

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

**TOWN OF MANITOU, OKLAHOMA and  
MANITOU PUBLIC WORKS AUTHORITY**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

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 Manitou  
Manitou, Oklahoma

Manitou Public Works Authority  
Manitou, 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 Manitou and the related Public Works Authority, Manitou, Oklahoma, which are comprised of the Summary of Changes in Fund Balances - Cash Basis as of June 30, 2022, the Budgetary Comparison Schedule for the General Fund - Cash Basis, the Budgetary Comparison Schedule for the Capital Improvement Fund - Cash Basis, the Budgetary Comparison Schedule for the Emergency Savings Fund - Cash Basis, the Manitou Public Works Authority - Statement of Revenues, Expenses and Changes in Fund Balance - Cash Basis, and two Schedules of Grant Activity - Cash Basis for the fiscal year then ended June 30, 2022 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 and Authority'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, 2022. Management of the Town of Manitou is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements.

The Town of Manitou 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 Manitou for the fiscal year ended June 30, 2022. 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 Manitou** as of and for the fiscal year ended June 30, 2022:

- 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 non-compliance 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:

- The Capital Improvement Fund was over budget in one outflow category: Transfers Out.
- In May 2022, the Gas Excise Tax was deposited into the Capital Improvement Fund. The Gas Excise Tax should be deposited into the General Fund.

- 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:** The Town does not have a formal reconciliation process for three bank accounts: Maintenance Department Savings, Fire Department Checking and Fire Department Savings account. Therefore, we were not able to determine if there are any significant or unusual reconciling items that have not cleared those bank accounts.

- 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, 2022.

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

- 1. Procedures Performed:** From the Authority's trial balances and other accounting records, we prepared a schedule of revenues, expenses, and changes in fund balances - cash basis for the Authority and compared the schedule results to the applicable trust 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:** We agreed 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 on a timely basis.

**Findings:** This procedure does not apply. The Authority does not have a separate bank account.

- 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:** This procedure does not apply. The Authority does not have a separate bank account.

- 4. Procedures Performed:** We compared the Authority'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.

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

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

**Findings:** This procedure does not apply. We did not identify any such compliance requirements that were applicable to the Authority during the fiscal year ending June 30, 2022.

As to the **Town of Manitou and Manitou Public Works Authority Grant Programs**, as of and for the fiscal year ended June 30, 2022:

- 1. Procedures Performed:** From the Town and Authority's trial balances, we prepared schedules 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 Manitou and Manitou Public Works Authority**, as of and for the fiscal year ended June 30, 2022:

- 1. Procedures Performed:** From the Town and Authority'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 no instances of noncompliance as a result of applying the procedure.

We were engaged by the Town of Manitou 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 Manitou 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  
December 16, 2022

**Town of Manitou, Oklahoma**  
**Summary of Changes in Fund Balance-Cash Basis**  
**For the Fiscal year Ended June 30, 2022**  
**(Unaudited)**

|                              | <b><u>Beginning of<br/>Year Fund<br/>Balances</u></b> | <b><u>Current Year<br/>Receipts</u></b> | <b><u>Interfund<br/>Transfers</u></b> | <b><u>Current Year<br/>Disbursements</u></b> | <b><u>End of Year<br/>Fund Balances</u></b> |
|------------------------------|---|---|---------------------------------------|--|---|
| <b>Town:</b>                 |   |   |                                       |  |   |
| General Fund                 | \$ 53,205   | \$ 41,174                               | \$ 188,196                            | \$ (214,991)                                 | \$ 67,584                                   |
| Capital Improvement Fund     | 198,646   | 87,013                                  | (76,000)                              | 0  | 209,659                                     |
| Emergency Savings Fund       | 85,016  | 9                                       | 10,200                                | 0  | 95,225                                      |
| Fire Department Savings Fund | 3,768   | 5,701                                   | 0                                     | 0  | 9,469                                       |
| Fire Department Fund         | 7,721   | 9,283                                   | 0                                     | (12,934)                                     | 4,070                                       |
| ARPA Grant Fund              | 0   | 16,138                                  | 0                                     | (14,806)                                     | 1,332                                       |
| Cemetery Fund                | 799   | 75                                      | 0                                     | 0  | 874   |
| OWRB REAP Fund               | 82  | 19,350                                  | 1,500                                 | (20,850)                                     | 82  |
| Purchasing Fund              | <u>673</u>  | <u>444</u>                              | <u>7,000</u>                          | <u>(8,040)</u>                               | <u>77</u>                                   |
| <b>Town Total</b>            | 349,910   | 179,187                                 | 130,896                               | (271,621)                                    | 388,372                                     |
| <b>Trust Authority:</b>      |   |   |                                       |  |   |
| Public Works Authority       | <u>0</u>  | <u>381,517</u>                          | <u>(130,896)</u>                      | <u>(250,621)</u>                             | <u>0</u>                                    |
| <b>Authority Total</b>       | 0   | 381,517                                 | (130,896)                             | (250,621)                                    | 0   |
| <b>Entity-wide Total</b>     | <u><u>\$ 349,910</u></u>                              | <u><u>\$ 560,704</u></u>                | <u><u>\$ 0</u></u>                    | <u><u>\$ (522,242)</u></u>                   | <u><u>\$ 388,372</u></u>                    |

