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Norwood Sanitation District  
Norwood, Colorado  
Financial Statements and  
Report of Independent Certified Public Accountants  
As of  
December 31, 2023

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Norwood Sanitation District  
Norwood, Colorado

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Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Statement of Net Position	8
Statement of Revenues, Expenses and Changes in Net Position	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Required Supplementary Information	
Schedule of Revenues and Expenditures – Budget and Actual	17



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Norwood Sanitation District

**Opinions**

We have audited the accompanying financial statements of the business-type activities of Norwood Sanitation District as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Norwood Sanitation 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 business-type activities of the Norwood Sanitation District, as of December 31, 2023, 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.

**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 Norwood Sanitation 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 opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Norwood Sanitation District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**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 opinions. 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 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 Norwood Sanitation District's internal control. Accordingly, no such opinion is expressed.

Certified Public Accountants

- 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 Norwood Sanitation 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.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (page 3 through 7) and budgetary comparison information (page 17) be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Blair and Associates, P.C.*

Cedaredge, Colorado  
January 16, 2025

**Norwood Sanitation District  
Management's Discussion and Analysis  
Year Ended December 31, 2023**

This narrative overview and analysis of the Norwood Sanitation District (the District), performance through December 31, 2023, is provided as a supplement to the District year-end financial statements. Please read it in conjunction with the basic financial statements following this section and the notes to the basic financial statements.

**Financial Highlights**

- The assets of the District exceeded the liabilities at December 31, 2023, by \$ 547,502, (net position). Of this amount \$ 465,499 is unreserved and may be used to meet ongoing obligations, \$ 82,003 is invested in capital assets.
- The District total net position decreased by \$ 51,123 from the prior year.
- Revenues were down by \$ 6,535 (4%), in comparison to the budget.
- Expenses were up by \$ 16,088, (8%), in comparison to the budget. Mainly because of operating supplies were up by \$ 21,553.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District basic financial statements are comprised of two components: 1) the Basic Financial Statements and 2) Notes to the Basic Financial Statements that provide additional disclosure of some of the information in the basic financial statements.

The balance sheets present information on the District's assets, liabilities and deferred inflow of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as useful indicators as to whether the District's financial health is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position present information showing how the District's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported for some items that will only result in cash flows in future years.

The Statement of Cash Flows reports how the District’s cash and cash equivalents were used in and provided by its operating, noncapital financing, capital and related financing, and investing activities during the periods reported. The net of these activities is added to the beginning year cash balance to reconcile to the cash and cash equivalents balances at December 31, 2022. The District uses the direct method of presenting cash flows, which includes a reconciliation of operating activities to operating income. These statements provide answers to such questions as where did cash come from, how cash was used and what was the change in the cash balance during the year.

Notes to the Basic Financial Statements provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

***Financial Analysis***

Net position is summarized in the table below:

	<u>2022</u>	<u>2023</u>
Current assets	\$ 530,932	\$ 499,467
Capital assets, net	97,445	82,003
Total assets	<u>\$ 628,377</u>	<u>\$ 581,470</u>
Current liabilities	\$ 13,597	\$ 17,012
Total liabilities	<u>13,597</u>	<u>17,012</u>
Deferred Inflows of resources	<u>16,155</u>	<u>16,956</u>
Net investment in capital assets	97,445	82,003
Unreserved	<u>501,180</u>	<u>465,499</u>
Total net position	<u>\$ 598,625</u>	<u>\$ 547,502</u>

The District’s current ratio reflects the relationship between current assets and current liabilities and is a measure of the District’s ability to pay short-term obligations. At December 31, 2023, the District’ current ratio is 15:1.

A large portion of the District’s net position, (15%), consists of its net investment in capital assets net of outstanding related debt. The District utilizes the capital assets to fulfill its mission of providing sewer treatment services to residents of Norwood.

