

Town of Odessa

Schedule of Cash Balances, Cash Receipts, and Cash Disbursements

For the year ended,

June 30, 2025

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Boyer & Boyer, CPA
Certified Public Accountants
2392 Limestone Road
Wilmington, DE 19808

To the Honorable Mayor
and Members of the Council
of the Town of Odessa, Delaware

Independent Accountant's Report on Applying Agreed Upon Procedures

We have performed the procedures enumerated below, which were agreed to by the Mayor of the Town and members of the council on the analysis and confirmation of the cash balances, cash receipts, and cash disbursements as of the fiscal year ended, June 30, 2025. The Town of Odessa is responsible for the recording of the cash receipts, cash disbursements, and reconciliation of cash balances. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose. We did not compile, review, or audit the financial statement. Accordingly, we do not express an opinion or a conclusion on this financial statement.

The procedures and the associated findings are as follows:

For the bank accounts of the Town of Odessa

1. Confirmation of cash disbursements, cash receipts, and verify cash balances to an external source.
2. Generate Schedule of Cash Balances, Cash Receipts, and Cash Disbursements.
3. Present findings and discrepancies to the Town and recommend corrective action in a written format.

We found no exceptions as a result of the procedures.

Basis of Accounting and Presentation

We draw attention to Note A of the Schedule of Cash Balances, Cash Receipts, and Cash Disbursements, which describes the basis of accounting and presentation. The schedule was prepared on the cash basis of accounting, which is a basis of accounting other than the generally accepted accounting principles of the United States of America, to comply with management's request to perform agreed upon procedures of all cash balances.

Restriction on Use

Our report is intended solely for the information and use of the Town of Odessa, Council, and Grantors, and is not intended to be and should not be used by anyone other than these specified parties.

Donald L. Boyer, CPA

Donald L. Boyer, CPA
October 30, 2025

Town of Odessa
Statement of Cash Balances, Cash Receipts, and Cash Disbursements
For the Year Ended June 30, 2025

	PNC OPERATING ACCOUNT	PNC COMMUNITY ACCOUNT	PNC MUNICIPAL STREET ACCOUNT
Cash Receipts			
Building Impact Fees	\$ 2,735	\$ -	\$ -
Cable Franchise Fees	4,449	-	-
Dividends and Interest	-	4	-
Fines	3,079	-	-
Grants	112,029	-	-
Real Estate Taxes	61,777	-	-
Rent	-	16,627	-
Transfer Taxes	27,863	-	-
Trash Assessments	66,172	-	-
Transfers-In	-	-	19,628
Non-Income Deposits	3,769	-	-
Miscellaneous Income	270	-	-
Total Cash Receipts	282,143	16,631	19,628
Cash Disbursements			
Returns & Allowances	75	-	-
Advertising	1,348	-	-
Bank Charges	255	30	44
Building Inspection Expense	1,890	-	-
Contributions - Fire Company	150	-	-
Dues & Subscriptions	700	-	-
Street Lighting (Electricity)	-	-	14,377
Insurance	6,654	-	-
Office Supplies & Postage	5,023	108	-
Parks and Recreation	14,005	-	-
Payroll Taxes	1,952	-	-
Professional Fees	12,018	-	-
Public Safety	3,732	-	-
Secretary/Clerk	23,564	-	-
Storm Cleanup	-	-	3,000
Repairs & Maintenance	154,789	22,733	-
Transfers-Out	19,628	-	-
Trash	64,780	-	-
Tree Commission & Cleanup	2,207	-	-
Total Cash Disbursements	312,770	22,871	17,421
Net Increase (Decrease) In Cash and Cash Equivalents	\$ (30,627)	\$ (6,240)	\$ 2,207
Balance at July 01, 2024	\$ 335,215	\$ 42,350	\$ 4,379
Balance at June 30, 2025	\$ 304,589	\$ 36,109	\$ 6,586

See Independent Accountant's Report

Town of Odessa
Statement of Cash Balances, Cash Receipts, and Cash Disbursements
For the Year Ended June 30, 2025

