

**CITY OF BOISE CITY
CIMARRON COUNTY, OKLAHOMA**

**AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED
JUNE 30, 2018**

*WILLIAM K. GAUER
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA*

**CITY OF BOISE CITY
CIMARRON COUNTY, OKLAHOMA
CITY COUNCIL AND OFFICERS**

Elton Soell
Eddie Allen
Adam Caddell
Dana Sparkman
Delvenia Hipp

Mayor
Councilmember
Councilmember
Councilmember
Councilmember

Wayne Twyman

City Manager

Ruby Gore

City Clerk/Treasurer

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Boise City, Oklahoma

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, the aggregate discretely component units, each major fund, and aggregate remaining fund information of the City of Boise City, State of Oklahoma, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

City of Boise City
November 12, 2018

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Boise City, State of Oklahoma, as of June 30, 2018, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

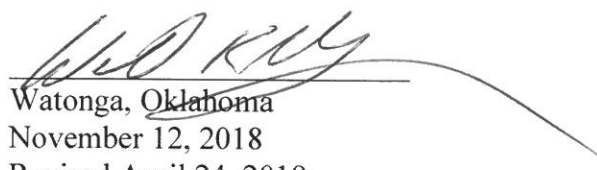
Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Boise City, State of Oklahoma's basic financial statements. The management's discussion and analysis, which has been omitted, and budgetary comparison information, located in the supplemental section, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the 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 November 12, 2018, on our consideration of the City of Boise City'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 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 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 City of Boise City's internal control over financial reporting and compliance.



Watonga, Oklahoma

November 12, 2018

Revised April 24, 2019

GOVERNMENT-WIDE STATEMENTS

CITY OF BOISE CITY, OKLAHOMA
Statement of Net Position - Modified Cash Basis
June 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Unrestricted:			
Cash and Cash Equivalents	\$ 729,077	\$ 254,294	\$ 983,371
Due from Other Funds	-	-	-
Total unrestricted assets	729,077	254,294	983,371
Restricted:			
Restricted Cash and Investments	-	200,186	200,186
Capital Assets (Note 4)			
Land	10,000	109,642	119,642
Depreciable capital assets, net	765,296	1,604,000	2,369,296
Total Assets	1,504,373	2,168,123	3,672,495
LIABILITIES			
Due to Depositors	-	34,340	34,340
Long-term Liabilities (Note			
Due within one year	-	42,999	42,999
Due in more than one year	-	134,226	134,226
Total Liabilities	-	211,564	211,564
NET POSITION			
Invested in capital assets, net of related debt	775,296	1,536,418	2,311,713
Restricted	-	165,847	165,847
Unrestricted	729,077	254,294	983,371
Total Net Position	\$ 1,504,373	\$ 1,956,559	\$ 3,460,931

See accompanying notes to the basic financial statements.

CITY OF BOISE CITY, OKLAHOMA
Statement of Activities - Modified Cash Basis
For the Fiscal Year Ended June 30, 2017

Functional Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating		Governmental Activities	Business-Type Activities	Total
			Grants and Contributions	Capital Grants and Contributions			
Primary Government:							
Governmental Activities:							
General Government	\$ 251,561	\$ 43,627	\$ -	\$ -	\$ (207,934)	\$ -	\$ (207,934)
Public Safety	172,912	7,564	3,744	-	(161,604)	-	(161,604)
Cemetery	754	3,590	-	-	2,836	-	2,836
Streets and Public Works	59,050	-	-	-	(59,050)	-	(59,050)
Airport	11,897	12,240	-	332,285	332,628	-	332,628
Unallocated Depreciation, net direct	159,956	-	-	-	(159,956)	-	(159,956)
Culture and Recreation	67,356	50	-	-	(67,306)	-	(67,306)
Total governmental activities	723,486	67,071	3,744	332,285	(320,386)	-	(320,386)
Business-Type Activities:							
Utility-Water	196,049	297,568	-	46,965	-	148,484	148,484
Utility-Sanitation	185,135	277,303	-	-	-	92,168	92,168
Utility- Sewer	71,463	195,157	-	-	-	123,694	123,694
Service Fees	-	108,990	-	-	-	108,990	108,990
General administration	201,339	-	-	-	-	(201,339)	(201,339)
Golf Course	20,111	30,088	-	-	-	9,977	9,977
Unallocated Depreciation, net direct	138,172	-	-	-	-	(138,172)	(138,172)
Interest Expense, net direct	9,589	-	-	-	-	(9,589)	(9,589)
Total business-type activities	821,858	909,106	-	46,965	-	134,213	134,213
Total Primary Government	1,545,344	976,177	3,744	379,250	(320,386)	134,213	(186,173)
General Revenues:							
Taxes:							
Sales Tax					432,655	-	432,655
Franchise Tax					50,654	-	50,654
Intergovernmental					157,487	-	157,487
Investment Income					4,339	1,168	5,507
Miscellaneous					18,543	-	18,543
Transfers-Internal Activity					-	-	-
Total general revenues and transfers					663,678	1,168	664,846
Changes in Net Position					343,291	135,381	478,672
Net Position - Beginning					1,161,082	1,821,178	2,982,259
Net Position - Ending					1,504,373	1,956,559	3,460,931

