

**SHAWNEE CONSERVATION DISTRICT**  
**Shawnee, Oklahoma**

**ANNUAL FINANCIAL STATEMENTS  
AND ACCOUNTANT'S REPORT**

**For the Year Ended June 30, 2024**

**MICHAEL GREEN  
CERTIFIED PUBLIC ACCOUNTANT  
827 W. LOCUST ST.  
STILWELL, OK 74960  
918.696.6298**

SHAWNEE 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, Expenses 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  
Shawnee County Conservation District

Management is responsible for the accompanying modified cash basis financial statements of the Shawnee 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 'Michael Green', with a stylized flourish at the end.

Michael Green, CPA  
Stilwell, Ok  
August 9, 2024

**SHAWNEE CONSERVATION DISTRICT**  
**STATEMENT OF ASSETS, LIABILITIES AND NET POSITION -**  
**MODIFIED CASH BASIS**  
**JUNE 30, 2024**

**Assets**

Current Assets

Cash	\$ 97,708
County Fund Accounts	46,951
Total Current Assets	<u>144,659</u>

Property and Equipment

Land and Buildings	254,349
Machinery and Equipment	285,279
Accumulated Depreciation	<u>(433,712)</u>
Total Property and Equipment	105,916

Total Assets	<u><u>\$ 250,575</u></u>
--------------	--------------------------

**Liabilities**

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

**Net Position**

Net Investment in Capital Assets	105,916
Unrestricted	<u>144,659</u>
Total Net Position	<u><u>\$ 250,575</u></u>

See accompanying notes and accountant's compilation report

**SHAWNEE CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION - MODIFIED CASH BASIS**  
**YEAR ENDED JUNE 30, 2024**

Operating Revenues:

Bermuda Grass Sales	\$ 1,139
Cost Share Received	162,709
County Sales Tax	71,172
Custom Work	37,505
OCC Reimbursements	64,118
Plat Book	90
Rental Income	39,625
Total Revenues	<u>376,358</u>

Operating Expenses:

Advertising	3,489
Bank Charge	6,127
Cost Share Paid	158,069
Depreciation	22,372
Director Meeting	1,500
Dues and Subscriptions	986
Insurance	12,675
Mileage, Meetings and Travel	1,177
Office Supplies and Postage	4,459
Other Expenses	2,739
Payroll	88,840
Professional Fees	1,500
Repairs, Maintenance, and Supplies	30,538
Seeds and Roots	11,344
Utilities and Telephone	11,115
Vehicle and Fuel	9,262
Total Operating Expenses	<u>366,192</u>

Operating Income (Loss) 10,166

Nonoperating Revenues (Expenses):

Miscellaneous Income	10,003
Total Nonoperating Revenue (Expenses)	<u>10,003</u>

Change in Net Position 20,169

Net Position at Beginning of Year 230,406

Net Position at End of Year \$ 250,575

See accompanying notes and accountant's compilation report

**SHAWNEE CONSERVATION DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**MODIFIED CASH BASIS**  
**YEAR ENDED JUNE 30, 2024**

**Cash Flows From Operating Activities:**

Cash Received From Customers	\$ 376,358
Other Operating Cash Receipts	-
Cash Payments to Suppliers For Goods and Services	(254,980)
Cash Payments to Employees	(88,840)
Net Cash Provided (Used) by Operating Activities	<u>32,538</u>

**Cash Flows From Non-Capital Financing Activities:**

**Cash Flows From Capital and Related Financing Activities:**

Other Income	10,003
(Increase) Decrease in Fixed Assets	(695)
Net Cash Provided (Used) by Financing Activities	<u>9,308</u>

**Cash Flows From Investing Activities:**

(Increase) Decrease in CDs	
Interest on Cash and CDs	
Net Cash Provided (Used) by Investing Activities	<u>-</u>

Net Increase (Decrease) in Cash and Cash Equivalents	41,846
Beginning Cash and Cash Equivalents	102,813
Ending Cash and Cash Equivalents	<u>\$ 144,659</u>

**Reconciliation of Income (Loss) From Operations to**

**Net Cash Provided (Used) by Operating Activities:**

Income (Loss) From Operations	\$ 10,166
Depreciation	22,372
Net Cash Provided (Used) by Operating Activities	<u>\$ 32,538</u>

See accompanying notes and accountant's compilation report

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

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

The Shawnee 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 an 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" includes 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. Assets are capitalized at historical cost or estimated historical cost. District policy has set the capitalization threshold for reporting capital assets at \$1,000. Depreciation is recorded on a straight-line basis over the useful life of the asset as follows;

Building and Improvements.....	30-40 years
Equipment and Auto.....	5-10 years

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 were no cash accounts with restrictions.

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 may be displayed in three components as applicable:

- *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 placed 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 exists when the District hold 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 or 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. As of June 30, 2024, the District’s bank balances of \$144,659 were covered by FDIC insurance.

*Investment Credit Risk* - The District has no investment policy that limits investments choices other than the limitation of state law. As of June 30, 2024, the District did not hold investments.

### **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: DEBT**

The District held no long-term debt at June 30,2024.

### **NOTE 5: RETIREMENT PLAN**

Oklahoma public employees who work 1,599 hours or more per year are 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 6: 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 \$22,372. The following is a summary of category of changes in property and equipment:



	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Fixed Assets				
Land	\$ 500	\$ -	\$ -	\$ 500
Building & Improvements	253,849	-	-	253,849
Machinery & Equipmrnt	222,736	695	-	223,431
Vehicles	61,848	-	-	61,848
Total Fixed Assets	<u>538,933</u>	<u>695</u>	<u>-</u>	<u>539,628</u>
Less Accumulated Depreciation	<u>(411,340)</u>	<u>(22,372)</u>	<u>-</u>	<u>(433,712)</u>
Totals	<u>\$ 127,593</u>	<u>\$ (21,677)</u>	<u>\$ -</u>	<u>\$ 105,916</u>

#### **NOTE 7: SALES TAX REVENUE**

Pottawatomie County appropriates 1% of sales tax collections for the use of the two conservation districts in the county. Shawnee Conservation District receives 2/3 of the collections to be used for maintenance/operations and/or capital outlay. The accounts are maintained by Pottawatomie County and all purchase requests from the District are approved by the County budget board.

#### **NOTE 8: 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, the reimbursements are recognized as revenues.

#### **NOTE 9: 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 disclosures 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 10: 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 loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported are considered.

#### **NOTE 11: 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 12: SUBSEQUENT EVENTS**

Subsequent events have been evaluated through August 9, 2024, which is the date the financial statements were available to be issued.