

**Corporation of the
Municipality of East Ferris**

**Independent Auditor's Report and
Financial Report**

December 31, 2023

**Corporation of the
Municipality of East Ferris**

Financial Report

December 31, 2023

Management Report

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation of the Municipality of East Ferris (the "Municipality") are the responsibility of the Municipality's management and have been prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the consolidated financial statements.

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management. Council meets with management and the external auditor to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Baker Tilly SNT LLP, independent external auditor appointed by the Municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

Chief Administrative Officer/Treasurer
May 27, 2025

Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Municipality of East Ferris

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, 2023, 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, 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 Consolidated Financial Statements section of our report. We are independent of the Municipality 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.

Independent Auditor's Report (continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated 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.

In preparing the consolidated financial statements, management is responsible for assessing the Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Municipality's internal control.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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 Municipality'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 consolidated 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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

North Bay, Ontario
May 27, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS,
LICENSED PUBLIC ACCOUNTANTS

Corporation of the Municipality of East Ferris
Consolidated Statement of Financial Position
December 31, 2023

	<u>2023</u>	<u>2022</u> (Restated note 5)
Financial Assets		
Cash and cash equivalents (note 6)	\$ 786,213	\$ 1,218,956
Taxes receivable	316,078	466,592
Accounts receivable (note 7)	<u>574,818</u>	<u>2,216,855</u>
	<u>1,677,109</u>	<u>3,902,403</u>
Liabilities		
Accounts payable and accrued liabilities (note 8)	743,332	3,261,257
Deferred revenues - other (note 9)	295,008	1,915
Deferred revenues - obligatory reserve fund (note 10)	43,409	139,292
Municipal debt (note 11)	7,173,450	6,033,500
Employee future benefits payable (note 12)	367,499	311,121
Asset retirement obligations (note 13)	<u>1,412,793</u>	<u>1,393,012</u>
	<u>10,035,491</u>	<u>11,140,097</u>
Net Debt	<u>(8,358,382)</u>	<u>(7,237,694)</u>
Non-Financial Assets		
Tangible capital assets (note 14)	32,001,243	30,037,152
Prepaid expenses	211,187	186,517
Inventories	<u>83,758</u>	<u>80,089</u>
	<u>32,296,188</u>	<u>30,303,758</u>
Accumulated Surplus (note 15)	<u><u>\$ 23,937,806</u></u>	<u><u>\$ 23,066,064</u></u>
Contingencies (note 16)		
Commitments (note 17)		

Approved by:

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

Corporation of the Municipality of East Ferris
Consolidated Statement of Operations and Accumulated Surplus
For The Year Ended December 31, 2023

	2023		2022
	Budget	Actual	Actual
	(Unaudited)		(Restated note 5)
Revenues			
Net taxation	\$ 6,681,989	\$ 6,733,898	\$ 6,126,355
User charges	848,982	954,442	840,404
Government grants and transfers - Provincial	950,871	1,002,094	1,020,419
Other	381,244	1,122,899	2,094,713
Total revenues	8,863,086	9,813,333	10,081,891
Expenses			
General government	1,956,211	2,046,330	1,673,060
Protection services	1,476,418	1,505,794	1,278,045
Transportation services	2,393,681	2,499,377	2,412,502
Environmental services	291,870	277,425	274,715
Health services	184,357	184,356	181,522
Social and family services	1,654,537	1,654,536	1,593,494
Recreation and cultural services	1,449,755	1,429,549	1,400,079
Planning and development	236,364	231,501	247,776
Total expenses	9,643,193	9,828,868	9,061,193
Annual surplus (deficit) before other	(780,107)	(15,535)	1,020,698
Other			
Government grants and transfers related to capital - Provincial	611,203	331,004	1,580,941
Government grants and transfers related to capital - Federal	579,434	556,273	509,538
	1,190,637	887,277	2,090,479
Annual surplus	410,530	871,742	3,111,177
Accumulated surplus, beginning of year, as previously stated	23,066,064	23,066,064	19,957,170
Adjustments related to adoption of new accounting standards (note 5)	-	-	(2,283)
Accumulated surplus, end of year	\$ 23,476,594	\$ 23,937,806	\$ 23,066,064