See accompanying notes to the basic financial statements.

GOVERNMENTAL FUNDS

CITY OF BOISE CITY, OKLAHOMA
STATEMENT OF NET POSITION - CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Airport Fund	Other	Total
ASSETS				
Cash and cash equivalents	\$ 352,510	\$ 12,521	\$ 63,004	\$ 428,036
Investments	298,541	-	2,500	301,041
Due from Other Fund	-	-	-	-
Capital Assets	-	-	-	-
Land, inexhaustible assets and construction-in-process	-	-	-	-
Other capital assets, net of accumulated depreciation	-	-	-	-
Total Assets	<u>651,052</u>	<u>12,521</u>	<u>65,504</u>	<u>729,077</u>
LIABILITIES				
Due to Other Fund	-	-	-	-
Long-term debt	-	-	-	-
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Nonspendable:				
Invested in Capital Assets, net of debt	-	-	-	-
Restricted:				
Committed:				
Assigned:				
Street and Alley	-	-	54,423	54,423
Cemetery	-	-	11,081	11,081
Airport	-	12,521	-	12,521
Unassigned:				
General Fund	651,052	-	-	651,052
Total Net Position	<u>651,052</u>	<u>12,521</u>	<u>65,504</u>	<u>729,077</u>

Reconciliation to Statement of Net Position:

Amount reported for governmental activities in the statement of net position

Capital assets

Certain liabilities not payable in the reporting period

775,296

-

\$ 1,504,373

See accompanying notes to the basic financial statements.

CITY OF BOISE CITY, OKLAHOMA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS

	General Fund	Airport Fund	Other	Total
Revenues:				
Taxes	\$ 432,655	\$ -	\$ 50,654	\$ 483,309
Intergovernmental	149,823	-	7,664	157,487
Charges for services	51,211	12,240	-	63,451
Fines and forfeitures	5,542	-	-	5,542
Licenses and permits	1,822	-	-	1,822
Investment income	3,467	-	872	4,339
Miscellaneous	9,553	1,400	7,591	18,543
Total Revenues	<u>654,073</u>	<u>13,640</u>	<u>66,780</u>	<u>734,492</u>
Expenditures:				
General Government	230,639	-	-	230,639
City Clerk/Treasurer	23,663	-	-	23,663
Police Department	188,649	-	-	188,649
Municipal Court	4,132	-	-	4,132
Fire Department	23,620	-	-	23,620
Parks	67,356	-	-	67,356
Swimming Pool	-	-	-	-
Cemetery	754	-	-	754
Animal Control	653	-	-	653
School Crossings	2,743	-	-	2,743
Shop	4,395	-	-	4,395
Street	-	-	54,654	54,654
Airport	-	11,897	-	11,897
Total Expenditures	<u>546,605</u>	<u>11,897</u>	<u>54,654</u>	<u>613,156</u>
Excess (deficiency) of revenues over expenditures	107,468	1,743	12,125	121,337
Other Financing Sources				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	107,468	1,743	12,125	121,337
Fund Balance - Beginning	543,584	10,778	53,379	607,741
Fund Balance - Ending	<u>651,052</u>	<u>12,521</u>	<u>65,504</u>	<u>729,077</u>

Reconciliation to the Statement of Activities:

Net change in fund balances	121,337
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital assets capitalized	381,911
Depreciation expense	(159,956)
Change in net assets of governmental activities	<u>\$ 343,291</u>

See Accompanying notes to the basic financial statements.

