

**FINANCIAL STATEMENTS AND REPORTS  
OF  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023

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**BRITTON, KUYKENDALL, & MILLER**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To the Honorable Board of Trustees  
Washita County Public Facilities Authority  
Cordell, 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 Washita County Public Facilities Authority, Washita, Oklahoma, a component unit of Washita County, State of Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Washita 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 Washita County Public Facilities Authority, Washita, Oklahoma, as of and for the year ended June 30, 2023, and the respective changes in modified cash basis financial position, and where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

***Basis for 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 Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, 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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report September 28, 2023, on our consideration of Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, Oklahoma's internal control over financial reporting and compliance.

*Britton, Kuykendall & Miller*

BRITTON, KUYKENDALL & MILLER  
Certified Public Accountants

Weatherford, Oklahoma  
September 28, 2023

**BASIC FINANCIAL STATEMENTS**

WASHITA COUNTY PUBLIC FACILITIES AUTHORITY  
STATEMENT OF NET POSITION  
MODIFIED CASH BASIS  
JUNE 30, 2023

**ASSETS**

## Current Assets:

Cash and cash equivalents	\$ 517,988.86
Restricted - cash and cash equivalents	<u>363,641.64</u>

Total Current Assets	<u>881,630.50</u>
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## Noncurrent Assets:

Facilities and Equipment	9,535,487.26
Less accumulated depreciation	<u>(2,910,404.00)</u>

Total Noncurrent Assets	<u>6,625,083.26</u>
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Total Assets	<u>\$ 7,506,713.76</u>
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**LIABILITIES**

## Current Liabilities:

Accounts Payable	\$ 0.00
Current Portion of Long-Term Debt	<u>595,000.00</u>

Total Current Liabilities	<u>595,000.00</u>
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## Noncurrent Liabilities:

Long-term debt	<u>3,955,000.00</u>
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Total Noncurrent Liabilities	<u>3,955,000.00</u>
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Total Liabilities	<u>4,550,000.00</u>
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**NET POSITION**

Net investment in capital assets	2,075,083.26
Restricted	363,641.64
Unrestricted	<u>517,988.86</u>

Total Net Position	<u>2,956,713.76</u>
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Total Liabilities and Net Position	<u>\$ 7,506,713.76</u>
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WASHITA COUNTY PUBLIC FACILITIES AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION  
MODIFIED CASH BASIS  
JUNE 30, 2023

<b><u>Operating revenues</u></b>	
Sales & Use Tax Revenue	\$ 1,056,863.14
Miscellaneous	<u>0.00</u>
Total operating revenues	<u>1,056,863.14</u>
<b><u>Operating expenses</u></b>	
Personal Services	0.00
Maintenance & Operations	0.00
Legal & Professional Services	11,646.00
Trustee Fees	3,000.00
Depreciation	<u>243,874.00</u>
Total operating expenses	<u>258,520.00</u>
Net operating income	<u>798,343.14</u>
<b><u>Nonoperating revenue (expense)</u></b>	
Interest income	7,815.21
Interest expense	<u>(144,157.50)</u>
Total nonoperating revenue (expense)	<u>(136,342.29)</u>
Change in Net Position	662,000.85
Net Position - Beginning of Year	<u>2,294,712.91</u>
Net Position - End of Year	<u>\$ 2,956,713.76</u>

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



WASHITA COUNTY PUBLIC FACILITIES AUTHORITY  
STATEMENT OF CASH FLOWS  
MODIFIED CASH BASIS  
JUNE 30, 2023

<b>Cash Flows From Operating Activities:</b>	
Cash received from sales & uses taxes	\$ 1,056,863.14
Cash received from other operating sources	0.00
Cash payments for operating expenses	<u>(14,646.00)</u>
Net Cash Provided From Activities	<u>1,042,217.14</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>	
Cash paid for property, plant and equipment	0.00
Principal paid on debt	(575,000.00)
Interest expense	<u>(144,157.50)</u>
Net Cash Flows Provided By (Used For) Capital and Related Financing Activities	<u>(719,157.50)</u>
<b>Cash Flows From Investing Activities:</b>	
Interest/dividend income	<u>7,815.21</u>
Net Cash Flows Provided (Used) by Investing Activities	<u>7,815.21</u>
Net Increase (Decrease) in Cash and Cash Equivalents	330,874.85
Cash and Cash Equivalents at Beginning of Year	<u>550,755.65</u>
Cash and Cash Equivalents at End of Year	<u>\$ 881,630.50</u>
<b>Reconciliation of Net Operating Income to Net Cash Provided from Operating Activities:</b>	
Net Operating Income	\$ 798,343.14
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	<u>243,874.00</u>
Net Cash Provided From Operating Activities	<u>\$ 1,042,217.14</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Washita County Public Facilities Authority (the "Trust") is a public trust created under a Trust Indenture dated March 16, 2009 under the provisions of Title 60, Oklahoma Statutes 2001, Sections 176 et seq., as amended and supplemented in the Oklahoma Public Trust Act and other applicable statutes and laws of the State of Oklahoma. The purpose of the Trust is to assist Washita County, the State of Oklahoma, its Governmental Agencies, and private entities, agencies and citizens in making the most efficient use of all of their economic resources and powers in accord with the needs and benefit of Washita County in order to lessen the burdens on government and to stimulate economic growth and development. Accordingly, on December 1, 2009, the Trust and Wells Fargo (the "Trustee") approved a bond trust indenture (the "Original Indenture") providing for issuance of sales tax revenue bonds in the aggregate principal amount of \$11,765,000 to provide funds to design, contract, equip and furnish a new County Jail building.