	M&T CHECKING ACCOUNT	M&T TAX ACCOUNT	M&T IMPACT FEE ACCOUNT	M&T HISTORIC PRESERVATION FUND ACCOUNT
Cash Receipts				
Building Impact Fees	\$ -	\$ -	\$ -	\$ -
Cable Franchise Fees	\$ -	\$ -	\$ -	\$ -
Dividends and Interest	966	\$ 38	\$ 1	\$ 1
Fines	\$ -	\$ -	\$ -	\$ -
Grants	\$ -	\$ -	\$ -	\$ -
Real Estate Taxes	\$ -	\$ -	\$ -	\$ -
Rent	\$ -	\$ -	\$ -	\$ -
Transfer Taxes	\$ -	\$ -	\$ -	\$ -
Trash Assessments	\$ -	\$ -	\$ -	\$ -
Transfers-In	128,135	\$ -	\$ -	\$ -
Non-Income Deposits	835	\$ 13	\$ 5	\$ 5
Miscellaneous Income	\$ -	\$ -	\$ -	\$ -
Total Cash Receipts	\$ 129,936	\$ 50	\$ 6	\$ 6
Cash Disbursements				
Returns & Allowances	\$ -	\$ -	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -
Bank Charges	2,026	\$ 13	\$ 5	\$ 5
Building Inspection Expense	\$ -	\$ -	\$ -	\$ -
Contributions - Fire Company	\$ -	\$ -	\$ -	\$ -
Dues & Subscriptions	\$ -	\$ -	\$ -	\$ -
Street Lighting (Electricity)	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -
Office Supplies & Postage	\$ -	\$ -	\$ -	\$ -
Parks and Recreation	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	\$ -	\$ -	\$ -	\$ -
Professional Fees	\$ -	\$ -	\$ -	\$ -
Public Safety	\$ -	\$ -	\$ -	\$ -
Secretary/Clerk	\$ -	\$ -	\$ -	\$ -
Storm Cleanup	\$ -	\$ -	\$ -	\$ -
Repairs & Maintenance	\$ -	\$ -	\$ -	\$ -
Transfers-Out	\$ -	111,843	\$ 8,821	\$ 7,471
Trash	\$ -	\$ -	\$ -	\$ -
Tree Commission & Cleanup	\$ -	\$ -	\$ -	\$ -
Total Cash Disbursements	2,026	\$ 111,855	\$ 8,826	\$ 7,476
Net Increase (Decrease) In Cash and Cash Equivalents	\$ 127,910	\$ (111,805)	\$ (8,820)	\$ (7,469)
Balance at July 01, 2024	\$ 4,742	\$ 111,805	\$ 8,820	\$ 7,470
Balance at June 30, 2025	\$ 132,651	\$ 0	\$ 0	\$ 0

Town of Odessa
Statement of Cash Balances, Cash Receipts, and Cash Disbursements
For the Year Ended June 30, 2025

	CAPITAL ONE RE TRANSFER TAX ACCOUNT	CASH ON HAND	Total
Cash Receipts			
Building Impact Fees	\$	- \$	2,735
Cable Franchise Fees		- \$	4,449
Dividends and Interest	162	\$	1,171
Fines		- \$	3,079
Grants		- \$	112,029
Real Estate Taxes		- \$	61,777
Rent		- \$	16,627
Transfer Taxes		- \$	27,863
Trash Assessments		- \$	66,172
Transfers-In		- \$	147,763
Non-Income Deposits		- \$	4,627
Miscellaneous Income		- \$	270
Total Cash Receipts	162	\$	448,561
Cash Disbursements			
Returns & Allowances		- \$	75
Advertising		- \$	1,348
Bank Charges		- \$	2,377
Building Inspection Expense		- \$	1,890
Contributions - Fire Company		- \$	150
Dues & Subscriptions		- \$	700
Street Lighting (Electricity)		- \$	14,377
Insurance		- \$	6,654
Office Supplies & Postage		75	\$ 5,206
Parks and Recreation		- \$	14,005
Payroll Taxes		- \$	1,952
Professional Fees		- \$	12,018
Public Safety		- \$	3,732
Secretary/Clerk		- \$	23,564
Storm Cleanup		- \$	3,000
Repairs & Maintenance		- \$	177,522
Transfers-Out		- \$	147,763
Trash		- \$	64,780
Tree Commission & Cleanup		- \$	2,207
Total Cash Disbursements	-	\$ 75	\$ 483,318
Net Increase (Decrease) In \$	162	\$ (75)	\$ (34,757)
Cash and Cash Equivalents			
Balance at July 01, 2024	\$ 162,382	\$ 479	\$ 677,640
Balance at June 30, 2025	<u>\$ 162,544</u>	<u>\$ 404</u>	<u>\$ 642,883</u>

See Independent Accountant's Report

Town of Odessa
Notes to Statement
June 30, 2025

NOTE A: ORGANIZATION, NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Summary of Significant Accounting Policies

This summary of significant accounting policies of the Town of Odessa is presented to assist in understanding the special report. The special report and notes are representations of the Town's management, who is responsible for their integrity and objectivity.

