

TOWN OF CANEY, OKLAHOMA

ANNUAL FINANCIAL REPORT

JUNE 30, 2024

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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, 2024
(Unaudited)

	General Fund	County Sales Tax Fund
Revenues		
General sales and use taxes	\$ 76,475	\$ -
Special sales taxes - fire department - New	-	44,169
Franchise taxes	6,212	-
Alcoholic beverage tax	8,299	-
Gas excise and motor vehicle taxes	2,442	-
Cigarette tax	294	-
Fines and forfeitures, traffic related	245,238	-
Fines forfeitures & fees, all others	103,305	-
CLEET / AFIS fees	48,865	-
Rent income	1,796	-
Interest income	408	-
Other revenues	5,652	-
Grant proceeds:		
Okla. Dept. of Agriculture fire dept. support	9,994	-
ARPA Covid Relief Grant	-	-
Total revenues	<u>508,978</u>	<u>44,169</u>
Expenditures		
General government		
Personal services	54,090	-
Materials and supplies	6,328	-
Other charges and services	33,252	-
Capital expenditures	-	-
OKTSET project expenditures	-	-
Police department		
Personal services	210,131	-
Materials and supplies	10,082	-
Other charges and services	101,113	-
Debt Service Payments	-	-
Capital expenditures	-	-
Fire department		
Personal services	3,426	-
Materials and supplies	7,894	11,674
Other charges and supplies	20,514	18,855
Capital expenditures	10,974	20,665
Street department		
Personal services	15,659	-
Materials and supplies	2,828	-
Other charges and services	8,986	-
Capital expenditures	<u>12,697</u>	<u>-</u>
Total expenditures	<u>497,973</u>	<u>51,193</u>
Excess of revenues over (under) expenditures	11,005	(7,024)
Beginning fund balance - cash basis	<u>51,817</u>	<u>59,902</u>
Ending fund balance - cash basis	<u>\$ 62,822</u>	<u>52,877</u>

See Accountant's Report

Town of Caney, Oklahoma
Budgetary Comparison Schedule -- Cash Basis
General Fund
For the Year Ended June 30, 2024
(Unaudited)

	Original <u>Budget</u>	Budget <u>Adjustments</u>	Final <u>Budget</u>	Actual <u>Amounts</u>	Variance Positive (<u>Negative</u>)
Revenues					
Sales and use taxes	\$ 56,500		56,500	76,475	19,975
Franchise taxes	6,500		6,500	6,212	(288)
Alcoholic beverage tax	8,000		8,000	8,299	299
Gas excise and motor vehicle taxes	2,625		2,625	2,442	(183)
Cigarette tax	250		250	294	44
Fines and forfeitures, traffic related	200,000		200,000	245,238	45,238
Fines and forfeitures, all others	131,000		131,000	103,305	(27,695)
CLEET / AFIS fees	45,000		45,000	48,865	3,865
Rent income	2,500		2,500	1,796	(704)
Interest income	250	150	400	408	8
Other revenues	5,500		5,500	5,652	152
Grant proceeds:					
Okla. Dept. of Agriculture fire dept. support	4,000	5,994	9,994	9,994	(0)
REAP Grant	-	15,000	15,000	-	(15,000)
Total revenues	462,125	21,144	483,269	508,978	25,709
Expenditures					
General government					
Personal services	47,000	6,600	53,600	53,885	(285)
Materials and supplies	15,000	(9,000)	6,000	6,328	(328)
Other charges and services	40,000	(6,000)	34,000	33,252	748
Capital expenditures	-	-	-	-	-
OKTSET project expenditures	-	-	-	-	-
Total general government	102,000	(8,400)	93,600	93,465	135
Police department					
Personal services	213,000		213,000	210,131	2,869
Materials and supplies	13,500		13,500	10,082	3,418
Other charges and services	115,000	(12,000)	103,000	101,317	1,683
Debt service payments	-		-	-	-
Capital expenditures	-		-	-	-
Total police department	341,500	(12,000)	329,500	321,530	7,970
Fire department					
Personal services	1,500	3,000	4,500	3,426	1,074
Materials and supplies	16,500	-	16,500	9,077	7,423
Other charges and services	20,000	8,494	28,494	20,514	7,980
Debt service payments	-		-	-	-
Capital expenditures	-	15,000	15,000	10,974	4,026
Total fire department	38,000	26,494	64,494	43,990	20,504
Street department					
Personal services	15,500		15,500	15,659	(159)
Materials and supplies	1,500	650	2,150	1,645	505
Other charges and services	7,000	500	7,500	8,986	(1,486)
Capital expenditures	-	13,900	13,900	12,697	1,203
Total street department	24,000	15,050	39,050	38,987	63
Total expenditures	505,500	21,144	526,644	497,973	28,671
Excess of revenues over or (under) expenditures	(43,375)	-	(43,375)	11,005	54,380
Beginning fund balance - cash basis	43,874	-	43,874	51,817	7,943
Ending fund balance - cash basis	\$ 499	-	499	62,822	62,323

