

***Fiscal Year 2022-2023***

***Budget***



***Approved June 21, 2022***

***Board of Directors:***

*Gary Graves, President*

*Claude Brown, Vice President*

*Jim Freeman*

*Jim Lieberman*

*Sean Millerick*

***General Manager:***

*Dennis White*

## Table of Contents

Introduction	1
Revenue and Expense Trends and Forecast	3
Operating Budget	6
Capital Projects Budget	19
Debt Service Budget	21

## **Introduction**

The Hidden Valley Lake Community Services District (District) is an independent special district serving the Hidden Valley Lake Community in southern Lake County, California. The District, which consists of 15 full-time employees, and 1 part-time employee, provides municipal water to over 2,500 homes and 5 distinct businesses, and sewer services to nearly 1,500 within its three square mile service area.

### **Mission Statement**

“The mission of the Hidden Valley Lake Community Services District is to provide, maintain and protect our community’s water.”

### **History**

The Stonehouse Mutual Water Company was established in 1968 and supplied water to the Hidden Valley Lake subdivision. The Hidden Valley Lake Community Service District was established in 1984. In the early 1990’s discussions of a merger between Stonehouse Mutual Water Company, and Hidden Valley Lake Community Services District began. It was evident that combining the two stand-alone providers into one utility company would result in a tremendous cost savings. The merge also provided additional protection to the community via State oversight as well as access to grants and low cost loans. With the passage of AB 1504, the merger of the two utilities was accomplished on January 1, 1993 at 12:01 am.

### **Board of Directors**

The Board of Directors of the Hidden Valley Lake CSD consists of five elected officials who are tasked with representing the general interest of those in the Hidden Valley Lake community. Directors must live within the boundaries of the water or sewer district, ensuring that they fully understand the intricacies of the community and are enlisted in services provided. Each member serves a four year term. Elections are held in November of even numbered years, and Director terms are staggered to mitigate disruption.

The Board of Directors sets goals and creates policies that guide District operations. The Board appoints a General Manager to handle the day-to-day operations of the District and to carry out the goals and policies. It is the General Manager's responsibility to ensure that District procedures are in line with the District's mission. Beyond the General Manager, the Board also appoints legal counsel and financial auditors.

The HVLCSD Board of Directors is committed to transparency. Board meetings are held in accordance with the Brown Act and are noticed as such. Regular board meetings are held on the third Tuesday of the month at 7:00 p.m. at the District's business office, 19400 Hartmann Rd., Hidden Valley Lake. An exception was made during the height of the pandemic, where board meetings were held virtually in the interest of public, employee and director safety. The board also assigns standing and ad hoc committees that meet throughout the year to assist in the development of policy. Committee meetings are also held at the District's business office; times and dates vary by committee and can be found on the District website, [www.hvllcsd.org](http://www.hvllcsd.org). Each meeting ends with a call for public comment, and community members are encouraged to attend and voice concerns or share accolades.

## **Revenue and Expense Trends and Forecast**

### **Water & Sewer Overview**

Both the Water & Sewer Funds continue to improve. Now 18 months into the new 4.5 year rate structure, the District is experiencing water and sewer use revenues that are helping the recovery process from the fiscal shortfalls of years past. Nonetheless, District infrastructure challenges still remain. Extraordinarily damaging weather events during the previous 5-year rate structure eroded the reserves that the rates were designed to enhance. By simply surviving the natural disasters from 2015 – 2020, capital improvement projects were deferred, and the District's net worth suffered. The horizon to fully recover from these disasters is long, but we are moving in the right direction. We are taking the early steps towards resiliency and sustainability. Some major milestones contributing to this effort are 1) Productive collaboration between Directors and the General Manager, 2) Career growth opportunities for in-house staff, and 3) The continual search for and implementation of project funding to help off-set the costs of major improvements to our ratepayers. When we work together, and we like what we do, everyone wins.

### **Water Fund**

Water demand has levelled out since the highs recorded in 2019 – 2020. Residents are adjusting to the new 5 -year rate structure, and consumption levels are therefore conservative. Conversely, the amount of new connections is up and rate revenue proceeds are healthy. These proceeds have gone right back into the infrastructure, replacing legacy water meters with an advanced metering infrastructure (AMI). Costly events for the Water Fund have been the water shut-off moratorium, and water main breaks. The arrearages imposed by this moratorium were as high as 1.11% of water revenues in the last fiscal year. The retail value of water lost over the last fiscal year was 1.11% of water revenues. Quantifying these costs only serves to underscore the urgent need for continued capital improvements.

