

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Savannah River Site Redevelopment Authority
Aiken, South Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities and the general fund of the Savannah River Site Redevelopment Authority (the "Authority") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Savannah River Site Redevelopment Authority as of June 30, 2022, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Savannah River Site Redevelopment Authority 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 opinion.

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.

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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 Savannah River Site Redevelopment Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Savannah River Site Redevelopment Authority'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 Savannah River Site Redevelopment Authority's ability to continue as 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.

The Board of Directors
Savannah River Site Redevelopment Authority
December 27, 2022

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2022, on our consideration of the Savannah River Site Redevelopment Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Savannah River Site Redevelopment Authority'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 Savannah River Site Redevelopment Authority's internal control over financial reporting and compliance.

McKinley, Cooper & Co., LLC

Greenville, South Carolina
December 27, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

This narrative overview gives an analysis of the financial activities of the Savannah River Site Redevelopment Authority (the "Authority") for the fiscal year ended June 30, 2022. Our purpose is to inform the citizens of South Carolina of the Authority's operations and to present its financial position.

The Authority is a governmental entity created by an Executive Order issued by the Governor of South Carolina on October 1, 1998. The Authority's purpose is to promote redevelopment in areas on and around the Savannah River Site that were or will be affected by downsizing.

Financial Highlights

The South Carolina Department of Revenue provides substantially all of the Authority's funding. Funding is based on the lesser of 5% of the gross wages of federal employees at the Savannah River Site or the total South Carolina income tax withholdings from federal employees at the Savannah River Site.

The Authority receives the statement of gross wages and income tax withholding from the Savannah River Site on a quarterly basis, at which time a request for funding is prepared and sent to the South Carolina Department of Revenue.

The Authority renewed a contract with the Lower Savannah Council of Governments for fiscal agent services commencing on July 1, 2018, and continuing until no later than January 13, 2024. The total amounts paid under this contract were \$12,000 for both fiscal years 2021 and 2022.

The Authority also contracted with the Southern Carolina Alliance and the Economic Development Partnership of Aiken and Edgefield Counties to develop, coordinate, and implement redevelopment plans and projects within the Authority's area of operation commencing on January 12, 1999 for a period of five years. The contracts were extended for five additional years on January 12, 2004, on January 12, 2009, on January 16, 2014 and most recently on January 13, 2019. The total amounts paid under these contracts for fiscal years 2021 and 2022 were \$2,027,548 and \$2,149,734, respectively.

Other key financial aspects were as follows:

	June 30,			
	2021	2022	Change	%
Assets	\$ 503,634	\$ 645,452	\$ 141,818	28.16%
Liabilities	473,634	615,452	141,818	29.94%
Fund balance/Net position	30,000	30,000	-	0.00%
Revenues	2,061,203	2,185,223	124,020	6.02%
Expenditures	2,061,203	2,185,223	124,020	6.02%

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private sector business. These statements outline functions of the Authority that are principally supported by intergovernmental revenues (governmental activities). The governmental activities of the Authority include all of its operating expenditures. The government-wide financial statements can be found on pages 7-8 of this report.

Statement of Net Position – The Statement of Net Position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Statement of Activities – The Statement of Activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in future fiscal periods.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with financial requirements. The Authority's fund is categorized as governmental.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it could be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Overview of Financial Statements, Continued

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Authority’s budget. The Authority adopts an annual expenditure budget for all governmental funds. A budgetary comparison statement has been provided for the General Fund as required supplementary information.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government’s financial position. In the case of the Authority, assets exceeded liabilities by \$30,000 as of June 30, 2021 and 2022.

Financial Analysis of the Authority Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with financial requirements.

Governmental Funds – The focus of the Authority’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Authority’s net resources available for spending at the end of the fiscal year.

The financial performance of the Authority as a whole is reflected in its governmental funds.

The General Fund is the operating fund of the Authority. There was no increase or decrease in the fund balance in the General Fund for the fiscal year.

Budgetary Highlights

The Authority’s fiscal year 2022 budget was approved as a balanced budget with an end of year budget amendment to increase the budget by \$185,198.

