

A large, thick black curved line that starts at the top left and curves downwards and to the right, framing the main title text.

# **Comparative Analysis**

## **December 31, 2020**

A small, faint silhouette of a person riding a bicycle, positioned at the bottom center of the page.

**The Corporation of the  
Municipality of East Ferris**

# Independent Auditor's Report

## Opinion

We have audited the consolidated financial statements of the Corporation of the Municipality of East Ferris, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations and accumulated surplus, cash flows, and change in net debt for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation of the Municipality of East Ferris as at December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.



# Statement of Financial Position

	Actual 2020	Actual 2019	Over (under) Compare to PY	Comments
<b>Financial Assets</b>				
Cash and cash equivalents	-	37,285	(37,285)	R
Taxes receivable	469,724	454,010	15,714	R
				amount recorded for settlement re St-Theresa site offset by reduced HST receivable (all HST has been received to date)
Accounts receivable	2,557,630	967,694	1,589,936	
	<u>3,027,354</u>	<u>1,458,989</u>	<u>1,568,365</u>	
<b>Liabilities</b>				
Bank indebtedness	244,460	-	244,460	timing of payments, actual cash in the bank \$268k offset by outstanding cheques of \$512
Accounts payable and accrued liabilities	524,978	628,831	(103,853)	timing of payments
Deferred revenues - other	1,895	1,844	51	R
Deferred revenues - obligatory reserve fund	288,429	466,264	(177,835)	budgeted to use more gas tax funds this year
Municipal debt	1,576,747	1,938,163	(361,416)	current year debt repayment
Employee future benefits payable	334,430	317,909	16,521	R
Landfill closure and post-closure	286,870	274,994	11,876	R
	<u>3,257,809</u>	<u>3,628,005</u>	<u>(370,196)</u>	
Net Debt	<u>(230,455)</u>	<u>(2,169,016)</u>	<u>1,938,561</u>	
<b>Non-Financial Assets</b>				
Tangible capital assets	17,629,757	17,422,033	207,724	additions of \$1.3M offset by amortization of \$1.1M and disposals of assets
Prepaid expenses	133,907	121,345	12,562	R
Inventories	54,867	64,640	(9,773)	R
	<u>17,818,531</u>	<u>17,608,018</u>	<u>210,513</u>	
Accumulated Surplus	<u>17,588,076</u>	<u>15,439,002</u>	<u>2,149,074</u>	

# Statement of Operations

	Budget 2020	Actual 2020	Actual 2019	Over (under) Budget	Over (under) Compare to PY	Comments
Net taxation	5,875,429	5,832,618	5,742,052	(42,811)	90,566	R
User charges	620,694	628,825	717,088	8,131	(88,263)	R received COVID funding that was not budgeted & reduction year over year as received one-time modernization grant of \$577k in prior year
Gvmt grants/transfers - prov.	1,002,316	1,125,918	1,595,972	123,602	(470,054)	R
Gvmt grants/transfers - fed.	92,475	26,200	0	(66,275)	26,200	R
Other	656,259	2,751,738	396,532	2,095,479	2,355,206	settlement re St-Theresa site cleanup
	<u>8,247,173</u>	<u>10,365,299</u>	<u>8,451,644</u>	<u>2,118,126</u>	<u>1,913,655</u>	
General government	1,846,428	2,227,406	1,995,076	380,978	232,330	spent \$248k more than budgeted and \$128k more than prior year on St-Theresa site cleanup.
Protection services	1,214,984	1,168,010	1,160,701	(46,974)	7,309	R
Transportation services	2,091,872	2,025,208	2,196,910	(66,664)	(171,702)	had to scale back some work planned due to COVID protocols
Environmental services	290,972	275,519	278,120	(15,453)	(2,601)	R
Health services	189,816	176,545	181,967	(13,271)	(5,422)	R
Social and family services	1,498,599	1,498,599	1,434,200	-	64,399	R
Recreational and cultural services	1,343,295	1,281,511	1,384,792	(61,784)	(103,281)	R
Planning and development	224,881	192,160	193,780	(32,721)	(1,620)	R
	<u>8,700,847</u>	<u>8,844,958</u>	<u>8,825,546</u>	<u>144,111</u>	<u>19,412</u>	
Annual surplus (deficit) before other	-453,674	1,520,341	-373,902	1,974,015	1,894,243	
Gvmt grants/transfers - prov.	50,000	50,000	50,000	-	-	R
Gvmt grants/transfers - fed.	575,000	578,733	356,512	3,733	222,221	budgeted to use gas tax funding for roads projects
Annual Surplus	<u>171,326</u>	<u>2,149,074</u>	<u>32,610</u>	<u>1,977,748</u>	<u>2,116,464</u>	

# Statement of Operations - Expenses

	Budget 2020	Actual 2020	Actual 2019	Over (under) Budget	Over (under) Compare to PY	Comments
Salaries, wages and benefits	2,397,232	2,363,593	2,346,754	(33,639)	16,839	R
Materials, contracted services, etc	2,805,403	3,008,543	2,958,813	203,140	49,730	spent \$248k more than budgeted on St-Theresa site cleanup.
Transfers to other govmts and public	2,346,496	2,321,106	2,250,293	(25,390)	70,813	R
Amortization of tangible capital assets	1,151,716	1,151,716	1,269,686	-	(117,970)	R
	<u>8,700,847</u>	<u>8,844,958</u>	<u>8,825,546</u>	<u>144,111</u>	<u>19,412</u>	



# Surplus Reconciliation

	Budget	Actual
Municipal Surplus	-	-
Adjustments for PSAB compliance		
Debt principal payments	361,415	361,415
Debt issued	(6,246,448)	-
Change in unfunded liabilities (other than debt)	-	(28,397)
Acquisition of tangible capital assets (budgeted as expenses)	7,133,075	1,359,440
Amortization of tangible capital assets	(1,151,716)	(1,151,716)
Transfer to East Ferris Public Library surplus	-	4,739
Contributions to general surplus	-	2,093,281
Contributions to (from) reserves	75,000	(489,688)
	<u>171,326</u>	<u>2,149,074</u>
Surplus per financial statements	<u>171,326</u>	<u>2,149,074</u>

