

LAFCO

Santa Barbara Local Agency Formation Commission
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February 4, 2016 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street
Santa Barbara CA 93101

Review of Financial Statements for the Fiscal Year Ending June 30, 2015

Dear Members of the Commission

RECOMMENDATION

It is recommended that the Commission receive and file the Financial Statements for the Fiscal Year ending June 30, 2015 that are included in this report.

DISCUSSION

The firm of Bartlett, Pringle and Wolf, LLP has completed a review of the Commission's financial records and prepared the attached Independent Audit's Report for the Fiscal Year 2014-15.

The firm concludes that the financial statements "present fairly, all material respects, the financial position of the Commission as of June 30, 2015, and the results of its operations and its cash flows for the year in conformity with accounting principles generally accepted in the United States of America."

The attached report summarizes certain matters required by professional standards to be communicated to the Commission in your oversight responsibility for Santa Barbara LAFCO's financial reporting process. The full report has been transmitted under separate cover, is posted in the Commission's website (www.sblafco.org), and is available for review at the office of the Clerk to the Board, 105 East Anapamu Street, Rm 407, Santa Barbara, CA 93101.

Mr. John J. Britton, with Bartlett, Pringle and Wolf, LLP, will be present at the meeting to review the document and answer any questions.

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD
Executive Officer

Commissioners: Craig Geyer, Chair ♦ Roger Aceves ♦ Doreen Farr ♦ Jeff Moorhouse ♦ Bob Orach ♦ Janet Wolf
John Fox ♦ Steve Lavagnino ♦ Jim Richardson ♦ Shane Stark ♦ Roger Welt ♦ **Executive Officer:** Paul Hood

BUSINESS ITEM NO. 3

SANTA BARBARA LOCAL AGENCY
FORMATION COMMISSION
JUNE 30, 2015 AND 2014
FINANCIAL STATEMENTS



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

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INDEPENDENT AUDITOR'S REPORT

**To the Members of the Commission
Santa Barbara Local Agency Formation Commission:**

Report on the Financial Statements

We have audited the accompanying financial statements of the Santa Barbara Local Agency Formation Commission (the "Commission") as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Commission'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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditor's 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 Commission's 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 Commission's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of June 30, 2015 and 2014, and the changes in net position and cash flows for the years 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 on pages 3 through 6 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The Supplemental Schedules of Revenues, Expenses and Changes in Net Position - Actual vs. Budget on pages 14 and 15 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplemental Schedules of Revenues, Expenses and Changes in Net Position - Actual vs. Budget are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Supplemental Schedules of Revenues, Expenses and Changes in Net Position - Actual vs. Budget are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Bartlett, Pugh & Wolf, LLP

Santa Barbara, California

January 10, 2016

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Santa Barbara Local Agency Formation Commission's (the Commission) annual financial report presents our analysis of the Commission's financial performance during the year ended June 30, 2015, and other significant conditions and events. This section should be read in conjunction with the financial statements, which follow.

Financial Highlights

- The Commission's assets exceeded its liabilities at the end of fiscal year 2014-2015 by \$39,459.
- For the year ended June 30, 2015, the Commission's revenues exceeded its expenses by \$37,568.

Overview of Financial Statements

The financial statements provide information about the Commission, whose records are maintained by the County of Santa Barbara accounting system. The County provides treasury and investment services to the Commission.

- The Statement of Net Position provides an overview of the Commission's assets (or resources) and liabilities (or obligations).
- The Statement of Revenues, Expenses and Changes in Net Position provides information regarding the Commission's operating revenues, operating expenses, income from operations, non-operating revenue and change in net position from beginning of year to end of year.
- The Statement of Cash Flows provides information regarding the Commission's cash receipts and cash disbursements during the year. This statement differs from the statement of revenues, expenses and changes in net position because this statement accounts only for transactions that result in cash receipts or cash disbursements.
- The Supplemental Schedules of Revenues, Expenses and Changes in Net Position-Actual vs. Budget provide detailed information regarding budgeted revenues and expenses compared to actual revenues and expenses.
- The Notes to Financial Statements provide explanations of the Commission's significant accounting policies and procedures which support the financial statements.

