

NORTH CADDO CONSERVATION DISTRICT
ANNUAL FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NORTH CADDO CONSERVATION DISTRICT
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YEAR ENDED JUNE 30, 2020

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Accountant's Compilation Report

Board of Directors
North Caddo Conservation District

Management is responsible for the accompanying financial statements of the North Caddo Conservation District which comprise the statement of assets, liabilities and net position as of June 30, 2020 and the related statements of revenues and expenses and changes in net position for the year then ended, and the related notes to the financial statements in accordance with the cash basis of accounting. Management is responsible to determine that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy and completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared 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.

We are not independent with respect to North Caddo Conservation District.



Kimberlye R. Mayer, CPA, P.C.
Blackwell, Oklahoma
October 13, 2020

FINANCIAL STATEMENTS

AND

NOTES

NORTH CADDO CONSERVATION DISTRICT
STATEMENT OF NET POSITION
CASH BASIS
JUNE 30, 2020

ASSETS

Current Assets:

Operating accounts	\$ 19,843
Money market account	<u>41,045</u>
Total cash and cash equivalents	<u>60,888</u>
 Total Assets	 <u><u>\$ 60,888</u></u>

LIABILITIES AND NET POSITON

Liabilities: \$

Net Position:

Unrestricted	<u>60,888</u>
Total Net Position	<u>60,888</u>
 Total Liabilities and Net Position	 <u><u>\$ 60,888</u></u>

NORTH CADDO CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
CASH BASIS
YEAR ENDED JUNE 30, 2020

Operating Revenues:	
OCC reimbursements	\$ 38,777
Cost share received	26,640
Watershed reimbursements	87,382
Seed sales	8,826
Equipment rental	11,329
Donations and grants	6,921
Other income	578
Total Operating Revenues	<u>180,453</u>
Operating Expenses:	
Payroll	29,955
Payroll taxes and employee benefits	7,288
Utilities and telephone	4,957
Insurance	2,050
Seed purchases, chemicals & fertilizer	9,938
Repairs, maintenance and lot rent	5,308
Fuel	118
Watershed maintenance	82,982
Professional fees	1,140
Cost share paid	29,640
Dues, subscriptions and licenses	1,007
Mileage, meetings and travel	6,970
Office supplies and postage	1,221
Conservation education	916
Advertising and promotion	134
Building expenses	600
Miscellaneous expenses	
Total Operating Expenses	<u>184,224</u>
Operating Income (Loss)	(3,771)
Nonoperating Revenues (Expenses):	
Interest income	146
Sale of equipment	
Purchase of equipment	<u>(15,300)</u>
Total Nonoperating Revenues (Expenses)	<u>(15,154)</u>
Changes in net position	(18,925)
Net position, beginning of year	<u>79,813</u>
Net position, end of year	<u><u>\$ 60,888</u></u>

See accountant's accompanying notes and compilation report.

NORTH CADDO CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The North Caddo 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 cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenses when they result from cash transactions. This basis is a 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 Position

Net position presents the difference between assets and liabilities in the statement of net position. Net investment in capital assets is 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:

Checking and money market accounts are covered by FDIC insurance. All deposits were fully insured at June 30, 2020.

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.

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.

NORTH CADDO CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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 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 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 – PROPERTY AND EQUIPMENT:

The District maintains a list of property and equipment that was purchased at a cost of \$139,288. Due to the District utilizing the cash basis of accounting, the cost of this property and equipment is not reported as assets in the financial statements.

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 and the OCC purchase 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, 2020, 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 October 13, 2020 the date which the financial statements were available to be issued.

NORTH CADDO CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 11 – FAIR VALUES OF FINANCIAL INSTRUMENTS:

The definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spread and credit risk).

Level 3: Significant unobservable inputs (including the District's own assumptions in determining the fair value of investments).

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 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.