

AUDIT REPORT

CITY OF ATOKA, OKLAHOMA

DECEMBER 31, 2023



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CITY OF ATOKA, OKLAHOMA
DECEMBER 31, 2023

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CITY OF ATOKA, OKLAHOMA
LIST OF BOARD MEMBERS
DECEMBER 31, 2023

ELECTED OFFICIALS

<u>NAME</u>	<u>POSITION</u>
BRIAN CATHEY	MAYOR
DIANE MCGEE	VICE MAYOR
COBY SHERRILL	COUNCIL MEMBER
ERICA POGUE	COUNCIL MEMBER
PAT TURNER	COUNCIL MEMBER

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Atoka, Oklahoma

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

I have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atoka, Oklahoma, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Atoka's basic financial statements as listed in the table of contents.

Summary of Opinions

<i>Opinion Unit</i>	<i>Type of Opinion</i>
Governmental Activities	Qualified
Business-Type Activities	Unmodified
Governmental Fund - General Fund	Unmodified
Governmental Fund - Capital Improvement Fund	Unmodified
Governmental Fund - City/School Tax Fund	Unmodified
Enterprise Fund - Atoka Municipal Authority	Unmodified
Enterprise Fund - ACIDA	Unmodified
Enterprise Fund - AIFA	Unmodified

Qualified Opinion on Governmental Activities

In my opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section my report, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities of the City of Atoka as of December 31, 2023, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Unmodified Opinions on General Fund, Capital Improvement Fund, Business-Type Activities, City/School Tax Fund, AMA Fund, ACIDA Fund, AIFA Fund, and Aggregate Remaining Fund Information

In my opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis

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financial position of the General Fund, Capital Improvement Fund, business-type activities, City/School Tax Fund, AMA Fund, ACIDA Fund, AIFA Fund, and the aggregate remaining fund information of the City of Atoka as of December 31, 2023, 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 1.

Basis for Qualified and Unmodified Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the City of Atoka and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified and unmodified audit opinions.

Matter Giving Rise to Qualified Opinion on Governmental Activities

As discussed in Note 1 to the financial statements, the City's Governmental Funds have not maintained accurate capital asset records to support the historical cost of past capital asset purchases. The modified cash basis of accounting requires that items, having substantial support in U.S. generally accepted accounting principles, such as capitalizing assets at historical cost and recording depreciation, be recorded in the financial statements. The City has not maintained accurate capital assets records to support the historical cost of past capital asset purchases and the related depreciation. Documentation supporting historical cost was not readily available for my review. The amount by which this departure would affect the assets, net position, and expenditures/expenses of the Governmental Activities is not readily determinable.

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 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. My opinion is not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, I

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

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effectiveness of the City of Atoka's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Atoka's ability to continue as a going concern for a reasonable period of time.

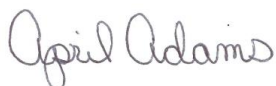
I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Supplementary and Other Information

The introductory and other supplementary information sections listed in the accompanying table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the City. Such additional information has not been subjected to the auditing procedures applied in my audit of the basic financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 13, 2024, on my consideration of the City of Atoka's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Atoka's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Atoka's internal control over financial reporting and compliance.



April Adams CPA PLLC
Ponca City, Oklahoma
June 13, 2024

CITY OF ATOKA, OKLAHOMA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2023

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
<u>Current Assets:</u>			
Cash and cash equivalents	\$ 2,221,468	\$ 1,442,958	\$ 3,664,426
Investments	291,029	145,496	436,524
Accounts Receivable	(2,078)	155,372	153,295
Total Current Assets	<u>2,510,418</u>	<u>1,743,826</u>	<u>4,254,245</u>
<u>Restricted Assets:</u>			
Cash and cash equivalents - Restricted	1,668,919	1,386,778	3,055,698
Investments - Restricted	-	64,000	64,000
Total Restricted Assets	<u>1,668,919</u>	<u>1,450,778</u>	<u>3,119,698</u>
<u>Noncurrent Assets:</u>			
Land and Construction in Progress	-	9,576,126	9,576,126
Capital Assets, net of Accum. Depreciation	-	12,450,628	12,450,628
Total Noncurrent Assets	<u>-</u>	<u>22,026,754</u>	<u>22,026,754</u>
TOTAL ASSETS	<u><u>4,179,338</u></u>	<u><u>25,221,359</u></u>	<u><u>29,400,697</u></u>
<u>LIABILITIES</u>			
<u>Current Liabilities:</u>			
Accounts Payable	92,154	120,672	212,826
CLEET & Forensics Liability	7,695	-	7,695
Due to (from) Other Funds	11,393	(11,393)	-
Posted Bonds	111,357	-	111,357
Cemetery Perpetual Care	813	-	813
Customer Deposits	-	208,618	208,618
Notes Payable - Current Portion	-	360,685	360,685
Total Current Liabilities	<u>223,412</u>	<u>678,581</u>	<u>901,993</u>
<u>Long-Term Liabilities:</u>			
Notes Payable - Long-Term	-	12,236,084	12,236,084
Total Long-Term Liabilities	<u>-</u>	<u>12,236,084</u>	<u>12,236,084</u>
TOTAL LIABILITIES	<u><u>223,412</u></u>	<u><u>12,914,665</u></u>	<u><u>13,138,077</u></u>
<u>NET POSITION</u>			
Net investment in capital assets	-	9,429,985	9,429,985
Restricted for:			
Debt Service	-	1,310,360	1,310,360
Other Purposes	1,668,919	-	1,668,919
Unrestricted	2,287,007	1,566,349	3,853,356
TOTAL NET POSITION	<u><u>\$ 3,955,926</u></u>	<u><u>\$ 12,306,694</u></u>	<u><u>\$ 16,262,620</u></u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Current:					
General Government	\$ 3,232,905	\$ 80,067	\$ 1,877,722	\$ -	\$ (1,275,117)
Police Department	1,271,383	518,201	-	21,843	(731,339)
Lake Patrol	336,146	-	377,751	-	41,605
Fire Department	98,163	-	29,994	-	(68,169)
Street Department	1,471,505	-	-	-	(1,471,505)
Airport	146,545	10,035	105,293	-	(31,217)
Culture & Recreation	427,249	-	-	-	(427,249)
Public Works	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	595,683	-	-	-	(595,683)
Total Governmental Activities	7,579,579	608,303	2,390,759	21,843	(4,558,674)
Business-type activities:					
Water	710,730	1,037,675	-	173,240	500,184
Sewer	787,071	543,043	-	-	(244,028)
Sanitation	670,052	631,074	-	-	(38,978)
Industrial Development	121,939	-	-	24,000	(97,939)
Culture & Recreation	306,493	163,384	-	-	(143,110)
Misc. Other Business-type	2,737,950	359,633	-	-	(2,378,317)
Total Business-type Activities	5,334,236	2,734,808	-	197,240	(2,402,188)
Total	\$ 12,913,815	\$ 3,343,111	\$ 2,390,759	\$ 219,083	\$ (6,960,862)
Changes in Net Position:					
		Governmental Activities	Business-Type Activities	Total	
Net (expense)/revenue		\$ (4,558,674)	\$ (2,402,188)	\$ (6,960,862)	
General revenues:					
Sales Tax		3,620,568	1,206,856	4,827,423	
Use Tax		321,447	107,149	428,595	
TIF		-	106,066	106,066	
Licenses & Permits		52,350	-	52,350	
Alcoholic Beverage Tax		155,533	-	155,533	
Vehicle License Tax		23,048	-	23,048	
Gasoline Taxes		5,653	-	5,653	
Tobacco Tax		31,877	-	31,877	
Other Taxes		236,893	-	236,893	
Utility Franchise Taxes		128,533	-	128,533	
Interest Income		36,297	31,251	67,548	
Miscellaneous Revenues		242,485	1,153,503	1,395,989	
Transfers - Internal Activity		(200,620)	200,620	-	
Total general revenues & transfers		4,654,062	2,805,446	7,459,508	
Changes in net position		95,388	403,258	498,646	
Net position - beginning		3,860,538	11,903,436	15,763,974	
Net position - ending		\$ 3,955,926	\$ 12,306,694	\$ 16,262,620	

