

**TOWN OF CANEY, OKLAHOMA**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2023**

TOWN OF CANEY, OKLAHOMA  
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Town of Caney, Oklahoma  
Statement of Revenues, Expenditures and Changes in Fund Balance -- Cash Basis  
General Fund and County Sales Tax Fund  
For the Year Ended June 30, 2023  
(Unaudited)

Revenues	General Fund	County Sales Tax Fund
General sales and use taxes	\$ 53,958	\$ -
Special sales taxes - fire department - New	-	39,080
Franchise taxes	6,192	-
Alcoholic beverage tax	7,943	-
Gas excise and motor vehicle taxes	3,139	-
Cigarette tax	235	-
Fines and forfeitures, traffic related	193,968	-
Fines forfeitures & fees, all others	89,624	-
CLEET / AFIS fees	43,743	-
Rent income	2,836	-
Interest income	290	-
Other revenues	40,570	-
Grant proceeds:		
Okla. Dept. of Agriculture fire dept. support	10,053	-
ARPA Covid Relief Grant	17,455	-
Total revenues	<u>470,006</u>	<u>39,080</u>
Expenditures		
General government		
Personal services	47,824	-
Materials and supplies	14,221	-
Other charges and services	33,142	-
Capital expenditures	-	-
OKTSET project expenditures	-	-
Police department		
Personal services	202,334	-
Materials and supplies	14,798	-
Other charges and services	89,116	-
Debt Service Payments	-	-
Capital expenditures	21,839	-
Fire department		
Personal services	1,260	-
Materials and supplies	16,356	11,041
Other charges and supplies	19,342	15,689
Capital expenditures	-	3,000
Street department		
Personal services	15,274	-
Materials and supplies	3,439	-
Other charges and services	6,700	-
Capital expenditures	-	-
Total expenditures	<u>485,645</u>	<u>29,730</u>
Excess of revenues over (under) expenditures	(15,639)	9,350
Beginning fund balance - cash basis	<u>67,456</u>	<u>50,552</u>
Ending fund balance - cash basis	<u>\$ 51,817</u>	<u>59,902</u>

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Town of Caney, Oklahoma  
Budgetary Comparison Schedule -- Cash Basis  
General Fund  
For the Year Ended June 30, 2023  
(Unaudited)

	Original <u>Budget</u>	Budget <u>Adjustments</u>	Final <u>Budget</u>	Actual <u>Amounts</u>	Variance Positive (Negative)
<b>Revenues</b>					
Sales and use taxes	\$ 42,500	11,250	53,750	53,958	208
Franchise taxes	5,000	1,500	6,500	6,192	(308)
Alcoholic beverage tax	10,500	-	10,500	7,943	(2,557)
Gas excise and motor vehicle taxes	1,750	1,250	3,000	3,139	139
Cigarette tax	250	-	250	235	(15)
Fines and forfeitures, traffic related	170,000	20,000	190,000	193,968	3,968
Fines and forfeitures, all others	85,000	4,000	89,000	89,624	624
CLEET / AFIS fees	38,000	4,000	42,000	43,743	1,743
Rent income	3,500	-	3,500	2,836	(664)
Interest income	90	160	250	290	40
Other revenues	-	11,000	11,000	40,570	29,570
Grant proceeds:					
Okla. Dept. of Agriculture fire dept. support	4,000	6,053	10,053	10,053	-
ARPA Covid Relief Grant	17,291	164	17,455	17,455	-
<b>Total revenues</b>	<b>377,881</b>	<b>59,377</b>	<b>437,258</b>	<b>470,006</b>	<b>32,748</b>
<b>Expenditures</b>					
General government					
Personal services	43,470	2,000	45,470	47,824	(2,354)
Materials and supplies	6,000	6,500	12,500	14,221	(1,721)
Other charges and services	28,000	9,500	37,500	33,142	4,358
Capital expenditures	20,000	(20,000)	-	-	-
OKTSET project expenditures	-	-	-	-	-
<b>Total general government</b>	<b>97,470</b>	<b>(2,000)</b>	<b>95,470</b>	<b>95,187</b>	<b>283</b>
Police department					
Personal services	171,296	33,538	204,834	202,334	2,500
Materials and supplies	15,000	(1,500)	13,500	14,798	(1,298)
Other charges and services	90,000	-	90,000	89,116	884
Debt service payments	-	-	-	-	-
Capital expenditures	-	21,839	21,839	21,839	-
<b>Total police department</b>	<b>276,296</b>	<b>53,877</b>	<b>330,173</b>	<b>328,087</b>	<b>2,086</b>
Fire department					
Personal services	2,000	-	2,000	1,260	740
Materials and supplies	12,000	-	12,000	16,356	(4,356)
Other charges and services	15,000	3,500	18,500	19,342	(842)
Debt service payments	-	-	-	-	-
Capital expenditures	4,000	3,000	7,000	-	7,000
<b>Total fire department</b>	<b>33,000</b>	<b>6,500</b>	<b>39,500</b>	<b>36,958</b>	<b>2,542</b>
Street department					
Personal services	13,952	1,000	14,952	15,274	(322)
Materials and supplies	5,000	-	5,000	3,439	1,561
Other charges and services	8,000	-	8,000	6,700	1,300
Capital expenditures	15,000	-	15,000	-	15,000
<b>Total street department</b>	<b>41,952</b>	<b>1,000</b>	<b>42,952</b>	<b>25,413</b>	<b>17,539</b>
<b>Total expenditures</b>	<b>448,718</b>	<b>59,377</b>	<b>508,095</b>	<b>485,645</b>	<b>22,450</b>
Excess of revenues over or (under) expenditures	(70,837)	-	(70,837)	(15,639)	55,198
Beginning fund balance - cash basis	82,219	-	82,219	67,456	(14,763)
Ending fund balance - cash basis	\$ 11,382	-	11,382	51,817	40,435

