

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

**AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED
JUNE 30, 2019**

*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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City officials	
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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, 2019, 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 25, 2019

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, 2019, 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 25, 2019, 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 25, 2019

GOVERNMENT-WIDE STATEMENTS

CITY OF BOISE CITY, OKLAHOMA
Statement of Net Position - Modified Cash Basis
June 30, 2019

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
ASSETS			
Unrestricted:			
Cash and Cash Equivalents	\$ 978,269	\$ 305,923	\$ 1,284,192
Due from Other Funds	-	-	-
Total unrestricted assets	<u>978,269</u>	<u>305,923</u>	<u>1,284,192</u>
Restricted:			
Restricted Cash and Investments	-	200,186	200,186
Capital Assets (Note 4)			
Land and Construction Progress	10,000	808,638	818,638
Depreciable capital assets, net	608,207	1,559,406	2,167,613
Total Assets	<u>1,596,476</u>	<u>2,874,153</u>	<u>4,470,629</u>
LIABILITIES			
Due to Depositors	-	37,274	37,274
Long-term Liabilities (Note			
Due within one year	-	309,936	309,936
Due in more than one year	-	99,757	99,757
Total Liabilities	<u>-</u>	<u>446,967</u>	<u>446,967</u>
NET POSITION			
Invested in capital assets, net of related debt	618,207	1,958,351	2,576,559
Restricted	-	162,912	162,912
Unrestricted	978,269	305,923	1,284,192
Total Net Position	<u>\$ 1,596,476</u>	<u>\$ 2,427,185</u>	<u>\$ 4,023,663</u>

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, 2019

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	\$ 214,001	\$ 45,473	\$ -	\$ -	\$ (168,528)	\$ -	\$ (168,528)
Public Safety	171,288	13,617	14,285	-	(143,387)	-	(143,387)
Cemetery	1,418	198	-	-	(1,220)	-	(1,220)
Streets and Public Works	77,005	-	-	-	(77,005)	-	(77,005)
Airport	9,032	9,351	-	-	319	-	319
Unallocated Depreciation, net direct	178,555	-	-	-	(178,555)	-	(178,555)
Culture and Recreation	69,322	-	-	-	(69,322)	-	(69,322)
Total governmental activities	720,621	68,639	14,285	-	(637,698)	-	(637,698)
Business-Type Activities:							
Utility-Water	167,661	287,716	-	296,160	-	416,215	416,215
Utility-Sanitation	148,337	284,087	-	-	-	135,750	135,750
Utility- Sewer	66,439	193,877	-	-	-	127,438	127,438
Service Fees	-	3,510	-	-	-	3,510	3,510
General administration	164,180	-	-	-	-	(164,180)	(164,180)
Golf Course	21,455	31,050	-	-	-	9,595	9,595
Unallocated Depreciation, net direct	141,720	-	-	-	-	(141,720)	(141,720)
Interest Expense, net direct	14,445	-	-	-	-	(14,445)	(14,445)
Total business-type activities	724,235	800,239	-	296,160	-	372,164	372,164
Total Primary Government	1,444,857	868,878	14,285	296,160	(637,698)	372,164	(265,534)
General Revenues:							
Taxes:							
Sales Tax					454,577	-	454,577
Franchise Tax					58,557	-	58,557
Intergovernmental					201,739	-	201,739
Investment Income					9,216	3,513	12,728
Miscellaneous					5,713	91,949	97,663
Transfers-Internal Activity					-	-	-
Total general revenues and transfers					729,802	95,462	825,264
Changes in Net Position					92,104	467,626	559,730
Net Position - Beginning					1,504,372	1,959,559	3,463,930
Net Position - Ending					1,596,476	2,427,185	4,023,661

See accompanying notes to the basic financial statements.

**GOVERNMENTAL
FUND STATEMENTS**

CITY OF BOISE CITY, OKLAHOMA
 STATEMENT OF NET POSITION - CASH BASIS
 GOVERNMENTAL FUNDS
 JUNE 30, 2019

	General Fund	Airport Fund	Other	Total
ASSETS				
Cash and cash equivalents	\$ 595,210	\$ 13,186	\$ 68,833	\$ 677,228
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>893,751</u>	<u>13,186</u>	<u>71,333</u>	<u>978,269</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	-	-	59,855	59,855
Cemetery	-	-	11,478	11,478
Airport	-	13,186	-	13,186
Unassigned:	-	-	-	-
General Fund	893,751	-	-	893,751
Total Net Position	<u>893,751</u>	<u>13,186</u>	<u>71,333</u>	<u>978,269</u>
Reconciliation to Statement of Net Position:				
Amount reported for governmental activities in the statement of net position	-	-	-	-
Capital assets	-	-	618,207	618,207
Certain liabilities not payable in the reporting period	-	-	-	-
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
	<u>1,596,477</u>	<u>1,596,477</u>	<u>1,596,477</u>	<u>1,596,477</u>

