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State Auditor & Inspector

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# **WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY**

**Financial Statements**

**For the Year Ended**

**JUNE 30, 2011**



***Clothier & Company CPA's P.C.***

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**WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY  
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FOR THE YEAR ENDED JUNE 30, 2011**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
Wagoner Industrial Development Authority  
Wagoner, OK 74477

We have audited the accompanying financial statements of the business-type activities of Wagoner Industry Development Authority as of and for the year ended June 30, 2011, which comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the respective financial position of the business-type activities of the Wagoner Industrial Development Authority as of June 30, 2011, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2011 on our consideration of the Wagoner Industrial Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages I through III is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise Wagoner Industrial Development Authority's basic financial statements. The budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The budgetary comparison information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

*Clothier + Company CPAs*  
Clothier and Company CPA's  
September 12, 2011

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Wagoner Industrial Development Authority's (WIDA) financial performance provides an overview of the Authority's financial activities for the year ended June 30, 2011. Please read it in conjunction with the financial statements, which begin on page 2.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Balance Sheet (on page 2) and the Statement of Revenues, Expenditures and Changes in Fund Balances (page 3) provide information about the activities of the WIDA as a whole and present a longer-term view of the WIDA's finances. These statements tell how these services were financed in the short term as well as what remains for future spending.

### REPORTING ON THE AUTHORITY AS A WHOLE

#### **The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance**

Our analysis of the WIDA as a whole begins on page II. One of the most important questions asked about the WIDA's finances is "Is the WIDA as a whole better off or worse off as a result of the year's activities?" The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance report information about the WIDA as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the modified accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

#### **Reporting the Authority's Most Significant Funds**

##### **Fund Financial Statements**

The proprietary fund financial statements begin on page 2 and provide detailed information about WIDA as a whole. The WIDA board may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

- Governmental funds – The Authority has no governmental funds.
- Proprietary funds - All the Authority's business-type activities are reported here, including the rents, loans and promotional activities. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The proprietary fund statements provide a detailed view of the WIDA's general operations and the basic services it provides. Proprietary fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the WIDA's programs.

## THE AUTHORITY AS A WHOLE

The Authority's assets and liabilities for June 30, 2011 were:

	Current Year	Increase (Decrease)	Percent of Increase (Decrease)
Current Assets	\$ 967,014	260,183	26.91%
Capital Assets	746,053	369,565	49.54%
Total Assets	<u>\$ 1,713,067</u>		
Current Liabilities	\$ 32,411	0	0.00%
Non-Current Liabilities	702,566	482,838	68.72%
Total Liabilities	<u>\$ 734,977</u>		

For the year ended June 30, 2011 net assets changed as follows:

Fund Balance July 1, 2010	\$ 831,180
Add excess revenue over expenditures	146,910
Fund Balance June 30, 2011	<u>\$ 978,090</u>

The Fund Balance for June 30, 2011 that was reserved as Invested in Net Assets was \$11,076, whereas the Unrestricted Fund Balance was \$978,090.

## THE AUTHORITY'S REVENUE AND EXPENDITURES

The following schedule presents a summary of revenue and expenditures for the fiscal year ended June 30, 2011, and the amount and percentage of increase in relation to the prior year.

	FYE Amount	Percent of Total	Increase (Decrease) From FYE	Percent Increase (Decrease)
<b>Revenues:</b>				
Lease/Rental	\$ 47,703	22.62%	8,427	17.67%
Transfer from City				
EDF	65,010	30.82%	0	0.00%
Miscellaneous/Other	96,116	45.57%	95,732	99.60%
Interest	2,076	0.98%	92	4.43%
Total Revenues	<u>\$ 210,905</u>	<u>100.00%</u>		
<b>Expenditures:</b>				
Total Expenditures	<u>\$ 63,995</u>	<u>100.00%</u>	24,540	38.35%

## **BUDGETARY COMMENTS**

The future of WIDA is very exciting due to a great working relationship of the WIDA board, City Council and County Commissioners. We now have in place a system that can track income and expenses and be used for all future budgets.

The budget amounts for June 30, 2011 for revenue was \$58,649 less than the actual amount. The budgeted expenditures were \$12,005 more than the actual amount. Transfers were the same as the budgeted amount.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

At the end of June 30, 2011, the WIDA had \$699,710 invested in land at an industrial park, \$55,029 invested in the Moody building, and \$800 invested in a billboard. Total capital assets are \$755,539. The value of these assets at June 30, 2011 after depreciation is \$746,053.

### **Debt**

At June 30, 2011, WIDA had an outstanding note with First Bank of Wagoner. The balance of the note at June 30, 2011 was \$209,977. The current portion of that is \$32,411. WIDA also had an outstanding note with the Lawrence Allen Hefner Living Revocable Trust. The balance of the note was \$525,000 at June 30, 2011. Interest only payments will be made for the first 30 months then a \$55,000 balloon payment is due. There after monthly payments of \$2,646.28 will be made to the Trust.

