



Annual Report

& Financial Statements for Fiscal Year 2017



This page intentionally left blank.



2017 Annual Report



2017 ANNUAL REPORT FOR THE MOSCOW URBAN RENEWAL AGENCY

The Mission of the Agency (Agency) is to promote and support projects that achieve sustainable economic growth, vitality, and which enhance the community.

Per Idaho Code §50-2006(c), urban renewal agencies are to provide an annual report by March 31st of each year to the jurisdiction's governing body. For the Agency that is the Moscow City Council. This report is submitted in fulfillment of that requirement and to provide information to the public. The report will be available from February 16th through March 1st, for inspection during business hours in the Urban Renewal Agency's office or on the Agency website at www.moscowura.com.

As required by Idaho Code §50-2006(c), the Agency will consider for approval the draft annual report of the Agency's 2017 activities at their meeting on March 1st, 2018. Written comments are welcomed and may be submitted to the Agency in advance of the meeting. Comments and responses from that period will be included in the final version of this report.

The comment period will remain open from February 15, 2018 to March 1, 2018.

FOR MORE INFORMATION...

As required by Idaho Code §50-2011(f), the annual report identifies the real property held by the Agency and sets forth the reasons such property remains unsold and indicates the Agency's plans for disposition of the real property, if necessary. If you have any questions or to submit comments, please contact:

Bill Belknap, Executive Director
221 E. Second Street Moscow, Idaho 83843
(208)883-7011
www.moscowura.com
bbelknap@ci.moscow.id.us

Understanding URAs

Urban renewal and revenue allocation financing are the most significant tools available to Idaho communities for attracting and retaining businesses, generating economic development, promoting job creation and encouraging development of deteriorating and underutilized areas. The State of Idaho provides limited options for cities and counties to use in financing site preparation, infrastructure and other needed incentives necessary to attract and retain businesses. Revenue allocation financing allows communities to make a site ready for development, including extending water, sewer, streets and other improvements that reduce the cost to businesses of relocating or expanding.

Urban renewal and revenue allocation financing is particularly important because of the competitive nature of economic development, where Idaho communities face competition from communities in other states or countries where incentives such as tax abatements, local revenue sharing, and incentives for recruitment often exist. Many Idaho cities (some with more than one project area), have chosen these tools to revitalize their city. The positive impacts of urban renewal can be seen across the state of Idaho.



CONTENTS

Moscow Urban Renewal Agency Profile	3
Agency Board of Commissioners	5
Significant Agency Achievements for 2017	6
The Districts of the Agency	7
Alturas Technology Park Urban Renewal District	8
Legacy Crossing Urban Renewal District.....	10
Inventory of MURA Owned Properties.....	12
Public Comments & Response.....	14
Legal Notice.....	15
Financial Statements	16

This page intentionally left blank.



MOSCOW URBAN RENEWAL AGENCY PROFILE

The Agency was organized by the Moscow City Council in 1995 pursuant to resolution 95-08 in accordance with Idaho Urban Renewal Law, Ch. 20, Title 50, Idaho Code (the "Law") and the Local Economic Development Act, Ch. 29, Title 50, Idaho Code (the "Act"). The Agency acts as an arm of the Idaho State government, entirely separate and distinct from the City of Moscow as provided in Idaho Code Section 50-2006.

The purpose of the Agency is to undertake urban renewal projects in areas designated by the City of Moscow to be deteriorating, and to undertake this rehabilitation, conservation, redevelopment or a combination thereof in the interest of the public health, safety, morals or welfare of the residents of the City of Moscow.

The Agency is comprised of seven Commissioners appointed by the Mayor and confirmed by the City Council, with terms as specified by the Mayor as authorized by Moscow City Council Resolution 2008-17. Membership is constituted as follows: Two (2) members of the Moscow City Council; one (1) member of the Latah County Commission; and, four (4) members from the citizenry at large. Terms are staggered in such a fashion that no more than three (3) expire in any given year. The Board of Commissioners elects the Chairman, Vice-Chairman and Secretary from the ranks of the Commission; the Treasurer office may be filled by Commissioners or by staff appointments made by the Commission.

The Chairperson is the Chief Presiding Officer of the Agency. The Chair executes all deeds, bonds, contracts and other legal documents authorized by the Commission. Some of the Chair's duties may be delegated by the Board of Commissioners to the Agency's Executive Director who oversees the day-to-day operations of the Agency and carries out the policies of the Board.



