

ALFALFA COUNTY CONSERVATION DISTRICT

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

ALFALFA COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2014

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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, 2014. 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 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
December 12, 2014

FINANCIAL STATEMENTS

AND

NOTES

ALFALFA COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION
CASH BASIS
JUNE 30, 2014

ASSETS

Current Assets:	
Cash and cash equivalents (Note 3)	\$ 133,306
Certificates of deposit	<u>37,422</u>
Total Current Assets	<u>170,728</u>
 Total Assets	 <u><u>\$ 170,728</u></u>

LIABILITIES AND NET POSITION

Current Liabilities:	\$
 Net Position:	
Unrestricted	<u>170,728</u>
 Total Net Position	 <u>170,728</u>
 Total Liabilities and Net position	 <u><u>\$ 170,728</u></u>

ALFALFA COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
CASH BASIS
YEAR ENDED JUNE 30, 2014

Revenues:	
OCC reimbursements	\$ 32,129
Equipment rental and seed sales	26,392
Building rent	49,884
Gopher machine rental and bait	2,087
Other income	6
Total Operating Revenues	110,498
Expenses:	
Salaries	29,241
Payroll taxes and employee benefits	2,659
Advertising and promotion	863
Office supplies and postage	1,951
Insurance	4,185
Meetings and travel	2,621
Professional fees	505
Seed and gopher bait	5,485
Building maintenance & supplies	1,504
Fuel, supplies and repairs	2,241
Memberships, dues and subscriptions	990
Utilities and phone	9,867
Director fees	1,250
Conservation education	997
Other expenses	
Total Operating Expenses	64,359
Operating Income (Loss)	46,139
Nonoperating Revenues (Expenses):	
Interest income	409
Purchase of assets	(14,112)
Changes in net position	32,436
Net position at beginning of year	138,292
Net position at end of year	\$ 170,728

See Accountant's Compilation Report.

ALFALFA COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

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 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 Position

Net position presents the difference between assets and liabilities in the statement of net position. Net investment 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 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, 2014 were fully insured.

NOTE 3 – CASH AND CASH EQUIVALENTS:

The District 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, 2014 included the checking accounts and two certificates of deposit.

ALFALFA COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 4 –LAND, PROPERTY AND EQUIPMENT:

Land, property and equipment are not reported on the balance sheet. The following is a list by category of the land, property and equipment at June 30, 2014:

Land and easements	\$ 22,200
Buildings & improvements	212,189
Office equipment	3,230
Machinery & equipment	104,040
	<u>\$ 341,659</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 16½% share of retirement was paid directly by the Commission. The employees' share of the retirement contribution was 3 ½% 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, 2014

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 District and the OCC manage this risk through the purchase of commercial insurance policies.

NOTE 9 – CONTINGENCIES:

As of June 30, 2014 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 10 – FAIR VALUE OF FINANCIAL INSTRUMENTS:

The District's financial statements include cash and certificates of deposits. The District's estimates of the fair value of all financial instruments do not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.