



**CITY OF  
MEDFORD,  
OKLAHOMA**

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES  
AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

**THE CITY OF MEDFORD, OKLAHOMA**

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

## Independent Accountant's Report

To the Specified Users of the Report:

City Council, City of Medford  
Medford, Oklahoma

Trustees of the Medford Public Works Authority  
Medford, Oklahoma

Trustees of the Medford Economic Development Authority  
Medford, 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 City, Public Works Authority and Economic Development 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, 2022. Management of the City of Medford (the Town), Medford Public Works Authority (the Authority) and Medford Economic Development Authority (MEDA) are responsible for the City's and Authorities' financial accountability and its compliance with those legal and contractual requirements.

The Town, the Authority and MEDA has 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, 2022. 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 City of Medford as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the City's trial balances and other accounting records, 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.

City of Medford, Medford Public Works Authority and Medford Economic Development Authority  
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2. **Procedures Performed:** From the City's trial balances and other accounting records, we prepared a cash basis budget and actual financial schedule for the General Fund, the Restricted Sales Tax Fund and the Nichols-Pitts 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:** The city clerk/treasurer has the authority to move unexpended appropriations from one-line item to another within a fund without approval by the council. Therefore, we look at the department level. No instances of noncompliance were observed.

3. **Procedures Performed:** We agreed the City'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 observed that did not clear on a timely basis.

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

**Findings:** All deposits were insured or collateralized at June 30, 2022.

5. **Procedures Performed:** We compared the City'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 City'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 City debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

**Findings:** No such compliance requirements were identified that were applicable to the City.

City of Medford, Medford Public Works Authority and Medford Economic Development Authority  
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As to the Medford Public Works Authority and the Medford Economic Development Authority, as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Authorities' trial balances, we prepared a schedule of revenues, expenses and changes in fund balances – cash basis for the Authorities (see accompanying Exhibits 1 and 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.

2. **Procedures Performed:** We agreed the Authorities' 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 observed that did not clear on a timely basis.

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

**Findings:** At June 30, 2022, the MPWA had uninsured and uncollateralized deposits of \$176,442.

4. **Procedures Performed:** We compared the Authorities' 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 Authorities' 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 debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

**Findings:** No such compliance requirements were identified that were applicable to the Authority.

City of Medford, Medford Public Works Authority and Medford Economic Development Authority  
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As to the City of Medford, Medford Public Works Authority and Medford Economic Development Authority grant programs, as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the City and Authorities' 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 and the Authorities 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, 2022. 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 these specified parties.



Crawford & Associates, P.C.  
April 28, 2023

EXHIBIT 1  
CITY OF MEDFORD AND PUBLIC TRUSTS  
SUMMARY SCHEDULE OF CHANGES IN FUND BALANCES - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

