

BYERS WATER AND SANITATION DISTRICT

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

with

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2020

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# KENT BEICHLER, CPA

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

Board of Directors  
Byers Water and Sanitation District  
Byers, Colorado

I have audited the accompanying financial statements of the Byers Water and Sanitation District as of and for the year ended December 31, 2020, and the related notes to the financial statements, as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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## KENT BEICHLE, CPA

### *Opinion*

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Byers Water and Sanitation District as of December 31, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

### *Supplementary Information*

Accounting principles generally accepted in the United States of America require management's discussion and analysis on pages 3-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### *Report on Supplementary Information*

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information included in the Schedule of Revenues and Expenses - Budget and Actual on page 17 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the District's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked "compiled" on which I express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Kent Beichle, CPA*  
June 30, 2021

MANAGEMENT'S DISCUSSIONS AND ANALYSIS

BYERS WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Byers Water and Sanitation District's annual financial report presents an analysis of the District's financial performance during the fiscal year ended December 31, 2020. This information is presented in conjunction with the audited basic financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2020**

- The District's net position increased by \$301 thousand or 21.3 percent from \$1.412 million to \$1.713 million.
- Operating revenues increased by \$17 thousand or 3.6 percent from \$479 thousand to \$496 thousand.
- Operating expenses increased by \$22 thousand or 4.6 percent from \$469 thousand to \$491 thousand.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of the following three parts: Management's Discussion and Analysis, Basic Financial Statements and Other Required Supplementary Information. The Financial Statements include notes which explain in detail some of the information included in the basic financial statements.

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the District report information utilizing the full accrual basis of accounting. The Financial Statements conform to accounting principles which are generally accepted in the United States of America. The Statement of Net Position includes information on the District's assets and liabilities and provide information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). The Statements of Revenues, Expenses and Changes in Net Position identifying the District's revenues and expenses for the fiscal year ended December 31, 2020. This statement provides information on the District's operations over the past fiscal year and can be used to determine whether the District has recovered all of its actual and projected costs through user fees and other charges. The third financial statement is the Statements of Cash Flows. This statement provides information on the District's cash receipts, cash payments and changes in cash resulting from operations, investments and financing activities. From the Statements of Cash Flows, the reader can obtain information on the source and use of cash and the change in the cash and cash equivalents balance for the last fiscal year.

BYERS WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

FINANCIAL ANALYSIS OF THE DISTRICT

The Statement of Net Position and the Statements of Revenues, Expenses and Changes in Net Position provide an indication of the District's financial condition and also indicate that the financial condition of the District improved during the last fiscal year. The District's net position reflect the difference between assets and liabilities. An increase in net position over time typically indicates an improvement in financial condition.

NET POSITION

A summary of the District's Statements of Net Position is presented below.

Table 1  
 Condensed Statements of Net Position  
 (In thousands of dollars)

	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current and Other assets	\$ 833.0	\$ 616.0	\$ 217.0	35.2%
Capital Assets, net	921.3	852.3	69.0	8.1%
Total Assets	1,754.3	1,468.3	286.0	19.5%
Current Liabilities	41.3	56.2	(14.9)	(26.5%)
Long-term debt	-	-	-	-
Total Liabilities	41.3	56.2	(14.9)	(26.5%)
Net investment in capital assets, net of related debt	921.3	852.3	69.0	8.1%
Unrestricted net position	791.7	559.8	231.9	41.4%
Total Net Position	\$1,713.0	\$1,412.1	\$ 300.9	\$ 21.3%

As the table indicates, total net position increased by \$300.9 thousand or 21.3% in 2020 as compared to 2019. Current and other assets increased by \$217 thousand for the year due to a net income of \$301 thousand plus depreciation of \$104 thousand minus capital improvements of \$173 thousand.

BYERS WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

NET POSITION, CONTINUED

Capital assets increased by \$69 thousand for the year because of capital improvements of \$130 thousand minus depreciation of \$104 thousand.

