

Consolidated Financial Statements of

**THE CORPORATION OF THE
COUNTY OF HURON**

Year ended December 31, 2023

THE CORPORATION OF THE COUNTY OF HURON

Consolidated Financial Statements

Year ended December 31, 2023

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Independent Auditor's Report

Consolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the consolidated financial statements of The Corporation of the County of Huron (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2023 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of Matter – Change in Accounting Policy

We draw attention to note 2 to the financial statements which indicates that the Entity has changed its accounting policy for Asset Retirement Obligations, as a result of the adoption of PS 3280, Asset Retirement Obligations, and has applied the change using the prospective method.

Our opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

August 27, 2024

THE CORPORATION OF THE COUNTY OF HURON

Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
Financial Assets		
Cash and short-term investments (note 3)	\$ 96,712,013	\$ 90,313,504
Accounts receivable (note 5)	4,946,039	5,298,476
	<u>101,658,052</u>	<u>95,611,980</u>
Financial Liabilities		
Bank Indebtedness	64,920	-
Accounts payable and accrued liabilities	19,964,114	16,321,260
Deferred revenue (note 8)	11,128,662	9,664,783
Post-employment benefits obligation (note 6)	4,350,577	4,113,737
Debenture payable (note 7)	5,751,508	3,801,592
Asset retirement obligations liabilities (note 9)	11,221,822	-
	<u>52,481,603</u>	<u>33,901,372</u>
Net financial assets	49,176,449	61,710,608
Non-financial Assets		
Prepayments and inventory of materials and supplies (note 10)	2,194,394	1,819,807
Tangible capital assets (note 11)	188,155,028	166,950,775
	<u>190,349,422</u>	<u>168,770,582</u>
Accumulated surplus (note 12)	\$ 239,525,871	\$ 230,481,190

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

Approved by:

_____ Warden

THE CORPORATION OF THE COUNTY OF HURON

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023	Actual 2023	Actual 2022
Revenue:			
Taxation and payments-in-lieu	\$ 50,972,161	\$ 51,466,501	\$ 46,987,869
Government transfers - Canada	4,790,417	4,824,031	3,323,033
- Ontario	52,570,054	53,949,120	53,137,208
- Other municipalities	1,614,550	962,251	881,745
Rents	2,659,215	2,729,496	2,645,655
User fees, licenses, permits, and service charges	6,166,270	6,631,127	6,348,554
Fines	950,000	1,331,805	1,131,138
Investment income	2,200,000	4,090,718	2,040,665
Loss on disposal of tangible capital assets	-	(86,512)	(125,705)
Contributed asset	-	650,000	-
Total revenue	121,922,667	126,548,537	116,370,162
Expenses:			
General government	14,112,526	14,425,120	10,682,559
Protection services	1,185,315	1,154,128	1,373,023
Transportation services	20,259,119	18,637,394	18,353,435
Environmental services	186,000	175,799	161,866
Health services	25,060,560	24,007,955	24,611,467
Social and family services	42,237,070	41,808,438	37,738,664
Social and public housing	8,505,993	7,952,594	7,815,160
Recreation and cultural services	5,008,485	4,711,543	4,287,353
Planning and development	4,947,835	4,630,885	4,232,047
Total expenses	121,502,903	117,503,856	109,255,574
Annual surplus	419,764	9,044,681	7,114,588
Accumulated surplus, beginning of year	230,481,190	230,481,190	223,366,602
Accumulated surplus, end of year	\$ 230,900,954	\$ 239,525,871	\$ 230,481,190

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

THE CORPORATION OF THE COUNTY OF HURON

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	Actual 2023	Actual 2022
Annual surplus	\$ 9,044,681	\$ 7,114,588
Increase in prepayments and inventory	(374,587)	(394,478)
Amortization of tangible capital assets	13,202,362	11,951,198
Acquisition of tangible capital assets	(22,799,346)	(16,044,353)
Loss on disposal of tangible capital assets	86,512	125,705
Write-off of tangible capital assets	26,330	-
Asset retirement obligations	(11,221,822)	-
Contributed asset - land	(650,000)	-
Net financial assets and prepaid expenses of Health Unit	24,811	(17,292)
Proceeds on sale of tangible capital assets	126,900	247,491
Change in net financial assets	(12,534,159)	2,982,859
Net financial assets, beginning of year	61,710,608	58,727,749
Net financial assets, end of year	\$ 49,176,449	\$ 61,710,608

