

Town of Carter, Oklahoma

Carter, Oklahoma

Independent Accountant's Report

On

Applying Agreed-Upon Procedures

For The Year Ended

June 30, 2022



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Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Practitioner's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Carter
Carter, Oklahoma

Trustees of the Carter Public Works Authority
Carter, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have performed the procedures enumerated below 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, 2022. Management of the Town of Carter and the Carter Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Carter and the Carter Public Works Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. 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 Carter as of and for the fiscal year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I. No instances of noncompliance noted.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II and III. Exhibit II. General Fund is over budget in the amount of \$2,867, yet the total fund balance is still in compliance.

- III. **Procedures Performed:** Agree 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.

Findings: No instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2022.

- V. **Procedures Performed:** Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare 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 noted.

- VII. **Procedures Performed:** Compare the Town'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: No such compliance requirements were identified that were applicable to the Town. No instances of noncompliance noted.

- VIII. **Procedures Performed:** For the grants received during the year, prepare a schedule of grant funds awarded, received, expended and the remaining balances. Compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: See Exhibit VI. No instances of noncompliance noted.

As to the Carter Public Works Authority, as of and for the year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures and changes in fund balance-cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit V. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree the Authority'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: No unusual reconciling items were noted that did not clear on a timely basis.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2022.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. **Procedures Performed:** Compare 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 noted.

- VI. **Procedures Performed:** Compare the Authority'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: No instances of noncompliance noted.

- VII. **Procedures Performed:** Prepare a Balance Sheet for the Authority

Findings: See Exhibit IV. No instance of noncompliance noted

We were engaged by The Town of Carter and the Carter Public Works Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. 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 Carter and the Carter Public Works Authority and to meet our 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.



rsmeacham
CPA & ADVISORS

Clinton, Oklahoma
November 8, 2022

rsmeacham
CPA & ADVISORS

TOWN OF CARTER, OKLAHOMA
STATEMENT OF CHANGES IN FUND BALANCES -MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
TOWN (GAAP):			
General Fund	\$ 207,755	\$ 9,531	\$ 217,286
Street & Alley	2,154	-	2,154
Fire Department	27,473	(14,988)	12,485
TOWN TOTAL	<u>237,382</u>	<u>(5,456)</u>	<u>231,926</u>
CARTER PUBLIC WORKS AUTHORITY			
PWA	738,209	14,864	753,073
Meter Fund	12,710	883	13,593
PWA TOTAL	<u>750,919</u>	<u>15,747</u>	<u>766,666</u>

See accountant's report.

TOWN OF CARTER, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 195,248	\$ 195,248	\$ 207,755	\$ 12,507
Resources (Inflows):				
Taxes:				
Sales tax	35,025	35,025	34,276	(749)
Use tax	13,323	13,323	18,701	5,378
Tobacco tax	340	340	281	(59)
Total Taxes	48,688	48,688	53,258	4,570
Intergovernmental:				
Alcohol beverage tax	2,602	2,602	3,231	629
Grant income	4,536	4,536	1,933	(2,603)
Grant income-CDBG	-	6,500	6,500	
Franchise tax	1,513	1,513	4,221	2,708
Total Intergovernmental	8,651	15,151	15,885	734
Fines and Forfeitures	-	-	-	-
Investment Income			345	345
Miscellaneous Income	782	782	1,583	801
Total current year resources	58,121	64,621	71,071	6,450
Amounts available for appropriation	\$ 253,369	\$ 259,869	\$ 278,826	\$ 18,957
Charges to Appropriations (Outflows):				
General government:				
Personal services	36,022	36,022	31,507	4,515
Materials and supplies	12,000	12,000	11,253	747
Other services and charges	10,000	10,000	18,221	(8,221)
Capital outlay	500	650	558	92
Total General Government	58,522	58,672	61,539	(2,867)
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	58,522	58,672	61,539	(2,867)
Change in Fund Balance	(401)	5,949	9,531	3,582
Ending Budgetary Fund Balance	194,847	201,197	217,286	16,089
UNRESTRICTED FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)			217,286	