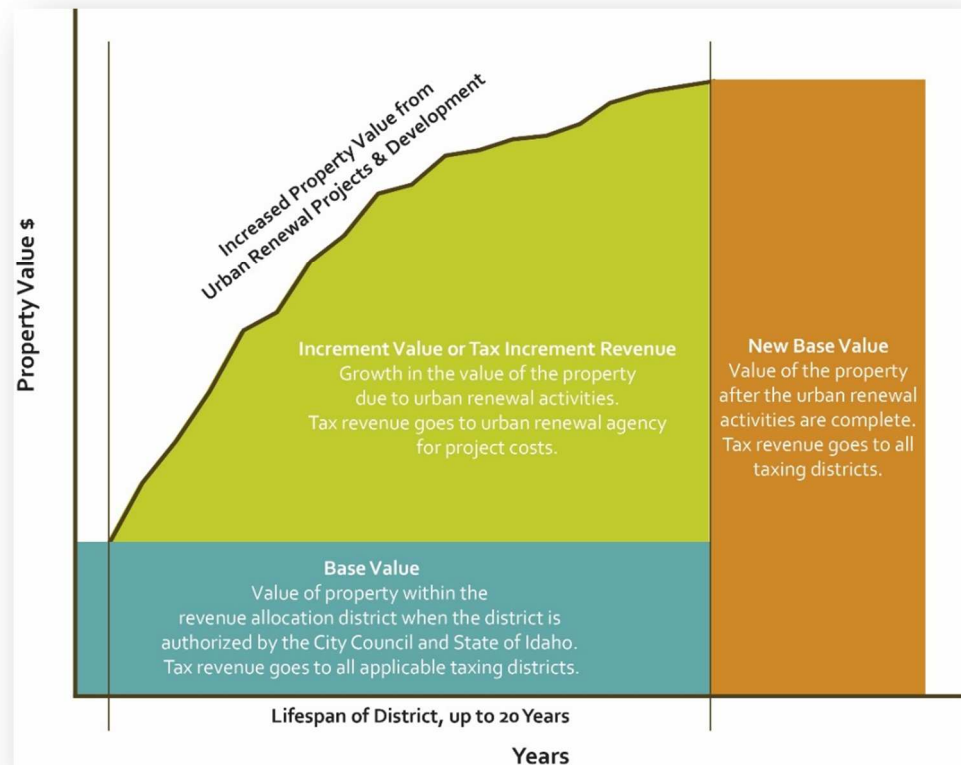
Comtech EF Data Corporation

The City of Moscow is responsible for defining the geographic boundaries and legal creation of all urban renewal districts within the city. The Alturas Technology Park District was created in 1995 and the Legacy Crossing District was created in 2008. The Agency works with the City of Moscow and the private sector to remedy blight and to facilitate economic development within these two districts. The Agency's activities within these districts are directed by specific urban renewal plans adopted by the Moscow City Council. The Agency provides funding for these efforts through the use of tax incremental financing.

As illustrated in the graphic on this page, when the city establishes a tax increment financing district, the value on the property in the district is set as of the date the district is created. The property tax revenue collected on this base value goes to the various taxing entities providing services to that property. Any increase in value over the base is called the increment value and the tax revenue generated from the increment value is transferred to the Agency.

These tax increment revenues are used by the Agency to pay for public improvements and other revitalization activities in that district. When the district closes (previously 24 years when the Legacy Crossing District was created and now currently 20 years), the increment value is added back to the base value on the tax rolls. This helps diversify and strengthen the economic bases of both the city and the county.

Though urban renewal is a separate item on property tax statements, local property owners pay the same amount of tax whether or not an urban renewal district is established in their area.



AGENCY BOARD OF COMMISSIONERS

The Agency is comprised of seven Commissioners appointed by the Mayor, and confirmed by the City Council, with terms specified by the Mayor, as authorized by Moscow City Council Resolution 2008-17. Officers of the agency consist of a Chairperson, Vice Chairperson, Secretary and Treasurer. Formal policy decisions are made by the Agency Board of Commissioners. In all significant financial matters the Board receives recommendations from a standing Finance Committee that is comprised of two Board members and three community members. For 2017 the Finance Committee membership included Chair McGeehan, Commissioner Smith, Brian Foisy and Jon Kimberling with the additional community member position vacant.



