



Proven Expertise & Integrity

October 28, 2022

Selectboard  
Town of Farmington, Maine  
Farmington, Maine

We were engaged by the Town of Farmington, Maine and have audited the financial statements of the Town of Farmington, Maine as of and for the year ended December 31, 2021. The following statements and schedules have been excerpted from the 2021 financial statements, a complete copy of which, including our opinion thereon, will be available for inspection at the Town Office.

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*RHR Smith & Company*

Certified Public Accountants

## TOWN OF FARMINGTON, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,294,642	\$ 247,021	\$ 8,541,663
Investments	577,371	1,100,329	1,677,700
Accounts receivable (net of allowance for uncollectibles):			
Taxes	637,492	-	637,492
Liens	246,746	-	246,746
Notes	-	143,117	143,117
Other	15,000	4,685	19,685
Due from other funds	36,483	1,947,255	1,983,738
<b>TOTAL ASSETS</b>	<u>\$ 9,807,734</u>	<u>\$ 3,442,407</u>	<u>\$ 13,250,141</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 587,083	\$ -	\$ 587,083
Payroll related payables	110,786	-	110,786
Due to other governments	20,304	-	20,304
Due to other funds	4,266,008	36,483	4,302,491
<b>TOTAL LIABILITIES</b>	<u>4,984,181</u>	<u>36,483</u>	<u>5,020,664</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes	20,013	-	20,013
Deferred tax revenues	735,335	-	735,335
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>755,348</u>	<u>-</u>	<u>755,348</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	2,398,373	2,398,373
Committed	-	1,009,965	1,009,965
Assigned	-	394	394
Unassigned	4,068,205	(2,808)	4,065,397
<b>TOTAL FUND BALANCES</b>	<u>4,068,205</u>	<u>3,405,924</u>	<u>7,474,129</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 9,807,734</u>	<u>\$ 3,442,407</u>	<u>\$ 13,250,141</u>

See accompanying independent auditor's report and notes to financial statements.

## STATEMENT E

## TOWN OF FARMINGTON, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes:			
Property taxes	\$ 9,562,640	\$ -	\$ 9,562,640
Excise taxes	1,162,964	-	1,162,964
Interest on taxes	83,193	-	83,193
Intergovernmental	2,167,533	653,972	2,821,505
Charges for services	238,998	-	238,998
Investment income, net of unrealized gains/(losses)	-	47,420	47,420
Miscellaneous revenues	36,746	203,272	240,018
<b>TOTAL REVENUES</b>	<b>13,252,074</b>	<b>904,664</b>	<b>14,156,738</b>
<b>EXPENDITURES</b>			
Current:			
General government	876,400	-	876,400
Public safety	2,428,467	-	2,428,467
Health and welfare	7,030	-	7,030
Recreation and culture	365,473	-	365,473
Education	4,713,685	-	4,713,685
Public works	1,679,587	-	1,679,587
County tax	627,883	-	627,883
Community services	241,374	-	241,374
Unclassified	135,610	768,376	903,986
Debt service:			
Principal	182,667	-	182,667
Interest	29,862	-	29,862
Capital outlay	-	370,429	370,429
<b>TOTAL EXPENDITURES</b>	<b>11,288,038</b>	<b>1,138,805</b>	<b>12,426,843</b>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,964,036</b>	<b>(234,141)</b>	<b>1,729,895</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	15,000	868,842	883,842
Transfers (out)	(868,842)	(15,000)	(883,842)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(853,842)</b>	<b>853,842</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,110,194</b>	<b>619,701</b>	<b>1,729,895</b>
<b>FUND BALANCES - JANUARY 1, RESTATED</b>	<b>2,958,011</b>	<b>2,786,223</b>	<b>5,744,234</b>
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 4,068,205</b>	<b>\$ 3,405,924</b>	<b>\$ 7,474,129</b>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
DECEMBER 31, 2021

