

Water District No. 65

Financial Statements
December 31, 1996 & 1995

Water District No. 65
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Advisory Board of Directors
Water District No. 65
Payette, Idaho 83661

I have compiled the accompanying balance sheets of Water District No. 65 (a nonprofit organization) as of December 31, 1996 and 1995, and the related statements of revenue, expenses & changes in fund balance for the years then ended in accordance with Statements on Standards and review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statements of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the organization's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The information included in the accompanying supplemental information – actual to budget comparison is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

Accounting Northwest, P.A.

January 13, 1996

Water District No. 65
BALANCE SHEETS

	December 31, 1996		December 31, 1995	
Assets				
Current Assets				
Cash in Checking	\$ 983	0.2%	\$ 4,224	0.9%
Cash in Savings, Rental Pool	0	0.0%	878	0.2%
Cash in Certificates of Deposits	200,000	49.7%	396,410	80.1%
Cash in Money Market Savings	0	0.0%	82,474	16.7%
Cash in Idaho State Treasury	176,462	43.8%	0	0.0%
Receivables, Assessments	194	0.0%	249	0.1%
Receivables, Contracts	1,075	0.3%	0	0.0%
Receivables, Rental Pool	13,261	3.3%	563	0.1%
Total Current Assets	391,976	97.4%	484,799	97.9%
Property & Equipment				
Field Equipment	10,122	2.5%	8,154	1.6%
Office Equipment	5,979	1.5%	5,347	1.1%
Total Property & Equipment	16,101	4.0%	13,501	2.7%
Less Accumulated Depreciation	(5,584)	-1.4%	(3,237)	-0.7%
Property & Equipment, Net	10,517	2.6%	10,264	2.1%
Total Assets	\$ 402,493	100.0%	\$ 495,063	100.0%
Liabilities				
Current Liabilities				
Deferred Revenues	\$ 161,926	40.2%	\$ 328,153	66.3%
Idaho Water Resource Board Fees Payable	12,653	3.1%	2,415	0.5%
Accrued Expenses Payable	1,590	0.4%	2,087	0.4%
Water Rentals Payable	9,902	2.5%	417	0.1%
Interest Payable to Rental Pool Lessors	5,094	1.3%	8,000	1.6%
Total Current Liabilities	191,165	47.5%	341,072	68.9%
Total Liabilities	191,165	47.5%	341,072	68.9%
Fund Balance	211,328	52.5%	153,991	31.1%
Total Liabilities & Fund Balance	\$ 402,493	100.0%	\$ 495,063	100.0%

See accountant's compilation report.

Water District No. 65
STATEMENTS OF REVENUE, EXPENSES & CHANGES IN FUND BALANCE

	For the Year Ended December 31, 1996		For the Year Ended December 31, 1995	
Revenue				
Administrative Fees, US Bureau of Reclamation	\$ 56,317	24.8%	\$ 42,114	33.5%
Administrative Fees, Other	110,843	48.9%	12,261	9.8%
Assessments	58,503	25.8%	70,128	55.8%
State Grant, Cost Share on River Gauge	1,075	0.5%	1,075	0.9%
Total Revenue	226,738	100.0%	125,578	100.0%
Expenses				
Automobile Expenses	6,920	3.1%	3,915	3.1%
Bank Service Charges	8	0.0%	0	0.0%
Computer Services	374	0.2%	306	0.2%
Cost Sharing Program	13,680	6.0%	17,212	13.7%
Depreciation of Property & Equipment	2,347	1.0%	3,237	2.6%
Diversion Upgrade Study	4,843	2.1%	0	0.0%
Dues & Subscriptions	882	0.4%	771	0.6%
Insurance, Workers Compensation	398	0.2%	0	0.0%
Interest, Rental Pool	0	0.0%	1,920	1.5%
IWUA Coalition Funding	72,000	31.8%	0	0.0%
Other Miscellaneous Expenses	78	0.0%	75	0.1%
Operation & Maintenance of River Gauge	8,700	3.8%	10,416	8.3%
Rent Expense, Office	6,600	2.9%	1,502	1.2%
Office Supplies	2,051	0.9%	722	0.6%
Payroll, Salaries & Wages	43,050	19.0%	48,119	38.3%
Payroll, Medical & Retirement Benefits	9,900	4.4%	4,870	3.9%
Payroll Taxes	4,249	1.9%	4,504	3.6%
Postage & Delivery	683	0.3%	516	0.4%
Printing & Reproduction	1,158	0.5%	124	0.1%
Professional Fees, Accounting	553	0.2%	85	0.1%
Professional Fees, Legal	0	0.0%	9,500	7.6%
Rent Expense, Radio	0	0.0%	40	0.0%
Repairs	299	0.1%	120	0.1%
Telephone	3,284	1.4%	3,681	2.9%
Travel, Training & Meals	3,139	1.4%	1,391	1.1%
Utilities	0	0.0%	342	0.3%
Total Expenses	185,196	81.7%	113,367	90.3%
Excess of Revenue Over Expenses Before Other Income	41,541	18.3%	12,211	9.7%
Other Income, Interest	15,796	7.0%	4,594	3.7%
Excess of Revenue Over Expenses	\$ 57,337	25.3%	\$ 16,805	13.4%
Fund Balance, Beginning of Period	153,991		137,187	
Fund Balance, End of Period	\$ 211,328		\$ 153,991	

