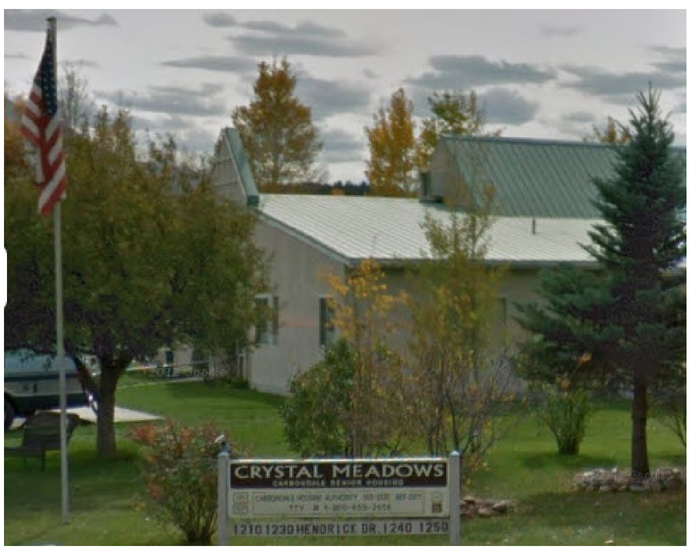
Carbondale Housing Authority
dba Crystal Meadows

Financial Statements
and
Supplementary Information
(Unaudited)

June 30, 2023



Carbondale Housing Authority
dba Crystal Meadows

June 30, 2023

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Carbondale Housing Authority
dba Crystal Meadows
Carbondale, Colorado

We have reviewed the accompanying financial statements of the business-type activities and the aggregate remaining fund information of Carbondale Housing Authority, dba Crystal Meadows (the "Authority"), as of and for the year ended June 30, 2023, which collectively comprise the Authority's basic financial statements as listed in the table of contents, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Authority's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Member: American Institute of Certified Public Accountants

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT
To the Board of Directors
Carbondale Housing Authority
dba Crystal Meadows
Carbondale, Colorado

Other Matters

We have previously reviewed the Authority's June 30, 2022 financial statements and, in our report dated October 20, 2022, we stated that, based on our procedures, were not aware of any material modifications that should be made to the June 30, 2022 financial statements for them to be in accordance with accounting principles generally accepted in the United States of America.

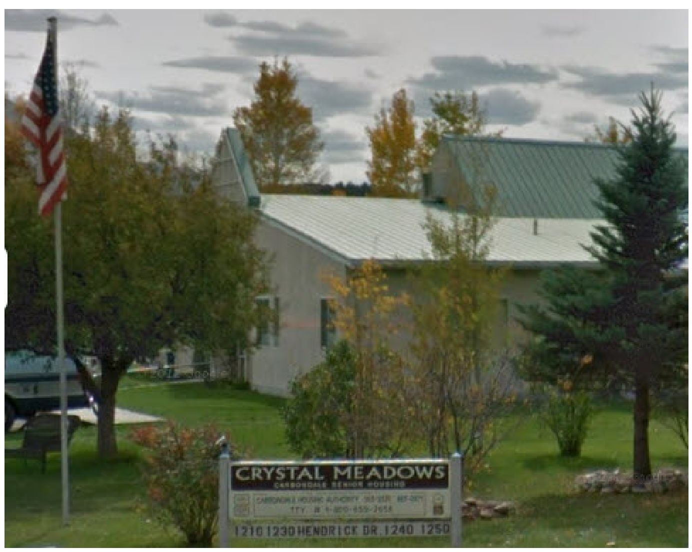
Management has omitted the Management's Discussion and Analysis that is supplementary information required by accounting principles generally accepted in the United States of America. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting 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 conclusion on the Authority's basic financial statements is not affected by this missing information.

