

**Downtown Development Authority of the
Charter Township of Van Buren
Wayne County, Michigan**

**Financial Report
with Supplemental Information
December 31, 2012**

Downtown Development Authority of the Charter Township of Van Buren

Contents

Report Letter	I
Management's Discussion and Analysis	2-5
Basic Financial Statements	
Statement of Net Position/Governmental Funds Balance Sheet	6
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities	7
Notes to Financial Statements	8-13
Required Supplemental Information	14
Budgetary Comparison Schedule - Governmental Fund	15

Independent Auditor's Report

To the Board of Directors
Downtown Development Authority of the
Charter Township of Van Buren
Wayne County, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the General Fund, and the aggregate remaining fund information of the Charter Township of Van Buren (the "Township") as of and for the year ended December 31, 2012, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated May 8, 2013, which contained unmodified opinions on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the General Fund, and the aggregate remaining fund information. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to May 8, 2013.

In-Relation-To Opinion on Supplemental Information

The financial statements of the Downtown Development Authority (the "DDA") are presented for the purpose of additional analysis and are 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 such 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule on pages 2-5 and 15, respectively, 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, which 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 supplemental 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.

Plante & Moran, PLLC

May 8, 2013

Downtown Development Authority of the Charter Township of Van Buren

Management's Discussion and Analysis

The following discussion and analysis of the financial performance of Van Buren Downtown Development Authority (the "DDA") provides an overview of the DDA's financial activities for the fiscal year ended December 31, 2012. Please read it in conjunction with the Township's financial statements.

Financial Highlights

A project to construct a "Michigan" left turn for the intersection of Belleville and Ecorse Roads was approved in 2010. The engineering for the project was sent to Wayne County, which forwarded it the Michigan Department of Transportation at the end of April 2012. The bid award for this project occurred in August 2012 and is under construction. It is anticipated that this project will require two (2) construction seasons to complete.

- Van Buren Township issued Limited Tax General Obligation Development Bonds in the amount of \$4.9 million. The Authority pledged its tax increment revenue as security for the payment of these bonds.
- Wayne County will be assisting the DDA with this project with approximately \$1.9 million of federal funding; in addition, Wayne County will assign a project engineer and \$80,000 toward a passing lane. Wade-Trim has been approved as the engineer of the project and because of the federal funding involved, Wayne County will oversee the project.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the DDA as a whole and present a longer-term view of the DDA's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year as well as how much is available for future spending. Fund financial statements also report the DDA's operations in more detail than the government-wide financial statements.

Downtown Development Authority of the Charter Township of Van Buren

Management's Discussion and Analysis (Continued)

The following table shows, in a condensed format, the current year's net position compared to the prior year:

Summary Condensed Statement of Net Position

	2011	2012	Changes from Prior Year	
			in Dollars	Percent
Assets				
Current assets	\$ 9,383,327	\$ 6,452,027	\$ (2,931,300)	(31) %
Capital assets	550,858	477,737	(73,121)	(13)
Long-term assets	<u>969,957</u>	<u>3,502,903</u>	<u>2,532,946</u>	261
Total assets	10,904,142	10,432,667	(471,475)	(4)
Liabilities				
Current liabilities	1,626,765	1,675,499	48,734	3
Long-term liabilities	<u>4,540,549</u>	<u>5,327,911</u>	<u>787,362</u>	17
Total liabilities	<u>6,167,314</u>	<u>7,003,410</u>	<u>836,096</u>	14
Net Position				
Invested in capital assets	550,858	477,737	(73,121)	(13)
Restricted for debt service	531,034	468,908	(62,126)	(12)
Restricted for unspent bond proceeds	-	2,346,489	2,346,489	n/a
Unrestricted	<u>3,654,936</u>	<u>136,123</u>	<u>(3,518,813)</u>	(96)
Total net position	<u>\$ 4,736,828</u>	<u>\$ 3,429,257</u>	<u>\$ (1,307,571)</u>	(28)

The above decrease in unrestricted net position is consistent with the DDA's long-term financial plan. Cash reserves were used in part for the defeasance of the 2005A Bonds. The projects in the near future are (1) adding additional sidewalks in the DDA District to eventually become a pedestrian-friendly area, (2) acquisition of right-of-way on Belleville Road for completion of road widening and sidewalk installation between Tyler and Ecorse Roads, and (3) continuation of the Belleville Road streetscape project, consisting of those features listed in the approved Streetscape design. The DDA reviewed projects in light of their cash balance in April 2012 to prioritize their projects over the next five years in order to continue working toward the completion of the "Plan."

