

**Water Improvement District No. 14  
Tulsa County, Oklahoma**

Financial Statements and Auditor's Reports

Year Ended December 31, 2024

Audited by

**BLEDSON, HEWETT & GULLEKSON  
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP**

BROKEN ARROW, OK

**Water Improvement District No. 14**  
**Tulsa County, Oklahoma**  
Board of Directors  
December 31, 2024

**BOARD OF DIRECTORS**

**Chairman**

Ron Doss

**Treasurer**

Charles Breshears

**Members**

Chad Fleming

**OFFICE MANAGER /**  
**BOOKKEEPER**

Melissa Sattre

**Water Improvement District No. 14**  
**Tulsa County, Oklahoma**  
December 31, 2024

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**BLEDSON, HEWETT & GULLEKSON**  
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Water Improvement District No. 14  
Tulsa County, Oklahoma

### *Report on the Audit of the Financial Statements*

We have audited the accompanying combined fund type and account group financial statements-regulatory basis of the Water Improvement District No. 14, Tulsa County, Oklahoma (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2024, and the respective changes in financial position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

The District has not presented the Management's Discussion and Analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

The prior year “memorandum only” comparative information and the additional information provided on page 18 is presented for the purposes of additional analysis and are not a required part of the basic financial statements of the District. Such information has not been subjected to the auditing procedures applied in our audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2025, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

***Bledsoe, Hewett & Gullekson***

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP

February 7, 2025



**BLEDSON, HEWETT & GULLEKSON**  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Water Improvement District No. 14  
Tulsa County, Oklahoma

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Water Improvement District No. 14, Tulsa County, Oklahoma (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 7, 2025.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we identified one deficiency in internal control that we consider to be a material weakness. This finding is identified as item 24-1 in the accompanying Schedule of Audit Results.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bledsoe, Hewett & Gullekson*

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP

February 7, 2025



**WATER IMPROVEMENT DISTRICT NO. 14**  
**TULSA COUNTY, OKLAHOMA**  
**Disposition of Prior Year Audit Findings**  
**December 31, 2024**

23-1 Internal Control – Segregation of Duties

*Finding* – Presently, the same individual performs all accounting functions: receives utility service-related payments, is responsible for service billing and adjustment, makes bank deposits, writes checks, reconciles the monthly bank statements and prepares monthly financial reports. This is considered a lack of segregation of duties.

*Recommendation* – While it may not be cost effective to hire additional administrative staff that would be necessary in order to adequately segregate the responsibilities, the District should consider a formal evaluation of their risks associated with this lack of segregation of duties. In response to the identified risks, consideration should be given to identifying and implementing controls that could help mitigate the risks associated with the lack of segregation of duties.

*Disposition* – This finding continued in the 2024 fiscal year.

**WATER IMPROVEMENT DISTRICT NO. 14  
TULSA COUNTY, OKLAHOMA  
Schedule of Audit Results, Findings & Questioned Costs  
December 31, 2023**

**Section 1 – Summary of Auditor’s Results:**

1. An unmodified opinion report was issued on the financial statements.
2. The audit identified one significant deficiency in the internal controls over financial reporting, item 24-1, which was considered a material weakness.
3. The audit disclosed no instances of noncompliance which are material to the financial statements.

**Section 2 – Findings relating to the financial statements required to be reported in accordance with GAGAS:**

**24-1 Internal Control – Segregation of Duties**

*Criteria* – The segregation of duties and responsibilities between different individuals for custody of assets, recordkeeping for those assets, and reconciliation of those asset accounts is an important control activity needed to adequately protect the District’s assets and ensure accurate financial reporting.

*Condition* – Presently, the same individual performs all accounting functions: receives utility service-related payments, is responsible for service billing and adjustment, makes bank deposits, writes checks, reconciles the monthly bank statements and prepares monthly financial reports.

*Cause* – The District’s limited size and staffing resources have made it difficult for management to provide sufficient staffing to fully segregate incompatible duties in a cost-effective manner.

*Effect or Potential Effect* – Without sufficient segregation of duties, the risk significantly increases that errors and fraud related to the accounting functions, including misappropriation of assets, could occur and not be detected within a timely basis.

*Recommendation* – While it may not be cost effective to hire additional administrative staff that would be necessary in order to adequately segregate the responsibilities, the District should consider a formal evaluation of their risks associated with this lack of segregation of duties. In response to the identified risks, consideration should be given to identifying and implementing controls that could help mitigate the risks associated with the lack of segregation of duties.

*Management Response* – Management agrees with this finding and has since hired additional staff to help with the segregation of accounting duties.