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

THE CORPORATION OF THE COUNTY OF HURON

Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 9,044,681	\$ 7,114,588
Items not involving cash:		
Amortization of tangible capital assets	13,202,362	11,951,198
Net effect of change in partnership holdings	24,811	(17,292)
Loss disposal of tangible capital assets	86,512	125,705
Contributed asset	(650,000)	-
Write-off of tangible capital assets	26,330	-
	<u>21,734,696</u>	<u>19,174,199</u>
Change in non-cash assets and liabilities:		
Accounts receivable	352,437	(1,120,152)
Accounts payable and accrued liabilities	3,642,854	2,959,239
Deferred revenue	1,463,879	(1,802,156)
Prepayments and inventories of materials and supplies	(374,587)	(394,478)
Post-employment benefit obligation	236,840	156,657
	<u>27,056,119</u>	<u>18,973,309</u>
Capital activities:		
Proceeds on disposal of tangible capital assets	126,900	247,491
Cash used to acquire tangible capital assets	(22,799,346)	(16,044,353)
	<u>(22,672,446)</u>	<u>(15,796,862)</u>
Financing activities:		
Debenture borrowings	2,150,000	-
Debenture repayments	(200,084)	(200,084)
	<u>1,949,916</u>	<u>(200,084)</u>
Increase in cash	6,333,589	2,976,363
Cash and cash equivalents, beginning of year	90,313,504	87,337,141
	<u>\$ 96,647,093</u>	<u>\$ 90,313,504</u>
Cash and cash equivalents comprise cash, short-term investment and bank overdraft that are repayable on demand.		
Non-cash transactions		
Asset Retirement Obligations and increase in Tangible Capital Assets	\$ 11,221,822	\$ -

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

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

The Corporation of the County of Huron (the “County”) is a municipality operating pursuant to the Municipal Act. The County provides municipal services such as ambulance, public works, planning, environmental, health, community housing, cultural services and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the County are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board (“PSAB”) of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the County are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned or controlled by the County.

Huron County Library Board and its operations are included:

Interdepartmental and inter-organizational transactions and balances between County departments and boards have been eliminated.

Under PSAB standards, the County reports only its share of assets, liabilities and results of operations of any government partnerships in which it participates. The County participates annually in the Huron Perth Public Health to the extent of its share of the prior year’s weighted property assessment totals for the participating municipalities. For 2023, the County’s share is 42.96% (2022 - 43.43%) based on 2022 weighted assessment totals, as stated in the agreement with the other participants, the County of Perth, City of Stratford and the Town of St. Marys.

(ii) Trust funds:

Trust funds and their related operations administered by the County are not included in these consolidated financial statements.

(b) Basis of accounting:

The County follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(c) Government transfers:

Government transfers received relate to public works, social services, child care, housing and health programs. Government transfers paid relate to social services programs. Transfers are recognized in the financial statements as revenues 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 of the amounts can be made.

(d) 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 operations.

(i) Tangible capital assets:

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

Asset	Useful Life Years
Land	Indefinite
Land improvements	30 years
Buildings and building improvements	20-60 years
Transportation infrastructures roads and bridges	22-75 years
Vehicles and heavy equipment	5-15 years
Information technology and equipment	4 years
General equipment, furniture and fixtures	5 years
Library books	10 years

Annual amortization is charged in the year following acquisition and in the year of disposal. Assets under construction are not amortized until the year following the year the asset is in service.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks of ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related payments are charged as expenses as they are incurred.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(d) Non-financial assets (continued):

(iv) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(v) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(vi) Inventories:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(e) Deferred revenue:

Deferred revenue represents licenses, permits and other fees which have been collected, but for which the related services or inspections have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(f) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of one year or less at acquisition.

(g) Use of estimates:

The preparation of financial statements 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, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and in performing actuarial valuations of employee future benefits.

In addition, the County's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results could differ from these estimates.

(h) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(i) Post-employment benefits:

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities, compensated absences and health, dental and life insurance benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

(i) For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

(ii) The costs of multi-employer defined contribution pension plan benefits, such as the Ontario Municipal Employees Retirement System ("OMERS") pensions, are the employer's contributions due to the plan in the period.

(j) Contaminated sites:

PS 3260 requires that a liability for a contaminated site be recognized when, as at the financial reporting date, all of the following criteria are met with respect to a site or partial site:

(a) An environmental standard exists;

(b) Contamination exceeds the environmental standard;

(c) The government:

(i) Is directly responsible; or

(ii) Accepts responsibility;

(d) it is expected that future economic benefits will be given up; and

(e) a reasonable estimate of the amount can be made.

