
WOODS COUNTY CONSERVATION DISTRICT

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

WOODS COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2015

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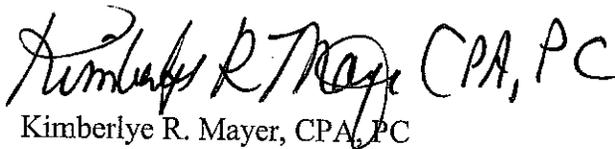
Accountant's Compilation Report

Board of Directors
Woods County Conservation District

We have compiled the accompanying financial statements of the Woods County Conservation District as of and for the year ended June 30, 2015. 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 modified 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 modified 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
March 11, 2016

FINANCIAL STATEMENTS

AND

NOTES

WOODS COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2015

ASSETS

| | |
|--|-------------------------|
| Current Assets: | |
| Cash and cash equivalents | \$ 14,401 |
| Property and equipment (Net of accumulated depreciation) (Note 4) | <u>22,769</u> |
| Total Assets | <u><u>\$ 37,170</u></u> |

LIABILITIES AND NET POSITION

| | |
|------------------------------------|-------------------------|
| Liabilities: | \$ |
| Net Position: | |
| Net investment in capital assets | 22,769 |
| Unrestricted | <u>14,401</u> |
| Total Net Position | <u><u>37,170</u></u> |
| Total Liabilities and Net Position | <u><u>\$ 37,170</u></u> |

See the accountant's compilation report and notes.

WOODS COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2015

| | |
|---------------------------------------|-----------|
| Revenues: | |
| OCC reimbursements | \$ 38,869 |
| Sales, service & rentals | 52,160 |
| Cost share received | 10,293 |
| Other income | 232 |
| Total Operating Revenues | 101,554 |
| Expenses: | |
| Payroll | 34,600 |
| Payroll taxes and employee benefits | 4,960 |
| Conservation education | 553 |
| Scholarships and donations | 600 |
| Office supplies and postage | 1,629 |
| Insurance and bonds | 1,669 |
| Meetings and travel | 2,669 |
| Depreciation expense | 1,751 |
| Cost share paid | 12,293 |
| Seed and grass costs | 41,443 |
| Equipment repairs, fuel and supplies | 5,763 |
| Dues, subscriptions and licenses | 72 |
| Utilities and telephone | 3,950 |
| Director fees | 1,300 |
| Total Operating Expenses | 113,252 |
| Operating Income (Loss) | (11,698) |
| Nonoperating Revenues (Expenses): | |
| Interest income | 44 |
| US Fish and Wildlife grant | 24,520 |
| Total Nonoperating Revenue (Expenses) | 24,564 |
| Changes in net position | 12,866 |
| Net position at beginning of year | 13,614 |
| Transfer of funds (Note 8) | 10,690 |
| Net position at end of year | \$ 37,170 |

See the accountant's compilation report and notes

WOODS COUNTY CONSERVATION DISTRICT
STATEMENT OF CASH FLOWS
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2015

| | |
|---|-------------------|
| Cash flows From Operating Activities: | |
| Cash received from customers | \$ 52,392 |
| Other operating cash receipts | 49,162 |
| Cash payments to suppliers for goods and services | (76,901) |
| Cash payments to employees | (34,600) |
| Net cash provided (used) by operating activities | <u>(9,947)</u> |
| Cash flows from non-capital financing activities: | |
| Cash flows from capital and related financing activities: | |
| Purchase of equipment | (24,520) |
| Grant income | 24,520 |
| Net cash provided (used) by financing activities | <u>0</u> |
| Cash flows from investing activities: | |
| Transfer of funds | 10,690 |
| Interest on cash and CD's | 44 |
| Net cash provided (used) by investing activities | <u>10,734</u> |
| Net increase (decrease) in cash and cash equivalents | |
| | 787 |
| Beginning cash and cash equivalents | 13,614 |
| Ending cash and cash equivalents | <u>\$ 14,401</u> |
| Reconciliation of income (loss) from operations to net cash provided (used) by operating activities: | |
| Income (Loss) from operations | (11,698) |
| Depreciation | 1,751 |
| Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities: | |
| Net cash provided (used) by operating activities | <u>\$ (9,947)</u> |

See the accountant's compilation report and notes.

WOODS COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Woods 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. In February 2015, the East Woods County Conservation District merged with the Woods County Conservation District.

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. This basis is a basis of accounting other than accounting principles generally accepted in the United States of America.

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 investment in capital assets is 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 DEPOSITS:

Bank balances are covered by the Federal Deposit Insurance Corporation. All deposits at June 30, 2015 were fully insured.

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.

WOODS COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2015

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, 2015 was \$1,751. The following is a summary by category of changes in property and equipment:

| <u>Category</u> | <u>6/30/14</u> | <u>Additions</u> | <u>Deletions</u> | <u>6/30/15</u> |
|--------------------------|----------------|------------------|------------------|------------------|
| Land and buildings | \$ 17,815 | \$ 4,978 | \$ | \$ 22,793 |
| Machinery and equipment | 75,379 | 24,520 | | 99,899 |
| Accumulated depreciation | (93,194) | (6,729) | | (99,923) |
| Net | <u>\$</u> | <u>\$ 22,769</u> | <u>\$</u> | <u>\$ 22,769</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 3½% of locally earned wages and 3 ½% of state reimbursable wages.

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 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.

WOODS COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 8 – MERGER:

In February 2015, when the East Woods County Conservation District merged with the District, the following assets were transferred:

| | |
|--------------------------|-----------|
| Cash | \$ 10,690 |
| Building | 4,978 |
| Accumulated depreciation | (4,978) |

NOTE 9 – FAIR VALUES OF FINANCIAL 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, certificates of deposit, inventory, accounts receivable, accounts payable and notes payable. 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 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 District 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 the 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:

As of June 30, 2015, 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.