



## **CBEW Professional Group, LLP**

Certified Public Accountants

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### To the Specified Users of the Report:

Town Council, Town of Ralston  
Ralston, Oklahoma

Trustees of the Ralston Public Works Authority  
Ralston, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

Management is responsible for the accompanying financial statements of the Town of Ralston and Public Trust, Ralston, Oklahoma (a municipality) which comprise the Summary of Changes in Fund Balances-Cash Basis as of June 30, 2018 and the related Budgetary Comparison Schedule of General Fund-Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance-Cash Basis, and Schedule of Grant Activity-Cash Basis for the fiscal year ended June 30, 2018, in accordance with the cash basis of accounting 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 of these financial statements.

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 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 prepared in accordance with 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.

### **Independent Accountant's Report on Applying Agreed-Upon Procedures**

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 Public Works 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, 2018. Management of the Town of Ralston is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. The sufficiency of these 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 Findings**

As to the Town of Ralston as of and for the fiscal year ended June 30, 2018:

1. **Procedure Performed:** Prepare a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and determine compliance with the statutory prohibition of creating fund balance deficits.

**Findings:** No instances of noncompliance noted.

2. **Procedure Performed:** Compare budget and actual financial schedule for the General Fund (see accompanying Exhibit 2) and any other significant funds listing separately each federal fund and determine compliance with the legal level of appropriations by comparing expenditures and encumbrances to authorized appropriations.

**Findings:** The Town had no approved budget for the fiscal year to compare against actual expenditures and revenues.

**Criteria:** The Town should submit an annual budget each year. The Town is not allowed to spend more than its appropriations.

**Condition:** Since the annual budget was not submitted, expenditures exceeded its total appropriations for the year.

**Cause:** The Town failed to submit an annual budget for this fiscal year.

**Effect or Potential Effect:** Without filing an annual budget, the Town's expenditures exceeded appropriations and the Town was not in compliance with the State Budget Law.

**Recommendation:** We recommend that management submit an annual budget with the State each year.

**Management's Corrective Action Plan:** The Town will start filing an annual budget each year to stay in compliance with the State Budget Law.

3. **Procedure Performed:** Agree material bank account balances to bank statements, and trace significant reconciling items to subsequent clearance.

**Findings:** No significant reconciling items were noted as not clearing in a timely basis.

4. **Procedure Performed:** Compare uninsured deposits to fair value of pledged collateral.

**Findings:** All deposits were FDIC insured at June 30, 2018.

5. **Procedure Performed:** Compare use of material restricted revenues and resources to their restrictions.

**Findings:** No instances of noncompliance noted.

6. **Procedure Performed:** Determine compliance with requirements for separate funds.

**Findings:** No instances of noncompliance noted.

7. **Procedure Performed:** Determine compliance with reserve account and debt service coverage requirements of bond indentures.

**Findings:** No debt in the General Fund.

As to the Ralston Public Works Authority as of and for the fiscal year ended June 30, 2018:

1. **Procedure Performed:** Prepare a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and determine compliance with any applicable trust or other prohibitions for creating fund balance deficits.

**Findings:** No instances of noncompliance noted.

2. **Procedure Performed:** Agree material bank account balances to bank statements, and trace significant reconciling items to subsequent clearance.

**Findings:** No significant reconciling items were noted as not clearing in a timely basis.

3. **Procedure Performed:** Compare uninsured deposits to fair value of pledged collateral.

**Findings:** All deposits were FDIC insured at June 30, 2018.

4. **Procedure Performed:** Compare use of material restricted revenues and resources to their restrictions.

**Findings:** No instances of noncompliance noted.

5. **Procedure Performed:** Determine compliance with requirements for separate funds.

**Findings:** No instances of noncompliance noted.

6. **Procedure Performed:** Determine compliance with reserve account and debt service coverage requirements of bond indentures.

**Findings:** The Ralston Public Works Authority met its debt service balance requirements at June 30, 2018.

As to the Town of Ralston and the Ralston Public Works Authority grant programs as of and for the fiscal year ended June 30, 2018:

1. **Procedure Performed:** Compile a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compare receipts and disbursements to grant agreements and supporting information to report any noted noncompliance.

**Findings:** No instances of noncompliance noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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, respectively, on management's assertion of conformity with the Town's policies and procedures related to financial practices and the accuracy of the accounting records during the fiscal year ended June 30, 2018. 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.