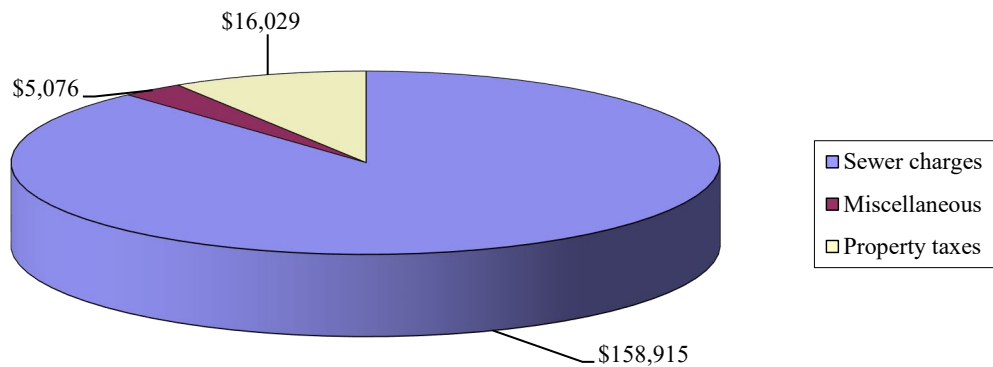
The remaining portion of net position is unrestricted and represents resources that could be used to meet ongoing obligations.

Changes in net position are summarized in the table below:

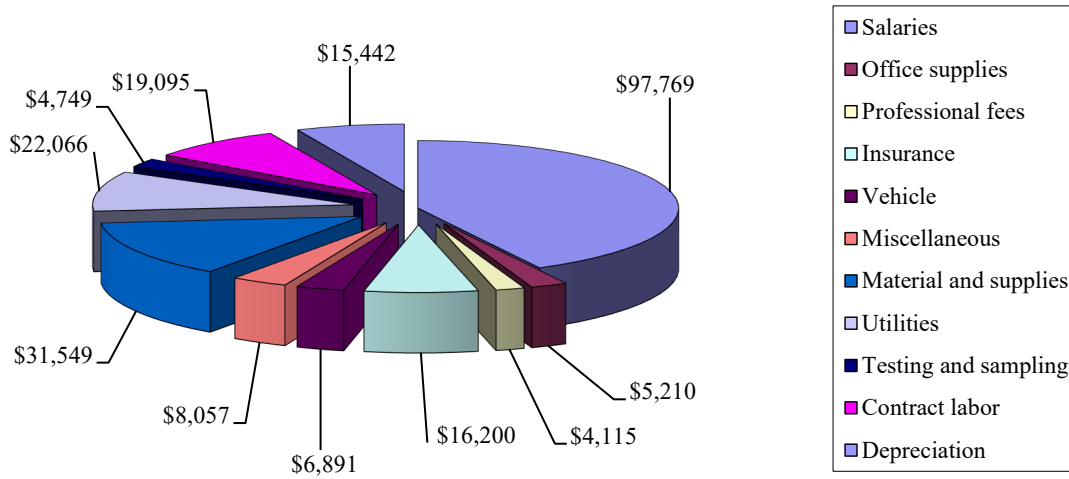
The District had an overall decrease in net position of \$ 51,123 in 2023.

	2022	2023
Operating revenues	\$ 141,975	\$ 160,842
Operating expenses	177,426	231,143
Operating income	<u>(35,451)</u>	<u>(70,301)</u>
Nonoperating revenues (expenses)	17,693	16,128
Contributed capital tap fees	<u>72,100</u>	<u>3,050</u>
Changes in net position	54,342	(51,123)
Net position, January 1	<u>544,283</u>	<u>598,625</u>
Net position, December 31	<u><u>\$ 598,625</u></u>	<u><u>\$ 547,502</u></u>

#### Revenues By Source



### Expenses by Source



### *Capital Assets and Debt Administration*

The District's capital assets are summarized in the table below:

	2022	2023
Land	\$ 3,044	\$ 3,044
Treatment plant	486,131	486,131
Collection system	11,176	11,176
Equipment and vehicles	32,236	32,236
Storage shed	4,915	4,915
Total assets	537,502	537,502
Less: accumulated depreciation	(440,057)	(455,499)
Total	\$ 97,445	\$ 82,003

## **Management's Discussion and Analysis Economic Factors and Budget**

The Norwood Sanitation District is a special taxing district located in San Miguel County and serves about 400 customers. The Norwood Sanitation District receives a small percentage of its annual operating revenue from a mill levy of 2.643. The Majority of the District's operating costs are funded by monthly fees charged for services. The Norwood Sanitation District was petitioned, and the Board approved the inclusion of 12 acres which was subdivided into two parcels. The new Lone Cone Library was constructed on Lot 1 and San Miguel County purchased Lot 2 for future housing. The Norwood Sanitation District will discuss and move forward with a minimal monthly rate raise to be implemented mid-year.

