

Town of Leedey, Oklahoma

Leedey, Oklahoma

Independent Accountant's Report

On

Applying Agreed-Upon Procedures

For The Year Ended

June 30, 2023



801 Frisco, Clinton, OK 73601
580.323.1766 | 580.323.1768 fax

Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Practitioner's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Leedey
Leedey, Oklahoma

Trustees of the Leedey Public Works Authority
Leedey, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have performed the procedures enumerated below 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 Leedey and the Leedey Public Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Leedey and the Leedey Public Works Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. 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 Leedey as of and for the fiscal year ended June 30, 2023:

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I. No instances of noncompliance noted.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II. Exhibits II, transfers are over budget by \$4,757 on Exhibit II. Total fund balance is in compliance.

- III. **Procedures Performed:** Agree 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 instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2023.

- V. **Procedures Performed:** Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VII. **Procedures Performed:** Compare the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No such compliance requirements were identified that were applicable to the Town. No instances of noncompliance noted.

- VIII. **Procedures Performed:** For the grants received during the year, prepare a schedule of grant funds awarded, received, expended and the remaining balances. Compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: See Exhibit VI. No instances of noncompliance noted.

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

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures and changes in fund balance-cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit III. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree 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 unusual reconciling items were noted that did not clear on a timely basis.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2023.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. **Procedures Performed:** Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VII. **Procedures Performed:** Prepare a Balance Sheet for the Authority

Findings: See Exhibit IV. No instance of noncompliance noted

We were engaged by The Town of Leedey and the Leedey Public Works Authority to perform this agree-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional 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, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. 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 of Leedey and the Leedey Public Works Authority and to meet our 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 those specified parties.



rsmeacham
CPA, CFPP, CFE

Clinton, Oklahoma
November 3, 2023

TOWN OF LEEDEY, OKLAHOMA
SUMMARY OF CHANGES IN UNRESTRICTED FUND BALANCES MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
TOWN:			
General Fund	\$ 354,335	\$ 47,935	\$ 402,270
Street & Alley Fund	2,132	3,462	5,594
Cemetery	1,980	(403)	1,577
Cemetery Improvements	16,181	150	16,331
Museum	1,664	(98)	1,566
Community Building	365	2,047	2,412
REAP	25	10	35
Fire	4,493	1,627	6,120
CITY TOTAL	<u>381,175</u>	<u>54,730</u>	<u>435,905</u>
LEEDEY PUBLIC WORKS AUTHORITY :			
LPWA	762,328	36,494	798,822
LPWA TOTAL	<u>\$ 762,328</u>	<u>\$ 36,494</u>	<u>\$ 798,822</u>

See accountant's report.

TOWN OF LEEDEY, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 280,933	\$ 354,335	\$ 354,335	\$ -
Resources (Inflows):				
Taxes:				
Sales tax	142,019	142,019	144,637	2,618
Use tax	30,731	33,731	33,838	107
Tobacco tax	1,066	1,066	987	(79)
Total Taxes	<u>173,816</u>	<u>176,816</u>	<u>179,462</u>	<u>2,646</u>
Intergovernmental:				
Alcoholic beverage tax	28,258	31,258	31,309	51
Franchise tax	8,180	11,180	11,121	(59)
Total Intergovernmental	<u>36,438</u>	<u>42,438</u>	<u>42,430</u>	<u>(8)</u>
Fines and Forfeitures	400	400	205	(195)
Investment Income	100	1,500	2,336	836
ARPA Grant	46,423	46,423	39,053	(7,370)
Miscellaneous Income	1,500	1,500	1,034	(466)
Royalty	2,500	2,500	2,716	216
Rentals	4,000	4,000	1,360	(2,640)
Grants-CDBG	-	88,657	104,794	16,137
Grants-Fire	-	10,053	10,053	-
Transfer In	-	20,000	23,000	3,000
Total current year resources	<u>265,177</u>	<u>394,287</u>	<u>406,443</u>	<u>12,156</u>
Amounts available for appropriation	<u>\$ 546,110</u>	<u>\$ 748,622</u>	<u>\$ 760,778</u>	<u>\$ 12,156</u>
Charges to Appropriations (Outflows):				
General government:				
Personal services	64,895	70,895	60,534	10,361
Materials and supplies	12,000	17,000	14,386	2,614
Other services and charges	25,500	30,500	50,752	(20,252)
Capital outlay	-	-	21,093	(21,093)
ARPA Expense	-	41,023	-	41,023
Total General Government	<u>102,395</u>	<u>159,418</u>	<u>146,765</u>	<u>12,653</u>
Police:				
Materials and supplies	50	50	25	25
Other services and charges	25,000	25,000	24,000	1,000
Total Police	<u>25,050</u>	<u>25,050</u>	<u>24,025</u>	<u>1,025</u>
Fire:				
Personal services	3,020	3,220	3,369	(149)
Materials and supplies	300	300	3,223	(2,923)
Other services and charges	2,400	4,000	58	3,942
Total Fire	<u>5,720</u>	<u>7,520</u>	<u>6,650</u>	<u>870</u>
Park:				
Other services and charges	5,500	5,500	5,211	289
Total Park	<u>5,500</u>	<u>5,500</u>	<u>5,211</u>	<u>289</u>
Total Charges to Appropriations	<u>\$ 138,665</u>	<u>\$ 197,488</u>	<u>\$ 182,651</u>	<u>\$ 14,837</u>
Transfers out to Other Funds:				
Infrastructure savings	41,100	171,100	56,000	115,100
Street and Alley	-	-	15,000	(15,000)
Community Building	-	-	10,000	(10,000)
Grant fund	-	-	84,804	(84,804)
Fire	-	-	10,053	(10,053)
Total Transfers	<u>41,100</u>	<u>171,100</u>	<u>175,857</u>	<u>(4,757)</u>
Change in Fund Balance	<u>85,412</u>	<u>25,699</u>	<u>47,935</u>	<u>31,750</u>
Ending Budgetary Fund Balance	<u>\$ 366,345</u>	<u>\$ 380,034</u>	<u>\$ 402,270</u>	<u>\$ 31,750</u>
UNRESTRICTED FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)			<u>\$ 402,270</u>	

