

**WOODWARD COUNTY CONSERVATION DISTRICT**

**ANNUAL FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2015**

WOODWARD COUNTY CONSERVATION DISTRICT  
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YEAR ENDED JUNE 30, 2015

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## Accountant's Compilation Report

Board of Directors  
Woodward County Conservation District

We have compiled the accompanying financial statements of the Woodward 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, P.C.  
Blackwell, Oklahoma  
December 12, 2015

FINANCIAL STATEMENTS

AND

NOTES

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

ASSETS

Current Assets:	
Cash	\$ 22,979
Certificates of deposit	14,831
Total Cash and Cash Equivalents	<u>37,810</u>
Certificates of deposit	6,914
Land, buildings and equipment (Net of accumulated depreciation) (Note 5)	<u>327,097</u>
Total Assets	<u><u>\$ 371,821</u></u>

LIABILITIES AND NET POSITION

Liabilities:	\$
Net Position:	
Net investment in capital assets	327,097
Unrestricted	44,724
Total Net Position	<u>371,821</u>
Total Liabilities and Net Position	<u><u>\$ 371,821</u></u>

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

Revenues:	
OCC reimbursements	\$ 69,036
Equipment rent, seeds and sprigging	18,148
Seed sales	21,328
Sponsorships	6,457
Cost share received	1,741
Other income	8,922
Total Operating Revenues	<u>125,632</u>
Expenses:	
Personnel costs	64,888
Repairs, maintenance and supplies	1,269
Equipment lease	600
Telephone and mobile phones	1,275
Office supplies and postage	1,225
Mileage, meetings and travel	7,215
Professional fees	1,100
Product costs	18,631
Dues, memberships and advertisements	1,512
Utilities	4,801
Director fees	925
Fuel	3,771
Newsletters	1,635
Cost share paid	1,741
Education and soil stewardship	860
Insurance	5,713
Depreciation	24,039
Other expenses	81
Total Operating Expenses	<u>141,281</u>
Operating Income (Loss)	(15,649)
Nonoperating Revenues (Expenses):	
Interest income	131
Total Nonoperating Revenues (Expenses)	<u>131</u>
Changes in net position	(15,518)
Net position at beginning of year	387,339
Net position at end of year	<u>\$ 371,821</u>

See the accountant's compilation report and notes.

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

Cash flows From Operating Activities:

Cash received from customers	\$ 39,476
Other operating cash receipts	86,156
Cash payments to suppliers for goods and services	(57,796)
Cash payments to employees	(59,446)
Net cash provided (used) by operating activities	8,390

Cash flows from non-capital financing activities:

Cash flows from capital and related financing activities:

Cash flows from investing activities:

Interest on certificates of deposit	131
(Increase) decrease in fixed assets	
(Increase) decrease in CD's	(23)
Net cash provided (used) by investing activities	108

Net increase (decrease) in cash and cash equivalents

8,498

Beginning cash and cash equivalents

29,312

Ending cash and cash equivalents

\$ 37,810

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

Income (Loss) from operations	(15,649)
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Adjustments to reconcile income (loss) from operations  
to net cash provided (used) by operating activities:

Depreciation	24,039
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Changes in assets and liabilities:

Increase in deposits	
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Net cash provided (used) by operating activities

\$ 8,390

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Woodward 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.

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

As 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 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.

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

NOTE 4 – 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 5 – LAND, 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 \$24,039. 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 & buildings	\$ 257,476	\$	\$	\$ 257,476
Machinery and equipment	188,592	_____	_____	188,592
Totals	<u>446,068</u>	_____	_____	<u>446,068</u>
Accumulated depreciation	(94,932)	(24,039)	_____	(118,971)
Net	<u>\$ 351,136</u>	<u>\$ (24,039)</u>	<u>\$</u>	<u>\$ 327,097</u>

NOTE 6 – 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 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 the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

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

NOTE 8 - 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.

NOTE 9 – 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.

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.