

# **WAYNE COUNTY WATER AND SEWER AUTHORITY**

## **2019 Annual Report**



Wayne County Water and Sewer Authority  
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(315) 986-1929

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# WAYNE COUNTY WATER AND SEWER AUTHORITY

## 2019 Annual Report

For the Period January 1, 2019 to December 31, 2019

### MISSION STATEMENT

As a Public Benefit Corporation created by the New York State Legislature, the Wayne County Water & Sewer Authority has as its purpose to reliably provide the highest quality water and the most efficient wastewater services for the benefit of the people of the Authority's service area. The Authority's goal is to consistently provide these services at a reasonable and competitive cost while promoting an atmosphere of outstanding customer service, planning for future improvements and protecting resources and the environment. *(Adopted 3/22/11)*

### AUTHORITY BACKGROUND

The Wayne County Water and Sewer Authority, Wayne County, New York (the Authority) is a public benefit corporation, created by special state legislation, Chapter 685 of the Laws of 1987 (NYS Public Authorities Laws 199-aa et seq.) and became operational in the spring of 1988 upon the appointment of the nine initial members of the Authority by the Wayne County Board of Supervisors. The legislation was later amended to provide for a "sewer" designation for the Authority. The Authority has the powers necessary to plan, finance, operate and manage water and sewer systems in Wayne County. The Authority provides a structure for planning and implementing improvement in the availability, reliability, and quality of public water supplies and sanitary sewer service in Wayne County.

The Authority has approximately 13,900 water service accounts supplying water within the Towns of Macedon, Walworth, Palmyra, Marion, Arcadia, Lyons, Butler, Huron, Sodus and Wolcott. The Authority also supplies the Village of Sodus Point and Cayuga County Water & Sewer Authority (wholesale only). The average yearly consumption of water from all sections of the Authority's service area encompasses nearly one billion gallons. The Authority is responsible for the operation and maintenance of over 600 miles of transmission and distribution mains, ten (10) water storage tanks (totaling approximately 10 million gallons), and seven (7) water pumping stations within its overall service area.

During the early years of operation, the Authority was primarily a "Water Authority" with wastewater collection, treatment and disposal representing only about 1.5% of operating revenues. Today, sewer revenue is approximately 15% of operating revenue. The Authority operates a 500,000 GPD Regional Wastewater Treatment Facility and a related collection system that includes approximately 9,000 linear feet of gravity sewer, 40,000 feet of force main and three (3) main pump stations. This regional treatment facility replaced a 30,000 GPD treatment facility in September 2006. This system currently collects and treats approximately 250,000 GPD of wastewater, with the majority of the flows coming from the Village of Wolcott, Cayuga County Sewer District #2, Village of Red Creek, Red Creek Central Schools and the newly formed Blind Sodus Bay sewer district in

the town of Wolcott. The New York State Department of Corrections contributed to the cost of building the regional facility, which replaced their aging and costly Correctional Facility treatment plant. The regional facility was designed to accept flows from the Village of Fairhaven, the Village of Red Creek, Village of Wolcott and other eastern Wayne County communities.

The Authority now also operates and maintains the Lyons and Macedon wastewater treatment plants and 17 pump stations along with the associated collection and conveyance systems, all in accordance with lease/operations agreements with the Towns of Lyons and Macedon.

The Authority operates and maintains the Village of Palmyra's water and wastewater facilities under the terms of an operational agreement with the village.

The Authority has approximately 2,358 sewer customers. The Authority also operates a series of small sewer collection systems in western and eastern Wayne County which include three pump stations and approximately six miles of gravity sewer mains and related appurtenances. Collected wastewater from these systems is conveyed to existing wastewater treatment facilities owned by other municipalities and the Authority is billed on a total flow basis per thousand gallons treated. The Authority also operates and maintains portions of Cayuga County Sewer District #2 under contract with Cayuga County Water and Sewer Authority.

## **ACTIVITIES AND ACCOMPLISHMENTS**

### **Water:**

The Authority installed 98 new water services throughout its service area in 2019.

The Authority replaced 1,100 linear feet of antiquated water main on Mill Street in the town of Marion in conjunction with road reconstruction by the Wayne County Highway Department.

