

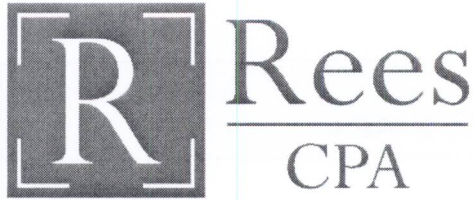
Town of Rockville

2019

Agreed Upon Procedures

Reported by Caleb Rees

Of Rees CPA



To the Town Council and
 Honorable Mayor
 Rockville Town, Utah

In accordance with *Utah Code 51-2a-201*, we have performed the procedures enumerated below, which were agreed to by the Town Council of Rockville Town, and the Office of the State Auditor, related to Rockville Town's Financial Survey, accounting records, and compliance with applicable state laws, rules, and requirements for the period July 1, 2018 to June 30, 2019.

Rockville Town's management is responsible for its Financial Survey, accounting records, and compliance with applicable state laws, rules, and 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.

This agreed-upon procedures engagement was conducted in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The procedures that we performed and our findings are summarized as follows:

PROCEDURES	RESULT
FINANCIAL SURVEY	
GENERAL	
1. We obtained a copy of the entity's Financial Survey which was completed by the entity.	We noted no exceptions as a result of these procedures.
2. We agreed amounts reported on the Financial Survey to the entity's general ledger.	We noted no exceptions as a result of these procedures.
REVENUES	
3. We compared each revenue account on the Financial Survey to the corresponding prior period amounts. For changes greater than 5% of total revenues and 10% of the individual line item from the prior year, we inquired of management and reviewed applicable supporting documentation and determined whether the entity's explanation for the change was in accordance with the entity's policies and procedures, GAAP, and State and/or Federal policies as applicable.	We noted no exceptions as a result of these procedures.

PROCEDURES	RESULT
<p>DISBURSEMENTS</p> <p>4. We compared each expense account on the Financial Survey to the corresponding prior period amounts. For changes greater than 5% of total expenses and 10% of the individual line item from the prior year, we inquired of management and reviewed applicable supporting documentation to determine whether the entity's explanation for the change was in accordance with the entity's policies and procedures, GAAP, and State and/or federal policies as applicable.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>ACCOUNTING RECORDS</p>	
<p>GENERAL</p> <p>5. We inquired with those charged with governance, the chief administrative officer, and the chief financial officer (as designated in UCA 11-50-202) of any instances of fraud, illegal acts, or noncompliance.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>DISBURSEMENTS</p> <p>6. We determined whether financial reports were prepared monthly or quarterly as required, and reviewed by the governing body. We selected one financial report and (1) scanned the general ledger and determined that all funds were included in the report, and (2) agreed the lesser of 10% or 15 line items from the report to the general ledger.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>7. We inquired with the chief administrative officer and the chief financial officer whether there were disbursements to related parties. We also scanned disbursement records for disbursements to related parties and determined who has credit cards or purchasing cards issued by the entity. We selected the lesser of 25 disbursements or 10% of disbursements ensuring that the selection includes disbursements to related parties as well as credit card or purchase card disbursements made by members of the governing body and executive level of management.</p> <p>For each transaction selected, we determined the whether the disbursement:</p> <p>a. Was consistent with the entity's purpose.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>b. Agreed to the receipt or invoice supporting the amount and payee.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>c. Was authorized consistent with the entity's policies and procedures.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>d. Was in compliance with the entity's purchasing policy (bids, quotes, etc.).</p>	<p>We noted no exceptions as a result of these procedures.</p>

PROCEDURES	RESULT
e. Was classified and recorded in accordance with the entity's chart of accounts and policies and procedures, GAAP, and State/Federal policies as applicable.	We noted no exceptions as a result of these procedures.
8. For each credit or purchasing card used, we selected one month during the period and determined whether card purchases were reconciled to receipts monthly by someone other than the card holder.	We noted no exceptions as a result of these procedures.
9. Through inquiry with management and scanning receipt records, we determined what restricted revenue was received by the entity and selected the lesser of 10% or 5 disbursements from restricted funds and determined whether the disbursements were in compliance with restrictions placed on the funds.	We noted no exceptions as a result of these procedures.
CASH 10. For each depository account, we obtained the year-end bank reconciliation and one additional month's bank reconciliation and performed the following:	We noted no exceptions as a result of these procedures.
a. Traced the bank balance on the reconciliation to the balance per the bank statement.	We noted no exceptions as a result of these procedures.
b. Traced the reconciled book balance to the general ledger and the amount reported on the Financial Survey.	We noted no exceptions as a result of these procedures.
c. Tested the clerical accuracy of the reconciliation.	We noted no exceptions as a result of these procedures.
d. For reconciling items greater than 5% of annual revenues, inquired of management and reviewed applicable supporting documentation to determine that the items were consistent with the entity's policies and procedures, GAAP, and State/Federal policies. Traced the lesser of 10% or five reconciling items to a subsequent bank statement.	We noted no exceptions as a result of these procedures.
e. Traced the lesser of 10% or five deposit transactions and 10% or five disbursement transactions to the general ledger.	We noted no exceptions as a result of these procedures.
11. For each depository bank reconciliation selected above, through inquiry of management and review of the reconciliation, we determined whether the bank reconciliation was performed by someone who does not have access to receipts or disbursements (including direct access to perform withdrawals/transfers in the bank accounts). If the individual did have access to receipts or disbursements, we determined whether a separate individual reviewed the completed bank reconciliation.	We noted no exceptions as a result of these procedures.

