

**COSTILLA COUNTY AMBULANCE DISTRICT**

**FINANCIAL STATEMENTS**

**December 31, 2020**



Wall,  
Smith,  
Bateman Inc.  
Certified Public Accountants

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**TABLE OF CONTENTS**  
**December 31, 2020**

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Basic Financial Statements:</b>	
Proprietary Fund Financial Statements:	
Statement of Net Position	3
Statement of Revenues, Expenses, and Changes in Net Position	4
Statement of Cash Flows	5
Notes to the Basic Financial Statements	6
<b>Supplementary Information:</b>	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual (Non-GAAP)	12

# INDEPENDENT AUDITORS' REPORT



Wall,  
Smith,  
Bateman Inc.

To the Board of Directors  
Costilla County Ambulance District  
San Luis, Colorado

## ***Report on the Financial Statements***

We have audited the accompanying financial statements of the business-type activities and the major fund of the Costilla County Ambulance District (the District), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic 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.

## ***Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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.

**Certified Public Accountants**

3001 Adcock Circle PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | [www.wsbcpa.com](http://www.wsbcpa.com)

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the major fund of the District, as of December 31, 2020, and the respective 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***

*Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison 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 budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Wall, Smith, Bateman Inc.*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

April 7, 2021

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**BASIC FINANCIAL STATEMENTS**

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**STATEMENT OF NET POSITION**  
**December 31, 2020**

	<b>2020</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 283,780
Property Tax Receivable	567,362
Due from Other Governments	2,365
Accounts Receivable	151,571
Allowance for Doubtful Accounts	(73,766)
	<b>931,312</b>
<b>Total Current Assets</b>	
<b>Noncurrent Assets</b>	
Capital Assets:	
Land	24,811
Buildings	379,148
Equipment	676,535
Less: Accumulated Depreciation	(712,474)
	<b>368,020</b>
<b>Total Noncurrent Assets</b>	<b>368,020</b>
<b>TOTAL ASSETS</b>	<b>1,299,332</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable	2,442
Payroll Liabilities	285
	<b>2,727</b>
<b>Total Current Liabilities</b>	<b>2,727</b>
<b>DEFERRED INFLOWS OF RESOURCES - CURRENT</b>	
Deferred Revenue - Property Taxes	567,362
	<b>567,362</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	368,020
Restricted for TABOR	26,390
Unrestricted	334,833
	<b>729,243</b>
<b>TOTAL NET POSITION</b>	<b>\$ 729,243</b>

The accompanying notes are an integral part of this financial statement.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**For the Year Ended December 31, 2020**

	<b>2020</b>
<b>OPERATING REVENUES</b>	
Patient Revenue	
Ambulance Fees	\$ 573,198
Contractual Adjustments	(289,915)
Total Patient Revenue	283,283
<b>TOTAL OPERATING REVENUES</b>	283,283
<b>OPERATING EXPENSES</b>	
Salaries and Benefits	382,491
Supplies	27,745
Professional Fees	25,637
Insurance	43,160
Utilities	7,137
Travel	9,427
Repair & Maintenance	7,709
Other Expense	1,857
Depreciation Expense	41,733
Bad Debt Expense	134,321
<b>TOTAL OPERATING EXPENSES</b>	681,217
<b>OPERATING INCOME (LOSS)</b>	(397,934)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Property Tax Revenue	545,244
S.O.T Revenue	34,881
Senate Bill 34	12,500
Grant Revenue	4,690
Other Income	119
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	597,434
Net Income (Loss)	199,500
<b>Net Position at beginning of year</b>	529,743
<b>Net Position at end of year</b>	\$ 729,243

The accompanying notes are an integral part of this financial statement.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2020**

	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Ambulance Fees	\$ 150,654
Cash Paid for Employee's Services	(382,434)
Cash Paid for Other Goods or Services	(124,373)
	(356,153)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Cash Received from Taxes	580,125
Cash Received from Senate Bill 34 and Other Income	17,537
	597,662
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Income	108
	108
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	241,617
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	42,163
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 283,780
<b>Operating Income (Loss)</b>	\$ (397,934)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>	
Depreciation Expense	41,733
Change in Assets and Liabilities	
Decrease (Increase) in:	
Accounts Receivable	1,692
(Decrease) Increase in:	
Accounts Payable	(1,701)
Payroll Liabilities	57
	57
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	\$ (356,153)

The accompanying notes are an integral part of this financial statement.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the Costilla County Ambulance District (the District) reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

**REPORTING ENTITY**

***Primary Government***

The District was formed in 1997 as established by Colorado State Statute. The purpose of the District is to provide emergency medical service. The Board consists of five directors. Taxes are levied upon all taxable property within the District's boundaries by the County Commissioners. The County Treasurer bills and collects all property taxes for the District.