The Town of Arcadia Water District No. 17 was completed; it consists of 17,000 linear feet of 8" water main, serving 39 homes on Arcadia-Zurich-Norris Road, Henkel Road and Heidenreich Road.

Construction of the Town of Arcadia Water District No. 16 was substantially completed and will provide water for 112 Equivalent Dwelling Units in the west-central area of the town. The project consists of the installation of 23,000 linear feet of 8" water main on NYS Route 31, Stebbins Road, Stuart Avenue, Whitbeck Road and Tellier Road. Installation of Pressure Regulating Vaults and some restoration will be completed in 2020.

The Town of Lyons obtained a grant from New York State to replace existing lead water services. Construction is currently underway and out of an initial 73 services identified for replacement, 58 were replaced in 2019.

Cavanaugh Associates were engaged to conduct a Phase 1a non-revenue water audit, in which they provided helpful guidance and a number of recommendations. Meter testing equipment was purchased with the priority on testing large customer meters and meter meters.

The design work began for the Wayne County Regional Water Storage Project which consists of a

new 2,000,000 gallon water storage tank in the Town of Arcadia, a new water booster pump station and 12" transmission main along NYS Rte. 88 in the Towns of Arcadia and Sodus, improvements to the existing water booster station in the Town of Williamson, transmission main improvements in the Town of Williamson, a secondary transmission connection in the Town of Huron and a new transmission line crossing of the Erie Canal.. The participants have signed a Storage System Improvements and Service Agreement, effective January 1, 2020. Start of construction is scheduled for 2020. Grant monies in a total of \$4,650,000 have been awarded for this project.

### **Sewer:**

The construction of the phase 4 sanitary sewers on Canada Street, in the Village of Red Creek, was completed. The project consists of 2,100 linear feet of low-pressure sewer with individual grinder pumps for 16 homes.

Construction on the Port Bay sewer project with the potential of 640 connections in the Towns of Huron and Wolcott continued with anticipated completion in 2020.

The Town of Walworth has expressed its intent to join the Western Regional Wastewater Treatment Plant Project and along with the Village of Palmyra and the Towns of Marion, Macedon, and Palmyra will be signing an Inter-Municipal Agreement. Design changes to the plant and collection system to include Walworth are currently underway. Surveying of the collection system route was completed. The regional wastewater treatment facility will be located on NYS Rte. 31 in the Village of Palmyra. This new facility will be owned, operated and maintained by the Authority. Grant monies in a total of \$13,750,000 were received for the project.

Design is underway for new ultraviolet disinfection units for the Authority's Red Creek Regional Wastewater Treatment Plant at Chapman's Corners. Receipt of bids is anticipated in 2020.

The digester and thickener buildings at the Red Creek Regional Wastewater Treatment plant were re-coated with UV-resistant materials.

A study of the former Village of Lyons wastewater treatment plant is in progress which will identify necessary upgrades to the plant, including the construction of new disinfection improvements.

### **Miscellaneous:**

The Authority contracted with a software vendor to supply a one-year license for Mobile Work Management software.

In November, the Authority provided the opportunity for board members, advisors and employees to participate in a tour of the Authority's wastewater plants, primary pump stations and other facilities.

## **Future Factors:**

The following prospective improvements are planned for the years 2020 and 2021:

