

RECEIVED FOR RECORD ON 2/16/2021  
@ 10:00 AM AND RECORDED BY  
Simon Horgan Asst.  
TOWN CLERK

**Durham-Middlefield Interlocal  
Agreement Advisory Board  
Financial Statements  
and  
Report of Independent  
Certified Public Accountants  
  
For the Fiscal Year Ended  
June 30, 2020**

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Table of Contents**  
**For the Fiscal Year Ended June 30, 2020**

---

|  | Exhibit/<br>Schedule | Page     |
|--|----------------------|----------|
| <b>Auditor's Report and Management's Discussion and Analysis</b>                             |                      |          |
| Independent Auditor's Report.....  |                      | <i>i</i> |
| Management's Discussion and Analysis.....  |                      | 1        |
| <b>Government-Wide Financial Statements</b>  |                      |          |
| Statement of Net Position.....   | I                    | 5        |
| Statement of Activities.....   | II                   | 6        |
| <b>Fund Financial Statements</b>   |                      |          |
| Balance Sheet-Governmental Funds   | III                  | 7        |
| Statement of Revenues, Expenditures and Changes in Fund Balances-<br>Governmental Funds..... | IV                   | 8        |
| <b>Notes to the Financial Statements</b>   |                      |          |
| Notes to the Financial Statements.....   |                      | 9        |
| <b>Required Supplementary Information</b>  |                      |          |
| General Fund-Schedule of Revenues-Budgetary Basis-Budget and Actual.....                     | RSI-1                | 17       |
| General Fund-Schedule of Expenditures-Budgetary Basis-Budget and Actual.....                 | RSI-2                | 18       |
| <b>Supplemental Schedules</b>  |                      |          |
| <b>General Fund</b>  |                      |          |
| Schedule of the Calculation of the Constituent Towns Fund Balance.....                       | 1                    | 19       |



CERTIFIED PUBLIC ACCOUNTANTS

43 Enterprise Drive • Bristol, CT 06010-3990 • 860/582-6715 • Fax 860/585-6339

### Independent Auditor's Report

To the Directors of the  
Durham-Middlefield Interlocal Agreement Advisory Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Durham-Middlefield Interlocal Agreement Advisory Board, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Durham-Middlefield Interlocal Agreement Advisory Board's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Durham-Middlefield Interlocal Agreement Advisory Board's 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 opinions 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. Those standards require that we plan and perform the audit 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 entity'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 entity'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 opinions.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Durham-Middlefield Interlocal Agreement Advisory Board, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year 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 and budgetary comparison information on pages 1 - 4 and 17 - 18 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.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Durham-Middlefield Interlocal Agreement Advisory Board's basic primary government financial statements. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedule on page 19 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. 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 schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
January 8, 2021

**Durham-Middlefield Interlocal Agreement Advisory Board  
Management's Discussion and Analysis  
For the year ended June 30, 2020**

---

As management of the Durham-Middlefield Interlocal Agreement Advisory Board (DMIAAB) we offer readers of the financial statements this narrative overview and analysis of the financial activities of DMIAAB for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here along with DMIAAB's basic financial statements.

**Financial Highlights**

On a government-wide basis, the assets of DMIAAB exceeded its liabilities resulting in total net position of \$377,625. The total unrestricted net position at June 30, 2020 was \$89,384.

On a government-wide basis, during the year, DMIAAB's net position decreased by \$67,469, from \$445,092 to \$377,623.

Governmental activities expenses were \$742,256.

At the end of the fiscal year the general fund had a balance of \$89,384.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to DMIAAB's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information as well as the basic financial statements.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of DMIAAB's finances, in a manner similar to a private-sector business. These statements include all assets and liabilities on the accrual basis of accounting. All of DMIAAB's revenues and expenses are recorded regardless of when received or paid.

The statement of net position presents information on all of DMIAAB's assets and liabilities, with the difference reported as net position. Increases or decreases in net position may serve as an indicator that the DMIAAB's financial position is either improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the current fiscal year. Revenues and expenses are reported regardless of when received or paid and thus might be a future source or use of cash.

The statement of net position and statement of activities can be found at Exhibit I and II.

**Durham-Middlefield Interlocal Agreement Advisory Board  
Management's Discussion and Analysis  
For the year ended June 30, 2020**

---

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control and accountability over resources. DMIAAB only has a governmental type fund.

**Governmental Funds**

Governmental funds are used to account for basically the same functions reported as governmental activities in the government-wide financial statements. Governmental funds, unlike government-wide financial statements, focus on the short-term inflows and outflows of expendable resources, as well as on balances of expendable resources at the end of the year. These funds are reported on the modified accrual basis. The differences between governmental activities and governmental funds are reflected on the bottom of the fund financial statements.

The governmental fund financial statements are reflected at Exhibit III and IV.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a complete understanding of the data contained in the government-wide and fund financial statements.