As at December 31, 2023, the County is not aware of any sites which would meet the criteria, in accordance with PS 3260, and therefore no liability is recorded on the statement of financial position.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(k) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset and other contract obligations;
- (b) The past transactions or events giving rise to the liability has occurred;
- (c) It is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

The asset retirement obligation is based on management's best estimate of the expenditures to settle the obligation. A liability has been recognized based on estimated future expenses on retirement of the tangible capital assets. Under the prospective method, the assumptions used on initial recognition are those as of the date the legal obligation was incurred. Assumptions used in the subsequent calculations are revised yearly.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset. Where the obligation relates to an asset which is no longer in service, and not providing economic benefit, the obligation is expensed upon recognition.

At each financial reporting date, the County reviews the carrying amount of the liability. Changes to the liability arising from revisions to either the timing or the amount of the original estimate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The County continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(l) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and subsequently recorded at cost or amortized cost, except for equity investments and derivatives which are recorded at fair value. Amortized cost is determined using the effective interest method. Financial assets measured at cost or amortized cost are assessed for indicators of impairment at each financial statement date. Impairment losses are recognized in the statement of operations.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(l) Financial instruments (continued):

Financial instruments that are subsequently measured at fair value are classified based on the observability of inputs as follows:

- Level 1 - quoted prices (unadjusted) in active markets;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs that are not based on observable market data (unobservable inputs)

The County evaluates contractual obligations for the existence of embedded derivatives and separately measures the fair value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses in the period they occur. Once realized, the cumulative gain or loss is reclassified to the statement of operations.

2. Adoption of new accounting standards:

(a) The County adopted the following accounting standards beginning January 1, 2023, with no impact on the financial statements:

- (i) PS1201 Financial Statement Presentation replaces PS 1200 Financial Statement Presentation. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 Foreign Currency Translation, PS 3450 Financial Instruments, and PS 3041 Portfolio Investments, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.
- (ii) PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

2. Adoption of new accounting standards (continued):

- (iii) PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 Temporary Investments no longer applies.
 - (iv) PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses.
- (b) The County adopted PS 3280 Asset Retirement Obligations (ARO) which establishes the accounting and reporting requirements for legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in buildings controlled by public sector entities. An ARO liability can apply to tangible capital assets either in productive use or no longer in productive use. This standard was adopted on January 1, 2023 on prospective basis.

The new standard requires the recognition of a liability for legal obligations that exist as a result of the acquisition, construction or development of a tangible capital asset, or that result from the normal use of the asset when the asset is recorded, and replaces Section PS 3270, Solid Waste Landfill Closure and Post-Closure Liability. Such obligation justifies recognition of a liability and can result from existing legislation, regulation, agreement, contract, or that is based on a promise and an expectation of performance.

The estimate of the liability includes costs directly attributable to asset retirement activities. When recording an asset retirement obligation, the estimated retirement costs are capitalized to the carrying value of the associated assets and amortized over the asset's estimated useful life. The amortization of the asset retirement costs follows the same method of amortization as the associated tangible capital asset.

A significant part of asset retirement obligations results from the removal and disposal of designated substances such as asbestos from the County's buildings. The County reports liabilities related to the legal obligations where the County is obligated to incur costs to retire a tangible capital asset.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

2. Adoption of new accounting standards (continued):

The County's ongoing efforts to assess the extent to which designated substances exist in County's assets, and new information obtained through regular maintenance and renewal of County's assets may result in additional asset retirement obligations from better information on the nature and extent the substance exists or from changes to the estimated cost to fulfil the obligation.

The measurement of asset retirement obligations is also impacted by activities that occurred to settle all or part of the obligation, or any changes in the legal obligation. Revisions to the estimated cost of the obligation will result in adjustment to the carrying amount of the associated assets that are in productive use and amortized as part of the asset on an ongoing basis.

In addition, the County recognized an additional asset retirement obligation related to underground fuel tanks, as the County has a legal obligation to remove the tanks and remediate the site. The fuel tanks expected useful life estimate has not been changed since purchase.

3. Cash and short-term investments:

	2023	2022
Cash	\$ 58,058,427	\$ 58,188,766
Short-term investments	38,653,586	32,124,738
Total	\$ 96,712,013	\$ 90,313,504

The total of short-term investments \$38,653,586 (2022 - \$32,124,738) recorded on the statement of financial position at cost have a market value of \$38,493,033 (2022 - \$31,026,587). Cash is earning interest at a rate of Bank Prime less 1.70%. Short-term investments are earning interest at rates from 2.57% - 6.38%.

4. Trust funds:

Trust funds administered by the County amounting to \$345,506 (2022 - \$339,772) have not been included in the statement of financial position nor have their operations been included in the consolidated statement of financial activities.

