

Overview

The State Controller is one of seven constitutional officers of the state and is elected for a four year term. The office was formerly known as the Office of the State Auditor. The name change to State Controller occurred in January, 1995 following passage of a constitutional amendment by the voters in November, 1994.

For several decades an ongoing dispute existed in Idaho State government as to whether the State Auditor or the Legislature had authority to conduct financial and performance post audits of state agencies. The auditing responsibility was wrested from the State Auditor long ago by legislative action. A lawsuit was initiated by the State Auditor in 1984 for the purpose of finally settling the dispute. The Idaho Supreme Court rendered a 1986 judgment that upheld a lower court finding that the State Auditor did have a constitutional duty to perform these audits. However, by mutual agreement between the State Auditor and the Legislature, it was decided not to immediately implement the transfer of duties. Through mutual agreement, the State Auditor began approving schedules for planned audits and reviewed final drafts. This practice continued until 1989 when the State Auditor retired. The new State Auditor then initiated bi-partisan negotiations with the legislative leadership, eventually leading to agreements that left actual controller functions with the State Auditor's Office, changed the office name to Controller, and gave the legislature responsibility for continuing financial and performance audits. This final arrangement (now enacted into law) adequately meets all current requirements surrounding auditing independence and existing regulatory rules related to both generally accepted accounting principles (GAAP) and generally accepted governmental auditing standards (GAGAS).

Now, with the State Controller responsible for the controller functions of the State, and the legislature for the State's auditing affairs, a distinct separation of duties at a statewide central level has been accomplished. Clarity now exists.

The State Controller is responsible for maintaining official accounting records, paying the State's obligations, operating the statewide payroll system, and running a large computer service center that provides technical support services to many agencies. The Controller is also the State Social Security Administrator, a member of the Land Board, and responsible for establishing statewide internal control standards within state government.

New challenges exist for both the Controller and the Legislature in meeting national standards of GAAP and GAGAS for governmental entities. These challenges require leadership to rethink approaches used in the past. The conversion to GAAP from cash basis reporting and the changes in the financial reporting format provide an additional dimension to the information upon which decisions are based.

Cover design by Clark Magnuson Peyron Associates, Boise, Idaho; Historic Wallace, Idaho; Spokane, Washington (208) 752-2501

STATE OF IDAHO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1995

PHILIP E. BATT GOVERNOR

J.D. WILLIAMS STATE CONTROLLER

Prepared by The Office of the State Controller

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 1995

The purpose of the Comprehensive Annual Financial Report is to provide the reader with an overview of the financial status of the State at the end of the State's Fiscal Year 1995. This report is the State's first Comprehensive Annual Financial Report, 1995 being a transition year for the State.

To facilitate the transition, this report has two major sections. The first section includes a set of GAAP basis (prepared based on Generally Accepted Accounting Principles) balance sheet statements, only. The second section includes a set of cash basis statements, with both balance sheets and operating statements. Future Comprehensive Annual Financial Reports will contain only a full set of GAAP basis statements.

STATE OF IDAHO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 1995

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J. D. WILLIAMS
STATE CONTROLLER

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October 16, 1996

To: The Honorable Philip E. Batt, Governor

Members of the State Legislature

Citizens of Idaho

It is with great pleasure that I present you with the Comprehensive Annual Financial Report (CAFR) of the State of Idaho (State) for the fiscal year ended June 30, 1995. This is the first fiscal year that this office started preparing financial reports on a GAAP basis, and this report is the product of a transition in reporting procedures on a statewide basis. It includes statements on both an GAAP (on the gray pages) and cash (on the tan pages) basis. It represents Idaho's first commitment of the Governor, the legislature, the State Treasurer, this office, and all the agencies of State government, to sound financial management and responsible financial reporting based on recognized standards.

Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the Office of the State Controller. I am confident the data presented is accurate in all material respects. It is presented in a manner which fairly sets forth the financial position and results of State operations as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the state's financial position and results of operations have been included.

Accountability is the cornerstone of government financial reporting. It compels the justification of the raising of public resources and the purpose for which these resources are used. It is based on the belief that the public has a right to know, through openly and clearly declared facts that will encourage public debate. Accountability is imperative for government to assist Idahoans in assessing whether current year revenues are sufficient to pay for the services provided and whether future taxpayers will be required to assume burdens for services provided to past generations. This is the ultimate reason for producing the CAFR.

MISSION: TO ENSURE THAT STATE GOVERNMENT IS ACCOUNTABLE TO EVERY IDAHO CITIZEN.

Certainly, there are many reasons which compel the timely annual issuance of a CAFR. These include the following:

- Credit Rating Both Moody's Investor Services and Standard and Poor's Corporation have indicated that governments which prepare timely CAFR's in accordance with generally accepted accounting principles (GAAP) receive a better credit rating than governments that do not.
- Efficiency and Effectiveness Timely financial reporting and reliance on GAAP not only facilitate decision making and improve the ability of governments to manage affairs in a prudent and efficient manner, but also instill a discipline and rigor to the processes which safeguard state assets and assure only authorized transactions are executed.
- National Recognition GAAP financial reporting and the issuance of a timely CAFR is fast becoming the norm for state governments. More than half the states have achieved this goal. All the remainder, including Idaho, have active projects underway to achieve this end.

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Statewide Financial Reporting

This CAFR has not been fully prepared in accordance with GAAP, and therefore does not meet all of the above requirements. However, included is an audited balance sheet prepared in accordance with GAAP. The goal is to completely satisfy the objectives articulated above beginning with fiscal year 1996. The costs incurred to achieve this will be more than compensated for through the benefits of improved accountability, better access to public credit markets, and other efficiencies.

Enormous strides in statewide financial reporting have been made in Idaho during the past few years. I want to see this trend continue. As the State continues to expand through economic diversification, this new system of financial accountability will provide us with the knowledge needed to chart a course for the future.

The overall CAFR is presented in two sections as shown:

- Introductory This section includes the transmittal letter, financial highlights, economic outlook, the state's organizational chart and a list of principal officials.
- Financial This section includes the independent auditor's opinion, general purpose financial statements, combining financial statements, supporting schedules, and fund descriptions.

For this year, the CAFR consists of two sets of financial statements, one on a GAAP basis and another on a cash basis. The Introductory Section deals with both sets of statements. Each set of financial statements has its own separate financial section.

In addition to the CAFR, the Office of the State Controller issues other special purpose reports. It is important to realize that the financial data used for preparation of each report are the same. Accumulating and compiling the data in order to create these financial statements, does not require duplicative effort, but instead provides complementary information. Some of these special purpose reports are described follows:

- Legal Basis Financial Report provides a "budget to actual comparison" in accordance with appropriations adopted by the Legislature. This report reflects the financial information by individual agency, fund, program, and expenditure object as dictated by appropriation. State policy makers and agency directors are the most likely users of the report.
- Schedule of Federal Financial Assistance reflects all expenditures related to programs financed by federal funds and is published in accordance with federal rules and regulations.

Independent Audit

In accordance with Section 67-429 of the Idaho Code, the Independent Auditor has audited the State's financial statements for the year ended June 30, 1995. For this year only, a separate opinion on the GAAP basis balance sheet from the cash basis financial statements has been issued. The audit was conducted in accordance with generally accepted governmental auditing standards (GAGAS) and the Auditor's opinions are included in the Financial Sections of this report. Audit testing for compliance with the federal Single Audit Act of 1984 and related OMB circular A-128 is performed at the statewide level. The Schedule of Federal Financial Assistance and related Auditor's opinion will be issued at a later date.

Financial Statement Presentation

Data in the financial statements are presented in accordance with a fund classification system prescribed by the Governmental Accounting Standards Board (GASB). The purpose of this system is to improve the comparability of the financial reports of different governmental units. Funds reported for the State are classified into the following four types:

- Governmental Fund Types are those through which state functions are financed. Governmental fund types include the general, special revenue, and capital projects funds
- Proprietary Fund Types account for activities that are commercial in nature -- similar to those often found in the private sector. Proprietary fund types include the enterprise and internal service funds.
- Fiduciary Fund Types include trust funds, which account for assets held by the primary government in a trustee capacity, and agency funds, which account for assets held by the State as an agent for individuals, private organizations, other governments, and/or other funds.

• College and University Fund Types account for the various activities of Boise State University, Idaho State University, University of Idaho, Lewis and Clark State College, and Eastern Idaho Technical College.

The reporting format for this CAFR is significantly different from the way the State more typically presents it finances on a budgetary basis. The most obvious difference is that the "General Fund" in the CAFR includes more than just the State's General Fund. The CAFR's General Fund also includes other funds such as those funds administered by state agencies which account for services the citizenry normally would expect a government to provide.

The cash basis financial statements are not in accordance with GAAP. Cash basis reporting records revenues as cash is received and expenditures when cash is disbursed. The GAAP basis financial statements consist of only a balance sheet. It is necessary to have audited beginning GAAP basis balances in order to prepare the other required statements on a GAAP basis. Therefore the GAAP basis set of financial statements are not complete, nor in accordance with GAAP.

Financial Reporting Entity

For financial reporting purposes, the State of Idaho consists of a primary government (PG) and its component units. The PG includes all publicly elected members of the executive, legislative and judicial branches of the State. The PG also includes all departments, agencies, boards and organizations which are not legally separate. For fiscal year 1995, the CAFR has not included component units, in accordance with GASB Statement 14, The Financial Reporting Entity.

Component units include all legally separate organizations for which the PG is financially accountable. Financial accountability exists generally if (1) the PG appoints a voting majority of an organization's governing body or; (2) the potential for the organization to provide specific financial benefits to, and/or impose specific financial burdens on, the PG or; (3) the nature and significance of their relationship with the PG are such that exclusion would cause the financial statements to be misleading or incomplete.

Accounting System and Budgetary Control

The State's management is responsible for establishing and maintaining an internal control structure designed to ensure the State's assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements. Administrative and financial internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the projected benefits likely to be derived. The valuation of costs and benefits requires estimates and judgements by management.

Budgetary controls are incorporated in the Statewide Accounting and Reporting System (STARS). The annual budget of the State is established through separate appropriations to individual departments for specific purposes, special outlays and/or operating expenditures. All claims presented for payment must be certified by the appropriate department that the expenditure

Cash Management

In Idaho, except for certain organizations within the State's reporting entity that have independent powers to manage and invest their cash, the State Treasurer is responsible for investing the State's cash and investment pools. All investments are done in compliance with the provisions of the Idaho Code, Title 67 Chapter 12. The State Treasurer also manages an investment pool for local governments' cash balances under the same investment provisions. Legal requirements for the investment of funds maintained in the State's cash and investments pool are discussed in Note 1 to the Financial Statements.

The State Treasurer on a monthly basis allocates interest income earned on the investment pool to the various funds designated by law to receive the earnings. The allocation is calculated in accordance with a formula based on average daily cash balances invested over the month.

Debt Administration

The State has no outstanding general obligation debt.

Risk Management

The State establishes reserves for potential claims arising from the State's traditional health care plan, workers' compensation, vehicle liability, property losses, and tort liability. Pre-funded reserves are established for property and casualty claims. This funding is obtained through charges to the various state agencies. Commercial insurance is obtained above the self-insured retention for property claims (maximum limit \$150,000,000) and employee faithful performance (maximum limit \$5,000,000). Incidental policies are obtained on behalf of the State in those cases where necessary.

State General Fund - Cash Basis

The State General Fund is the focal point in any determination of Idaho's financial position. It accounts for all revenues and receipts which are not required by law to be accounted for or deposited elsewhere and for the major portion of the State's expenditures. Tax receipts, principally personal income, corporate income, sales and use taxes, constitute 97% of the State General Fund's revenues. Major fund expenditures are for general government, health, public education, higher education and corrections.

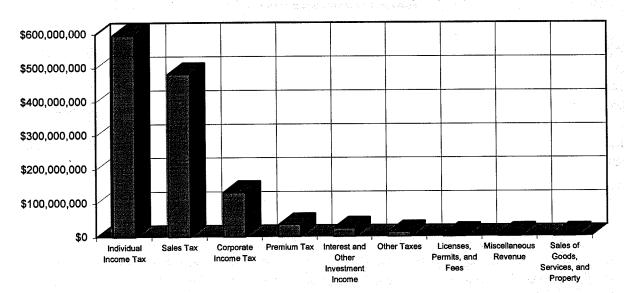
General Fund Revenues

The following is a summary of the State General Fund revenues and transfers in for the fiscal year ended June 30, 1995:

Revenues by Source:

				Percent
•	Revenue	Transfers In	. <u>Total</u>	to Total
Individual Income Tax	\$576,139,935	\$20,313,560	\$596,453,495	45.99%
Sales Tax	481,495,721		481,495,721	37.12%
Corporate Income Tax	121,829,429	9,643,070	131,472,499	10.14%
Premium Tax		34,819,562	34,819,562	2.68%
Interest and Other Investment Income	23,853,138		23,853,138	1.84%
Other Taxes	12,016,589		12,016,589	0.93%
Licenses, Permits, and Fees	6,158,708		6,158 <i>,7</i> 08	0.47%
Miscellaneous Revenue	511,031	5,071,854	5,582,885	0.43%
Sales of Goods, Services, and Property	1 <i>7</i> 5,141	4,945,000	5,120,141	0.39%
Total Revenues	\$1,222,179,692	\$74,793,046	- \$1,296,972,738	100.00%

Total General Fund Revenues \$1,296,972,738



The following is a percentage distribution of state general fund revenue collections from a budgetary perspective:

PERCENTAGE DISTRIBUTION OF GENERAL FUND REVENUE COLLECTIONS

	Individual Income Tax	Sales Tax	Corporate All Income Tax Other
*FY 1995	47.7%	37.7%	8.7% 5.9%
FY 1994	47.7%	38.6%	7.5% 6.3%
FY 1993	48.7%	38.6%	6.7% 6.0%
FY 1992	48.3%	38.3%	6.1% 7.3%
FY 1991	47.9%	37.2%	6.7% 8.2%
FY 1990	46.5%	37.3%	8.5% 7.8%
FY 1989	44.3%	37.4%	9.5% 8.8%
FY 1988	42.6%	38.3%	9.9% 9.7%
FY 1987	41.8%	41.0%	7.3% 9.9%
FY 1986	45.2%	37.0%	7.6% 10.2%
FY 1985	45.4%	36.5%	7.8% 10.3%

^{*} Excludes carryover and revenue transfers. Source: Legislative Services Office

General Fund Expenditures

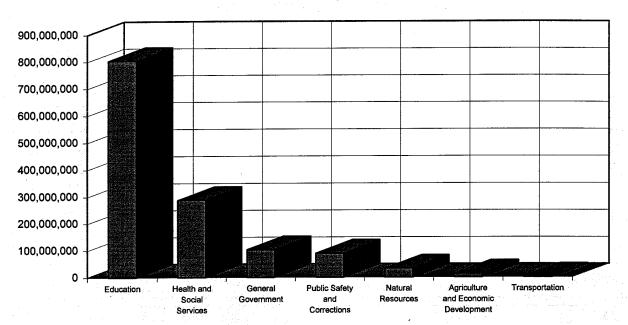
The following is a summary of State General Fund expenditures and transfers out for the fiscal year ended June 30, 1995:

Expenditures by Function:

	Expenditures	Transfers Out	Total	to Total
Education	\$55,736,803	\$747,464,103	\$803,200,906	60.39%
Health and Social Services	2,851,462	284,234,395	287,085,857	21.59%
General Government	42,487,778	60,514,692	103,002,470	7.74%
Public Safety and Corrections	89,063,111		89,063,111	6.70%
Natural Resources	22,452,755	10,100,162	32,552,917	2.45%
Agriculture and Economic Development	13,252,816		13,252,816	1.00%
Transportation	1,813,800		1,813,800	0.14%
Total Expenditures	\$227,658,525	\$1,102,313,352	\$1,329,971,877	100.00%

NOTE: No property tax revenue is used for state operations.

Total General Fund Expenditures \$1,329,971,877



The following is a percentage distribution of state general fund appropriations:

PERCENTAGE DISTRIBUTION OF GENERAL FUND APPROPRIATIONS

	Public Schools	College & Universities	Other Odic.	Heal Welf	th & are	Correction	All n Other
FY 1995	49.1%	13.0%	6.9%		18.0%	4.0%	9.0%
FY 1994	48.7%	13.5%	7.0%		17.8%	4.1%	9.0%
FY 1993	49.3%	13.8%	7.3%		16.3%	3.7%	9.6%
FY 1992	49.4%	14.3%	7.5%	b	14.9%	3.8%	10.1%
FY 1991	49.5%	14.7%	7.5%	6	14.6%	3.5%	10.3%
FY 1990	51.0%	14.9%	7.3	5%	13.1%	3.2%	10.3%
FY 1989	51.9%	15.5%	7	7.6%	12.3%	2.8%	9.9%
FY 1988	52.2%	15.5%	5 7	7.6%	12.1%	2.6%	10.1%
FY 1987	52.3%	15:1%	5	.7%	11.9%	2.5%	10.4%
FY 1986	51.7%	15:0%	7.	9%	12.2%	2.5%	10.7%
FY 1985	51.7%	14.5%	7.8	3%	12.6%	2.3%	11.1%

Source: Legislative Services Office

The general governmental functions are represented in the state's governmental fund types. These include the general fund and special revenue funds as shown in the financial section. These account for most general operating revenues and expenditures of the State.

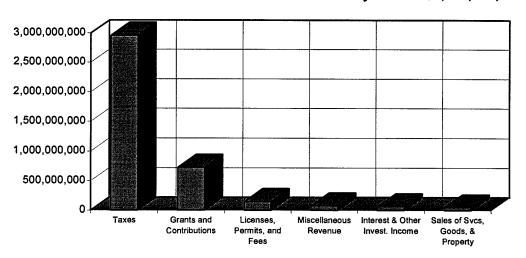
General Governmental Revenues

The following is a summary of the general governmental revenues and transfers in for the fiscal year ended June 30, 1995:

Revenues by Source:

				Percent
	Revenues	Transfers In	<u>Total</u>	to Total
Taxes	\$1,734,687,385	\$1,226,464,860	\$2,961,152,245	73.64%
Grants and Contributions	724,364,466		724,364,466	18.02%
Licenses, Permits, and Fees	141,958,958	4,229,190	146,188,148	3.64%
Miscellaneous Revenue	70,171,240	7,463,275	77,634,515	1.93%
Interest and Other Investment Income	63,264,871		63,264,871	1.57%
Sales of Goods, Services, and Property	42,555,089	5,721,844	48,276,933	1.20%
Total Revenues	\$2,777,002,009	\$1,243,879,169	\$4,020,881,178	100.00%

General Governmental Functions Revenue by Source \$4,020,881,178



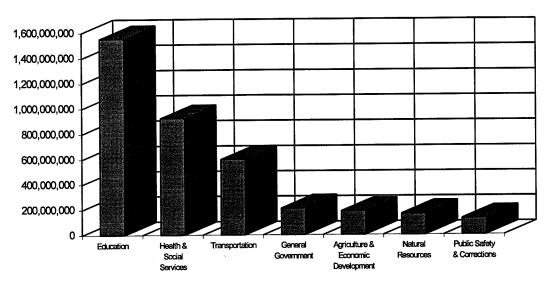
General Governmental Expenditures

The following is a summary of the general governmental expenditures and transfers out for the fiscal year ended June 30 1995:

Expenditures by Function:

				Percent
	Expenditures	Transfers Out	<u>Total</u>	to Total
Education	\$803,715,754	\$747,917,480	\$1,551,633,234	41.24%
Health and Social Services	637,770,958	284,308,045	922,079,003	24.50%
Transportation	383,907,339	214,155,916	598,063,255	15.89%
General Government	115,906,880	94,226,881	210,133,761	5.58%
Agriculture and Economic Development	141,439,539	44,973,197	186,412,736	4.95%
Natural Resources	139,543,089	26,184,319	165,727,408	4.40%
Public Safety and Corrections	128,787,630		128,787,630	3.42%
Total Expenditures	\$2,351,071,189	\$1,411,765,838	\$3,762,837,027	100.00%
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General Governmental Functions Expenditures \$3,762,837,027



Economic Outlook

According to the Division of Financial Management's January 1996 Economic Forecast, Idaho's economic growth rate is expected to moderate between 1995 and 1999. This will bring its future economic performance closer to the average among states, and down from the top decile that Idaho has enjoyed with other intermountain and northwest states through the first half of this decade. Idaho nonfarm employment is forecast to advance between 2.0% to 3.5% annually, personal income should grow between 5.0% and 6.5% per year, and population growth is expected to taper off gradually.

decade. Idaho nonfarm employment is forecast to advance between 2.0% to 3.5% annually, personal income should grow between 5.0% and 6.5% per year, and population growth is expected to taper off gradually.

Unlike the first half of the 1990s when virtually all of the Gem State's employment sectors were expanding, the current situation reflects a more mixed performance. As recently as eighteen months ago, industry employment growth reports contained almost entirely positive growth rates. Currently, these reports contain a mixture of positive and negative growth rates. The sectors showing signs of strength are durable manufacturing (except for lumber and wood products); mining; communications; trade; and services. The weakest employment categories are lumber and wood products, food processing, federal government, finance, insurance, real estate, and construction. The number of Idaho housing starts in the third quarter of 1995 was also down significantly compared to the same quarter in 1994.

Growth in the remaining years of the decade will vary by sector. The lumber and wood products sector is expected to decline due to falling housing starts nationally. Concerns over the available supply of timber lost from forest fires have caused some manufacturers to curtail or, in some cases, completely shut down operations.

With Hewlett-Packard's decision to retire some disk drive products de-emphasizing manufacturing at the Boise site, DFM predicts Idaho's hi-tech industries employment growth rate will decline. However, it is anticipated the industry will remain the State's largest manufacturing employer.