2017 MURA Board *(pictured from left to right)*

Steve McGeehan, Chair
Brandy Sullivan, Vice Chair
Art Bettge, Secretary
Ron Smith, Commissioner
Steve Drown, Commissioner
Dave McGraw, Commissioner
John Weber, Commissioner

SIGNIFICANT AGENCY ACHIEVEMENTS FOR 2017

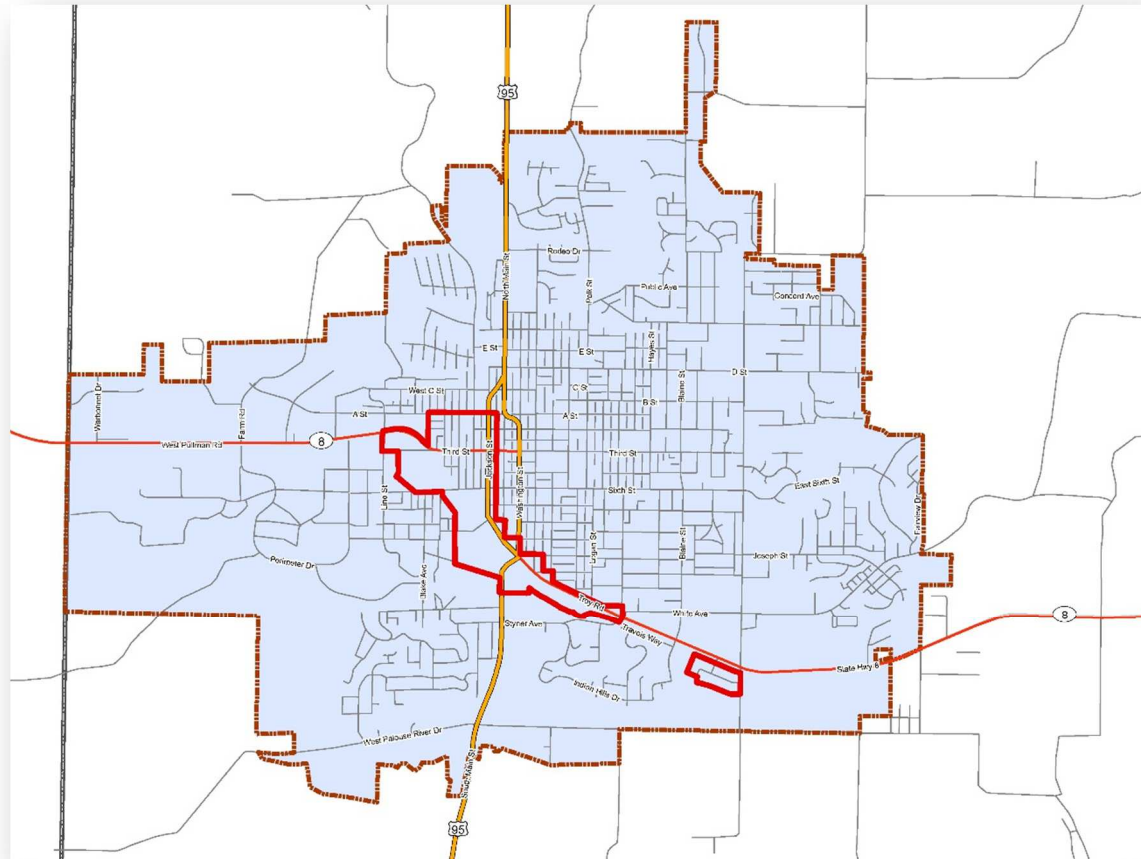
The Agency was active during 2017 with a number of accomplishments. Below are a few selected Agency achievements from 2017:

- **Adoption of MURA Strategic Plan:** In 2017 the MURA Board conducted a strategic planning process to develop a 5-year strategic plan for the Agency to help guide the activities of the Board and increase public awareness of the Agency's mission and purpose. This effort was concluded with the adoption of the strategic plan in February of 2017.
- **New Agency Website:** In 2017 the MURA completed and launched a new website intended to provide a more intuitive and attractive user experience, provide greater access to MURA records and documents, and provide increased public communication regarding the activities of the Agency.
- **Completion of Environmental Remediation of 6th and Jackson Property:** The MURA completed the active construction phase of the environmental remediation of the 6th and Jackson Property and received the Certificate of Completion and Covenant Not to Sue from the State of Idaho Department of Environmental Quality in April of 2017, clearing the way for future development on the site.
- **Contributions to Valuable Community Projects:** The MURA contributed to several public projects in 2017, including a \$27,000 contribution to the Downtown Restroom Project, a \$10,000 contribution to Idaho Transportation Department for sidewalk improvements associated with the Latah Paving Project, and future commitments of \$15,000 toward the Highway 8 Pedestrian/Bike Underpass Project and \$87,000 toward the 3rd Street Corridor Streetscape and Pedestrian Safety Improvement Project.
- **Private Development Partnerships:** The MURA Board partnered in over \$40 million in private development projects to assist in funding the cost of needed public infrastructure, environmental remediation and roadway and access improvements through Owner Participation Agreements (OPA). Through the OPA, the Agency reimburses the developer for identified public improvements from increased property taxes that result from the private investment. New OPAs approved in 2016 include the Gritman Medical Office Building, Identity on Main, Dawson's Corner and Third and Jackson projects.

