

Town of Arapaho
Arapaho, Oklahoma

Agreed Upon Procedures

For The Year Ended
June 30, 2024



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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 Arapaho
Arapaho, Oklahoma

Trustees of the Arapaho Public Works Authority
Arapaho, 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, 2024. Management of the Town of Arapaho and the Arapaho 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 Arapaho and the Arapaho 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 Arapaho as of and for the fiscal year ended June 30, 2024:

- 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, III and IV. See Schedule IV. Budgets were adopted at the department level and the Fire Department was not in compliance with the adopted budget. Fund balance was not exceeded.

- 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, 2024.

- 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. 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 VIII. No instances of noncompliance noted.

As to the Arapaho Public Works Authority, as of and for the year ended June 30, 2024:

- 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 VI. 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, 2024.

- 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 instances of noncompliance noted.

- VII. **Procedures Performed:** Prepare a Balance Sheet for the Authority

Findings: See Exhibit V. No instance of noncompliance noted

- VIII. **Procedures Performed:** Prepare of Schedule of Debt for the Authority

Findings: See Exhibit VII. No instance of noncompliance noted

We were engaged by The Town of Arapaho and the Arapaho 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 Arapaho and the Arapaho 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
CRASH AND BURN

Clinton, Oklahoma
December 23, 2024

rsmeacham
CRASH AND BURN

TOWN OF ARAPAHO, OKLAHOMA
SUMMARY OF CHANGES IN UNRESTRICTED FUND BALANCES (MODIFIED CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
TOWN:			
General Fund	\$ 324,954	\$ (30,298)	\$ 294,656
Street & Alley Fund	97,310	20,754	118,064
REAP	-	-	-
Arapaho Fire Department	17,615	17,143	34,758
Library Reading Room	1,587	116	1,703
CITY TOTAL	<u>441,466</u>	<u>7,715</u>	<u>449,181</u>
ARAPAHO PUBLIC WORKS AUTHORITY :			
APWA (unrestricted)	603,248	37,767	641,015
Water Fund	33,953	(2,429)	31,524
APWA TOTAL	<u>\$ 637,201</u>	<u>\$ 35,338</u>	<u>\$ 672,539</u>

See accountant's report.

