

*PITTSBURG COUNTY CONSERVATION
DISTRICT*

*ANNUAL FINANCIAL STATEMENTS AND
ACCOMPANYING INDEPENDENT
ACCOUNTANT'S COMPILATION REPORTS*

*FOR THE FISCAL YEAR ENDED
JUNE 30, 2021*

PITTSBURG COUNTY CONSERVATION DISTRICT
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CHAIRMAN – LIZ SHAW

VICE CHAIRMAN- GARY CRAWLEY

SECRETARY/TREASURER – A.J. BRISTOW

MEMBER – PHILLIP SCOTT



KRISTI L. DOBBINS

Certified Public Accountant

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The Board of Directors
Pittsburg County Conservation District

Management is responsible for the accompanying financial statements of the Pittsburg County Conservation District, which comprise the District's basic financial statements as listed in the accompanying table of contents and the determination that the modified 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 form of 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 modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Kristi L. Dobbins, CPA
October 30, 2021

**PITTSBURG COUNTY CONSERVATION DISTRICT
STATEMENT OF ASSETS, LIABILITIES AND NET POSITION
CASH BASIS - GENERAL FUND
June 30, 2021**

ASSETS

Current Assets:	
Cash	\$22,399
	<hr/>
Total Assets	22,399
	<hr/>

LIABILITIES

Liabilities:	
Payroll withholding liabilities	917
	<hr/>
Total Liabilities	917
	<hr/>

NET POSITION

Net Position	
Unrestricted	21,482
	<hr/>
Total Net Position	\$21,482
	<hr/>

See accompanying notes to the basic financial statements and Independent Accountant's Report

PITTSBURG COUNTY CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION-CASH BASIS
For the year ended June 30, 2021

Operating Revenues:

OCC reimbursements	\$95,832
Cost share received	67,951
Equipment rental	11,210
Youth board revenue	149
CARE Project	11,186
Miscellaneous	1,544
Total Operating Revenues	<u>187,871</u>

Operating Expenses:

Salaries and payroll taxes	90,649
Employee benefits	1,275
Cost share payments	67,951
Automobile and travel expense	1,610
Office expense and postage	2,650
Materials and Supplies	6,737
Meetings and conventions	389
Dues, licenses and fees	491
Insurance and bonds	1,447
Professional Fees	1,667
Repairs and maintenance	5,509
Rent equipment	630
Springs and Seeds	563
Youth Board program expense	507
Utilities	247
Total Operating Expenses	<u>182,322</u>

Operating Income (Loss)	5,549
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Nonoperating Revenues (Expenses):

Interest Income	<u>8</u>
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Changes in net position	5,557
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Net Position - beginning of year	15,925
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Net Position - end of year	<u>\$21,482</u>
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See accompanying notes to the basic financial statements and Independent Accountant's Report

PITTSBURG COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Financial Reporting Entity
- B. Basis of Presentation
- C. Assets, Liabilities and Equity
- D. Revenues and Expenditures

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. Deposits and Investments Laws and Regulations

NOTE 3. DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

- A. Cash

NOTE 4. OTHER NOTES

- A. Employee Pension and Other Benefits
- B. Commitments and Contingencies

**PITTSBURG COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the use of a modified cash basis of accounting as discussed in Note 1.C., the District complies with accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles (GAAP) includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

1.A. FINANCIAL REPORTING ENTITY

Pittsburg County Conservation District was established pursuant to Title 82 of Oklahoma State Law. The purpose of the District is to provide for the conservation of the renewable natural resources of this state, and for the control and prevention of soil erosion, and for the prevention of floodwater and sediment damages, and for furthering the conservation, development, utilization and disposal of water and thereby to preserve and develop natural resources, control floods, conserve and develop water resources and water quality, prevent impairment of dams and reservoirs, preserve wildlife, preserve natural beauty, promote recreational development, protect the tax base, protect public lands and protect and promote the health, safety and general welfare of the people of this state.

The Oklahoma Conservation Commission provides oversight and management to the Oklahoma Conservation Districts pursuant to Title 27-A of the Oklahoma State Statutes.

The accompanying financial statements include all functions and activities over which the Conservation District exercises financial accountability. The District is considered a primary government as defined by the Governmental Accounting Standards Board (GASB) and has no other component units within its reporting entity.

1.B. BASIS OF ACCOUNTING

The District prepares its financial statements using the cash basis of accounting. This basis recognizes assets, liabilities, net assets, 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.

