FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS OF DEWEY COUNTY PUBLIC FACILITIES AUTHORITY TALOGA, OKLAHOMA JUNE 30, 2020

DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2020

TABLE OF CONTENTS

Independent Auditor's Report

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position ..... Schedule 1-00

Statement of Revenues, Expenditures and Changes in Net Position ..... Schedule 2-00

Statement of Cash Flows - Proprietary Fund ..... Schedule 3-00

Notes to the Financial Statements

Other Supplemental Information

Schedule of Allocations ..... Schedule 4-00

Reports Required by Government Auditing Standards

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

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507
WEATHERFORD, OK 73096
580-772-3596
FAX 580-772-3085

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Trustees
Dewey County Public Facilities Authority
Taloga, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Dewey County Public Facilities Authority, Taloga, Oklahoma, as of and for the year ended June 30, 2020, which collectively comprise the Trust's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Opinion

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 Dewey County Public Facilities Authority, Taloga, Oklahoma, as of June 30, 2020, and the results if its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Dewey County Public Facilities Authority, Taloga, Oklahoma, has omitted Management's Discussion and Analysis that governmental accounting principles generally accepted in the United States of America require 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 opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 10, 2021, on our consideration of Dewey County Public Facilities Authority's internal control over financial reporting and on our tests of compliance with certain provisions of the laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

June 10, 2021
Weatherford, Oklahoma

BASIC FINANCIAL STATEMENTS

Schedule 1-00

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
STATEMENT OF NET POSITION
June 30, 2020

ASSETS	
Cash and cash equivalents	$ 2,517,795.79
Total Assets	$ 2,517,795.79
LIABILITIES	
Current Payables	$ 0.00
Total Liabilities	0.00
NET POSITION	
Restricted	2,517,795.79
Unrestricted	0.00
Total Net Position	2,517,795.79
Total Liabilities and Net Position	$ 2,517,795.79

The accompanying notes to financial statements are an integral part of this statement.

Schedule 2-00

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
June 30, 2020

Operating revenues	
Limited purpose sales & use tax revenue	$ 1,301,899.28
Reimbursements including Grant	51,246.00
Total operating revenues	1,353,145.28
Operating expenses	
Administrative costs	0.00
Operating costs	1,967,547.68
Total operating expenses	1,967,547.68
Income (loss) from operations	(614,402.40)
Nonoperating revenue (expense)	
Interest income	5,841.60
Interest expense	0.00
Total nonoperating revenue (expense)	5,841.60
Changes in net position	(608,560.80)
Net Position - beginning of year	
Restricted	3,126,356.59
Unrestricted	0.00
Total Net Position - beginning of year	3,126,356.59
Net Position - end of year	
Restricted	2,517,795.79
Unrestricted	0.00
Total Net Position - end of year	$ 2,517,795.79

The accompanying notes to financial statements are an integral part of this statement.

Schedule 3-00

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
STATEMENT OF CASH FLOWS
June 30, 2020

Cash Flows From Operating Activities:	
Cash received from sales & use taxes	$ 1,301,899.28
Cash received from reimbursements, etc	51,246.00
Cash operating expenses	(1,967,547.68)
Net Cash Provided From Operations	(614,402.40)
Cash Flows From Financing Activities:	
Operating transfers in	0.00
Operating transfers out	0.00
Net Cash Flows Provided By (Used For) Financing Activities	0.00
Cash Flows From Investing Activities:	
Interest income	5,841.60
Net Cash Flows Provided (Used) by Investing Activities	5,841.60
Net Increase (Decrease) in Cash	(608,560.80)
Cash at Beginning of Year	3,126,356.59
Cash at End of Year	$ 2,517,795.79

Reconciliation of Net Income to Net Cash Provided from Operations:	
Net operating income	$ (614,402.40)
Adjustments to reconcile Operating income (loss) to Net Cash Provided by Operating Activities	0.00
Net Cash Provided From Operations	$ (614,402.40)

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2020

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Dewey County Public Facilities Authority (the "Trust") is a public trust created under a Trust Indenture dated under the provisions of Title 60, Oklahoma Statutes 2001, Sections176 – 180.4, the Oklahoma Trust Act and other applicable statutes and laws of the State of Oklahoma. The purpose of the Trust is to promote, finance and develop projects, facilities and services pertaining to governmental institutions. The Trust has the ability t issue "tax exempt" bonds. . Because of this ability to issue tax exempt bonds directly to the public, the Trust is being reported on as a governmental organization.

The governing body of the Dewey County Public Facilities Authority, Taloga, Oklahoma, is governed by five trustees who are the persons constituting the one member of the Dewey County Board of County Commissioners, the current County Sheriff or his respective designee and three citizens of the county, none of whom are elected officials, appointed by Board of County Commissioners. The County Clerk serves as a non-voting Secretary.

The financial statements of the Dewey County Public Facilities Authority, Taloga, Oklahoma, are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of the business-type activities of the County of Dewey, Taloga, Oklahoma, that is attributable to the transactions of the Authority. They do not purport to, and do not present fairly the financial position of the County of Dewey, Taloga, Oklahoma, as of June 30, 2020, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

B. Basis of Presentation

The accounts of the Authority are organized on the basis of funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, revenues, and expenses.

Summary of Significant Accounting Policies, (Continued)

Reporting Entity (Continued)

Proprietary Funds

Proprietary funds are made up of either Enterprise or Internal Service funds. The Authority operates an Enterprise fund.

Enterprise funds ar used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses) of providing goods and services to the general public on a continuing basis are financed fo recovered primarily through uses charges.