PROPRIETARY FUNDS

CITY OF BOISE CITY, OKLAHOMA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2018

	Public Works Authority	Golf Course	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 228,823	\$ 25,471	\$ 254,294
Noncurrent Assets:			
Restricted cash and cash equivalents	105,230	406	105,635
Restricted investments	94,551	-	94,551
Capital Assets, net of accumulated depreciation	1,571,432	142,210	1,713,642
Total noncurrent assets	1,771,213	142,616	1,913,829
Total Assets	2,000,036	168,087	2,168,123
LIABILITIES			
Current Liabilities:			
Notes payable-current portion	42,999	-	42,999
Total current liabilities	42,999	-	42,999
Noncurrent Liabilities:			
Refundable deposits	34,340	-	34,340
Notes payable-long-term portion	134,226	-	134,226
Total noncurrent liabilities	168,565	-	168,565
Total Liabilities	211,564	-	211,564
NET POSITION			
Invested in Capital Assets, net of debt	1,394,208	142,210	1,536,418
Restricted	165,441	406	165,847
Unrestricted	228,823	25,471	254,294
Total Net Position	\$ 1,788,472	\$ 168,087	\$ 1,956,559

See accompanying notes to the basic financial statements.

CITY OF BOISE CITY, OKLAHOMA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION
MODIFIED CASH BASIS
PROPRIETARY FUNDS

	Public Works Authority	Golf Course Fund	Total
Revenues:			
Charges for services:			
Charges for services-Water	\$ 299,930	\$ -	\$ 299,930
Charges for services-Sewer	195,157	-	195,157
Charges for services-Trash	277,303	-	277,303
Service Fees	108,990	-	108,990
Golf course fees and charges	-	30,088	30,088
Other	17,638	-	17,638
Total Revenues	<u>899,018</u>	<u>30,088</u>	<u>929,106</u>
Expenses:			
General Government	170,896	-	170,896
Water Department	196,049	-	196,049
Sewer Department	71,463	-	71,463
Solid Waste Department	185,135	-	185,135
Shop Department	17,562	-	17,562
Street Sweeper	2,390	-	2,390
Skid Loaders	10,491	-	10,491
Golf course	-	20,111	20,111
Depreciation	127,943	10,229	138,172
Total Expenses	<u>781,929</u>	<u>30,340</u>	<u>812,269</u>
Operating Income (Loss)	<u>117,089</u>	<u>(252)</u>	<u>116,837</u>
Non-operating revenues (expenses):			
Investment income	1,119	49	1,168
Interest expense and fiscal agent fees	(9,286)	(304)	(9,589)
Other Receipts	26,965	-	26,965
Other revenue (Transfer In)	-	-	-
Total Non-operating Revenues (Expenses)	<u>18,798</u>	<u>(255)</u>	<u>18,544</u>
Changes in Net Assets	135,887	(507)	135,381
Net Position - Beginning	1,652,585	168,593	1,821,178
Net Position - Ending	<u>1,788,472</u>	<u>168,087</u>	<u>\$ 1,956,559</u>

See Accompanying notes to the basic financial statements.

CITY OF BOISE CITY, OKLAHOMA
STATEMENT OF CASH FLOWS
MODIFIED CASH BASIS
PROPRIETARY FUNDS

	Public Works Authority	Golf Course Fund	Total
Cash Flow from Operating Activities:			
Receipts from Customers	\$ 881,380	\$ 30,088	\$ 911,468
Other Income	17,638	-	17,638
Payments to Employees	(229,466)	-	(229,466)
Payment of Vendor and Suppliers	(424,521)	(20,111)	(444,632)
Net Cash Provided (Used) by Operating Activities	245,032	9,977	255,009
Cash Flow from Capital and Related Financing Activities:			
Grant Receipts	26,965	-	26,965
Proceeds from Borrowing	24,500	-	24,500
Payment of Principal from Notes	(41,206)	(6,074)	(47,280)
Interest Paid on Notes	(9,390)	(304)	(9,694)
Disbursements on Capital Assets or Infrastructure	(190,106)	-	(190,106)
Net Cash Provided (Used) by Capital and Related Financing Activities	(189,237)	(6,378)	(195,615)
Cash Flow from Non-Capital and Related Financing Activities:			
Transfers	-	-	-
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	-	-	-
Cash Flow from Investing Activities:			
Investment Receipts	1,119	49	1,168
Certificate of Deposit Purchases	-	-	-
Net Cash Provided (Used) by Investing Activities	1,119	49	1,168
Net Increase (Decrease) In Cash	56,914	3,648	60,562
Cash, Beginning of the Year	171,910	21,823	193,733
Cash, End of the Year	228,824	25,471	\$ 254,294
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 117,089	\$ (252)	\$ 116,837
Adjustments to Reconcile Net Income to Cash			
Depreciation	127,943	10,229	138,172
Net Cash Provided (Used) by Operating Activities	\$ 245,032	\$ 9,977	\$ 255,009

See Accompanying notes to the basic financial statements.

