

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

	<b>Page</b>
Management's Responsibility Statement	1
Independent Auditor's Report	
Statement of Financial Position	2
Statement of Operations and Accumulated Deficit	3
Statement of Cash Flows	4
Notes to Financial Statements	5-10
<b>Schedules</b>	
A Schedule of Revenue Fund Activities	11
B Schedule of Capital Grant Fund Activities	12
C Schedule of Capital Loan Fund Activities	13
D Schedule of Long Term Debt	14

## Management's Responsibility

---

To the Members of the Board of the Nanaimo Regional Hospital District

This statement is provided to clarify and outline the roles and responsibilities of the management team, the elected Board of Directors and the independent auditors in relation to the preparation and review of the Nanaimo Regional Hospital District's annual financial results.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Regional Hospital District's Board of Directors is composed entirely of Directors who are neither management nor employees of the Regional Hospital District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for delegating authority for the approval of the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for the appointment of the Regional Hospital District's external auditors. The external auditors have full and free access to the Board and management to discuss their audit findings.

MNP LLP, an independent firm of Chartered Professional Accountants, has been appointed by the Regional Hospital District Board of Directors to audit the consolidated financial statements and report to them; their report follows.

April 24, 2019



---

Director of Finance

---

# Independent Auditor's Report

---

To the Members of the Board of the Nanaimo Regional Hospital District:

## Opinion

We have audited the financial statements of the Nanaimo Regional Hospital District (the "Regional Hospital District"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, accumulated deficit and cash flows and the related schedule D for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional Hospital District as at December 31, 2018, and the results of its operations and its 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 report. We are independent of the Regional Hospital District in accordance with the ethical requirements that are relevant to our audit of the 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.

## Other Matter

The supplementary information on Schedules A, B and C has been presented for purposes of additional analysis and is unaudited. We do not express an opinion on these schedules because our examination did not extend to the detailed information therein.

## 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 Regional Hospital District'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 Regional Hospital District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Regional Hospital District's financial reporting process.

## 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 these 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. 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 Regional Hospital District'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 Regional Hospital District'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 Regional Hospital District 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.

We 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.

Nanaimo, British Columbia

May 14, 2019

*MNP LLP*

Chartered Professional Accountants

**NANAIMO REGIONAL HOSPITAL DISTRICT  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>Financial Assets</b>		
Cash	\$ 7,987,444	\$ 5,253,193
Short term investments	6,827,618	6,714,304
Accounts receivable	15,822	6,668
	<u>14,830,884</u>	<u>11,974,165</u>
<b>Financial Liabilities</b>		
Short term debt (Note 2)	847,313	1,209,179
Accounts payable	1,394,302	524,476
Accrued liabilities (Note 4)	284,252	275,487
Long term debt (Schedule D, Note 3)	27,567,919	27,470,167
	<u>30,093,786</u>	<u>29,479,309</u>
<b>Net Debt and Accumulated Deficit (Note 7)</b>	<u>\$ (15,262,902)</u>	<u>\$ (17,505,144)</u>

APPROVED:



---

Jeannie Bradburne, CPA, CGA, MBA  
Director of Finance

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

**NANAIMO REGIONAL HOSPITAL DISTRICT  
STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>Budget</u> (Note 8)	<u>2018</u>	<u>2017</u>
<b>Revenues</b>			
Property tax revenues	\$ 7,409,526	\$ 7,409,526	\$ 7,193,715
Payments-in-lieu of taxes	30,000	32,539	35,226
Investment income	100,000	266,698	88,448
Other revenue	-	14,760	-
	<u>7,539,526</u>	<u>7,723,523</u>	<u>7,317,389</u>
<b>Expenses</b>			
Administration	104,200	104,200	40,600
Long term debt issue costs	26,272	18,672	10,750
Grants to health care facilities	3,162,049	4,280,024	4,378,028
Short term debt interest and bank charges	49,261	25,740	8,966
Interest on long term debt	1,055,894	1,052,645	1,088,529
	<u>4,397,676</u>	<u>5,481,281</u>	<u>5,526,873</u>
<b>Surplus for the year</b>	3,141,850	2,242,242	1,790,516
<b>Opening, Net Debt and Accumulated Deficit</b>	<u>(17,505,144)</u>	<u>(17,505,144)</u>	<u>(19,295,660)</u>
<b>Ending, Net Debt and Accumulated Deficit</b>	<u>(14,363,294)</u>	<u>(15,262,902)</u>	<u>(17,505,144)</u>