Idaho's employment growth for federal, state, and local governments is also expected to slow. Cost cutting plans to balance the federal budget are expected to cause federal employment in Idaho to decline. Ongoing efforts to streamline state government are expected to continue and local government budget caps will limit employment at those levels.

It is important to keep Idaho's future economic performance in perspective. Although growth is expected to slow from the torrid pace of the early 1990s, it is not expected to stop or decline. Even though the large gap between Idaho and national economic growth is expected to narrow, Idaho's economy should continue to outpace its national counterpart. Thus, while the Idaho economy will grow more slowly than it did in the early 1990s, it will still move forward at a rate many states would envy.

Source: Idaho Economic Forecast 1995 -1999, Division of Financial Management, Vol XVIII No. 1, January 1996.

Major Projects

The Department of Health and Welfare has begun implementation of Welfare Reform. Based upon statewide public meetings, the Governor's Welfare Reform Advisory Council has made recommendations such as certain changes to the state's welfare program, promoting self sufficiency by requiring clients to participate in work and training programs, establishing lifetime limits, and implementing new methods to enforce child support payments.

Automation projects are, and will continue to be, high priorities for state agencies. The Department of Health and Welfare is presently working to automate major service delivery areas such as Medicaid, child support, child welfare, eligibility, and fixed assets. The Department of Employment has implemented "Tel-A-Claim" which allows claimants to file for unemployment compensation by telephone. The new worker profiling system provides a process for early identification of claimants who are likely to exhaust benefits before obtaining new employment. This targets more intensive re-employment services in order to shorten their period of unemployment.

The Idaho Transportation Department entered into a public/private agreement for the construction of a new interstate interchange. The agreement is the first public/private interstate construction partnership and also marks the largest single contribution of a corporation to the state highway system in Idaho's history.

Conclusion

This report reflects the continued commitment of the leaders of the State to provide progressive leadership in financial reporting. Without a complete and accurate report of the State's financial position, Idaho cannot compete in today's financial markets, nor support the rapid growth this State has experienced the preceding years.

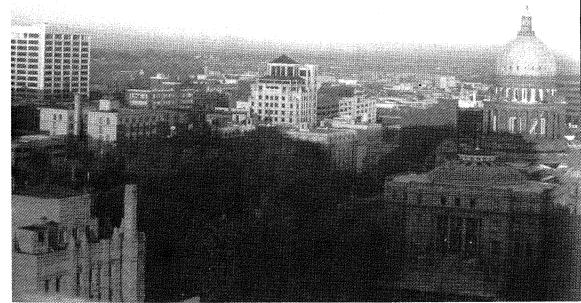
Acknowledgments

Sincere appreciation goes to the budget and accounting officers throughout state government and to the staff of the State Controller's Office for their dedicated collective efforts in preparing this report.

Respectfully submitted,

J.D. Cullin

J. D. Williams State Controller



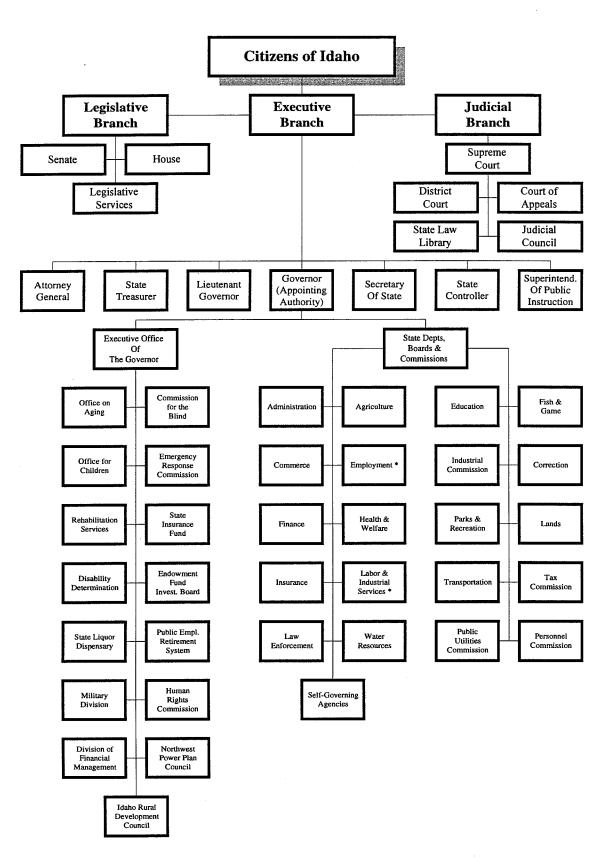
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BOISE, CAPITOL CITY OF IDAHO SINCE 1865, IS HOME TO STATE GOVERNMENT OFFICES, SEVERAL NATIONAL CORPORATE HEADQUARTERS, AND HIGH-TECH INDUSTRY. SITUATED IN ADA COUNTY, THE COUNTY HAS A POPULATION OF 243,337.





^{*} Effective July 1, 1996, a statutory change established the Department of Labor and the Division of Building Safety, replacing and merging the Department of Employment and the Department of Labor and Industrial Services.

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OF THE STATE OF IDAHO



PETE T. CENARRUSA Secretary of State



PHILIP E. BATT Governor

CHARLES F. McDEVITT Chief Justice, Supreme Court



C.L. "BUTCH" OTTER Lieutenant Governor



LYDIA JUSTICE EDWARDS State Treasurer



ALAN G. LANCE Attorney General

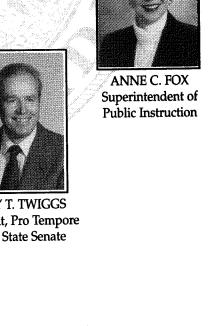


MICHAEL K. SIMPSON Speaker, Idaho House of Representatives



JERRY T. TWIGGS President, Pro Tempore Idaho State Senate







APTLY NAMED FOR ITS SERRATED PEAKS, THE SAWTOOTH MOUNTAINS OFFER BREATHTAKING SCENERY AND UNLIMITED OPPORTUNITIES TO EXPERIENCE THE OUTDOORS.



ANNUAL FINANCIAL REPORT GAAP BASIS

FOR THE FISCAL YEAR ENDED

JUNE 30, 1995

Prepared by the Office of the State Controller, J. D. Williams

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Legislative Services Office Idaho State Legislature

Carl F. Bianchi Director State Capitol P.O. Box 83720 Boise, ID 83720-0054 208/334-2475; Fax 334-2125

September 19, 1996

Independent Auditor's Report

Honorable Philip E. Batt, Governor Honorable J.D. Williams, State Controller Members of the Legislature, State of Idaho

We have audited the accompanying combined balance sheet of the State of Idaho as of June 30, 1995. The combined balance sheet is the responsibility of the Office of the State Controller, State of Idaho. Our responsibility is to express an opinion on the combined balance sheet based on our audit. We did not examine the following balance sheets included in the combined balance sheet of the State of Idaho:

the state of ratio.		% OF	
ENTITY	FUND CLASSIFICATION	FUND ASSETS	AUDIT PERIOD
Idaho State Insurance Fund Idaho Petroleum Clean	Enterprise Fund Enterprise Fund	69% 8%	as of December 31, 1994 as of December 31, 1994
Water Trust Idaho Lottery	Enterprise Fund	21%	as of June 30, 1995
Public Employees Retirement System of Idaho	Trust and Agency Funds	71%	as of June 30, 1995
Endowment Funds Administered by the Endowment Fund Investment Board Colleges and Universities	Trust and Agency Funds Colleges and Universities	13% 100%	as of June 30, 1995 as of June 30, 1995

These balance sheets were audited by other independent auditors whose reports thereon were furnished to us, and our opinion insofar as it relates to the amounts included in the above-mentioned balance sheet, is based solely on the reports of the other auditors.

Research & Legislation Mike Nugent, Supervisor 208/334-2475; Fax 334-2125 Budget & Policy Analysis Jeff Youtz, Supervisor 208/334-3531; Fax 334-2668 Legislative Audits Larry Kirk, Supervisor 208/334-3540; Fax 334-2125

Serving Klaho's Citizen Legislature

Page 2 September 19, 1996

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Controller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined balance sheet is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the combined balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined balance sheet presentation. We believe that our audit provides a reasonable basis for our opinion.

Evidence supporting the carrying value of fixed assets of the governmental fund types, internal service fund, and the trust and agency fund is not available. As a result, the general fixed asset account group is not shown for the governmental fund types and fixed assets are not shown in the internal service fund or trust and agency fund. The State's records did not permit the application of other auditing procedures to fixed assets.

The balance sheet of the Idaho State Insurance Fund and the Idaho Petroleum Clean Water Trust which represents 77% of the assets of the enterprise fund are included on a statutory basis of accounting which is not in accordance with generally accepted accounting principles. The effect of this departure from generally accepted accounting principles has not been determined.

As described in Note #1, the combined balance sheet referred to above does not include the Idaho Housing Authority and the Idaho Building Authority, which should be included in order to conform with generally accepted accounting principles. If these omitted component units had been included they would be presented as discrete separate units having assets of \$1,030,842,000 and \$84,192,073, respectively.

In our opinion, based on our audit and the reports of the other auditors, except for the effect of the situations described in the above three paragraphs, the accompanying combined balance sheet referred to in the first paragraph presents fairly, in all material respects, the financial position of the State of Idaho as of June 30, 1995, in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the combined balance sheet taken as a whole. The accompanying combining balance sheets and supplemental information are presented for purposes of additional analysis and are not a required part of the combined statements. Such information has been subjected to the auditing procedures applied in the audit of the combined balance sheet and, in our opinion, based on our audit and the reports of other auditors, except for the effects of the situations described above, the accompanying combining balance sheets and supplemental information are fairly stated, in all material respects, in relation to the combined balance sheet taken as a whole.

Page 3 September 19, 1996

In accordance with *Government Auditing Standards*, we have also issued reports dated September 25, 1996 under separate cover on our consideration of the State of Idaho's internal control structure and on its compliance with laws and regulations.

Very truly yours,

Larry R. Kirk, Supervisor

Legislative Audits

LRK/rt

THE REPORT OF THE PROPERTY OF

State of Idaho Combined Balance Sheet All Fund Types June 30, 1995

Assets:	General \$201,045,644	Special Revenue	Enterprise	Internal Service
	\$201 045 644			
a	¢201 045 644			
- · · 1 OL Cassivolomes		\$236,429,005	\$22,821,561	\$76,136,564
Cash And Cash Equivalents	9,689,176	9,418,117	335,093,547	
Investments	5,549,364	14,664,589	13,604,041	150,637
Current Receivables	3,435,662	4,595,011	327,667	2,597,68 7
Due From Other Funds	5, 155,002	14,244,916		
Due From Other Governments			117,711	324,105
Prepaid Expenses	984,909	32,850,011	66,433,629	
Notes And Other Long-Term Receivables	704,707	52,000,000	6,035,700	113,786
Inventories			8,494,745	
Fixed Assets	50,000	448,134	3,615,055	75,000
Other Assets	\$220,754,755	\$312,649,783	\$456,543,656	\$79,397,779
Total Assets	\$220,734,733	\$312,049,765		
Liabilities and Fund Equity				
Liabilities:				
		c 00 621	\$ 310	
Taxes Payable		\$90,631	44,794,728	\$591,101
Accounts Payable And Accrued Expenses	\$9,369,451	40,254,624	42,378	549,504
Due To Other Funds	1,692,462	6,002,241	42,576	2 1,7,2 0 1
Due To Other Governments	9,847,478	592		
Deposits	244,059	6,442,615	435,110	966,215
Accrued Compensated Absences	7,412,814	20,549,514		143,697
Notes And Other Long-Term Liabilities	2,053,162	12,836,908	64,865,688	143,077
Unpaid Losses/Adjustment Expenses	•		174,270,573	
Other Accrued Liabilities	277,400		44,143,579	2,250,517
Total Liabilities	30,896,826	86,177,125	328,552,366	2,230,317
Fund Equity:				
Investment In Fixed Assets		44 420 572	6,399	724,599
Reserved For Encumbrances	24,609,746		2,880,821	78,000
Reserved Fund Equity	35,052,892	38,282,655	2,000,021	,,
Unreserved Fund Equity	130,195,291	143,751,431		150,000
Contributed Capital			125,104,070	79,194,663
Retained Earnings		407 400 750		
Total Fund Equity	189,857,929	226,472,658	121,991,290	77,177,950
Total Liabilities and Fund Equity	\$220,754,755	\$312,649,783	\$456,543,656	\$79,397,779

The accompanying notes are an integral part of the financial statements.

Fiduciary <u>Fund Types</u>		
Tono Types		Total
Trust and	College &	June 30,1995
Agency	Universities	(Memorandum Only)
Agency	CIII CIBRICO	(2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-
\$263,207,008	\$38,583,227	\$838,223,009
3,767,809,472	106,107,324	4,228,117,636
21,128,373	25,061,762	80,158,766
21,357	14,148,061	25,125,445
,	11,219,948	25,464,864
11,426,574	, ,	11,868,390
6,146,458	19,288,195	125,703,202
-,, -	, ,	6,149,486
	686,628,774	695,123,519
	9,591,120	13,779,309
\$4,069,739,242	\$910,628,411	\$6,049,713,626
~		
\$331,584		\$422,525
17,637,150	\$44,393,108	157,040,162
10,266	14,148,061	22,444,912
312,628,940		322,477,010
53,196,877		59,883,551
		29,363,653
4,994,335	114,593,777	199,487,567
9,221,384		183,491,957
-	6,144,777	50,565,756
398,020,536	179,279,723	1,025,177,093
	572,946,580	
		69,779,316
3,385,840,739		3,462,135,107
285,877,967	158,402,108	
		150,000
		201,298,733
3,371,718,706	731,348,688	5,024,536,533
\$4,060,730,242	\$910,628,411	\$6,049,713,626
\$4,069,739,242	φ210,020,71	Ψ0,0 17,7 15,020

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying combined balance sheet of the State has been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), except where noted. GASB is the standard setting body for governmental accounting and financial reporting principles. The combined balance sheet of the university funds has been prepared in conformity with GASB Statement 15, as prescribed by the American Institute of Certified Public Accountants (AICPA) Industry Audit Guide "Audits of Colleges and Universities".

B. Financial Reporting Entity

The financial reporting entity for the State of Idaho (the State) includes all fund types and account groups of the State's various departments, agencies, universities, colleges, and other organizational units over which the State has responsibility.

GASB Statement No. 14, "The Financial Reporting Entity" establishes standards for defining the financial reporting entity. This statement was effective for years beginning after December 15, 1992. Under Statement 14 the reporting entity is defined as the Primary Government, consisting of all funds, agencies, boards, commissions, and account groups that make up its legal entity and include component units defined as legally separate organizations that are financially accountable to the State and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. Financial accountability exists generally if (1) the State appoints a voting majority of the organization's governing board and (2) the State is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the State. The State has not included any component units in the financial statements, the effect of which cannot be determined. Currently the State is evaluating the requirements necessary to implement the standard in fiscal year 1996.

Potential component units may include, but are not limited to, the Idaho Housing Authority, Idaho Health Facilities Authority, Idaho Building Authority, Idaho State Bar, and various commodity commissions.

The following State agencies have issued financial statements audited by Independent Certified Public Accountants:

Endowment Fund Investment Board - This agency administers the permanent endowment funds of the State. Their audit report, dated August 7, 1995, was issued under separate cover for the year ended June 30, 1995.

Public Employee Retirement System of Idaho (PERSI) - The agency administers a multiple- employer cost-sharing public employee retirement system established by the State to provide pension benefits for employees of its local governments. PERSI's audit

report, dated October 11, 1995, was issued under separate cover for the year ended June 30, 1995.

Idaho Lottery - The agency accounts for the State Lottery as administered by the Idaho Lottery Commission. The Idaho Lottery's audit report, dated August 11, 1995, was issued under separate cover for the year ended June 30, 1995.

State Board of Education and Board of Regents of the University of Idaho - These boards have oversight responsibility for Boise State University, Idaho State University, the University of Idaho, Lewis and Clark State College, and Eastern Idaho Technical College. The institutions' reports were issued under separate covers for the year ended June 30, 1995. The audit reports were dated September 29, September 22, October 13, September 29, and September 1, 1995 respectively.

State Insurance Fund - The Agency administers the Worker's Compensation Fund for the State. The Agency also administers the Petroleum Clean Water Trust Fund for the State. Separate annual reports and audits are issued for each fund, as they represent two separate legal entities. The agency reports its operations on a calendar year basis. The financial information in each annual report is for the year ended December 31, 1994. Individual audit reports, dated April 28, 1995, were issued under separate cover for each fund.

C. Constitutional Debt and Liability Limitation

Article VIII, Section 1. of the Idaho Constitution specifies the legislature shall not create any debts or liabilities that exceed \$2 million in the aggregate. This provision of the constitution was incorporated in 1912. The State has implemented this provision on the assumption it applies to debts and liabilities such as bonded indebtedness but does not apply to liabilities incurred for ordinary operating expenses, liabilities that arise by operation of law, or debt incurred by the State Board of Education (colleges and universities), State ex rel. Miller v. State Board of Education, 56 Idaho 210, 52 P. 2d 141 (1935); Stein V. Morrison, 9 Idaho 426, 75 P. 246 (1904).

D. Fund Accounting

The financial activities of the State are recorded in individual funds and account groups used to report the financial position and results of the operations of the State. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is considered a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

On the combined balance sheet, individual funds are classified in four fund categories: governmental funds, proprietary funds, fiduciary funds, and university funds. Each category is further divided into separate fund types.

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

1. Governmental Fund Types

Governmental funds are used to account for government's general activities, including collection and disbursement of earmarked moneys (special revenue funds), acquisition or construction of general fixed assets, and servicing of general long-term debt. The General Fund is used to account for all general government activities not accounted for in some other fund. Governmental fund types are described as follows:

The General Fund is the principal operating fund of the State. It is used to account for transactions related to resources obtained and used for those services traditionally provided by a state government which are not required to be accounted for in other funds. These services include, among others, general government, education (other than those reported in the University Funds), health and social services, public safety, recreation and resources, capital projects and transportation. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements.

Special Revenue Funds are used to account for transactions related to resources obtained from specific revenue sources (other than for expendable trusts or capital projects) legally restricted to expenditures for specified purposes. Special revenue funds account for, among others, certain federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose. Special revenue funds include the financial activities related to the Department of Fish and Game, the Department of Health and Welfare, the Idaho Transportation Department, and other Miscellaneous Funds legally restricted to expenditures for specified purposes.

2. Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Proprietary funds, in accordance with GASB Statement No. 20 "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," are required to apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedures. In addition, a proprietary activity may apply all FASB Statements and interpretations issued after November 30, 1989, except those that conflict with or contradict GASB pronouncements. The State has elected not to follow FASB pronouncements issued after November 30, 1989 for enterprise funds. Proprietary fund types are described as follows:

Enterprise Funds are established to account for governmental operations that function in a manner similar to private business enterprises where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. These funds are used to account for the financing, acquisition, operation, and capital maintenance of governmental facilities where the determination of net income is appropriate. Enterprise funds include Correctional Industries, the Liquor Dispensary, the Idaho Lottery, and the State Insurance Fund.

Internal Service Funds account for the operations of state agencies which render services and provide goods to other state agencies or governmental units on a cost-reimbursement basis. Internal service funds include the financial activities of General Services, Group Insurance, Risk Management, and Data Processing Services.

3. Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds are custodial in nature and are generally used to account for assets the government holds on behalf of others, as their agent. Fiduciary fund types include the following:

The Expendable Trust Fund accounts for assets held by the State in a trustee capacity. Principal and income may be expended in the course of designated operations. The expendable trust fund for the State is Unemployment Compensation.

Nonexpendable Trust Funds account for the transactions, assets, liabilities, and fund equity of the State Endowment Fund. The Endowment Funds were created from federal Enabling Act land grants and the sale of such lands. The Funds' corpus is nonexpendable. Earnings on the corpus are used to support education, mental health, corrections, and public buildings.

Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the State's retirement systems.

Agency Funds account for various taxes, deposits, and property collected or held by the State, acting in a custodial capacity, for distribution to other governmental units or designated beneficiaries.

4. College and University Fund Types

College and University funds account for the financial position and operations of the State's colleges and universities in accordance with existing authoritative accounting and

SECTION SECTIO

reporting principles as prescribed in the AICPA Industry Guide. Accordingly, college and university funds are an aggregation of the following funds:

Current Funds account for resources that will be expended for performing the primary and support objectives of the institution, i.e., instruction, academic support, student services, institutional support, operations and maintenance of plant, scholarships and fellowships and auxiliary activities. These include "unrestricted" funds over which the institution's governing board retains full control in achieving institutional purposes and "restricted" funds which may be utilized only for purposes designated by a donor or other external organization. Unrestricted funds include general fund appropriations and various fees charged to students. Auxiliary enterprise funds account for transactions of substantially self-supporting activities that primarily provide services to students, faculty, and staff. Auxiliary enterprises include, but are not limited to, student housing, intercollegiate athletics, food services, and bookstores.

Loan Funds account for transactions of related resources obtained and used for loans to students, staff, and faculty.

Endowment Funds account for resources, held by the institutions, that must be administered in accordance with trust agreements.

Plant Funds account for resources available for acquisition, renewal and replacement of institutional properties, resources available to service debt incurred to acquire such properties, and the fixed assets acquired or constructed for use by the institutions.

Unexpended - This subgroup is used to account for the unexpended resources derived from various sources to finance the acquisition of university fixed assets and the associated liabilities.

Renewals and Replacements - The resources of this subgroup provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements to plant.

Retirement of Indebtedness - This represents bond sinking funds used to provide for payment of principal and interest pursuant to terms of bond indentures.

