IMPERIAL IRRIGATION DISTRICT ANNUAL REPORT 1966

The Board of Directors is pleased to transmit herewith its 56th Annual Report for the calendar year 1966.

We believe that the citizen-owner-customers of the Imperial Irrigation District, the nation's largest irrigation district, can take pride in its accomplishments in meeting promptly the around-the-clock demands for water and electricity in Imperial Valley and the supply of power to Coachella and Indio areas, while also building and planning ahead for future needs.

While providing service to consumers at low cost, the IID has maintained its sound financial position as a self-sustaining utility business, meeting all financial obligations from its revenues and imposing no burden on the taxpayers. We acknowledge with gratitude the outstanding services of the management and personnel of the District which contributed so effectively to the year's progress.

Lom Thompson

LOM THOMPSON, PRESIDENT
BOARD OF DIRECTORS

BOARD OF DIRECTORS HIGHLIGHTS

- *CONTRACTS: Approved major work authorization for addition to Unit No. 4 El Centro Steam Plant; awarded contract to Fluor Corporation for engineering and architectural service and to Westinghouse Corporation for 75-megawatt turbine generator and appurtenances.*

- *POWER PURCHASE: Authorized execution of January 18, 1966, draft of "Contract for Electric Service to IID," with U.S. Department of the Interior, Bureau of Reclamation, from the Colorado River Storage Project.*

- *IMPROVEMENTS: Authorized participation with Coachella for installation of curbs and gutters adjacent to District property.*

- *SALARIES: Authorized 4 per cent salary increase and revision of wage and salary schedule affecting engineers.*

- *SERVICE: Authorized preliminary design and mapping for 161-kv transmission line from El Centro to Niland, a distance of 35 miles.*

- *CONSERVATION: Passed resolution supporting Bureau of Reclamation rechannelization of Lower Colorado and urging implementation of plan.*

- *FINANCIAL: Approved water and power budgets for 1967 — $17,489,740.*

Raymond I. (Lom) Thompson
Division 1
(President)

Carl C. Bevins
Division 5

Bernard Galleano
Division 3

Paul A. Mitchell
Division 4

Joseph D. Moore
Division 2

Robert F. Carter
General Manager

James Lloyd
Personnel

Richard W. Wheeler
Finance

J. Fred Hesse
Power Department

Robert D. Reynolds
Operations

John Melvin Sheldon
Water Department

GENERAL MANAGER'S COMMENTS

Nineteen hundred and sixty-six was a year of progress, attributable to the advancement of operational procedures.

The 2,470,268 acre-feet of Colorado River water delivered to 5,086 Imperial Valley farm units and cities, for agricultural and domestic use, helped earn more than $232 million through agricultural products.

Cognizant of the need to save water, so vital to our economy, an extensive effort was made to improve our irrigation methods. In this area the water department diligently pursued the objectives of water conservation climaxed by a "job well done" commendation from the United States Bureau of Reclamation.

Augmenting this program, concrete lining and tile drainage installation were continued on a cooperative basis with 67.3 miles of District laterals lined this year. Farmers installed 72.3 miles of concrete-lined private head ditches.

This year heralded our 30th anniversary in the power business. Reflecting the increase in number of customers and the growing trend of year-round electric living, the District's power peak for the year 1966 was 182,200 kilowatts, a 5.7 per cent increase over 1965. The 684,814,661 kilowatt-hours of energy generated, purchased and interchanged represented a 13.1 per cent increase over 1965.

Anticipating the need for additional power generation for Imperial and Coachella Valleys, the Board of Directors instructed management to negotiate with engineering firms for design of a $10 million 75-megawatt unit at the El Centro Steam Plant. Construction is on schedule and the unit will be in operation by June 1968.

Another hydroelectric source was added during the summer with the installation of a second generator unit at Drop 3 plant on the All-American Canal. This addition completed the originally planned power development at the plant and increases the name plate capacity of generation on the All-American to 72,000 kilowatts.

Following the District's established timetable of reducing our financial obligations, the board authorized our treasurer to retire $2,105,000 of irrigation and power bonds.

In conclusion, I feel it incumbent upon me to say our success in the past year has been due to the excellent liaison between board and management, and I look ahead with hopes, indeed confidence, that future operations will be equally profitable.

OPERATIONS AT A GLANCE

- *GENERAL: A candid view of the District's operations for 1966 reflects a picture of objective achievement at minimum cost. The line was held on water and power rates, bonded indebtedness was reduced, while major additions and betterments to the system were financed from revenue.*

- *POWER NEEDS: Ground-breaking ceremonies December 20 at the El Centro Steam Plant signaled the start of construction on the $10 million, 75 megawatt Unit 4 turbine generator addition to be financed entirely from revenue. The new unit is scheduled for completion in June 1968. Installation of the second 5,000 kilowatt (name plate) hydroturbine at the Drop 3 Hydroelectric Plant on the All-American Canal was completed at a cost of $1.5 million paid from accumulated revenue funds.*

- *GEOTHERMAL RESOURCES: Geothermal steam development made visible progress with most of the year being spent in research on market potential, extraction and reduction methods for separating the various chemicals such as potassium, calcium, lithium and sodium chloride into a saleable state.*

- *COLORADO RIVER FLOW: Runoff in the Colorado River in the 1966 water year was only 55 per cent of the 1965 total, and only 60 per cent of the long-time average, resulting in a net reduction in reservoir storage, according to reports by the Colorado River Board.*

- *POWER DEMAND AND SALES: Peak electric power demand reached an all-time high of 182,200 kilowatts in July — while kilowatt-hour sales to the ultimate consumer totaled almost $11.5 million, a gain of more than $1 million over 1965.*

OPERATIONS AND PERSONNEL

The Right-of-Way Section continued the acquisition of rights of way and the collection of money for the ditch-lining program (67.3 miles lined during 1966). It cooperated with the Division of Highways on the construction of Interstate Freeway 8 and assisted in the acquisition of land to build Unit No. 4 at the El Centro Steam Plant for additional generation.

The Building and Grounds Section remodeled the Holtville Division office and installed a service station there. A car wash rack was added to the Western Division and additional street lighting was installed at Headquarters yard in Imperial. In Coachella, the Date Growers Building was remodeled to provide needed space for electrical engineering and other service units. Sidewalk and landscape improvements were also completed at the Coachella office.

The Mechanical Section reports that its fleet of 469 vehicles drove approximately six-and-a-half million miles. The heavy equipment fleet operated in excess of 58,000 hours. In addition to routine repairs and maintenance the machine shop manufactured many items for the District's regular operations as well as major substructure components for use in construction of Unit No. 4 at El Centro Steam Plant.

The Purchasing and Stores Section bought local services and materials for $4,007,548. It continued updating stock by dispensing with 761 obsolete items and replacing them with 124 later designs. It maintained a balanced inventory of $964,430 and realized $49,000 at public auction for 77 automotive vehicles and miscellaneous salvage.

The Personnel Department supports operating departments with respect to the over-all District manpower functions of organization, recruitment and selection, utilization, compensation and development of employees.

Personnel staffing in 1966 remained constant with the preceding five years.

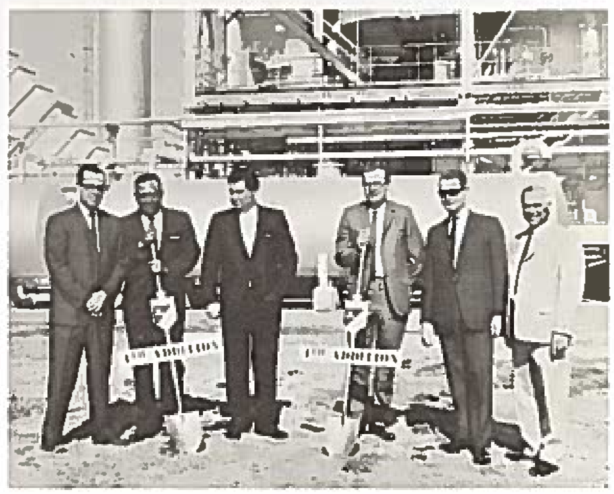
Recruitment and selection methods were administered routinely for most job openings; however, employment efforts for professional classifications were intensified. Although some results were realized by the end of the year, it is apparent that continued emphasis must be maintained into 1967 to meet objectives.

Compensation of employees was maintained at levels appropriate to the industry by a 4 per cent adjustment, authorized by the Board of Directors in October.

United Fund Campaign support among employees set a record for the eighth consecutive year.

DISTRIBUTION OF EMPLOYEES
(1966 Average Month)

	Full Time	*Temp. Part Time*	*Total*	*Std.*
General Manager's ..	7	0	7	7
Finance & Accounting	54	1	55	57
Personnel	7	0	7	7
Operations Services ..	130	6	136	134
Power	315	10	325	328
Water	439	2	441	448
Executive	26	2	28	29
TOTAL	978	21	999	1,010



GROUND BREAKING CEREMONIES . . . Signaling start of construction for the installation of the District's newest and largest generating unit. IID directors met at the construction site on December 22, 1966, for ground breaking ceremonies. From left to right are Director Joseph D. Moore, former El Centro Mayor DuBois McGee, Board President Lom Thompson, General Manager Robert F. Carter, Executive Vice-President Carl C. Bevins and Director Bernard Galleano.