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

**NANAIMO REGIONAL HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>Operating transactions</b>		
Surplus for the year (Pg 3)	\$ 2,242,242	\$ 1,790,516
Non-cash items included in surplus		
Debt actuarial adjustments	(351,343)	(292,558)
Change in non-cash working capital balances		
Increase in accounts receivable	(9,154)	(1,962)
Increase (decrease) in accounts payable	869,826	(429,258)
Increase in accrued liabilities	8,764	5,673
Net increase in cash from operations	<u>2,760,335</u>	<u>1,072,411</u>
<b>Financing transactions</b>		
Increase (decrease) in short term debt	(361,866)	1,034,184
Long term debt proceeds	1,867,086	1,075,027
Repayment of long term debt	<u>(1,417,990)</u>	<u>(1,372,648)</u>
Net increase in cash from financing	<u>87,230</u>	<u>736,563</u>
<b>Net change in cash and investments</b>	2,847,565	1,808,974
Cash and investments, beginning	<u>11,967,497</u>	<u>10,158,523</u>
<b>Cash and investments, ending</b>	<u>\$ 14,815,062</u>	<u>\$ 11,967,497</u>
<b>CASH AND INVESTMENTS CONSIST OF:</b>		
Cash	\$ 7,987,444	\$ 5,253,193
Short term investments	<u>6,827,618</u>	<u>6,714,304</u>
	<u>\$ 14,815,062</u>	<u>\$ 11,967,497</u>

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

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

The Nanaimo Regional Hospital District (“the Regional Hospital District”) is incorporated under the Hospital District Act. Its principal activities are to finance capital construction projects and capital equipment purchases for health care facilities within the Regional Hospital District. These activities are funded through property taxes or property tax revenues set aside as reserves and debenture debt.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of presentation

The financial statements have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB).

(b) Long term debt

Long term debt is obtained through the Municipal Finance Authority of British Columbia (MFA) whose policy is to issue debt denominated in Canadian dollars.

(c) Short term investments

Short term investments are comprised of investments held in the Municipal Finance Authority of British Columbia investment funds and are carried at cost which approximates market value.

(d) Financial instruments

Financial instruments consist of cash, accounts receivable, short term investments, short term debt, accounts payable, accrued liabilities and long term debt. Unless otherwise noted, it is management’s opinion that the Nanaimo Regional Hospital District is not exposed to significant currency or credit risk arising from these financial instruments. The Regional Hospital District is exposed to interest rate risk primarily through its variable rate short term financing with the Municipal Finance Authority. Interest rate risk is the risk that the Regional Hospital District may incur higher costs if interest rates increase more than anticipated over the course of short term financing.

(e) Revenue recognition

Property tax revenues are recognized in the period in which they are levied. Payments-in-lieu of taxes and Other Revenues are recognized when amounts are known and collectability is reasonably assured. Interest revenue is recognized when earned.



NANAIMO REGIONAL HOSPITAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring management estimates are the determination of accrued liabilities. Actual results may vary from the estimates and adjustments will be reported and reflected in operations as they become known.

(g) Adoption of New Accounting Standards

i. PS 2200 Related Party Disclosures

Effective January 1, 2018, the Regional Hospital District adopted the recommendations relating to PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

These new Sections define a related party and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, a material financial effect on the financial statements. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

There was no material impact on the financial statements of adopting the new Sections.

ii. PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights

Effective January 1, 2018, the Regional Hospital District adopted the recommendations relating to PS 3210 *Assets*, PS 3320 *Contingent Assets*, and PS 3380 *Contractual Rights*, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(g) Adoption of New Accounting Standards (continued)

ii. PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights (continued)

PS 3210 Assets provides additional guidance to clarify the definition of assets set out in PS 1000 Financial Statement Concepts.

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

PS 3380 Contractual Rights establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Section are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

There was no material impact on the financial statements of adopting the new Sections.

**2. SHORT TERM DEBT**

Short term financing is secured through the Municipal Finance Authority of British Columbia. The interest rate was 2.79% as at December 31, 2018. Short term borrowing is replaced by long term debt periodically when balances and interest rates are considered appropriate.

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

**3. LONG TERM DEBT**

All long term debt is issued through the Municipal Finance Authority of British Columbia. The Authority is the borrowing agent for municipalities and regional districts in the Province of British Columbia. All long term debt issued by the Municipal Finance Authority is sinking fund debt. Long term debt may only be repaid earlier than maturity where the Municipal Finance Authority refinances an issue which includes a particular long term debt issued by the Regional Hospital District.