The District continues to budget funds to test for ammonia per regulation 35 and quarterly reports. The Norwood Sanitation District continues to budget for annual preventative measures such as cleaning and videotaping 3500 feet of the sewer mains and root control.

This report is designed to provide a general overview of the Norwood Sanitation District's finances. Please contact Amanda Pierce, Interim Administrator, at (970) 327-4288 or email [pierce@norwoodtown.com](mailto:pierce@norwoodtown.com) questions concerning any of the information provided in the report, 2023 Audit or request for additional financial information.

Norwood Sanitation District  
Amanda Pierce, Interim Administrator  
Norwood, Colorado 81423

**Norwood Sanitation District  
Statement of Net Position  
December 31, 2023**

<b>Assets</b>	<b>2023</b>
<b>Current assets</b>	
Cash	\$ 458,793
Receivables	
Accounts	23,718
Property taxes	16,956
<b>Total current assets</b>	<u>499,467</u>
<b>Utility plant in service</b>	
Land	3,044
Treatment plant	486,131
Collection, transmission and distribution systems	11,176
Office equipment	2,518
Vehicles	29,718
Storage shed	4,915
	<u>537,502</u>
Accumulated depreciation	(455,499)
<b>Total utility plant in service</b>	<u>82,003</u>
<b>Total assets</b>	<u><u>\$ 581,470</u></u>
<b>Liabilities and net position</b>	
<b>Current liabilities</b>	
Accounts payable	\$ 4,231
Accrued wages	9,756
Customer deposits	3,025
<b>Total current liabilities</b>	<u>17,012</u>
<b>Deferred inflows of resources</b>	
Deferred property tax revenue	<u>16,956</u>
<b>Net position</b>	
Net Investment in capital assets	82,003
Unreserved	465,499
<b>Total net position</b>	<u><u>\$ 547,502</u></u>

See accompanying notes to the basic financial statements.

**Norwood Sanitation District**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended December 31, 2023**

	<b>2023</b>
<b>Operating revenues</b>	
Sewer charges	\$ 158,915
Miscellaneous income	1,927
<b>Total operating revenues</b>	160,842
 <b>Operating expenses</b>	
Collection and treatment	
Depreciation	15,442
Materials and supplies	31,549
Utilities	22,066
Contract labor	19,095
Sewer lines testing	4,749
Administration and general	
Salaries	97,769
Office supplies	5,210
Professional services	4,115
Insurance	16,200
Automobile	6,891
Miscellaneous	8,057
<b>Total operating expenses</b>	231,143
<b>Operating income or (loss)</b>	(70,301)
 <b>Non-operating revenues (expenses)</b>	
General property taxes and etc.	16,029
Interest	99
<b>Total non-operating revenues (expenses)</b>	16,128
<b>Income (loss) before transfers and capital contributions</b>	(54,173)
Capital contributions - tap fees	3,050
<b>Change in net position</b>	(51,123)
<b>Net position, January 1</b>	598,625
<b>Net position, December 31</b>	\$ 547,502

See accompanying notes to the basic financial statements.

**Norwood Sanitation District**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

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<b>Cash flows from operating activities</b>	<b>2023</b>
Cash received from charges for services	\$ 159,645
Cash payments for goods and services	(117,751)
Cash payments for employees for services	(94,535)
<b>Net cash provided (used) by operating activities</b>	<b>(52,641)</b>
<b>Cash flow from noncapital financing activities</b>	
Property taxes	16,029
<b>Net cash provided (used) by noncapital activities</b>	<b>16,029</b>
<b>Cash flows from capital and related financing activities</b>	
Tap fees	3,050
<b>Net cash provided (used) by capital and related financing activities</b>	<b>3,050</b>
<b>Cash flows from investing activities</b>	
Interest on investments	99
<b>Net increase (decrease) in cash and equivalents</b>	<b>(33,463)</b>
<b>Cash balances, January 1</b>	<b>492,256</b>
<b>Cash balances, December 31</b>	<b>\$ 458,793</b>
<b>Reconciling of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ (70,301)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	15,442
Assets (increase) decrease:	
Accounts receivable	(1,197)
Liabilities increase (decrease)	
Accounts payable	429
Accrued wages	3,234
Customer deposits	(248)
Total adjustments	17,660
<b>Net cash provided (used) by operating activities</b>	<b>\$ (52,641)</b>

See accompanying notes to the basic financial statements.

