

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORTS
OF
DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2024**

**DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2024**

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying modified cash basis financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Dewey County Public Facilities Authority, Taloga, Oklahoma, a component unit of Dewey County, State of Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Dewey County Public Facilities Authority'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 business-type activities, each major fund, and the aggregate remaining fund information of Dewey County Public Facilities Authority, Taloga, Oklahoma, as of and for the year ended 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 Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Dewey County Public Facilities Authority, Taloga, 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.

Emphasis of Matter-Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 the 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 and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Dewey County Public Facilities Authority, Taloga, 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 Dewey County Public Facilities Authority, Taloga, 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 Dewey County Public Facilities Authority, Taloga, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dewey County Public Facilities Authority, Taloga, Oklahoma's basic financial statements. The accompanying Schedule of Allocations, is 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 Schedule of Allocations 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 January 7, 2025, on our consideration of Dewey County Public Facilities Authority, Taloga, 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 Dewey County Public Facilities Authority, Taloga, 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 Dewey County Public Facilities Authority, Taloga, Oklahoma's internal control over financial reporting and compliance.



BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

Weatherford, Oklahoma
January 7, 2025

BASIC FINANCIAL STATEMENTS

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
STATEMENT OF NET POSITION
June 30, 2024

ASSETS

Cash and cash equivalents	\$ 2,648,394.22
Total Assets	\$ 2,648,394.22

LIABILITIES

Accounts Payable	\$ 0.00
Total Liabilities	0.00

NET POSITION

Restricted	2,648,394.22
Unrestricted	0.00
Total Net Position	2,648,394.22
Total Liabilities and Net Position	\$ 2,648,394.22

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

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
June 30, 2024

Operating revenues

Limited purpose sales & use tax revenue	\$ 1,378,010.61
Reimbursements including Grant	<u>0.00</u>
Total operating revenues	<u>1,378,010.61</u>

Operating expenses

Administrative costs	0.00
Operating costs	<u>1,096,873.50</u>
Total operating expenses	<u>1,096,873.50</u>
Income (loss) from operations	<u>281,137.11</u>

Nonoperating revenue (expense)

Interest income	6,410.53
Interest expense	<u>0.00</u>
Total nonoperating revenue (expense)	6,410.53

Changes in net position	287,547.64
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Net Position - beginning of year	
Restricted	2,360,846.58
Unrestricted	<u> </u>
Total Net Position - beginning of year	<u>2,360,846.58</u>

Net Position - end of year	
Restricted	2,648,394.22
Unrestricted	<u>0.00</u>
Total Net Position - end of year	<u>\$ 2,648,394.22</u>

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

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
STATEMENT OF CASH FLOWS
June 30, 2024

Cash Flows From Operating Activities:	
Cash received from sales & use taxes	\$ 1,378,010.61
Cash received from reimbursements, etc	0.00
Cash operating expenses	<u>(1,096,873.50)</u>
Net Cash Provided From Operations	<u>281,137.11</u>
Cash Flows From Financing Activities:	
Operating transfers in	0.00
Operating transfers out	<u>0.00</u>
Net Cash Flows Provided By (Used For) Financing Activities	<u>0.00</u>
Cash Flows From Investing Activities:	
Interest income	<u>6,410.53</u>
Net Cash Flows Provided (Used) by Investing Activities	<u>6,410.53</u>
Net Increase (Decrease) in Cash	287,547.64
Cash at Beginning of Year	<u>2,360,846.58</u>
Cash at End of Year	<u>\$ 2,648,394.22</u>
Reconciliation of Net Income to Net	
Cash Provided from Operations:	
Net operating income	\$ 281,137.11
Adjustments to reconcile Operating income (loss) to	
Net Cash Provided by Operating Activities	<u>0.00</u>
Net Cash Provided From Operations	<u>\$ 281,137.11</u>

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, 2024

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, Sections 176 – 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 to 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, 2024, 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.

NOTES TO FINANCIAL STATEMENTS
DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2024

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 are 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 and recovered primarily through user 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.

**NOTES TO FINANCIAL STATEMENTS
DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2024**

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, 2024.

Capital Assets - The Trust owns no property or equipment at June 30, 2024.

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.