There was a slight increase in current liabilities and long-term liabilities because of a defeasance of the 2005A bond and the issuance of the 2012 Bond Sale for the intersection project. The long-term liabilities will be reduced in subsequent years as bond payments are made.

Downtown Development Authority of the Charter Township of Van Buren

Management's Discussion and Analysis (Continued)

The following table shows the changes in net position during the current year in comparison with the prior year:

Summary Condensed Statement of Activities

	2011	2012	Changes from Prior Year	
			Amount	Percent
Revenue				
Property taxes	\$ 1,888,938	\$ 1,849,605	\$ (39,333)	(2) %
Unrestricted investment income	104,501	64,877	(39,624)	(38)
Total revenue	1,993,439	1,914,482	(78,957)	(4)
Expenditures				
Administrative	281,150	408,240	127,090	45
Capital outlay and other	455,349	2,104,792	1,649,443	362
Depreciation and amortization	80,484	80,483	(1)	-
Interest on long-term debt	283,241	628,538	345,297	122
Total expenditures	1,100,224	3,222,053	2,121,829	193
Net Change in Net Position	\$ 893,215	\$ (1,307,571)	\$ (2,200,786)	(246)

The decrease in captured taxes was expected because the DDA is experiencing some of the same economic difficulties as the remainder of the state; however, there is still buildable land and business vacancies are not as extensive as many other communities. There are a few new developments anticipated to become part of the DDA District; however, it would be inappropriate to disclose what they are as they have not completed the planning process.

There was no major increase in expenditures except those related to the commencement of the Belleville/Ecorse intersection.

The increase in expenditures for debt service is due to the fact that one of the bond issues was defeased during 2012.

The DDA's Fund

The DDA maintains one fund, the General Fund. The fund provides detailed information about the DDA as a whole. The use of this fund helps to manage money for specific purposes as well as to show accountability for certain activities.

Downtown Development Authority of the Charter Township of Van Buren

Management's Discussion and Analysis (Continued)

General Fund Budgetary Highlights

The General Fund accounts for all programming, maintenance, construction, and administrative functions of the DDA within the DDA boundaries. The budget is monitored closely and amended as needed. The Downtown Development Authority determines how DDA resources are allocated in accordance with the plan.

Capital Asset and Debt Administration

The DDA contributes financial support to the Charter Township of Van Buren for administration and some maintenance within the DDA's boundaries. These costs are recorded in the financial statements.

Economic Factors and Next Year's Budgets and Rates

The DDA is preparing for a continued slowdown in the economy which affects future property values. The DDA will continue to balance a reduction in resources with operational commitments and needed infrastructure improvements as funding dictates.

Contacting the DDA's Management

This financial report is intended to provide the citizens, taxpayers, customers, and investors with a general overview of the DDA's finances and to show the DDA's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact Van Buren Downtown Development Authority, 46425 Tyler Road, Van Buren Township, Michigan 48111, or via the Van Buren Township website at www.vanburen-mi.org.

