

COUNTY OF HURON
CONSOLIDATED FINANCIAL REPORT
December 31, 2011

VODDEN, BENDER & SEEBACH LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants, and Ratepayers of the Corporation of the County of Huron

We have audited the accompanying financial statements of the Corporation of the County of Huron, which are comprised of the consolidated statement of financial position as at December 31, 2011, and the consolidated statements of operations, change in net financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence supporting 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation of the County of Huron as at December 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Vodden, Bender & Seebach LLP

Vodden, Bender & Seebach LLP
Chartered Accountants
Licensed Public Accountants

Goderich, Ontario
September 24, 2012

COUNTY OF HURON**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at December 31		2011	2010
FINANCIAL ASSETS			
Cash and short-term investments	note 2	46,993,250	42,151,552
Accounts receivable	note 4	4,923,028	3,199,913
Other current assets		19,249	13,750
		51,935,527	45,365,215
LIABILITIES			
Accounts payable and accrued liabilities		13,344,190	12,517,077
Deferred revenue	note 8	1,365,726	1,466,380
		14,709,916	13,983,457
NET FINANCIAL ASSETS		37,225,611	31,381,758
NON-FINANCIAL ASSETS			
Inventory of materials and supplies	note 7	242,223	201,928
Tangible capital assets		155,942,229	152,974,589
ACCUMULATED SURPLUS	note 9	\$ 193,410,063	\$ 184,558,275

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

COUNTY OF HURON

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31	2011 Budget	2011 Actual	2010 Actual
Revenue			
Taxation and payments-in-lieu	34,325,545	35,095,835	33,984,810
Federal government grants, transfers	1,027,183	1,447,913	1,262,473
Ontario government grants, transfers	36,043,174	38,438,560	45,448,506
Municipal grants, transfers	33,070	342,208	468,444
Rents	1,739,698	2,076,148	2,067,497
User fees, service charges	5,742,748	5,823,041	5,793,424
Fines	1,005,000	1,430,678	1,228,793
Gain (loss) disposal of capital assets	8,094	(238,439)	45,414
Investment income	200,000	538,851	326,016
Insurance proceeds	-	890,508	-
Total revenues	80,124,512	85,845,303	90,625,377
Expenditure			
General government	6,880,384	7,123,818	4,969,361
Protection to persons and property	1,218,066	1,248,099	1,206,406
Transportation services	13,166,594	14,306,581	13,067,017
Environmental services	199,000	176,386	189,998
Health services	15,723,627	15,254,512	14,522,987
Social and family services	28,740,724	27,508,319	38,101,827
Social and public housing	4,203,537	4,369,156	5,041,325
Recreation and cultural services	3,899,851	3,810,752	3,694,722
Planning, development, agriculture	3,321,871	3,195,892	3,146,522
	77,353,654	76,993,515	83,940,165
Annual surplus	2,770,858	8,851,788	6,685,212
Accumulated surplus beginning of year	184,558,275	184,558,275	177,873,063
Accumulated surplus end of year	\$ 187,329,133	\$ 193,410,063	\$ 184,558,275

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

COUNTY OF HURON

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31	2011 Budget	2011 Actual	2010 Actual
Change during the year			
Annual surplus	2,770,858	8,851,788	6,685,212
Increase in inventory materials and supplies	-	(40,295)	(107,903)
Amortization of tangible capital assets	9,652,061	9,593,804	9,461,627
Proceeds of sale of tangible capital assets	-	21,945	72,580
Acquisition of tangible capital assets	(19,916,262)	(12,821,828)	(10,963,351)
Loss (gain) on disposition of tangible capital assets	-	238,439	(45,414)
Increase (decrease) net financial assets	(7,493,343)	5,843,853	5,102,751
Net financial assets beginning of year	31,381,758	31,381,758	26,279,007
Net financial assets end of year	\$ 23,888,415	\$ 37,225,611	\$ 31,381,758

