

TOWN OF APACHE
Apache, Oklahoma

**ANNUAL FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEAR ENDED JUNE 30, 2024

BY



Town of Apache
Apache, Oklahoma
Year Ended June 30, 2024

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Town of Apache
Apache, Oklahoma
Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Council
Town of Apache
Apache, Oklahoma

Report on the Audit of the Financial Statements

Opinion

We 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 Town of Apache, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Apache's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the Town of Apache, as of June 30, 2024, 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 Opinion

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describe the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is 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.

Responsibilities of Management 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 1, and for 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 of and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Town of Apache, Oklahoma's basic financial statements. The budgetary comparison schedule, the combining nonmajor fund financial statements, and the schedule of federal, state, and other awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule, the combining nonmajor fund financial statements, and the schedule of federal, state, and other awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2024 on our consideration of the Town of Apache, Oklahoma's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Apache, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Apache, Oklahoma's internal control over financial reporting and compliance.

Furrh & Associates, PC

FURRH & ASSOCIATES, PC
Lawton, Oklahoma
October 10, 2024

Town of Apache, Oklahoma
Statement of Net Position - Modified Cash Basis
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 306,369	\$ 252,545	\$ 558,914
Investments	612,915	251,415	864,330
Restricted Cash and Cash Equivalents	0	13,297	13,297
Restricted Investments	0	65,446	65,446
Accounts Receivable	0	59,280	59,280
Prepaid Expenses	4,656	4,656	9,312
Deferred Inflow	3,675	2,522	6,197
Capital Assets, net of accumulated depreciation	703,114	1,121,662	1,824,776
Lease Assets, net of accumulated amortization	0	34,880	34,880
Intangible Assets, net of accumulated amortization	0	0	0
Total Assets	<u>\$ 1,630,729</u>	<u>\$ 1,805,703</u>	<u>\$ 3,436,432</u>
LIABILITIES AND NET POSITION			
Liabilities:			
Meter Deposits	\$ 0	\$ 52,149	\$ 52,149
Payroll Liabilities	10,006	8,937	18,943
Accounts Payable	4,580	25,277	29,857
Lease Liability	0	35,793	35,793
Due within one year			
Notes Payable	20,800	0	20,800
Due in more than one year			
Notes Payable	35,896	0	35,896
Total Liabilities	<u>71,282</u>	<u>122,156</u>	<u>193,438</u>
Net Position:			
Net Investment in Capital Assets	703,114	1,156,542	1,859,656
Restricted for:			
Cemetery Perpetual Care	119,836	0	119,836
Cemetery Maintenance & Operations	63,094	0	63,094
Cemetery Lot Sales	46,795	0	46,795
Municipal Court	19,289	0	19,289
Fire Department	5,689	0	5,689
Street & Alley	6,616	0	6,616
Library	14,534	0	14,534
Ambulance	1,500	0	1,500
Grants Special	605	0	605
Public Works Authority	0	125,212	125,212
Unrestricted	578,375	401,793	980,168
Total Net Position	<u>1,559,447</u>	<u>1,683,547</u>	<u>3,242,994</u>
Total Liabilities and Net Position	<u>\$ 1,630,729</u>	<u>\$ 1,805,703</u>	<u>\$ 3,436,432</u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 292,148	\$ 4,690	\$ 4,368	\$ 46,795	\$ (236,295)	\$ 0	\$ (236,295)
Public Safety - Police	99,262	48,663	0	0	(50,599)	0	(50,599)
Ambulance	174,437	40,761	0	0	(133,676)	0	(133,676)
Public Safety - Fire	73,696	3,000	15,094	0	(55,602)	0	(55,602)
Public Safety - Animal Control	6,876	0	0	0	(6,876)	0	(6,876)
Culture and Recreation - Library	31,878	0	4,334	0	(27,544)	0	(27,544)
Culture and Recreation - Community Bldg	7,036	0	0	0	(7,036)	0	(7,036)
Street and Public Works - Streets	127,480	0	0	0	(127,480)	0	(127,480)
Judicial and Legal - Municipal Court	13,828	0	0	0	(13,828)	0	(13,828)
Culture and Recreation - Parks	9,541	0	0	0	(9,541)	0	(9,541)
Cemetery	5,779	18,558	0	0	12,779	0	12,779
Total Governmental Activities	841,961	115,672	23,796	46,795	(655,698)	0	(655,698)
Business-Type Activities:							
Water	325,819	330,800	0	0	0	4,981	4,981
Sewer	205,304	161,484	0	0	0	(43,820)	(43,820)
Garbage	200,711	208,442	0	0	0	7,731	7,731
Miscellaneous	7,771	7,893	0	0	0	122	122
Total Business-Type Activities	739,605	708,619	0	0	0	(30,986)	(30,986)
Total Primary Government	\$ 1,581,566	\$ 824,291	\$ 23,796	\$ 46,795	(655,698)	(30,986)	(686,684)
General Revenues:							
Taxes:							
Sales Tax					535,385	0	535,385
Use Tax					93,762	0	93,762
Franchise Tax					40,456	0	40,456
Alcoholic Beverage Tax					17,505	0	17,505
Vehicle Tax					9,226	0	9,226
Cigarette Tax					2,730	0	2,730
Miscellaneous Income					372,974	18,279	391,253
Interest Revenue (Expense)					18,921	8,874	27,795
Total General Revenues					1,090,959	27,153	1,118,112
Change in Net Position before Transfers					435,261	(3,833)	431,428
Net Transfers					(4,083)	4,083	0
Change in Net Position after Transfers					431,178	250	431,428
Net Position- beginning at July 1, 2023					1,128,269	1,683,297	2,811,566
Net Position- ending at June 30, 2024					\$ 1,559,447	\$ 1,683,547	\$ 3,242,994

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Balance Sheet - Modified Cash Basis
Governmental Funds
June 30, 2024

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 215,259	\$ 91,110	\$ 306,369
Investments	426,066	186,848	612,914
Deferred Inflow	3,675	0	3,675
Total Assets	<u>\$ 645,000</u>	<u>\$ 277,958</u>	<u>\$ 922,958</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Deferred Outflow	\$ 0	\$ 0	\$ 0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:			
Non-spendable	0	0	0
Restricted	0	277,958	277,958
Committed	0	0	0
Assigned	0	0	0
Unassigned	645,000	0	645,000
Total Fund Balances	<u>645,000</u>	<u>277,958</u>	<u>922,958</u>
Total Liabilities and Fund Balances	<u>\$ 645,000</u>	<u>\$ 277,958</u>	<u>\$ 922,958</u>

Reconciliation to Statement of Net Position:

Fund Balance of Government Funds \$ 922,958

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities of \$ 2,236,386 net of
accumulated depreciation of \$1,533,272 are not financial
resources and therefore are not reported in the funds. 703,114

Long-term liabilities, including notes payable, are not due and payable
in the current period and, therefore, are not reported in the funds. (56,695)

Prepaid Expenses are expensed in the current period in governmental
accounting even though they benefit future periods 4,656

The following liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Accounts Payable	\$	(4,580)	
Accrued Payroll and Compensated Absences		<u>(10,006)</u>	
			<u>(14,586)</u>

