

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

SEMINOLE COUNTY CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2015

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Accountant's Compilation Report

Board of Directors
Seminole County Conservation District

We have compiled the accompanying financial statements of the Seminole 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 provide any 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
August 15, 2015

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

ASSETS

Current Assets:	
Cash in operating account	\$ 58,336
Petty Cash	<u>24</u>
Total Cash and Cash Equivalents	58,360
Property and equipment (Note 4) (net of accumulated depreciation)	<u>24,806</u>
Total Assets	<u><u>\$ 83,166</u></u>

LIABILITIES AND NET POSITION

Liabilities:	\$
Net Position:	
Net investment in capital assets	24,806
Unrestricted	<u>58,360</u>
Total Net Position	<u>83,166</u>
Total Liabilities and Net Position	<u><u>\$ 83,166</u></u>

See accountant's compilation report.

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

Operating Revenues:	
OCC reimbursements	\$ 81,051
Rent income	22,608
Seed, grass and tree sales	518
Platbook and map sales	1,648
Grant income	4,000
Total Operating Revenues	109,825
Expenses:	
Payroll	73,031
Payroll taxes and benefits	5,131
Office supplies and postage	1,317
Repairs and maintenance	661
Watershed maintenance	1,575
Cost share	4,323
Conservation education and programs	500
Meetings and travel	6,632
Seed, grass and trees cost	460
Lawn expenses	2,343
Professional fees	1,085
Insurance and bond	1,431
Dues and subscriptions	228
Utilities and telephone	4,816
Depreciation	2,360
Platbooks and maps cost	999
Other expenses	26
Total Operating Expenses	106,918
Income (Loss) From Operations	2,907
Nonoperating Revenue (Expense):	
Easement income	5,000
Interest income	76
Total Nonoperating Revenue	5,076
Revenues Over (Under) expenses	7,983
Net position, beginning of year	75,183
Net position, end of year	\$ 83,166

See accountant's compilation report.

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

Cash flows From Operating Activities:	
Cash received from customers	\$ 24,774
Cash received from OCC	85,051
Cash payments to suppliers for goods and services	(31,527)
Cash payments to employees	<u>(73,031)</u>
Net Cash Provided (Used) By Operating Activities	5,267
Cash Flows From Capital and Financing Activities:	
Acquisition and construction of capital assets	
Easement income	<u>5,000</u>
Net Cash Provided (Used) by Financing Activities	5,000
Cash Flows From Investing Activities:	
Interest income	<u>76</u>
Net Cash Provided (Used) by Investing Activities	<u>76</u>
Net increase (decrease) in cash and cash equivalents	10,343
Beginning cash and cash equivalents	<u>48,017</u>
Ending cash and cash equivalents	<u><u>\$ 58,360</u></u>
Reconciliation of income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 2,907
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	2,360
Changes in assets and liabilities:	
Net cash provided (used) by operating activities	<u><u>\$ 5,267</u></u>

See accountant's compilation report.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Seminole County Conservation District was created under Title 27A, sections 3-1-101 through 3-3-410, 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 modified 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 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 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.

Fair Value on Financial Instruments

The District's financial statements include cash and cash equivalents and capital leases. 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 statement of net position. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

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.

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

NOTE 4 – PROPERTY AND EQUIPMENT:

Total depreciation for the year ended June 30, 2015 was \$2,360. The following is a schedule of property and equipment and the related accumulated depreciation at June 30, 2015:

	6/30/14	(Deletions) Additions	6/30/15
Building	\$ 20,000	\$	\$ 20,000
Machinery and equipment	26,634		26,634
	<u>46,634</u>		<u>46,634</u>
Less accumulated depreciation	(19,468)	(2,360)	(21,828)
Net	<u>\$ 27,166</u>	<u>\$ (2,360)</u>	<u>\$ 24,806</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 up to their allocated amount. Such reimbursements are recognized as revenue when received.

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 employer's 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 – 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.

NOTE 8 – CASH AND CASH EQUIVALENTS:

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

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

NOTE 9 – 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 OCC and the District manage 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 loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

NOTE 10 – 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.

NOTE 11 - 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 assets. The carrying amount of these financial statements approximates fair value because of the short maturity of these instruments.