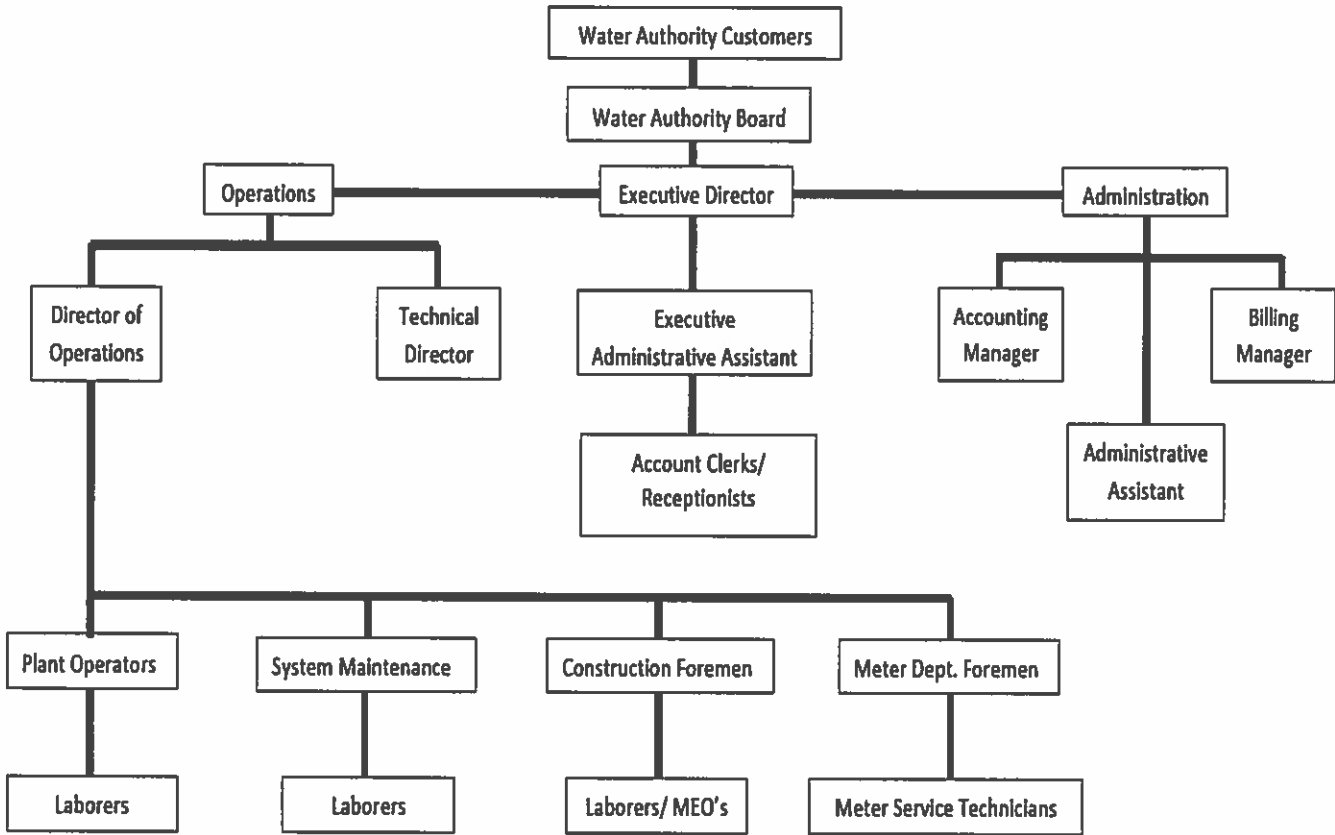
The Town of Wolcott has formed the Brown-Wadsworth Water District, which will provide water for 46 Equivalent Dwelling Units in the north central area of the town. The Authority will install the project, which consists of the installation of 22,000 linear feet of 8" water main on Wadsworth Road, Wheeler Road, Brown Road, Cemetery Road and Rasbeck Road.

The Town of Huron has formed Water District No. 8 on portions of North Huron Road and Lummisville Road. This district consists of 15,300 linear feet of 8" and 12" water main, serving 43 Equivalent Dwelling Units. The start of construction is not yet scheduled.

The Town of Sodus has started initial discussions for a possible water districts along NYS Rte. 14 which could connect water mains at Ridge Road to the south and at Village of Sodus Point to the north. A second, smaller district providing water to a small community on Emerald Point, just east of the Village of Sodus Point on Sodus Bay is being pursued.

The Town of Arcadia is looking to form an additional water district in 2020. Roads under consideration are South Minstead, Decker, Fisher, Jungle, Lee, Cauwels and Steel Point. Construction on this district could begin as early as 2021.

Wayne County Water & Sewer Authority  
Organizational Chart



3/3/2020

## **AUTHORITY BOARD**

The Authority is governed by a board consisting of nine members who are appointed by the Chairman of the Wayne County Board of Supervisors and confirmed by the Wayne County Board of Supervisors. The members are appointed to three-year terms.