**Government-Wide Financial Analysis**

The analysis below reflects net position and changes in net position.

**Net Position**

|   | 2020              | 2019              | Change             |
|---|-------------------|-------------------|--------------------|
| Current and Other Assets                  | \$ 166,303        | \$ 208,758        | \$ (42,455)        |
| Capital Assets                            | 317,590           | 393,104           | (75,514)           |
| Total Assets                              | <u>483,893</u>    | <u>601,862</u>    | <u>(117,969)</u>   |
| Current Liabilities                       | 76,919            | 74,372            | 2,547              |
| Long-Term Liabilities                     | 29,351            | 82,398            | (53,047)           |
| Total Liabilities                         | <u>106,270</u>    | <u>156,770</u>    | <u>(50,500)</u>    |
| Investment in Capital Assets, Net of Debt | 288,239           | 310,706           | (22,467)           |
| Unrestricted                              | 89,384            | 134,386           | (45,002)           |
| Total Net Position                        | <u>\$ 377,623</u> | <u>\$ 445,092</u> | <u>\$ (67,469)</u> |

Net position of DMIAAB's governmental activities decreased by \$67,469. Unrestricted net position of \$89,384 may be used to meet DMIAAB's ongoing obligations.

**Durham-Middlefield Interlocal Agreement Advisory Board  
Management's Discussion and Analysis  
For the year ended June 30, 2020**

---

**Changes in Net Position**

|  | 2020        | 2019        |
|--|-------------|-------------|
| Revenue  |             |             |
| Program Revenues   |             |             |
| Charges for Services                                     | \$ 230,200  | \$ 229,081  |
| Operating Grants and Contributions                       | -           | -           |
| Capital Grants and Contributions                         | -           | -           |
| General Revenues   |             |             |
| Municipal Assessments                                    | 441,904     | 409,904     |
| Grants/Contributions Not Restricted to Specific Programs | -           | -           |
| Unrestricted Investment Earnings                         | 105         | 395         |
| Miscellaneous  | 24,043      | 8,813       |
| Total Revenues   | 696,252     | 648,193     |
| Program Expenses Transfer Station Operations             | 763,720     | 717,565     |
| Increase (Decrease) in Net Position                      | \$ (67,468) | \$ (69,372) |

DMIAAB's total revenues were \$696,252. The total cost of all programs was \$763,720.

**Governmental Activities**

For governmental activities, approximately 33% of the revenues were derived from program revenues, with approximately 63% coming from municipal assessments and approximately 4% from investment earnings and other sources. 100% of DMIAAB's expenditures were related to operation of a transfer station and recycling center.

**Fund Financial Analysis**

**Governmental Funds**

At the end of the year the governmental funds reported a fund balance of \$89,384. This was a decrease of \$46,006 from last year's total of \$135,390. Of the fund balance, \$28,384 has been assigned for the 2020/2021 budget. The general fund is the chief operating fund of DMIAAB.

**General Fund Budgetary Highlights**

The final amended budget was \$730,326. This reflected no increase over the original budget. During the current fiscal year, actual revenues, excluding the use of prior year surplus, were \$696,250 which was more than budgetary estimates by \$34,076. Actual expenditures on a budgetary basis totaled \$742,256, which were more than budgetary estimates by \$11,930 and which were more than actual revenues on a budgetary basis by \$46,006.

**Durham-Middlefield Interlocal Agreement Advisory Board  
Management's Discussion and Analysis  
For the year ended June 30, 2020**

---

**Capital Assets and Debt Administration**

DMIAAB's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$317,590, net of accumulated depreciation. This investment in capital assets includes buildings, land improvements, and machinery, equipment, and vehicles. This represents a net decrease of \$75,514 during the year.

**Capital Assets (Net of Depreciation)**

|                           | 2020              | 2019              | Change             |
|---------------------------|-------------------|-------------------|--------------------|
| Building and Improvements | \$ 1,223          | \$ 1,713          | \$ (490)           |
| Land Improvements         | 44,420            | 47,534            | (3,114)            |
| Equipment                 | 211,837           | 261,365           | (49,528)           |
| Containers                | 18,546            | 24,193            | (5,647)            |
| Vehicles                  | 41,564            | 58,299            | (16,735)           |
| Total Fund Balances       | <u>\$ 317,590</u> | <u>\$ 393,104</u> | <u>\$ (75,514)</u> |

**Long-Term Debt**

At June 30, 2020 the DMIAAB outstanding debt consisted of two capital lease obligations payable. Outstanding debt is as follows:

**Outstanding Debt**

|                           | 2020             | 2019             | Change             |
|---------------------------|------------------|------------------|--------------------|
| Capital Lease Obligations | <u>\$ 29,351</u> | <u>\$ 82,397</u> | <u>\$ (53,046)</u> |
| Total Outstanding Debt    | <u>\$ 29,351</u> | <u>\$ 82,397</u> | <u>\$ (53,046)</u> |

**Economic Factors and Next Year's Budgets and Rates**

In March 2020, COVID-19 was declared a global pandemic. It is currently affecting business continuity, including supply chains and consumer demand across a broad range of industries and countries. The pandemic has already severely impacted the global economy and will continue to, likely for months to come, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty, and an estimate of the related future financial impact can't be made at this time.