PROCEDURES	RESULT
<p>MEETINGS</p> <p>12. We reviewed the governing board's meeting minutes for the period applicable to the engagement through the report date of the engagement. For all financial transactions discussed in the minutes exceeding 5% of total revenues, and a selection of the lesser of 10% or 3 less-significant financial transactions discussed, we traced the transactions to the entity's accounting records and determined whether the transactions were recorded and reported in accordance with the entity's policies and procedures, GAAP, and State and/or Federal policies, as applicable.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>COMPLIANCE</p>	
<p>MEETINGS</p> <p>13. We selected and obtained the agenda and meeting minutes for two public meetings held during the engagement year and performed the following:</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>a. We determined if the entity gave proper notice of the meeting at least 24 hours before each meeting by posting the notice on the Utah Public Notice Website.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>b. We determined if the agenda was reasonably specific to enable lay persons to understand the topics to be discussed.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>c. We determined if the public body took any final actions on a topic in the meeting that was not listed under an agenda item.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>d. We determined whether the minutes were posted to the Utah Public Notice Website within three days of the minutes being approved. (Exceptions: Charter schools are required only to <u>make the meeting minutes available</u> to the public within three days of being approved.)</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>e. If a portion of the meeting was closed to the public, we determined that 1) before the meeting was closed, the reason for holding the closed meeting was documented in the meeting minutes and a roll call vote was taken, 2) the reason for closing the meeting was permitted under UCA 52-4-205, and 3) an audio recording of the closed meeting was made, or in the case of meetings closed to discuss Section 52-4-205(1)(a)(i)(f) or (2), the presiding person had executed a sworn statement that the sole purpose of the closed meeting was to discuss those issued.</p>	<p>We noted no exceptions as a result of these procedures.</p>
<p>BUDGET</p> <p>14. We determined if a budget was approved before the start of the budget year and if the budget presented to the public and governing body contained the required financial information.</p>	<p>We noted no exceptions as a result of these procedures.</p>

PROCEDURES	RESULT
15. We determined if the entity provided the required 7-day notice for its original and final budget adoption hearing.	We noted no exceptions as a result of these procedures.
16. We examined the entity's records and financial reports and determined whether the total expenditures stayed within the amounts appropriated in the final adopted budget.	We noted no exceptions as a result of these procedures.
FUND BALANCES 17. Deficit Fund Balances: For any fund that had a deficit fund balance in the year under review, we determined whether the entity included in the subsequent budget year an appropriation to retire the deficit of an amount equal to or greater than 5% of the fund's total actual revenue of the year under review.	We noted no exceptions as a result of these procedures.
18. General Fund Balance Limitations: We determined whether the entity's unrestricted (committed, assigned, and unassigned) general fund balance did not exceed 25% for cities or 75% for towns of the total revenue of the general fund for the engagement year.	We noted no exceptions as a result of these procedures.
TRAINING 19. Through inquiry with officials of the entity and observation of meeting agendas, certificates or other relevant evidence, we determined whether the following training had occurred as applicable: a. Annual training on the requirements of the Open and Public Meetings Act.	We noted no exceptions as a result of these procedures.
b. Annual online training by the entity's designated records officer on the requirements of GRAMA.	We noted no exceptions as a result of these procedures.
GRAMA (GOVERNMENT RECORDS ACCESS MANAGEMENT ACT) 20. If the entity charges fees for GRAMA requests, we verified that the entity has adopted a uniform fee structure.	We noted no exceptions as a result of these procedures.
PUBLIC TREASURER'S BOND 21. We determined whether the Treasurer was bonded or insured in accordance with Money Management Council Rule R628-4-4.	We noted no exceptions as a result of these procedures.

We were not engaged to and did not conduct an examination or review, the objectives of which would be the expression of an opinion or conclusion, respectively, on Rockville Town's Financial Survey, accounting records, or compliance with applicable state laws, rules, and requirements. 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.

The purpose of this report is solely to describe the scope of our testing of Rockville Town's Financial Survey, accounting records, and compliance with applicable state laws, rules, and requirements and the results of that testing, and not to provide an opinion or conclusion on the Financial Survey, the accounting records, or compliance with applicable state laws, rules, and requirements. Accordingly, this communication is not suitable for any other purpose.

