

INDEPENDENT ACCOUNTANT'S REPORT

TOWN OF ELMORE CITY, OKLAHOMA

JULY 1, 2020 TO JUNE 30, 2021

BY



FURRH
& ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS



Independent Accountant's Report

To the Specified Users of the Report:

City Council, City of Elmore City
Elmore City, Oklahoma

Oklahoma Forestry Services
Oklahoma City, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the City of Elmore City, Oklahoma as of June 30, 2021 and the related Budgetary Comparison Schedule of the General Fund-Cash Basis and EMS Fund-Cash Basis for the fiscal year ended June 30, 2021 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying statements in accordance with their comprehensive basis of accounting. Management is also responsible for the 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.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the City's assets,

liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management of the City of Elmore City 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. 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 Finding

As to the **City of Elmore City** as of and for the fiscal year ended June 30, 2021:

- 1. Procedures Performed:** From the City's trial balances, we prepared a summary of changes in fund balances for each major 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 non-compliance.

- 2. Procedures Performed:** From the City's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We noted the General fund was over budget by \$26,807.

- 3. Procedures Performed:** From the City's trial balances, we prepared a budget and actual financial schedule for the EMS Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We noted the EMS fund exceeded operational expense budget by \$12,521.

- 4. 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: The General fund had more than ten outstanding checks dating back to September 2018. However, in March 2021, they voided the old checks.

- 5. 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: We found no instances of non-compliance.

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

Findings: We found no instances of non-compliance.

7. 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: We found no instances of non-compliance.

8. 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: This procedure was not performed because the City did not have any debt service requirements in the fiscal year ending June 30, 2021.

As to the **City of Elmore City** as of and for the fiscal year ended June 30, 2021:

1. Procedures Performed: From the City's trial balances, 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 non-compliance. The Form SA&I 2643 was due to the Oklahoma State Auditor on December 31, 2021. The form is being filed late and will put the gasoline tax at risk.

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.

Furrh & Associates, PC

FURRH & ASSOCIATES, PC

July 5, 2022

City of Elmore City, OK
Summary of Changes in Fund Balance - Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2021
(Unaudited)

	<u>Balance as of 07/01/2020</u>	<u>Current Year Inflows</u>	<u>Transfers</u>	<u>Current Year Outflows</u>	<u>Balance as of 06/30/2021</u>
General Fund	\$ 286,841	\$ 342,850	\$ 99,616	\$ (313,452)	\$ 415,855
Grant Fund	61,298	74,307	0	(19,896)	115,709
EMS Fund	98,377	311,302	(4,345)	(290,486)	114,848
T. Selby Cemetery Care Fund	41,352	976	0	0	42,328
T. Selby Cemetery Perpetual Care Fund	27,981	198	0	0	28,179
T. Selby Cemetery Operating Care Fund	20,467	5,052	0	(506)	25,013
Bail Bond Fund	30,292	110,781	(99,927)	(27,977)	13,169
Police Equipment Fund	2,087	12,329	11,365	(13,137)	12,644
Economic Development Authority Fund	1	0	0	0	1
Volunteer Fire Fund	(146)	16,289	3,000	(20,029)	(886)
Payroll Fund	(213)	0	(1,472)	(283)	(1,968)
	<u>\$ 568,337</u>	<u>\$ 874,084</u>	<u>\$ 8,237</u>	<u>\$ (685,766)</u>	<u>\$ 764,892</u>
Total	<u>\$ 568,337</u>	<u>\$ 874,084</u>	<u>\$ 8,237</u>	<u>\$ (685,766)</u>	<u>\$ 764,892</u>

Please see accompanying Accountant's Report.

City of Elmore City, OK
Budgetary Comparison Schedule
General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2021
(Unaudited)

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Revised Budget	Actual Amounts	Positive (Negative)
<u>Resources (Inflows)</u>				
Taxes	\$ 252,810	\$ 252,810	\$ 298,868	\$ 46,058
Franchise Fees	0	0	20,502	20,502
Miscellaneous	4,920	4,920	20,129	15,209
Licenses and Permits	800	800	1,913	1,113
Interest Income	100	100	1,438	1,338
Charges for Services	50	50	0	(50)
Total Inflows	258,680	258,680	342,850	84,170
<u>Charges to Appropriations (Outflows)</u>				
Police Department	164,335	163,335	153,953	9,382
General Government Department	152,360	106,860	146,180	(39,320)
Street and Alley Department	10,110	12,610	9,928	2,682
Park Department	3,840	3,840	3,391	449
Total Charges to Appropriations	330,645	286,645	313,452	(26,807)
<u>Revenue Over (Under Expenditures)</u>	(71,965)	(27,965)	29,398	57,363
<u>Other Financing Sources (Uses)</u>				
Transfers In/(Out)	56,570	13,570	99,616	86,046
Total Other Financing Sources (Uses)	56,570	13,570	99,616	86,046
Beginning Cash Balance, June 30, 2020	15,395	14,395	286,841	272,446
Ending Cash Balance, June 30, 2021	\$ 0	\$ 0	\$ 415,855	\$ 415,855

Please see accompanying Accountant's Report.

City of Elmore City, OK
Budgetary Comparison Schedule
EMS Fund - Cash Basis
For the Fiscal Year Ended June 30, 2021
(Unaudited)

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual Amounts</u>	Positive (Negative)
<u>Resources (Inflows)</u>				
Taxes	\$ 142,670	\$ 142,670	\$ 181,653	\$ 38,983
Charges for Services	85,510	85,510	107,023	21,513
Miscellaneous	1,750	1,750	19,738	17,988
Intergovernmental	0	0	2,388	2,388
Interest Income	0	0	500	500
Total Inflows	<u>229,930</u>	<u>229,930</u>	<u>311,302</u>	<u>81,372</u>
<u>Charges to Appropriations (Outflows)</u>				
EMS Department	277,965	277,965	290,486	(12,521)
Total Charges to Appropriations	<u>277,965</u>	<u>277,965</u>	<u>290,486</u>	<u>(12,521)</u>
<u>Revenue Over (Under Expenditures)</u>	(48,035)	(48,035)	20,816	68,851
<u>Other Financing Sources (Uses)</u>				
Transfers In/(Out)	0	0	(4,345)	(4,345)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(4,345)</u>	<u>(4,345)</u>
Beginning Cash Balance, June 30, 2020	48,035	48,035	98,377	50,342
Ending Cash Balance, June 30, 2021	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 114,848</u>	<u>\$ 114,848</u>

Please see accompanying Accountant's Report.

City of Elmore City, Oklahoma
Schedule of Grant Activity
Modified Cash Basis
For the Year Ended June 30, 2021
(Unaudited)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Pass-Through Grantor's Project Number</u>	<u>Award Amount</u>	<u>Contract Expenditures</u>
FEDERAL AWARDS			
<u>US Department of Treasury</u>			
Passed Through Oklahoma Office of Management and Enterprise Services	Cares Act	\$ 54,881	\$ 54,881
	Total Federal Awards	<u>\$ 54,881</u>	<u>\$ 54,881</u>
STATE AWARDS			
<u>Oklahoma Department of Agriculture</u>			
Forestry Services - Rural Fire Grant	N/A	\$ 4,826	\$ 4,826
	Total State Awards	<u>\$ 4,826</u>	<u>\$ 4,826</u>

Please see accompanying Accountant's Report.