

Kiowa Water and Wastewater Authority

Financial Statements

December 31, 2017

E

RECEIVED

Office of the State Auditor

September 10, 2018

**Kiowa Water and Wastewater Authority
Table of Contents
December 31, 2017**

	Page
Table of Contents	i
Independent Auditor's Report	1
Financial Statements:	
Statement of Net Position	3
Statement of Revenues, Expenses, and Changes in Fund Net Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	7
Supplementary Information:	
Schedule of Revenues and Expenditures - Budget & Actual - Water Fund	15
Schedule of Revenues and Expenditures - Budget & Actual – Wastewater Fund	16

rfarmer, llc
a certified public accounting and consulting firm

Independent Auditor's Report

The Governing Body
Kiowa Water and Wastewater Authority

We have audited the accompanying financial statements of each major fund of Kiowa Water and Wastewater Authority (the Authority), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Authority as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Management has elected to omit the management's discussion and analysis. Our opinion is not affected by the omission of this information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic primary government financial statements. The schedules of revenues and expenditures-budget and actual are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

rfarmer, llc

July 4, 2018

Kiowa Water and Wastewater Authority
Statement of Net Position
Proprietary Funds
December 31, 2017

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 132,325	\$ 10,670	\$ 142,995
Restricted Cash	22,488	-	22,488
Accounts Receivable, net	31,522	33,821	65,343
Total current assets	<u>186,335</u>	<u>44,491</u>	<u>230,826</u>
Non-current assets:			
Capital Assets:			
Land and improvements	-	9,290	9,290
Enterprise System Assets	3,495,090	2,153,845	5,648,935
Buildings	13,169	-	13,169
Less Accumulated depreciation	<u>(354,924)</u>	<u>(390,836)</u>	<u>(745,760)</u>
Total non-current assets	<u>3,153,335</u>	<u>1,772,299</u>	<u>4,925,634</u>
Total assets	<u>3,339,670</u>	<u>1,816,790</u>	<u>5,156,460</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	25	-	25
Customer deposits	22,306	-	22,306
Bonds payable, current portion	46,596	28,811	75,407
Total current liabilities	<u>68,927</u>	<u>28,811</u>	<u>97,738</u>
Non-current liabilities:			
Bonds payable, net of current portion	<u>3,325,101</u>	<u>2,056,118</u>	<u>5,381,219</u>
Total non-current liabilities	<u>3,325,101</u>	<u>2,056,118</u>	<u>5,381,219</u>
Total liabilities	<u>3,394,028</u>	<u>2,084,929</u>	<u>5,478,957</u>
NET POSITION			
Net investment in capital assets	(218,362)	(312,630)	(530,992)
Restricted for short-lived assets	23,960	38,268	62,228
Restricted for debt service	57,400	35,490	92,890
Unrestricted	82,644	(29,267)	53,377
Total net position	<u>\$ (54,358)</u>	<u>\$ (268,139)</u>	<u>\$ (322,497)</u>

The accompanying notes to financial statements
are an integral part of these statements.

Kiowa Water and Wastewater Authority
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Total</u>
REVENUES			
Charges for services	\$ 346,008	\$ 256,546	\$ 602,554
Total operating revenues	<u>346,008</u>	<u>256,546</u>	<u>602,554</u>
OPERATING EXPENSES			
Contractual services	103,170	93,757	196,927
Miscellaneous expenses	1,592	808	2,400
Utilities	16,419	24,965	41,384
Repairs and maintenance	2,637	15,085	17,722
Other supplies and expenses	6,257	5,824	12,081
Insurance claims and expenses	7,727	7,553	15,280
Depreciation	86,645	97,714	184,359
Total Operating Expenses	<u>224,447</u>	<u>245,706</u>	<u>470,153</u>
Operating income (loss)	<u>121,561</u>	<u>10,840</u>	<u>132,401</u>
NON-OPERATING REVENUES (EXPENSES)			
Miscellaneous revenue	29	-	29
Interest expense	(118,992)	(73,580)	(192,572)
Total non-operating revenue (expenses)	<u>(118,963)</u>	<u>(73,580)</u>	<u>(192,543)</u>
Income (loss) before contributions and transfers	<u>2,598</u>	<u>(62,740)</u>	<u>(60,142)</u>
Change in net position	2,598	(62,740)	(60,142)
Total net position - beginning	(56,956)	(205,399)	(262,355)
Total net position - ending	<u>\$ (54,358)</u>	<u>\$ (268,139)</u>	<u>\$ (322,497)</u>

The accompanying notes to financial statements
are an integral part of these statements.

