

**TOWN OF ARNETT, OKLAHOMA  
ARNETT, OKLAHOMA**

**AGREED UPON PROCEDURES  
AND ACCOMPANYING  
INDEPENDENT ACCOUNTANT'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2023**



801 Frisco, Clinton, OK 73601  
580.323.1766 | 580.323.1768 fax

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 Arnett  
Arnett, Oklahoma

Trustees of the Arnett Public Facilities Authority  
Arnett, 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 Facilities 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, 2023. Management of the Town of Arnett and the Arnett Public Facilities Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Arnett and the Arnett Public Facilities 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.

The procedures and associated findings are as follows:

### **Procedures and Findings**

As to the Town of Arnett as of and for the fiscal year ended June 30, 2023:

- 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. No instances of noncompliance noted.

- 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, 2023.

- 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 City. 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 III. No instances of noncompliance noted.

As to the Arnett Public Facilities Authority, as of and for the year ended June 30, 2023:

- 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 IV. 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, 2023.

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:** The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance. No instances of noncompliance noted.

We were engaged by The Town of Arnett and the Arnett Public Facilities 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 Arnett and the Arnett Public Facilities 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  
CPAs • ADVISORS

Clinton, Oklahoma  
August 21, 2023

rsmeacham  
CPAs • ADVISORS

**TOWN OF ARNETT, OKLAHOMA  
ARNETT PUBLIC FACILITIES AUTHORITY  
SUMMARY OF CHANGES IN BUDGETARY FUND BALANCES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

---

	<b>Beginning of Year Fund Balance</b>	<b>Current Year Change</b>	<b>End of Year Fund Balance</b>
<b>TOWN OF ARNETT</b>			
General Fund	594,484	62,113	656,597
Fire Department Fund	16,082	4,155	20,237
Cemetery Care Fund	31,769	635	32,404
<b>TOWN TOTAL</b>	<b>\$ 642,335</b>	<b>\$ 66,903</b>	<b>\$ 709,238</b>
 <b>ARNETT PUBLIC FACILITIES AUTHORITY</b>	 \$ 1,672,650	 30,661	 1,703,311

TOWN OF ARNETT, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 GENERAL FUND  
 FIRE DEPARTMENT FUND  
 CEMETERY CARE FUND  
 FOR THE YEAR ENDED JUNE 30, 2023

GENERAL FUND	Approved Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$ 528,850	\$ 594,484	\$ 65,634
<b>Resources (Inflows):</b>			
<b>Taxes:</b>			
Sales tax	235,794	235,794	-
Franchise tax	25,265	24,386	(879)
Cigarette tax	1,607	1,607	-
Gas Excise tax	880	880	-
Use tax	36,060	36,060	-
<b>Total Taxes</b>	<u>299,606</u>	<u>298,727</u>	<u>(879)</u>
<b>Intergovernmental:</b>			
Alcoholic Beverage tax	43,148	44,092	944
Motor Vehicle tax	3,539	3,578	39
<b>Total Intergovernmental</b>	<u>46,687</u>	<u>47,670</u>	<u>983</u>
<b>Other Revenue:</b>			
Permits & Licenses	900	864	(36)
Rental	950	725	(225)
Police Fines	600	588	(12)
Grant Income	92,403	68,647	(23,756)
Oil & Gas Royalties	3,000	2,916	(84)
Cemetery Income	4,000	3,975	(25)
Interest	2,000	2,040	40
Miscellaneous	9,000	5,678	(3,322)
<b>Total Other Revenue</b>	<u>112,853</u>	<u>85,433</u>	<u>(27,420)</u>
<b>Total current year resources</b>	<u>459,146</u>	<u>431,830</u>	<u>(27,316)</u>
<b>Amounts available for appropriation</b>	<u>987,996</u>	<u>1,026,314</u>	<u>38,318</u>
<b>Charges to Appropriations (Outflows):</b>			
<b>Administration</b>			
Personal Services	2,728	2,129	599
Other Services and Charges	5,000	4,181	819
<b>Total Administration</b>	<u>7,728</u>	<u>6,310</u>	<u>1,418</u>

**TOWN OF ARNETT, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND  
FIRE DEPARTMENT FUND  
CEMETERY CARE FUND  
FOR THE YEAR ENDED JUNE 30, 2023**

(Continued)

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>General Government</b>			
Personal Services	83,003	82,185	818
Other Services and Charges	125,500	126,627	(1,127)
Capital Outlay	14,800	14,367	433
<b>Total General Government</b>	<u>223,303</u>	<u>223,179</u>	<u>124</u>
<b>City Clerk</b>			
Personal Services	64,521	63,546	975
Other Services and Charges	1,000	4	996
<b>Total City Clerk</b>	<u>65,521</u>	<u>63,550</u>	<u>1,971</u>
<b>Police</b>			
Other Services and Charges	29,500	27,459	2,041
<b>Total Police</b>	<u>29,500</u>	<u>27,459</u>	<u>2,041</u>
<b>Fire</b>			
Other Services and Charges	14,500	10,753	3,747
<b>Total Fire</b>	<u>14,500</u>	<u>10,753</u>	<u>3,747</u>
<b>City Attorney</b>			
Maintenance & Operations	8,000	5,575	2,425
<b>Total City Attorney</b>	<u>8,000</u>	<u>5,575</u>	<u>2,425</u>
<b>Street Department</b>			
Materials & Supplies	2,500	2,408	92
Other Services and Charges	3,500	-	3,500
Capital Outlay	65,000	30,322	34,678
<b>Total Street Department</b>	<u>71,000</u>	<u>32,730</u>	<u>38,270</u>
<b>Parks &amp; Recreation</b>			
Materials & Supplies	3,500	161	3,339
<b>Total Parks &amp; Recreation</b>	<u>3,500</u>	<u>161</u>	<u>3,339</u>
<b>Cemetery</b>			
Other Services and Charges	500	-	500
<b>Total Cemetery</b>	<u>500</u>	<u>-</u>	<u>500</u>
<b>Total Charges to Appropriations</b>	<u>423,552</u>	<u>369,717</u>	<u>53,835</u>
<b>Other Financing Sources (Uses)</b>			
Transfers-out	(84,010)	-	84,010
<b>Total Other Financing Sources (Uses)</b>	<u>(84,010)</u>	<u>-</u>	<u>84,010</u>
<b>Change in Fund Balance</b>	(48,416)	62,113	110,529
<b>Ending Budgetary Fund Balance</b>	<u>\$ 480,434</u>	<u>\$ 656,597</u>	<u>\$ 176,163</u>