Total liabilities for the district decreased by \$14.9 thousand for the year as a result of an decrease in accounts payable of \$11.4 thousand due to expenses owed as a result of an insurance claim in 2019 as compared to 2020. Accrued payroll expense also decreased by \$5.3 thousand in 2020.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN POSITION

Table 2  
 Condensed Statements of Revenues, Expenses  
 and Changes in Net Position  
 (In thousands of dollars)

	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Operating Revenues	\$ 495.9	\$ 478.5	\$ 17.4	3.6%
Nonoperating revenues	295.8	108.5	187.3	172.6%
Total Revenues	791.7	587.0	204.7	34.9%
Depreciation expense	103.9	105.5	(1.6)	(1.5)%
Other Operating Expenses	386.9	363.8	23.1	6.3%
Nonoperating expenses	-	-	-	-
Total Expenses	490.8	469.3	21.5	4.6%
Changes in Net Position	300.9	117.7	183.2	155.6%
Beginning Net Position	1,412.1	1,294.4	117.70	9.1%
Ending Net Position	\$1,713.0	\$1,412.1	\$ 300.90	\$ 21.3%

BYERS WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION, CONTINUED

Total revenues in 2020 increased by \$204.7 thousand as compared to 2019 due to the collection of \$293 thousand in water and sewer tap fees as compared to water and sewer tap fees of \$106 thousand in 2019.

Expenses were \$21.5 thousand higher in 2020 as compared to 2019. Salaries, directors fees and employee benefits increased \$30 thousand due to the increase in district wages related to licensing requirements. Other operating expenses were similar to 2019 in 2020 except for testing. Testing was \$11.5 thousand higher in 2020 as compared to 2019.

CAPITAL ASSETS

As of December 31, 2020, the District's net investment in capital assets totaled \$921.3 thousand, which is an increase of \$69 thousand or 8.1% more than the capital asset balance of \$852.3 thousand at December 31, 2019. A comparison of the District's capital assets over the past two fiscal years is presented in Note 4 of the financial statements.

Capital improvements the District made in 2020 included fire hydrants and water meters.

Capital improvements for 2021 include a manhole, interface meters for wells and a water system study.

LONG-TERM DEBT

The District has no long-term debt at December 31, 2020.

BYERS WATER AND SANITATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

ADDITIONAL FINANCIAL INFORMATION

This financial report is designed to provide the District's customers, investors and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Byers Water and Sanitation District at P.O. Box 301, Byers, Colorado 80103.

FINANCIAL STATEMENTS

BYERS WATER AND SANITATION DISTRICT

STATEMENT OF NET POSITION

December 31, 2020

ASSETS

Current Assets:	
Cash and cash equivalents (Note 3)	\$ 264,492
Certificates of deposit	519,359
Accounts receivable	33,306
Prepaid expenses	<u>15,821</u>
Total Current Assets	<u>832,978</u>
Capital Assets (Notes 4 and 6):	
Nondepreciable capital assets:	
Land	<u>2,352</u>
Total nondepreciable capital assets	<u>2,352</u>
Depreciable capital assets:	
Plant and equipment	3,341,380
Less accumulated depreciation	<u>2,422,405</u>
Total depreciable capital assets	<u>918,975</u>
Total capital assets	<u>921,327</u>
Total Assets	<u>\$1,754,305</u>

DEFERRED OUTFLOWS OF RESOURCES

LIABILITIES

Current Liabilities:	
Accounts payable	\$ 3,313
Payroll taxes payable	108
Security deposits	<u>37,895</u>
Total Current Liabilities	<u>41,316</u>

DEFERRED INFLOWS OF RESOURCES

NET POSITION

Net Investment in capital assets, Unrestricted	\$ 921,327
	<u>791,662</u>
Total Net Position	<u>\$1,712,989</u>

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

BYERS WATER AND SANITATION DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year Ended December 31, 2020

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Operating Revenues:			
Water and sewer services	\$ 298,448	\$197,437	\$ 495,885
Total Operating Revenues	<u>298,448</u>	<u>197,437</u>	<u>495,885</u>
Operating Expenses:			
Salaries and directors fees	104,690	52,345	157,035
Employee benefits	36,511	18,255	54,766
Legal, auditing, insurance and permits	12,351	6,176	18,527
Office supplies and expense	11,231	5,616	16,847
Repairs and maintenance	37,824	41,377	79,201
Electricity	24,671	7,195	31,866
Depreciation	69,255	34,628	103,883
Miscellaneous	3,594	1,797	5,391
Testing and chlorine	<u>12,818</u>	<u>10,523</u>	<u>23,341</u>
Total Operating Expenses	<u>312,945</u>	<u>177,912</u>	<u>490,857</u>
Net Operating Income (Loss)	<u>(14,497)</u>	<u>19,525</u>	<u>5,028</u>
Add Non-Operating Revenues:			
Interest income	1,408	1,408	2,816
Tap fees	<u>146,500</u>	<u>146,500</u>	<u>293,000</u>
	<u>147,908</u>	<u>147,908</u>	<u>295,816</u>
Net income	\$ <u>133,411</u>	\$ <u>167,433</u>	300,844
Net position:			
Beginning of Year			<u>1,412,145</u>
End of Year			\$ <u>1,712,989</u>

