Vistancia Community Facilities District
Peoria, Arizona

Financial Report

For Fiscal Year Ended
June 30, 2004

Prepared by City of Peoria Finance Department
John F. Wenderski, Chief Financial Officer, Director of Finance
Brent D. Mattingly, Deputy Director of Finance
Dan Leahy, Accounting Supervisor

VISTANCIA COMMUNITY FACILITIES DISTRICT
Peoria, Arizona
FINANCIAL REPORT
For the Year Ended June 30, 2004

TABLE OF CONTENTS

Vistancia Community Facilities District

Vistancia Community Facilities District
Peoria, Arizona

October 1, 2004

Honorable Board of Directors:

The accompanying basic financial statements of the Vistancia Community Facilities District (the District) for the year ended June 30, 2004 have been prepared for the use of the District Board and staff. This report includes the basic financial statements for the District, including footnotes, but is not a Comprehensive Annual Financial Report and does not meet all the requirements of such a report.

This report was prepared by the Financial Services Division of the Finance Department of the City of Peoria, Arizona (the City) as finance staff for the District. It is intended as District management's report to the District Board and other interested parties.

The District is a component unit of the City of Peoria, Arizona for financial reporting. As a component unit of the City, the accompanying financial statements were included in the annual audit of the City's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2004. A copy of the City's CAFR may be obtained by contacting the City's Finance Department at 8401 West Monroe Street, Peoria, Arizona 85345. Since this report is not intended to meet all the requirements of a Comprehensive Annual Financial Report, the auditors, Heinfeld, Meech & Co., P.C., can not and have not expressed an opinion on the separate financial statements of the District included herein. It is the intention of staff to issue a Comprehensive Annual Financial Report for the District beginning with the fiscal year ending June 30, 2005.

Questions about the financial statements included herein should be addressed to the City of Peoria, Finance Department at the above address.

Vistancia Community Facilities District

BASIC FINANCIAL STATEMENTS

Vistancia

Community Facilities District

VISTANCIA COMMUNITY FACILITIES DISTRICT
COMBINING BALANCE SHEET
June 30, 2004

	Capital Projects Fund	Debt Service Fund	Totals
ASSETS			
Interest receivable	$ 1,929	$ 917	$ 2,846
Deferred bond issuance costs			-
Restricted cash and cash equivalents	2,743,650	2,717,057	5,460,707
Capital assets	-	-	
Total assets	$ 2,745,579	$ 2,717,974	$ 5,463,553
LIABILITIES AND FUND BALANCES			
Liabilities:			
Interest payable	$ -	$ -	$ -
Other liabilities	862,837	-	862,837
Long-term portion of bonds/contracts payable	-	-	-
Total liabilities	$ 862,837	$ -	$ 862,837
Fund balances:			
Invested in capital assets, net of related debt			
Reserved for:			
Debt service	$ -	$ 2,717,974	$ 2,717,974
Encumbrances	1,882,742	-	1,882,742
Unreserved, undesignated, reported in:			
Debt service funds			-
Total fund balance	1,882,742	2,717,974	4,600,716
Total liabilities and fund balance	$ 2,745,579	$ 2,717,974	$ 5,463,553

The accompanying notes are an integral part of the financial statements

VISTANCIA COMMUNITY FACILITIES DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	Capital Projects Fund	Debt Service Fund	Totals
REVENUES:			
Taxes:			
Property taxes	$ -	$ 2,477	$ 2,477
Investment earnings	65,430	10,258	75,688
Developer contributions	-	1,301,371	1,301,371
Total revenues	65,430	1,314,106	1,379,536
EXPENDITURES:			
Debt service:			
Interest and other charges	-	1,418,100	1,418,100
Capital outlay	14,749,598	-	14,749,598
Total expenditures	14,749,598	1,418,100	16,167,698
Excess (deficiency) of revenues over expenditures	(14,684,168)	(103,994)	(14,788,162)
Fund balances - beginning	16,566,910	2,821,968	19,388,878
Fund balances - ending	$ 1,882,742	$ 2,717,974	$ 4,600,716

