

Financial Statements

**Tillman County
Conservation District**
(A Component Unit of the Oklahoma
Conservation Commission)
102 E. Floral – Suite 1
Frederick, OK 73542

June 30, 2018



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Tillman County Conservation District

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For the Year Ended June 30, 2018

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Tillman County Conservation District
102 E Floral – Suite 1
Frederick, OK 73542

Management is responsible for the accompanying financial statements of the Tillman County Conservation District, a component unit of the Oklahoma Conservation Commission, as of and for the year ended June 30, 2018, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management.

Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Furrh & Associates, PC

Furrh & Associates, PC
Lawton, Oklahoma
August 8, 2018

Tillman County Conservation District
(A Component Unit of the Oklahoma Conservation Commission)
Statement of Net Position
June 30, 2018

ASSETS

Current Assets

Cash and Equivalents	\$	14,206	
Accounts Receivable		14,805	
		14,805	
Total Current Assets			\$ 29,011

TOTAL ASSETS			\$ 29,011
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LIABILITIES & NET POSITION

Liabilities

Accrued Compensated Absences	\$	6,240	
		6,240	
Total Current Liabilities			\$ 6,240

TOTAL LIABILITIES			6,240
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Net Position

Unrestricted Net Position		22,770	
		22,770	
Total Net Position			22,770

TOTAL LIABILITIES AND NET POSITION			\$ 29,010
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Please see accompanying notes to the financial statements and Accountant's compilation report.

Tillman County Conservation District
(A Component Unit of the Oklahoma Conservation Commission)
Statement of Activities
For the Year Ended June 30, 2018

INCOME

REVENUES

Miscellaneous Revenue	\$	1,047	
Flag Sales		110	
Total Revenues		1,157	\$ 1,157

EXPENSES

OPERATING EXPENSES

Salary Expense		26,973	
State Cost Share Expense		23,752	
Payroll Taxes/Fringe Benefits		4,335	
Audit Fees		1,445	
Dues and Subscriptions		927	
Copier Rental Expense		559	
Advertising		347	
Post Schedule Bond Expense		245	
Education & Contests		230	
Postage		192	
Flags Purchased		143	
Meetings Expense		35	
Office Expense		34	
Bank Service Charges		17	
Total Operating Expenses		59,234	59,234
Net Operating Income/(Loss)			(58,077)

NON-OPERATING REVENUES

Reimbursements from OCC		34,719	
Reimbursements from OCC - Cost Share		27,135	
Interest Income		29	
Total Non-Operating Revenues		61,883	61,883
Change in Net Position			3,806
Total Net Position - Beginning of the Year			18,964
Total Net Position - End of the Year			\$ 22,770

Please see accompanying notes to the financial statements and Accountant's compilation report.

Tillman County Conservation District
(A Component Unit of the Oklahoma Conservation Commission)
Statement of Cash Flows
For the Year Ended June 30, 2018

CASH FLOW FROM OPERATING ACTIVITIES

Receipts from Customers and Others	\$ 1,157	
Payments to Suppliers	(27,926)	
Payments to Employees	<u>(31,308)</u>	
Net Cash Provided By Operating Activities		\$ (58,077)

CASH FLOW FROM FINANCING ACTIVITIES

Reimbursements from Oklahoma Conservations Comm.	35,358	
Reimbursements from OCC State Cost Share	<u>23,752</u>	
Net Cash Provided By Financing Activities		59,110

CASH FLOWS FROM INVESTING ACTIVITIES

Interest Earned	<u>29</u>	
Net Cash Used in Investing Activities		<u>29</u>
Net Increase / (Decrease) in Cash		1,062
Cash Balance, Beginning of Period		<u>13,144</u>
Cash Balance, End of Period		<u><u>\$ 14,206</u></u>

Please see accompanying notes to the financial statements and Accountant's compilation report.

Tillman County Conservation District
(A Component of the Oklahoma Conservation Commission)
Notes to the Financial Statements
June 30, 2018

Note 1 – Summary of Organization and Significant Accounting Policies

Form of Organization

Tillman County Conservation District is a component of the Oklahoma Conservation District. Conservation districts are legal subdivisions of state government, whose primary goal is to assist citizens in practicing wise use and management of the state's renewable natural resources, especially its soil and water.