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

BYERS WATER AND SANITATION DISTRICT

STATEMENT OF CASH FLOWS

Years Ended December 31, 2020

Cash flows from operating activities:	\$ 497,928
Cash receipts from customers	(246,364)
Cash payments to suppliers for goods and services	(157,305)
Cash payment to employees for services	<u>94,259</u>
Net cash provided by operating activities	
Cash flows from capital and related financing activities:	(172,943)
Purchase of capital assets	<u>293,000</u>
Tap fees	<u>120,057</u>
Net cash used in capital and related financing activities	
Cash flows from investing activities:	2,816
Interest received on investments	<u>(132,853)</u>
Purchase of certificates of deposit	<u>(130,037)</u>
Net cash used by investing activities	
Net increase in cash and cash equivalents	84,279
Cash and cash equivalents, beginning of year	<u>180,213</u>
Cash and cash equivalents, end of year	<u>\$ 264,492</u>
Reconciliation of Operating Income to	
Net Cash Used by Operating Activities:	\$ 5,028
Operating Income	
Adjustments:	103,883
Depreciation	
Net change in assets and liabilities:	(1,854)
Prepaid expenses	2,043
Accounts receivable	(10,638)
Accounts payable	(5,343)
Payroll taxes payable	<u>1,140</u>
Security deposits	
Net cash provided by operating activities	<u>\$ 94,259</u>

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

BYERS WATER AND SANITATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(1) Description of Entity

Reporting Entity

The Byers Water and Sanitation District operates under an elected five-person Board of Directors. The Board of Directors hires a manager to oversee the daily operations of the District. The District's major operations include water and sewer services for an unincorporated area in Arapahoe county known as Byers, Colorado. No other agency or authority is controlled by or controls the District.

(2) Summary of Significant Accounting Policies

Basis of Presentation and Accounting

The District's basic financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America. The accounts of the District are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the District's assets, liabilities, net position, revenues and expenses. Enterprise Funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statements of net position. Net position (i.e., total assets net of total liabilities) are segregated into net investment in capital assets, net of related debt; and unrestricted components.

BYERS WATER AND SANITATION DISTRICT

NOTES TO FINANCIAL STATEMENTS, CONTINUED

December 31, 2020

(2) Summary of Significant Accounting Policies, Continued

Management of the District has made certain estimates and assumptions relating to the reporting of assets and liabilities and revenues and expenses to prepare these financial statements in conformity with generally accepted accounting principles. Actual results may differ from those estimates.

Cash Equivalents and Investments

The District considers all highly liquid investments (including restricted cash and investments) with maturities of three months or less when purchased to be cash equivalents.

All bank balances of deposits as of the balance sheet dates are entirely insured. (See Note 3)

Capital Assets

The cost of additions to the utility plant and major replacements of retired units of property is capitalized. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Cost includes direct labor, outside services, materials and transportation, employee fringe benefits, overhead, and interest on funds borrowed to finance construction. The District did not capitalize interest during fiscal year 2020. The cost and accumulated depreciation of property sold or retired is deducted from capital assets, and any profit or loss resulting from the disposal is credited or charged in the nonoperating section of the statements of revenues, expenses and changes in net position. The cost of current repairs, maintenance, and minor replacements is charged to expense.

BYERS WATER AND SANITATION DISTRICT

NOTES TO FINANCIAL STATEMENTS, CONTINUED

December 31, 2020

(2) Summary of Significant Accounting Policies, Continued

Capital Assets, Continued

The useful lives of property, plant and equipment for purposes of computing depreciation:

	<u>Years</u>
Office equipment and tools	10
Buildings and sheds	15
Fences, pump house and equipment, water tank and tower, wells and pumps, water storage facility and administration building	20
Sewer transmission and distribution lines	50
Vehicle	5

Operating Revenues and Expenses

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities. When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is the District's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

Compensated Absences

A liability for compensated absences has not been accrued in the financial statements because the amount cannot be reasonably determined and is immaterial in amount.

BYERS WATER AND SANITATION DISTRICT

NOTES TO FINANCIAL STATEMENTS, CONTINUED

December 31, 2020

(2) Summary of Significant Accounting Policies, Continued

Net Position

Net position, comprise the various net earnings from operating income, non-operating revenues and expenses, and capital contributions. Net position are classified in the following three components:

*Net investment in capital assets, net of related debt*-This component of net position of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

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

*Unrestricted net position*-This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets, net of related debt".

