

**THE BIJOU IRRIGATION DISTRICT**  
**AUDITED FINANCIAL STATEMENTS**  
**December 31, 2016**



**LIITTJOHANN, KAUFFMAN, and PEDERSON**  
Certified Public Accountants



**RECEIVED**

*By the Office of the State Auditor at 11:00 am, Sep 14, 2017*

THE BIJOU IRRIGATION DISTRICT  
TABLE OF CONTENTS  
December 31, 2016

Independent Auditors' Report	1
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet – Governmental Funds	5
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	6
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	7
Notes to Financial Statements	8
Required Supplementary Information	
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Governmental Funds	20
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	21



**LIITTJOHANN, KAUFFMAN, and PEDERSON**  
Certified Public Accountants

David A. Kauffman, C.P.A., P.C.

Daniel M. Pederson, C.P.A.'s, P.C.

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
The Bijou Irrigation District

We have audited the accompanying financial statements of the governmental activities, and each major fund of The Bijou Irrigation District, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of The Bijou Irrigation District, as of December 31, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund and the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Other Matters*

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Fort Morgan, Colorado  
September 7, 2017

THE BIJOU IRRIGATION DISTRICT  
STATEMENT OF NET POSITION  
December 31, 2016

	Governmental Activities
<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 1,254,558
Investments	127,343
Accounts receivable	358
Deposits	650
Prepaid expenses	426
Total Current Assets	1,383,335
<b>Capital Assets</b>	
Land	430,732
Ditch rights	15,772
Empire reservoir and improvements	7,381,344
Bijou canal, reservoir and improvements	1,675,272
Empire spillway	807,633
Equipment	242,417
Real estate and improvements	225,546
Chace Pond	99,047
Goedert ponds rights	87,188
Diversion rehabilitation structure	2,918,620
Less: Accumulated depreciation	(3,715,509)
Total Capital Assets, net	10,168,062
<b>Other Assets</b>	
Cash restricted	37,376
Investments - restricted	488,766
Water rights and decree	1,077,168
Retained patronage	9,588
Unamortized debt issuance costs - net	58,944
Total Other Assets	1,671,842
<b>Total Assets</b>	<b>13,223,239</b>
<b>Deferred Outflows of Resources</b>	
Acreage assessments receivable	893,257
<b>Liabilities</b>	
Accounts payable	51,593
Due to others	-
Rental deposit	2,000
Accrued interest payable	74,518
Unearned revenue	2,434
Current maturities of long-term notes payable	128,614
Total Current Liabilities	259,159
<b>Long-term Liabilities</b>	
Notes payable	5,960,963
Total Liabilities	6,220,122
<b>Deferred Inflows of Resources</b>	
Deferred acreage assessment revenue	893,257
<b>Net Position</b>	
Capital Stock	200,000
Net invested in capital assets	4,078,485
Restricted	429,563
Unrestricted	2,295,069
Total Net Position	\$ 7,003,117

The accompanying notes and independent auditors'  
report should be read with this statement.

THE BIJOU IRRIGATION DISTRICT  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2016

		<u>Program Revenues</u>		
Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Government Grants</u>	<u>Net Governmental Activities</u>
Governmental Activities				
General government	\$ 378,427	\$ 14,500		\$ (363,927)
Conservation of natural resources	1,089,905	391,658		(698,247)
Interest on long-term debt	140,963	-		(140,963)
	<u>1,609,295</u>	<u>406,158</u>	<u>-</u>	<u>(1,203,137)</u>
General Revenues				
Acreage/stock assessments				1,069,258
Well augmentation assessments				273,327
Interest				22,122
Patronage income				334
Other				440,381
				<u>1,805,422</u>
Change in Net Position				602,285
Net Position, Beginning of Year				<u>6,400,832</u>
Net Position, End of Year				<u>\$ 7,003,117</u>

The accompanying notes and independent auditors' report should be read with this financial statement.