THE DISTRICTS OF THE AGENCY

The Agency historically operated two urban renewal districts: The Alturas Technology Park and Legacy Crossing. The smaller Alturas Technology Park District was closed in 2015 and was located in the southeastern area of the City along State Highway 8, while the larger Legacy Crossing District is located just west of downtown near the University of Idaho Campus.

Applying a variety of redevelopment strategies to improve economic conditions and enhance the quality of life across the city, the Agency's catalog of projects demonstrates that there is no one-size-fits-all solution for community redevelopment. When taken as a whole, this diversity of efforts translates into a cohesive framework, serving critical community, business, and economic development needs.



ALTURAS TECHNOLOGY PARK URBAN RENEWAL DISTRICT

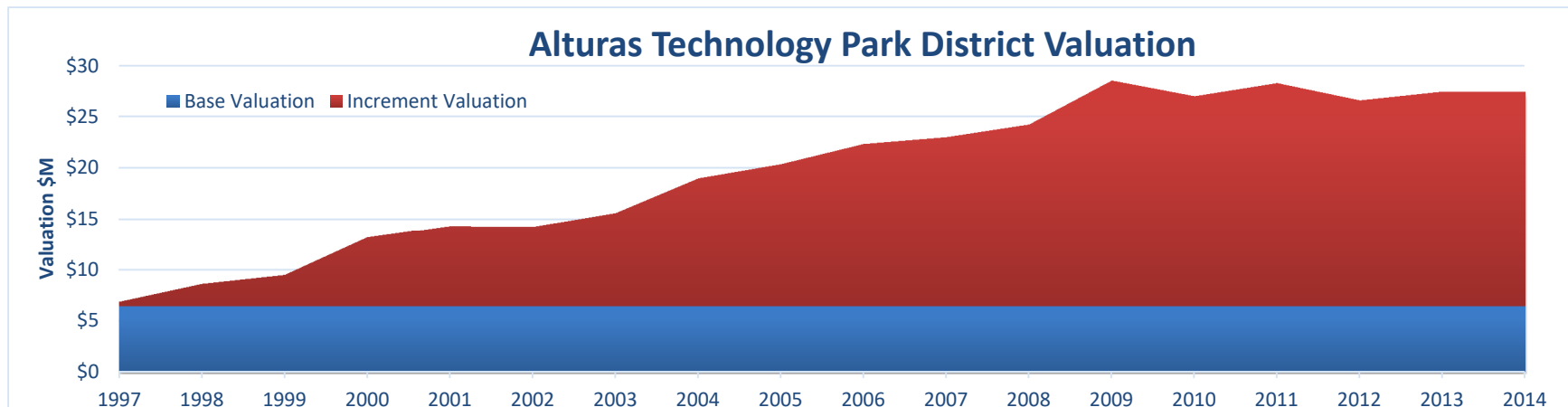
The Alturas Technology Park is the Agency's first District and is currently home to many of Moscow's premier high-tech companies, including Comtech EF Data Corporation, Alturas Analytics, Inc., Anatek Labs, Inc., and BioTracking, LLC. The majority of these firms are linked to outside/non-local markets and are considered primary industries. Wealth enters the local economy principally by way of these industry types.

Established in 1996, the assessed value of property within the revenue allocation area was approximately \$6.4 million. Improvements and developments made as a result of the Alturas Research and Technology Park Urban Renewal Plan have assisted in increasing property values dramatically and today the same area is valued at more than \$27 million.

The export industries within the Alturas Technology Park have a profound economic impact on the Moscow economy. As of the closure of the District, these companies had a total payroll of over \$6 million and paid an average wage of over \$50,000, which is significantly higher than the city's median household income of \$35,389. During that period, the park contributed an estimated adjusted impact of \$26.7 million to the local community.

