

**MUSKOGEE COUNTY CONSERVATION
DISTRICT**
Muskogee, Oklahoma

ANNUAL FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

MUSKOGEE COUNTY CONSERVATION DISTRICT
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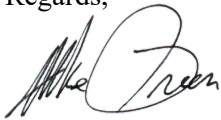
Accountant's Compilation Report

To the Board of Directors
Muskogee County Conservation District

Management is responsible for the accompanying cash basis financial statements of the Muskogee County Conservation District (the District), as of and for the year ended June 30, 2023, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, and for determining that the cash basis of accounting is an acceptable financial reporting framework. I 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. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

I 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.

Regards,



Michael Green CPA
August 30, 2023

MUSKOGEE COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS AND NET POSITION -
CASH BASIS
JUNE 30, 2023

Assets

Current Assets

Checking Accounts	\$ 25,671
Savings Account	1,975
Total Cash and Cash Equivalents	<u>27,646</u>

Certificates of Deposit	20,753
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Total Current Assets	<u>\$ 48,399</u>
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Net Position

Restricted	\$ -
Unrestricted	48,399
Total Net Position	<u>\$ 48,399</u>

See accompanying notes and accountant's compilation report.

**MUSKOGEE COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - CASH BASIS
FISCAL YEAR ENDED JUNE 30, 2023**

Operating Revenues:	
OCC Reimbursements	\$ 34,291
Cost Share Received	357,644
Cane Creek Repair Reimbursement	46,274
Sales and Equipment Rental	1,827
Nutrient Fund	500
Donations and Sponsorships	2,611
Miscellaneous Income	58
Total Operating Revenues	<u>443,205</u>
Operating Expenses:	
Payroll	17,507
Payroll Taxes and Benefits	4,895
Director Fees	1,050
Operating Expenses	3,648
Meetings, Travel, and Mileage	1,504
Conservation Education and Awards	3,925
Cost Share Paid	336,780
Watershed	51,254
Dues, Memberships, and Advertising	558
Equipment	2,196
Other Expenses	255
Total expenses	<u>423,572</u>
Operating income (loss)	<u>19,633</u>
Non-operating revenues (expenses):	
Interest income	<u>274</u>
Total non-operating revenues (expenses)	274
Change in net position	19,907
Net position, beginning of year	28,492
Net position, end of year	<u><u>\$ 48,399</u></u>

See accompanying notes and accountant's compilation report.

MUSKOGEE COUNTY CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Muskogee County Conservation District (the District) was created under Title 27A, Sections 3-1-101 through 3-3-410, as amended, of the Oklahoma State Statutes. The purpose of the District is to provide for the conservation of renewable natural resources in an 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, net position, revenues, and expenditures/expenses when they result from cash transactions. The cash basis is a basis of accounting other than the basis prescribed by accounting principles generally accepted in the United States of America.

As a result of the District's 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 accrued revenue and receivables) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, accrued expenses and liabilities) are not recorded in these financial statements.

Cash and Cash Equivalents

For the purpose of the financial statements, "cash and cash equivalents" includes all demand and savings accounts, certificates of deposit or short-term investments with an original maturity of three months or less and money market accounts.

Capital Assets

Capital assets arising from cash transactions are accounted for as capital outlay expenditures.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets of the District are cash accounts limited to a specific purpose. At June 30, 2023, there was \$0 in restricted cash.

Net Position

Net position is equal to assets in the statement of assets and net position.

Net position is displayed in two components:

- *Restricted net position* – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- *Unrestricted net position* – All remaining net position that does not meet the definition of "restricted".

It is the District's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Operating Revenue and Expenses

Operating revenues and expenses result from providing services and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

NOTE 2: CASH AND DEPOSITS

Custodial Credit Risk – Custodial credit risk related to deposits exists when the District holds deposits that are uninsured and uncollateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the District’s name or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the District holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the District’s name. The District’s policy for custodial credit risk is to secure its uninsured deposits with collateral. As of June 30, 2023 the District’s bank balances of \$48,399 were covered by FDIC insurance.

Investment Credit Risk - The District has no investment policy that limits investment choices other than the limitation of state law. As of June 30, 2023, the District did not hold investments other than certificates of deposits which were insured by FDIC insurance.

NOTE 3: 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, the reimbursements are recognized as revenues.

NOTE 4: 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’s management 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 5: CONTINGENCIES:

The District is a party to various legal proceedings that normally occur in the course of operations. As of June 30, 2023, the District did not have any pending litigation or potential non-disclosed liabilities that management believe would have a material effect on the financial statements.

NOTE 6: SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 30, 2023, which is the date the financial statements were available to be issued.