Rees CPA

Rees CPA
Cedar City, UT
October 25, 2019

Town of Rockville
Unaudited Balance Sheet / Statement of Net Position
 June 30, 2019

	Governmental Funds				Enterprise Funds				TOTALS
	General Fund	Capital Project Funds	Debt Service Funds	Special Revenue Funds	Permanent Trust Funds	Sewer	Water	Garbage	
ASSETS									
3 Cash	347,359	34,359	8,809						390,527
4 Investments									
5 Receivables (net):									
6 Accounts	5,936								5,936
7 Taxes									
8 Intergovernmental									
9 Due from Other Funds									
10 Inventory									
11 Capital Assets									
12 Land									
13 Buildings									
14 Improvements									
15 Equipment									
16 Construction in Progress									
17 Less Accumulated Depreciation (enter as a negative amount)									
17 Other (Specify):									
Total Assets	353,295	34,359	8,809						396,463
LIABILITIES									
18 Accounts Payable	1,371								1,371
19 Accrued Payroll									
20 Due to Other funds									
21 Unearned Revenue									
22 Interest Payable									
23 Deposits									
24 Capital Leases Payable									
25 Bonds, current									
26 Bonds, noncurrent									
27 Other (Specify):									
Total Liabilities	1,371								1,371
DEFERRED INFLOWS OF RESOURCES									
28 Deferred Property Tax Revenue									
FUND BALANCE / NET POSITION									
29a Capital / Assets, Net of Related Debt									
30 Nonspendable									
31 Restricted	126,895	34,359	8,809						170,063
32 Committed	24,436								24,436
33 Assigned	75,567								75,567
34 Unassigned / Unrestricted	125,026								125,026
Ending Fund Balance	351,924	34,359	8,809						395,092
Total Liabilities, Deferred Inflows of Resources & Fund Balance / Net Position	353,295	34,359	8,809						396,463

Town of Rockville

Unaudited Statement of Revenues, Expenses, and Changes in Fund Balance/Net Position

June 30, 2019

Description	Governmental Funds				Enterprise Funds				TOTALS
	General Fund	Capital Projects	Debt Service	Special Revenue Funds	Permanent Trust Funds	Sewer	Water	Garbage	
REVENUES									
36 Taxes	143,507								143,507
37 Licenses and permits	8,690								8,690
38 Intergovernmental	183,868								183,868
39 Charges for Services	36,158								36,158
40 Fees and Assessments									-
41 Fines and forfeitures									-
42 Impact Fees									-
43 Interest	10,063	1,048	153						11,264
44 Gain on Sale of Assets									-
45 Other (specify):									-
Donations	3,458								3,458
Miscellaneous	731								731
Total Revenues	386,475	1,048	153						387,676

GOVERNMENTAL FUNDS EXPENDITURES

Current:									
46 General Government	120,019								120,019
47 Public Safety	20,954								20,954
48 Parks and Recreation	23,109								23,109
49 Other									-
Debt Service:									
50 Principal retirement			1,000						1,000
51 Interest and fiscal charges			2,970						2,970
52 Capital Outlay:									
General Government	132,157								132,157
Public Safety									-
Parks and Recreation									-
Other									-
Total Expenditures	296,239		3,970						300,209

ENTERPRISE FUNDS EXPENSES

53 Salaries and Wages									
54 Benefits									
55 Supplies and materials									
56 Depreciation									
57 Other									
58 Interest Expense									
59 Loss on sale of assets									
Total Expenses									

Excess revenues over (under) expenditures/expenses

	90,236	1,048	(3,817)						87,467
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Other Financing Sources (Uses)

60 Issuance of Capital Leases									
61 Issuance of Bonds									
62 Sale of Capital Assets									
63 Transfers In	1,820		4,040						5,860
64 Transfers Out (enter as a negative amount)	(4,040)	(1,820)							(5,860)
Total Other Financing Sources (Uses)	(2,220)	(1,820)	4,040						

Fund Balances - Beginning (prior year ending)

	263,908	35,131	8,586						307,625
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Fund Balances - Ending (current year)

	351,924	34,359	8,809						395,092
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Town of Rockville
Unaudited Capital Asset Activity
Governmental Funds
June 30, 2019

	Beginning Balance	Additions	Deletions (enter as a negative amount)	Ending Balance
67 Land	200,465			200,465
68 Infrastructure				-
69 Construction in Progress				-
70 Buildings & Improvements	523,108			523,108
71 Improvements other than buildings	-	203,167		203,167
72 Machinery & Equipment	134,796			134,796
Total Capital Assets	858,369	203,167	-	1,061,536
73 Accumulated Depreciation for:				
Infrastructure				-
Construction in Progress				-
Buildings & Improvements	298,844	14,612		313,456
Improvements other than buildings	-	-		-
Machinery & Equipment	130,704	3,079		133,783
Total Accumulated Depreciation	429,548	17,691	-	447,239
Net Capital Assets	428,821	185,476	-	614,297

Greater than \$5,000 and longer life than 1 year

Town of Rockville
Unaudited Long-term Debt
Governmental Funds
June 30, 2019

	Beginning Balance	Additions	Reductions (enter as a negative amount)	Ending Balance
74 General Obligation Bonds	66,000		(1,000)	65,000
75 Capital Leases				-
76 Compensated Absences				-
77 Other (specify):				-
				-
Total Long Term Debt	66,000	-	(1,000)	65,000