	Beginning of Year <u>Fund Balances</u>	Current Year <u>Revenues</u>	Current Year <u>Expenditures/Expenses</u>	End of Year <u>Fund Balances</u>
<b>CITY:</b>				
General Fund	\$ 390,608	\$ 1,145,342	\$ 965,189	\$ 570,761
Restricted Sales Tax Fund	326,534	174,737	123,137	378,134
Nichols-Pitts Fund	1,352,958	40,813	54,208	1,339,563
<b>City Subtotal</b>	<u>2,070,100</u>	<u>1,360,892</u>	<u>1,142,534</u>	<u>2,288,458</u>
<b>PUBLIC TRUST AUTHORITY:</b>				
Medford Public Works Authority	736,503	982,427	836,126	882,804
Medford Economic Development Authority	149,232	2,006,900	2,050,858	105,274
<b>PWA Subtotal</b>	<u>885,735</u>	<u>2,989,327</u>	<u>2,886,984</u>	<u>988,078</u>
<b>Overall Totals</b>	<u>\$ 2,955,835</u>	<u>\$ 4,350,219</u>	<u>\$ 4,029,518</u>	<u>\$ 3,276,536</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2  
CITY OF MEDFORD, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$244,380	\$354,380	\$390,608	\$36,228
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales tax	355,000	355,000	516,400	161,400
Franchise tax	37,500	37,500	37,269	(231)
Use tax	60,000	60,000	151,266	91,266
<b>Total Taxes</b>	<b>452,500</b>	<b>452,500</b>	<b>704,935</b>	<b>252,435</b>
<b>Intergovernmental:</b>				
Alcoholic beverage tax	49,000	49,000	60,202	11,202
Cigarette tax	-	-	5,222	5,222
Motor vehicle tax	8,000	8,000	7,390	(610)
Gasoline excise tax	2,000	2,000	2,323	323
Grant revenue	8,400	8,400	13,249	4,849
<b>Total Intergovernmental</b>	<b>67,400</b>	<b>67,400</b>	<b>88,386</b>	<b>20,986</b>
<b>Charges for services:</b>				
Ambulance subscriptions	3,800	3,800	3,900	100
Ambulance	60,000	60,000	63,232	3,232
Fire calls	5,000	5,000	9,200	4,200
Swimming pool	8,000	8,000	16,554	8,554
Miniature golf	700	700	485	(215)
Golf club dues/green fees	23,000	23,000	31,647	8,647
Rent	3,500	3,500	5,170	1,670
Cemetery	500	500	600	100
<b>Total Charges for Services</b>	<b>104,500</b>	<b>104,500</b>	<b>130,788</b>	<b>26,288</b>
<b>Fines and Forfeitures</b>	<b>25,000</b>	<b>25,000</b>	<b>13,683</b>	<b>(11,317)</b>
<b>Licenses and Permits</b>	<b>4,000</b>	<b>4,000</b>	<b>5,285</b>	<b>1,285</b>
<b>Investment Income</b>	<b>1,800</b>	<b>1,800</b>	<b>3,436</b>	<b>1,636</b>
<b>Miscellaneous Income:</b>				
Fire donations	6,000	6,000	6,780	780
Ambulance donations	300	300	-	(300)
Park donations	300	300	800	500
Library donations	300	300	-	(300)
Police donations	2,000	2,000	5,923	3,923
CIA sponsorships/donations	10,000	10,000	7,325	(2,675)
Library fines and sales	200	200	175	(25)
Reimbursements	1,100	1,100	1,345	245
Reserve revenue	10,000	10,000	20,000	10,000
Emergency services tax reimbursement	26,000	26,000	-	(26,000)
Other	3,337	3,337	9,737	6,400
<b>Total Miscellaneous</b>	<b>59,537</b>	<b>59,537</b>	<b>52,085</b>	<b>(7,452)</b>
<b>Other Financing Sources:</b>				
Transfers from other funds	120,000	120,000	90,000	(30,000)
<b>Total Resources (Inflows)</b>	<b>834,737</b>	<b>834,737</b>	<b>1,088,598</b>	<b>253,861</b>
<b>Amounts available for appropriation</b>	<b>1,079,117</b>	<b>1,189,117</b>	<b>1,479,206</b>	<b>290,089</b>

(Continued)

See independent accountant's report on agreed-upon procedures.



EXHIBIT 2  
CITY OF MEDFORD, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Charges to Appropriations (Outflows):				
General Government:				
Personal services	\$10,350	\$10,350	\$10,264	\$86
Materials and supplies	10,200	11,700	8,999	2,701
Other services and charges	37,550	35,550	30,241	5,309
Total General Government	58,100	57,600	49,504	8,096
City Manager:				
Personal services	110,009	110,009	108,594	1,415
Other services and charges	2,500	2,500	2,550	(50)
Total City Manager	112,509	112,509	111,144	1,365
Clerk-Treasurer:				
Personal services	29,181	29,181	28,516	665
Materials and supplies	500	500	7,202	(6,702)
Other services and charges	7,650	8,650	1,081	7,569
Total Clerk-Treasurer	37,331	38,331	36,799	1,532
City Attorney:				
Personal services	3,000	3,000	2,573	427
Other services and charges	500	500	-	500
Total City Attorney	3,500	3,500	2,573	927
Municipal Court:				
Personal services	2,940	2,940	2,898	42
Other services and charges	625	625	597	28
Total Municipal Court	3,565	3,565	3,495	70
Civil Defense:				
Personal services	300	300	84	216
Materials and supplies	4,000	4,000	4,000	-
Total Civil Defense	4,300	4,300	4,084	216
Inspections:				
Personal services	5,000	5,000	2,575	2,425
Other services and charges	17,400	17,400	10,854	6,546
Total Inspections	22,400	22,400	13,429	8,971
Library:				
Personal services	40,378	40,378	39,276	1,102
Materials and supplies	34,583	34,583	11,363	23,220
Other services and charges	3,700	3,700	3,853	(153)
Capital outlay	500	500	-	500
Total Library	79,161	79,161	54,492	24,669
Fire:				
Personal services	6,525	6,525	5,484	1,041
Materials and supplies	33,355	33,355	13,701	19,654
Other services and charges	2,600	2,600	2,650	(50)
Total Fire	42,480	42,480	21,835	20,645

(Continued)

See independent accountant's report on agreed-upon procedures.

