

THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

-1-	Independent Auditor's Report
-2-	Statement of Consolidated Financial Position
-3-	Consolidated Statement of Operations and Accumulated Surplus
-4-	Statement of Consolidated Cash Flows
-5-	Statement of Consolidated Changes in Net Financial Assets (Liabilities)
-6- to -13-	Notes to the Consolidated Financial Statements
-14-	Schedule 1 - Schedule of Consolidated Tangible Capital Assets
-15-	Schedule 2 - Schedule of Consolidated Segmented Information

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Zorra:

I have audited the accompanying consolidated financial statements of the Corporation of the Township of Zorra, which comprise the Consolidated Statement of Financial Position as at December 31, 2016 and the Consolidated Statements of Operations and Accumulated Surplus, Cash Flows, and Changes in Net Financial Assets (Liabilities) 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of Zorra as at December 31, 2016 and its financial performance and its changes in cash flows and net financial assets (liabilities) for the year then ended in accordance with Canadian public sector accounting standards.

June 6, 2017
London, Canada

Scrimgeour & Company
LICENSED PUBLIC ACCOUNTANT

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016**

	2016	2015
FINANCIAL ASSETS		
Cash	\$ 3,695,768	\$ 3,394,139
Taxes receivable	992,323	968,646
Drains receivable	508,959	327,119
Accounts receivable	438,499	454,430
Inventories for resale	3,100	1,862
Investment in EARTH Corporation (note 9)	1,798,518	1,717,059
	7,437,167	6,863,255
LIABILITIES		
Accounts payable and accrued liabilities	1,139,801	1,124,791
Deferred revenue - obligatory reserve funds (note 6)	415,016	410,326
Net long-term liabilities (note 7)	7,441,844	8,049,483
	8,996,661	9,584,600
NET FINANCIAL ASSETS (LIABILITIES)	(1,559,494)	(2,721,345)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	26,846,143	23,775,460
Capital work in progress	721,020	2,597,171
Prepaid supplies and inventory	481,730	694,193
	28,048,893	27,066,824
ACCUMULATED SURPLUS (note 8)	\$ 26,489,399	\$ 24,345,479

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

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	BUDGET 2016	ACTUAL 2016	ACTUAL 2015
REVENUE			
Property taxation	\$ 6,700,989	\$ 6,911,091	\$ 6,098,639
User charges	783,804	820,150	835,115
Government grants	1,654,425	1,612,681	1,916,733
Investment income	94,270	107,596	105,036
Penalty and interest on taxes	125,000	148,938	136,051
Other revenue	18,000	20,012	23,055
	9,376,488	9,620,468	9,114,629
EXPENDITURES			
General government	948,140	921,792	934,007
Protection to persons and property	2,684,950	2,233,028	2,161,084
Transportation services	4,230,003	3,426,967	3,618,972
Environmental services	6,680	7,378	7,042
Health services	27,715	44,635	76,061
Recreation and cultural development	1,198,371	1,246,102	1,204,646
Planning and development	76,478	139,534	86,518
	9,172,337	8,019,436	8,088,330
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER	204,151	1,601,032	1,026,299
OTHER			
Increase (decrease) in investment in ERTH Corporation (note 9)	-	81,459	(155,147)
Gain (loss) on disposal of capital assets	-	216,429	68,145
Developer and other contributions related to capital	245,000	245,000	4,054
	245,000	542,888	(82,948)
EXCESS OF REVENUE OVER EXPENDITURES	449,151	2,143,920	943,351
ACCUMULATED SURPLUS, BEGINNING OF YEAR	24,345,479	24,345,479	23,402,128
ACCUMULATED SURPLUS, END OF YEAR	\$ 24,794,630	\$ 26,489,399	\$ 24,345,479

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

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016	2015
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Excess of revenue over expenditures (page 3)	\$ 2,143,920	\$ 943,351
Non-cash charges to operations		
Amortization	1,166,337	1,160,795
Net disposal of tangible capital assets	26,307	18,718
(Increase) decrease in investment in EARTH Corporation	(81,459)	155,147
Net change in working capital other than cash (A)	(171,124)	455,689
	3,083,981	2,733,700
INVESTING ACTIVITIES		
Acquisition of tangible capital assets	(4,263,327)	(1,037,474)
Decrease (increase) in capital work in progress	1,876,151	(2,510,887)
Decrease (increase) in prepaid supplies	212,463	(67,294)
	(2,174,713)	(3,615,655)
FINANCING ACTIVITIES		
Net change in long-term debt	(607,639)	1,127,823
Net change in cash and cash equivalents during the year	301,629	245,868
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,394,139	3,148,271
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 3,695,768	\$ 3,394,139

(A) Net change in working capital other than cash includes the net change in taxes receivable, drains receivable, accounts receivable, accounts payable and accrued liabilities and deferred revenue.