Kiowa Water and Wastewater Authority
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2017

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Charges for Services	\$ 354,964	\$ 257,444	\$ 612,408
Cash Payments to Suppliers for Goods & Services	<u>(137,802)</u>	<u>(147,992)</u>	<u>(285,794)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>217,162</u>	<u>109,452</u>	<u>326,614</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Customer Deposits Increase (Decrease)	1,035	-	1,035
(Increase) Decrease in due to/from accounts	(71,557)	(317)	(71,874)
Miscellaneous Cash Receipts net of (Disbursements)	<u>29</u>	<u>-</u>	<u>29</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>(70,493)</u>	<u>(317)</u>	<u>(70,810)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES:			
Principle Payment on Bonds	(45,000)	(27,824)	(72,824)
Interest Paid on Long-Term Debt	<u>(118,992)</u>	<u>(73,580)</u>	<u>(192,572)</u>
NET CASH (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(163,992)</u>	<u>(101,404)</u>	<u>(265,396)</u>
 NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	 (17,323)	 7,731	 (9,592)
Cash & Cash Equivalents:			
Beginning of Year	<u>172,136</u>	<u>2,939</u>	<u>175,075</u>
End of Year	<u>\$ 154,813</u>	<u>\$ 10,670</u>	<u>\$ 165,483</u>

The accompanying notes to financial statements
are an integral part of these statements.

Kiowa Water and Wastewater Authority
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2017
(Continued)

	Water	Wastewater Fund	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ 121,561	\$ 10,840	\$ 132,401
Adjustments to Reconcile Operating Income			
To Net Cash Provided by Operating Activities:			
Depreciation & Amortization	86,645	97,714	184,359
Change in Assets and Liabilities:			
(Increase) Decrease in Receivables	8,956	898	9,854
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 217,162	\$ 109,452	\$ 326,614

The accompanying notes to financial statements
are an integral part of these statements.

Kiowa Water and Wastewater Authority
Notes to Financial Statements
December 31, 2017

Note 1 **Summary of Significant Accounting Policies**

The Kiowa Water and Wastewater Authority (the Authority) provides water and wastewater services to the residents of the Town of Kiowa. The Authority is governed by a five-member Board. The five-member board was appointed by the Town of Kiowa Board of Trustees. The Town of Kiowa Board of Trustees will also appoint future board members. The appointment does not create any legal or financial responsibility on behalf of the Town of Kiowa.

On March 10, 2014, the Kiowa Water and Wastewater Authority of Elbert County, Colorado Board of Directors established, under provision of Title 37, Article 45.1, Colorado Revised Statutes (the Water Activity Law), the Water Enterprise and Wastewater Enterprise of the Kiowa Water and Wastewater Authority which is authorized: (i) to establish or continue to maintain water activity enterprises for the purpose of pursuing or continuing water activities, including water acquisition or water projects or facility activities including the construction, operation, repair and replacement of water or wastewater facilities; and (ii) to issue or reissue bonds, notes or other obligations payable from the revenues derived or to be derived from the function, service, benefits or facility or from any other available funds of the enterprise, the terms and conditions of such bonds or other obligations to be set forth in the resolution authorizing the same.

The Authority has the power to set water and wastewater rates, to sue and be sued and to conduct all required business activity as needed to continue to provide water and wastewater services to the residents of the Town of Kiowa.

The Authority's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Authority are discussed below.

Reporting Entity

The Authority has no component units for which either discrete or blended presentation is required. The inclusion or exclusion of component units is based on a determination of the elected officials' financial accountability to their constituents, and whether the financial reporting entity follows the same accountability. Further, the financial statements of the reporting entity should enable the reader to distinguish between the primary government (including its blended component units, which are in substance, part of the primary government) and discretely presented component units. The criteria used for determining whether an entity should be included, either blended or discretely

presented, includes but is not limited to fiscal dependency, imposition of will, legal standing and the primary recipient services.

Fund Financial Statements

The Authority's financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements.

All activities are accounted for in two proprietary (enterprise) funds. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Authority reports the following major proprietary funds:

The *Water Fund* provides production, treatment, and distribution of water.

The *Wastewater Fund* provides collection and treatment of wastewater.

These two funds are used to account for those operations financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The intent of the Authority is that the costs of providing goods and services to the Town of Kiowa residents on a continuing basis be financed or recovered primarily through user charges.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise funds are charges for services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities, and Net Assets or Equity

Cash and Investments

Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Due To and From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. In the fund financial statements, these receivables and payables are classified as “due from other funds” or “due to other funds.”

