

WATER USERS' DISTRICT NO. 63

FINANCIAL REPORT

For the year ended December 31, 1995

CONTENTS

	<u>Page</u>
Accountants' Report	1
Financial Statements:	
Statement of Assets and Liabilities Arising from Cash Transactions	2
Statement of Revenues, Expenditures, Transfers and Changes in Fund Balances (Cash Basis)	3
Notes to Financial Statements	4-5
Supplemental Data:	
Statement of Expenditures - General Fund - Budget and Actual (Cash Basis)	6

**Parker &
Wilkerson**

CERTIFIED PUBLIC ACCOUNTANTS

BRUCE C. PARKER, CPA • CARY O. WILKERSON, CPA

4619 Emerald, Suite E • Boise, Idaho 83706 • FAX (208) 342-6591 • (208) 342-6561

Advisory Committee
Water Users' District No. 63
Boise, Idaho

We have audited the accompanying general purpose financial statements consisting of the statement of assets and liabilities arising from cash transactions of Water Users' District No. 63, as of December 31, 1995, and the related statements of revenue, expenditures, transfers and changes in fund balances (cash basis) for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraphs, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

We have been unable to satisfy ourselves concerning a substantial portion of the cost or estimated cost of fixed assets recorded in the General Fixed Assets Account Group because detailed records and documentation of historical and estimated costs are not available.

In our opinion, except for the effects of such adjustments if any, as might have been determined to be necessary had we been able to examine evidence documenting historical and estimated costs for amounts recorded in the General Fixed Assets Account Group, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Water Users' District No. 63 as of December 31, 1995, and its revenues collected and expenses paid during the year then ended, on the basis of accounting described in Note 1.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Water Users District No. 63. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and in our opinion is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Parker & Wilkerson

October 31, 1996
Boise, Idaho

WATER USERS' DISTRICT NO. 63
STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
December 31, 1995

<u>ASSETS</u>	<u>GOVERNMENTAL FUND TYPES</u>	<u>ACCOUNT GROUPS</u>	<u>TOTAL MEMORANDUM ONLY</u>
	<u>General Fund</u>	<u>General Fixed Asset</u>	
Cash in bank (Note 5)	\$ 54,994	\$	\$ 54,994
Vehicle and equipment, at cost	<u> </u>	38,016	<u>38,016</u>
Total assets	<u>\$ 54,994</u>	<u>\$ 38,016</u>	<u>\$ 93,010</u>
 <u>LIABILITY AND FUND BALANCE</u>			
Liabilities:			
Credit card payable	\$ 1,431	\$	\$ 1,431
 Fund Equity:			
Investment in property and equipment	<u> </u>	38,016	<u>38,016</u>
 Fund Balances:			
Designated for equipment acquisitions (Note 6)	2,000		2,000
Undesignated (Note 6)	<u>51,563</u>		<u>51,563</u>
	<u>53,563</u>		<u>53,563</u>
Total liabilities and fund balances	<u>\$ 54,994</u>	<u>\$ 38,016</u>	<u>\$ 93,010</u>

See the accompanying notes

WATER USERS' DISTRICT NO. 63
STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS
AND CHANGES IN FUND BALANCES (Cash Basis)
For the year ended December 31, 1995

	<u>GOVERNMENTAL</u> <u>FUND TYPE</u> <u>General</u>
Revenues (Losses):	
Assessments	\$ 53,299
Water Bank - Fees Collected	86,126
Interest	4,506
Disposition of Equipment	<u>(285)</u>
Total Revenues	<u>143,646</u>
Expenses:	
Water Bank - Fees Disbursed	77,486
Watermaster Salary	37,200
Employee Benefits	4,779
IUWA Meter Expense	4,350
Watermasters Convention and Education	4,008
Automotive	3,639
Payroll Taxes	2,946
Rent	2,465
Insurance	2,145
Office and Miscellaneous	1,754
Telephone	1,005
Audit Fee	800
Directors Per Diem	<u>200</u>
Total Expenses	<u>142,777</u>
Excess Revenues (Expenses)	869
Fund balances, Beginning of year	78,157
Asset acquisitions, general fixed asset group transfer	<u>(25,463)</u>
Fund balances, End of Year	<u>\$ 53,563</u>

See the accompanying notes.

**WATER USERS' DISTRICT NO. 63
NOTES TO FINANCIAL STATEMENTS**

1) **Summary of Significant Accounting Policies:**

The following is a summary of significant accounting policies utilized by the District in preparation of the accompanying financial statements:

Investments:

All investments are at cost, which approximates market.