The accompanying notes are an integral part of the financial statements

VISTANCIA COMMUNITY FACILITIES DISTRICT
BUDGETARY COMPARISON STATEMENT
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (budgetary basis)	Variance with Final Budget Over (Under)
Budgetary fund balance, July 1, 2003	$ 16,553,377	$ 16,553,377	$ 16,553,377	$ -
RESOURCES (INFLOWS):				
Investment earnings	-	-	77,034	77,034
Total inflows	-	-	77,034	77,034
Amounts available for appropriation	16,553,377	16,553,377	16,630,411	77,034
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Capital outlay	-	17,307,379	14,834,315	(2,473,064)
Transfers to other funds	-	-	-	-
Total charges to appropriations	-	17,307,379	14,834,315	(2,473,064)
Budgetary fund balance, June 30, 2004	$ 16,553,377	$ (754,002)	$ 1,796,096	$ 2,550,098

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

Sources/inflows of resources:	
Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule	$ 16,630,411
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(16,553,377)
The District budgets certain revenues on the cash basis, rather than on the modified accrual basis	(11,604)
Total revenues as reported on the combining statement of revenue, expenditures, and changes in fund balances	$ 65,430
Uses/outflows or resources:	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	$ 14,834,315
Differences - budget to GAAP:	
The District budgets for certain other expenditures on the cash basis, rather than on the modified accrual basis	(84,717)
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances	$ 14,749,598

VISTANCIA COMMUNITY FACILITIES DISTRICT
BUDGETARY COMPARISON STATEMENT
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual Amounts (budgetary basis)	Variance with Final Budget Over (Under)
	Original	Final		
Budgetary fund balance, July 1, 2003	$ 2,879,218	$ 2,879,218	$ 2,879,218	$ -
RESOURCES (INFLOWS):				
Property Taxes			2,477	2,477
Investment earnings	-	-	10,569	10,569
Miscellaneous	-	1,423,100	1,301,371	(121,729)
Total inflows	-	1,423,100	1,314,417	(108,683)
Amounts available for appropriation	2,879,218	4,302,318	4,193,635	(108,683)
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Debt service:				
Interest and other charges	-	1,423,100	1,476,578	53,478
Total charges to appropriations	-	1,423,100	1,476,578	53,478
Budgetary fund balance, June 30, 2004	$ 2,879,218	$ 2,879,218	$ 2,717,057	$ (162,161)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

Sources/inflows of resources:	
Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule	$ 4,193,635
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a a current year revenue for financial reporting purposes	(2,879,218)
The District budgets certain revenues on the cash basis, rather than on the modified accrual basis	(311)
Total revenues as reported on the combining statement of revenue, expenditures, and changes in fund balances	$ 1,314,106
Uses/outflows or resources:	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	$ 1,476,578
Differences - budget to GAAP:	
The District budgets for certain other expenditures on the cash basis, rather than on the modified accrual basis	(58,478)
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances	$ 1,418,100

The accompanying notes are an integral part of the financial statements

VISTANCIA COMMUNITY FACILITIES DISTRICT
Peoria, Arizona

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Vistancia Community Facilities District, a component unit of the City of Peoria, Arizona (City), conform to accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of other significant accounting policies:

A. Financial Reporting Entity

The Vistancia Community Facilities District (the District) was formed by petition to the City Council in 2002. The district's purpose is to acquire or construct public infrastructure in a specified area of the City. As a special purpose district and separate political subdivision under the Arizona Constitution, the District can levy taxes and issue bonds independently of the City. Property owners in the designated areas are assessed for the District's property taxes, and thus for the costs of operating the District. The City Council serves as the Board of Directors of the District. The City has no liability for the District's debt. For financial reporting purposes, the transactions of the District are included as governmental type funds in the City's financial statements as if they were part of the City's operations.

B. Basic Financial Statements

The separate financial statements of the District are prepared as special purpose financial statements and are not prepared on the basis of Governmental Accounting Standards Board Statement #34 – *Basic Financial Statements - and Management's Discussion and analysis – for State and Local Governments*. Accordingly, no entity-wide financial statements or Management's Discussion and Analysis are presented for the District. The basic financial statements of the District include the combining balance sheet, combining statement of revenue, expenditures and changes in fund balances, budgetary comparison statements and notes to the financial statements.

