

**TOWN OF TALOGA
TALOGA, OKLAHOMA**

**AGREED UPON PROCEDURES
AND ACCOMPANYING
AUDITOR'S REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2023**



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Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Practitioner's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Taloga
Taloga, Oklahoma

Trustees of the Taloga Public Works Authority
Taloga, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have performed the procedures enumerated below 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, 2023. Management of the Town of Taloga and the Taloga Public Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Taloga and the Taloga Public Works Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. 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.

Procedures and Findings

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

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I. No instances of noncompliance noted.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II General Fund & III Fire Fund. No instances of noncompliance noted.

- III. **Procedures Performed:** Agree 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 noted.

- IV. **Procedures Performed:** Compare 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 noted. All deposits were insured or collateralized at June 30, 2023.

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

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare 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: No instances of noncompliance noted.

- VII. **Procedures Performed:** Compare 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: No such compliance requirements were identified that were applicable to the City. No instances of noncompliance noted.

- VIII. **Procedures Performed:** For the grants received during the year, prepare a schedule of grant funds awarded, received, expended and the remaining balances. Compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: See Exhibit IV. No instances of noncompliance noted.

As to the Taloga Public Works Authority, as of and for the year ended June 30, 2023:

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures, and changes in fund balance-cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit V. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree the Authority'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 unusual reconciling items were noted that did not clear on a timely basis.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2023.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. **Procedures Performed:** Compare 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: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare 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 report any noted instances of noncompliance.

Findings: The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance. No instances of noncompliance noted.

We were engaged by The Town of Taloga and the Taloga Public Works Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. 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 Taloga and the Taloga Public Works Authority and to meet our 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.



rsmeacham
CPAs • ADVISORS

Clinton, Oklahoma
December 7, 2023

rsmeacham
CPAs • ADVISORS

TOWN OF TALOGA, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Beginning of Year Fund Balance</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
TOWN OF TALOGA, OK			
General Fund	\$ 425,772	\$ 58,184	\$ 483,956
Fire Fund	111,478	150,467	261,945
Total Governmental Funds	<u>\$ 537,250</u>	<u>\$ 208,651</u>	<u>\$ 745,901</u>
ENTERPRISE FUNDS			
Public Works Authority	370,616	(9,319)	361,297
Total Enterprise Funds	<u>\$ 370,616</u>	<u>\$ (9,319)</u>	<u>\$ 361,297</u>

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 404,482	\$ 425,772	\$ 21,290
Resources (Inflows):			
Sales Tax	37,408	37,504	96
Use Tax	12,274	12,282	8
Franchise Tax	12,096	11,824	(272)
Beverage Tax	20,900	21,728	828
Tobacco Tax	374	378	4
Gas Excise Tax	506	507	1
Motor Vehicle Tax	2,136	2,061	(75)
Grant Revenue - Other	27,505	27,505	-
Rental Income	500	450	(50)
Other Revenue	8,400	7,563	(837)
Total current year resources	<u>122,099</u>	<u>121,802</u>	<u>(297)</u>
Amounts available for appropriation	<u>\$ 526,581</u>	<u>\$ 547,574</u>	<u>\$ 20,993</u>
Charges to Appropriations (Outflows):			
General Government:			
Personal services	106,237	103,435	2,802
Materials and supplies	800	1,452	(652)
Other charges and services	45,000	38,861	6,139
Capital Outlay	-	2,698	(2,698)
Total General Government	<u>152,037</u>	<u>146,446</u>	<u>5,591</u>
Street & Alley Department:			
Personal services	-	-	-
Materials and supplies	1,000	-	1,000
Other charges and services	1,642	-	1,642
Total Street & Alley Department	<u>2,642</u>	<u>-</u>	<u>2,642</u>
Parks Department:			
Personal services	-	-	-
Materials and supplies	100	-	100
Other charges and services	500	-	500
Total Parks Department	<u>600</u>	<u>-</u>	<u>600</u>
Total current year appropriations	<u>155,279</u>	<u>146,446</u>	<u>8,833</u>
Transfers Out (In)	<u>20,492</u>	<u>(82,828)</u>	<u>103,320</u>
Total charges to appropriations	<u>\$ 175,771</u>	<u>\$ 63,618</u>	<u>\$ 112,153</u>
Change in Fund Balance	<u>(53,672)</u>	<u>58,184</u>	<u>(111,856)</u>
Ending Budgetary Fund Balance	<u>\$ 350,810</u>	<u>\$ 483,956</u>	<u>\$ (90,566)</u>