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

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (LIABILITIES)
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016	2015
Excess of revenue over expenditures (page 3)	\$ 2,143,920	\$ 943,351
Amortization of tangible capital assets	1,166,337	1,160,795
Investment in capital works in progress	1,876,151	(2,510,887)
Change in prepaid supplies	212,463	(67,294)
Net disposal of tangible capital assets	26,307	18,718
Acquisition of tangible capital assets	(4,263,327)	(1,037,474)
Increase (decrease) in net financial assets	1,161,851	(1,492,791)
NET FINANCIAL ASSETS (LIABILITIES, BEGINNING OF YEAR	(2,721,345)	(1,228,554)
NET FINANCIAL ASSETS (LIABILITIES), END OF YEAR	\$ (1,559,494)	\$ (2,721,345)

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

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

The Township of Zorra (the Township) is a Township in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. Significant Accounting Policies

The consolidated financial statements of the Township are prepared by management in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Township are as follows:

a. Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, operating revenue and expenditures, and accumulated surpluses and changes in investment in tangible capital assets of the Township.

These consolidated financial statements include the activities of all other committees of Council including the Zorra Recreation Advisory Committee and the Village of Embro Cemetery Board.

The investment in a government business enterprise, ERTH Corporation (ERTH), is accounted for using the modified equity basis of accounting. Under this method, the government business enterprise's accounting policies, which follow Canadian generally accepted accounting standards as modified by regulations and policies set forth in the Ontario Energy Board Accounting Procedures Handbook, are not adjusted to conform with Canadian public sector accounting standards and inter-entity transactions and balances are not eliminated.

b. Accrual accounting

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

c. Accounting for County and School Board transactions

The Township is required to bill, collect and remit provincial education and upper tier taxation in respect of residential and other properties on behalf of the School Boards and County of Oxford. The Township has no jurisdiction or control over the School Board or upper tier's operations or their tax rate. The taxation, other revenue, expenditures, assets and liabilities, with respect to the operations of the School Boards, and the County of Oxford are not reflected in these consolidated financial statements.

d. Trust fund

The Corporation of the Township of Zorra Trust Fund (the Trust) and its related operations administered by the Township are not consolidated, but are reported separately on the Trust's Statements of Financial Position and Operations.

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

1. Significant accounting policies continued

e. 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. The change in non-financial assets during the year, together with the excess of revenue over expenditures, provides the consolidated change in financial assets for the year.

The Township's non-financial assets consist of 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 cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	15 to 30 years
Buildings	40 years
Machinery and equipment	10 to 20 years
Vehicles	5 to 20 years
Infrastructure - Bridges	60 years
Infrastructure - Roads	10 to 20 years
Infrastructure - Other	25 to 30 years

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

f. Revenue recognition

Government grants and transfers are recognized in the consolidated 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 of the amounts can be determined.

g. Deferred revenue

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenditures are incurred, services performed, or the tangible capital assets are acquired.

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

1. Significant accounting policies continued

h. Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

i. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the 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 expense as incurred.

j. Financial instruments

Financial instruments of the Township consist mainly of cash, short-term investments, accounts receivable and taxes receivable. The carrying values of these financial assets approximate their fair values unless otherwise disclosed.

k. Prepaid supplies and inventory

Inventory of supplies for consumption are valued at the lower of cost or replacement cost. Gravel inventory is determined per tonne and includes raw material, extraction and crushing costs.

2. Tax revenue

Property tax billings are prepared by the Township based on an assessment roll prepared by the Municipal Property Assessment Corporation. All assessed property values in the Township were reviewed and new values established based on a common valuation date which was used by the Township in computing the 2016 property tax bills. Property tax revenue and tax receivables are subject to appeals which may not have been heard yet. Any supplementary billing adjustments made necessary by the determination of such appeals, will be recognized in the fiscal year they are determined and the effect shared with the County of Oxford and the appropriate school boards.

3. Trust fund

Trust fund administered by the Township amounting to \$107,442 (2015 - \$104,694) has not been included in the these consolidated financial statements.