The accompanying notes are an integral part of the basic financial statements.

**CITY OF ATOKA, OKLAHOMA
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General Fund	Capital Improvement Fund	City/School Tax Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,676,300	\$ 545,167	\$ -	\$ 2,221,468
Investments	123,097	167,932	-	291,029
Accounts Receivable	-	(2,078)	-	(2,078)
Due from Other Funds	10	-	-	10
Restricted Cash and cash equivalents	669,370	-	999,549	1,668,919
TOTAL ASSETS	\$ 2,468,778	\$ 711,021	\$ 999,549	\$ 4,179,348
LIABILITIES & FUND EQUITY				
LIABILITIES:				
Accounts Payable	\$ 68,250	\$ 23,904	\$ -	\$ 92,154
CLEET & Forensics Liability	7,695	-	-	7,695
Due to Other Funds	11,403	-	-	11,403
Posted Bonds	111,357	-	-	111,357
Cemetery Perpetual Care	813	-	-	813
Permit & Inspection Fees	-	-	-	-
TOTAL LIABILITIES	199,518	23,904	-	223,422
FUND BALANCES:				
Nonspendable	-	-	-	-
Restricted	-	-	999,549	999,549
Committed	-	-	-	-
Assigned	669,370	687,117	-	1,356,488
Unassigned	1,599,890	-	-	1,599,890
TOTAL FUND BALANCES	2,269,260	687,117	999,549	3,955,926
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,468,778	\$ 711,021	\$ 999,549	\$ 4,179,348

Reconciliation to Statement of Net Position:

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities of \$0, net of accumulated depreciation of \$0, are not financial resources and, therefore, are not reported in the funds. -

Some liabilities, including capital debt obligations payable, are not due and payable in the current period and therefore are not reported in the funds. -

Net Position of Governmental Activities \$ 3,955,926

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	General Fund	Capital Improvement Fund	City/School Tax Fund	Total Governmental Funds
<u>REVENUES:</u>				
Sales Tax	\$ 1,206,856	\$ 1,206,856	\$ 1,206,856	3,620,568
Use Tax	107,149	107,149	107,149	321,447
Licenses & Permits	52,350	-	-	52,350
Alcoholic Beverage Tax	155,533	-	-	155,533
Vehicle License Tax	23,048	-	-	23,048
Gasoline Taxes	5,653	-	-	5,653
Tobacco Tax	31,877	-	-	31,877
Other Taxes	236,893	-	-	236,893
Grant Revenue	2,412,602	-	-	2,412,602
Charges for Services	90,102	-	-	90,102
Bond & Fine Receipts	518,201	-	-	518,201
Utility Franchise Taxes	128,533	-	-	128,533
Interest	26,926	1,670	7,701	36,297
Miscellaneous Revenues	207,291	35,194	-	242,485
TOTAL REVENUES	5,203,013	1,350,868	1,321,706	7,875,587
<u>EXPENDITURES:</u>				
Current:				
General Government	2,137,429	-	1,095,477	3,232,905
Police Department	1,271,383	-	-	1,271,383
Lake Patrol	336,146	-	-	336,146
Fire Department	98,163	-	-	98,163
Street Department	67,114	1,404,391	-	1,471,505
Airport	146,545	-	-	146,545
Culture & Recreation	427,249	-	-	427,249
Public Works	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	282,198	313,484	-	595,683
TOTAL EXPENDITURES	4,766,227	1,717,875	1,095,477	7,579,579
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	436,786	(367,007)	226,229	296,008
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	(200,620)	-	-	(200,620)
Capital Debt Proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(200,620)	-	-	(200,620)
NET CHANGES IN FUND BALANCES	236,166	(367,007)	226,229	95,388
FUND BALANCE - BEGINNING OF YEAR	2,033,094	1,054,124	773,320	3,860,538
FUND BALANCE - END OF YEAR	\$ 2,269,260	\$ 687,117	\$ 999,549	3,955,926

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Reconciliation to Statement of Activities:

Net change in fund balances - total governmental funds	\$	95,388
 Amounts reported for governmental activities in the Statement of Activities are different because:		
 Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Capital debt obligation principal payments		-
 Issuance of new capital debt obligations is recorded as capital debt proceeds in the governmental funds, but the proceeds create long-term liabilities in the Statement of Net Position:		
Capital Debt Proceeds		-
 Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized		-
Depreciation expense		-
		-
Change in Net Position of Governmental Activities	\$	95,388