5. Accounts receivable:

Accounts receivable include Provincial Offences fines outstanding of \$3,289,591 (2022 - \$3,057,475) less an allowance for doubtful accounts of \$2,696,183 (2022 - \$2,663,323) calculated on the basis of past experience.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

6. Employee benefits and other liabilities:

Information about the County's benefit plans is as follows:

	2023	2022
Accrued benefit obligation:		
Balance, beginning of year	\$ 4,113,737	\$ 3,957,080
Current benefit cost	369,040	322,857
Interest	92,700	82,500
Benefits paid	(224,900)	(248,700)
Post-employment benefits obligation	\$ 4,350,577	\$ 4,113,737

Retiree benefits:

The County pays a percentage of the cost of certain life insurance benefits on behalf of the retired employees as well as extended health and dental benefits for eligible early retirees to age 65. The County recognizes these post-retirement costs in the period in which the employees rendered the services. The most recent actuarial valuation was performed as at December 31, 2023.

The main actuarial assumptions employed for the valuations are as follows:

(a) Interest (discount rate):

The obligation as at December 31, 2023, of the present value of future liabilities and the expense for the 12 months ended December 31, 2023, were determined using a discount rate of 4.3% (2022 - 2.2%).

(b) Medical costs:

Medical costs were assumed to decrease at rates between 7.15% and 4.0%.

(c) Dental costs:

Dental costs were assumed to increase at the rate of 4.0% per year.

The County makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS) which is a multi-employer plan, on behalf of members of County of Huron staff. This plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on their length of service and rate of pay. Employees and employers contribute jointly to the plan. The amount contributed to OMERS by the municipality for 2023 was \$3,457,095 (2022 - \$3,111,022). The contribution rate was 9% to 14.6% depending on income level for 2023 (2022 - 9.0% - 14.6%). The County's proportionate share of OMERS contributions related to Huron Perth Public Health amounted to approximately \$511,556 (2022 - \$465,941).

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2023. At that time, the Plan reported a \$4.2 billion actuarial deficit (2022 - \$6.7 billion actuarial deficit).

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

7. Debenture payable:

Debenture payable outstanding as at December 31, 2023 includes principal payable to Ontario Infrastructure and Land Corporation as follows:

	2023	2022
2.81% interest compounded semi-annually, repayable in semi-annual installments of combined equal principal and diminishing interest amounts, due November 15, 2041	\$ 3,601,508	\$ 3,801,392
4.81% interest compounded semi-annually, repayable in semi-annual installments of combined equal principal and diminishing interest amounts, due December 1, 2033	2,150,000	-
	\$ 5,751,508	\$ 3,801,392

Future principal payments for debenture payable are as follows:

	Principal
2024	\$ 415,084
2025	415,084
2026	415,084
2027	415,084
2028 and thereafter	4,091,172
	\$ 5,751,508

8. Deferred revenue:

	Balance, beginning of year	Amounts related to Huron Perth Public Health	Interest	Contributions	Revenue recognized	Balance, end of year
Reserves and funds:						
Federal gas tax funds	\$ 2,280,603	\$ -	\$ 90,234	\$ 1,962,379	\$ (3,663,256)	\$ 669,960
COVID-19 Funding	670,792	-	-	-	(138,704)	532,088
	<u>2,951,395</u>	<u>-</u>	<u>90,234</u>	<u>1,962,379</u>	<u>(3,801,960)</u>	<u>1,202,048</u>
Other:						
Provincial grants	6,025,755	461,709	186,423	54,943,589	(52,131,260)	9,486,216
Federal grants	13,850	4,452	-	562,074	(567,489)	12,887
Rental security deposits	40,328	-	-	9,147	-	49,475
Other	324,303	-	2,831	334,905	(284,003)	378,036
	<u>6,404,236</u>	<u>466,161</u>	<u>189,254</u>	<u>55,849,715</u>	<u>(52,982,752)</u>	<u>9,926,614</u>
Total	\$ 9,355,631	\$ 466,161	\$ 279,488	\$ 57,812,094	\$ (56,784,712)	\$ 11,128,662

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

9. Asset retirement obligation:

The County's asset retirement obligations consist of the following:

(a) Asbestos obligations:

The County owns and operates several buildings and structures that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it.

(b) Fuel tank obligations:

The County has underground fuel tanks that will require future remediation where there is a legal obligation to remove the tank and remediate the site.

All liabilities for asset retirement obligations are reported at current costs in nominal dollars without discounting.