Investment in Plant - Except for long-lived assets held as investments in endowment and similar funds and their associated liabilities, this subgroup includes all long-lived assets in the service of the institution and all construction in progress (unless carried in the Unexpended Plant Fund or Fund for Renewals and Replacements subgroup, until completion of the project) and all associated liabilities.

Agency Funds account for amounts held in custody for students, institution related organizations, and others.

June 30, 1995

5. Account Groups

Account groups are accounting entities used to establish control over and accountability for general fixed assets and the unmatured principal of general long-term obligations. The two account groups are as follows:

General Fixed Assets - Generally accepted accounting principles (GAAP) require a general fixed assets account group to account for all fixed assets acquired or constructed, other than those accounted for in proprietary, certain fiduciary, and university funds. Currently the State does not have a complete listing of its general fixed assets and related historical costs. Consequently, no general fixed assets account group is presented herein. Procedures are being established to enable the State to account for property and equipment in accordance with GAAP.

General Long-term Obligations - The general long-term obligations account group accounts for general obligation bonds, limited obligation bonds, and other long-term obligations not recorded in proprietary, fiduciary, college and university funds. The State, under Idaho Constitution, Article VIII is limited to a maximum of \$2,000,000 of public indebtedness. At June 30, 1995, the State did not have any general long-term obligations outstanding, other than those reported in proprietary, fiduciary, college and university funds.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatments applied to funds are described as follows:

Governmental Fund Types, Expendable Trust, and Agency Funds

All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet.

The modified accrual basis of accounting was used by all governmental fund types, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when measurable and available to finance operations of the current fiscal year. Available means collected in the current year or soon enough after year end to liquidate liabilities existing at the end of the year. Significant revenue sources which are susceptible to accrual include sales taxes, individual income taxes, corporate income taxes, and federal grants. Licenses, fees, permits, and other miscellaneous revenues are recognized when received, since they normally are measurable only at that time. Expenditures and related fund liabilities are recognized upon receipt of goods and services.

Proprietary Fund Types, Nonexpendable Trust Funds, and Pension Trust Funds

All proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus,

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

The accrual basis of accounting was used by all proprietary funds, nonexpendable trust funds, and pension trust funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components for proprietary funds and fund balance for nonexpendable trust and pension trust funds.

College and University Funds

The accounts of the college and university funds are reported using the accrual basis of accounting with the following exceptions: depreciation expenses related to plant fund assets are not recorded and revenues and expenditures of summer sessions are reported within the fiscal year in which the total summer sessions program is predominantly conducted.

F. Budget

The State's books and records and other official reports are maintained on the basis of accounting used in the preparation of the State's legally adopted annual budget or legal basis. The legal basis emphasizes accountability and the budgetary control of appropriations. The Legal Basis Financial Report is not intended to present the State's financial condition and results of operations in conformity with GAAP.

Under the legal basis, revenues are generally recognized when cash is received. Expenditures are recorded when the related cash disbursement occurs. Encumbrances are not recognized as an expenditure, but reduce spending authority.

Throughout the <u>Idaho Code</u>, the legislature has established continuous or perpetual appropriations for certain funds and programs. No annual amount is determined during the legislative session for these appropriations. Expenditures are allowed to the extent they are made with available cash.

Normally, unencumbered appropriations lapse at the end of the year for which they were appropriated. At fiscal year end, unexpended appropriation balances may: 1) revert to unreserved fund equity balances and be available for future appropriations; 2) be reappropriated as part of the spending authority for the future year; or 3) may be carried forward to subsequent years as outstanding encumbrances, with the approval of the Division of Financial Management.

G. Assets and Liabilities

Cash and Cash Equivalents

Cash and cash equivalents consist of bank accounts and imprest petty cash. Cash balances of most State funds are pooled together and invested by the State Treasurer. Interest earned on pooled cash is allocated to the Internal Service Funds, Expendable Trust Funds, and certain Special Revenue Funds when so directed by law. All earnings not otherwise

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

allocated are General Fund revenue. Collateral, as further discussed in Note 2, is pledged by the various banks and securities dealers to secure State funds. There are instances in which a fund with a cash deficit will borrow from another fund. Interfund borrowings are reported as "due from other funds" and "due to other funds" on the balance sheet. An exception to the above policy is, certain organizations within the State's reporting entity have independent powers to manage and invest their own cash.

Investments

9

 The State Treasurer may invest State funds and funds of other qualified entities within the State in accordance with Sections 67-1201 through 67-1222 of the Idaho Code. Investments include certificates of deposit with banks and savings and loan institutions, commercial paper, repurchase agreements, United States Treasury Bills and Notes, and government backed mortgages and loans. Investments are generally recorded at amortized cost. Interest from short-term interest bearing securities is recognized when earned.

The Public Employee Retirement System of Idaho (PERSI) is permitted to make investments in accordance with the Prudent Man Investment Act, Sections 68-501 through 68-506 of the Idaho Code. PERSI invests in domestic equities, international equities (including international hedges), fixed income investments, real estate and real estate investment trusts, mortgages and certain other short-term investments. These investments are generally carried at lower of cost or market.

Current Receivables

Current receivables in the governmental and fiduciary funds primarily consist of timber sales and interest (both of which are recorded when earned) and taxes subject to accrual-mainly sales taxes and income taxes. They also include amounts collectible for investments sold and for accrued interest income as well as contributions receivable in the pension trust funds. Proprietary fund receivables occur as part of the ordinary course of business. University fund receivables include money due from the federal government, tuition, fees, loans, and accrued interest income. Receivables are reported net of allowances for uncollectible accounts where applicable.

Due From/To Other Funds

During the course of operations, numerous transactions occur between individual funds within the State for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. No eliminating entries have been made. The following is a reconciliation of due from/to other funds:

Entity Groups College & Universities Reporting State Agencies Combined Report Totals	<u>Due Froms</u> \$14,148,061 77,384 25,125,445	<u>Due Tos</u> \$14,148,061 6,851 22,444,912
Independently Audited Agencies Reported As: Other Receivables Other Payables Reconciled Totals	68,071 \$25,193,516	2,748,604 \$25,193,516

Due From Other Governments

The amounts reflected as Due From Other Governments are comprised mainly of federal grant revenues receivable.

Prepaid Expenses

Prepaid expenses shown in the proprietary fund types represent amounts paid in the current period for goods or services which will be received in the future. Common prepaid expenses are rent, insurance, postage, and telephone charges. Prepaid expenses for the fiduciary fund types are retirement benefits paid prior to the due date.

Notes and Other Long Term Receivables

Long term interfund receivables are reported as advances to other funds and are offset equally by a reserve of fund equity. The fund balance is reserved to indicate it is not an available, spendable resource. An Advance From Other Funds is reflected in the fund which received the advance. The most significant balance in this account is for grand prize annuities receivable for winning lottery claims.

Inventories

Proprietary fund type inventories of supplies and materials are stated at cost, which approximates market, generally using the first-in, first-out method. Governmental fund type inventories of supplies and materials are recorded as expenditures at the time of acquisition.

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Donated assets are valued at market value at the time of donation and recognized as a revenue and expenditure. The State has not capitalized general purpose fixed assets in the general fixed asset account group as required by GAAP.

Proprietary and fiduciary fund property, including plant and equipment, but excluding land, are depreciated using the straight-line method over the estimated services lives of the

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

respective assets ranging from 20 to 50 years for buildings and improvements and from 3 to 15 years for furniture and equipment.

The College and University funds account for fixed asset acquisition at cost. Construction projects are included in the plant fund as "Construction in progress" while the project is being constructed. Depreciation is not included for University funds.

Escheat property, the reversion of property to a governmental entity in the absence of legal claimants or heirs, is included in the general fund as revenue when received. Estimated future claims for the property are recorded as a fund liability.

The schedule below summarizes the fixed assets of the following independently audited entities: Lottery Commission, Colleges and Universities, and State Insurance Fund.

Buildings and improvements	Lottery Commission \$ 217,641	Colleges and Universities \$397,733,170	State Insurance 12/31/94 \$5,105,747
Furniture, equipment, and library materials Land Construction in Progress	8,542,974	236,825,042 12,691,500 39,379,062	3,263,766 1,353,056
Depreciation _	(7,258,319)		(2,730,120)
Total	\$1,502,296	\$686,628,774	\$6,992,449

Certain land on which four Lewis and Clark State College buildings are located was donated to the College by the City of Lewiston. Under terms of the gift, ownership of the land reverts back to the City if it ceases to be used for educational purposes.

Other Assets

Other assets include amounts due from the Multi State Lottery, transfer fees, deposits ceded for reinsurance, and other miscellaneous items.

Taxes Payable

Amounts deducted from employees' salaries, and those amounts contributed by the state, for social security, federal income tax, and state income tax, but not yet paid, are recorded as taxes payable. Also included are sales or other taxes collected by state agencies, but not remitted to the State Tax Commission or to other states.

Accounts Payable and Accrued Expenses

Accounts payable consist of amounts due for goods or services received but not paid for at June 30, 1995. Other accrued expenses consist of lottery prizes payable, State Insurance Fund policy holder dividends declared but not paid, unsettled trades, licenses, and fees.

Due To Other Governments

The State Treasurer maintains an investment pool for non-State governmental entities. These amounts are recorded as due to other governments. Also reported are amounts collected from the federal government but not disbursed to subgrantee governmental units.

Deposits

In the course of its normal operations a fund may hold cash or other assets of an individual or entity until certain conditions of an agreement are met, at which time they are returned to the owner. Occasionally, the owner will default on the conditions and the asset held as a deposit becomes property of the State and is recorded as revenue. The timing or the amounts of these occurrences is not readily estimable. The deposit amount shown for the fiduciary fund types reflects amounts collected for post-retirement health insurance for state employees and other members of the Public Employee Retirement System.

Accrued Compensated Absences

Employees earn the right to be compensated during absences for vacation or illness. Within limits established by law, unused vacation benefits are paid to employees upon separation from the State's service. Accumulated benefits for compensated absences are based on the period of service with the State. Retirees receive supplemental health insurance in an amount based on the value of unused sick leave upon retirement. The supplemental health insurance plan is administered for the retiree through the State's retirement system. Agencies remit a percentage of payroll to PERSI to fund future insurance premiums.

Notes and Other Long Term Liabilities

Notes and other long term liabilities consist of lottery grand prizes payable, loans to be made from the recovery of petroleum price violations, revenue bonds, and unsecured notes and capitalized leases held by the Colleges and Universities.

Unpaid Losses and Loss Adjustment Expenses

The State Insurance fund records a reserve for unpaid losses which includes actuarial estimates for both reported claims and claims incurred but not reported (IBNR). The reserve for unpaid loss adjustment expenses is determined by estimating future expenses to be incurred in settlement of claims. The methods of making such estimates and for establishing the resulting liabilities are continually reviewed and updated based on current circumstances. Adjustments resulting from changes in estimates are recognized in the current period. Unpaid losses and loss adjustment expenses have been estimated based upon a consulting actuary's study.

Other Accrued Liabilities

This account primarily represents deferred revenues and various taxes and deposits held in a custodial capacity for distribution to other governmental units or designated beneficiaries. Deferred revenues arise when a potential revenue does not meet the

June 30, 1995

"available" criterion for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant moneys are received prior to the incurrance of qualifying expenditures or when premiums are received for workers' compensation insurance prior to the beginning of the policy period. In subsequent periods, when the revenue recognition criterion is met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed form the combined balance sheet and revenue is recognized.

H. Equity

SECTION OF SECTION SECTIONS SE

Investment in Fixed Assets

An amount representing that portion of equity not available for appropriation, because it was invested in land, buildings, or equipment.

Reserved for Encumbrances

An amount representing purchase orders and contracts that will result in liabilities when the purchase orders are filled and the contracts are executed.

Reserved Equity

Reserves representing those portions of equity not available for appropriation or legally segregated for a specific future use.

Unreserved Equity

The balance of equity available for appropriation for Governmental Fund types.

Contributed Capital

The amount of permanent fund capital in the enterprise funds and internal service funds contributed by other funds within the State or outside entities.

Retained Earnings

An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

I. Total (Memorandum Only)

Total columns on the financial statements are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. The total column represents an aggregation of the combined financial statement of the fund types. These amounts are not comparable to a consolidation and do not represent the total resources available to or used by the State. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2. CASH AND CASH EQUIVALENTS

Colleges and universities account for cash on a pooled basis whereby each fund has a positive or negative equity in cash, depending upon the net effect of its cash receipts and disbursements activity. In effect, funds with negative cash balances are borrowing from those with positive cash balances. Negative cash balances within fund groups are not shown as liabilities because the total cash pool is positive.

Cash and cash equivalents are deposited with various financial institutions. Such deposits for the year ended June 30, 1995 are categorized below to give an indication of the level of risk assumed by the entity at year end. Category 1 includes deposits insured or collateralized with securities held by the entity or by its agent in the entity's name. Category 2 includes uninsured deposits, collateralized with securities held by the pledging financial institution's trust department or agency in the entity's name. Category 3 includes uninsured deposits not collateralized. Balances of deposits by such categories for Colleges and Universities at June 30, 1995 consisted of the following:

Category 1	\$10,450,516
Category 2	37,771,945
Category 3	1,939,587
Cash on hand	119,133
Total	\$50,281,181
Total	20

The following is a reconciliation of the amounts recorded as cash and cash equivalents on the balance sheet and the amounts categorized above as deposits:

Cash and cash equivalents reported on balance sheet	\$38,583,227
Investments categorized with deposits	9,826,173
Investments Held in Trust categorized with deposits	1.871.781
Total deposits categorized	<u>\$50,281,181</u>
Town art of the second	

Of the cash and cash equivalents reported on the balance sheet at June 30, 1995, \$7,488,449 is restricted by donors, granting agencies, or other contractual agreements.

Cash and cash equivalents for Lottery consist of the following:

Cash in bank	\$ 73,075
Cash on deposit with State Treasurer	120,000
Investments in the State of Idaho's Joint Exercise of Powers Act Investment Pool	
at cost, which approximates market	16,732,539
Total cash and equivalents	<u>\$ 16,925,614</u>

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

Cash and cash equivalents for the Idaho State Insurance Fund and Petroleum Clean Water Fund (December 31, 1994) are stated as follows:

Cash on deposit with State Treasurer Investments in the State of Idaho's Joint	\$ 21,699
Exercise of Powers Act Investment Pool at cost, which approximates market	2,575,055
Total cash and equivalents	<u>\$ 2,596,754</u>

NOTE 3. INVESTMENTS

The Idle Funds Pool consists of all cash and cash equivalents that exist in the various funds within the state treasury. This pool is managed by the State Treasurer's Office. The funds of the pool are invested primarily in government securities, certificates of deposit, and repurchase agreements. The certificates of deposit are federally insured and collateral for the repurchase agreements is held in trust by the investment pool. Interest earned on the funds held in the investment pool remains the property of the State.

At June 30, 1995 the amount of cash and investments held in the Idle Funds Pool was \$629,397,919, per the Treasurer's Office, including \$1,832,151 of undistributed interest earned and collected by the pool.

Investments are categorized into the following three categories of credit risk:

- 1. Insured or registered, with securities held by the State or by its agency in the State's name.
- 2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the State's name.
- 3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agency, but not in the State's name.

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

SECULAR SECULA

At June 30, 1995, the State's investment balances (excluding Colleges and Universities, State Insurance Fund, and the Endowment Fund Investment Board) were as follows:

	Catego	ory		
		•	Carrying	Market
	1	2	Amount	<u>Value</u>
CDit	\$ 1,900,000	\$53,400,000	\$ 55,300,000	\$ 55,300,000
Certificates of Deposit	478,854,153	400 , 100, 100	478,854,153	483,510,727
U.S. Government Securities	4/6,657,155	38,729,640	38,729,640	38,729,640
Commercial Paper	55,993,229	30,7-2,7-7	55,993,229	55,993,229
Repurchase Agreements Total	\$ 536,747,382	\$ 92,129,640	628,877,022	633,533,596
Investments not subject to cate	gorization:			
To In Townsetment D	001		15,230	15,230
State Treasurer's Investment P	001		505,667	505,667
Purchase accrued interest			310,975,015	310,975,015
Joint Exercise of Powers Pool		-	#040.272.03 <i>4</i>	\$945,029,508
Total Investments		=	\$940,372,934	\$773,027,300

At June 30, 1995, investment balances for Colleges and Universities were as follows:

Category	
1	\$ 85,495,384
2	7,830,659
3	1.083,327
Carrying Amount	\$ 94,409,370
Curry mg	

The following is a reconciliation of the amounts recorded in the accompanying balance sheet and the amounts categorized above as investments:

	<u>Investments</u>
Amount reported in balance sheet	\$106,107,324
Less amount categorized with deposits	(11,697,954)
Amount categorized with investments	<u>\$ 94,409,370</u>

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

At December 31, 1994, separately stated investment balances for the State Insurance Fund and Petroleum Clean Water Trust are all in Category 2, as follows:

	Carrying Amount	Market Value
Bonds: U.S. Government securities Industrial and miscellaneous Public utility	\$189,340,227 46,217,870 3,547,722	\$183,159,404 43,580,349 2,925,000
Equity Securities: Common-Stock	24,737,728	24,737,728
Short-Term investments: Commercial paper U.S. Government securities Money market funds	45,037,143 19,739,057 2,723,580	45,037,143 19,739,057 2,723,580
Restricted CD's Other	200,000 2,759,988	200,000 2,759,988
Total	\$334,303,315	\$324,862,249

At June 30, 1995, the Endowment Fund Investment Board's separately stated investments of the Public School Endowment Fund and of the Pooled Endowment Fund are all in Category 1. All investments are held under a safekeeping agreement with the Trust Department of Key Trust Company of the West. The State Treasurer is the custodian of the investments of the Public School Endowment Fund. Investment balances at June 30, 1995 were as follows:

Public School Endowment Fund

Public School Endowment Fund	Cost	Market Value
Marketable Securities U.S. Treasury bonds and notes Corporate debentures Collateralized mortgage obligations Corporate convertible debentures Long-term government agencies Short-term government agencies U.S. Treasury securities Commercial Paper	\$127,286,859 47,020,815 46,396,364 35,717,838 48,839,762 26,073,944 28,000,000 359,335,582	\$ 130,196,873 47,248,471 45,898,049 36,573,738 48,985,994 26,700,631 28,000,000 363,603,756
Other: SEI government savings Small Business Administration guaranteed loans Total Investments	71,964 145,420 \$359,552,966	71,964 145,420 \$363,821,140

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Pooled Investment Fund

Pooled Investment Fund	Cost	Market Value ^a
Marketable Securities U.S. Treasury bonds and notes Corporate debentures Collateralized mortgage obligations Corporate convertible debentures Long-term government agencies	\$60,082,493 23,693,012 21,781,012 20,980,606 20,279,202	\$61,445,410 23,672,168 21,482,517 21,371,738 20,288,702
Short-term government agencies U.S. Treasury securities Commercial Paper	13,769,342 10,225,000 170,811,642	14,153,828 10,225,000 172,639,363
Other: SEI government savings Total Investments	59,666 \$170,871,308	59,666 \$172,699,029 ort business

a. Values of marketable securities are determined by quotations as of the last business day of June. Market values of other investments approximate cost.

At June 30, 1995, the investment balance of the Public Employees' Retirement System of Idaho (the System) are all in Category 1, as follows:

	Lit	nited Use	Unlimited Use	Total
		326,001,589	\$ 819,453,051	\$ 845,454,640
Fixed Income Investments	4	6,542,226	1,083,313,890	1,089,856,116
Domestic Equities		0,5 12,220	455,061,881	455,061,881
International Equities Total Categorized Investments		32,543,815	2,357,828,822	2,390,372,637
Investments not subject to categorization due to their nature:				
			212,660,991	212,660,991
Short-term Pooled Investments			139,464,022	139,464,022
Idaho Mortgages			155,141,397	155,141,397
Real Estate			18,076,975	18,076,975
Investments Receivable Settlements Payable to Brokers			(61,932,803)	(61,932,803)
Total Uncategorized Investments			463,410,582	463,410,582
	<u> </u>	32,543,815	\$ 2,821,239,404	\$ 2,853,783,219
Total Investments	===	22,- 10,0		_

The System has entered into forward foreign exchange contracts at June 30, 1995 to purchase or sell currency at various dates in the future at a specific price. The value of foreign currency to be purchased or sold fluctuates continuously, exposing the System to potential loss under these contracts. Therefore, unrealized losses of \$9,221,384 were recognized at June 30, 1995, representing the cost of executing the forward foreign exchange contracts.

June 30, 1995

NOTE 4. RETIREMENT PLANS

Eligible State employees are covered by one of four retirement plans. These are the Public Employees' Retirement System of Idaho (PERSI), the Judges Retirement Plan, the Department of Employment Retirement Plan, and the Colleges other plans described below, who normally work more than twenty hours per week and have been employed by an employer member for more than five consecutive months, are covered by PERSI.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification or a combination of age plus service. For each month of credited service, the annual service retirement allowance was 1.917% or 2.225% at June 30, 1995 (depending on employee classification) of the average monthly salary for the highest consecutive 42 and 48 months, respectively.

PERSI's funding policy provides for periodic employer contributions at actuarially determined rates, expressed as percentages of annual covered payroll, to accumulate sufficient assets to pay benefits when due. The employer and employee contribution rates as a percentage of salary are as follows:

	Contribution Rates at		
	June 30, 1995		
	Employer	Employee	
Classification:			
General Member	11.61%	6.97%	
Police Officer	11.85	8.53	
Fire (hire after October 1, 1980)	27.25	8.53	
Fire (hire before October 1, 1980)	35.90	11.45	
Certain employees of Higher Education	3.03%		

Contributions totaling \$93,539,689 (\$57,561,316 by employer and \$35,978,373 by employees) were made in 1995, in accordance with actuarially determined contribution requirements determined through actuarial valuations preformed at the beginning of the year. The employer and employee contributions represented 11.38% and 7.11% of the \$505,903,081 in covered State payroll.

