

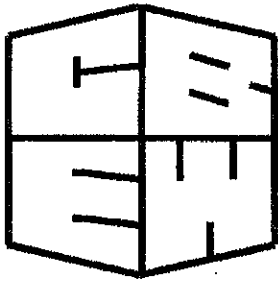
**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

CONTENTS

	Page No.
Independent Auditor's Report	1-3
Basic Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-12
Other Supplementary Information:	
Schedule of Expenditures of Federal Awards	13
Report Required by <i>Government Auditing Standards</i>:	
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 <i>Government Auditing Standards</i>	14-15



CBEW Professional Group, LLP

Certified Public Accountants

P.O. Box 790

Cushing, OK 74023

918-225-4216 FAX 918-225-4315

Charles E. Crooks, Jr., CPA – Trisha J. Rieman, CPA – Gabrielle Conchola, CPA

INDEPENDENT AUDITOR'S REPORT

June 7, 2023

Board of Trustees
Seminole County Public Buildings Authority
Component Unit of Seminole County
Wewoka, Oklahoma

Opinions

We have audited the accompanying financial statements of the business-type activities of Seminole County Public Buildings Authority, component unit of Seminole County, Oklahoma, as of and for the years ended June 30, 2021 and 2020, and the related notes to the 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 financial position of the business-type activities of the Seminole County Public Buildings Authority, component unit of Seminole County, Oklahoma as of June 30, 2021 and 2020, and the changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 Seminole County Public Buildings Authority, component unit of Seminole County, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

The Seminole County Public Buildings Authority, component unit of Seminole County, Oklahoma has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Seminole County Public Buildings Authority, component unit of Seminole County, Oklahoma's financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards is 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 June 7, 2023, on our consideration of the Seminole County Public Buildings Authority, component unit of Seminole County, 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 to describe the scope of our testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion on the effectiveness of the Seminole County Public Buildings Authority, component unit of Seminole County, 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 Seminole County Public Buildings Authority, component unit of Seminole County, Oklahoma's internal control over financial reporting and compliance.

CBEW Professional Group, LLP

CBEW Professional Group, LLP
Certified Public Accountants
Cushing, Oklahoma

SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma

STATEMENT OF NET POSITION
June 30, 2021 and 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
Assets:		
Cash and investments:		
Cash and cash equivalents (Note 1)	\$ 404,772	\$ 259,807
Accounts receivable	212,689	195,085
Restricted assets:		
Trustee accounts/cash & investments (Note 1)	283,309	326,131
Capital assets:		
Land	26,137	26,137
Buildings, improvements and equipment	8,163,575	8,163,575
Less accumulated depreciation	(2,745,686)	(2,469,974)
Other assets:		
Utility deposit	670	670
Total assets	<u>6,345,466</u>	<u>6,501,431</u>
Deferred outflows of resources:		
Total deferred outflows	<u>-</u>	<u>-</u>
Liabilities:		
Accounts payable	89	183
Accrued interest payable	49,172	55,934
Accrued compensated absences	12,123	9,955
Sales tax revenue notes payable (Note 3)	470,000	460,000
Non-current liabilities:		
Sales tax revenue notes payable (Note 3)	2,875,000	3,345,000
Total liabilities	<u>3,406,384</u>	<u>3,871,072</u>
Deferred inflows of resources:		
Total deferred inflows	<u>-</u>	<u>-</u>
Net position:		
Net investment in capital assets	4,844,712	4,384,712
Restricted	283,309	326,131
Unrestricted	<u>(2,188,939)</u>	<u>(2,080,484)</u>
Total net position	<u>\$ 2,939,082</u>	<u>\$ 2,630,359</u>

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

SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma

STATEMENT OF ACTIVITIES
For the Fiscal Years Ending June 30, 2021 and 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
Revenues:		
Sales tax revenue	\$ 1,111,938	\$ 1,158,634
Total revenues	<u>1,111,938</u>	<u>1,158,634</u>
Expenses:		
Advertising	736	296
Depreciation	275,712	275,712
Food services	68,635	146,958
Insurance	25,734	-
Legal and professional	6,100	6,100
Medical services and supplies	55,330	110,990
Payroll expenses	492,093	463,701
Repairs and maintenance	25,996	89,545
Supplies	2,369	2,792
Travel	-	-
Utilities	7,130	32,253
Total expenses	<u>959,835</u>	<u>1,128,347</u>
Operating income (loss)	<u>152,103</u>	<u>30,287</u>
Other income and expense:		
Interest income	612	3,202
Interest expense	(101,798)	(115,175)
Grant income	265,806	-
Trustee fees	(8,000)	-
Total other income and expense	<u>156,620</u>	<u>(111,973)</u>
Net income (loss)	308,723	(81,686)
Net position - beginning of year	<u>2,630,359</u>	<u>2,712,045</u>
Net position - end of year	<u>\$ 2,939,082</u>	<u>\$ 2,630,359</u>