LEEDEY PUBLIC WORKS AUTHORITY LEEDEY, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Operating Revenues:	
Charges for services:	
Water	\$ 207,382
Sewer	29,820
Sanitation	56,898
Other	5,726
Total Operating Revenues	<u>299,826</u>
Operating Expenses:	
Administration	44,646
Water	144,580
Sewer	35,593
Sanitation	57,642
Interest expense	9,345
Total Operating Expenses	<u>291,806</u>
Operating Income	8,020
Non-Operating Activities:	
Transfers In	56,007
Transfers Out	(30,700)
Interest	3,167
Total Non-Operating Activities	<u>28,474</u>
Change in fund balance	36,494
Fund Balance - beginning	\$ 762,328
Fund Balance - ending	<u>\$ 798,822</u>
FUND BALANCE AT END OF YEAR (MODIFIED CASH BASIS)	<u>\$ 798,822</u>

Exhibit IV

LEEDEY PUBLIC WORKS AUTHORITY, LEEDEY, OKLAHOMA
BALANCE SHEET-MODIFIED CASH BASIS
JUNE 30, 2023

	<u>2023</u>
ASSETS	
Current assets:	
Cash, including savings	\$ 163,180
Total current assets	<u>163,180</u>
Restricted assets:	
Cash, including time deposits	<u>199,928</u>
Total restricted assets	<u>199,928</u>
Non-current assets:	
Capital assets (net)	<u>1,023,054</u>
Total non-current assets	<u>1,023,054</u>
Total assets	<u><u>1,386,162</u></u>
LIABILITIES	
Liabilities, payable from restricted assets:	
Meter deposits payable	18,818
Notes payable	<u>568,522</u>
Total liabilities payable from restricted assets	<u>587,340</u>
Total liabilities	<u>587,340</u>
FUND BALANCE	
Restricted for:	
Fixed assets	430,588
Debt service	128,683
Council restricted Infrastructure	134,788
Unrestricted:	<u>104,763</u>
Fund Balance	<u>798,822</u>
Total Liabilities and Fund Balance	<u><u>1,386,162</u></u>

TOWN OF LEEDEY, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE -MODIFIED CASH BASIS
 REAP FUND
 FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 25	\$ 25	\$ 25	\$ -
Resources (Inflows):				
Grants-REAP			208,594	208,594
Transfer in			10	10
Total current year resources	-	-	208,604	208,604
Amounts available for appropriation	\$ 25	\$ 25	\$ 208,629	\$ 208,604
Charges to Appropriations (Outflows):				
Grant expense			208,594	(208,594)
Grant expense			208,594	(208,594)
Total Charges to Appropriations	-	-		
Change in Fund Balance	-	-	10	10
Ending Budgetary Fund Balance	25	25	35	10

Exhibit VI

TOWN OF LEEDEY, OKLAHOMA
SCHEDULE OF GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Grant revenue	Funding period	Project description	Award	Amount received	Amount expended	Receipts less expenditures
Grant received from:						
Federal Government	FY2022	ARPA funds	\$ 39,053	\$ 39,053	\$ 39,053	-
USDA	2022-2023	Fire annual grant	\$ 10,053	\$ 10,053	\$ 8,426	1,627
REAP #DE22-3	January 2022-July 2023	Water Tower Improvements	\$ 136,364	\$ 123,800	\$ 123,800	-
CDBG #18503	April 2022-April 2024	Providing safe drinking water	\$ 136,364	\$ 84,794	\$ 84,794	-
						-
		Total	<u>\$ 321,834</u>	<u>\$ 257,700</u>	<u>\$ 256,073</u>	<u>\$ 1,627</u>

See accountant's report.