DMIAAB has not been affected by state and/or national economic trends. DMIAAB has not had to cut employment levels and expects Town funding to remain consistent.

**Requests for Information**

The financial report is designed to provide an overview of the DMIAAB's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Durham-Middlefield Interlocal Agreement Advisory Board, P.O. Box 38, Durham, CT 06422.



**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Statement of Net Position**  
**As of June 30, 2020**

Exhibit I

|   | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| <b>Assets</b>                                     |                                    |
| Cash and Cash Equivalents                         | \$ 166,303                         |
| Receivables, Net                                  | -                                  |
| Prepaid Expenses                                  | -                                  |
| Capital Assets, Net                               | 317,590                            |
| <b>Total Assets</b>                               | <u>\$ 483,893</u>                  |
| <b>Liabilities</b>                                |                                    |
| Accounts Payable and Accrued Expenses             | \$ 76,919                          |
| Long-Term Liabilities                             |                                    |
| Due Within One Year                               | 29,351                             |
| Due in More Than One Year                         | -                                  |
| <b>Total Liabilities</b>                          | <u>106,270</u>                     |
| <b>Net Position</b>                               |                                    |
| Investment in Capital Assets, Net of Related Debt | 288,239                            |
| Unrestricted                                      | 89,384                             |
| <b>Total Net Position</b>                         | <u>\$ 377,623</u>                  |

*The accompanying notes are an integral  
part of these financial statements.*

**Durham-Middlefield Interlocal Agreement Advisory Board  
Statement of Activities  
For the Fiscal Year Ended June 30, 2020**

Exhibit II

| Functions/Programs                   | Expenses          | Program Revenues        |                                       |                                     | Net (Expense)<br>Revenue and<br>Change in<br>Net Position |
|--------------------------------------|-------------------|-------------------------|---------------------------------------|-------------------------------------|---|
|                                      |                   | Charges for<br>Services | Operating Grants<br>and Contributions | Capital Grants<br>and Contributions | Governmental<br>Activities                                |
| <b>Governmental Activities</b>       |                   |                         |                                       |                                     |   |
| Transfer Station Operations          | \$ 763,720        | \$ 230,200              | \$ -                                  | \$ -                                | \$ (533,520)  |
| <b>Total Governmental Activities</b> | <b>\$ 763,720</b> | <b>\$ 230,200</b>       | <b>\$ -</b>                           | <b>\$ -</b>                         | <b>(533,520)</b>  |
| <b>General Revenues</b>              |                   |                         |                                       |                                     |   |
|                                      |                   |                         |                                       |                                     | 441,904   |
|                                      |                   |                         |                                       |                                     | 105   |
|                                      |                   |                         |                                       |                                     | 24,043  |
|                                      |                   |                         |                                       |                                     | 466,052   |
|                                      |                   |                         |                                       |                                     | (67,468)  |
|                                      |                   |                         |                                       |                                     | 445,091   |
|                                      |                   |                         |                                       |                                     | <b>\$ 377,623</b>   |

*The accompanying notes are an integral  
part of these financial statements.*

**Durham-Middlefield Interlocal Agreement Advisory Board  
Governmental Funds – Balance Sheet  
For the Fiscal Year Ended June 30, 2020**

Exhibit III

|                                       | General Fund | Total<br>Governmental<br>Funds |
|---------------------------------------|--------------|--------------------------------|
| <b>Assets</b>                         |              |                                |
| Cash and Cash Equivalents             | \$ 166,303   | \$ 166,303                     |
| Receivables, Net                      | -            | -                              |
| Prepaid Expenses                      | -            | -                              |
| Total Assets                          | \$ 166,303   | \$ 166,303                     |
| <b>Liabilities and Fund Balances</b>  |              |                                |
| <b>Liabilities</b>                    |              |                                |
| Accounts Payable and Accrued Expenses | \$ 76,919    | \$ 76,919                      |
| Total Liabilities                     | 76,919       | 76,919                         |
| <b>Fund Balances</b>                  |              |                                |
| Town of Durham                        |              |                                |
| Assigned                              | 17,643       | 17,643                         |
| Unassigned                            | 39,444       | 39,444                         |
| Total Town of Durham                  | 57,087       | 57,087                         |
| Town of Middlefield                   |              |                                |
| Assigned                              | 10,741       | 10,741                         |
| Unassigned                            | 21,556       | 21,556                         |
| Total Town of Middlefield             | 32,297       | 32,297                         |
| Total Fund Balances                   | 89,384       | 89,384                         |
| Total Liabilities and Fund Balances   | \$ 166,303   | \$ 166,303                     |