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

SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma

STATEMENT OF CASH FLOWS
For the Fiscal Years Ending June 30, 2021 and 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
Cash flows from operating activities:		
Cash received from sales taxes	\$ 1,094,334	\$ 1,161,999
Cash payments to suppliers for goods and contractors and other services	<u>(682,049)</u>	<u>(874,890)</u>
Net cash provided by operating activities	<u>412,285</u>	<u>287,109</u>
Cash flows from noncapital financing activities:		
Grant income	265,806	-
Net changes in restricted assets	<u>42,822</u>	<u>(83,304)</u>
Net cash provided (used) for noncapital financing activities	<u>308,628</u>	<u>(83,304)</u>
Cash flows from investing activities		
Interest income	612	3,202
Net cash provided (used) by investing activities	<u>612</u>	<u>3,202</u>
Cash flows from financing activities:		
Acquisition and construction of capital assets	-	-
Principal paid on debt	(460,000)	(290,000)
Interest expense	(108,560)	(83,654)
Loan costs	-	-
Trustee fees	<u>(8,000)</u>	<u>-</u>
Net cash provided (used) for capital and related financing activities	<u>(576,560)</u>	<u>(373,654)</u>
Net increase (decrease) in cash	144,965	(166,647)
Cash and cash equivalents at beginning of year	<u>259,807</u>	<u>426,454</u>
Cash and cash equivalents at end of year	<u>\$ 404,772</u>	<u>\$ 259,807</u>
Reconciliation of operation income to net cash provided by operating activities:		
Operating income (loss)	<u>\$ 152,103</u>	<u>\$ 30,287</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	275,712	275,712
Change in assets and liabilities:		
Increase (decrease) in accounts payable	(94)	(21,431)
Increase (decrease) in accrued compensated absences	2,168	(824)
(Increase) decrease in utility deposits	-	-
(Increase) decrease in accounts receivable	<u>(17,604)</u>	<u>3,365</u>
Total adjustments	<u>260,182</u>	<u>256,822</u>
Net cash provided by operating activities	<u>\$ 412,285</u>	<u>\$ 287,109</u>

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

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Management

Seminole County Public Buildings Authority, a component unit of Seminole County, Oklahoma (SCPBA), is a public trust created August 13, 2007 under the authority and pursuant to the provisions of Title 60, Oklahoma Statutes 2001, Sections 176-180.4, as amended and supplemented in the Oklahoma Trust Act.

SCPBA by virtue of common control and dependence is a component unit of Seminole County, Oklahoma. SCPBA has a five-member board consisting of resident property owners and registered voters in Seminole County, of which three are appointed by the County Commissioners to serve as Trustees of the Authority. The fourth Trustee is considered the chairman, who is also the chairman of the Board of County Commissioners. The fifth Trustee is the Sheriff of Seminole County or the Sheriff's designee. Seminole County maintains beneficial interest in SCPBA. The financial activities of Seminole County and its other component units are not included in the financial statements of SCPBA.

The financial statements present only the Seminole County Public Buildings Authority and do not purport to, and do not, present the financial position of Seminole County, Oklahoma, as of June 30, 2021 and 2020.

B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting

The accounts of the SCPBA are organized as a proprietary fund that is considered to be a separate accounting entity. The operations of the fund are summarized by providing a separate set of self-balancing accounts that include its assets, liabilities, net position, revenues and expenses. A proprietary fund is used to account for operations that are financed in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing facilities is financed through sales taxes. Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or non-current) are included in the balance sheet.

Financial activity is accounted for on the flow of economic resources measurement focus using the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

C. Assets, Liabilities and Equity

1. Deposits and Investments

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

For financial statement presentation and for purposes of the statement of cash flows, SCPBA's cash and cash equivalents are considered to be; cash on hand, demand deposits, and certificates of deposit with a maturity date of three months or less. Debt instruments with a maturity date of more than three months are considered to be investments.

