

Fountain Mutual Metropolitan District
El Paso County, Colorado

Annual Financial Report

December 31, 2022

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Independent Auditor's Report

To the Board of Directors
Fountain Mutual Metropolitan District
Colorado Springs, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of Fountain Mutual Metropolitan District (the District) as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major funds of the District, as of December 31, 2022 and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

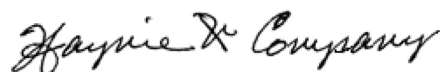
Required Supplementary Information

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 an opinion on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information section, Summary of Assessed Valuations, is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information as listed in the table of contents 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 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado
September 26, 2023

Basic Financial Statements

Fountain Mutual Metropolitan District

Statement of Net Position

December 31, 2022

Assets	Governmental Activities
Cash and investments	\$ 849,412
Cash and investments - restricted	51,574
Property taxes receivable	223,472
Capital assets, net	227,583
Total assets	<u>1,352,041</u>
 Liabilities	
Accounts payable	<u>49,217</u>
Total liabilities	<u>49,217</u>
 Deferred Inflow of Resources	
Deferred property tax revenue	<u>223,472</u>
Total deferred inflows of resources	<u>223,472</u>
 Net Position	
Net investment in capital assets	227,583
Restricted for:	
Emergency	3,000
Unrestricted	<u>848,769</u>
Total net position	<u>1,079,352</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,352,041</u>

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

Fountain Mutual Metropolitan District

Statement of Activities

For the Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 141,014	\$ -	\$ 9,505	\$ -	\$ (131,509)
	<u>\$ 141,014</u>	<u>\$ -</u>	<u>\$ 9,505</u>	<u>\$ -</u>	<u>(131,509)</u>
General revenues:					
Property taxes					229,262
Specific ownership taxes					23,728
Interest income					<u>1,856</u>
Total general revenues					<u>254,846</u>
Change in net position					123,337
Net position - beginning of year					<u>956,015</u>
Net position - end of year					<u>\$ 1,079,352</u>

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

Fountain Mutual Metropolitan District

Governmental Funds Balance Sheet and Reconciliation of Fund Balances to Net Position

December 31, 2022

	General Fund	Capital Projects Fund	Total
Assets			
Cash and investments	\$ 478,555	\$ 370,857	\$ 849,412
Cash and investments - restricted	51,574	-	51,574
Property taxes receivable	223,472	-	223,472
Total assets	<u>\$ 753,601</u>	<u>\$ 370,857</u>	<u>\$ 1,124,458</u>
Liabilities			
Accounts payable	\$ 49,217	\$ -	\$ 49,217
Total liabilities	<u>49,217</u>	<u>-</u>	<u>49,217</u>
Deferred inflow of resources			
Deferred property tax revenue	223,472	-	223,472
Total deferred inflows of resources	<u>223,472</u>	<u>-</u>	<u>223,472</u>
Fund Balances			
Restricted:			
Emergency reserves	51,574	-	51,574
Committed	-	370,857	370,857
Unassigned	429,338	-	429,338
Total Fund Balances	<u>\$ 480,912</u>	<u>\$ 370,857</u>	<u>\$ 851,769</u>

Amounts reported for governmental activities in the statement of net position excluded from the governmental fund balance because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>227,583</u>
Net position of governmental activities	<u>\$ 1,079,352</u>

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

Fountain Mutual Metropolitan District

Governmental Fund Revenues, Expenditures and Changes in Fund Balances, and Reconciliation to Statement of Activities

For the Year Ended December 31, 2022

	General Fund	Capital Projects Fund	Total
Revenues			
Property taxes	\$ 229,262	\$ -	\$ 229,262
Specific ownership taxes	23,728	-	23,728
Expense reimbursements	9,505	-	9,505
Interest income	-	1,856	1,856
Total General Revenues	<u>262,495</u>	<u>1,856</u>	<u>264,351</u>
Expenditures			
Administrative	2,151	-	2,151
Insurance	4,375	-	4,375
District management	42,228	-	42,228
Legal	8,917	-	8,917
Treasurer fees	3,439	-	3,439
Repairs and maintenance	33,314	-	33,314
Management Fee - FMIC	35,000	-	35,000
Utilities	11,590	-	11,590
Capital outlay	-	4,951	4,951
Total Expenditures	<u>141,014</u>	<u>4,951</u>	<u>145,965</u>
Net change in fund balances	121,481	(3,095)	118,386
Fund balances:			
Beginning of the year	<u>359,431</u>	<u>373,952</u>	<u>733,383</u>
End of the year	<u>\$ 480,912</u>	<u>\$ 370,857</u>	<u>\$ 851,769</u>
Net change in fund balances			118,386
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure.			<u>4,951</u>
Change in net position of governmental activities			<u>\$ 123,337</u>

