

TOWN OF PARADISE HILL
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2023



TOWN OF PARADISE HILL

JUNE 30, 2023

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Independent Auditor's Report

To the Board of Trustees
Town of Paradise Hill
Gore, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Town of Paradise Hill, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Paradise Hill's, basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Town of Paradise Hill, Oklahoma as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Paradise Hill, Oklahoma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Paradise Hill, Oklahoma's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Paradise Hill, Oklahoma's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Paradise Hill, Oklahoma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2024, on our consideration of the Town of Paradise Hill, Oklahoma's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Paradise Hill, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Paradise Hill, Oklahoma's internal control over financial reporting and compliance.



Przybysz & Associates, CPAs, P.C.
Fort Smith, Arkansas
May 1, 2024

FINANCIAL STATEMENTS

TOWN OF PARADISE HILL

STATEMENT OF NET POSITION

AS OF JUNE 30, 2023

Assets

Current Assets

Cash and cash equivalents	\$	105,458
Investments		107,636
Interest receivable		17
Taxes receivable		5,064
Prepaid expenses		1,302

Total Current Assets		219,477
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Capital Assets

Land		25,000
Equipment		2,902
Total capital assets		27,902
Accumulated depreciation		(795)

Net Capital Assets		27,107
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Total Assets	\$	246,584
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Net Position

Net investment in capital assets	\$	27,107
Unrestricted		219,477

Total Net Position		246,584
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Total Liabilities and Net Position	\$	246,584
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See accompanying notes to financial statements.

TOWN OF PARADISE HILL

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

					Net (Expense) Revenue and Change In Net Assets
		Program Revenues			Total Governmental Activities
Functions/Programs	Expenses	Charges For Services	Operating Grants & Contributions	Capital Grants & Contributions	
Governmental Activities					
General government	\$ 31,807	\$ 179	\$ 7,052	\$ -	\$ (24,576)
Total Governmental Activities	31,807	179	7,052	-	(24,576)
General Revenues:					
Sales and use tax					31,397
Franchise tax					4,410
Other taxes					1,774
Investment income					891
Total General Revenues					38,472
Change In Net Position					13,896
Net Position, Beginning of Year					232,688
Net Position, End of Year					\$ 246,584

See accompanying notes to financial statements

TOWN OF PARADISE HILL

BALANCE SHEET - GOVERNMENTAL FUND

AS OF JUNE 30, 2023

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 105,458
Investments	107,636
Interest receivable	17
Taxes receivable	5,064
Prepaid expenses	1,302
Total Assets	\$ 219,477
Fund Balances	
Nonspendable	\$ 1,302
Unassigned	218,175
Total Fund Balances	219,477
Total Liabilities and Fund Balance	\$ 219,477

Amounts reported in governmental activities in the statement of net position are different because:

Total governmental fund balances from above	\$ 219,477
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$27,902 and the accumulated depreciation is \$795	27,107
Net position of governmental activities	\$ 246,584

See accompanying notes to financial statements.

TOWN OF PARADISE HILL

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>
Revenues	
Sales and use tax	\$ 31,397
Franchise tax	4,410
Other taxes	1,774
Licenses and permit fees	179
Grant revenue	7,052
Interest revenue	891
Total Revenues	45,703
Expenditures	
Contract labor	2,400
Dues & subscriptions	911
Insurance	1,757
Miscellaneous	95
Office supplies	270
Postage	133
Repairs and maintenance	25,589
Website	192
Total Expenditures	31,347
Excess Revenues Under Expenditures	14,356
Fund Balance, Beginning of the Year	205,121
Fund Balance, End of the Year	\$ 219,477
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	
Net change in governmental fund balances	\$ 14,356
Capital outlays are reported in governmental funds expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$-0-) exceeds depreciation expense (\$460) in the period.	(460)
Change in net position of governmental activities	\$ 13,896

See accompanying notes to financial statements.

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

1. Summary of Significant Accounting Policies

Reporting Entity

The Town of Paradise Hill, Oklahoma, is a statutory town Government under Oklahoma Statutes. The Town's Board of Trustees is comprised of the Mayor and four at-large members. The Town is responsible for collecting tax revenues and grant income within its area.

The criteria used to determine which accounting entities, agencies, commissions, boards and authorities are part of the Town's operations include how the budget is adopted, whether debt is secured by general obligation of the Town, the Town's duty to cover deficits that may occur, and supervision over the accounting functions. Any separate accounting entities would be considered component units. There were no agencies, organizations or activities meeting any of the above criteria that are excluded from the Town's reporting entity. As of June 30, 2022, the Town did not have any component units.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town's more significant accounting policies are described below.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as governmental. Governmental activities are normally supported by taxes and intergovernmental revenues.