Safety awards for special achievement among the major sections of the District were won by the All-American Canal Section (four consecutive years without a disabling injury) and the Generation and Sales & Service Sections (each with two consecutive years without a disabling injury).

WATER HIGHLIGHTS

- *AREA SERVED: The District's gravity flow canal and drainage system serves 500,245 acres of irrigated farm land.*

- *IMPERIAL DAM DIVERSIONS: Water diversions for all agencies served by the All-American Canal totaled 4,664,191 acre-feet, an increase of 101,890 acre-feet from 1965.*

- *ALL-AMERICAN CANAL: With a capacity of 15,155 c.f.s., the maximum diversion to the All-American Canal during the year was 11,400 c.f.s., the minimum was 2,010 c.f.s.*

- *WATER FOR IMPERIAL VALLEY: Water passing Pilot Knob Check for Imperial Valley totaled 2,886,364 acre-feet, at Drop No. 1 it measured 2,817,912 acre-feet, and 2,470,268 acre-feet were delivered to water users, an increase of 158,302 acre-feet over 1965.*

- *DESILTING BASINS: 542,921 tons of sediment were removed by the desilting basins at Imperial Dam.*

- *PILOT KNOB HYDROELECTRIC PLANT: 704,960 acre-feet of water passed through this plant back to the Colorado River for use downstream.*

- *FOXGLOVE CHECK: Work was in progress at year's end to replace the existing 50-year-old facility with an electrically operated gated structure adaptable for future remote control operation.*

- *CENTRAL MAIN DROP NO. 6: The old timber unit was replaced with a reinforced concrete weir structure.*

- *CONCRETE LINING: Lining of District laterals on a cooperative basis with landowners continued with 67.3 miles installed in 1966. Farmers installed 72.3 miles of concrete-lined private head ditches during the year. 237.2 miles of District laterals and 1,454.5 miles of private head ditches have been lined to date.*

- *PIPELINE DRAINS: 13.64 miles of pipeline drains were installed in 1966, including 12.44 miles installed on the "F" to "P" Pipeline Drain Project. The District is now operating and maintaining 56.19 miles of pipeline drains.*

- *NORTH END DAM REPLACED: Alamo River Drop No. 3-A was constructed as a combination weir and gated structure designed for by-pass operation for a proposed hydro-power plant. Drop No. 4 was also constructed on the Alamo River for erosion control.*

- *INTERSTATE 8 FREEWAY: Relocation and replacement of District facilities from El Centro to Seeley were completed in 1966, and 80 per cent of the District's facilities for the span west of Seeley were completed.*

- *FARM TILE INSTALLED: The year's installation of farm tile for landowners by private contractors was 527.38 miles, compared with 734.52 miles in 1965, and 993.97 miles in 1964. To date, 12,661.83 miles of farm tile drains have been installed.*

- *SALTON SEA: Present salinity of the sea is approximately equal to that of ocean water, with 48 tons of salt per acre-foot. Water surface elevation on January 2, 1967, was 231.95 feet below sea level.*

- *SALT BALANCE: There was a gain of approximately 11.50 per cent in the removal of salt from Imperial Valley farm land through the drainage system into Salton Sea.*

- *STRUCTURE REPLACEMENTS: Miscellaneous structures replaced for betterment of the irrigation and drainage system included 105 check and delivery structures, 71 canal or drain crossings under county roads, and six drain crossings under canals or laterals.*

IRRIGATION AND DRAINAGE SYSTEM MAINTENANCE AT A GLANCE

	All-American Canal	*Other Main Canals*	*Lateral Canals*	*All-American Drains*	*Main Drains*	*Lateral Drains*
Total Miles	131	153	1,490	50	554	827
Number of Operational Structures	144	560	10,239		1,595	740
Concrete	144	488	9,521		1,528	650
Rubble		38	468			20
Wood		27	240		67	22
Combination		7	10			48
Maintenance Operations						
Draglines (Oper. Hours)	495.50	199.50	9,632.00	167.50	3,708.00	3,529.50
Miles	27.50	1.50	200.20	44.60	255.61	203.10
Bulldozers (Oper. Hours)	516.00	333.50	10,541.00	54.50	1,026.00	1,109.50
Miles	31.80	55.75	461.40	17.40	449.14	267.70
Motor Graders (Oper. Hours)	621.50	541.00	1,983.50	169.00		90.50
Miles	246.10	327.25	740.55	95.80		38.00
Miscellaneous Equipment (Oper. Hours)	372.00	456.50	1,961.50	33.00	2,723.00	994.00
Weed and Brush Control (Acre-Miles)	896.50	1,768.33	6,522.66	231.50	1,530.50	2,260.30
Moss Control						
Mechanical (Man-Hours)	265.00		14,702.50		3,027.50	11,345.00
Miles	11.05		2,151.25		414.94	1,542.50
Chemical (Man-Hours)			815.50		100.00	67.00
Miles			246.15		23.75	23.00
Rodent Control (Man-Hours)	1,170.00	21,444.00*				
Miles	574.90	4,763.75*				

**Other Main Canals and Laterals Combined*

TILE DRAINAGE INSTALLATION

— 10-YEAR PERIOD 1957-1966 —

Year	*Acres*	*Total Acres Since 1929*	*Miles*	*Total Miles Since 1929*
1957	12,200	232,760	560.97	6,339.95
1958	10,690	243,450	490.88	6,830.83
1959	9,550	253,000	546.54	7,377.37
1960	15,713	268,713	794.05	8,171.42
1961	17,921	286,634	857.51	9,028.93
1962	11,485	298,119	611.01	9,639.94
1963	10,129	308,248	766.02	10,405.96
1964	12,707	320,955	993.97	11,399.93
1965	7,958	328,913	734.52	12,134.45
1966	6,634	335,547	527.38	12,661.83

CONCRETE LINING — 1963 - 1966

(IN NET MILES)*

Since 1954 the District has participated with landowners in concrete lining 278.1 net-miles of laterals including 40.9 miles of laterals turned over to the landowners to operate and maintain. Since 1949 a total of 1,454.5 net-miles of concrete-lined head ditches has been installed by private landowners.

Installation	1963	1964	1965	1966	Total to Date
Private Head Ditches**	123.5	113.6	81.5	72.8	1,495.4
District Laterals	26.9	48.6	53.6	67.3	237.2

**Net miles exclude lengths of structures, siphons, road and maintenance crossings, and tie-ins in concrete-lined canals.*

***Private head ditches includes miles of laterals lined on a participation basis and turned over to the landowners for operation and maintenance.*

INVENTORY OF AREAS RECEIVING WATER SERVICE
CROP SURVEYS

VEGETABLE CROPS

	Acres
Banana Squash	2
Beans	23
Broccoli	11
Broccoli (Seed)	14
Cabbage	1,573
Cantaloupes	4,293
Cantaloupes (Seed)	15
Carrots	2,151
Carrots (Seed)	5
Cauliflower	8
Cauliflower (Seed)	9
Celery	2
Chinese Lettuce	6
Cucumbers	197
Fava Beans	40
Fennel	2
Garlic	35
Irish Potatoes	120
Lettuce	45,734
Melons (Mixed)	222
Mustard	135
Okra	46
Onions	3,535
Onions (Seed)	313
Peas	1
Romaine Lettuce	49
Squash	521
Strawberries	3
Sweet Basil	5
Tomatoes	305
Vegetables (Mixed)	45
Waterlilies	20
Watermelons	4,115
TOTAL	63,555

Average No. of Farm Units Reported	5,086
Average No. of Owner Operated (46.0%)	2,339
Average No. of Tenant Operated (54.0%)	2,747
Average Area in Acres	95.98

FIELD CROPS

	Acres
Alfalfa	165,089
Alfalfa (Seed)	3,343
Barley	101,674
Bermuda Grass	2,210
Berseem Clover	302
Cane	248
Castor Beans	1
Clover	634
Cotton	38,884
Ear Corn	8
Flax	2,265
Grass (Mixed)	5
Hay Grazer	211
Head Corn	115,885
Oats	1,027
Rye Grass	8,794
Safflower	1,594
Sesbania	1,458
Sesbania (Seed)	150
Silage	2,911
Sudan Grass	4,411
Sugar Beets	61,910
Wheat	145
TOTAL	513,159

PERMANENT CROPS

Asparagus	2,323
Citrus (Mixed)	401
Dates	88
Grapefruit	574
Lemons	123
Nursery Stock	1
Oranges	743
Pasture (Permanent)	334
Pecans	90
Tangerines	353
TOTAL	5,030
GRAND TOTALS	581,744

SUMMARY

Crops		*Acres*	
Field Crops	513,159		
Vegetable Crops	63,555		
Permanent Crops	5,030		
Total Acres of Crops	581,744		
Total Duplicate Cropped		157,132	
Total Net Acres in Crop			424,612
Area Being Reclaimed: Leached			12,917
Net Area Irrigated			437,529
Area Farmable but not Farmed during 1966 (Fallow Land)			34,669
Total Area Farmable			472,198
Area of Farms in Homes, Feed Lots, Corrals, Cotton Gins, Experimental Farms and Industrial Areas			14,733
Area in Cities, Towns, Airports, Cemeteries, Fairgrounds, Golf Courses, Recreational Parks and Lakes, and Rural Schools			12,350
Area in Farms having less than Two Acres			964
Total Area Receiving Water			500,245
Area in Drains, Canals, Rivers, Railroads, and Roads			70,866
Area Below −230 Salton Sea Reserve Boundary and Area Covered by Salton Sea, Less Area Being Farmed			35,584
Undeveloped Area of Imperial Unit			17,265
Undeveloped Area of West Mesa, East Mesa, and Pilot Knob Mesa Units			286,400
GRAND TOTAL			910,360

1966 FINANCIAL REPORT
IMPERIAL IRRIGATION DISTRICT

TREASURER'S REPORT

ANNA T. McMANUS, *Treasurer*

The Treasurer, elected by the people within District boundaries, is charged with the safeguarding of District funds.