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statement of Net Position
June 30, 2015, 2014 and 2013

	2015	2014	2013	FY 2015 to 2014 Change	FY 2014 to 2013 Change
<u>ASSETS</u>					
Current Assets:					
Cash	\$ 51,332	\$ 17,364	\$ 38,886	\$ 33,968	\$(21,522)
Accounts receivable	283	283	283	-	-
Interest receivable	140	108	80	32	28
Total current assets	51,755	17,755	39,249	34,000	(21,494)
Total assets	51,755	17,755	39,249	34,000	(21,494)
<u>LIABILITIES</u>					
Current Liabilities:					
Accounts payable	12,296	15,864	19,547	(3,568)	(3,683)
Total current liabilities	12,296	15,864	19,547	(3,568)	(3,683)
<u>NET POSITION</u>					
Net Position:					
Unrestricted	39,459	1,891	19,702	37,568	(17,811)
Total net position	\$ 39,459	\$ 1,891	\$ 19,702	\$ 37,568	\$(17,811)

The increase in cash and unrestricted net position is primarily due to income from operations in the amount of \$36,746 for the year ended June 30, 2015.

**SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2015, 2014 and 2013**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>FY 2015 to 2014 Change</u>	<u>FY 2014 to 2013 Change</u>
Total operating revenues	\$ 405,586	\$ 343,407	\$ 288,371	\$ 62,179	\$ 55,036
Total operating expenses	<u>368,840</u>	<u>361,905</u>	<u>332,907</u>	<u>6,935</u>	<u>28,998</u>
Income (loss) from operations	36,746	(18,498)	(44,536)	55,244	26,038
Non-operating revenue	<u>822</u>	<u>687</u>	<u>188</u>	<u>135</u>	<u>499</u>
Changes in net assets	<u>\$ 37,568</u>	<u>\$ (17,811)</u>	<u>\$ (44,348)</u>	<u>\$ 55,379</u>	<u>\$ 26,537</u>

The 2015 change in net assets increased from 2014 primarily due to an increase in operating revenues.

Current Assets

The Commission's assets consist of cash, accounts receivable and interest receivable.

Other than office furnishings, i.e., file cabinets, conference table and chairs, the Commission has no capital assets. Office furnishings are fully depreciated and have a net book value of zero.

The Commission's file materials consist of records of current and past boundary changes and extensions of public services, local agency spheres of influence and municipal service reviews and budgetary, administrative and procedural files.

Long-Term Debt

The Commission has no long term debt.

Conditions Affecting Current Financial Position

Expenditures are predicated upon the Commission's staffing costs, cost allocation fees for use of County facilities and services and operating expenses related to payment of Commissioner per diems for participating in Commission meetings and copy and mailing expenses for Commission notices of hearing, agendas and staff reports.

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Request for Information

This financial report is designed to provide the County and local agencies that financially support the Commission, residents, property owners and taxpayers in Santa Barbara County with a general overview of the Commission's finances and the Commission's accountability for the money it receives.

If you have any questions about this report or need additional financial information you may reach Paul Hood, Executive Officer at (805) 568-3391.

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF NET POSITION
June 30, 2015 and 2014

	2015	2014
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 51,332	\$ 17,364
Accounts receivable	283	283
Interest receivable	140	108
Total current assets	51,755	17,755
Total assets	51,755	17,755
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	12,296	15,864
Total current liabilities	12,296	15,864
<u>NET POSITION</u>		
Net Position:		
Unrestricted	39,459	1,891
Total net position	\$ 39,459	\$ 1,891

See accompanying notes

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating Revenues:		
Other governmental agencies	\$ 375,620	\$ 318,375
Planning study services	29,570	25,032
Miscellaneous revenue	396	-
	<u>405,586</u>	<u>343,407</u>
Operating Expenses:		
Contractual services	222,780	199,155
Copier expense	640	119
Cost allocations	25,511	22,014
Legal fees	35,921	40,147
Liability insurance	-	2,188
Memberships	3,115	3,069
Office expense	940	843
Payroll taxes	1,890	1,622
Payroll fees	1,845	1,252
Postage	-	709
Professional and special services	35,940	45,326
Professional fees	5,600	5,400
Publications and notices	986	212
Salaries and wages	16,297	12,562
Training and travel	16,069	26,036
Telephone services	334	321
Utilities	972	930
	<u>368,840</u>	<u>361,905</u>
Income (loss) from operations	<u>36,746</u>	<u>(18,498)</u>
Non-Operating Revenue:		
Interest income	<u>822</u>	<u>687</u>
	<u>822</u>	<u>687</u>
Change in net position	37,568	(17,811)
Net position, beginning of year	<u>1,891</u>	<u>19,702</u>
Net position, end of year	<u>\$ 39,459</u>	<u>\$ 1,891</u>