CITY OF MEDFORD, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
<b>Parks:</b>				
Personal services	\$ 54,620	\$ 54,620	\$ 41,725	\$ 12,895
Materials and supplies	16,800	16,800	15,531	1,269
Other services and charges	5,000	5,000	-	5,000
Capital outlay	-	-	15,850	(15,850)
Total Parks	76,420	76,420	73,106	3,314
<b>Police:</b>				
Personal services	224,019	218,019	187,019	31,000
Materials and supplies	19,100	19,100	23,809	(4,709)
Other services and charges	47,526	47,526	1,619	45,907
Capital outlay	2,000	2,000	-	2,000
Total Police	292,645	286,645	212,447	74,198
<b>Ambulance:</b>				
Personal services	109,845	109,845	96,632	13,213
Materials and supplies	6,941	6,941	6,001	940
Other services and charges	4,400	4,400	4,620	(220)
Total Ambulance	121,186	121,186	107,253	13,933
<b>Community in Action:</b>				
Materials and supplies	10,000	15,500	14,674	826
Total CDBG Grant	10,000	15,500	14,674	826
<b>Streets:</b>				
Personal services	77,820	77,820	72,747	5,073
Materials and supplies	10,200	10,200	16,082	(5,882)
Other services and charges	64,500	64,500	58,688	5,812
Total Streets	152,520	152,520	147,517	5,003
General Fund reserve expenditures	63,000	173,000	112,837	60,163
<b>Total Charges to Appropriations</b>	<b>1,079,117</b>	<b>1,189,117</b>	<b>965,189</b>	<b>223,928</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 514,017</b>	<b>\$ 514,017</b>
Correction of required sales tax transfer			56,744	
			<u>\$ 570,761</u>	

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2  
CITY OF MEDFORD, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
RESTRICTED SALES TAX FUND  
FOR THE YEAR ENDED JUNE 30, 2022

RESTRICTED SALES TAX FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 310,000	\$ 310,000	\$ 326,534	\$ 16,534
Resources (Inflows):				
Taxes	100,000	100,000	172,133	72,133
Investment income	2,000	2,000	2,604	604
Amounts available for appropriation	<u>412,000</u>	<u>412,000</u>	<u>501,271</u>	<u>89,271</u>
Charges to appropriations (outflows):				
Streets	412,000	412,000	66,393	345,607
Total Streets	<u>412,000</u>	<u>412,000</u>	<u>66,393</u>	<u>345,607</u>
Total Charges to Appropriations	<u>412,000</u>	<u>412,000</u>	<u>66,393</u>	<u>345,607</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	\$ 434,878	<u>\$ 434,878</u>
Correction of required sales tax transfer			<u>(56,744)</u>	
			<u>\$ 378,134</u>	

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2  
CITY OF MEDFORD, OKLAHOMA  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
NICHOLS-PITTS FUND  
FOR THE YEAR ENDED JUNE 30, 2022

NICHOLS-PITTS FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 159,900	\$ 159,900	\$ 1,352,958	\$ 1,193,058
Resources (Inflows):				
Cell tower income	4,500	4,500	4,562	62
Farm income	8,000	8,000	28,453	20,453
Investment income	10,100	10,100	7,798	(2,302)
Amounts available for appropriation	182,500	182,500	1,393,771	1,211,271
Charges to appropriations (outflows):				
Materials and supplies	7,000	7,000	3,120	3,880
Other services and charges	3,000	1,000	900	100
Farm expense	-	3,100	3,019	81
Capital Outlay:				
Mini Golf	3,000	3,000	3,000	-
Golf course	82,000	82,000	22,224	59,776
Parks and recreation	3,000	3,300	3,281	19
Ball fields	2,000	1,000	-	1,000
Emergency services	1,000	1,000	-	1,000
Beautification projects	60,000	55,900	13,956	41,944
Streets	20,000	20,000	-	20,000
Swimming pool	1,000	4,800	4,708	92
Library	500	400	-	400
Total Capital Outlay	172,500	171,400	47,169	124,231
Total Charges to Appropriations	182,500	182,500	54,208	128,292
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 1,339,563	\$ 1,339,563

See independent accountant's report on agreed-upon procedures.