Notes to Financial Statements
City of Boise City
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Boise City, Oklahoma operates under a council-manager form of government with an elected five-member Council. In defining the reporting entity for financial reporting purposes, management has considered potential component units by applying criteria set forth in Statement 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity," as amended by Statement 39 of the Governmental Accounting Standards Board, "Determining Whether Certain Organizations are Component Units."

Blended Component Unit—Boise City Public Works Authority

The Boise City Public Works Authority (PWA) was established by the Council as a Public Trust on May 15, 1979. The purpose of the Trust is to finance, develop, and operate the water, wastewater, and sanitation services or activities of the City of Boise City.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City of Boise City (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component unit.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, internal service fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are typically reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. However, the City of Boise and its related Authorities utilize the modified cash basis of accounting in preparing its financial statements. Additionally, a non-cash expense is also used to show the wear and tear in the utility and other infrastructure of the city. This expense is called depreciation. Together with the Cash Basis of accounting and the inclusion of depreciation, the City and its related Authority are using the Modified Cash-Basis of accounting, which is another Comprehensive basis of accounting other than the prescribed Accrual Accounting promoted by Governmental Accounting Standards.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting. Revenues are recognized as soon as they are both received. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within by the end of the fiscal year, June 30. Expenditures generally are recorded when paid.

The City reports the following major governmental funds:

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The street and alley fund is used to account for receipt of gas excise and motor vehicle taxes and miscellaneous grants which are used to maintain the City's roads.

The airport fund uses its receipts or revenues to maintain and operate the City's airport.

The cemetery funds use its receipts from charges for services for the maintenance and operation of the City's cemetery.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The City's enterprise fund consists of the activities of the Public Works Authority and the Golf Course.

The City reports the following major enterprise fund:

The Public Works Authority fund accounts for the activities at the various water, wastewater, and sanitation services performed by the City.

The Golf Course fund charges for use of the municipal golf course and is responsible for the maintenance and operation of the golf course.

The City applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARBs). As permitted by GASB No. 20, the City has elected not to follow subsequent private-sector guidance in its business-type activities and enterprise funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds and internal service fund are charges for services to customers. Operating expenses for the enterprise funds and the internal service fund include the cost of personnel, contractual services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets

1. Deposits and Investments

The City's and its component unit's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and readily convertible to cash.

The City has established a formal Investment Policy that governs the investment of all funds other than its permanent funds, private-purpose trust funds, and agency funds. Pursuant to its Investment Policy and applicable Oklahoma law, Investments for the City and its component unit are reported at fair value. Additionally, Investments are restricted or confined to Certificate of Deposits.

2. Receivables and Payables

The City does not record receivables or payables on the face of the basic financial statements. Interfund balances are recorded as due "due to/from other funds."

3. Inventories and prepaid items

The City does not maintain or record amounts on the basic financial statements for inventory or prepaid items.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. All infrastructure, regardless of acquisition date, has been reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No business-type activity interest was capitalized in the current period.

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the assets’ estimated useful lives ranging from 5 to 50 years.

Assets	Years
Buildings	45–50
Improvements other than buildings	20
Machinery and equipment	5–20
Vehicles	5–15
Intangibles	5–20
Infrastructure	20–50

See Figure No. 1 for detail of Capital Assets.

5. Compensated Absences

Under the terms of personnel policies and union contracts, vacation and sick leave (compensated absences) are granted in varying amounts according to length of service. Certain employees also earn

compensatory time. A liability for vested or accumulated vacation, sick and compensatory leave is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All accumulated leave is accrued when incurred in the government-wide financial statements. Sick leave is valued based on the vesting method that calculates the amount of sick leave that is expected to become eligible for payout at termination.

The City does not record any balances or amounts for compensated absences.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

7. Fund Equity

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable—resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted—resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed—resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned—resources neither restricted nor committed for which a government has a stated intended use as established by the Town Council or a body or official to which the Town Council has delegated the authority to assign amounts for specific purposes.

Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned

balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

8. Use of Estimates

Preparation of the City's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

9. New Pronouncements

Beginning with the fiscal year ended June 30, 2007, and continuing with these statements, the City has applied the provisions of Governmental Accounting Standards Board Statement 51. During the fiscal year ended June 30, 2018 the City has not adopted the provisions of Statements No. 45 and 54.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance—total governmental funds and net position—governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and therefore are not reported in the funds." The details of this \$775,296 are as follows:

Capital assets	\$	4,042,700
Accumulated depreciation		(3,267,404)
Net adjustment to increase fund balance—total governmental funds to arrive at net assets—governmental activities	\$	775,296

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances—total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$221,955 difference is as follows:

Capital outlay	\$	381,911
Depreciation expense		(159,956)
Net adjustment to increase net changes in fund balances—total governmental funds to arrive at changes in net assets of governmental activities		\$ 221,955

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

An annual budget of the General Fund is legally adopted by the City Council through the passage of an appropriation resolve. There is a difference between the budgetary basis (Cash Basis) and generally accepted accounting principles (GAAP). The legal level of budgetary control is that level of expenditure authority that may not be exceeded or reassigned without the approval of the City Council. The City Charter gives the City Manager may at any time transfer any unencumbered appropriation balance, or portion thereof, between general classifications of expenditures within an office, department or agency. Accordingly, the legal level of budgetary control is an office, department or agency. Historically, the appropriated budget for the General Fund is prepared by department or activity.

The accounting system is employed as a budgetary management control device to monitor the individual departments. The Council did not make any amended budgetary appropriations throughout the year.

All appropriations of the general fund lapse at the end of the fiscal year to the extent that they have not been expended or lawfully encumbered. Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as a designation of fund balances and do not constitute expenditures or liabilities. The commitments are re-appropriated and honored during the subsequent year.

The amounts reported as “Final Budgeted Amounts” on the Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual, for the General Fund, include the adopted budget as well as prior-year encumbrances, additional appropriations and transfers.

B. State statute prohibits the use of deficit spending. No council shall operate or approve encumbrances or expenditures that result in a fund deficit for the current or future years.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Primary government:

As of June 30, 2018, the primary government had the following investments:

The City maintains Certificates of Deposits and all investments are limited to that form.

Interest rate risk. The City does not currently have a policy regarding interest rate risk.

Credit risk. The City does not have a formal policy regarding credit risk. Oklahoma statutes authorize the City to invest only in certificates of deposits that are either guaranteed or fully collateralized by the financial institution that holds the deposits.

Custodial credit risk—deposits. This is the risk that in the event of a bank failure, the City's deposits may not be returned to it.

B. Receivables

The City does not record receivables.

D. Interfund Balances and Transfers

The composition of interfund balances as of June 30, 2018, is as follows. The due to/from balances result from receipts and disbursements being made through the General Fund cash accounts. These balances will be eliminated when cash transfers are made to the appropriate funds. The advances are interfund loans from the general fund.

Due to/from other funds:

None

Transfers between funds:

E. Leases

None

F. Long-Term Debt

Business-type long-term debt payable from net revenues generated by the utility resources pledged to the debt includes the following:

Notes Payable:

\$520,000 note payable to Rural Utilities Services (RUS) payable in monthly installments of \$2,595, including principal and interest at 5.25%, final payment due June 2035. This obligation was incurred in legal form with the Boise City Public Works Authority. \$ 149,081

Limited Obligation Notes Payable

\$31,825 note payable to First State Bank payable in annual installments of \$6,263.16, including principle and interest at 5.0%, final payment due April 2018. This obligation was incurred in legal form with the Golf Course. \$ 0

\$50,000 note payable to First State Bank in monthly installments of \$1,463.43, including principle and interest at 2.2%, final payment due in February 2020. \$ 28,144

\$24,500 note payable with Community Limited payable in monthly installments of \$72.85, including only interest at 3.5%, the note may be retired using grant proceeds related to the waterline relocation project. \$ 23,782

Customer Deposits:

Customer deposits reported as a liability within the Statement of Net Position are comprised of utility customer deposits payable. \$ 34,340

Note Payable Activity during Fiscal Year:

Public Works Authority	Beginning	Incurred	Retired	Ending
USDA Rural Dev	\$171,787	0	21,171	149,081
Communities Limited	0	24,500	718	23,782
FSB 71429	<u>45,926</u>	<u>0</u>	<u>17,782</u>	<u>28,144</u>
Total Public Works	\$217,083	24,500	39,671	\$ 201,007
Less: Current Portion				<u>0</u>
Total Long-Term Public Works Authority				\$ 178,333

Golf Course Fund	Beginning	Incurred	Retired	Ending
FSB 53266	\$ <u>6,074</u>	<u>0</u>	<u>6,074</u>	<u>0</u>
Total Golf Course	\$ 0	0	6,074	\$ 0
Less: Current Portion				<u>0</u>
Total Long-Term Public Works Authority				\$ 0

