

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
DECEMBER 31, 2016**

The Faribault County Soil and Water Conservation District's discussion and analysis provides an overview of the SWCD's financial activities for the fiscal year ended December 31, 2016. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the financial statements.

USING THIS ANNUAL REPORT

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's general fund. Since District's are single-purpose, special-purpose government units, the District combines the government-wide and fund financial statements into a single presentation.

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the District's finances is, "Is the SWCD as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by the most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such changes in the state and local governmental funding, to assess the overall health of the District.

In the Statement of Net Position and the Statement of Activities, the District presents governmental activities. All of the SWCD's basic services are reported here. Appropriations from the county and state finance most activities.

Reporting the District's General Fund

Our analysis of the District's general fund is part of this report. The fund financial statements provide detailed information about the general fund – not the District as a whole. The District presents only a general fund, which is a governmental fund. All of the District's basic services are reported in the general fund, which focuses on how money flows into and out of the fund and the balances left at year-end that are available for spending. The fund is reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The general fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the financial statements.

THE DISTRICT AS A WHOLE

Our analysis focuses on the net position and change in net position of the District's governmental activities.

Net Position:

	Governmental Activities	
	<u>2016</u>	<u>2015</u>
Current Assets	\$ 715,232	\$ 633,223
Capital Assets, net of depreciation	52,852	34,007
Deferred Outflows of Resources	159,597	34,974
Combined Assets and Deferred Outflows of Resources	<u>\$ 927,681</u>	<u>\$ 702,204</u>
Current Liabilities	\$ 227,649	\$ 206,636
Long-Term Liabilities	249,102	290,036
Deferred Inflows of Resources	11,650	19,687
Combined Liabilities and Deferred Inflows of Resources	<u>\$ 488,401</u>	<u>\$ 516,359</u>
Investment in Capital Assets	\$ 52,852	\$ 34,007
Unrestricted	386,429	151,838
Total Net Position	<u>\$ 439,281</u>	<u>\$ 185,845</u>

Net position of the District's governmental activities increased by \$253,436. The primary reason for the increase in net position was due to the change in accounting principle, as referenced in Note 1 of the Notes to the Financial Statements. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements changed from a \$151,838 at December 31, 2015 to \$386,429 at December 31, 2016.

Change in Net Position:

	Governmental Activities	
<u>Revenues</u>	<u>2016</u>	<u>2015</u>
Intergovernmental	\$ 467,729	\$ 456,496
Charges for Service	23,976	23,901
Investment Earnings	2,588	2,966
Miscellaneous	<u>435,940</u>	<u>400,626</u>
Total Revenues	<u>\$ 930,232</u>	<u>\$ 883,989</u>
<u>Expenditures</u>		
Conservation	<u>\$ 676,796</u>	<u>\$ 782,516</u>
Total Expenses	<u>\$ 676,796</u>	<u>\$ 782,516</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 253,436</u>	<u>\$ 101,473</u>
Change in Accounting Principle	<u>(82,974)</u>	<u>(193,383)</u>
Increase (Decrease) in Net Position	<u>\$ (170,462)</u>	<u>\$ (91,910)</u>

The District's total revenues increased by \$46,243. The total cost of programs and services decreased by \$105,720. The change in accounting principle represents the Net Pension Liability taken on by the District.

THE DISTRICT'S FUNDS

As the District completed the year, its general fund as presented in the balance sheet reported a combined fund balance of \$487,584, which is above last year's total of \$426,587.

General Fund Budgetary Highlights

The actual charges to appropriations (expenditures) were \$1,892 below the final budgeted amounts.

CAPITAL ASSET AND LONG TERM LIABILITIES

Capital Assets

At the end of 2016, the District had \$52,852 invested in capital assets. This amount represents a net increase (including additions and deductions) of \$18,845 from last year.

Long-Term Liabilities

At the end of 2016, the District had \$54,234 in accrued compensated absences. This compares to \$57,366 in 2015.

The District has recognized a Net Pension Liability of \$194,868 in 2016.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Faribault County Soil and Water Conservation District's Program Administrator, Michele Stindtman, at 415 South Grove St., Suite 8, Blue Earth, MN 56013 or call 507-526-2388.

FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

Note 1 - Summary of Significant Accounting Policies

The financial reporting policies of the Faribault County Soil and Water Conservation District conform to generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

Changes in Accounting Principles

During the year ended December 31, 2016, the District adopted new accounting guidance by implementing the provisions of GASB Statements 68 and 71, GASB statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, requires governments providing defined benefit pensions to employees through pension plans administered through trusts to record their proportionate share of the net pension obligation as a liability on their financial statements along with related deferred outflows of resources, deferred inflows of resources, and pension expense. This statement also requires additional note disclosures and schedules in the required supplementary information.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, addresses an issue regarding amounts associated with contributions made to a pension plan after the measurement date of the net pension liability.

GASB Statement 68 and 71 require the District to report its proportionate share of the PERA total employers' unfunded pension liability. As a result, beginning net position has been restated to record the District's net pension liability and related deferred outflows of resources.

	Governmental Activities
Net Position, January 1, 2016, as restated	\$ 268,819
Change in accounting principles	<u>(82,974)</u>
Net Position, January 1, 2016, as restated	<u>\$ 185,845</u>

Financial Reporting Entity

The Faribault County Soil and Water Conservation District is organized under the provisions of Minnesota Statutes Chapter 103C. The District is governed by a Board of Supervisors composed of five members nominated by voters of the District and elected to four-year terms by the voters of the County.

The purpose of the District is to assist land occupiers in applying practices for the conservation of soil and water resources. These practices are intended to control wind and water erosion, pollution of lakes and streams, and damage to wetlands and wildlife habitats.

The District provides technical and financial assistance to individuals, groups, districts, and governments in reducing costly waste of soil and water resulting from soil erosion, sedimentation, pollution and improper land use.

FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Each fiscal year the District develops a work plan which is used as a guide in using resources effectively to provide maximum conservation of all lands within its boundaries. The work plan includes guidelines for employees and technicians to follow in order to achieve the District's objectives.

Generally accepted accounting principles require that the financial reporting entity include the primary government and component units for which the primary government is financially accountable. Under these principles the District does not have any component units.

Government-Wide Financial Statements

The government-wide financial statements (i.e. The Statement of Net Position and The Statement of Activities) report information on all of the nonfiduciary activities of the District.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

The government-wide financial statements are reported using 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 cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

The government reports the General Fund as its only major governmental fund. The general fund accounts for all financial resources of the government.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period.

Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures are recorded when a liability is incurred under accrual accounting.

Intergovernmental revenues are reported in conformity with the legal and contractual requirements of the individual programs. Generally, grant revenues are recognized when the corresponding expenditures are incurred.

Investment earnings are recognized when earned. Other revenues are recognized when they are received in cash because they usually are not measurable until then.

In accordance with Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

**FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

Budget Information

The District adopts an estimated revenue and expenditure budget for the general fund. Comparisons of estimated revenues and budgeted expenditures to actual are presented in the financial statements in accordance with generally accepted accounting principles. Amendments to the original budget require District approval. Appropriations lapse at year-end. The District does not use encumbrance accounting.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect: the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

Assets

Investments are stated at fair value, except for non-negotiable certificates of deposit, which are on a cost basis, and short-term money market investments, which are stated at amortized cost.

Receivables are collectible within one year.

Capital assets are reported on a net (depreciated) basis. General capital assets are valued at historical or estimated historical cost.

Unearned Revenue

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Liabilities

Long-term liabilities, such as compensated absences, are accounted for as an adjustment to net position.

Classification of Net Position

Net position in the government-wide financial statements is classified in the following categories:

Investment in capital assets – the amount of net position representing capital assets net of accumulated depreciation.

Restricted net position – the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments; and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – the amount of net position that does not meet the definition of restricted or investment in capital assets.

FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report 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/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to their pension obligations. The length of the expense recognition period for deferred amounts is equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan, determined as of the beginning of the measurement period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category, amounts related to their pension obligations. These deferred amounts represent differences between projected and actual earnings on pension plan investments and are recognized over a five-year period.

Pension Plan

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and funds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

Classifications of Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the General Fund. The classifications are as follows:

Non-spendable – the non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions or enabling legislation.