Amounts reported for *governmental activities* in the statements of net position are different because:

|   |            |
|---|------------|
| Fund Balances - Total Governmental Funds  | \$ 89,384  |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | 317,590    |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.        | (29,351)   |
| Accrued interest payable on capital lease obligations are not recorded in the fund financial statements.                | -          |
| Net Position of Governmental Activities   | \$ 377,623 |

*The accompanying notes are an integral part of these financial statements.*

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2020**

Exhibit IV

|   | General Fund     | Total<br>Governmental<br>Funds |
|---|------------------|--------------------------------|
| <b>Revenue</b>                                      |                  |                                |
| Intergovernmental                                   |                  |                                |
| Town of Durham                                      | \$ 275,041       | \$ 275,041                     |
| Town of Middlefield                                 | 166,863          | 166,863                        |
|   | <u>441,904</u>   | <u>441,904</u>                 |
| Operating   |                  |                                |
| Hauler Fees   | 1,100            | 1,100                          |
| Recycling Revenues                                  | 26,522           | 26,522                         |
| Site Revenues                                       | 202,576          | 202,576                        |
|   | <u>230,198</u>   | <u>230,198</u>                 |
| Interest Income                                     | 105              | 105                            |
| Reimbursed Goods and Services                       | 24,043           | 24,043                         |
|   | <u>696,250</u>   | <u>696,250</u>                 |
| Total Revenue                                       |                  |                                |
| <b>Expenditures</b>                                 |                  |                                |
| Municipal Solid Waste                               | 227,849          | 227,849                        |
| Containers  | 6,136            | 6,136                          |
| Recycling Disposal                                  | 5,101            | 5,101                          |
| Composting Equipment for Resale                     | -                | -                              |
| Bulky Waste   | 63,763           | 63,763                         |
| Equipment   | 134,712          | 134,712                        |
| Site  | 26,680           | 26,680                         |
| Utilities   | 13,588           | 13,588                         |
| Payroll Expense                                     | 218,645          | 218,645                        |
| Administrative                                      | 45,782           | 45,782                         |
| Capital   | -                | -                              |
|   | <u>742,256</u>   | <u>742,256</u>                 |
| Total Expenditures                                  |                  |                                |
| <b>Excess (Deficiency) of Revenue Over Expenses</b> | <u>(46,006)</u>  | <u>(46,006)</u>                |
| <b>Fund Balance, Beginning of Year</b>              | 135,390          | 135,390                        |
| <b>Fund Balance, End of Year</b>                    | <u>\$ 89,384</u> | <u>\$ 89,384</u>               |

Amounts reported for the *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. This is the amount by which capital outlays exceeded depreciation expense in the current year.

\$ (75,514)

Capital lease obligation proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. The repayment of capital lease obligation principal is an expenditure in governmental funds however, the repayment of capital lease obligation principal reduces long-term liabilities in the statement of net assets. This is the amount by which capital lease obligation proceeds exceeded capital lease obligation payments during the year.

53,047

Accrued interest payable on capital lease obligations is not recorded in the fund financial statements. This is the current year change in accrued interest payable.

1,005

**Change in Net Position of Governmental Activities**

\$ (67,468)

*The accompanying notes are an integral part of these financial statements.*

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies**

The financial statements of the Durham-Middlefield Interlocal Agreement Advisory Board (DMIAAB) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the DMIAAB are described below:

**Nature of Activities**

The Durham-Middlefield Interlocal Agreement Advisory Board (DMIAAB) was established in 1971 by and between the Towns of Durham and Middlefield, Connecticut. Pursuant to Sections 7-339a through 7-3391 and Section 8-35d of the Connecticut State Statutes, as amended, the DMIAAB was created to operate a sanitary landfill and coordinate refuse collection for the Towns of Durham and Middlefield. The sanitary landfill has subsequently been closed, and the DMIAAB now operates a solid and bulky waste transfer station and recycling center for the Towns of Durham and Middlefield.

For financial reporting purposes the DMIAAB is considered a joint venture, as defined by GASB Statement Number 14, between the Towns of Durham and Middlefield, Connecticut. Accordingly, under the criteria established by GASB Statement Number 14, DMIAAB need not be combined with any other component unit(s) to form the reporting entity. The financial statements of the DMIAAB consist of only the funds of the DMIAAB.

**Basis of Accounting and Presentation**

The DMIAAB is considered a single-program governmental organization for financial reporting purposes. GASB Statement Number 34, "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*" requires the presentation of government-wide financial statements and fund financial statements. The government-wide financial statements consist of a statement of net assets and a statement of activities. The governmental fund financial statements consist of the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The DMIAAB has no business type activities.