TOWN OF CARTER, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 27,473	\$ 27,473	\$ 27,473	\$ -
Resources (Inflows):				
Fire fees	10,753	10,753	10,938	185
Restitution	600	600	559	(41)
Miscellaneous	3,000	3,000	2,689	(311)
Grants	4,763	4,763	4,763	-
Total current year resources	19,116	19,116	18,949	(167)
Amounts available for appropriation	\$ 46,589	\$ 46,589	\$ 46,422	\$ (167)
Charges to Appropriations (Outflows):				
General government:				
Personal services	5,000	5,000	975	4,025
Materials and supplies	7,000	13,500	16,805	(3,305)
Other services and charges	3,500	5,000	6,482	(1,482)
Capital Outlay	1,500	11,285	9,675	1,610
Total General Government	17,000	34,785	33,937	848
Other Financing Uses:				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total Other Financing Uses	-	-	-	-
Total Charges to Appropriations	17,000	34,785	33,937	848
Change in Fund Balance	2,116	(15,669)	(14,988)	681
Ending Budgetary Fund Balance	29,589	11,804	12,485	681
UNRESTRICTED FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)			12,485	

CARTER UTILITY AUTHORITY, CARTER, OKLAHOMA
BALANCE SHEET-MODIFIED CASH BASIS
JUNE 30, 2022

	<u>2022</u>
ASSETS	
Current assets:	
Cash, including time deposits	\$ 314,595
Accounts receivable (net)	<u>20,826</u>
Total current assets	<u>335,421</u>
Restricted assets:	
Cash, including time deposits	<u>13,593</u>
Total restricted assets	<u>13,593</u>
Non-current assets:	
Capital assets (net)	<u>417,652</u>
Total non-current assets	<u>417,652</u>
Total assets	<u><u>766,666</u></u>
LIABILITIES	
Liabilities, payable from restricted assets	
Meter deposits payable	<u>13,593</u>
Total liabilities payable from restricted assets	<u>13,593</u>
Total liabilities	<u>13,593</u>
FUND BALANCE	
Unrestricted	<u>753,073</u>
Total liabilities and fund balance	<u><u>766,666</u></u>

CARTER UTILITY AUTHORITY, CARTER, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Operating Revenues:	<u>June 30, 2022</u>
Water	70,165
Sewer	10,625
Sanitation	41,489
Other	15,581
Total Operating Revenues	<u>137,860</u>
Operating Expenses:	
Administration	46,367
Water	55,049
Sanitation	13,417
Depreciation	30,503
Total Operating Expenses	<u>145,335</u>
Operating Income	(7,475)
Non-Operating Revenues:	
Interest	440
Grants	45,669
Grant expense	(23,770)
Total Non-Operating Revenues	<u>22,339</u>
Net Income Before Contributions and Transfers	14,864
Transfers in	-
Transfers out	<u>-</u>
Change in fund balance	14,864
Fund Balance - beginning	738,209
Fund Balance - ending	<u>753,073</u>

Exhibit VI

TOWN OF CARTER, OKLAHOMA
SCHEDULE OF GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Grant revenue Grant received from:	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
SWODA	2021-2022	Sewerline replacement	43,848	23,750	23,750	-
State of Oklahoma Forrestry	2021-2022	Fire Grant	4,763	4,763	4,763	-
ARPA	2022	American Rescue Plan Act funds for declared revenue loss	21,919	21,919	18,102	3,817
MODA (reimbursable in FY22)	2021-2022	Playground	1,933	1,933		1,933
SWODA-Community Improvement Project	2021-2022	Community Improvement Project	26,000	6,500	6,500	-
		Total	98,463	58,865	53,115	5,750

**this grant was spread across two fiscal years with \$18,047 received and expended in FY21 and \$23,700 received and expended in FY22

***this grant was expended in FY21 and reimbursed at a reduced amount in FY22

See accountant's report.