The Treasurer's office maintains contact with investment companies in the major financial centers throughout the nation. Daily studies are made of the government bond market in order to secure the highest possible return on District funds held in 192 treasury accounts.

In 1966, payments of $2,091,000 reduced the District's bonded indebtedness to $25,766,000 comprised of $3,673,000 in general obligation bonds and $22,093,000 in electric revenue bonds.

The annual income from the sale of water and power, assessment collections, earned-interest on investments and miscellaneous sources flows into the Treasurer's office and is retained in specified funds until expenditures are approved by the Board of Directors.

The income from all sources during 1966 totaled $20,487,399 — an increase of $1,823,627 over the previous year. Of this amount, $19,478,056 was expended for payment of bond principal and interest, payrolls, operating expenses including materials and services.

Sufficient funds were set aside to meet the annual budget requirements, such as water and power department operations, payment on bonds, and coverage of various reserves and sinking funds, as required by law. Cash funds not needed for current expenses were placed in interest-bearing accounts with 17 banks in Imperial and Coachella Valleys. Those accounts, together with government bonds purchased in previous years with reserve funds, provided the District with an earned-interest income of $863,059 during 1966.

The District's financial footing has the highest rating possible among banks and financial institutions throughout the United States.

A step-by-step growth throughout the years, due to good management, the economic condition of the country and a program of continuous flow of information to several hundred financial institutions throughout the nation, helped to make the credit structure of the District what it is today.

The financial institutions' confidence in the District is reflected in their decision to remain as financial supporters since 1943, when the Second Refunding Bonds were sold, on through the years until the Eleventh Issue Electric Revenue Bonds were sold in 1954. The District has earned that faith by going forward step by step, continually retiring bond principal and interest on due dates and, as an added protection for the bondholders, has built up reserves for each bond issue to one year's payment of principal and interest. This total exceeds $2 million.

From 1915 to 1922 the District issued $16 million general obligation serial bonds, with an average interest rate of 5.55 per cent. The proceeds of these issues were used for the acquisition of the properties of the California Development Company and of the mutual water companies then serving the Imperial Valley, for flood control and drainage works, and for improvements to the system.

In 1932 the District defaulted on a portion of the bond interest and maturities, due to heavy fixed charges and the depressed agricultural markets. In addition to the bonded indebtedness of $14,250,000 then outstanding, the District had accumulated a registered warrant indebtedness of $884,000.

From 1933 to 1943, three major steps were taken by the Board of Directors in connection with the general obligation bonds: The issuance of First Refunding Bonds in 1933, modification of the First Refunding Bonds in 1939, and the issuance of Second Refunding Bonds in 1943. The proceeds from the Second Refunding Bonds were used to retire the First Refunding Bonds, and resulted in a decrease in the average interest rate from 5.55 per cent in 1933 to 3.40 per cent in 1943. The registered warrants were completely paid prior to 1947 and the general obligation bonds will be completely paid January 1, 1968.

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AND NET WORTH

DECEMBER 31, 1966

ASSETS

Funds for:	
Operation and Maintenance	$ 9,294,292
Payment of Bond Principal and Interest	4,171,244
New Construction	4,989,854
Reserve Funds for Replacements and Emergencies	3,064,098
Other Special Funds	1,102,428
TOTAL FUNDS	$ 22,621,916
Accounts Receivable and Current Assessments	2,390,726
Notes Receivable	3,600
Materials and Supplies	1,092,894
Delinquent Assessments and Tax Deed Land	33,774
Prepayments on All-American Canal Contract	935,589
Deferred Charges and Prepaid Expenses	722,691
Properties (Water and Power Systems)	113,031,352
TOTAL ASSETS	$140,832,542

LIABILITIES

Current Liabilities	$ 1,701,604	
Outstanding Bonds	25,766,000	
Deferred Contract Installments	20,266,201	
Reserves	30,922	
Deferred Credits	2,183,554	$ 49,948,281
NET WORTH		90,884,261
Total Liabilities & Net Worth		$140,832,542

The Net Worth is 64.5% of Total Assets.

COMPARATIVE INCOME AND EXPENSE STATEMENT AND BALANCE SHEET

WATER DEPARTMENT

	1966	Over 1965	Under 1965
Operating Revenue	$ 6,806,680	$ 359,402	
Operating Deductions	4,462,742	497,270	
Operating Income	$ 2,343,938		$ 137,868
Other Income	309,820	$ 59,527	
Gross Income	$ 2,653,758		$ 78,341
Income Deductions	132,823		24,605
Net Income	$ 2,520,935		$ 53,736

BALANCE SHEET

	1966	Over 1965	Under 1965
Current Assets	$ 6,002,074	$ 162,751	
Investment and Fund Accounts	4,462,443	89,059	
Fixed Assets	64,300,486	2,055,811	
Other Assets and Deferred Charges	1,583,006		$ 485,199
Total Assets	$76,348,009	$1,822,422	
Current Liabilities	$ 650,224		$ 9,358
Long-Term Liabilities	22,827,582		1,213,200
Deferred Credits and Reserves	1,733,883		31,311
Surplus	51,136,320	3,076,291	
Total Liabilities and Surplus	$76,348,009	$1,822,422	

POWER DEPARTMENT

	1966	Over 1965	Under 1965
Operating Revenue	$11,641,232	$1,145,416	
Operating Deductions	8,406,001	559,573	
Operating Income	$ 3,235,231	$ 585,843	
Other Income	553,239	103,682	
Gross Income	$ 3,788,470	$ 689,525	
Income Deductions	695,782		$ 54,378
Net Income	$ 3,092,688	$ 743,903	

BALANCE SHEET

	1966	Over 1965	Under 1965
Current Assets	$ 7,726,730	$ 707,430	
Investment and Fund Accounts	8,019,798	25,322	
Fixed Assets — Electric Plant	48,729,142	852,323	
Other Assets and Deferred Charges	8,863	406	
Total Assets	$64,484,533	$1,585,481	
Current Liabilities	$ 1,071,380	$ 183,295	
Long-Term Liabilities	23,184,619		$1,392,200
Deferred Credits and Reserves	480,593		13,147
Surplus	39,747,941	2,807,533	
Total Liabilities and Surplus	$64,484,533	$1,585,481	

CERTIFICATE

(From Audit Report)

We have examined the balance sheet of the Imperial Irrigation District as of December 31, 1966, and the related statements of revenue and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures that we considered necessary in the circumstances. The actual count of the physical inventories of materials and supplies was limited to a test check of the perpetual inventory card records. No written confirmation of the receivables was made. We considered the systems of controls in effect adequate to properly reflect the balances of these accounts.

In our opinion, the accompanying balance sheet and statements of revenue and surplus present fairly the financial position of the Imperial Irrigation District at December 31, 1966, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

HUTCHINSON AND BLOODGOOD

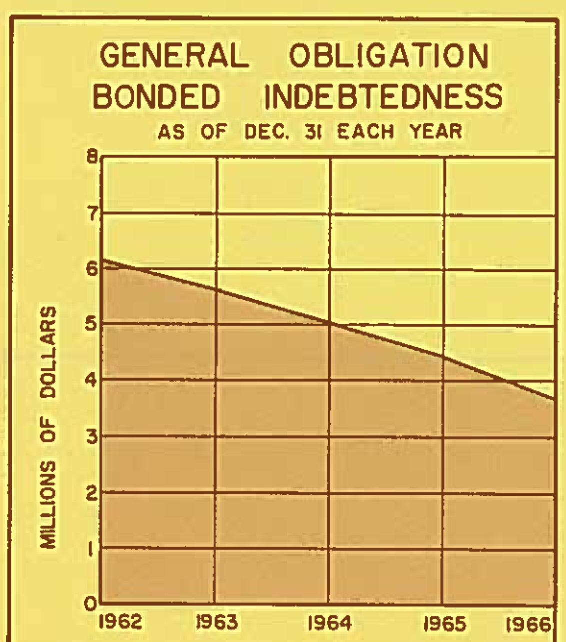
By Paul G. Taylor
Certified Public Accountant