A look to the future promises arrearages that extend no longer than 3 months, which establishes a much more manageable balance sheet for operations. The future of capital improvement is focused on water supply reliability. This theme of water supply reliability is the big picture. Together, we can bring resilience and sustainability back to the District. Every collaborative

decision made is a step closer to the big picture. In-house staff are working daily to improve infrastructure. Keeping expertise in-house builds work pride and reduces attrition costs. A commitment to its own workforce engenders loyalty and is an integral part of a sustainable future.

### **Sewer Fund**

While sewer consumption figures have dropped slightly, rate revenue is in-line with the forecasts identified in the rate study adopted December of 2020. Similar to the Water Fund, these revenues are going straight back into the infrastructure that is in need of repair. Equipment purchases have been smaller and more customized to the specific needs of a District this size. Sewer revenues have also allowed for vast improvements in the mitigation of leaks and stormwater inflow. Cured-in-place pipelining, pipe bursting, and airtight HPDE manhole lids are some of the newer technologies being put to use in the sewer infrastructure. All of these improvements help prevent inundation events that devastate the wastewater treatment plant as evidenced by the flooding disasters of 2017 and 2019. In-house staff are able to capitalize on newer equipment to repair failures faster and cheaper. Preventative maintenance is on the upswing, further reducing the costly effects of failure.

### **Final Thoughts:**

The District has presented a balanced budget for the 2022/2023 fiscal year. Projected revenues, operational expenses, and capital improvement needs continue to be a reflection of the 2020 NBS Rate Study that was fully vetted by District staff.

Rising costs of fuels and materials have been incorporated into the operational expense plan, as well as extended expected delivery dates for materials. During these tumultuous times of climactic risk such as fire and flood, this operational plan incorporates increased costs using the best data available. Despite the scarcity of surface water, groundwater levels remain stable and resilient. Given groundwater performance during previous drought years, and the recharge rate observed currently, drought surcharges are unlikely to be implemented in the upcoming fiscal year. The District is fortunate to have achieved success in managing operational expenses last

year, the first full year of the new rate structure. While expenses will inevitably continue to increase year to year, this balanced budget had made accommodations. Proper fiscal management of operations have, and will continue to illustrate how ratepayers water and sewer use fees have been put to the most beneficial use to “provide, maintain, and protect our community’s water” amidst relative uncertainty.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
2022-2023 BUDGET  
SEWER ENTERPRISE FUND**

<b>REVENUE</b>	
120-4020 PERMIT & INSPECTION FEES	<b>1,000</b>
120-4045 AVAILABILITY FEES	<b>5,500</b>
120-4050 SALES OF RECLAIMED WATER	<b>154,542</b>
120-4111 COMMERCIAL SEWER USE	<b>85,538</b>
120-4112 GOVERNMENT SEWER USE	<b>1,200</b>
120-4116 SEWER USE CHARGES	<b>1,836,418</b>
120-4210 LATE FEE	<b>22,000</b>
120 4300 MISC INCOME	<b>2,500</b>
120-4310 OTHER INCOME	<b>1,450</b>
120-4550 INTEREST INCOME	<b>500</b>
<b>TOTAL REVENUE</b>	<b>2,110,648</b>

