

Town of Dougherty, Oklahoma

Independent Accountants' Report on Applying Agreed
Upon Procedures
Year Ended June 30, 2024

TOWN OF DOUGHERTY, OKLAHOMA
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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Dougherty
Dougherty, Oklahoma 73032

Trustees of the Dougherty Public Works Authority
Dougherty, Oklahoma 73032

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Oklahoma Forestry Services
Oklahoma City, Oklahoma

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 Public Works Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. Management of the Town of Dougherty (the Town) and the Dougherty Public Works Authority (the Authority) are responsible for the Town's and the Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town and the Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. This report may not be suitable for any other purpose. The procedures performed 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.

The procedures and associated findings are as follows:

As to the **Town of Dougherty** 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 fund balance deficits were noted.

2. ***Procedures Performed:*** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund (see accompanying Exhibits B) and compared the actual expenditures and encumbrances 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 bank account balances to bank statements and traced the timely clearance to report any reconciling items that have not cleared.

Findings: All bank accounts appeared properly reconciled without exception.

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: The Town's deposits were fully insured as of June 30, 2024.

5. ***Procedures Performed:*** We compared the Town's use of restricted revenues and resources that exceeded \$500 to their restrictions to report any noted instances of noncompliance.

Findings: Restricted revenues and resources that exceeded \$500 consisted of the Town's grants for the Fire Fund. 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: All required funds have been established.

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 determine compliance with reserve account and debt service coverage requirements of bond indentures.

Findings: This procedure was not performed. The Town of Dougherty has no debt service or reserve account requirements.

As to the **Dougherty Public Works Authority** as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Authority's trial balances, we prepared a schedule in fund balances for each fund (see accompanying Exhibit A) and compared the

schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances of fund balance deficits were noted.

2. ***Procedures Performed:*** We agreed the Authority's bank account balances to bank statements and traced the timely clearance of reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: The material bank account is the Public Works Authority Operating Fund. An outstanding check over one year old was not voided.

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

Findings: The Authority's deposits were fully insured as of June 30, 2024.

4. ***Procedures Performed:*** We compared use of restricted revenues and resources that exceeded \$500 to their restrictions to report any noted instances of noncompliance.

Findings: There were no materially restricted revenues. This procedure was not performed.

5. ***Procedures Performed:*** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: All required funds have been established.

6. ***Procedures Performed:*** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to determine compliance with reserve account and debt service coverage requirements of bond indentures.

Findings: This procedure was not performed. The Public Works Authority has no debt service or reserve account requirements.

As to the **Town of Dougherty and Dougherty Public Works Authority**, as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Town's and Authority's trial balances, we compiled a schedule of grant activity for each grant/contract (see accompanying Exhibit D) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: No instances of noncompliance were noted.

2. ***Procedures Performed:*** From the Authority's trial balances, we compiled a schedule of revenues, expenses, and changes in fund balances for each fund (see accompanying Exhibit C).

We were engaged by the Town of Dougherty to perform this agreed-upon procedures engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed by Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Town and the Authority meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. 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 and the Authority 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 those specified parties.

Rahhal Henderson Willis, PLLC

Rahhal Henderson Willis PLLC
Ardmore, Oklahoma
November 11, 2024

TOWN OF DOUGHERTY, OKLAHOMA
Summary of Changes in Fund Balances – Modified Cash Basis
For the Year Ended June 30, 2024

	Fund Balances Beginning	Revenue	Expenditures	Fund Balances Ending
CITY:				
General Fund	\$ 4,024	\$ 37,652	\$ 26,241	\$ 15,435
Fire Department Fund	13,292	9,994	6,002	17,284
Grant Fund	<u>18,462</u>	<u>-</u>	<u>-</u>	<u>18,462</u>
Town Fund Balance	<u>35,778</u>	<u>47,646</u>	<u>32,243</u>	<u>51,181</u>
PUBLIC WORKS AUTHORITY:				
PWA Fund	\$ 58,270	\$ 155,427	\$ 171,368	\$ 42,329
Improvement Fund	7,503	4,500	-	12,003
Meter Deposits	<u>2,680</u>	<u>1,140</u>	<u>340</u>	<u>3,480</u>
PWA Fund Balance	<u>68,453</u>	<u>161,067</u>	<u>171,708</u>	<u>57,812</u>
Overall Totals	<u>\$ 104,231</u>	<u>\$ 208,713</u>	<u>\$ 203,951</u>	<u>\$ 108,993</u>