***Component Units***

The District's financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The District holds the corporate powers of the organization
- The District appoints a voting majority of the organization's board
- The District is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the District
- There is fiscal dependency by the organization on the District
- The organization is financially accountable to the District
- The organization receives or holds funds that are for the benefit of the District; and the District has access to a majority of the funds held; and the funds that are accessible are also significant to the District

Based on the aforementioned criteria, the Costilla County Ambulance District has no component units.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020**

**ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION**

***Cash and Cash Equivalents***

The District's cash and cash equivalents are considered to be cash in bank, certificates of deposit, and liquid investments with an initial maturity of three months or less from the date of acquisition.

***Accounts Receivable***

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

***Property Taxes***

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The Costilla County Treasurer bills and collects all property taxes for the County. Monthly remittances are sent to the Costilla County Ambulance District.

The 2020 property tax levy due January 1, 2021 has been recorded in the financial statements as a receivable and corresponding deferred inflows of resources.

***Capital Assets***

Capital assets include buildings and equipment. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and a life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	15-40
Equipment	5-8

***Compensated Absences***

Eligible employees earn 6 hours of vacation time per month up to 80 hours total, and can carry over up to 80 hours at the end of the year. An accrued liability has not been recorded due to the amount not being material in relation to the financial statements as a whole.

***Deferred Inflows of Resources***

In addition to liabilities, the statement of net position reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

***Net Position***

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020**

improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.

- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the District considers restricted funds to be spent first.

***Encumbrances***

The District does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are re-budgeted in the succeeding year.

***Use of Estimates***

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***Budgets and Budgetary Accounting***

The Costilla County Ambulance District follows the procedures outlined in the Colorado Local Government Budget Law when preparing the annual budget. Budget procedures include:

- 1) Preparation of budget documents by administrative staff shall be submitted to the Board no later than October 15 of each year.
- 2) Publication of a notice stating that the budget is available for public inspection.
- 3) Discussion of the budget in a meeting open to the public.
- 4) Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.

Formal budgetary integration is employed as a management control device for the District. The District prepares their budget following Colorado Statutes. The budget is prepared on a basis of accounting other than in accordance with generally accepted accounting principles (GAAP). The proprietary fund budget is adopted using the same accounting methods as governmental fund types; this procedure follows Colorado State Statute, but is not in accordance with GAAP.

The total expenditures for the proprietary fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The District did not adopt supplemental appropriations during fiscal year 2020.

All budget amounts presented reflect the original budget and the final amended budget if applicable.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020**

**NOTE 3 CASH AND DEPOSITS**

A summary of cash and deposits for the District are as follows:

Cash Deposited with Banks	<u>\$ 283,780</u>
Total cash and deposits: (Book Balance)	<u><u>\$ 283,780</u></u>

***Cash and Deposits***

Colorado State Statutes govern the District's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds 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 the aggregate uninsured deposits. All deposits in 2020 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

***Custodial Credit Risk – Deposits***

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. At December 31, 2020, \$46,278 of the District's bank balance of \$296,278 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020**

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
<b><i>Business-type Activities:</i></b>				
Capital assets not being depreciated				
Land	\$ 24,811	\$ -	\$ -	\$ 24,811
Total capital assets being depreciated	24,811	-	-	24,811
Capital assets being depreciated				
Buildings	379,148	-	-	379,148
Equipment	676,535	-	-	676,535
Total capital assets being depreciated	1,055,683	-	-	1,055,683
Less accumulated depreciation for:				
Buildings	99,608	11,479	-	111,087
Equipment	571,133	30,254	-	601,387
Total accumulated depreciation	670,741	41,733	-	712,474
Business-type Activities Capital Assets, net	384,942	(41,733)	-	343,209
Total Capital Assets	\$ 409,753	\$ (41,733)	\$ -	\$ 368,020

**NOTE 5 RETIREMENT**

***Pension Plans***

All eligible employees participate in the Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan), a defined contribution plan, authorized by state statute. The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Employees are eligible upon date of hire and if they work at least thirty six hours a week. Employee contributions are always 100% vested, and the employer match follows a five-year vesting schedule of 0% for the first year and 25% per year after the first year of participation. Employees are fully vested after a five-year participation period.