Accounting Method:

The accounting records for all funds of the District are kept on the cash basis, with revenue and related assets recognized as received rather than when earned and expenditures recorded when paid rather than when the obligation is incurred.

Acquisitions of vehicle and equipment are recorded as expenditures in the period of acquisition. The cost or estimated cost is capitalized through an offsetting entry to the account, investment in vehicle and equipment. Upon disposal, the General Fixed Assets Account Group is relieved of the assets estimated original cost or other basis; any receipt from such disposal is accounted for as a revenue of the General Fund. No provision for depreciation is provided for on assets recorded in the General Fixed Assets Account Group.

Expenditures for materials and supplies are recorded in the year made rather than at the time they are consumed (purchase method). There were no material amounts of inventories on hand at year end.

Expenditures for insurance are recorded as an expenditure in the year made rather than over the term of the policy period.

Budget:

A budget is prepared for each governmental fund in accordance with the cash basis of accounting and legal requirements set forth in the Idaho Code.

Entity:

The financial statements of the District include all funds and programs over which the District exercises oversight responsibility. In determining whether this responsibility exists, such factors as selection of the governing board and management, ability to influence operations and the ultimate accountability for fiscal matters were all considered.

"Memorandum totals" shown are for information only and are not intended to present consolidated financial statement information.

2) **Organization**

The administration of the District is vested in a nine man board of directors, chairman, and a secretary all of which are elected annually.

**WATER USERS' DISTRICT NO. 63
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

3) Description of Funds and Account Groups

General Fund:

This fund accounts for the District's general operations. It is used to account for all transactions not specifically related to the District's other funds. Its major sources of revenue are "Water User Fees".

General Fixed Assets Account Group:

The account group accounts for the District's investment in vehicle and equipment.

4) Employee Retirement

The District's Water Master participates in the Idaho State Employee Retirement System. The Water Master and the District fund the plan based on percentages of the Water Master's salary as specified by the State of Idaho Employee Retirement System. Total pension expense for the District in 1995 was \$4,319.

5) Cash Balances

At December 31, 1995, the District had cash deposits in the following accounts:

Checking	\$ 1,933
Savings	10,468
Deposited with "Idaho State Treasurer Local Government Investment Pool"	<u>42,593</u>
	<u>\$ 54,994</u>

Deposits in checking and savings are located in a commercial bank and are fully insured by the FDIC.

6) Reconciliation of Fund Balances

	<u>Designated</u>	<u>Undesignated</u>	<u>Total</u>
Balance beginning	\$ 7,500	\$ 70,657	\$ 78,157
Add excess of revenues over expenses		869	869
Transfer for asset acquisition	(9,000)	9,000	
Asset acquisition		(25,463)	(25,463)
Additional amount designated during the year by the board for vehicle replacement	<u>3,500</u>	<u>(3,500)</u>	
	<u>\$ 2,000</u>	<u>\$ 51,563</u>	<u>\$ 53,563</u>

The "Idaho State Treasurer Local Government Investment Pool" invests approximately 80% of the funds in U.S. Government Securities and FDIC Insured Time Certificate of Deposits. The remaining 20% is invested in commercial paper of publicly traded entities.

SUPPLEMENTAL DATA

WATER USERS' DISTRICT NO. 63
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (Cash Basis)
For the Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Budgeted Expenditures:			
Salary - Water Master	\$ 37,200	\$ 37,200	\$ 0
Retirement and Employee Insurance	6,000	4,008	1,992
Miscellaneous and Assessment Refunds and Contingency Fund	(B) 5,400	9,678	(4,278)
Payroll Taxes	2,850	2,946	(96)
Rent	2,400	2,465	(65)
Automotive & Insurance	2,200	3,639	(1,439)
Telephone	850	1,005	(155)
	<u>\$ 56,900</u>	<u>\$ 60,941</u>	<u>\$ (4,041)</u>
Non-Budgeted Expenditures:			
IUWA Meter Expense		4,350	
Water Bank - Fees Disbursed		<u>77,486</u>	
		<u>\$ 142,777</u>	
Salary - Assistant Water Master ^(A)			
Salary - Secretary ^(A)			

(A) If an assistant watermaster and/or secretary is needed to be hired, the funds are to be provided by the Money Market Interest Account in amounts not to exceed \$2,500.00 per position/per year.

(B) If additional money is needed for the contingency fund, these monies are to be provided by the Money Market Interest Account in amounts not to exceed \$1,500.00 per year.