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	\$ 454,577	\$ -	\$ 58,557	\$ 513,134
Intergovernmental	189,914	-	11,825	201,739
Charges for services	49,639	9,260	-	58,899
Fines and forfeitures	13,617	-	-	13,617
Licenses and permits	1,917	-	-	1,917
Investment income	6,727	345	2,144	9,216
Miscellaneous	3,424	91	2,198	5,713
Total Revenues	<u>719,814</u>	<u>9,696</u>	<u>74,724</u>	<u>804,234</u>
Expenditures:				
General Government	196,536	-	-	196,536
City Clerk/Treasurer	24,452	-	-	24,452
Police Department	143,261	-	-	143,261
Municipal Court	5,838	-	-	5,838
Fire Department	27,701	-	-	27,701
Parks	69,322	-	-	69,322
Swimming Pool	-	-	-	-
Cemetery	1,418	-	-	1,418
Animal Control	478	-	-	478
School Crossings	3,387	-	-	3,387
Shop	4,723	-	-	4,723
Street	-	-	68,895	68,895
Airport	-	9,032	-	9,032
Total Expenditures	<u>477,116</u>	<u>9,032</u>	<u>68,895</u>	<u>555,042</u>
Excess (deficiency) of revenues over expenditures	242,699	664	5,829	249,192
Other Financing Sources				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	242,699	664	5,829	249,192
Fund Balance - Beginning	651,052	12,521	65,504	729,077
Fund Balance - Ending	<u>893,751</u>	<u>13,186</u>	<u>71,333</u>	<u>978,269</u>

Reconciliation to the Statement of Activities:

Net change in fund balances	249,192
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	21,467
Depreciation expense	(178,555)
Change in net assets of governmental activities	<u>\$ 92,104</u>

See Accompanying notes to the basic financial statements.

**PROPRIETARY
FUND STATEMENTS**

CITY OF BOISE CITY, OKLAHOMA
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 PROPRIETARY FUNDS
 JUNE 30, 2019

	Public Works Authority	Golf Course	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 278,215	\$ 27,708	\$ 305,923
Noncurrent Assets:			
Restricted cash and cash equivalents	74,208	406	74,613
Restricted investments	108,283	-	108,283
Capital Assets, net of accumulated depreciation	2,228,575	139,469	2,368,044
Total noncurrent assets	2,411,066	139,875	2,550,940
Total Assets	2,689,280	167,583	2,856,863
LIABILITIES			
Current Liabilities:			
Notes payable-current portion	309,936	-	309,936
Total current liabilities	309,936	-	309,936
Noncurrent Liabilities:			
Refundable deposits	37,274	-	37,274
Notes payable-long-term portion	99,757	-	99,757
Total noncurrent liabilities	137,031	-	137,031
Total Liabilities	446,967	-	446,967
NET POSITION			
Invested in Capital Assets, net of debt	1,818,882	139,469	1,958,351
Restricted	145,217	406	145,622
Unrestricted	278,215	27,708	305,923
Total Net Position	\$ 2,242,313	\$ 167,583	\$ 2,409,896

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	\$ 287,716	\$ -	\$ 287,716
Charges for services-Sewer	193,877	-	193,877
Charges for services-Trash	284,087	-	284,087
Service Fees	105,930	-	105,930
Golf course fees and charges	-	31,050	31,050
Other	3,510	-	3,510
Total Revenues	<u>875,119</u>	<u>31,050</u>	<u>906,169</u>
Expenses:			
General Government	164,180	-	164,180
Water Department	167,661	-	167,661
Sewer Department	66,439	-	66,439
Solid Waste Department	148,337	-	148,337
Shop Department	17,921	-	17,921
Street Sweeper	2,428	-	2,428
Skid Loaders	7,921	-	7,921
Golf course	-	21,455	21,455
Depreciation	131,491	10,229	141,720
Total Expenses	<u>706,378</u>	<u>31,684</u>	<u>738,062</u>
Operating Income (Loss)	<u>168,742</u>	<u>(634)</u>	<u>168,107</u>
Non-operating revenues (expenses):			
Investment income	3,383	130	3,513
Interest expense and fiscal agent fees	(14,445)	-	(14,445)
Other Receipts (Grants)	296,160	-	296,160
Other revenue (Transfer In)	-	-	-
Total Non-operating Revenues (Expenses)	<u>285,099</u>	<u>130</u>	<u>285,228</u>
Changes in Net Assets	453,840	(504)	453,336
Net Position - Beginning	1,788,472	168,087	1,956,559
Net Position - Ending	<u>2,242,312</u>	<u>167,583</u>	<u>\$ 2,409,895</u>

See Accompanying notes to the basic financial statements.