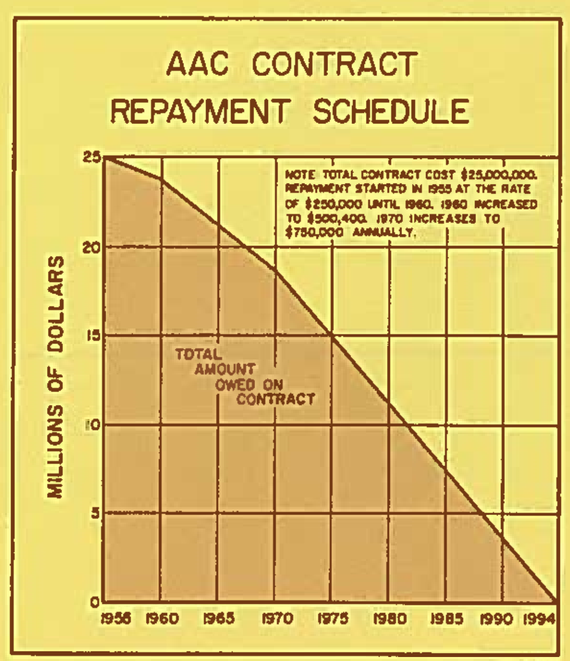
FUND BALANCES – DECEMBER 31, 1966, AND DECEMBER 31, 1965

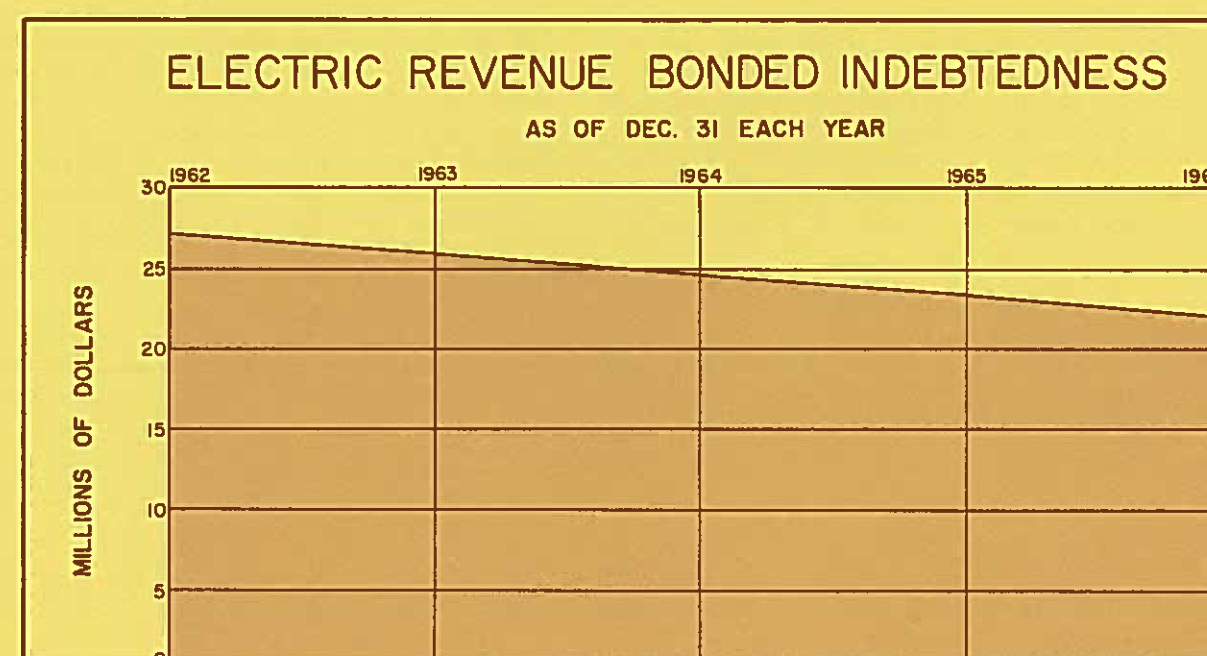
	December 31 1966	*December 31 1965*	*Increase or Decrease**
POWER OPERATING REVENUE FUNDS:			
Cash Balances	$ 5,346,421	$ 4,801,230	$ 545,191
POWER BOND FUNDS:			
Cash Balances	3,383,875	3,426,060	42,185*
POWER CONSTRUCTION FUNDS:			
Cash Balances	3,286,050	3,313,238	27,188*
MISCELLANEOUS POWER RESERVE FUNDS:			
Cash Balances	1,829,005	1,738,933	90,072
TOTAL POWER DEPARTMENT CASH BALANCES	$13,845,351	$13,279,461	$ 565,890
ALL FUNDS:			
Assessments Collected for Following Year	$ 1,029,623	$ 1,044,841	$ 15,218*
Other Cash Funds	21,592,293	20,559,401	1,032,892
Total Cash Balances	$22,621,916	$21,604,242	$1,017,674

*Decrease
NOTE: Cash Balances Include Securities Held

	December 31 1966	*December 31 1965*	*Increase or Decrease**
WATER OPERATING FUNDS:			
Assessments Collected for Following Year	$ 412,158	$ 418,250	$ 6,092*
Other Cash Balances	3,535,713	3,138,751	396,962
Total Cash Balances	$3,947,871	$3,557,001	$ 390,870
WATER BOND FUNDS:			
Assessments Collected for Following Year	$ 501,427	$ 508,837	$ 7,410*
Other Cash Balances	285,942	353,284	67,342*
Total Cash Balances	$ 787,369	$ 862,121	$ 74,752*
WATER CONSTRUCTION FUNDS:			
Assessments Collected for Following Year	$ 116,038	$ 117,754	$ 1,716*
Other Cash Balances	1,587,766	1,759,922	172,156*
Total Cash Balances	$1,703,804	$1,877,676	$ 173,872*
MISCELLANEOUS WATER FUNDS:			
Total Cash Balances	$2,337,521	$2,027,983	$ 309,538
TOTAL WATER DEPARTMENT CASH BALANCES	$8,776,565	$8,324,781	$ 451,784







CONSOLIDATED REVENUE AND EXPENSE STATEMENT

(January 1, 1966 - December 31, 1966)

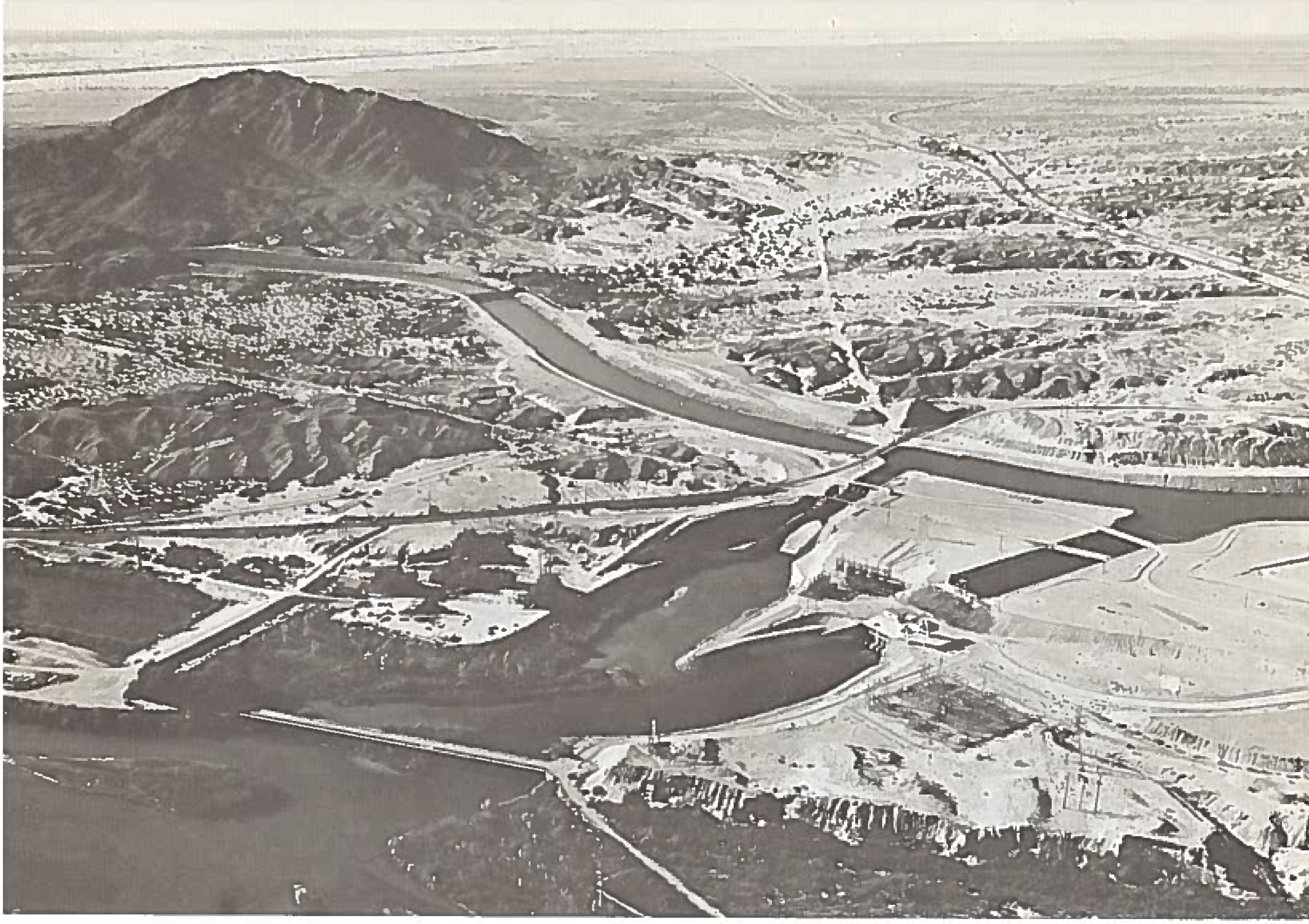
Revenue	*Power Dept.*	*Water Dept.*	*Consolidated*
OPERATING REVENUES:			
Realized Revenue From:			
Current Year Assessments		$1,538,194	$ 1,538,194
Penalties and Costs on Assessments		3,246	3,246
Redemption of Delinquent Assessments		47,942	47,942
Interest Collected on Redemptions		5,436	5,436
Total Collected by Assessor-Collector		$1,594,818	$ 1,594,818
Sales of Land Held Under Assessment Deeds		18,783	18,783
Equivalent of Current Assessments on Tax Deed Land		416	416
Rental of Land Held Under Assessment Deeds		594	594
Interest on Land Sales Contracts		1,392	1,392
Total Revenues Derived from Assessments		$1,616,003	$ 1,616,003
Water Sales		4,843,964	4,843,964
Gate Service Charges		63,370	63,370
Pipe Service Charges		37,097	37,097
Rental of Buildings		59,755	59,755
Rental of Electric Property	$ 21,883		21,883
Rental and Sales of Operative Land		44,898	44,898
Rental of Equipment		24,582	24,582
Contributions for Operation and Maintenance of All-American Canal		114,942	114,942
POWER SALES:			
Residential or Domestic Sales	$ 5,280,577		$ 5,280,577
Rural Sales – Agricultural Power	608,894		608,894
Commercial Sales	4,459,731		4,459,731
Industrial Sales	795,727		795,727
Public Street and Highway Lighting	128,617		128,617
Other Sales to Public Authorities	117,197		117,197
Interdepartmental Sales	95,177		95,177
Sales to Other Electric Utilities	399		399
Total Power Sales	$11,486,319		$11,486,319
Miscellaneous Revenue	133,030	2,069	135,099
TOTAL OPERATING REVENUES	$11,641,232	$6,806,680	$18,447,912