The governing body of the Washita County Public Facilities Authority, Cordell, Oklahoma, is governed by five trustees consisting of: one County Commissioner, County Sherriff, and three citizens of the County appointed by the Commissioners, none of whom may be elected officials. The Clerk serves as a non-voting Secretary-Treasurer. The County is the sole beneficiary of the Authority and receives all, if any, net income not needed for Authority purposes. Therefore, Washita County maintains a beneficial interest the Authority.

The Authority is considered a component unit of Washita County. The financial activities of Washita County and its other component units are not included in the financial statements of the Authority.

The financial statements present only the Washita County Public Facilities Authority and do not purport to, and do not, present the financial position of Washita County, Oklahoma, as of June 30, 2023.

**NOTES TO FINANCIAL STATEMENTS**  
**WASHITA COUNTY**  
**PUBLIC FACILITIES AUTHORITY**  
**CORDELL, OKLAHOMA**  
**JUNE 30, 2023**

**Summary of Significant Accounting Policies, (Continued)**

**B. Basis of Presentation**

The Authority's fund is 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.

**C. Measurement Focus and Basis of Accounting**

Measurement focus refers to how transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recognized and recorded in the financial statements regardless of the measurement focus applied.

The Authority's financial statements use the economic resources measurement focus and are presented on the modified cash basis of accounting. Revenues are recognized when they are received and expenses are recorded when paid with the following modifications:

- Capital assets are recorded when purchased and related depreciation is recorded.
- Long-term debt is recorded when incurred

This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. If the Authority utilized the basis of accounting recognized as generally accepted, the financial statements would use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred.

**D. Assets, Liabilities, and Net Position**

Cash and Cash Equivalents – For the purposes of the statement of cash flows, the Authority considers all cash on hand, demand deposits, interest bearing checking accounts and time deposit accounts including certificates of deposit and U.S. Treasury bills with maturities of three months or less to be cash and cash equivalents.

**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**Summary of Significant Accounting Policies, (Continued)**

**Assets, Liabilities, and Net Position, (Continued)**

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

Capital Assets – Capital assets acquired are capitalized and stated at historical cost or estimated historical cost, if actual historical cost is not available. Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed. The Authority does not have a capitalization threshold amount. Depreciation of exhaustible capital assets is recorded as an expense over the estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Detention Center	40 Years
Building Renovations	40 Years
Food Service Equipment	10 Years
Equipment and Furniture	7 – 10 Years

Bonds Payable – Bonds Payable to be repaid from the Authority resources are reported as liabilities in the Statement of Net Position. See Note 6.

Net Position – Net Position is divided into 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 attributed to the acquisition, construction, or improvements of those assets.

**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**Summary of Significant Accounting Policies, (Continued)**

**Assets, Liabilities, and Net Position, (Continued)**

**Net Position - Continued**

- b. *Restricted net position* – Consists of net assets 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 assets that do not meet the definition of “restricted” or “net investment in capital assets.”

It is the Authority’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.

**E. Revenues and Expenses**

Operating and Non-operating Revenues – Operating revenues are considered those whose cash flows are related to operating activities, while revenues related to financing, capital and investing activities are reported as non-operating.

Expenses – The Authority reports expenses relating to the use of economic resources.

**F. Estimates**

Certain estimates are made in the preparation of the financial statements, such as estimated lives for capital assets depreciation. Estimates are based on management’s best judgements and may vary actual results.

**2. Deposits, Investments, and Collateral**

Deposits and Investments – The Authority does not have a written investment policy that limits its investment choices. Investments are limited by state statute and declaration of trust.

**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**2. Deposits, Investments, and Collateral (Continued)**

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Authority’s deposits may not be returned to it. The Authority does not have a written policy for the custodial risk, but *Oklahoma Statutes* requires collateral for all uninsured deposits of public trust funds in financial institutions. At June 30, 2023, the Authority was not exposed to custodial credit risk.