The budgetary comparison information in section D is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to it.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
October 23, 2023

FINANCIAL STATEMENTS



Carbondale Housing Authority
dba Crystal Meadows
Statement of Net Position
June 30, 2023 and 2022
(Unaudited)

	2023	2022
Assets:		
Current assets:		
Cash and investments - Unrestricted	8,608	12,647
Cash and investments - Restricted	54,906	47,435
Due from (to) related entities	(4,590)	(4,590)
Prepaid expenses	1,290	1,290
Total - Current assets	60,214	56,782
Non-current assets:		
Capital assets:		
Capital assets not being depreciated	150,000	150,000
Depreciable capital assets, net of accumulated depreciation	676,972	705,203
Total - Non-current assets	826,972	855,203
Total Assets	887,186	911,985
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	120	2,460
Interest payable	637	637
Tenant security deposits	5,737	5,808
Deferred revenue	29	10
Note payable - Current portion	15,683	14,338
Total - Current liabilities	22,206	23,253
Non-current liabilities:		
Note payable - Due in more than one year	503,382	519,066
Total Liabilities	525,588	542,319
Net Position:		
Net investment in capital assets	307,907	321,799
Unrestricted net position	53,691	47,867
Total Net Position	361,598	369,666

See accompanying notes and Independent Accountant's Review Report.

Carbondale Housing Authority
dba Crystal Meadows
Statement of Revenue, Expenses, and Changes in Net Position
For the Years Ended June 30, 2023 and 2022
(Unaudited)

	2023	2022
Operating Revenues:		
Tenant rents	73,603	75,006
Tenant assistance payments	77,304	65,230
Total - Rental Revenues	150,907	140,236
Other operating revenues	5,665	5,586
Total Operating Revenues	156,572	145,822
Operating expenses:		
Operations and maintenance:		
Maintenance labor	22,994	17,926
Repairs and maintenance	21,577	35,359
Utilities	42,901	36,951
Depreciation	28,231	23,091
Total - Operations and maintenance	115,703	113,327
General and administrative:		
Management	31,235	30,456
Professional services	9,000	2,500
Insurance and bonding	4,673	4,858
Office expenses	1,904	1,471
Total - General and administrative	46,812	39,285
Total Operating Expenses	162,515	152,612
Income (Loss) from Operations	(5,943)	(6,790)
Non-operating Revenues (Expenses):		
Interest subsidy	44,514	44,513
Investment income	786	5
Capital and non-operating grants	-	161,662
Interest expense	(47,425)	(48,654)
Total Non-operating Revenues (Expenses)	(2,125)	157,526
Change in Net Position	(8,068)	150,736
Net Position - Beginning of Year	369,666	218,930
Net Position - End of Year	361,598	369,666

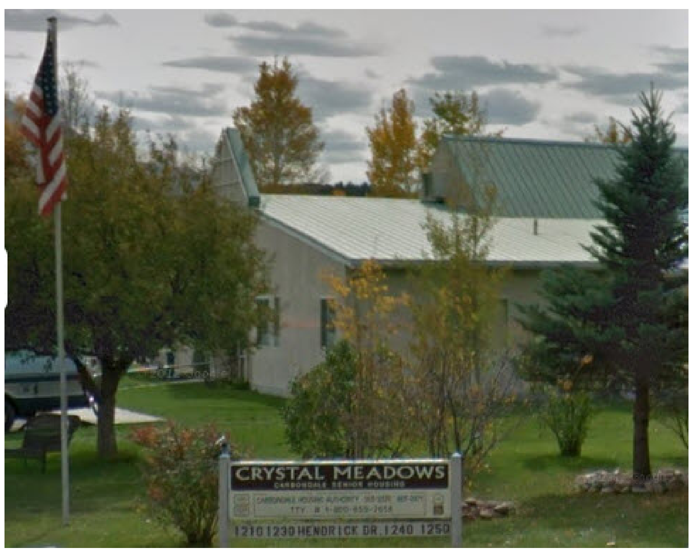
See accompanying notes and Independent Accountant's Review Report.