THE BIJOU IRRIGATION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2016

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>Assets</b>			
Cash	\$ 216,754	\$ 1,037,804	\$ 1,254,558
Cash - restricted	-	37,376	37,376
Investments	127,343	-	127,343
Investments - restricted	488,766	-	488,766
Accounts receivable - operating	-	358	358
Prepaid expenses	426	-	426
Deposits	-	650	650
Water investments	434,127	643,041	1,077,168
<b>Total Assets</b>	<b>1,267,416</b>	<b>1,719,229</b>	<b>2,986,645</b>
<b>Deferred Outflows of Resources</b>			
Acreage assessments receivable	893,257	-	893,257
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 2,160,673</b>	<b>\$ 1,719,229</b>	<b>\$ 3,879,902</b>
<b>Liabilities</b>			
Accounts payable	\$ 17,375	\$ 34,218	\$ 51,593
Rental deposit	-	2,000	2,000
Unearned revenue	-	2,434	2,434
<b>Total Liabilities</b>	<b>17,375</b>	<b>38,652</b>	<b>56,027</b>
<b>Deferred Inflows of Resources</b>			
Deferred acreage assessment revenue	893,257	-	893,257
<b>Fund Equity</b>			
Capital Stock	-	200,000	200,000
Fund balance			
Nonspendable:			
Prepaid expenses	426	-	426
Deposits	-	650	650
Restricted for:			
Debt service	316,887	37,376	354,263
Emergency	51,300	24,000	75,300
Assigned - Special Revenue Fund	-	1,418,551	1,418,551
Unassigned - General Fund	881,428	-	881,428
<b>Total Fund Equity</b>	<b>1,250,041</b>	<b>1,680,577</b>	<b>2,930,618</b>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Equity</b>	<b>\$ 2,160,673</b>	<b>\$ 1,719,229</b>	
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>			
Capital assets, retained patronage and debt issuance costs used in governmental activities are not financial resources and, therefore, are not reported in the fund.			10,236,594
Long-term liabilities, including capital leases and accrued interest are not due and payable in the current period and, therefore, are not reported in the fund.			(6,089,577)
Interest is accrued on outstanding long-term debt and is not due and payable in the current period and, therefore, is not reported in the fund.			(74,518)
<b>Net Position of Governmental Activities</b>			<b>\$ 7,003,117</b>

The accompanying notes and independent auditors'  
report should be read with this financial statement.

THE BIJOU IRRIGATION DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2016

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>Revenue</b>			
Acreage/stock assessments	\$ 893,258	\$ 176,000	\$ 1,069,258
Well augmentation assessments	-	273,327	273,327
Running fees	-	129,382	129,382
CBT water lease	-	171,276	171,276
Recreation fees	14,500	-	14,500
Boating lease revenue	155,500	-	155,500
Grant revenue	-	-	-
Interest	19,570	2,552	22,122
Legal and engineering reimbursements	-	-	-
Other	286,822	89,393	376,215
	<u>1,369,650</u>	<u>841,930</u>	<u>2,211,580</u>
<b>Expenditures</b>			
General government	216,779	161,947	378,726
Conservation of natural resources	513,787	389,605	903,392
Capital outlay	663,902	204,859	868,761
Capital outlay - small materials	-	5,418	5,418
	<u>1,394,468</u>	<u>761,829</u>	<u>2,156,297</u>
Revenues in Excess (Deficiency) of Expenditures	(24,818)	80,101	55,283
<b>Other Financing Uses</b>			
Debt service - Principal	(188,416)	(22,628)	(211,044)
Interest	(128,471)	(14,747)	(143,218)
	<u>(316,887)</u>	<u>(37,375)</u>	<u>(354,262)</u>
Changes in Fund Balance	(341,705)	42,726	(298,979)
Fund Balance - Beginning of Year as previously reported	1,591,746	1,437,851	3,029,597
	<u>1,591,746</u>	<u>1,437,851</u>	<u>3,029,597</u>
Fund Balance - End of Year	<u>\$ 1,250,041</u>	<u>\$ 1,480,577</u>	<u>\$ 2,730,618</u>

The accompanying notes and independent auditors' report should be read with this financial statement.

THE BIJOU IRRIGATION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE,  
EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2016

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net change in fund balance of governmental fund \$ (298,979)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation expense in the period.

Depreciation expense	\$(183,664)	
Capital outlays	<u>874,179</u>	690,515

Repayment of a note payable is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt repayments. 211,045

In the statement of activities, certain operating expenses such as interest are measured by the amounts incurred during the year. In the governmental funds; however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount represents the net effect of interest payable on the statement of activities. 2,256

Debt issuance costs associated with long-term notes payable are recognized as expenditures and other financing uses in the governmental funds at the time the debt is issued. However, these items are capitalized in the statement of activities and amortized over the life of the debt. This is the amount of amortization on debt issuance costs. (2,552)

Change in net position of governmental activities \$ 602,285

The accompanying notes and independent auditors' report should be read with this financial statement.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The Bijou Irrigation District (the District) have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) applicable to the state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

A. Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable and organizations that raise and hold economic resources for the direct benefit of the District. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. Legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on, the District.

Based upon the application of these criteria, The Bijou Irrigation Company has been included as a component unit in the accompanying financial statements.

Blended Component Unit

The District owns controlling interest (68%) of The Bijou Irrigation Company (the Company), a Colorado non-profit corporation. The Company owns and maintains the Bijou Number Two Reservoir Facility, which is an integral part of the District's ditch operations.

The entities are homogeneous in operation of the total water supply and irrigation system and have several common board directors as well as arrangements for sharing office space, personnel and expenses.

The Bijou Irrigation Company is reported as if it were part of the primary government because of the District's controlling interest of the Company and homogeneous operations. The Company's information is also reported on a calendar-year basis.