**Norwood Sanitation District**  
**Norwood, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**

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**Note A - Summary of Significant Accounting Policies**

***Reporting Entity***

The Norwood Sanitation District operates as a special district under Colorado State Statutes. The District operates under an elected board form of government and provides sanitation services for the Town of Norwood, Colorado and certain areas surrounding the Town.

For financial reporting purposes, the District is a stand-alone entity; there are no component units included in the accompanying financial statements and the District is not considered a component unit of another entity.

***Basis of Accounting***

The accounting policies of the Norwood Sanitation District conform to generally accepted accounting principles. The following is a summary of such significant policies:

The accounting and reporting policies of the District relating to the funds and account groups included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board.

The financial statements of the District are prepared on accrual basis of accounting for proprietary funds, which are similar to those used by private business enterprises.

The assets, liabilities and net position of the District are reported in a self-balancing set of accounts, which include restricted and unrestricted resources, representing funds available for support of the District's programs.

***Operating Revenues and Expenses*** – The District's operating revenues and expenses consist of revenues earned and expenses incurred in providing sanitation services.

Major sources of operating revenues are sewer charges and tap fees.

**Norwood Sanitation District  
Norwood, Colorado  
Notes to the Financial Statements  
December 31, 2023**

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**Note A - Summary of Significant Accounting Policies (continued)**

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents***

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less.

***Budgetary Control***

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

Budgets are required by state law for proprietary funds. During October the proposed budget is submitted to the Board of Directors for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.

A public hearing is conducted by the Directors to obtain taxpayers' comments.

Prior to December 31, the budget is adopted, and appropriations are made by formal resolution.

Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in budgets. Budget amounts included in the financial statements are based on the final, legally amended budget.

Budget appropriations lapse at the end of each year.

The budget is adopted on a basis that differs from generally accepted accounting principles. The District does not budget for depreciation costs on equipment and budgets for the purchase of equipment.

**Norwood Sanitation District  
Norwood, Colorado  
Notes to the Financial Statements  
December 31, 2023**

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**Note A - Summary of Significant Accounting Policies (continued)**

***Encumbrances***

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditures of money are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is not necessary to ensure effective budgetary control or facilitate effective cash planning and control.

***Property Taxes***

Property taxes are levied on January 1 and attached as a lien on property as of December 31. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and payable in the following year are reported as receivable at December 31, net of an estimated uncollectible portion. However, since taxes are not available to pay current liabilities, the net receivables are recorded as deferred inflow of resources.

***Property and Equipment***

Property and equipment are recorded at cost or, if contributed property, at their fair market value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Utility plant	50 years
Machinery and equipment	5-10 years
Storage shed	10 years

***Pension Plan***

The District does not provide a pension plan for its employees.

**Norwood Sanitation District**  
**Norwood, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**

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**Note A - Summary of Significant Accounting Policies (continued)**

***Compensated Absences***

The District currently has an agreement with the Town of Norwood whereby salaries, wages and benefits are paid for and reported by the Town and reimbursed by the District. Reimbursements are reported as wages by the District; however, all related liabilities are recorded by the Town.

**Note B - Contingent Liabilities**

***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. The District, a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a public entity risk pool currently operating as a common risk management and insurance program for the member entities. The District pays an annual premium to CIRSA for its property and casualty coverage. The agreement for formation of CIRSA provides that CIRSA will be self-sustaining through member premium and will reinsure through commercial companies for excess claims.

**Note C - Deposits and Investments**

***Deposits*** - Colorado state statutes govern the entity's deposits of cash. The Public Deposit Protection Act for banks and savings and loans require the state regulators to certify eligible depositories for public deposits. The act requires the eligible depositories with public deposits in excess of the federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all the un-insured public deposits as a group. The market value of the assets in the pool must be at least equal to the un-insured deposits. Collateral in the pool is considered to be equal to depository insurance, pursuant to definitions listed in GASB Statement No. 40.

At year-end the carrying value of the District's deposit was \$458,736 and the bank balance was \$460,566. Of the total bank balance, \$ 250,000 deposits were covered by FDIC of FSLIC insurance and the remainder was collateralized under PDPA.