Revenue	*Power Dept.*	*Water Dept.*	*Consolidated*
Total Operating Revenue – Brought Forward	$11,641,232	$6,806,680	$18,447,912
OPERATING REVENUE DEDUCTIONS:			
Operating Expenses:			
Operation and Maintenance of Water System		$3,203,106	$ 3,203,106
Operation and Maintenance of All-American Canal		682,040	682,040
Operation and Maintenance of Imperial and Laguna Dams		58,095	58,095
Operation and Maintenance of Power System:			
Production Expenses	$ 1,370,685		$ 1,370,685
Power Purchased	2,461,838		2,461,838
Transmission Expenses	250,946		250,946
Distribution Expenses	906,945		906,945
Accounting and Collecting Expenses	419,192		419,192
Sales Promotion Expenses	126,069		126,069
Administrative and General Expenses	757,455		757,455
Total Power Operation and Maintenance	$ 6,293,130		$ 6,293,130
Miscellaneous Expenses		14,578	14,578
Total Operating Expenses	$ 6,293,130	$3,957,819	$10,250,949
Depreciation and Amortization:			
Depreciation of Equipment and Facilities		$ 50,725	$ 50,725
Depreciation of Buildings		76,570	76,570
Depreciation of Canal Structures		304,049	304,049
Depreciation of Power System	$ 2,095,542		2,095,542
Losses on Sales and Retirements of Assets		64,333	64,333
Taxes	17,329	9,246	26,575
Total Operating Revenue Deductions	$ 8,406,001	$4,462,742	$12,868,743
Net Operating Revenue	$ 3,235,231	$2,343,938	$ 5,579,169
OTHER INCOME:			
Interest on Securities	$ 12,328	$ 2,490	$ 14,818
Interest on Bank Deposits	528,594	304,628	833,222
Miscellaneous Interest	12,317	2,702	15,019
Total Other Income	$ 553,239	$ 309,820	$ 863,059
GROSS INCOME	$ 3,788,470	$2,653,758	$ 6,442,228
INCOME DEDUCTIONS:			
Interest on District Bonds	$ 676,120	$ 125,775	$ 801,895
Amortization of Debt Discount		7,048	7,048
Lease of Power Rights	19,662		19,662
Total Income Deductions	$ 695,782	$ 132,823	$ 828,605
NET INCOME	$ 3,092,688	$2,520,935	$ 5,613,623

COMPARATIVE FINANCIAL ANALYSIS . . . 10-YEAR SUMMARY

WATER	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957
The District's Water Department Earned	$7,116,500	$6,708,627	$6,850,872	$6,593,324	$6,356,420	$6,274,870	$6,254,239	$5,952,404	$5,690,926	$5,749,483
From: Assessments, Penalties and Costs	$1,589,382	$1,573,418	$1,568,920	$1,533,234	$1,516,956	$1,518,290	$1,501,539	$1,502,425	$1,481,563	$1,467,970
Sales and Rentals of Land Held Under Assessment Deeds	21,185	13,582	9,295	16,025	9,667	15,802	5,091	11,590	11,440	9,217
Interest on Redemption of Delinquent Assessments	5,436	3,504	5,324	3,862	3,439	3,665	5,540	4,306	3,009	2,899
Water Deliveries, Gate and Pipe Service Charges	4,944,431	4,632,483	4,814,540	4,613,863	4,454,782	4,394,061	4,402,831	4,122,644	3,923,198	3,972,613
Interest on Reserves	309,820	250,293	246,191	219,546	164,822	139,675	137,003	93,945	59,618	67,042
Rental of Land, Buildings and Equipment	129,235	104,743	97,713	105,101	83,154	89,832	79,677	74,451	66,369	74,139
Other Sources	117,011	130,604	108,889	101,693	123,600	113,545	122,558	143,043	145,729	155,603
Which Was Used or Set Aside for:										
Operating Expenses	$3,957,819	$3,877,577	$3,671,597	$3,655,221	$3,684,091	$3,520,425	$3,282,167	$3,287,943	$3,241,341	$3,197,160
Interest on Bonds	125,775	150,380	172,334	193,619	212,874	232,671	253,008	273,734	292,123	308,352
Taxes	9,246	11,282	10,679	8,111	6,877	2,531	2,657	1,400	1,693	1,359
Accounting for Operating Expenses and Income Deductions of	$4,092,840	$4,039,239	$3,854,610	$3,856,951	$3,903,842	$3,755,627	$3,537,832	$3,563,077	$3,535,157	$3,506,871
Leaving Net Earnings of	3,023,660	2,669,388	2,996,262	2,736,373	2,452,578	2,519,243	2,716,407	2,389,327	2,155,769	2,242,612
Which Were Used for:										
Retirement of Bonds	$ 736,000	$ 606,000	$ 613,000	$ 560,000	$ 548,000	$ 597,000	$ 578,000	$ 595,000	$ 468,000	$ 488,000
Additions to Canal System	1,283,368	813,148	1,138,010	703,453	562,234	751,227	839,404	693,430	1,069,408	1,093,052
Additions to Drainage System	516,907	399,860	397,185	442,929	346,152	418,850	496,771	413,536	330,341	368,870
Additions to Buildings and Land	29,500	435,693	486,615	218,464	385,700	32,320	54,723	32,393	40,934	54,350
Payments into All-American Canal Emergency and Replacement Fund						89,007	89,007	89,007	89,007	89,007
New Equipment	328,401	391,245	323,774	197,282	233,681	181,568	257,365	250,258	158,079	149,333
Additions to Operating Funds	129,484	23,442	37,678	614,245	376,811	449,271	401,137	315,703		
	$3,023,660	$2,669,388	$2,996,262	$2,736,373	$2,452,578	$2,519,243	$2,716,407	$2,389,327	$2,155,769	$2,242,612
Which Accounts for	$7,116,500	$6,708,627	$6,850,872	$6,593,324	$6,356,420	$6,274,870	$6,254,239	$5,952,404	$5,690,926	$5,749,483