See Accountant's Report

Town of Caney, Oklahoma
Budgetary Comparison Schedule -- Cash Basis
County Sales Tax - Fire Fund
For the Year Ended June 30, 2024
(Unaudited)

	Original Budget	Budget Adjustments	Final Budget	Actual Amounts	Variance Positive (Negative)
Revenues					
County sales tax - New	37,000	-	37,000	44,169	7,169
Total revenues	37,000	-	37,000	44,169	7,169
Expenditures					
Fire department					
Personal services	-	-	-	-	-
Materials and supplies	22,000	10,000	32,000	11,674	20,326
Other charges and services	5,000	-	5,000	18,855	(13,855)
Debt service payments	-	-	-	-	-
Capital expenditures	50,000	(10,000)	40,000	20,665	19,335
Total fire department	77,000	-	77,000	51,193	25,807
Total expenditures	77,000	-	77,000	51,193	25,807
Excess of revenues over or (under) expenditures	(40,000)	-	(40,000)	(7,024)	32,976
Beginning fund balance - cash basis	40,052	-	40,052	59,902	19,850
Ending fund balance - cash basis	\$ 52	-	52	52,877	52,825

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Town of Caney, Oklahoma
Schedule of Grant Activity -- Cash Basis
For the Fiscal Year Ended June 30, 2024
(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	-	-	-	-
Total Federal Award Programs	-	-	-	-
<u>State and Other Award Programs</u>				
Okla. Dept of Agriculture, Food and Forestry				
Rural fire department operational assistance	-	9,994	9,994	-
Total State and Other Award Programs	\$ -	9,994	9,994	-

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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, 2024:

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, 2024. 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, 2024:

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 - \$285
General Fund, General Government Dept, Materials & Supplies - \$328
General Fund, Street Dept, Personal Services - \$159
General Fund, Street Dept, Personal Services - \$1,486
County Sales Tax Fund, Fire Dept, Other Charges & Services - \$13,855

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, 2024, 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

(continued)

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.

9. **Procedures Performed:** We discussed policies related to adjustments, write-downs, or write-offs for various receivables and tested for adherence to the policies.

Findings: We noted no instances of noncompliance.

10. **Procedures Performed:** We obtained 2 months of bank statements of the general fund to confirm cash deposits were made in the appropriate accounts and verified posting reports agreed with the daily deposits.

Findings: We noted no instances of noncompliance.

11. **Procedures Performed:** We reviewed meeting minutes and personnel files to compare payroll paid to approved salaries and if salaries and wages exceeded the approved amounts there was appropriate documentation of authorization for additional pay.

Findings: Increases for employee wages were approved and recorded in the minutes, however the actual annual salaries were not stated. This practice is being implemented for the future. There were no instances of overpayment noted.

12. **Procedures Performed:** We discussed policies of use, proper municipal purpose, and adherence to subscribed policies for debit and credit cards and selected a sample of transactions to test for supporting documentation.

Findings: It was noted that most but not all charges had approved supporting documentation. Policies are in place for the future to ensure all supporting documentation is obtained and approved as proper municipal purpose.

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
January 28, 2025