The District must contribute 4% of the compensation of each participant. Each participant contributes an amount equal to the District's contribution. For the year ended December 31, 2020, employee contributions totaled \$9,271 and the District recognized pension expense of \$9,163. The District recognized \$0 of forfeitures in retirement expense during 2020.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Board of Directors but it may not be amended beyond the limits established by state statute.

**COSTILLA COUNTY AMBULANCE DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2020**

***Deferred Compensation Plan***

The District also offers its employees an additional voluntary deferred compensation plan created in accordance with Internal Revenue Code 457(b), administered by Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan).

The Plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. The District has no other liability other than to make the required monthly contribution.

**NOTE 6 TABOR EMERGENCY RESERVE**

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 is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of this amendment.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. The voters of the District have approved a measure that allows the District to retain and spend revenue in excess of the limit.

In November 2002, the voters of Costilla County passed a ballot issue which stated that the Costilla County Ambulance District shall "be authorized to collect, retain and expend all revenues from any source, including revenues from grants and fund raising activities", notwithstanding Article X, Section 20 of the Colorado Constitution.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. The Emergency Reserve has been presented as a restricted net position in the financial statements. The District is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary and benefit increases.

**NOTE 7 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

**NOTE 8 COMMITMENTS AND CONTINGENCIES**

***COVID-19***

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which have the potential to negatively impact net income. Other financial impact could occur through such potential impact is unknown at this time.

***Litigation***

The District is a party to various legal actions normally associated with the District's activities, the aggregate effect of which, in management's and legal counsel's opinion, would not be material to its financial statements.

**COSTILLA COUNTY AMBULANCE DISTRICT**

**SUPPLEMENTARY INFORMATION**

**COSTILLA COUNTY AMBULANCE DISTRICT  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL (NON-GAAP)  
For the Year Ended December 31, 2020**

	<b>BUDGET AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>OPERATING REVENUES</b>				
Patient Revenue				
Ambulance Fees	\$ 339,238	\$ 339,238	\$ 573,198	\$ 233,960
Contractual Adjustments	(256,048)	(256,048)	(289,915)	(33,867)
Total Patient Revenue	83,190	83,190	283,283	200,093
<b>TOTAL OPERATING REVENUES</b>	<b>83,190</b>	<b>83,190</b>	<b>283,283</b>	<b>200,093</b>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	471,000	471,000	382,491	88,509
Supplies	33,050	33,050	27,745	5,305
Professional Fees	68,500	68,500	25,637	42,863
Insurance	50,000	50,000	43,160	6,840
Utilities	9,500	9,500	7,137	2,363
Travel	10,423	10,423	9,427	996
Repair & Maintenance	24,000	24,000	7,709	16,291
Other Expense	15,540	15,540	1,857	13,683
<b>TOTAL OPERATING EXPENSES</b>	<b>682,013</b>	<b>682,013</b>	<b>505,163</b>	<b>176,850</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(598,823)</b>	<b>(598,823)</b>	<b>(221,880)</b>	<b>376,943</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Tax Revenue	566,862	566,862	545,244	(21,618)
Specific Ownership Taxes	19,311	19,311	34,881	15,570
Senate Bill 34	12,500	12,500	12,500	-
Revenue Income	-	-	4,690	4,690
Other Income	150	150	119	(31)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>598,823</b>	<b>598,823</b>	<b>597,434</b>	<b>(1,389)</b>
<b>Net Income (Loss) - Budget Basis</b>	<b>-</b>	<b>-</b>	<b>375,554</b>	<b>375,554</b>
Deduct: Depreciation Expense			(41,733)	
Deduct: Bad Debt Expense			(134,321)	
<b>Net Income (Loss)</b>			<b>199,500</b>	
<b>Net Position at beginning of year</b>	<b>-</b>	<b>-</b>	<b>529,743</b>	<b>529,743</b>
<b>Net Position at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 729,243</b>	<b>\$ 729,243</b>