

KONAWA CONSERVATION DISTRICT
ANNUAL FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

KONAWA CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2015

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Accountant's Compilation Report

Board of Directors
Konawa Conservation District

We have compiled the accompanying financial statements of the Konawa 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 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 10, 2015

FINANCIAL STATEMENTS

AND

NOTES

KONAWA CONSERVATION DISTRICT
STATEMENT OF NET POSITION
CASH BASIS
JUNE 30, 2015

ASSETS

Current Assets:	
Operating account	\$ 8,766
Plat book account	2,442
Total cash and cash equivalents	<u>11,208</u>
 Total Assets	 <u><u>\$ 11,208</u></u>

NET POSITION

Net Position:	
Unrestricted	\$ <u>11,208</u>
 Total Net Position	 <u><u>\$ 11,208</u></u>

See accountant's accompanying notes and compilation report.

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

Operating Revenues:	
OCC reimbursements	\$ 34,575
County funds	2,160
Equipment rental	4,296
Seed sales	92
Cost share received	3,000
Plat book sales	406
Other income	73
Total Operating Revenues	44,602
Operating Expenses:	
Payroll	31,117
Payroll taxes and employee benefits	2,636
Cost share paid	3,000
Insurance	2,360
Repairs, maintenance, fuel and supplies	1,534
Director expenses	1,300
Professional fees	650
Meeting, mileage and travel	1,161
Office supplies and postage	616
Conservation education	100
Donations	100
Membership dues	675
Plat book costs	398
Miscellaneous expenses	25
Total Operating Expenses	45,672
Operating Income (Loss)	(1,070)
Nonoperating Revenues (Expenses):	
Sale of equipment	
Interest income	8
Total Nonoperating Revenues (Expenses)	8
Changes in net position	(1,062)
Net position, beginning of year	12,270
Net position, end of year	\$ 11,208

See accountant's accompanying notes and compilation report.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Konawa 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 maintains its records and prepares its financial statements using the cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenditures/expenses when they result from cash transaction. 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 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 property and related depreciation) 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 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.

KONAWA 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. When received, such reimbursements are recognized as revenues.

NOTE 5 – 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 16 ½% 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 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 – 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 8 – 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 9 – SALES TAX REVENUE:

Pottawatomie County appropriates 1% of sales tax collections for the use of the two conservation districts in the county. Konawa Conservation District receives 1/3 of the collections to be used for maintenance/operations and/or capital outlay. The accounts are maintained by Pottawatomie County and all purchase requests from the District are approved by the County budget board. The District used funds from the capital outlay account to purchase equipment during the year ended June 30, 2015. These accounts had a balance of \$31,220 at June 30, 2015.

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

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 position. The carrying amount of these financial statements approximates fair value because of the short maturity of these instruments.