**Government-wide financial statements** – consist of a statement of net assets and a statement of activities, which are prepared on the accrual basis of accounting. These statements report on all of the non-fiduciary activities of the DMIAAB. For the most part, the effect of inter-fund activity has been removed from these statements. Capital assets, net of accumulated depreciation, are included along with long-term obligations. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided by a given function or segment and (2) grants and contributions (intergovernmental revenues) that are restricted to meeting the operational or capital requirements of a particular function or segment. Municipal assessments and other items not properly included among program revenues are reported instead as general revenues. Information presented in the government-wide statement of activities demonstrates the degree to which DMIAAB's expenses are offset by revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. For DMIAAB's purposes, all revenue and expenses are related to a single program, transfer station operations. For the year ended June 30, 2020, the DMIAAB had no business-type activities.

**Fund financial statements** – provide information about the DMIAAB's governmental funds. These statements emphasize major fund activity and, depending on the fund type, utilize different basis of accounting. Governmental funds focus on sources, uses, and balances of current financial resources and often have budgetary orientation, and therefore use a modified accrual basis of accounting. The emphasis of fund financial statements is on major governmental funds, each being displayed in a separate column. For the fiscal year ended June 30, 2020, the only governmental fund of the DMIAAB was the general fund.

The DMIAAB reports the following major governmental fund:

**General Fund** – This fund is the DMIAAB's primary operating fund. It accounts for all financial resources of DMIAAB, except those required to be accounted for in another fund. Revenues are derived primarily from municipal assessments, charges for services, and interest income.

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Cont'd)**

**Required supplementary information** – in addition to the government-wide and governmental fund financial statements, budgetary comparison schedules are presented for the DMIAAB as a whole. The DMIAAB does not adopt an annual budget by governmental fund but rather adopts an annual budget for the organization as a whole. The original budget for revenues and expenditures and the final adjusted budget are presented in comparison with the actual final budgetary revenues and expenditures.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments from member towns are recognized as revenues in the year for which they are levied. Grants and similar items, if applicable, are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the DMIAAB considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such, have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The DMIAAB has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to municipalities or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include municipal assessments.

When both restricted and unrestricted resources are available for use, it is the DMIAAB's policy to use restricted resources first, and then unrestricted resources as they are needed.

**Deposits and Investments**

The DMIAAB's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the DMIAAB to invest in obligations of the United States Treasury, commercial paper, corporate bonds, repurchase agreements, and certain other investments as more fully described in Note 4.

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Cont'd)**

**Inventories and Prepaid Expenses**

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. At June 30, 2020, the DMIAAB had no inventory.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. At June 30, 2020, there were \$-0- of prepaid items.

**Capital Assets**

Capital assets, which include land and related improvements, buildings and related improvements, and equipment and furnishings, are reported in the applicable governmental columns in the government-wide financial statements.

Fixed assets used in governmental fund operations are accounted for as capital outlays in the fund financial statements upon acquisition.

Capital assets are defined by the DMIAAB as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings and related improvements, land improvements, equipment and furnishings are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>              | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 10 - 20      |
| Land Improvements          | 10 - 20      |
| Equipment                  | 10 - 15      |
| Containers                 | 6            |
| Vehicles                   | 7 - 10       |

**Long-Term Obligations**

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide financial statements. The long-term debt consists of two capital lease obligations payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and the payment of principal and interest are reported as expenditures.

**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 reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Cont'd)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The DMIAAB has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The DMIAAB has no items that qualify for reporting in this category.

**Fund Equity**

DMIAAB has adopted GASB Statement Number 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" which had a required implementation date of June 2011. This Statement establishes criteria for classifying governmental fund balances into specifically defined categories.

Classifications are hierarchical and are based primarily on the extent to which DMIAAB is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of this Statement requires DMIAAB to classify and report amounts in the appropriate fund balance classification.

DMIAAB's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned or unassigned.

DMIAAB reports the following classifications:

**Assigned Fund Balance** – Assigned fund balances are amounts that are constrained by the DMIAAB's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by DMIAAB's Board of Directors which has the authority to assign, modify, or rescind amounts to be used for specific purposes.

Assigned fund balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as spendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of DMIAAB itself.

Appropriated Assigned Fund Balance is an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues. At June 30, 2020 \$28,384 of the General Fund Balance had been so assigned.

**Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. This classification represents General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund.