**3. Restricted Assets**

The amounts reported as restricted assets on the Statement of Net Position are comprised of cash restricted by bond indenture, sales tax resolution or governing body. The restricted assets as of June 30, 2023 were as follows:

<u>Type of Restricted Asset</u>	<u>Cash and Cash Equivalents</u>
Restricted by Indenture	\$363,641.64
Total Restricted	\$363,641.64

**4. Capital Assets**

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

	Balance 6/30/22	Additions	Deletions	Balance 6/30/23
Land	\$ -	\$ -	\$ -	\$ -
Construction in Process	-	-	-	-
Building & Improvements	9,154,979.00	-	-	9,154,979.00
Furniture & Equipment	380,508.00	-	-	380,508.00
Total	9,535,487.00	-	-	9,535,487.00
Less Accumulated Depreciation	(2,666,530.00)	(243,874.00)	-	(2,910,404.00)
Net	\$ 6,868,957.00	\$ (243,874.00)	\$ -	\$ 6,625,083.00

**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**5. Facilities Use and Operation Agreement**

On December 1, 2009 the Authority and the County entered into a facility use and operation agreement, whereby the County authorized this agreement for purposes of arranging access to the Facility for housing detainees in order to provide safety and security to residents of Washita County.

- 6. General Long-Term Debt** - A Sales Tax Revenue Note Series 2009 has been issued by the Trust for the Washita County Public Facilities construction project. This note is required to be fully paid over 20 years. General long-term debt of the Trust consists of \$11,765,000 of sales tax revenue note payable. Debt service requirements are payable solely from the net assets and future revenues of the three-fourths of one cent (3/4 cent) sales tax imposed on Washita County. The Trust has created a security interest in the Sales Tax Revenue of Washita County.

The Sales Tax Revenue Note Series 2009 was refinanced during the year ended June 30, 2020. The Sales Tax Revenue Note Series 2009 is now the Sales Tax Revenue Refunding Note Series 2019, and will henceforth be referred to as such. The interest rate was decreased from 5.0% to 2.98%, and interest payments are now required to be paid quarterly rather than semi-annually.

The following is a summary of the long-term debt transactions of the Trust for the year ended June 30, 2023.

	Sales Tax Revenue Refunding Note Series 2019
Balance, June 30, 2022	\$ 5,125,000.00
Additions	0.00
Retirements	-575,000.00
Balance, June 30, 2023	\$ 4,550,000.00

A brief description of the outstanding Sales Tax Revenue Refunding Note Series 2019 at June 30, 2023, is set forth below:

Date of Issue	Bond Interest Rates	Date of Final Maturity		Total Amount Issued		Total Amount Outstanding
12-1-09	2.98 %	12-01-29	\$	11,765,000.00	\$	4,550,000.00



**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**General Long-Term Debt, (Continued)**

The annual debt service requirements for retirements of the Sales Tax Revenue Refunding Note Series 2019 note principal and payment of interest are as follows:

Year End June 30	Principal	Interest	Total
2024	595,000.00	126,724.50	721,724.50
2025	610,000.00	108,770.00	718,770.00
2026	630,000.00	90,294.00	720,294.00
2027	650,000.00	71,222.00	721,222.00
2028	670,000.00	51,554.00	721,554.00
Thereafter	1,395,000.00	41,943.50	1,436,943.50
Total	\$ 4,550,000.00	\$ 490,508.00	\$ 5,040,508.00

The interest expense on the general long-term debt incurred during the year ended June 30, 2023 was \$144,157.50.

**7. Revenues, Expenditures and Expenses**

**Sales Tax Revenues** - The Trust receives sales tax revenue from Washita County under a debt service agreement with the Wells Fargo. This sales tax revenue is three-fourths of one cent (3/4 cent) for all county sales for the Sales Tax Revenue Refunding Note Bonds Payable Series 2019.

**Interest Income** - The Trust receives interest on temporary investments made during the year in the debt service funds.

**Expenditures and Expense** - The Trust expenses include administrative fees for the trustee, annual audit fee, interest expense, depreciation, the amortization of bond issuance and discount costs, and reimbursement to Washita County for a portion of the operating and maintenance expenses. The Trust has no employees or payroll costs.

**NOTES TO FINANCIAL STATEMENTS  
WASHITA COUNTY  
PUBLIC FACILITIES AUTHORITY  
CORDELL, OKLAHOMA  
JUNE 30, 2023**

**8. Risk Management**

The Authority 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. Insurance coverage for the Authority is secured to cover these risks, including general liability, property damage, and public officials' liability. The Authority is dependent upon repayment of bonds solely from the County sales tax revenue.

**9. Subsequent Events**

The Authority has evaluated subsequent events through September 28, 2023, which is the date the financial statements were issued, noting there were no events that affect the financial statements as of June 30, 2023.

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**



**BRITTON, KUYKENDALL, & MILLER**

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Board of Trustees  
Washita County Public Facilities Authority  
Cordell, 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 Washita County Public Facilities Authority, Washita, Oklahoma, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise Washita County Public Facilities Authority, Washita, Oklahoma's basic financial statements, and have issued our report thereon dated September 28, 2023. 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 Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of Washita County Public Facilities Authority, Washita, 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 Washita County Public Facilities Authority, Washita, 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  
September 28, 2023