**WATER IMPROVEMENT DISTRICT NO. 14**  
**TULSA COUNTY, OKLAHOMA**  
**Statement of Net Position**  
**December 31, 2024**

	<u>2024</u>	<u>-Memorandum- -Only- 2023</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 81,237	38,982
Investments	69,131	68,151
Accounts receivable	45,017	35,437
Prepaid expenses	3,723	3,388
Total current assets	<u>199,108</u>	<u>145,958</u>
Capital assets:		
Water system and improvements	713,801	694,409
Buildings and improvements	83,163	83,163
Equipment and automobiles	27,725	27,725
Total capital assets	<u>824,689</u>	<u>805,297</u>
Less: accumulated depreciation	<u>(517,547)</u>	<u>(495,716)</u>
Total capital assets (net)	<u>307,142</u>	<u>309,581</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 506,250</u></b>	<b><u>455,539</u></b>
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable	\$ 25,243	31,953
Payroll taxes payable	6,845	3,459
Customer meter deposits	34,300	36,050
Total current liabilities	<u>66,388</u>	<u>71,462</u>
Long Term liabilities:		
Loan payable	<u>31,172</u>	<u>32,839</u>
<b>Total Liabilities</b>	<b><u>97,560</u></b>	<b><u>104,301</u></b>
<b><u>NET POSITION</u></b>		
Net investment in capital assets	275,970	276,742
Unrestricted assets	<u>132,720</u>	<u>74,496</u>
Total Net Position	<u>408,690</u>	<u>351,238</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 506,250</u></b>	<b><u>455,539</u></b>

The accompanying notes to the financial statements are an integral part of this statement

**WATER IMPROVEMENT DISTRICT NO. 14**  
**TULSA COUNTY, OKLAHOMA**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For The Year Ended December 31, 2024**

	2024	-Memorandum- -Only- 2023
<b>Operating Revenues:</b>		
Water sales and services	\$ 602,557	480,312
Penalties	0	11,464
Memberships	0	7,500
Other services	0	20,656
Total revenues from operations	<u>602,557</u>	<u>519,932</u>
<b>Operating Expenses:</b>		
Water purchases	240,902	329,530
Salaries and payroll taxes	107,135	169,228
Repairs and maintenance	43,977	58,820
Engineering fees	32,500	0
Auto expenses	7,807	787
Office and postage	21,974	21,896
Utilities and telephone	7,025	6,938
Contract labor	40,062	31,407
Professional fees	15,516	6,721
Insurance	7,596	10,141
Testing fees	10,581	1,765
Dues and fees	5,756	297
Miscellaneous	1,185	4,392
Depreciation	21,831	21,132
Total expenses from operations	<u>563,847</u>	<u>663,054</u>
Operating Income (Loss)	38,710	(143,122)
<b>Non-Operating Revenues (Expenses):</b>		
RIG Grant proceeds	19,392	38,013
Interest income	983	1,138
Interest expense on debt	(1,633)	(1,175)
Total non-operating revenues (expenses)	<u>18,742</u>	<u>37,976</u>
Change in Net Position	57,452	(105,146)
Total Net Position, beginning of period	<u>351,238</u>	<u>456,384</u>
Total Net Position, end of period	<u>\$ 408,690</u>	<u>351,238</u>

The accompanying notes to the financial statements are an integral part of this statement

**WATER IMPROVEMENT DISTRICT NO. 14**  
**TULSA COUNTY, OKLAHOMA**  
**Statement of Cash Flows**  
**For Year Ended December 31, 2024**

	<u>2024</u>	<u>-Memorandum- -Only- 2023</u>
<b>Cash Flows from Operating Activities:</b>		
Receipts from customers	\$ 642,727	566,907
Payments to employees	(103,749)	(169,987)
Payments to vendors	(493,426)	(515,953)
Net Cash Provided by Operating Activities	<u>45,552</u>	<u>(119,033)</u>
<b>Cash Flows from Capital and Other Financing Activities:</b>		
RIG Grant proceeds	19,392	38,013
Loan proceeds	0	35,000
Principal paid on debt	(1,667)	(2,161)
Interest paid on debt	(1,633)	(1,175)
Purchase of capital assets	(19,392)	(22,358)
Net Cash Provided by (used in) Capital and Other Financing Activities	<u>(3,300)</u>	<u>47,319</u>
<b>Cash Flows from Investing Activities:</b>		
Interest revenue	<u>983</u>	<u>1,138</u>
Net Increase (Decrease) in Cash and Equivalents	43,235	(70,576)
Cash and cash equivalents, beginning of period	<u>107,133</u>	<u>177,709</u>
Cash and cash equivalents, end of period	<u>\$ 150,368</u>	<u>107,133</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>		
Operating Income (loss)	\$ 38,710	(143,122)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation Expense	21,831	21,132
(Increase) decrease in accounts receivable	(9,580)	1,437
(Increase) decrease in prepaid expenses	(335)	(38)
Increase (decrease) in accounts payable	(6,710)	2,317
Increase (decrease) in payroll taxes payable	3,386	(759)
Increase (decrease) in meter deposits	(1,750)	0
Net Cash Provided by Operating Activities	<u>\$ 45,552</u>	<u>(119,033)</u>