The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems. PERSI's pension benefit obligation was determined as part of an actuarial valuation at June 30, 1995. The unfunded pension benefit obligation at June 30, 1995 is listed below:

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

June 30, 1995

Total pension benefit obligations
Net assets available for benefits, at cost
Unfunded pension benefit obligations

\$3,834,800,000
2,728,400,000
\$1,106,400,000

The Judges Retirement Plan provides retirement benefits for Judges of the Supreme Court, Court of Appeals, and District Courts. The Idaho Supreme Court administers the plan. As of June 30, 1995, mandatory payroll deductions to the plan from covered employees' gross earnings was 6% and the employer contributions were 7%. The total dollar amount contributed to the plan was not made available for this report.

The Department of Employment Retirement Plan covers individuals employed by the Department prior to October 1, 1980. Under the Department administered plan, Prudential Life Insurance Company manages the investment of funds under a group annuity contract within the parameters established by the Department of Employment. The investment of funds are used to purchase an annuity contract from Prudential when the employee retires. Approximately 170 of the Department's employees were covered by this plan during fiscal year 1995. As of June 30, 1995, mandatory deductions to this plan from covered employees' gross earnings was 7% and the Department of Employment contributed 11.93%, for total contributions of \$1,568,317 (\$978,361 by the employer and \$589,956 by the employees). The pension benefit obligation at September 30, 1995, determined through an actuarial valuation performed as of that date, was \$91,805,000. Net assets available for benefits at that date (valued at market) were \$110, 496,000, producing an excess of assets over pension benefit obligation in the amount \$18,691,000. All employees hired by the Department of Employment after September 30, 1980 are covered by PERSI, as described above.

Effective July 1, 1990, the Idaho State Legislature authorized an Optional Retirement Plan (ORP), a defined contribution plan, for College and University faculty and exempt employees. The employee contribution requirement for the ORP is based on a percentage of total payroll. Employer contributions are determined by the State of Idaho. New faculty and exempt employees hired July 1, 1990 or thereafter automatically enroll in the ORP and select their vendor option. Faculty and exempt employees hired before July 1, 1990 had a one-time opportunity to enroll in the ORP. Although enrollees in the ORP no longer belong to PERSI, the employer is required to contribute 3.03% of the annual covered payroll to PERSI through July 1, 2015. For details of employee and employer contributions to ORP and PERSI, refer to the separately published audited financial statements of the State's colleges and universities.

NOTE 5. TAX ANTICIPATION NOTES

Per <u>Idaho Code</u> Title 63, Chapter 32, the State Treasurer, upon approval of the State Board of Examiners, is authorized to borrow money in anticipation of income or revenue from taxes. Such borrowing is for the current year only and is limited to no more than 75% of the income or revenue, which is reasonably anticipated to be collected during the current fiscal year.

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

External Tax Anticipation notes (sold on the open market) were issued on July 1, 1994 in the principal amount of \$200,000,000. These notes were redeemed on June 30, 1995. The interest expense incurred and paid was \$8,937,798.

Internal Tax Anticipation notes (issued by the general fund to borrow from other available State funds or accounts) were issued during fiscal year 1995, as follows:

Amount Issued	Date Issued	Date Redeemed	Interest Paid
\$32,000,000	May 1, 1995	June 1, 1995	None
\$80,000,000	June 1, 1995	June 30, 1995	None

NOTE 6. RISK MANAGEMENT AND GROUP INSURANCE

The State maintains a combination of commercial and self-insurance to cover the risk of losses to which it may be exposed. This is accomplished through the Risk Management and Group Insurance Funds. The Risk Management Fund manages general property and liability risk of the State, and the Group Insurance Fund manages the health insurance programs of the State.

All agencies of the State participate in the State's Risk Management and Group Insurance Funds. The funds allocate the cost of providing claims servicing, payment, and commercial insurance by charging a "premium" to each agency based on each organization's estimated current-year liability and property values. The liability is determined using an independent actuarial study based on past, current, and estimated loss experiences.

NOTE 7. INTERFUND TRANSACTIONS

The State does not eliminate interfund transactions. The State has the following types of interfund transactions:

Quasi-external Transactions are charges for services rendered by one fund to another, treated as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

Reimbursements of expenditures or expenses made by one fund for another are recorded as expenditures or expenses in the reimbursing fund and as a reduction of expenditures or expenses in the reimbursement fund.

Residual Equity Transfers are non-routine or nonrecurring transfers between funds reported as additions to or deductions from fund equity. These transfers are usually made for the purpose of providing working capital.

Operating (Statutory) Transfers are legally authorized cash transfers reported as operating transfers. Transfers from the General Fund are transfers of appropriated or diverted tax revenues.

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NOTE 8. COMPENSATED ABSENCES

Employees earn vacation and sick leave based on hours worked, and compensatory time based on hours worked in excess of forty hours per week. Upon termination of employment, an employee is paid for unused vacation time and certain types of compensatory time. All non-clerical employees are paid for compensatory time only if used prior to termination.

Employees earn sick leave credits which are expended when paid. An employee is not paid for unused sick leave, but upon retirement of a covered employee the employer must pay into a pool 50% of the unused sick leave value, not to exceed 336 hours. The money collected in that pool is used by the Public Employee Retirement System of Idaho to purchase supplemental health insurance for the retiree.

As of June 30, 1995, excluding Colleges and Universities, the following total value of leave has been accrued by employees of the State:

Vacation	\$ 28,201,663
Compensatory	2,995,691
Statewide Total	31,197,354
Less: Health Districts	1,214,048 619,652
Audited Agencies	619,032
Balance Sheet Total	<u>\$ 29,363,654</u>

NOTE 9. CAPITAL LEASES

The colleges and universities have entered into various capital lease agreements covering buildings and equipment. At June 30, 1995, assets under capital lease totaled approximately \$9,690,903. These amounts are included in property, plant, and equipment. Minimum lease obligations under these agreements for future years ending June 30, are as follows:

College and	
-------------	--

Conogo with	
	University
Years	<u>Funds</u>
1996	\$ 1,410,525
1997	1,169,546
1998	1,167,377
1999	847,570
2000	627,107
Thereafter	7.648,734
Total Future Minimum Lease Payments	12,870,859
Less Interest	5,557,725
	MT 212 124
Present Value of Minimum Lease Payments	<u>\$7,313,134</u>

Subsequent to year end, the University of Idaho entered into a \$6.25 million telecommunications infrastructure lease agreement with GTE Leasing Corporation. Under the terms of the agreement, payments are not scheduled to commence until July 1, 1996.

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

Capital leases for the rest of the State have not been shown, since the corresponding asset has not been reflected, as indicated in Note 1. Procedures are being established for including this information in the 1996 CAFR.

NOTE 10. BONDS & NOTES PAYABLE-COLLEGES & UNIVERSITIES

The State's colleges and universities have entered into a number of long term debt obligations for the purpose of funding various projects. The schools have the following debt secured by land, equipment, and student fees:

		Balance at
Maturity Date		June 30,1995
2010		\$5,110,000
2001		1,530,000
2002		5,170,000
2007		5,525,000
2010		4,295,000
2005	4.3% to 5.8%	3,755,000
2010	6.3%	2,820,000
2014	6.4%	2,960,000
2004	4.4% to 5.75%	4,325,000
2010	6.2%	4,545,000
2014	6.3%	5,280,000
2004	4.4% to 5.75%	755,000
	6.2%	830,000
	6.3%	3,460,000
	5.5% to 6.85%	5,655,000
	5.1% to 6.63%	8,585,000
	4.4% to 5%	1,870,000
= - -		1,665,000
	5.25%	4,070,000
	3.625%	445,000
	-	1,215,000
-		1,785,000
		4,190,000
	_	1,465,000
	The state of the s	1,435,000
		735,000
-		1,215,000
		1,555,000
	_	10,760,000
- -		6,325,000
2010		
		\$ 103,330,000
	2010 2001 2002 2007 2010 2005 2010 2014 2004	2010 2001 7.89% to 7.6% 7.89% to 8.55% 2002 5.6% to 6.3% 2007 6.75% 2010 6.75% 2010 6.3% 2014 6.4% 2004 4.4% to 5.75% 2010 6.2% 2014 6.3% 2014 6.3% 2014 6.3% 2014 6.3% 2016 5.5% to 6.85% 2016 2017 5.25% 2007 2013 5.2% 2017 5.25% 2004 2005 4.75% to 5.2% 2014 5.4% 2015 5.4% 2016 5.35% to 6.05% 2011 6.35% 2016 2008 5.35% to 6.05% 2011 6.35% 2015 6.4% 2019 2016 4.45% to 5.45%

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

There are a number of limitations and restrictions contained in the various bond indentures.

Notes Date Rate June 30, 1995 Unsecured 1996 8.0% \$ 9,000 Unsecured 1996 8.97% 63,130 Unsecured 8-12-1996 5.1% 43,631 Unsecured 8-12-1996 7.65% 220,000 Unsecured 8-12-1996 7.65% 220,000 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 73,500 Secured by land and buildings 12-22-1997 8.4% 12,355 Secured by future revenues 7-20-1999 8.2% 60,883 Secured Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% \$3,950,643		Maturity	Interest	Balance at
Unsecured 1996 8.97% 63,130 Unsecured 1996 8.97% 63,130 Unsecured 8-12-1996 5.1% 43,631 Unsecured 8-12-1996 6.6% 1,035,722 Unsecured 8-12-1996 7.65% 220,000 Unsecured 8-12-1996 7.23% 84,312 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 60,883 Secured by land and buildings 12-22-1997 8.4% 12,355 Secured by future revenues 7-20-1999 8.2% 60,883 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% \$ 3,950,643	NIstan		Rate	
Unsecured Unsecu			8.0%	7 /
Unsecured 8-12-1996 5.1% 43,631 Unsecured 8-12-1996 6.6% 1,035,722 Unsecured 8-12-1996 7.65% 220,000 Unsecured 8-12-1996 7.23% 84,312 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 60,883 Secured by land and buildings 12-22-1997 8.4% 12,355 Secured by future revenues 7-20-1999 8.2% 60,883 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Unsecured 2010 3.0% 145,338 Unsecured 2017 with interest rates 7-20,643		- -	8.97%	•
Unsecured 8-12-1996 6.6% 220,000 Unsecured 8-12-1996 7.65% 220,000 Unsecured 8-12-1996 7.23% 84,312 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1997 8.4% 12,355 Secured by land and buildings 12-22-1997 8.2% 60,883 Secured by future revenues 7-20-1999 8.2% 521,435 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% \$3,950,643			5.1%	,
Unsecured 8-12-1996 7.65% 84,312 Unsecured 8-12-1996 7.23% 84,312 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1997 8.4% 12,355 Secured by land and buildings 12-22-1997 8.2% 60,883 Secured by future revenues 7-20-1999 8.2% 521,435 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% \$3,950,643			6.6%	•
Unsecured 8-12-1996 7.23% 73,500 Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 12,355 Secured by land and buildings 12-22-1997 8.4% 12,355 Secured by future revenues 7-20-1999 8.2% 60,883 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% \$3,950,643			7.65%	•
Unsecured 8-12-1996 7.65% 73,500 Unsecured 8-12-1996 7.65% 12,355 Secured by land and buildings 12-22-1997 8.4% 12,355 Secured by future revenues 7-20-1999 8.2% 60,883 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% 3,950,643			7.23%	84,312
Unsecured Secured by land and buildings 12-22-1997 8.4% 60,883 Secured by future revenues 7-20-1999 8.2% 521,435 Unsecured 2004 5.43% 521,435 Unsecured 2010 3.0% 145,338 Unsecured Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% 1,681,337				73,500
Secured by land and buildings 12-22-1997 8.2% 60,883 Secured by future revenues 7-20-1999 8.2% 521,435 Unsecured 2004 5.43% 145,338 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% 1,681,337	Unsecured			12,355
Secured by future revenues 72201733 Unsecured 2004 5.43% 145,338 Unsecured 2010 3.0% 145,338 Other notes payable through the year 2017 with interest rates 1,681,337 ranging from 4.5% to 9% 3,950,643	Secured by land and buildings			60,883
Unsecured 2010 3.0% 145,338 Unsecured 2010 with interest rates Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% \$3.950,643				521,435
Unsecured Other notes payable through the year 2017 with interest rates ranging from 4.5% to 9% 1,681,337 \$3,950,643	-			145,338
ranging from 4.5% to 9% ———————————————————————————————————	Unsecured	2010 2017 with inter		
\$ 3,950,643	Other notes payable through the y	ear 2017 with inter-	OSt Tutos	1,681,337
				\$3,950,643

Principal maturities on notes and bonds payable for future years ending June 30 are as follows:

77	Principal Payable
Years	\$ 3,001,402
1996	5,146,892
1997	3,523,905
1998	3,753,321
1999	3,958,756
2000 Thereafter	87,896,367
Total Future Principal Payable	<u>\$ 107,280,643</u>

NOTE 11. DEFERRED COMPENSATION PLAN

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all government employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the government (without being restricted to the provision of benefits under the plan), subject only to the claims of the government's general creditors. Participants' rights under the plan are equal to those of general creditors of the government in an amount equal to the fair market value of the deferred account for each participant.

June 30, 1995

It is the opinion of the government's legal counsel that the government has no liability for losses under the plan but does have the duty of care that would be required of an ordinary prudent investor. The government believes it to be unlikely it will use the assets to satisfy claims of general creditors in the future.

NOTE 12. LITIGATION

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In ISEEO, et al. v. Evans, et al., 123 Idaho 573, 850 P.2d 724 (1993), the Idaho Supreme Court allowed the plaintiffs to go forward with a case alleging that Idaho is not providing a thorough public school education within the meaning of the Idaho Constitution. The plaintiffs allege that the current public school system does not provide a thorough education and allege that approximately \$700 million in construction expenditures will be needed to bring public schools up to standards. On remand, the district court, on November 30, 1994, dismissed the complaint of ISEEO, the primary plaintiff. All other plaintiffs then voluntarily dismissed.

The state is a defendant in numerous legal proceedings pertaining to matters incidental to the performance of routine governmental operations. Such litigation includes, but is not limited to, claims asserted against the State arising from alleged torts, alleged breaches of contracts, condemnation proceedings and other alleged violations of state and federal laws. It is not possible, at the present time, to estimate the ultimate outcome or liability, if any, of the State in respect to the various proceedings; however, it is believed that any ultimate liability resulting from these suits will not have a material, adverse effect on the financial condition of the State.

Boise State University and the University of Idaho are defendants in litigation arising from the normal course of operations. Based on present knowledge, the State believes any ultimate liability in these matters will not materially affect the financial position of the State.

NOTE 13. CONTINGENCIES

Revenue from federal grants includes amounts for the recovery of overhead and other costs. The State may be required to make refunds of amounts received for overhead and other costs reimbursed as a result of audits by agencies of the General Government. It is the opinion of the State that the effect of these refunds, if any, will not have a significant effect on the financial position of the State.

NOTE 14. RELATED ORGANIZATIONS

Several foundations have been established for the purpose of soliciting donations and to hold and manage invested donations for the exclusive benefit of the colleges and universities. Net assets of \$116,670,034 owned by the foundations are not included in the accompanying financial statements. \$84,992,671 of these assets are restricted to use designated by donors.

STATE OF IDAHO NOTES TO THE COMBINED BALANCE SHEET

June 30, 1995

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NOTE 15. SUBSEQUENT EVENTS

As the result of a November 1995 farm accident, an indigent person was seriously injured in Cassia County. In accordance with Idaho Code §31-3517 it is the Attorney General's opinion that the Catastrophic Health Care fund will probably be required to cover the subsequent medical costs relating to the accident. As of January 27, 1996 the total medical bills have exceeded \$320,000. It is expected that the final bill could exceed \$600,000. Such an expenditure could require an additional appropriation from the Legislature.

As mentioned in Note 12, the ISEEO appealed the District Court's dismissal of the complaint. The ISEEO plaintiffs appealed again on March 7, 1996 and the Supreme Court reversed the decision of the District Court. This reversal will allow the ISEEO plaintiffs to go forward with their case. The State vigorously contests both the allegation that Idaho's public school system is not thorough and the alleged costs asserted by the plaintiffs. However, if the plaintiffs were ultimately successful in obtaining a declaratory judgement requiring substantial expenditures, the legislature would need to address the declaratory judgement by either raising revenues or reallocating expenditures.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS



DAHO'S ANSWER TO OLD FAITHFUL IS THIS MAN-MADE GEYSER IN SODA SPRINGS - NATURAL PRESSURIZED WARM WA ITH ERUPTIONS CONTROLLED BY A TIMER. THE CITY IS NAMED FOR ITS NATURALLY CARBONATED SPRINGS

GENERAL FUND

The GENERAL FUND is the principal operating fund of the State and accounts for all the governmental resources and transactions not accounted for in other funds. Accounted for in this fund are revenues, expenditures, and other financial activities associated with general governmental services where the predominant source of funding is provided by taxes (income, sales, and other), interest earnings, and other miscellaneous income.

State of Idaho Combining Balance Sheet General Fund June 30, 1995

	State General Fund	Permanent Building Fund	Warrant Deficiency Fund	Legislative	Budget Reserve
Assets:					
Cash And Cash Equivalents Investments	\$14,356,788	\$105 ,0 33 ,7 62	\$139,385	\$2,162,243	\$32,887,895
Current Receivables	4,306,534		148,696		
Due From Other Funds	39,538	3,232,547			99,700
Notes And Other Long-Term Receivables	20,110				
Other Assets		0100.066.200	#200 001	e2 1/2 2/2	#22 097 5 05
Total Assets	\$18,722,970	\$108,266,309	\$288,081	\$2,162,243	\$32,987,595
Liabilities and Fund Equity					
Liabilities:					
Accounts Payable And Accrued Expenses	\$6,397,359	\$2,657 ,87 3	\$3,312	\$47,227	
Due To Other Funds	1,667,654	565	43	11,585	
Due To Other Governments					
Deposits	7,530	44 201	137	8,762	
Accrued Compensated Absences	7,271,564 1,937,207	44,291	137	8,702	
Notes And Other Long-Term Liabilities Other Accrued Liabilities	1,937,207				
Total Liabilities	\$17,281,314	2,702,729	3,492	67,574	
 					
Fund Equity:					
Reserved For Encumbrances	4,848,954	44,241			
Reserved Fund Equity	649,536		(34,038)		\$32,987,595
Unreserved Fund Equity	(4,056,834)	105,519,339			22 007 505
Total Fund Equity	1,441,656	105,563,580	284,589	2,094,669	32,987,595
Total Liabilities and Fund Equity	\$18,722,970	\$108,266,309	\$288,081	\$2,162,243	\$32,987,595

Catastrophic	C	Endowment		Income Tax		
Health	Governor's		Sales Tax	Refunds	Miscellaneous	Total
Care	Residence	Earnings	Sales Tax	Keiming	Miscellancous	10001
\$849,738	\$1,231,371	\$21,924,009	\$19,268,924	\$1,828,600	\$1,362,929	\$201,045,644
ψ0+2,750	\$1,251,5 11	9,689,176				9,689,176
		129,367	184,738	763,603	16,426	5,549,364
6,804	3,756	51,767	•		1,550	3,435,662
0,007	2,:	964,799				984,909
		·			50,000	50,000
\$856,542	\$1,235,127	\$32,759,118	\$19,453,662	\$2,592,203	\$1,430,905	\$220,754,755
		* 2.50.02 7			\$13,653	\$9,369,451
		\$250,027			1,840	1,692,462
\$130		10,645			1,040	9,847,478
		9,847,478				244,059
		236,529			82,510	7,412,814
		5,550	#11E 0EE		62,310	2,053,162
			\$115,955	\$277,400		277,400
100		10,350,229	115,955	277,400	98,003	30,896,826
130		10,330,229	113,933	277,400	70,003	30,070,020
		18,297,316		1,387,000	32,235	24,609,746
		964,799		400,000	85,000	35,052,892
856,412	\$1,235,127	3,146,774	19,337,707	527,803	1,215,667	129,455,247
856,412	1,235,127	22,408,889	19,337,707	2,314,803	1,332,902	189,857,929
050,712	1,200,127	2=,100,000		,,		
\$856,542	\$1,235,127	\$32,759,118	\$19,453,662	\$2,592,203	\$1,430,905	\$220,754,755

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS account for specific revenues designated to finance specific functions of government. The following provides a brief description of the state's significant special revenue funds.

The FISH AND GAME FUND accounts for revenues and expenditures associated with enforcing and administering the fish and game laws in Idaho and to perpetuate and manage the State's wildlife resources. Funding is provided from dedicated user fees and federal grants.

The HEALTH AND WELFARE FUND accounts for revenues and expenditures associated with administering public assistance, medical care, foster care, child support enforcement, and other relief to the eligible citizens of Idaho. Funding is provided from the General Fund, federal grants, dedicated user fees, and various other

sources.

The TRANSPORTATION FUND accounts for revenues and expenditures associated with highway construction and maintenance. Funding is provided from motor vehicle related taxes and user fees, as well as various federal highway administration funds.

The MISCELLANEOUS FUND accounts for revenues, expenditures, and other financial activities associated with general governmental services where the major source of funding is provided by fees, sale of services or goods, federal grants, or other income.