**NOTES TO FINANCIAL STATEMENTS
DEWEY COUNTY
PUBLIC FACILITIES AUTHORITY
TALOGA, OKLAHOMA
JUNE 30, 2024**

Summary of Significant Accounting Policies, (Continued)

F. Revenues, Expenditures and Expenses

Sales Tax Revenues - In April 2024, the county electorate voted to extend and repurpose the three quarter of one percent (3/4%) sales tax for a period of ten 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 January 7, 2025, 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

DEWEY COUNTY PUBLIC
FACILITIES AUTHORITY
SCHEDULE OF ALLOCATIONS

FOR THE PERIOD JULY 1, 2023 THROUGH JUNE 30, 2024

	6/30/2023 Balance	Sales and Use taxes	Interest	Transfers. grant	Expenditures	6/30/2024 Balance
Public Safety/Reserve	\$ 280,891.46	\$ 143,423.94	\$ 954.18	\$ 28,684.78	\$ 93,996.13	\$ 359,958.23
	<u>280,891.46</u>	<u>143,423.94</u>	<u>954.18</u>	<u>28,684.78</u>	<u>93,996.13</u>	<u>359,958.23</u>
Camargo Fire Dept	64,884.52	28,684.78	178.84	0.00	51,770.35	41,977.79
Oakwood Fire Dept	110,699.63	14,342.39	298.08	0.00	0.00	125,340.10
Leedey Fire Dept	31,962.39	28,684.78	59.61	(28,684.78)	2,818.46	29,203.54
Putnam Fire Dept	36,875.17	14,342.39	119.22	0.00	0.00	51,336.78
Selling Fire Dept	69,854.12	57,369.55	237.51	0.00	5,835.56	121,625.62
Vici Fire Dept	184,841.06	43,027.19	543.58	0.00	3,830.00	224,581.83
Taloga Fire Dept	114,159.19	28,684.79	267.54	0.00	16,623.00	126,488.52
	<u>613,276.08</u>	<u>215,135.87</u>	<u>1,704.38</u>	<u>(28,684.78)</u>	<u>80,877.37</u>	<u>720,554.18</u>
Hiway Dist #1	88,439.80	286,847.84	238.41	0.00	325,000.00	50,526.05
Hiway Dist #2	129,364.66	286,847.84	405.95	0.00	297,000.00	119,618.45
Hiway Dist #3	398,499.08	286,847.84	1,069.71	0.00	300,000.00	386,416.63
	<u>616,303.54</u>	<u>860,543.52</u>	<u>1,714.07</u>	<u>0.00</u>	<u>922,000.00</u>	<u>556,561.13</u>
Leedey EMS	166,031.10	43,027.19	469.57	0.00	0.00	209,527.86
Selling EMS	207,375.08	114,739.16	697.33	0.00	0.00	322,811.57
Vici EMS	318,795.43	57,369.55	871.00	0.00	0.00	377,035.98
Taloga EMS	0.00	0.00	0.00	0.00	0.00	0.00
	<u>692,201.61</u>	<u>215,135.90</u>	<u>2,037.90</u>	<u>0.00</u>	<u>0.00</u>	<u>909,375.41</u>
TOTALS	\$ 2,202,672.69	\$ 1,434,239.23	\$ 6,410.53	\$ 0.00	\$ 1,096,873.50	\$ 2,546,448.95

Transfers & Grants: Safety/Reserve Includes loan repayment from Leedey Fire Dept of \$28,684.78 to Reserve.

Amounts do not include June '24 collections in the hands of the county treasurer included on Schedule 2-00 of \$101,498.99 and interest.

REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Board of Trustees
Dewey County Public Facilities Authority
Taloga, 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 business-type activities, each major fund, and the aggregate remaining fund information of Dewey County Public Facilities Authority, Taloga, Oklahoma, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise Dewey County Public Facilities Authority, Taloga, Oklahoma's basic financial statements, and have issued our report thereon dated January 7, 2025. Our report on the financial statements disclosed, that, as described in Note 1 to the financial statements, the Authority prepares its financial statements on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dewey County Public Facilities Authority, Taloga, 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 Dewey County Public Facilities Authority, Taloga, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of Dewey County Public Facilities Authority, Taloga, Oklahoma's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dewey County Public Facilities Authority, Taloga, 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 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

This 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.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

Weatherford, Oklahoma
January 7, 2025