	Fuel tanks	Asbestos Removal	Total 2023
Balance, beginning of the year	\$ —	\$ —	\$ —
Additions during the year	400,250	10,821,572	11,221,822
Less: Obligations settled in the year	—	—	—
	<u>\$ 400,250</u>	<u>\$ 10,821,572</u>	<u>\$ 11,221,822</u>

10. Prepayments and inventory of materials and supplies:

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.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

11. Tangible capital assets:

Cost	Balance at December 31, 2022	Amounts related to Huron Perth Public Health	Additions	ARO Additions	Disposals	Transfers	Balance at December 31, 2023
Land	\$ 1,931,111	\$ 197,616	\$ 650,000	\$ -	\$ -	\$ -	\$ 2,778,727
Land improvements	998,133	-	-	-	-	-	998,133
Buildings	70,777,913	2,533,350	5,473,987	11,221,822	(449,909)	1,483,367	91,040,530
Machinery and equipment	7,262,515	162,988	971,728	-	(1,011,100)	(56,193)	7,329,938
IT equipment	1,616,720	252,415	342,350	-	(212,483)	12,516	2,011,518
Vehicles	13,403,765	-	1,612,067	-	(271,262)	391,313	15,135,883
Roads	447,031,485	-	4,144,636	-	(2,049,304)	-	449,126,817
Bridges and culverts	90,593,348	-	4,034,619	-	(907,399)	155,569	93,876,137
Library books	2,984,973	-	246,087	-	(351,996)	-	2,879,064
Assets under construction	4,225,248	-	5,856,800	-	-	(1,986,572)	8,095,476
Total	\$ 640,825,211	\$ 3,146,369	\$ 23,332,274	\$ 11,221,822	(5,253,453)	\$ -	\$ 673,272,223

Accumulated Amortization	Balance at December 31, 2022	Amounts related to Huron Perth Public Health	Amortization	ARO Amortization	Disposals	Transfers	Balance at December 31, 2023
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	294,008	-	33,271	-	-	-	327,279
Buildings	32,649,252	611,280	2,054,657	918,127	(277,218)	-	35,956,098
Machinery and equipment	3,868,585	100,385	924,311	-	(1,011,100)	-	3,882,181
IT equipment	743,191	195,457	338,648	-	(212,483)	-	1,064,813
Vehicles	7,236,684	-	1,242,243	-	(263,593)	-	8,215,334
Roads	387,506,849	-	5,682,036	-	(2,049,304)	-	391,139,581
Bridges and culverts	42,439,910	-	1,564,891	-	(848,018)	-	43,156,783
Library books	1,428,625	-	298,497	-	(351,996)	-	1,375,126
Assets under construction	-	-	-	-	-	-	-
Total	\$ 476,167,104	\$ 907,122	\$ 12,138,554	\$ 918,127	(5,013,712)	\$ -	\$ 485,117,195

	Net book value, December 31, 2022	Net book value, December 31, 2023
Land	\$ 2,130,889	\$ 2,778,727
Land improvements	704,125	670,854
Buildings	40,036,603	55,084,432
Machinery and equipment	3,480,177	3,447,757
IT equipment	972,230	946,705
Vehicles	6,167,081	6,920,549
Roads	59,524,636	57,987,236
Bridges and culverts	48,153,438	50,719,354
Library books	1,556,348	1,503,938
Assets under construction	4,225,248	8,095,476
Total	\$ 166,950,775	\$ 188,155,028

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

11. Tangible capital assets:

Cost	Balance at December 31, 2021	Amounts related to Huron Perth Public Health	Additions	Disposals	Transfers	Balance at December 31, 2022
Land	\$ 1,931,111	\$ 199,778	\$ -	\$ -	\$ -	\$ 2,130,889
Land improvements	998,133	-	-	-	-	998,133
Buildings	70,528,369	2,517,483	441,062	(234,626)	43,108	73,295,396
Machinery and equipment	10,606,099	173,024	1,070,698	(4,502,468)	88,186	7,435,539
IT equipment	2,137,348	339,295	237,186	(757,814)	-	1,956,015
Vehicles	12,743,949	-	1,460,118	(1,217,610)	417,308	13,403,765
Roads	442,741,632	-	5,634,948	(3,158,189)	1,813,094	447,031,485
Bridges and culverts	87,627,463	-	3,293,363	(387,200)	59,722	90,593,348
Library books	3,507,708	-	235,106	(757,841)	-	2,984,973
Assets under construction	3,222,557	-	3,468,814	(44,705)	(2,421,418)	4,225,248
Total	\$ 636,044,369	\$ 3,229,580	\$ 15,841,295	\$ (11,060,453)	\$ -	\$ 644,054,791