Government-wide financial statements report information about the reporting government as a whole. These statements focus on the sustainability of the Town as an entity and the change in aggregate position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements consist of the Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balances. These statements provide information about the Town's funds. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. Currently, the Town only has a governmental fund.

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

1. Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net fund balance. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Taxes and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund - the Town's primary operating fund. It accounts for all financial resources of the government.

Assets, Liabilities and Fund Balance or Net Position

Investments

The Town's investments are certificates of deposit, which are stated at fair value which approximates cost.

Accounting principles generally accepted in the United States establish a fair value hierarchy for determining and measurement of fair value. The hierarchy is based on the type of valuation inputs needed to measure the fair value of an asset. The hierarchy is generally as follows:

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities and Fund Balance or Net Position (continued)

Investments (continued)

Level 1: Quoted prices in active markets for identical assets or liabilities as of the reporting date.

Level 2: Pricing inputs other than quoted prices included in Level 1, which are either directly observable or that can be derived or supported from observable data as of the reporting date.

Level 3: Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are generally less observable from objective sources. These inputs may be used with internally developed techniques that result in managements best estimate of fair value.

Accounts Receivable

Accounts receivable in governmental funds and governmental activities include revenue accruals such as sales tax, franchise tax and grants and other similar intergovernmental revenues, since they are usually both measurable and available. Interest and investment earnings are recorded when earned, only if paid within sixty days, since they would be considered both measurable and available at the fund level. Management believes that all receivables are collectible, therefore no allowance for doubtful accounts is necessary at year-end,

Capital Assets

Capital assets, which include land and equipment, are reported in the governmental-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of more than \$500 and an estimated useful life in excess of two years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Land	N/A
Equipment	3 -10 years

In the governmental fund financial statements, capital assets acquired are accounted for as capital outlay expenditures.

Prepaid Expenses

Payments made to vendors for services that will benefit future periods are recorded as prepaid expenses using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expense in the year which services are consumed.

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities and Fund Balance or Net Position (continued)

Income Taxes

The Town is exempt from income taxes as a governmental agency.

Net Position and Fund Balances

Government-Wide Financial Statements

The government-wide and financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted net position and unrestricted net position.

Net Investment in Capital Assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position- consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or by law through constitutional provisions or enabling legislation.

Unrestricted - consists of all other net position that does not meet the definition of the above components and is available for general use by the Town.

The Town does not have a policy addressing whether it considers restricted or unrestricted to have been spent when expenditures are incurred for purposes when both are available. Town personnel decide which resources to use at the time the expenditures are incurred. For classification of net position amounts, restricted amounts would be reduced first, followed by unrestricted.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. These classifications are defined as:

Nonspendable - consists of amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. The Towns nonspendable fund balance includes prepaid insurance.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities and Fund Balance or Net Position (continued)

Net Position and Fund Balances (continued)

Fund Financial Statements (continued)

Committed - amounts that can be used only for specific purposes determined by a formal action of the Town. The Board of Trustees is the highest level of decision making authority for the Town. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Trustees.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes.

Unassigned - consists of all amounts not reported in any other classification.

The Town does not have a policy addressing whether it considers restricted, committed, or unassigned to have been spent when expenditures are incurred for purposes when restricted, committed and unassigned balances are available. Town personnel decide which resources to use at the time the expenditures are incurred. For classification of fund balance amounts, committed amounts would be reduced first, followed by assigned amounts and then unassigned

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. Deposits and Investments

Deposits

The Town's deposit policy is to follow the provisions of state law. State law requires that all deposits be insured or secured with collateral, valued at no more than market value, at least at a level of 100% of the uninsured deposits and accrued interest thereon. Acceptable collateral is defined in state statutes and includes U.S. Treasury securities and direct obligations of municipalities, counties, and school districts in the state of Oklahoma, surety bonds and letters of credit.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be recovered. At June 30, 2023, all of the Town's deposits were insured.

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

2. Deposits and Investments (continued)

Investments

Investments of the Town are limited by state law primarily to the following:

- Direct obligations of the U.S. Government, its agencies, and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged.
- Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- With certain limitations, negotiable certificates of deposit, prime bankers' acceptances, prime commercial paper, and repurchase agreements with certain limitations.
- Money market funds regulated by the SEC and in which investments consist of the investments mentioned above

The Town's investments are a certificates of deposit and are stated at cost plus interest earned.

Interest Rate Risk

Interest rate risk is the risk the changes in interest of debt investments will adversely affect the fair value of an investment. The Town's investments are not subject to interest rate risk as the investments mature in less than one year.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. All of the Town's investments are covered by FDIC limits.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All investments held by the Town or by an agent of the Town are in the Town's name.