Total Net Position of Governmental Activities **\$ 1,559,447**

Town of Apache, Oklahoma
Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Tax Revenue	\$ 587,558	\$ 111,506	\$ 699,064
Insurance Reimbursement	357,588	0	357,588
Grants	4,368	60,742	65,110
Fines	0	48,663	48,663
Ambulance Service	0	40,761	40,761
Interest	11,375	7,546	18,921
Cemetery	0	18,558	18,558
Miscellaneous Income	12,997	2,389	15,386
Donations	0	5,481	5,481
Rent	4,690	0	4,690
Fire Service	0	3,000	3,000
Total Revenues	<u>978,576</u>	<u>298,646</u>	<u>1,277,222</u>
EXPENDITURES			
Current:			
General Government	139,486	0	139,486
Ambulance	0	251,317	251,317
Public Safety - Police	214,153	0	214,153
Public Safety - Fire	23,806	21,249	45,055
Streets	39,247	0	39,247
Library	26,191	5,687	31,878
Municipal Court	6,400	7,428	13,828
Culture and Recreation	9,541	0	9,541
Community Building	7,036	0	7,036
Animal Control	6,876	0	6,876
Cemetery	2,151	3,628	5,779
Debt service:			
Principal	20,185	0	20,185
Interest and fiscal charges	1,983	0	1,983
Capital Outlay	116,874	0	116,874
Total Expenditures	<u>613,929</u>	<u>289,309</u>	<u>903,238</u>
Excess (deficiency) of revenues over (under) expenditures	364,647	9,337	373,984
OTHER FINANCING SOURCES (USES)			
Transfers In	159,374	108,276	267,650
Transfers Out	(110,564)	(161,169)	(271,733)
Total Other Financing Sources (Uses)	<u>48,810</u>	<u>(52,893)</u>	<u>(4,083)</u>
Net Change in Fund Balances	413,457	(43,556)	369,901
<u>Fund Balances- beginning at July 1, 2023</u>	<u>231,543</u>	<u>321,514</u>	<u>553,057</u>
<u>Fund Balances- ending at June 30, 2024</u>	<u>\$ 645,000</u>	<u>\$ 277,958</u>	<u>\$ 922,958</u>

Please see accompanying notes to financial statements.

Town of Apache, Oklahoma
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$	369,901
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Amounts reported for governmental activities in the Statement of
Activities are different because:

Governmental funds report capital outlay as expenditures. However, in
the Statement of Activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount
by which capital outlay exceeded depreciation in the current period.

Capital Outlay	\$	116,874	
Depreciation		<u>(65,852)</u>	
			51,022

Debt service principal retirement expensed in fund level financial statements
but treated as reduction in outstanding debt in government-wide financial
statements.

<u>20,185</u>	20,185
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Payroll liabilities not reported of governmental statements.

Compensated Absences & Accrued Payroll	<u>(10,006)</u>	
		(10,006)

Prepaid insurance not reported on governmental statements.

Prepaid Insurance	<u>4,656</u>	
		4,656

Accounts Payable not reported on governmental statements

Accounts Payable	<u>\$ (4,580)</u>	
		<u>(4,580)</u>

Change in Net Position after Transfers of governmental activities	\$	<u><u>431,178</u></u>
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Town of Apache, Oklahoma
Statement of Net Position - Modified Cash Basis
Proprietary Funds
June 30, 2024

	Business-Type Activities
	- Enterprise Fund
	Apache Public Works
	Authority
ASSETS	
Current assets:	
Cash and Cash Equivalents	\$ 252,545
Investments	251,415
Restricted Cash and Cash Equivalents	13,297
Restricted Investments	65,446
Accounts Receivable	59,280
Prepaid Expenses	4,656
Deferred Inflow	2,522
Total Current Assets	<u>\$ 649,161</u>
Noncurrent assets:	
Capital Assets	3,311,383
Accumulated Depreciation	(2,189,721)
Lease Assets	110,107
Accumulated Amortization	(75,227)
Intangible Assets	27,247
Accumulated Amortization	(27,247)
Total Noncurrent Assets	<u>1,156,542</u>
Total Assets	<u><u>\$ 1,805,703</u></u>
LIABILITIES AND NET POSITION	
Liabilities:	
Current Liabilities:	
Customer Deposits	\$ 52,149
Accounts Payable	25,277
Lease Liability, current portion	13,110
Accrued Payroll and Compensated Absences	8,937
Total Current Liabilities	<u>99,473</u>
Noncurrent Liabilities:	
Lease Liability, less current portion	22,683
Total Noncurrent Liabilities	<u>22,683</u>
Total Liabilities	<u>122,156</u>
Net Position:	
Net investment in Capital Assets	1,156,542
Restricted	125,212
Unrestricted	401,793
Total Net Position	<u>1,683,547</u>
Total Liabilities and Net Position	<u><u>\$ 1,805,703</u></u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Statement of Revenues, Expenses, and Changes in Net Position - Modified Cash Basis
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Fund
	Apache Public Works Authority
Operating Revenues:	
Water Revenue	\$ 330,800
Garbage Revenue	208,442
Sewer Revenue	161,484
Miscellaneous Income	18,279
Late Charges and Misc. Penalties	7,893
Total Operating Revenues	<u>726,898</u>
Operating Expenses:	
Personal Services	245,204
Garbage Service Expense	200,711
Depreciation & Amortization	118,493
Operating Supplies	38,705
Professional Services	31,978
Litigation Expense	30,000
Repairs and Maintenance	17,002
Automobile Expense	12,169
Bad Debt	10,196
Insurance	8,378
Telephone and Utilities	6,615
Postage	5,368
Lease & Rental Expense	5,180
Miscellaneous	4,812
DEQ Fees	4,794
Total Operating Expense	<u>739,605</u>
Operating Income	(12,707)
Nonoperating Revenues (Expenses):	
Interest Income	13,365
Interest and Fiscal Charges	(4,491)
Net Nonoperating Revenues (Expenses)	<u>8,874</u>
Income before Transfers	(3,833)
Net Transfers	<u>4,083</u>
<u>Net Income (Loss)</u>	250
<u>Net Position- beginning at July 1, 2023</u>	<u>1,683,297</u>
<u>Net Position- ending at June 30, 2024</u>	<u><u>\$ 1,683,547</u></u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Statement of Cash Flows - Modified Cash Basis
Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities - Enterprise Fund
	Apache Public Works Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 705,037
Miscellaneous Revenue	18,279
Payments to Suppliers	(88,245)
Operating Expense	(280,433)
Payments to Employees	(245,204)
Net Cash Provided by Operating Activities	109,434
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfers in from other funds	4,083
Interest paid	(4,491)
Net Cash Used by Capital and Related Financing Activities	(408)
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in Investments	(51,444)
Acquisition of Capital Assets	(31,170)
Interest Income	13,365
Net Cash Used by Investing Activities	(69,249)
Net Increase (Decrease) in Cash and Cash Equivalents	39,777
<u>Cash and Cash Equivalents- beginning at July 1, 2023</u>	<u>226,065</u>
<u>Cash and Cash Equivalents- ending at June 30, 2024</u>	<u>\$ 265,842</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ (12,707)
Adjustments to Reconcile Operating Income to Cash Provided by Operating Activities:	
Depreciation Expense	112,466
Change in Current Assets and Current Liabilities:	
Decrease/(Increase) in Assets	(3,582)
(Decrease)/Increase in Liabilities	13,257
Net Cash Provided by Operating Activities	\$ 109,434

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Apache, Oklahoma (the “Town”) operates the streets and alley, municipal court, fire department, cemetery, library, grants special, ambulance, and administrative activities of the Town. The Town of Apache is located in Caddo County, Oklahoma and is governed by a five-member board (including the mayor) elected by the citizens of the Town of Apache, Oklahoma.