C. Basis of Presentation

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund equity, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following fund categories (further divided by fund type) are used by the District:

Governmental Funds

Governmental funds are used to account for the District's general government activities. The focus of Governmental Fund measurement is upon determination of financial position and changes in financial position rather than upon net income. The following are the Governmental Funds of the District:

Capital Projects Fund accounts for the proceeds from the sales of Community Facilities District bonds and the acquisition of capital assets or construction of major capital projects within the District.

Debt Service Fund accounts for the resources accumulated for, and the servicing of the general long-term debt of the District, including principal, interest and other related costs.

D. Measurement Focus and Basis of Accounting

Governmental Fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the District's actual revenues and expenditures conform to the annual budget.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types are presented using the flow of current financial resources measurement focus. This presentation is deemed most appropriate to 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the District's actual revenues and expenditures conform to the annual budget. With this measurement focus, operating statements present increases and decreases in net current assets, and unreserved fund balance is a measure of available spendable resources. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. The District considers revenues available under modified accrual, if they are earned by June 30 (all eligibility requirements have been met) and the revenue is expected to be collected within six months after year-end, except for property taxes. For property taxes, the District uses a 60 day collection period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

When applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement #33 – *Recipient Reporting for Certain Shared Non-exchange Transactions* (Statement #33), receivables and revenues are recognized when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as deferred revenue.

Under GASB Statement #33, property taxes are susceptible to accrual when an enforceable legal claim has arisen. As noted above, the District recognizes property taxes received within 60 days of fiscal year-end to be revenues under modified accrual. The remaining taxes levied, if any, are considered deferred revenue on the financial statements. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Interest and dividend income is recognized on the modified accrual basis. Changes in fair value of investments are recognized in investment income at the end of the year.

E. Budgets and Budgetary Accounting

The District uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- According to the laws of the State of Arizona, all operating budgets must be approved by their governing board on or before the second Monday in August to allow sufficient time for legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August.

- In June, the proposed budget for the following fiscal year is presented by the Treasurer to the District Board. The budget includes proposed expenditures and the means of financing them. Public meetings are held to obtain taxpayer comment.

- Prior to June 30, the District Board legally enacts the budget, through the passage of a resolution. The resolution sets the limit for expenditures for the year. There were no supplemental appropriations made during fiscal year 2004.

- The initial budget for the fiscal year may be amended during the year in a legally permissible manner.

- All unencumbered expenditure appropriations expire at the end of the fiscal year.

- Encumbered amounts are re-budgeted in the following year as deemed appropriate and necessary. Budgetary carry forwards are approved by the District Board.

- All funds of the District have legally adopted budgets. Formal integration of these budgets into the District's financial systems is employed as a management control device during the year for all funds.

The District prepares its annual budget on a modified cash basis, which differs from GAAP. The District prepares budgetary comparison statements for both of its funds for presentation in the annual financial statements of the District. These statements display original budget, amended budget and actual results (on a budgetary basis).

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed by the District. Encumbrances are reported as reservations of fund balances at June 30 in the financial statements, since they do not constitute expenditures or liabilities. Encumbrances outstanding at the beginning of a fiscal year which were recognized as budgetary expenditures (but not as GAAP basis expenditures) in the prior year are recognized as GAAP basis expenditures (but not as budgetary expenditures unless reappropriated) in the current year as such expenditures are incurred.

G. Investments

Investments, if any, are stated at fair value in accordance to GASB Statement #31. Interest income from investments is recorded as earned under the modified accrual basis of accounting.

H. Capital Assets

Governmental Fund types do not display capital assets on the face of the financial statements. The costs of purchasing, or constructing, capital assets are shown as capital outlay expenditures in the Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The capital assets of the District, once completed and acceptable to the City, will be turned over to the

City. All subsequent costs of operating and maintaining those assets will be the responsibility of the City. The capital asset policies of the District match those of the City and are as follows:

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the District or City) are defined as assets with an initial, individual cost of more than $5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Assets	Useful life (Years)
Buildings and improvements	40
Water and sewer systems	40
Storm drainage systems	40
Street system	40
Park facilities and streetscape	25
Streetlights and traffic control devices	10
Equipment	7-15
Furniture and fixtures	7-15
Equipment	3-12
Computers and software	3

I. Restricted Assets

Certain proceeds of the District's bonds, as well as certain resources set aside for their repayments, are classified as restricted on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable debt covenants.