**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 2 – Reconciliation of Government-Wide and Fund Financial Statements**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details are as follows:

|  |    |             |
|--|----|-------------|
| Depreciation Expense   | \$ | (75,514)    |
| Capital Outlays  |    | -           |
|  |    |             |
| Net adjustment to increase net changes in fund balance - total governmental funds to arrive at changes in net position - governmental activities |    | \$ (75,514) |

Another element of that reconciliation states that “Capital lease obligation proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. The repayment of capital lease obligation principal is an expenditure in governmental funds, however the repayment of capital lease obligation principal reduces long-term liabilities in the statement of net position.” The details are as follows:

|  |    |           |
|--|----|-----------|
| Capital Lease Proceeds   | \$ | -         |
|  |    |           |
| Debt Reductions  |    |           |
| Principal Payments on Capital Leases   |    | 53,047    |
|  |    |           |
| Net adjustment to increase net changes in fund balance - total governmental funds to arrive at changes in net position - governmental activities |    | \$ 53,047 |

**Note 3 – Stewardship, Compliance and Accountability**

The DMIAAB establishes an organization-wide budget in accordance with provisions of its interlocal agreement. In accordance with the interlocal agreement DMIAAB shall prepare and submit, on or before a set date, an itemized budget of estimated revenues and expenditures for the next fiscal year, including each participant Town’s estimated prorated share of expenditures, to the Boards of Finance of each member Town for approval and/or modification. Expenditures of the DMIAAB shall not, in the aggregate, exceed funds allocated by the approved budget. Annual appropriated budgets are prepared for the General Fund. All General Fund appropriations lapse at year-end.

The DMIAAB, as necessary, may amend the budget during the fiscal year.

Formal budgetary integration is employed as a management control device during the year for the DMIAAB. There were no additional appropriations approved during the year.

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

**Note 4 – Cash and Cash Equivalents**

The deposit of public funds is controlled by Connecticut General Statutes. Cash equivalents are defined as those liquid investments having original maturities of three months or less. The following is a summary of cash and cash equivalents at June 30, 2020:

|                       |    |         |  |  |  |
|-----------------------|----|---------|--|--|--|
| Deposits              |    |         |  |  |  |
| Demand Accounts       | \$ | 42,338  |  |  |  |
| Money Market Accounts |    | 121,640 |  |  |  |
| Total Deposits        |    | 163,978 |  |  |  |
| Cash on Hand          |    | 2,325   |  |  |  |
|                       | \$ | 166,303 |  |  |  |

**Deposits**

At June 30, 2020, the carrying amount of the DMIAAB's deposits with financial institutions was \$178,293. Custodial credit risk is the risk that, in the event of a bank failure, the DMIAAB would not be able to recover its deposits or would not be able to recover collateral securities that are in possession of an outside party. The DMIAAB does not have a policy for custodial risk. At June 30, 2020, \$250,000 of the bank balance was covered by Federal Depository Insurance.

**Cash equivalents**

Cash equivalents are defined as those highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2020, the DMIAAB had no cash equivalents.

**Note 5 – Receivables**

Receivables as of year-end for the DMIAAB consist of balances due from waste and recycling haulers. The DMIAAB monitors all such balances for potential receivable losses and, it is the opinion of management that any potential loss would not be significant to the DMIAAB.

**Note 6 – Capital Assets**

Capital asset activity for the year ended June 30, 2020 is as follows:

|   | Beginning  | Increases   | Decreases | Ending     |
|---|------------|-------------|-----------|------------|
| Governmental Activities                   |            |             |           |            |
| Depreciable Assets                        |            |             |           |            |
| Buildings                                 | \$ 14,497  | \$ -        | \$ -      | \$ 14,497  |
| Land Improvements                         | 422,654    | -           | -         | 422,654    |
| Equipment                                 | 595,196    | -           | -         | 595,196    |
| Containers                                | 176,251    | -           | -         | 176,251    |
| Vehicles                                  | 343,136    | -           | -         | 343,136    |
| Total Assets Being Depreciated            | 1,551,734  | -           | -         | 1,551,734  |
| Less: Accumulated Depreciation For        |            |             |           |            |
| Buildings                                 | 12,784     | 490         | -         | 13,274     |
| Land Improvements                         | 375,120    | 3,114       | -         | 378,234    |
| Equipment                                 | 333,831    | 49,528      | -         | 383,359    |
| Containers                                | 152,058    | 5,647       | -         | 157,705    |
| Vehicles                                  | 284,837    | 16,735      | -         | 301,572    |
| Total Accumulated Depreciation            | 1,158,630  | 75,514      | -         | 1,234,144  |
| Total Governmental Activities Capital     |            |             |           |            |
| Assets Being Depreciated, Net             | 393,104    | (75,514)    | -         | 317,590    |
| Total Government-Wide Capital Assets, Net | \$ 393,104 | \$ (75,514) | \$ -      | \$ 317,590 |

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

**Note 6 – Capital Assets (Cont'd)**

Depreciation expense was charged to functions/programs as follows:

|  |           |
|--|-----------|
| Governmental Activities                            |           |
| Transfer Station Operations                        | \$ 75,514 |
| Total Depreciation Expense-Governmental Activities | \$ 75,514 |