Committed – the committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board. Those committed amounts cannot be used for any other purposes unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Assigned – amounts in the assigned fund balance classification the District intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board or the Board Administrator who has been delegated that authority by Board resolution.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other fund balance classifications.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Explanation of Adjustments Column in Statements

Capital Assets: In the Statement of Net Position and Governmental Fund Balance Sheet, an adjustment is made if the District has capital assets. This adjustment equals the net book balance of capitalized assets as of the report date, and reconciles to the amount reported in the Capital Assets Note.

Long-Term Liabilities: In the Statement of Net Position and Governmental Fund Balance Sheet, an adjustment is made to reflect the total Compensated Absences and Net Pension Liability the District has as of the report date. See note on Long-Term Liabilities.

Depreciation, Net Pension Expense and Change in Compensated Absences for the year: In the Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance, the adjustment equals the total depreciation for the year reported, plus or minus the net position expense and the change in Compensated Absences between the reporting year and the previous year.

Paid Time Off

Under the District's personnel policies, employees are granted Paid Time Off (PTO) in varying amounts based on their length of service. PTO accrual varies from 15 to 27 hours per month. The limit on the accumulation of PTO is 400 hours. A maximum of 50 days (400 hours) of PTO leave may be carried over from one calendar year to the next. PTO leave in excess of 50 days (400 hours) on January 1 of each calendar year shall be transferred into the Sick Leave Bank, in increments no greater than 84 sick hours earned per year, until a maximum of 1,000 hours is reached. At this time, those hours for Sick Leave Bank shall be forfeited upon leaving the District.

**FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

Risk Management

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; workers' compensation claims; and natural disasters. Property and casualty liabilities and workers' compensation are insured through Minnesota Counties Intergovernmental Trust. The District retains risk for the deductible portion of the insurance. The amounts of these deductibles are considered immaterial to the financial statements.

The Minnesota Counties Intergovernmental Trust is a public entity risk pool currently operated as a common risk management and insurance program for its members. The District pays an annual premium based on its annual payroll. There were no significant increases or reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

Note 2 - Detailed Notes

Capital Assets

Changes in Capital Assets, Asset Capitalization and Depreciation.

	<u>Beginning</u>	<u>Addition</u>	<u>Deletion</u>	<u>Ending</u>
Equipment	\$85,590	\$27,000	\$0	\$112,590
Less: Accumulated Depreciation	51,583	8,155	0	59,738
Net Capital Assets	<u>\$34,007</u>			<u>\$52,852</u>

The cost of property, plant and equipment is depreciated over the estimated useful lives of the related assets. Leasehold improvements are depreciated over the lesser of the term of the related lease or the estimated useful lives of the assets. Depreciation is computed on the straight-line method. For the purpose of computing depreciation, the useful life for Machinery and Equipment is 5 to 10 years. Current year depreciation is \$8,155.

The District uses the threshold of \$5,000 for capitalizing assets purchased.

Unearned Revenue

Unearned revenue represents unearned advances from the Minnesota Board of Water and Soil Resources (BWSR) for administrative service grants and for the cost-share program. Revenues will be recognized when the related program expenditures are recorded. Unearned revenue for the year ended December 31, 2016, consists of the following: BWSR Cost Share Programs, \$33,412; BWSR Grants, \$150,211; Clean Water Funds, \$33,770; Quad Lakes, \$9,515; Total, \$226,908.

Long-Term Liabilities - Compensated Absences Payable

Changes in long-term liabilities for the period ended December 31, 2016 are:

Balance January 1, 2016	\$57,366
Net Change in Compensated Absences	- 3,132
Balance December 31, 2016	<u>\$54,234</u>

**FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
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Deposits

Minnesota Statutes 118A.02 and 118A.04 authorize the District to designate a depository for public funds and to invest in certificates of deposit. Minnesota Statutes 118A.03 requires that all District deposits be protected by insurance, surety bond, or collateral. When not covered by insurance or surety bonds, the market value of collateral pledged shall be at least ten percent more than the amount on deposit (plus accrued interest) at the close of the financial institution's banking day.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2016, the District's deposits were not exposed to custodial credit risk.