## **CONDITIONS EXPECTED TO EFFECT NEXT YEAR**

WIDA has sold our 30,000-sq. ft. shell building. WIDA will start this process again, hopefully this fiscal year either in Park I or Park II. We have purchased 67 acres of additional land (Park II) that will be used for industrial development. On this property are structures that will be used for rental property until it is developed for industrial use. We will pay down or pay off debt on Park II. WIDA will be looking to hire an Industrial Park Engineer to layout Park II with a possible railroad spur for industrial use. WIDA has joined forces with Wagoner County Economic Development to market all of the industrial sites in the county.

## **CONTACTING THE W. I. D. A.'S FINANCIAL MANAGEMENT**

This financial report is designed to provide users with a general overview of the WIDA's finances and to show the WIDA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Charles Burns, Chairman of WIDA at 918-906-8906.

**THE WAGONER INDUSTRIAL DEVELOPMENT AUTH.  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Current Assets	
Cash and Cash Equivalents	\$ 501,942
Receivables, Net of Allowances for Uncollectable Amounts	
Lease Receivable	465,072
Total Current Assets	<u>967,014</u>
Noncurrent Assets	
Fixed Assets Net Accumulated Depreciation	746,053
Total Noncurrent Assets	<u>746,053</u>
Total Assets	<u>\$ 1,713,067</u>

**LIABILITIES AND FUND BALANCES**

Current Liabilities	
Current Portion LT Debt	\$ 32,411
Total Current Liabilities	<u>32,411</u>
Noncurrent Liabilities	
Notes Payable	702,566
Total Noncurrent Liabilities	<u>702,566</u>
Total Liabilities	<u>734,977</u>
Fund Balances	
Reserved for:	
Investment in General Fixed Assets	11,076
Unrestricted Fund Balance	967,014
Total Fund Balances	<u>978,090</u>
Total Liabilities and Fund Balances	<u>\$ 1,713,067</u>

**THE WAGONER INDUSTRIAL DEVELOPMENT AUTH.  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES  
FOR THE YEAR ENDED JUNE 30, 2011**

**REVENUES**

Lease Income	\$ 47,703
Transfers In City EDF	65,010
Misc. Income	632
Total Revenues	<u>113,345</u>

**EXPENDITURES**

Office Supplies	93
Personnel	449
Advertising	6,745
Insurance	990
Telephone	523
Accounting Services	1,800
Membership Dues	438
Mileage	55
Miscellaneous Expense	665
Promotional Meals	108
Consulting	2,154
Wagoner Christmas Show	600
Depreciation Expense	7,393
Interest Expense	33,500
Repairs & Upkeep Park I	885
Utilities Park I	116
Legal & Professional park I	1,755
Repairs & Upkeep Park II	1,939
Insurance Park II	138
Utilities Park II	759
Legal & Professional Park II	2,890
Total Expenditures	<u>63,995</u>
Excess (deficiency) of Revenues Over Expenditures	<u>49,350</u>

**OTHER FINANCING SOURCES (USES)**

Interest Revenue	2,076
Property Sales	95,484
Transfers Out	0
Total Other Financing Sources and Uses	<u>97,560</u>

Net Change in Fund Balance	146,910
Fund Balances - Beginning	<u>831,179</u>
Fund Balances - Ending	<u>\$ 978,089</u>

**WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**June 30, 2011**

<b>Net Cash Flow From Operating Activities:</b>	
Receipts from Customers	\$ 113,136
	632
Payments to Suppliers	<u>(23,102)</u>
Net Cash Provided by Operating Activities	90,666
<b>Cash Flows From Financing Activities:</b>	
Proceeds From Issuance of Debt	525,000
Principal Paid on Debt	(42,163)
Interest Paid on Debt	<u>(33,500)</u>
Net Cash Provided (Used) by Financing Activities	449,337
<b>Cash Flows From Capital and Investing Activities:</b>	
Interest Received on Cash Deposits	2,076
Receipts from Sale of Fixed Assets	368,527
Acquisition of Fixed Assets	<u>(650,000)</u>
Net Cash Used for Capital and Investing Activities	<u>(279,397)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>260,606</b>
Cash and Cash Equivalents July 1, 2009	<u>241,336</u>
<b>Cash and Cash Equivalents June 30, 2010</b>	<b><u>\$ 501,942</u></b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>	
Operating Income	\$ 49,350
Adjustments to reconcile operating income to net cash provided by operating activities:	
Gain on sale of assets	0
Interest income	0
Interest expense	33,500
Depreciation expense	7,393
(Increase)/decrease in accounts receivable	423
Net Cash Provided (Used) by Operating Activities	<u>\$ 90,666</u>

See accompanying footnotes and auditors' report.

**WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Wagoner Industrial Development Authority is a trust created for the purpose of promoting and encouraging the development of industry and commerce, to further industrial, commercial, manufacturing, cultural, research and educational activities, and to promote and encourage the protection and preservation of the environment. The Authority will do this by instituting, furnishing, providing and supplying physical facilities, improvements and services to the beneficiary and to agencies, instrumentalities and subdivisions thereof and to inhabitants, owners and occupants of property and to governmental, industrial, commercial and mercantile entities, establishments and enterprises within the territorial limits of the City of Wagoner.

The Authority is governed by a board of five trustees who are residents of the State of Oklahoma and are appointed by the Mayor of the City of Wagoner, as authorized by the resolution of the governing body of the beneficiary.

The financial statements of the Authority have been prepared in conformity with U.S. generally accepted accounting principles as applicable to governmental units. The financial statements include all organizations, activities, and functions that comprise the Authority. The Authority has no component units.

**Basic of Accounting**

The Authority uses a flow of economic resources measurement focus. With this focus, all assets and all liabilities associated with the activities of the Authority are included on the balance sheet. Total fund balances are segregated into amounts invested in fixed assets, net of related debt, restricted and unrestricted. The statement of revenues, expenditures, and changes in fund balances present increases (e.g. revenues) and decreases (e.g. expenses) in net fund balances. The financial statements are presented on a modified accrual basis of accounting which measures cash and all other financial assets that can be readily be converted to cash.

**Use of Estimates**

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

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents represent all investments, which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of cash in bank and on hand.

## WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance.

At June 30, 2011 the Authority had \$501,942 in deposits in the First Bank and Trust Co. of Wagoner, Oklahoma, \$251,942 of the deposits are not covered by FDIC insurance.

### NOTE 3 – LEASE RECEVABLES

On September 1, 2005 the Authority leased property located on Highway 69 south of the City to Elastomer. Lease payments of \$ 6000 per month beginning September 1, 2005 to and including September 1, 2017 are required. Elastomer has an option to purchase the property by paying out the value of future lease payments. The value of future lease payment is based on a 5% amortization. At June 30, 2011 the purchase option was \$424,072.

On June 17, 2011 the Authority signed an electric service agreement with Lake Region Electric Cooperative, Inc. (LREC) to upgrade electrical service to Elastomer Specialties. The Authority paid LREC \$41,000 of the estimated \$75,000 project cost. LREC agreed to refund 10% of the annual electric bill for the facility for a period of 5 years or a total of \$41,000, whichever comes first. The refund period will start January 1, 2012. LREC will issue a check no later than February of each year for the previous calendar year's electric revenue. The first check will be issued in 2013.

### NOTE 4 – FIXED ASSETS

Capital assets purchased or acquired are carried at historical costs or estimated historical cost. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

Building and improvements.....	40 Years
Equipment.....	5-7 Years

A summary of general fixed assets for the year ended June 30, 2011, follows:

	Balance 6/30/10	Additions (Deletions)	Accum. Depreciation	Balance 6/30/11
Land	96,922	602,788	0	699,710
Buildings	301,842	(246,013)	(9,486)	46,343
	<u>398,764</u>	<u>356,775</u>	<u>(9,486)</u>	<u>746,053</u>

## WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY

### NOTE 5 – LONG TERM DEBT

On September 1, 2005, the Authority signed a promissory note with First Bank and Trust Company of Wagoner in the amount of \$420,340.40 to acquire the property and buy out the remainder of the lease with Dale Moton of DMT Trucking. The property is the collateral on the loan. The property was acquired and put on a lease purchase option to Elastomer. The balance on the note at June 30, 2011 was \$209,977. The interest rate on the note is variable. It is currently at 4.0% and will remain at the current rate until November 10, 2011 and then will be adjusted every three years thereafter.

On August 3, 2010 the Authority signed a promissory note with the Lawrence Allen Hefner living Revocable Trust Dated February 5, 2010 in the amount of \$525,000 to acquire a certain tract of land to be known as Industrial Park II. The property is collateral on the loan. Interest only payments will be made for the first thirty-five (35) months. Thirty-six (36) months from date of note the Authority shall pay \$55,000 to the trust. Thereafter, monthly payments of \$2,646.28 will be required until the remaining balance is paid in full. The interest rate is fixed at 5% for the duration of the note.