Alturas Fast Facts

- Established: 1996
- 34 Acres - Revenue Allocation Area
- 13.5 Acres – Project Area
- Base Value: \$6.48 Million
- 2015 Value: \$27.4 Million
- Closure Date: 2015



On July 22, 2015, the Agency passed Resolution 2015-02 recommending termination of the Alturas Technology Park revenue allocation area to the Moscow City Council. Following this recommendation, the City Council passed Ordinance 2015-15 terminating the Alturas revenue allocation area. Therefore the Agency will not receive any future tax increment revenues beyond the 2015 fiscal year. The Agency was pleased to be able to close the revenue allocation area a year ahead of the schedule and allow the tax revenues to return to the taxing districts as soon as possible.



LEGACY CROSSING URBAN RENEWAL DISTRICT

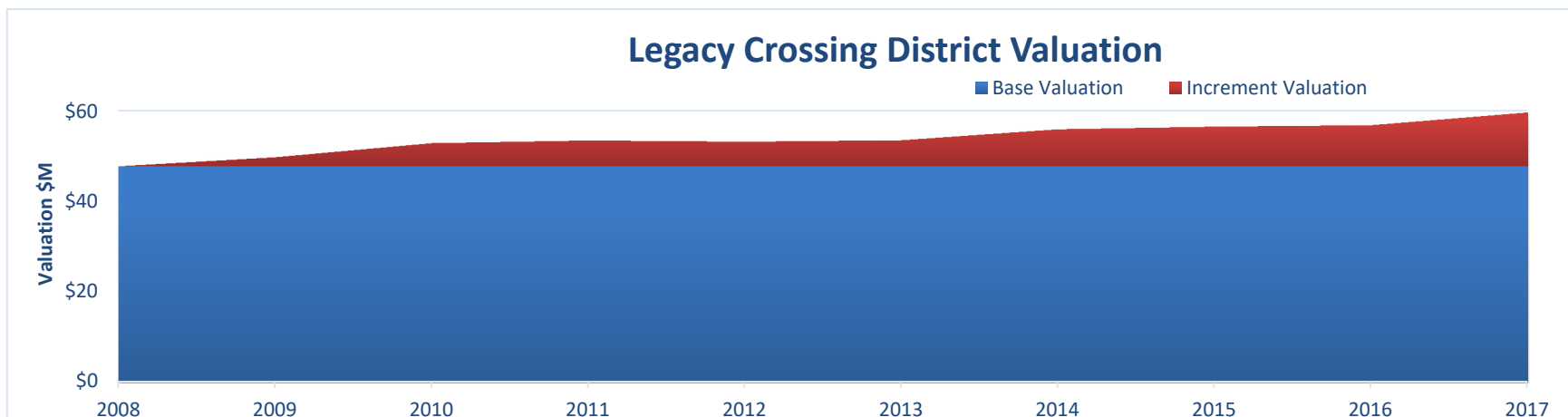
The Legacy Crossing District was created in June of 2008 and is the Agency's second urban renewal district. The Legacy Crossing District covers approximately 163 acres and includes a majority of the blighted and underutilized properties located between Moscow's historic downtown and the University of Idaho.

By definition, reurbanization involves redeveloping already urbanized areas, which decreases pressure for development of greenfield sites outside the City. Reurbanization provides an opportunity to learn from mistakes of the past and to create high-quality, livable urban environments while building at a human scale. Reurbanization can ensure a range of places where new kinds of businesses can locate and promote diversity of housing types and choice. Finally, reurbanization can support community building and social integration.

In 2017 development continued to expand with over \$40 Million in new development under construction or in the planning phases within the District. Gritman Medical Park completed the construction of a new \$10 Million 54,000 square foot medical office building that houses the CHAS Latah Community Health offices that provides health care on an income cost basis to the regions residents; it also houses the University of Idaho medical program anatomy lab and medical education facility. Nearby within the District, the \$24 Million Identity on Main mixed use project began construction with a projected completion in summer of 2018.

Legacy Crossing Fast Facts

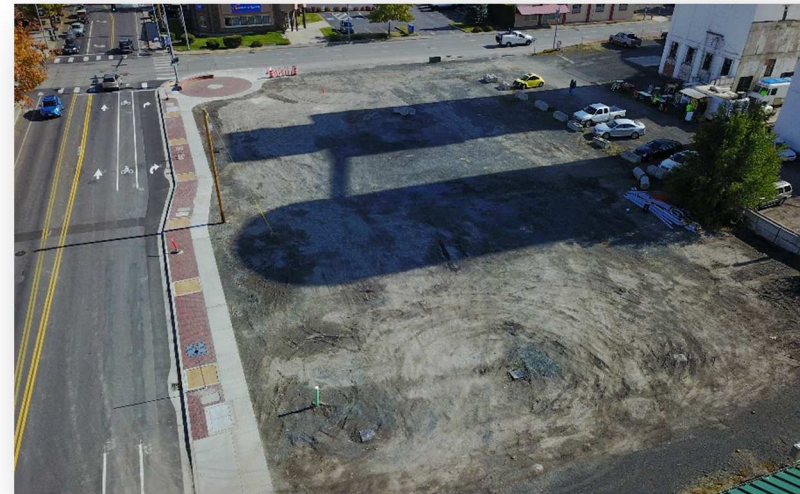
- Established: 2008
- 163 Acres
- Base Value: \$47.76 Million
- 2016 Value: \$59.7 Million
- Closure Date: 2032