EXHIBIT B

TOWN OF DOUGHERTY, OKLAHOMA
Budgetary Comparison Schedule – Modified Cash Basis
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ -	\$ -	\$ 4,024	\$ 4,024
Resources (Inflows):				
Sales Tax	10,000	10,000	9,073	(927)
Use Tax	2,480	2,480	3,001	521
Alcoholic Beverage Tax	2,790	2,790	2,664	(126)
Tobacco/Cigarette Tax	80	80	58	(22)
Gasoline Excise Tax	330	330	202	(128)
Motor Vehicle Tax	1,380	1,380	1,414	34
Franchise Tax	7,320	7,320	5,796	(1,524)
Rent Income	2,400	2,400	1,200	(1,200)
Sale of Surplus Equipment	-	-	979	979
Miscellaneous Income	-	-	765	765
Total Inflows	26,780	26,780	25,152	(1,628)
Charges to Appropriations (Outflows):				
General Government	26,780	26,780	26,241	539
Total Outflows	26,780	26,780	26,241	539
Excess of Inflows over Outflows before Other Financing Sources (Uses)	-	-	2,935	2,935
Other Financing Sources (Uses)				
Transfers In	-	-	12,500	12,500
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	12,500	12,500
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>15,435</u>	<u>\$ 15,435</u>

TOWN OF DOUGHERTY, OKLAHOMA
Statement of Revenues, Expenditures and Changes in Fund Balance
Modified Cash Basis
Dougherty Public Works Authority
For the Year Ended June 30, 2024

	<u>PWA</u>	<u>IMPROVEMENT</u>	<u>DEPOSIT</u>	<u>TOTAL</u>
REVENUES:				
Water	\$ 103,160	\$ -	\$ -	\$ 103,160
Sewer	20,834	-	-	20,834
Garbage	30,605	-	-	30,605
Water Deposits	-	-	1,140	1,140
Miscellaneous	823	-	-	823
Interest Income	<u>5</u>	<u>-</u>	<u>-</u>	<u>5</u>
TOTAL REVENUES	155,427	-	1,140	156,567
EXPENDITURES:				
Administrative Department				
<i>Personal Services</i>				
Payroll	8,700	-	-	8,700
Payroll Taxes	<u>1,572</u>	<u>-</u>	<u>-</u>	<u>1,572</u>
<i>Total Personal Services</i>	<i>10,272</i>	<i>-</i>	<i>-</i>	<i>10,272</i>
<i>Material & Supplies</i>				
Office Supplies	1,192	-	-	1,192
Postage	1,212	-	-	1,212
Repairs & Maintenance	<u>1,084</u>	<u>-</u>	<u>-</u>	<u>1,084</u>
<i>Total Materials & Supplies</i>	<i>3,488</i>	<i>-</i>	<i>-</i>	<i>3,488</i>
<i>Other Services & Charges</i>				
Audit Fees	24,309	-	-	24,309
Contract Labor	968	-	-	968
Insurance	1,529	-	-	1,529
Membership Fees	565	-	-	565
Publications	164	-	-	164
Security System	608	-	-	608
Software Fees	2,978	-	-	2,978
Electric	1,878	-	-	1,878
Telephone	<u>2,716</u>	<u>-</u>	<u>-</u>	<u>2,716</u>
<i>Total Other Services & Charges</i>	<i>35,715</i>	<i>-</i>	<i>-</i>	<i>35,715</i>
<i>Total Administrative Department</i>	<i>49,475</i>	<i>-</i>	<i>-</i>	<i>49,475</i>
Water Department				
<i>Personal Services</i>				
Payroll	<u>9,980</u>	<u>-</u>	<u>-</u>	<u>9,980</u>
<i>Total Personal Services</i>	<i>9,980</i>	<i>-</i>	<i>-</i>	<i>9,980</i>
<i>Material & Supplies</i>				
Fuel	111	-	-	111
Supplies	673	-	-	673
Water Purchased	<u>27,654</u>	<u>-</u>	<u>-</u>	<u>27,654</u>
<i>Total Materials & Supplies</i>	<i>28,438</i>	<i>-</i>	<i>-</i>	<i>28,438</i>

TOWN OF DOUGHERTY, OKLAHOMA
Statement of Revenues, Expenditures and Changes in Fund Balance
Modified Cash Basis
Dougherty Public Works Authority
For the Year Ended June 30, 2024