The component unit issues separately audited financial statements. Copies of the component unit report can be obtained from The Bijou Irrigation Company, 229 Prospect Street, Fort Morgan, Colorado 80701.

B. Nature of Operations

The Bijou Irrigation District is a political subdivision of the State of Colorado governed by a five-member board of directors. The District is a Colorado local government unit, which owns and maintains the Empire Reservoir and ditch systems.

C. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basic Financial Statements (continued)

Government-wide financial statements report information about the reporting government as a whole. The effect of inter-fund activity has been removed from these statements. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities. These statements do not include Fiduciary Funds or component units which are fiduciary in nature.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business type activity. Assessments and other items not included among program revenues are reported instead as general revenues.

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column in the financial section of the basic financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Assessments are recognized as revenues in the year for which they are assessed. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in fund balance (i.e., revenues and other financing sources and expenditures and other financing uses).

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end except for federal and state grants for which a ninety day period is used.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include grants, entitlements and donations. On an accrual basis revenues from assessments are recognized in the fiscal year for which the assessments are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: assessments, fees, lease revenue, reimbursements, and interest income collected within sixty days after year-end.

The District reports the following major governmental funds:

General Fund

This fund accounts for the financial resources of the District which are not accounted for in any other fund. Principal sources of revenue are acreage assessments and recreation fees. Primary expenditures are for operations, maintenance and general administration.

The Bijou Irrigation Company (Blended Component Unit)

The Bijou Irrigation Company (the Company) owns and maintains water reservoir and distribution facilities. This fund consists of all the activities of The Bijou Irrigation Company, a non-profit corporation, during the period January 1, 2016 to December 31, 2016.

E. Budgets

The District adopts an annual budget for the General Fund, which is prepared on the cash basis of accounting. The District may authorize supplemental appropriations during the budget year. All budgetary appropriations lapse at year-end..

Colorado statutes provide the following timetable, which is followed in the adoption of budgets:

- 1) Submission of the proposed budget to the local governing body by October 15 of each year.
- 2) Certification of acreage assessments to the Board of County Commissioners by December 15.
- 3) Final adoption of budget and appropriations by December 31 of each year.
- 4) Acreage assessments due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.
- 5) Liens placed on property for which taxes are delinquent in November each year.

F. Encumbrances

The District does not utilize encumbrance accounting.

G. Cash and Investments

Cash and cash equivalents are considered to be cash on demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are recorded at fair value, which approximates cost.

H. Receivables

All trade and acreage assessments receivable are shown net of an allowance for uncollectible accounts. Based upon a review of existing receivables and prior collection experience, the District has determined all receivables to be collectible and no allowance has been established for 2016.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements.

J. Capital Assets

Capital assets, which include land and machinery and equipment (furniture, vehicles, computers, etc.), are reported in the Governmental Activities column of the Government-Wide Financial Statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not substantially add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and diversion rehabilitation structure	25-100 years
Empire reservoir	50-75 years
Bijou canal and reservoir	15-75 years
Equipment	3-20 years

K. Retained Patronage

Retained patronage includes the District's portion of undistributed earnings in two electrical cooperatives in Colorado. The amount is recorded at cost.

L. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The District has one item that qualifies for reporting in this category: Deferred acreage assessments which are based on current year land values but will not be realized until the following year.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category: Deferred acreage assessment revenue which is based on current year land values but will not be recognized as revenue until the following year.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

M. Net Position

Net position is comprised of the various net earnings from operating income, non operating revenues and expenses, and capital contributions. Net position is classified in the following three components:

*Net Investment in Capital Assets* - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of debt is included in the same net position component as the unspent proceeds.

*Restricted* - This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* - This component of net position consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of restricted or "net investment in capital assets."

When an expense is incurred for purposes for which there are both restricted and unrestricted net position available it is the District's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

N. Fund Balance

As of December 31, 2016, fund equity balances of the governmental funds are classified as follows:

*Non-spendable* - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

*Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* - amounts that can only be used for specific purposes determined by a formal action of the Board of Directors.

*Assigned* - amounts intended to be used for specific purposes that are neither restricted nor committed.

*Unassigned* - all other spendable amounts.

O. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 2. CASH AND INVESTMENTS

A. Cash

The Colorado Public Deposit Protection Act (PDPA) requires that all units of a local government deposit cash in eligible public depositories with eligibility determined by the state regulators.

Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for a/ public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. Cash deposits of the Governmental activities totaled \$38,032 including restricted cash at various financial institutions, at year-end.

Cash deposits of the Company totaled \$1,037,804 at year-end, on deposit with several financial institutions. Federal Deposit Insurance Corporation (FDIC) coverage is \$250,000 per institution, and as of December 31, 2016, there were no deposits that exceeded the coverage limit in any one institution. The Company has not experienced, nor does it anticipate, any losses due to this excess.