The powers of the Authority shall be vested in and exercised by the Board at a meeting duly called and held where a quorum of five members are present. No action is permitted to be taken by the Authority except pursuant to the favorable vote of no less than five members of the Authority.

The board of the WCWSA is comprised of nine (9) members: **LaVerne Bliet** (Board Chairman), Town of Marion board member, retired farmer; **Robert Hutteman** (Vice-Chairman), Arcadia resident; Professional Engineer; **Jean Johnson**, (Treasurer), Retired Town of Walworth Comptroller; **David Scudder**, (Board Secretary); Retired from Eastman Kodak Co.; **Dan LaGasse**, former President, LaGasse Works; former Lyons School Board and Town Board Member; **Dr. Mark Humbert**, Executive Director, Wayne County Regional Land Bank Corp.; Local Farmer; Member, Wayne County Water Quality Coordinating Committee; Member, Wayne County Soil and Water Conservation District; Member, Town of Rose Planning Board; **William Hammond**, Retired Town of Macedon Supervisor; Active Local Farmer; **Donald Ross**, Town of Sodus board member; **Lori Furguson**, Town of Wolcott board member; Self-employed Tax Professional.

### **Public Authorities Accountability Act Committees**

#### **Governance Committee:**

David Scudder – Chairman  
Mark Humbert  
Robert Hutteman  
Dan LaGasse  
LaVerne Bliet

#### **Audit Committee:**

Jean Johnson – Chairman  
Don Ross  
Lori Furguson  
William Hammond  
LaVerne Bliet

#### **Finance Committee:**

LaVerne Bliet–Chairman  
Jean Johnson  
Robert Hutteman  
David Scudder

The appointed Ethics Officer is LaVerne Bliet



## **FINANCIAL REPORTING**

The revenues and expenses, and assets and liabilities, as of December 31, 2019 are set forth in the audited financial statements prepared for the Authority by Raymond F. Wager, CPA, P.C.

The most recent underlying rating assigned to the Authority by Moody's Investors Service, Inc. is a Aa3 rating which was assigned in connection with the issuance by the Authority of \$1,570,000 Water & Sewer Revenue (Refunding) Bonds, Series 2017, dated August 21, 2017.

## **ASSESSMENT OF EFFECTIVENESS OF INTERNAL CONTROLS/PROCEDURES**

The recommendations from the Authority's auditing firm, Raymond F. Wager, CPA, P.C. in regards to the Authority's internal controls based on their audit of the fiscal year ended 12/31/19 are attached and incorporated within the year end audited financials prepared by their firm.

## **MANAGEMENT'S ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROL STRUCTURE AND PROCEDURES**

The Wayne County Water and Sewer Authority has developed policies and procedures to provide reasonable assurance that assets are safeguarded from unauthorized acquisitions, use of, or disposition of assets that could have a material effect on the Authority's operations, financial statements and reports and that the records of the Authority reflect only authorized transactions.

The Authority's system of internal controls is evaluated regularly by the Authority management and administrative staff. Independent external auditors also review the internal control system of the Authority in order to determine compliance with generally accepted accounting principles and safeguards for the purpose of expressing an opinion on the financial statements.

The Authority has established an Audit Committee in accordance with the Public Authorities Accountability Act. This committee meets with management and periodically with the independent external auditors to ensure these groups are fulfilling their obligations and to discuss auditing, controls and financial reporting matters.

This statement verifies that management has documented and assessed the internal control structure and procedures of the Wayne County Water & Sewer Authority for the year ending December 31, 2019. This assessment found the Authority's internal controls to be adequate, and to the extent that deficiencies were identified, the Authority has developed corrective action plans to reduce any corresponding risk.

**Schedule of Outstanding WCWSA Debt**  
**2011 Revenue Bond, 2017 Revenue Bond and 2006 EFC Revenue Bond**

<b>Year</b>	<b>2011 Principal</b>	<b>2006 Principal</b>	<b>2017 Principal</b>	<b>Total Debt</b>
2020	\$ 95,000	\$ 20,000	\$ 145,000	\$ 260,000
2021-26	\$105,000	\$100,000	\$ 975,000	\$1,180,000
<b>Total</b>	<b><u>\$200,000</u></b>	<b><u>\$120,000</u></b>	<b><u>\$ 1,120,000</u></b>	<b><u>\$1,440,000</u></b>

## **Real Property Transactions**

The Wayne County Water and Sewer Authority did not have any real property transactions for 2019.