See accountant's compilation report.

Water District No. 65

Supplemental Information

December 31, 1996

Water District No. 65

SUPPLEMENTAL INFORMATION -- Actual to Budget Comparison

	Actual For the Year Ended December 31, 1996		Budget For the Year Ended December 31, 1996		Actual as a Percent of Budget	Favorable (Unfavorable) Variance
Revenues						
Administrative Fees, US Bureau of Reclamati	\$ 56,317	24.8%	\$ 47,500	44.6%	118.6%	\$ 8,817
Administrative Fees, Other	110,843	48.9%	0	0.0%		110,843
Assessments	58,503	25.8%	58,000	54.4%	100.9%	503
State Grant, Cost Share on River Gauge	1,075	0.5%	1,075	1.0%	100.0%	0
Total Revenues	226,738	100.0%	106,575	100.0%	212.7%	120,163
Expenses						
Advertising & Promotion	0	0.0%	100	0.1%	0.0%	100
Automobile Expenses	6,920	3.1%	7,094	6.7%	97.5%	174
Bank Service Charges	8	0.0%	0	0.0%		(8)
Computer Services	374	0.2%	400	0.4%	93.6%	26
Cost Sharing Program	13,680	6.0%	20,000	18.8%	68.4%	6,320
Depreciation of Property & Equipment	2,347	1.0%	0	0.0%		(2,347)
Diversion Upgrade Study	4,843	2.1%	5,000	4.7%	96.9%	157
Dues & Subscriptions	882	0.4%	750	0.7%	117.7%	(132)
Insurance, Workers Compensation	398	0.2%	0	0.0%		(398)
Interest, Rental Pool	0	0.0%	0	0.0%		0
IWUA Coalition Funding	72,000	31.8%	72,000	67.6%	100.0%	0
Other Miscellaneous Expenses	78	0.0%	100	0.1%	78.3%	22
Operation & Maintenance of River Gauge	8,700	3.8%	11,000	10.3%	79.1%	2,300
Rent Expense, Office	6,600	2.9%	6,600	6.2%	100.0%	0
Office Supplies	2,051	0.9%	2,500	2.3%	82.0%	449
Payroll, Salaries & Wages	43,050	19.0%	45,000	42.2%	95.7%	1,950
Payroll, Medical & Retirement Benefits	9,900	4.4%	9,300	8.7%	106.5%	(600)
Payroll Taxes	4,249	1.9%	3,851	3.6%	110.3%	(398)
Postage & Delivery	683	0.3%	600	0.6%	113.8%	(83)
Printing & Reproduction	1,158	0.5%	300	0.3%	386.0%	(858)
Professional Fees, Accounting	553	0.2%	700	0.7%	78.9%	148
Professional Fees, Legal	0	0.0%	0	0.0%		0
Rent Expense, Radio	0	0.0%	120	0.1%	0.0%	120
Repairs	299	0.1%	150	0.1%	199.0%	(149)
Telephone	3,284	1.4%	3,200	3.0%	102.6%	(84)
Travel, Training & Meals	3,139	1.4%	1,600	1.5%	196.2%	(1,539)
Utilities	0	0.0%	0	0.0%		0
Total Expenses	185,196	81.7%	190,365	178.6%	97.3%	5,169
Net Increase in Funds Before Other Income	41,541	18.3%	(83,790)	-78.6%	-49.6%	125,331
Other Income, Interest	15,796	7.0%	2,000	1.9%	789.8%	13,796
Net Increase in Funds	\$ 57,337	25.3%	\$ (81,790)	-76.7%	-70.1%	\$ 139,127

See accountant's compilation report.