In 2010, the Agency purchased a property within the District located at the southwestern corner of the intersection of 6th and Jackson streets. The property was purchased to enhance opportunities to connect downtown Moscow to the University of Idaho campus. The Agency and the City of Moscow understood that the property was the keystone to connectivity between the University and downtown and to the development of Hello Walk.

The Agency applied for and was successful in obtaining an EPA cleanup grant in the amount of \$115,317. The EPA cleanup grant was utilized to conduct the actual remediation and monitoring of the property, which will allow for its re-use. The active cleanup construction was completed in the fall 2016 and the Agency received the Certificate of Completion and Covenant Not to Sue from the State of Idaho Department of Environmental Quality in April of 2017, clearing the way for future development on the site.

In response to an RFP issued in the fall of 2014, Sangria Downtown LLC was selected as the successful respondent and in April of 2015 the Agency entered into an Exclusive Negotiation Agreement (ENA) with Sangria Downtown LLC. The ENA guides discussions regarding development nature and form, agency project assistance, and conditions and obligations of disposition. The goal of the ENA is to provide a process for negotiating a Disposition and Development Agreement (DDA) to formally document terms of transaction and responsibilities of the parties. The DDA was approved by the Board on October 26, 2017. The proposal from Sangria Downtown LLC included a two-story mixed-use development that is proposed to house the



Sangria Grill restaurant on the ground floor with 12 apartments located on the second floor. Sangria Downtown LLC is currently finalizing their development plans with construction scheduled to begin in the spring/summer of 2018.



INVENTORY OF MURA OWNED PROPERTIES

District	Property Address	Parcel Number	SF /Acres	Planned Reuse
Alturas	1362 Alturas Drive	RPM00270010020	29,412/SF	Fee Simple Sale
Alturas	1412 Alturas Drive	RPM00270010030	28,370/SF	Fee Simple Sale
Alturas	1425 Alturas Drive	RPM00270020040	38,885/SF	Fee Simple Sale
Alturas	1383 Alturas Drive	RPM00270020030	36,997/SF	Fee Simple Sale
Alturas	1345 Alturas Drive	RPM00270020020	34,531/SF	Fee Simple Sale
Alturas	1293 Alturas Drive	RPM00270020010	35,029/SF	Fee Simple Sale
Legacy	Lot located at the southwestern corner of the intersection of 6 th and Jackson streets	RPM00000180025	0.87 Acres	Public pathway, public plaza, and future fee simple sale

As noted above, the Agency owns six (6) lots within the Alturas Technology Park District and one (1) lot within the Legacy Crossing District. The Alturas lots are actively marketed for sale to technology and research based businesses in accordance with the applicable zoning regulations and private covenants upon the property.

Public Comments & Response

URA - Public Comment on the Annual Report. March 1, 2018. From Victoria Seever at 121 N. Lilly, Moscow ID.

I have 2 small edits, a writing observation, and one comment.

- 1) Pg 4, paragraph 3, beginning "These tax increments...." Needs a comma after the clause "When the district closes (previously 24 years....)" [comma]
- 2) Pg 10, paragraph 3, beginning "In 2017.... CHAS..." offices that provide health care to ... residents; [semicolon] [and then add] it also "houses the University of Idaho medical program" Otherwise, the statement reads that the UI is providing health care to CHAS.
- 3) Pg 10, paragraph 2. I want to call attention to how "reurbanization" highlights a social context along with the economics. This single paragraph alone ~~effectly~~ effectively sells the whole URA purposes. Followed by the specifics including major public health and educational entities, a brownfield restoration, smart growth factors, enhancing the town-gown connection, and a keystone mixed-use development and a second new development — presents a glowing report of the essential value of a URA.