The accounting policies and presentation of the basic financial statements of the Town have been prepared in conformity with the modified cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles, as applicable to governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

A. Financial Reporting Entity

In evaluating the Town as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the Town may be financially accountable and, as such, should be included within the Town’s financial statements. The Town (the primary government) is financially accountable if it appoints a voting majority of the organization’s governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. The Town’s financial reporting entity is comprised of the following:

Primary Government:	Town of Apache
Blended Component Unit:	Apache Public Works Authority

Blended Component Units:

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Town Council or the component unit provides services entirely to the Town. The component unit’s fund is blended into those of the Town by appropriate activity type to comprise the primary government presentation.

The Apache Public Works Authority was created to finance, develop and operate the following utility services activities: electric, water, sewer, and garbage. The current Town Council serves as the governing body (Trustees) of the Public Works Authority. The Public Works Authority is reported as proprietary fund.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Discretely presented component units:

Discretely presented component units are separate legal entities that meet the component unit criteria above but do not meet the criteria for blending. Currently, the Town does not have any discretely presented component units.

B. Basis of Presentation and Accounting

The Town's basic financial statements consist of government-wide statements, including the statement of net position and statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements:

The government-wide focus is on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The statement of net position and statement of activities display information about the Town as a whole.

These statements include financial activities of the primary government. The effect of interfund activity has been removed from these statements. The government-wide statement of activities reflects both expenses and net cost of each function of the Town's governmental activities. Program revenues include charges paid by a recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Town. The comparison of direct expenses with program revenues identifies the extent to which each town function is self-financing or draws from the general revenues of the Town.

Fund Financial Statements:

The financial transactions of the Town are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Fund financial statements are provided for governmental, proprietary, and fiduciary funds. The emphasis of fund financial statements is on major governmental and proprietary funds; therefore, each is displayed in a separate column. All remaining governmental are aggregated and presented as nonmajor funds.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a Town's general activities.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Operating revenues in the proprietary funds are those that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. As such, fiduciary funds are not reported in the government-wide statements. Currently, the Town does not have any fiduciary funds.

C. Measurement Focus

The government-wide statements report using the economic resources measurement focus. Proprietary and fiduciary fund financial statements also report using this same focus.

Governmental fund financial statements report using the current financial resources measurement focus. Since the governmental fund financial statements are presented on a different measurement focus than the government-wide statements (due mainly to inclusion of capital assets and long-term debt activity in the city-wide presentation), a reconciliation is presented, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

Basis of Accounting:

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported in the financial statements. The Town maintains its accounting records for all funds on the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from long-term debt borrowings are included as other financing sources on the fund financial statements on the date received.

Operating revenue reported in proprietary fund financial statements includes revenue and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Fund Types and Major Funds:

The Town reports the following major governmental fund:

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

The Town reports the following major enterprise fund:

The Public Works Authority is used to account for the revenues and expenses associated with providing utility services to the Town.

D. Cash and Investments

The Town is statutorily limited to investing public funds in insured checking accounts, certificates of deposit, insured savings accounts, savings certificates and U.S. or Oklahoma government obligations. Certificates of deposit are reported at cost.

The Town is also required to secure collateral for invested funds in excess of amounts insured by the Federal Deposit Insurance Corporation or Federal Savings & Loan Insurance Corporation. Acceptable collateral is primarily limited to federal, state, and local government obligations.

E. Interfund Activities and Balances

Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which transactions are executed. It is the Town's policy to eliminate interfund transfers and balances in the statement of activities and net position to avoid grossing up balances. Only the residual balances transferred between governmental and business-type activities are reported as internal transfer and internal balances then offset in the total column in the government-wide statements. Internal transfers and balances between funds are not eliminated in the fund financial statements.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Fund	Transfers In	Transfers Out
to General Fund:		
from Street & Alley	\$	\$ 41,438
from Municipal Court		42,500
from Fire Department		28,641
from Grant Special		46,795
to Public Works Authority:		
from Street & Alley		4,083
to Ambulance:		
from General Fund		108,276
from General Fund:		
to Ambulance	108,276	
from Street & Alley:		
to General Fund	41,438	
from Street & Alley:		
to Public Works Authority	4,083	
from Fire Department:		
to General Fund	28,641	
from Municipal Court:		
to General Fund	42,500	
from Grant Special:		
to General Fund	46,795	
	\$ 271,733	\$ 271,733

F. Inventories

Inventories of goods and supplies on hand at year end are not material for the primary government. Therefore, purchases of inventory type items are recorded as expenditures or expenses at the time purchased, and no balances for such inventories on hand are reported.

G. Intangible Assets and Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, right of ways, and bridges), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund type or proprietary fund operations and whether they are reported in government-wide or fund financial statements. In the government-wide and proprietary fund financial statements, property, plant and equipment are accounted for as capital assets, net of accumulated depreciation where applicable. In the governmental fund financial statements, capital assets acquired are accounted for as capital outlay expenditures and not reported as capital assets.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Capital assets consist of land, land improvement, construction in process (if any), buildings, building improvements, machinery and equipment, as well as infrastructure. Capital assets are reported at actual or estimated historical cost. Assets purchased that exceed \$2,500 are capitalized over their useful life.

The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Intangible assets and capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Assets</u>	<u>Years</u>
Infrastructure	40
Buildings	30 – 40
Building Improvements	15 – 40
Improvements	15
Loan costs	10
Machinery and equipment	5 – 10

H. Compensated Absences

Under terms of Town personnel policies, Town employees are granted comp time, vacation and sick leave in varying amounts. Under the modified cash basis of accounting, the Town does not record any accrued compensated absences on the governmental fund financial statements. Those benefits utilized in the current year are recorded through payroll.

In the event of termination or resignation, an employee is paid for accumulated vacation time. Sick leave is paid only if an employee has been employed for at least 5 years before the end of the employment. The estimated liabilities for vested benefits also include salary related payments such as employment taxes. Governmental funds report only the matured compensated absences payable to currently terminating or retiring employees.

I. Long-Term Debt

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, or proprietary fund, statement of net position.

