

**FILED**

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State Auditor & Inspector

*Compilation*

**ARBUCKLE CONSERVATION DISTRICT #13**

**COMPILED FINANCIAL STATEMENTS**

**Year ended June 30, 2011**

**GUERRANT AND GUERRANT  
CERTIFIED PUBLIC ACCOUNTANTS  
222 N. HIGH, P.O. BOX 910  
ANTLERS, OKLAHOMA 74523**

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CERTIFIED PUBLIC ACCOUNTANTS  
222 N. HIGH, P.O. BOX 910  
ANTLERS, OK 74523

Board of Directors  
Arbuckle Conservation District #13  
Ardmore, Oklahoma

We have compiled the accompanying statement of assets, liabilities and fund balance-cash basis of Arbuckle Conservation District #13 as of June 30, 2011, and the related statement of cash receipts, disbursements and changes in fund balance-cash basis for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

The management of the Arbuckle Conservation District #13 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 presentation of the financial statements.

As described more fully in Note B, the Arbuckle Conservation District #13 has prepared these financial statements using accounting practices prescribed or permitted by the Oklahoma Conservation Commission, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

*Guerrant and Guerrant*

November 3, 2011

Arbuckle Conservation District #13  
STATEMENT OF ASSETS, LIABILITIES AND  
FUND BALANCE-CASH BASIS  
June 30, 2011

ASSETS

Cash in bank	
Checking	\$19,694
Certificate of deposit	<u>61,625</u>
Total Assets	<u>\$81,319</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Payroll taxes withheld	\$ -
Fund Balance	
Undesignated	<u>81,319</u>
Total Liabilities and Fund Balance	<u>\$81,319</u>

See accompanying notes and accountants' report.

Arbuckle Conservation District #13  
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND  
 CHANGES IN FUND BALANCE-CASH BASIS  
 Year ended June 30, 2011

CASH RECEIPTS

Oklahoma Conservation Commission	
District salaries and related costs	\$42,213
Operating expenses	2,702
Directors' meetings	550
Other expenses	<u>614</u>
Total	46,079
Rental	2,550
Interest	<u>643</u>
Total cash receipts	<u>49,272</u>

CASH DISBURSEMENTS

District salaries and related costs	42,211
Office supplies and expense	1,645
Telephone	851
Dues and memberships	1,741
Directors' meetings	714
Professional fees	700
Bond	140
Education expense	100
Vehicle allowance	<u>300</u>
Total cash disbursements	<u>48,402</u>

Excess receipts over cash disbursements	870
Fund balance, June 30, 2010	<u>80,449</u>
Fund balance, June 30, 2011	<u>\$81,319</u>

See accompanying notes and accountants' report.

Arbuckle Conservation District #13  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE A - ORGANIZATION

The Arbuckle Conservation District #13 is a local subdivision of State government charged with the conservation of renewable natural resources. The District receives funds from State appropriations to the Oklahoma Conservation Commission as well as local revenues from various sources.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District's accounting policies applied in the preparation of the accompanying financial statements follow.

The cash basis of accounting is utilized which demonstrates compliance with the Oklahoma Conservation Commission requirement that complete and accurate records and receipts must be kept of the expenditures of District funds. The cash basis generally recognizes revenues when received rather than when earned and expenses when the obligation is paid rather than when incurred. Property, plant and equipment is charged to expense in the year of purchase and is not capitalized and depreciated.

The cash basis is a comprehensive basis of accounting other than U.S. generally accepted accounting principles, which require the full accrual basis of accounting and capitalization and depreciation of all property, plant and equipment. Generally accepted accounting principles also require management's discussion and analysis of the financial statements with an analytical overview of operations. Adoption of a budget is not legally required and the budgetary information normally required by generally accepted accounting principles has not been presented.

NOTE C - PENSION PLAN

All employees become eligible for coverage under the Oklahoma Public Employees Retirement System (OPERS) after working 1,000 or more hours in a calendar year, and continue to be covered under the plan unless there is a break in service. The District is not legally required to contribute to the OPERS except on salaries paid with local funds. The plan is fully funded by the State and by contributions from covered employees. During the year ended June 30, 2011, the State made contributions of \$5,932 to the OPERS. Under the pension plan, benefits vest after 8 years of full-time employment. An employee with 10 years of service may retire at age 55 and receive reduced retirement benefits.

Arbuckle Conservation District #13  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE C - PENSION PLAN (Cont'd)

Based on State statute, employees covered by the pension plan must contribute 3 1/2% of gross earnings to the pension fund. The State and/or the District are required to contribute 15 1/2% of gross earnings to the plan.

The District's total current year payroll for all its employees amounted to \$39,201. Earnings covered by the plan totaled \$38,271.

NOTE D - DEPOSITS WITH FINANCIAL INSTITUTIONS

The District maintains all its cash in either demand deposit accounts or certificates of deposit at a local bank as authorized by Oklahoma statute. All cash amounts are covered by FDIC depository insurance. Certificates of deposit are stated at cost, which approximates their fair market value.

NOTE E - COMPENSATED ABSENCES

The District's policy for accumulating annual leave is based on years of continuous service. Full-time employees with less than five years of service can accumulate up to 240 hours; employees with over five years of service can accumulate up to 480 hours. The accrual of compensated absences is not reflected in cash basis statements.

NOTE F - STATE CONSERVATION COST-SHARE PROGRAM

The District is an intermediary for the State's Conservation Cost-Share Program. The District performed review, inspection and other services for applicants who received funds under the program during the year ended June 30, 2011.

NOTE G - ECONOMIC DEPENDENCY

Approximately 94% of the Organization's total support was provided through funds appropriated annually by the Oklahoma Conservation Commission which are dependent upon legislative approval.