**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
2022-2023 BUDGET  
SEWER ENTERPRISE FUND**

<b>OPERATING EXPENDITURES</b>	
120-5010 SALARY & WAGES	<b>568,698</b>
120-5020 EMPLOYEE BENEFITS	<b>216,772</b>
120-5021 RETIREMENT BENEFITS	<b>117,770</b>
120-5022 CLOTHING ALLOWANCE	<b>2,500</b>
120-5024 WORKERS COMP INSURANCE	<b>12,000</b>
120-5025 RETIREE HEALTH BENEFITS	<b>8,452</b>
120-5030 DIRECTOR HEALTH BENEFITS	<b>25,629</b>
120-5040 ELECTION EXPENSE	<b>2,500</b>
120-5060 GASOLINE, OIL & FUEL	<b>30,000</b>
120-5061 VEHICLE MAINT	<b>26,415</b>
120-5062 TAXES & LICENSE	<b>800</b>
120-5063 CERTIFICATIONS	<b>2,000</b>
120-5074 PROPERTY/LIABILITY INSURANCE	<b>104,000</b>
120-5075 BANK FEES	<b>30,000</b>
120-5080 MEMBERSHIP & SUBSCRIPTIONS	<b>11,000</b>
120-5090 OFFICE SUPPLIES	<b>5,000</b>
120-5092 POSTAGE & SHIPPING	<b>9,000</b>
120-5121 LEGAL SERVICES	<b>12,000</b>

120-5122 ENGINEERING SERVICES	<b>49,000</b>
120-5123 OTHER PROFFESIONAL SERVICES	<b>10,000</b>
120-5126 AUDIT SERVICES	<b>7,500</b>
120-5130 PRINTING & PUBLICATION	<b>6,000</b>
120-5135 NEWSLETTER	<b>1,000</b>
120-5145 EQUIPMENT RENTAL	<b>5,000</b>
120-5148 OPERATING SUPPLIES	<b>50,000</b>
120-5150 REPAIR & REPLACE	<b>180,000</b>
120-5155 MAINT BLDG & GROUNDS	<b>12,000</b>
120-5156 CUSTODIAL SERVICES	<b>17,500</b>
120-5157 SECURITY	<b>1,000</b>
120-5160 SLUDGE DISPOSAL	<b>35,000</b>
120-5165 TERTIARY POND MAINT	<b>50,000</b>
120-5170 TRAVEL & MEETINGS	<b>6,200</b>
120-5175 EDUCATION/SEMINARS	<b>10,500</b>
120-5176 DIRECTOR TRAINING	<b>3,600</b>
120-5179 ADM MISC EXPENSE	<b>350</b>
120-5191 TELEPHONE	<b>15,000</b>
120-5192 ELECTRICITY	<b>155,000</b>
120-5193 OTHER UTILITIES	<b>3,500</b>

120-5194 IT SERVICES	35,000
120-5195 ENV/MONITORING	40,000
120-5198 ANNUAL OPERATING FEES	7,500
120-5310 EQUIPMENT - FIELD	1,200
120-5311 EQUIPMENT - OFFICE	1,200
120-5312 TOOLS - FIELD	1,500
120-5315 SAFETY EQUIPMENT	3,500
120-5317 COVID-19	7,500
120-5545 RECORDING FEES	250
120-5580 TRANSFER OUT – FUND 219 USDA SOLAR DEBT	32,205

<b>TOTAL OPERATING EXPENDITURES</b>	<b>1,932,541</b>
-------------------------------------	------------------

**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
2022-2023 BUDGET  
WATER ENTERPRISE FUND**

<b>REVENUE</b>	
130-4035 RECONNECT FEES	<b>5,000</b>
130-4039 WATER CONNECTION FEE (METER)	<b>3,290</b>
130-4040 LIEN RECORDING FEES	<b>1,200</b>
130-4045 AVAILABILITY FEES	<b>22,000</b>
130-4110 COMMERCIAL WATER USE	<b>144,786</b>
130-4111 BULK WATER SALES	<b>7,500</b>
130-4112 GOVERNMENT WATER USE	<b>6,500</b>
130-4115 WATER USE CHARGES	<b>2,848,200</b>
130-4210 LATE FEE 10%	<b>32,000</b>
130-4215 RETURNED CHECK FEE	<b>500</b>
130-4300 MISC INCOME	<b>1,500</b>
130-4310 OTHER INCOME	<b>100</b>
130-4330 HYDRANT METER USE DEPOSIT	<b>9,720</b>
130-4550 INTEREST INCOME	<b>1,800</b>
<b>TOTAL REVENUE</b>	<b>3,084,096</b>

