

**TOWN OF SENTINEL, OKLAHOMA
SENTINEL, OKLAHOMA**

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

**FOR THE YEAR ENDED
JUNE 30, 2022**



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Members of American
Institute of Certified
Public Accountants

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Society of Certified
Public Accountants

Practitioner’s Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Sentinel
Sentinel, Oklahoma

Trustees of the Sentinel Public Works Authority
Sentinel, 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 Sentinel and the Sentinel Public 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 Sentinel and the Sentinel 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 Sentinel 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. 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, 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 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 Sentinel 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 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, 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: The Authority has outstanding debt with Rural Development. No instances of noncompliance noted.

We were engaged by The Town of Sentinel and the Sentinel 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 Sentinel and the Sentinel 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
CPAs • ADVISORS

Clinton, Oklahoma
November 7, 2022

rsmeacham
CPAs • ADVISORS

**TOWN OF SENTINEL, OKLAHOMA
SENTINEL PUBLIC WORKS AUTHORITY
SUMMARY OF CHANGES IN BUDGETARY FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Beginning of Year Fund Balance</u>	<u>Adjustments</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
TOWN OF SENTINEL				
* General Fund	\$ 429,011	\$ 20,513	\$ 153,680	\$ 603,204
Street & Alley Fund	179,340	8,580	2,257	190,177
Cemetery Fund	152,167	89,937	6,825	248,929
TOWN TOTAL	<u>\$ 760,518</u>	<u>\$ 119,030</u>	<u>\$ 162,762</u>	<u>\$ 1,042,310</u>
SENTINEL PUBLIC WORKS AUTHORITY	\$ 536,965	103,943	(20,824)	\$ 620,084

* Includes Community House

**TOWN OF SENTINEL, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
STREET & ALLEY FUND
CEMETERY FUND
FOR THE YEAR ENDED JUNE 30, 2022**

GENERAL FUND	Approved Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Unrestricted Budgetary Fund Balance:	\$ 317,650	\$ 429,011	\$ 111,361
Resources (Inflows):			
Taxes:			
Sales tax	217,476	220,877	3,401
Use tax	28,000	35,576	7,576
Franchise tax	19,526	20,695	1,169
Cigarette tax	2,014	1,756	(258)
Total Taxes	<u>267,016</u>	<u>278,904</u>	<u>11,888</u>
Intergovernmental:			
Alcoholic Beverage tax	20,261	21,316	1,055
Fire Grants	4,763	4,763	-
Total Intergovernmental	<u>25,024</u>	<u>26,079</u>	<u>1,055</u>
Other Revenue:			
Rents	-	40	40
Fines & forfeitures	1,200	820	(380)
Donations	1,500	19,952	18,452
Community House Revenues	27,000	27,080	80
Swimming Pool Revenues	4,000	6,603	2,603
Grants	73,792	79,480	5,688
Miscellaneous other revenues	3,200	3,263	63
Total Other Revenue	<u>110,692</u>	<u>137,238</u>	<u>26,546</u>
Total current year resources	<u>402,732</u>	<u>442,221</u>	<u>39,489</u>
Amounts available for appropriation	<u>720,382</u>	<u>871,232</u>	<u>150,850</u>
Charges to Appropriations (Outflows):			
General Government:			
Personal Services	1,711	1,626	85
Materials and Supplies	2,500	24,360	(21,860)
Other Services and Charges	43,950	22,383	21,567
Capital Outlay	1,000	-	1,000
Total General Government:	<u>49,161</u>	<u>48,369</u>	<u>792</u>

Exhibit II (continued)

	<u>Approved Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
City Hall			
Personal Services	56,042	48,363	7,679
Materials and Supplies	500	7,341	(6,841)
Other Services and Charges	7,500	995	6,505
Total City Hall	<u>64,042</u>	<u>56,699</u>	<u>7,343</u>
Swimming Pool			
Personal Services	12,803	11,454	1,349
Materials and Supplies	6,000	10,530	(4,530)
Other Services and Charges	3,650	-	3,650
Total Swimming Pool	<u>22,453</u>	<u>21,984</u>	<u>469</u>
Parks			
Other Services and Charges	750	723	27
Total Parks	<u>750</u>	<u>723</u>	<u>27</u>
Community House			
Personal Services	14,970	13,608	1,362
Materials and Supplies	14,500	12,501	1,999
Other Services and Charges	10,500	7,399	3,101
Total Community House	<u>39,970</u>	<u>33,508</u>	<u>6,462</u>
Libray			
Materials and Supplies	3,000	2,521	479
Total Libray	<u>3,000</u>	<u>2,521</u>	<u>479</u>
Police			
Personal Services	56,879	59,112	(2,233)
Materials and Supplies	6,500	8,141	(1,641)
Other Services and Charges	6,000	2,243	3,757
Capital Outlay	500	-	500
Total Police	<u>69,879</u>	<u>69,496</u>	<u>383</u>
Fire			
Personal Services	1,000	960	40
Materials and Supplies	1,000	900	100
Other Services and Charges	7,500	7,831	(331)
Capital Outlay	36,000	35,437	563
Total Fire	<u>45,500</u>	<u>45,128</u>	<u>372</u>
Total Charges to Appropriations	<u>294,755</u>	<u>278,428</u>	<u>16,327</u>
Other Financing Sources (Uses)			
Interest Income	500	2,126	1,626
Transfers-out	(6,000)	(12,239)	6,239
Total Other Financing Sources (Uses)	<u>(5,500)</u>	<u>(10,113)</u>	<u>7,865</u>
Change in Fund Balance	102,477	153,680	
Adjustments to beginning fund balance		20,513	
Ending Budgetary Fund Balance	<u>\$ 420,127</u>	<u>\$ 603,204</u>	

Exhibit II (continued)