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**Budgetary Comparison Schedule-Cash Basis**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

|  | <b>Budgeted Amounts</b> |              | <b>Actual</b>  | <b>Variance with</b> |
|--|-------------------------|--------------|----------------|----------------------|
|  | <b>Original</b>         | <b>Final</b> | <b>Amounts</b> | <b>Final Budget</b>  |
| <b>Beginning Budgetary Fund Balance:</b>     | \$ 53,205               | \$ 53,205    | \$ 53,205      | \$ 0                 |
| <b>Resources (Inflows):</b>                  |                         |              |                |                      |
| Miscellaneous Revenue                        | 6,457                   | 6,457        | 4,018          | (2,439)              |
| Taxes  | 5,618                   | 5,618        | 6,538          | 920                  |
| Franchise Fees                               | 1,155                   | 1,155        | 1,531          | 376                  |
| Investment Revenue                           | 525                     | 525          | 6              | (519)                |
| Grant Revenue                                | 0                       | 0            | 28,581         | 28,581               |
| Rental Revenue                               | 0                       | 0            | 500            | 500                  |
| Transfers In                                 | 0                       | 0            | 188,196        | 188,196              |
| Total Inflows                                | 13,755                  | 13,755       | 229,370        | 215,615              |
| <b>Amounts Available for Appropriation</b>   | 66,960                  | 66,960       | 282,575        | 215,615              |
| <b>Charges to Appropriations (Outflows):</b> |                         |              |                |                      |
| <b>General Government:</b>                   |                         |              |                |                      |
| Personal Services                            | 100,328                 | 100,328      | 44,165         | (56,163)             |
| Maintenance, Operations & Repairs            | 210,262                 | 210,262      | 170,826        | (39,436)             |
| Capital Outlay                               | 0                       | 0            | 0              | 0                    |
| Transfers Out                                | 0                       | 0            | 0              | 0                    |
| Total Charges to Appropriations              | 310,590                 | 310,590      | 214,991        | (95,599)             |
| <b>Ending Budgetary Fund Balance</b>         | \$ (243,630)            | \$ (243,630) | \$ 67,584      | \$ 311,214           |

Please see accompanying Accountant's Report.



**Town of Manitou, Oklahoma**  
**Budgetary Comparison Schedule-Cash Basis**  
**Capital Improvement Fund**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

|  | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     | <b>Variance with</b> |
|--|-------------------------|-------------------|-------------------|----------------------|
|  | <b>Original</b>         | <b>Final</b>      | <b>Amounts</b>    | <b>Final Budget</b>  |
| <b>Beginning Budgetary Fund Balance:</b>     | \$ 198,646              | \$ 198,646        | \$ 198,646        | \$ 0                 |
| <b>Resources (Inflows):</b>                  |                         |                   |                   |                      |
| Taxes  | 8,505                   | 8,505             | 87,013            | 78,508               |
| General Fund Loan Payment                    | 12,600                  | 12,600            | 0                 | (12,600)             |
| Transfers In                                 | 0                       | 0                 | 0                 | 0                    |
| Total Inflows                                | 21,105                  | 21,105            | 87,013            | 65,908               |
| <b>Amounts Available for Appropriation</b>   | 219,751                 | 219,751           | 285,659           | 65,908               |
| <b>Charges to Appropriations (Outflows):</b> |                         |                   |                   |                      |
| Maintenance, Operations & Repairs            | 0                       | 0                 | 0                 | 0                    |
| Transfers Out                                | 0                       | 0                 | 76,000            | 76,000               |
| <b>Total Charges to Appropriations</b>       | 0                       | 0                 | 76,000            | 76,000               |
| <b>Ending Budgetary Fund Balance</b>         | <u>\$ 219,751</u>       | <u>\$ 219,751</u> | <u>\$ 209,659</u> | <u>\$ (10,092)</u>   |

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**Budgetary Comparison Schedule-Cash Basis**  
**Emergency Savings Fund**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

|  | <b>Budgeted Amounts</b> |              | <b>Actual</b>  | <b>Variance with</b> |
|--|-------------------------|--------------|----------------|----------------------|
|  | <b>Original</b>         | <b>Final</b> | <b>Amounts</b> | <b>Final Budget</b>  |
| <b>Beginning Budgetary Fund Balance:</b>     | \$ 85,016               | \$ 85,016    | \$ 85,016      | \$ 0                 |
| <b>Resources (Inflows):</b>                  |                         |              |                |                      |
| Investment Revenue                           | 210                     | 210          | 9              | (201)                |
| Transfers In                                 | 10,710                  | 10,710       | 10,200         | (510)                |
| Total Inflows                                | 10,920                  | 10,920       | 10,209         | (711)                |
| <b>Amounts Available for Appropriation</b>   | 95,936                  | 95,936       | 95,225         | (711)                |
| <b>Charges to Appropriations (Outflows):</b> |                         |              |                |                      |
| Maintenance, Operations & Repairs            | 0                       | 0            | 0              | 0                    |
| Transfers Out                                | 0                       | 0            | 0              | 0                    |
| <b>Total Charges to Appropriations</b>       | 0                       | 0            | 0              | 0                    |
| <b>Ending Budgetary Fund Balance</b>         | \$ 95,936               | \$ 95,936    | \$ 95,225      | \$ (711)             |