**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
2022-2023 BUDGET  
WATER ENTERPRISE FUND**

**OPERATING EXPENDITURES**

130-5010 SALARY & WAGES	568,698
130-5020 EMPLOYEE BENEFITS	216,772
130-5021 RETIREMENT BENEFITS	117,770
130-5022 CLOTHING ALLOWANCE	2,500
130-5024 WORKERS' COMP INSURANCE	10,500
130-5025 RETIREE HEALTH BENEFITS	8,452
130-5030 DIRECTOR HEALTH BENEFITS	25,629
130-5040 ELECTION EXPENSE	2,500
130-5060 GASOLINE, OIL & FUEL	30,000
130-5061 VEHICLE MAINT	25,000
130-5062 TAXES & LICENSE	1,200
130-5063 CERTIFICATIONS	800
130-5074 PROPERTY/LIABILITY INSURANCE	104,000
130-5075 BANK FEES	30,000
130-5080 MEMBERSHIP & SUBSCRIPTIONS	28,000
130-5090 OFFICE SUPPLIES	5,000
130-5092 POSTAGE & SHIPPING	7,500

130-5110 CONTRACTUAL SERVICES	60,000
130-5121 LEGAL SERVICES	30,000
130-5122 ENGINEERING SERVICES	65,000
130-5123 OTHER PROFESSIONAL SERVICES	15,000
130-5124 GSA - GROUNDWATER SUSTAINABILITY	15,000
130-5126 AUDIT SERVICES	7,500
130-5130 PRINTING & PUBLICATION	7,500
130-5135 NEWSLETTER	1,200
130-5145 EQUIPMENT RENTAL	35,000
130-5148 OPERATING SUPPLIES	7,500
130-5150 REPAIR & REPLACE	225,000
130-5155 MAINT BLDG & GROUNDS	15,000
130-5156 CUSTODIAL SERVICES	5,000
130-5157 SECURITY	5,000
130-5170 TRAVEL & MEETINGS	6,200
130-5175 EDUCATION/SEMINARS	10,000
130-5176 DIRECTOR TRAINING	5,000
130-5179 ADM MISC EXPENSE	350
130-5191 TELEPHONE	15,000
130-5192 ELECTRICITY	200,000
130-5193 OTHER UTILITIES	3,600
130-5194 IT SERVICES	55,000

130-5195 ENV/MONITORING	20,000
130-5198 ANNUAL OPERATING FEES	40,000
130-5310 EQUIPMENT - FIELD	1,000
130-5311 EQUIPMENT - OFFICE	1,000
130-5312 TOOLS - FIELD	2,000
130-5315 SAFETY EQUIPMENT	5,000
130-5317 COVID-19	7,500
130-5505 WATER CONSERVATION	5,000
130-5545 RECORDING FEES	250
130-5580 TRANSFER OUT-218 CIEDB DEBT	96,979
130-5600 CONTINGENCY	30,000

<b>TOTAL OPERATING EXPENDITURES</b>	<b>2,181,900</b>
-------------------------------------	------------------



## **Significant Changes**

### **Salaries and Benefits**

This fiscal year saw an increase in staffing from 12 to 15 employees. All employee pay rates continue to operate on a 7% lag of the DeLoach Salary Survey of 2020. Potential revisions of Other Post-Employment Benefits (OPEB) is under review. The District wishes to equitably reward employees for their years of service, while ensuring the fiscal health of the public agency.

### **Insurance**

Liability insurance is under review. The District is verifying all appropriate District property is insured, and with the most palatable terms for premium and deductible. Earthquake insurance has not historically been a District choice for coverage, but is also under review.

### **GSA**

This item has replaced the “Water Rights” line item in the budget. As the source water definition has transitioned from surface water diversion to percolating groundwater, the District will be investigating the steps necessary to become a Groundwater Sustainability Agency for the Coyote Valley Basin.

### **Repair/Replace**

The Water and Sewer repair/replace budget has increased 33% and 20%, resp. due to rising costs of materials.

### **Contractual Services**

The District has budgeted for the added capacity and project assistance that the CivicSpark Fellowship provides. Past experience has shown great results from this program, and staff anticipates additional project support needs in the Water Distribution category.

**Office and Safety Equipment**

This budget item only increased slightly despite significant overages in fiscal year 21/22. The rising cost of materials, and COVID-19 prevention and protection expenses were unanticipated. A separate line item for COVID-19 has been designed to closely track those specific expenses.

**Electricity**

Energy rates continue to increase, the District's grandfathered pricing has expired. This budget item for water and sewer electric charges has increased by 12% and 63%, resp.

