

INDEPENDENT ACCOUNTANT'S REPORT

TOWN OF OLUSTEE, OKLAHOMA

JULY 1, 2021 TO JUNE 30, 2022

BY





Independent Accountant's Agreed Upon Procedures Report

To the Specified Users of the Report:

Town Council, Town of Olustee
Olustee, Oklahoma

Board of Trustees, Olustee Public Works Authority
Olustee, 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 Olustee and the related Public Works Authority, Olustee, 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 ARPA Fund - Cash Basis, the Budgetary Comparison Schedule for the Fire Department Fund - Cash Basis, the Budgetary Comparison Schedule for the Fire Department Special Fund - Cash Basis, the Olustee Public Works Authority - Statement of Revenues, Expenses and Changes in Fund Balance - Cash Basis, and Schedule 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 Olustee is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements.

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

- 1. Procedures Performed:** From the Town'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: 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 compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: No instances of fund balance deficits were noted.

- 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.

Findings: We found no instances of any significant or unusual reconciling items.

- 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 was not performed. The Town's bank account balances did not exceed the FDIC limit of \$250,000.

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

Findings: We found no instances of noncompliance.

- 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.

- 7. Procedures Performed:** We compared 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: This procedure was not performed. We are not aware of any debt service coverage or reserve account requirements of the Town in the fiscal year ending June 30, 2022.

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

- 1. Procedures Performed:** From the Authority'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: No instances of fund balance deficits were noted.

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

Findings: No instances of fund balance deficits were noted.

- 3. 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.

Findings: We found no instances of any significant or unusual reconciling items.

- 4. 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: We found no uninsured or uncollateralized deposits.

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

Findings: We found no instances of noncompliance.

- 6. 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.

- 7. Procedures Performed:** We compared 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: This procedure was not performed. We are not aware of any debt service coverage or reserve account requirements of the Authority in the fiscal year ending June 30, 2022.

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

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

Findings: We found no instances of noncompliance.

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

Lawton, Oklahoma

November 27, 2022

Town of Olustee, OK
Summary of Changes in Fund Balance - Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2022
(Unaudited)

<u>Governmental Funds</u>	<u>Balance as of 07/01/2021</u>	<u>Current Year Receipts</u>	<u>Transfers</u>	<u>Current Year Disbursements</u>	<u>Balance as of 06/30/2022</u>
General Fund					
General Fund Account	\$ 8,629	\$ 160,089	\$ (42,973)	\$ (118,525)	\$ 7,220
General Fund CD	49,632	298	0	0	49,930
Public Safety Fund	7,146	18,125	(21,477)	0	3,794
Total General Fund	<u>65,407</u>	<u>178,512</u>	<u>(64,450)</u>	<u>(118,525)</u>	<u>60,944</u>
Airfield Fund					
Airfield Account	1,645	0	3,000	(2,196)	2,449
Airfield Savings	18,858	31,702	(17,994)	0	32,566
Airfield CD	32,164	241	0	0	32,405
Total Airfield Fund	<u>52,667</u>	<u>31,943</u>	<u>(14,994)</u>	<u>(2,196)</u>	<u>67,420</u>
Street & Alley Fund	<u>6,967</u>	<u>5,341</u>	<u>0</u>	<u>(2,750)</u>	<u>9,558</u>
Park Fund	<u>2,441</u>	<u>3,256</u>	<u>48,467</u>	<u>0</u>	<u>54,164</u>
Total	<u>\$ 127,482</u>	<u>\$ 219,052</u>	<u>\$ (30,977)</u>	<u>\$ (123,471)</u>	<u>\$ 192,086</u>

Please see accompanying Accountant's Report.

Town of Olustee, OK
Summary of Changes in Fund Balance - Cash Basis
Enterprise Funds
For the Fiscal Year Ended June 30, 2022
(Unaudited)

<u>Enterprise Funds</u>	<u>Balance as of 07/01/2021</u>	<u>Current Year Receipts</u>	<u>Transfers</u>	<u>Current Year Disbursements</u>	<u>Balance as of 06/30/2022</u>
PWA Fund					
PWA Fund Account	\$ 134,127	\$ 631,623	\$ (41)	\$ (605,081)	\$ 160,628
PWA Trust Account	91,228	106,210	(123,760)	(54,371)	19,307
PWA CD	107,521	806	0	0	108,327
Total PWA Fund	<u>332,876</u>	<u>738,639</u>	<u>(123,801)</u>	<u>(659,452)</u>	<u>288,262</u>
Sewer Lagoon Fund					
Sewer Lagoon Account	86,847	39,694	10,988	(71,316)	66,213
Sewer Lagoon Savings	10,775	91	0	0	10,866
Total Sewer Lagoon Fund	<u>97,622</u>	<u>39,785</u>	<u>10,988</u>	<u>(71,316)</u>	<u>77,079</u>
Water Utility Fund					
Water Utility Savings	125,058	307	136,000	0	261,365
Water Utility CD	24,765	507	0	0	25,272
Total Water Utility Fund	<u>149,823</u>	<u>814</u>	<u>136,000</u>	<u>0</u>	<u>286,637</u>
Meter Fund					
Meter Fund Account	26,895	10,547	300	(9,590)	28,152
Meter Fund CD	42,744	321	0	0	43,065
Total Meter Fund	<u>69,639</u>	<u>10,868</u>	<u>300</u>	<u>(9,590)</u>	<u>71,217</u>
Petty Cash	<u>562</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>562</u>
Travel Account	<u>186</u>	<u>0</u>	<u>7,490</u>	<u>(7,204)</u>	<u>472</u>
Total Enterprise Funds	<u>\$ 650,708</u>	<u>\$ 790,106</u>	<u>\$ 30,977</u>	<u>\$ (747,562)</u>	<u>\$ 724,229</u>