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

COUNTY OF HURON

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended December 31	2011	2010
Operating activities		
Annual surplus	8,851,788	6,685,212
Amortization expenditure not requiring cash outlay	9,593,804	9,461,627
Add loss/(deduct gain) on disposition of capital assets	238,439	(45,414)
Decrease (increase) in accounts receivable	(1,723,115)	1,795,788
Decrease (increase) in other current assets	(5,499)	(2,930)
Decrease (increase) in inventory of materials and supplies	(40,295)	(107,903)
Increase (decrease) in accounts payable and accrued liabilities	827,113	888,961
Increase (decrease) in deferred revenue	(100,654)	15,955
	17,641,581	18,691,296
Capital activities		
Proceeds of disposition of capital assets	21,945	72,580
Purchase of capital assets	(12,821,828)	(10,963,351)
	(12,799,883)	(10,890,771)
Investing activities		
Purchase or sale of long-term investments	-	-
	-	-
Financing activities		
Principal repayment on housing long-term bank loan	-	-
	-	-
Net increase (decrease) cash and short-term investments	4,841,698	7,800,525
Cash and short-term investments beginning of year	42,151,552	34,351,027
Cash and short-term investments end of year	\$ 46,993,250	\$ 42,151,552

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

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2011

1. Accounting policies

The consolidated financial statements of the County of Huron are the representation of management prepared in accordance with generally accepted principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Significant aspects of accounting policies adopted by the municipality are as follows:

a) Reporting entity

The consolidated financial statements reflect the financial assets, liabilities, non-financial assets, operating revenues and expenditures, surplus, reserves and reserve funds, and changes in investment in tangible capital assets of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the municipality and which are owned or controlled by the municipality.

The following boards and operations are included:

Huron County Board of Health
Huron County Homes for the Aged
Huron County Library Board
Huron County Museum and Gaol

Intra-departmental transactions and balances of the County are eliminated on consolidation.

The consolidated statements exclude trust funds that are administered for the benefit of external parties and the Homes for the Aged Tuck Shop.

b) Accrual basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. Revenues are recognized as they are earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of an obligation to pay.

c) Cash and short-term investments

Cash and short-term investments are recorded at cost. All cash and short-term investments are available for current use.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2011

a) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of business. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the change in net financial assets for the year.

- Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Category	Amortization Period	Capitalization Threshold \$
Land	n/a	25,000
Land Improvements	30 years	100000
Buildings and Building Improvements	30 years	25,000
Transportation Infrastructure - Roads and Bridges	22 to 75 years	100,000
Vehicles and Heavy Equipment	5 to 15 years	10,000
Information Technology and Equipment	4 years	10,000
General Equipment, Furniture, and Fixtures	5 years	1,000

Assets under construction are not amortized until the assets are available for productive use, at which time they are capitalized.

The municipality has a capitalized threshold of \$1,000 to \$100,000, so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons. Examples of pooled assets are computer systems, equipment, furniture and fixtures.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2011

- Contribution of tangible capital assets
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as expenses equal to the net book value of the assets as of the date of transfer.
 - Leases
Leases are classified as capital or operating leases. Leases which transfer substantially the entire benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.
 - Inventories of materials and supplies
Inventories held for consumption or resale are recorded at the lower of cost and net realizable value.
- a) Reserves and reserve funds
Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital expenditure. These allocations are shown in the consolidated statement of accumulated surplus.
- b) Government transfers
Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.
- c) Deferred revenue
Government transfers of gas tax are reported as deferred revenue in the Consolidated Statement of Financial Position. These amounts will be recognized as revenues in the period in which the related expenditures are incurred.
- d) Investments
Investments other than short-term are recorded at cost plus accrued interest less amounts written off to reflect a permanent decline in value.
- e) Use of estimates
The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 financial statements, the reported amount of revenues and expenditures during the period and the accompanying notes. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2011

2. Cash and short-term investments

	<u>2011</u>	<u>2010</u>
	\$	\$
Cash	43,430,714	38,706,858
Short-term investments	<u>3,562,536</u>	<u>3,444,694</u>
	<u>46,993,250</u>	<u>42,151,552</u>

The total of short-term investments \$3,562,536 (2010 -\$3,444,694) recorded on the Statement of Financial Position at cost have a market value of \$3,472,180 (2010 - \$3,332,439).

3. Trust funds

Trust funds administered by the municipality amounting to \$280,886 (2010 - \$280,344) have not been included in the consolidated financial statement of financial position nor have their operations been consolidated in the consolidated statement of operations.

4. Accounts receivable

Accounts receivable include Provincial Offences fines outstanding of \$1,892,081 less an allowance for doubtful accounts of \$1,589,741 calculated on the basis of past experience.