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. All of the District's deposits are covered by the PDPA; therefore, the District does not have custodial credit risk.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Credit risk is defined as the risk an issuer or other counterparts to an investment in debt securities will not fulfill its obligations. The District has not formally adopted policies regarding interest rate risk and credit risk.

B. Cash and Investments

The District has invested \$616,109 in the Colorado Government Liquid Asset Trust (COLOTRUST). State law limits investments for special districts to U.S. treasury issues, other federally backed notes and credits, and other agency offerings. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency.

State law further limits investments in money market funds to those institutions with over \$1 billion in assets or the highest credit rating by one or more nationally recognized rating agencies. The investment in COLOTRUST meets the state law requirement as the Trust has over \$1 billion in assets, is rated AAA by Standard and Poor's, and maintains a constant net asset value of \$1 per share.

The Colorado Water Conservation Board (CWCB) note payable (see Note 5) requires the District to have a payments reserve of all monies levied for debt service. The reserves at December 31, 2016 totaled \$443,616, which consisted of \$34,684 for the Spillway Note, \$96,855 for the Diversion Structure Rehabilitation Note, \$186,220 for the Dike Rehabilitation Project Note, \$125,857 for future repair and maintenance projects.

The CWCB note payable (see Note 5) requires The Bijou Irrigation Company (component unit) to have a Note Payment reserve requirement of all monies levied for the repayment. The reserve at December 31, 2016 is \$37,376.

THE BIJOU IRRIGATION DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2016

NOTE 3. WATER INVESTMENTS

General Fund

Water industry related investments are recorded at cost and estimated cost details are as follows:

	Cost or Estimated Cost
Water rights 1871 priority Direct Flow Decree dated March 29, 1909 under which the District is entitled to withdraw 40 cubic feet per second of water from the South Platte River	\$ 120,000
Bijou Irrigation Company (component unit) 2,718 shares	313,127
Total	\$ 433,127

Special Revenue Fund - The Bijou Irrigation Company (Blended Component Unit)

Water rights represent the estimated cost of water stock and three different water rights under which the Company is entitled to withdraw 516 - 1/3 cubic feet per second of water from the South Platte River. During 1985, the Company acquired a new water decree, which allows for an additional 600 cubic feet per second of water for augmentation purposes. During 2014, the Company purchased 5 Putnam Ditch Company water rights associated with a property purchased by the District. Water rights summary at December 31, 2016, is as follows:

Water decrees	\$ 450,733
Water augmentation decree	102,991
Water stock – 980 units of Colorado Big Thompson	1
Water stock – 5 shares Putnam Ditch Company	89,316
Total	\$ 643,041

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016 was as follows:

	Balance December 31, 2014	Additions	Deletions and Adjustments	Balance December 31, 2016
<u>Governmental Activities</u>				
Non-depreciable Assets:				
Land (Bijou Reservoir Company)	\$ 132,191	\$ -	\$ -	\$ 132,191
Land – other	298,541	-	-	298,541
Ditch rights	15,772	-	-	15,772
Total non-depreciable Assets	<u>446,504</u>	<u>-</u>	<u>-</u>	<u>446,504</u>
Depreciable Assets:				
Empire reservoir and improvements	2,050,453	22,788	-	2,073,241
Bijou canal, reservoir, and improvements	1,427,588	191,483	-	1,619,071
Dike rehabilitation structure	4,693,067	627,740	-	5,320,807
Empire reservoir and improvements	873,918	-	-	873,918
Equipment	210,249	32,168	-	242,417
Real estate and improvements	202,758	-	-	202,758
Chace pond	99,047	-	-	99,047
Goedert pond rights	87,188	-	-	87,188
Diversion rehabilitation structure	2,918,620	-	-	2,918,620
Less: Accumulated Depreciation	<u>(3,531,845)</u>	<u>(183,664)</u>	<u>-</u>	<u>(3,715,509)</u>
Net Depreciable Capital Assets	<u>9,031,043</u>	<u>690,515</u>	<u>-</u>	<u>9,721,558</u>
Total Assets – Governmental Activities	<u>\$ 9,477,547</u>	<u>\$ 690,515</u>	<u>\$ -</u>	<u>\$10,168,062</u>

Depreciation expense was charged to functions/programs of the primary government as follows:  
Conservation of Natural Resources \$183,664

NOTE 5. NOTES PAYABLE

District - Colorado Water Conservation Board - Spillway - On September 8, 2006, the District issued a promissory note in the amount of \$672,660 to the Colorado Water Conservation Board (CWCB) to construct a new spillway structure. On August 20, 2007, the District received an additional amount of \$51,290 as part of a renegotiation of the note agreement. The renegotiated note requires annual payments in the amount of \$34,589 commencing January 1, 2009. The final payment is due on January 1, 2038. The note bears interest at 2.5%. The spillway structure is provided as collateral on the note. The January 1, 2017 payment was made during 2016, and therefore there is no "current" portion due. The balance of this note at December 31, 2016 was \$559,801 and the amount of interest paid during 2016 was \$14,987.