Accumulated Amortization	Balance at December 31, 2021	Amounts related to Huron Perth Public Health	Amortization	Disposals	Transfers	Balance at December 31, 2022
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	260,737	-	33,271	-	-	294,008
Buildings	30,762,884	609,541	2,040,913	(154,545)	-	33,258,793
Machinery and equipment	7,563,269	86,777	807,784	(4,502,468)	-	3,955,362
IT equipment	1,128,597	240,594	372,408	(757,814)	-	983,785
Vehicles	7,291,401	-	1,132,216	(1,186,933)	-	7,236,684
Roads	384,892,684	-	5,563,865	(2,949,700)	-	387,506,849
Bridges and culverts	41,390,002	-	1,427,864	(377,956)	-	42,439,910
Library books	1,871,071	-	315,395	(757,841)	-	1,428,625
Assets under construction	-	-	-	-	-	-
Total	\$ 475,160,645	\$ 936,912	\$ 11,693,716	\$ (10,687,257)	\$ -	\$ 477,104,016

	Net book value, December 31, 2021	Net book value, December 31, 2022
Land	\$ 2,129,417	\$ 2,130,889
Land improvements	737,396	704,125
Buildings	41,635,840	40,036,603
Machinery and equipment	3,130,820	3,480,177
IT equipment	1,181,900	972,230
Vehicles	5,452,548	6,167,081
Roads	57,848,948	59,524,636
Bridges and culverts	46,237,461	48,153,438
Library books	1,636,637	1,556,348
Assets under construction	3,222,557	4,225,248
Total	\$ 163,213,524	\$ 166,950,775

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

12. Accumulated surplus:

The accumulated surplus consists of individual fund surplus amounts and reserve funds as follows:

	2023	2022
General revenue accumulated deficit	\$ (17,216,539)	\$ (5,779,592)
Investment in County tangible capital assets	185,915,781	164,658,107
Reserves and reserve funds	68,810,798	69,625,208
Share of Huron Perth Public Health	2,015,831	1,977,467
	<u>\$ 239,525,871</u>	<u>\$ 230,481,190</u>

For additional information, see the consolidated schedule of continuity of reserves, reserve funds, and obligatory deferred revenue.

13. Contingent liability:

The County has been notified of liability claims. Because the claims are either within the County's insurance coverage or the outcome and measurement cannot be reliably determined, no provision has been made for the contingency in the financial statements.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

14. Government Partnership:

The County of Huron is a partner in Huron Perth Public Health. The County provides 42.96% (2022 - 43.43%) of the municipal funding for the Cost Shared Mandatory related programs. The County's share of the results of Huron Perth Public Health's financial results from operations for the year and its financial position at year-end have been consolidated within these financial statements. Huron Perth Public Health's financial results and financial performance are as follows:

	2023	2022
Financial assets	\$ 2,426,690	\$ 2,888,072
Liabilities	(3,220,668)	(4,024,830)
Non-Financial assets	5,486,322	5,689,986
Accumulated surplus	4,692,344	4,553,228
Revenues	19,310,035	22,273,577
Expenses	19,170,919	22,273,577
Annual Surplus	139,116	–
Accumulated surplus, beginning of the year	4,553,228	4,553,228
Accumulated surplus, end of the year	\$ 4,692,344	\$ 4,553,228

The County's share of Huron Perth Public Health's assets, liabilities and accumulated surplus are as follows:

	2023	2022
Financial assets	\$ 1,042,506	\$ 1,254,290
Liabilities	(1,383,599)	(1,747,984)
Non-financial assets	2,356,924	2,471,161
Accumulated surplus	\$ 2,015,831	\$ 1,977,467

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

15. Financial instruments:

The County is exposed to various risks through its financial instruments and continues to monitor, evaluate, and manage these risks. The following analysis provides information about the County's risk exposure and concentration as at December 31, 2023.

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The County is exposed to credit risk from its financial assets including cash and cash equivalents, trade and other accounts receivable, loans receivable, and portfolio investments. The carrying amounts of financial assets represent the County's maximum credit exposure. The County manages its exposure to this risk by:

- (i) Maintaining its funds in creditworthy organizations and financial institutions;
- (ii) Requiring minimum S&P credit rating of A- (or equivalent rating) for all portfolio investments;
- (iii) Assessing the quality of its counterparties, taking into account their creditworthiness and reputation, past experience and other factors; and
- (iv) Reviewing collectability and establishing allowances for doubtful accounts.

