TOWN OF COLE, OKLAHOMA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

THE TOWN OF COLE, OKLAHOMA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023



To the Specified Users of the Report:

Town Council, Town of Cole Cole, Oklahoma

Trustees of the Cole Public Works Authority Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector Oklahoma City, Oklahoma

Report on Applying Agreed-Upon Procedures

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, 2023. Management of the Town of Cole (the Town) and the Cole 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 has agreed to and acknowledge 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, 2023. 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 Cole as of and for the fiscal year ended June 30, 2023:

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

Findings: No instances of noncompliance observed.

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

Findings: No instances of noncompliance observed.

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 significant or unusual reconciling items were observed that did not clear on a timely basis. The Cole Community account was opened in 1976 with the Town's tax identification number, but it is not used by the Town nor is the activity of this bank account included in the Town's financial schedules. At June 30, 2023, the account balance was \$3,324 with the only activity for the fiscal year being a check in the amount of \$151. The Town is currently working on removing their tax identification number from the account.

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: At June 30, 2023, all deposits were covered by FDIC.

5. **Procedures Performed:** We compared the Town's use of material restricted revenues and resources to their restrictions to report any observed instances of noncompliance.

Findings: No instances of noncompliance were observed.

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 observed instances of noncompliance.

Findings: No instances of noncompliance were observed.

7. **Procedures Performed:** A search for Town debt agreements was performed to identify any contractually required reserve balances and debt service requirements of bond indentures for the purpose of determining contract compliance.

Findings: The Town had no debt, therefore no debt service coverage requirements of bond indentures were applicable.

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

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances – cash basis for the Authority (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any observed instances of noncompliance.

Findings: No instances of noncompliance were observed.

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2. **Procedures Performed:** We agreed 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 instances of noncompliance were observed.

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: At June 30, 2023, all deposits were covered by FDIC.

4. **Procedures Performed:** We compared the Authority's use of material restricted revenues and resources to their restrictions to report any observed instances of noncompliance.

Findings: No instances of noncompliance were observed.

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 observed instances of noncompliance.

Findings: No instances of noncompliance were observed.

6. **Procedures Performed:** A search for Authority debt agreements was performed to identify any contractually required reserve balances and/or debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

Findings: The Town had no debt, therefore no debt service coverage requirements of bond indentures were applicable.

As to the Town of Cole and Cole Public Works Authority grant programs, as of and for the fiscal year ended June 30, 2023:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any observed instances of noncompliance with the grant agreement.

Findings: No instances of noncompliance were observed.

We were engaged to conduct this agreed-upon procedures engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants to meet the 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, on the Town or 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, 2023. Accordingly, we do not express such an opinion or

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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 these specified parties.

Crawford & associater, P.C.

Crawford & Associates, P.C. August 2, 2023

EXHIBIT 1

TOWN OF COLE AND PUBLIC TRUST SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS FOR THE YEAR ENDED JUNE 30, 2023

	Beginning of Year Fund Balances		Current Year <u>Revenue</u>		Current Year <u>Disbursements</u>		End of Year Fund Balances	
TOWN:								
General Fund	\$	921,537	\$	207,293	\$	66,150	\$	1,062,680
Street and Alley Fund		117,709		6,469		-		124,178
Town Subtotal		1,039,246		213,762		66,150		1,186,858
PUBLIC WORKS AUTHORITY:								
Cole Public Works Authority		220,170		144,483		84,632		280,021
PWA Subtotal		220,170		144,483		84,632		280,021
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Overall Totals	\$	1,259,416	\$	358,245	\$	150,782	\$	1,466,879