	Enterprise Funds		
	Sewer	Sewer Reserves	Total
<b>ASSETS</b>			
Current assets:			
Investments	\$ -	\$ 1,575,926	\$ 1,575,926
Accounts receivable (net of allowance for uncollectibles)	278,693	-	278,693
Due from other funds	1,780,947	537,806	2,318,753
Total current assets	<u>2,059,640</u>	<u>2,113,732</u>	<u>4,173,372</u>
Noncurrent assets:			
Capital assets:			
Land and buildings	9,893,516	-	9,893,516
Vehicles and equipment	2,048,019	-	2,048,019
Plant/infrastructure	7,940,149	-	7,940,149
Less: accumulated depreciation	(18,053,076)	-	(18,053,076)
Net capital assets	<u>1,828,608</u>	<u>-</u>	<u>1,828,608</u>
Net pension asset	5,386	-	5,386
Total noncurrent assets	<u>1,833,994</u>	<u>-</u>	<u>1,833,994</u>
<b>TOTAL ASSETS</b>	<u>3,893,634</u>	<u>2,113,732</u>	<u>6,007,366</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	26,296	-	26,296
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>26,296</u>	<u>-</u>	<u>26,296</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 3,919,930</u>	<u>\$ 2,113,732</u>	<u>\$ 6,033,662</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accrued payroll	\$ 11,803	\$ -	\$ 11,803
Current portion of long-term obligations	33,784	-	33,784
Total current liabilities	<u>45,587</u>	<u>-</u>	<u>45,587</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	483,835	-	483,835
Accrued compensated absences	22,227	-	22,227
Total noncurrent liabilities	<u>506,062</u>	<u>-</u>	<u>506,062</u>
<b>TOTAL LIABILITIES</b>	<u>551,649</u>	<u>-</u>	<u>551,649</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	76,936	-	76,936
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>76,936</u>	<u>-</u>	<u>76,936</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,318,398	-	1,318,398
Unrestricted	1,972,947	2,113,732	4,086,679
<b>TOTAL NET POSITION</b>	<u>3,291,345</u>	<u>2,113,732</u>	<u>5,405,077</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 3,919,930</u>	<u>\$ 2,113,732</u>	<u>\$ 6,033,662</u>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Enterprise Funds		
	Sewer	Sewer Reserves	Total
OPERATING REVENUES			
Charges for services	\$ 1,037,648	\$ -	\$ 1,037,648
Other	78,617	2,463	81,080
TOTAL OPERATING REVENUES	<u>1,116,265</u>	<u>2,463</u>	<u>1,118,728</u>
OPERATING EXPENSES			
Payroll and taxes	378,305	-	378,305
Treatment plant	140,904	-	140,904
Professional services	192,802	-	192,802
Depreciation	274,692	-	274,692
Other	95,390	77,155	172,545
TOTAL OPERATING EXPENSES	<u>1,082,093</u>	<u>77,155</u>	<u>1,159,248</u>
OPERATING INCOME (LOSS)	<u>34,172</u>	<u>(74,692)</u>	<u>(40,520)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	257	-	257
Interest (expense)	(17,838)	-	(17,838)
Transfers in (out)	(130,000)	130,000	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(147,581)</u>	<u>130,000</u>	<u>(17,581)</u>
CHANGE IN NET POSITION	(113,409)	55,308	(58,101)
NET POSITION - JANUARY 1	<u>3,404,754</u>	<u>2,058,424</u>	<u>5,463,178</u>
NET POSITION - DECEMBER 31	<u>\$ 3,291,345</u>	<u>\$ 2,113,732</u>	<u>\$ 5,405,077</u>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, January 1	\$ 2,958,011	\$ 2,958,011	\$ 2,958,011	\$ -
Resources (Inflows):				
Taxes:				
Property taxes	9,586,866	9,586,866	9,562,640	(24,226)
Excise taxes	1,114,500	1,114,500	1,162,964	48,464
Interest on taxes	62,000	62,000	83,193	21,193
Intergovernmental	1,738,873	1,738,873	2,167,533	428,660
Charges for services	178,283	178,283	238,998	60,715
Miscellaneous revenues	26,000	26,000	36,746	10,746
Transfers from other funds	-	-	15,000	15,000
Amounts Available for Appropriation	<u>15,664,533</u>	<u>15,664,533</u>	<u>16,225,085</u>	<u>560,552</u>
Charges to Appropriations (Outflows):				
General government	932,656	908,064	876,400	31,664
Public safety	2,668,828	2,659,828	2,428,467	231,361
Health and welfare	25,000	25,000	7,030	17,970
Recreation and culture	445,987	419,487	365,473	54,014
Education	4,713,685	4,713,685	4,713,685	-
Public works	2,135,655	1,888,251	1,679,587	208,664
County tax	627,883	627,883	627,883	-
Community services	241,474	241,474	241,374	100
Unclassified	168,244	168,244	135,610	32,634
Debt service:				
Principal	182,667	182,667	182,667	-
Interest	29,901	29,901	29,862	39
Transfers to other funds	534,542	868,842	868,842	-
Total Charges to Appropriations	<u>12,706,522</u>	<u>12,733,326</u>	<u>12,156,880</u>	<u>576,446</u>
Budgetary Fund Balance, December 31	<u>\$ 2,958,011</u>	<u>\$ 2,931,207</u>	<u>\$ 4,068,205</u>	<u>\$ 1,136,998</u>
Utilization of unassigned fund balance	<u>\$ -</u>	<u>\$ 26,804</u>	<u>\$ -</u>	<u>\$ (26,804)</u>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