Accounts receivable of \$2,766,137 (2022 - \$2,208,371) was more than 60 days past due. The County has a broad base of customers which minimizes the concentration of credit risk. Valuation allowances for accounts receivable are disclosed in Note 5. There are no provisions for impairment of portfolio investments or loans receivable.

(b) Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The County is exposed to liquidity risk from accounts payable and accrued liabilities and municipal debt. The County manages its exposure to this risk through monitoring projected and actual cash flows and anticipated investing in order to maintain sufficient funds for meeting obligations as they come due.

Accounts payable and accrued liabilities are generally due within 30 days. The annual repayment obligations for debenture payable are disclosed in Note 7.

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk, and other price risk.

THE CORPORATION OF THE COUNTY OF HURON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

15. Financial instruments (continued):

(c) Market risk (continued):

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The County is not exposed to significant currency risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The County manages its interest rate risk by maintaining a mix of fixed income investments which meet the criteria outlined in the Investment Policy. The fair value of portfolio investments and debenture payable with fixed rates is directly impacted by changes in market rates. However, the investments are measured at cost or amortized cost so there is no impact on the operational results of the County. Debenture payable has interest rates fixed for long periods of time with the debt intended to be repaid in accordance with the terms of the respective debenture.

16. Budget figures:

The budget figures reflected in these consolidated financial statements are those approved by Council at a meeting on March 22, 2023.

17. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year annual surplus.

THE CORPORATION OF THE COUNTY OF HURON

Schedule 1 - Consolidated Schedule of Continuity of Reserves, Reserve Funds

For the year ended December 31, 2023, with comparative information for 2022

	Balance, beginning of Year	Revenues and Contributions		Transfers to Operations	Balance, end of Year
		Interest	From Operations		
Reserves and reserve funds:					
Reserves:					
Contingencies	\$ 12,266,959	\$ -	\$ 2,728,247	\$ (4,258,871)	\$ 10,736,335
Committed capital projects	7,642,641	-	5,495,880	(7,506,641)	5,631,880
Committed operating projects	588,504	-	933,016	(497,736)	1,023,784
Workers' safety and insurance	200,000	-	-	-	200,000
Health services and ambulance stations	2,258,632	-	129,104	-	2,387,736
Library books	130,596	-	29,664	-	160,260
	23,087,332	-	9,315,911	(12,263,248)	20,139,995
Reserve Funds:					
Equipment replacement	8,198,704	350,129	2,208,495	(1,702,019)	9,055,309
Global information systems	1,000,000	-	-	-	1,000,000
Facilities capital	7,401,030	316,063	601,150	-	8,318,243
Transportation services	21,143,511	902,941	861,130	(1,006,968)	21,900,614
Waste management planning	500,000	-	-	-	500,000
Homes for the aged	2,595,736	110,852	119,179	-	2,825,767
Social housing	3,161,877	135,029	-	(942,842)	2,354,064
Library CAP	61,168	2,612	-	-	63,780
Economic development	1,329,682	56,785	-	(20,954)	1,365,513
Forestry	223,382	9,540	15,000	-	247,922
Water source protection	922,786	39,408	77,397	-	1,039,591
	46,537,876	1,923,359	3,882,351	(3,672,783)	48,670,803
Total reserve and reserve funds	\$ 69,625,208	\$ 1,923,359	\$ 13,198,262	\$ (15,936,031)	\$ 68,810,798

