



Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Rush Springs
Rush Springs, Oklahoma

Board of Trustees, Rush Springs Economic Development Authority
Rush Springs, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Rush Springs, Oklahoma as of June 30, 2012 and the related Budgetary Comparison Schedule of the General Fund-Cash Basis and the Economic Development Authority Fund-Cash Basis, for the fiscal year ended June 30, 2012 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying statements in accordance with their comprehensive basis of accounting. Management is also responsible for the designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Economic Development Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2012. Management of the Town of Rush Springs is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Finding

As to the **Town of Rush Springs** as of and for the fiscal year ended June 30, 2012:

- 1. Procedures Performed:** From the Town's trial balances, we prepared a summary of changes in fund balances for each major fund and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

- 2. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: The following departments exceeded their budgets within the General Fund: Clerk - \$4,791, Police - \$91,142, Fire - \$40,045, Parks and Pools - \$10,852, Cemetery - \$10,410, Legal and Judicial - \$3,150.

- 3. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the EMS Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We found no instances of noncompliance.

4. Procedures Performed: We agreed 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: We found no instances of any significant or unusual reconciling items.

5. Procedures Performed: We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: We found no uninsured or uncollateralized deposits.

6. Procedures Performed: We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

7. Procedures Performed: We compared 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: ASCOG grant is mingled with the General Fund income and expenditures. Grants should have a separate fund.

8. Procedures Performed: We compared 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: We found no instances of noncompliance.

As to the **Rush Springs Economic Development Authority**, as of and for the fiscal year ended June 30, 2012:

1. Procedures Performed: From the Authority's trial balance, we prepared a summary of changes in fund balances for each major fund and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

2. Procedures Performed: We agreed 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: We found no instances of any significant or unusual reconciling items.

3. Procedures Performed: We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: We found no uninsured or uncollateralized deposits.

4. Procedures Performed: We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

5. Procedures Performed: We compared 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: We found no instances of noncompliance.

6. Procedures Performed: We compared 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: We found no instances of noncompliance.

As to the **Town of Rush Springs** and **Rush Springs Economic Development Authority**, as of and for the fiscal year ended June 30, 2012:

1. Procedures Performed: From the Town's and Authority's trial balances, we compiled the Annual Survey of City and City Finances (SA&I 2643) as described in Oklahoma Statutes 11-17-105.1.

Findings: Form SA&I 2643 with copies of the agreed upon procedures should have been filed by December 31, 2012. Due to the request for Agreed upon Procedures in 2014 and inability to meet the deadline for filing SA&I 2643, the City had its gasoline tax suspended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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 these specified parties.



FURRH & ASSOCIATES, PC

September 23, 2014

Town of Rush Springs, OK
Summary of Changes in Fund Balance-Cash Basis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

	Beginning of Year Fund	Current Year Receipts	Current Year Disbursements	End of Year Fund Balances
General Fund	\$ 16,402	\$ 853,227	\$ 774,476	\$ 95,153
EMS	168,308	224,533	253,614	139,227
Street and Alley	17,703	9,285	24,207	2,781
Library	12,854	5,337	8,884	9,307
Rural Fire Dept Equipment	1,675	14,994	7,334	9,335
Court	1,114	15,562	15,058	1,618
Cemetery Care	16,980	3,430	19	20,391
Hampton House	1,712	40	0	1,752
Park Improvement	106	0	0	106
Police Equipment	10,290	28,356	19,983	18,663
Town Totals	\$ 247,144	\$ 1,154,764	\$ 1,103,575	\$ 298,333
Economic Development Authority	24,874	8,449	20,000	13,323
Overall Totals	\$ 272,018	\$ 1,163,213	\$ 1,123,575	\$ 311,656

Town of Rush Springs, OK
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
General Fund
For the Fiscal Year Ended June 30, 2012
(Unaudited)

