Jefferson County Emergency Communications Authority

Financial Statements with Independent Auditors' Report

December 31, 2018

HINKLE & COMPANY PC
Strategic Business Advisors

Jefferson County Emergency Communications Authority

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December 31, 2018

HINKLE & COMPANY PC
Strategic Business Advisors

Independent Auditors' Report

Board of Directors
Jefferson County Emergency
Communications Authority
Jefferson County, Colorado

We have audited the accompanying financial statements of the Jefferson County Emergency Communications Authority (the Authority) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Jefferson County Emergency Communications Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson County Emergency Communications Authority as of December 31, 2018, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters
Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 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.

Other Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Jefferson County Emergency Communications Authority's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hinkle & Company, pc

Greenwood Village, Colorado
September 24, 2019

Introduction

This management discussion and analysis (this "MD&A") is designed to provide an overview of the financial activities of the Jefferson County Emergency Communications Authority ("JCECA") for the fiscal year ended December 31, 2018. The MD&A should be read in conjunction with JCECA's financial statements.

Financial Highlights

- Total assets of JCECA at the close of 2018 were $6,934,783. The assets include $368,686 in cash.

- Total Capital Assets for 2018 were $5,214,868. An increase of $322,557 over 2017.

- Total Operating Revenue for the year was $10,430,872 and consists of telephone surcharge revenue of $10,423,265 and miscellaneous income of $7,607. Telephone surcharge revenue is derived from the emergency telephone charge authorized under C.R.S. § 29-11-202 (the "ETC") and the prepaid wireless E9-1-1 charge authorized under C.R.S. § 29-11-102.5.

- Total budgeted expenses for 2018 were $12,290,667. Actual expenses were $10,435,011.

- JCECA paid $6,593,694 for Special Projects that included transition costs to facilitate consolidation of eight public safety answering points ("PSAP's") into the Jefferson County Communications Center Authority ("Jeffcom").

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the JCECA's basic financial statements, which are comprised of Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows and Notes to Financial Statements. Additionally, there is a Budgetary Comparison Schedule.

Proprietary Fund Financial Statements

A fund is a group of accounts used to maintain control of services that have been set aside for specific activities or objectives. JCECA uses fund accounting to account for all financial activities and to ensure and demonstrate compliance with finance related legal requirements.

JCECA used only one fund for the 2018 fiscal budget year. It is a proprietary fund and it is intended to account for all financial resources associated with the operating activities of JCECA. There were no capital funds, public utilities trust funds, personnel and benefits funds, or any other funds actively used during 2018.

Notes to Financial Statements

The notes provide detail clarifying additional information necessary for a complete understanding of the data contained in the financial statements.

Financial Analysis

In 1983 the Jefferson County E9-1-1 Emergency Telephone Service Authority was created to assist in funding the operation of the emergency telephone service. The name of the Authority was subsequently changed to the Jefferson County Emergency Communications Authority ("JCECA"). The Intergovernmental Agreement includes participants from cities, towns, and special districts within Jefferson and Broomfield Counties, as well as Jefferson County government. JCECA collects revenue through a monthly emergency telephone charge (the "ETC") for each non-governmental telephone (wireless, wireline, and VOIP). The monthly ETC rate for 2018 was $1.15.

Beginning January 1, 2011, prepay wireless customers began contributing to 9-1-1 funding, with the vendors collecting 1.4% of the price of the prepaid minutes, and remitting the funds to the Colorado Department of Revenue ("DOR"). DOR then distributes these funds to each Colorado 9-1-1 authority based on each authority's number of wireless 9-1-1 calls compared to the number of wireless 9-1-1 calls statewide.

ETC and prepaid wireless E9-1-1 charge funds are used to pay for equipment and software purchase and installation, operating costs directly related to an emergency telephone service, costs for emergency telephone notification for emergency medical dispatch services, for the monthly recurring charges billed by the service supplier for the emergency telephone service, and for other 9-1-1 related costs authorized under C.R.S. § 29-11-104(2). JCECA also pays for emergency notification to citizens during emergent situations.