Capital project for Town Hall replacement was deferred thus incurred less tangible capital assets additions and didn't require debt



# Accumulated Surplus Note

	<u>2020</u>	<u>2019</u>
Surplus		
Invested in tangible capital assets	\$ 17,629,757	\$ 17,422,033
General (see note (a) below)	611,146	(1,482,135)
Bibliothèque East Ferris Public Library	18,512	13,773
Unfunded Liabilities		
Municipal debt	(1,576,747)	(1,938,163)
Landfill closure and post-closure	(286,870)	(274,994)
Employee future benefits payable	<u>(334,430)</u>	<u>(317,909)</u>
Total surplus	<u>16,061,368</u>	<u>13,422,605</u>
Reserves		
Special purpose reserves		
Operating budget contingency	60,000	60,000
Vacation pay	121,744	121,744
Tax stabilization	154,039	154,039
Retirement allowances	223,332	223,332
Operating stabilization	280,000	280,000
Sustainable capital stabilization	157,051	351,042
Municipal office	351,792	712,847
Ice resurfacer	-	36,643
Cassellholme redevelopment	150,000	75,000
Parkland dedication	<u>28,750</u>	<u>1,750</u>
Total reserves	<u>1,526,708</u>	<u>2,016,397</u>
Accumulated Surplus	<u>\$ 17,588,076</u>	<u>\$ 15,439,002</u>

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# **Comparative Analysis**

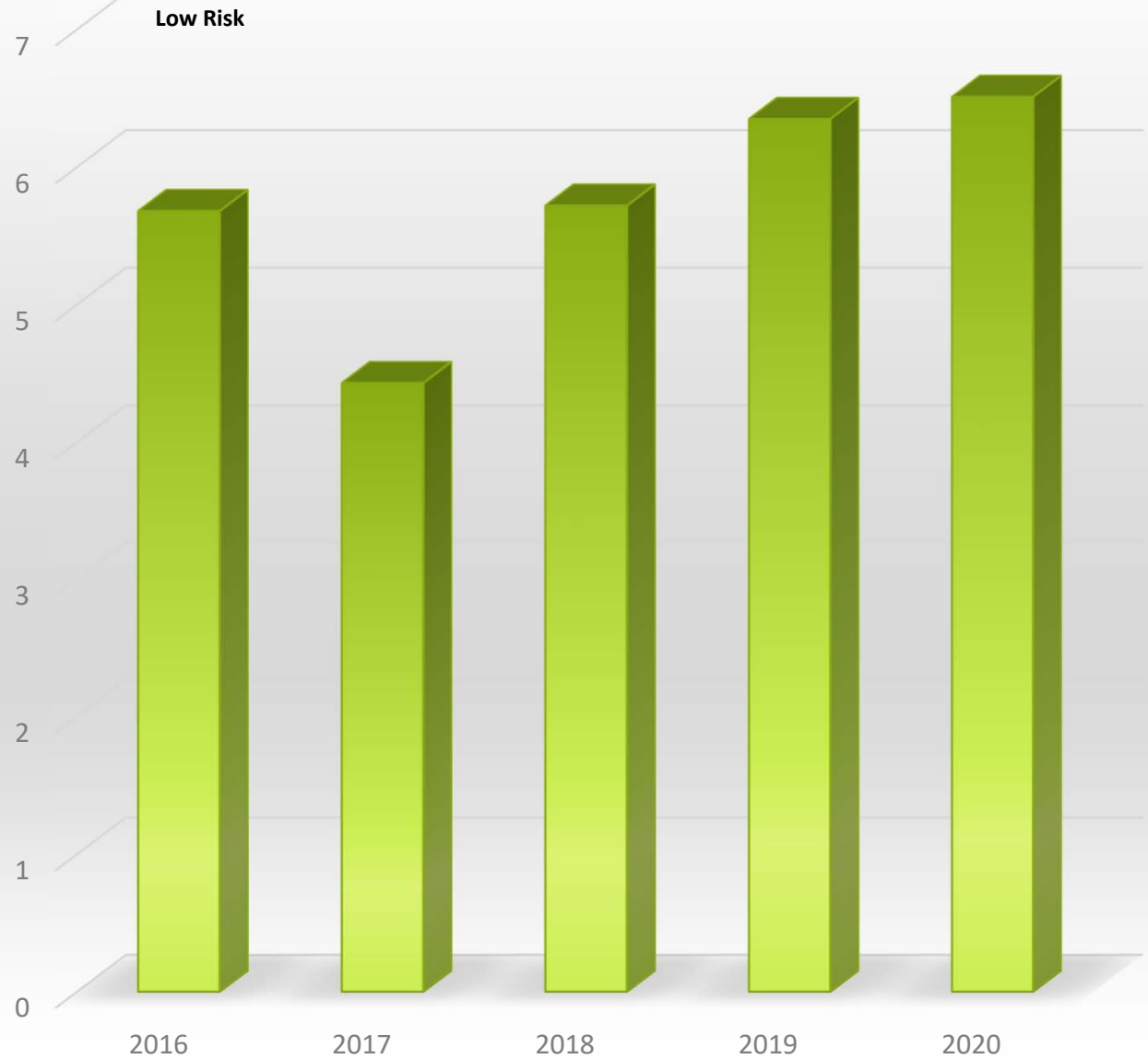
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**The Corporation of the  
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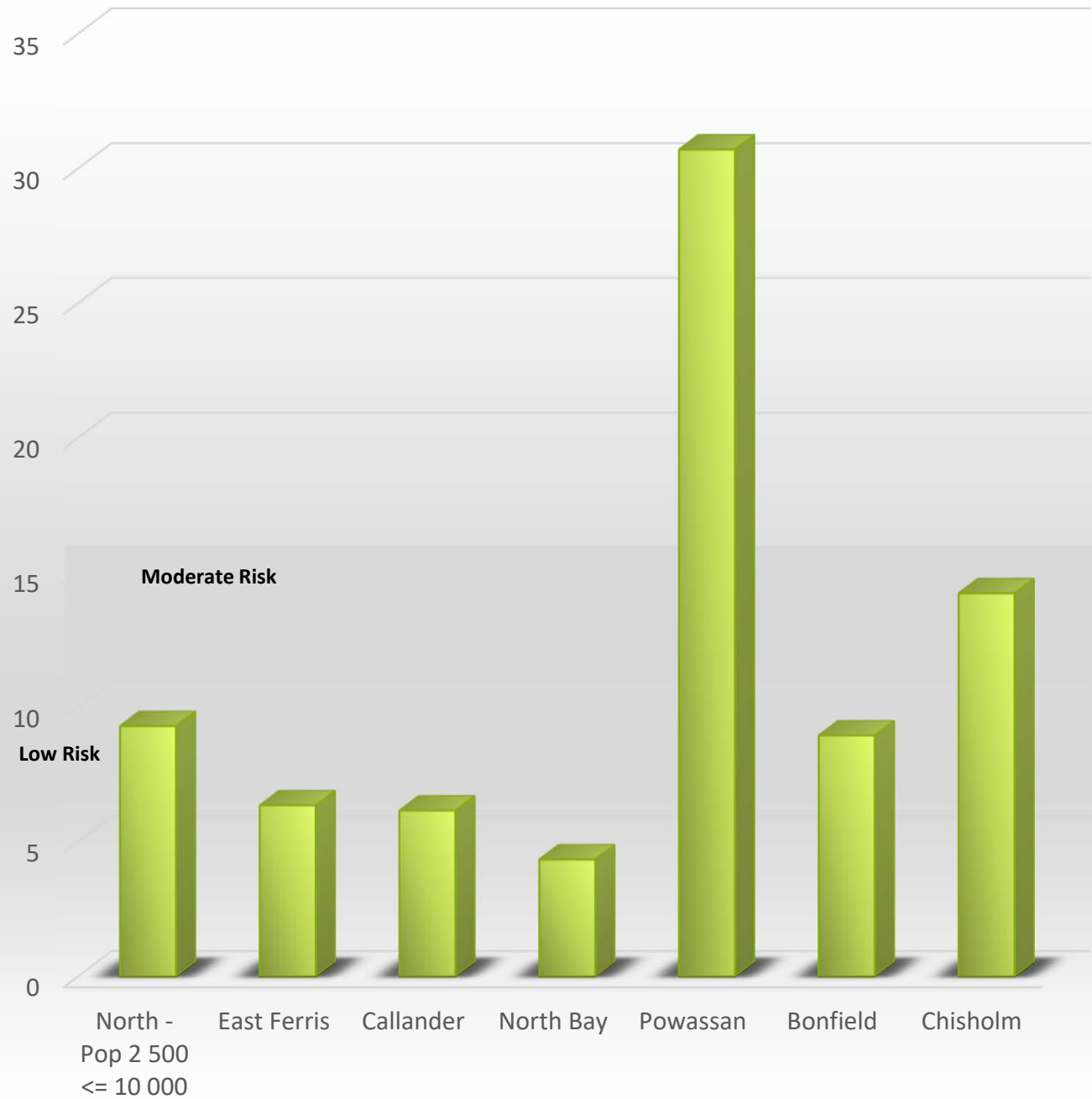


