

CIMARRON COUNTY CONSERVATION DISTRICT

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

CIMARRON COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2020

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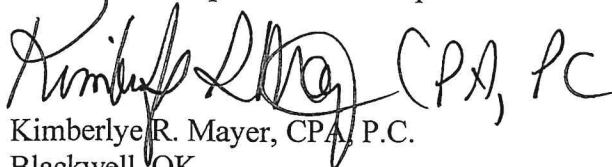
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Board of Directors
Cimarron County Conservation District

Management is responsible for the accompanying financial statements of the Cimarron County Conservation District which comprise the statement of assets, liabilities and net position as of June 30, 2020 and the related statements of revenues and expenses and changes in net position and of cash flows for the year then ended, and the related notes to the financial statements in accordance with the modified cash basis of accounting. Management is responsible to determine that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 and 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.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

We are not independent with respect to Cimarron County Conservation District.



Kimberlye R. Mayer, CPA, P.C.
Blackwell, OK
January 5, 2020

CIMARRON COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2020

ASSETS

Current Assets:	
Cash in operating account	\$ 37,667
Petty Cash	53
Cash in savings	4,789
Total Cash and Cash Equivalents	42,509
Certificate of deposit	119,191
Total Current Assets	161,700
Property and equipment (Note 3) (net of accumulated depreciation)	233,982
Total Assets	\$ 395,682

LIABILITIES AND NET POSITION

Liabilities:	
Current Liabilities:	
Payroll taxes due	\$
Net Position:	
Net investment in capital assets	233,982
Unrestricted	161,700
Total Net Position	395,682
Total Liabilities and Net Position	\$ 395,682

See accountant's compilation report and notes.

CIMARRON COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2020

Operating Revenues:	
OCC reimbursements	\$ 38,071
Cost share received	11,245
Building rent	62,578
Seed and poison grain sales	7,035
Tree sales	3,410
Other sales and service	5,312
Platbook sales	360
Other income	
Total Operating Revenues	128,011
Expenses:	
Payroll	30,171
Payroll taxes and benefits	3,402
Office supplies and postage	2,884
Conservation education	135
Dues, subscriptions and memberships	1,220
Meetings and travel	1,112
Director fees	1,050
Building expenses	3,195
Janitor	6,600
Seed and poison grain purchases	7,602
Cost share paid	11,245
Professional fees	628
Insurance and bond	4,481
Utilities and telephone	14,210
Other product costs	6,967
Depreciation	12,446
Scholarships	3,000
Other expenses	15
Total Operating Expenses	110,363
Income (Loss) From Operations	17,648
Nonoperating Revenue (Expense):	
Interest income	453
Total Nonoperating Revenue	453
Revenues Over (Under) expenses	18,101
Net position, beginning of year	377,581
Net position, end of year	\$ 395,682

See accountant's compilation report and notes.

CIMARRON COUNTY CONSERVATION DISTRICT
STATEMENT OF CASH FLOWS
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2020

Cash flows From Operating Activities:	
Cash received from customers	\$ 16,117
Other cash operating receipts	111,894
Cash payments to suppliers for goods and services	(67,746)
Cash payments to employees	(30,171)
Net Cash Provided (Used) By Operating Activities	30,094
Cash Flows From Capital and Financing Activities:	
Acquisition and construction of capital assets	(28,346)
Sale of assets	
Net Cash Provided (Used) by Financing Activities	(28,346)
Cash Flows From Investing Activities:	
(Increase) decrease in CDs	(87,000)
Interest income	453
(Increase) decrease in investments	
Net Cash Provided (Used) by Investing Activities	(86,547)
Net increase (decrease) in cash and cash equivalents	(84,799)
Beginning cash and cash equivalents	127,308
Ending cash and cash equivalents	\$ 42,509
Reconciliation of income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 17,648
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	12,446
Changes in assets and liabilities:	
Net cash provided (used) by operating activities	\$ 30,094

See accountant's compilation report and notes.

CIMARRON COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Cimarron 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 maintains its records and prepares its financial statements on the basis of modified cash accounting. Under the modified cash basis, revenues are recognized when received, rather than when earned, and expenditures are recognized as expenses when paid, rather than when incurred. Fixed assets are recorded at cost when purchased and annual depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

As a result of the use of this modified 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 Position

Net position presents the difference between assets and liabilities in the statement of net position. Net investments in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net positions 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 CASH EQUIVALENTS:

The District considers all checking and savings accounts and deposits with an original maturity of three months or less to be cash equivalents.

NOTE 3 – 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 up to their allocated amount. Such reimbursements are recognized as revenue when received.

CIMARRON COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 4 – PROPERTY AND EQUIPMENT:

Depreciable assets are recorded at cost when purchased or constructed. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed. Depreciation is calculated on a straight-line basis over the estimated useful lives of the depreciable assets. Total depreciation for the year ended June 30, 2020 was 12,446. The following is a schedule of property and equipment and the related accumulated depreciation at June 30, 2020:

	6/30/19	Additions	6/30/20
Building and land	\$ 468,012	\$ 7,529	\$ 475,541
Equipment	26,131	1,346	27,477
	494,143	8,875	503,018
Less accumulated depreciation	(276,061)	7,025	(269,036)
Net	\$ 218,082	\$ 15,900	\$ 233,982

NOTE 5 – RETIREMENT PLAN:

Oklahoma public employees who work 1,599 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 employer's 16½% share of retirement was paid directly by the Commission. The employees' share of the retirement contribution was 3½% of locally earned wages and 3½% of state reimbursable wages.

NOTE 6 – INVESTMENTS:

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 bonds.

NOTE 7 – ESTIMATES:

The preparation of financial statements in conformity with the modified 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.

CIMARRON COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 8 – LEASE AGREEMENTS:

The District has entered into annual lease agreements for the lease of office space. The District received \$62,578 during the year ended June 30, 2020.

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 and OCC manages this risk through the purchase of commercial insurance policies. Claims are recognized when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

NOTE 10 – CONTINGENCIES:

As of June 30, 2020, 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.

NOTE 11 – FAIR VALUE OF INSTRUMENTS:

The definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spread and credit risk).

Level 3: Significant unobservable inputs (including the District's own assumptions in determining the fair value of investments).

The District's financial instruments include cash and cash equivalents and certificates of deposit. The District's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying statement of net position. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

NOTE 12 – EVALUATION OF SUBSEQUENT EVENTS:

The District has evaluated subsequent events through January 5, 2020, the date which the financial statements were available to be used.