Restricted Cash and Investments

The use of certain cash and investments of the Authority is restricted. These cash and investment items are classified as restricted assets on the balance sheet because their use is limited by the debt agreement.

Capital Assets

Capital assets, which include land, buildings, vehicles, water and wastewater systems and equipment, are reported in the applicable enterprise fund financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed. The Authority adopted a \$3,500 capitalization threshold for all funds.

If proprietary fund assets are constructed, interest is capitalized on the assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Buildings, improvements, vehicles, and equipment of the Authority are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	20 to 25 years
Water System	20 to 50 years
Wastewater System	30 years

When depreciable property is acquired, depreciation is included in expense for the year of acquisition for the number of months during the year the asset was in service. When depreciable property is retired or otherwise disposed of, depreciation is included in expense for the number of months in service during the year of retirement, and the related costs including accumulated depreciation are removed from the accounts, with any gain or loss reflected in the statement of revenue, expenses, and changes in fund net assets.

The Authority does not have any infrastructure.

Long-term Liabilities

In the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates and those differences could be material.

Budget Information

The Authority follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In October, Management submits to the Board a proposed budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the Authority to obtain public comments.
3. Prior to December 31, the budget is legally enacted through passage of a resolution.
4. Authorization to transfer budgeted amounts between funds and revisions that alter the total expenditures of any fund must be approved by the Board.
5. Formal budgetary integration is employed as a management control device during the year for the Funds.
6. The budgets for the Proprietary Funds are adopted on a comprehensive basis of accounting other than GAAP. The main differences between the budget and the

statement of operations is that depreciation is included in the statement of operations, but is not included as a budgeted item and debt service, principal payments, are budgeted but are not a expense of the proprietary funds.

All annual appropriations lapse at the end of the year. Supplemental budgets were not adopted during the year.

Note 2 **Cash and Investments**

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2017, the carrying amount of the Authority's deposits was \$165,483, including restricted cash of \$22,488. The total amount was covered by FDIC insurance and, if applicable, under the provision of the PDPA, which is collateralized in single institution pools.

Note 3 **Capital Assets**

Capital asset activity for the year ended December 31, 2017, was as follows:

	<u>12/31/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2017</u>
Business type activities:				
Land	\$ 9,290	\$ -	\$ -	\$ 9,290
Total	<u>9,290</u>	<u>-</u>	<u>-</u>	<u>9,290</u>
Buildings	13,169	-	-	13,169
Wastewater System	2,153,845	-	-	2,153,845
Water System	3,495,090	-	-	3,495,090
Total	<u>5,662,104</u>	<u>-</u>	<u>-</u>	<u>5,662,104</u>
Less: accumulated deprec	<u>(561,401)</u>	<u>(184,359)</u>	<u>-</u>	<u>(745,760)</u>
Total being deprec	<u>5,100,203</u>	<u>\$ (184,359)</u>	<u>\$ -</u>	<u>4,916,344</u>
Total business type activities	<u>\$ 5,109,993</u>			<u>\$ 4,925,634</u>

Note 4**Long-term Liabilities****Revenue Bonds**

The Authority issued Water Revenue Bond Series 2014 in the amount of \$3,522,085 and Wastewater Revenue Bond Series 2014 in the amount of \$2,177,915 in 2014. The Authority has pledged the net revenues of the Water and Wastewater Funds to retire the debt.

The principle and interest payments are due quarterly with an annual interest rate of approximately 3.5%. The Water Revenue Bond and the Wastewater Revenue Bond and the interest thereon constitute a lien (but not necessarily an exclusive such lien) on the new revenue of each fund, and the net revenue is hereby pledged to the payment of the bonds. The bonds do not constitute a debt or other obligation of the Town of Kiowa.

The debt service requirements for the Water Revenue Bond are:

<u>Business-Type Activities</u>			
Year Ending	Principal	Interest	Total
31-Dec			
2018	\$ 46,596	\$ 117,396	\$ 163,992
2019	48,248	115,744	163,992
2020	49,637	114,355	163,992
2021	51,681	112,311	163,992
2022	53,514	110,478	163,992
2023-2027	297,434	522,526	819,960
2028-2032	354,077	465,883	819,960
2033-2037	421,501	398,459	819,960
2038-2042	501,768	318,192	819,960
2043-2047	597,321	222,639	819,960
2048-2052	711,068	108,892	819,960
2053-2054	238,851	7,355	246,206
Total	<u>\$ 3,371,696</u>	<u>\$ 2,614,230</u>	<u>\$ 5,985,926</u>