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Enterprise Funds			Total
	Atoka Municipal Authority	Atoka City Industrial Development Authority	Atoka Industrial Facilities Authority	
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 631,488	\$ 654,515	\$ 156,955	\$ 1,442,958
Investments	5,898	139,598	-	145,496
Accounts Receivable	155,770	(398)	-	155,372
Due from Other Funds	-	224,000	11,403	235,403
Total Current Assets	793,156	1,017,716	168,358	1,979,230
Noncurrent Assets:				
Restricted Cash	1,129,430	257,348	-	1,386,778
Restricted Investments	64,000	-	-	64,000
Land and Construction in Progress	6,210,623	3,365,502	-	9,576,126
Other capital assets, net of accumulated depreciation	9,700,506	1,422,037	1,328,085	12,450,628
Total Noncurrent Assets	17,104,560	5,044,887	1,328,085	23,477,532
TOTAL ASSETS	17,897,716	6,062,603	1,496,443	25,456,762
LIABILITIES & FUND EQUITY				
Current Liabilities:				
Accounts Payable	109,850	4,941	5,881	120,672
Due to Other Funds	224,010	-	-	224,010
Customer Deposits	208,618	-	-	208,618
Notes Payable - Current Portion	332,578	-	28,107	360,685
Total Current Liabilities	875,055	4,941	33,988	913,984
Noncurrent Liabilities:				
Notes Payable - Long-Term Portion	11,519,160	-	716,924	12,236,084
Total Noncurrent Liabilities	11,519,160	-	716,924	12,236,084
TOTAL LIABILITIES	12,394,215	4,941	750,912	13,150,069
NET POSITION:				
Net investment in capital assets	4,059,392	4,787,539	583,054	9,429,985
Restricted for debt service	1,053,012	257,348	-	1,310,360
Unrestricted	391,097	1,012,774	162,477	1,566,349
TOTAL NET POSITION	\$ 5,503,501	\$ 6,057,662	\$ 745,531	\$ 12,306,694

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	Enterprise Funds			Total
	Atoka Municipal Authority	Atoka City Industrial Development Authority	Atoka Industrial Facilities Authority	
OPERATING REVENUES:				
Water Service	\$ 1,037,675	\$ -	\$ -	\$ 1,037,675
Sewer Service	543,043	-	-	543,043
Refuse Collection	631,074	-	-	631,074
Penalties	36,923	-	-	36,923
Water and Sewer Tap Fees	25,122	-	-	25,122
Recovery of Bad Debts	-	-	-	-
Miscellaneous	663,258	63,670	88	727,016
Transfer Station	289,781	-	-	289,781
Grants	-	-	-	-
Sale of Recyclables	7,807	-	-	7,807
Intergovernmental	-	112,008	-	112,008
Other Charges for Services	-	-	163,384	163,384
Rents and Leases	-	314,479	-	314,479
Sales and Use Tax (including TIF)	657,002	763,068	-	1,420,070
TOTAL OPERATING REVENUES	3,891,685	1,253,225	163,472	5,308,382
OPERATING EXPENSES:				
Sewer Plant Maintenance	540,102	-	-	540,102
Sewer Collection	246,968	-	-	246,968
Water Maintenance	306,028	-	-	306,028
Water Production	404,703	-	-	404,703
Sanitation	670,052	-	-	670,052
Transfer Station Expenses	157,772	-	-	157,772
Public Works	84,646	-	-	84,646
Industrial Development	-	121,939	-	121,939
Culture & Recreation	-	-	306,493	306,493
Park Design & Development	-	489,800	-	489,800
Marketing	-	48,278	-	48,278
Administration	338,337	529,081	-	867,418
Depreciation	581,802	117,347	89,730	788,879
TOTAL OPERATING EXPENSES	3,330,410	1,306,444	396,223	5,033,077
NET OPERATING INCOME (LOSS)	561,275	(53,219)	(232,751)	275,305
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	19,732	11,519	-	31,251
Interest Expense	(274,269)	-	(26,890)	(301,159)
Gain(Loss) on Disposal of Equipment	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(254,536)	11,519	(26,890)	(269,907)
NET INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFER	306,739	(41,700)	(259,641)	5,397
Capital Contributions	173,240	24,000	-	197,240
Transfers in	-	-	230,620	230,620
Transfers out	-	(30,000)	-	(30,000)
CHANGE IN NET POSITION	479,979	(47,700)	(29,021)	403,258
TOTAL NET POSITION - BEGINNING	5,023,522	6,105,362	774,552	11,903,436
TOTAL NET POSITION - ENDING	\$ 5,503,501	\$ 6,057,662	\$ 745,531	\$ 12,306,694

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
PROPRIETARY FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	<u>Enterprise Funds</u>			<u>Total</u>
	<u>Atoka Municipal Authority</u>	<u>Atoka City Industrial Development Authority</u>	<u>Atoka Industrial Facilities Authority</u>	
<u>Cash Flows from Operating Activities:</u>				
Cash Receipts from Customers	\$ 3,274,940	\$ 378,547	\$ 163,472	\$ 3,816,959
Other Cash Receipts	657,002	875,076	-	1,532,078
Payments to Suppliers & Employee for Goods & Services	(2,767,223)	(1,191,516)	(304,010)	(4,262,748)
Receipts of Customer Utility Deposits, Net of Refunds	1,484	-	-	1,484
Net Cash Provided (Used) by Operating Activities	1,166,203	62,107	(140,538)	1,087,773
<u>Cash Flows from Non-Capital Financing Activities:</u>				
Transfers to other funds	-	(30,000)	-	(30,000)
Transfers from other funds	-	-	252,993	252,993
Net Cash Provided (Used) by Non-Capital Financing Activities	-	(30,000)	252,993	222,993
<u>Cash Flows from Capital & Related Financing Activities:</u>				
Capital Contributions, Including Loan Forgiveness	173,240	24,000	-	197,240
Additions to Capital Assets	(1,188,915)	(521,850)	(15,198)	(1,725,962)
Proceeds from Disposal of Capital Assets	-	-	-	-
Loan Proceeds	456,510	-	-	456,510
Principal paid on debt	(436,865)	-	(26,867)	(463,733)
Interest paid on debt	(285,022)	-	(26,890)	(311,912)
Net Cash Provided (Used) by Capital & Related Financing Activities	(1,281,052)	(497,850)	(68,955)	(1,847,857)
<u>Cash Flows from Investing Activities:</u>				
(Increase) in Investments	-	249,736	-	249,736
Interest Income	19,732	11,519	-	31,251
Net Cash Provided (Used) by Investing Activities	19,732	261,255	-	280,987
Net Increase (Decrease) in Cash and Cash Equivalents	(95,116)	(204,488)	43,499	(256,105)
Cash & Cash Equivalents, Beginning of Year	1,856,035	1,116,351	113,456	3,085,841
Cash & Cash Equivalents, End of Year	\$ 1,760,918	\$ 911,863	\$ 156,955	\$ 2,829,737
<u>Reconciliation of operating income (loss) to net cash provided</u>				
<u>operating activities:</u>				
Operating Income (Loss)	\$ 561,275	\$ (53,219)	\$ (232,751)	\$ 275,305
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	581,802	117,347	89,730	788,879
(Increase)Decrease in Accounts Receivable	40,257	398	-	40,655
Increase(Decrease) in Accounts Payable	(18,615)	(2,418)	2,484	(18,550)
Increase(Decrease) in Due to Depositors	1,484	-	-	1,484
Net Cash Provided (Used) by Operating Activities	\$ 1,166,203	\$ 62,107	\$ (140,538)	\$ 1,087,773

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
DECEMBER 31, 2023

	Trust and Agency Funds			Total
	Payroll Clearing	Cemetery Perpetual Care	Cemetery Care	
ASSETS				
Cash and cash equivalents	\$ 38,180	\$ 7,242	\$ 1,655	\$ 47,077
Investments	-	48,883	-	48,883
Accounts Receivable	29,826	-	-	29,826
Due from Other Funds	-	-	-	-
TOTAL ASSETS	68,005	56,125	1,655	125,785
LIABILITIES & FUND EQUITY				
Current Liabilities:				
Accounts Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Current Liabilities	-	-	-	-
Noncurrent Liabilities:				
Notes Payable - Long-Term Portion	-	-	-	-
Total Noncurrent Liabilities	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
NET POSITION:				
Assigned	68,005	56,125	1,655	125,785
TOTAL NET POSITION	\$ 68,005	\$ 56,125	\$ 1,655	\$ 125,785

The accompanying notes are an integral part of the basic financial statements.