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

1. Deposits and Investments (Continued)

Custodial Credit Risk

At June 30, 2021 and 2020, SCPBA held unrestricted deposits of approximately \$688,081 and \$585,938 at financial institutions. SCPBA's cash deposits, including interest-bearing certificates of deposit, are entirely covered by Federal Depository Insurance (FDIC) or direct obligation of the U.S. Government insured or collateralized with securities held by SCPBA or by its agent in SCPBA's name.

Investment Interest Rate Risk

SCPBA 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

SCPBA 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.).

Concentration of Investment Credit Risk

SCPBA places no limit on the amount it may invest in any one issuer. SCPBA has the following of credit risk: 0% in Money Market funds (\$0).

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

2. Restricted Cash and Investments

The restricted accounts of cash and investments are the result of financial requirements of the sales tax revenue note and consist of funds held in accounts with the Trustee bank. Under the terms and provisions of the Sales Tax Revenue Note Indenture, these special accounts and reserve funds are maintained for the benefit of the holders of the Note and are not subject to lien or attachment by any other creditors. These accounts and reserve funds are to be maintained so long as any notes are outstanding. Monies contained in the accounts and reserve funds held by the Trustee are required to be continuously invested in authorized securities that mature not later than the respective dates when the funds shall be required for the purpose intended by the trust indenture. The County has levied a sales tax in which related revenues are to be applied to the balance of the note.

3. Fair Value of Financial Instruments

SCPBA's financial instruments include cash and cash equivalents, temporary investments, accounts receivable, interest receivable, interest payable and accounts payable. SCPBA's estimates of the fair value of all financial instruments do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net position. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

4. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. Inventories

Inventories consist of minimal amounts of expendable supplies held for consumption. The costs of inventories are recorded as expenditures when purchased rather than when consumed.

6. Capital Assets

Additions to the buildings and equipment are recorded at cost or, if contributed property, at their estimated acquisition value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income. The Authority maintains a capitalization threshold of \$500.

Depreciation for major movable equipment and building and improvements is computed on the straight-line method over useful lives of 5-20 years for equipment and 30 years for buildings and improvements.

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

7. Compensated Absences

SCPBA provides for the salaries of County jail employees but for Federal reporting purposes all employees are reported as County employees. It is the County's policy to permit employees to accumulate earned by unused vacation and sick time. Full-time employees are granted vacation benefits in varying amounts to specified maximums depending upon tenure with the County. Generally, employees are entitled to accrued vacation leave upon termination. Sick leave may be accumulated to a maximum of 1,460 hours but employees are not compensated for unused sick leave upon termination. The expense and related liability for vested vacation benefits and compensatory time is record in these financial statements.

8. Comparative Data

Comparative information for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in SCPBA's financial position and operations. No reclassifications have been made for comparability.

2. CAPITAL ASSETS

The following is a summary of changes in property and equipment.

	Balance 6/30/20	Additions	Deletions	Balance 6/30/21
Land	\$ 26,137	\$ -	\$ -	\$ 26,137
Construction in process	-	-	-	-
Buildings & Improvements	8,036,486	-	-	8,036,486
Furniture & Equipment	127,089	-	-	127,089
Total	8,189,712	-	-	8,189,712
Less accumulated depreciation	(2,469,973)	(275,712)	-	(2,745,685)
Net	<u>\$ 5,719,739</u>	<u>\$ (275,712)</u>	<u>\$ -</u>	<u>\$ 5,444,027</u>

	Balance 6/30/19	Additions	Deletions	Balance 6/30/20
Land	\$ 26,137	\$ -	\$ -	\$ 26,137
Construction in process	-	-	-	-
Buildings & Improvements	8,036,486	-	-	8,036,486
Furniture & Equipment	127,089	-	-	127,089
Total	8,189,712	-	-	8,189,712
Less accumulated depreciation	(2,194,261)	(275,712)	-	(2,469,973)
Net	<u>\$ 5,995,451</u>	<u>\$ (275,712)</u>	<u>\$ -</u>	<u>\$ 5,719,739</u>

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

3. LONG-TERM DEBT

SCPBA's Sales Tax Revenue Note Series 2009 was issued to fund construction of the Seminole County jail. The County shall levy a \$0.005 sales tax as of August 13, 2007, which was approved by voters on September 6, 2006. Sales tax funding is to be used for the sole purpose of all related costs for acquiring, constructing, equipping, repairing, renovating, operating and maintaining the County jail facilities for the County of Seminole, Oklahoma. This issue was refunded for a Sales Tax Revenue Note Series 2020.

SCPBA's long-term debt and amounts to be repaid from business-type activities are described below.