State of Idaho Combining Balance Sheet Special Revenue Funds June 30, 1995

	Fish & Game	Health & Welfare	Transportation	Miscellaneous	Total
		•			
Assets:					
Cash And Cash Equivalents	\$8,337,881	\$55,007,408	\$67,022,862	\$106,060,854	\$236,429,005
Investments			320,107	9,098,010	9,418,117
Current Receivables		5,241,004	478	9,423,107	14,664,589
Due From Other Funds	28,158	16,023	4,127,859	422,971	4,595,011
Due From Other Governments	2,556,762		129,419	11,558,735	14,244,916
Notes And Other Long-Term					
Receivables		26,165,709		6,684,302	32,850,011
Other Assets Total Assets	£10.000.901	606 430 144	\$71.700.70C	448,134	448,134
1 otal Assets	\$10,922,801	\$86,430,144	\$71,600,725	\$143,696,113	\$312,649,783
Liabilities and Fund Equity Liabilities:					
Taxes Payable		\$292	\$85,854	\$A AOE	\$00.631
Accounts Payable And Accrued		\$29Z	\$65,65 4	\$4,485	\$90,631
Expenses	\$747,683	7,064,179	25,815,978	6,626,784	40,254,624
Due To Other Funds	54,161	1,383,524	4,163,133	401,423	6,002,241
Due To Other Governments	- 1,1-1	1,505,52	1,105,155	592	592
Deposits		462,025	320,107	5,660,483	6,442,615
Accrued Compensated Absences	2,225,018	7,750,364	4,821,597	5,752,535	20,549,514
Notes And Other Long-Term		, ,	, ,	-,,	,,,
Liabilities		345,305	1,235,188	11,256,415	12,836,908
Total Liabilities	3,026,862	17,005,689	36,441,857	29,702,717	86,177,125
Fund Equity:					
Reserved For Encumbrances	1,935,503	213,669	36,753,327	5,536,073	44,438,572
Reserved Fund Equity	3,999,545	26,465,708	120,000	7,697,402	38,282,655
Unreserved Fund Equity	1,960,891	42,745,078	(1,714,459)	100,759,921	143,751,431
Total Fund Equity	7,895,939	69,424,455	35,158,868	113,993,396	226,472,658
Total Liabilities and Fund Equity	\$10,922,801	\$86,430,144	\$71,600,725	\$143,696,113	\$312,649,783

ENTERPRISE FUNDS

ENTERPRISE FUNDS account for the operations of State agencies that provide goods or services to the general public and finance their operations through user charges. The following provides a brief description of the significant enterprise funds.

The CORRECTIONAL INDUSTRIES

FUND provides employment for prisoners of the Idaho State Prison. Correctional Industries manufactures and sells a variety of items including license plates, furniture, highway signs, printing services, dairy and meat products, and other miscellaneous products and services.

The LIQUOR DISPENSARY FUND was established by the Legislature in 1939. The Dispensary's purpose is to conduct, license, and regulate the sale of alcoholic beverages. Funding is provided through the sale of products. The surplus from the fund is transferred to the State's General Fund, the Public School Income Fund, and other funds as dictated by Idaho Code. The remaining balance is then distributed 40% to counties and 60% to cities.

The LOTTERY COMMISSION was established by the Legislature in 1988. The Commission's purpose is to adopt rules and regulations governing the establishment and operation of lottery games, ensure its integrity, and to maximize the net income of the lottery for the benefit of the State. Annually the Commission's net income is distributed evenly between the Permanent Building Fund and the School District Building Fund.

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The STATE INSURANCE FUND provides workers compensation insurance to the general public as well as the various state entities.

The PETROLEUM CLEAN WATER FUND provides pollution liability insurance to eligible owners and operators of petroleum storage tanks.

State of Idaho Combining Balance Sheet Enterprise Funds June 30, 1995

-	Correctional Industries	Liquor Dispensary	Lottery Commission	Petroleum Clean Water Fund	State Insurance Fund	Total
Assets:						
Cash And Cash Equivalents	-	\$2,563,178	\$16,925,614	\$993,073 32,847,532	\$1,603,681 301,275,783	\$22,821,561 335,093,547
Investments	970,232		= 600 500			13,604,041
Current Receivables	66,467	40,188	7,688,500	563,676	5,245,210	327,667
Due From Other Funds	306,146	21,521				117,711
Prepaid Expenses	11,002	106,709				117,711
Notes And Other						66 422 620
Long-Term Receivables			66,433,629			66,433,629
Inventories	761,549	4,445,310	721,282		6 044 017	5,928,141
Fixed Assets			1,502,296		6,944,017	8,494,745
Other Assets	107,559		1,259,599	1,303,123	1,052,333	3,722,614
Total Assets	\$2,958,970	\$7,176,906	\$94,530,920	\$35,755,836	\$316,121,024	\$456,543,656
Liabilities and Fund Equity Liabilities:						
Taxes Payable	\$310			•		\$310
Accounts Payable And						44.504.500
Accrued Expenses	167,081	\$2,627,480	\$11,028,177		30,971,990	44,794,728
Due To Other Funds	7,429	34,949)			42,378
Accrued Compensated						405 110
Absences	94,161	340,949)			435,110
Notes And Other Long-Term Liabilities			64,865,688	3		64,865,688
Unpaid Losses/Adjustment				9.010.767	166,250,806	174,270,573
Expenses			100 554	8,019,767 5 118,012	43,917,011	44,143,579
Other Accrued Liabilities		0.000.000	108,556		241,139,807	328,552,366
Total Liabilities	268,981	3,003,378	76,002,42	1 61,137,779	241,137,007	320,332,333
Fund Equity:						1
Reserved For Encumbrances		6,39				6,399
Reserved Fund Equity	17,500	•	0 120,00		2,738,321	
Retained Earnings	2,672,489	•	9 18,408,49			
Total Fund Equity	2,689,989			9 27,618,057	74,981,217	127,991,290
Total Lane Talend						
Total Liabilities and Fund Equity	\$2,958,97	0 \$7,176,90	6 \$94,530,92	0 \$35,755,836	\$316,121,024	\$456,543,656
						

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS account for the operation of state agencies which provide goods or services to other state agencies and other governmental units on a cost reimbursement basis. The following provides a brief description of operations included in these significant internal service funds.

The DATA PROCESSING SERVICE

FUND accounts for data processing services provided by the Office of the State Controller to the various state agencies. In addition, the State Department of Education provides data processing services to local school districts and some state agencies.

The GROUP INSURANCE FUND

administers the Group Insurance Act by providing health insurance to all state employees and optional coverage for dependents and retirees. The fund also provides life insurance, and short and long term disability coverage.

The GENERAL SERVICES FUND

provides statewide accounting, auditing, payroll and treasury services, surplus property redistribution and sale, copying services, purchasing, mail services for state agencies, and voice and data communication services.

The RISK MANAGEMENT FUND

provides insurance coverage and loss prevention to all State agencies. Coverage is provided using an optimal combination of self-insurance and private excess insurance.

State of Idaho Combining Balance Sheet Internal Service Funds June 30, 1995

	Data Processing Services	Group Insurance	General Services	Risk Management	Total
Assets:					
Cash And Cash Equivalents	\$937,277	\$54,848,284	\$5,028,248	\$15,322,755	\$76,136.564
Current Receivables	9,213	,	140,755	669	150,637
Due From Other Funds	944,219	161,884	1,441,964	49,620	2,597,687
Prepaid Expenses	324,105				324,105
Inventories	-		113,786		113,786
Other Assets			75,000		75,000
Total Assets	\$2,214,814	\$55,010,168	\$6,799,753	\$15,373,044	\$79,397,779
Liabilities and Fund Equity Liabilities: Accounts Payable And Accrued Expenses Due To Other Funds Accrued Compensated Absences Notes And Other Long-Term Liabilities	\$23,842 1,924 104,981 22,007	\$7,944 3,807	\$567,259 535,603 851,130 121,690	\$4,033 6,297	\$591,101 549,504 966,215 143,697
Total Liabilities	152,754	11,751	2,075,682	10,330	2,250,517
Fund Equity:					
Reserved For Encumbrances		1,484	723,115		724,599
Reserved Fund Equity			78,000		78,000
Contributed Capital			150,000		150,000
Retained Earnings	2,062,060	54,996,933	3,772,956		76,194,663
Total Fund Equity	2,062,060	54,998,417	4,724,071	15,362,714	77,147,262
Total Liabilities and Fund Equity	\$2,214,814	\$55,010,168	\$6,799,753	\$15,373,044	\$79,397,779

TRUST AND AGENCY FUNDS

TRUST AND AGENCY FUNDS are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as trustee or agent. The following provides a brief description of the State's significant trust and agency funds.

The TRUST FUNDS

The EXPENDABLE TRUST FUND, Unemployment Compensation pays claims for unemployment to eligible recipients through employer contributions, employer reimbursements, and federal grants.

The NONEXPENDABLE TRUST FUND, Endowment Fund accounts for land grants and the sale or lease of such lands received from the federal Enabling Act. The principal in the fund is perpetual with the earnings used to support education, mental health, corrections, and public buildings.

The PENSION TRUST FUNDS account for transactions, assets, liabilities, and net assets available for plan benefits of the State's retirement systems.

The AGENCY FUNDS:

Joint Exercise of Powers Pool accounts for deposits made with the State Treasurer for investment purposes by various state and local governmental entities.

Other Custodial accounts for the receipts and disbursements of monies collected by the State and distributed to other entities.

Payroll accounts for state and federal withholding, social security taxes, and voluntary employee deductions related to the State's payroll.

State of Idaho Combining Balance Sheet Trust and Agency Funds June 30, 1995

	Expendable Nonexpendable				
	Trust Fund	Trust Fund			
	Unemployment	Endowment	Pension	Agency	
	Compensation	Fund	Trust Funds	Funds	Total
Assets:					
Cash And Cash Equivalents	\$236,214,772	\$21,620,208	\$89,104	\$5,282,924	\$263,207,008
Investments	49,640,745	529,517,966	2,877,675,746	310,975,015	3,767,809,472
Current Receivables	41,567	5,275,813	14,103,794	1,707,199	21,128,373
Due From Other Funds	20,883		474		21,357
Prepaid Expenses	ŕ		11,426,574		11,426,574
Notes And Other Long-Term					
Receivables		6,146,458			6,146,458
Total Assets	\$285,917,967	\$562,560,445	\$2,903,295,692	\$317,965,138	\$4,069,739,242
Liabilities and Fund Equity Liabilities:					
T Develle				\$331,584	\$331,584
Taxes Payable				4 551,551	4001, 001
Accounts Payable And Accrued		\$14,548,311	\$3,088,839		17,637,150
Expenses Due To Other Funds		Ψ1-1,5-10,511	40,000,000	10,266	10,266
Due To Other Governments				312,628,940	312,628,940
		20,653,049	32,543,815	13	53,196,877
Deposits Notes And Other Long-Term		20,055,015	,- ,	-	•
Liabilities				4,994,335	4,994,335
Unpaid Losses/Adjustment				, ,	
Expenses			9,221,384		9,221,384
Total Liabilities	***	35,201,360	44,854,038	317,965,138	398,020,536
Fund Equity:					
Reserved Fund Equity	\$40,000	527,359,085	2,858,441,654		3,385,840,739
Unreserved Fund Equity	285,877,967	• •	_,,		285,877,967
Total Fund Equity	285,917,967		2,858,441,654		3,671,718,706
Total Fund Equity	200,711,701	,,,,,,,,	-,,		
Total Liabilities and Fund					
Equity	\$285,917,967	\$562,560,445	\$2,903,295,692	\$317,965,138	\$4,069,739,242

State of Idaho Combining Balance Sheet Nonexpendable Trust Fund June 30, 1995

			Total		PP - 4 - 1
	Public School	Pooled	Endowment	Endowment Other	Total Endowment
	Endowment	Endowments	Board	Other	Endowment
		•			
Assets:					
		#Z0 951	\$60,851	\$21,559,357	\$21,620,208
Cash And Cash Equivalents	****	\$60,851 170,871,308	530,424,274	(906,308)	529,517,966
Investments	\$359,552,966	1,933,444	4,953,280	322,533	5,275,813
Current Receivables	3,019,836	1,933,444	4,755,200	522, 555	-,,
Notes And Other Long-Term				6,146,458	6,146,458
Receivables	\$362,572,802	\$1,72,865,603	\$535,438,405	\$27,122,040	\$562,560,445
Total Assets					
		×			
Liabilities and Fund Equity					
Liabilities:					
Accounts Payable And Accrued	\$10,754,637	\$3,793,674	\$14,548,311		\$14,548,311
Expenses Deposits	Ψ10,70 1,00 1	4-9 ,		\$20,653,049	20,653,049
Total Liabilities	10,754,637	3,793,674	14,548,311	20,653,049	35,201,360
Total Liabilities					
Fund Equity:					
	351,818,165	169,071,929	520,890,094	6,468,991	527,359,085
Reserved Fund Equity	351,818,165		520,890,094		527,359,085
Total Fund Equity	331,010,103	102,07.2,22	, . , . , . , ,		
Total Liabilities and Fund	,	•			
Equity	\$362,572,802	\$172,865,603	\$535,438,405	\$ \$27,122,040	\$562,560,445

State of Idaho Combining Balance Sheet Pension Trust Funds June 30, 1995

	Public Employees Retirement System	Judges Retirement	Total
Assets:			
Cash And Cash Equivalents		\$89,104	\$89,104
Investments	\$2,853,783,219	23,892,527	2,877,678,746
Current Receivables	14,103,794	,	14,103,794
Due From Other Funds		474	474
Prepaid Expenses	11,426,574		11,426,574
Total Assets	\$2,879,313,587	\$23,982,105	\$2,903,295,692
Liabilities and Fund Equity Liabilities:			
Accounts Payable And Accrued Expenses	\$3,088,839		\$3,088,839
Deposits	32,543,815		32,543,815
Unpaid Losses/Adjustment Expenses	9,221,384		9,221,384
Total Liabilities	44,854,038		44,854,038
Fund Equity:			
Reserved Fund Equity	2,834,459,549	\$23,982,105	2,858,441,654
Total Fund Equity	2,834,459,549	23,982,105	2,858,441,654
Total Liabilities and Fund Equity	\$2,879,313,587	\$23,982,105	\$2,903,295,692

State of Idaho Combining Balance Sheet Agency Funds June 30, 1995

	Joint Exercise of Powers Pool	Other Custodial	Payroll	Total
Assets:				
		\$4,944,798	\$338,126	\$5,282,924
Cash And Cash Equivalents	\$310,975,015	Ψ-1,5-1 1,7 5 0	4000,	310,975,015
Investments Current Receivables	1,707,199			1,707,199
Total Assets	\$312,682,214	4,944,798	\$338,126	\$317,965,138
I Ottal Abbotto			,	
Liabilities:				
Taxes Payable		\$15,931	\$ 315,653	\$331,584
Due To Other Funds	\$10,266			10,266
Due To Other Governments	312,628,940	10		312,628,940 13
Deposits		13	22.472	
Notes And Other Long-Term Liabilities	43,008	4,928,854	22,473	4,994,335
Total Liabilities	\$312,682,214	\$4,944,798	\$338,126	\$317,965,138

STATE OF IDAHO

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College and University Fund Types

College and University funds account for the financial position and operations of the State's colleges and universities in accordance with existing authoritative accounting and reporting principles as prescribed in the AICPA Industry Guide. Accordingly, college and university funds are an aggregation of the following funds:

Loan Funds account for transactions of related resources obtained and used for loans to students, staff, and faculty.

Endowment Funds account for resources, held by the institutions, that must be administered in accordance with trust agreements.

Plant Funds account for resources available for acquisition, renewal and replacement of institutional properties, resources available to service debt incurred to acquire such properties, and the fixed assets acquired or constructed for use by the institutions.

<u>Unexpended</u> - This subgroup is used to account for the unexpended resources derived from various sources to finance the acquisition of university fixed assets and the associated liabilities.

Renewals and Replacements - The resources of this subgroup provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements to plant.

Retirement of Indebtedness - This represents bond sinking funds used to provide for payment of principal and interest pursuant to terms of bond indentures.

Investment in Plant - Except for long-lived assets held as investments in endowment and similar funds and their associated liabilities, this subgroup includes all long-lived assets in the service of the institution and all construction in progress (unless carried in the Unexpended Plant Fund or Fund for Renewals and Replacements subgroup, until completion of the project) and all associated liabilities.

Agency Funds account for amounts held in custody for students, institution-related organizations, and others.

State of Idaho Combining Balance Sheet College and University Funds June 30, 1995

	Current Funds			
	Unrestri	Unrestricted		
	General Operating	Auxiliary	Restricted	Loan
Assets:	#22 77 0 129	\$6,695,162	(\$1,975,712)	\$1,361,943
Cash And Cash Equivalents	\$22,779,128 19,440,252	744,727	(ψ1,575,712)	1,296,557
Investments	4,454,776	1,581,540	17,450,344	317,903
Current Receivables	10,474,598	1,614,122	1,253,655	62,404
Due From Other Funds	10,474,398	35,819	230,178	
Due From Other Governments Notes And Other Long-Term Receivables	10,933,931	33,017		17,784,036
Fixed Assets	1,431,404	4,086,038	600,000	
Other Assets Total Assets	\$69,534,109	\$14,757,408	\$17,558,465	\$20,822,843
Liabilities and Fund Balances Liabilities:				
A Develle And Approach Evnenses	\$30,384,176	\$2,748,348	\$4,441,542	\$4,446
Accounts Payable And Accrued Expenses Due To Other Funds	2,108,971	674,601	9,355,337	
Notes And Other Long-Term Liabilities	5,264,260	683,402		26,934
Other Accrued Liabilities Total Liabilities	37,757,407	4,106,351	13,796,879	31,380
Fund Balances:				
Investment In Fixed Assets Unreserved Fund Balances	31,776,702	10,651,057	3,761,586	20,791,463
Total Fund Balances	31,776,702	10,651,057	3,761,586	20,791,463
Total Liabilities and Fund Balances	\$69,534,109	\$14,757,408	\$17,558,465	\$20,822,843

Endowment and	Plant		
Similar	Funds	Agency	Total
Sillingi	T diles	8	· · · · · · · · · · · · · · · · · · ·
		•	
		ensa 152	\$20 502 777
\$1,793,633	\$7,675,920	\$253,153	\$38,583,227
44,061,338	36,162,528	4,401,922	106,107,324
258,299	578,628	420,272	25,061,762
642,764	100,000	518	14,148,061
			11,219,948
1,502,187	1,972		19,288,195
-,. ,	686,628,774		686,628,774
1,265,819	2,207,859		9,591,120
\$49,524,040	\$733,355,681	\$5,075,865	\$910,628,411
\$50	\$1,738,883	\$5,075,663	\$44,393,108
▼ = -	102,523	202	14,148,061
1,906,427	114,593,777	202	114,593,777
150 101	114,595,777		6,144,777
170,181	116 425 192	5,075,865	179,279,723
2,076,658	116,435,183	3,073,003	177,277,720
	572,946,580		572,946,580
AT AAT 200	43,973,918		158,402,108
47,447,382	616,920,498		731,348,688
47,447,382	010,920,498		751,570,000
\$49,524,040	\$733,355,681	\$5,075,865	\$910,628,411

SUPPLEMENTAL INFORMATION



CRATERS OF THE MOON MATIONAL MONUMENT, ESTABLISHED IN 1924, IS A DESOLATE AREA RESULTING FROM VIOLENT VOLCANIC ACTION AND BOASTING A LANDSCAPE THAT EERLY RESEMBLES THE SURFACE OF THE MOON.

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State of Idaho Schedule of Assets, Liabilities and Fund Balances Miscellaneous Special Revenue Fund June 30, 1995

	Agriculture	Law Enforcement	Tourism and Promotion	Industrial Administration
Assets:				
Cash And Cash Equivalents Investments	\$2,068,139	\$2,856,247	\$2,426,021	\$2,925,418 2,948,561
Current Receivables	928,150	24,904	•	
Due From Other Funds Due From Other Governments	1,073	77,570	2,038	10,518
Notes and Other Long-Term Receivables	300,000			4,000
Other Assets Total Assets	\$3,297,362	\$2,958,721	\$2,428,059	\$5,888,497
Liabilities: Taxes Payable Accounts Payable And Accrued Expenses Due To Other Funds Due To Other Governments	\$88,702 4,444		\$31,950 1,460	
Deposits Accrued Compensated Absences	624,256	651,032	22,199	192,195
Notes And Other Long-Term Liabilities Total Liabilities	717,402	931,991	55,609	233,032
Fund Equity:				
Reserved For Encumbrances	3,166	477,594	ļ	91,197
Reserved Fund Equity	300,000	•		14,000
Unreserved Fund Equity	2,276,794			
Total Fund Equity	2,579,960	2,026,730	2,372,450	5,655,465
Total Liabilities and Fund Equity	\$3,297,362	2 \$2,958,721	\$2,428,059	\$5,888,497

Water Claims Adjudication	Federal Grants	Development Loans	Commodity Indemnity	Petroleum Price Violation	Lands	Miscellaneous
\$2,128,411	\$4,472,011	\$1,240,952	\$5,205,354	\$9,263,233	\$24,596,301	\$12,710,466 50,000
	845,357	79,033		17,698	6,278,910	1,043,467
6,356	71,536	2,554	15,798	28,147	47,348	91,217
0,330	11,502,414	_,	,	•		56,321
	11,502,411	2,741,414		1,269,737	2,673,151	
	144,134	_, ; :-, :-:				
\$2,134,767	\$17,035,452	\$4,063,953	\$5,221,152	\$10,578,815	\$33,595,710	\$13,951,471
	\$5,315 , 894			\$32,514	\$269,878	\$589 96,763
\$948	130,940		\$32	166	3,072	19,028
62,560	2,543,125 1,758,397	729		9,221,435	5,660,483 243,953	295,104 76,285
63,508	9,748,356		1,522		6,177,386	487,769
128,517	1,294,733	128,828	3		372,620	198,415
•	162,134			1,269,737	2,763,076	320,041
1,942,742	5,830,229				24,282,628	12,945,246
2,071,259	7,287,096	4,063,208	5,219,630	1,324,700	27,418,324	13,463,702
\$2,134,767	\$17,035,452	2 \$4,063,953	3 \$5,221,152	\$10,578,815	\$33,595,710	\$13,951,471

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Continued

State of Idaho Schedule of Assets, Liabilities and Fund Balances Miscellaneous Special Revenue Fund (continued) June 30, 1995

	Restoration Projects	Parks and Recreation	Regulatory	Total
Assets:				
Cash And Cash Equivalents	\$261,539	\$6,236,453	\$29,670,309	\$106,060,854
Investments	5,723,578		375,871	9,098,010
Current Receivables			205,588	9,423,107
Due From Other Funds	35,286	3,138	30,392	422,971
Due From Other Governments				11,558,735 6,684,302
Notes And Other Long-Term Receivables				448,134
Other Assets Total Assets	\$6,020,403	\$6,239,591	\$30,282,160	\$143,696,113
Liabilities and Fund Equity Liabilities:				
		\$3,827		\$4,485
Taxes Payable	\$17,835	367,627	\$146,372	6,626,784
Accounts Payable And Accrued Expenses Due To Other Funds	800	76,562	101,477	401,423
Due To Other Governments		592	ŕ	592
Deposits				5,660,483
Accrued Compensated Absences	4,272	117,848	993,772	5,752,535
Notes And Other Long-Term Liabilities			200,298	11,256,415
Total Liabilities	22,907	566,456	1,441,919	29,702,717
Fund Equity:	•			
Reserved For Encumbrances		1,694,749	1,146,254	5,536,073
Reserved Fund Equity		5,000	77,000	7,697,402
Unreserved Fund Equity	5,997,496	3,973,386	27,616,987	100,759,921
Total Fund Equity	5,997,496	5,673,135	28,840,241	113,993,396
Total Liabilities and Fund Equity	\$6,020,403	\$6,239,591	\$30,282,160	\$143,696,113



STATE OF IDAHO

ANNUAL FINANCIAL REPORT CASH BASIS

FOR THE FISCAL YEAR ENDED

JUNE 30, 1995

Prepared by the Office of the State Controller, J. D. Williams

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Legislative Services Office Idaho State Legislature

Carl F. Bianchi
Director

State Capitol P.O. Box 83720 Boise, ID 83720-0054 208/334-2475; Fax 334-2125

September 19, 1996

Independent Auditor's Report

Honorable Philip E. Batt, Governor Honorable J.D. Williams, State Controller Members of the Legislature, State of Idaho

We were engaged to audit the accompanying combined cash basis financial statements, as identified in the table of contents, as of and for the year ended June 30, 1995. These cash basis financial statements are the responsibility of the Office of the State Controller, State of Idaho. Our responsibility is to express an opinion on these cash basis financial statements based on our audit.