II. Nature of Business

The Town of Odessa (the Organization) was incorporated in 1991, as a Municipal Corporation, under the provisions of the laws of the State of Delaware. The Town operates under a Mayor-Council form of government and provides the following services as authorized by its Charter: public safety, trash collections, culture and recreation, planning and inspection, and general government responsibilities.

III. Basis of Accounting Policies

The Town of Odessa presents the Statement of Cash Balances, Cash Receipts, and Cash Disbursements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, certain revenue is recognized when received rather than when earned, and certain expenses are recognized when paid rather than when incurred.

IV. Statement of Cash Balances, Cash Receipts, and Cash Disbursements

The Town of Odessa requested a special report on the Cash Balances, Cash Receipts, and Cash Disbursements that occurred from July 01, 2024 through June 30, 2025. In response to their request, the accompanying schedule was prepared to assist in our analysis of the procedures agreed upon in our engagement.

Accordingly, our report is intended solely for the information and use of the Town of Odessa, Council, and Grantors, and is not intended to be and should not be used by anyone other than these specified parties.

V. Currency Presentation

The Organization's functional currency is the United States dollar, all amounts presented have been rounded to the nearest whole dollar.

VI. Risk and Uncertainties

Concentration of Credit Risk - the Organization maintains its cash in bank accounts which, at times, may exceed the insured Federal Deposit Insurance Corporation. At June 30, 2025, the Organization had approximately \$130,605 in excess of the Federal Deposit Insurance limits. The Organization has not experienced any credit losses in such accounts.

VII. Income Taxes

The Town of Odessa is exempt from state and federal income taxes because it is incorporated as a municipality of the State of Delaware.

NOTE B: CASH BALANCES

I. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions. The current cash balance represents the reconciled balances with PNC Financial Corporation, Manufacturers and Traders Trust Company (M&T), Capital One, and cash on hand. As of June 30, 2025, cash and cash equivalents represents a total balance of \$642,883. Please refer to the accompanying schedule of Cash Balances, Cash Receipts, and Cash Disbursements for a year end balance and transactions that occurred in each account maintained by the Town of Odessa.

For the purposes of reporting cash flows, Town of Odessa considers all highly liquid investments with a maturity of one year or less to be cash equivalents.

Town of Odessa
Notes to Statement
June 30, 2025

II. Restricted Cash Balances

Funds received and deposited into certain accounts are legally restricted by outside parties for a specific purpose. The accounts and restricted purposes are as follows:

<u>Account</u>	<u>Purpose</u>
PNC Municipal Street Aid	Street Improvements
PNC Odessa Community	Old Academy Building

NOTE C: CASH RECEIPTS

I. Building Impact Fees

Town of Odessa imposes "impact fees" on all new development and construction due to the increased impact on public safety, roads and sidewalks, historic preservation, and general demand of services. Impact fees are paid for the fire company, parks, public safety, sidewalks and roadways, historic preservation, library, and general demand for services. Total impact fees collected by the Organization for the year ended June 30, 2025 was \$2,735.

II. Cable Franchise Fees

The Organization entered into a cable franchise agreement with Breezelne and Verizon. In return for allowing these cable providers to operate their cable systems in Town limits, Town of Odessa collects franchise fees from them. The total amount of franchise fees received by Town of Odessa for the year ended June 30, 2025 was \$4,449.

III. Dividends and Interest

Interest Income is earned on a time proportionate basis using the effective interest rate method. As of June 30, 2025 interest income earned from deposits held at PNC Bank, M&T Bank, and Capital One totaled \$1,171. The M&T Bank account now includes a sweep account feature, which optimizes the interest generated by maintaining excess funds in higher-yield interest bearing accounts.

IV. Fines

Town of Odessa collects fees from tickets that the Delaware State Police issue to traffic violators. For year ending June 30, 2025, total collections from fines was \$3,079.

V. Grants

Town of Odessa receives funding in the form of Grants from the State of Delaware. These restricted grants are to be used for the Municipal Street Aid Program and the local Fire Company. The total grant received by the Organization for year ending June 30, 2025 was \$112,029.

VI. Real Estate Taxes

Town of Odessa collects Real Estate Taxes assessed on the value of residential and commercial property located within the town limits. For fiscal year 2024-2025, the tax rate for real estate taxes was set at .25 and .90 per one hundred dollars of the assessed value for residential and commercial properties, respectively. Total real estate taxes collected by the Organization for the year ended June 30, 2025 was \$61,777.

VII. Rental Revenues

The Town of Odessa received rental revenues from Stanley Properties, LLC. who leased a portion of the first floor and the entire second floor located in the Old Academy Building. The Mayor and the Council of Odessa entered into a leasing agreement with Stanley Properties LLC February 2022, which expired on January 31, 2023. At the time of the lease renewal, a month to month basis agreement took effect between Town of Odessa and Stanley Properties, LLC. The rental revenues received are deposited into the Odessa Community Account: A Restricted Account. The total rental revenue received for the year ending June 30, 2025 was \$16,627. All cash receipts and disbursements for the account are Council approved and are dedicated for use on the Old Academy building.

