in fund balances for each fund and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** We found no instances of noncompliance as a result of applying the procedure.

- 2. Procedures Performed:** From the Town's trial balances and other accounting records, we prepared a cash basis budget and actual financial schedule for the General Fund and any other major funds and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with the appropriate limitations. A major fund is any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances and exceeds 5% of the entity-wide total revenues, expenditures or fund balances.

**Findings:** We found the following instances of noncompliance as a result of applying the procedure:

- The General Fund is under budget in the following inflow category: Rental/Lease Income.
- The General Fund is over budget in the following outflow categories: Maintenance, Operations & Repairs and Capital Outlay.
- Due to the absence of official budgets, the Fire Department Fund and Grant Fund did not comply with appropriation limitations.

**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 on a timely basis.

**Findings:** We found no instances of significant or unusual reconciling items that did not clear on a timely basis as a result of applying the procedure.

**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:** This procedure does not apply. The Town's bank account balances did not exceed the FDIC limit of \$250,000.

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

**Findings:** We found no instances of noncompliance as a result of applying the procedure.

**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:** We found no instances of noncompliance as a result of applying the procedure.

**7. Procedures Performed:** We performed a search for Town debt agreements to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purpose of determining contract compliance.

**Findings:** This procedure does not apply. We did not identify any such compliance requirements that were applicable to the Town during the fiscal year ending June 30, 2020.

As to the **Town of Bray Grant Programs**, as of and for the fiscal year ended June 30, 2020:

**1. Procedures Performed:** From the Town's trial balances, we prepared a schedule of grant activity for each grant/contract and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreements.

**Findings:** We found no instances of noncompliance as a result of applying the procedure.

As to the **Town of Bray**, as of and for the fiscal year ended June 30, 2020:

**1. Procedures Performed:** From the Town's trial balances and other accounting records, we compiled the Annual Survey of City and City Finances (SA&I 2643) as described in Oklahoma Statutes 11-17-105.1.

**Findings:** We found one instance of noncompliance as a result of applying the procedure. The SA&I Form 2643 was due to the Oklahoma State Auditor on December 31, 2020. The form is being filed late and will put the gasoline tax at risk.

We were engaged by the Town of Bray to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on compliance, and an opinion or conclusion on the related financial statements and schedules. 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 of Bray 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 these specified parties.

*Furrh & Associates, PC*

FURRH & ASSOCIATES, PC  
February 28, 2023

**Town of Bray, Oklahoma**  
**Summary of Changes in Fund Balance-Cash Basis**  
**For the Fiscal year Ended June 30, 2020**  
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Interfund Transfers</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
General Fund	\$ 67,325	\$ 80,321	\$ 15	\$ (53,847)	\$ 93,814
Fire Department Fund	40,414	10,709	0	(15,364)	35,759
Street & Alley	8,751	11,072	(15)	(10,411)	9,397
Community Building Fund	724	2,150	0	(2,212)	662
Grant Fund	0	44,092	0	(44,092)	0
<b>Overall Totals</b>	<u>\$ 117,214</u>	<u>\$ 148,344</u>	<u>\$ 0</u>	<u>\$ (125,926)</u>	<u>\$ 139,632</u>

Please see accompanying Accountant's Report.

**Town of Bray, Oklahoma**  
**Budgetary Comparison Schedule-Cash Basis**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>Beginning Budgetary Fund Balance</b>	\$ 67,325	\$ 67,325	\$ 0
<b>Resources (Inflows)</b>			
Sales Tax	25,295	39,680	14,385
Use Tax	11,043	28,641	17,598
Alcohol Beverage Tax	7,420	9,251	1,831
Rental/Lease Income	760	800	40
Tobacco Tax	234	365	131
Investment Income	164	175	11
Miscellaneous Income	54	409	355
Licenses & Permits	0	1,000	1,000
Transfers In	14	15	1
<b>Total Resources (Inflows)</b>	<u>44,984</u>	<u>80,336</u>	<u>35,352</u>
<b>Amounts Available for Appropriation</b>	112,309	147,661	35,352
<b>Charges to Appropriations (Outflows)</b>			
<b>General Government</b>			
Personal Services	1,481	1,250	(231)
Maintenance, Operations & Repairs	36,083	39,516	3,433
Capital Outlay	597	13,081	12,484
<b>Total Charges to Appropriations</b>	<u>38,161</u>	<u>53,847</u>	<u>15,686</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ 74,148</u>	<u>\$ 93,814</u>	<u>\$ 19,666</u>

Please see accompanying Accountant's Report.

**Town of Bray, Oklahoma**  
**Budgetary Comparison Schedule-Cash Basis**  
**Fire Department Fund**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>Beginning Budgetary Fund Balance</b>	\$ 0	\$ 40,414	\$ 40,414
<b>Resources (Inflows)</b>			
Donations	0	5,862	5,862
Grant Income	0	4,642	4,642
Investment Income	0	205	205
Total Resources (Inflows)	<u>0</u>	<u>10,709</u>	<u>10,709</u>
<b>Amounts Available for Appropriation</b>	0	51,123	51,123
<b>Charges to Appropriations (Outflows)</b>			
<b>Fire Department</b>			
Personal Services	0	0	0
Maintenance, Operations & Repairs	0	12,864	12,864
Capital Outlay	0	2,500	2,500
Total Charges to Appropriations	<u>0</u>	<u>15,364</u>	<u>15,364</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ 0</u>	<u>\$ 35,759</u>	<u>\$ 35,759</u>

Please see accompanying Accountant's Report.



**Town of Bray, Oklahoma**  
**Budgetary Comparison Schedule-Cash Basis**  
**Grant Fund**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>Beginning Budgetary Fund Balance</b>	\$ 0	\$ 0	\$ 0
<b>Resources (Inflows)</b>			
Grant Income	0	44,092	44,092
Total Resources (Inflows)	<u>0</u>	<u>44,092</u>	<u>44,092</u>
<b>Amounts Available for Appropriation</b>	0	44,092	44,092
<b>Charges to Appropriations (Outflows)</b>			
<b>Fire Department</b>			
Personal Services	0	0	0
Maintenance, Operations & Repairs	0	0	0
Capital Outlay	0	44,092	44,092
Total Charges to Appropriations	<u>0</u>	<u>44,092</u>	<u>44,092</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Please see accompanying Accountant's Report.

**Town of Bray, Oklahoma**  
**Association of South Central Oklahoma Governments (ASCOG)**  
**Rural Economic Action Plan (REAP)**  
**Revenue and Expenditures Compared with Budget**  
**(Unaudited)**  
**Year Ended June 30, 2020**

	<b>Budget</b>	<b>Current Year</b>	<b>(Over) Under Budget</b>
<b><u>Revenue</u></b>			
Grant	\$ 44,092	\$ 44,092	\$ 0
Total Revenue	44,092	44,092	0
<b><u>Expenditures</u></b>			
Purchase of Fire Department Equipment	44,092	44,092	0
Total Expenditures	44,092	44,092	0
<b><u>Revenue Over (Under) Expenditures</u></b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

Contract No.: 2022-03

Contract Period: July 1, 2019 - June 30, 2020

Please see accompanying Accountant's Report.