J. Long-tem Obligations

Governmental fund types do not display long-term obligations on the face of the financial statements. Bond premiums and discounts, as well as bond issuance costs, are recognized in the period in which the bonds are issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The long-term debt of the District, although outstanding balances are not displayed on the face of the financial statements, is serviced by the District's Debt Service Fund.

K. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District's insurance coverage is provided by the City under the City's umbrella insurance policies. The City maintains a Self-Insurance Fund (accounted for in the Internal Service Funds) to account for and finance its uninsured risks of loss. As with any risk retention program, the City is contingently liable with respect to claims beyond those actuarially projected.

Governmental Accounting Standards Board Statement #10 requires that claims liabilities be reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. As of June 30, 2004, no claims liability is reported in the District's financial statements, or by the City on behalf of the District. The District, through the City, is self-insured for property and public liability up to $500,000. Excess coverage insurance policies purchased through commercial insurance carriers cover individual claims in excess of this amount, up to a maximum of $30 million per occurrence. Additionally, through a development agreement between the District and the developer, the developer is responsible for $250,000, per incident, of any insurance deductibles that might be paid by the City on behalf of the District. During the fiscal year ended June 30, 2004, there was no significant reduction in excess insurance coverage. Additionally, settlements for each of the last three fiscal years have not exceeded the City's, and therefore the District's, insurance coverage.

L. Cash Equivalents

The District considers short-term investments, including restricted investments, in mutual fund money market and U.S. Treasury bills and notes with maturities of less than three months at acquisition date to be cash equivalents.

M. Use of Estimates

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

2. CASH AND INVESTMENTS

Arizona Revised Statutes authorize the District to invest public monies in the State or County Treasurers' investment pools, interest bearing savings accounts, certificates of deposit and repurchase agreements in eligible depositories; bonds or other obligations of the United States government that are guaranteed as to principal and interest by the United States government; or bonds of the State of Arizona counties, cities, towns, school districts or special districts as specified by statute. As required by statute, collateral is required for demands deposits, certificates of deposit and repurchase agreements at 100 percent of all deposits not covered by Federal depository insurance.

Cash and investments at June 30, 2004 consist of the following:

Cash and investments held by trustee	$ 5,460,707

At June 30, 2004, all funds held by the trustee are invested in money market accounts and are reported as cash and cash equivalents.

3. PROPERTY TAXES

Arizona law provides for a two tiered tax system: (1) a primary system for taxes levied to pay for current operation and maintenance expenses, and (2) a secondary system for taxes levied to pay principal and interest on bonded indebtedness as well as for the determination of maximum permissible bonded indebtedness.

Specific provisions are made under each system for determining full cash values of property, the basis of assessment, and the maximum annual tax levies on certain types of property and by certain taxing authorities. Under the primary system, the full cash value of locally assessed real property (consisting of residential, commercial, industrial, agricultural and unimproved property) may increase by more than 10% annually only under certain circumstances. Under the secondary system, there is no limitation on annual increases in full cash value of any property. Primary levies on residential property are limited to one percent of the primary full cash value of such property. Additionally, primary taxes on all types of property are limited to a maximum increase of two percent over the prior year's levy, adjusted for new construction and annexations. Secondary property taxes levied to pay principal and interest on bonded indebtedness are not limited. The District's assessed valuation for 2004 is $117,930.

The Arizona tax year has been defined as a calendar year, notwithstanding the fact that tax procedures begin prior to January 1 of the tax year and continue through May of the succeeding calendar year. The definition of the tax year is a function of the fact that the tax lien for the year attaches to the real property as of January 1 of the year in question.

The District Board adopts the annual tax levy each year on or before the third Monday in August. The basis of this levy is the full cash value as determined by the Maricopa County Assessor. For locally assessed property, the value is determined as of January 1 of the preceding year, known as the valuation year. For utilities and other centrally valued properties, the full cash value is determined as of January 1 of the tax year. The District has an enforceable claim on the property when the property tax is levied. Levies are due and payable in two installments, on October 1 and March 1, and become delinquent on November 1 and May 1, respectively. Delinquent amounts bear interest at the rate of 16 percent. A lien is placed on the property at the time the tax bill is sold. Maricopa County, at no charge to the taxing entities, bills and collects all property taxes. Public auctions for sale of delinquent real estate taxes are held in February following the May 1 date upon which the second half taxes become delinquent. The purchaser is given a Certificate of Purchase issued by the County Treasurer. Five years from the date of sale, the holder of a Certificate of Purchase that has not been redeemed may demand a County Treasurer's Deed from the County Treasurer.