	Buo		Amou	nts Final	Actual Amounts		Variance with Final Budget Positive (Negative)	
Beginning Budgetary Fund Balance:	\$	912,627	\$	912,627	\$	921,537	\$	8,910
Resources (Inflows):								
Taxes:								
Sales tax		34,458		34,458		42,046		7,588
Use tax		27,629		27,629		42,317		14,688
Franchise tax		26,509		26,509		32,272		5,763
Total Taxes		88,596	_	88,596		116,635		28,039
Intergovernmental:								
Alcoholic beverage tax		3,903		3,903		4,348		445
Tobacco tax		264		264		303		39
Grant revenue		-		-		62,858		62,858
Total Intergovernmental		4,167	_	4,167		67,509		63,342
Interest		1,807		1,807		10,131		8,324
Miscellaneous Income:								
Rent		495		495		650		155
Oil permits		-		-		200		200
Fire runs/donations Miscellaneous		-		-		1,776 57		1,776 57
Total Miscellaneous		495	_	495	_	2,683		2,188
Other Financing Uses:								
Transfers in from other funds		-		-		10,334		10,334
Total other financig uses		-		-	_	10,334		10,334
Total Resources (Inflows)		95,065		95,065		207,292		112,227
Amounts available for appropriation		1,007,692		1,007,692		1,128,829		121,137
Charges to Appropriations (Outflows):								
General Government:								
Personal services	\$	100,000	\$	100,000	\$	22.038	\$	77,962
Maintenance and operations	Ψ	200,000	Ψ	200,000	Ψ	44,111	Ψ	155,889
Capital outlay		700,000		700,000		-		700,000
Total General Government		1,000,000	_	1,000,000	_	66,149		933,851
Total Charges to Appropriations		1,000,000		1,000,000		66,149		933,851
Ending Budgetary Fund Balance	\$	7,692	\$	7,692	\$	1,062,680	\$	1,054,988
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	Budgeted	Amounts	Actual	Variance with Final Budget	
	Original Final		Amounts	Positive (Negative)	
Beginning Budgetary Fund Balance	\$ 117,724	\$ 117,724	\$ 117,709	\$ (15)	
Resources (Inflows):					
Gasoline excise tax	-	-	4,573	4,573	
Motor vehicle tax	-	-	1,126	1,126	
Investment income	-	-	770	770	
Total Resource (Inflows)	-	-	6,469	6,469	
Amounts available for appropriation	117,724	117,724	124,178	6,454	
Charges to appropriations (outflows): Streets					
Personal services	10,000	10,000	-	10,000	
Maintenance and operations	40,000	40,000	-	40,000	
Capital outlay	65,000	65,000	-	65,000	
Total Streets	115,000	115,000		115,000	
Total Charges to Appropriations	115,000	115,000		115,000	
Ending Budgetary Fund Balance	\$ 2,724	\$ 2,724	\$ 124,178	\$ 121,454	

Operating Revenues:	
Charges for services:	
Water revenue	\$ 130,710
Water tap fees	10,500
Late fees	1,429
Total Operating Revenues	142,639
Operating Expenses:	
Maintenance and operations	74,298
Total Operating Expenses	74,298
Operating Income	68,341
Non-Operating Revenues:	
Investment income	1,844
Transfer out	(10,334)
Total Non-Operating Revenues	(8,490)
Change in fund balance	59,851
Fund Balance - beginning	220,170
Fund Balance - ending	\$ 280,021

TOWN OF COLE , OKLAHOMA SCHEDULE OF GRANT ACTIVITY - CASH BASIS Year Ended June 30, 2023

	Rural Fire Grant			Coronavirus State and Local Fiscal Recovery Funds	
Awarding agency	Oklahoma Department of Agriculture		U.S. Department of Treasury		
AL#	N/A		2	21.027	
Award Amount	\$	10,053	\$	105,118	
Program Budget		10,053		105,118	
Current Year Activity:					
Current Year Receipts:					
Received from agency Received from local funds		10,053 -		52,805 -	
Total current year receipts		10,053		52,805	
Current Year Disbursements		10,053		-	
Beginning of Year Unexpended Grant Funds				52,309	
End of Year Unexpended Grant Funds				105,114	
Program To-Date Activity:					
Program To-Date Receipts:					
Received from agency Received from local funds		10,053 -		105,114 -	
Total program to-date receipts		10,053		105,114	
Program To-Date Disbursements		10,053		-	
Program To-Date Unexpended Grant Funds	\$		\$	105,114	