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 1.C, these financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash-basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

A. FINANCIAL REPORTING ENTITY:

The City of Atoka, Oklahoma (City) was incorporated in 1901 under provisions of Oklahoma Law. The City operates under a Council-Manager form of government. There are five elected officials that each serve a two year term and on appointed City Manager. The City provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, sewer, sanitation, culture-recreation, public improvements, planning and zoning, and general administrative services. The following is a summary of the more significant policies:

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic-but not only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility includes, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

whether the City is able to exercise oversight responsibilities.

Blended Component Units/Trusts:

The Atoka Municipal Authority (AMA) was created pursuant to a Trust Indenture for the benefit of the City of Atoka, Oklahoma. The AMA was established to finance, develop, and operate the water, sewer, and sanitation activities of the City. Current City Council serves as the governing body.

The Atoka City Industrial Development Authority (ACIDA) is also a public trust, the beneficiary of which is the City of Atoka, Oklahoma. The ACIDA works with the city, county, state and community to strengthen Atoka and SE Oklahoma's quality of life and industrial viability. It uses a five-point approach to address the following segments: Jobs, Housing, Education, Health, and Tourism.

The Atoka Industrial Facilities Authority is a public trust, the beneficiary of which is the City of Atoka, Oklahoma, that was created October 10, 1996. Until the 2010 fiscal year, the Authority had no activity for several years.

These three trusts are reported as enterprise funds in the financial statements.

B. BASIS OF PRESENTATION

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole within the limitations of the modified cash basis of accounting. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed, in whole or in part, by fees charges to external parties for goods or services.

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, cash receipts, cash disbursements, and certain accruals. The City maintains a separate bank account for each fund. All bank accounts are at institutions, which are FDIC insured.

Governmental Fund Types

The General Fund is the general operating fund of the City and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund. The Capital Improvement Fund is being used to account for Sales Tax, Use Tax and Miscellaneous Income restricted to Capital Improvement Projects. The City/School Tax Account Fund is being used to account for Sales Tax restricted for City/School Tax for the new sports complex.

Proprietary Fund Types

Enterprise Funds - Atoka Municipal Authority, Atoka City Industrial Development Authority and Atoka Industrial Facilities Authority:

The enterprise funds are used to account for operations that are operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges or where the governing body has decided that the determination of revenues earned, costs incurred and/or net income is necessary for capital maintenance, public policy or management accountability. The City's major enterprise funds are:

Atoka Municipal Authority - accounts for the operations of providing public works (water, sewer, and sanitation) to the City.

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Atoka City Industrial Development Authority - accounts for the promotion of development of industry in the City.

Atoka Industrial Facilities Authority - accounts for providing, maintaining, constructing recreational and cultural facilities within the City.

Fiduciary Funds

Fiduciary Funds - account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity. The fiduciary funds include the payroll clearing fund, cemetery perpetual care fund and cemetery care fund.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

Measurement Focus

In the government-wide State of Net Position and Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, subsequently defined in item (b).

In the fund financial statements, the current financial resources measurement focus or the economic resources measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

- b. The proprietary fund utilizes an economic resources measurement focus within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determinations of operating income, changes in net position (or cost recovery), net financial position, and cash flows. All assets, deferred outflows, liabilities, and deferred inflows (whether current or noncurrent or financial or nonfinancial) associated with their activities are generally reported within the limitations of the modified cash basis of accounting.

Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

If the City utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting. While the City is using the modified cash basis of accounting, some, but not all, receivables and payables have been included in the financial statements.

D. FINANCIAL POSITION

1. Deposits and Investments

Cash includes amounts in demand deposits. The City considers all cash on hand, demand deposits and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents. City policy has been to invest in obligations of the U.S. Treasury and Certificates of Deposit.

2. Restricted Cash and Investments

Certain proceeds from grants, customer deposits, park funds, and bond sinking funds have been set aside for these purposes, and fund balances and resources have been restricted to assure availability for the intended purpose.

3. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

4. Short-term Interfund Receivables/Payables

During the course of operations, transactions occur between individual funds for various reasons. The receivables and payables are classified as "Due From

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Other Funds” or “Due to Other Funds” on the balance sheet. Short-term loans are classified as “Interfund Receivables/Payables.”

5. Inventories

There are no inventories listed on the balance sheet. The amount of inventories is small and is recorded as an expenditure when purchased rather than when consumed.

6. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund and similar discretely presented component unit operations and whether they are reported in the government-wide or fund financial statements. The City has not historically maintained fixed asset records.

Proprietary and component unit capital assets are reported in their respective fund and combining components units’ financial statements. Donated assets are stated at fair value on the date donated. The City maintains a capitalization threshold of \$500. The cost of normal maintenance and repairs that do not add to the assets value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are moved from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	5-30 years
Improvements, other than buildings	5-30 years
Furniture, machinery and equipment	5-15 years
Utility systems	5-40 years

7. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

liability of the governmental fund that will pay it. Vested accumulated vacation leave of proprietary funds is recorded as an expenditure of these funds as the benefits accrue to employees. In accordance with the provisions of Statement of Accounting Standards No. 43, Accounting for Compensated Absences no liability is recorded for nonvesting accumulating rights to received sick pay benefits. As a result of the City's use of the modified cash basis of accounting, no compensated absence payables are included in the financial statements.

8. Long-Term Obligations

Long-term liabilities expected to be financed from Proprietary Fund operations are accounted for in that fund (Atoka Municipal Authority and the Industrial Development Authority).

9. Net Position/Fund Balance Classifications:

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

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

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

It is the City's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Balance

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

- Non-spendable - Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned - Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board.
- Unassigned - Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The City uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Government would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

CITY OF ATOKA, OKLAHOMA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2023

The Government does not have a formal minimum fund balance policy.