J. Concentration of Credit Risk

All users of the Town's utility services are located within the same geographic area within Caddo County, Oklahoma.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

K. Fund Equity

Government-wide Statements

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

- a. *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.
- b. *Restricted net position* - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* - All other net position that does not meet the definition of “restricted” or “net investment in capital assets.” It is the Town’s policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Financial Statements:

Fund balance is the difference between assets and liabilities in a governmental fund. The Town reports a governmental fund’s fund balance into the following classifications:

- a. *Nonspendable* - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. The Town currently reports no nonspendable fund balance.
- b. *Restricted* - includes amounts that can be spent only for specific purposes because of the Town Charter, Town Code, state or federal laws, or externally imposed conditions by grantors, creditors, or donors.
- c. *Committed* - includes amounts that can be used only for specific purposes determined by a formal action by Town Council ordinance or resolution. The Town Council is the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Town Council. The Town currently reports no committed fund balance.
- d. *Assigned* - includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Town currently reports no assigned fund balance.
- e. *Unassigned* - includes all spendable amounts not included in other classifications.

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure for

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Proprietary fund equity is classified in the same categories and manner as the government-wide statements.

The City presents its fund balance in accordance with the requirements of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

L. Program Revenues

Charges for services include revenues based on exchange or exchange-like transactions, namely charges for services provided by the Town. Program specific grants and contributions (operations and capital) include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program, namely donations received from third-parties or state grants received for programs operations.

M. Related Party Transactions

The Town of Apache was engaged with the Multiple Community Services Authority (“MCSA”) for trash services for the year ending June 30, 2024. MCSA was created as a Trust Authority through a collaborative effort by several towns in the vicinity, and the Town of Apache was one of the original investors in the entity. As a member of MCSA, the mayor of Apache sits as a board member. Because the mayor has the ability to influence MCSA’s policies and procedures, the transactions taking place between MCSA and the Town are not considered arm’s length transactions. Total amount spent as of June 30, 2024 to MCSA was \$200,711.

N. Use of Estimates

The preparation of the basic financial statements in conformity with the modified cash basis of accounting requires the Town’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the basic financial statements and/or amounts of reported revenues and expenditures during the reporting period. Actual results could differ from those estimates.

O. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Town considers all demand accounts, which are highly liquid investments, to be cash. Cash in excess of current requirements is invested in interest-bearing certificates of deposit and is considered to be an investment.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

P. Budget

The Town's budget represents appropriations originally authorized and any subsequent revisions that were officially adopted during the fiscal year. The Town's budget is also prepared under the modified cash basis of accounting. In accordance with Oklahoma law, all remaining unexpended appropriations lapse at year end.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenues) until that time. As of June 30, 2024, the Town is showing deferred inflows in the amount of \$3,675 for governmental activities and \$2,522 for business-type activities.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenses/expenditure) until then. The Town currently has no items that qualify for reporting as deferred outflows of resources.

R. Recent Accounting Pronouncements

Governmental Accounting Policies Adopted During Current Year

In April 2022, GASB issued Statement No. 99, *Omnibus 2022* (GASB 99). GASB 99 is a technical omnibus statement that addresses issues or concerns from previous statements that were discovered during implementation and application of those statements. GASB 99 covers several topics including but not limited to, financial guarantees, derivatives, leases, non-monetary transactions, future revenue pledges and terminology updates. The remaining sections were adopted by the Town for the June 30, 2024, reporting year, as required by GASB 99. The Town does not expect GASB 99 to have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). GASB 100 proscribes accounting and financial reporting for accounting changes and error corrections to the financial statements. GASB 100 defines what constitutes an accounting change versus a change in accounting principle or error correction and outlines the appropriate note disclosures in each circumstance. The Town adopted GASB 100 on July 1, 2023, for the June 30, 2024, reporting year. The Town does not expect GASB 100 to have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). GASB 101 outlines the definition of compensated absences and sets forth the accounting and financial reporting for compensated absence liabilities. GASB 101 outlines that leave accrued should be

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

measured using the employees pay rate at the financial statement date and that certain salary related payments, such as Social Security and Medicare, should be included in such measurement. The Town will adopt GASB 101 on July 1, 2024, for the June 30, 2025, reporting year. The Town has not determined the impact that GASB 101 will have on the financial statements.

In January 2024, GASB issued Statement No. 102, *Certain Risks Disclosures* (GASB 102). GASB 102 addresses financial reporting regarding certain concentrations or constraints and related events that may have a substantial impact and negatively affect the level of service a government provides. The Town adopted GASB 102 on January 8, 2024 for the June 30, 2024 reporting year. GASB 102 did not have a material impact on the financial statements.

Date of Management's Review of Subsequent Events

Management has evaluated subsequent events through October 10, 2024, the date which the financial statements were available to be issued.

NOTE 2 – CASH AND INVESTMENTS

Cash Deposits

The Town's governmental and proprietary funds' cash deposits consist of checking accounts. These deposits are stated at cost. The Town is authorized by state statute to invest in obligations of the United States of America.

At June 30, 2024, the carrying amount and the bank balance of the governmental funds' cash deposits were \$306,119. At June 30, 2024, the carrying amount and the bank balance of the proprietary funds' cash deposits were \$265,643. Those cash deposit amounts do not include cash on hand of \$250 in the General Fund and \$200 in the Public Works Authority's fund.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Unrestricted Cash and Cash Equivalents

Governmental Funds:

Shamrock Bank - General Fund Checking	\$ 215,009
Shamrock Bank - Fire Department Checking	5,689
Liberty National Bank - Cemetery Maint. & Op. Checking	32,028
Shamrock Bank - Street & Alley Checking	6,616
Liberty National Bank - Cemetery Lot Sales Checking	6,469
Liberty National Bank - Cemetery Perp. Care Savings	4,380
Shamrock Bank - Municipal Court Checking	19,289
Shamrock Bank - Library Checking	14,534
Shamrock Bank - Ambulance Checking	1,500
Shamrock Bank - Grants Special Checking	605
Petty Cash - General Fund	250
Total	<u>\$ 306,369</u>

Proprietary Funds:

Shamrock Bank - PWA Checking	\$ 255,135
Cash on Hand - PWA	200
Total	<u>\$ 255,335</u>

At June 30, 2024, the proprietary funds held the following deposits of restricted funds:

Restricted Cash, Cash Equivalents and Investments

Enterprise Funds:

Shamrock Bank - Meter Deposit Checking	\$ 10,508
Liberty National Bank - Water Meter Deposit CD	23,610
Liberty National Bank - Water Meter Deposit CD	41,836
Total	<u>\$ 75,954</u>

There were no deposits of restricted funds in the governmental funds at June 30, 2024.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

At June 30, 2024 the Town had the following Certificate of Deposits:

Investment Name	Interest Rate	Balance as of June 30, 2024
Frontier State Bank CD #157685 - General	5.12%	\$ 375,000
Bank of Commerce CD - Public Works Authority	5.25%	100,008
Liberty National Bank CD #10025519 - Cem. Perp. Care	5.35%	61,040
Liberty National Bank CD #10025874 - Sewer Reserve	5.25%	51,197
Frontier State Bank CD #113528 - General	5.12%	51,066
Liberty National Bank CD #10025875 - Sewer Reserve	5.25%	50,210
Frontier State Bank CD #157719 - Public Works Auth.	5.46%	50,000
Liberty National Bank CD #10225919 - Cem. Care	5.25%	40,326
Liberty National Bank CD #10025518 - Cem. Perp. Care	5.35%	34,416
Frontier State Bank CD #113524 - Cemetery M&O	5.12%	31,066
Frontier State Bank CD #157701 - Cem. Perp. Care	5.12%	20,000
		\$ 864,329

Deposits and Investment Risks:

Custodial Credit Risk – Exposure to custodial credit risk related to deposits exists when the Town holds deposits that are uninsured and uncollateralized; collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Town’s name; or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the Town holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Town’s name.