## **Capital Additions**

The five (5) year Capital Improvement Plan adopted in December of 2020 remains in effect, with only slight revisions to project definitions. Instead of multiple names for a single project, the project names are now hierarchical in nature to better reflect the overall goals of the District.

### **Water**

#### **Regulatory Compliance: \$75,000**

Construction Truck (\$75,000) – Given the EPA’s recent reinstatement of state authority to implement emissions standards, it is prudent to acquire a new construction truck to comply with these standards. This truck will be right-sized for the growing preventative maintenance responsibility of in-house staff. Maintenance is required for both water and sewer infrastructure, and the cost is therefore split between the two funds.

#### **Disaster Mitigation: \$200,000**

Generators (\$100,000) – Public Safety Power Shutoffs (PSPS) have been deemed necessary for the power utility to mitigate the effects of climactic events that pose a high fire threat. These shutoffs, however, are exceedingly expensive to the District. To lower the cost of service during these events, the placement of permanent generators at water pumping stations is needed. This annual allocation will help secure a permanent generator at one pumping station.

SCADA (\$100,000) – This project is designed to mitigate against disaster by fortifying the District’s Supervisory Control And Data Acquisition (SCADA) system. Funding is split between both the water and sewer fund as this system supports both. In its second year of development, the SCADA Master Plan has been newly adopted, and an implementation plan is soon to follow. The funding allocation reflects the effort required to develop the implementation plan as well as the beginning steps of implementation.

**Reliable Water Supply: \$700,000**

Unit 9 Tank (\$200,000) – The District seeks to maintain a reliable water supply by replacing a water storage tank in an area known as Unit 9. A significant additional benefit of this project is the resilience to wildfire. “Replace wooden tank” and “Wildfire Resilience” were part of the project’s previous nomenclature. This effort involves replacing the wooden 150,000 gallon water tank with two, 250,000 gallon steel-welded tanks. While having been awarded Federal funding in February of 2022, additional documentation is needed from the funding agency (FEMA HMGP) before project activities can begin. This fiscal year’s allocation is designed to account for procurement of Design Engineering and Construction bid support.

AMI (\$300,000) – The District seeks to maintain a reliable water supply by replacing legacy water meters with an advanced metering infrastructure (AMI). In its second year of implementation, additional materials are estimated to cost \$300,000 which is reflected in this year’s allocation.

Mainlines (\$200,000) – Clearly, developing and maintaining a reliable water supply depends on a number of factors. The water distribution system is made up of water storage tanks, water meters, and water mainlines, among other things. Under the umbrella of reliable water supply, the District is allocating funds towards water mainline rehabilitation. With significant efforts underway in the research area, this allocation represents the beginning of enactment towards rehabilitation.

**Risk Management: \$50,000**

Risk Management Plan (\$50,000) – Much like the Risk Management Plan (RMP) for wastewater treatment, a new plan will need to be developed for water treatment. This year’s allocation represents engineering support in this effort.

**Records Retention: \$25,000**

IT Upgrades (\$25,000) – In order to be current in the business computing environment, IT upgrades are warranted. By law, select documentation at a public agency must remain on-file for

several years. Increasing reliability of this computing environment will aid in records retention compliance.

## **Sewer**

### **Regulatory Compliance: \$385,000**

I&I Mitigation (\$310,000) – According to the District’s Waste Discharge Permit, “the bypass or overflow of untreated or partially treated waste is prohibited.” All efforts to reduce Infiltration and Inflow in the sewer collection system are to achieve regulatory compliance regarding the prohibition of overflow. The latest construction effort to reduce I&I is the rehabilitation of 619’ of sewer line. CCTV, assessment, and planning last year have led up to the final specifications of this project. Costs of this rehabilitation, as well as continued manhole lid replacements comprise this year’s allocation.

Construction Truck (\$75,000) - Given the EPA’s recent reinstatement of state authority to implement emissions standards, it is prudent to acquire a new construction truck to comply with these standards. This truck will be right-sized for the growing preventative maintenance responsibility of in-house staff. Maintenance is required for both sewer and water infrastructure, and the cost is therefore split between the two funds.