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**Statement of Revenue, Expenses and Changes in Fund Balance-Cash Basis**  
**Public Works Authority**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

|   | <b>Total Manitou<br/>Public Works<br/>Authority</b> |
|---|---|
| <b>Operating Revenues</b>                   |   |
| Electric Revenue                            | \$ 230,837  |
| Trash Revenue                               | 49,099  |
| Water Revenue                               | 45,343  |
| Fuel Cost Adjustment                        | 20,809  |
| Sewer Revenue                               | 20,086  |
| Meter Charger Revenue                       | 6,330   |
| Fire Truck Fee                              | 5,965   |
| LIHEP Program Revenue                       | 1,849   |
| Miscellaneous Operating Revenue             | 1,199   |
| Total Operating Revenues                    | <u>381,517</u>                                      |
| <b>Operating Expenses</b>                   |   |
| Personal Services                           | 78,516  |
| Maintenance and Operations                  | 172,105   |
| Capital Outlay                              | 0   |
| Total Operating Expenses                    | <u>250,621</u>                                      |
| Operating Income / (Loss)                   | 130,896   |
| <b>Non-Operating Revenues / (Expenses)</b>  |   |
| Total Non-Operating Revenues / (Expenses)   | <u>0</u>  |
| <b>Net Income / (Loss) before Transfers</b> | 130,896   |
| <b>Transfers In / (Out)</b>                 |   |
| Transfers In                                | 78,516  |
| Transfers Out                               | <u>(209,412)</u>                                    |
| Total Transfers In / (Out)                  | <u>(130,896)</u>                                    |
| <b>Change in Fund Balance</b>               | 0   |
| <b>Fund Balance - beginning</b>             | <u>0</u>  |
| <b>Fund Balance - ending</b>                | <u><u>\$ 0</u></u>                                  |

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**Association South Central Oklahoma Governments**  
**Rural Economic Action Plan (REAP)**  
**Revenue and Expenditures Compared with Budget**  
**Year Ended June 30, 2022**  
**(Unaudited)**

|   | <b>Budget</b>      | <b>Current<br/>Year</b> | <b>(Over)<br/>Under<br/>Budget</b> |
|---|--------------------|-------------------------|------------------------------------|
| <b><u>Revenue</u></b>                           |                    |                         |                                    |
| Grant   | \$ 22,000          | \$ 19,350               | \$ 2,650                           |
| Cost Share                                      | <u>1,500</u>       | <u>1,500</u>            | <u>0</u>                           |
| Total Revenue                                   | 23,500             | 20,850                  | 2,650                              |
| <b><u>Expenditures</u></b>                      |                    |                         |                                    |
| Purchase of Storm Siren                         | <u>23,500</u>      | <u>20,850</u>           | <u>2,650</u>                       |
| Total Expenditures                              | <u>23,500</u>      | <u>20,850</u>           | <u>2,650</u>                       |
| <b><u>Revenue Over (Under) Expenditures</u></b> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u>      | <u><u>\$ 0</u></u>                 |

Contract No.: 222235  
Contract Period: 07/01/2021 - 06/30/2022

Please see accompanying Accountant's Report.

**Town of Manitou, Oklahoma**  
**State of Oklahoma**  
**Department of Environmental Quality (DEQ)**  
**Revenue and Expenditures Compared with Budget**  
**Year Ended June 30, 2022**  
**(Unaudited)**

|   | <u>Budget</u> | <u>Current<br/>Year</u> | <u>(Over)<br/>Under<br/>Budget</u> |
|---|---------------|-------------------------|------------------------------------|
| <b><u>Revenue</u></b>                           |               |                         |                                    |
| Grant   | \$ 14,570     | \$ 14,259               | \$ 311                             |
| Total Revenue                                   | 14,570        | 14,259                  | 311                                |
| <b><u>Expenditures</u></b>                      |               |                         |                                    |
| Purchase of Equipment                           | 14,570        | 14,259                  | 311                                |
| Total Expenditures                              | 14,570        | 14,259                  | 311                                |
| <b><u>Revenue Over (Under) Expenditures</u></b> | <u>\$ 0</u>   | <u>\$ 0</u>             | <u>\$ 0</u>                        |

Reimbursement Contract  
Contract Period: 07/01/2021 - 06/30/2022

Please see accompanying Accountant's Report.