The purposes of each major special revenue fund and revenue source is listed below:

<u>Major Special Revenue Fund</u>	<u>Revenue Source</u>
Capital Improvement Fund	Sales Tax Use Tax Miscellaneous Income
City/School Tax Acct Fund	Sales Tax

10. Interfund Transactions:

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund as a reduction of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. All interfund transfers are reported as operating transfers. The interfund transactions have not been reconciled, but are considered immaterial.

NOTE 2 - DEPOSITS AND INVESTMENTS

Custodial Credit Risk

At December 31, 2023, the City held deposits of approximately \$7,316,608 at financial institutions. The City's cash deposits, including interest-bearing certificates of deposit are covered by Federal Depository Insurance (FDIC) or direct obligation of the U.S. Government insured or collateralized with securities held by the City or by its agent in the City's name.

Investment Interest Rate Risk

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Credit Risk

The City has no policy that limits its investment choices other than the limitation of state law as follows:

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

The investments held at December 31, 2023 are as follows:

Type	Weighted Average Maturity (Months)	Credit Rating	Market Value	Cost
Investments:				
Certificate of deposit	6.15	N/A	\$ 549,408	\$ 549,408
Total Investments			<u>\$ 549,408</u>	<u>\$ 549,408</u>

Concentration of Investment Credit Risk

CITY OF ATOKA, OKLAHOMA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2023

The City places no limit on the amount it may invest in any one issuer. The City has the following credit risk: 100% in Certificates of deposit (\$549,408).

NOTE 3 - RESTRICTED ASSETS

The loan agreements with OWRB require that certain monies be put in a trust type account. These funds are restricted to servicing the loans with OWRB. Monthly payments are made to a debt service account and then invested upon receipt by the loan trustee, BOK Trust. Semi-annual payments are then made by the trustee from this account to OWRB.

Restricted cash and investments consist of the following:

Governmental Activities:

General Fund -	
Choctaw Nation Donations	\$ 291,742
Atoka Municipal Airport	370
Crime Stoppers	2,395
CDBG - Home Grant	110
Grant Project Account	374,753
City/School Tax Fund -	
Sales Tax for City/School Tax Fund	999,549
Total Governmental Activities	<u>\$ 1,668,919</u>

Business-Type Activities:

Atoka Municipal Authority -	
Meter Deposits	\$ 153,444
Water Plant Depreciation	332,279
CDBG - WS	65,612
OWRB 2016 DWSRF Debt Service Fund	106,382
OWRB 2020b FAP2100051 Debt Service Fund	42,232
AMA Sales Tax Fund	429,481
Meter Deposits - Investments	64,000
Atoka City Industrial Development Authority	
Water Recreation Tax	209,517
ACIDA Tax Increment Finance	47,831
Total Business-Type Activities	<u>\$ 1,450,778</u>

Total Restricted Assets \$ 3,119,698

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 - CAPITAL ASSETS

Proprietary Fund Capital Assets:

<u>Business-Type Activities:</u>	12/31/2022			12/31/2023
	Balance	Additions	Retirements	Balance
Capital assets not being depreciated:				
Land	\$ 2,631,984	\$ 285,767	\$ -	\$ 2,917,750
Construction in progress	5,510,484	1,147,892	-	6,658,376
Total capital assets not being depreciated	<u>8,142,468</u>	<u>1,433,658</u>	<u>-</u>	<u>9,576,126</u>
Other capital assets:				
Water Lines	624,965	-	-	624,965
Water Treatment Plant	7,877,163	14,904	-	7,892,067
Fluoride System	9,651	-	-	9,651
Elevated Water Tank	146,444	-	-	146,444
Sewer System	8,696,035	-	-	8,696,035
Vehicles and Equipment	1,272,360	48,640	(66,437)	1,254,562
Water Meters	3,785	-	-	3,785
Leasehold Improvements	423,720	213,563	-	637,283
Buildings	5,351,522	15,198	(7,340)	5,359,380
Total other capital assets	<u>24,405,645</u>	<u>292,304</u>	<u>(73,777)</u>	<u>24,624,173</u>
Less: Accum. Depreciation for:				
Water Lines	368,224	7,823	-	376,047
Water Treatment Plant	3,511,250	242,222	-	3,753,473
Fluoride System	9,651	-	-	9,651
Elevated Water Tank	140,009	3,661	-	143,670
Sewer System	3,344,792	269,205	-	3,613,997
Vehicles and Equipment	1,099,064	45,525	(66,437)	1,078,151
Water Meters	3,785	-	-	3,785
Leasehold Improvements	27,892	27,665	-	55,558
Buildings	2,953,776	192,777	(7,340)	3,139,213
Total Accumulated Depreciation	<u>11,458,443</u>	<u>788,879</u>	<u>(73,777)</u>	<u>12,173,545</u>
Other capital assets, net	<u>12,947,202</u>	<u>(496,574)</u>	<u>-</u>	<u>12,450,628</u>
Business-type activities capital assets, net	<u>\$ 21,089,670</u>	<u>\$ 937,084</u>	<u>\$ -</u>	<u>\$ 22,026,754</u>

The additions to accumulated depreciation include only the current year depreciation expense of \$788,879. The asset additions included land, vehicles and sewer and water improvements.

CITY OF ATOKA, OKLAHOMA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2023

Depreciation expense was charged to functions as follows in the Statement Activities:

Business-Type Activities:	
Atoka Municipal Authority	\$ 581,802
Atoka City Industrial Development Authority	117,347
Atoka Industrial Facilities Authority	<u>89,730</u>
Total depreciation expense for business-type activities	<u>\$ 788,879</u>

NOTE 5 - CHANGES IN LONG-TERM DEBT

GOVERNMENTAL FUND TYPES:

The City currently has no governmental fund type long-term debt.

PROPRIETARY FUND TYPES:

Notes Payable - Oklahoma Water Resources Board

The Atoka Municipal Authority was awarded a loan (ORF-17-0001-DW), under the Oklahoma Drinking Water State Revolving Fund (DWSRF) program, by the State of Oklahoma Water Resources Board (OWRB) on October 1, 2017, for refinancing the Rural Development notes dated May 1, 2008 at an interest rate of 1.96% per annum, plus an administrative fee at the rate of 0.5% per annum, secured by the water revenues of the Authority and a .75% sales tax. The original principal amount of the loan was \$5,169,000. The loan matures September 15, 2039.

On March 26, 2020, the Authority entered into a Promissory Note, Series 2020, ORF-17-0002-DW with the Oklahoma Water Resources Board (OWRB). The security for the Note includes a pledge and assignment of revenues derived by the Authority from its operation of the water system of the Authority serving the City of Atoka, Oklahoma and a year-to-year pledge of certain sales tax revenue of the City of Atoka, Oklahoma, pursuant to a Sales Tax Agreement dated October 1, 2016. The Note is further secured by a Mortgage dated March 26, 2020 by the Authority to the OWRB. The loan is for a principal amount of \$4,010,000.00 but will include a Loan Forgiveness of \$100,000.00. The outstanding principal balance of this Note, together with all accrued, but unpaid, interest and administrative fees shall be due and payable in full on the earlier of the March 15 or September 15 next preceding the date which is thirty (30) years after completion of the Project as certified to the OWRB by the District or September 15, 2051. The Note shall bear interest at a rate of 1.94% per

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

annum plus an administrative fee at the rate of 0.5% per annum on the outstanding balance of disbursed loan proceeds.