Carbondale Housing Authority
dba Crystal Meadows
Statement of Cash Flows
For the Years Ended June 30, 2023 and 2022
(Unaudited)

	2023	2022
Cash Flows From Operating Activities:		
Cash received for rents and housing assistance	150,855	140,662
Other cash receipts	5,665	5,586
Cash paid for goods and services	(105,389)	(96,605)
Cash paid for wages and benefits	(31,235)	(30,456)
Net Cash Provided (Used) By Operating Activities	19,896	19,187
Cash Flows From Capital and Related Financing Activities:		
Principal repaid on long-term capital debt	(14,339)	(13,116)
Interest paid on capital debt service	(2,911)	(4,141)
Net Cash Provided (Used) by Capital and Related Financing Activities	(17,250)	(17,257)
Cash Flows From Investing Activities:		
Interest received	786	5
Net Cash Provided (Used) By Investing Activities	786	5
Net Increase (Decrease) in Cash and Cash Equivalents	3,432	1,935
Cash and Cash Equivalents - Beginning of Year	60,082	58,147
Cash and Cash Equivalents - End of Year	63,514	60,082
Cash and Cash Equivalents - End of Year is comprised of:		
Cash and cash equivalents - Unrestricted	8,608	12,647
Cash and cash equivalents - Restricted	54,906	47,435
	63,514	60,082
Reconciliation of Income (Loss) from Operations to Net Cash Provided (Used) by Operating Activities:		
Income (loss) from operations	(5,943)	(6,790)
Adjustments to reconcile:		
Depreciation	28,231	23,091
(Increase) decrease - Accounts receivable - Tenants	-	61
Increase (decrease) - Accounts payable / accruals	(2,340)	2,460
Increase (decrease) - Tenant security deposits	(71)	355
Increase (decrease) - Deferred revenue	19	10
Net Cash Provided (Used) By Operating Activities	19,896	19,187
Noncash Capital and Related Financing Activities		
Capital grant contribution received	-	161,662

See accompanying notes and Independent Accountant's Review Report.

NOTES to the FINANCIAL STATEMENTS



I. Summary of Significant Accounting Policies

Carbondale Housing Authority, dba Crystal Meadows (the "Authority"), was established on September 13, 1983 pursuant to section 29-4-201 et seq. of the Colorado Revised Statutes, to provide safe and adequate housing for the inhabitants of the City of Carbondale, Colorado (the "City").

The Authority operates a 16-unit affordable rental apartment project in Carbondale, Colorado known as Crystal Meadows (the "Project"), which is reserved for elderly or disabled tenants. The acquisition of the Project was financed by a promissory note from the Rural Rental Housing Service ("RHS"); a division of the U.S Department of Agriculture.

The Authority is governed by an eight-member Board of Directors (the "Board"); all of whom are elected by the current Board members for one-year terms.

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for governmental entities. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for the establishment of GAAP for governmental entities. The more significant accounting policies established by GAAP used by the Authority are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government, i.e., the Authority, and (b) organizations for which the Authority is financially accountable. The Authority is considered to be financially accountable for a legally separate organization if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Authority. Consideration is also given to other organizations that are fiscally dependent, i.e., unable to adopt a budget, levy tax, or issue debt without approval by the Authority. Organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Once appointed, the Board controls all Authority financial resources, can buy or sell property, enter into contracts, and incur indebtedness of behalf of the Authority.

Based on the criteria above, the Authority is not financially accountable for any other entity, nor is the Authority a component unit of any other government.

B. Financial Reporting

The Authority uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities. A fund is a separate accounting entity with a self-balancing set of accounts.

I. Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

The Authority uses a proprietary fund-type – an enterprise fund – to account for its sole activity: renting apartment units to qualifying, low-income individuals. Enterprise funds are used to account for operations (a) which are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the account and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Measurement Focus and basis of Accounting

Proprietary funds use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Financial Statement Presentation

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are charges to tenants for rentals, together with related tenant rent-based government assistance. Operating expenses for the enterprise fund include the costs to operate and maintain the Authority's apartments, depreciation, and expenses incurred in administering the Authority's operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Financial Statement Accounts

1. Cash and Investments

Cash and cash equivalents include amounts in demand deposits, as well as short-term investments with a maturity date within three months of the date acquired by the Authority.