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

We were unable to obtain audited cash basis financial statements supporting the cash basis activities of the Enterprise Fund and the Trust and Agency Fund. These funds were audited by other independent auditors on a basis of accounting other than cash basis and we did not audit the cash basis statements of the Enterprise Fund and the Trust and Agency Fund.

Research & Legislation Mike Nugent, Supervisor 208/334-2475; Fax 334-2125 Budget & Policy Analysis Jeff Youtz, Supervisor 208/334-3531; Fax 334-2668 Legislative Audits Larry Kirk, Supervisor 208/334-3540; Fax 334-2125

Serving Klaho's Citizen Legislature

Page 2 September 19, 1996

As described in Note #1, the accompanying financial statements are prepared on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles.

Since we did not audit the cash basis financial statements of the Enterprise Fund and the Trust and Agency Fund, the scope of work was not sufficient to enable us to express, and we do not express, an opinion on the Enterprise Fund and the Trust and Agency Fund.

In our opinion, the cash basis financial statements of the General Fund, the Special Revenue Fund, and the Internal Service Fund present fairly, in all material aspects, the assets and liabilities arising from cash transactions of these funds as of June 30, 1995, and the revenue collected and expenses paid during the year then ended on the cash basis of accounting described in Note #1.

The accompanying combining cash basis financial statements and supplemental information as of and for the year ended June 30, 1995, are presented for purposes of additional analysis and are not a required part of the cash basis statements. We did not express an opinion on the combined Enterprise Fund and the Trust and Agency Fund. Similarly, we are unable to, and do not, express an opinion on the combining financial statements of the Enterprise Fund and the Trust and Agency Fund. Combining statements for the General Fund, the Special Revenue Fund, and the Internal Service Fund and the supplemental information have been subjected to the auditing procedures applied in the audit of those combined funds and, in our opinion, are fairly presented in all material respects in relation to the combined cash basis financial statements taken as a whole.

Very truly yours,

Larry R. Kirk, Supervisor

Legislative Audits

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State of Idaho Combined Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions All Fund Types June 30, 1995

· · · · · · · · · · · · · · · · · · ·	Governmental Fund Types		Proprietary Fund Types	
	General	Special Revenue	Enterprise	Internal Service
		•		
Assets:				
Cash	\$198,209,842	\$233,767,490	\$22,975,478	\$76,133,468
Imprest Petty Cash	664,426	717,125	142,500	3,000
Investments	9,689,176	9,418,117	342,772,269	
Total Assets	\$208,563,444	\$243,902,732	\$365,890,247	\$76,136,468
Liabilities and Fund Equity Liabilities:				
Other Liability Clearing Total Liabilities				
Fund Equity:				
Reserved For Encumbrances Fund Equity	\$28,441,656 180,121,788	\$49,954,573 193,948,159	\$510,648	\$585,201
Retained Earnings		•	365,379,599	75,401,267
Contributed Capital			-	150,000
Total Fund Equity	208,563,444	243,902,732	365,890,247	76,136,468
Total Liabilities and Fund Equity	\$208,563,444	\$243,902,732	\$365,890,247	\$7 6,136,468

The accompanying notes are an integral part of the financial statement	
The accompanying notes are an integral part of the linancial statellit	nts.

Fiduciary Fund Types	
Trust and Agency	Total June 30, 1995 (Memorandum Only)
\$2/2 084 050	\$705.071.22 <i>4</i>
\$263,984,959 40,000	\$795,071,236 1,567,051
3,719,990,985	4,081,870,547
\$3,984,015,944	\$4,878,508,835
\$315,956,362	\$315,956,362
315,956,362	315,956,362
	70,400,078
3,668,059,582	79,492,078 4,042,129,529
3,000,037,302	440,780,866
	150,000
3,668,059,582	4,562,552,473
\$3,984,015,944	\$4,878,508,835

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State of Idaho

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Cash Basis All Governmental Fund Types and Expendable Trust Funds For the Fiscal Year Ended June 30, 1995

	Governmental	Fund Types	Fiduciary Fund Type	Total
• • • • • • • • • • • • • • • • • • •	General	Special Revenue	Expendable Trust	June 30, 1995 (Memorandum Only)
Revenues:	General	Kevende	Hust	Ollyy
Taxes	\$1,480,828,020	\$253,859,365	\$80,586,108	\$1,815,273,493
Licenses, Permits, And Fees	9,457,685	132,501,273		141,958,958
Sales Of Services, Goods, And Property	1,431,166		220,000	42,555,089
Grants And Contributions	58,753	724,305,713	229,000	724,593,466
Interest Income	54,825,944	7,376,795	1,934,439	64,137,178
Rent And Lease Income	5,536,421	1,461,833		6,998,254
Other Investment Income	1,062,380	(248)		1,062,132
Miscellaneous Income	28,868,723	34,304,263	02 740 547	63,172,986 2,859,751,556
Total Revenues	1,582,069,092	1,194,932,917	82,749,547	2,839,731,330
Expenditures:				
General Government	90,358,430	25,548,450		115,906,880
Public Safety And Corrections	90,705,226	38,082,404	•	128,787,631
Agriculture And Economic Development	25,523,802	115,915,737	94,264,570	235,704,109
Natural Resources	30,235,968	109,307,121		139,543,089
Health	3,081,960	457,552,537		460,634,497
Education	716,656,905	87,058,849		803,715,754
Social Services	3,502,392	173,634,069		177,136,461
Transportation	7,614,880	376,292,459		383,907,339
Total Expenditures	967,679,564	1,383,391,627	94,264,570	2,445,335,762
Excess (Deficiency) of Revenues Over (Under)	61 4 000 FOF	(100 450 710)	(11 515 000)	414 415 704
Expenditures	614,389,527	(188,458,710)	(11,515,023)	414,415,794
Transfers/Financing Sources (Uses):				•
Operating Transfers In	787,578,705	456,300,464	390,469	1,244,269,638
Operating Transfers Out	(1,135,141,643)	(276,624,195)	(386,341)	(1,412,152,179)
Other Sources	161,397	19,924,102		20,085,499
Other Uses	(242,478,881)	(21,847,457)		(264,326,338)
Total Transfers/Financing Sources (Uses)	(589,880,422)	177,752,914	4,128	(412,123,380)
Excess of Revenues, Transfers In and Financing				
Sources Over (Under) Expenditures,	04 500 106	(10 705 706)	(11 510 905)	2,292,415
Transfers Out and Financing Uses	24,509,106	(10,705,796)	(11,510,895)	2,272,413
Beginning Fund Balances, as Adjusted	184,054,338	254,608,528	297,351,480	736,014,346
Ending Fund Balances	\$208,563,444	\$243,902,732	\$285,840,585	\$738,306,761

The accompanying notes are an integral part of the financial statements.

State of Idaho

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances All Proprietary Fund Types and Similar Trust Funds For the Fiscal Year Ended June 30, 1995

	Proprietary Fund Types		
	Enterprise	Internal Service	
On analing Development			
Operating Revenues:			
Licenses, Permits, And Fees	\$9,221,179	\$29,934	
Sale Of Services, Goods, And Property	. 184,569,249	97,177,846	
Interest Income	18,778,486	3,316,256	
Rent And Lease Income	672,155	4,391,261	
Other Investment Income	344,038	11 267 220	
Miscellaneous Income	43,892,527	11,367,239	
Total Operating Revenues	257,477,634	116,282,536	
Operating Expenses:			
Personnel Costs	15,063,774	14,504,041	
Services	9,855,889	13,543,971	
Travel	453,936	160,903	
Supplies	31,262,330	1,444,942	
Insurance Utilities And Rent	4,025,489	3,192,396	
Miscellaneous	8,533,076	361,531	
Capital Outlay	1,215,840	2,792,552	
Awards, Contributions, And Claims	83,821,739	69,136,952	
Payment As Agent	12,985,673		
Total Operating Expenses	167,217,746	105,137,288	
Operating Income (Loss)	90,259,888	11,145,248	
Nonoperating Revenues (Expenses):	0.045.095		
Other Sources	2,867,087	•	
Other Uses	(13,035,616)		
Total Nonoperating Revenues (Expenses)	(10,168,529)		
Income (Loss) Before Operating Transfers	80,091,359	11,145,248	
Operating Transfers In	·		
Operating Transfers Out	(26,295,000)	(621,663)	
Net Income (Loss)	53,796,359	10,523,585	
Beginning Retained Earnings/Fund Balances, As Adjusted	312,093,888	65,612,883	
Ending Retained Earnings/Fund Balances	\$365,890,247	\$76,136,468	

The accompanying notes are an integral part of the financial statements.

Fiduciary Fu	Fiduciary Fund Types			
37 Jakia	Donaion	Total June 30, 1995		
Nonexpendable	Pension Trust	(Memorandum Only)		
Trust	Trust	(Wemorandam Omy)		
\$15,057	\$1,270,344	\$10,536,514		
49,610,796		331,357,89 1		
8,605,306	110,572,976	141,273,024		
138,500		5,201,916		
155,064	19,229,021	19,728,123		
1,380,842	209,862	56,850,470		
59,905,565	402,186,934	835,852,669		
	1,775,668	31,343,483		
	12,356,625	35,756,485		
	71,236	686,075		
	73,060	32,780,332		
	260,455	7,478,340		
	817,408	9,712,015		
	66,375	4,074,767		
		152,958,691		
	158,601,726	171,587,399		
	174,022,553	446,377,587		
59,905,565	228,164,381	389,475,082		
1,941,936	67,597	4,876,620		
-	(100,000)	(13,135,616)		
1,941,936	(32,403)	(8,258,996)		
61,847,501	228,131,978	381,216,086		
	2,733,061	2,733,061		
(11,085,839)	2,733,001	(38,002,502)		
50,761,662	230,865,039	345,946,645		
485,316,556	2,615,275,740	3,478,299,067		
\$536,078,218	\$2,846,140,779	\$3,824,245,712		

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STATE OF IDAHO NOTES TO THE FINANCIAL STATEMENTS - CASH BASIS For The Fiscal Year Ended June 30, 1995

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

 The accompanying financial statements of the State have been prepared using the cash basis of accounting. The cash basis is not in accordance with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles.

B. Financial Reporting Entity

The financial reporting entity for the State of Idaho (the State) includes State-funded activities of all fund types of the State's various departments and agencies.

GASB Statement No. 14, "The Financial Reporting Entity" establishes standards for defining the financial reporting entity. This statement was effective for years beginning after December 15, 1992. Under the Statement the reporting entity is defined as the Primary Government, consisting of all funds, agencies, boards, commissions, and account groups that make up its legal entity, component units defined as legally separate organizations that are financially accountable to the State, and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. Financial accountability exists generally if (1) the State appoints a voting majority of the organization's governing board and (2) the State is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the State. The State has not included any component units, health and social services, public safety, recreation and natural resources, capital projects and transportation. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund, consistent with applicable legal requirements.

Component units may include, but are not limited to, the Idaho Housing Authority, Idaho Health Facilities Authority, Idaho Building Authority, Idaho State Bar, and various commodity commissions.

C. Fund Accounting

The financial activities of the State are recorded in individual funds and account groups used to report the financial position and results of the operations of the State. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with

special regulations, restrictions, or limitations. In the financial statements, individual funds are classified in three fund categories: governmental funds, proprietary funds and fiduciary funds. Each category is further divided into separate fund types.

1. Governmental Fund Types

Governmental funds are used to account for the State's general activities and include the following:

The General Fund is the principal operating fund of the State. It is used to account for all financial resources not accounted for in other funds. The services accounted for in the General Fund include, among others, general government, education, health and social services, public safety, recreation and natural resources, capital projects and transportation. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements.

The Special Revenue Funds are used to account for specific revenue sources (other than for expendable trusts or capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include transactions related to the Department of Fish and Game, the Department of Health and Welfare, Idaho Transportation Department, and other Miscellaneous Funds legally restricted to expenditures for specified purposes.

2. Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). As required by GASB Statement No. 20 "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting" the State has elected not to follow the Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 for enterprise funds. Proprietary fund types are described as follows:

The Enterprise Funds are established to account for governmental operations that function in a manner similar to private business enterprises where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. These funds are used to account for the financing, acquisition, operation, and capital maintenance of governmental facilities where the determination of net income is appropriate. Enterprise funds include Correctional Industries, Liquor Dispensary, Idaho Lottery, and State Insurance Fund.

STATE OF IDAHO NOTES TO THE FINANCIAL STATEMENTS - CASH BASIS For The Fiscal Year Ended June 30, 1995

The Internal Service Funds account for the operations of state agencies which render services and provide goods to other state agencies or governmental units on a cost-reimbursement basis. The internal service funds include the financial activities of the general services, group insurance, risk management and data processing services.

3. Fiduciary Fund Types

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Fiduciary funds are used to account for assets held by the State on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent. Fiduciary fund types include:

The Expendable Trust Fund accounts for assets held by the State in a trustee capacity where the principal and income may be expended in the course of designated operations. The expendable trust fund for the State is Unemployment Compensation.

The Nonexpendable Trust Fund accounts for the transactions, assets, liabilities, and fund equity of the Endowment Fund. The Endowment Fund was created from federal Enabling Act land grants and the sale of such lands. The Fund's principal is nonexpendable. Earnings on the principal are used to support education, mental health, corrections, and public buildings.

The Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the State's retirement systems.

The Agency Funds account for various taxes, deposits, and property collected or held by the State, acting in a custodial capacity, for distribution to other governmental units or designated beneficiaries.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is described below:

Governmental Fund Types, Expendable Trust and Agency Funds

All governmental and expendable trust funds are accounted for using a cash basis of accounting, in which revenues are recorded when received rather than when services are rendered and expenses are recorded when paid rather than when incurred.

Proprietary Fund Types, Nonexpendable and Pension Trust Funds

All proprietary fund types, nonexpendable and pension trust funds presented in these financial statements are accounted for on the cash basis of accounting which is not in accordance with GAAP.

Proprietary funds, nonexpendable trust funds and pension trust funds should be accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components for proprietary funds and fund balance for nonexpendable trust and pension trust funds.

E. Assets and Equity

1. Cash

Cash includes bank accounts and petty cash. Cash balances of most State funds are pooled and invested by the State Treasurer. An exception to that policy is that certain organizations within the State's reporting entity have independent powers to manage and invest their own cash. There are instances in which a fund with a cash deficit will borrow from another fund. Interest earned on pooled cash is allocated to the Internal Service Funds, Expendable Trust Funds, and certain Special Revenue Funds when so directed by law. All earnings not otherwise allocated are General Fund revenue. Collateral, as further discussed in Note 3, is pledged by the various banks and securities dealers to guarantee State funds.

An agency may establish an imprest cash account for disbursements that are minimal in amount, may be frequent in nature (i.e. travel advances), and for which supporting documentation may not be attainable until after payment (i.e. registrations). Periodically, the account is replenished from the agency's operating fund at which time the expenditures are recorded.

2. Investments

The State Treasurer may invest State funds and funds of other qualified entities within the State in accordance with Sections 67-1201 through 67-1222 of the Idaho Code. Investments include certificates of deposit with banks and savings and loan institutions, commercial paper, repurchase agreements, United States Treasury Bills and Notes, and government-backed mortgages and loans. Investments are generally recorded at amortized cost.

The Public Employee Retirement System of Idaho (PERSI) is permitted to make investments in accordance with the Prudent Man Investment Act, Sections 68-501 through

68-506 of the Idaho Code. PERSI invests in domestic equities, international equities (including international hedges), fixed income investments, real estate and real estate investment trusts, mortgages and certain other short-term investments. These investments are carried at lower of cost or market.

3. Fund Equity

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Fund equity is classified as follows:

Reserved For Encumbrances - The portion of fund balance legally reserved for a specific future use.

Fund Balance/Equity - The portion of fund balance in the governmental and fiduciary funds available to finance future expenditures.

Contributed Capital - The amount of permanent fund capital in the enterprise funds and internal service funds, contributed by other funds within the State or outside entities.

Retained Earnings - An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

4. Totals (Memorandum Only)

The "Totals (Memorandum Only)" column represents an aggregation of the combined financial statements of the fund types and are presented only for analytical purposes. These amounts are not comparable to a consolidation and do not represent the total resources available or used by the State. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2. COMPLIANCE AND ACCOUNTABILITY

The State's books and records and other official reports are maintained on the basis of accounting used in the preparation of the State's legally adopted annual budget or legal basis. The legal basis emphasizes accountability and the budgetary control of appropriations. The Legal Basis Financial Report, issued under separate cover, is not intended to present the State's financial condition and results of operations in conformity with GAAP.

Under the legal basis, revenues are generally recognized when cash is received. Expenditures are recorded when the related cash disbursement occurs. Encumbrances are not recognized as an expenditure but reduce spending authority.

Throughout the Idaho Code, the legislature has established continuous or perpetual appropriations for certain funds and/or programs. No annual amount is determined during the legislative session for these appropriations. Expenditures are allowed to the extent they are made with available cash.

Normally, unencumbered appropriations lapse at the end of the year for which they were appropriated. At fiscal year end, unexpended appropriation balances may: 1) revert to unreserved fund equity balances and be available for future appropriations; 2) be reappropriated as part of the spending authority for the future year; or 3) may be carried forward to subsequent years as outstanding encumbrances, with the approval of the Division of Financial Management.

Two reconciling items exist between the Legal Basis Financial Report and the Cash Basis Financial Report. The first item reclassifies \$2,315,522 of expenditures reflected in an internal service fund in the Legal Basis (Budget to Actual) Report to Miscellaneous Special Revenue Fund expenditures in the cash basis report. The purpose of this reclassification was to properly reflect these transactions. In fiscal year 1996, these funds will be corrected in the state accounting system. The second item illustrates that the Health Districts are not included in this report since they are not part of the financial reporting entity as described in note #1, B above. The Districts account for \$35,343,111 of expenditures and \$7,049,000 of general fund transfers.

NOTE 3. INVESTMENTS - IDLE FUNDS POOL

The Idle Funds Pool consists of all cash and cash equivalents that exist in the various funds within the state treasury. This pool is managed by the State Treasurer's Office. The funds of the pool are invested primarily in government securities, certificates of deposit and repurchase agreements. The certificates of deposit are federally insured, and collateral for the repurchase agreements is held in trust by the investment pool. Interest earned on the funds held in the investment pool remains the property of the State.

At June 30, 1995 the amount of cash and investments held in the Idle Funds Pool was \$629,397,919 per the Treasurer's Office, which included \$1,832,151 of undistributed interest earned and collected by the pool.

NOTE 4. RETIREMENT PLANS

Eligible State employees are covered by one of three retirement plans. These are the Public Employees' Retirement System of Idaho (PERSI), the Judges Retirement Plan, and the Department of Employment Retirement Plan. Each plan is administered independently.

PERSI is a defined benefit retirement plan intended to provide retirement benefits to employees of its employer members. By State law, the State and School districts are employer members of the system. Political subdivisions, such as county and city governments, water, sewer and health districts, hospitals and libraries have also chosen to participate in the system. All State

employees not covered by the two plans described below, who normally work more than twenty hours per week and have been employed by an employer member for more than five consecutive months, are covered by this plan.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification or a combination of age plus service. For each month of credited service, the annual service retirement allowance was 1.917% or 2.225% at June 30, 1995 (depending on employee classification) of the average monthly salary for the highest consecutive 42 and 48 months, respectively.