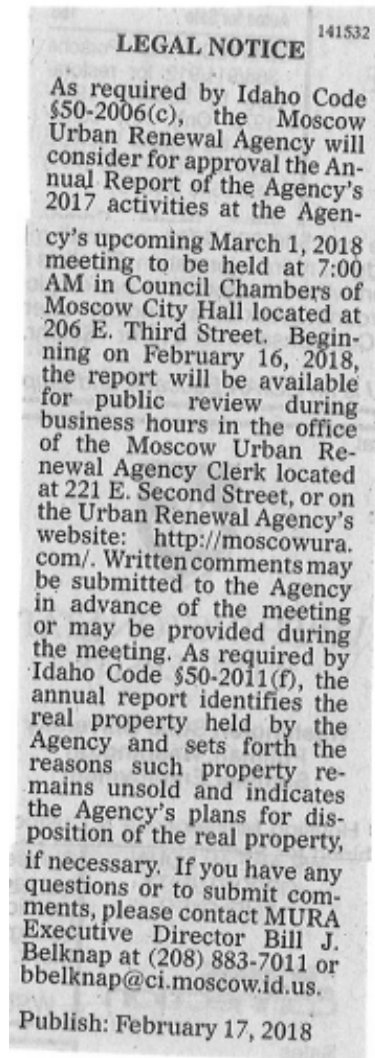
con't

Seever - con't

- 4) I think the MURA is an exciting partner~~s~~ to this community, which
 - brings social and economic opportunity,
 - provides purposeful financial contributions and vision,
 - enhances Moscow's community brand,
 - and is doing one heck of a fine job.

Thank you.

Legal Notice



FINANCIAL STATEMENTS

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF NET POSITION September 30, 2017

	Governmental Activities
ASSETS	
Cash and investments	\$ 596,073
Receivables	2,425
Land held for sale	531,256
Other assets	5,260
Capital assets	
Land	679,420
Total assets	<u>1,814,434</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>0</u>
LIABILITIES	
Accounts payable	122,049
Deposit payable	5,000
Series 2010 Bond - due within one year	28,000
Latah County payback agreement - due within one year	3,500
Series 2010 Bond - due after one year	319,000
Latah County payback agreement - due after one year	101,537
Total liabilities	<u>579,086</u>
DEFERRED INFLOWS OF RESOURCES	<u>0</u>
NET POSITION	
Net investment in capital assets	376,732
Restricted	
Debt service	44,312
Unrestricted	<u>814,304</u>
Total net position	<u>\$ 1,235,348</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF ACTIVITIES Year Ended September 30, 2017

		Program Revenues	Net Revenue (Expense) and Changes in Net Position
	Expenses	Operating Grants and Contributions	Governmental Activities
GOVERNMENTAL ACTIVITIES			
Project administration	\$ 256,316	\$ 14,724	\$ (241,592)
Interest expense	14,536		(14,536)
Total governmental activities	<u>270,852</u>	<u>14,724</u>	<u>(256,128)</u>
GENERAL REVENUES			
Property taxes levied for general purposes			179,343
Investment income/losses			4,116
Total general revenues			<u>183,459</u>
Change in net position			(72,669)
NET POSITION, beginning of year			<u>1,308,017</u>
NET POSITION, end of year			<u>\$ 1,235,348</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

BALANCE SHEET - GOVERNMENTAL FUNDS September 30, 2017

	General	Legacy Crossing District	Total
ASSETS			
Cash and investments	\$ 60,369	\$ 535,704	\$ 596,073
Receivables		2,425	2,425
Other assets		5,260	5,260
Land held for sale	531,256		531,256
Total assets	<u>591,625</u>	<u>543,389</u>	<u>1,135,014</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>0</u>	<u>0</u>	<u>0</u>
Total assets and deferred outflows of resources	<u>\$ 591,625</u>	<u>\$ 543,389</u>	<u>\$ 1,135,014</u>
LIABILITIES			
Accounts payable	\$ 2,981	\$ 119,068	\$ 122,049
Deposit payable		5,000	5,000
Total liabilities	<u>2,981</u>	<u>124,068</u>	<u>127,049</u>
DEFERRED INFLOWS OF RESOURCES	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE			
Nonspendable	531,256		531,256
Restricted for debt service		44,312	44,312
Assigned		375,009	375,009
Unassigned	57,388		57,388
Total fund balance	<u>588,644</u>	<u>419,321</u>	<u>1,007,965</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 591,625</u>	<u>\$ 543,389</u>	<u>\$ 1,135,014</u>