Investments are stated at fair value or net asset value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

1. Cash and Investments (continued)

The Authority follows Colorado state statutes as an investment policy, which permits investments in the following type of obligations which corresponds with state statutes:

- U.S. Treasury obligations (maximum maturity of 60 months)
- Federal instrumentality securities (maximum maturity of 60 months)
- FDIC-insured certificates of deposit (maximum maturity of 18 months)
- Corporate bonds (maximum maturity of 36 months)
- Prime commercial paper (maximum maturity of 9 months)
- Eligible banker's acceptances
- Repurchase agreements
- General Obligations and Revenue Obligations
- Local government investment pools
- Money market mutual funds

2. Restricted Assets

Certain assets of the Authority are classified as restricted assets because their use is restricted to specific purposes by legally-binding commitments. At June 30, 2023, the Authority held restricted cash balances related to security deposits and the Replacement Reserve required by RHS (as discussed in Note III A).

3. Receivables

Receivables, if any, consist primarily of amounts due from tenants for rents and other charges.

The Authority uses the allowance method to recognize the potential uncollectibility of receivables, including amounts due from tenants. Management determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. At June 30, 2023, no such allowance was considered necessary by Authority management.

4. Capital Assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the financial statements. Capital assets are defined by the Authority as assets with an initial cost of at least $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets, if any, are recorded at acquisition value.

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. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

4. Capital Assets (continued)

Capital assets (excluding land) are depreciated, using the straight-line method, over the following estimated useful lives:

Asset	Estimated Useful Life
Buildings and improvements	10 - 50 years
Furniture and equipment	5 years

5. Deferred Inflows and Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Authority does not have any items that qualify for reporting in this category at June 30, 2023.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority does not have any items that qualify for reporting in this category at June 30, 2023.

6. Net Position

Governments report reservations of net position for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. At June 30, 2023, the Authority did not report any amounts as restricted net position.

7. Restricted and Unrestricted Resources

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

8. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Authority’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, the Board formally adopts a budget with appropriations for its sole fund for the ensuing year, pursuant to the State of Colorado *Local Budget Law*. Expenditures may not legally exceed appropriations at the fund level and all appropriations lapse at year-end.

The Authority's budget is adopted on a non-GAAP basis. A reconciliation to GAAP basis is included in the supplementary budgetary comparison schedule on page D1.

No supplemental appropriations were made to the Authority's original budget for fiscal year 2023.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

The Authority's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

III. Detailed Notes on All Funds

A. Deposits and Investments

Colorado's 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 levels insured by the Federal Deposit Insurance Corporation (the "FDIC") must be collateralized. The eligible collateral is determined by the PDPA. The 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 the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. The FDIC insures the first $250,000 of the Authority's interest-bearing deposits at each financial institution. Deposit balances over $250,000 are collateralized as required by the PDPA. The Authority's deposits at June 30, 2023 are entirely covered by FDIC or by PDPA.

Carbondale Housing Authority
dba Crystal Meadows
Notes to the Financial Statements
June 30, 2023
(Unaudited)
(Continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At June 30, 2023, the carrying value and bank balance of the Authority's deposits was $63,514.

The Authority held deposits and investments with the following ratings and maturities at June 30, 2023:

			Investment Maturities	
Type	**Standard & Poor's Rating**	**Carrying Amount**	**Less Than One Year**	**One to Five Years**
Deposits:				
Checking	Not Rated	$ 8,496	$ 8,496	$ -
Savings	Not Rated	37,294	37,294	-
Investments:				
Certificates of Deposit	Not Rated	17,724	17,724	-
Total		$ 63,514	$ 63,514	$ -

The Authority’s cash and investments at June 30, 2023 are reported on these financial statements as follows:

Cash and investments - Unrestricted	$ 8,608
Cash and investments - Restricted	54,906
Total - Restricted Cash	$ 63,514

The Authority’s restricted cash balance is comprised of the following at June 30, 2023:

Tenant security deposits	$ 7,453
Replacement Reserve	47,453
Total - Restricted Cash	$ 54,906

The Authority’s *Loan Resolution* with RHS requires the Authority to establish a Replacement Reserve and to fund it with annual contributions of $6,785 which may be used for capital improvements and repairs to the Project, as approved by RHS. All such required contributions had been made at June 30, 2023.