The Town does not have a formal investment policy as it relates to custodial credit risk. Acceptable collateral is limited to U.S. Treasury securities and direct debt obligations of municipalities, counties, and school districts in the State of Oklahoma. As required by Federal 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the Town must have a written collateral agreement approved by the board of directors or loan committee.

Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk for their governmental and proprietary funds.

As of June 30, 2024, the Town’s deposits are classified in the following categories:

- A. Insured or collateralized with securities held by the entity or by its agent in the entity’s name.
- B. Collateralized with securities held by the pledging financial institution’s trust department or agent in the entity’s name.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

C. Uncollateralized.

	A	B	C	Total
Governmental Funds	\$ 919,033	\$ 0	\$ 250	\$ 919,283
Proprietary Funds	582,504	0	200	582,704
Total	<u>\$ 1,501,537</u>	<u>\$ 0</u>	<u>\$ 450</u>	<u>\$ 1,501,987</u>

Investment Credit Risk – State law limits the investments available to the Town and is described below.

- 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 of Oklahoma is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with instate 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., b., c. and d.

Investment credit risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. The Town has no formal policy limiting investments based on credit rating but discloses any such credit risk associated with their investments by reporting the credit quality ratings of investments in debt securities as determined by nationally recognized statistical rating organizations rating agencies. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

If applicable, the Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets identical assets; Level 2 inputs are significant other observable inputs. The valuations for Level 2

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

measurements are determined using quoted prices for similar assets or liabilities in active markets; Level 3 inputs are significant unobservable inputs. The Town currently has no investments that require a fair value measurement.

NOTE 3 – ACCOUNTS RECEIVABLE

The Town issues billing for utility services at the end of the calendar month. Management considers the amounts of accounts receivable to be fully collectible. Accordingly, an allowance for doubtful accounts has been computed on the accounts receivable balance. The changes during the year for proprietary accounts receivable is as follows:

	Accounts Receivable
Balance, July 1, 2023	\$ 64,525
Additions	4,668
Deletions	0
Balance, June 30, 2024	69,193
Allowance for Doubtful Accounts	9,913
Net Balance, June 30, 2024	\$ 59,280

NOTE 4 – PREPAID EXPENSES

Prepaid expenses in the financial statement represent insurance payments made during the fiscal year ending June 30, 2024 to insurers for insurance coverage periods after the fiscal year ends. As of June 30, 2024 the Town's had the following prepaid insurance changes:

	Prepaid Insurance	
	Government	Proprietary
Balance, July 1, 2023	\$ 1,992	\$ 1,992
Additions	2,664	2,664
Deletions	0	0
Balance, June 30, 2024	\$ 4,656	\$ 4,656

NOTE 5 – DEFERRED INFLOWS OF RESOURCES

The deferred inflows in the amount of \$3,675 in the governmental funds financial statement represents the escrow amount left on deposit with OMAG, which is to be disbursed or applied to outstanding premium balances at a later period. The deferred inflows in the amount of \$2,522 in the proprietary funds financial statements represent pending credit and debit card payments from utility service customers, that have not cleared yet as of June 30, 2024.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Changes in governmental capital assets during the year ending June 30, 2024, were as follows:

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Government Activities:				
Fire Department: Capital Assets	\$ 653,416	\$ 28,641	\$ 0	\$ 682,057
Streets: Capital Assets	533,302	88,233	0	621,535
General Government: Capital Assets	315,226	0	0	315,226
Police: Capital Assets	180,978	0	0	180,978
Community Building: Capital Assets	173,535	0	0	173,535
Parks & Recreation: Capital Assets	150,866	0	0	150,866
Library: Capital Assets	100,689	0	0	100,689
Cemetery: Capital Assets	11,500	0	0	11,500
Accumulated Depreciation	(1,467,420)	(65,852)	0	(1,533,272)
Governmental Net Capital Assets	<u>\$ 652,092</u>	<u>\$ 51,022</u>	<u>\$ 0</u>	<u>\$ 703,114</u>

Changes in proprietary capital assets during the year ending June 30, 2024, were as follows:

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Business Type Activities:				
Water & Sewer: Loan Cost on Refinancing	\$ 27,247	\$ 0	\$ 0	\$ 27,247
Accumulated Amortization	(27,247)	0	0	(27,247)
Water & Sewer: Capital Assets	3,280,213	31,170	0	3,311,383
Accumulated Depreciation	(2,077,255)	(112,466)	0	(2,189,721)
Business Type Net Capital Assets	<u>\$ 1,202,958</u>	<u>\$ (81,296)</u>	<u>\$ 0</u>	<u>\$ 1,121,662</u>

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Government Activities:	
Streets: Depreciation	\$ 23,441
Fire Department: Depreciation	18,833
General Government: Depreciation	12,087
Police: Depreciation	1,279
Community Building: Depreciation	5,164
Library: Depreciation	3,818
Parks & Recreation: Depreciation	1,230
Total	<u><u>\$ 65,852</u></u>
Business Type Activities:	
Water & Sewer: Depreciation	\$ 112,466
Water & Sewer: Amortization	6,027
Total	<u><u>\$ 118,493</u></u>

NOTE 7 – LEASE AGREEMENT

In July 2009, the Apache Public Works Authority entered into a non-cancellable lease agreement with James Hrbacek for the Lagoon Irrigation. The lease term is for 20 years, the payment due at inception was \$5,850. The annual lease payments started in the amount of \$5,850 in 2009 with an increase of 17% every five years.

As of June 30, 2024, the Authority recorded a right-of-use (“ROU”) asset of approximately \$18,440 and a total lease liability of approximately \$18,440 based on a discount rate of 5.00% at lease inception.

The ROU asset at June 30, 2024 is summarized as follows:

Lease ROU Asset	\$ 91,860
Less: accumulated reduction	(73,420)
Balance of ROU Asset	<u><u>\$ 18,440</u></u>

The lease liability related to the ROU asset at June 30, 2024 is summarized as follows:

Lease Liability	\$ 91,860
Less: accumulated reduction	(73,420)
Balance of Lease Liability	<u><u>\$ 18,440</u></u>

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

As of June 30, 2024, the remaining lease payments under this lease are as follows:

Fiscal year ending	Lease Payment
June 30, 2025	\$ 8,775
June 30, 2026	8,775
June 30, 2027	8,775
June 30, 2028	8,775
June 30, 2029	8,775
Total lease payments	43,875
Less: Interest	(25,435)
Present value of lease payments	\$ 18,440
Less: current portion	(8,775)
Lease payment, net of current portion	<u>\$ 9,665</u>

As of June 30, 2024, the remaining lease term was 5 years at the average discount rate of 5.00%.