**Note 7 – Long-term Debt**

**Capital Lease Obligations Payable**

The DMIAAB has two capital lease arrangements which were entered into for purposes of acquiring a roll-off truck and a tub grinder for the site. The leases qualified as capital leases for accounting purposes and were recorded at the present value of the future minimum lease payments at the inception of the lease. The related equipment was also capitalized. Changes in long-term debt for the fiscal year ended June 30, 2020 are as follows:

|                             | Balance<br>June 30, 2019 | Additions | Reductions/<br>Maturities | Balance<br>June 30, 2020 | Due Within<br>One Year |
|-----------------------------|--------------------------|-----------|---------------------------|--------------------------|------------------------|
| Governmental Activities     |                          |           |                           |                          |                        |
| Capital Lease Obligations   | \$ 82,397                | \$ -      | \$ 53,046                 | \$ 29,351                | \$ 29,351              |
| Total Long-Term Liabilities | \$ 82,397                | \$ -      | \$ 53,046                 | \$ 29,351                | \$ 29,351              |

|                            | Principal | Interest | Total     |
|----------------------------|-----------|----------|-----------|
| Fiscal Year Ending June 30 |           |          |           |
| 2021                       | 29,351    | 790      | \$ 30,141 |
| 2022                       | -         | -        | -         |
| 2023                       | -         | -        | -         |
| 2024                       | -         | -        | -         |
| 2025                       | -         | -        | -         |
|                            | \$ 29,351 | \$ 790   | \$ 30,141 |

**Note 8 – Risk Management**

The DMIAAB is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation and natural disasters for which the DMIAAB carries commercial insurance. During the year ended June 30, 2020, there were no significant deductibles paid by the DMIAAB. Settled claims, for all types of commercial coverage, have not exceeded commercial insurance coverage during any of the past three fiscal years.

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

---

**Note 9 – Allocation of General Fund Balance and General Fixed Assets**

In accordance with the Interlocal Agreement, the DMIAAB expenditures are divided between the constituent Towns based on the estimated population of the Towns as of July 1, of the previous year as determined by the State of Connecticut Department of Public Health. Population figures used in the calculation of the budget for the year ended June 30, 2020 and the proration percentages between the Towns is as follows:

|                       | Town of<br>Durham | Town of<br>Middlefield | Total   |
|-----------------------|-------------------|------------------------|---------|
| Estimated Population  | 7,195             | 4,380                  | 11,575  |
| Proration Percentages | 62.16%            | 37.84%                 | 100.00% |

These percentages are also used to calculate each Town's portion of any excess of contributions over net expenditures. Surpluses in excess of 5% of the approved budget shall be used to reduce the contributions of the Towns in the following year based on the percentage of contribution. The total surpluses in excess of the 5% are reflected in the Assigned Fund Balance.

Fixed asset ownership, net of related debt, has been allocated between the towns using the same method. At June 30, 2020 investment in net fixed assets is as follows:

|                     |            |
|---------------------|------------|
| Town of Durham      | \$ 197,414 |
| Town of Middlefield | 120,176    |
|                     | \$ 317,590 |

**Note 10 – Explanation of Differences Between Budget and GAAP**

Fund Balance is a budgetary resource but is not a current year revenue for financial reporting purposes.

**Note 11 – Subsequent Events**

Subsequent events were evaluated through January 8, 2021, which is the date that the financial statements were available to be issued. In March 2020, COVID-19 was declared a global pandemic. It is currently affecting business continuity, including supply chains and consumer demand across a broad range of industries and countries. The pandemic has already severely impacted the global economy and will continue to, likely for months to come, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty, and an estimate of the related future financial impact can't be made at this time.

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Required Supplementary Information**  
**General Fund – Schedule of Revenues - Budgetary Basis-Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

