

INDEPENDENT ACCOUNTANT'S REPORT

TOWN OF ELMORE CITY, OKLAHOMA

JULY 1, 2022 TO JUNE 30, 2023

BY





Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Elmore City
Elmore City, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Report on Compiled Financial Statements and Schedules

Management is responsible for the accompanying financial statements and schedules of the Town of Elmore City Oklahoma, which are comprised of the Summary of Changes in Fund Balances - Cash Basis as of June 30, 2023, the Budgetary Comparison Schedule for the General Fund - Cash Basis, the Budgetary Comparison Schedule for the EMS Fund - Cash Basis, and Schedule of Grant Activity - Cash Basis for the fiscal year then ended June 30, 2023 and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying financial statements and schedules nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements and schedules.

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 the budget laws of the State of Oklahoma, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Report on Applying Agreed-upon Procedures

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 in meeting its financial accountability requirements as prescribed by Oklahoma Statutes A - 2 §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, 2023. Management of the Town of Elmore City is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements.

The Town of Elmore City has agreed to and acknowledges that the procedures performed are appropriate to meet the intended purpose of assisting users in evaluating the selected financial information and compliance requirements of the Town of Elmore City for the fiscal year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures 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 Elmore City** as of and for the fiscal year ended June 30, 2023:

- 1. Procedures Performed:** From the Town's trial balances, we prepared a cash basis schedule of changes in fund balances for each 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 thirteen (13) instances of non-compliance. Five (5) instances were in the payroll account and eight (8) instances were in the Fire Department account.

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

Findings: We found no instances of non-compliance.

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

Findings: We found no instances of non-compliance.

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 non-compliance.

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 instances of non-compliance.

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

Findings: We found no instances of non-compliance.

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: We found no instances of non-compliance.

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: This procedure was not performed because the Town did not have any debt service requirements in the fiscal year ending June 30, 2023.

As to the **Town of Elmore City Grant Programs** as of and for the fiscal year ended June 30, 2023:

1. Procedures Performed: From the Town's trial balances, we prepared a schedule of grant activity for each grant and compared the receipts and disbursements to grant agreements and supporting information to report any notes instances of noncompliance with the grant agreements.

Findings: We found no instances of non-compliance.

As to the **Town of Elmore City** as of and for the fiscal year ended June 30, 2023:

1. Procedures Performed: From the Town'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: We found no instances of non-compliance.

We were engaged by the Town of Elmore City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants to meet the 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, the objective of which would be the expression of an opinion or conclusion on compliance, and an opinion or conclusion on the related financial statements and schedules. 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 Elmore City and to meet our other 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 these specified parties.

Furrh & Associates

FURRH & ASSOCIATES, PC

September 29, 2023

Town of Elmore City, OK
Summary of Changes in Fund Balance - Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2023
(Unaudited)

	<u>Balance as of</u> <u>07/01/2022</u>	<u>Current Year</u> <u>Change</u>	<u>Balance as of</u> <u>06/30/2023</u>
General Fund	\$ 523,706	\$ 38,061	\$ 561,767
EMS Fund	141,675	(13,105)	128,570
Grant Fund	102,920	(10,400)	92,520
T. Selby Cemetery Care Fund	43,365	1,293	44,658
T. Selby Cemetery Operating Care Fund	29,279	3,515	32,794
T. Selby Cemetery Perpetual Care Fund	28,572	100	28,672
Bail Bond Fund	21,723	106,647	128,370
Police Equipment Fund	19,448	(19,448)	0
Economic Development Authority Fund	1	0	1
Volunteer Fire Fund	(268)	10,376	10,108
Payroll Fund	(1,988)	0	(1,988)
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Total	<u>\$ 908,433</u>	<u>\$ 117,039</u>	<u>\$ 1,025,472</u>

Please see accompanying Accountant's Report.