C. Basis of Accounting

The financial statements of the Authority are prepared in accordance with generally accepted accounting principles ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

D. Measurement Focus

The financial statements of the Authority have been prepared on the modified-cash basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, liabilities are recognized when the exchange transaction takes place. The Authority first applies restricted net assets when an expense or outlay is incurred for purposes for which both restricted and unrestricted net assets are available.

Summary of Significant Accounting Policies, (Continued)

E. Assets, Liabilities and Fund Equity

Cash and Cash Equivalents - For purposes of the statement of cash flows, the Trust considers all cash on hand, demand deposits and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments - The Trust had no investments at June 30, 2020.

Capital Assets - The Trust owns no property or equipment at June 30, 2020.

Long-Term Debt – There is no long term debt.

Net Position - balance represents the funds not encumbered by vendor invoices or legal contracts.

Income Taxes - The Dewey County Public Facilities Authority is a political subdivision of Dewey County, which is a political subdivision of the State of Oklahoma, and therefore, is exempt from federal and state income taxes.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Summary of Significant Accounting Policies, (Continued)

F. Revenues, Expenditures and Expenses

Sales Tax Revenues - On April 1, 2014, the county electorate voted to extend and repurpose the three quarter of one percent (3/4%) sales tax for a period of three years. The tax will be used to promote the safety, security and well-being of the people, included but not limited to county improvement projects such as: county roads and bridges, county fire protection, emergency medical services, and public safety projects.

Interest Income - The Trust receives interest on temporary investments made during the year.

Expenditures and Expense - The Trust expenses include operating costs for the specified entities and annual audit fee. The Trust has no employees and/or payroll costs.

G. Risk Management

Insurance Coverage - Dewey County provides all insurance coverage for the Authority.

H. Subsequent Events

The Authority has evaluated subsequent events through June 10, 2021, which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements

OTHER SUPPLEMENTARY INFORMATION

Schedule 4-00

DEWEY COUNTY PUBLIC FACILITIES AUTHORITY
SCHEDULE OF ALLOCATIONS
FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020

	6/30/2019 Balance	Sales and Use taxes	Interest	Transfers. grant	Expenditures	6/30/2020 Balance
Public Safety/Reserve	$ 525,601.61	$ 143,992.79	$ 1,154.46	$ (250,000.00)	$ 168,093.24	$ 252,655.62
	525,601.61	143,992.79	1,154.46	(250,000.00)	168,093.24	252,655.62
Camargo Fire Dept	40,690.49	35,998.19	101.49	0.00	20,094.15	56,696.02
Oakwood Fire Dept	50,480.00	14,399.29	120.09	0.00	0.00	64,999.38
Leedey Fire Dept	177,432.54	28,798.56	428.09	250,000.00	239,892.40	216,766.79
Putnam Fire Dept	10,192.19	7,199.64	24.53	0.00	3,975.40	13,440.96
Seiling Fire Dept	197,839.01	57,597.11	395.39	0.00	55,541.81	200,289.70
Vici Fire Dept	223,440.69	43,197.85	509.91	0.00	90,959.98	176,188.47
Taloga Fire Dept	123,878.24	28,798.56	334.39	74,008.19	149,614.71	77,404.67
	823,953.16	215,989.20	1,913.89	324,008.19	560,078.45	805,785.99
Hiway Dist #1	117,840.71	287,985.56	263.73	0.00	350,000.00	56,090.00
Hiway Dist #2	315,962.25	287,985.56	529.45	0.00	450,000.00	154,477.26
Hiway Dist #3	400,322.08	287,985.56	1,027.45	0.00	100,000.00	589,335.09
	834,125.04	863,956.68	1,820.63	0.00	900,000.00	799,902.35
Leedey EMS	128,014.92	43,197.85	275.29	0.00	32,905.00	138,583.06
Seiling EMS	288,679.95	115,194.22	547.84	140,500.00	306,470.99	238,451.02
Vici EMS	174,047.81	57,597.11	430.52	0.00	0.00	232,075.44
Taloga EMS	163,161.82	746.00 (a)	100.37	(164,008.19)	0.00	0.00
	753,904.50	216,735.18	1,407.80	(23,508.19)	539,470.18	609,109.52
TOTALS	$ 2,937,584.31	$ 1,440,673.85	$ 6,296.78	$ 50,500.00	$ 2,167,641.87	$ 2,467,453.48

Expenditures: Safety/Reserve Includes $250,000. transfer to Leedey FD, Taloga EMS transferred $90,000. to Seiling EMS and $74,008.19 to Taloga FD. Other: Taloga EMS received $50,500. grant

Amounts do not include June '20 collections in the hands of the county treasurer included on Schedule 2-00 of $50,137.26 and interest.

a) Reimbursement

REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507
WEATHERFORD, OK 73096
580-772-3596
FAX 580-772-3085

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

The Honorable Board of Trustees
Dewey County Public Facilities Authority
Taloga, Oklahoma

We have audited the financial statements of the business-type activities of Dewey County Public Facilities Authority, Taloga, Oklahoma, as of and for the year ended June 30, 2020, which collectively comprise the Dewey County Public Facilities Authority, Taloga, Oklahoma's basic financial statements and have issued our report thereon dated June 10, 2021. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Dewey County Public Facilities Authority, Taloga, Oklahoma's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dewey County Public Facilities Authority, Taloga, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* in the United States of America.

Purpose of this Report

This report is intended 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.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

Weatherford, Oklahoma
June 10, 2021