Water Department (continued)	<u>PWA</u>	<u>IMPROVEMENT</u>	<u>DEPOSIT</u>	<u>TOTAL</u>
<i>Other Services & Charges</i>				
Cell Phone Services	676	-	-	676
Contract Labor	1,434	-	-	1,434
Fees	495	-	-	495
Insurance	2,045	-	-	2,045
Miscellaneous	792	-	-	792
Refund of Deposits	-	-	340	340
Utilities	<u>751</u>	<u>-</u>	<u>-</u>	<u>751</u>
Total Other Services & Charges	6,193	-	340	6,533
<i>Capital Outlay</i>				
Capital Outlay-Tractor	<u>5,027</u>	<u>-</u>	<u>-</u>	<u>5,027</u>
Total Capital Outlay	<u>5,027</u>	<u>-</u>	<u>-</u>	<u>5,027</u>
Total Water Department	<u>49,638</u>	<u>-</u>	<u>340</u>	<u>49,978</u>
Sewer Department				
<i>Material & Supplies</i>				
Repair & Maint	21,542	-	-	21,542
Supplies	<u>29</u>	<u>-</u>	<u>-</u>	<u>29</u>
Total Material & Supplies	21,571	-	-	21,571
<i>Other Services & Charges</i>				
Contract Labor	1,904	-	-	1,904
Fees	402	-	-	402
Utilities	<u>3,048</u>	<u>-</u>	<u>-</u>	<u>3,048</u>
Total Other Services & Charges	<u>5,354</u>	<u>-</u>	<u>-</u>	<u>5,354</u>
Total Sewer Department	<u>26,925</u>	<u>-</u>	<u>-</u>	<u>26,925</u>
Garbage Department				
Garbage Contractor	<u>21,261</u>	<u>-</u>	<u>-</u>	<u>21,261</u>
Total Garbage Department	<u>21,261</u>	<u>-</u>	<u>-</u>	<u>21,261</u>
Debt Service				
School Repair Loan Payment (Vision)	<u>7,069</u>	<u>-</u>	<u>-</u>	<u>7,069</u>
Total Debt Service	<u>7,069</u>	<u>-</u>	<u>-</u>	<u>7,069</u>
Total Expenditures	<u>154,368</u>	<u>-</u>	<u>340</u>	<u>154,708</u>
OTHER SOURCES:				
Transfers In	-	4,500	-	4,500
Transfers Out	<u>(17,000)</u>	<u>-</u>	<u>-</u>	<u>(17,000)</u>
TOTAL OTHER SOURCES/(USES)	(17,000)	4,500	-	(12,500)
REVENUE OVER (UNDER)	<u>(15,941)</u>	<u>4,500</u>	<u>800</u>	<u>(10,641)</u>
BEGINNING FUND BALANCE	<u>58,270</u>	<u>7,503</u>	<u>2,680</u>	<u>68,453</u>
ENDING FUND BALANCE	<u>\$ 42,329</u>	<u>\$ 12,003</u>	<u>\$ 3,480</u>	<u>\$ 57,812</u>

TOWN OF DOUGHERTY, OKLAHOMA
Schedule of Grant Activity – Modified Cash Basis
For the Year Ended June 30, 2024

Granting Agency	Purpose	Award Amount	Beginning Balance	Received 2023-224	Expended 2023-2024	Ending Balance
<i><u>Federal Funds</u></i>						
Oklahoma Department of Commerce	ARPA	\$ 38,958	\$ 18,458	\$ -	\$ -	\$ 18,458
Total Federal Funds		<u>38,958</u>	<u>18,458</u>	<u>-</u>	<u>-</u>	<u>18,458</u>
<i><u>State Funds</u></i>						
Oklahoma Forestry Department	Fire Operations	<u>9,954</u>	<u>7,253</u>	<u>9,954</u>	<u>6,002</u>	<u>11,205</u>
Total State Funds		<u>9,954</u>	<u>7,253</u>	<u>9,954</u>	<u>6,002</u>	<u>11,205</u>
Total Grant Funds		<u><u>\$ 48,912</u></u>	<u><u>\$ 25,711</u></u>	<u><u>\$ 9,954</u></u>	<u><u>\$ 6,002</u></u>	<u><u>\$ 29,663</u></u>