

NOBLE COUNTY CONSERVATION DISTRICT
ANNUAL FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOBLE COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2015

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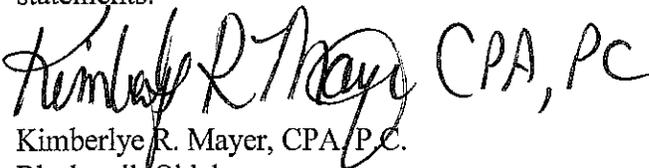
Accountant's Compilation Report

Board of Directors
Noble County Conservation District

We have compiled the accompanying financial statements of the Noble 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.

 CPA, PC

Kimberlye R. Mayer, CPA, P.C.

Blackwell, Oklahoma

August 18, 2015

FINANCIAL STATEMENTS

AND

NOTES

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

ASSETS

Current Assets:	
Operating accounts	\$ 22,456
Certificates of deposit	30,000
Total Cash and Cash Equivalents	52,456
Certificates of deposit	42,931
Total Current Assets	95,387
Noncurrent Assets:	
Property and equipment (net of accumulated depreciation) (Note 5)	79,902
Total Assets	\$ 175,289

LIABILITIES AND NET ASSETS

Liabilities:	\$
Net Position:	
Net investment in capital assets	79,902
Unrestricted	95,387
Total Net Assets	175,289
Total Liabilities and Net Position	\$ 175,289

See accountant's notes and compilation report.

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

Operating Revenues:	
OCC reimbursements	\$ 59,883
Cost share	13,673
Equipment rental	1,740
Sprigging income	23,836
Custom work	248
Hay sales	1,383
Roots sale	155
O & M reimbursements	23,434
Plat books and map sales	1,546
Total Operating Revenues	<u>125,898</u>
Operating Expenses:	
Salaries and wages	77,455
Payroll taxes and employee benefits	9,620
Office supplies and postage	949
Repairs and maintenance	3,841
Travel and meetings	448
Fuel	6,253
Grass and fertilizer	1,244
Land lease	1,200
Plat books and maps	1,361
Supplies	2,029
Professional fees	445
Director fees	1,375
Dues and subscriptions	722
Insurance	3,334
Telephone	1,051
Cost share	13,673
Utilities	2,122
Depreciation	7,341
Prizes, awards and promotion	1,145
Conservation education	261
Other expense	1,624
Total Operating Expenses	<u>137,493</u>
Operating Income (Loss)	(11,595)
Nonoperating Revenues (Expenses):	
Interest income	212
Gain on sale of equipment	10,601
Total Nonoperating Revenues (Expenses)	<u>10,813</u>
Changes in net position	(782)
Net position, beginning of year	176,071
Net position, end of year	<u>\$ 175,289</u>

See accountant's notes and compilation report.

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

Cash flows From Operating Activities:	
Cash received from customers	\$ 28,908
Other operating cash receipts	96,990
Cash payments to suppliers for goods and services	(52,697)
Cash payments to employees	(77,455)
Net cash provided (used) by operating activities	<u>(4,254)</u>
Cash flows from non-capital financing activities:	
Cash flows from capital and related financing activities:	
Cash flows from investing activities:	
(Increase) decrease in CDs	(45)
Interest on cash and investments	212
(Increase) decrease in fixed assets	3,101
Net cash provided (used) by investing activities	<u>3,268</u>
Net increase (decrease) in cash and cash equivalents	(986)
Beginning cash and cash equivalents	53,442
Ending cash and cash equivalents	<u>\$ 52,456</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:	
Income (Loss) from operations	(11,595)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:	
Depreciation	7,341
Changes in assets and liabilities:	
Net cash provided (used) by operating activities	<u>\$ (4,254)</u>

See accountant's notes and compilation report.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Noble County Conservation District was created under Title 27A, sections 3-1-101 through 3-3-410, as amended, of the Oklahoma Statutes. 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 modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenditures/expenses when they result from cash transactions with provision for depreciation in the financial statements. 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 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 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 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 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.

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

NOTE 4 - 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.

NOTE 5 - 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 assets or materially extend the asset's life are not. 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 \$7,341. The following is a summary by category of changes in property and equipment:

Category	06/30/14	Additions	Deletions	06/30/15
Land	\$ 33,507	\$	\$	\$ 33,507
Building and improvements	45,958			45,958
Machinery and equipment	125,406	7,500	(49,371)	83,535
Totals	204,871	7,500	(49,371)	163,000
Accumulated depreciation	(125,128)	(7,341)	49,371	(83,098)
Net	<u>\$ 79,743</u>	<u>\$ 159</u>	<u>\$</u>	<u>\$ 79,902</u>

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 3½% of state reimbursable wages.

NOTE 7 - 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 8 - 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 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.

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

NOTE 9 - FAIR VALUE OF INSTRUMENTS:

The District's financial instruments include cash and cash equivalents. The District's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net position. The carrying amount of these financial statements approximates fair value because of the short maturity of these instruments.

NOTE 10 – 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 OCC and the District purchase commercial insurance for these and other risks of loss.

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 statement.