5. Pension agreements

The municipality makes contributions to the Ontario Municipal Employees' Retirement Fund (OMERS) which is a multi-employer plan, on behalf of 503 (2010 – 485) members of its staff. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employee based on the length of service and rates of pay.

The amount contributed by the employer to this fund was \$2,080,040 (2010 – \$1,768,883) is included as expenditure in the consolidated statement of operations.

6. Segmented information revenue and expenditure

Schedule 1 - Consolidated Schedule of Segmented Operating Revenue and Expenditure provides segmented information regarding operating revenue and expenditure by function and by object.

7. Non-financial assets

Inventory of materials and supplies is shown at cost and consists of information technology prepaid maintenance contracts, road department fuel, culverts, and other materials; ambulance (EMS) medical supplies and equipment; and economic development signs, training publications and promotional materials.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2011

7. Non-financial assets (continued)

Schedules 2 and 3 Consolidated Schedule of Tangible Capital Assets by Function and by Class provide information on the costs and accumulated amortization of those assets owned or controlled by the municipality.

8. Reserves, reserve funds and deferred revenue - schedule 4

Consolidated Schedule of Reserves, Reserve Funds and Deferred Revenue provides information on the discretionary reserves and reserve funds set aside by Council.

For each reserve and reserve fund the balance at the beginning of the year, interest revenue, transfers from general surplus, transfers to general surplus, and the balance at the end of the year are indicated.

For deferred revenue the non-discretionary activity in and balances of deferred revenue are similarly shown as well as additional information regarding funding received.

9. Accumulated surplus

Accumulated surplus consists of the following:

	<u>2011</u>	<u>2010</u>
Operating surplus		
General unallocated surplus	1,532,161	3,033,045
Reserves and reserve funds		
Allocated surplus	35,935,673	28,550,641
Total before capital surplus	<u>37,467,834</u>	<u>31,583,686</u>
Capital surplus		
Investment in tangible capital assets	155,942,229	152,974,589
Total accumulated surplus	<u>\$193,410,063</u>	<u>\$184,558,275</u>

10. Budget amounts

Under generally accepted accounting principles, budget amounts are to be reported on the consolidated statement of operations for comparative purposes. The 2011 budget amounts were approved by Council and are unaudited. The budget amounts have been restated to conform to the basis of presentation of the consolidated statement of operations.

CONSOLIDATED SCHEDULE OF SEGMENTED OPERATING REVENUE AND EXPENDITURE

For the year ended December 31, 2011

	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social and Family Services	Social Housing	Recreation and Cultural Services	Planning, Development, Agriculture	Total 2011	Total 2010
Revenue											
Taxation, payments-in-lieu	35,095,835	-	-	-	-	-	-	-	-	35,095,835	33,984,810
Government grants, transfers	5,770,364	-	2,260,693	96,698	9,162,026	18,187,907	3,759,325	331,381	660,287	40,228,681	47,179,423
Rents	350,680	-	-	-	6,000	1,707,100	-	2,984	9,384	2,076,148	2,067,497
User fees, service charges	9,042	233,660	349,410	-	165,912	4,659,688	73,497	94,363	237,469	5,823,041	5,793,424
Fines	1,393,505	-	-	-	-	-	-	37,173	-	1,430,678	1,228,793
Gain (loss) disposal of assets	(19,474)	(218,965)	-	-	-	-	-	-	-	(238,439)	45,414
Investment income	538,851	-	-	-	-	-	-	-	-	538,851	326,016
Insurance proceeds	890,508	-	-	-	-	-	-	-	-	890,508	-
	<u>44,029,311</u>	<u>14,695</u>	<u>2,610,103</u>	<u>96,698</u>	<u>9,333,938</u>	<u>24,554,695</u>	<u>3,832,822</u>	<u>465,901</u>	<u>907,140</u>	<u>85,845,303</u>	<u>90,625,377</u>
Expenditure											
Salaries, wages, benefits	2,982,019	575,110	3,177,110	-	12,714,188	13,291,592	702,768	2,405,042	1,902,429	37,750,258	35,269,158
Materials, supplies, other	3,299,223	76,528	2,922,077	483	846,984	2,160,950	1,433,480	217,415	570,091	11,527,231	9,129,931
Contracted services	1,411,036	450,150	1,189,747	175,903	527,639	4,402,968	1,365,517	194,515	577,948	10,295,423	10,701,113
Rents, leases, financial charges	(1,125,169)	125,443	(103,459)	-	756,552	188,252	403,992	588,787	81,942	916,340	715,720
External transfers	-	-	-	-	-	6,910,459	-	-	-	6,910,459	18,662,616
Amortization	556,709	20,868	7,121,106	-	409,149	554,098	463,400	404,994	63,480	9,593,804	9,461,627
	<u>7,123,818</u>	<u>1,248,099</u>	<u>14,306,581</u>	<u>176,386</u>	<u>15,254,512</u>	<u>27,508,319</u>	<u>4,369,157</u>	<u>3,810,753</u>	<u>3,195,890</u>	<u>76,993,515</u>	<u>83,940,165</u>
Net revenue (expenditure)	<u>\$ 36,905,493</u>	<u>\$ (1,233,404)</u>	<u>\$ (11,696,478)</u>	<u>\$ (79,688)</u>	<u>\$ (5,920,574)</u>	<u>\$ (2,953,624)</u>	<u>\$ (536,335)</u>	<u>\$ (3,344,852)</u>	<u>\$ (2,288,750)</u>	<u>\$ 8,851,788</u>	<u>\$ 6,685,212</u>