Maturities of Long-Term debt are

as follows:

	<u>USDA</u>	<u>FSB</u>	
	<u>RUS</u>	<u>No.71429</u>	<u>Comm Ltd</u>
06/30/19	25,166.94	17,113.88	717.90
06/30/20	26,520.46	11,029.59	23,000.00
06/30/21	27,946.78	-	-
06/30/22	29,449.81	-	-
06/30/23	31,033.68	-	-
5-year increments			
06/30/27	16,290.20	-	-

G. Short-Term Debt

The City did not issue or retire any short-term debt during the fiscal year and had none outstanding at June 30, 2018. However, the Communities Limited may be paid off depending upon the classification of its overall financing.

H. Components of Fund Balances

Fund Balances are divided up into three categories; (1) Invested in capital assets, net of debt, (2) Restricted, and (3) Unrestricted.

The proprietary funds contain restricted cash amounts of \$34,340 for customer utility deposits and \$94,365 for debt service covenants and set asides for future improvements to the utility system.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and other risks for which the City insurance. There have been no significant changes in insurance coverage during the past fiscal year. For the three fiscal years ended June 30, 2018, 2017 and 2016 there have been no settlements in excess of coverage.

The City belongs to the OKLHAOMA MUNICIPAL ASSURANCE GROUP (OMAG) for most of its municipal property and liability exposures.

For worker's compensation, the City and its related authorities participate in OMAG.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

At time there are various claims and suits brought against the City that arise in the normal course of the City's activities. In the opinion of counsel and Town management, the ultimate disposition of these various claims and suits will have no material effect on the financial position of the City.

C. Deferred Compensation Plan

The City offers no deferred compensation plan to its employees.

D. Defined Benefit Pension Plans

The City of Boise City on July 1, 1985 began contributing by ordinance a retirement fund and system designated the "Employee Retirement System of Boise City, Oklahoma" under authority granted by Oklahoma Statutes Title 11 § 48-101. The City participates with other cities in the Oklahoma Municipal Retirement System, which is a cost sharing, multiple-employer public employee retirement system (PERS).

The City has incurred the following expenditures for the last three years as it relates to this matter:

June 30, 2016	\$ 46,268
June 30, 2017	52,926
June 30, 2018	48,393

Firefighters pension plan

Contributions required and contributions made

The City makes annual contributions to the pension plan equal to the amount required by state statutes. According to Title 11, O.S. 49-122 (C) cities are to contribute \$60.00 yearly to the Oklahoma Firefighters Pension and Retirement System for each active volunteer firefighter.

E. Other Post Employment Benefits

The City has no OPED as of June 30, 2018.

The City has no overlapping debt as of June 30, 2018.

G. Quasi-Municipal Debt

The City does not have any debt or obligation that would be defined as Quasi-Municipal Debt, as of June 30, 2018.

H. Joint Venture

The City is not and has not entered into any joint ventures as of June 30, 2018.

I. Commitments

As of June 30, 2018, the City had various contractual commitments. No significant commitments are material to the financial position of the City.

J. Long-Term Receivables

The city has no long-term receivables as of June 30, 2018.

K. Subsequent Events

As of the date of this report, the City has entered into agreement to replace and relocate portion of both it water distribution and sewer system. The cost of these upgrades will be \$2,125,000, for the Sewer System Improvements, and \$255,840, for the Waterline Relocation and Replacement. The City will be utilizing Grants and Loans to facilitate the financing of these projects.

l. Prior-Period Adjustments

None

m. Revisions

Per additional review a disbursement to the Oklahoma Economic Development Authority (OEDA) in the amount of \$20,000, representing an expenditure of Federal Funds was not properly classified as an expenditure. Please see the revised SEFA at the end of the report.

