

Town of Lake Aluma

Independent Accountant's Compilation Report and Report on Agreed Upon Procedures

Year Ended June 30, 2024



Town of Lake Aluma, Oklahoma
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Independent Accountant's Compilation Report and Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Council, Town of Lake Aluma
Lake Aluma, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Management is responsible for the accompanying Summary of Changes in Fund Balance – Cash Basis (Exhibit A) as the Town of Lake Aluma, Oklahoma, and the related Budgetary Comparison Schedule of General Fund – Cash Basis (Exhibit B) for the year ended June 30, 2024 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 financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements and schedules.

These financial statements and schedules have been prepared on the basis of accounting prescribed by the Oklahoma Statutes, that demonstrate compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive 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 on 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 of Lake Aluma's assets, liabilities, fund balances, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying statements were prepared for the purpose of complying with financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17(105-107) and Title 60 – 180.1-3 and are not intended to be a complete presentation of the Town of Lake Aluma's assets, liabilities, revenues, expenses and changes in fund balances.

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 of Lake Aluma in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17 (105-107) evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. Management of the Town of Lake Aluma 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 and the fieldwork and reporting standards applicable to attestation engagements as contained in *Government Auditing Standards* of the Comptroller of the United States of America. 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. We are required to be independent of the responsible party and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to the agreed-upon procedures engagement.

Procedures and Findings

As to the **Town of Lake Aluma** as of and for the fiscal year ended June 30, 2024:

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

Findings: *No instances of noncompliance were noted.*

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

Findings: *No instances of noncompliance were noted.*

3. **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: *No instances of noncompliance were noted.*

4. **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: *No instances of noncompliance were noted.*

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

Finding: *No instances of noncompliance were noted.*

6. **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: *There were no legal or contractual requirements for separate funds. No instances of noncompliance were noted.*

7. **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: *There were no contractual reserve requirements or debt service coverage requirements. No instances of noncompliance were noted.*

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.

A handwritten signature in black ink that reads "HBC CPAs & Advisors". The signature is stylized and cursive.

HBC CPAs & Advisors
Oklahoma City, Oklahoma
January 18, 2025

Town of Lake Aluma
Summary of Changes in Fund Balances - Cash Basis
Year Ended June 30, 2024

Fund Balance, beginning of year	\$ 41,028
Revenues:	
Sales Tax	39,782
REAP Grant	32,597
Franchise Tax	6,078
Oklahoma County Misc Tax	1,621
Dog Licenses	1,277
City of Oklahoma City	484
Gasoline Tax	310
Cigarette Tax	235
Miscellaneous Income	160
Interest	67
Total Revenues:	<u>82,610</u>
Expenditures:	
REAP Grant	49,975
Road Maintenance	7,000
ARPA Funds	6,250
Legal/Accounting	4,758
Liability Insurance	1,543
OMAG Dues	1,193
Road Remediation/Spillway, etc	1,160
OML	529
Office	485
Bonds	305
Miscellaneous	24
Total Expenditures:	<u>73,221</u>
Revenues over (under) expenditures:	<u>9,389</u>
Fund Balance, end of year:	<u><u>\$ 50,417</u></u>

Town of Lake Aluma
Budgetary Comparison Schedule - Cash Basis
General Fund
Year Ended June 30, 2024

	Budgeted Amount	Actual	Variance Positive (Negative)
Beginning budgetary fund balance:	\$ 74,632	\$ 41,028	
Resources (Inflows):			
Revenues:			
Sales Tax	16,000	39,782	23,782
REAP Grant	101,000	32,597	(68,403)
Franchise Tax	2,000	6,078	4,078
Oklahoma County Misc Tax	1,500	1,621	121
Dog Licenses	900	1,277	377
City of Oklahoma City	400	484	84
Gasoline Tax	30	310	280
Cigarette Tax	125	235	110
Miscellaneous Income	75	160	85
Interest	75	67	(8)
REAP Grant	29,864	-	(29,864)
Total Inflows:	151,969	82,610	(69,359)
Charges to Appropriations (Outflows)			
REAP Grant - 2023	102,000	49,975	52,025
Road Maintenance	7,000	7,000	-
ARPA Funds	6,434	6,250	184
Legal/Accounting	13,500	4,758	8,743
Liability Insurance	1,550	1,543	7
OMAG Dues	1,200	1,193	7
Road Remediation/Spillway, etc.	20,000	1,160	18,840
OML	550	529	21
Office	500	485	15
Bonds	350	305	45
Miscellaneous	2,500	24	2,476
REAP Grant - 2024	29,864	-	29,864
Total Outflows:	185,448	73,221	112,227
Ending Budgetary fund balance:	\$ 41,153	\$ 50,417	