The accompanying notes to the financial statements are an integral part of this statement

**TULSA COUNTY WATER IMPROVEMENT DISTRICT NO. 14**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note A – Significant Accounting Policies**

Nature of Organization

The Tulsa County Water Improvement District No. 14 (the District) was created under the provisions of Title 82 of Oklahoma Statutes, Section 1324.1 – 1324.35 and the Laws of the State of Oklahoma. The purpose of this District is to provide water services to users. Water is purchased from the City of Sand Springs.

Basis of Accounting

The accrual basis of accounting is followed for all accounts. Revenues are recorded when earned and liabilities are recognized when incurred. This policy is in accordance with generally accepted accounting principles.

The District follows GASB issued Statement No. 34 “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Government.” This statement establishes financial reporting requirements for state and local governments throughout the United States.

Cash

The District’s accounts are with the Bank of Oklahoma, Tulsa, Oklahoma, and are detailed as follows:

	December 31,	
	2024	2023
Cash on hand	\$ 360	360
Petty Cash Account	922	720
Operation and Maint. Account	63,616	39,215
Online Banking Account	16,611	385
Security Deposit Account	-	99
Less: Outstanding checks	(272)	(1,797)
Total	<u>\$ 81,237</u>	<u>38,982</u>

Cash and Cash Equivalents

For the purposes of preparing the statement of cash flows, cash on hand, reconciled cash in savings and checking, and certificates of deposit that can be converted into cash (if necessary) are considered cash equivalents.

**TULSA COUNTY WATER IMPROVEMENT DISTRICT NO. 14**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note A – Significant Accounting Policies – cont’d**

**Cash and Investments**

As of December 31, 2024, the District had the following outstanding investments:

	<u>2024</u>	<u>2023</u>
IBC Bank-		
Certificate of Deposit no. 0764, dated 6/15/24, matures 6/15/25	\$ 64,131	63,151
Bank of Oklahoma-		
Certificate of Deposit no. 0530, dated 9/8/24, matures 11/8/25	<u>5,000</u>	<u>5,000</u>
Total Investments	<u>\$ 69,131</u>	<u>98,306</u>

Oklahoma Statutes authorize the District to invest in certificates of deposit, repurchase agreements, passbooks, bankers’ acceptances, and other available bank investments provided that all deposits are fully covered by approved securities pledged to secure those funds. In addition, the District can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law.

Bank deposits are held at several financial institutions and are carried at cost. For purposes of statements of cash flows, the District considers cash and all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

*Custodial Credit Risk* - At December 31, 2024, the District held deposits of approximately \$150,280 at financial institutions. The District’s cash deposits, including interest-bearing certificates of deposit, are entirely covered by Federal Depository Insurance (FDIC) or direct obligation of the U.S. Government insured or collateralized with securities held by the District or by its agent in the District’s name.

*Investment Interest Rate Risk* - The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**TULSA COUNTY WATER IMPROVEMENT DISTRICT NO. 14**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note A – Significant Accounting Policies – cont’d**

*Investment Credit Risk* – The District has no policy that limits its investment choices other than the limitations of state law, as follows:

- a. Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- b. Certificates of deposits or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- c. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.
- d. County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs (a-d).

*Accounts Receivable*

Billings for accounts receivable at December 31, 2024, were \$45,017. Allowance for doubtful accounts was not computed on this balance because uncollectibles do not have a material effect on the balance sheet.

*Memorandum Totals*

The “Memorandum Only” captions above the total columns mean that amounts are presented for overview information purposes only.