On September 17, 2020, the Authority entered into a Promissory Note, Series 2020A, ORF-17-0002-DWA with the Oklahoma Water Resources Board (OWRB). The security for the Note includes a pledge and assignment of revenues derived by the Authority from its operation of the water system of the Authority serving the City of Atoka, Oklahoma and a year-to-year pledge of certain sales tax revenue of the City of Atoka, Oklahoma, pursuant to a Sales Tax Agreement dated October 1, 2016. The Note is further secured by a Mortgage dated September 17, 2020 by the Authority to the OWRB. The loan is for a principal amount of \$1,261,000.00 but may include a Loan Forgiveness. The outstanding principal balance of this Note, together with all accrued, but unpaid, interest and administrative fees shall be due and payable in full on the earlier of the March 15 or September 15 next preceding the date which is thirty (30) years after completion of the Project as certified to the OWRB by the District or September 15, 2051. The Note shall bear interest at a rate of 1.42% per annum plus an administrative fee at the rate of 0.5% per annum on the outstanding balance of disbursed loan proceeds.

On December 1, 2020, the Authority entered into a Promissory Note, Series 2020B, FAP-21-0005-L with the Oklahoma Water Resources Board (OWRB). The security for the Note includes a pledge and assignment of revenues derived by the Authority from its operation of the water and sanitary sewer systems of the Authority serving the City of Atoka, Oklahoma and a year-to-year pledge of certain sales tax revenue of the City of Atoka, Oklahoma, pursuant to a Sales Tax Agreement dated December 1, 2020. The Note is further secured by a Mortgage dated December 1, 2020 by the Authority to the OWRB. The loan is for a principal amount of \$2,850,000.00, plus premium of \$295,784.65, less original issue discount of \$26,951.20, less OWRB transactions costs. The proceeds of the note were used to refinance the Rural Development notes dated August 15, 2011. The discount and the premium are both being amortized over the term of the loan. The loan is for a term of 25 years maturing on September 15, 2045 with varying interest rates between 2.325% and 4.200% until maturity.

Note Payable - AmeriState Bank

On June 21, 2010, the Atoka Industrial Facilities Authority incurred a promissory note due to AmeriState Bank. The proceeds

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

of this loan are being used for construction of the Event Complex and will not exceed \$1,800,000.00. The promissory note bears interest at 5.0% per annum and requires 12 monthly consecutive interest payments, beginning July 21, 2010, and 107 monthly consecutive principal and interest payments of \$9,667.37 each, beginning July 21, 2011 and on principal and interest payment of \$1,515,723.89 on June 21, 2020. During a past year, the AIFA paid an additional principal only payment of \$771,000.00 and refinanced the loan with a new interest rate of 3.5% to be paid in equal monthly payments of \$4,479.79 with a final lump sum payment on August 21, 2021 of the remaining balance due for principal & interest. On September 2, 2021, there was a change in terms agreement that extended the maturity date to August 21, 2031 with no change to interest or monthly payment requirements.

The following is a summary of long-term debt additions and deductions for the twelve months ended December 31, 2023:

	12/31/2022			12/31/2023
	Balance	Additions	Deductions	Balance
OWRB ORF-17-0001-DW (AMA)	\$ 4,090,434	\$ -	\$ (195,930)	\$ 3,894,503
OWRB ORF-17-0002-DW (AMA)	3,767,219	226,881	(112,471)	3,881,629
OWRB ORF-17-0002-DWA (AMA)	1,023,763	229,630	(53,464)	1,199,928
OWRB FAP-21-0005-L (AMA)	2,715,000	-	(75,000)	2,640,000
AmeriState Bank (AIFA)	771,899	-	(26,867)	745,031
Total Long-Term Debt	<u>12,368,314</u>	<u>456,510</u>	<u>(463,733)</u>	<u>12,361,092</u>
Less: Current Portion	(298,072)			(360,685)
Less: Discount on OWRB	(24,705)	-	1,078	(23,627)
Plus: Premium on OWRB	271,136	-	(11,831)	259,305
Net Long-Term Debt	<u>\$ 12,316,673</u>	<u>\$ 456,510</u>	<u>\$ (474,486)</u>	<u>\$ 12,236,084</u>

A summary of future maturities of principal and interest are as follows:

OWRB ORF-17-0001-DW (AMA):				
FYE Dec 31,	Principal	Interest	Admin. Fees	Total
2024	\$ 200,578.07	\$ 76,603.42	\$ 19,541.69	\$ 296,723.18
2025	205,881.48	72,377.94	18,463.76	\$ 296,723.18
2026	211,048.54	68,261.10	17,413.54	\$ 296,723.18
2027	216,345.24	64,040.96	16,336.98	\$ 296,723.18
2028	221,563.13	59,883.62	15,276.43	\$ 296,723.18
2029-2033	1,195,030.53	229,929.80	58,655.56	\$ 1,483,615.89
2034-2038	1,352,778.56	104,244.38	26,592.96	\$ 1,483,615.90
2039	291,277.87	4,338.17	1,106.68	\$ 296,722.72
	<u>\$ 3,894,503.42</u>	<u>\$ 679,679.39</u>	<u>\$ 173,387.60</u>	<u>\$ 4,747,570.41</u>

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

OWRB ORF-17-0002-DW (AMA):

FYE Dec 31,	Principal	Interest	Admin. Fees	Total
2024	\$ 31,629.04	\$ 66,636.84	\$ 17,174.44	\$ 115,440.32
2025	25,000.00	75,628.20	19,491.80	\$ 120,120.00
2026	20,000.00	75,136.47	19,365.07	\$ 114,501.54
2027	25,000.00	74,693.51	19,250.91	\$ 118,944.42
2028	25,000.00	74,405.47	19,176.67	\$ 118,582.14
2029-2033	130,000.00	363,831.10	93,770.90	\$ 587,602.00
2034-2038	150,000.00	350,056.31	90,220.71	\$ 590,277.02
2039-2043	1,106,144.32	302,973.77	78,086.01	\$ 1,487,204.10
2044-2048	1,490,080.81	168,523.61	43,433.92	\$ 1,702,038.34
2049-2051	878,774.87	28,067.56	7,233.91	\$ 914,076.34
	<u>\$ 3,881,629.04</u>	<u>\$ 1,579,952.84</u>	<u>\$ 407,204.34</u>	<u>\$ 5,868,786.22</u>