Downtown Development Authority of the Charter Township of Van Buren

Statement of Net Position/Governmental Funds Balance Sheet December 31, 2012

	Governmental Fund	Adjustments (Note 2)	Statement of Net Assets
Assets			
Cash and cash equivalents (Note 4)	\$ 6,439,657	\$ -	\$ 6,439,657
Accounts receivable	11,604	-	11,604
Prepaid expenses	766	-	766
Restricted assets (Note 8)	3,242,737	-	3,242,737
Capital assets being depreciated - Net (Note 5)	-	477,737	477,737
Unamortized net bond issuance costs	260,166	-	260,166
Total assets	<u>\$ 9,954,930</u>	<u>\$ 477,737</u>	10,432,667
Liabilities			
Accounts payable	\$ 17,917	\$ -	17,917
Accrued liabilities and other	31,480	28,908	60,388
Deferred revenue	789,556	-	789,556
Noncurrent liabilities (Note 7):			
Due within one year	-	807,638	807,638
Due in more than one year	-	5,327,911	5,327,911
Total liabilities	838,953	6,164,457	7,003,410
Equity			
Fund balance:			
Nonspendable	766	(766)	-
Restricted for debt service:			
Debt service	896,248	(896,248)	-
Capital projects (unspent bond proceeds)	2,346,489	(2,346,489)	-
Unassigned	5,872,474	(5,872,474)	-
Total fund balance	<u>9,115,977</u>	<u>(9,115,977)</u>	-
Total liabilities and fund balance	<u>\$ 9,954,930</u>		
Net Position			
Net investment in capital assets		477,737	477,737
Restricted:			
Debt service		468,908	468,908
Capital projects		2,346,489	2,346,489
Unrestricted		(8,979,854)	136,123
Total net position		<u>\$ (5,686,720)</u>	<u>\$ 3,429,257</u>

Downtown Development Authority of the Charter Township of Van Buren

Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities Year Ended December 31, 2012

	Governmental Fund	Adjustments (Note 2)	Statement of Activities
Revenues			
Property taxes	\$ 1,849,605	\$ -	\$ 1,849,605
Interest income	64,877	-	64,877
Total revenues	1,914,482	-	1,914,482
Expenditures/Expenses			
Administrative	408,240	-	408,240
Infrastructure improvements and other	2,104,792	-	2,104,792
Depreciation and amortization	-	80,483	80,483
Debt principal	4,045,000	(4,045,000)	-
Debt interest	663,971	(35,433)	628,538
Total expenditures/expenses	7,222,003	(3,999,950)	3,222,053
Excess of Expenditures Over Revenues	(5,307,521)	3,999,950	(1,307,571)
Other Financing Sources -			
Proceeds from bond issuance	4,900,000	(4,900,000)	-
Net Change in Fund Balances/Net Position	(407,521)	(900,050)	(1,307,571)
Fund Balance/Net Position - Beginning of year	9,523,498	(4,786,670)	4,736,828
Fund Balance/Net Position - End of year	\$ 9,115,977	\$ (5,686,720)	\$ 3,429,257

Downtown Development Authority of the Charter Township of Van Buren

Notes to Financial Statements December 31, 2012

Note 1 - Summary of Significant Accounting Policies

The Downtown Development Authority (the "DDA" or the "Authority") of the Charter Township of Van Buren (the "Township") is organized pursuant to State of Michigan Public Act No. 197 of 1975. The primary purpose of the Authority is to encourage economic activity in the Township. This purpose is accomplished by the Authority collecting captured property taxes under a tax increment financing plan in accordance with state law and budgeting expenditures for improvements in the Authority's district boundaries.

The Downtown Development Authority is a component unit of the Township and is included in the basic financial statements of the Township at December 31, 2012.

Basis of Accounting

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. There are no component units required to be included in these financial statements.

The following is a summary of the significant accounting policies:

The government-wide full accrual financial statements (the statement of net position and the statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year following the year for which they are levied. For the purpose of the government-wide financial statements, the Authority reports a liability for the outstanding 2005 and 2012 Downtown Development Authority Revenue Bonds, which will be repaid through captured property taxes in future periods. A significant portion of the Authority's activities in previous years related to investments in infrastructure that are the property of and are reported as assets in the basic financial statements of the Charter Township of Van Buren, Michigan, rather than in the Authority's financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes susceptible to accrual - that is, when it becomes both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period, generally collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures are recorded only when payment is due.

Downtown Development Authority of the Charter Township of Van Buren

Notes to Financial Statements December 31, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

When an expense is incurred for purposes for which both restricted and unrestricted net position or fund balance are available, the DDA's policy is to first apply restricted resources. When an expense is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the DDA's policy to spend funds in this order: committed, assigned, and then unassigned.