Carbondale Housing Authority
dba Crystal Meadows
Notes to the Financial Statements
June 30, 2023
(Unaudited)
(Continued)

III. Detailed Notes on All Funds (continued)

B. Capital Assets

The Authority's capital asset activity for fiscal year 2023 was as follows:

	Balance Jul. 1/22	Additions	Disposals	Balance Jun. 30/23
Capital assets not being depreciated:				
Land	$ 150,000	$ -	$ -	$ 150,000
Total - Capital assets not being depreciated	150,000	-	-	150,000
Capital assets being depreciated:				
Buildings and improvements	1,184,145	-	-	1,184,145
Furniture and equipment	6,105	-	-	6,105
Total - Capital assets being depreciated	1,190,250	-	-	1,190,250
Less: Accumulated depreciation for:				
Buildings and improvements	(478,943)	(28,231)	-	(507,174)
Furniture and equipment	(6,104)	-	-	(6,104)
Total accumulated depreciation	(485,047)	(28,231)	-	(513,278)
Total - Capital assets being depreciated, net	705,203	(28,231)	-	676,972
Total Capital Assets, Net	$ 855,203	$ (28,231)	$ -	$ 826,972

C. Long-term Debt

In connection with the Authority's acquisition of the Project in March 1989, the Corporation executed a promissory note in the principal amount of $687,500 with RHS (the "Note"). The Note is secured by the Project, and other assets and revenues of the Authority. The Note bears interest at 9% per annum and is due in monthly blended installments of $5,147 through maturity in March 2039. The outstanding principal balance of the Note at June 30, 2023 was $519,065. Pursuant to an agreement with RHS, the Authority receives a monthly interest subsidy from RHS, totaling $44,514 for fiscal year 2023. Interest expense incurred on the Note during the year ended June 30, 2023 was $47,425.

Aggregate future debt service requirements to maturity in respect of the Note at June 30, 2023 are as follows:

Years ending June 30	Principal	Interest	Total
2024	15,683	46,079	61,762
2025	17,155	44,608	61,763
2026	18,764	42,999	61,763
2027	20,524	41,239	61,763
2028	22,449	39,313	61,762
2029 - 2033	148,075	160,739	308,814
2034 - 2038	231,838	76,976	308,814
2039 - 2040	44,577	1,687	46,264
	$ 519,065	$ 453,640	$ 972,705

III. Detailed Notes on All Funds (continued)

D. Rental Assistance Agreement

Effective in March 1989, the Authority entered into a *Rental Assistance Agreement* with RHS that provides subsidized rental assistance payments for rent on 14 of the Project's 16 units. Total rental assistance for fiscal year 2023 totaled $77,304; representing 49% of the Authority's operating revenues for the year.

IV. Other Information

A. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and general liability. The Authority carries commercial coverage for these risks and does not expect claims to exceed their coverage. There have been no reductions in coverage in fiscal year 2023.

B. Savings Incentive Match Plan for Employees

The Authority has established a Savings Incentive Match for Employees retirement plan (the "SIMPLE Plan") covering all full-time employees whose gross earnings exceed $5,000 annually. The SIMPLE Plan is a defined contribution plan; as such, the Authority has no liability for losses under the SIMPLE Plan and is only liable to pay the value of benefits credited to a participant. The Authority matches employee contributions up to 3% of participating employee wages.

Contributions are remitted at the end of each calendar year. The Authority's calendar year 2022 covered payroll was $22,424 and total payroll was $30,930. For 2023, the Authority's contributions to the SIMPLE Plan totaled $598, which matched employee contributions.