The debt service requirements for the Wastewater Revenue Bond are:

Year Ending 31-Dec	Principal	Interest	Total
2018	\$ 28,811	\$ 72,593	\$ 101,404
2019	29,832	71,572	101,404
2020	30,691	70,713	101,404
2021	31,955	69,449	101,404
2022	33,088	68,316	101,404
2023-2027	183,906	323,114	507,020
2028-2032	218,927	288,093	507,020
2033-2037	260,618	246,402	507,020
2038-2042	310,248	196,772	507,020
2043-2047	369,328	137,692	507,020
2048-2052	439,660	67,360	507,020
2053-2054	147,864	4,554	152,418
Total	\$ 2,084,928	\$ 1,616,630	\$ 3,701,558

Changes in Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-Type Activities					
Water Revenue Bond	\$ 3,416,696	\$ -	\$ (45,000)	\$ 3,371,696	\$ 46,596
Wastewater Revenue Bond	2,112,752	-	(27,824)	2,084,928	28,811
Total Business-Type	\$ 5,529,448	\$ -	\$ (72,824)	\$ 5,456,624	\$ 75,407

Note 5 Risk Management

The Authority is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Authority carries commercial insurance for these risks of loss, including worker's compensation insurance.

All losses, if any, in the past three years have been covered by commercial insurance.

Note 6

Amendment to Colorado Constitution

Colorado voters passed an amendment to the *State Constitution*, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

The Amendment excludes from its provision Enterprises. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10 percent of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment. The Authority is of the opinion that the operations of the Water and Wastewater Funds qualify for this exclusion.

The Amendment is complex and subject to judicial interpretation. The Authority believes it is in compliance with the requirements of the Amendment. However, the Authority has made certain interpretations in the Amendment's language in order to determine its compliance.

Kiowa Water and Wastewater Authority
Budget and Actual
Water Fund
For the year ended December 31, 2017

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 359,909	\$ 359,909	\$ 346,008
Operating grants and contributions	85	85	-
Miscellaneous	1,100	1,100	29
Total revenues	<u>361,094</u>	<u>361,094</u>	<u>346,037</u>
EXPENDITURES			
Contractual services	105,141	105,141	103,171
Contingency	5,000	5,000	-
Utilities	18,519	18,519	16,419
Repairs and maintenance	10,100	10,100	2,637
Other supplies and expenses	5,825	5,825	6,257
Insurance	6,178	6,178	7,727
Debt Service-principal	45,000	45,000	45,000
Interest	118,992	118,992	118,992
Miscellaneous	3,769	3,769	1,591
Total Expenditures	<u>318,524</u>	<u>318,524</u>	<u>301,794</u>
Revenues over (under) expenditures	<u>42,570</u>	<u>42,570</u>	<u>44,243</u>
Change in net position	42,570	42,570	44,243
Net Position - beginning	108,979	108,979	(56,956)
ADJUSTMENTS:			
Depreciation	-	-	(86,645)
Debt Service-principal	-	-	45,000
Net Position - ending	<u>\$ 151,549</u>	<u>\$ 151,549</u>	<u>\$ (54,358)</u>

Kiowa Water and Wastewater Authority
Budget and Actual
Wastewater Fund
For the year ended December 31, 2017

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 259,507	\$ 259,507	\$ 256,546
Miscellaneous	500	500	-
Total revenues	<u>260,007</u>	<u>260,007</u>	<u>256,546</u>
EXPENDITURES			
Personal services	29,000	29,000	-
Contractual services	65,808	65,808	93,757
Contingency	5,000	5,000	-
Utilities	27,267	27,267	24,965
Repairs and maintenance	14,450	14,450	15,085
Other supplies and expenses	6,100	6,100	5,824
Insurance	6,178	6,178	7,553
Debt Service-principal	27,824	27,824	27,824
Interest	73,580	73,580	73,580
Miscellaneous	1,150	1,150	808
Total Expenditures	<u>256,357</u>	<u>256,357</u>	<u>249,396</u>
Revenues over (under) expenditures	<u>3,650</u>	<u>3,650</u>	<u>7,150</u>
Change in net position	3,650	3,650	7,150
Net Position - beginning	27,181	27,181	(205,399)
ADJUSTMENTS:			
Depreciation	-	-	(97,714)
Debt Service-principal	-	-	27,824
Net Position - ending	<u>\$ 30,831</u>	<u>\$ 30,831</u>	<u>\$ (268,139)</u>