Potential Risk Level		
Low	Moderate	High
Less than 10%	10% to 15%	More than 15%



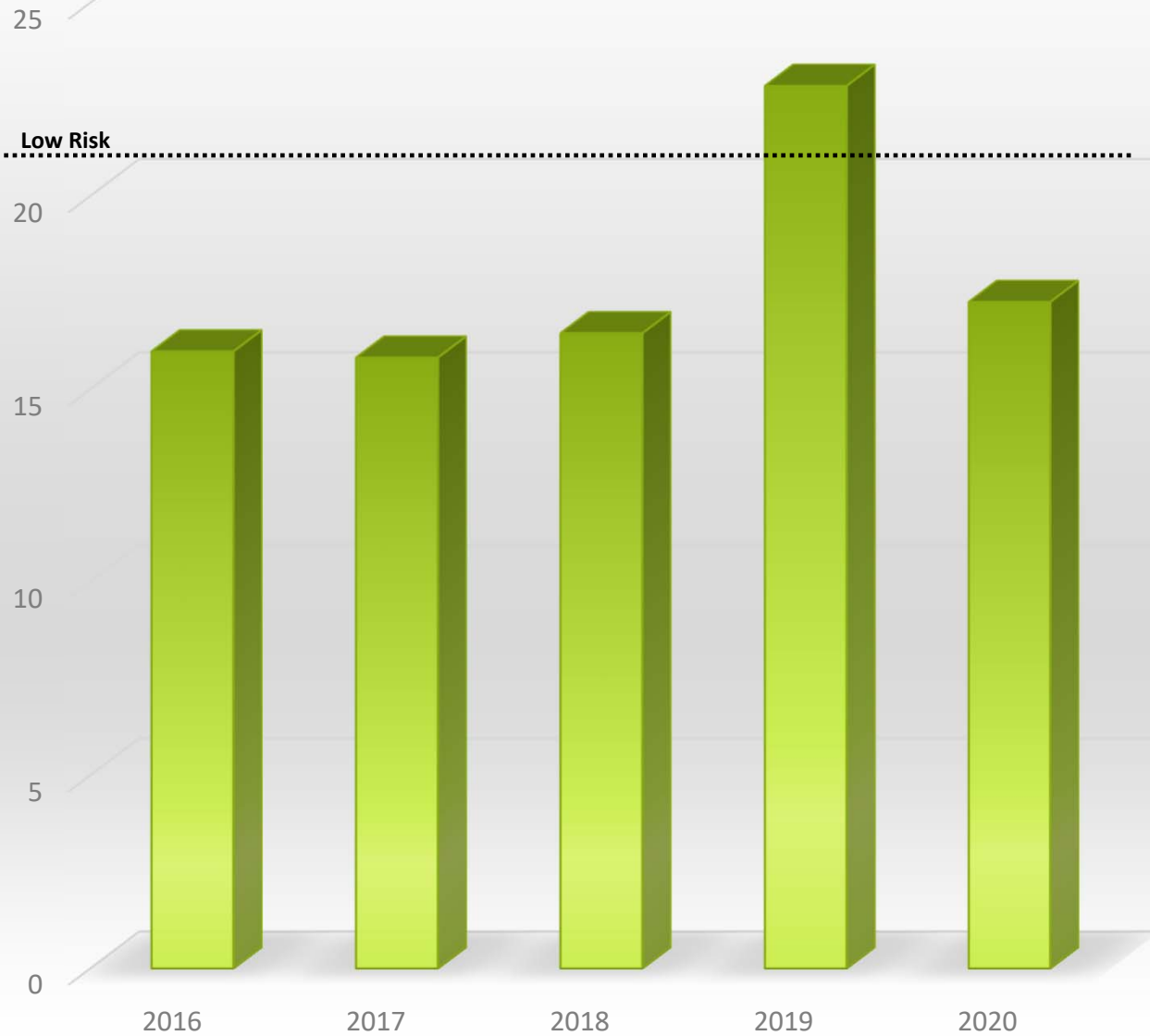
# Tax Arrears Ratio – 5 Year Trend

# Tax Arrears