**TULSA COUNTY WATER IMPROVEMENT DISTRICT NO. 14**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note A – Significant Accounting Policies – cont'd**

Capital Assets

Any items purchased or constructed in excess of \$500 and a useful life of over two years is considered a capital asset by the District, and will be depreciated over a specific time. Neither the District nor the previous auditors were able to provide us with the method of calculating depreciation used in prior years. Therefore, to remain consistent, the same provision for depreciation used in previous years continues to be used. The capital asset information for the District is shown below:

	12/31/2023			12/31/2024
	Amount	Additions	Deletions	Amount
Water system & impv.	\$ 694,409	19,392	-	713,801
Buildings & contents	83,163		-	83,163
Equipment and autos	27,725	-	-	27,725
Total Capital Assets	782,939	19,392	-	824,689
Less: Accumulated Depreciation	(495,716)	(21,831)	-	(517,547)
Total	<u>\$ 308,355</u>	<u>(2,439)</u>	<u>-</u>	<u>307,142</u>

Equity Classification

Equity is classified as net position and displayed in three components:

1. *Net investment in capital assets* – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. *Restricted* – Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) laws through constitutional provisions of enabling legislation.
3. *Unrestricted* – Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**TULSA COUNTY WATER IMPROVEMENT DISTRICT NO. 14**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note A – Significant Accounting Policies – cont'd**

Federal Income Tax

The District is exempt from Federal and State income taxes.

Accumulated Unpaid Vacation and Sick Pay

At December 31, 2024, no determination of the aggregate dollar value of vacation or sick pay had been made.

**Note B – Long-Term Debt**

On December 29, 2022, the District secured a loan with IBC Bank for \$35,000 for the purposes of aiding water leak projects. The loan proceeds were received in January 2023 and the current interest rate for the loan is 6.00%. The District made \$300/month payments in 2024. The outstanding principal balance of the loan as of December 31, 2024, is \$31,172. The District will continue to make monthly principal and interest payments on the loan until it is paid off.

**Note C – Insurance and Surety Bond Coverage**

The District appears to have had adequate insurance to cover all major perils at December 31, 2024.

**Note D – City of Sand Springs Fees**

Along with their monthly water fees, customers pay other fees assessed by the City of Sand Springs for fire department and EMS service fees. These fees are collected by the District and forwarded to the City of Sand Springs each month along with the District's monthly water billing.

**Note E – Subsequent Events**

Management has evaluated subsequent events through February 7, 2025, which is the date the financial statements were available to be issued and has determined that no additional information needs to be added to the financial statements.

**WATER IMPROVEMENT DISTRICT NO. 14  
TULSA COUNTY, OKLAHOMA  
Schedule of Water Rates and Customers  
-Unaudited Information-  
December 31, 2024**

**Water Rates**

\$36.00 minimum monthly base rate

0 – 1,000 gallons	=	\$15.00
1,001 – 2,000 gallons	=	\$17.00
2,001 – 3,000 gallons	=	\$18.00
3,001 – 4,000 gallons	=	\$19.00
4,001 – 5,000 gallons	=	\$20.00
5,001 gallons and above	=	\$21.00 per 1,000 gallons

**Customers**

The District had 411 customers at the close of the fiscal year.

Current membership/benefit unit fee is \$2,500 per meter sign up.

**City of Sand Springs**

The District collected the following amounts in 2024 and forwarded these fees to the City of Sand Springs:

Fire Department	\$ 23,409
EMSA Care	23,409
Total Care (EMS)	4,682



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February 7, 2025

Board of Directors  
Tulsa County Rural Water District No. 14  
Sand Springs, Oklahoma

Dear Board of Directors:

The following section contains the observations and recommendations relayed to management that are immaterial compliance findings, which we feel need to be communicated to you so that appropriate action may be taken to correct these deficiencies. These items are not included in your audit report, as they are not considered material in nature, but are findings worthy of being mentioned so they can be corrected.

General Ledger

We observed during the audit that the 2024 general ledger was not accurate and did not include accurate revenue and expense classifications. For the 2024 year, we had to classify all expenses based on the bank statements, and we were not able to properly classify all the revenue collections on the financial statements. However, the total amounts shown for revenues and expenses are accurate. It was noted that the District had several personnel changes in the office in 2024, and this contributed to the ledger being incomplete. We recommend that an accurate ledger be maintained at all times, and periodic reports be shared with the Board of Directors.

Petty Cash Account

While reviewing the petty cash bank statements, we observed that every month there were several bank debit items that would not be considered proper petty cash transactions. These items appeared to be normal purchases for the District. Petty cash items are normally less than \$100, and are normally used a few times a month. We recommend that you rename this bank account a more proper title, such as the operating account.

We take this opportunity to thank you and your professional staff for the outstanding cooperation and invaluable assistance you gave us during our recent onsite audit work.

Sincerely,

Eric M. Bledsoe