TOWN OF ARNETT, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 GENERAL FUND  
 FIRE DEPARTMENT FUND  
 CEMETERY CARE FUND  
 FOR THE YEAR ENDED JUNE 30, 2023



	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>FIRE DEPARTMENT FUND</b>			
<b>Beginning Budgetary Fund Balance:</b>	1,363	16,082	14,719
<b>OPERATING REVENUES</b>			
Donations	1,000	1,010	10
Federal Grants	10,053	10,053	-
Miscellaneous	6,979	6,979	-
Interest Income	80	87	7
Rental Income	400	400	-
<b>TOTAL OPERATING REVENUES</b>	<u>18,512</u>	<u>18,529</u>	<u>17</u>
<b>Amounts available for appropriation</b>	19,875	34,611	14,736
<b>Charges to Appropriations (Outflows):</b>			
<b>Fire Department Expenses</b>			
Other Services and Charges	18,032	14,374	3,658
<b>Total Fire Department Expenses</b>	<u>18,032</u>	<u>14,374</u>	<u>3,658</u>
<b>Total Charges to Appropriations</b>	<u>18,032</u>	<u>14,374</u>	<u>3,658</u>
<b>Change in Fund Balance</b>	480	4,155	3,675
<b>Ending Budgetary Fund Balance</b>	<u><u>1,843</u></u>	<u><u>20,237</u></u>	<u><u>18,394</u></u>



TOWN OF ARNETT, OKLAHOMA  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 GENERAL FUND  
 FIRE DEPARTMENT FUND  
 CEMETERY CARE FUND  
 FOR THE YEAR ENDED JUNE 30, 2023



	Approved Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>CEMETERY CARE FUND</b>			
<b>Beginning Budgetary Fund Balance:</b>	29,496	31,769	2,273
<b>Operating Revenues</b>			
Interest	100	113	13
Gravesite Open/Close	1,500	1,300	(200)
<b>Total Operating Revenues</b>	1,600	1,413	(187)
<b>Amounts available for appropriation</b>	31,096	33,182	2,086
<b>Charges to Appropriations (Outflows):</b>			
<b>Operating Expenses</b>			
Other Services & Charges	1,500	778	722
<b>Total Cemetery Care Expenses</b>	1,500	778	722
<b>Total Charges to Appropriations</b>	1,500	778	722
<b>Change in Fund Balance</b>	100	635	535
<b>Ending Budgetary Fund Balance</b>	29,596	32,404	2,808

JUNE 30, 2023

**SCHEDULE OF GRANTS - MODIFIED CASH BASIS  
FOR THE FISCAL YEAR ENDED**

<b>Grant revenue</b>	<b>Funding period</b>	<b>Project description</b>	<b>Award</b>	<b>Amount received</b>	<b>Amount expended</b>	<b>Receipts less expenditures</b>
<i>Grant received from:</i>						
OEDA Rural Fire	9/1/21 - 6/30/2022	Fire Operations	10,053	10,053	10,053	-
REAP Grant OEDA	1/10/2023-7/10/2024	Resurface 66 blocks	75,058	24,244	24,244	-
ARPA Funding	FY22-FY23	Revenue Loss Provision	84,407	42,403	-	42,403
Total			<u>\$ 169,518</u>	<u>\$ 76,700</u>	<u>\$ 34,297</u>	<u>\$ 42,403</u>

**ARNETT PUBLIC FACILITIES AUTHORITY ARNETT, OKLAHOMA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Public Facilities Authority</b>
<b>Operating Revenues:</b>	
Charges for services:	
Water	\$ 115,418
Sewer	34,947
Sanitation	103,280
Lease/Rental	13,874
Fees	375
Interest	1,890
Miscellaneous	332
<b>Total Operating Revenues</b>	<b>270,116</b>
<b>Admin Expenses:</b>	
Personal Services	247
Materials & Supplies	3,320
Others Services & Charges	10,532
<b>Total Admin Expenses:</b>	<b>14,099</b>
<b>Sewer Expenses:</b>	
Others Services & Charges	710
<b>Total Sewer Expenses:</b>	<b>710</b>
<b>Trash Expenses:</b>	
Others Services & Charges	60,180
<b>Total Trash Expenses:</b>	<b>60,180</b>
<b>Water Expenses:</b>	
Personal Services	116,608
Materials & Supplies	13,799
Others Services & Charges	9,029
<b>Total Water Expenses:</b>	<b>139,436</b>
<b>Total Operating Expenses</b>	<b>214,425</b>
<b>Operating Income</b>	<b>55,691</b>
Depreciation	(25,030)
<b>Change in fund balance</b>	<b>\$ 30,661</b>
<b>Fund Balance - beginning</b>	<b>1,672,650</b>
<b>Fund Balance - ending</b>	<b>\$ 1,703,311</b>