Issued and outstanding debt including issue numbers and maturity dates are listed on Schedule D to these financial statements.

Payments of principal on issued debt of the Regional Hospital District for the next five years are approximately as follows:

2019	\$ 1,458,047
2020	\$ 1,463,657
2021	\$ 1,456,510
2022	\$ 1,452,790
2023	\$ 1,458,840

**4. ACCRUED LIABILITIES**

Accrued liabilities arise from accrued interest on outstanding long term debt.

**5. APPROPRIATED EQUITY**

The Regional Hospital District has committed all of the Capital Grant Funds to approved capital purchases for the Vancouver Island Health Authority.

**6. MUNICIPAL FINANCE AUTHORITY DEBT RESERVE DEPOSITS**

The Regional Hospital District secures its long-term borrowing through the Municipal Finance Authority of British Columbia (MFA). As a condition of these borrowings, a portion of the debenture proceeds are retained by the Authority as a debt reserve fund.

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

**6. MUNICIPAL FINANCE AUTHORITY DEBT RESERVE DEPOSITS (CONTINUED)**

Upon the maturity of the debt issue, the debt reserve fund plus any interest earned less expenditures for the issue will be discharged to the Regional Hospital District. Due to their contingent nature neither the asset nor liability are recorded in the financial statements. The balance of the MFA debt reserve fund is as follows:

	<u>2018</u>	<u>2017</u>
Cash	\$ <u>498,014</u>	\$ <u>481,383</u>

**7. ACCUMULATED DEFICIT**

The Accumulated Deficit of \$15,262,902 (2017: \$17,505,144) is made up of the following individual fund equity amounts.

	<u>2018</u>	<u>2017</u>
Revenue Fund (Schedule A)	\$ 8,296,726	\$ 6,705,841
Capital Grant Fund (Schedule B)	4,955,177	4,696,204
Capital Loan Fund (Schedule C)	<u>(28,514,805)</u>	<u>(28,907,189)</u>
Accumulated Deficit	\$ <u>(15,262,902)</u>	\$ <u>(17,505,144)</u>

The Revenue Fund includes those transactions which are funded primarily by the annual property tax requisition and includes debt repayments and capital grants to the Vancouver Island Health Authority.

The Capital Grant Fund includes amounts disbursed or to be disbursed directly to the Vancouver Island Health authority in accordance with approved capital plans.

The Capital Loan Fund includes amounts related to long term debt raised to finance capital expenditures approved through bylaws adopted by the Regional Hospital District for the purposes of the Vancouver Island Health Authority.

**NANAIMO REGIONAL HOSPITAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

**8. BUDGET FIGURES**

Budget figures represent the Financial Plan Bylaw adopted by the Board on March 27, 2018.

Reconciliation of Board approved budget:

Net surplus per approved budget Bylaw No. 164	\$	924,790
Adjusted for:		
Prior year surplus		(1,025,514)
Interest on long term debt		(1,055,894)
Transfer to reserve		1,482,005
Debt servicing		<u>2,816,463</u>
Surplus per Statement of Operations	\$	<u>3,141,850</u>

**9. RELATED PARTY TRANSACTIONS**

The Regional District of Nanaimo is related to the Regional Hospital District since the same individuals are members of the board of directors of both organizations. During the year, administrative support services supplied to the Regional Hospital District by the Regional District of Nanaimo totalled \$104,200 (2017: \$40,600).

**10. STATEMENT OF CHANGES IN NET DEBT**

A statement of changes in net debt has not been prepared as the Regional Hospital District does not have any non-financial assets and a reconciliation of Net Debt to Accumulated Deficit does not provide any further meaningful information.

**11. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

**NANAIMO REGIONAL HOSPITAL DISTRICT  
SCHEDULE OF REVENUE FUND ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(UNAUDITED)**

