

Notes to Financial Statement – Continued

Note 2 – Cash and Investments – Continued

Foreign currency risk – The District does not have a formal investment policy with respect to foreign currency risk because state statutes do not allow foreign investments.

Note 3 – Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2023, are as follows:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>	<u>Due Within One Year</u>
Financed purchases	\$ 49,660	\$ 50,000	\$ (59,693)	\$ 39,967	\$ 9,059

Financed purchases – The District has acquired vehicles under financed purchase agreements totaling \$161,150. In July 2022, the District paid the outstanding balance for one of its vehicles. In November 2022, the District entered into a financed purchase agreement with an interest rate of 6.6% for the purchase of a new vehicle. Financed purchase agreements are collateralized by the underlying assets.

The following schedule details debt service requirements to maturity for the District’s financed purchase agreement at June 30, 2023:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2024	\$ 9,059	\$ 2,627	\$ 11,686
2025	9,654	2,032	11,686
2026	10,289	1,397	11,686
2027	10,965	721	11,686
	<u>\$ 39,967</u>	<u>\$ 6,777</u>	<u>\$ 46,744</u>

Note 4 – Line of Credit

The District has an available line of credit totaling \$30,000 with the Cochise County Treasurer which is secured by the District’s property taxes. At June 30, 2023, there was no outstanding balance on the line and no draws were made on the line during fiscal year 2023.

Note 5 – Commitment

In September 2022, the District entered into an agreement with a physicians group for centralized medical direction, administrative medical control and online medical supervision to assist the District in expanding its services. The agreement extends through June 2025 and automatically renews for additional 24-month terms thereafter, unless sixty days written notice is provided by either party. The terms of the agreement require monthly payments of \$450.