C. Concentration – Geographic

The Authority operates a single rental property located in Carbondale, Colorado. Future operations could be affected by economic changes or other conditions in that geographical area.

D. Related Party Transactions

The Authority has common board members with Carbondale Senior Housing Corporation ("CSHC").

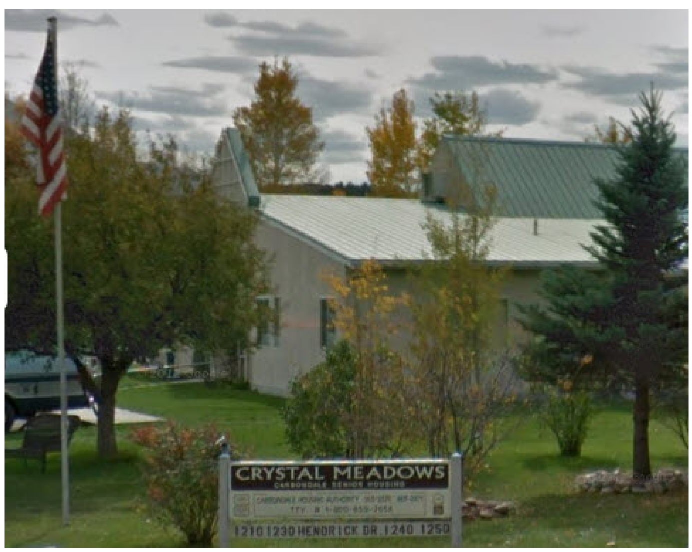
IV. Other Information (continued)

D. Related Party Transactions (continued)

The Authority reimbursed CSHC as follows for services or supplies provided during the year ended June 30, 2023:

Operations and maintenance:	
Repairs and maintenance	$ 1,601
General and administrative:	
Office expenses	453
Reimbursed office expenses - internet	(4,849)
Total	$ (2,795)

SUPPLEMENTARY INFORMATION



Carbondale Housing Authority
dba Crystal Meadows
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)
(Unaudited)

	2023			2022
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:				
Tenant rents	55,213	73,603	18,390	75,006
Tenant assistance payments	57,777	77,304	19,527	65,230
Total - Rentals	112,990	150,907	37,917	140,236
Other operating revenues	4,225	5,665	1,440	5,586
Total Operating Revenues	117,215	156,572	39,357	145,822
Operating expenses:				
Operations and maintenance:				
Maintenance labor	20,100	22,994	(2,894)	17,926
Repairs and maintenance	18,579	21,577	(2,998)	35,359
Utilities	35,612	42,901	(7,289)	36,951
Total - Operations and maintenance	74,291	87,472	(13,181)	90,236
General and administrative:				
Management	26,535	31,235	(4,700)	30,456
Professional services	9,000	9,000	-	2,500
Insurance and bonding	4,673	4,673	-	4,858
Office expenses	785	1,904	(1,119)	1,471
Total - General and administrative	40,993	46,812	(5,819)	39,285
Total Operating Expenses	115,284	134,284	(19,000)	129,521
Income (Loss) from Operations - Budget Basis	1,931	22,288	20,357	16,301
Non-operating Revenues (Expenses):				
Interest subsidy	33,466	44,514	11,048	44,513
Investment income	114	786	672	5
Capital and non-operating grants	-	-	-	161,662
Interest expense	(35,438)	(47,425)	(11,987)	(48,654)
Total Non-operating Revenues (Expenses)	(1,858)	(2,125)	(267)	157,526
Change in Net Position - Budget Basis	73	20,163	20,090	173,827
Reconciliation to GAAP Basis:				
Depreciation expense		(28,231)		(23,091)
Change in net position - GAAP basis		(8,068)		150,736
Net Position - Beginning of Year		369,666		218,930
Net Position - End of Year		361,598		369,666

See accompanying notes and Independent Accountant's Review Report.