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

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

For the year ended December 31, 2011

	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social and Family Services	Social Housing	Recreation and Cultural Services	Planning and Development	Net book value 2011	Net book value 2010
Cost											
Balance beginning of year	16,347,697	103,684	490,605,045		3,449,476	22,980,209	15,899,957	4,276,061	328,235	553,990,364	543,719,411
Additions	746,355	3,712	7,467,287		689,455	539,390	2,954,787	376,724	44,118	12,821,828	10,963,351
Disposals	-	-	(2,886,742)		(380,124)			-		(3,266,866)	(692,398)
Balance end of year	<u>17,094,052</u>	<u>107,396</u>	<u>495,185,590</u>	<u>-</u>	<u>3,758,807</u>	<u>23,519,599</u>	<u>18,854,744</u>	<u>4,652,785</u>	<u>372,353</u>	<u>563,545,326</u>	<u>553,990,364</u>
Accumulated amortization											
Balance beginning of year	4,924,653	58,073	379,045,111		2,362,880	8,661,509	3,745,953	2,064,704	152,892	401,015,775	392,219,380
Amortization	556,334	3,134	7,121,106		426,884	554,195	463,676	404,994	63,481	9,593,804	9,461,627
Disposals			(2,653,356)		(353,126)					(3,006,482)	(665,232)
Balance end of year	<u>5,480,987</u>	<u>61,207</u>	<u>383,512,861</u>	<u>-</u>	<u>2,436,638</u>	<u>9,215,704</u>	<u>4,209,629</u>	<u>2,469,698</u>	<u>216,373</u>	<u>407,603,097</u>	<u>401,015,775</u>
Net book value end of year	<u>\$ 11,613,065</u>	<u>\$ 46,189</u>	<u>\$ 111,672,729</u>	<u>\$ -</u>	<u>\$ 1,322,169</u>	<u>\$ 14,303,895</u>	<u>\$ 14,645,115</u>	<u>\$ 2,183,087</u>	<u>\$ 155,980</u>	<u>\$ 155,942,229</u>	<u>\$ 152,974,589</u>