Persis funding policy provides for periodic employer contributions at actuarial determined rates, expressed as percentages of annual covered payroll, to accumulate sufficient assets to pay benefits when due. The employer and employee contribution rates as a percentage of salary are as follows:

	Contribution Rates		
	at		
	June 30	, 1995	
Classification	Employer	Employee	
General Member	11.61%	6.97%	
Police Officer	11.85	8.53	
Fire (hire after October 1, 1980)	27. 25	8.53	
Fire (hire before October 1, 1980)	35.90	11.45	
Certain employees of Higher Education	3.03%		

Contributions totaling \$93,539,689 (\$57,561,316 employer and \$35,978,373 employees) were made in 1995 in accordance with actuarially determined contribution requirements determined through actuarial valuations preformed at the beginning of the year. The employer and employee contributions represented 11.38% and 7.11% of covered payroll.

The pension benefit obligation is standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems. PERSI's pension benefit obligation was determined as part of an actuarial valuation at June 30, 1995. The unfunded pension benefit obligation at June 30, 1995 is listed below:

June 30, 1995

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C **3

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Total pension benefit obligation \$3,834,800,000

Net assets available for benefits, at cost 2,728,400,000

Unfunded pension benefits obligation \$1,106,400,000

The Judges Retirement Plan provides retirement benefits for Judges of the Supreme Court, Court of Appeals, and District Courts. The Idaho Supreme Court administers the plan. As of June 30, 1995 mandatory payroll deductions to the plan from covered employees' gross earnings was 6% and the employer contributions were 7%. The total dollar amount contributed to the plan was not made available for this report.

The Department of Employment Retirement Plan covers individuals employed by the Department prior to October 1, 1980. Under the Department administered plan, Prudential Life Insurance Company manages the investment of funds within the parameters established by the Department of Employment. The investment of funds are used to purchase an annuity contract from Prudential when the employee retires. Approximately 170 of the Department's employees were covered by this plan during fiscal year 1996. As of June 30, 1995, mandatory deductions to this plan from covered employees' gross earnings was 7% and the Department of Employment contributed 11.93%, for total contributions of \$1,568.317 (\$978,361 by the employer and \$589,956 by the employees). The pension benefit obligation at September 30, 1995, determined through an actuarial valuation performed as of that date, was \$91,805,000. Net assets available for benefits at that date (valued at market) were \$110,496,000, producing an excess of assets over pension benefit obligation in the amount of \$18,691,000. All employees hired by the Department of Employment after September 30, 1980 are covered by PERSI, as described above.

NOTE 5. TAX ANTICIPATION NOTES

Per Idaho Code Title 63, Chapter 32, the State Treasurer, upon approval of the State Board of Examiners, is authorized to borrow money in anticipation of income or revenue from taxes. Such borrowing is for the current year only and is limited to no more than 75% of the income or revenue which is reasonably anticipated to be collected during the current fiscal year.

External Tax Anticipation notes (sold on the open market) were issued on July 1, 1994 in the principal amount of \$200,000,000. These notes were redeemed on June 30, 1995. The interest expense incurred and paid was \$8,937,798.

Internal Tax Anticipation notes (issued by the general fund to borrow from other available State funds or accounts) were issued during fiscal year 1995, as follows:

STATE OF IDAHO NOTES TO THE FINANCIAL STATEMENTS - CASH BASIS For The Fiscal Year Ended June 30, 1995

Amount Issued	Date Issued	Date Redeemed	Interest Paid
\$32,000,000	May 1, 1995	June 1, 1995	None
\$80,000,000	June 1, 1995	June 30, 1995	None

NOTE 6. RISK MANAGEMENT AND GROUP INSURANCE

The State maintains a combination of commercial and self-insurance policies to cover the risk of losses to which it may be exposed. This is accomplished through the Risk Management and Group Insurance Funds. The Risk Management Fund manages general property and liability risk of the State, and the Group Insurance Fund manages the health insurance programs of the State.

All agencies of the State participate in the State's Risk Management and Group Insurance Funds. The funds allocate the cost of providing claims servicing, payment, and commercial insurance by charging a "premium" to each agency based on each organization's estimated current-year liability and property values. The liability is determined using an independent actuarial study based on past, current, and estimated loss experiences.

NOTE 7. INTERFUND TRANSACTIONS

The State does not eliminate interfund transactions. The State has the following types of interfund transactions:

Quasi-external Transactions are charges for services rendered by one fund to another, treated as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

Reimbursements of expenditures or expenses made by one fund for another are recorded as expenditures or expenses in the reimbursing fund and as a reduction of expenditures or expenses in the reimbursed fund.

Residual Equity Transfers are nonroutine or nonrecurring transfers between funds reported as additions to or deductions from fund equity. These transfers are often made for the purpose of providing funds with working capital.

Statutory Transfers are legally authorized cash transfers reported as operating transfers (refer to Note 10). Transfers from the General Fund are transfers of appropriated or diverted tax revenues.

NOTE 8. COMPENSATED ABSENCES

Employees earn vacation and sick leave based on hours worked. Compensatory time and earned administrative leave is earned based on hours worked in excess of forty per week. Upon termination of employment, an employee is paid for unused vacation time and earned administrative leave. All non-clerical employees are paid for compensatory time only if used prior to termination.

Employees earn sick leave credits which are expended when paid. An employee is not paid for unused sick leave, but upon retirement of a covered employee the employer must pay into a pool 50% of the unused sick leave value, not to exceed 336 hours. The money collected in that pool is used by the Public Employee Retirement System of Idaho to purchase supplemental health insurance for the retiree.

Except for the college and universities, as of June 30, 1995 the following total value of leave has been earned but not paid (accrued) by employees of the State:

2,995,691
31,197,354

For cash basis presentation no accrual was recorded in the body of the financial statements for the year ending June 30, 1995.

NOTE 9. DEFERRED COMPENSATION PLAN

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all government employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the government (without being restricted to the provision of benefits under the plan), subject only to the claims of the government's general creditor. Participants' rights under the plan are equal to those of general creditors of the government in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the government's legal counsel that the government has no liability for losses under the plan but does have the duty of care that would be required of an ordinary prudent investor. The government believes it is unlikely it will use the assets to satisfy claims of general creditors in the future.

STATE OF IDAHO NOTES TO THE FINANCIAL STATEMENTS - CASH BASIS For The Fiscal Year Ended June 30, 1995

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NOTE 10. SCHEDULE OF OPERATING TRANSFERS (refer to Note 7)

	Transfers In	Transfers Out
General Fund	\$787,578,705	\$1,135,141,644
Special Revenue Funds:		
Fish and Game	1,026,562	1,434,842
Health and Welfare	234,104,084	14,760,532
Transportation	202,997,771	214,155,916
Miscellaneous	18,172,047	46,272,905
Enterprise Funds:		
Liquor Dispensary		8,295,000
Lottery		18,000,000
Internal Service Funds:		
General Services		621,663
Trust Funds	3,123,530	11,472,181
Total	1,247,002,699	1,450,154,683
Amounts Transferred in:		•
College and University Funds	196,102,984	
Health Districts	7,049,000	
Total	\$1,450,154,683	\$1,450,154,683

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COMBINING AND
INDIVIDUAL FUND
FINANCIAL STATEMENTS



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STATE OF IDAHO

GENERAL FUND

COUNTRACTOR CONTRACTOR CONTRACTOR

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 The GENERAL FUND is the principal operating fund of the State and accounts for all the governmental resources and transactions not accounted for in another fund. The general fund accounts for revenues, expenditures, and other financial activities associated with general governmental services where the predominant source of funding is provided by taxes (income, sales, and other), interest earnings, and other income.

State of Idaho Combining Balance Sheet - Cash Basis General Fund June 30, 1995

·	State General Fund	Permanent Building Fund	Warrant Deficiency Fund	Legislative	Budget Reserve
Cash Imprest Petty Cash Investments	\$11,606,850 629,426	\$105,033,762	\$139,385	\$2,162,243	\$32,887,895
Total Assets	\$12,236,276	\$105,033,762	\$139,385	\$2,162,243	\$32,887,895
Fund Equity:					
Reserved For Encumbrances Fund Equity Total Fund Equity	\$8,680,864 3,555,412 12,236,276	104,989,521	\$139,385		\$32,887,895 32,887,895
Total Liabilities and Fund Equity	\$12,236,276	\$105,033,762	\$139,385	\$2,162,243	\$32,887,895

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Catastrophic Health Care	Governor's Residence	Endowment Earnings	Income Sales Tax Tax Refunds N		Miscellaneous	Total
\$849,738	\$1,231,371	\$21,923,457	\$19,260,255	\$1,787,000	\$1,327,886	\$198,209,842
\$6.5,720	,				35,000	664,426 9,689,176
		9,689,176				9,089,170
\$849,738	\$1,231,371	\$31,612,633	\$19,260,255	\$1,787,000	\$1,362,886	\$208,563,444
					•	000 441 656
		\$18,297,316		\$1,387,000		\$28,441,656
\$849,738	\$1,231,371	13,315,317	\$19,260,255			180,121,788
849,738	1,231,371	31,612,633	19,260,255	1,787,000	1,362,886	208,563,444
	-,,-				01.000.000	COOR 562 444
\$849,738	\$1,231,371	\$31,612,633	\$19,260,255	\$1,787,000	\$1,362,886	\$208,563,444

State of Idaho Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Cash Basis General Fund

For the Fiscal Year Ended June 30, 1995

	State General Fund	Permanent Building Fund	Warrant Deficiency Fund	Legislative	Budget Reserve
Revenues:					
Taxes	\$1,191,481,674 6,158,708	\$13,104,581	\$100,168		
Licenses, Permits, And Fees Sales Of Services, Goods, And Property	175,141	928	3,891	\$153	
Grants And Contributions	2,786				
Interest Income	22,790,758	1,406,299			
Rent And Lease Income	128,559	104,916			
Other Investment Income	1,062,380				
Miscellaneous Income	379,686				
Total Revenues	1,222,179,692	42,092,074	128,354	153	
Expenditures:					
General Government	42,487,778	43,147,765		4,209,617	
Public Safety And Corrections	89,063,111				
Agriculture And Economic Development			78,191		
Natural Resources	22,452,755		7,276,738		
Health					
Education	55,736,803				
Social Services	2,851,462				
Transportation	1,813,800			4000 /15	
Total Expenditures	227,658,525	49,059,983	7,354,929	4,209,617	
Excess (Deficiency) of Revenues Over (Under)Expenditures	994,521,167	(6,967,909)	(7,226,575)	(4,209,464)	
Transfers/Financing Sources (Uses):					
Operating Transfers In Operating Transfers Out Other Sources Other Uses	74,793,046 (1,102,313,352) 161,397 (142,976) (6 ₎			\$26,763
Total Transfers/Financing Sources (Uses):	(1,027,501,886) 55,434,31	7,385,286	4,159,487	26,763
Excess of Revenues, Transfers In and Financing Sources Over (Under) Expenditures, Transfers Out and	(32,980,719) 48,466,40	1 158,711	(49,97 7)	26,763
Financing Uses	(-2,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,			
Beginning Fund Balances as Adjusted	45,216,99	4 56,567,36	1 (19,326) 2,212,220	32,861,132
Ending Fund Balances	\$12,236,27	6 \$105,033,76	2 \$139,38	\$2,162,243	\$32,887,895

Catastrophic Health Care	Governor's Residence	Endowment Earnings	Sales Tax	Income Tax Refunds	Miscellaneous	Total
					•	
		\$7,028,881	\$87,132,015	\$181,752,449	\$328,421	\$1,480,828,020
		1,081,339			2,117,470	9,457,685
\$330,613	•	865,020		•	55,420	1,431,166
		6,359			49,607	58,753 54,825,944
101,042		30,514,865			12,979 58,265	5,536,421
		5,244,681			36,203	1,062,380
	650 551 ∶	267 022			561,917	28,868,723
421 (FF	\$59,551 59,551	367,923 45,109,068	87,132,015	181,752,449	3,184,080	1,582,069,092
431,655	39,331	45,105,000	07,132,013	101,732,447	3,10,,000	1,002,003,032
		1,890			511,380	90,358,430
		1,098,113			544,002	90,705,226
11,789,814					402,981	25,523,802
- •					506,475	30,235,968
		3,081,960				3,081,960
		651,909,311			9,010,791	716,656,905
		539,792				3,502,392
					10.025.720	7,614,880 967,679,564
11,789,814		656,631,066			10,975,630	907,079,304
(11,358,159)	59,551	(611,521,998)	87,132,015	181,752,449	(7,791,549)	614,389,527
11,977,400	(7,968)	624,012,994 (453,370)	,	(29,956,630)	9,740,524 (2,361,428)	787,578,705 (1,135,141,643) 161,397
			(86,827,085)	(155,508,819)		(242,478,881)
11,977,400	(7,968)	623,559,624	(86,827,085)	(185,465,449)	7,379,096	(589,880,422)
619,241	51,584	12,037,626	304,929	(3,713,000)	(412,453)	26,341,257
230,497	1,179, 78 7	19,575,007	18,955,326	5,500,000	1,775,340	184,054,338
\$849,738	\$1,231,371	\$31,612,633	\$19,260,255	\$1,787,000	\$1,362,886	\$208,563,444

SECRETARIES SECRETARIES SECRETARIES

STATE OF IDAHO

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS account for specific revenues designated to finance specific functions of government. The following provides a brief description of significant special revenue funds.

The FISH AND GAME FUND accounts for revenues and expenditures associated with enforcing and administering the fish and game laws in Idaho and to perpetuate and manage the State's wildlife resources. Funding is provided from dedicated user fees and federal grants.

The TRANSPORTATION FUND accounts for revenues and expenditures associated with highway construction and maintenance. Funding is provided from motor vehicle related taxes and user fees, as well as various federal highway administration funds.

The HEALTH AND WELFARE FUND

accounts for revenues and expenditures associated with administering public assistance, medical care, foster care, child support enforcement, and other relief to the eligible citizens of Idaho. Funding is provided from the General Fund, federal grants, dedicated user fees, and various other sources.

The MISCELLANEOUS FUND accounts for revenues, expenditures, and other financial activities associated with general governmental services where the major source of funding is provided by fees, sale of services or goods, federal grants, or other income restricted to expenditure for specific purposes.

State of Idaho Combining Balance Sheet - Cash Basis Special Revenue Funds June 30, 1995

	Fish & Game	Health & Welfare	Transportation	Miscellaneous	Total
Assets:					
Cash	\$8,095,993	\$54,324,992	\$66,514,387	\$104,832,118	\$233,767,490
Imprest Petty Cash Investments	50,000	300,000	120,000 320,107	9,098,010	717,125 9,418,117
Total Assets	\$8,145,993	\$54,624,992	\$66,954,494	\$114,177,253	\$243,902,732
Fund Equity:					·
Reserved For Encumbrances Fund Equity	\$1,935,502 6,210,491	\$260,763 54,364,229			\$49,954,573 193,948,159
Total Fund Equity	8,145,993	54,624,992	66,954,494	114,177,253	243,902,732
Total Liabilities and Fund Equity	\$8,145,993	\$54,624,992	\$66,954,494	\$114,177,253	\$243,902,732

State of Idaho

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Cash Basis Special Revenue Funds

For the Fiscal Year Ended June 30, 1995

		Health &		1	
	Fish & Game	Welfare	Transportation	Miscellaneous	Total
Revenues:					
Taxes		\$16,184,832	\$174,394,533	\$63,280,000	\$253,859,365
Licenses, Permits, And Fees	\$22,630,839	9,537,025	47,620,750	52,712,659	132,501,273 41,123,923
Sales Of Services, Goods, & Property	206,328	15,203,132	7,052,611	18,661,852 179,512,673	724,305,713
Grants And Contributions	19,247,305	386,863,638 510,156	138,682,097 3,154,500	3,277,704	7,376,795
Interest Income	434,435 11,657	108,178	447,658	894,340	1,461,833
Rent And Lease Income	11,057	(767)	•	519	(248)
Other Investment Income Miscellaneous Income	1,721,486	24,726,934	543,899	7,311,944	34,304,263
Total Revenues	44,252,050	453,133,128	371,896,048	325,651,691	1,194,932,917
10fat Kesennes					
Expenditures:					
				7 0 47 197	25,548,450
General Government		17,601,263		7,947,187 38,082,404	38,082,404
Public Safety And Corrections		550 A93		115,307,255	115,915,737
Agriculture & Economic Developmen	nt 50,000 46,251,665	558,482 33,308,400		29,747,056	109,307,121
Natural Resources	46,231,003	457,552,537		25,7 17,000	457,552,537
Health Education		114,741		86,944,108	87,058,849
Social Services		163,966,431		9,667,638	173,634,069
Transportation		, ,	376,292,459		376,292,459
Total Expenditures	46,301,665	673,101,854	376,292,459	287,695,649	1,383,391,627
					4
Excess (Deficiency) of Revenues Ov	er (2.040/(15)	(210 069 726)	(4,396,411)	37,956,042	(188,458,710)
(Under) Expenditures	(2,049,613)	(219,968,726)	(4,390,411)	37,750,042	(100, 100, 10)
m Francisco Clear	١٠				
Transfers/Financing Sources (Uses	·)•				•
Operating Transfers In	1,026,562	234,104,084	202,997,771		456,300,464
Operating Transfers Out	(1,434,842)	(14,760,532)			
Other Sources		4,387,558			
Other Uses		(3,507,685) (12,802,053) (5,537,719)	(21,847,457)
Total Transfers/Financing			- (10 (40 006	\ (20 421 425\	177,752,914
Sources (Uses)	(408,280)	220,223,42	5 (12,640,806) (29,421,425)	177,732,714
	<u>.</u>				
Excess of Revenues, Transfers In an	a				
Financing Sources Over (Under) Expenditures, Transfers Out and					
Financing Uses	(2,457,895)	254,69	9 (17,037,217) 8,534,617	(10,705,796)
I mancing Caca	_,,				
Beginning Fund Balances, as Adjust	ed 10,603,888	54,370,29	3 83,991,71	1 105,642,636	254,608,528
· · · · · · · · · · · · · · · · · · ·			0 0000004.40	4 - 0 11 <i>4</i> 177 053	s \$243,902,732
Ending Fund Balances	\$8,145,993	\$54,624,99	2 \$66,954,49	4 \$114,177,253	9243,702,732
· · · · · · · · · · · · · · · · · · ·					

STATE OF IDAHO

ENTERPRISE FUNDS

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ENTERPRISE FUNDS account for the operations of State agencies that provide goods or services to the general public and finance their operations through user charges. The following provides a brief description of significant enterprise funds.

The CORRECTIONAL INDUSTRIES
FUND provides employment for prisoners of
the Idaho State Prison. CI manufactures and
sells a variety of items including license

plates, furniture, highway signs, printing services, dairy and meat products, and other miscellaneous products and services.

The LIQUOR DISPENSARY FUND was established by the Legislature in 1939. The Dispensary's purpose is to conduct, license, and regulate the sale of alcoholic beverages. Funding is provided through the sale of products. The surplus from the fund is transferred to the State's General Fund, the Public School Income Fund, and other funds as dictated by Idaho Code. The remaining balance is then distributed 40% to counties and 60% to cities.

The LOTTERY COMMISSION was established by the Legislature in 1988. The Commissions's purpose is to adopt rules and regulations governing the establishment and operation of lottery games, ensure its integrity, and to maximize the net income of the lottery for the benefit of the State. Annually the Commission's net income is distributed evenly between the Permanent Building Fund and the School District Building Fund.

The STATE INSURANCE FUND provides workers compensation insurance to the general public as well as the various state entities.

The PETROLEUM CLEAN WATER FUND provides pollution liability insurance to eligible owners and operators of petroleum storage tanks.

State of Idaho Combining Balance Sheet - Cash Basis Enterprise Funds June 30, 1995

	Correctional Industries	Liquor Dispensary	Lottery Commission	Petroleum Clean Water Fund	State Insurance Fund	Total
Assets:						
Cash	\$718,515	\$2,001,633	\$16,800,336	\$2,060,463	\$1,394,531	\$22,975,478
Imprest Petty Cash	17,500	5,000	120,000	24 505 016	207 206 221	142,500
Investments	970,232			34,505,816	307,296,221	342,772,269
Total Assets	\$1,706,247	\$2,006,633	\$16,920,336	\$36,566,279	\$308,690,752	\$365,890,247
Fund Fanitan		•				
Fund Equity: Reserved For Encumbrances		\$6,399	\$358,456		\$145,793	\$510,648
Retained Earnings	\$1,706,247	2,000,234		\$36,566,279	308,554,959	365,379,599
Total Fund Equity	1,706,247	2,006,633	16,920,336	36,566,279	308,690,752	365,890,247
Total Liabilities and Fund Equity	\$1,706,247	\$2,006,633	\$16,920,336	\$36,566,279	\$308,690,752	\$365,890,247

State of Idaho
Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Cash Basis Enterprise Funds
For the Fiscal Year Ended June 30, 1995

	Correctional Industries	Liquor Dispensary	Lottery Commission	Petroleum Clean Water Fund	State Insurance Fund	Total
Operating Revenues:						
Licenses, Permits, And Fees Sale Of Services, Goods, And		\$1,050	\$200	\$9,,219,929		\$9,221,179
Property Interest Income	\$4,663,522 65,324	53,271,687 311,040		1,650,696	\$126,634,040 16,751,426	184,569,249 18,778,486
Rent And Lease Income Other Investment Income			10 500 715		672,155 344,038	672,155 344,038
Miscellaneous Income Total Operating Revenues	8,020 4,736,866	121,140 53,704,917	43,689,745 43,689,945	10,870,625	73,622 144,475,281	43,892,527 257,477,634
Operating Expenses:						
Personnel Costs Services	1,523,093 155,441	4,839,582 315,160	1,807,101 3,346,676	605,699 1,299,168	6,288,299 4,739,444	15,063,774 9,855,889
Travel Supplies	18,215 2,389,983		109,182 2,144,763	54,221 7,112	233,893 226,829	453,936 31,262,330
Insurance, Utilities, And Rent Miscellaneous	216,537 315,693	1,472,187 1,138,784	248,033 3,074,101	31,345 380,453 4,175	2,057,387 3,624,045 323,352	4,025,489 8,533,076 1,215,840
Capital Outlay Awards, Contributions, And	187,514	89,866	610,933 14,281,015	1,417,430	68,123,294	83,821,739
Claims Payment As Agent Total Operating Expenses	4,806,476	12,985,673 47,373,320	25,621,804	3,799,603	85,616,543	12,985,673 167,217,746
Operating Income (Loss)	(69,610)	6,331,597	18,068,141	7,071,022	58,858,738	90,259,888
Nonoperating Revenues (Expenses):		· · · · · · · · · · · · · · · · · · ·				
Other Sources Other Uses			(534,559)		2,867,087 (12,501,057)	2,867,087 (13,035,616)
Total Nonoperating Revenues (Expenses)			(534,559)		(9,633,970)	(10,168,529)
Income (Loss) Before Operating Transfers	(69,610)	6,331,597	17,533,582	7,071,022	49,224,768	80,091,359
Operating Transfers Out		(8,295,000)	(18,000,000)			(26,295,000)
Net Income (Loss)	(69,610)	(1,963,403)	(466,418)	7,071,022	49,224,768	53,796,359
Beginning Retained Earnings, As Adjusted	1,775,857	3,970,036	17,386,754	29,495,257	259,465,984	312,093,888
Ending Retained Earnings	\$1,706,247	\$2,006,633	\$16,920,336	\$36,566,279	\$308,690,752	\$365,890,247

STATE OF IDAHO

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS account for the operation of State agencies which provide goods or services to other State agencies and other governmental units on a cost reimbursement basis. The following provides a brief description of operations included in these significant internal service funds.