## **Personal Property Transactions**

In accordance with the Wayne County Water and Sewer Authority Disposal Guidelines, adopted November 2006, following is a yearly property report for WCWSA property sold in the year ended December 31, 2019 with a value in excess of \$5,000:

2011 Ford F-150 Pick-up Truck	\$5500.00	(sold at auction, 5/21/2019)
2014 Ford F-150 Pick-up Truck	\$8500.00	(sold at auction, 5/21/2019)

MENGEL METZGER BARR & CO. LLP  
RAYMOND F. WAGER, CPA, P.C. DIVISION

March 23, 2020

To the Board Members  
Wayne County Water and Sewer Authority, New York

We have audited the financial statements of the Wayne County Water and Sewer Authority, New York for the year ended December 31, 2019, and have issued our report thereon dated March 23, 2020. Professional standards require that we provide you with the following information related to our audit.

A. **Our Responsibility Under U.S. Generally Accepted Auditing Standards and Government Auditing Standards**

As stated in our engagement letter dated October 23, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Wayne County Water and Sewer Authority, New York. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Wayne County Water and Sewer Authority, New York's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

B. **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to your audit committee in our meeting about planning matters on October 23, 2019.

**C. Significant Audit Findings**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Wayne County Water and Sewer Authority, New York are described in Note 1 to the financial statements. The new accounting pronouncements which were implemented were GASB 83, *Certain Asset Retirement Obligations*, GASB 84, *Fiduciary Activities*, GASB 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, and GASB 90, *Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61*. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no individually sensitive disclosures affecting the financial statements.

**D. Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

**E. Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

**F. Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**G. Management Representations**

We have requested certain representations from management that are included in the management representation letter dated March 23, 2020.

**H. Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**I. Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**J. Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence. Safeguards in place to eliminate or reduce threats to independence to an acceptable level include a skilled, knowledgeable and experienced Finance Director who reviews draft financial statements prior to issuance and accepts responsibility for them.

**K. Other Matters**

We applied certain limited procedures to the management’s discussion and analysis, schedule of the authority’s proportionate share of the net pension liability, and schedule of authority contributions which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information accompanying the financial statements (as listed in the table of contents) but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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This information is intended solely for the use of the Board and management of the Wayne County Water and Sewer Authority, New York and is not intended to be and should not be used by anyone other than these specified parties.