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

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY CLASS

For the year ended December 31, 2011

	Land	Land Improvements	Buildings	Machinery and Equipment	IT Equipment	Vehicles	Roads	Bridges and Culverts	Library Books	Net book value 2011	Net book value 2010
Cost											
Balance beginning of year	1,407,597	141,987	51,379,412	5,417,547	2,548,674	8,335,183	412,126,767	68,851,002	3,782,195	553,990,364	543,719,411
Additions	1,832	-	3,596,792	864,534	414,643	1,109,583	4,933,826	1,546,855	353,762	12,821,827	10,963,351
Disposals	-	-	-	-	-	(485,977)	(2,572,567)	(208,321)	-	(3,266,865)	(692,398)
Balance end of year	<u>1,409,429</u>	<u>141,987</u>	<u>54,976,204</u>	<u>6,282,081</u>	<u>2,963,317</u>	<u>8,958,789</u>	<u>414,488,026</u>	<u>70,189,536</u>	<u>4,135,957</u>	<u>563,545,326</u>	<u>553,990,364</u>
Accumulated amortization											
Balance beginning of year	n/a	-	15,258,698	3,687,414	1,562,571	4,182,185	343,092,170	31,467,518	1,765,219	401,015,775	392,219,380
Amortization	n/a	4,733	1,156,723	442,335	406,821	731,160	5,438,730	1,081,784	331,517	9,593,803	9,461,627
Disposals	n/a	-	-	-	-	(452,647)	(2,371,366)	(182,468)	-	(3,006,481)	(665,232)
Balance end of year	<u>n/a</u>	<u>4,733</u>	<u>16,415,421</u>	<u>4,129,749</u>	<u>1,969,392</u>	<u>4,460,698</u>	<u>346,159,534</u>	<u>32,366,834</u>	<u>2,096,736</u>	<u>407,603,097</u>	<u>401,015,775</u>
Net book value end of year	<u>\$ 1,409,429</u>	<u>\$ 137,254</u>	<u>\$ 38,560,783</u>	<u>\$ 2,152,332</u>	<u>\$ 993,925</u>	<u>\$ 4,498,091</u>	<u>\$ 68,328,492</u>	<u>\$ 37,822,702</u>	<u>\$ 2,039,221</u>	<u>\$ 155,942,229</u>	<u>\$ 152,974,589</u>

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

CONSOLIDATED SCHEDULE OF RESERVES, RESERVE FUNDS AND DEFERRED REVENUE

For the year ended December 31, 2011	Balance, beginning of year	Interest revenue	AMO funding	Transfers from Annual Surplus	Transfers to Annual Surplus	Balance, end of year
Reserves and Reserve Funds						
Reserves						
for working funds	1,200,000			-	-	1,200,000
for contingencies	6,929,245			4,380,846		11,310,091
for equipment replacement server	17,500			-	-	17,500
for equipment replacement IT	19,531			-	-	19,531
for worker's safety and insurance	200,000			-	-	200,000
for health services ambulance stations	709,383			129,105	-	838,488
for library books	98,800			-	-	98,800
	<u>9,174,459</u>			<u>4,509,951</u>	<u>-</u>	<u>13,684,410</u>
Reserve Funds						
for equipment replacement IT	86,737	1,293		-	-	88,030
for equipment replacement EMS fleet	894,020	11,201		221,258	(321,435)	805,044
for equipment replacement fleet	2,308,073	25,535		83,918	-	2,417,526
for equipment replacement global information systems	11,301	72		-	-	11,373
for insurance	1,221,924	-		-	(121,924)	1,100,000
for facilities	3,105,198	40,581		-	-	3,145,779
for accessibility	10,172	-		19,313	-	29,485
for Huron Heritage expenditures	-	-		10,212	-	10,212
for future infrastructure	1,794,285	18,506		-	-	1,812,791
for transportation services roadways	5,023,788	119,894		2,461,516	-	7,605,198
for transportation services winter control	1,003,886	-		-	-	1,003,886
for waste management planning	1,608,695	18,959		100,000	-	1,727,654
for social and family services homes for the aged	1,391,236	17,632		201,480	-	1,610,348
for social housing	303,561	5,154		-	(59,448)	249,267
for recreation and cultural services library capital purposes	-	-		72,462	-	72,462
for economic development	313,841	3,233		-	(49,415)	267,659
for forestry	33,303	639		-	-	33,942
for water source protection	266,162	2,445		-	(8,000)	260,607
	<u>19,376,182</u>	<u>265,144</u>		<u>3,170,159</u>	<u>(560,222)</u>	<u>22,251,263</u>
Total reserves and reserve funds	<u>28,550,641</u>	<u>265,144</u>		<u>7,680,110</u>	<u>(560,222)</u>	<u>35,935,673</u>
Deferred revenue funds						
Federal gas tax deferred revenue for environmentally sustainable infrastructure purposes						
	1,466,380	14,859	1,819,794	-	(1,935,307)	1,365,726
Total deferred revenue funds	<u>1,466,380</u>	<u>14,859</u>	<u>1,819,794</u>	<u>-</u>	<u>(1,935,307)</u>	<u>1,365,726</u>
Total	<u>30,017,021</u>	<u>280,003</u>	<u>1,819,794</u>	<u>7,680,110</u>	<u>(2,495,529)</u>	<u>37,301,399</u>

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