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Town of Caney, Oklahoma  
Budgetary Comparison Schedule -- Cash Basis  
County Sales Tax - Fire Fund  
For the Year Ended June 30, 2023  
(Unaudited)

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues					
County sales tax - New	<u>32,000</u>	<u>5,000</u>	<u>37,000</u>	<u>39,080</u>	<u>2,080</u>
Total revenues	<u>32,000</u>	<u>5,000</u>	<u>37,000</u>	<u>39,080</u>	<u>2,080</u>
Expenditures					
Fire department					
Personal services	-	-	-	-	-
Materials and supplies	20,000	5,000	25,000	11,041	13,959
Other charges and services	8,000	-	8,000	15,689	(7,689)
Debt service payments	-	-	-	-	-
Capital expenditures	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>3,000</u>	<u>47,000</u>
Total fire department	<u>78,000</u>	<u>5,000</u>	<u>83,000</u>	<u>29,730</u>	<u>53,270</u>
Total expenditures	<u>78,000</u>	<u>5,000</u>	<u>83,000</u>	<u>29,730</u>	<u>53,270</u>
Excess of revenues over or (under) expenditures	(46,000)	-	(46,000)	9,350	55,350
Beginning fund balance - cash basis	<u>46,555</u>	<u>-</u>	<u>46,555</u>	<u>50,552</u>	<u>3,997</u>
Ending fund balance - cash basis	\$ <u>555</u>	<u>-</u>	<u>555</u>	<u>59,902</u>	<u>59,347</u>

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Town of Caney, Oklahoma  
Schedule of Grant Activity -- Cash Basis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited)

Grant Program Agency and Description	Beginning of the Year Unexpended Funds	Current Year Receipts	Current Year Disbursements	End of the Year Unexpended Funds
<u>Federal Award Programs</u>				
Cares Act American Rescue Plan				
Corona Virus SLFRF	7,102	17,455	24,557	-
Total Federal Award Programs	<u>7,102</u>	<u>17,455</u>	<u>24,557</u>	<u>-</u>
<u>State and Other Award Programs</u>				
Okla. Dept of Agriculture, Food and Forestry				
Rural fire department operational assistance	-	10,053	10,053	-
Total State and Other Award Programs	\$ <u>-</u>	<u>10,053</u>	<u>10,053</u>	<u>-</u>