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

Corporation of the Municipality of East Ferris
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2023

	<u>2023</u>	<u>2022</u>
		(Restated note 5)
Operating transactions		
Annual surplus	\$ 871,742	\$ 3,111,177
Cash and cash equivalents provided by (applied to)		
Non-cash items:		
Increase (decrease) in employee future benefits payable	56,378	(48,500)
Accretion expense	19,781	19,100
Amortization of tangible capital assets	1,341,383	1,265,012
Gain on disposal of tangible capital assets	(44,614)	(1,241,605)
Change in non-cash working capital balances		
Decrease in taxes receivable	150,514	1,247
(Increase) decrease in accounts receivable	1,642,037	(1,707,716)
Increase (decrease) in accounts payable and accrued liabilities	(2,517,925)	1,935,045
Increase in deferred revenues - other	293,093	90
Increase (decrease) in deferred revenues - obligatory reserve fund	(95,883)	128,391
Increase in prepaid expenses	(24,670)	(25,478)
(Increase) decrease in inventories	(3,669)	6,782
Cash and cash equivalents provided by operating transactions	<u>1,688,167</u>	<u>3,443,545</u>
Capital transactions		
Acquisition of tangible capital assets	(3,411,125)	(8,860,920)
Proceeds on disposal of tangible capital assets	150,265	1,993,619
Cash and cash equivalents applied to capital transactions	<u>(3,260,860)</u>	<u>(6,867,301)</u>
Financing transactions		
Municipal debt issued	1,420,000	4,800,000
Municipal debt repaid	(280,050)	(375,686)
Temporary borrowings repaid	-	(1,200,000)
Cash and cash equivalents provided by financing transactions	<u>1,139,950</u>	<u>3,224,314</u>
Decrease in cash and cash equivalents	(432,743)	(199,442)
Cash and cash equivalents, beginning of year	<u>1,218,956</u>	<u>1,418,398</u>
Cash and cash equivalents, end of year	<u><u>\$ 786,213</u></u>	<u><u>\$ 1,218,956</u></u>

Corporation of the Municipality of East Ferris
Consolidated Statement of Change in Net Debt
For The Year Ended December 31, 2023

	<u>2023</u> <u>Budget</u> (Unaudited)	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u> (Restated note 5)
Annual surplus	\$ 410,530	\$ 871,742	\$ 3,111,177
Amortization of tangible capital assets	1,341,383	1,341,383	1,265,012
Proceeds on disposal of tangible capital assets		150,265	1,993,619
Gain on disposal of tangible capital assets	-	(44,614)	(1,241,605)
Acquisition of tangible capital assets	(1,922,705)	(3,411,125)	(8,860,920)
Change in prepaid expenses	-	(24,670)	(25,478)
Change in inventories	-	(3,669)	6,782
Increase in net debt	(170,792)	(1,120,688)	(3,751,413)
Net debt, beginning of year	(7,237,694)	(7,237,694)	(2,411,181)
Adjustments related to adoption of new accounting standards (note 5)	-	-	(1,075,100)
Net debt, end of year	<u>\$ (7,408,486)</u>	<u>\$ (8,358,382)</u>	<u>\$ (7,237,694)</u>

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies

These consolidated financial statements of the Municipality are the representation of management prepared in accordance with accounting policies recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic consolidated financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgement.

(a) Basis of Consolidation

- (i) These consolidated financial statements reflect the financial assets, liabilities, non-financial assets, accumulated surplus, revenues and expenses of the Municipality and include the activities of all committees of Council and of the Bibliothèque East Ferris Public Library.

All interfund assets and liabilities and revenues and expenses have been eliminated.

(ii) Non-Consolidated Entities

The following joint local boards are not consolidated:

North Bay Parry Sound District Health Unit
District of Nipissing Social Services Administration Board
East Nipissing District Home for the Aged

(iii) Accounting for School Board Transactions

The Municipality is required to collect and remit education support levies in respect of residential and other properties on behalf of the area school boards. The Municipality has no jurisdiction or control over the school boards operations. Therefore, taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the accumulated surplus of these consolidated financial statements.