Ratio (2019)

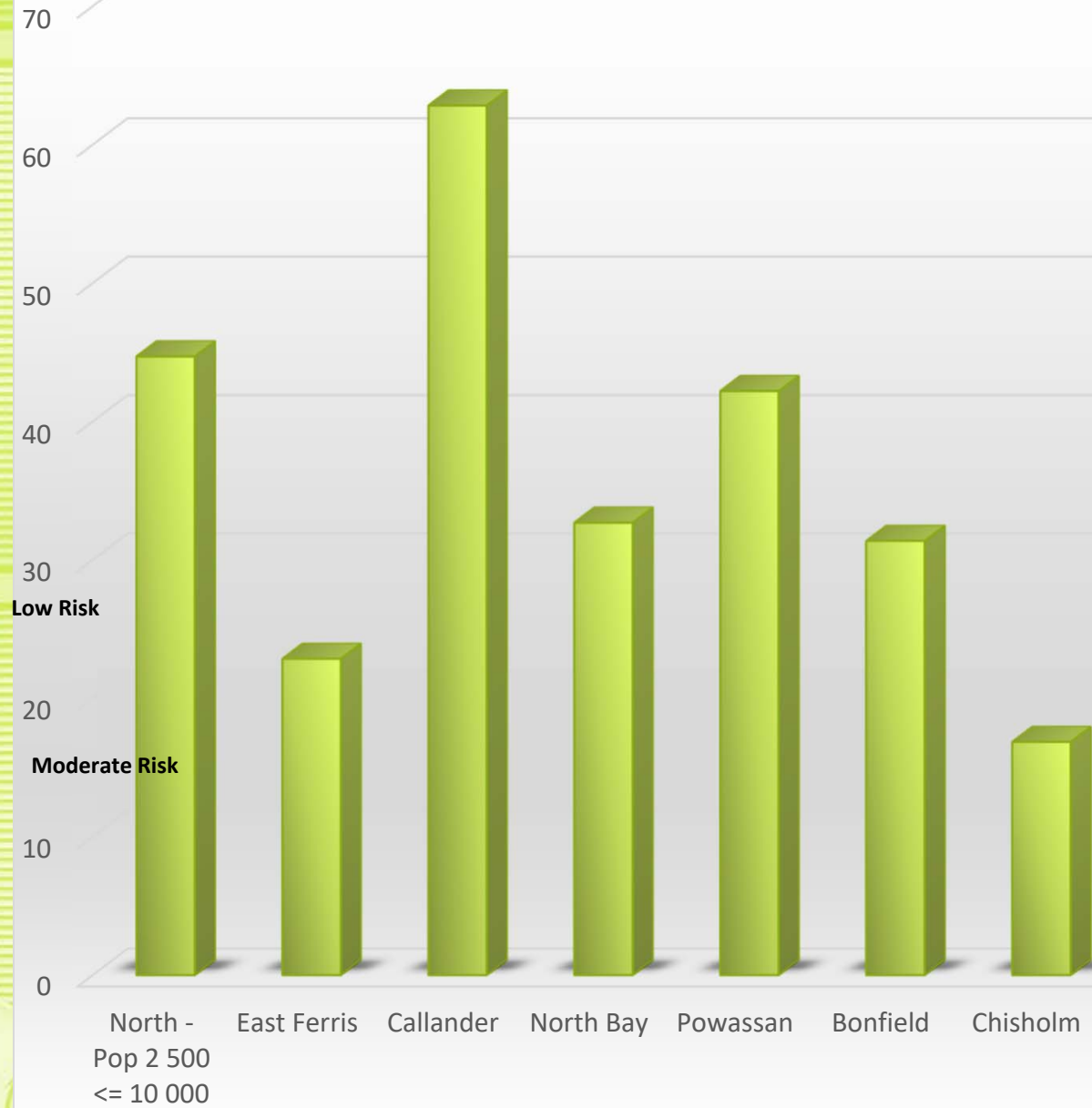


Potential Risk Level		
Low	Moderate	High
More than 20%	10% to 20%	Less than 10%

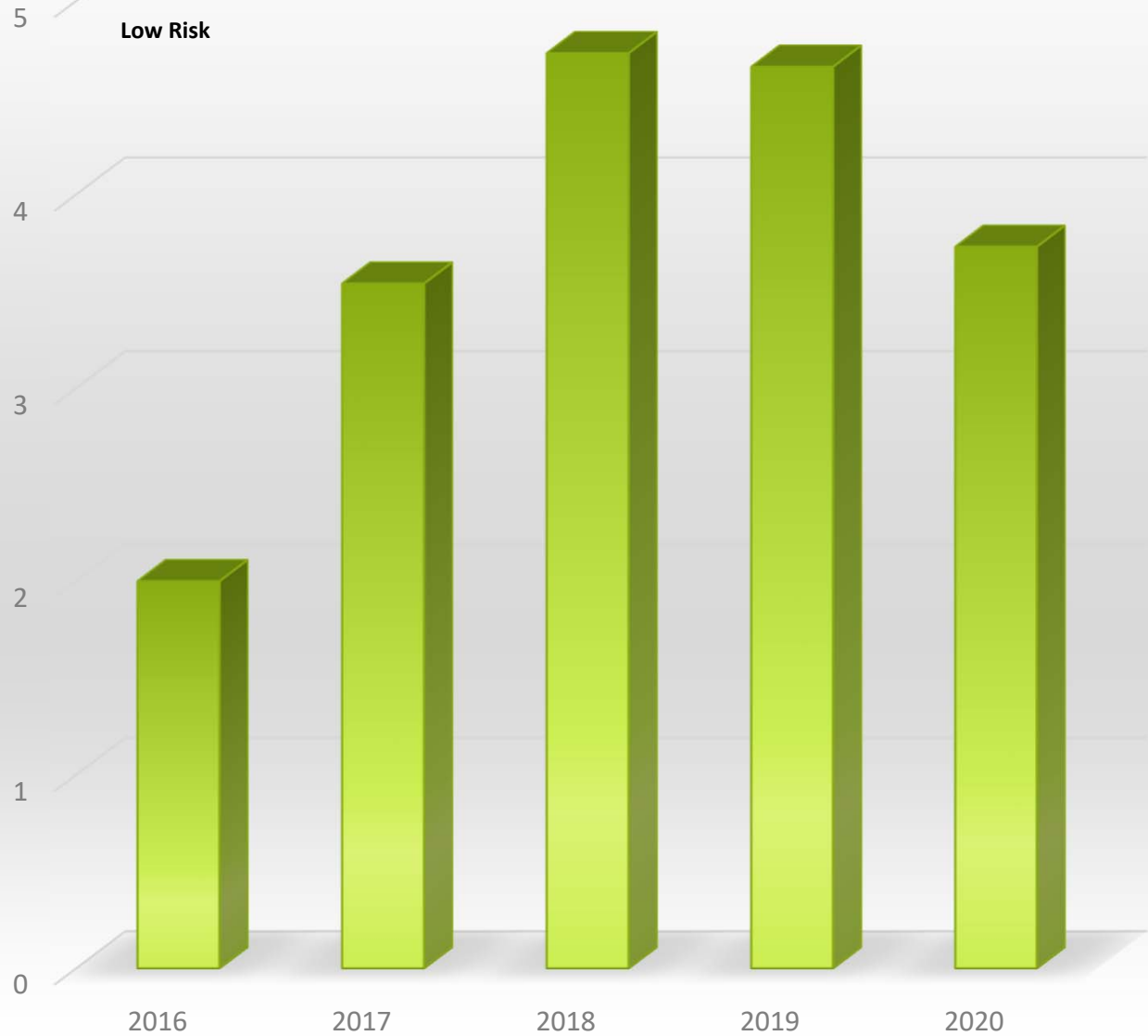
