

**LEFLORE COUNTY CONSERVATION
DISTRICT
Poteau, Oklahoma**

**ANNUAL FINANCIAL STATEMENTS
And Accountant's Compilation Report
For the Year Ended June 30, 2024**

Michael Green, CPA
827 W Locust Street
Stilwell, OK 74960
918.696.6298

LEFLORE COUNTY CONSERVATION DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024

ACCOUNTANT'S COMPILATION REPORT	1
BASIC FINANCIAL STATEMENTS:	
Statement of Assets, Liabilities and Net Position -Modified Cash Basis	2
Statement of Revenues, Expenditures and Changes in Net Position - Modified Cash Basis	3
Statement of Cash Flows - Modified Cash Basis	4
Notes to the Financial Statements	5

MICHAEL W. GREEN
Certified Public Accountant
827 W. Locust Street
STILWELL, OK. 74960
(918) 696-6298

Accountant's Compilation Report

To the Board of Directors
Leflore County Conservation District

Management is responsible for the accompanying modified cash basis financial statements of the Leflore County Conservation District (the District), as of and for the year ended June 30, 2024, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. I 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. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

I 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.

Regards,

A handwritten signature in black ink, appearing to read 'Mike Green', with a stylized flourish at the end.

Michael Green, CPA
September 26, 2024

LEFLORE COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES AND NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2024

ASSETS

Current Assets:

Checking Account	\$ 359,800
Certificates of Deposit	193,206
Total Current Assets	<u>553,006</u>

Ag Trade Show Account	2,930
Caston Mountain Funds	74,699
Risenhoover Scholarship Funds	1,190
Total Restricted	<u>78,819</u>

Total Current Assets	631,825
----------------------	---------

Noncurrent Assets

Property and Equipment	99,007
Vehicles	23,941
Accumulated Depreciation	(122,877)
Total Noncurrent Assets	<u>71</u>

Total Assets	<u><u>\$ 631,896</u></u>
--------------	--------------------------

LIABILITIES AND NET POSITION

Total Liabilities	\$ -
-------------------	------

Net Position:

Net Investment in Capital Assets	71
Restricted	78,819
Unrestricted	553,006
Total Net Position	<u><u>631,896</u></u>

See accompanying notes and accountant's compilation report.

LEFLORE COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2024

Operating Revenues:	
OCC Reimbursements	\$ 355,810
Cost Share Received	104,315
Watershed Maintenance Reimbursements	12,079
Custom Work	1,555
Tree Sales	13,536
Care Project	2,250
Donations and Sponsorships	6,182
Grant Income	3,209
Equipment Rental	6,150
Total Operating Revenues	<u>505,086</u>
Expenditures:	
Payroll	176,245
Payroll Taxes and Benefits	10,924
Watershed Expenses	10,981
Cost Share Paid	155,662
Telephone and Mobile Phones	894
Office Supplies and Postage	1,592
Dues, Subscriptions and Advertising	2,969
Conservation Education	2,230
Meetings, Mileage and Travel	2,011
Repairs and Maintenance	3,161
Fuel	2,405
Poultry Litter Project	14,124
Insurance	3,187
Trees Purchased	10,603
Professional Fees	900
Rent	350
Tax	549
Depreciation	140
Other Expenses	946
Total Operating Expenditures	<u>399,873</u>
Income (Loss) From Operations	105,213
Non-operating Revenue (Expense):	
Interest Income	<u>17,880</u>
Total Non-operating Revenue	<u>17,880</u>
Change in Net Position	123,093
Net Position at Beginning of Year	508,803
Net Position at End of Year	<u><u>\$ 631,896</u></u>

See accompanying notes and accountant's compilation report.