POWER	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957
The District's Power Department Earned	$12,194,471	$10,945,373	$10,518,071	$10,407,335	$10,451,320	$9,774,434	$9,537,125	$8,915,901	$9,121,063	$8,150,819
From: Power Sales	$11,486,319	$10,354,633	$10,018,618	$ 9,973,966	$10,038,166	$9,406,045	$9,228,204	$8,665,607	$8,987,908	$8,004,845
Interest on Reserves	553,239	449,557	351,051	284,457	277,112	246,934	218,310	188,103	119,722	140,686
Rental of Electric Property	21,883	20,400	21,829	33,800	42,796	37,194	78,211	52,304	6,783	6,549
Other Sources	133,030	120,783	126,573	115,112	93,246	84,261	12,400	9,887	6,650	4,739
Which Was Used or Set Aside for: Operating Expenses	$ 6,293,130	$ 5,780,157	$ 5,399,402	$ 5,104,789	$ 5,610,036	$5,226,237	$4,721,756	$4,325,396	$4,402,290	$3,897,435
Interest on Bonds	676,120	716,358	753,833	790,620	827,295	859,345	889,970	918,745	947,195	900,467
Lease of Power Rights	19,662	33,802	22,879	29,447	25,392	31,725	22,677	35,903	39,558	29,172
Taxes	17,329	16,715	16,115	15,819	16,382	16,699	16,163	9,279	13,198	12,789
Accounting for Operating Expenses and Income Deductions of	$ 7,006,241	$ 6,547,032	$ 6,192,229	$ 5,940,675	$ 6,479,105	$6,134,006	$5,650,566	$5,289,323	$5,402,241	$4,839,863
Leaving Net Earnings of	5,188,230	4,398,341	4,325,842	4,466,660	3,972,215	3,640,428	3,886,559	3,626,578	3,718,822	3,316,956
Which Were Used for:										
Retirement of Electric Revenue Bonds	$ 1,340,133	$ 1,330,000	$ 1,245,000	$ 1,220,000	$ 1,180,000	$1,035,000	$ 975,000	$ 910,000	$ 875,000	$ 840,000
Additions to Plant	1,638,122	1,657,222	1,881,099	1,592,856	1,182,019	1,241,743	1,218,342	1,813,473	1,234,370	1,812,473
Increase of Materials and Supplies	86,615	22,878		53,727	66,389					
Payment into Special Electric Plant Construction Fund	1,361,910	930,585	759,164	1,245,807	966,699	751,529	806,351	110,212	352,826	2,369
Payment into Bond Reserve Fund					24,727	106,500	99,940	157,897	210,965	206,729
Additions to Other Reserve Funds	77,376	66,698	59,838	55,633	50,332	141,151	244,685	25,219	1,003,290	7,842
Deposit with the United States on All-American Canal Contract	110,131	145,679	114,840	134,936	118,283	146,464	121,188	119,046	42,371	115,501
Payment into Contract Fund — All-American Canal	219,869	154,321	155,160	105,064	91,717					
Additions to Operating Funds	354,074	90,958	110,741	58,637	292,049	218,041	421,053	490,731		332,042
	$ 5,188,230	$ 4,398,341	$ 4,325,842	$ 4,466,660	$ 3,972,215	$3,640,428	$3,886,559	$3,626,578	$3,718,822	$3,316,956
Which Accounts for	$12,194,471	$10,945,373	$10,518,071	$10,407,335	$10,451,320	$9,774,434	$9,537,125	$8,915,901	$9,121,063	$8,156,819



This aerial view of Imperial Valley, looking north from Rockwood Heading towards Pilot Knob Mountain, shows the Valley's main arteries. In the upper right, the Coachella Canal snakes its way across miles of arid desert, bringing water to the northern valley. The All-American Canal, seen in foreground with Pilot Knob hydroelectric plant, furnishes water and power for Valley farmlands and homes. For agriculture, the year 1966 was one of mixed blessings. It started with the county's most productive (gross income) lettuce season ever recorded. A marked increase was seen in cantaloupes, both acreage and production. While gross income figures tend to reflect the economic position of agriculture, gross income may or may not reflect farm net income. Figures given in this report by the Department of Agriculture should be used only as a statistical measurement of the relevant position of Imperial County agriculture.

MILLION DOLLAR CROPS

Lettuce	$53,806,000	Onions	$2,519,000
Hay, Alfalfa	23,171,000	Cotton Seed	2,355,000
Cotton Lint	16,996,000	Pasture	2,310,000
Sugar Beets	15,388,000	Watermelons	1,744,000
Sorghum	15,312,000	Cabbage	1,710,000
Barley	8,158,000	Alfalfa Seed	1,415,000
Cantaloupes	4,242,000	Asparagus	1,401,000
Carrots	3,323,000	Tomatoes	1,184,000

RECAPITULATION

	1965	1966
Field Crops	$ 94,862,000	$ 84,776,000
Vegetable Crops	36,440,000	72,520,000
Livestock and Dairy	64,405,300	70,568,750
Fruit and Nut Crop	1,331,000	848,000
Seed Crops	2,713,900	2,654,600
Apiary	434,000	400,000
TOTAL	$200,186,200	$231,767,350

POWER HIGHLIGHTS

Statistics on the Power Department's 1966 operations provide breakdowns by divisions for comparative purposes and deal primarily with items involving the Sales and Service Section.

Significant increases in sales and revenue and average use by residential customers were recorded in 1966. 1964 was a normal summer. 1965 was exceptionally mild, resulting in reduced air conditioning usage. The result was that increases recorded in 1966 represent the normal increases we could expect over a two-year period. If we take the two-year gain between 1964 and 1966, it represents a satisfactory growth record, a tribute to our continuing promotional effort.

The department celebrated its 30th birthday May 18, 1966.

Commemorating the occasion, a booklet, "Our First 30 Years in the Power Business," outlining the history of the IID power development, was published.

When District power was first considered, engineers estimated that within a "reasonable time" the load would reach a peak demand of 5,000 kilowatts, with a customer load of 6,280 and gross revenue from power sales of $339,120 annually.

In 1966 the District served more than 37,000 customers with a peak demand of 182,200 kilowatts and annual consumption of more than 650 million kilowatt-hours, and an annual revenue from power sales of more than $11½ million.

These figures reflect the growing trend toward use of electricity for water and space heating.

The number of customers increased by 1,248, 3.3 per cent over 1965. Peak power demand increased 14 per cent and peak kilowatt-hour consumption was up 20 per cent.

Gains in the average number of customers during 1966 were below those registered in recent years, reflecting the national construction slowdown.

Reflecting the impact of weather conditions on power sales, 1966 saw an increase in revenue from sales to ultimate consumers of $1,131,685, compared with 1965.

- *SALES REVENUE: Revenue from the sale of electric energy totaled $11,486,318, a gain of $1,131,685 over 1965. Of the total revenue, only $398 was earned from sales to other utilities.*

- *CUSTOMERS: The average number of customers rose by 1,034 to bring the year's total to 37,075. Residential accounts were in the majority with 29,242. Other totals include: commercial and industrial, 6,503; agricultural, 743 and miscellaneous, 587.*

- *POWER SOURCES: District-owned generating plants provided 49 per cent of our power. Hydroelectric plants produced 29 per cent and steam produced 20 per cent. Other sources were: U.S. Bureau of Reclamation (Parker-Davis power), 25 per cent; Southern California Edison Co. (Axis Plant), 21 per cent and the Arizona Public Service Company, 5 per cent.*

- *PEAK LOAD: The year's peak load of 182,200 kilowatts occurred on July 6.*

- *OPERATIONAL COSTS: Operational costs were $6,293,130 — an increase of $512,973 over 1965. $2,461,838 was invested in the purchase of power and $1,101,196 for steam generation. Hydro generation accounted for $155,926.*

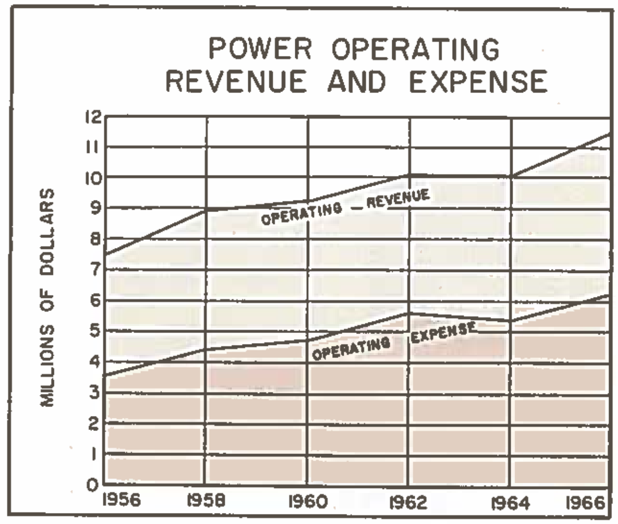
- *POWER USAGE: Average annual residential kilowatt-hour usage was 9,689, a gain of 1,181 over last year.*

COST OF OPERATION AND MAINTENANCE

	1966	*1965*	*Increase Decrease**
Steam Generation	$1,101,196	$ 949,850	$151,346
Hydro Generation	155,926	153,711	2,215
Other Generation	81,665	63,180	18,485
Purchased Power	2,461,838	2,225,077	236,761
Other Production Expense	31,898	32,878	980*
Transmission	250,946	223,627	27,319
Distribution	906,945	858,930	48,015
Customer Accounting and Collecting	419,192	402,573	16,619
Sales Promotion	126,069	147,998	21,929*
Administrative and General	757,455	722,333	35,122
TOTAL	$6,293,130	$5,780,157	$512,973

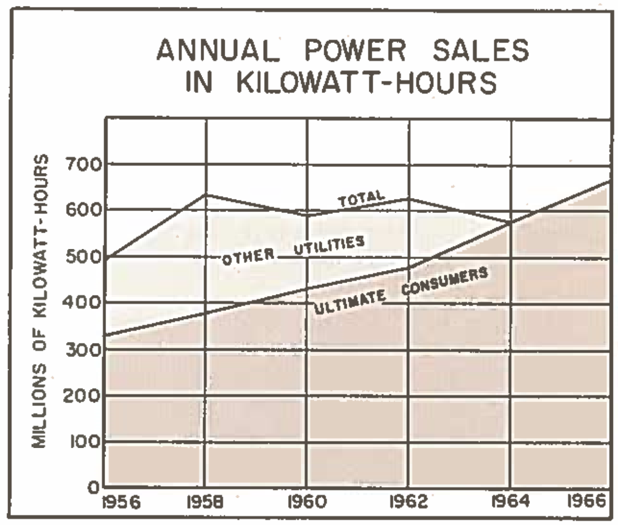
HOME SERVICE

During 1966, the Home Service Department gave 424 home demonstrations on major electric appliances; 228 calls were made on appliance dealers; 5,701 requests for recipes and information were answered; 81 programs were presented at the Demonstration Kitchen; 37 classroom demonstrations were presented to high school home economics classes; 29 kitchen planning jobs were completed; refreshments were prepared for 10 retirement parties; weekly columns were written for six newspapers, and a monthly column for the District News was prepared.