THE CORPORATION OF THE COUNTY OF HURON

Schedule 2 - Consolidated Segmented Information

Year ended December 31, 2023

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Social and Public Housing	Recreation and Culture	Planning and Development	2023 Total
Revenues:										
Taxation	\$ 4,447,042	\$ 407,146	\$ 17,013,078	\$ 151,000	\$ 9,596,283	\$ 7,557,864	\$ 3,708,492	\$ 5,039,009	\$ 3,546,587	\$ 51,466,501
Government transfers - Canada	37,891	-	3,663,256	-	39,792	-	609,696	91,727	381,669	4,824,031
- Ontario	811,413	99,621	3,868,785	32,333	14,937,117	30,113,024	3,611,432	219,616	255,779	53,949,120
- Other municipalities	-	-	194,659	-	738,166	600	15,086	13,740	-	962,251
User fees, Licences, Permits & Service Charges	110,958	-	202,606	9,600	144,769	5,277,357	269,164	179,731	436,942	6,631,127
Rents	253,484	-	121,960	-	-	369,475	1,981,194	3,383	-	2,729,496
Fines	-	1,331,805	-	-	-	-	-	-	-	1,331,805
Investment income	4,061,557	-	-	-	18,304	-	10,857	-	-	4,090,718
Gain (loss) on disposal of TCA	(23,715)	-	19,889	-	38,389	(58,918)	(62,157)	-	-	(86,512)
Contributed asset	650,000	-	-	-	-	-	-	-	-	650,000
	10,348,630	1,838,572	25,084,233	192,933	25,512,820	43,259,402	10,143,764	5,547,206	4,620,977	126,548,537
Expenses:										
Wages, salaries and benefits	5,849,443	511,486	4,162,768	-	19,658,420	22,898,793	1,546,795	3,689,356	3,157,025	61,474,086
Interest on Long Term Debt	-	-	113,199	-	-	-	90,987	-	-	204,186
Materials	2,627,238	407,007	4,320,853	16,585	2,062,225	4,425,005	2,367,276	439,413	1,193,287	17,858,889
Contract services	2,079,585	202,267	1,402,443	159,214	1,232,573	9,884,833	2,677,145	218,153	237,199	18,093,412
Rents and Financial Expenses	49,329	32,860	28,276	-	307,517	28,691	116,265	20,132	10,798	593,868
External Transfers	2,535,967	-	-	-	-	3,541,086	-	-	-	6,077,053
Amortization of tangible capital assets	1,283,558	508	8,609,855	-	747,220	1,030,030	1,154,126	344,489	32,576	13,202,362
	14,425,120	1,154,128	18,637,394	175,799	24,007,955	41,808,438	7,952,594	4,711,543	4,630,885	117,503,856
Annual surplus (deficit) before restructuring gain	\$ (4,076,490)	\$ 684,444	\$ 6,446,839	\$ 17,134	\$ 1,504,865	\$ 1,450,964	\$ 2,191,170	\$ 835,663	\$ (9,908)	\$ 9,044,681

THE CORPORATION OF THE COUNTY OF HURON

Schedule 2 - Consolidated Segmented Information

Year ended December 31, 2023

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Social and Public Housing	Recreation and Culture	Planning and Development	2022 Total
Revenues:										
Taxation	\$ 3,739,686	\$ 404,712	\$ 16,527,217	\$ 151,000	\$ 8,612,757	\$ 5,922,354	\$ 3,296,019.00	\$ 4,901,707	\$ 3,432,417	\$ 46,987,869
Government transfer - Canada	-	-	2,327,061	-	26,184	-	682,812.00	65,120	221,856	3,323,033
- Ontario	1,564,172	291,322	4,555,000	39,823	16,164,483	27,271,211	2,801,167.00	209,616	240,414	53,137,208
- Other municipalities	-	-	140,052	-	730,865	-	-	10,828	-	881,745
User fees, Licences, Permits & Service Charges	105,508	-	260,851	-	150,593	4,700,054	206,271.00	167,719	757,558	6,348,554
Rents	253,484	-	99,326	-	65,188	325,325	1,900,908.00	1,424	-	2,645,655
Fines	-	1,131,138	-	-	-	-	-	-	-	1,131,138
Investment income	2,019,604	-	-	-	17,396	-	3,665.00	-	-	2,040,665
Gain (loss) on disposal of TCA	-	-	(90,924)	-	45,302	(32,783)	(47,300.00)	-	-	(125,705)
	7,682,454	1,827,172	23,818,583	190,823	25,812,768	38,186,161	8,843,542	5,356,414	4,652,245	116,370,162
Expenses:										
Wages, salaries and benefits	5,450,484	575,970	4,433,149	-	19,718,445	21,518,177	1,502,748	3,304,010	2,925,417	59,428,400
Interest on Long Term Debt	-	-	110,321	-	-	-	-	-	-	110,321
Materials	1,747,172	422,334	4,503,495	-	2,100,215	7,821,265	1,948,786	401,701	922,539	19,867,507
Contract services	2,148,118	201,776	1,142,435	161,866	1,329,407	3,854,929	3,301,028	212,220	354,582	12,706,361
Rents and Financial Expenses	34,880	172,435	21,297	-	673,849	28,551	270,729	23,961	11,729	1,237,431
External Transfers	246,000	-	-	-	-	3,708,355	-	-	-	3,954,355
Amortization of tangible capital assets	1,055,905	508	8,142,738	-	789,551	807,387	791,869	345,461	17,780	11,951,199
	10,682,559	1,373,023	18,353,435	161,866	24,611,467	37,738,664	7,815,160	4,287,353	4,232,047	109,255,574
Annual surplus (deficit) before restructuring gain	\$ (3,000,105)	\$ 454,149	\$ 5,465,148	\$ 28,957	\$ 1,201,301	\$ 447,497	\$ 1,028,382	\$ 1,069,061	\$ 420,198	\$ 7,114,588