

**Centerra Metropolitan District No. 2  
Larimer County, Colorado**

**Financial Statements  
December 31, 2023**





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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors  
Centerra Metropolitan District No. 2

### Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of Centerra Metropolitan District No. 2 (the "District") as of and for the year ended December 31, 2023 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 the major funds of Centerra Metropolitan District No. 2, as of December 31, 2023 and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for opinions

We conducted our audits 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 Centerra Metropolitan District No. 2 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 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 Centerra Metropolitan District No. 2'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 Responsibility 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:

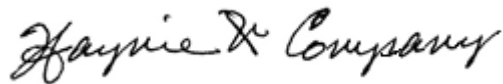
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, 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 Centerra Metropolitan District No. 2'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 Centerra Metropolitan District No. 2'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**

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.

Accounting principles generally accepted in the United States of America require that budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.



Littleton, Colorado  
August 15, 2024

## **BASIC FINANCIAL STATEMENTS**

**Centerra Metropolitan District No. 2**  
**Statement of Net Position**  
**December 31, 2023**

<b>Assets</b>	<b>Governmental Activities</b>
Property Taxes	\$ 179,396
Specific Ownership Taxes	<u>36,576</u>
Total assets	<u>215,972</u>
<b>Liabilities</b>	
Payment for Services	36,576
Payment for Debt to District 1	<u>179,396</u>
Total liabilities	<u>215,972</u>
<b>Net Position</b>	
Restricted for:	
Emergency	22,520
Unrestricted	<u>(22,520)</u>
Total Net Position	<u>-</u>
Total Liabilities and Net Position	<u>\$ 215,972</u>

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

**Centerra Metropolitan District No. 2**  
**Statement of Activities**  
**For the Year Ended December 31, 2023**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues Charges for Services</b>	<b>Net (Expense) Revenue and Changes in Net Position</b>
			<b>Primary Government Governmental Activities</b>
Primary government:			
Governmental activities:			
General government	\$ 731,045	\$ 750,656	\$ 19,611
Interest and other charges	19,611	-	(19,611)
<b>Total Governmental Activities</b>	<b>\$ 750,656</b>	<b>\$ 750,656</b>	<b>-</b>
General revenues			
Property Taxes			186,818
Specific Ownership Taxes			563,838
<b>Total general revenues</b>			<b>750,656</b>
Payment for Services			530,619
Payment for Debt to District 1			197,081
Interest Expense & Other Fees			22,956
Change in net position			-
Net position (deficit) - beginning of year			-
Net position (deficit) - end of year			\$ -

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

**Centerra Metropolitan District No. 2**  
**Governmental Funds Balance Sheet**  
**and Reconciliation of Fund Balances to Net Position**  
**December 31, 2023**

	<b>General Fund</b>	<b>Total Governmental Funds</b>
<b>Assets</b>		
Property Tax Receivable	\$ 179,396	\$ 179,396
Due from County	36,576	36,576
Total assets	\$ 215,972	\$ 215,972
<b>Liabilities</b>		
Payment for Services	36,576	36,576
Payment for Debt to District 1	179,396	179,396
Total liabilities	215,972	215,972
<b>Fund Equity</b>		
Restricted:		
Emergency reserves	22,520	22,520
Unassigned	(22,520)	(22,520)
Total Fund Balances	-	-
<b>Total Liabilities and Fund Equity</b>	\$ 215,972	\$ 215,972

There were no reconciling items between the Statement of Net Position and this statement.

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



**Centerra Metropolitan District No. 2**  
**Governmental Fund Revenues, Expenditures**  
**and Changes in Fund Balances**  
**For the Year Ended December 31, 2023**

	<b>General</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>		
Property Taxes	\$ 186,818	\$ 186,818
Specific Ownership Taxes	563,838	563,838
Total General Revenues	750,656	750,656
<b>Expenditures</b>		
Treasurer Fees	3,345	3,345
Payment for Services	530,619	530,619
Payment for Debt to District 1	197,081	197,081
Interest Expense	19,611	19,611
Total Expenditures	750,656	750,656
<b>Excess of revenues over (under) expenditures</b>	-	-
<b>Net change in fund balances</b>	-	-
<b>Fund balances:</b>		
<b>Beginning of the year</b>	-	-
<b>End of the year</b>	\$ -	\$ -

There were no reconciling items between the Statement of Activities and this statement.

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

# **Centerra Metropolitan District No. 2**

## **Notes to Financial Statements**

### **December 31, 2023**

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#### **1. Definition of Reporting Entity**

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Centerra Metropolitan District No. 2 (the District), a quasi-municipal corporation, was organized on June 14, 2004, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City of Loveland (City), Larimer County, Colorado. The District was established to provide construction, installation, financing and operation of public improvements, including streets, traffic safety controls, landscaping, water, sanitary sewer, storm drainage, television relay, and park and recreation facilities. The District's service plan was approved by the City. Pursuant to the consolidated service plan for Centerra Metropolitan Districts No. 1-4, the District operates as the Commercial District related to Centerra Metropolitan District No. 1 (Service District), Centerra Metropolitan District No. 3 (Residential District), Centerra Metropolitan District No. 4 (Regional Improvements District), and pursuant to an intergovernmental agreement between the District and Centerra Metropolitan District No. 5 (Industrial District), operates as a service district to District No. 5.

The District has no employees and all operations and administrative functions are contracted. The accounting policies of the District conform to generally accepted accounting principles ("GAAP") as applicable to governments. The following is a summary of the more significant policies:

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.