Please see accompanying Accountant's Report.

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

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original Budget</u>	<u>Revised Budget</u>		Positive (Negative)
<u>Resources (Inflows):</u>				
Grants	\$ 0	\$ 0	\$ 84,160	\$ 84,160
Public Safety	19,000	19,000	20,828	1,828
Taxes	15,000	15,000	29,197	14,197
Franchise Revenue	2,600	2,600	2,879	279
Lease Income	800	800	2,620	1,820
Interest Earned	800	800	332	(468)
Miscellaneous	100	100	9,245	9,145
Donations	0	0	750	750
Total Inflows	<u>38,300</u>	<u>38,300</u>	<u>150,011</u>	<u>111,711</u>
<u>Charges to Appropriations (Outflows):</u>				
Grant Expenditures	0	38,000	26,141	11,859
Materials & Supplies	44,700	48,700	24,991	23,709
Personnel Services	55,800	60,300	38,892	21,408
Capital Expenditures	0	0	0	0
Total Charges to Appropriations	<u>100,500</u>	<u>147,000</u>	<u>90,024</u>	<u>56,976</u>
<u>Revenue Over (Under Expenditures)</u>	(62,200)	(108,700)	59,987	168,687
<u>Other Financing Sources (Uses)</u>				
Transfers In/(Out)	49,800	49,800	(64,450)	(114,250)
Total Other Financing Sources (Uses)	<u>49,800</u>	<u>49,800</u>	<u>(64,450)</u>	<u>(114,250)</u>
Beginning Cash Balance, June 30, 2021	65,407	65,407	65,407	0
Ending Cash Balance, June 30, 2022	<u>\$ 53,007</u>	<u>\$ 6,507</u>	<u>\$ 60,944</u>	<u>\$ 54,437</u>

Please see accompanying Accountant's Report.

Town of Olustee, Oklahoma
Budgetary Comparison Schedule - Cash Basis
Public Works Authority Fund
For the Fiscal Year Ended June 30, 2022
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Revised		Positive (Negative)
<u>Resources (Inflows):</u>				
Utilities Income	\$ 610,000	\$ 610,000	\$ 719,040	\$ 109,040
Miscellaneous Income	33,000	33,000	17,414	(15,586)
Interest Earned	3,200	3,200	2,185	(1,015)
Total Inflows	646,200	646,200	738,639	92,439
<u>Charges to Appropriations (Outflows):</u>				
Utilities Purchased	345,000	350,000	347,856	2,144
Materials & Supplies	175,000	175,000	155,632	19,368
Personnel Services	155,000	164,000	150,804	13,196
Debt Services Loan	18,000	64,000	4,861	59,139
Interest Paid	4,000	4,000	299	3,701
Grant Matching Funds	2,000	2,000	0	2,000
Total Charges to Appropriations	699,000	759,000	659,452	99,548
<u>Revenue Over (Under Expenditures)</u>	(52,800)	(112,800)	79,187	191,987
<u>Other Financing Sources (Uses)</u>				
Transfers In/(Out)	(20,000)	(20,000)	(123,801)	(103,801)
Total Other Financing Sources (Uses)	(20,000)	(20,000)	(123,801)	(103,801)
Beginning Cash Balance, June 30, 2021	332,876	332,876	332,876	0
Ending Cash Balance, June 30, 2022	\$ 260,076	\$ 200,076	\$ 288,262	\$ 88,186

Please see accompanying Accountant's Report.

Town of Olustee, Oklahoma
OK DEQ Grant
Statement of Functional Expenses - Budget to Actual
Year Ended June 30, 2022
(Unaudited)

	Original / Final Budget	Current Year	(Over) Under Budget
<u>Revenue</u>			
Equipment Grant Funds	\$ 34,693	\$ 34,693	\$ 0
Total Revenue	34,693	34,693	0
<u>Expenditures</u>			
Acquisition of Solid Waste Management Equipment	34,693	34,693	0
Total Expenditures	34,693	34,693	0
Revenue Over (Under) Expenditures	\$ 0	\$ 0	\$ 0

Reimbursement Contract, Reference No.: 102321
Fiscal Year: 2022

Please see accompanying notes to the financial statements.