OWRB ORF-17-0002-DWA (AMA):

FYE Dec 31,	Principal	Interest	Admin. Fees	Total
2024	\$ 34,927.97	\$ 66,636.84	\$ 17,174.44	\$ 118,739.25
2025	33,000.00	75,628.20	19,491.80	\$ 128,120.00
2026	34,000.00	75,136.47	19,365.07	\$ 128,501.54
2027	34,000.00	74,693.51	19,250.91	\$ 127,944.42
2028	35,000.00	74,405.47	19,176.67	\$ 128,582.14
2029-2033	186,000.00	363,831.10	93,770.90	\$ 643,602.00
2034-2038	205,000.00	350,056.31	90,220.71	\$ 645,277.02
2039-2043	226,000.00	302,973.77	78,086.01	\$ 607,059.78
2044-2048	250,000.00	168,523.61	43,433.92	\$ 461,957.53
2049-2051	162,000.00	28,067.56	7,233.91	\$ 197,301.47
	<u>\$ 1,199,927.97</u>	<u>\$ 1,579,952.84</u>	<u>\$ 407,204.34</u>	<u>\$ 3,187,085.15</u>

OWRB FAP-21-0005-L (AMA):

FYE Dec 31,	Principal	Interest	Total
2024	\$ 80,000.00	\$ 84,830.02	\$ 164,830.02
2025	80,000.00	81,470.02	161,470.02
2026	85,000.00	78,110.02	163,110.02
2027	90,000.00	74,540.02	164,540.02
2028	95,000.00	70,760.02	165,760.02
2029-2033	525,000.00	291,850.10	816,850.10
2034-2038	645,000.00	178,506.34	823,506.34
2039-2043	725,000.00	92,085.00	817,085.00
2044-2045	315,000.00	11,637.50	326,637.50
	<u>\$ 2,640,000.00</u>	<u>\$ 963,789.04</u>	<u>\$ 3,603,789.04</u>

AmeriState Bank (AIFA):

FYE Dec 31,	Principal	Interest	Total
2024	\$ 28,106.76	\$ 25,650.72	\$ 53,757.48
2025	29,106.43	24,651.05	53,757.48
2026	30,141.67	23,615.81	53,757.48
2027	31,213.70	22,543.78	53,757.48
2028	32,323.87	21,433.61	53,757.48
2029-3031	594,138.82	50,071.33	644,210.15
	<u>\$ 745,031.25</u>	<u>\$ 167,966.30</u>	<u>\$ 912,997.55</u>

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 - CHANGE IN FISCAL YEAREND

In accordance with new Oklahoma Statutes, during 2005, the City and Authorities elected to change from a fiscal yearend of June 30 to a calendar yearend. This change is reflected in the financial statements.

NOTE 7 - SALES TAX REVENUE

From the City's 4.0% sales tax, the funds are distributed as follows:

City General Fund 1.0% General Government, Public Safety, Parks & Recreation, Cemeteries and Code Enforcement

Capital Improvement 1.0% Streets, Right of Ways, Alleys, Utility Relocations, Fire Department Vehicles & Equipment

Atoka Municipal Authority 0.5% Water Plant Loan Payment

Atoka City Industrial Development Authority 0.5% Economic Development

Atoka Public Schools 1.0% New Sports Complex Facilities

NOTE 8 - 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; injuries to employees; and natural disasters. The City purchases commercial insurance to reduce their risk of loss, including workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 9 - CONTINGENT LIABILITIES

The City is not aware of any pending or threatened legal actions against it. However, insurance protection has been obtained to cover probable claims.

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.

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

NOTE 10 - OIL AND GAS LEASE

The City entered into three oil and gas leases dated June 15, 2006 with Antero Resources Corporation. The royalties paid by Lessee are (a) an oil and other liquid hydrocarbons, three-sixteenth (3/16) of the produced and saved from said land, the same to be delivered at the wells, or to the credit of Lessor into the pipeline to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefore prevailing for the field where produced on the date of purchase; (b) on gas and the constituents thereof produced from said land and sold or used off the premises or in the manufacture of products there from, the value at the well of three-sixteenth (3/16) of the gas or product sold or used. On gas sold at the well, the royalty shall be three-sixteenth (3/16) of the net proceeds realized from such sale. All royalties paid on gas will be paid after deducting from such royalty lessor's proportionate amount of all post-production costs, including but not limited to gross production and severance taxes, gathering and transportation costs from the wellhead to the point of sale, treating, compression, and processing. On product sold, the royalty shall be three-sixteenth (3/16) of the net proceeds realized from such sale, after deducting from such royalty lessor's proportionate amount of all of the above post-production costs and expenses, if any. Each lease shall remain in force for a term of three (3) years from date and so long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

For the fiscal year ending December 31, 2023, payments received for the above referenced oil and gas leases are included in the General Fund's financial statements as Charges for Services.

NOTE 11 - GRANT INCOME

The City of Atoka was approved for REAP Grant 23-013 from SODA (Southern Oklahoma Development Association) in the amount of \$75,000.00. As of December 31, 2023, \$75,000.00 has been received and expended and there is no remaining balance.

The City of Atoka was approved for an Obstruction Removal Grant from the FAA in the amount of \$137,500.00. As of December 31,

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

2023, \$126,067.00 has been received and expended and there is a remaining balance of \$11,433.00.

The City of Atoka was approved for a Grant from the Oklahoma Aeronautic Commission in the amount of \$283,613.95, with required sponsor matching funds of \$14,927.05. As of December 31, 2023, \$176,996.58 has been received and \$222,312.40 as been expended and there is a remaining balance of \$106,617.37.

The Atoka Municipal Authority was approved for a Sewer Overflow and Stormwater Reuse Municipal Grant (OSG) from the Oklahoma Water Resources Board in the amount of \$197,681.00. As of December 31, 2023, \$197,681.00 has been received and expended and there is no remaining balance.

NOTE 12 - EMPLOYEE RETIREMENT SYSTEM AND PLANS

Simple IRA Plan

The City has an arrangement with Ameristate Bank whereby if an individual employee, after 90 days of employment, opens an IRA at the bank and contributes a minimum of 3% of their paycheck, with no limit on the maximum, the City then contributes 5% only. The total contributions for the fiscal year ending December 31, 2023, for employer and employee were \$13,527.07 and \$14,604.57, respectively for a total of \$28,131.64 for the General Fund, \$8,406.90 and \$5,904.32, respectively for a total of \$14,311.22 for the Capital Improvement Fund, \$3,564.39 and \$2,441.24, respectively for a total of \$6,005.63 for the AMA, \$2,135.04 and \$1,281.12, respectively for a total of \$3,416.16 for the AIFA and \$5,279.24 and \$4,320.84, respectively for a total of \$9,600.08 for the ACIDA. Information regarding this arrangement can be obtained from the City.