1.C. ASSETS AND LIABILITIES

Cash

For the purpose of the balance sheet, "cash" includes all demand accounts held by the District.

Accounts Receivable

As a result of the cash basis of accounting, accounts receivable and other revenue related receivables are not reported in the financial statements.

Capital Assets

The District maintains a list of property and equipment that was purchased by the District and by the Oklahoma Conservation Commission. Due to the District's utilizing the cash basis of accounting, the cost and related depreciation of this property and equipment is not reported as assets in the financial statements.

1.D. REVENUE AND EXPENDITURES

Reimbursements

The District receives reimbursements from the Oklahoma Conservation Commission (OCC). The funds for operation of the OCC and the conservation districts are appropriated annually by the legislature for the Commission to allocate to each district on a reimbursable basis. The funding is broken down into the following program areas:

- | | |
|---------------------------------------|---|
| • * Administration | * Abandoned Mine Land (AML) Reclamation Program |
| • * Watershed Planning and Archeology | * Water Quality Management |
| • * Field Services | * Small Watersheds Flood Control Fund |

Other revenues the District receives are listed separately on the financial statements.

PITTSBURG COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2021

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2.A. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

In accordance with O.S. Title 62, Section 516.3, all uninsured deposits of municipal funds and other political subdivisions in financial institutions must be secured with acceptable collateral valued at the lower of market or par. The District's deposits were properly insured by FDIC Insurance carried by depository banks.

NOTE 3 - DETAIL NOTES - TRANSACTION CLASSES/ACCOUNTS

3.A. CASH

Custodial Credit Risk

At June 30, 2021, the District held deposits of approximately \$22,399 at financial institutions. The District's cash deposits are entirely covered by the Federal Depository Insurance (FDIC) or direct obligation of the U.S. Government insured or collateralized with securities held by the District or by its agent in the District's name.

NOTE 4 - OTHER NOTES

4.A. EMPLOYEE PENSION AND OTHER BENEFITS

The District participates in one employee pension system as follows:

<u>Name of Plan/System</u>	<u>Type of Plan</u>
Oklahoma Public Employees Retirement Plan	Cost Sharing Multiple Employer - Defined Benefit Plan
<u>Oklahoma Public Employees' Pension and Retirement System</u>	

The Oklahoma Conservation Commission, as the employer, participates in one statewide cost-sharing multi-employer defined benefit plan on behalf of the employees working at least 1,000 hours per month. The system is funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary. The following is a summary of eligibility factors, contribution methods, and benefit provisions.

Obtaining separately issued financial statements	Oklahoma Public Employees Retirement System 6601 N. Broadway, Suite 129 Oklahoma City, OK 73116
Eligibility to participate	All full-time permanent employees of a participating local government
Authority establishing contribution obligations and benefits	State Statute
Employee's contribution rate (percent of covered payroll)	3.5%
Commission's Contribution rate (percent of covered payroll)	16.5%
State obligation	State appropriation to fund the unfunded actuarial accrued liability
Period required to vest	7 ½ years, of which 6 must be fulltime service
Eligibility and benefits for distribution (full-time)	2% of the average highest 3 years' annual covered compensation received during the last 10 years of participating service multiplied by the number of years of credited service.
Deferred retirement option	No

PITTSBURG COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2021

Provisions for:

Cost of living adjustments (normal retirement)	Yes
Death (duty, non-duty, post retirement)	Yes
Disability (duty, non-duty)	Yes
Cost of living allowances	No

Trend Information

Contributions required by State Statute and paid to the System for fiscal years 2019, 2020 and 2021 were \$11,005, \$11,736, and \$13,983 respectively. These contributions represent 100% of the required contribution in each fiscal year.

Related Party Investments

As of June 30, 2021, the System held no related-party investments of the District.

4.B. COMMITMENTS AND CONTINGENCIES

Commitments

As a result of the District's use of the cash basis of accounting, accrued amounts related to compensated absences (annual leave and sick leave) earned but unpaid at year-end are not reflected in the financial statement. The compensated absence commitment on June 30, 2021, including employer related costs, is \$14,161.

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 OCC purchases commercial insurance for these and other risks of loss. Settled claims have not exceeded the coverage in past years.

3.C. EVALUATION OF SUBSEQUENT EVENTS:

The District has evaluated subsequent events through October 27, 2021, the date which the financial statements were available to be issued.