The District levied an annual special assessment to the District land owners in the amount of to fund the annual payment of the note. A component of the note agreement requires the District to establish a reserve of all levied amounts pertaining to note repayment. In addition, the note agreement requires the District to establish a debt service reserve account. The District has combined both reserves into a single account held at ColoTrust (see Note 2). The debt service reserve amount is equal to one note payment with one-tenth of the payment amount deposited on the due date of the first payment and annually thereafter for the first ten years. In lieu of the ten-year funding option, the District has deposited an amount equal to one annual payment (\$34,589) in one lump sum payment into the ColoTrust account noted above. The balance in the reserve account at December 31, 2016 was \$34,684, including accumulated interest of \$95.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 5. NOTES PAYABLE (continued)

The total amount of restricted cash reserves with respect to the Spillway note payable at December 31, 2016 was \$34,589.

Principal and interest payments are summarized as follows:

Payment Due Date	Interest Rate	Principal Maturity	Interest Requirements	Total Debt Requirements
1/1/2017	2.50%	\$ -	\$ -	\$ -
1/1/2018	2.50%	20,594	13,995	34,589
1/1/2019	2.50%	21,108	13,480	34,589
1/1/2020	2.50%	21,636	12,952	34,589
1/1/2021	2.50%	22,177	12,412	34,589
2022-2026	2.50%	119,484	53,459	172,943
2027-2031	2.50%	135,185	37,758	172,943
2032-2036	2.50%	152,950	19,993	172,943
2037-2038	2.50%	66,667	2,510	69,177
		<u>\$ 559,801</u>	<u>\$ 166,560</u>	<u>\$ 726,361</u>

District - Colorado Water Conservation Board - Diversion Structure Rehabilitation - On March 7, 2008, the District issued a promissory note in the amount of \$654,480 to the Colorado Water Conservation Board (CWCB) for the Diversion Structure Rehabilitation project. On December 1, 2008 the District received an additional amount of \$1,436,220 for a total of \$2,090,700. The note requires annual principal and interest payments in the amount of \$96,589. The note bears interest at 2.25% with a thirty-year term. The diversion structure is provided as collateral on the note. The February 1, 2017 payment was made during 2016, and therefore there is no "current" portion due. The balance of the note payable to CWCB at December 31, 2016 was \$1,375,690 and the amount of interest paid during 2016 was \$30,810.

The District levied an annual special assessment to the stockholders in the amount of \$96,644 to fund the annual payment of the note and the debt service reserve account. A component of the note agreement requires the District to establish a reserve of all levied amounts pertaining to note repayment. In addition, the note agreement requires the District to establish a debt service reserve account. The District has combined both reserves into a single account held at ColoTrust (See Note 2). The debt service reserve amount is equal to one note payment with one-tenth of the payment amount (\$96,589) deposited on the due date of the first payment and annually thereafter for the first ten years. In lieu of the ten-year funding option, the District has deposited an amount equal to one annual payment (\$96,589) in one lump sum payment into the ColoTrust account noted above. The balance in the reserve account at December 31, 2016 was \$96,855, including accumulated interest of \$266 (see Note 2).

The total amount of restricted cash reserves with respect to the Diversion Structure Rehabilitation note payable at December 31, 2016 was \$96,589.

Principal and interest payments are summarized as follows:

Payment Due Date	Interest Rate	Principal Maturity	Interest Requirements	Total Debt Requirements
2/1/2017	2.25%	\$ -	\$ -	\$ -
2/1/2018	2.25%	65,636	30,953	96,589
2/1/2019	2.25%	67,113	29,476	96,589
2/1/2020	2.25%	68,623	27,966	96,589
2/1/2021	2.25%	70,167	26,422	96,589
2022-2026	2.25%	375,238	107,707	482,945
2027-2031	2.25%	419,395	63,550	482,945
2032-2035	2.25%	309,519	15,575	325,094
		<u>\$ 1,375,690</u>	<u>\$ 301,649</u>	<u>\$ 1,677,339</u>

THE BIJOU IRRIGATION DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2016

NOTE 5. NOTES PAYABLE (continued)

District - Colorado Water Conservation Board - Dike Rehabilitation Project - On March 7, 2008, the District obtained a note with the CWCB in the amount of \$2,408,850 for the Dike Rehab Project. On December 1, 2008 the District received an additional loan amount of \$2,045,250 for a total of \$4,454,100. The note bears an interest rate of 2.25% and has a thirty-year term. The project was deemed substantially complete in March 2011 with the first annual note payment due in March 2012. At December 31, 2016, the total principal outstanding was \$3,521,497. The District paid \$83,868 of interest on this note during 2016.