*Mengel, Metzger, Barw & Co. LLP*

Rochester, New York  
March 23, 2020

**WAYNE COUNTY WATER AND SEWER AUTHORITY  
WAYNE COUNTY, NEW YORK**

**STATEMENT OF NET POSITION**

**December 31, 2019 and 2018**

<b><u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b><u>Current Assets -</u></b>		
Cash and cash equivalents	\$ 2,287,592	\$ 3,302,390
Investments	1,518,020	1,001,118
Accounts receivable (net of allowance)	2,364,767	1,319,724
Materials and supplies inventory	572,829	646,141
Prepaid items	74,951	130,246
<b>Total Current Assets</b>	<b><u>\$ 6,818,159</u></b>	<b><u>\$ 6,399,619</u></b>
<b><u>Capital Assets -</u></b>		
Land and work in progress	\$ 257,071	\$ 257,071
Facilities and equipment, net of depreciation	13,065,896	12,605,323
<b>Total Capital Assets, Net</b>	<b><u>\$ 13,322,967</u></b>	<b><u>\$ 12,862,394</u></b>
<b><u>Deferred Outflow of Resources -</u></b>		
Deferred outflows of resources	\$ 558,761	\$ 872,463
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b><u><u>\$ 20,699,887</u></u></b>	<b><u><u>\$ 20,134,476</u></u></b>
 <b><u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION:</u></b>		
<b><u>Current Liabilities -</u></b>		
Accounts payable	\$ 644,945	\$ 491,218
Accrued liabilities	2,648	81,181
Current portion of debt	263,074	263,074
<b>Total Current Liabilities</b>	<b><u>\$ 910,667</u></b>	<b><u>\$ 835,473</u></b>
<b><u>Noncurrent Liabilities -</u></b>		
Revenue bonds payable (net of unamortized premiums/discounts)	1,281,408	1,524,482
EFC loan liability	100,000	120,000
Net Pension liability	549,417	231,965
OPEB liability	927,914	936,060
<b>Total Noncurrent Liabilities</b>	<b><u>\$ 2,858,739</u></b>	<b><u>\$ 2,812,507</u></b>
<b><u>Deferred Inflow of Resources -</u></b>		
Deferred inflows of resources	\$ 220,049	\$ 774,213
<b><u>Net Position -</u></b>		
Net investment in capital assets		
Water fund	\$ 4,581,090	\$ 4,367,180
Sewer fund	7,097,396	6,587,658
Restricted - capital reserve	2,112,678	2,092,788
Unrestricted net position		
Water fund	2,304,027	2,233,789
Sewer fund	615,241	430,868
<b>Total Net Position</b>	<b><u>\$ 16,710,432</u></b>	<b><u>\$ 15,712,283</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION</b>	<b><u><u>\$ 20,699,887</u></u></b>	<b><u><u>\$ 20,134,476</u></u></b>

(The accompanying notes are an integral part of these financial statements)

**WAYNE COUNTY WATER AND SEWER AUTHORITY  
WAYNE COUNTY, NEW YORK**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION**

**For Years Ended December 31, 2019 and 2018**

<b><u>OPERATING REVENUES:</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Water sales	\$ 5,274,959	\$ 5,135,653
Sewer sales	1,493,646	1,437,745
Penalty on water and sewer sales	94,146	98,468
Service and connection fees	516,411	443,823
Construction revenue	1,922,052	1,260,627
Other operating income	216,776	72,243
<b>TOTAL OPERATING REVENUES</b>	<b><u>\$ 9,517,990</u></b>	<b><u>\$ 8,448,559</u></b>
<b><u>OPERATING EXPENSES:</u></b>		
Water supply	\$ 2,539,719	\$ 2,578,865
Sewer disposal	6,733	6,608
Personnel services and benefits	3,101,754	3,021,685
Insurance	118,122	115,272
Professional services	82,238	65,753
Building/vehicle repair and maintenance	229,843	167,149
Electricity	206,833	237,891
Water and sewer tests and chemicals	39,414	46,718
Water line and sewer parts and supplies	1,763,966	1,158,774
Administration and office expense	229,868	224,074
Depreciation	987,123	829,928
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$ 9,305,613</u></b>	<b><u>\$ 8,452,717</u></b>
<b>OPERATING (LOSS) INCOME</b>	<b><u>\$ 212,377</u></b>	<b><u>\$ (4,158)</u></b>
<b><u>NONOPERATING REVENUES (EXPENSES):</u></b>		
Interest earnings	\$ 19,891	\$ 1,317
Interest expense	(40,203)	(54,764)
Rental income	21,836	21,147
Bond discount	(5,365)	(3,865)
Gain on sale of equipment (net)	14,274	39,142
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b><u>\$ 10,433</u></b>	<b><u>\$ 2,977</u></b>
<b>(DECREASE) INCREASE IN NET POSITION</b>	<b><u>\$ 222,810</u></b>	<b><u>\$ (1,181)</u></b>
<b><u>OTHER ITEM:</u></b>		
Contributed capital - state grant	\$ 175,339	\$ -
Contributed capital - local	600,000	-
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b><u>\$ 775,339</u></b>	<b><u>\$ -</u></b>
<b>(DECREASE) INCREASE IN NET POSITION</b>	<b><u>\$ 998,149</u></b>	<b><u>\$ (1,181)</u></b>
<b>NET POSITION - BEGINNING OF YEAR</b>	<b><u>15,712,283</u></b>	<b><u>15,713,464</u></b>
<b>NET POSITION - END OF YEAR</b>	<b><u>\$ 16,710,432</u></b>	<b><u>\$ 15,712,283</u></b>

(The accompanying notes are an integral part of these financial statements)