TOWN OF ARAPAHO, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 462,144	\$ 446,568	\$ 324,954	\$ (121,614)
Resources (Inflows):				
Taxes:				
Sales tax	80,762	84,762	86,709	1,947
Use tax	28,366	30,366	40,098	9,732
Tobacco tax	566	566	516	(50)
Total Taxes	<u>109,694</u>	<u>115,694</u>	<u>127,323</u>	<u>11,629</u>
Intergovernmental:				
Alcoholic beverage tax	6,713	6,713	7,141	428
Franchise tax	18,522	18,522	16,958	(1,564)
Total Intergovernmental	<u>25,235</u>	<u>25,235</u>	<u>24,099</u>	<u>(1,136)</u>
Permits, Fines and Forfeitures	15,000	15,000	2,522	(12,478)
Tech fees	1,000	1,000	-	(1,000)
Investment Income	1,000	1,000	13,488	12,488
Grants	-	1,317	1,317	-
Miscellaneous Income	3,127	11,027	15,025	3,998
Royalties	200	200	-	(200)
Total current year resources	<u>155,256</u>	<u>170,473</u>	<u>183,774</u>	<u>13,301</u>
Amounts available for appropriation	\$ 617,400	\$ 617,041	\$ 508,728	\$ (108,313)
Charges to Appropriations (Outflows):				
General government:				
Personal services	80,500	80,500	76,264	4,236
Materials and supplies	5,500	5,500	6,044	(544)
Other services and charges	45,000	44,500	48,644	(4,144)
Capital outlay	2,500	2,500	-	2,500
Total General Government	<u>133,500</u>	<u>133,000</u>	<u>130,952</u>	<u>2,048</u>
Administration:				
Personal services	2,400	2,400	978	1,422
Materials and supplies	-	-	362	(362)
Other services and charges	-	6,000	6,319	(319)
Total Administration	<u>2,400</u>	<u>8,400</u>	<u>7,659</u>	<u>741</u>
Legislative/Judicial:				
Personal services	3,500	3,500	3,496	4
Total Legislative/Judicial	<u>3,500</u>	<u>3,500</u>	<u>3,496</u>	<u>4</u>
Public Works-Street Dept:				
Other services and charges	2,000	2,000	-	2,000
Total Public Works-Street Dept	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Police:				
Personal services	56,200	56,200	13,652	42,548
Materials and supplies	8,000	8,000	3,823	4,177
Other services and charges	10,000	10,000	4,088	5,912
Capital outlay	35,000	35,000	29,600	5,400
Total Police	<u>109,200</u>	<u>109,200</u>	<u>51,163</u>	<u>58,037</u>
Fire:				
Personal services	1,200	1,200	245	955
Materials and supplies	6,000	7,500	7,725	(225)
Other services and charges	7,200	12,400	12,098	302
Capital outlay	18,000	18,000	16,296	1,704
Total Fire	<u>22,400</u>	<u>39,100</u>	<u>36,364</u>	<u>2,736</u>
Civil Emergency Management:				
Personal services	40,000	40,000	18,787	21,213
Materials and supplies	7,250	7,250	502	6,748
Other services and charges	5,250	5,250	6,490	(1,240)
Capital outlay	27,500	27,500	-	27,500
Total Civil Emergency Management	<u>80,000</u>	<u>80,000</u>	<u>25,779</u>	<u>54,221</u>
Animal Control:				
Materials and supplies	1,700	1,700	197	1,503
Other services and charges	300	300	58	242
Total Animal Control	<u>2,000</u>	<u>2,000</u>	<u>255</u>	<u>1,745</u>
Park:				
Materials and supplies	500	500	356	144
Other services and charges	500	500	-	500
Total Park	<u>1,000</u>	<u>1,000</u>	<u>356</u>	<u>644</u>
Library:				
Materials and supplies	-	200	138	62
Total Library	<u>-</u>	<u>200</u>	<u>138</u>	<u>62</u>
Transfers from Other Funds	-	-	(49,467)	-
Transfers to Other Funds	20,000	20,500	21,728	(1,228)
Total Charges to Appropriations	<u>386,000</u>	<u>398,900</u>	<u>228,423</u>	<u>122,238</u>
Change in Fund Balance	(230,744)	(228,427)	(44,649)	135,539
Ending Budgetary Fund Balance	<u>231,400</u>	<u>218,141</u>	<u>280,305</u>	<u>13,925</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
OTHER ACCRUALS			14,351	
UNRESTRICTED FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)			<u>294,656</u>	

TOWN OF ARAPAHO, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
 STREET AND ALLEY FUND
 FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 85,215	\$ 84,842	\$ 97,310	\$ 12,468
Resources (Inflows):				
Taxes:				
Motor Vehicle tax	4,196	4,196	4,813	617
Gas Excise tax	1,011	1,011	1,156	145
Total Taxes	5,207	5,207	5,969	762
Investment Income	400	800	1,001	201
Transfers from other funds	20,000	20,000	20,000	-
Total current year resources	25,607	26,007	26,970	963
Amounts available for appropriation	\$ 110,822	\$ 110,849	\$ 124,280	\$ 13,431
Charges to Appropriations (Outflows):				
General government:				
Materials and supplies	10,000	10,000	6,216	3,784
Capital Outlay	10,000	10,000	-	10,000
Total General Government	20,000	20,000	6,216	13,784
Change in Fund Balance	5,607	6,007	20,754	(14,747)
Ending Budgetary Fund Balance	90,822	90,849	118,064	(2,279)
UNRESTRICTED FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)			118,064	

TOWN OF ARAPAHO, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
FIRE DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 11,555	\$ 11,555	\$ 17,615	\$ 6,060
Resources (Inflows):				
Donations	300	3,000	1,420	(1,580)
Grants-Other	4,000	10,000	9,994	(6)
Interest income	-	-	294	294
Misc income	-	-	50,000	50,000
Total current year resources	<u>4,300</u>	<u>13,000</u>	<u>61,708</u>	<u>48,708</u>
Amounts available for appropriation	<u>\$ 15,855</u>	<u>\$ 24,555</u>	<u>\$ 79,323</u>	<u>\$ 54,768</u>
Charges to Appropriations (Outflows):				
Materials and supplies	1,500	6,000	1,908	4,092
Other services and charges	4,000	4,000	657	3,343
Capital outlay	-	-	42,000	(42,000)
Transfers	-	-	-	-
Total General Government	<u>5,500</u>	<u>10,000</u>	<u>44,565</u>	<u>(34,565)</u>
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>5,500</u>	<u>10,000</u>	<u>44,565</u>	<u>(34,565)</u>
Change in Fund Balance	(1,200)	3,000	17,143	14,143
Ending Budgetary Fund Balance	<u>10,355</u>	<u>14,555</u>	<u>34,758</u>	<u>20,203</u>
UNRESTRICTED FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)			<u>34,758</u>	