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

	<u>Public Works Authority</u>	<u>Golf Course Fund</u>	<u>Total</u>
Cash Flow from Operating Activities:			
Receipts from Customers	\$ 871,609	\$ 31,050	\$ 902,659
Other Income	3,510	-	3,510
Payments to Employees	(229,466)	-	(229,466)
Payment of Vendor and Suppliers	<u>(345,421)</u>	<u>(21,455)</u>	<u>(366,876)</u>
Net Cash Provided (Used) by Operating Activities	300,232	9,595	309,827
Cash Flow from Capital and Related Financing Activities:			
Grant Receipts	296,160	-	296,160
Proceeds from Borrowing	-	-	-
Payment of Principal from Notes	(41,268)	-	(41,268)
Interest Paid on Notes	(7,430)	-	(14,445)
Disbursements on Capital Assets or Infrastructure	<u>(751,180)</u>	<u>(7,082)</u>	<u>(758,262)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	(503,718)	(7,082)	(517,814)
Cash Flow from Non-Capital and Related Financing Activities:			
Community Unlimited Loan	<u>249,494</u>	-	<u>249,494</u>
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	249,494	-	249,494
Cash Flow from Investing Activities:			
Investment Receipts	3,383	130	3,513
Certificate of Deposit Purchases	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Investing Activities	3,383	130	3,513
Net Increase (Decrease) In Cash	49,392	2,643	45,020
Cash, Beginning of the Year	228,824	25,471	254,294
	<u>-</u>	<u>-</u>	<u>-</u>
Cash, End of the Year	<u>278,215</u>	<u>28,113</u>	<u>\$ 299,315</u>
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 168,742	\$ (634)	\$ 168,107
Adjustments to Reconcile Net Income to Cash			
Depreciation	<u>131,491</u>	<u>10,229</u>	<u>141,720</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 300,232</u>	<u>\$ 9,595</u>	<u>\$ 309,827</u>

See Accompanying notes to the basic financial statements.

Notes to Financial Statements
City of Boise City
June 30, 2019

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 reported 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 City 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 an Other 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 uses it 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 \$618,207 are as follows:

Capital assets	\$	4,064,167
Accumulated depreciation		(3,445,959)
Net adjustment to increase fund balance—total governmental funds to arrive at net assets—governmental activities	\$	618,207

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 \$92,104 difference is as follows:

Capital outlay	\$	21,467
Depreciation expense		(178,555)
Net adjustment to increase net changes in fund balances—total governmental funds to arrive at changes in net assets of governmental activities		
	\$	92,104

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, 2019, 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, 2019, 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. \$ 124,924

Limited Obligation Notes Payable

\$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. \$ 11,029

\$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. \$ 23,739

\$250,000 note payable with Community Limited payable from USDA Loan and Grant Activity. The interest rate is 3.5% with interest due monthly. \$ 250,000

Customer Deposits:

Customer deposits reported as a liability within the Statement of Net Position are comprised of utility customer deposits payable. \$ 37,274

Note Payable Activity during Fiscal Year:

Public Works Authority	Beginning	Incurred	Retired	Ending
USDA Rural Dev	\$149,081	0	24,157	124,925
Communities Limited	23,782	0	43	23,739
Communities Limited	0	250,000	0	250,000
FSB 71429	<u>28,144</u>	<u>0</u>	<u>17,111</u>	<u>11,029</u>
Total Public Works	\$201,007	250,000	41,311	\$ 409,693
Less: Current Portion				<u>309,936</u>
Total Long-Term Public Works Authority				\$ 99,757

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>	<u>Comm Ltd</u>
06/30/20	25,166.94	11,029.46	23,789.49	250,000.00
06/30/21	26,520.46	-	-	
06/30/22	27,946.78	-	-	

06/30/23	29,449.81	-	-
06/30/24	15,840.06	-	-
5-year increments			
06/30/29	-	-	-

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, 2019. However, the Communities Limited may be paid off depending upon the classification of its overall financing. There are two (2) notes with Communities Limited and they are a part of a USDA Loan/Grant package. These notes will be paid back upon the approval and initiation of the Water and Sewer Line projects. These notes at 3.5% interest and are interest only until paid from the USDA funding.