Budgetary Principles

The District's Board of Directors prepares a budget in December of each year on a cash basis. The adopted budget can be amended during the year based upon unforeseen revenues and expenditures. All expenditures from the budget are approved by the Board of Directors during their monthly meetings. The budget was amended for tap fees and capital expenditures during 2020.

Tabor Amendment

The District complies with all provisions of the Tabor Amendment.

BYERS WATER AND SANITATION DISTRICT

NOTES TO FINANCIAL STATEMENTS, CONTINUED

December 31, 2020

(3) Deposits

The District's cash and deposit policies are approved by the Board of Directors and governed by Colorado Statute. The Colorado Public Deposit Protection Act and the Savings and Loan Public Deposit Protection Act of Colorado (PDPA) require that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The fair value of the collateral must be at least equal to the aggregate uninsured deposits. As of December 31, 2020, the district's deposits included \$264,492 of demand deposits and \$519,359 of certificates of deposit due in 2021. All deposits are either insured or collateralized.

(4) Capital Assets

A summary of changes in capital assets is as follows:

	<u>Balance</u> <u>January 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2020</u>
Non-depreciable capital assets:				
Land	\$ <u>2,352</u>	\$ -	\$ -	\$ <u>2,352</u>
Total non-depreciable capital assets	<u>2,352</u>	-	-	<u>2,352</u>
Depreciable capital assets:				
Water and sewer system	3,026,850	172,943	-	3,199,793
Buildings and sheds	90,662	-	-	90,662
Vehicle	<u>50,925</u>	-	-	<u>50,925</u>
Total capital assets being depreciated	<u>3,168,437</u>	<u>172,943</u>	-	<u>3,341,380</u>
Less accumulated depreciation	<u>2,318,522</u>	<u>103,883</u>	-	<u>2,422,405</u>
Total capital assets being depreciated, net	<u>849,915</u>	<u>69,060</u>	-	<u>918,975</u>
Total capital assets, net	\$ <u>852,267</u>	\$ <u>69,060</u>	\$ -	\$ <u>921,327</u>

BYERS WATER AND SANITATION DISTRICT

NOTES TO FINANCIAL STATEMENTS, CONTINUED

December 31, 2020

(5) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District carries commercial insurance for risk of loss. The District is insured by Colorado Districts Property and Liability Pool.

The District did not have settled claims that exceeded the District's commercial insurance coverage in any of the past three years. There has been no significant reduction in the District's insurance coverage from the previous year.

REQUIRED SUPPLEMENTARY INFORMATION

BYERS WATER AND SANITATION DISTRICT

SCHEDULE 1 - SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

Year Ended December 31, 2020

	<u>Original Budget</u> (Compiled)	<u>Final Budget</u> (Compiled)	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Water and sewer services	\$ 500,000	\$ 500,000	\$ 495,885	\$ (4,115)
Security deposits	6,500	6,500	4,800	(1,700)
Interest income	2,000	2,000	2,816	816
Tap fees	-	293,000	293,000	-
Miscellaneous	<u>2,500</u>	<u>2,500</u>	-	<u>(2,500)</u>
Total Revenues	<u>511,000</u>	<u>804,000</u>	<u>796,501</u>	<u>(7,499)</u>
<b>Expenditures:</b>				
Salaries and directors fees	145,000	145,000	157,035	(12,035)
Employee benefits	65,000	65,000	54,766	10,234
Legal, auditing, insurance and permits	24,600	24,600	18,527	6,073
Office supplies and maintenance	21,700	21,700	16,847	4,853
Repairs and maintenance	87,800	87,800	79,201	8,599
Electricity	37,000	37,000	31,866	5,134
Miscellaneous	11,000	11,000	5,391	5,609
Testing and chlorine	21,000	21,000	23,341	(2,341)
Security deposit refunds	1,500	1,500	1,186	314
Capital expenditures	<u>38,000</u>	<u>193,000</u>	<u>172,948</u>	<u>20,052</u>
Total Expenditures	<u>452,600</u>	<u>607,600</u>	<u>561,108</u>	<u>46,492</u>
Total Revenues Over Expenditures	\$ <u>58,400</u>	\$ <u>196,400</u>	\$ <u>235,393</u>	\$ <u>38,993</u>
<b>Reconciliation of Budget Net Income to General Accepted Accounting Principles</b>				
<b>Net Income:</b>				
Net income per budget				\$ 235,393
Security deposits				(4,800)
Security deposit refunds				1,186
Depreciation				(103,883)
Capital expenditures				<u>172,948</u>
Net income per general accepted accounting principles basis				\$ <u>300,844</u>