

NOV 07 2011

Compilation

ALFALFA COUNTY CONSERVATION DISTRICT

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

ALFALFA COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2011

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Kimberlye R. Mayer, CPA, P.C.

735 West Doolin

Blackwell, OK 74631

(580) 363-1453
Fax (580) 363-0068

Accountant's Compilation Report

Board of Directors
Alfalfa County Conservation District

We have compiled the accompanying financial statements of the Alfalfa County Conservation District as of and for the year ended June 30, 2011. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance about whether the financial statements are in accordance with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair representation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.



Kimberlye R. Mayer, CPA, PC
Blackwell, Oklahoma
September 18, 2011

FINANCIAL STATEMENTS

AND

NOTES

ALFALFA COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
CASH BASIS
JUNE 30, 2011

ASSETS

Current Assets:	
Cash and cash equivalents (Note 3)	\$ 63,688
Certificates of deposit	<u>51,288</u>
Total Current Assets	<u>114,976</u>
Land, buildings and equipment (Note 4)	<u>308,871</u>
Total Assets	<u><u>\$ 423,847</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	\$
Net Assets:	
Invested in capital assets, net of related debt	308,871
Unrestricted	<u>114,976</u>
Total Net Assets	<u>423,847</u>
Total Liabilities and Net Assets	<u><u>\$ 423,847</u></u>

See accountant's compilation report.

ALFALFA COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS
CASH BASIS
YEAR ENDED JUNE 30, 2011

Revenues:	
OCC reimbursements	\$ 48,743
Equipment rental and seed sales	31,143
Building rent	39,130
Gopher machine rental and bait	2,254
Other income	5,904
Total Operating Revenues	127,174
Expenses:	
Salaries	36,085
Payroll taxes and employee benefits	3,589
Advertising and promotion	1,054
Office supplies and postage	3,405
Insurance	3,385
Meetings and travel	3,730
Professional fees	475
Seed	14,166
Fuel, supplies and repairs	3,431
Memberships, dues and subscriptions	1,419
Utilities	8,545
Gopher bait	2,974
Director fees	1,375
Conservation education	776
Watershed maintenance	17,074
Other expenses	792
Total Operating Expenses	102,275
Operating Income (Loss)	24,899
Nonoperating Revenues (Expenses):	
Interest income	996
Changes in net assets	25,895
Net assets at beginning of year	397,952
Net assets at end of year	\$ 423,847

See accountant's compilation report.

ALFALFA COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Alfalfa County Conservation District was created under Title 27A, Sections 3-1-101 through 3-3-410, as amended, of the laws of the State of Oklahoma. The purpose of the District is to provide for the conservation of the renewable natural resources in the area for which the District is responsible.

Basis of Accounting

The District prepares its financial statements using the cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures/expenses when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Net Assets

Net assets present the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

NOTE 2 – CASH AND CERTIFICATES OF DEPOSIT:

Bank balances and certificates of deposit are covered by the Federal Deposit Insurance Corporation. All deposits at June 30, 2011 were fully insured.

NOTE 3 – CASH AND CASH EQUIVALENTS:

The Corporation considers the operating account and certificates of deposit with a maturity date of less than three months to be cash equivalents.

Cash and cash equivalents at June 30, 2011 included the checking accounts and two certificates of deposit.

ALFALFA COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE 4 –LAND, PROPERTY AND EQUIPMENT:

Land, property and equipment are recorded at cost. The following is a list by category of the land, property and equipment at June 30, 2011:

Land and easements	\$ 22,200
Buildings	178,556
Office equipment	3,230
Machinery & equipment	<u>104,885</u>
	<u>\$ 308,871</u>

NOTE 5 – OCC REIMBURSEMENTS:

The District is reimbursed by the Oklahoma Conservation Commission for salaries, payroll taxes, mileage, telephone charges, office supplies, and certain other office expenses. When received, such reimbursements are recognized as revenues.

NOTE 6 – RETIREMENT PLAN:

Oklahoma public employees who work 1,000 hours or more per year were enrolled in the Oklahoma Public Employees Retirement System. On salaries paid from reimbursable funds from the Oklahoma Conservation Commission the employers 15½ % share of retirement was paid directly by the Commission. The employees' share of the retirement contribution was 15½% of locally earned wages and 3 ½% of state reimbursable wages.

NOTE 7 – CASH AND DEPOSITS:

The State of Oklahoma allows government entities to invest in the following: direct obligations of the United States Government, its agencies or instrumentalities; collateralized or insured certificates of deposit; insured savings accounts or savings certificates; or county, municipal or school district direct debt.

ALFALFA COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE 8 – ESTIMATES:

The preparation of financial statements in conformity with the cash basis of accounting 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 expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 9 – RISK MANAGEMENT:

The District is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District manages this risk through the purchase of commercial insurance policies.

NOTE 10 – CONTINGENCIES:

As of June 30, 2011 the District did not have any pending litigation or potential non-disclosed liabilities that management believes would have a material effect on the financial statements.