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

Fountain Mutual Metropolitan District
Statement of Revenue, Expenditures
and Changes in Fund Balance—Actual and Budget
Governmental Fund Type—General Fund
For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Property taxes	\$ 228,850	\$ 229,262	\$ 412
Specific ownership taxes	18,000	23,728	5,728
Expense reimbursements	9,000	9,505	505
Total Revenue	<u>255,850</u>	<u>262,495</u>	<u>6,645</u>
Expenditures			
Administrative	8,750	2,151	6,599
Insurance	3,000	4,375	(1,375)
District management	42,228	42,228	-
Legal	20,000	8,917	11,083
Treasurer fees	4,005	3,439	566
Repairs and maintenance	190,000	33,314	156,686
Management Fee - FMIC	35,000	35,000	-
Utilities	7,500	11,590	(4,090)
Total Expenditures	<u>310,483</u>	<u>141,014</u>	<u>169,469</u>
Other Financing Sources (Uses)			
Transfer to Capital Projects Fund	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(54,633)	121,481	176,114
Fund Balance—Beginning of year	<u>119,589</u>	<u>359,431</u>	<u>239,842</u>
Fund Balance—End of Year	<u>\$ 64,956</u>	<u>\$ 480,912</u>	<u>\$ 415,956</u>

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

Fountain Mutual Metropolitan District

Notes to Financial Statements

December 31, 2022

1. Definition of Reporting Entity

Fountain Mutual Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on January 1, 1999, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized to provide parks and recreation; street improvements; storm sewer; and flood and surface drainage maintenance for areas in and around the City of Fountain, Colorado. The District is governed by a separately elected, five-member board of directors, which is the policy making body of the District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District has no employees and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

2. Summary of Significant Accounting Policies

The more significant accounting policies of the District are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes.

The statement of net position reports all financial and capital resources of the District. The difference between the assets and liabilities of the District is reported as net position.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

2. Summary of Significant Accounting Policies (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government.

The Capital Projects Fund is the District's fund to account for the financial resources used for the acquisition and/or construction of major capital improvements throughout the District.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

2. Summary of Significant Accounting Policies (continued)

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund presented on the modified accrual basis of accounting unless otherwise indicated.

Cash and Investments

Investments are carried at fair value.

Property Taxes

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners, to put the tax lien on the individual properties as of January 1 for the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred revenue in the year they are levied and measurable. The deferred property tax revenue is recorded as revenue in the year it is available or collected.

Capital Assets

Capital assets, which include property, plant and equipment and infrastructure (e.g. roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded in historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

2. Summary of Significant Accounting Policies (continued)

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation net investment of capital assets component of the District's net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives. As of December 31, 2022, the District's capital assets were land and improvements, that are not depreciable assets.

Fund Equity

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- *Committed fund balance* - The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

2. Summary of Significant Accounting Policies (continued)

- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the criteria described above. If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Restricted Fund Balance

Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (See Note 8).

3. Cash and Investments

At December 31, the District had the following cash and investments:

Depository accounts	\$ 900,986
Total	<u>\$ 900,986</u>

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Cash and investments	\$ 849,412
Cash and investments - restricted	<u>51,574</u>
Total cash and investments	<u>\$ 900,986</u>

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 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 for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

3. Cash and Investments (continued)

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2022, the District's cash deposits had a bank balance of \$1,076,060 and a carrying balance of \$900,986, of which \$250,000 was FDIC insured.

Investments

The District does not have a formal investment policy and generally follows Colorado statutes which specify investment instruments meeting defined rating, maturity, custodial and concentration risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2022, the District does not have any investments.

Fair Value Measurement and Application – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. All of the District's investments are measured at fair value using Level 1 inputs.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

4. Capital Assets

An analysis of the changes in net capital assets for the year ended December 31, 2022 follows:

	Balance December 31, 2021	Increases	Decreases	Balance December 31, 2022
Capital assets, not being depreciated:				
Land and improvements	\$ 222,632	\$ 4,951	\$ -	\$ 227,583
Capital assets, not being depreciated	<u>\$ 222,632</u>	<u>\$ 4,951</u>	<u>\$ -</u>	<u>\$ 227,583</u>

5. Net Position

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by any outstanding balances of debt that are attributable to the acquisition, construction or improvement of those assets.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022 as follows:

Restricted net position:

Emergency Reserves (see Note 9)	\$3,000
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The District's unrestricted net position as of December 31, 2022 was \$848,769.

8. Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

Fountain Mutual Metropolitan District

Notes to Financial Statements (continued)

December 31, 2022

8. Risk Management (continued)

The District is a member of the Colorado Special Districts Property and Liability Pool (the “Pool”) as of December 31, 2022. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials’ liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials’ liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

9. Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

Other Supplementary Information

Fountain Mutual Metropolitan District
Statement of Revenue, Expenditures
and Changes in Fund Balance—Actual and Budget
Governmental Fund Type—Capital Projects Fund
For the Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue			
Interest income	\$ -	\$ 1,856	\$ 1,856
Total Revenue	<u>-</u>	<u>1,856</u>	<u>1,856</u>
Expenditures			
Capital outlay	<u>350,000</u>	<u>4,951</u>	<u>345,049</u>
Total Expenditures	<u>350,000</u>	<u>4,951</u>	<u>345,049</u>
Other Financing Sources (Uses)			
Transfer from General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(350,000)	(3,095)	346,905
Fund Balance—Beginning of year	<u>398,096</u>	<u>373,952</u>	<u>(24,144)</u>
Fund Balance—End of Year	<u>\$ 48,096</u>	<u>\$ 370,857</u>	<u>\$ 322,761</u>

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