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under)</u>
Beginning Budgetary Fund Balance:	\$ (22,900)	16,402	\$ 39,302
Resources (Inflows):			
Taxes	353,800	328,037	(25,763)
Franchise Fees	0	30,961	30,961
Licenses and Permits	1,020	890	(130)
Fines	228,410	418,415	190,005
Charges for Services	2,180	7,644	5,464
Rentals	11,240	2,909	(8,331)
Grants	0	10,467	10,467
Miscellaneous Income	31,630	53,904	22,274
Total Inflows	<u>628,280</u>	<u>853,227</u>	<u>224,947</u>
Amounts Available for Appropriation	<u>605,380</u>	<u>869,629</u>	<u>264,249</u>
Charges to Appropriations (Outflows):			
Clerk	78,100	82,891	4,791
Police	219,700	359,792	140,092
Fire	97,300	137,345	40,045
Library	32,600	32,233	(367)
Parks and Pools	37,260	48,112	10,852
Cemetery	1,210	11,620	10,410
Legal and Judicial	11,320	14,470	3,150
Capital Outlay	48,950	0	(48,950)
General Government	101,840	88,013	(13,827)
Total Charges to Appropriations	<u>628,280</u>	<u>774,476</u>	<u>146,196</u>
Excess (Deficit) of Inflows over Outflows before other Financing Sources (Uses)	<u>(22,900)</u>	<u>95,153</u>	<u>146,196</u>
Ending Budgetary Fund Balance:	<u>\$ (22,900)</u>	<u>\$ 95,153</u>	<u>\$ 78,751</u>

Please see accompanying Accountant's Report.

Town of Rush Springs, OK
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
EMS
For the Fiscal Year Ended June 30, 2012
(Unaudited)

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under)</u>
Beginning Budgetary Fund Balance:	\$ 23,800	168,308	\$ 144,508
Resources (Inflows):			
Charges for Services	203,350	97,244	(106,106)
County 522 Taxes	0	125,388	125,388
Interest Income	0	252	252
Miscellaneous Income	0	1,649	1,649
Total Inflows	<u>203,350</u>	<u>224,533</u>	<u>21,183</u>
Amounts Available for Appropriation	<u>227,150</u>	<u>392,841</u>	<u>165,691</u>
Charges to Appropriations (Outflows):			
Ambulance	<u>203,350</u>	<u>253,614</u>	<u>50,264</u>
Total Charges to Appropriations	<u>203,350</u>	<u>253,614</u>	<u>50,264</u>
Excess (Deficit) of Inflows over Outflows before other Financing Sources (Uses)	<u>23,800</u>	<u>139,227</u>	<u>(29,081)</u>
Ending Budgetary Fund Balance:	<u>\$ 23,800</u>	<u>\$ 139,227</u>	<u>\$ 115,427</u>

Please see accompanying Accountant's Report.

Town of Rush Springs, OK
ASCOG-CIP

Revenue and Expenditures Compared with Budget
(Modified Cash Basis)
Year Ended June 30, 2012

	<u>Budget</u>	<u>Cumulative 06/30/11</u>	<u>Current Year</u>	<u>Total</u>	<u>(Over) Under Budget</u>
<u>Revenue</u>					
State Grant	\$ 20,933	\$ 0	\$ 10,467	\$ 10,467	\$ 10,467
Matching Funds	0	0	0	0	0
Total Income	20,933	0	10,467	10,467	10,467
<u>Expenditures</u>					
Planning	6,977	0	0	0	6,977
Inventory	6,977	6,977	0	6,977	0
Analysis	6,979	3,490	0	3,490	3,490
Total Expenditures	20,933	10,467	0	10,467	10,467
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 0</u>	<u>\$ (10,467)</u>	<u>\$ 10,467</u>	<u>\$ 0</u>	<u>\$ 0</u>

Budget Period 10/22/2010 - 08/05/2011 or until completion
Contract No. 14261 CDBG-CIP 10

Please see accompanying notes to the financial statements.