STREET & ALLEY FUND	Approved Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Unrestricted Budgetary Fund Balance:	\$ 171,879	\$ 179,340	\$ 7,461
Resources (Inflows):			
Operating Revenues			
Motor vehicle tax	5,178	6,198	1,020
Gas excise tax	1,330	1,390	60
Other Revenues	3,500	3,531	31
TOTAL OPERATING REVENUES	<u>10,008</u>	<u>11,119</u>	<u>1,111</u>
Total current year resources	<u>10,008</u>	<u>11,119</u>	<u>1,111</u>
Amounts available for appropriation	<u>181,887</u>	<u>190,459</u>	<u>8,572</u>
Charges to Appropriations (Outflows):			
Street & Alley Expenses			
Materials and Supplies	6,000	5,768	232
Other Services and Charges	9,000	9,094	(94)
Total Street & Alley Expenses	<u>15,000</u>	<u>14,862</u>	<u>138</u>
Total Charges to Appropriations	<u>15,000</u>	<u>14,862</u>	<u>138</u>
Other Financing Sources (Uses)			
Interest Income	500	-	(500)
Transfers-in	6,000	6,000	-
Total Other Financing Sources (Uses)	<u>6,500</u>	<u>6,000</u>	<u>(500)</u>
Change in Fund Balance	1,508	2,257	
Adjustment to beginning fund balance		8,580	
Ending Budgetary Fund Balance	<u>\$ 173,387</u>	<u>\$ 190,177</u>	

Exhibit II (continued)

CEMETERY FUND	Approved Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Unrestricted Budgetary Fund Balance:	\$ 139,238	\$ 152,167	\$ 12,929
Resources (Inflows):			
Operating Revenues			
Plot revenues	1,500	1,500	-
Interments	6,500	6,300	(200)
Donations	8,800	9,530	730
Other Revenues	50	1,263	1,213
TOTAL OPERATING REVENUES	<u>16,850</u>	<u>18,593</u>	<u>1,743</u>
Total current year resources	<u>16,850</u>	<u>18,593</u>	<u>1,743</u>
Amounts available for appropriation	156,088	170,760	14,672
Charges to Appropriations (Outflows):			
Personal Services	10,366	7,923	2,443
Materials and Supplies	3,500	3,336	164
Other Services and Charges	2,400	1,887	513
Total Cemetery Expenses	<u>16,266</u>	<u>13,146</u>	<u>3,120</u>
Total Charges to Appropriations	<u>16,266</u>	<u>13,146</u>	<u>3,120</u>
Other Financing Sources (Uses)			
Interest Income	130	1,378	1,248
Total Other Financing Sources (Uses)	<u>130</u>	<u>1,378</u>	<u>1,248</u>
Change in Fund Balance	714	6,825	
Beginning Adjustment to Fund Balance	-	89,937	
Ending Budgetary Fund Balance	<u>\$ 139,952</u>	<u>\$ 248,929</u>	

Exhibit III

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

Grant revenue	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
<i>Grant received from:</i>						
Oklahoma Department of Ag, Food & Forestry	FY22	Fire Operations	4,763	4,763	5,794	(1,031)
OEAD REAP Fund #EL20-4	1/1/2022 - 1/1/2023	Waterline Replacement	75,000	5,263	5,263	-
SWODA/CENA Grant	FY22	Food/Meals for Community Center	5,688	5,688	5,688	-
MODA	FY20/21	Street/Road Repair	3,500	3,500	5,093	(1,593)
American Rescue Plan of 2021 (ARPA)	Revenue loss election	ARPA - revenue loss	73,792	73,792	-	73,792
Total			<u>\$ 162,743</u>	<u>\$ 93,006</u>	<u>\$ 21,838</u>	<u>\$ 71,168</u>

See accountant's report

SENTINEL PUBLIC WORKS AUTHORITY SENTINEL, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Public Works Authority
Operating Revenues:	
Charges for services:	
Water	\$ 233,887
Sewer	118,671
Sanitation	107,819
Other	13,423
Total Operating Revenues	473,800
Operating Expenses:	
Administration	10,531
Water	372,727
Sewer	49,142
Sanitation	78,579
Total Operating Expenses	510,979
Operating Income (Loss)	\$ (37,179)
Non-Operating Revenues:	
Interest Income	1,860
Grant income	5,263
Total Non-Operating Revenues	7,123
Net Income Before Contributions and Transfers	(30,056)
Transfers In	9,232
Transfers Out	-
Change in fund balance	\$ (20,824)
Fund Balance - beginning	536,965
Prior Period Adjustment - cash conversion	103,943
Fund Balance - ending	\$ 620,084

**TOWN OF SENTINEL, OKLAHOMA
PUBLIC WORKS AUTHORITY
BALANCE SHEET-ACCRUAL BASIS
JUNE 30, 2022**

	2022
ASSETS	
Current assets:	
Cash, including time deposits	\$ 538,409
Grant Receivable	5,263
Due from Street and Alley	5,000
Total current assets	548,672
Restricted assets:	
Cash, including time deposits	81,678
Total restricted assets	81,678
Non-current assets:	
Capital assets (net)	379,667
Total non-current assets	379,667
Total assets	1,010,017
LIABILITIES	
Liabilities, payable from restricted assets:	
Accrued payroll liabilities payable	337
Meter deposits payable	39,200
Interest payable	163
Current portion of long term debt	15,717
Due to other funds	214,000
Total liabilities payable from restricted assets	269,417
Non-current liabilities:	
Notes payable, non-current	75,617
Total non-current liabilities	75,617
Total liabilities	345,034
FUND BALANCE	
Restricted	249,133
Unrestricted	415,850
Total fund balance	664,983
Total Liabilities and Fund Balance	1,010,017

See accountant's report.