(b) Basis of Accounting

(i) Accrual Basis

The accrual basis of accounting recognizes revenues as they become available and measurable; expenses 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.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(ii) Cash and Cash Equivalents

The Municipality's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with maturities of three months from the date of acquisition or less or those that can be readily convertible to cash.

(iii) Deferred Revenues

Deferred revenues represent user charges and fees that have been collected for which the related services have yet to be performed. Revenue is recognized in the period when the services are performed.

(iv) Deferred Revenues - Obligatory Reserve Fund

The Municipality receives certain government grants, transfers and other revenues under the authority of legislation. These funds, by their nature, are restricted in their use and, until applied to specific expenses, are recorded as deferred revenues. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

(v) Employee Future Benefits

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS) which is a multi-employer contributory defined benefit program with contributions expensed as incurred. The costs of other retirement benefits are determined using the projected benefit method prorated on services and management's best estimate of retirement ages of employees and health benefits costs. The liabilities are discounted using current interest rates on long-term bonds.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(vi) Asset Retirement Obligations

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the consolidated financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Municipality to incur costs in relation to a specific tangible capital asset, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the consolidated statement of operations and accumulated surplus.

(vii) Segmented Information

The Municipality reports its segmented information on functional areas and programs in its consolidated financial statements similar to reporting reflected as part of the Ontario Financial Information Return. These functional areas represent segments for the Municipality:

General Government

General government is comprised of Council, administration, and Ontario Property Assessment.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

Protection Services

Protection is comprised of police, fire and other protective services.

Transportation Services

Transportation services are responsible for road maintenance, culverts, bridges, winter control and streetlights.

Environmental Services

Environmental services include waste and recycling services.

Health Services

Health services include public health services and cemetery services.

Social and Family Services

Social and family services include social assistance, long-term care, paramedic services, social housing and child care services.

Recreation and Cultural Services

Recreation and cultural services include parks and recreation, recreation facilities, culture and libraries.

Planning and Development

Planning and development manages development for residential and business interests as well as services related to the Municipality's economic development programs.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's expenses in proportion to total municipal expenses.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(viii) 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 annual surplus, provides the Consolidated Change in Net Debt for the year.

i) *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 and legally or contractually required retirement activities. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	15 to 30 years and landfill capacity
Roads and bridges	10 to 60 years
Buildings	25 to 75 years
Machinery and equipment	5 to 25 years
Vehicles	10 to 25 years
Computer hardware and software	4 to 10 years

No amortization is recorded in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

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

ii) *Inventories*

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

iii) *Prepaid Expenses*

Prepaid expenses represent amounts paid in advance for a good or service not yet received. The expense is recognized once the goods have been received or the services have been performed.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(ix) Taxation and Other Revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC") and in accordance with the provisions of the Municipal Act, 2001. Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes.

A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued.

Assessment and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known or based on management's best estimates.

The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

Other income is recognized as revenue when earned. Fines and fees are recognized as revenue when collected.

User charges are recognized in the period in which the revenue relates.

(x) Government Grants and Transfers

Government grants and transfers are recognized in the financial statements in the period in which events giving rise to the transfer occurs, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent that stipulations associated with the transfer give rise to a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. The transfer revenue is recognized in the consolidated statement of operations and accumulated surplus as the stipulations giving rise to the liabilities are settled.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(xi) Estimates

The preparation of consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions. These estimates and assumptions are based on management's best information and judgment and may differ significantly from actual results.

(xii) Financial Instruments

Financial instruments are classified at either fair value or amortized cost.

Financial instruments classified at amortized cost include cash and cash equivalents, taxes receivable, accounts receivable, accounts payable and accrued liabilities and municipal debt. They are initially recorded at their fair value and subsequently carried at amortized cost using the effective interest rate method, less impairment. Transaction costs are added to the carrying value of the instrument.

2. Measurement Uncertainty

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Municipality's best information and judgment.

- The amounts recorded for asset retirement obligations are based on the estimated amount required to ultimately remediate the liability and depend on estimates of usage, remaining life, inflation rates and discount rates.
- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates.
- The amounts recorded for retirement allowances are based on estimates of retirement ages of employees and health benefit costs.