\$4,095,000 Series 2020 Refunding Sales Tax Revenue Note dated April 18, 2020 due in semi-annual installments of \$65,000 to \$280,000 through July 1, 2027 with interest payable semi-annually at 2.94%.

The following is a summary of long-term debt transactions of SCPBA:

	Original Amount	Balance Outstanding 6/30/20	Issued	or Defeased During Year	Balance Outstanding 6/30/21	Current Portion
SCPBA						
Series 2019 Ref	\$ 4,095,000	\$ 3,805,000	\$ -	\$ (460,000)	\$ 3,345,000	\$ 470,000
Total	<u>\$ 4,095,000</u>	<u>\$ 3,805,000</u>	<u>\$ -</u>	<u>\$ (460,000)</u>	<u>\$ 3,345,000</u>	<u>\$ 470,000</u>

The annual debt service requirements to maturity, including principal and interest, for long-term debt are as follows:

Year Ending June 30,	Principal	Interest	Totals
2022	\$ 470,000	\$ 94,962	\$ 564,962
2023	490,000	80,997	570,997
2024	500,000	66,518	566,518
2025	515,000	51,671	566,671
2026	540,000	36,382	576,382
2027-2028	830,000	24,549	854,549
Total Liability	<u>\$ 3,345,000</u>	<u>\$ 355,079</u>	<u>\$ 3,700,079</u>

4. RISK MANAGEMENT

SCPBA is exposed to various risks of loss related to general liability and torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority continues to carry commercial insurance for these risks, including general liability, property damage, and public officials' liability.

5. CONCENTRATIONS

Approximately 100% and 100% of the Authority's revenues were derived from sales tax collections for June 30, 2021 and 2020, respectively. Any significant change in sales tax appropriations by Seminole County could have a significant impact on operations.

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2021 and 2020**

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events and transactions through the date of the audit report, which is the date the financial statements were available to be issued and have determine that no additional information will need to be added to the financial statements.

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**OTHER SUPPLEMENTARY INFORMATION
June 30, 2021**

SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
 COMPONENT UNIT OF SEMINOLE COUNTY
 Wewoka, Oklahoma

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2021

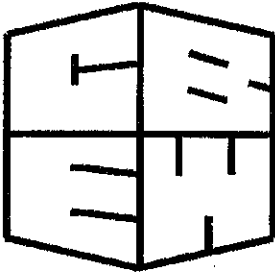
<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing</u>	<u>Program or Award Amount</u>	<u>Revenue Collected</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Treasury:</u>				
<u>Passed through the Oklahoma Office of Management and Enterprise Services:</u>				
Coronavirus Relief Fund	21.019	265,806	265,806	265,806
Sub-Total		265,806	265,806	265,806
Total of Expenditures of Federal Awards		\$ 265,806	\$ 265,806	\$ 265,806

Note A - Basis of Presentation - The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Authority under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only selected portion of the operations of the Authority, it is not intended and does not present the financial position, changes in net assets, or cash flows of the Authority.

Note B - Summary of Significant Accounting Policies - Expenditures reported on the Schedule are reported using the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Authority has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

**SEMINOLE COUNTY PUBLIC BUILDINGS AUTHORITY
COMPONENT UNIT OF SEMINOLE COUNTY
Wewoka, Oklahoma**

**REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
June 30, 2021**



CBEW Professional Group, LLP

Certified Public Accountants

P.O. Box 790

Cushing, OK 74023

918-225-4216 FAX 918-225-4315

Charles E. Crooks, Jr., CPA – Trisha J. Rieman, CPA – Gabrielle Conchola, CPA

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

June 7, 2023

Board of Directors
Seminole County Public Buildings Authority
Component Unit of Seminole County
Wewoka, 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 Seminole County Public Buildings Authority, a component unit of Seminole County, Oklahoma, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Seminole County Public Buildings Authority, a component unit of Seminole County, Oklahoma's basic financial statements, and have issued our report thereon dated June 7, 2023. Seminole County Public Buildings Authority, a component unit of Seminole County, Oklahoma did not present the Management's Discussion and Analysis required by the Governmental Accounting Standards Board.

Report on Internal Control Over Financial Reporting

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

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

Seminole County Public Buildings Authority
Component Unit of Seminole County
June 7, 2023

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Seminole County Public Buildings Authority, a component unit of Seminole County, Oklahoma's financial statements are free of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

CBEW Professional Group, LLP

CBEW Professional Group, LLP
Certified Public Accountants
Cushing, Oklahoma