Economic Factors and Next Year’s Budget

During the process of developing the fiscal year 2022-2023 budget, the Authority considered many economic factors but remained realistic in its projections. During 2022-2023 revenues for the Authority are expected to remain fairly consistent. However, in June of 2016, South Carolina State Law placed a cap on the funds so they may not exceed the amounts requested in fiscal year 2014-2015. Additionally, if Forest Service employees or employees of the U.S. DOE stationed at the Savannah River Site were further reduced below the levels of fiscal year 2014-2015, there would be a direct impact on the funding levels for the Authority.

Contacting the Authority's Financial Management

This financial report is designed to provide the citizens of South Carolina with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Savannah River Site Redevelopment Authority at P.O. Box 850 Aiken, South Carolina 29802 (telephone 803-649-7981).

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
Cash	\$ 28,953	\$ -	\$ 28,953
Receivable from SC Department of Revenue	616,499	-	616,499
Total assets	\$ 645,452	\$ -	\$ 645,452
 LIABILITIES			
Accounts payable	\$ 615,452	\$ -	\$ 615,452
Total liabilities	615,452	-	615,452
 FUND BALANCE/NET POSITION			
Fund balance			
Unassigned	30,000	(30,000)	-
Total fund balance	30,000	(30,000)	-
Total liabilities and fund balance	\$ 645,452		
 Net position			
Unrestricted		\$ 30,000	\$ 30,000

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE AND STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
REVENUES			
Redevelopment income	\$ 2,185,192	\$ -	\$ 2,185,192
Interest income	31	-	31
Total revenues	2,185,223	-	2,185,223
 EXPENDITURES/EXPENSES			
Development			
Program fees	2,149,734	-	2,149,734
Administration	12,000	-	12,000
Legal and professional fees	11,825	-	11,825
Insurance	10,878	-	10,878
Supplies	325	-	325
Bank charges	162	-	162
Travel	299	-	299
Total expenditures/expenses	2,185,223	-	2,185,223
Excess of revenues over expenditures/expenses	-	-	-
 FUND BALANCE/NET POSITION			
At beginning of year	30,000	-	30,000
At end of year	\$ 30,000	\$ -	\$ 30,000

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 – NATURE OF ACTIVITIES

Savannah River Site Redevelopment Authority (the “Authority”) is a governmental entity created by an Executive Order issued by the Governor of South Carolina on October 1, 1998. The Authority’s purpose is to promote redevelopment in areas on and around the Savannah River Site that were affected by downsizing.

The Authority is managed by a Board of Directors comprised of nine members, who are appointed by their local legislative delegation and county councils.

The South Carolina Department of Revenue provides substantially all of the Authority’s funding. Funding is based on the lesser of 5% of the gross wages of federal employees at the Savannah River Site or the total South Carolina income tax withholdings from federal employees at the Savannah River Site. Pursuant to a change in South Carolina Law (Section 12-10-88, Subsection C), the redevelopment fee remitted by the department in any fiscal year may not exceed the amount remitted in Fiscal Year 2014-15.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General statement

The accounting and reporting policies of the Savannah River Site Redevelopment Authority relating to the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and by the Financial Standards Accounting Board (when applicable). The more significant accounting policies of the Authority are described below.

Financial reporting entity

These basic financial statements present the Savannah River Site Redevelopment Authority, (the primary government). The primary criterion for determining inclusion or exclusion of a legally separate entity as a component unit is financial accountability. Financial accountability results from one of the three combinations of two primary factors (fiscal dependence and board appointment) and two secondary factors (financial benefit or burden relationship and ability to impose will). Finally, an entity could be a component unit without meeting all the conditions described above if excluding it would cause the Authority’s basic financial statements to be misleading or incomplete.

The Authority has no component units.

Government-wide and fund financial statements

Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Authority. As a general rule, the effect of inter-fund activity has been eliminated from these statements. Governmental activities are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Government-wide and fund financial statements, continued

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operations of a particular function.

Fund financial statements are also provided in the report for the governmental fund of the Authority.

Measurement focus and basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets less total liabilities) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means that the amount of the transaction can be determined, and available means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. An availability period of 120 days is used for revenue recognition for all governmental fund type revenues. Expenditures are recorded when the related fund liability is incurred.

Fund accounting

The accounts of the Authority are organized on the fund accounting basis, with the operations of its only fund summarized by providing a set of self-balancing accounts which include its assets, liabilities, fund balance, revenues, and expenditures. The following governmental fund is used by the Authority.