# Total Reserves Ratio – 5 Year Trend



# Total Reserves Ratio (2019)

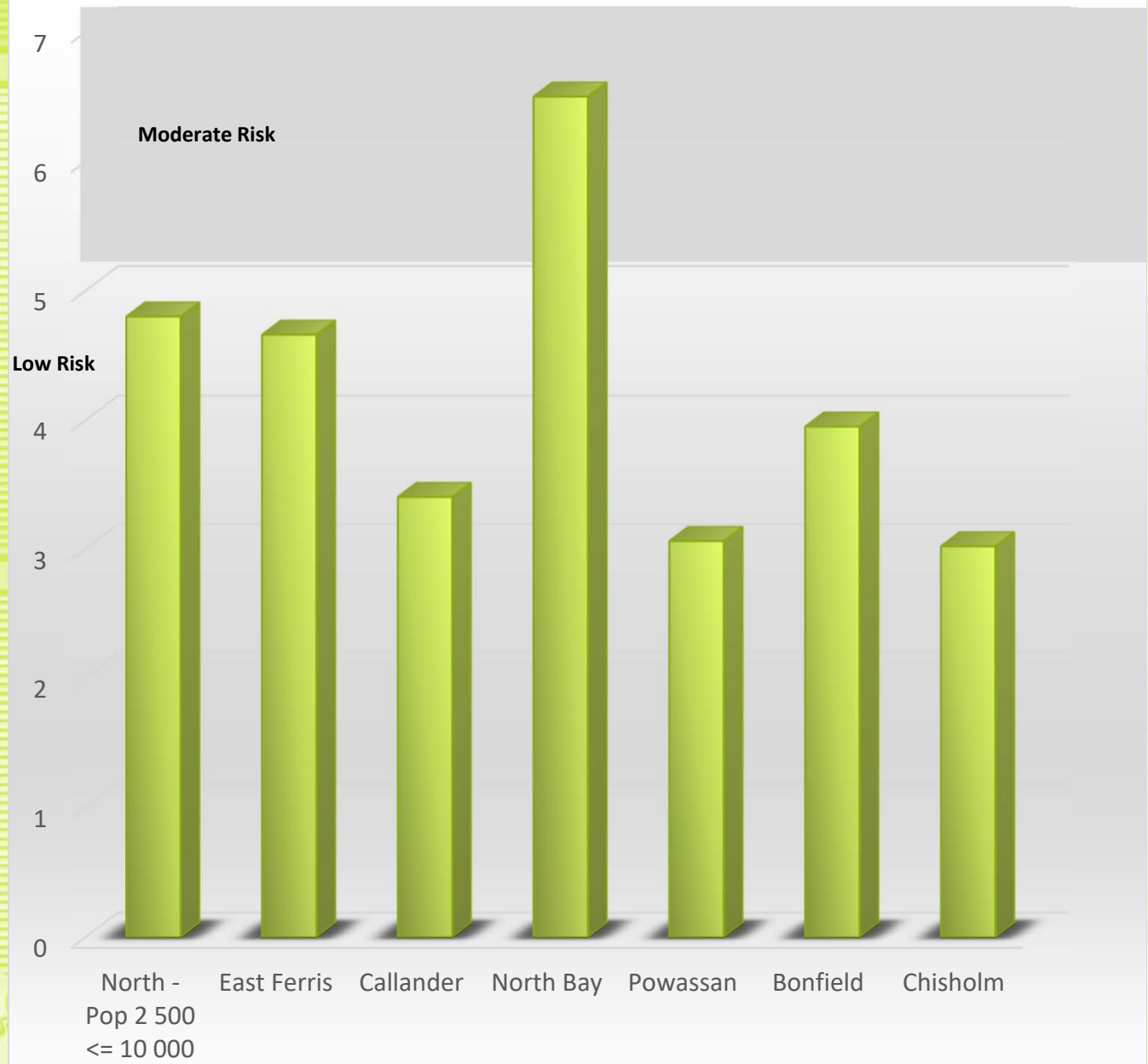


Potential Risk Level		
Low	Moderate	High