Fund Equity - In the fund financial statements, governmental funds report the following components of fund balance:

- **Nonspendable:** Amounts that are not in spendable form or are legally or contractually required to be maintained intact
- **Restricted:** Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose
- **Committed:** Amounts that have been formally set aside by the Township for use for specific purposes. Commitments are made and can be rescinded only via resolution of the DDA board.
- **Assigned:** Intent to spend resources on specific purposes expressed by the DDA board
- **Unassigned:** Amounts remaining after all funds have been allocated to the appropriate fund balance components noted above

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

The governmental fund balance sheet and statement of governmental fund revenue, expenditures, and changes in fund balance of the Authority's governmental fund differ from the statement of net position and statement of activities. This difference results primarily from the long-term economic focus of the statement of net position and statement of activities versus the current focus of the governmental fund balance sheet and statement of governmental fund revenue, expenditures, and changes in fund balance.

The statement of net position includes the capital assets and the long-term debt along with the accrued interest expense and deferred costs of financing. The statement of activities includes the reclassification of the capital outlay to capital asset additions, depreciation expense, and the reclassification of the debt principal payments from the expense to offsetting the liability.

Downtown Development Authority of the Charter Township of Van Buren

Notes to Financial Statements December 31, 2012

Note 3 - Budget Information

The annual budget is prepared by the DDA executive director and approved by the DDA board of directors. This is then forwarded to the VBT board of trustees for approval; subsequent amendments are authorized by the DDA board of directors and approved by the Township board. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. The amount of encumbrances outstanding at December 31, 2012 has not been calculated. During the current year, the budget was amended in a legally permissible manner. The budget has been adopted on a line-item basis and has been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the budget as adopted by the Authority's board is included in the required supplemental information.

Note 4 - Cash and Cash Equivalents

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan. The Authority has elected to comply with the Township's investment policy. The investment policy adopted by the Township board in accordance with Public Act 196 of 1997 has authorized investment in all of the state statutory authorities listed above.

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. At year end, the Authority had \$2,601,657 of bank deposits (certificates of deposit, checking and savings accounts) that were uninsured and uncollateralized. The Authority believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Downtown Development Authority of the Charter Township of Van Buren

Notes to Financial Statements December 31, 2012

Note 4 - Cash and Cash Equivalents (Continued)

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Authority does not have an investment policy that addresses interest rate risk.

At year end, the average maturities of investments are as follows:

Investment	Fair Value	Weighted Average Maturity (Years)
Negotiable CDs	\$ 1,438,000	33.15 months
U.S. government agencies	1,900,000	48.87 months

Credit Risk - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Authority has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating	Rating Organization
Bank investment pools	\$ 3,242,738	AI/PI/FI	S&P
Negotiable CDs	1,438,000	Not Rated	N/A
U.S. government agencies	1,900,000	AA+	S&P

Note 5 - Capital Assets

Capital asset activity of the Authority was as follows:

Component Units	Balance January 1, 2012	Additions	Balance December 31, 2012
Capital assets being depreciated - Land improvements	\$ 1,290,835	\$ -	\$ 1,290,835
Accumulated depreciation - Buildings and improvements	739,977	73,121	813,098
Net capital assets	\$ 550,858	\$ (73,121)	\$ 477,737

Downtown Development Authority of the Charter Township of Van Buren

Notes to Financial Statements December 31, 2012

Note 6 - Deferred Revenue

Governmental funds defer revenue recognition in connection with resources that have been received but not yet earned. As of December 31, 2012, the Authority has recorded a receivable for \$789,556 of property taxes levied for tax year 2012, which will be recognized during the year ending December 31, 2013.

Note 7 - Long-term Debt

The Authority issues bonds to provide for the acquisition and construction of major capital facilities.