In December of 2023, the Apache Public Works Authority entered into a non-cancellable lease agreement with Graybar for the use of phone systems. The lease term is for 5 years. The monthly lease payments are \$361.

As of June 30, 2024, the Authority recorded a right-of-use ("ROU") asset of approximately \$17,353 and a total lease liability of approximately \$17,353 based on a discount rate of 5.00% at lease inception.

The ROU asset at June 30, 2024 is summarized as follows:

Lease ROU Asset	\$ 18,247
Less: accumulated reduction	(894)
Balance of ROU Asset	<u>\$ 17,353</u>

The lease liability related to the ROU asset at June 30, 2024 is summarized as follows:

Lease Liability	\$ 18,247
Less: accumulated reduction	(894)
Balance of Lease Liability	<u>\$ 17,353</u>

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

As of June 30, 2024, the remaining lease payments under this lease are as follows:

Fiscal year ending	Lease Payment
June 30, 2025	\$ 4,335
June 30, 2026	4,335
June 30, 2027	4,335
June 30, 2028	4,335
June 30, 2029	2,529
Total lease payments	19,869
Less: Interest	(2,516)
Present value of lease payments	\$ 17,353
Less: current portion	(4,335)
Lease payment, net of current portion	<u>\$ 13,018</u>

As of June 30, 2024, the remaining lease term was 5 years at the average discount rate of 5.00%.

Weighted average remaining lease term as was follows as of June 30, 2024:
5 years.

Weighted average discount rate was as follows as of June 30, 2024:
5%.

Total lease expense for the year ending June 30, 2024 was \$12,135.

NOTE 8 – CUSTOMER DEPOSITS

The Town has an established policy for the reimbursement of customer deposits for their utility services. Changes during the year ending June 30, 2024, were as follows:

	Customer Deposits
Balance, July 1, 2023	\$ 49,196
Current Year Changes	2,953
Balance, June 30, 2024	<u>\$ 52,149</u>

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 9 – ACCOUNTS PAYABLE

Accounts Payable, which consists of obligations to various suppliers and creditors for goods and services received on or before June 30, 2024 that have not been paid for by the end of the fiscal year, is represented by the following changes:

	Accounts Payable	
	Government	Proprietary
Balance, July 1, 2023	\$ 0	\$ 20,094
Additions	4,580	5,183
Deletions	0	0
Balance, June 30, 2024	<u>\$ 4,580</u>	<u>\$ 25,277</u>

NOTE 10 – ACCRUED PAYROLL AND COMPENSATED ABSENCES LIABILITIES

The Town accrues a payroll liability and a liability for vacation pay or other compensated absences, which are liquidated through the Municipal Authority Fund. Accrued payroll and compensated absences are reported as current liabilities in the statement of net position.

The following are the changes in payroll liabilities for the government funds as of June 30, 2024:

	Government Funds	
	Accrued Payroll	Compensated Absences
Balance as of 07/01/2023	\$ 2,966	\$ 3,095
Additions	1,999	1,946
Reductions	0	0
Balance as of 06/30/2024	<u>\$ 4,965</u>	<u>\$ 5,041</u>

The following are the changes in payroll liabilities for the proprietary funds as of June 30, 2024:

	Proprietary Funds	
	Accrued Payroll	Compensated Absences
Balance as of 07/01/2023	\$ 3,112	\$ 703
Additions	2,657	2,465
Reductions	0	0
Balance as of 06/30/2024	<u>\$ 5,769</u>	<u>\$ 3,168</u>

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 11 – LONG-TERM DEBT

Governmental Funds – Notes Payable

On March 9, 2022, the Town of Apache's General Fund borrowed \$102,928 from Shamrock Bank to finance the purchase of a police vehicle, with a fixed interest rate of 2.90% for a total of 60 months.

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

	Note Payable at July 1, 2023	Additions	Reductions	Note Payable at July 1, 2024
Governmental Activities:				
Shamrock Bank Note Payable	\$ 76,881	\$ 0	\$ (20,185)	\$ 56,696
Total	<u>\$ 76,881</u>	<u>\$ 0</u>	<u>\$ (20,185)</u>	<u>\$ 56,696</u>

The annual debt service requirements to maturity for this note payable are as follows:

Year	Principal	Interest	Total
2025	\$ 20,800	\$ 1,369	\$ 22,169
2026	21,411	757	22,168
2027	14,485	157	14,642
Total	<u>\$ 56,696</u>	<u>\$ 2,283</u>	<u>\$ 58,979</u>

Interest Expense

Interest expense on long-term debt of \$1,983 was reported in the governmental activities.

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 12 – FUND EQUITY

During the fiscal year ending June 30, 2024, the Town had the following Non-spendable, Restricted, Committed, Assigned, and Unassigned Fund Balances:

Government Activities:

a. Non-spendable

The Town had no non-spendable funds as of June 30, 2024.

b. Restricted

Fund	Amount
Non-major Governmental Funds:	
Street & Alley	\$ 6,616
Municipal Court	19,289
Fire Department	5,689
Cemetery Maintenance & Operations	63,094
Cemetery Perpetual Care	119,836
Cemetery Lot Sales	46,795
Library	14,534
Grants Special	605
Ambulance	1,500
Total Non-major Governmental Funds:	<u>277,958</u>
Total Restricted Funds	<u><u>\$ 277,958</u></u>

c. Committed

The Town had no committed funds as of June 30, 2024.

d. Assigned

The Town had no assigned funds as of June 30, 2024.

e. Unassigned

Fund	Amount
General Fund	\$ 645,000
Total Unassigned Funds	<u><u>\$ 645,000</u></u>

Town of Apache, Oklahoma
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

NOTE 14 – PENSION PLAN

The Town established a Defined Contribution Plan (the “Plan”) in the form of a Simple IRA Plan with American Funds. The Plan started in January 2023, and the first contributions were made in February 2023. Employees qualify for participation in the Plan if they are working full-time and have earned at least \$5,000 per year during the last two preceding years. All accounts are immediately vested and nonforfeitable.

The Plan requires all participating employees to contribute 3% of their wages and the Town contributes 3% of the employee’s wages. For the year ended June 30, 2024, the following required contributions were made:

For the Year				
Ending	Employee	Employer	Total	
2024	\$ 2,428	\$ 2,428	\$ 4,856	
2023	1,109	1,089	2,198	

All firefighters participate in the Statewide Oklahoma Firefighter’s Pension and Retirement System. The Town contributes to this plan for each firefighter in accordance with Oklahoma Statutes. For 2024, the Town contributed \$900 to this plan.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Grant Audit

The Town receives grant funds from various Federal and State agencies during the normal course of operations. These grants are subject to review and audit by agents of the appropriate federal or state agency, the purpose of which is to ensure compliance with conditions precedent to the granting of the funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Litigation

The financial statements do not include any provision for loss contingencies resulting from litigation. Under applicable Oklahoma statutes, cities and towns generally establish a sinking fund to satisfy legal judgments rendered against them. Tax revenues are then specifically assessed for payment of these claims which have been reduced to judgment. Such claims are generally paid through these special tax assessments over a three (3) year period.