Schedule RSI 1

| <b>General Fund &amp; Local Governments</b> |                    |                   |   |  |
|---|--------------------|-------------------|---|--|
|   | Original<br>Budget | Revised<br>Budget | Actual<br>(Budgetary<br>Basis See<br>Note 10) | Variance<br>Favorable<br>(Unfavorable) |
| <b>Intergovernmental Revenues</b>           |                    |                   |   |  |
| Town of Durham                              | \$ 275,041         | \$ 275,041        | \$ 275,041                                    | \$ -                                   |
| Town of Middlefield                         | 166,863            | 166,863           | 166,863                                       | -                                      |
|   | <u>441,904</u>     | <u>441,904</u>    | <u>441,904</u>                                | <u>-</u>                               |
| <b>Other Revenues</b>                       |                    |                   |   |  |
| Hauler Fees                                 | 800                | 800               | 1,100   | 300                                    |
| Recycling Revenue                           | 27,700             | 27,700            | 26,522  | (1,178)                                |
| Site Revenues                               | 179,400            | 179,400           | 202,576                                       | 23,176                                 |
| Interest Income                             | -                  | -                 | 105   | 105                                    |
| Total Revenue                               | <u>207,900</u>     | <u>207,900</u>    | <u>230,303</u>                                | <u>22,403</u>                          |
| <b>Reimbursed Goods and Services</b>        |                    |                   |   |  |
| Reimbursed Expenses                         | 6,000              | 6,000             | 24,043  | 18,043                                 |
| Total Expenditures                          | <u>6,000</u>       | <u>6,000</u>      | <u>24,043</u>                                 | <u>18,043</u>                          |
| <b>Fund Balance</b>                         | <u>74,522</u>      | <u>74,522</u>     | -   | <u>(74,522)</u>                        |
| <b>Total Revenues</b>                       | <u>\$ 730,326</u>  | <u>\$ 730,326</u> | <u>\$ 696,250</u>                             | <u>\$ (34,076)</u>                     |

**Durham-Middlefield Interlocal Agreement Advisory Board**  
**Required Supplementary Information**  
**General Fund – Schedule of Expenditures - Budgetary Basis-Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

Schedule RSI 2

| <b>General Fund &amp; Local Governments</b> |                    |                   |   |  |
|---|--------------------|-------------------|---|--|
|   | Original<br>Budget | Revised<br>Budget | Actual<br>(Budgetary<br>Basis See<br>Note 10) | Variance<br>Favorable<br>(Unfavorable) |
| <b>Expenditures</b>                         |                    |                   |   |  |
| Municipal Solid Waste                       | \$ 236,500         | \$ 236,500        | \$ 227,849                                    | \$ 8,651                               |
| Containers                                  | 16,500             | 16,500            | 6,136   | 10,364                                 |
| Recycling Disposal                          | 3,500              | 3,500             | 5,101   | (1,601)                                |
| Composting                                  | 3,000              | 3,000             | -   | 3,000                                  |
| Bulky Waste                                 | 53,000             | 53,000            | 63,763  | (10,763)                               |
| Equipment                                   | 118,226            | 118,226           | 134,712                                       | (16,486)                               |
| Site  | 25,000             | 25,000            | 26,680  | (1,680)                                |
| Utilities                                   | 12,400             | 12,400            | 13,588  | (1,188)                                |
| Payroll Expense                             | 213,200            | 213,200           | 218,645                                       | (5,445)                                |
| Administrative                              | 49,000             | 49,000            | 45,782  | 3,218                                  |
| <b>Total Expenditures</b>                   | <b>\$ 730,326</b>  | <b>\$ 730,326</b> | <b>\$ 742,256</b>                             | <b>\$ (11,930)</b>                     |

**Durham-Middlefield Interlocal Agreement Advisory Board  
General Fund  
Schedule of the Calculation of the Constituent Towns Fund Balance  
For the Fiscal Year Ended June 30, 2020**

Schedule 1

**Calculation of Net Expenditures**

|  |                   |
|--|-------------------|
| Total General Fund Expenditures                              | \$ 742,256        |
| Less: Operating Revenues                                     | (230,198)         |
| Less: Interest Income  | (105)             |
| Less: Reimbursed Goods and Services                          | (24,043)          |
| General Fund Expenditures Net of Operating and Other Revenue | <u>\$ 487,910</u> |

**Calculation of the Constituent Towns Fund Balances**

|   | <u>Town of<br/>Durham</u> | <u>Town of<br/>Middlefield</u> | <u>Total</u>     |
|---|---------------------------|--------------------------------|------------------|
| Town Contributions  | \$ 275,041                | \$ 166,863                     | \$ 441,904       |
| General Fund Expenditures Net of Operating and Other Revenues               |                           |                                |                  |
| Durham 62.16%   | 303,285                   | -                              | 303,285          |
| Middlefield 37.84%  | -                         | 184,625                        | 184,625          |
| Subtotal  | <u>303,285</u>            | <u>184,625</u>                 | <u>487,910</u>   |
| Current Year Excess (Deficiency) of Town Contributions Over<br>Net Expenses | <u>(28,244)</u>           | <u>(17,762)</u>                | <u>(46,006)</u>  |
| <b>Fund Balance, June 30, 2019</b>  | 85,331                    | 50,059                         | 135,390          |
| <b>Total Fund Balance, June 30, 2020</b>                                    | <u>\$ 57,087</u>          | <u>\$ 32,297</u>               | <u>\$ 89,384</u> |
| Assigned  | \$ 17,643                 | \$ 10,741                      | \$ 28,384        |
| Unassigned  | 39,444                    | 21,556                         | 61,000           |
|   | <u>\$ 57,087</u>          | <u>\$ 32,297</u>               | <u>\$ 89,384</u> |