Oklahoma Firefighter's Pension and Retirement System

The City participates in the Oklahoma Firefighters Pension and Retirement System (the Plan) on behalf of its volunteer firefighters. The City contributes \$60/year for each volunteer firefighter as set by Oklahoma Statutes; voluntary firefighters do not contribute to the Plan. The Plan provides retirement, death, and disability benefits to plan members and beneficiaries. The Plan is an agent multiple-employer, or municipality, contributory defined benefit pension plan. The authority to amend and establish benefit provisions of the Plan rests with the Board of Trustees of the Plan. The Plan issues a publicly

CITY OF ATOKA, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

available financial report that includes financial statements and required supplementary information. That report as well as actuarial assumptions and funding information may be obtained by writing to the Oklahoma Firefighters Pension and Retirement System c/o Oklahoma State Firefighters Association, 4545 N. Lincoln Blvd., Suite 265, Oklahoma City, OK 73105-3414.

The required contribution from the City for this plan was \$1,260, \$1,320 and \$1,140 for 2023, 2022 and 2021, respectively. The required contribution was fully contributed.

NOTE 13 - SUBSEQUENT EVENTS

The City did not have any subsequent events through the date of the audit report, which is the date the financial statements were issued, for events requiring recording or disclosure in the financial statements for the year ending December 31, 2023.

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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 Atoka, Oklahoma

I 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 modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atoka, Oklahoma, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, which collectively comprise the City of Atoka, Oklahoma's basic financial statements, and have issued my report thereon dated June 13, 2024, which was qualified for the governmental activities for improper capital asset recordkeeping and unmodified for the of the general fund, capital improvement fund, business-type activities, City/School Tax Fund, AMA Fund, ACIDA Fund, AIFA Fund, and the aggregate remaining fund information.

Internal Control Over Financial Reporting

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

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My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify certain deficiencies in internal control described in the accompanying Schedule of Findings listed as Items 2023-01 that I consider to be significant deficiencies.

Compliance and Other Matters

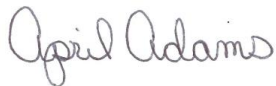
As part of obtaining reasonable assurance about whether the City of Atoka, Oklahoma's financial statements are free of material misstatement, I performed tests of compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and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

City of Atoka's Response to Findings

City of Atoka's response to the findings identified in my audit is described in the accompanying Schedule of Findings. City of Atoka's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.



April Adams CPA PLLC

Ponca City, Oklahoma

June 13, 2024

CITY OF ATOKA, OKLAHOMA
SCHEDULE OF FINDINGS
DECEMBER 31, 2023

INTERNAL CONTROL FINDINGS:

Item 2023-01: Internal Control over Financial Reporting

Criteria: Per government auditing and accounting standards management must designate an individual or individuals that possess skill, knowledge and experience to the extent they can perform year-end closing adjustments and evaluate any non-attest services or audit adjustments performed by the independent auditor.

Condition: Material adjusting journal entries were required to arrive at the final adjusted trial balance.

Cause/Effect: The City relied on the auditor to propose entries after audit procedures. The City was not able to report accurate financial information without the required adjustments.

Recommendation: The City should consider making required yearend adjusting entries without auditor assistance when preparing the financial statements.

Response: Management has taken into consideration the Auditor's recommendation and has been working to improve performance in this area. Significant progress has been made.

COMPLIANCE FINDINGS:

None reported

CITY OF ATOKA, OKLAHOMA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Sales Tax	1,300,000	1,210,155	1,206,856	(3,299)
Use Tax	100,000	107,659	107,149	(510)
Licenses & Permits	59,450	51,990	51,990	(1)
Alcoholic Beverage Tax	165,000	155,534	155,533	(1)
Vehicle License Tax	24,000	23,049	23,048	(1)
Gasoline Taxes	6,500	5,654	5,653	(1)
Tobacco Tax	38,000	31,877	31,877	(0)
Other Taxes	210,000	236,894	236,893	(1)
Grant Revenue	311,442	2,425,083	2,425,079	(4)
Charges for Services	108,470	90,105	90,102	(3)
Bond & Fine Receipts	490,000	518,257	518,256	(1)
Utility Franchise Taxes	138,500	128,535	128,533	(2)
Miscellaneous Revenues	9,000	221,742	221,740	(2)
Amounts available for appropriation	<u>2,960,362</u>	<u>5,206,534</u>	<u>5,202,709</u>	<u>(3,825)</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	560,109	2,156,611	2,156,595	16
Police Department	1,557,841	1,522,955	1,519,193	3,762
Lake Patrol	311,442	338,517	342,262	(3,745)
Fire Department	84,950	98,165	98,163	2
Street Department	50,500	67,115	67,114	1
Airport	23,163	146,549	146,545	4
Culture & Recreation	372,357	440,514	440,506	8
Public Works	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	436,108	-	436,108
Total Charges to Appropriations	<u>2,960,362</u>	<u>5,206,534</u>	<u>4,770,378</u>	<u>436,157</u>
Prior Year Adjustments to Fund Balance	-	-	-	-
Ending Budgetary Fund Balance	<u>-</u>	<u>-</u>	<u>432,331</u>	<u>432,331</u>

CITY OF ATOKA, OKLAHOMA
NOTES TO BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2023

The City adopts an annual budget for all funds established by the governing body as required by O.S. 11 Section 17.207 through 17.210. The state statutes also require that the budget be adopted by resolution or per the city charter at the legal level of classification (fund, department, & object category) and that the budget be filed with County Clerk and the State Auditor and Inspector. The City may transfer budgeted amounts within and among departments.

CITY OF ATOKA, OKLAHOMA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	Trust and Agency Funds			Total
	Payroll Clearing	Cemetery Perpetual Care	Cemetery Care	
<u>Additions:</u>				
Interest Income	\$ -	\$ 2,259	\$ 13	\$ 2,272
Lot Sales	-	-	-	-
Miscellaneous	1,288	1,150	-	2,438
TOTAL ADDITIONS	1,288	3,409	13	4,710
<u>Deductions:</u>				
Other Services & Charges	-	5,896	-	5,896
TOTAL DEDUCTIONS	-	5,896	-	5,896
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	1,288	(2,487)	13	(1,186)
Capital Contributions	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
CHANGE IN NET POSITION	1,288	(2,487)	13	(1,186)
TOTAL NET POSITION - BEGINNING	66,717	58,612	1,642	126,971
TOTAL NET POSITION - PRIOR YEAR ADJUSTM	-	-	-	-
TOTAL NET POSITION - ENDING	\$ 68,005	\$ 56,125	\$ 1,655	\$ 125,785

The accompanying notes are an integral part of the basic financial statements.