Annual principal and interest payments are \$185,710 and the note is secured by the structure and pledged assessment revenues. A component of the note agreement requires the District to establish a reserve of all levied amounts pertaining to note repayment. In addition, the note agreement requires the District to establish a debt service reserve account. The debt service reserve amount will be equal to one note payment with one-tenth of the payment amount set aside each year.

In lieu of the ten-year funding option, the District has deposited an amount equal to one annual payment (\$185,710) in one lump sum payment into the ColoTrust account noted above. The balance in the reserve account at December 31, 2016 was \$185,793, including accumulated interest of \$83. The District levied an annual assessment to District land owners in the amount of \$185,095 for debt servicing. The total amount of restricted cash reserves with respect to the Dike Rehabilitation Project note payable at December 31, 2016 was \$185,095.

Principal and interest payments are summarized as follows:

<u>Payment Due Date</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
3/1/2017	2.25%	\$ 106,476	\$ 79,234	\$ 185,710
3/1/2018	2.25%	108,872	76,838	185,710
3/1/2019	2.25%	111,321	74,389	185,710
3/1/2020	2.25%	113,826	71,884	185,710
3/1/2021	2.25%	116,387	69,323	185,710
2022-2026	2.25%	622,414	306,134	928,548
2027-2031	2.25%	695,659	232,889	928,548
2032-2036	2.25%	777,522	151,026	928,548
2037-2041	2.25%	869,019	56,286	928,548
		<u>\$ 3,521,497</u>	<u>\$ 1,118,001</u>	<u>\$ 4,639,498</u>

Note Payable - The Bijou Irrigation Company (Blended Component Unit)

On October 5, 2007, the Company issued a note payable for an amount of \$800,299 with an interest rate of 2.25% to the Colorado Water Conservation Board (CWCB). The note financed the construction of the Diversion Rehabilitation Structure. The Structure is provided as collateral on the note. The note requires annual payments of principal and interest of \$37,376, with the initial payment due June 2009. The term of the note repayment is 30 years, and the amount outstanding at December 31, 2016 was \$632,589. The Company paid \$14,747 of interest during 2016.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 5. NOTES PAYABLE (continued)

Note Payable - The Bijou Irrigation Company (Blended Component Unit)

The Company levies an annual special assessment to the stockholders to fund the annual principal and interest payments on the note. A component of the note agreement requires the Company to establish a reserve of all levied amounts pertaining to note repayment. During 2016, assessments for debt service totaled \$37,360. In addition, the note agreement requires the Company to establish a debt service reserve account. The debt service reserve amount is equal to one note payment with one-tenth of the payment amount deposited on the due date of the first payment and annually thereafter for the first ten years. In lieu of the ten-year funding option, the Company has deposited an amount equal to one annual payment in one lump sum into a separate, interest-bearing depository account. The balance in the depository reserve account at December 31, 2016 was \$37,989, including accumulated interest of \$613.

The amount of restricted cash reserves at December 31, 2016 was \$37,376 (Note 2).

Principal and interest payments are summarized as follows:

<u>Payment Due Date</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
6/1/2017	2.25%	\$ 23,138	\$ 14,238	\$ 37,376
6/1/2018	2.25%	23,658	13,718	37,376
6/1/2019	2.25%	24,190	13,186	37,376
6/1/2020	2.25%	24,735	12,641	37,376
6/1/2021	2.25%	25,291	12,085	37,376
2022-2026	2.25%	135,253	51,626	186,879
2027-2031	2.25%	151,169	35,710	186,879
2032-2036	2.25%	168,958	17,921	186,879
3037-2038	2.25%	56,197	1,728	57,925
		<u>\$ 632,589</u>	<u>\$ 172,853</u>	<u>\$ 805,442</u>

NOTE 6. CHANGES IN LONG-TERM DEBT

	<u>Balance 12/31/2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2016</u>	<u>Due in one year</u>
Governmental-type Activities:					
Note Payable – Spillway	\$ 579,893	\$ -	\$ 20,092	\$ 559,801	\$ -
Note Payable – Diversion Structure	1,439,882	-	64,192	1,375,690	-
Note Payable – Diversion Structure (Special Revenue Fund)	655,218 3,625,629	- -	22,629 104,132	632,589 3,521,497	23,138 106,476
Note Payable – Dike Rehab	-	-	-	-	-
Total	<u>\$ 6,300,622</u>	<u>\$ -</u>	<u>\$ 211,045</u>	<u>\$ 6,089,577</u>	<u>\$ 128,614</u>

NOTE 7. LINE OF CREDIT

During 2016, the District had available, an operating line of credit with a bank in the amount of \$1,300,000. Interest is payable monthly at a variable rate, based on the bank's index rate of 4.5% at December 31, 2016. No advances were made on the line during 2016 and no amount was outstanding at December 31, 2016. The current note agreement has a maturity date of January 1, 2017. The note is collateralized by deposit accounts, receivables, and property.