On January 26, 2004, Centerra Public Improvement Collection Corporation (PIC Corporation) and on June 4, 2004 the Centerra Retail Sales Fee Corporation (RSF Corporation) were formed. Both PIC Corporation and RSF Corporation are nonprofit corporations that were formed for the purpose of adopting and imposing Declarations and Covenants on property within Centerra and for the purpose of imposing and collecting certain fees. PIC and RSF Corporations have entered into an agreement with the District whereby on June 4, 2004, PIC and RSF Corporations have agreed to remit to the District certain revenues received from fees imposed by PIC and RSF Corporations in consideration of the District's financing, construction and operation of public improvements which benefit the members of PIC and RSF Corporations.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**1. Definition of Reporting Entity (continued)**

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In the refinancing of the 2004 bonds in March of 2008, the RSF Corporation was released from its agreement.

The definition of the reporting entity is based primarily on financial accountability. The District is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if District officials appoint a voting majority of the organization's governing body and either 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 to impose specific financial burdens on, the District. The District may also be financially accountable for organizations that are fiscally dependent upon it.

Based on the application of these criteria, the District is not financially accountable for any other organization, including Centerra Metropolitan District No's. 1 and 3 through 5, PIC Corporation and RSF Corporation, nor is the District a component unit of any other primary governmental entity, including the City.

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**2. Summary of Significant Accounting Policies**

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

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of the 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*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**2. Summary of Significant Accounting Policies (continued)**

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**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. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental fund:

- The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**2. Summary of Significant Accounting Policies (continued)**

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Investments are recorded at fair value.

For purpose of presentation in the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an original maturity of more than three months are reported as investments.

**Long-Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities fund type statement of net position. Bond issue costs are reported as deferred charges and amortized over the term of the related debt.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Net Position**

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

*Net Investment in Capital Assets* is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

*Restricted Net Position* are liquid assets, which have third party limitations on their use.

*Unrestricted Net Position* represent assets that do not have any third-party limitation on their use. While District management may have categorized and segmented portion for various purposes, the District board of directors has the unrestricted authority to revisit or alter these managerial decisions.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**2. Summary of Significant Accounting Policies (continued)**

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**Fund Balance Classification**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *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. The District reports Prepaid Insurance as Nonspendable at December 31, 2023.
- *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. The District has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The District also classifies the fund balances in the Debt Service and Capital Projects funds as restricted for debt service and capital improvements.
- *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. The District did not have any committed resources as of December 31, 2023.
- *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. As of December 31, 2023, the District does not report any assigned fund balances.
- *Unassigned fund balance* - This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**2. Summary of Significant Accounting Policies (continued)**

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The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned fund balance.

**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.

**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.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of 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.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**3. Cash and Investments**

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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.

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. The District has no policy regarding custodial credit risk for deposits.

At December 31, 2023, the District had no deposits with financial institutions.

**Interest Rate Risk**

The District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank.
- General obligation and revenue bonds of U.S. local government entities.
- Certain certificates of participation.
- Certain securities lending agreements.
- Bankers' acceptances of certain banks.
- Commercial paper.
- Written repurchase agreements and certain reverse repurchase agreements.
- Collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.
- Local government investment pools.

As of December 31, 2023, the District had no investments.



**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**4. Risk Management**

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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 natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2023. 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.

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**5. Commitments and Contingencies**

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**Master Financing Agreement**

The Master Financing Agreement (MFA), dated January 20, 2004 and as subsequently amended, was entered into among the District, the City, the Loveland Urban Renewal Authority (LURA), the developer, Centerra Public Improvement Collection Corporation, and Centerra Public Improvement Development Corporation. Pursuant to the MFA the LURA assigned the net TIF Revenues to the District for the purpose of financing certain public improvements. The MFA also requires the recording of the PIF Covenant against all of the property within the Commercial District to provide for the imposition of a Public Improvement Fee. In connection with the PIF the City agrees in the MFA to grant a credit against the collection of 1.25% of its 3.0% sales tax on taxable sales transactions occurring within the Commercial District. The MFA also provides for the payment to the District by the Residential District of 5.000 mills against the property in the Residential District (referred to as the Residential Contribution).

The MFA authorizes the District to provide for the construction or acquisition of certain public improvements.

**Centerra Metropolitan District No. 2**  
**Notes to Financial Statements (continued)**  
**December 31, 2023**

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**5. Commitments and Contingencies (continued)**

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**TABOR Amendment**

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 has established an emergency reserve, as required by the Amendment. At December 31, 2023, the emergency reserve of \$22,520 was recorded in the General Fund.

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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Centerra Metropolitan District No. 2**  
**Statement of Revenue, Expenditures**  
**and Changes in Fund Balances—Actual and Budget**  
**Governmental Fund Type—General Fund**  
**For the Year Ended December 31, 2023**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenue</b>			
Property Taxes	\$ 148,472	\$ 186,818	\$ 38,346
Specific Ownership Taxes	587,453	563,838	(23,615)
Interest & Other	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Total Revenue	<u>755,925</u>	<u>750,656</u>	<u>(5,269)</u>
<b>Expenditures</b>			
Treasurer Fees	2,970	3,345	(375)
Interest Expense	-	19,611	(19,611)
Payment for Services	552,696	530,619	22,077
Payment for Debt to District 1	180,259	197,081	(16,822)
Contingency	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>755,925</u>	<u>750,656</u>	<u>5,269</u>
<b>Excess Revenue Over (Under)</b>			
<b>Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	-	-	-
<b>Fund Balances—Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances—End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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