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

4. Operations of School Boards and the County of Oxford

Further to note 1(c), the taxation revenues of the school boards and County of Oxford are comprised of the following:

	School Boards	County
Taxation and user charges	\$ 3,649,975	\$ 5,465,587
Requisitions	\$ 3,649,975	\$ 5,465,587

5. Pension agreements

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

The amount contributed to OMERS for 2016 was \$168,486 (2015 - \$168,499) for current service and is included as an expenditure on the Consolidated Statement of Operations. The Township has no obligation, as at December 31, 2016, under the past service provisions. The OMERS funding ratio for 2016 is 93.4% (2015 - 91.5%), with the goal of being fully funded by 2025.

6. Deferred revenue - obligatory reserve funds

A requirement of the Canadian public sector accounting standards is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Township are summarized as follows:

	2016	2015
Development charges	\$ 22,454	\$ 22,241
Federal gas tax	345,584	342,427
Recreational land	43,300	43,300
Other	3,678	2,358
	\$ 415,016	\$ 410,326

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

7. Long-term liabilities

	2016	2015
a. The balance of long-term liabilities reported on the Consolidated Statement of Financial Position is made up of the following:		
Total long-term liabilities incurred by the Township including those incurred on behalf of school boards, other municipalities and municipal enterprises and outstanding at the end of the year amount to	\$ 7,873,387	\$ 8,534,150
Of the long-term liabilities shown above, the responsibility for payment of principal and interest charges for tile drain loans has been assumed by individuals. At the end of the year, the outstanding principal amount of this liability is	(431,543)	(484,667)
Net long-term liabilities, end of the year	\$ 7,441,844	\$ 8,049,483

b. Debt to be retired over the next five years will be recovered from general taxation and user charges and is as follows:

2017	670,824
2018	679,090
2019	687,669
2020	670,571
2021	674,499

c. Approval of the Ontario Municipal Board has been obtained for those pending issues of long-term liabilities and commitments to be financed by revenue beyond the term of Council and approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The principal and interest payments required to service these pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

7. Long-term liabilities continued

- d. The Township is contingently liable for long-term liabilities with respect to tile drainage loans, and for those for which the principal and interest have been assumed by other municipalities, school board and unconsolidated local boards, municipal enterprises, and utilities. The total amount outstanding as at December 31, 2016 is \$431,543 (2015 - \$484,667) and is not recorded on the Consolidated Statement of Financial Position.
- e. Interest paid on long-term liabilities for the year ending December 31, 2016 is \$326,583 (2015 - \$295,327).

8. Accumulated surplus

The accumulated surplus on the Consolidated Statement of Financial Position at the end of the year is comprised of the following:

	2016	2015
Investment in tangible capital assets	\$ 20,608,881	\$ 18,830,164
Current surplus (deficit) - cemetery	(613)	443
Reserves set aside for specific purpose		
- for working capital	541,209	538,211
- for general purposes	1,542,688	1,196,177
- for capital replacement	1,725,285	1,597,802
- for tax rate stabilization	233,752	406,944
- for insurance	39,679	58,679
Total reserves	4,082,613	3,797,813
Investment in government business enterprise (note 9)	1,798,518	1,717,059
ACCUMULATED SURPLUS	\$ 26,489,399	\$ 24,345,479

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

9. Investment in EARTH Corporation

As at December 31, 2016, the Township owns 6.98% (2015 - 6.98%) of EARTH and is comprised of the following:

	2016	2015
Promissory note receivable	\$ 815,000	\$ 815,000
Equity	983,518	902,059
	\$ 1,798,518	\$ 1,717,059

The promissory note receivable from EARTH is unsecured and bears interest at 7.25% (2015 - 7.25%). The term of the note is undefined but no principal repayments are expected within the next twelve months. Interest received in the year and included in other income is \$59,088 (2015 - \$59,088)

As a business enterprise of the Township, it is accounted for on a Modified Equity basis in these consolidated financial statements and the investment is shown at the Township's proportionate share of the equity of EARTH. The following table provides condensed supplementary financial information for the EARTH for the years ended December 31, 2016 and 2015 from their audited financial statements:

	2016	2015
Financial Position		
Total net assets	\$ 14,091,486	\$ 12,924,375
Results of Operations		
Total revenue	\$ 91,044,239	\$ 83,471,034
Total operating and other expenditures	89,877,128	83,216,214
Total net income (loss)	\$ 1,167,111	\$ 254,820

EARTH Corporation declared a dividend of \$NIL in 2016 (2015 - \$NIL) of which the Township's share is \$NIL (2015 - \$NIL).