By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

3. Future Accounting Pronouncements

These standards and amendments were not effective in the year ended December 31, 2023, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

Section PS 3400 - *Revenue* establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. This section applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

Guideline PSG-8 - *Purchased Intangibles* provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act. This guideline applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

Section PS 3160 - *Public Private Partnerships (P3s)* provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. This section applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

4. Change in Accounting Policies

On January 1, 2023, the Municipality adopted the following standards on a prospective basis: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments*. The adoption of these standards had no impact on the opening balances.

PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. The 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.

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 at 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.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

4. Change in Accounting Policies (Continued)

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.

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.

5. Adoption of New Accounting Standards

On January 1, 2023, the Municipality adopted PS 3280 *Asset Retirement Obligations* (ARO) on a modified retroactive basis.

PS 3280 *Asset Retirement Obligations* (ARO) establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

In the past, the Municipality reported its obligations relating to the retirement of its landfill including closure and post-closure activities provided for over the estimated remaining life of the landfill site based on usage.

The Municipality reported its obligations relating to the retirement of other tangible capital assets in the period in which the asset was retired directly as an expense.

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.

As a result of the application of this accounting standard, an asset retirement obligation of \$1,393,012 has been recognized as a liability in the consolidated statement of financial position. These obligations represent the estimated costs of retiring assets owned by the Municipality.

The adoption of *PS 3280 Asset Retirement Obligations* (ARO) has been applied to the comparative period as follows:

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

5. Adoption of New Accounting Standards (Continued)

	<u>As previously stated</u>	<u>2022 Adjustments</u>	<u>Restated</u>
Consolidated Statement of Financial Position			
Asset retirement obligations	\$ -	\$ 1,393,012	\$ 1,393,012
Landfill closure and post-closure	300,326	(300,326)	-
Tangible capital assets	28,992,896	1,044,256	30,037,152
Accumulated surplus	23,114,494	(48,430)	23,066,064
Consolidated Statement of Operations and Accumulated Surplus			
General government	1,653,016	20,044	1,673,060
Environmental services	248,612	26,103	274,715
Adjustments related to adoption of new accounting standards	-	(2,283)	(2,283)
Accumulated surplus, end of year	23,114,494	(48,430)	23,066,064
Consolidated Statement of Cash Flows			
Annual surplus	3,157,324	(46,147)	3,111,177
Amortization of tangible capital assets	1,236,451	28,561	1,265,012
Increase in landfill closure and post-closure	1,514	(1,514)	-
Accretion expense	-	19,100	19,100
Consolidated Statement of Change in Net Debt			
Annual surplus	3,157,324	(46,147)	3,111,177
Amortization of tangible capital assets	1,236,451	28,561	1,265,012
Adjustments related to adoption of new accounting standards	-	(1,075,100)	(1,075,100)
Net debt, end of year	(6,145,008)	(1,092,686)	(7,237,694)
Note 14 - Tangible Capital Assets			
Land improvements (net book value)	483,713	519,507	1,003,220
Buildings (net book value)	11,323,884	524,749	11,848,633
Tangible capital assets (net book value)	28,992,896	1,044,256	30,037,152

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

5. Adoption of New Accounting Standards (Continued)

	<u>As previously stated</u>	<u>2022 Adjustments</u>	<u>Restated</u>
Note 15 - Accumulated Surplus			
Invested in tangible capital assets	28,992,896	1,044,256	30,037,152
Asset retirement obligations	-	(1,393,012)	(1,393,012)
Landfill closure and post-closure liability	(300,326)	300,326	-
Accumulated surplus	23,114,494	(48,430)	23,066,064
Note 25 - Segmented Information			
Materials, contracted services, rents, and financial expenses	2,802,390	17,586	2,819,976
Amortization of tangible capital assets	1,236,451	28,561	1,265,012

6. Cash and Cash Equivalents

	<u>2023</u>	<u>2022</u>
Cash	\$ 786,213	\$ 718,956
Guaranteed Investment Certificate matured April 13, 2023, bearing interest at 2.40%	-	500,000
	<u>\$ 786,213</u>	<u>\$ 1,218,956</u>

The Municipality has authorized credit facilities totalling \$1,800,000, which is unsecured. As at December 31, 2023, the Municipality has utilized \$0 (2022 - \$0). The interest is calculated at the bank's prime lending rate.

