

**TOWN OF EAST DUKE, OKLAHOMA  
EAST DUKE, OKLAHOMA**

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

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



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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 East Duke  
East Duke, Oklahoma

Trustees of the Duke Municipal Authority  
East Duke, 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 Municipal 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 East Duke and the Duke Municipal Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of East Duke and the Duke Municipal 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 East Duke 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.

- 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.

As to the Duke Municipal 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 III. 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 instances of noncompliance noted.

- 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.

- 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 such compliance requirements were identified that were applicable to the Authority.

We were engaged by The Town of East Duke and the Duke Municipal Authority to perform this agree-upon procedures engaged 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 East Duke and the Duke Municipal 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  
September 21, 2023

Exhibit I

**TOWN OF EAST DUKE, OKLAHOMA  
SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

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	<u>Beginning of Year Fund Balance</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
<b>TOWN OF EAST DUKE</b>			
General Fund	\$ 456,060	\$ (93,073)	\$ 362,987
<b>TOWN TOTAL</b>	<u>\$ 456,060</u>	<u>\$ (93,073)</u>	<u>\$ 362,987</u>
 <b>ENTERPRISE FUNDS</b>			
Duke Municipal Authority	\$ 988,946	\$ (116,844)	\$ 872,102
<b>ENTERPRISE TOTAL</b>	<u>\$ 988,946</u>	<u>\$ (116,844)</u>	<u>\$ 872,102</u>

Exhibit II

**TOWN OF EAST DUKE, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 357,041	\$ 456,060	\$ 99,019
<b>Resources (Inflows):</b>			
<b>Taxes:</b>			
Sales Tax	44,500	47,105	2,605
Tobacco Tax	500	548	48
Gasoline Excise Tax	650	700	50
Use Tax	28,000	27,351	(649)
Franchise Tax	11,250	11,802	552
<b>Total Taxes</b>	<u>84,900</u>	<u>87,506</u>	<u>2,606</u>
<b>Intergovernmental:</b>			
Motor Vehicle Tax	2,750	2,811	61
Alcoholic Beverage Tax	3,647	4,003	356
<b>Total Intergovernmental</b>	<u>6,397</u>	<u>6,814</u>	<u>417</u>
<b>Fee and Permit Income</b>	2,200	2,505	305
<b>Grant Income</b>	61,053	61,053	(0)
<b>Fire Department Income</b>	10,450	10,742	292
<b>Miscellaneous Income</b>	36,796	38,099	1,303
<b>Interest Income</b>	1,550	3,962	2,412
<b>Gain on Sale of Assets</b>	-	-	-
<b>Total current year resources</b>	<u>203,346</u>	<u>210,679</u>	<u>7,333</u>
<b>Amounts available for appropriation</b>	<u>\$ 560,387</u>	<u>\$ 666,739</u>	<u>\$ 106,353</u>

Exhibit II

**TOWN OF EAST DUKE, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Approved Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>General Government</b>			
Personal Services	-	-	-
Materials and Supplies	1,000	1,269	(269)
Other Services and Charges	40,000	39,538	462
Capital Outlay	9,000	6,623	2,377
<b>Total General Government</b>	<b>50,000</b>	<b>47,430</b>	<b>2,570</b>
<b>Fire Department</b>			
Personal Services	2,250	2,000	250
Materials and Supplies	7,750	8,981	(1,231)
Other Services and Charges	12,000	10,849	1,151
Capital Outlay	200,000	171,859	28,141
<b>Total Fire Department</b>	<b>222,000</b>	<b>193,689</b>	<b>28,311</b>
<b>Police Department</b>			
Personal Services	37,500	29,687	7,813
Materials and Supplies	6,750	5,990	760
Other Services and Charges	1,500	888	612
Capital Outlay	14,250	14,250	-
<b>Total Police Department</b>	<b>60,000</b>	<b>50,815</b>	<b>9,185</b>
<b>Community Building</b>			
Materials and Supplies	500	122	378
Other Services and Charges	7,250	3,366	3,884
Capital Outlay	-	-	-
<b>Total Community Building</b>	<b>7,750</b>	<b>3,488</b>	<b>4,262</b>
<b>Street and Alley</b>			
Materials and Supplies	8,000	7,169	831
Other Services and Charges	6,000	5,321	679
Capital Outlay	150,000	149,138	863
<b>Total Street and Alley</b>	<b>164,000</b>	<b>161,628</b>	<b>2,372</b>

Exhibit II

**TOWN OF EAST DUKE, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Parks and Recreation</b>			
Personal Services	-	-	-
Materials and Supplies	-	-	-
Other Services and Charges	1,000	702	298
Capital Outlay	-	-	-
<b>Total Parks and Recreation</b>	<u>1,000</u>	<u>702</u>	<u>298</u>
<b>Other Financing Sources / Uses</b>			
Intergovernmental Transfer Out	-	-	-
Transfers In	(25,000)	(154,000)	129,000
Transfers Out	-	-	-
<b>Total Other Financing Services</b>	<u>(25,000)</u>	<u>(154,000)</u>	<u>129,000</u>
<b>Total Charges to Appropriations</b>	<u>479,750</u>	<u>303,752</u>	<u>175,998</u>
<b>Change in Fund Balance</b>	(276,404)	(93,073)	(183,331)
<b>Ending Budgetary Fund Balance</b>	<u>\$ 80,637</u>	<u>\$ 362,987</u>	<u>\$ (282,350)</u>



**Exhibit III**

**DUKE MUNICIPAL AUTHORITY EAST DUKE, OKLAHOMA  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND  
BALANCE - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**Operating Revenues:**

## Charges for services:

Water	\$ 989,081
Sewer	35,457
Sanitation	88,011
Administration Income	15,425
Other Income	-

Total Operating Revenues	<u>1,127,974</u>
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**Operating Expenses:**

Water	(967,846)
Sewer	(4,270)
Sanitation	(82,871)
Administration	(47,530)

Total Operating Expenses	<u>(1,102,517)</u>
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Operating Income	<u>\$ 25,457</u>
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**Non-Operating Revenues:**

Interest Income	11,699
Total Non-Operating Revenues	<u>11,699</u>

Net Income Before Contributions and Transfers	37,156
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Transfers In	-
Transfers Out	(154,000)

Change in fund balance	<u>(116,844)</u>
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Fund Balance - beginning	<u>988,946</u>
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Fund Balance - ending	<u>872,102</u>
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