RECONCILIATION OF THE STATEMENT OF NET POSITION TO THE BALANCE SHEET - GOVERNMENTAL FUNDS

Total fund balance - Governmental Funds	\$ 1,007,965
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are financial resources and, therefore, are not reported in the funds	679,420
Long-term liabilities, consisting of bonds payable and tax repayment agreement, are due and payable in the current period and, therefore, are not reported in the funds	(452,037)
Total net position - Governmental Activities	\$ 1,235,348

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS Year Ended September 30, 2017

	General	Legacy Crossing District	Total
REVENUES			
Property taxes		\$ 179,343	\$ 179,343
Grants and contributions		14,724	14,724
Investment income/losses	\$ 4,116		4,116
Total revenues	<u>4,116</u>	<u>194,067</u>	<u>198,183</u>
EXPENDITURES			
Current			
Legal and professional fees	8,007	9,023	17,030
Insurance	1,507		1,507
Advertising	293		293
Management services	46,350		46,350
Repairs and maintenance	2,974		2,974
Land incentive agreement		27,111	27,111
Development participation		157,340	157,340
Other administration expenses	472	3,239	3,711
Debt Service			
Principal retirement		30,500	30,500
Interest		14,536	14,536
Capital outlay			
Land		23,164	23,164
Total expenditures	<u>59,603</u>	<u>264,913</u>	<u>324,516</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(55,487)</u>	<u>(70,846)</u>	<u>(126,333)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers	35,000	(35,000)	0
Total other financing sources (uses)	<u>35,000</u>	<u>(35,000)</u>	<u>0</u>
Net change in fund balances	(20,487)	(105,846)	(126,333)
FUND BALANCES AT BEGINNING OF YEAR	<u>609,131</u>	<u>525,167</u>	<u>1,134,298</u>
FUND BALANCES AT END OF YEAR	<u>\$ 588,644</u>	<u>\$ 419,321</u>	<u>\$ 1,007,965</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES Year Ended September 30, 2017

Net change in fund balances - Governmental Funds	\$ (126,333)
---	---------------------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Current year capital outlay	23,164
-----------------------------	--------

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal payments made on long-term debt	<u>30,500</u>
---	---------------

Change in net position - Governmental Activities	<u>\$ (72,669)</u>
---	---------------------------

See accompanying notes
21

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
GENERAL FUND
Year Ended September 30, 2017

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income/losses	\$ 1,000	\$ 4,116	\$ 3,116
Total revenues	<u>1,000</u>	<u>4,116</u>	<u>3,116</u>
EXPENDITURES			
Current			
Legal and professional fees	12,000	8,007	3,993
Insurance	1,650	1,507	143
Advertising	5,000	293	4,707
Management services	46,350	46,350	0
Repairs and maintenance	5,000	2,974	2,026
Other administration expenses	3,000	472	2,528
Total expenditures	<u>73,000</u>	<u>59,603</u>	<u>13,397</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(72,000)</u>	<u>(55,487)</u>	<u>16,513</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers	64,000	35,000	(29,000)
Total other financing sources (uses)	<u>64,000</u>	<u>35,000</u>	<u>(29,000)</u>
Net change in fund balances	(8,000)	(20,487)	(12,487)
FUND BALANCES BEGINNING OF YEAR	<u>8,000</u>	<u>609,131</u>	<u>601,131</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 588,644</u>	<u>\$ 588,644</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
LEGACY CROSSING DISTRICT FUND
Year Ended September 30, 2017

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 182,500	\$ 179,343	\$ (3,157)
Grants and contributions		14,724	14,724
Total revenues	<u>182,500</u>	<u>194,067</u>	<u>11,567</u>
EXPENDITURES			
Current			
Legal and professional fees	21,790	9,023	12,767
Advertising	2,000		2,000
Land incentive agreement	8,300	27,111	(18,811)
Development participation		157,340	(157,340)
Other administration expenses	4,000	3,239	761
Debt service			
Principal retirement	376,000	30,500	345,500
Interest	17,286	14,536	2,750
Capital outlay			
Land		23,164	(23,164)
Improvements	501,825		501,825
Contingency	15,000		15,000
Total expenditures	<u>946,201</u>	<u>264,913</u>	<u>681,288</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(763,701)</u>	<u>(70,846)</u>	<u>692,855</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale	500,000		(500,000)
Operating transfers	(64,000)	(35,000)	29,000
Total other financing sources (uses)	<u>436,000</u>	<u>(35,000)</u>	<u>(471,000)</u>
Net change in fund balances	(327,701)	(105,846)	221,855
FUND BALANCES BEGINNING OF YEAR	<u>327,701</u>	<u>525,167</u>	<u>197,466</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 419,321</u>	<u>\$ 419,321</u>