JCECA's Net Position

	Dec 31, 2018	Dec 31, 2017
Cash and Investments	$ 368,686	$ 61,584
Accounts Receivable	1,348,500	854,276
Prepaid Expenses	2,729	318,463
Capital Assets, Not Being Depreciated	4,533,660	4,162,644
Capital Assets, Net of Accumulated Depreciation	681,208	729,668
Total Assets	$ 6,934,783	$ 6,126,635
Current Liabilities - Accounts Payable	$ 904,286	$ 732,529
Other Liabilities - Accrued Compensated Absences	33,649	30,914
Total Liabilities	$ 937,935	$ 763,443
Net Position		
Net Investment in Capital Assets	$ 5,214,868	$ 4,892,312
Unrestricted	781,980	470,880
Total Net Position	$ 5,996,848	$ 5,363,192

A portion of JCECA's assets (5%) is in cash and (75%) are net capital assets. The remaining assets represent accounts receivable and prepaid expenses.

JCECA's Change in Net Position
For the Years Ended December 31, 2018 and December 31, 2017

	Dec 31, 2018	Dec 31, 2017
Operating Revenues		
Emergency Telephone Charges	$ 10,423,265	$ 6,559,665
Miscellaneous	7,607	144
Total Operating Revenues	10,430,872	6,559,809
Operating Expenses		
Administrative	381,738	476,822
Agency Operating	2,076,653	400,022
Depreciation	48,460	48,460
Disaster & Recovery Plan	301,833	242,377
Emergency Medical Dispatching	-	34,631
GIS System	166,180	274,027
Line Charges	526,598	625,689
Logging Systems	-	282,422
Notification System	106,892	137,078
Phone System	259,387	241,691
Public Education	22,036	18,328
Programs	-	905,069
Recruiting	-	28,308
Special Projects	6,222,677	6,052,771
Training	-	158,915
Translation Services	-	11,730
Total Operating Expenses	10,112,454	9,938,340
Net Operating Income (Loss)	318,418	(3,378,531)
Non-operating Revenues		
Investment Income	17	3,646
Change in Net Position	318,435	(3,374,885)
Net Position, Beginning	5,363,192	8,738,077
Restatement	315,221	-
Net Position, Beginning, as Restated	5,678,413	-
Net Position, Ending	$ 5,996,848	$ 5,363,192

Budgetary Highlights

JCECA approves a budget in December based on anticipated costs for the following year. The following summarizes significant budget to actual variances.

Actual revenue from Emergency Telephone Charges of $10,423,265 was $543,600 less than the anticipated budget amount of $10,996,865. The 2018 budget was the first full budget to show the ETC increase to $1.15. Revenue expectations were less than original projections, resulting in a decrease in revenue from the budget.

Actual Agency Operating expenses of $2,076,653 were $403,876 less than the budgeted amount of $2,480,529. Needs of all agencies could not be fully funded with the decrease in revenue received.

Actual Phone System expenses of $259,387 were $79,387 above the budgeted $180,000 because costs of a project anticipated to occur in 2017 did not occur until 2018. In 2018 the Authority recognized cost savings in this area.

Special Project expenses of $6,593,694 were $1,459,558 below the original budget of $8,053,252. The financial position of the Authority was not what was originally projected when the 2018 budget was created, and as such expenditures had to be reduced.

Capital Assets

The capital assets of the JCECA are the fiber optic cable, associated appurtenances and right-of-way licenses for the Jefferson County Public Safety Fiber Optic Network (J-FON). These assets will eventually provide for high bandwidth, very low recurring cost connectivity for the PSAP's and associated local governments served by JCECA. Net capital assets were $5,214,868. Depreciation expense of $48,460 was reported for the depreciable (fiber optic infrastructure) assets.

Next year's budget

JCECA plans to continue the build out of its Jefferson County Public Safety Fiber Optic Network ("J-FON"). It is anticipated in the 2019 budget that JCECA will expend approximately $790,967 on fiber projects. JCECA is working with the Regional Transportation District ("RTD") for the placement of fiber while RTD is establishing its metro wide mass transit system. The fiber will one day connect PSAP's and local governments in the two-county region served by JCECA with PSAP's and local governments outside of the JCECA service area. J-FON will also provide the basis for a highly secure network to augment evolution to a Next Generation 9-1-1 communications system. Funding from JCECA in 2018 has been instrumental in facilitating the consolidation of eight PSAP's in Jefferson County into the Jefferson County Communications Center Authority (Jeffcom). JCECA will continue to support transition costs for Jeffcom in 2018 and provide a source of funding for 9-1-1 call taker and dispatcher personnel expenses going forward.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the JCECA's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