Conservation districts assist farmers and ranchers and also assist a larger segment of the public including community planners, public health officials, developers and rural and urban citizens. Districts also provide a variety of education materials and opportunities for students. Conservation Districts are a primary sponsor of most watershed projects in Oklahoma.

The USDA Natural Resources Conservation Service (NRCS) is the federal agency that administers the watershed program and provides technical and financial assistance to the local project sponsors. The Oklahoma Conservation Commission is the agency that provides assistance and guidance to state's conservation districts and helps coordinate their activities.

Significant Account Policies

The accounting policies of the Tillman County Conservation District (a component unit of the Oklahoma Conservation Commission) conform to accounting principles generally accepted in the United States of America as applicable to governments.

The accounts of the Tillman County Conservation District (a component unit of the Oklahoma Conservation Commission) are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, and net assets, revenues or income, and expenditures or expense, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund is grouped, in the financial statements, into a generic type and broad fund category as follows:

Proprietary fund type

The organization's enterprise fund is used to account for operations (a) 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 or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control,

Tillman County Conservation District
(A Component of the Oklahoma Conservation Commission)
Notes to the Financial Statements
June 30, 2018

accountability, or other purposes. This is the only fund maintained by the District.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

Depreciation would be provided in the enterprises fund in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated useful service lives on the straight-line basis if the District had any property and equipment in service. Additions will be recorded at cost to property and equipment. Repairs and maintenance are recorded as expenses.

Note 2 – Cash and Cash Equivalents

At June 30, 2018, the balance of the District’s checking account deposits was \$14,206. Cash and cash equivalents are stated at cost which is their fair market value.

The District’s deposits are categorized to give an indication of the level of risk assumed by the district at the fiscal year-end. The categories are described as follows:

Category 1-Insured by the Federal Deposit Insurance Corporation or collateralized with securities held by the district or by its agent in the district’s name.

Category 2-Collateralized with securities held by the pledging financial institution’s trust department or agent in the district’s name.

Category 3-Uncollateralized. This includes any balance that is collateralized with securities held by the pledging financial institutions, or by its trust department or agent, but not in the district’s name.

Deposits, categorized by level of risk are as follows:

Deposits	Category		
	One	Two	Three
Checking	\$ 14,206	\$ 0	\$ 0
Total	\$ 14,206	\$ 0	\$ 0

Tillman County Conservation District
(A Component of the Oklahoma Conservation Commission)
Notes to the Financial Statements
June 30, 2018

Note 3 – Revenue

The Tillman County Conservation District receive funds of state appropriations from the Oklahoma Conservation Commission. The district budgets the funds to include office supplies, equipment, some additional personnel, district director, meeting expenses, and other special programs. Under a memorandum of agreement, the United States Department of Agriculture provides all technical assistance to the district.

Note 4 – Accounts Receivable

The sum of \$14,805 for the June 2018 claim is due from the Oklahoma Conservation Commission and is considered fully collectible.

Note 5 – Accrual Payroll and Compensated Absences

The district accrues a liability for vacation pay or other compensated absences. The cost is recognized when a claim is made for the accrued compensation by the employee. The amount of earned, unpaid compensated absences liability at June 30, 2018 was approximately \$6,240.

Note 6 – Pensions

The Oklahoma Conservation Commission makes contributions to the Oklahoma Public Employees Retirement System on behalf of the employees of the District. The Oklahoma Public Employees Retirement System bases eligibility on 1,000 hours of service during the calendar year. A member who has over 1,000 hours of service in a calendar year remains in the system regardless of whether the minimum 1,000 hours is met in successive years. The Oklahoma Conservation Commission makes contributions on behalf of the employees of the District up to 12.5% of local wages. The employees contribute 3.5 % of wages.

Note 7 – Subsequent Events

Management has reviewed information to evaluate the necessity for the disclosure of subsequent events through August 8, 2018, which is the issuance date of the financial statements.