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 OKLAHOMA 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, 2017	\$ 52,926
June 30, 2018	48,393
June 30, 2019	47,585

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, 2019.

F. Overlapping Debt

The City has no overlapping debt as of June 30, 2019.

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, 2019.

H. Joint Venture

The City is not and has not entered into any joint ventures as of June 30, 2019.

I. Commitments

As of June 30, 2019, 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, 2019.

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.

I. Prior-Period Adjustments

None

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

	July 1, 2018	Additions	Disposals	June 30, 2019
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	1,711,153	19,467	-	1,730,620
Improvements	1,724,732	2,000	-	1,726,732
Total other capital assets at historical costs	<u>4,032,700</u>	<u>21,467</u>	<u>-</u>	<u>4,054,167</u>
Less accumulated depreciation for:				
Buildings	660,452	23,873	-	684,325
Machinery and equipment	2,088,840	68,446	-	2,157,286
Improvements	518,112	86,237	-	604,349
Total accumulated depreciation	<u>3,267,404</u>	<u>178,555</u>	<u>-</u>	<u>3,445,959</u>
Other capital assets, net	<u>765,296</u>	<u>(157,088)</u>	<u>-</u>	<u>608,207</u>
Governmental activities capital assets, net	<u>\$ 775,296</u>	<u>\$ (157,088)</u>	<u>\$ -</u>	<u>\$ 618,207</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	40,000	-	-	40,000
Construction in progress	69,642	723,152	-	792,794
Total capital assets not being depreciated	<u>109,642</u>	<u>723,152</u>	<u>-</u>	<u>832,794</u>
Other capital assets				
Buildings	426,120	-	-	426,120
Machinery and equipment	1,080,937	97,126	-	1,178,062
Improvements	4,071,880	-	-	4,071,880
Total other capital assets at historical costs	<u>5,578,936</u>	<u>97,126</u>	<u>-</u>	<u>5,676,062</u>
Less accumulated depreciation for:				
Buildings	-	-	-	-
Buildings	356,654	17,045	-	373,699
Machinery and equipment	1,102,462	43,237	-	1,145,699
Improvements	2,515,821	81,438	-	2,597,258
Total accumulated depreciation	<u>3,974,937</u>	<u>141,720</u>	<u>-</u>	<u>4,116,656</u>
Other capital assets, net	<u>1,604,000</u>	<u>(44,594)</u>	<u>-</u>	<u>1,559,406</u>
Business-Type activities capital assets, net	<u>\$ 1,713,642</u>	<u>\$ 678,558</u>	<u>\$ -</u>	<u>\$ 2,392,200</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, 2019, and the related notes to the financial statements, which collectively comprise the City of Boise City, State Oklahoma's basic financial statements and have issued our report thereon dated November 25, 2019.

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 25, 2019

SUPPLEMENTAL INFORMATION

CITY OF BOISE CITY, OKLAHOMA
 Budgetary Comparison Schedule General Fund - Cash Basis
 For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 70,315	\$ 70,315	\$ 651,052	\$ 580,737
Resources (Inflows):				
Taxes:				
Sales Tax	384,378	384,378	401,575	17,197
Use Tax	39,000	39,000	48,731	
Cigar Tax	-	-	3,537	3,537
Dog Tax	480	480	734	254
Total Taxes	<u>423,858</u>	<u>423,858</u>	<u>454,577</u>	<u>20,988</u>
Intergovernmental:				
Alcoholic Beverage Tax	153,556	153,556	185,236	31,680
State Grants	-	-	4,678	4,678
Investment Income	2,000	2,000	6,727	4,727
Miscellaneous Income				
Code Enforcement	206	206	-	(206)
Contracted Manager Services	49,950	49,950	43,556	(6,394)
Police Fines	5,407	5,407	13,617	8,210
Fire	6,500	6,500	4,895	(1,605)
Licenses and Permits	1,000	1,000	1,917	917
Swimming Pool	50	50	50	-
Cemetery	1,200	1,200	1,138	(63)
Service Fee	-	-	-	-
Miscellaneous	5,500	5,500	3,424	(2,076)
Other Financing Sources:				
Transfer from Other Funds	-	-	-	-
Amounts available for appropriations	<u>719,542</u>	<u>719,542</u>	<u>1,370,866</u>	<u>641,593</u>
General Government				
Personal Services	203,261	203,261	161,416	(41,845)
Maintenance and Operations	64,224	64,224	28,133	(36,091)
Capital Outlay	49,500	49,500	6,986	(42,514)
	<u>316,985</u>	<u>316,985</u>	<u>196,536</u>	<u>(120,449)</u>
City Clerk				
Personal Services	25,092	25,092	23,910	(1,182)
Maintenance and Operations	1,038	1,038	542	(496)
Capital Outlay	-	-	-	-
	<u>26,130</u>	<u>26,130</u>	<u>24,452</u>	<u>(1,678)</u>
Police Department				
Personal Services	116,762	116,762	87,244	(29,518)
Maintenance and Operations	64,780	64,780	55,727	(9,053)
Capital Outlay	10,605	10,605	290	(10,315)
	<u>192,147</u>	<u>192,147</u>	<u>143,261</u>	<u>(48,886)</u>