Long-term debt activity can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Downtown Development Authority:							
2005 Revenue Bond:							
Amount of issue - \$4,405,000		\$175,000 -					
Maturing through 2012	5.00%	\$330,000	\$ 3,480,000	\$ -	\$(3,480,000)	\$ -	\$ -
2005 Refunding Bond:							
Amount of issue - \$4,440,000		\$605,000 -					
Maturing through 2015	5.00%	\$660,000	1,830,000	-	(565,000)	1,265,000	605,000
Deferred amount on refunding			(36,813)	-	7,362	(29,451)	(7,362)
2012 Revenue Bond:							
Amount of issue - \$4,900,000	2.00% -	\$190,000 -					
Maturing through 2032	3.75%	\$330,000	-	4,900,000	-	4,900,000	210,000
Total bonds payable			\$ 5,273,187	\$ 4,900,000	\$(4,037,638)	\$ 6,135,549	\$ 807,638

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending December 31	Component Unit Activities		
	Principal	Interest	Total
2013	\$ 815,000	\$ 192,299	\$ 1,007,299
2014	850,000	182,125	1,032,125
2015	195,000	145,325	340,325
2016	200,000	141,425	341,425
2017	200,000	137,425	337,425
2018-2022	1,095,000	603,225	1,698,225
2023-2027	1,280,000	419,513	1,699,513
2028-2032	1,530,000	176,250	1,706,250
Total	\$ 6,165,000	\$ 1,997,587	\$ 8,162,587

Downtown Development Authority of the Charter Township of Van Buren

Notes to Financial Statements December 31, 2012

Note 7 - Long-term Debt (Continued)

Defeased Debt - In prior years, the Downtown Development Authority defeased certain bonds by placing the proceeds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the financial statements. At December 31, 2012, \$2,325,000 of bonds outstanding is considered to be defeased.

In the current year, the Downtown Development Authority defeased \$3,305,000 of outstanding revenue bonds with an average interest rate of 4.30 to 5.00 percent with existing cash reserves.

Future Revenue Pledged for Debt Payment - The Downtown Development Authority has pledged a portion of future property tax revenue to repay \$1,265,000 and \$4,900,000 in Downtown Development Authority bonds issued in 2005 and 2012, respectively, to finance various capital improvements. The bonds are payable solely from the incremental property taxes captured by the Authority and are projected to produce 100 percent of debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds total \$8,162,587, payable through 2032. For the current year, principal and interest paid and total property tax captures were \$4,708,971 and \$1,849,605, respectively.

Note 8 - Restricted Assets

Restricted assets as of December 31, 2012 consist of cash and cash equivalents totaling \$3,242,737. These assets are restricted for the debt service reserve for the 2005 and 2012 revenue bond debt and unspent bond proceeds for the 2012 revenue bonds. Fund balance/net position has also been restricted for \$3,242,737.

Note 9 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority is covered by insurance purchased by the Township for all claims.

Note 10 - Construction Commitments

The DDA has active construction projects at year end. At year end, the DDA's commitments with contractors are as follow:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Ecorse Road project	<u>\$ 1,912,247</u>	<u>\$ 2,987,753</u>

Required Supplemental Information

Downtown Development Authority of the Charter Township of Van Buren

Required Supplemental Information Budgetary Comparison Schedule - Governmental Fund Year Ended December 31, 2012

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenues				
Property taxes	\$ 1,790,000	\$ 1,840,000	\$ 1,849,605	\$ 9,605
Interest income	75,000	75,000	64,877	(10,123)
Total revenues	1,865,000	1,915,000	1,914,482	(518)
Expenditures				
Administrative	425,318	417,224	408,240	8,984
Capital outlay and other	5,286,700	2,908,541	2,104,792	803,749
Debt service:				
Debt principal	740,000	4,045,000	4,045,000	-
Debt interest	257,367	663,971	663,971	-
Total expenditures	6,709,385	8,034,736	7,222,003	812,733
Excess of Expenditures Over Revenues	(4,844,385)	(6,119,736)	(5,307,521)	812,215
Other Financing Sources -				
Proceeds from bond issuance	4,500,000	4,900,000	4,900,000	-
Net Change in Fund Balance	(344,385)	(1,219,736)	(407,521)	812,215
Fund Balance - Beginning of year	9,523,498	9,523,498	9,523,498	-
Fund Balance - End of year	<u>\$ 9,179,113</u>	<u>\$ 8,303,762</u>	<u>\$ 9,115,977</u>	<u>\$ 812,215</u>