CITY OF BOISE CITY, OKLAHOMA
Schedule of Changes in Capital Assets - Modified Cash Basis
Figure 1; Continuation of Notes

	July 1, 2017	Additions	Disposals	June 30, 2018
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Other capital assets				
Buildings	596,815	-	-	596,815
Machinery and equipment	1,661,527	49,626	-	1,711,153
Improvements	1,392,447	332,285	-	1,724,732
Total other capital assets at historical costs	<u>3,650,788</u>	<u>381,911</u>	<u>-</u>	<u>4,032,700</u>
Less accumulated depreciation for:				
Buildings	636,579	23,873	-	660,452
Machinery and equipment	2,022,379	66,461	-	2,088,840
Improvements	448,490	69,622	-	518,112
Total accumulated depreciation	<u>3,107,448</u>	<u>159,956</u>	<u>-</u>	<u>3,267,404</u>
Other capital assets, net	<u>543,341</u>	<u>221,955</u>	<u>-</u>	<u>765,296</u>
Governmental activities capital assets, net	<u>\$ 553,341</u>	<u>\$ 221,955</u>	<u>\$ -</u>	<u>\$ 775,296</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	40,000	-	-	40,000
Construction in progress	-	69,642	-	69,642
Total capital assets not being depreciated	<u>40,000</u>	<u>69,642</u>	<u>-</u>	<u>109,642</u>
Other capital assets				
Buildings	426,120	-	-	426,120
Machinery and equipment	1,006,876	74,061	-	1,080,937
Improvements	4,042,610	29,270	-	4,071,880
Total other capital assets at historical costs	<u>5,475,605</u>	<u>103,331</u>	<u>-</u>	<u>5,578,936</u>
Less accumulated depreciation for:				
Buildings	-	-	-	-
Buildings	339,609	17,045	-	356,654
Machinery and equipment	1,062,187	40,275	-	1,102,462
Improvements	2,434,968	80,852	-	2,515,821
Total accumulated depreciation	<u>3,836,764</u>	<u>138,172</u>	<u>-</u>	<u>3,974,936</u>
Other capital assets, net	<u>1,638,841</u>	<u>(34,841)</u>	<u>-</u>	<u>1,604,000</u>
Business-Type activities capital assets, net	<u>\$ 1,678,841</u>	<u>\$ 34,801</u>	<u>\$ -</u>	<u>\$ 1,713,642</u>

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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

To the City Council
City of Boise City, Oklahoma

We have audited, in accordance with the 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Boise City, State of Oklahoma, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Boise City, State of Oklahoma's basic financial statements and have issued our report thereon dated November 12, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Boise City, State of Oklahoma's internal control over financial reporting (internal control) to determine the 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 the City of Boise City, State of Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Boise City, State of Oklahoma'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 and therefore, material weaknesses or significant

deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did not identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Boise City, State Oklahoma's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items

NONE

City of Boise City, State of Oklahoma's Response to Findings

City of Boise City, State of Oklahoma's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Boise City, State of Oklahoma's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



Watonga, Oklahoma
November 12, 2018
Revised April 24, 2019

SUPPLEMENTAL INFORMATION

CITY OF BOISE CITY, OKLAHOMA
 Budgetary Comparison Schedule General Fund - Cash Basis
 For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 135,200	\$ 141,984	\$ 543,584	\$ 401,600
Resources (Inflows):				
Taxes:				
Sales Tax	375,437	375,437	384,455	9,018
Use Tax	23,652	23,652	42,956	19,304
Cigar Tax	-	-	4,523	4,523
Dog Tax	480	480	720	240
Total Taxes	399,569	399,569	432,655	33,086
Intergovernmental:				
Alcoholic Beverage Tax	141,556	141,556	146,079	4,523
State Grants	-	-	3,744	3,744
Investment Income	1,000	1,000	3,467	2,467
Miscellaneous Income				
Code Enforcement	206	206	-	(206)
Contracted Manager Services	49,950	49,950	41,805	(8,145)
Police Fines	6,955	6,955	5,542	(1,413)
Fire	5,500	5,500	5,767	267
Licenses and Permits	995	995	1,822	827
Swimming Pool	50	50	50	-
Cemetery	825	825	3,590	2,765
Service Fee	-	-	-	-
Miscellaneous	2,500	2,500	9,553	7,053
Other Financing Sources:				
Transfer from Other Funds	20,000	20,000	-	(20,000)
Amounts available for appropriations	764,306	771,090	1,197,657	426,567
General Government				
Personal Services	216,488	215,334	154,610	(60,724)
Maintenance and Operations	95,052	95,176	68,904	(26,272)
Capital Outlay	19,500	22,494	7,126	(15,368)
	331,040	333,004	230,639	(102,365)
City Clerk				
Personal Services	24,739	24,739	22,810	(1,929)
Maintenance and Operations	830	830	853	23
Capital Outlay	-	-	-	-
	25,569	25,569	23,663	(1,906)
Police Department				
Personal Services	116,053	116,053	85,532	(30,521)
Maintenance and Operations	68,753	68,753	56,232	(12,521)
Capital Outlay	52,855	52,855	46,885	(5,970)
	237,661	237,661	188,649	(49,012)