NOTE 16 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters for which the Town carries commercial insurance. Also, all personnel responsible for custody of cash were bonded during the fiscal year.

There have been no significant reductions in coverage from the prior year. Claims have not exceeded coverage in the current year or either of the two previous years.



**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 Mayor and Town Council
Town of Apache
Apache, 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, each major fund, and the aggregate remaining fund information of the Town of Apache, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated October 10, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Apache, 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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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. During our audit we did not identify any deficiencies in internal control that we consider to be a significant deficiency.

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 identified one deficiency in internal control that we consider to be material weaknesses. It is identified in the following schedule as 2024-1, 2024-2 and 2024-3.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Apache, 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.

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.

Furrh & Associates, PC

FURRH & ASSOCIATES, PC

Lawton, Oklahoma

October 10, 2024

Town of Apache, Oklahoma
Schedule of Findings and Responses
For the Year Ended June 30, 2024

Reportable Conditions of Internal Control, Compliance and Other Matters

2024-1 Improper Lease Agreement

Condition – The Town began a lease agreement for the use of telephone systems for a 60-month period under the Town.

Effect – The Town encumbered itself for longer than the 12 months.

Cause – Management was unaware of the requirement for their government funds.

Criteria – Generally Accepted Accounting Principles require that government funds can not extend themselves financially past a 12 month period.

Recommendation – We recommend that the lease be redone under the public works authority.

Management response – The lease agreement has been amended with the Public Works Authority which can extent beyond a 12-month term in November of 2024.

2024-2 Improper Payment of Tickets in Offender Data Information System (“ODIS”)

Condition – Tickets were not being properly paid in the ODIS system.

Effect – A listing of tickets paid could not be produced for testing purposes.

Cause – Management was unaware as to correct procedure for the proper payment of tickets through ODIS.

Criteria – Oklahoma Statute 11 Section 22-131 requires documentation to be maintained for five to ten years.

Recommendation – We recommend that, when paying tickets through ODIS, that they are paid through the proper screen and process.

Management response – Payments received on citations are now recorded properly, not only in the budgeting software, but also in the ODIS system which will allow for printing of reports to confirm payments entered into budget software and deposits in the Municipal Court Fund.

Town of Apache, Oklahoma
Schedule of Findings and Responses
For the Year Ended June 30, 2024

2024-3 Segregation of Duties

Condition – The entity has limited personnel performing accounting functions during the year.

Effect – The lack of proper segregation of duties could allow for the improper authorization of transactions.

Cause – Due to a change in staff at the beginning of the year, the Town did not have the ability to completely segregate the accounting functions.

Criteria – Generally Accepted Accounting Standards calls for the proper segregation of financial activities within an organization.

Recommendation – We recommend that the Town implement additional policies and procedures in order to properly segregate accounting functions.

Management response – During the time-frame with a single employee in the office, Law Enforcement Officers and Board Members increased efforts to monitor accounting procedures and bank deposits as recommended by auditor.

Town of Apache, Oklahoma
Budgetary Comparison Schedule - Modified Cash Basis
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES				
Sales Tax	\$ 352,323	\$ 352,323	\$ 433,105	\$ (80,782)
Use Tax	70,861	70,861	93,762	(22,901)
Franchise Tax	39,751	39,751	40,456	(705)
Alcohol Beverage Tax	16,743	16,743	17,505	(762)
Miscellaneous Revenue	6,032	6,032	8,670	(2,638)
Police K-9 Revenue/Donations	1,260	1,260	0	1,260
Royalties	154	154	142	12
Insurance Refunds or Reimbursement	3,636	3,636	357,588	(353,952)
Rent Revenue	3,816	3,816	4,690	(874)
Tobacco Tax	2,364	2,364	2,730	(366)
Permits and Licenses	2,869	2,869	4,185	(1,316)
Grants	0	0	4,368	(4,368)
Interest	237	237	11,375	(11,138)
Fines	0	0	0	0
Total Revenues	500,046	500,046	978,576	(478,530)
EXPENDITURES				
Current:				
<u>General Government</u>				
Personal Services	85,710	85,710	45,543	40,167
Maintenance and Operations	78,652	78,652	93,943	(15,291)
Capital Outlay	35,000	35,000	0	35,000
Total General Government	199,362	199,362	139,486	59,876
<u>Police Department</u>				
Personal Services	176,864	176,864	166,674	10,190
Maintenance and Operations	45,793	45,793	47,479	(1,686)
Capital Outlay	0	0	0	0
Total Police Department	222,657	222,657	214,153	8,504
<u>Fire Department</u>				
Personal Services	14,697	14,697	0	14,697
Maintenance and Operations	19,494	19,494	23,806	(4,312)
Capital Outlay	0	0	28,641	(28,641)
Total Fire Department	34,191	34,191	52,447	(18,256)
<u>Animal Control</u>				
Personal Services	4,576	4,576	6,876	(2,300)
Maintenance and Operations	1,048	1,048	0	1,048
Total Culture and Recreation	5,624	5,624	6,876	(1,252)
<u>Fair Building/Other Rentals Expenses</u>				
Maintenance and Operations	3,824	3,824	0	3,824
Total Street & Alley	3,824	3,824	0	3,824

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Budgetary Comparison Schedule - Modified Cash Basis
General Fund
For the Year Ended June 30, 2024

	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Over (Under)</u>
<u>Street & Alley</u>				
Maintenance and Operations	0	0	39,246	(39,246)
Capital Outlay	0	0	88,233	(88,233)
Total Street & Alley	0	0	127,479	(127,479)
<u>Culture and Recreation</u>				
Maintenance and Operations	4,062	4,062	9,541	(5,479)
Total Culture and Recreation	4,062	4,062	9,541	(5,479)
<u>Community Building</u>				
Maintenance and Operations	8,827	8,827	7,036	1,791
Total Community Building	8,827	8,827	7,036	1,791
<u>Library</u>				
Personal Services	13,018	13,018	19,286	(6,268)
Maintenance and Operations	10,253	10,253	6,906	3,347
Capital Outlay	0	0	0	0
Total Library	23,271	23,271	26,192	(2,921)
<u>Municipal Court</u>				
Personal Services	0	0	6,400	(6,400)
Total Municipal Court	0	0	6,400	(6,400)
<u>Cemetery</u>				
Maintenance and Operations	1,009	1,009	2,151	(1,142)
Total Cemetery	1,009	1,009	2,151	(1,142)
Debt service:				
Principal	0	0	20,185	(20,185)
Interest and Financial Charges	0	0	1,983	(1,983)
Total Expenditures	502,827	502,827	613,929	(113,674)
Excess (deficiency) of revenues over (under) expenditures	(2,781)	(2,781)	364,647	(367,428)
OTHER FINANCING SOURCES (USES)				
Net Transfer In/(Out)	(28,791)	(29,707)	48,810	(78,517)
Total Other Financing Sources (Uses)	(28,791)	(29,707)	48,810	(78,517)
Net Change in Fund Balances	(31,572)	(32,488)	413,457	(445,945)
Fund Balances - beginning at of July 1, 2023	0	0	231,543	(231,543)
Fund Balances - ending at June 30, 2024	<u>\$ (31,572)</u>	<u>\$ (32,488)</u>	<u>\$ 645,000</u>	<u>\$ (677,488)</u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds
June 30, 2024