THE BIJOU IRRIGATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

NOTE 8. RESTRICTED FUND BALANCE

The Boards of Directors of the District and Company have restricted \$51,300 and \$24,000, respectively, of the ending Fund Balance for emergencies at December 31, 2016 as required by Section 20 to Article X of the Colorado Constitution, also known as the Taxpayer's Bill of Rights (TABOR). The restricted amounts are equal to three percent of nonexempt revenues.

The District and Company have also restricted \$316,887 and \$37,376, respectively, of fund balance for use in debt repayment in connection with terms of the various note agreements with the Colorado Water Conservancy Board.

NOTE 9. WATER LEASE

During 2016, the Company leased its units of Colorado Big Thompson (CBT) water to various entities, including Central Colorado Water Conservatory District and A & W Services, Inc., under cash lease agreements. The fee was \$171,276 for 2016.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District and the Company purchases commercial insurance to cover all of the risks listed above. Settled claims have not exceeded this commercial coverage in any of the past three years.

NOTE 11. SUBSEQUENT EVENTS

The District has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued. No events were noted that would require adjustment to or disclosure in the financial statements.

THE BIJOU IRRIGATION DISTRICT  
SCHEDULES OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS  
December 31, 2016

	General Fund			Special Revenue Fund		
	Budgeted Amt	Actual Amounts	Variance - Favorable (Unfavorable)	Budgeted Amt	Actual Amounts	Variance - Favorable (Unfavorable)
	Original & Final			Original & Final		
Revenue						
Acresage/stock assessments	\$ 893,257	\$ 893,258	\$ 1	\$ 176,000	\$ 176,000	\$ -
Well augmentation assessments	-	-	-	277,701	273,327	(4,374)
Grant revenues	-	-	-	-	-	-
Interest	2,250	19,570	17,320	1,000	2,552	1,552
Legal and engineering reimbursements	-	-	-	-	-	-
Other	197,273	456,822	259,549	167,760	260,669	92,909
Running fees	-	-	-	73,514	129,382	55,868
<b>Total Revenue</b>	<b>1,092,780</b>	<b>1,369,650</b>	<b>276,870</b>	<b>695,975</b>	<b>841,930</b>	<b>145,955</b>
Expenditures						
General Government	271,813	216,779	55,034	223,190	161,947	61,243
Conservation of Natural Resources	743,114	513,787	229,327	438,641	389,605	49,036
Capital outlay	505,105	663,902	(158,797)	234,500	204,859	29,641
Capital outlay" small equipment	-	-	-	5,000	5,418	(418)
<b>Total Expenditures</b>	<b>1,520,032</b>	<b>1,394,468</b>	<b>125,564</b>	<b>901,331</b>	<b>761,829</b>	<b>139,502</b>
Revenues in Excess (Deficiency) of Expenditures	(427,252)	(24,818)	402,434	(205,356)	80,101	285,457
Other Financing Sources (Uses)						
Debt service - principal	(187,926)	(188,416)	(490)	(22,130)	(22,628)	(498)
- interest	(128,961)	(128,471)	490	(15,245)	(14,747)	498
<b>Total Other Financing Sources (Uses)</b>	<b>(316,887)</b>	<b>(316,887)</b>	<b>-</b>	<b>(37,375)</b>	<b>(37,375)</b>	<b>-</b>
Revenues and Other Financing Sources (Uses) in Excess of Expenditures - Budget Basis	<u>\$ (744,139)</u>	(341,705)	<u>\$ 402,434</u>	<u>\$ (242,731)</u>	42,726	<u>\$ 285,457</u>
Fund Balance Beginning of year as previously reported		<u>1,591,746</u>			<u>1,437,851</u>	
Fund Balance End of year (Note 8)		<u>\$ 1,250,041</u>			<u>\$ 1,480,577</u>	

THE BIJOU IRRIGATION DISTRICT  
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND

For the Years Ended December 31, 2016 and 2015

	2016				2015			
	Budgeted Amts		Actual Amounts	Variance - Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance - Favorable (Unfavorable)
	Original & Final	Final			Original	Final		
<b>Revenue</b>								
Acreage/stock assessments	893,257	893,257	893,258	1	893,257	893,257	893,258	1
Interest	2,250	2,250	19,570	17,320	3,500	3,500	12,621	9,121
Miscellaneous	21,773	21,773	195,822	174,049	18,106	18,106	33,963	15,857
Boating lease revenue	135,000	135,000	155,500	20,500	135,000	135,000	152,500	17,500
Recreation fees	14,500	14,500	14,500	-	16,000	16,000	14,000	(2,000)
Grant revenues	-	-	-	-	-	-	188,786	188,786
Crossing fees	10,000	10,000	75,000	65,000	20,000	20,000	17,741	(2,259)
Empire rights assessments	16,000	16,000	16,000	-	14,000	14,000	16,000	2,000
<b>Total Revenue</b>	<b>1,092,780</b>	<b>1,092,780</b>	<b>1,369,650</b>	<b>276,870</b>	<b>1,099,863</b>	<b>1,099,863</b>	<b>1,328,869</b>	<b>229,006</b>
<b>Expenditures</b>								
<b>General Government</b>								
Salary	48,140	48,140	46,929	1,211	47,000	47,000	45,876	1,124
Employee benefits	19,137	19,137	9,818	9,319	19,137	19,137	9,320	9,817
Rent	4,950	4,950	4,881	69	4,950	4,950	4,592	358
Telephone	2,750	2,750	1,616	1,134	2,750	2,750	1,196	1,554
Supplies	2,300	2,300	1,346	954	3,050	3,050	1,577	1,473
Miscellaneous	11,500	11,500	7,726	3,774	14,050	14,050	8,763	5,287
Licenses and fees	5,100	5,100	4,841	259	5,100	5,100	4,432	668
Directors fees	10,000	10,000	7,100	2,900	10,000	10,000	8,100	1,900
Insurance	35,000	35,000	32,015	2,985	27,520	27,520	28,164	(644)
Legal and accounting	120,500	124,517	96,968	27,549	115,200	115,200	74,986	40,214
Utilities	1,000	1,000	684	316	850	850	705	145
Payroll taxes	7,419	7,419	2,855	4,564	7,419	7,419	2,855	4,564
<b>Total General Government</b>	<b>267,796</b>	<b>271,813</b>	<b>216,779</b>	<b>55,034</b>	<b>257,026</b>	<b>257,026</b>	<b>190,566</b>	<b>66,460</b>
<b>Conservation of Natural Resources</b>								
<b>Operations</b>								
Salary	98,673	98,673	68,100	30,573	80,000	80,000	72,582	7,418
Payroll taxes	6,581	6,581	6,854	(273)	7,581	7,581	7,751	(170)
Employee benefits	17,863	17,863	25,142	(7,279)	32,163	32,163	25,841	6,322
Engineering	25,000	25,000	44,775	(19,775)	25,000	25,000	38,926	(13,926)
Utilities	3,750	3,750	3,583	167	3,500	3,500	2,539	961
Communications	6,000	6,000	4,117	1,883	6,000	6,000	5,461	539
Mileage	2,000	2,000	1,130	870	2,000	2,000	5,016	(3,016)
<b>Maintenance</b>								
Maintenance	445,300	445,300	227,212	218,088	453,500	453,500	271,080	182,420
Equipment rental and repairs	14,575	14,575	11,196	3,379	16,075	16,075	9,838	6,237
Contract labor	2,500	2,500	806	1,694	7,500	7,500	10,450	(2,950)
Assessments	119,592	119,592	119,592	-	119,592	119,592	119,592	-
Water running fees	1,280	1,280	1,280	-	1,280	1,280	1,280	-
Capital outlay	24,500	505,105	663,902	(158,797)	29,500	29,500	33,604	(4,104)
Capital outlay - small equipment	-	-	-	-	-	-	-	-
<b>Total Conservation of Natural Resources</b>	<b>767,614</b>	<b>1,248,219</b>	<b>1,177,689</b>	<b>70,530</b>	<b>783,691</b>	<b>783,691</b>	<b>603,960</b>	<b>179,731</b>
<b>Total Expenditures</b>	<b>1,035,410</b>	<b>1,520,032</b>	<b>1,394,468</b>	<b>125,564</b>	<b>1,040,717</b>	<b>1,040,717</b>	<b>794,526</b>	<b>246,191</b>
<b>Revenues in Excess (Deficiency) of Expenditures</b>	<b>57,370</b>	<b>(427,252)</b>	<b>(24,818)</b>	<b>402,434</b>	<b>59,146</b>	<b>59,146</b>	<b>534,343</b>	<b>475,197</b>
<b>Other Financing Sources (Uses)</b>								
Debt service - principal	(187,926)	(187,926)	(188,416)	(490)	(183,744)	(183,744)	(184,222)	(478)
- interest	(128,961)	(128,961)	(128,471)	490	(133,143)	(133,143)	(132,665)	478
<b>Total Other Financing Sources (Uses)</b>	<b>(316,887)</b>	<b>(316,887)</b>	<b>(316,887)</b>	<b>-</b>	<b>(316,887)</b>	<b>(316,887)</b>	<b>(316,887)</b>	<b>-</b>
<b>Change in Fund Balance - Budget Basis</b>	<b>\$ (259,517)</b>	<b>\$ (744,139)</b>	<b>\$ (341,705)</b>	<b>\$ 402,434</b>	<b>\$ (257,741)</b>	<b>\$ (257,741)</b>	<b>\$ 217,456</b>	<b>\$ 475,197</b>