See accompanying notes

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF CASH FLOWS
For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Receipts from customers	\$ 405,586	\$ 343,407
Payments to vendors and employees	(372,408)	(365,588)
Net cash provided (used) by operating activities	<u>33,178</u>	<u>(22,181)</u>
Cash flows from investing activities:		
Interest received	790	659
Net cash provided by investing activities	<u>790</u>	<u>659</u>
Net increase (decrease) in cash	33,968	(21,522)
Cash, beginning of year	<u>17,364</u>	<u>38,886</u>
Cash, end of year	<u>\$ 51,332</u>	<u>\$ 17,364</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:		
Income (loss) from operations	\$ 36,746	\$ (18,498)
Changes in assets and liabilities:		
Accounts payable	<u>(3,568)</u>	<u>(3,683)</u>
Net cash provided (used) by operating activities	<u>\$ 33,178</u>	<u>\$ (22,181)</u>

See accompanying notes

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of Organization

The Santa Barbara Local Agency Formation Commission (the Commission) is an independent agency created in 1963, by the legislature in Santa Barbara County. The Commission works closely with citizens, the county, cities and special districts on a variety of issues concerning the organization of local governments, jurisdiction changes, and public services. The Commission's statutory purpose includes discouraging urban sprawl, preserving agricultural land, and encouraging orderly boundaries based upon local circumstances and conditions, and promoting adequate public services. From its creation in 1963 to June 30, 2001, the County of Santa Barbara funded the Commission. Beginning July 1, 2001, the *Cortese/Knox/Hertzberg Local Reorganization Act* redefined the Commission's responsibilities and established a new funding method and process. The Commission, after accounting for charges and services is now funded in equal thirds by (1) the County of Santa Barbara, (2) the cities and (3) the independent special districts in Santa Barbara. The Commission adopts its annual budget by June 15 of each year and transmits it to each of the member organizations.

Note 2 - Summary of Significant Accounting Policies

A) Basis for Accounting and Measurement Focus

The Commission reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the Commission is that the costs of operating on a continuing basis be financed or recovered primarily through revenues generated by the Commission.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

An enterprise fund is accounted for on the "flow of economic resources" measurement focus. This means that all assets and liabilities, whether current or long term, are included on the balance sheet. Revenues and expenses are recognized on the accrual basis, as such revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of the timing of related cash flows.

B) Cash

For purposes of reporting in the statement of cash flows, the Commission considers all cash accounts with original maturity of three months or less to be cash equivalents.

C) Member Allocations

All member organizations are required to pay an allocation of costs of the annual Commission's budget.

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

NOTES TO FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies (continued)

D) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

E) Net Position

Net position represents the difference between assets and liabilities and is classified into three components as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds.

Restricted – This component of net position consists of assets which are legally restricted by outside parties for use for a specific purpose.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”. Dedicated net position represents unrestricted assets which are segregated by the Board of Directors for specific future uses.

All of the Commission’s net position is unrestricted.

Note 3 - Cash

The Commission maintains all of its cash in the Santa Barbara County Treasury. The County Treasurer pools and invests the Commission’s cash with other funds under its control. Interest earned on pooled investments is apportioned quarterly into participating funds based upon each fund's average daily balance.

A summary of cash as reported on the statement of net position and statement of cash flows, respectively, at June 30, 2015 and 2014 is as follows:

	<u>2015</u>	<u>2014</u>
Cash with the County Treasurer	\$ 51,332	\$ 17,364
Total cash	<u>\$ 51,332</u>	<u>\$ 17,364</u>

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

NOTES TO FINANCIAL STATEMENTS

Note 3 - Cash (continued)

Investment Authorized by the California Government Code and the Entity's Investment Policy

The Commission's investment policy only authorizes investment in the local government investment pool administered by the County of Santa Barbara. The Commission's investment policy does not contain any specific provisions intended to limit the Commission's exposure to interest rate risk, credit risk, and concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code and the Commission's investment policy, and the actual rating as of the year end for each investment type.

<u>2015</u>		Minimum Legal Rating	Exempt From Disclosure	<u>Rating as of Year End</u>		
<u>Investment Type</u>	<u>Amount</u>			<u>AAA</u>	<u>AA</u>	<u>Not Rated</u>
Santa Barbara County						
Investment Pool	\$ <u>51,332</u>	N/A	\$ <u>51,332</u>	\$ -	\$ -	\$ -
Total	\$ <u>51,332</u>		\$ <u>51,332</u>	\$ -	\$ -	\$ -

<u>2014</u>		Minimum Legal Rating	Exempt From Disclosure	<u>Rating as of Year End</u>		
<u>Investment Type</u>	<u>Amount</u>			<u>AAA</u>	<u>AA</u>	<u>Not Rated</u>
Santa Barbara County						
Investment Pool	\$ <u>17,364</u>	N/A	\$ <u>17,364</u>	\$ -	\$ -	\$ -
Total	\$ <u>17,364</u>		\$ <u>17,364</u>	\$ -	\$ -	\$ -

Concentration of Credit Risk

The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. All of the Commission's cash is held in the Santa Barbara County Investment Pool.