Town of Odessa
Notes to Statement

June 30, 2025

VIII. Transfer Taxes

Upon the transfer of Real Property within the Town limits, Town of Odessa imposes a transfer tax equal to the greater of 50% of the transfer tax imposed by the State of Delaware or 1% of the sales price of the property. For year ended June 30, 2025, total transfer taxes collected by the Organization was \$27,863.

IX. Trash Assessments

Residents within the Town of Odessa pay the Organization for trash services rendered to their homes and businesses. Assessments are invoiced on an annual basis. For year ending June 30, 2025, Town of Odessa collected \$66,172 in trash assessments.

X. Transfers-In

Transfers-In represents cash deposited into bank accounts from another Organization bank account. In year ending June 30, 2025, Town of Odessa transferred \$19,628 from the PNC Operating Account to the PNC Municipal Street Account. Additionally, multiple M&T accounts were closed during the fiscal year, the balances transferred into the M&T Investment account totaled \$128,135. When Transfers-In are netted with Transfers-Out, the overall effect on cash should equal zero. See Note D(III) for information related to Transfers-Out.

XI. Non-Income Deposits

For the year ending June, 30 2025 non-income deposits totaling \$4,627. This consists of refunds for bank service charges, office supplies, professional fees and repairs & maintenance.

XII. Miscellaneous Income

Miscellaneous income represents sources of income derived from annual Town events. As of ending June 30, 2025, Town of Odessa had \$270 in miscellaneous income, \$170 was attributable to Halloween in the Park and the remaining \$100 was attributable to the donation to Memorial Park.

NOTE D: CASH DISBURSEMENTS

I. Advertising

Advertising costs are routinely disbursed as incurred. As of June 30, 2025, cash disbursements paid for advertising totaled \$1,348.

II. Repairs & Maintenance

Repairs and Maintenance are disbursed as incurred. All disbursements related to repairs and maintenance are for the Old Academy Building. For the year ended June 30, 2025, total disbursements for repairs and maintenance was \$177,522 of which \$172,275 was for building maintenance and \$5,247 was for lawn maintenance.

III. Transfers-Out

Transfers-Out represents cash moved from one bank account to another within the Organization. In year ending June 30, 2025, Town of Odessa transferred \$19,628 from the PNC Operating Account to the PNC Municipal Street Account. Additionally, multiple M&T accounts were closed during the fiscal year, the balances transferred out totaled \$128,135. When Transfers-Out are netted with Transfers-In, the overall effect on cash should equal zero. See Note C(X) for information related to Transfers-In.

NOTE E: SUBSEQUENT EVENTS

Monetary and non-monetary subsequent events of Town of Odessa have been evaluated for disclosures or adjustments in its financial statement for the year ended June 30, 2025 through October 30, 2025 which is the date the Statement of Cash Balances, Cash Receipts, and Cash Disbursements was available to be issued.

Boyer & Boyer, CPA
Certified Public Accountants
2392 Limestone Road
Wilmington, DE 19808

INDEPENDENT ACCOUNTANT'S FINDINGS & RECOMMENDATIONS

Upon completing our agreed upon procedure engagement, Boyer & Boyer concluded that the Town of Odessa Cash Balances, Cash Receipts, and Cash Disbursements for the year ended June 30, 2025, appears to be reasonable, accurate, and complete. No material modification to our report were required.

1. Boyer & Boyer found deminimus adjustments were required to record missing bank transactions, such as: interest income in the amount of \$471.04, bank service charges totaling \$22.50 and building repairs in the amount of \$190.00. It is our recommendation that the Town Council Members oversee the timely completion of monthly bank reconciliations, as well as, verify QuickBooks deposits and withdraws correspond with the bank reconciliation.
2. Additionally, several of the closed M&T accounts are still showing a balance in QuickBooks (M&T Historic Preservation \$0.33, M&T Impact Fee \$0.39 and M&T Tax \$9.43); these accounts should be zeroed out to reflect the correct balance. The M&T Sweep Investment account balance does not match the statement balance as of June 30, 2025 of \$132,650.37, we recommend adjusting the balance accordingly.
3. Lastly, an outstanding deposit in transit in the amount of \$4,000 from the prior fiscal year is still found on the on the PNC Municipal Street Fund bank reconciliation, this deposit can be voided or reversed. Currently, the balance is overstated on the Balance Sheet.