Fair Value Disclosures

The following table represents the Board's investments that are measured at fair value on a recurring basis at June 30, 2022:

	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ 107,636	\$ -	\$ -	107,636
Total	\$ 107,636	\$ -	\$ -	107,636

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

3. Changes in Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2023, was as follows:

	July 1, 2022	Additions	Reductions	June 30, 2023
Capital assets, not being depreciated				
Land	\$ 25,000	\$ -	\$ -	\$ 25,000
Total capital assets not being depreciated	25,000	-	-	25,000
Capital assets, being depreciated				
Equipment	2,902	-	-	2,902
Total capital assets, being depreciated	2,902	-	-	2,902
Total capital assets	27,902	-	-	27,902
Less accumulated depreciation:				
Equipment	335	460	-	795
Total accumulated depreciation	335	460	-	795
Total capital assets, being depreciated, net	2,567	(460)	-	2,107
Governmental activities, capital assets, net	\$ 27,567	\$ (460)	\$ -	\$ 27,107

4. Fund Balance Reporting

As of June 30, 2023, fund balances of the governmental funds are classified as follows:

	Total Governmental Funds
Fund Balances	
Nonspendable - prepaids	\$ 1,302
Unassigned	218,175
Total Fund Balances	\$ 219,477

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Unassigned - all other spendable amounts.

TOWN OF PARADISE HILL

NOTES TO FINANCIAL STATEMENTS

TOWN OF PARADISE HILL

5. American Rescue Plan Act Grant

The Town received a grant totaling \$7,052 under the American Rescue Plan Act of 2021 (ARPA) enacted by Congress to provide additional funding for state and local governments. Eligible uses of the funds include the following: revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency; COVID-19 expenditures or negative economic impacts of COVID-19, including assistance to small businesses, households, and hard-hit industries, and economic recovery; premium pay for essential workers; investments in water, sewer, and broadband infrastructure.

6. Related Party Transactions

During the year, bookkeeping services were provided by a relative of the Mayor. The total amount paid for these bookkeeping services was \$2,400.

7. Risk Management

The Town is exposed to various levels of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance along with policies through various companies for risk of loss. There have been no settlements in excess of the Town's coverage for the fiscal year end June 30, 2023.

8. Subsequent Events

The Town has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended June 30, 2023, through May 1, 2024, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF PARADISE HILL

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget Over/(Under)
Revenues				
Sales and use tax	\$ 38,250	\$ 38,250	\$ 31,397	\$ (6,853)
Franchise tax	4,500	4,500	4,410	(90)
Other taxes	2,240	2,240	1,774	(466)
Licenses and permit fees	170	170	179	9
Grant revenue	8,000	8,000	7,052	(948)
Interest revenue	60	60	891	831
Total Revenues	53,220	53,220	45,703	(7,517)
Expenditures				
Current				
Accounting	6,000	6,000	-	(6,000)
Contract labor	4,800	4,800	2,400	(2,400)
Dues & subscriptions	740	740	911	171
Education	400	400	-	(400)
Insurance	2,250	2,250	1,757	(493)
Legal fees and notices	4,400	4,400	-	(4,400)
Miscellaneous	-	-	95	95
Office supplies	1,500	1,500	270	(1,230)
Postage	100	100	133	33
Repairs and maintenance	25,000	25,000	25,589	589
Trash removal	450	450	-	(450)
Website	-	-	192	192
Total Expenditures	45,640	45,640	31,347	(14,293)
Excess Revenues Under Expenditures	7,580	7,580	14,356	6,776
Fund Balance, Beginning of the Year	205,121	205,121	205,121	-
Fund Balance, End of the Year	\$ 212,701	\$ 212,701	\$ 219,477	\$ 6,776

See independent auditor's report.

ADDITIONAL REQUIRED REPORT



**Independent Auditor's Report On Internal Control Over Financial Reporting
And On Compliance And Other Matters Based On An Audit Of Financial
Statements Performed In Accordance With *Government Auditing Standards***

To the Board of Trustees
Town of Paradise Hill
Gore, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Town of Paradise Hill, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Paradise Hill, Oklahoma's basic financial statements and have issued our report thereon dated May 1, 2024, which was modified to reflect the omission of the management's discussion and analysis.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Paradise Hill, Oklahoma's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Paradise Hill, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Paradise Hill, Oklahoma's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

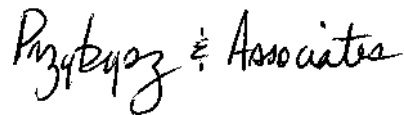
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Paradise Hill, Oklahoma's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Przybysz & Associates, CPAs, P.C.
Fort Smith, Arkansas
May 1, 2024