Under GASB Statement #33, property taxes are to be recognized as receivable in the financial statements when an enforceable legal claim has arisen. Therefore, the District recognizes a receivable, less any allowance for doubtful accounts deemed appropriate, for the entire tax levy in the year it is levied. Property tax revenues not collected within 60 days of year end are deferred at year-end. There were no uncollected property taxes at June 30, 2004.

4. CAPITAL ASSETS

As discussed in Note 1, governmental fund types do not display capital assets on the face of the financial statements. The District does, however, purchase or construct capital assets with the intent of conveying the assets to the City upon completion and acceptance by the City. The following table discloses the capital asset activity of the District for the fiscal year ended June 30, 2004.

	Balances June 30, 2003	Additions/ Transfers in	Disposals/ Transfers out	Balances June 30, 2004
Non-depreciable assets:				
Work in Progress–Water system	$ -	3,727,448	-	3,727,448
Work in Progress-Wastewater system	-	11,022,150	-	11,022,150
Total capital assets	$ -	14,749,598	-	14,749,598

5. LONG-TERM DEBT

Community Facilities Districts (CFD's), are special purpose districts created specifically to acquire or construct public infrastructure within specified areas of the City, are authorized under state law to issue general obligation (GO) or revenue bonds to be repaid by property (ad valorem) taxes levied on property within the district (for GO debt), or by specified revenues generated within the districts (revenue bonds). CFD's are created by petition to the City Council by property owners within the area to be covered by the district, and debt may be issued only after approval of the voters within the district.

On October 15, 2002 the City Council formed the Vistancia Community Facilities District (the District) pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes. The District was subsequently authorized, by the voters of the district on November 12, 2002, to issue up to $100,000,000 in general obligation bonds to construct public infrastructure within the District. The District issued $21,250,000 of general obligation bonds in 2003 against this authorization. These bonds will be repaid by the property owners within the District. The bonds are obligations of the District only. The City has no obligation for the District debt other than the administration of the collection of the property taxes and payment of the debt service on behalf of the District.

Legal Debt Limit – General Obligation bonded indebtedness for the District cannot exceed 60 percent of the market value of the property in the District after the infrastructure is completed plus the value of the infrastructure improvements made.

As discussed in Note 1, governmental type funds do not display long-term obligations on the face of the financial statements. The District does however have outstanding long-term debt obligations. The following tables disclose the long-term debt obligations of the District as of June 30, 2004.

Delivery Date	Description	Purpose	Maturity Dates	Net Interest Rate	Ave. Life (Yrs)	Original Principal Balance	Principal Balance Outstanding
Community Facility District Bonds (collateralized by ad valorem property taxes levied on the property benefiting from the improvements)							
12/17/02	Series 2002	Vistancia Community Facilities District	7/15/05-22	6.69	12.7	21,250,000	21,250,000
Total bonds payable							21,250,000
Less current portion							-
Long-term portion of bonds payable							**$21,250,000**

The following is a summary of the long-term debt activity of the District for the fiscal year ended June 30, 2004.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
General obligation bonds	$ 21,250,000	-	-	21,250,000	-

The following table discloses the debt service requirements as of June 30, 2004, segregating principal and interest, for the next five years and in five-year increments thereafter.

Fiscal year	Principal	Interest	Total
2005	-	1,315,763	1,315,763
2006	725,000	1,301,263	2,026,263
2007	750,000	1,270,825	2,020,825
2008	775,000	1,236,481	2,011,481
2009	825,000	1,197,450	2,022,450
2010-2014	4,800,000	5,245,157	10,045,157
2015-2019	6,450,000	3,484,688	9,934,688
2020-2023	6,925,000	971,156	7,896,156
Totals	$ 21,250,000	16,022,783	37,272,783