City of Cove
Regular Council Meeting
August 4, 2026
Additions to the Agenda

New Business

- Connected Professional Accountants, LLC, Contract for Oregon Minimum Standards for Agreed-Upon Procedures

connected professional ACCOUNTANTS LLC

P.O. Box 1024 | 1121 Adams Avenue | La Grande, OR 97850
P 541.963.4191 | F 541.963.9434 | W lagrandecpa.com

June 30, 2026

Board of Directors
City of Cove, Oregon
504 Alder St
Cove, OR 97824

We are pleased to confirm our acceptance and understanding of the services we are to provide for City of Cove ("the City") for the year ended June 30, 2026.

You have requested that we prepare the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the note disclosures of City of Cove for the year ended June 30, 2026. You have also requested that we prepare the budgetary comparison information based on information provided by you.

Our Responsibilities

The objective of our engagement is to prepare financial statements in accordance with the modified cash basis of accounting based on information provided by you. We will conduct our engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the *AICPA's Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the City or noncompliance with laws and regulations.

Management Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is the preparation of the financial statements in accordance with the modified cash basis of accounting. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARS.

1. The selection of the modified cash basis of accounting as the financial reporting framework to be applied in the preparation of the financial statements.
2. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
3. The prevention and detection of fraud.
4. To ensure the City complies with the laws and regulations applicable to its activities.
5. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgements, you provide to us for the engagement to prepare financial statements.

6. To provide us with –
   - Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,
   - Additional information that may be requested for the purpose of the preparation of the financial statements, and
   - Unrestricted access to persons within the City with whom we determine it necessary to communicate.

You are responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee the preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

Other Relevant Information

Lindsey Cole, CPA is responsible for supervising the engagement.

Our fees for these services will be $2,685. Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification or termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Connected Professional Accountants, LLC

Lindsey Cole, CPA

Lindsey Cole, CPA

RESPONSE:
This letter correctly sets forth the understanding of City of Cove.

Management's Signature

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Title: ______________________________

Date: ______________________________

connected professional ACCOUNTANTS LLC

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June 30, 2026

Board of Directors
City of Cove, Oregon
504 Alder St
Cove, OR 97824

We are pleased to confirm our understanding of the terms or our engagement and the nature and limitations of the services we are to provide for the City of Cove.

We will apply the procedures described in Oregon Administrative Rules Chapter 162, Section 40: *Oregon Minimum Standards for Agreed-Upon Procedures*. By signing this engagement letter, you agree to those procedures and acknowledge that the procedures to be performed are appropriate for the intended purpose of the engagement, which is to fulfill the State of Oregon's annual filing requirement for your entity. We understand the engagement is required in accordance with Oregon Administrative Rules. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgment that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. A refusal to provide such agreement and acknowledgment will result in our withdrawal from the engagement. No other parties will be requested to agree to the procedures. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose.

Because the agreed-upon procedures do not constitute an examination or review, we will not express an opinion or a conclusion on the procedures described in Oregon Administrative Rules Chapter 162, Section 40: *Oregon Minimum Standards for Agreed-Upon Procedures*. In addition, we have no obligation to perform any procedures beyond those to which you agree.

We plan to begin our procedures in July 2026 and, unless unforeseeable problems are encountered, the engagement should be completed by September 2026.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Board of Directors. If we encounter restrictions in performing our procedures, we will discuss the matter with you. If we determine the restrictions are appropriate, we will disclose the restrictions in our report. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Our report is not expected to be restricted to the use of specified parties.

There may exist circumstances that, in our professional judgment, will require we withdraw from the engagement. Such circumstances include the following:

- You refuse to provide written agreement to the procedures and acknowledge that they are appropriate for the intended purpose of the engagement.
- You fail to provide requested written representations, or we conclude that there is sufficient doubt about the competence, integrity, ethical values, or diligence of those providing the written representation, or we conclude that the written representations provided are otherwise not reliable.
- We determine that the description of the procedures performed or the corresponding findings are misleading in the circumstances of the engagement.
- We determine that restrictions on the performance of procedures are not appropriate.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, should any such matters come to our attention, we will communicate them in accordance with professional standards and applicable law. In addition, if, in connection with this engagement, matters come to our attention that contradict the procedures described in Oregon Administrative Rules Chapter 162, Section 40: *Oregon Minimum Standards for Agreed-Upon Procedures*, we will communicate such matters to you.

You are responsible for the subject matter to which we will apply procedures as described in Oregon Administrative Rules Chapter 162, Section 40: *Oregon Minimum Standards for Agreed-Upon Procedures.* In addition, you are responsible for providing us with (1) access to all information of which you or the appropriate party are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request from the appropriate party for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the subject matter to which we will apply procedures as described in *Oregon Minimum Standards for Agreed-Upon Procedures* in accordance with Oregon Administrative Rules Chapter 162, Section 40.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skill, knowledge, and experience to oversee our financial statement preparation services. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Lindsey Cole, CPA is the engagement manager and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for these services will be $6,265. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of pocket expenditures through the date of termination.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from knowing misrepresentations to us.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will consider whether they need to acknowledge in writing their agreement with the procedures performed or to be performed and their acknowledgment that the procedures are appropriate for their purposes.

Connected Professional Accountants, LLC

Lindsey Cole, CPA

Lindsey Cole, CPA

RESPONSE:
This letter correctly sets forth the understanding of City of Cove

Management's Signature

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Title: __________________________________

Date: __________________________________