	<u>Street & Alley</u>	<u>Municipal Court</u>	<u>Fire Dept.</u>	<u>Cemetery Maint. & Operations</u>	<u>Cemetery Perpetual Care</u>	<u>Cemetery Lot Sales</u>	<u>Library</u>	<u>Grants Special</u>	<u>Ambulance</u>	<u>Total Non- Major Govt Funds</u>
ASSETS										
Cash and Cash Equiv.	\$ 6,616	\$ 19,289	\$ 5,689	\$ 32,028	\$ 4,380	\$ 6,469	\$ 14,534	\$ 605	\$ 1,500	\$ 91,110
Investments	0	0	0	31,066	115,456	40,326	0	0	0	186,848
Deferred Inflow	0	0	0	0	0	0	0	0	0	0
Total Assets	<u>\$ 6,616</u>	<u>\$ 19,289</u>	<u>\$ 5,689</u>	<u>\$ 63,094</u>	<u>\$ 119,836</u>	<u>\$ 46,795</u>	<u>\$ 14,534</u>	<u>605</u>	<u>\$ 1,500</u>	<u>\$ 277,958</u>
FUND BALANCES										
Fund Balances:										
Restricted	<u>\$ 6,616</u>	<u>\$ 19,289</u>	<u>\$ 5,689</u>	<u>\$ 63,094</u>	<u>\$ 119,836</u>	<u>\$ 46,795</u>	<u>\$ 14,534</u>	<u>\$ 605</u>	<u>\$ 1,500</u>	<u>\$ 277,958</u>
Total Fund Balances	<u>\$ 6,616</u>	<u>\$ 19,289</u>	<u>\$ 5,689</u>	<u>\$ 63,094</u>	<u>\$ 119,836</u>	<u>\$ 46,795</u>	<u>\$ 14,534</u>	<u>\$ 605</u>	<u>\$ 1,500</u>	<u>\$ 277,958</u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Street & Alley	Municipal Court	Fire Dept.	Cemetery Maint. & Operations	Cemetery Perpetual Care	Cemetery Lot Sales	Library	Grants Special	Ambulance	Total Non- Major Govt Funds
REVENUES										
Tax Revenue	\$ 9,226	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 102,280	\$ 111,506
Grants	0	0	9,994	0	0	0	3,953	46,795	0	60,742
Fines	0	48,663	0	0	0	0	0	0	0	48,663
Ambulance Service	0	0	0	0	0	0	0	0	40,761	40,761
Cemetery Revenue	0	0	0	17,808	0	750	0	0	0	18,558
Interest	84	0	0	1,314	5,093	1,055	0	0	0	7,546
Donations	0	0	5,100	0	0	0	381	0	0	5,481
Fire Service	0	0	3,000	0	0	0	0	0	0	3,000
Miscellaneous	0	0	0	0	0	787	1,602	0	0	2,389
Total Revenues	<u>9,310</u>	<u>48,663</u>	<u>18,094</u>	<u>19,122</u>	<u>5,093</u>	<u>2,592</u>	<u>5,936</u>	<u>46,795</u>	<u>143,041</u>	<u>298,646</u>
EXPENDITURES										
Personal Services	0	0	0	0	0	0	0	0	0	0
Maintenance & Operations	0	7,428	21,249	3,628	0	0	5,687	0	251,317	289,309
Capital Outlay	0	0	0	0	0	0	0	0	0	0
Total Expenditures	<u>0</u>	<u>7,428</u>	<u>21,249</u>	<u>3,628</u>	<u>0</u>	<u>0</u>	<u>5,687</u>	<u>0</u>	<u>251,317</u>	<u>289,309</u>
Excess (deficiency) of revenues over (under) expenditures	9,310	41,235	(3,155)	15,494	5,093	2,592	249	46,795	(108,276)	9,337
OTHER FINANCING SOURCES (USES)										
Transfers In / (Out)	<u>(43,233)</u>	<u>(42,500)</u>	<u>(28,641)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(46,795)</u>	<u>108,276</u>	<u>(52,893)</u>
Total Other Financing Sources (Uses)	<u>(43,233)</u>	<u>(42,500)</u>	<u>(28,641)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(46,795)</u>	<u>108,276</u>	<u>(52,893)</u>
Net Change in Fund Balances	(33,923)	(1,265)	(31,796)	15,494	5,093	2,592	249	0	0	(43,556)
Fund Balances - beginning at July 1, 2023	<u>40,539</u>	<u>20,554</u>	<u>37,485</u>	<u>47,600</u>	<u>114,743</u>	<u>44,203</u>	<u>14,285</u>	<u>605</u>	<u>1,500</u>	<u>321,514</u>
Fund Balances - ending at June 30, 2024	<u>\$ 6,616</u>	<u>\$ 19,289</u>	<u>\$ 5,689</u>	<u>\$ 63,094</u>	<u>\$ 119,836</u>	<u>\$ 46,795</u>	<u>\$ 14,534</u>	<u>\$ 605</u>	<u>\$ 1,500</u>	<u>\$ 277,958</u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Schedule of Federal, State, and Other Awards - Modified Cash Basis
For the Year Ended June 30, 2024

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
Federal Awards			
CDBG- 19416 CDBG 23	14.228	\$ 136,364	\$ 0
JAG Grant	16.824		
Medical Supply Bags		713	713
Total Federal Awards		<u>137,077</u>	<u>713</u>
State Awards			
Oklahoma Department of Libraries			
State Aid		2,445	2,445
Oklahoma Municipal Assurance Group			
Bodycam Grant		3,665	3,665
Oklahoma Municipal Assurance Group			
Public Works Safety Equipment		1,795	2,334
Association of South Central Governments			
REAP - 232220		45,000	82,033
State Dept of Agriculture, Food, and Forestry			
Rural Community Fire Protection		18,866	23,583
Total State Awards		<u>71,771</u>	<u>114,060</u>
Total Federal and State Awards		<u>\$ 208,847</u>	<u>\$ 114,773</u>

Please see accompanying notes to the financial statements.

Town of Apache, Oklahoma
Notes to Supplementary Information
June 30, 2024

Note 1 – Budgets and Budgetary Accounting

The Town's annual operating budget represents appropriations as authorized by the Governing Board in accordance with the provisions of the Oklahoma statutes.

The Town operates under the guidelines of the "Municipal Budget Act" which allows the Governing Board to prepare its budgets based upon its estimated revenue. In addition, revisions may be made to the budget throughout the year as authorized by the Governing Board. The legal level of control of the budget is the expenditure category. The expenditure categories required by the applicable state statutes are:

1. Personal Services
2. Maintenance and Operations
3. Capital Outlays

Note 2 – Individual Fund Disclosures

No Funds had an excess of expenditures over appropriations for the year ended June 30, 2024.