

PAWNEE COUNTY CONSERVATION DISTRICT

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2012

PAWNEE COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2012

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Accountant's Compilation Report

Board of Directors
Pawnee County Conservation District

We have compiled the accompanying financial statements of the Pawnee County Conservation District as of and for the year ended June 30, 2012. 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 comprehensive 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, P.C.
Blackwell, Oklahoma
August 9, 2012

FINANCIAL STATEMENTS

AND

NOTES

PAWNEE COUNTY CONSERVATION DISTRICT
STATEMENT OF NET ASSETS
CASH BASIS
JUNE 30, 2012

ASSETS

Current Assets:

Operating accounts	\$ 2,489
Certificates of deposit	<u>8,698</u>
Total cash and cash equivalents	<u>11,187</u>
 Total Assets	 <u><u>\$ 11,187</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	\$
 Net Assets:	
Unrestricted	<u>11,187</u>
Total Net Assets	<u>11,187</u>
 Total Liabilities and Net Assets	 <u><u>\$ 11,187</u></u>

PAWNEE COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
CASH BASIS
YEAR ENDED JUNE 30, 2012

Operating Revenues:	
OCC reimbursements	\$ 45,817
Sod drilling and sprigging	3,552
Hay sales	135
Total Operating Revenues	<u>49,504</u>
Operating Expenses:	
Salaries and wages	30,860
Payroll taxes and employee benefits	4,524
Utilities and telephone	2,078
Insurance	100
Repairs and maintenance	535
Director expenses	3,068
Professional fees	750
Equipment purchased	650
Diesel	1,603
Dues and subscriptions	102
Meeting expenses and travel	1,701
Office supplies and postage	971
Conservation education and awards	1,755
Watershed expenses	65
Miscellaneous expenses	121
Total Operating Expenses	<u>48,883</u>
Operating Income (Loss)	621
Nonoperating Revenues (Expenses):	
Interest income	<u>53</u>
Changes in net assets	674
Net assets, beginning of year	<u>10,513</u>
Net assets, end of year	<u><u>\$ 11,187</u></u>

See accountant's accompanying notes and compilation report.

PAWNEE COUNTY CONSERVATION DISTRICT
STATEMENT OF CASH FLOWS
CASH BASIS
YEAR ENDED JUNE 30, 2012

Cash flows From Operating Activities:

Cash received from customers	\$ 3,687
Other operating cash receipts	45,817
Cash payments to suppliers for goods and services	(18,023)
Cash payments to employees	<u>(30,860)</u>
Net cash provided (used) by operating activities	621

Cash flows from non-capital financing activities:

Cash flows from capital and related financing activities:

Cash flows from investing activities:

Interest on cash and investments	<u>53</u>
Net cash provided (used) by investing activities	<u>53</u>

Net increase (decrease) in cash and cash equivalents	674
Beginning cash and cash equivalents	<u>10,513</u>
Ending cash and cash equivalents	<u><u>\$ 11,187</u></u>

Reconciliation of income (loss) from operations to
net cash provided (used) by operating activities:

Income (Loss) from operations	\$ 621
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:	
Changes in assets and liabilities:	<u> </u>
Net cash provided (used) by operating activities	<u><u>\$ 621</u></u>

PAWNEE COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Pawnee County Conservation District was created under Title 82, sections 1501-101 through 1501-804, of the Oklahoma Statutes, as amended. 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, revenues, and expenses when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the 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 assets present the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are 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 FDIC insurance. All deposits are fully insured.

NOTE 3 – INVESTMENTS:

The State of Oklahoma allows governmental entities to invest in the following: direct obligations of the United State 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.

PAWNEE COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

NOTE 5 - RETIREMENT PLAN:

Oklahoma public employees who work 1,000 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 16½% of locally earned wages and 3½% of state reimbursable wages.

NOTE 6 - CASH AND CASH EQUIVALENTS:

The District considers all checking accounts and deposits with a maturity of three months or less to be cash equivalents.

NOTE 7 – ESTIMATES:

The preparation of financial statements in conformity with the cash basis of accounting 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. Accordingly, actual results could differ from those estimates.

NOTE 8 – RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for these and other risks of loss. Settled claims have not exceeded the commercial coverage in past years.

NOTE 9 – CONTINGENCIES:

As of June 30, 2012, 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 – EVALUATION OF SUBSEQUENT EVENTS:

The District has evaluated subsequent events through August 9, 2012, the date which the financial statements were available to be issued.