

**INDEPENDENT ACCOUNTANT'S REPORT**  
**TOWN OF RUSH SPRINGS, OKLAHOMA**  
**JULY 1, 2014 TO JUNE 30, 2015**

BY





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### 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, 2015 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, 2015 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, 2015. 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, 2015:

- 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:** We found that the following revenues (inflows) fell below budget:

- Charges for Service revenue fell below budget by \$104,209

We found that the following expenditures (outflows) exceeded the budget:

- Clerk expenditures exceeded budget by \$17,144
- Cemetery expenditures exceeded budget by \$23,246
- Legal and Judicial expenditures exceeded budget by \$7,954

- 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 that Charges for Service revenue fell below budget by \$31,111, and Ambulance expenditures exceeded the budget by \$37,564.

- 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 noncompliance.

- 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:** We found no instances of noncompliance.

- 8. Procedures Performed:** We determined if there were requirements to maintain reserve accounts or debt service coverage requirements in bond indentures. We determined compliance with the requirements.

**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, 2015:

- 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, 2015:

- 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:** We found no instances of noncompliance.

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*

FURRH & ASSOCIATES, PC

December 21, 2015

**Town of Rush Springs, OK**  
**Summary of Changes in Fund Balance-Cash Basis**  
**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

	Beginning of Year Fund	Current Year Receipts	Current Year Disbursements	End of Year Fund Balances
General Fund	\$ (42,818)	\$ 937,351	\$ 853,891	\$ 40,642
Cemetery Care	26,890	3,382	29,945	327
Court	2,637	10,804	12,976	465
Credit Card	11,620	170,669	146,511	35,778
EMS	116,562	363,142	314,634	165,070
Hampton House	3,354	36	0	3,390
Library	4,335	10,113	6,102	8,346
Police Equipment	20,062	19,049	33,755	5,356
Rural Fire Dept Equipment	14,577	11,188	19,385	6,380
Street and Alley	1,953	17,435	9,036	10,352
<b>Town Totals</b>	<b>\$ 159,172</b>	<b>\$ 1,543,169</b>	<b>\$ 1,426,235</b>	<b>\$ 276,106</b>
Economic Development Authority	4,910	14,850	2,700	17,060
<b>Overall Totals</b>	<b>\$ 164,082</b>	<b>\$ 1,558,019</b>	<b>\$ 1,428,935</b>	<b>\$ 293,166</b>

Please see accompanying Accountant's Report

**Town of Rush Springs, OK**  
**BUDGETARY COMPARISON SCHEDULE-CASH BASIS**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2015**  
**(Unaudited)**

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 0	\$ (42,818)	\$ (42,818)
<b>Resources (Inflows):</b>			
Charges for Services	390,415	286,206	(104,209)
Taxes	351,040	522,273	171,233
Miscellaneous Income	52,865	89,000	36,135
Franchise Fees	25,170	25,482	312
Grants	9,865	9,865	0
Fines	2,080	2,601	521
Licenses and Permits	1,335	1,924	589
Total Inflows	<u>832,770</u>	<u>937,351</u>	<u>104,581</u>
<b>Amounts Available for Appropriation</b>	<u>832,770</u>	<u>894,533</u>	<u>61,763</u>
<b>Charges to Appropriations (Outflows):</b>			
Police	357,230	353,204	(4,026)
Fire	159,845	141,519	(18,326)
General Government	114,615	103,815	(10,800)
Clerk	92,805	109,949	17,144
Parks and Pools	80,220	39,044	(41,176)
Library	35,470	34,585	(885)
Legal and Judicial	34,520	42,474	7,954
Cemetery	4,055	27,301	23,246
Total Charges to Appropriations	<u>878,760</u>	<u>851,891</u>	<u>(26,869)</u>
<b>Excess (Deficit) of Inflows over Outflows before other Financing Sources (Uses)</b>	<u>(45,990)</u>	<u>42,642</u>	<u>88,632</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	110	0	(110)
Transfers Out	<u>(20)</u>	<u>(2,000)</u>	<u>(1,980)</u>
Total Transfers	90	(2,000)	(1,870)
<b>Ending Budgetary Fund Balance:</b>	<u>\$ (45,900)</u>	<u>\$ 40,642</u>	<u>\$ 86,762</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, 2015**  
**(Unaudited)**

	<u>Original / Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ 0	\$ 116,562	\$ 116,562
<b>Resources (Inflows):</b>			
County 522 Taxes	127,970	131,093	3,123
Charges for Services	104,995	73,884	(31,111)
Miscellaneous Income	8,300	156,097	147,797
Interest Income	100	68	(32)
Total Inflows	<u>241,365</u>	<u>361,142</u>	<u>119,777</u>
<b>Amounts Available for Appropriation</b>	<u>241,365</u>	<u>477,704</u>	<u>236,339</u>
<b>Charges to Appropriations (Outflows):</b>			
Ambulance	<u>277,070</u>	<u>314,634</u>	<u>37,564</u>
Total Charges to Appropriations	<u>277,070</u>	<u>314,634</u>	<u>37,564</u>
<b>Excess (Deficit) of Inflows over Outflows before other Financing Sources (Uses)</b>	<u>(35,705)</u>	<u>163,070</u>	<u>198,775</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	2,000	2,000
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers	0	2,000	2,000
<b>Ending Budgetary Fund Balance:</b>	<u>\$ (35,705)</u>	<u>\$ 165,070</u>	<u>\$ 200,775</u>

Please see accompanying Accountant's Report

**Town of Rush Springs, OK**  
**BUDGETARY COMPARISON SCHEDULE-CASH BASIS**  
**Oklahoma Department of Libraries**  
**For the Fiscal Year Ended June 30, 2015**  
**(Unaudited)**

	<u>Budget</u>	<u>Current Year</u>	<u>(Over) Under Budget</u>
<b><u>Revenue</u></b>			
State Grant	\$ 3,457	\$ 3,457	\$ 0
Total Income	3,457	3,457	0
<b><u>Expenditures</u></b>			
Operating Expenses	3,457	3,457	0
Total Expenditures	3,457	3,457	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Budget Ref: 15  
Department 2000001  
CFDA: 453109999