LEFLORE COUNTY CONSERVATION DISTRICT
STATEMENT OF CASH FLOWS
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2024

Cash Flows from Operating Activities

Cash Received from Customers	\$ 32,882
Other Cash Operating Receipts	472,204
Cash Payments to Suppliers for Goods and Services	(212,565)
Cash Payments to Employees	(187,169)
Net Cash Provided (used) By Operating Activities	<u>105,352</u>

Cash Flows from Investing Activities

Interest Income	17,880
Release of Restricted Investment	186,088
Net Cash Provided (used) By Investing Activities	<u>203,968</u>

Net Increase (Decrease) in Cash and Cash Equivalents 309,320

Cash Balance Beginning of Year 243,686

Cash Balance End of Year \$ 553,006

Reconciliation of Operating Income (Loss) to

Net Cash Provided (Used) By Operating Activities

Operating Income (Loss)	\$ 105,213
Adjustments to Reconcile Operating Income to	
Net Cash Provided (Used) By Operating Activities:	
Cash Flows Reported in Other Categories:	
Depreciation and Amortization Expense	140
Net Cash Provided by Operating Activities	<u><u>\$ 105,353</u></u>

CASH FLOW STATEMENT BALANCE INCLUDES:

Cash in Operating Account	\$ 359,800
Cash in Certificate of Deposits	\$ 193,206
Total	<u><u>\$ 553,006</u></u>

See accompanying notes and accountant's compilation report.

LEFLORE COUNTY CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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

Basis of Accounting

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

As a result of the District's use of the 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 and services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Cash and Cash Equivalents

For the purpose of the financial statements, "cash and cash equivalents" are included in current assets and include all demand and savings accounts, certificates of deposit or short-term investments with an original maturity of three months or less and money market accounts.

Capital Assets

Capital assets are accounted for as property and equipment and are depreciated.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets of the District are cash accounts limited to a specific purpose. At June 30, 2024, there was \$78,819 in restricted cash.

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 position is displayed in three components:

- *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation and reduced by any debt related to the acquisition, construction, or improvements of those assets.
- *Restricted net position* – Consists of net position with constraints places 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.
- *Unrestricted net position* – All remaining net position that does not meet the definition of "restricted".

It is the District'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.

Operating Revenue and Expenses

Operating revenues and expenses result from providing services and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

NOTE 2: CASH AND DEPOSITS

Custodial Credit Risk - Custodial credit risk related to deposits exist when the District holds deposits that are uninsured and uncollateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the District's name or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the District holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the District's name. The District's policy for custodial credit risk is to secure its uninsured deposits with collateral. At June 30, 2024, the District had \$194,543 of uninsured funds.

Investment Credit Risk - The District has no investment policy that limits investment choices other than the limitation of state law. As of June 30, 2024, the District did not hold investments other than certificates of deposits which were insured by FDIC insurance.

NOTE 3: 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 debt.

NOTE 4: LAND, 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, 2024, was \$140. The following is a summary by category of changes in property and equipment:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Other fixed assets:				
Property & Equipment	\$ 575	\$ -	\$ -	\$ 99,007
Vehicles	122,372	-	-	23,941
Total other fixed assets	122,947	-	-	122,948
Less accumulated depreciation:	(122,737)	(140)	-	(122,877)
Totals	<u>\$ 210</u>	<u>\$ (140)</u>	<u>\$ -</u>	<u>\$ 71</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 1,599 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 employers 16.5% share of retirement was paid directly by the Commission. The employees' share of the retirement contribution was 3.5% of locally earned wages and 3.5% of state reimbursable wages.

NOTE 7: ESTIMATES

The preparation of financial statements in conformity with the modified cash basis 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 (such as estimated useful lives in determining depreciation expense). Accordingly, actual results could differ from those estimates.

NOTE 8: 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 OCC and the District manage 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 the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

NOTE 9: CONTINGENCIES

The District is a party to various legal proceedings that normally occur in the course of operations. As of June 30, 2024, the District did not have any pending litigation or potential non-disclosed liabilities that management believe would have a material effect on the financial statements.

NOTE 10: SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 26, 2024, which is the date the financial statements were available to be issued.