SCHEDULE OF GENERAL FUND REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Resources (Inflows):				
Taxes:				
Property taxes	\$ 9,573,866	\$ 9,573,866	\$ 9,548,895	\$ (24,971)
Payment in lieu	13,000	13,000	13,745	745
Excise taxes	1,114,500	1,114,500	1,162,964	48,464
Interest on taxes	62,000	62,000	83,193	21,193
Total Taxes	<u>10,763,366</u>	<u>10,763,366</u>	<u>10,808,797</u>	<u>45,431</u>
Intergovernmental Revenues:				
State revenue sharing	973,000	973,000	1,356,786	383,786
Homestead exemption	453,914	453,914	398,158	(55,756)
GA reimbursement	6,500	6,500	3,045	(3,455)
Local road assistance	154,827	154,827	169,375	14,548
BETE reimbursement	121,032	121,032	121,140	108
Veteran reimbursement	6,600	6,600	7,077	477
Tree growth reimbursement	23,000	23,000	111,952	88,952
Total Intergovernmental Revenues	<u>1,738,873</u>	<u>1,738,873</u>	<u>2,167,533</u>	<u>428,660</u>
Charges for Services:				
Code enforcement fees	45,000	45,000	51,997	6,997
Motor vehicle fees	24,000	24,000	32,087	8,087
Vital statistics fees	16,000	16,000	18,824	2,824
Inland fisheries fees	2,383	2,383	1,654	(729)
Parks and recreation fees	12,000	12,000	26,065	14,065
Assessor	-	-	1	1
Dog fees	-	-	967	967
Rental of town property	1,000	1,000	-	(1,000)
Police department	12,000	12,000	14,325	2,325
Recycling fees	40,000	40,000	75,310	35,310
Cemetery fees	15,500	15,500	16,310	810
Misc fees/licenses	10,400	10,400	1,458	(8,942)
Total Charges for Services	<u>178,283</u>	<u>178,283</u>	<u>238,998</u>	<u>60,715</u>
Miscellaneous Revenues:				
Tax lien fees	11,000	11,000	11,142	142
Misc revenues	15,000	15,000	25,604	10,604
Total Miscellaneous Revenues	<u>26,000</u>	<u>26,000</u>	<u>36,746</u>	<u>10,746</u>
Transfers from other funds	-	-	15,000	15,000
Amounts Available for Appropriation	<u>\$ 12,706,522</u>	<u>\$ 12,706,522</u>	<u>\$ 13,267,074</u>	<u>\$ 560,552</u>

See accompanying independent auditor's report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
General government:					
Administration	\$ 261,081	\$ 8,766	\$ 269,847	\$ 269,847	\$ -
Assessor	130,493	(26,000)	104,493	99,172	5,321
Clerk treasurer	284,811	(1,000)	283,811	264,806	19,005
Municipal building	84,878	(5,558)	79,320	79,320	-
CEO	163,593	-	163,593	161,327	2,266
Committees	7,800	(800)	7,000	1,928	5,072
	<u>932,656</u>	<u>(24,592)</u>	<u>908,064</u>	<u>876,400</u>	<u>31,664</u>
Public safety:					
Police department	1,506,788	(9,000)	1,497,788	1,294,692	203,096
Fire department	696,154	-	696,154	691,163	4,991
Hydrants	345,475	-	345,475	345,475	-
Street lights	63,550	-	63,550	59,863	3,687
Traffic lights	20,000	-	20,000	1,587	18,413
Ambulance	36,861	-	36,861	35,687	1,174
	<u>2,668,828</u>	<u>(9,000)</u>	<u>2,659,828</u>	<u>2,428,467</u>	<u>231,361</u>
Health and welfare:					
General assistance	25,000	-	25,000	7,030	17,970
	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>7,030</u>	<u>17,970</u>
Recreation and culture:					
Parks and recreation	203,342	(7,000)	196,342	177,350	18,992
Community center	146,160	(19,500)	126,660	97,827	28,833
Cemeteries	96,485	-	96,485	90,296	6,189
	<u>445,987</u>	<u>(26,500)</u>	<u>419,487</u>	<u>365,473</u>	<u>54,014</u>



## TOWN OF FARMINGTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
Education	4,713,685	-	4,713,685	4,713,685	-
Public works:					
Highway department	1,506,216	(260,000)	1,246,216	1,062,009	184,207
Recycling department	174,612	(4,000)	170,612	148,203	22,409
Local roads	154,827	-	154,827	152,779	2,048
Capital improvement for roads	300,000	16,596	316,596	316,596	-
	2,135,655	(247,404)	1,888,251	1,679,587	208,664
County tax	627,883	-	627,883	627,883	-
Debt service:					
Principal	182,667	-	182,667	182,667	-
Interest	29,901	-	29,901	29,862	39
	212,568	-	212,568	212,529	39
Community services:					
Animal shelter	17,072	-	17,072	16,972	100
Public library	205,404	-	205,404	205,404	-
Social services / economic development	17,998	-	17,998	17,998	-
Gay cemetery	1,000	-	1,000	1,000	-
	241,474	-	241,474	241,374	100