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

NOTES TO FINANCIAL STATEMENTS

Note 3 - Cash (continued)

Custodial Credit Risk

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Commission's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as Santa Barbara County Investment Pool).

Investment in Santa Barbara County Investment Pool

The Commission is a participant in the Santa Barbara County Investment Pool that is regulated by the California Government Code. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at the amounts based upon the Commission's pro-rata share of the fair value provided by the Santa Barbara County Investment Pool for the entire Santa Barbara County Investment Pool portfolio. The balance available for withdrawal is based on the accounting records maintained by the Santa Barbara Investment Pool.

Note 4 - Subsequent Events

Subsequent events have been evaluated through January 10, 2016, the date that the financial statements were available for issuance.

SUPPLEMENTAL SCHEDULES

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL VS. BUDGET
For the Year Ended June 30, 2015

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues:			
Other governmental agencies	\$ 379,949	\$ 375,620	\$ (4,329)
Planning study services	20,000	29,570	9,570
Miscellaneous revenue	250	396	146
Total operating revenues	<u>400,199</u>	<u>405,586</u>	<u>5,387</u>
Operating Expenses:			
Contractual services	206,757	222,780	(16,023)
Copier expense	2,500	640	1,860
Cost allocations	25,317	25,511	(194)
Legal fees	35,000	35,921	(921)
Liability insurance	194	-	194
Memberships	3,115	3,115	-
Office expense	1,500	940	560
Payroll taxes	2,046	1,890	156
Payroll fees	1,500	1,845	(345)
Postage	1,000	-	1,000
Professional and special services	36,000	35,940	60
Professional fees	6,000	5,600	400
Publications and notices	500	986	(486)
Salaries and wages	12,000	16,297	(4,297)
Training and travel	26,000	16,069	9,931
Telephone services	350	334	16
Utilities	1,170	972	198
Total operating expenses	<u>360,949</u>	<u>368,840</u>	<u>(7,891)</u>
Income from operations	<u>39,250</u>	<u>36,746</u>	<u>(2,504)</u>
Non-Operating Revenue:			
Interest income	<u>750</u>	<u>822</u>	<u>72</u>
Total non-operating revenue	<u>750</u>	<u>822</u>	<u>72</u>
Change in net position	<u>\$ 40,000</u>	<u>\$ 37,568</u>	<u>\$ (2,432)</u>

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL VS. BUDGET
For the Year Ended June 30, 2014

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues:			
Other governmental agencies	\$ 314,520	\$ 318,375	\$ 3,855
Planning study services	14,240	25,032	10,792
Miscellaneous revenue	500	-	(500)
Total operating revenues	<u>329,260</u>	<u>343,407</u>	<u>14,147</u>
Operating Expenses:			
Contractual services	174,588	199,155	(24,567)
Copier expense	5,000	119	4,881
Cost allocations	21,851	22,014	(163)
Legal fees	35,000	40,147	(5,147)
Liability insurance	3,000	2,188	812
Memberships	3,102	3,069	33
Office expense	1,500	843	657
Payroll taxes	1,446	1,622	(176)
Payroll fees	1,500	1,252	248
Postage	2,000	709	1,291
Professional and special services	31,900	45,326	(13,426)
Professional fees	7,000	5,400	1,600
Publications and notices	1,000	212	788
Salaries and wages	16,500	12,562	3,938
Training and travel	21,000	26,036	(5,036)
Telephone services	350	321	29
Utilities	1,125	930	195
Total operating expenses	<u>327,862</u>	<u>361,905</u>	<u>(34,043)</u>
Loss from operations	<u>1,398</u>	<u>(18,498)</u>	<u>(19,896)</u>
Non-Operating Revenue:			
Interest income	<u>1,000</u>	<u>687</u>	<u>(313)</u>
Total non-operating revenue	<u>1,000</u>	<u>687</u>	<u>(313)</u>
Change in net position	<u>\$ 2,398</u>	<u>\$ (17,811)</u>	<u>\$ (20,209)</u>