Note 3 - Defined Benefit Pension Plans

Plan Description Defined Benefit Pension Plans

The District contributes to a cost-sharing multiple-employer defined pension plan administered by the Public Employee Retirement Association of Minnesota (PERA). The PERA provides retirement benefits as well as disability to members, and benefits to survivors upon death of eligible members. The plan and its benefits are established and administered in accordance with Minn. Statute Chapters 353 and 356. PERA issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the public Employees Retirement Association, 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-1855.

Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The District makes annual contributions to the pension plans equal to the amount required by state statutes. Coordinated Plan members were required to contribute 6.5% of their annual covered salary. The District is required to contribute 7.5% of annual covered payroll. The Districts' contributions to the Public Employees Retirement Fund for the years ending December 31, 2016, 2015, and 2014 were \$24814.49, \$27,772, \$25,607, respectively.

**FARIBAULT COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Note 4 - Operating Leases

The District leases office space on a yearly basis. Under the current agreement total costs for 2016 were \$23,604.

Note 5 - Stewardship, Compliance and Accountability

Excess of expenditures over budget – The General Fund had expenditures less than budgeted for the year as follows: Expenditures \$869,235; Budget \$871,550; Less \$2,315.

Note 6 - Reconciliation of Fund Balance to Net Position

Governmental Fund Balance, January 1	\$426,587
Plus: Excess of Revenue Over Expenditures	60,997
Governmental Fund Balance, December 31	<u>\$487,584</u>

Adjustments from Fund Balance to Net Position:	
Plus: Capital Assets	\$ 52,852
Plus: Deferred Outflows of Resources	159,597
Less: Long-Term Liabilities	(249,102)
Less: Deferred Inflows of Resources	(11,650)
Net Position	<u>\$439,281</u>

Note 7 - Reconciliation of Change in Fund Balance to Change in Net Position

Change in Fund Balance	\$60,997
Pension Expense	\$170,462

The costs of capital assets are allocated over the capital Assets' useful lives at the government-wide level.	\$ 27,000
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In the statement of activities certain operating expenses (including compensated absences) are measured by the amounts earned.	<u>\$ (5,023)</u>
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Change in Net Position	<u>\$253,436</u>
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FARIBAULT SOIL AND WATER CONSERVATION DISTRICT
BLUE EARTH, MINNESOTA

BUDGETARY COMPARISON STATEMENT
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Neg)</u>
Revenues				
Intergovernmental				
County	\$210,000	\$215,000	\$214,178	(\$822)
Local	10,500	10,000	9,058	(942)
Federal	0	0	0	0
State grant	236,000	245,000	244,492	(508)
Total intergovernmental	\$456,500	\$470,000	\$467,728	(\$2,272)
Charges for services	\$24,000	\$24,000	\$23,976	(\$24)
Miscellaneous				
Interest earnings	\$3,000	\$2,500	\$2,588	\$88
Other	400,600	436,000	435,940	(60)
Total miscellaneous	\$403,600	\$438,500	\$438,528	\$28
Total Revenues	\$884,100	\$932,500	\$930,232	(\$2,268)
Expenditures				
District operations				
Personnel services	\$470,000	\$421,000	\$420,044	\$956
Other services and charges	55,000	250	222	28
Supplies	800	4,100	4,100	0
Capital outlay	0	0	0	0
Total district operations	\$525,800	\$425,350	\$424,365	\$985
Project expenditures				
District	\$8,500	\$8,000	\$7,938	\$62
County	\$10,750	\$107,777	\$107,771	\$6
State	\$69,500	\$27,000	\$26,780	\$220
Miscellaneous	144,500	303,000	302,381	619
Total project expenditures	\$233,250	\$445,777	\$444,870	\$907
Total Expenditures	\$759,050	\$871,127	\$869,235	\$1,892
Excess of Revenues Over (Under)				
Expenditures	\$125,050	\$61,373	\$60,997	(\$376)
Fund Balance - January 1	\$426,587	\$426,587	\$426,587	\$0
Fund Balance - December 31	\$551,637	\$487,960	\$487,584	(\$376)

Notes are an integral part of the basic financial statements.