General fund

The General Fund is the general operating fund of the Authority. All financial activities of the Authority are accounted for in the General Fund.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the 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 expenditures during the reporting period. Actual results could differ from those estimates.

Net position/fund balances

Net position in government-wide financial statements is classified as either net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contractors, or laws or regulations of other governments or imposed by law through state statute.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Net position/fund balances, continued

The fund balance section of the governmental fund balance sheet is comprised of these major fund balance elements: non-spendable, restricted, committed, assigned and unassigned. Non-spendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is self-imposed limitations imposed at the highest level of decision making authority. Assigned fund balances is a limitation imposed by a designee of the Council. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

The Board of Directors is the Authority’s highest level of decision making. The Board of Directors can establish, modify or rescind fund balance commitments through adoption of a resolution or ordinance. The Authority Director has the authority to assign fund balance amounts to a specific purpose, the Authority Director is appointed by, and serves at the pleasure of, the Board of Directors.

The Authority considers restricted amounts to have been spent when an expenditure is incurred for the purpose for which both restricted and unrestricted amounts are available. When an expenditure is incurred for which committed, assigned or unassigned amounts could be used, the Authority considers the expenditures to be used in this respective order.

Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report on a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources until then. The Authority has no items that qualify for reporting in this category.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority has no items that qualify for reporting in this category.

NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS

Under South Carolina state law, the Authority is authorized to:

- A. Hold funds in deposit accounts with banking institutions.
- B. Invest money in the following:
 - 1. Obligations of the United States and agencies thereof.
 - 2. General obligations of the State of South Carolina or any agency of the federal government.
 - 3. Savings and Loan associations to the extent insured by an agency of the federal government.
 - 4. Certificates of deposit where the certificates are federally insured or collaterally secured by collateral of the types in 1 or 2 above.
 - 5. The South Carolina Local Government Investment Pool.

NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS, continued

At June 30, 2022, the carrying amount of the Authority’s depository account was \$28,953 and the bank balance was \$28,953. At June 30, 2022, the bank balance was insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized by pledged securities. At various times during the year, the bank balance exceeded the Federal Deposit Insurance coverage. The bank has pledged securities as collateral to cover the times when the bank balance exceeds FDIC insurance coverage.

NOTE 4 – RISK MANAGEMENT

The Board is insured through the State of South Carolina’s Budget and Control Board for losses related to torts, theft, damage, destruction of assets, and natural disasters. The Board’s fidelity bond is provided through commercial insurance. The Authority has experienced no losses in excess of its insurance coverage during the preceding three years.

NOTE 5 – SUBSEQUENT EVENTS

The Authority evaluates the effects subsequent events would have on the financial statements through the date of the Auditor’s Report, which is the date the financial statements were available for issuance.

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET VS. ACTUAL
YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (unfavorable)
REVENUES				
Redevelopment income	\$ 2,000,000	\$ 2,185,192	\$ 2,185,192	\$ -
Interest income	25	31	31	-
Total revenues	<u>2,000,025</u>	<u>2,185,223</u>	<u>2,185,223</u>	<u>-</u>
EXPENDITURES				
Development				
Program fees	1,965,060	2,149,730	2,149,734	(4)
Administration	12,000	12,000	12,000	-
Legal and professional fees	10,500	11,825	11,825	-
Insurance	11,000	10,878	10,878	-
Supplies	700	325	325	-
Bank charges	165	165	162	3
Travel	600	300	299	1
Total expenditures	<u>2,000,025</u>	<u>2,185,223</u>	<u>2,185,223</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance at beginning of year			30,000	
Fund balance at end of year			<u>\$ 30,000</u>	

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 Board of Directors
Savannah River Site Redevelopment Authority
Aiken, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of Savannah River Site Redevelopment Authority (the "Authority") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 27, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 Authority'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 may exist that have not been identified.

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The Board of Directors
Savannah River Site Redevelopment Authority
December 27, 2022

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McKinley, Cooper & Co., LLC

Greenville, South Carolina
December 27, 2022

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section 1 – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

- Material weakness identified? yes no
- Significant deficiency identified? yes no

Noncompliance material to financial statements noted?

yes no

Section 2 – Financial Statement Findings

None noted.

SAVANNAH RIVER SITE REDEVELOPMENT AUTHORITY

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

FINDINGS – FINANCIAL STATEMENT AUDIT

None noted.