CITY OF BOISE CITY, OKLAHOMA
 Budgetary Comparison Schedule General Fund - Cash Basis
 For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Municipal Court				
Personal Services	2,300	2,300	2,019	(282)
Maintenance and Operations	4,922	4,922	3,820	(1,102)
Capital Outlay	-	-	-	-
	<u>7,222</u>	<u>7,222</u>	<u>5,838</u>	<u>(1,384)</u>
Fire Department				
Personal Services	1,379	1,379	1,080	(299)
Maintenance and Operations	27,081	27,081	20,921	(6,160)
Capital Outlay	5,700	5,700	5,700	-
	<u>34,160</u>	<u>34,160</u>	<u>27,701</u>	<u>(6,459)</u>
City Parks and Arena				
Personal Services	83,074	83,074	61,409	(21,665)
Maintenance and Operations	17,748	17,748	7,913	(9,835)
Capital Outlay	10,000	10,000	-	(10,000)
	<u>110,822</u>	<u>110,822</u>	<u>69,322</u>	<u>(41,500)</u>
Swimming Pool				
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cemetery				
Personal Services	1,000	1,000	-	(1,000)
Maintenance and Operations	1,961	1,961	1,418	(543)
Capital Outlay	-	-	-	-
	<u>2,961</u>	<u>2,961</u>	<u>1,418</u>	<u>(1,543)</u>
Animal Control				
Personal Services	820	820	388	(432)
Maintenance and Operations	570	570	90	(480)
Capital Outlay	18,000	18,000	-	(18,000)
	<u>19,390</u>	<u>19,390</u>	<u>478</u>	<u>(18,912)</u>
School Crossing				
Personal Services	4,774	4,774	3,387	(1,387)
Maintenance and Operations	-	-	-	-
	<u>4,774</u>	<u>4,774</u>	<u>3,387</u>	<u>(1,387)</u>
Shop				
Personal Services	-	-	-	-
Maintenance and Operations	4,951	4,951	4,723	(228)
Capital Outlay	-	-	-	-
	<u>4,951</u>	<u>4,951</u>	<u>4,723</u>	<u>(228)</u>
Other Financing Uses:				
Transfer to Other Funds	-	-	-	-
Reserves	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Charges to Appropriations	<u>719,542</u>	<u>719,542</u>	<u>477,116</u>	<u>(242,426)</u>
Ending Budgetary Fund Balance	<u>-</u>	<u>-</u>	<u>\$ 893,751</u>	<u>\$ 884,019</u>

CITY OF BOISE CITY, OKLAHOMA
 Cimarron County, Oklahoma
 Schedule of Expenditures of Federal Awards
 For Year Ended June 30, 2019

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, 2018	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, 2019
United States Department of Agriculture Water Line Relocation Sewer Line Relocation			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Department of Commerce CDBG Grant			\$ 225,000	\$ -	\$ 221,775	\$ 221,775	\$ 72	\$ -	\$ -	\$ -
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			33,480 55,884	- -	- 74,385	- 74,385	- 9	- -	- -	- -
Total Federal Programs			314,364	-	296,160	296,160	81	-	-	-
Department of Agriculture - Fire Department of Agriculture - Community Fire Assistance Oklahoma Municipal Assurance Group Safety Grant			4,000 10,356 2,000	- -	4,000 8,285 2,000	4,000 8,285 2,000	- -	- -	2,071	- -
Total State Programs			16,356	-	14,285	14,285	-	-	2,071	-
Total All Programs			330,720	-	310,445	310,445	81	-	2,071	-

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