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

10. Budget figures

The Township's Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2016 is reflected on the Consolidated Statement of Operations.

11. Public sector salary disclosure

There were two employees paid a salary, as defined in the Public Sector Disclosure Act, 1996 of \$100,000 or more.

12. Contaminated sites

The Canadian public sector accounting standard 3510 requires municipalities to evaluate sites owned by the municipality for potential contamination. This standard requires the municipality to disclose the liability, if any, related to remediation of such sites. The Township is of the opinion they do not own such sites and therefore, no liability exists.

13. Segmented information

Segmented information is presented on Schedule 2. The Township is a diversified municipality and provides a wide range of services to its citizens including police through contracted services, fire, protective services, transportation, environmental, including water, wastewater, waste disposal, and storm management joint projects with the County of Oxford, community services, including recreation, library and planning, including economic development and municipal drains. The general government segment includes such functions as finance and information services, council and administrative offices.

**THE CORPORATION OF THE TOWNSHIP OF ZORRA
SCHEDULE OF CONSOLIDATED TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Land	Land Improvements	Buildings and Fixtures	Machinery and Equipment	Automotive	Infrastructure	2016 Total	2015 Total
COST								
Balance, beginning of year	\$ 1,809,962	\$ 501,067	\$ 5,441,767	\$ 4,158,423	\$ 3,428,090	\$ 22,142,343	\$ 37,481,652	\$ 36,910,265
Add:								
Additions during the year	130,236	104,795	2,054,505	241,076	681,143	1,051,572	4,263,327	1,037,474
Less:								
Disposals during the year	-	-	-	(140,604)	(33,137)	(116,937)	(290,678)	(466,087)
Balance, end of year	1,940,198	605,862	7,496,272	4,258,895	4,076,096	23,076,978	41,454,301	37,481,652
ACCUMULATED AMORTIZATION								
Balance, beginning of year	-	287,791	3,038,484	2,026,233	1,935,009	6,418,675	13,706,192	12,992,766
Add:								
Amortization during the year	-	23,647	163,686	236,704	231,889	510,411	1,166,337	1,160,795
Less:								
Disposals during the year	-	-	-	(140,604)	(33,137)	(90,630)	(264,371)	(447,369)
Balance, end of year	-	311,438	3,202,170	2,122,333	2,133,761	6,838,456	14,608,158	13,706,192
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS								
	\$ 1,940,198	\$ 294,424	\$ 4,294,102	\$ 2,136,562	\$ 1,942,335	\$ 16,238,522	\$ 26,846,143	\$ 23,775,460

This schedule is provided for information purposes only.

THE CORPORATION OF THE TOWNSHIP OF ZORRA
CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Government	Protective Services	Transportation	Environmental	Health	Recreation and Culture	Planning and Agriculture	Total
REVENUE								
Taxation	\$ 6,911,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,911,091
User fees	34,198	218,171	29,535	16,042	16,408	487,831	17,965	820,150
Government grants- operating	1,258,100	13,892	303,839	-	-	3,500	33,350	1,612,681
Investment income	93,332	-	-	-	-	249	14,015	107,596
Penalty and interest on taxes	148,938	-	-	-	-	-	-	148,938
Other	-	1,950	-	-	18,000	62	-	20,012
	8,445,659	234,013	333,374	16,042	34,408	491,642	65,330	9,620,468
EXPENDITURES								
Salaries and benefits	662,005	518,672	974,111	1,039	-	538,819	43,265	2,737,911
Materials, goods and services	247,183	1,573,533	1,597,784	6,339	44,635	549,445	96,269	4,115,188
Amortization	12,604	140,823	855,072	-	-	157,838	-	1,166,337
	921,792	2,233,028	3,426,967	7,378	44,635	1,246,102	139,534	8,019,436
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER	7,523,867	(1,999,015)	(3,093,593)	8,664	(10,227)	(754,460)	(74,204)	1,601,032
OTHER								
Increase in investment in ERTH Corporation	81,459	-	-	-	-	-	-	81,459
Gain (loss) on disposal Developer contributions related to capital	242,636	-	(26,207)	-	-	-	-	216,429
	-	-	245,000	-	-	-	-	245,000
	324,095	-	218,793	-	-	-	-	542,888
EXCESS OF REVENUE OVER EXPENDITURES	\$ 7,847,962	\$ (1,999,015)	\$ (2,874,800)	\$ 8,664	\$ (10,227)	\$ (754,460)	\$ (74,204)	\$ 2,143,920

This schedule is provided for information purposes only.