The maturity redemption is as follows:

	<u>Current Maturities</u>	<u>Debt Service</u>
2012	32,411	66,468
2013	32,411	65,169
2014	94,421	119,086
2015	41,217	68,082
2016	41,667	66,785
2017-2021	101,811	208,196
2022-2026	69,159	158,777
2027-2031	88,756	158,777
2032-2036	113,906	158,777
Thereafter	119,218	132,314



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees  
Wagoner Industrial Development Authority  
Wagoner, OK 74467

We have audited the financial statements of Wagoner Industrial Development Authority as of and for the year ended June 30, 2011, and have issued our report thereon dated September 12, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

Management of Wagoner Industrial Development Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion of the effectiveness of the Authority's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedules of finding and responses we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

*A deficiency in internal control* exists when the design of operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable

possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency 2011-1 described in the accompanying schedule of findings and responses to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

Wagoner Industrial Development Authority's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Authority's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, Board of Trustees, others within the organization, and the State of Oklahoma Auditor and Inspector, and is not intended to be and should not be used by anyone other than these specified parties.

  
Clothier & Company CPA's  
September 12, 2011

**WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE PERIOD ENDED JUNE 30, 201**

**Section I – Summary of Prior Year Audit Finding**

No prior year findings.

**Section II – Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued. – Unqualified

Internal control over financial reporting:

- Material weaknesses identified?  yes  no
- Significant control deficiencies identified that are Not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**Section III – Financial Statement Findings**

2011-1 Under insured deposits.

*Criteria or specific requirement* – The Authority has deposits that are not insured or collateralized. It is their responsibility to protect assets.

*Condition* – The Authority has \$501,942 in deposits at First Bank and Trust in Wagoner, Oklahoma, of which \$250,00 are covered by FDIC and \$251,942 are not insured or collateralized.

*Context* – The underinsured deposits were noted when bank statement for June 30, 2011 were received from the client.

*Effect* – Assets are not fully protected. Receipts are at risk in the event of bank failure.

*Cause* – Not taking necessary steps to secure deposits in a timely manner.

*Recommendation* – Place under insured deposits in another area bank or institution that will provide FDIC coverage, collateralize receipts or use the cash to pay down debt.

*Views of responsible officials and planned corrective actions* – A Irrevocable Letter of Credit was obtained September 1, 2011 from First Bank & Trust Co. for up to \$350,000 to secure under insured deposits until August 30, 2012.

**SUPPLEMENTARY INFORMATION**

**WAGONER INDUSTRIAL DEVELOPMENT AUTHORITY  
BUDGET TO ACTUAL COMPARISON  
FOR THE YEAR JUNE 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Y - T - D Actual</u>	<u>Variance</u>
<u>Revenue</u>				
Park II House Rental	0	3,650	3,650	0
Elastomer Lease	72,000	72,000	30,577	41,423
Workforce Lease	9,630	8,580	8,580	0
T-Mobile Lease	4,896	4,896	4,896	0
Misc. Income	0	632	632	0
Transfer From City EDF	60,000	60,000	60,000	0
Transher From EDF-Adver.	5,000	5,010	5,010	0
Interest Income	1,000	2,076	2,076	0
<b>Total Revenue</b>	<u>152,526</u>	<u>156,844</u>	<u>115,421</u>	<u>41,423</u>
<u>General Expenses</u>				
Office Supplies	300	93	93	0
Personel	500	449	449	0
Advertising	8,000	6,745	6,745	0
Repairs & Maintenance	3,000	0	0	0
Insurance	0	990	990	0
Telephone/Utilities	800	523	523	0
Auditing	1,800	1,800	1,800	0
Membership Dues	1,600	438	438	0
Promo. Meals	400	108	108	0
Marketing Representative	4,000	2,154	2,154	0
Mileage	2,000	55	55	0
Miscellaneous	2,000	665	665	0
N.P. Elastomer Interest	51,600	33,500	33,500	0
<b>Total General Expenses</b>	<u>76,000</u>	<u>47,520</u>	<u>47,520</u>	<u>0</u>
<u>Industrial Park I</u>				
Repairs/Upkeep	1,500	885	885	0
Insurance	1,400	0	0	0
Appraisals/Certifications	500	0	0	0
Utilities	900	116	116	0
Legal Fees	1,000	1,755	1,755	0
Shell Building	19,800	0	0	0
<b>Total Industrial Park I</b>	<u>25,100</u>	<u>2,756</u>	<u>2,756</u>	<u>0</u>
<u>Industrial Park II</u>				
Repairs/Upkeep	9,500	1,939	1,939	0
Insurance	2,400	138	138	0
Appraisals/Certifications	500	0	0	0
Utilities	1,800	759	759	0
N.P. Industrial Park II	21,875	0	0	0
Legal Fees	1,000	2,890	2,890	0
Land Purchase	127,465	0	0	0
<b>Total Industrial Park II</b>	<u>164,540</u>	<u>5,726</u>	<u>5,726</u>	<u>0</u>
<b>Total Expenses</b>	<u>265,640</u>	<u>56,002</u>	<u>56,002</u>	<u>0</u>

See accompanying footnotes and auditors' report.