TOWN OF TALOGA, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH
FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 58,736	\$ 111,478	\$ 52,742
Resources (Inflows):			
Sales Tax	18,704	18,752	48
Grant Revenue	206,945	206,945	-
Rural Fire Dues	41,500	39,565	(1,935)
Donations	1,300	3,279	1,979
Other Revenue	3,250	4,386	1,136
Total current year resources	<u>271,699</u>	<u>272,927</u>	<u>1,228</u>
Amounts available for appropriation	<u>\$ 330,435</u>	<u>\$ 384,405</u>	<u>\$ 53,970</u>
Charges to Appropriations (Outflows):			
Fire Department:			
Personal services	6,500	7,493	(993)
Materials and supplies	13,000	11,736	1,264
Other charges and services	25,000	32,615	(7,615)
Capital Outlay	61,000	52,929	8,071
Total Fire Department	<u>105,500</u>	<u>104,773</u>	<u>727</u>
Total current year appropriations	<u>105,500</u>	<u>104,773</u>	<u>727</u>
Transfers Out (In)	<u>(72,592)</u>	<u>17,688</u>	<u>(90,280)</u>
Total charges to appropriations	<u>\$ 32,908</u>	<u>\$ 122,461</u>	<u>\$ (89,553)</u>
Change in Fund Balance	<u>238,791</u>	<u>150,466</u>	<u>88,325</u>
Ending Budgetary Fund Balance	<u><u>\$ 297,527</u></u>	<u><u>\$ 261,944</u></u>	<u><u>\$ 141,067</u></u>

**TOWN OF TALOGA, OKLAHOMA
SCHEDULE OF GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Grant revenue	Contract	Project description	Award	Amount received	Amount expended
<i>Grant received from:</i>					
Department of Agriculture		Operational Grant	10,053	10,053	10,053
Department of Agriculture	80/20 Grant	5 sets Bunker Gear	15,000	15,000	15,000
FEMA	DR 5232	Rhea Fire 4/12/18 - 4/26/18	178,184	178,184	178,184
Dept of Treasury		ARPA Funding, deposit 2	27,505	27,505	27,505
OEDA/REAP	REAP DE23-4	AMR Water Meters	64,570	62,251	62,241
OWRB REAP	FAP-22-0076-R	Water Tower Improvements	25,900	25,900	25,900
ONEOK Foundation		Gear station mobile racks	3,708	3,708	3,708
Total			<u>\$ 324,920</u>	<u>\$ 322,601</u>	<u>\$ 322,591</u>

TALOGA PUBLIC WORKS AUTHORITY TALOGA, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
- MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Operating Revenues:

Charges for services:

Water	\$ 119,665
Gas	122,520
Sewer	40,207
Sanitation	90,318
Maintenance Fee	27,237
Grant income	88,151
Other	22,102
Total Operating Revenues	<u>510,200</u>

Operating Expenses:

Administration	37,250
Water	185,162
Gas	134,797
Sewer	62,371
Sanitation	37,771
Total Operating Expenses	<u>457,351</u>
Net Operating Income	\$ 52,849

Non-Operating Revenues/(Expenses):

Interest Income	2,972
Net transfers to/(from) General Fund	(65,140)
Total Non-Operating Revenues/(Expenses)	<u>(62,168)</u>

Change in fund balance	\$ (9,319)
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Fund Balance - beginning	<u>370,616</u>
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Fund Balance - ending	<u><u>\$ 361,297</u></u>
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TALOGA PUBLIC WORKS AUTHORITY, TALOGA, OKLAHOMA
BALANCE SHEET-MODIFIED CASH BASIS
JUNE 30, 2023

	2023
ASSETS	
Current assets:	
Cash, including time deposits	\$ 391,541
Due from General Fund	-
Grant receivable	62,251
Total current assets	<u>453,792</u>
Restricted assets:	
Cash, including time deposits	28,187
Total restricted assets	<u>28,187</u>
Non-current assets:	
Capital assets (net)	219,025
Total non-current assets	<u>219,025</u>
Total assets	<u><u>701,004</u></u>
LIABILITIES	
Liabilities, payable from restricted assets	
Accounts payable	86,183
Meter deposits payable	22,624
Notes payable, current	40,000
Total liabilities payable from restricted assets	<u>148,807</u>
Noncurrent liabilities:	
Notes payable, non-current	190,900
Total non-current liabilities	<u>190,900</u>
Total liabilities	<u><u>339,707</u></u>
FUND BALANCE	
Restricted	
Meter	28,187
Fixed Assets	219,025
Unrestricted	114,085
Total fund balance	<u><u>361,297</u></u>
Total liabilities and fund balance	<u><u>701,004</u></u>