ARAPAHO PUBLIC WORKS AUTHORITY, ARAPAHO, OKLAHOMA
BALANCE SHEET-MODIFIED CASH BASIS
JUNE 30, 2024

	<u>2024</u>
ASSETS	
Current assets:	
Cash, including time deposits	\$ 1,130,688
Due from General Fund	<u>55,720</u>
Total current assets	<u>1,186,408</u>
Restricted assets:	
Cash, including time deposits	<u>96,471</u>
Total restricted assets	<u>96,471</u>
Non-current assets:	
Land	30,910
Capital assets (net of Accumulated Depreciation)	<u>442,238</u>
Total non-current assets	<u>473,148</u>
Total assets	<u><u>1,756,027</u></u>
LIABILITIES	
Liabilities, payable from restricted assets:	
Due to Water Fund	3,663
Meter deposits payable	33,340
Interest payable	127
Notes payable, current	<u>29,078</u>
Total liabilities payable from restricted assets	<u>66,208</u>
Noncurrent liabilities:	
Notes payable, non-current	<u>313,539</u>
Total non-current liabilities	<u>313,539</u>
Total liabilities	<u>379,747</u>
FUND BALANCE	
Restricted for:	
Debt service CDs	13,800
Debt service-USDA	49,331
Meter	33,340
Grant	639,374
Unrestricted:	<u>640,435</u>
Total Liabilities and Fund Balance	<u><u>1,756,027</u></u>

ARAPAHO PUBLIC WORKS AUTHORITY ARAPAHO, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2024

Operating Revenues:	
Charges for services:	2024
Water	468,459
Sewer	111,343
Sanitation	106,304
Other	43,418
Total Operating Revenues	<u>729,524</u>
Operating Expenses:	
Administration	1,835
Water	426,045
Sewer	86,381
Sanitation	72,812
Depreciation	75,564
Interest	15,228
Total Operating Expenses	<u>677,865</u>
Operating Income	51,659
Non-Operating Revenues:	
Lease Income	16,296
Interest	15,117
Total Non-Operating Revenues	<u>31,413</u>
Net Income Before Contributions and Transfers	83,072
Transfers in-	1,728
Transfers out-water fund	(350)
Transfers out-general fund	<u>(49,467)</u>
Change in fund balance	34,983
Fund Balance - beginning	<u>603,248</u>
Fund Balance - ending	<u><u>638,231</u></u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES	
Restricted for Debt Service	-
Other adjustments	2,204
UNRESTRICTED FUND BALANCE AT END OF YEAR (GAAP BASIS)	<u><u>640,435</u></u>

Town of Arapaho

Exhibit VII

Schedule of Debt For the Fiscal Year Ended June 30, 2024

LONG-TERM DEBT

The following is a summary of enterprise fund long-term debt for the year ended June 30, 2024:

NOTES PAYABLE

Loan payable to Oklahoma Bank & Trust Company, Clinton, Oklahoma. Original loan was issued April 15, 2021, for \$75,014. The loan carries an interest rate of 3.25% payable in monthly payments of \$1,357.99. Loan matures in April 2026.	28,863
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Loan payable to the United States Department of Agriculture Rural Development originated in October 2000 for \$495,000. Loan carries an interest rate of 4.75% with a 40 year term, maturing October 2040. Loan proceeds were used for a major sewer lagoon renovation.	313,754
313,754	

\$342,617

Exhibit VIII

**TOWN OF ARAPAHO, OKLAHOMA
SCHEDULE OF GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Grant revenue	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
Grant received from:						
Dept of Forestry	2023-2024	Fire Grant	9,994	9,994	9,994	-
Department of Emergency Mgmt	ND FEMA DR ARPA 2021-2022	Emergency management	1,041	1,041	1,041	-
Department of Emergency Mgmt	PA FEMA DR 4575 PW92	Emergency management	276	276	276	-
		Total	\$ 11,311	\$ 11,311	\$ 11,311	\$ -

See accountant's report.