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# **WALKER AND TISDALE CPA'S PLLC**

## **Certified Public Accountant's**

Member of the American  
Institute of Certified  
Public Accountants

P.O. BOX 445 251 S. MISSISSIPPI AVE.  
ATOKA, OKLAHOMA 74525  
PHONE (580) 889-3324

Member of the Oklahoma  
Society of Certified  
Public Accountants

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

To the Specified Users of the Report:

Town Council, Town of Caney  
Caney, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

The Town's management is responsible for the following accompanying financial statements of the Town of Caney, Oklahoma for the year ended June 30, 2023:

Statement of Revenues, Expenditures and Changes in Fund Balance – Cash Basis  
Budgetary Comparison Schedule – Cash Basis – General Fund  
Budgetary Comparison Schedule – Cash Basis – County Sales Tax Fund  
Schedule of Grant and Award Program Activity – Cash Basis

The Town's management is also responsible for determining that the cash basis of accounting is an acceptable financial reporting framework and for designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy and completeness of the information provided by the Town's management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, fund balances, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of this report, as identified above, and as defined within the applicable state laws of the State of Oklahoma, solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes (Sec 11-17 (105-107)) and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2023. Management of the Town of Caney is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed by Oklahoma Statutes. The sufficiency of the 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.

(continued)

### **Procedures and Findings**

As to the Town of Caney as of and for the fiscal year ended June 30, 2023:

1. **Procedures Performed:** From the Town's trial balances and financial reports, we prepared a schedule of changes in fund balance for the General Fund and County Sales Tax Fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** We noted no instances of fund balance deficits.

2. **Procedures Performed:** From the Town's trial balances, we prepared budget and actual comparison schedules for the General Fund and the County Sales Tax Fund (see accompanying Exhibits 2 and 3) and compared the actual expenditures to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** We noted no instances of expenditures exceeding authorized appropriation limits at the legal levels of control (department totals for the General Fund and fund totals for Special Revenue Funds). However, as indicated in Exhibit 2, there were individual expenditure accounts within a department or fund that exceeded budget amounts as follows:

General Fund, General Government Dept, Personal Services - \$2,354  
General Fund, General Government Dept, Materials & Supplies - \$1,721  
General Fund, Police Dept, Materials & Supplies - \$1,298  
General Fund, Fire Dept, Materials & Supplies - \$4,356  
General Fund, Fire Dept, Other Charges & Services - \$842  
General Fund, Street Dept, Personal Services - \$322  
County Sales Tax Fund, Fire Dept, Other Charges & Services - \$7,689

This condition occurred because necessary budget adjustments were not made to increase the appropriation amounts for these expenditure accounts. At the time budget work was being conducted, these expenditure accounts were not projected to exceed appropriations and thus budget adjustments did not appear to be necessary. Although these individual expenditure accounts exceeded budget amounts, the departmental and fund appropriation totals were not exceeded and these expenditures did not result in negative year end fund balances. As such, no actual overspending occurred.

3. **Procedures Performed:** We agreed 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:** The Town's reconciled bank account balances agreed with the year-end fund balances in the accounting records and all reconciling items were properly accounted for.

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

**Findings:** At June 30, 2023, all of the Town's depository account balances were fully insured.



5. **Procedures Performed:** We compared the use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance. Such revenues consisted of gasoline excise tax, motor vehicle tax, grant proceeds and designated fire department sales tax received through the County.

**Findings:** We noted no instances of noncompliance regarding restricted revenues.

6. **Procedures Performed:** We compared 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:** All required funds have been established consisting of the General Fund and the County Sales Tax Fund.

7. **Procedures Performed:** We compared 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:** The Town did not have any outstanding debt issues which carried reserve requirements or debt service coverage requirements.

8. **Procedures Performed:** From the Town's trial balances, we searched for grant program activity, 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 noted instances of noncompliance with the grant agreements.

**Findings:** We noted no instances of noncompliance.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the AICPA to meet the requirements prescribed in Oklahoma Statutes. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on the financial information and compliance. 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.

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.

*Walker & Tisdale CPA's PLLC*

WALKER AND TISDALE CPA's PLLC  
December 28, 2023