Less than 5%	5% to 10%	More than 10%

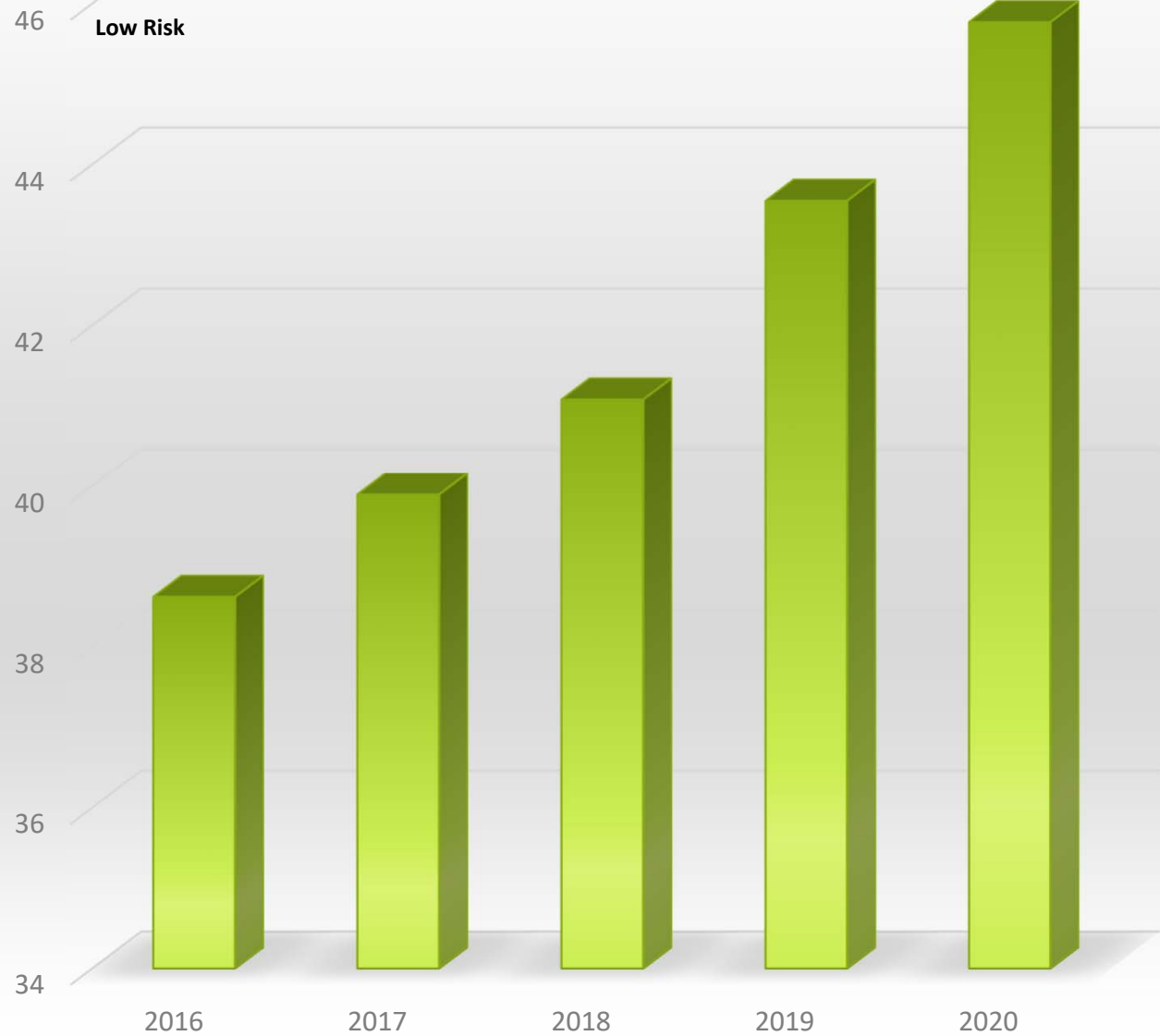


# Debt Servicing Cost – 5 Year Trend

# Debt Servicing Cost (2019)

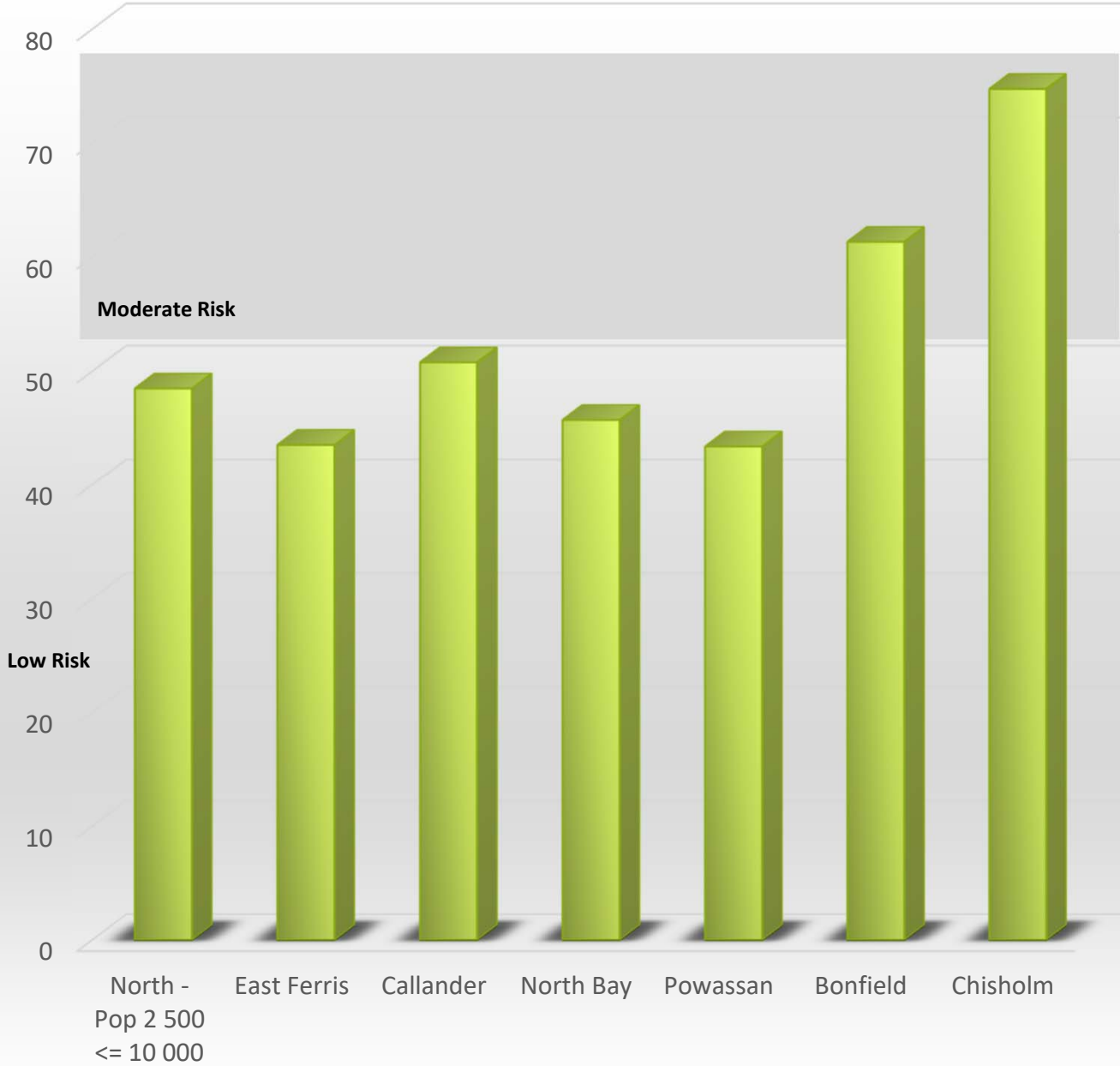