TOWN OF FARMINGTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
Unclassified:					
Insurances	96,700	-	96,700	96,353	347
TAN interest	5,000	-	5,000	-	5,000
Overlay	66,544	-	66,544	39,257	27,287
	<u>168,244</u>	<u>-</u>	<u>168,244</u>	<u>135,610</u>	<u>32,634</u>
Transfers to other funds:					
Revaluation	-	26,000	26,000	26,000	-
Legal reserve	10,000	-	10,000	10,000	-
Community center	-	19,500	19,500	19,500	-
ADA	1,000	-	1,000	1,000	-
Treasurer computer	-	1,000	1,000	1,000	-
Police facilities	-	3,500	3,500	3,500	-
Police equipment	-	500	500	500	-
Police vehicle	-	5,000	5,000	5,000	-
Municipal landfill	-	4,000	4,000	4,000	-
Public works facilities	-	20,000	20,000	20,000	-
Public works equipment	-	220,000	220,000	220,000	-
Sidewalks	-	20,000	20,000	20,000	-
Municipal facilities	-	7,000	7,000	7,000	-
Fire equipment	75,000	-	75,000	75,000	-
Parks and recreation	-	7,000	7,000	7,000	-
Conservation committee	-	800	800	800	-
TIF	448,542	-	448,542	448,542	-
	<u>534,542</u>	<u>334,300</u>	<u>868,842</u>	<u>868,842</u>	<u>-</u>
Total Departmental Operations	<u>\$ 12,706,522</u>	<u>\$ 26,804</u>	<u>\$ 12,733,326</u>	<u>\$ 12,156,880</u>	<u>\$ 576,446</u>

See accompanying independent auditor’s report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

COMBINING BALANCE SHEET - NONMAJOR FUNDS  
DECEMBER 31, 2021

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 232,342	\$ -	\$ 14,679	\$ 247,021
Investments	-	-	1,100,329	1,100,329
Accounts receivable (net of allowance for uncollectibles)	4,685	-	-	4,685
Notes receivable (net of allowance for uncollectibles)	143,117	-	-	143,117
Due from other funds	1,163,349	755,018	28,888	1,947,255
<b>TOTAL ASSETS</b>	<b><u>\$ 1,543,493</u></b>	<b><u>\$ 755,018</u></b>	<b><u>\$ 1,143,896</u></b>	<b><u>\$ 3,442,407</u></b>
<b>LIABILITIES</b>				
Due to other funds	\$ 4,686	\$ -	\$ 31,797	\$ 36,483
<b>TOTAL LIABILITIES</b>	<b><u>4,686</u></b>	<b><u>-</u></b>	<b><u>31,797</u></b>	<b><u>36,483</u></b>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	1,145,331	138,136	1,114,906	2,398,373
Committed	393,083	616,882	-	1,009,965
Assigned	394	-	-	394
Unassigned	(1)	-	(2,807)	(2,808)
<b>TOTAL FUND BALANCES</b>	<b><u>1,538,807</u></b>	<b><u>755,018</u></b>	<b><u>1,112,099</u></b>	<b><u>3,405,924</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 1,543,493</u></b>	<b><u>\$ 755,018</u></b>	<b><u>\$ 1,143,896</u></b>	<b><u>\$ 3,442,407</u></b>

. See accompanying independent auditor's report and notes to financial statements.

## TOWN OF FARMINGTON, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Investment income, net of unrealized gains/(losses)	\$ -	\$ -	\$ 47,420	\$ 47,420
Intergovernmental	653,972	-	-	653,972
Other income	73,307	29,965	100,000	203,272
TOTAL REVENUES	<u>727,279</u>	<u>29,965</u>	<u>147,420</u>	<u>904,664</u>
EXPENDITURES				
Capital outlay	-	370,429	-	370,429
Other	765,807	-	2,569	768,376
TOTAL EXPENDITURES	<u>765,807</u>	<u>370,429</u>	<u>2,569</u>	<u>1,138,805</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38,528)</u>	<u>(340,464)</u>	<u>144,851</u>	<u>(234,141)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	504,842	364,000	-	868,842
Transfers (out)	-	-	(15,000)	(15,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>504,842</u>	<u>364,000</u>	<u>(15,000)</u>	<u>853,842</u>
NET CHANGE IN FUND BALANCES	466,314	23,536	129,851	619,701
FUND BALANCES, JANUARY 1, RESTATED	<u>1,072,493</u>	<u>731,482</u>	<u>982,248</u>	<u>2,786,223</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,538,807</u>	<u>\$ 755,018</u>	<u>\$ 1,112,099</u>	<u>\$ 3,405,924</u>

See accompanying independent auditor's report and notes to financial statements.