Town of Elmore City, OK
Budgetary Comparison Schedule
General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original Budget</u>	<u>Revised Budget</u>		Positive (Negative)
<u>Resources (Inflows)</u>				
Taxes	\$ 295,560	\$ 295,560	\$ 289,967	\$ (5,593)
Miscellaneous	38,560	46,681	118,786	72,105
Licenses and Permits	1,130	1,130	1,023	(107)
Charges for Services	100	100	0	(100)
Intergovernmental	0	0	40,513	40,513
Interest	0	340	2,542	2,202
Total Inflows	<u>335,350</u>	<u>343,811</u>	<u>452,831</u>	<u>109,020</u>
<u>Charges to Appropriations (Outflows)</u>				
General Government Department	239,110	239,110	233,406	5,704
Public Safety	195,498	188,959	172,113	16,846
Culture and Recreation	17,450	49,000	31,627	17,373
Street and Alley Department	6,120	6,120	5,517	603
Total Charges to Appropriations	<u>458,178</u>	<u>483,189</u>	<u>442,663</u>	<u>40,526</u>
<u>Revenue Over (Under Expenditures)</u>	(122,828)	(139,378)	10,168	149,546
<u>Other Financing Sources (Uses)</u>				
Transfers In/(Out)	123,000	139,550	27,893	(111,657)
Total Other Financing Sources (Uses)	<u>123,000</u>	<u>139,550</u>	<u>27,893</u>	<u>(111,657)</u>
Beginning Cash Balance, June 30, 2022	422,876	422,876	523,706	100,830
Ending Cash Balance, June 30, 2023	<u>\$ 423,048</u>	<u>\$ 423,048</u>	<u>\$ 561,767</u>	<u>\$ 138,719</u>

Please see accompanying Accountant's Report

Town of Elmore City, Oklahoma
Budgetary Comparison Schedule
EMS Fund - Cash Basis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual Amounts</u>	Positive (Negative)
<u>Resources (Inflows)</u>				
Taxes	\$ 159,400	\$ 159,400	\$ 162,332	\$ 2,932
Charges for Services	97,080	97,080	110,024	12,944
Miscellaneous	6,260	6,260	7,991	1,731
Intergovernmental	0	3,027	0	(3,027)
Interest	0	0	16	16
Total Inflows	<u>262,740</u>	<u>265,767</u>	<u>280,363</u>	<u>14,596</u>
<u>Charges to Appropriations (Outflows)</u>				
Public Safety	313,894	300,396	293,468	6,928
Total Charges to Appropriations	<u>313,894</u>	<u>300,396</u>	<u>293,468</u>	<u>6,928</u>
<u>Revenue Over (Under Expenditures)</u>	(51,154)	(34,629)	(13,105)	21,524
<u>Other Financing Sources (Uses)</u>				
Transfers In/(Out)	52,000	35,475	0	(35,475)
Total Other Financing Sources (Uses)	<u>52,000</u>	<u>35,475</u>	<u>0</u>	<u>(35,475)</u>
Beginning Cash Balance, June 30, 2022	15,474	15,474	141,675	126,201
Ending Cash Balance, June 30, 2023	<u>\$ 16,320</u>	<u>\$ 16,320</u>	<u>\$ 128,570</u>	<u>\$ 112,250</u>

Please see accompanying Accountant's Report

Town of Elmore City, Oklahoma
Schedule of Grant Activity
Modified Cash Basis
For the Year Ended June 30, 2023
(Unaudited)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Pass-Through Grantor's Project Number</u>	<u>Award Amount</u>	<u>Contract Expenditures</u>
FEDERAL AWARDS			
<u>US Department of Treasury</u>			
American Rescue Plan Act - Tranche 1	N/A	\$ 62,177	\$ 17,045
American Rescue Plan Act - Tranche 2	N/A	297	297
American Rescue Plan Act - Tranche 3	N/A	62,470	7,083
Federal AL Number: 21.027		<u>124,944</u>	<u>24,425</u>
	Total Federal Awards	<u>\$ 124,944</u>	<u>\$ 24,425</u>
STATE AWARDS			
<u>Oklahoma Department of Agriculture</u>			
Forestry Services - Rural Fire Grant	N/A	<u>\$ 10,053</u>	<u>\$ 10,053</u>
<u>Oklahoma Department of Environmental Quality</u>			
Storm Debris Management Grant	N/A	<u>20,540</u>	<u>20,540</u>
	Total State Awards	<u>\$ 30,593</u>	<u>\$ 30,593</u>

This schedule is prepared on a basis consistent with the Uniform Guidance (Federal Awards Expended). Town reports on the cash basis of accounting.

Please see accompanying Accountant's Report.