The DATA PROCESSING SERVICE

FUND accounts for data processing services provided by the Office of the State Controller to the various state agencies. In addition, the State Department of Education provides data processing services to local school districts and some state agencies.

The GROUP INSURANCE FUND

administers the Group Insurance Act by providing health insurance to all state employees and optional coverage for dependents and retirees. The fund also provides life insurance, and short and long term disability coverage.

The GENERAL SERVICES FUND

provides statewide accounting, auditing, payroll and treasury services, surplus property redistribution and sale, copying services, purchasing, mail services for State agencies, and voice and data communication services.

RESERVATION OF THE PROPERTY OF

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The RISK MANAGEMENT FUND

provides insurance coverage and loss prevention to all State agencies. Coverage is provided using an optimal combination of self-insurance and private excess insurance.

State of Idaho Combining Balance Sheet - Cash Basis Internal Service Funds June 30, 1995

	Data Processing Service	Group Insurance	Risk Management	General Services	Total
		<u>.</u>			
Assets:					
Cash Imprest Petty Cash	\$937,277	\$54,848,284	\$15,322,755	\$5,025,152 3,000	\$76,133,468 3,000
Total Assets and Other Debits	\$937,277	\$54,848,284	\$15,322,755	\$5,028,152	\$76,136,468
Fund Equity:					
Reserved For Encumbrances Retained Earnings Contributed Capital	\$937,277	\$1,484 54,846,800	\$15,322,755	\$583,717 4,294,435 150,000	\$585,201 75,401,267 150,000
Total Fund Equity	937,277	54,848,284	15,322,755	5,028,152	76,136,468
Total Liabilities and Fund Equity	\$937,277	\$54,848,284	\$15,322,755	\$5,028,152	\$76,136,468

State of Idaho

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Cash Basis Internal Service Funds

For the Fiscal Year Ended June 30, 1995

	Data Processing	Group	Risk	General	
	Service	Insurance	Management	Services	Total
Operating Revenues:			•		
Licenses, Permits, And Fees	\$ 1			\$29,933	\$29,934
Sale Of Services, Goods, And Property	5,037,455	\$65,989,623	\$4,483,144	21,667,624	97,177,846
Interest Income	34,732	2,227,027	792,507	261,990	3,316,256
Rent And Lease Income	•			4,391,261	4,391,261
Miscellaneous Income	2,175	8,104,547	759,252	2,501,265	11,367,239
Total Operating Revenues	5,074,363	76,321,197	6,034,903	28,852,073	116,282,536
Operating Expenses:					
Personnel Costs	2,269,801	187,338	260,265	11,786,637	14,504,041
Services	1,481,331	257,219	108,656	11,696,765	13,543,971
Travel	21,211	487	4,251	134,954	160,903
Supplies	111,638	2,633	5,605	1,325,067	1,444,942
Insurance Utilities And Rent	6,851	8,907		1,863,899	3,192,396
Miscellaneous	129,857	•		231,674	361,531
Capital Outlay	1,567,466	9,517	21,744	1,193,825	2,792,552
Awards, Contributions, And Claims		66,041,590	3,095,362		69,136,952
Total Operating Expenses	5,588,154	66,507,691	4,808,622	28,232,821	105,137,288
Income (Loss) Before Operating Transfers	(513,791)	9,813,506	1,226,281	619,252	11,145,248
Operating Transfers Out				(621,663)	(621,663)
Net Income (Loss)	(513,791)	9,813,506	1,226,281	(2,411)	10,523,585
Beginning Retained Earnings, As Adjusted	1,451,068	45,034,778	14,096,474	5,030,563	65,612,883
Ending Retained Earnings	\$937,277	\$54,848,284	\$15,322,755	\$5,028,152	\$76,136,468

STATE OF IDAHO

TRUST AND AGENCY FUNDS

TRUST AND AGENCY FUNDS are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as trustee or agent. The following provides a brief description of significant trust and agency funds

The TRUST FUNDS:

646 C23 **E** The EXPENDABLE TRUST FUND, Unemployment Compensation pays claims for unemployment to eligible recipients through employer contributions, employer reimbursements, and federal grants.

The NONEXPENDABLE TRUST FUND, Endowment Fund accounts for land grants and the sale or lease of such lands received from the federal Enabling Act. The principal in the fund is perpetual with the earnings used to support education, mental health, corrections, and public buildings.

The PENSION TRUST FUNDS account for transactions, assets, liabilities, and net assets available for plan benefits of the State's retirement systems.

The AGENCY FUNDS:

Joint Exercise of Powers Pool accounts for deposits made with the State Treasurer for investment purposes by various state and local governmental entities.

Other Custodial accounts for the receipts and disbursements of monies collected by the State and distributed to other entities.

Payroll accounts for state and federal withholding, social security taxes, and voluntary employee deductions related to the State's payroll.

State of Idaho Combining Balance Sheet - Cash Basis Trust and Agency Funds June 30, 1995

	Expendable Trust Fund Unemployment Compensation	Nonexpendable Trust Fund Endowment Fund	Pension Trust Funds	Agency Funds	Total
Assets:					
Cash	\$236,159,840		\$1,223,565	\$4,981,347	\$263,984,959 40,000
Imprest Petty Cash Investments	40,000 49,640,745	•	2,844,917,214	310,975,015	•
Total Assets	\$285,840,585	\$536,078,218	\$2,846,140,779	\$315,956,362	\$3,984,015,944
Liabilities and Fund Balances Liabilities:					
Other Liability Clearing				\$315,956,362	\$315,956,362
Total Liabilities				315,956,362	315,956,362
Fund Balances:					
Fund Balance	\$285,840,585	\$536,078,218	\$2,846,140,779		3,668,059,582
Total Fund Balance	285,840,585	536,078,218	2,846,140,779		3,668,059,582
Total Liabilities and Fund Balances	\$285,840,585	\$536,078,218	\$2,846,140,779	\$315,956,362	\$3,984,015,944

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State of Idaho Combining Balance Sheet - Cash Basis Pension Trust Funds June 30, 1995

	Public Employees Retirement System	Judges Retirement	Total
		\$	·
Assets:			
Cash	\$1,134,461	\$89,104	\$1,223,565
Investments	2,821,239,404	23,677,810	2,844,917,214
Total Assets	\$2,822,373,865	\$23,766,914	\$2,846,140,779
•			
Fund Balances:			
Fund Balance	\$2,822,373,865	\$23,766,914	\$2,846,140,779
Total Fund Balance	2,822,373,865	23,766,914	2,846,140,779
Total Liabilities and Fund Balances	\$2,822,373,865	\$23,766,914	\$2,846,140,779

State of Idaho

Combining Statement of Revenues, Expenses and Changes in Fund Balances - Cash Basis Pension Trust Funds For the Fiscal Year Ended June 30, 1995

	Public Employee Retirement System	Judges Retirement	Total
Operating Revenues:			
Member Contributions		\$1,270,344	\$1,270,344
Contributions	\$269,052,412	1,852,319	270,904,731
Interest Income	110,565,040	7,936	110,572,976
Miscellaneous Income		209,862	209,862
MAUSCENTINOUS MOOME			400 106 024
Total Operating Revenues	398,846,473	3,340,461	402,186,934
Operating Expenses:			
	1,775,668		1,775,668
Personnel Costs	12,261,500	95,125	12,356,625
Services	71,236		71,236
Travel	73,060		73,060
Supplies Insurance, Utilities, And Rent	260,455		260,455
Miscellaneous	817,408		817,408
	66,375		66,375
Capital Outlay Payment As Agent	157,301,385	1,300,341	158,601,726
Total Operating Expenses	172,627,087	1,395,466	174,022,553
Operating Income (Loss)	226,219,386	1,944,995	228,164,381
Nonoperating Revenues (Expenses):	,		
	67,597		67,597
Other Sources	١٠ركو١١	(100,000)	(100,000)
Other Uses Total Nonoperating Revenues (Expenses)	67,597	(100,000)	(32,403)
Income (Loss) Before Operating Transfers	226,286,983	1,844,995	228,131,978
Operating Transfers In	2,733,061		2,733,061
Operating Transfer in			
Net Income (Loss)	229,020,044	1,844,995	230,865,039
Beginning Fund Balances, As Adjusted	2,593,353,821	21,921,919	2,615,275,740
Degining I and Damicos, 130 120, accept			
Ending Fund Balances	\$2,822,373,865	\$23,766,914	\$2,846,140,779

State of Idaho Combining Balance Sheet - Cash Basis Agency Funds June 30, 1995

	Joint Exercise of Powers Pool			Total	
Assets:		·			
Cash Investments	\$310,975,015	\$4,643,221	\$338,126	\$4,981,347 310,975,015	
Total Assets	\$310,975,015	\$4,643,221	\$338,126	\$315,956,362	
Liabilities:					
Other Liability Clearing	\$310,975,015	\$4,643,221	\$338,126	\$315,956,362	
Total Liabilities	\$310,975,015	\$4,643,221	\$338,126	\$315,956,362	

State of Idaho Combining Statement of Changes in Assets and Liabilities - Cash Basis Agency Funds For the Fiscal Year Ended June 30, 1995

	Joint Exercise of Powers Pool	Other Custodial	Payroll	Total
Balance, July 1, 1994	\$325,102,847	\$4,966,755	\$193,128	\$330,262,730
Additions Deductions	429,448 (14,557,280)	31,816,383 (32,139,917)	422,223,815 (422,078,817)	454,469,646 (468,776,014)
Balance, June 30, 1995	\$310,975,015	\$4,643,221	\$338,126	\$315,956,362

Supplemental Information



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NATIVE AMERICAN WOMEN IN CEREMONIAL DRESS OF THE NEZ PERCE TRIBE. THERE ARE SIX INDIAN TRIBES OF IDANO: KOOTENIA, COEUR D'ALENE, NEZ PERCE, SHOSHONI, SHOSHONE-RANNOCK, SHOSHONE-PARUTE.

State of Idaho Schedule of Assets, Liabilities and Fund Balance - Cash Basis Miscellaneous Special Revenue Fund June 30, 1995

	Agriculture	Law Enforcement	Tourism and Promotion	Industrial Administration
Assets:				
Cash	\$2,015,896	\$2,811,187	\$2,426,021	\$2,915,386 10,000
Imprest Petty Cash Investments		45,000		2,948,561
Total Assets	\$2,015,896	\$2,856,187	\$2,426,021	\$5,873,947
Fund Equity:				
Reserved For Encumbrances	\$3,166	\$529,588		\$91,197
Fund Equity	2,012,730	2,326,599	\$2,426,021	5,782,750
Total Fund Equity	2,015,896	2,856,187	2,426,021	5,873,947
Total Liabilities and Fund Equity	\$2,015,896	\$2,856,187	\$2,426,021	\$5,873,947

Water Claims Adjudication	Federal Grants	Development Loans	Commodity Indemnity	Petroleum Price Violation	Lands	Miscellaneous
\$2,128,329	\$4,451,626 18,000	\$1,240,952	\$5,205,354	\$9,263,233	\$24,499,750 89,925	\$12,694,313 2,200 50,000
\$2,128,329	\$4,469,626	\$1,240,952	\$5,205,354	\$9,263,233	\$24,589,675	\$12,746,513
\$128,517	\$5,901,938	\$128,828			\$372,620	\$404,622
1,999,812	(1,432,312)	1,112,124	\$5,205,354	\$9,263,233	24,217,055	12,341,890
2,128,329	4,469,626	1,240,952	5,205,354	9,263,233	24,589,675	12,746,513
\$2,128,329	\$4,469,626	\$1,240,952	\$5,205,354	\$9,263,233	\$24,589,675	\$12,746,513

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State of Idaho Schedule of Assets, Liabilities and Fund Balance - Cash Basis Miscellaneous Special Revenue Fund (continued) June 30, 1995

	Restoration Projects	Parks and Recreation	Regulatory	Total
Assets:		•		
Cash	\$261,539	\$5,486,789 5,000	\$29,431,744 77,000	\$104,832,118 247,125
Imprest Petty Cash Investments	5,723,578		375,871	9,098,010
Total Assets	\$5,985,117	\$5,491,789	\$29,884,615	\$114,177,253
E. C.				
Fund Equity:				
Reserved For Encumbrances		\$1,694,750	\$1,146,254	\$10,401,481
Fund Equity	\$5,985,117	3,797,039	28,738,361	103,775,772
Total Fund Equity	5,985,117	5,491,789	29,884,615	114,177,253
Total Liabilities and Fund Equity	\$5,985,117	\$5,491,789	\$29,884,615	\$114,177,253

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State of Idaho Schedule of Revenues, Expenditures and Changes in Fund Balance - Cash Basis Miscellaneous Special Revenue Fund For the Fiscal Year Ended June 30, 1995

	Agriculture	Law Enforcement	Tourism and Promotion	Industrial Administration
Revenues:				
Taxes	\$4,944	\$28,806	\$3,724,707	\$7,842,764
Licenses, Permits, And Fees	11,345,348	1,532,375	1,481	221,113
Sales Of Services, Goods, And Property	564,455 119,633	864,151 66,800	1,401	221,113
Grants And Contributions Interest Income	10,356	00,000		209,334
Rent And Lease Income				
Other Investment Income		519		
Miscellaneous Income	55,383	579,426		221,776
Total Revenues	12,100,119	3,072,077	3,726,188	8,494,987
Expenditures:				
General Government Public Safety And Corrections Agriculture And Economic Development Natural Resources Education Social Services	12,324,111	14,973,293 546,080 21,457 119,641		6,540,740
Total Expenditures	12,324,111	15,660,471	3,658,967	6,540,740
Excess (Deficiency) of Revenues Over (Under) Expenditures	(223,992)	(12,588,394)	67,221	1,954,247
Transfers/Financing Sources (Uses):				
Operating Transfers In Operating Transfers Out Other Sources Other Uses	(54,464)	11,553,361)	(25,000)	
Total Transfers/Financing Sources (Uses)	(54,464)	11,553,361	(25,000)	16,311
Excess of Revenues, Transfers In and Financing Sources Over (Under) Expenditures, Transfers Out and Financing Uses	(278,456) (1,035,033) 42,221	1,970,558
Beginning Fund Balances, as Adjusted	2,294,352	2 3,891,220	2,383,800	3,903,389
Ending Fund Balances	\$2,015,89	5 \$2,856,18	7 \$2,426,02	\$5,873,947

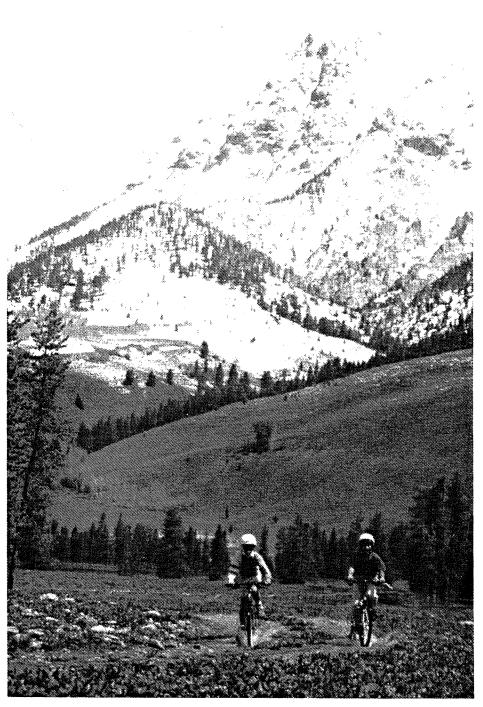
Water Claims Adjudication	Federal Grants	Development Loans	Commodity Indemnity	Petroleum Price Violation	Lands	Miscellaneous
					•	
						6 2.104.00 <i>C</i>
			\$761,387		\$2,881,220	\$3,104,986
\$278,625	\$24,935	\$ 360,331		•	1,656,748	5,258,347
9,851	1,659,726			•	5,576,569	9,112,958
	176,008,104	(7,587)			476,165	2,658,167
147,073	32,210	208,280	207,059	\$464,981	1,344,613	201,609
					325,343	137,849
	129,781				1,584,488	2,638,070
435,549	177,854,756	561,024	968,446	464,981	13,845,146	23,111,986
	343,850					6,832,077
354,959	19,022,355					3,731,797
55-1,555	60,788,527		57,420			3,589,543
2,818,966	5,472,983	· · · · · · · · · · · · · · · · · · ·	•	516,674	8,186,041	87,654
2,010,700	81,408,122	•				5,416,345
	9,225,043				<u>, ., </u>	442,595
3,173,925	176,260,880	974,389	57,420	516,674	8,186,041	20,100,011
(2,738,376)	1,593,876	(413,365)	911,026	(51,693)	5,659,105	3,011,975
					·-	
	60 000	1,000,000				557,314
	60,000 (880,496)	• •			(500,000)	(61,821)
	(880,490)	250,064		417,993	3,549,095	(01,021)
		(765,666)		(586,087)	(4,185,966)	
	(820,496)			(168,094)	(1,136,871)	495,493
(2 729 274)	773,380			(219,787)	4,522,234	3,507,468
(2,738,376)						9,239,045
4,866,705	3,696,246	1,204,933	4,294,328	9,483,020	20,067,441	9,239,043
\$2,128,329	\$4,469,626	\$1,240,952	\$5,205,354	\$9,263,233	\$24,589,675	\$12,746,513
				·		Q=4*

Continued

State of Idaho

Schedule of Revenues, Expenditures and Changes in Fund Balance - Cash Basis Miscellaneous Special Revenue Fund (continued) For the Fiscal Year Ended June 30, 1995

		Restoration Projects	Parks and Recreaton	Regulatory	Total
Revenues:					
Taxes			\$3,427,929	\$41,503,257	\$63,280,000
Licenses, Permits, And Fees		-	6,635,252	25,620,698	52,712,659
Sales Of Services, Goods, And Property		•	422,500	229,048	18,661,852
Grants And Contributions			135,797	55,594	179,512,673
Interest Income		\$157,029	48,086	247,074	3,277,704
Rent And Lease Income			417,471	13,677	894,340
Other Investment Income			• •		519
Miscellaneous Income		1,067,285	83,745	951,990	7,311,944
Total Revenues		1,224,314	11,170,780	68,621,338	325,651,691
Expenditures:					•
General Government		771,260			7,947,187
Public Safety And Corrections					38,082,404
Agriculture And Economic Development				27,789,375	115,307,255
Natural Resources			11,149,186	532,198	29,747,056
Education			, ,	·	86,944,108
Social Services					9,667,638
Total Expenditures		771,260	11,149,186	28,321,573	287,695,649
Excess (Deficiency) of Revenues Over					
(Under) Expenditures		453,054	21,594	40,299,765	37,956,042
Transfers/Financing Sources (Uses):					
Operating Transfers In		700,000	75,000	4,215,471	18,172,047
Operating Transfers Out		(700,000)	(25,000)	(43,996,520)	(46,272,905)
Other Sources					4,217,152
Other Uses					(5,537,719)
Total Transfers/Financing Sources (Uses)	•		50,000	(39,781,049)	(29,421,425)
Excess of Revenues, Transfers In and					
Financing Sources Over (Under) Expenditure	s,				
Transfers Out and Financing Uses		453,054	71,594	518,716	8,534,617
Beginning Fund Balances, as Adjusted		5,532,063	5,420,195	29,365,899	105,642,636
Ending Fund Balances		\$5,985,117	\$5,491,789	\$29,884,615	\$114,177,253



STANLEY BASIN IN PART OF THE SAWTOOTH NATIONAL RECREATIONAL AREA WHICH INCLUDES OVER 200 ALPINE LAKES AND RUGGED PÈAKS
AN EASY DRIVE FROM BOISE WITH BEAUTIFUL SCENERY AND HISTORIC IDAHO CITY ALONG THE WAY.

STATE OF IDAHO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 1995

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STATE OF IDAHO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 1995

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Trust and Agency Funds	99	100	n/a
Expendable Trust Funds		100	n/a
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