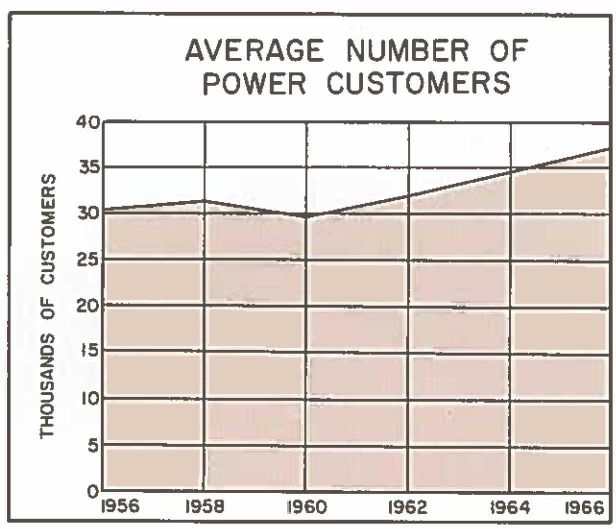
REVENUE FROM SALES OF ELECTRICAL ENERGY

Division	*1966*	*1965*	*Increase*
Coachella Section	$ 3,838,775	$ 3,456,550	$ 382,225
El Centro	3,063,680	2,753,428	310,252
Brawley	1,438,191	1,319,748	118,443
Calexico	889,276	781,085	108,191
Holtville	644,644	592,647	51,997
Imperial	582,287	522,260	60,027
Calipatria	448,761	423,744	25,017
Westmorland	262,292	243,357	18,935
Colorado River	179,670	166,433	13,237
Salton	138,344	95,283	43,061
Total to Ultimate Consumers	$11,485,920	$10,354,535	$1,131,385
Other Utilities	$ 398	$ 98	
Total Revenue	$11,486,318	$10,354,633	$1,131,685



POWER SALES — 1966

Ultimate Consumers		*%*	*% 1965*
Domestic	$ 5,280,577	46.0	45.3
Commercial and Industrial	5,255,458	45.7	45.9
Agricultural	608,894	5.3	5.8
Street Lighting	128,617	1.1	1.1
Public Authorities	117,197	1.0	1.1
Inter-Departmental	95,177	.9	.8
Total Ultimate Consumers	$11,485,920	100.0	100.0
Other Utilities	$ 398	.0	.0
Total Sales	$11,486,318	100.0	100.0



LEGAL DEPARTMENT

Reginald Knox, Jr., Legal Counsel

All litigation involving the District or in which the District may be interested is handled by the Legal Department. This department reviews the preparation, handling and execution of contracts, agreements, bids, purchases, acquisitions of land, rights of way, annexations, assessments, deposits of funds and other related District matters. With the exception of litigation, the activities of this department are largely reflected in the activities of the other departments of the District.

The department consists of the Chief Counsel and two assistant counsels. During this year, Harry W. Horton, special counsel on water matters, passed away, having been with the department and the District for more than 30 years.

This case was originally filed by Arizona in 1952, and was decided by the Supreme Court on June 3, 1963, with the court thereafter entering its decree on March 9, 1964. The court retained jurisdiction over the issue of present perfected rights and ordered the states of California, Arizona and Nevada, along with the Secretary of the Interior, to furnish to the court and parties a list of the claimed present perfected rights, with their claimed priorities, within two years of the date of the decree, or by March 9, 1966.

Prior to March 9, 1966, a motion was submitted jointly by all parties, with the exception of the United States, requesting an extension of one year (until March 9, 1967) to comply with Article VI of the decree on the issue of perfected rights claims. The court granted the extension of time.

During 1966 the Legal Department participated in conferences with representatives of the other parties, including the United States and the other California defendants, in an effort to obtain the necessary information and to explore the possibility of an agreement on the amount and priority of each party's claim. Before the year's end, it became doubtful that all parties would consent. Information on behalf of the District was being assembled for submission, in order to meet the deadline of March 9, 1967.

No new condemnation actions were filed during the year by the District, but the District was named as defendant in several actions filed by the State of California in obtaining the rights of way for Interstate Highway 8. The District's interest in these condemnation actions is based on the assessments on the property being condemned.

During the year no effort was made on behalf of the Department of the Interior to enforce the acreage limitation. It is anticipated that in the event the Secretary of the Interior intends to enforce the acreage limitation, an appropriate complaint will be filed in the United States Federal District Court in San Diego. The matter is pending.

Other litigation handled during the year included actions filed against the District for personal injuries and on behalf of the District for the recovery of damages for loss or injury sustained to District facilities and bankruptcy matters.

ASSESSOR - COLLECTOR

The Assessor-Collector, an elected official, places an assessment levy on the land sufficient to meet principal and interest payments on outstanding irrigation bonds due within the succeeding year, and to raise a sum which, with other revenue, will be sufficient to meet estimated current expenses.

Total assessed valuation for the year 1965-1966 an increase of $324,520 from the previous year.	$52,355,090
Total assessment for the year 1965-66 of which $1,553,705 was collected as of 12-31-66, leaving a delinquency of $23,983 — 1.52 per cent of the total assessment.	$1,577,688

COMMUNITY AND SPECIAL SERVICES

Among the continuing projects the District sponsors was the Canal Water Safety Program. In 1966 DIPPY DUCK made his debut as the official canal safety patrolman.

The concept for this program started when a duck accidentally went through a power turbine and, although rescued, lost its tail feathers. The "defeathered" duck was named DIPPY and became the foundation for an award-winning canal safety program.

Between April and October, DIPPY DUCK representatives visited 168 schools and enrolled 21,233 school children from kindergarten through sixth grade in the DIPPY DUCK Canal Safety Club.

The project won national acclaim in October, when the District was presented with an honorable-mention award in the 1966 Borgerson Award Contest sponsored by the National Safety Council. The award was presented at the National Safety Congress in Chicago on October 24.

The fourth annual "Imperial Valley Resources Class," offered at the Imperial Valley campus of San Diego State College in cooperation with the District, still proved to be one of the most popular on campus with an enrollment of 40 students for the session.

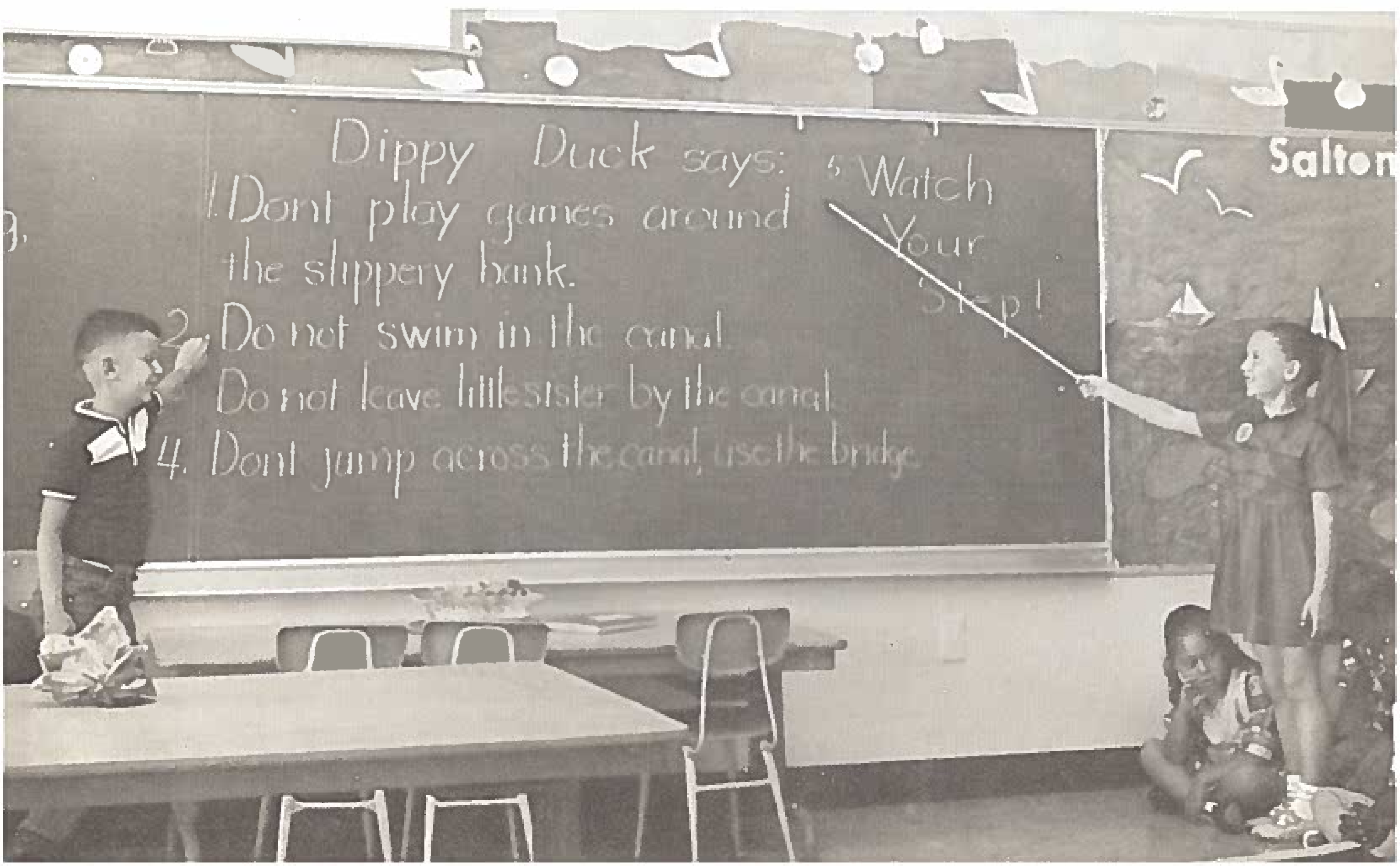
The course is to acquaint the student with the people, history, geology, geography, agriculture, irrigation system and industry of the Imperial Valley. In doing so, about half of the course involves field trips which augment the information learned in class.