### **Disaster Mitigation: \$100,000**

SCADA (\$100,000) - This project is designed to mitigate against disaster by fortifying the District’s Supervisory Control And Data Acquisition (SCADA) system. Funding is split between both the sewer and water fund as this system supports both. In its second year of development, the SCADA Master Plan has been newly adopted, and an implementation plan is soon to follow. The funding allocation reflects the effort required to develop the implementation plan as well as the beginning steps of implementation.

**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
2022-2023 BUDGET  
CAPITAL PROJECTS**

<b>WASTEWATER PROJECT DESCRIPTION</b>		
120-5-70-7201	REGULATORY COMPLIANCE	\$ 385,000
120-5-70-7202	DISASTER MITIGATION	\$ 100,000
120-5-70-7203	DISASTER RECOVERY	\$ -
120-5-70-7205	RISK MANAGEMENT	\$ 22,500
120-5-70-7206	RECORDS RETENTION	\$ 25,000
<b>TOTAL CAPITAL WASTEWATER EXPENDITURES</b>		<b>\$ 532,500</b>
<b>WATER PROJECT DESCRIPTION</b>		
130-5-70-7201	REGULATORY COMPLIANCE	\$ 75,000
130-5-70-7202	DISASTER MITIGATION	\$ 200,000
130-5-70-7203	DISASTER RECOVERY	\$ -
130-5-70-7204	RELIABLE WATER SUPPLY	\$ 700,000
130-5-70-7205	RISK MANAGEMENT	\$ 50,000
130-5-70-7206	RECORDS RETENTION	\$ 25,000
<b>TOTAL CAPITAL WATER EXPENDITURES</b>		<b>\$ 1,050,000</b>

## **Debt**

### **1) Sewer Expansion and Wastewater Treatment Plant**

Sewer System Reassessment District No. 1 Limited Obligation Refunding Improvements Bonds Series 2016, issued March 9, 2016 in the amount of \$3,650,000, payable in annual installments with an interest rate of 3.25-3.50% and maturity of September 2, 2032. The bonds were used to finance improvements to the sewer system. The bonds are secured by a pledge of reassessment of revenues.

### **2) Water Infrastructure Project**

California Infrastructure and Economic Development Bank direct borrowing Loan, issued June 24, 2002 in the amount of \$3,000,000, payable in annual installments with an interest rate of 3.48% and maturity on February 1, 2032. The loan was used to finance the expansion and upgrade of the water system. Net system revenues and all amounts in the enterprise fund are pledged as collateral for the debt.

### **3) Solar Project**

2012 Series direct borrowing Certificate of Participation Water Reclamation Plant Energy Sustainability Project issued October 1, 2012, in the amount of \$640,000, payable in annual installments with an interest rate of 3.0% and maturity on August 1, 2041. The certificates of participation were used to finance the sewer system solar project. Net revenues are pledged as collateral for debt.

**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT  
2022-2023 BUDGET  
DEBT**

<b>DEBT REVENUE SOURCE</b>		<b>FUND</b>	<b>AMOUNT</b>
1)	BOND SERIES 2016 - TAX ASSESMENT	215	\$ 295,368
2)	CIEDB LOAN - WATER INFRASTRUCTURE	130	170,075
3)	USDA LOAN - SOLAR PROJECT WWTP	120	32,205
<b>TOTAL DEBT SERVICE REVENUE</b>			<b>\$ 497,648</b>
<b>DEBT SERVICE EXPENSE</b>		<b>FUND</b>	<b>AMOUNT</b>
1)	BOND SERIES 2016 (PRINCIPAL)	215	\$ 199,000
	BOND SERIES 2016 (INTEREST)	215	86,728
	BOND ADMINISTRATION (ANNUAL FEE)	215	9,640
			<b>\$ 295,368</b>
2)	CIEDB (PRINCIPAL)	218	\$ 117,859
	CIEDB (INTEREST)	218	48,072
	CIEDB (ANNUAL FEE)	218	4,144
			<b>\$ 170,075</b>
3)	USDA SOLAR LOAN (PRINCIPAL)	219	\$ 18,000
	USDA SOLAR LOAN (INTEREST)	219	14,205
			<b>\$ 32,205</b>
<b>TOTAL DEBT SERVICE EXPENSE</b>			<b>\$ 497,648</b>