Potential Risk Level		
Low	Moderate	High
Less than 50%	50% to 75%	More than 75%



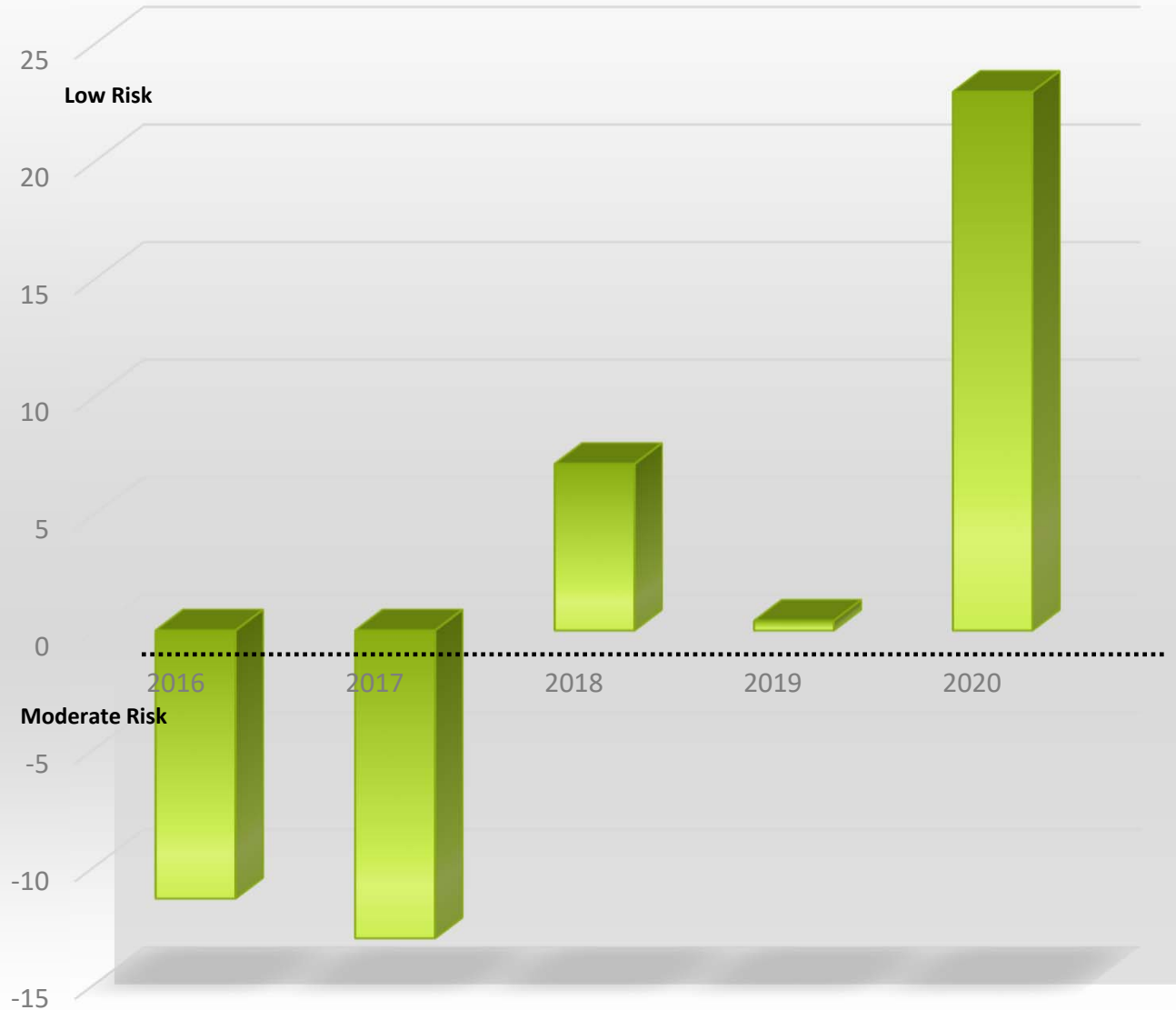
# Asset Consumption Ratio – 5 Year Trend