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Basic Financial Statements

Jefferson County Emergency Communications Authority

Statement of Net Position
Proprietary Funds
December 31, 2018

Assets		
Current Assets		
Cash	$	368,686
Accounts Receivable		1,348,500
Prepaid Expenses		2,729
Total Current Assets		1,719,915
Noncurrent Assets		
Capital Assets, *not being depreciated*		4,533,660
Capital Assets, *net of Accumulated Depreciation*		681,208
Total Noncurrent Assets		5,214,868
Total Assets	$	6,934,783
Liabilities and Net Position		
Current Liabilities		
Accounts Payable	$	904,286
Noncurrent Liabilities		
Accrued Compensated Absences		33,649
Total Liabilities		937,935
Net Position		
Net Investment in Capital Assets		5,214,868
Unrestricted		781,980
Total Net Position		5,996,848
Total Liabilities and Net Position	$	6,934,783

Jefferson County Emergency Communications Authority

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2018

Operating Revenues	
Emergency Telephone Charges	$ 10,423,265
Miscellaneous	7,607
Total Operating Revenues	10,430,872
Operating Expenses	
Administrative	381,738
Agency Operating	2,076,653
Depreciation	48,460
Disaster and Recovery Plan	301,833
GIS System	166,180
Line Charges	526,598
Notification System	106,892
Phone System	259,387
Public Education	22,036
Special Projects	6,222,677
Total Operating Expenses	10,112,454
Net Operating Loss	318,418
Nonoperating Revenues	
Investment Income	17
Change in Net Position	318,435
Net Position, *Beginning of year*, As Restated	5,678,413
Net Position, *Restated*	$ 5,996,848

See Notes to Financial Statements.

Jefferson County Emergency Communications Authority

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2018

Cash Flows From Operating Activities	
Cash Received from Emergency Telephone Charges	$ 10,251,870
Cash Paid to Employees	(4,363,843)
Cash Payments to Suppliers	(5,209,925)
Net Cash Used by Operating Activities	678,102
Cash Flows From Capital and Related Financing Activities	
Acquisition and Construction of Capital Assets	(371,017)
Cash Flows From Investing Activities	
Investment Earnings Received	17
Net Decrease in Cash	307,102
Cash, *Beginning of year*	61,584
Cash, *End of year*	$ 368,686

Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities	
Net Operating Loss	$ 318,418
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation	48,460
Changes in Assets and Liabilities	
Accounts Receivable	(179,002)
Prepaid Expenses	315,734
Accounts Payable	171,757
Accrued Compensated Absences	2,735
Net Cash Used by Operating Activities	$ 678,102

Note 1: Summary of Significant Accounting Policies

The Jefferson County Emergency Communications Authority (the Authority) was formed in October, 1983. The Authority provides emergency telephone service in Jefferson and Broomfield Counties, Colorado, financed by fees assessed on telephones in the Counties.

During the year ended December 31, 2017, the Authority's special projects included start-up costs related to the Jefferson County Communications Center Authority (JCCCA), an entity formed to consolidate eight existing Public Safety Answering Points (PSAPs) and expected to begin operations in 2018.

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the Authority, organizations for which the Authority is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Authority. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the Authority. Legally separate organizations for which the Authority is financially accountable are considered part of the reporting entity. Financial accountability exists if the Authority appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the Authority.

Based on the application of this criteria, the Authority does not include additional organizations in its reporting entity.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority uses an enterprise fund to account for its operations. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where a fee is charged to external users for goods or services.

The 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 the liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation *(Continued)*

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for a specific purpose, the Authority uses restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position

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

Prepaid Expenses - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses.

Capital Assets - Under an amendment to the intergovernmental agreement forming the Authority, effective January 1, 1998, the Authority transferred title and ownership of equipment purchased for the operation of emergency telephone service to the governmental entities that are parties to the agreement, if such equipment is located at, and operated by, the governmental entities. The Authority purchased equipment for the benefit of other governmental entities during the year ended December 31, 2018, totaling $2,984,450.

The Authority capitalizes all assets with an original cost of $5,000 or more, and a useful life of more than one year. Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives of the assets.

Fiber Optic Network	5 - 20 years

Compensated Absences - The Authority's employees are allowed to accumulate unused leave time within limits specific to each employee. Upon separation of employment from the Authority, the employees will be compensated for unused leave time at each employee's pro rata salary. These compensated absences are recognized as a liability in the financial statements when earned.

Net Position - Net position is restricted when constraints placed on the use of resources are externally imposed.

Note 1: Summary of Significant Accounting Policies (Continued)

Expenses

The Authority, as expressed in the Summary of Significant Accounting Policies, has included special projects expenses to include start-up costs related to the Jefferson County Communications Center Authority. These expenses are solely to help transition the Jefferson County Communications Center Authority to meet their financial obligations as the Company began operations on January 1, 2018. During the year ended 2018, the Authority incurred $4,222,540 towards these transition costs which are reflected in special projects in the accompanying financial statements.