During the year the District provided programs for civic, service, technical and business groups with an attendance of more than 4,500 persons. It worked closely with prospective new industries and commercial developments considering locating in the Valley. Also, regular contact was maintained with firms having possible interest in locating in the Valley at some future date.

In 1966, over 500 students from many Valley schools toured the District, including Imperial Dam and All-American Canal. They saw first-hand how water and electricity are brought to the desert.

The Public Information Office worked closely with educational programs within the University of California Farm Advisor Service and the Soil Conservation Service and other agricultural entities in the Valley.

Imperial Valley school children are encouraged to take an active part in the DIPPY DUCK canal safety program. Here a group of second and third graders in a rural classroom refresh their memories on the cardinal rules of the program. The graphic art in the background was created by these children.



SOIL CONSERVATION SERVICE

Elsewhere in the United States, soil conservation districts — formed through referendum by landowners — are governed by an elected board of directors. In Imperial Valley, the Imperial Irrigation District functions as the Soil Conservation District under a unique memorandum of agreement with the U.S. Department of Agriculture. The soil conservation policy is set by the District Board, which also serves as a soil conservation board.

In 1966, services were given jointly by the Soil Conservation Service and IID in preparing 87 basic farm plans on 11,859 acres with individual farmers and landowners.

All planned practices are installed according to the farmer's schedule, and at his expense.

Throughout 1966, 2,803 farmer contacts were made for assistance on agronomic or engineering problems. These resulted in the preparation of 77 new tile drainage designs, 51 salinity checks to help determine soil problems, and 51 tile maintenance and efficiency checks.

Tile drains in the Valley totaled 527.38 miles for 1966, bringing the total to date of 12,661.83 miles installed.

The use of the locally developed slip plow has greatly increased the process of maintaining an adequate salt balance in the soil. This practice is now included as a cost-share item in the Agriculture Conservation Program.

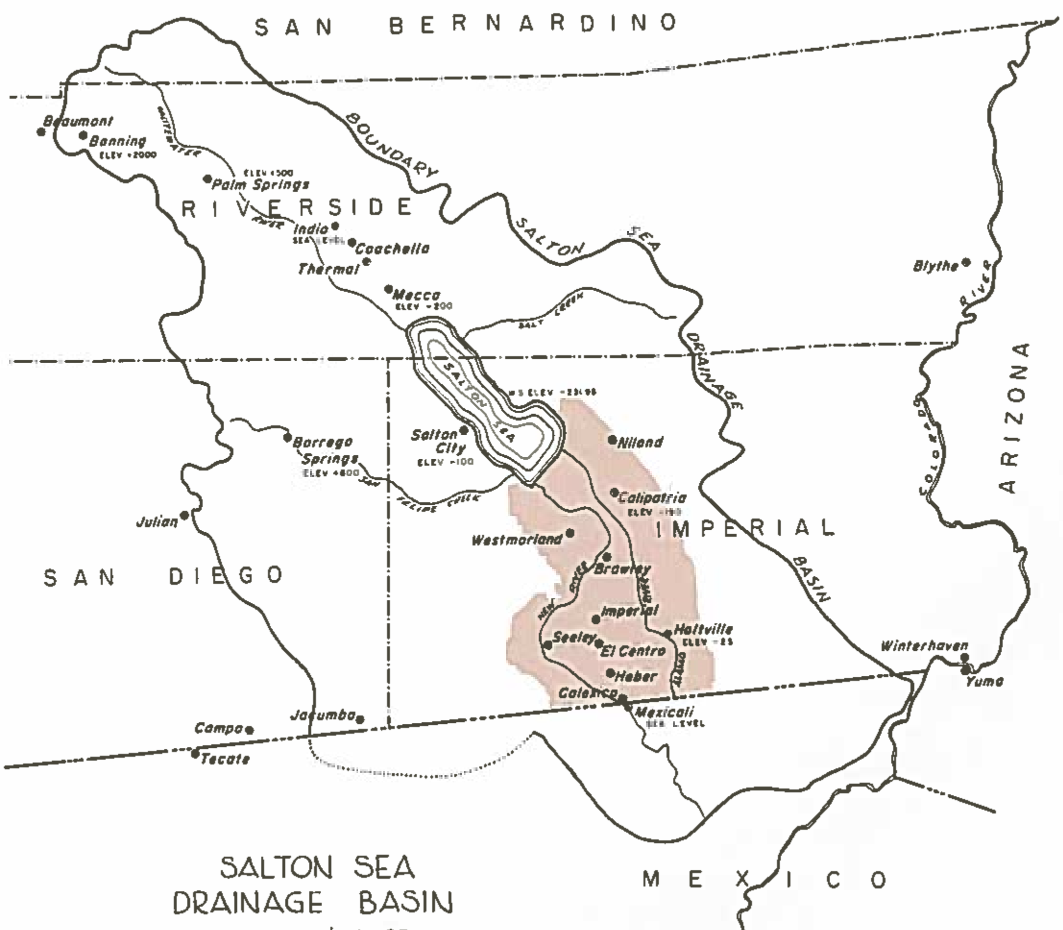
Concrete ditch lining was accomplished on 72.3 miles of farmer supply and head ditches, making a total of 1,454.3 miles. Cooperative lining on IID ditches amounted to 67.3 miles during 1966.

Farmers are continually improving the management of crop residue and crop rotations to maintain a better soil tilth. Land leveling to improve the irrigation slopes on fields is accomplished on a large acreage annually.

The soil survey of the farm lands in the Valley is progressing, and small fields are now being mapped to complete the survey of the area. In 1966, 92,967 acres of new mapping or conversion to standard soil surveys was accomplished.

A general soil map, with information for farming and many other uses, is nearing completion. The map and report will be of special interest to planning committees, land developers and farmers.

The IID Public Information Office assists with the educational program. In 1966 they supplied films for showing conservation to schools. These films were viewed by approximately 3,000 children.



SALTON SEA
DRAINAGE BASIN
CALIFORNIA & MEXICO

IMPERIAL VALLEY WEATHER DATA

53-YEAR AVERAGES

Average Annual Rainfall 2.85 Inches

Month	*Rainfall in inches*	*Temperatures* *Max.*	*Min.*	*Mean*
January	.40	79.7	28.9	53.9
February	.35	84.0	33.3	58.2
March	.19	90.7	38.1	63.4
April	.12	98.8	44.6	70.4
May	.02	104.7	50.7	77.0
June	.00	112.5	57.3	85.0
July	.07	113.7	66.5	91.2
August	.38	112.4	65.8	90.2
September	.39	110.0	57.9	84.9
October	.23	101.8	47.1	74.0
November	.15	88.8	35.6	61.8
December	.55	81.0	31.1	55.3

From records of Imperial Irrigation District Watermaster's Office. The above information is generated as a by-product of water control and distribution. All recordings are made at Operating Headquarters in Imperial.

COMMUNITY INFORMATION

Imperial County	*Elevation*	*Population (1960 Census or Later)*
Calexico	Sea Level	9,158
Holtville	11 feet below	3,868
El Centro	52 feet below	19,414
Imperial	59 feet below	3,007
Brawley	119 feet below	15,350
Calipatria	184 feet below	2,548
Westmorland	165 feet below	1,404
Winterhaven	130 feet above	600
Niland	140 feet below	650
Seeley	40 feet below	500
Heber	25 feet below	350
Imperial Dam	181 feet above	
Riverside County - Coachella Valley		
Coachella	60 feet below	6,429
Indio	10 feet below	14,900
Thermal	120 feet below	500

EDITED AND PUBLISHED BY PUBLIC INFORMATION OFFICE
IMPERIAL IRRIGATION DISTRICT

IMPERIAL PRINTERS EL CENTRO, CALIF.