# Asset Consumption Ratio (2019)



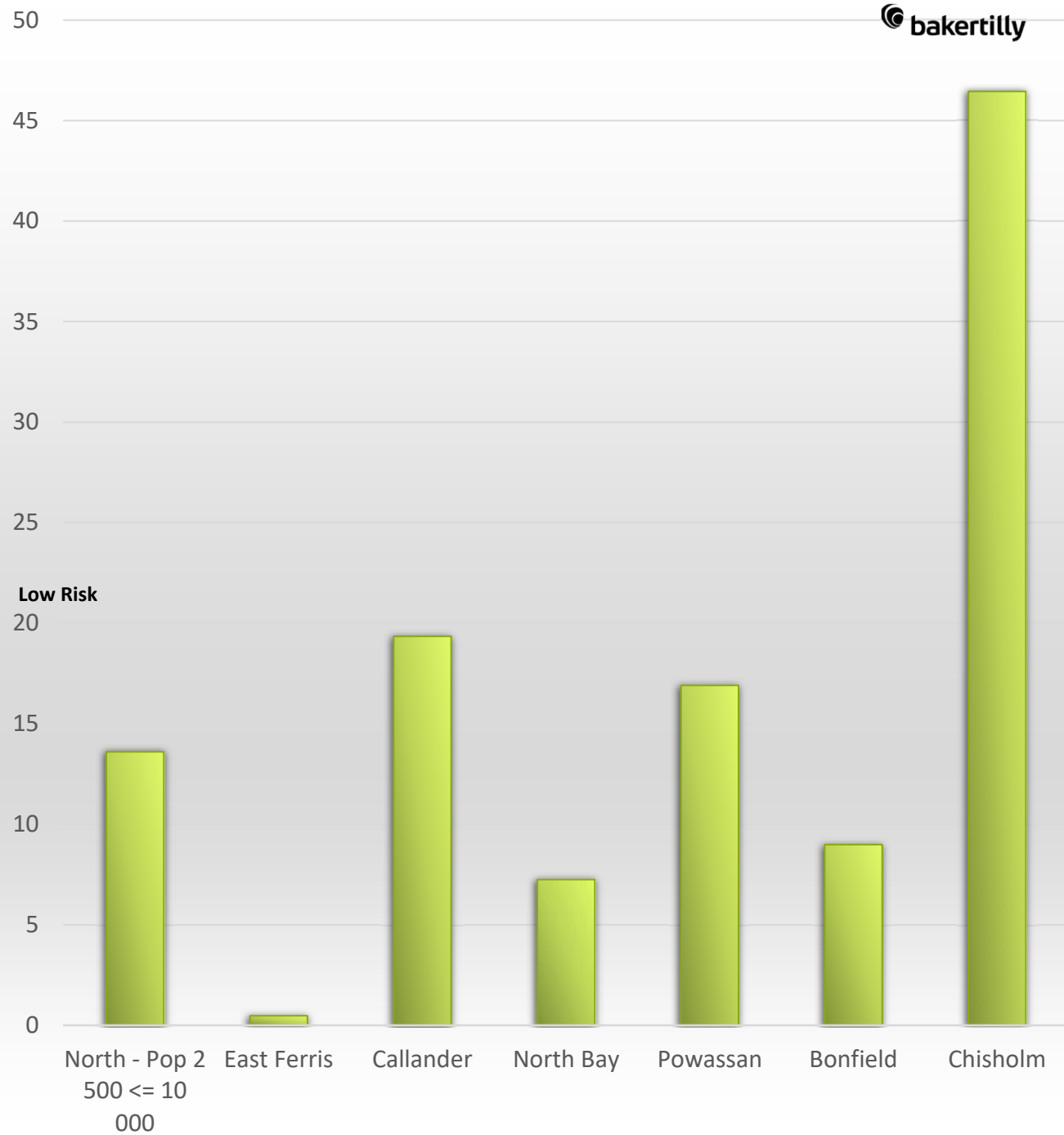


Potential Risk Level		
Low	Moderate	High
Greater than -1%	-1% to -30%	Less than -30%



# Operating Surplus Ratio – 5 Year Trend

# Operating Surplus Ratio (2019)



The image features a person riding a bicycle in the lower-left corner, positioned in front of a large, curved window with horizontal blinds. A thick black arc is drawn over the left side of the window, framing the text. The entire scene is overlaid with a semi-transparent green filter.

**Now,  
for tomorrow**