**EXHIBIT 3**

**CITY OF MEDFORD, OKLAHOMA**

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS**

**MEDFORD PUBLIC WORKS AUTHORITY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**Operating Revenues:**

Charges for services:	
Water	\$684,282
Sewer	67,438
Sanitation	111,669
Airport charges	20
 Total Operating Revenues	 <u>863,409</u>

**Operating Expenses:**

Water	363,981
Sewer	19,612
General and administration	257,959
Airport	12,611
Capital outlay	71,963
 Total Operating Expenses	 <u>726,126</u>

Operating Income	137,283
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**Non-Operating Revenues:**

Investment income	1,132
Grant revenue	82,001
Rent income	6,650
Miscellaneous	29,235
 Total Non-Operating Revenues	 <u>119,018</u>

Net Income Before Transfers	256,301
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Transfers out	<u>(110,000)</u>
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Change in fund balance	146,301
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Fund Balance - beginning	<u>736,503</u>
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Fund Balance - ending	<u><u>\$882,804</u></u>
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See independent accountant's report on agreed-upon procedures.

**EXHIBIT 3**  
**CITY OF MEDFORD, OKLAHOMA**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS**  
**MEDFORD ECONOMIC DEVELOPMENT AUTHORITY**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Operating Revenues:**

Charges for services:	
Sales tax revenue	\$144,875
Grocery sales	1,804,465
Rebates and refunds	26,560
Total Operating Revenues	<u>1,975,900</u>

**Operating Expenses:**

Grocery Store:	
Personal services	258,608
Materials and supplies	1,522,222
Other services and charges	240,496
Total grocery store	<u>2,021,326</u>

MEDA:

Materials and supplies	<u>13,236</u>
Total MEDA	<u>13,236</u>

Total Operating Expenses	<u>2,034,562</u>
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Operating Income (loss)	(58,662)
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**Non-Operating Revenues:**

Debt service	(16,296)
Miscellaneous	11,000
Total Non-Operating Revenues	<u>(5,296)</u>

<b>Net Income (loss) Before Transfers</b>	(63,958)
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**Non-Operating Revenues:**

Transfers in	<u>20,000</u>
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<b>Change in fund balance</b>	(43,958)
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<b>Fund Balance - beginning</b>	<u>149,232</u>
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<b>Fund Balance - ending</b>	<u><u>\$105,274</u></u>
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See independent accountant's report on agreed-upon procedures.

## EXHIBIT 4

**CITY OF MEDFORD , OKLAHOMA**  
**SCHEDULE OF GRANT ACTIVITY - CASH BASIS**  
**Year Ended June 30, 2022**

	<u>Volunteer Fire Assistance Grant</u>	<u>Library State Aid FY 2022</u>	<u>Coronavirus State and Local Fiscal Recovery Funds</u>	<u>FAA Grant #3-40-0058-010-2019</u>
Awarding agency	State Department of Agriculture	Oklahoma Department of Libraries	U.S. Department of Treasury	U.S. Dept. of Transportation Federal Aviation Administration
ALN	N/A	N/A	21.027	20.106
Award Amount	\$ 4,763	\$ 8,486	\$ 164,784	\$ 301,811
Program Budget	4,763	8,486	164,784	335,346
Current Year Activity:				
Current Year Receipts:				
Received from agency	4,763	8,486	82,001	-
Received from local funds	-	-	-	3,784
Total current year receipts	4,763	8,486	82,001	3,784
Disbursements in current year	4,763	8,486	-	37,840
Beginning of Year Due to Agency (Due from Agency)	-	-	-	34,056
End of Year Due to Agency (Due from Agency)	-	-	82,001	-
Program To-Date Activity:				
Program To-Date Receipts:				
Received from agency	4,763	8,486	82,001	291,458
Received from local funds	-	-	-	32,384
Total program To-Date Receipts	4,763	8,486	82,001	323,842
Program To-Date Disbursements	4,763	8,486	-	323,842
Program To-Date Due to Agency(Due from Agency)	\$ -	\$ -	\$ 82,001	\$ -

Notes: The FAA Grant #3-40-0058-010-2019 is complete and has been closeout.

See independent accountant's report on agreed-upon procedures.