CITY OF BOISE CITY, OKLAHOMA
 Budgetary Comparison Schedule General Fund - Cash Basis
 For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Municipal Court				
Personal Services	2,300	2,300	2,099	(201)
Maintenance and Operations	2,648	2,648	2,032	(616)
Capital Outlay	-	-	-	-
	<u>4,948</u>	<u>4,948</u>	<u>4,132</u>	<u>(816)</u>
Fire Department				
Personal Services	2,539	2,539	5,537	2,998
Maintenance and Operations	19,348	19,348	18,083	(1,265)
Capital Outlay	10,000	10,000	-	(10,000)
	<u>31,887</u>	<u>31,887</u>	<u>23,620</u>	<u>(8,267)</u>
City Parks and Arena				
Personal Services	87,731	87,731	57,669	(30,062)
Maintenance and Operations	13,008	13,008	9,687	(3,321)
Capital Outlay	10,000	10,000	-	(10,000)
	<u>110,739</u>	<u>110,739</u>	<u>67,356</u>	<u>(43,383)</u>
Cemetery				
Personal Services	-	1,000	-	(1,000)
Maintenance and Operations	-	3,820	754	(3,066)
Capital Outlay	-	-	-	-
	<u>-</u>	<u>4,820</u>	<u>754</u>	<u>(4,066)</u>
Animal Control				
Personal Services	830	830	495	(335)
Maintenance and Operations	725	725	158	(567)
Capital Outlay	14,000	14,000	-	(14,000)
	<u>15,555</u>	<u>15,555</u>	<u>653</u>	<u>(14,902)</u>
School Crossing				
Personal Services	3,100	3,100	2,743	(357)
Maintenance and Operations	-	-	-	-
Capital Outlay	-	-	-	-
	<u>3,100</u>	<u>3,100</u>	<u>2,743</u>	<u>(357)</u>
Shop				
Personal Services	3,400	3,400	4,395	995
Maintenance and Operations	407	407	-	(407)
Capital Outlay	-	-	-	-
	<u>3,807</u>	<u>3,807</u>	<u>4,395</u>	<u>588</u>
Other Financing Uses:				
Transfer to PWA (Grant Water Project)	-	-	-	-
Transfer to Other Funds	-	-	-	-
Reserves	-	-	-	-
Total Charges to Appropriations	<u>764,306</u>	<u>771,090</u>	<u>546,605</u>	<u>(224,485)</u>
Ending Budgetary Fund Balance	<u>-</u>	<u>-</u>	<u>\$ 651,052</u>	<u>\$ 651,052</u>

CITY OF BOISE CITY, OKLAHOMA
 Cimarron County, Oklahoma
 Schedule of Expenditures of Federal Awards
 For Year Ended June 30, 2018

Federal/State Grantor Pass through Grantor Program Title	Federal CDFA Number	Pass- Through Grantor's Number	Program or Award Amount	Cash/ Accrued or (Deferred) Revenue at July 1, 2017	Contract Receipts or Revenue Recognized	Contract Disbursements/ Expenditures	Interest Earned Federal Funds	Match Receipts or Revenue Recognized	Match Disbursements/ Expenditures	Cash/ Accrued or (Deferred) Revenue at June 30, 2018
Federal Aviation Administration Project No. 3-40-0010-005-2015 Rehabilitate & Overlay the Apron & Connecting Taxiway BCMA	20.106		\$ 535,280	\$ -	\$ 332,285	\$ 332,285	\$ -	\$ -	\$ 36,955.41	\$ -
Department of Transportation 17701 CDBG 2017 2017 Replace Waterer Line Located at Texas Street & Logan Street			-	-	-	-	-	-	-	-
Department of Commerce 16375 CDBG 15 (OEDA)			-	-	20,000.00	20,000.00	-	-	-	-
Federal Funds pass-through ODOT Oklahoma Department of Transportation Water System Relocation, CEL 172060 Sewer System Relocation, CEL 172061 Project No. NHPP-213N(017)UT			-	-	11,063	11,063	-	-	-	-
Total Federal Programs			535,280	-	363,348	363,348	-	-	36,955	-
2018 REAP Grant (OEDA) Department of Agriculture - Fire Oklahoma Water Resource Board			40,000 3,744	- -	15,903 3,744	15,903 3,744	- -	- -	- -	- -
Total State Programs			43,744	-	19,646	19,647	-	-	-	-
Total All Programs			579,024	-	382,994	382,995	-	-	36,955	-

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditors' report.