***CBEW Professional Group, LLP***

CBEW Professional Group, LLP  
Certified Public Accountants  
April 9, 2020

**TOWN OF RALSTON AND PUBLIC TRUSTS**  
**Ralston, Oklahoma**

**SUMMARY OF CHANGES IN FUND BALANCE-CASH BASIS**  
**For the Fiscal Year Ended June 30, 2018**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
<b>TOWN:</b>				
General Fund	\$ 4,822	\$ 61,037	\$ 18,808	\$ 47,051
<b>Town Subtotal</b>	<u>4,822</u>	<u>61,037</u>	<u>18,808</u>	<u>47,051</u>
<b>PUBLIC WORKS AUTHORITY:</b>				
PWA Utilities Fund	118,852	142,119	205,672	\$ 55,298
<b>PWA Subtotal</b>	<u>118,852</u>	<u>142,119</u>	<u>205,672</u>	<u>55,298</u>
<b>Overall Totals</b>	<u>\$ 123,674</u>	<u>\$ 203,156</u>	<u>\$ 224,480</u>	<u>\$ 102,349</u>

**TOWN OF RALSTON AND PUBLIC TRUSTS**  
**Ralston, Oklahoma**

**BUDGETARY COMPARISON SCHEDULE-CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2018  
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ 4,822	\$ 4,822
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales tax	-	-	32,679	32,679
Alcoholic Beverage Tax	-	-	3,580	3,580
Cigar Tax	-	-	412	412
Gas Excise Tax	-	-	371	371
Franchise Tax	-	-	6,780	6,780
Motor Vehicle Tax	-	-	2,351	2,351
<b>Total Taxes</b>	<u>-</u>	<u>-</u>	<u>46,173</u>	<u>46,173</u>
<b>Intergovernmental:</b>				
Fire Grant Revenue	-	-	-	-
<b>Total Intergovernmental</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Investment Income</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Miscellaneous Income:</b>	<u>-</u>	<u>-</u>	<u>14,865</u>	<u>14,865</u>
<b>Other Financing Sources:</b>				
Transfers from other funds	-	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Amounts available for appropriation</b>	<u>-</u>	<u>-</u>	<u>65,860</u>	<u>65,860</u>

TOWN OF RALSTON AND PUBLIC TRUSTS  
Ralston, Oklahoma

BUDGETARY COMPARISON SCHEDULE-CASH BASIS  
GENERAL FUND

For the Fiscal Year Ended June 30, 2018  
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
				(Continued)
<b>Charges to Appropriations (Outflows):</b>				
<b>General Government:</b>				
Personal services	\$ -	\$ -	\$ -	\$ -
Other services and charges	-	-	17,514	(17,514)
Capital outlay	-	-	-	-
Total General Government	<u>-</u>	<u>-</u>	<u>17,514</u>	<u>(17,514)</u>
<b>Clerk-Treasurer:</b>				
Personal services	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	-	-	-	-
Total Clerk-Treasurer	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fire:</b>				
Personal services	-	-	-	-
Materials and supplies	-	-	824	(824)
Other services and charges	-	-	470	(470)
Capital outlay	-	-	-	-
Total Fire	<u>-</u>	<u>-</u>	<u>1,294</u>	<u>(1,294)</u>
<b>Other Financing Uses:</b>				
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Charges to Appropriations</b>	<u>-</u>	<u>-</u>	<u>18,808</u>	<u>(18,808)</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,052</u>	<u>\$ 47,052</u>

**TOWN OF RALSTON AND PUBLIC TRUSTS**  
**Ralston, Oklahoma**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-CASH BASIS**  
**RALSTON PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2018**  
**(Unaudited)**

**Operating Revenues:**

## Charges for services:

Water, Sewer, Sanitation	136,832
Other	4,951

Total Operating Revenues	<u>141,783</u>
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**Operating Expenses:**

Administrative	92,786
Water & Sewer	94,261
Sanitation	18,625

Total Operating Expenses	<u>205,672</u>
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Operating Income (Loss)	(63,889)
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**Non-Operating Revenues (Expenses):**

Investment income	13
Miscellaneous	322
Grant Income	-

Total Non-Operating Revenues (Expenses)	<u>335</u>
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<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>(63,554)</b>
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Transfers in	<u>-</u>
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<b>Change in fund balance</b>	<b>(63,554)</b>
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<b>Fund Balance - beginning</b>	<u><b>118,852</b></u>
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<b>Fund Balance - ending</b>	<u><u><b>\$ 55,298</b></u></u>
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**TOWN OF RALSTON AND PUBLIC TRUSTS**  
**Ralston, Oklahoma**

**SCHEDULE OF GRANT ACTIVITY-CASH BASIS**  
**For the Fiscal Year Ended June 30, 2018**  
**(Unaudited)**

	Beginning of Year Unexpended Grant Funds	Current Year Receipts	Current Year Disbursements	End of Year Unexpended Grant Funds
<b>TOWN:</b>				
FIRE Operational Grant	-	-	-	-
<b>Town Subtotal</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>				
Grant	-	-	-	-
<b>PWA Subtotal</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accountant's Report