**Norwood Sanitation District**  
**Norwood, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**

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**Note C - Deposits and Investments (continued)**

*Investments* – On December 31, 2023, the District had no investments or formal investment policy.

*Interest rate risk* – The District does not have a formal policy limiting investment maturities, other than that established by the state statute of five years, which would help manage its exposure to fair value losses from increasing interest rates.

**Note D - Reconciliation of Revenues and Expenses - Budget Basis to GAAP Basis**

Excess of revenue over expenses, (Non-GAAP budgetary basis)	\$ (35,681)
Adjustments	
Add: capital outlay	-
Less: depreciation	<u>(15,442)</u>
Changes in net position	<u>\$ (51,123)</u>

**Note E - Tax, Spending and Debt Limitations**

In November 1992, Colorado voters passed an amendment (Amendment One) to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of the state and local governments.

The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards and fund reserves (balances).

The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required in 1994 and thereafter.

**Norwood Sanitation District**  
**Norwood, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**

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**Note E - Tax, Spending and Debt Limitations (continued)**

The District had a ballot issue on November 5, 1996. The election authorizing the District to collect and spend all revenues generated by the existing mill levy (2.643), by state grants and taxes, by fees assessed for new development and by all other lawful sources of district revenues, in the fiscal year 1995 and for each subsequent years was approved by the voters.

The District's management believes it is in compliance with the remaining provisions of TABOR; however, TABOR is complex and subject to interpretation.

**Note F - Capital Assets**

	Balance January 1, 2023	Additions	Dispositions	Balance December 31, 2023
Business - Type Activities				
Capital assets not being depreciated				
Land and source of supply	\$ 3,044	\$ -	\$ -	\$ 3,044
Capital assets being depreciated				
Utility and distribution systems	497,307	-	-	497,307
Equipment and other	37,150			37,150
Less accumulated depreciation	(440,056)	(15,442)		(455,498)
Capital assets being depreciated, net	94,401	(15,442)	-	78,959
 Total Business-Type Activities Capital Assets	 \$ 97,445	 \$ (15,442)	 \$ -	 \$ 82,003

**Norwood Sanitation District**  
**Schedule of Revenues and Expenditures - Budget and Actual**  
**Budgetary Basis of Accounting**  
**For the Year Ended December 31, 2023**

<b>Revenues</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
General taxes	\$ 16,155	\$ 16,155	\$ 16,029	\$ (126)
Sewer charges	148,600	148,600	158,915	10,315
Interest income	-	-	99	99
Miscellaneous	3,800	3,800	1,927	(1,873)
Tap fees	18,000	18,000	3,050	(14,950)
<b>Total revenues</b>	<b>\$ 186,555</b>	<b>\$ 186,555</b>	<b>\$ 180,020</b>	<b>\$ (6,535)</b>
<b>Expenditures</b>				
Board salary	600	600	440	160
Salary - reimbursement	82,340	82,340	97,329	(14,989)
Workers compensation	3,000	3,000	1,573	1,427
Books, Subscriptions & Member	200	200	-	200
Public notices	150	150	514	(364)
Travel	400	400	-	400
Office supplies	2,500	2,500	1,158	1,342
Chemicals	800	800	569	231
Auto expenses	5,500	5,500	6,891	(1,391)
Permits	1,600	1,600	1,427	173
Utilities and telephone	29,500	29,500	22,066	7,434
Postage	2,000	2,000	1,800	200
Contract labor	10,000	10,000	19,095	(9,095)
Legal and audit	4,300	4,300	4,115	185
Service Charge	2,800	2,800	2,906	(106)
Elections	1,500	1,500	-	1,500
Operating supplies	8,000	8,000	29,553	(21,553)
Insurance and bonds	16,500	16,500	14,627	1,873
Miscellaneous services	500	500	4,637	(4,137)
Lab and testing	6,000	6,000	4,749	1,251
Computer support	3,000	3,000	679	2,321
Copier support	500	500	553	(53)
Freight	1,500	1,500	1,020	480
Safety and training	2,000	2,000	-	2,000
Engineering	2,000	2,000	-	2,000
Clean out - sewer lines	6,000	6,000	-	6,000
Capital outlay	6,023	6,023	-	6,023
Miscellaneous	400	400	-	400
<b>Total expenditures</b>	<b>\$ 199,613</b>	<b>\$ 199,613</b>	<b>\$ 215,701</b>	<b>\$ (16,088)</b>