**SCHEDULE A**

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<b>Revenues</b>			
Property tax revenues	\$ 7,409,526	\$ 7,409,526	\$ 7,193,715
Grants-in-lieu of taxes	30,000	32,539	35,226
Interest on investments	100,000	266,698	88,448
Other revenue	-	14,760	-
	<u>7,539,526</u>	<u>7,723,523</u>	<u>7,317,389</u>
<b>Expenditures</b>			
Administration	104,200	104,200	40,600
Short term loan interest, bank charges, debt issuing	75,533	44,411	19,716
Long term debt interest	1,407,237	1,403,988	1,650,901
Grants to Health Authority	-	-	411,585
	<u>1,586,970</u>	<u>1,552,599</u>	<u>2,122,802</u>
<b>Operating Surplus</b>	<u>5,952,556</u>	<u>6,170,924</u>	<u>5,194,587</u>
Transfer to Capital Grant Fund (Pg 12)	3,162,049	3,162,049	3,444,055
Transfer to Capital Loan Fund for debt principal (Pg 13)	1,417,990	1,417,990	1,372,648
	<u>4,580,039</u>	<u>4,580,039</u>	<u>4,816,703</u>
<b>Surplus for the year</b>	1,372,517	1,590,885	377,884
Add: Prior years' surplus	<u>6,705,841</u>	<u>6,705,841</u>	<u>6,327,957</u>
<b>Surplus, Ending (Note 7)</b>	<u>\$ 8,078,358</u>	<u>\$ 8,296,726</u>	<u>\$ 6,705,841</u>

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

**NANAIMO REGIONAL HOSPITAL DISTRICT  
SCHEDULE OF CAPITAL GRANT FUND ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(UNAUDITED)**

**SCHEDULE B**

	<u>2018</u>	<u>2017</u>
<b>FUND BALANCE, BEGINNING</b>	\$ 4,696,204	\$ 2,881,539
<b>Add:</b> Transfer from Revenue Fund (Pg 11)	3,162,049	3,444,055
<b>Less:</b> Grants to Vancouver Island Health Authority	<u>(2,903,076)</u>	<u>(1,629,390)</u>
<b>FUND BALANCE, ENDING (Note 7)</b>	<u>\$ 4,955,177</u>	<u>\$ 4,696,204</u>

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

**NANAIMO REGIONAL HOSPITAL DISTRICT  
SCHEDULE OF CAPITAL LOAN FUND ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(UNAUDITED)**

**SCHEDULE C**

	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>FUND BALANCE, BEGINNING</b>	\$ (28,907,189)	\$ (28,235,341)
Grants to Health Authority	(1,376,949)	(2,337,054)
Debt principal repayments	1,417,990	1,372,648
Debt actuarial adjustments	<u>351,343</u>	<u>292,558</u>
<b>FUND BALANCE, ENDING (Note 7)</b>	<u><u>\$ (28,514,805)</u></u>	<u><u>\$ (28,907,189)</u></u>

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



**NANAIMO REGIONAL HOSPITAL DISTRICT  
SCHEDULE OF LONG TERM DEBT  
AS AT DECEMBER 31, 2018**

**SCHEDULE D**

Issue	Bylaw No.	Maturity	Interest Rate	Original Requested	Outstanding 2018	Outstanding 2017
72	110	Jun 01, 2020	6.450	125,258	18,331	26,909
75	111	Dec 01,2021	5.690	318,086	69,508	90,507
80	128/129	Oct 03,2018	4.900	753,043	-	69,095
92	125/131	April 6,2020	4.550	175,155	29,713	43,718
93	127	April 6,2025	5.100	4,071,247	1,662,875	1,877,395
102	127	Dec 01,2027	4.820	8,100,000	4,431,548	4,834,193
103	137	Apr 23, 2023	4.650	324,943	130,108	153,205
110	139/127/144	April 8, 2030	4.500	3,083,688	2,014,094	2,166,848
116	144	April 4, 2031	4.200	1,727,207	1,269,085	1,342,477
121	150	October 4, 2032	2.900	645,028	501,350	527,705
121	145.01	October 4, 2032	2.900	4,065,041	3,159,565	3,325,652
121	142	October 4, 2027	2.900	406,504	271,846	296,546
126	154	September 26, 2033	3.850	4,500,000	3,681,497	3,858,283
126	145.01	September 26, 2033	3.850	2,100,000	1,718,032	1,800,532
126	144	September 26, 2033	3.850	1,076,467	880,669	922,959
126	140	September 26, 2028	3.850	815,000	594,545	642,160
130	154	October 14, 2034	3.000	1,815,997	1,557,029	1,625,628
130	156	October 14, 2034	3.000	1,112,155	953,558	995,570
133	145	October 02, 2035	2.750	1,935,000	1,722,461	1,795,758
142	161	October 04, 2037	3.150	1,075,027	1,035,019	1,075,027
146	161	September 19, 2038	3.200	1,867,086	1,867,086	-
				<u>\$ 40,091,933</u>	<u>\$ 27,567,919</u>	<u>\$ 27,470,167</u>

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