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 natural disasters. The Authority maintains commercial insurance for these risks of loss.

Note 2: Stewardship, Compliance and Accountability

Budgets

Budgets are required by State statutes and are adopted on a non-GAAP budgetary basis. Capital outlay is budgeted as an expense and depreciation is not budgeted. The Authority follows these procedures to establish the budgetary information reflected in the financial statements:

- Prior to October 15, management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain citizen comments.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- Expenditures may not legally exceed appropriations. Revisions that alter total appropriations must be approved by the Board of Directors.
- All appropriations lapse at year end.

Note 3: Cash and Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2018, the Authority had bank deposits of $328,932 collateralized with securities held by the financial institution's agent but not in the Authority's name.

Investments

The Authority is required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings established by the nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk - State statutes do not limit the amount the Authority may invest in a single issuer, except for corporate securities.

The Authority had no investments at December 31, 2018.

Note 4: Capital Assets

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
Capital Assets, *Not Being Depreciated*				
Right of Way	$ 517,862	$ 50,220	$ -	$ 568,082
Construction in Progress	3,644,781	320,797	-	3,965,578
Total Capital Assets, *Not Being Depreciated*	4,162,643	371,017	-	4,533,660
Capital Assets, *Being Depreciated*				
Fiber Optic Network	891,509	-	-	891,509
Accumulated Deprecations	(161,841)	(48,460)	-	(210,301)
Total Capital Assets, *Being Depreciated*	729,668	(48,460)	-	681,208
Governmental Activities Capital Assets, *net*	$ 4,892,311	$ 322,557	$ -	$ 5,214,868

Note 5: Employee Compensated Absences

Changes in accrued compensated absences for the year ended December 31, 2018, were as follows.

	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
Compensated Absences	$ 30,914	$ 2,735	$ -	$ 33,649

Note 6: Retirement Commitments

The Authority has established a flexible 401(k) profit-sharing plan on behalf of its employees. The Authority will contribute a matching amount up to 10% of each participating employee's compensation, depending on the employee's contract terms. Employees become fully vested in all contributions immediately. The plan provisions and contribution requirements are established and may be amended by the Board of Directors. For the year ended December 31, 2018, the Authority contributed $22,751 to the plan.

Note 7: Contingency

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Authority's management believes it is exempt from the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

Note 8: Concentration of Risk

The Authority operates solely in Jefferson and Broomfield Counties, Colorado, and its only significant source of revenue is a surcharge on telephone service in that geographic region. A reduction in this revenue, if it were to occur, may have a significant effect on the Authority's activities.

Note 9: Restatement of Prior Period Net Position

In certain prior periods, the Authority received payments under what was invoiced from a vendor. During the year ended December 31, 2018, the Authority discovered these errors, and received the revenue during the current year. As a result, net position of the governmental activities at December 31, 2017, was restated to reflect the cumulative effect of recognizing the revenue in the proper period

	Governmental Activities
Net Position, December 31, 2017, as *Originally Stated*	$ 5,363,191
Prior Period Revenue Recognized	315,222
Net Position, December 31, 2017, *as Restated*	$ 5,678,413

Supplementary Information

Jefferson County Emergency Communications Authority

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance *Positive (Negative)*
Revenues			
Emergency Telephone Charges	$ 10,966,865	$ 10,423,265	$ (543,600)
Miscellaneous	-	7,607	7,607
Investment Income	5,000	17	(4,983)
Total Revenues	10,971,865	10,430,889	(540,976)
Expenses			
Administrative	541,368	381,738	159,630
Agency Operating	2,480,529	2,076,653	403,876
Disaster and Recovery Plan	265,865	301,833	(35,968)
GIS System	165,580	166,180	(600)
Line Charges	460,553	526,598	(66,045)
Notification System	123,520	106,892	16,628
Phone System	180,000	259,387	(79,387)
Public Education	20,000	22,036	(2,036)
Special Projects	8,053,252	6,593,694	1,459,558
Total Expenses	12,290,667	10,435,011	1,855,656
Change in Net Position, *Budgetary Basis*	$ (1,318,802)	(4,122)	$ 1,314,680
Adjustments to GAAP Basis			
Capital Outlay		371,017	
Depreciation		(48,460)	
Change in net Position, *GAAP Basis*		318,435	
Net Position, *Beginning of year*		5,678,413	
Net Position, *End of year*		$ 5,996,848	