7. Accounts Receivable

	<u>2023</u>	<u>2022</u>
Federal government	\$ 271,673	\$ 449,597
Province of Ontario	120,353	1,202,515
Other Municipalities	2,786	5,617
Other	180,006	559,126
	<u>\$ 574,818</u>	<u>\$ 2,216,855</u>

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

8. Accounts Payable and Accrued Liabilities

	<u>2023</u>	<u>2022</u>
Federal government	\$ 41,550	\$ 40,684
Province of Ontario	60,661	9,835
Trade payables	522,975	2,375,482
Accrued liabilities	<u>118,146</u>	<u>835,256</u>
	<u>\$ 743,332</u>	<u>\$ 3,261,257</u>

9. Deferred Revenues - Other

	Balance as at December 31, 2022	Amounts received during the year	Recognized as revenues during the year	Balance as at December 31, 2023
Library	\$ 1,915	\$ -	\$ 1,915	\$ -
Ontario Trillium Foundation	-	166,600	-	166,600
Northern Ontario Resource Development Support	-	128,408	-	128,408
Total Deferred Revenues - Other	<u>\$ 1,915</u>	<u>\$ 295,008</u>	<u>\$ 1,915</u>	<u>\$ 295,008</u>

10. Deferred Revenues - Obligatory Reserve Fund

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balance in the obligatory reserve funds of the Municipality are summarized below:

	Balance as at December 31, 2022	Amounts received during the year	Recognized as revenues during the year	Balance as at December 31, 2023
Safe re-start	\$ 10,901	\$ -	\$ 10,901	\$ -
Canada Community - Building Fund	128,391	325,848	410,830	43,409
Total Deferred Revenues - Obligatory Reserve Fund	<u>\$ 139,292</u>	<u>\$ 325,848</u>	<u>\$ 421,731</u>	<u>\$ 43,409</u>

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

11. Municipal Debt

	<u>2023</u>	<u>2022</u>
Term loan, repayable in monthly instalments of \$2,840, including interest at the fixed rate of 3.40%, maturing December 1, 2026	\$ 357,637	\$ 379,159
Debenture loan, repayable in semi-annual instalments of \$34,781, including interest at the fixed rate of 2.57%, maturing December 20, 2026	199,615	262,827
Debenture loan, repayable in semi-annual instalments of \$35,864, including interest at the fixed rate of 2.86%, maturing August 15, 2027	269,293	331,970
Debenture loan, repayable in semi-annual instalments of \$12,055, including interest at the fixed rate of 3.33%, maturing December 20, 2036	252,724	268,034
Debenture loan, repayable in monthly instalments of \$27,090, including interest at the fixed rate of 4.65%, maturing November 15, 2047	4,687,023	4,791,510
Debenture loan, repayable in monthly instalments of \$7,933, including interest at the fixed rate of 4.55%, maturing July 17, 2048	<u>1,407,158</u>	<u>-</u>
	<u>\$ 7,173,450</u>	<u>\$ 6,033,500</u>
Principal instalments required to be paid over the next five years are as follows:		
2024	\$ 308,700	
2025	320,213	
2026	332,184	
2027	274,620	
2028	213,511	
Thereafter	<u>5,724,222</u>	
Total	<u>\$ 7,173,450</u>	

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

12. Employee Future Benefits Payable

The Municipality provides certain employee benefits which will require funding in future periods, as follows:

	<u>2023</u>	<u>2022</u>
Vacation pay	\$ 187,305	\$ 155,091
Retirement allowance	<u>180,194</u>	<u>156,030</u>
	<u>\$ 367,499</u>	<u>\$ 311,121</u>

The vacation pay liability is accrued using the actual rate of pay at year end and the retirement allowance is accrued using a discount rate of 3.56% (2022 - 3.36%).

13. Asset Retirement Obligations

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 1,393,012	\$ -
Opening balance adjustment	-	1,373,912
Accretion expense	<u>19,781</u>	<u>19,100</u>
Balance, end of year	<u>\$ 1,412,793</u>	<u>\$ 1,393,012</u>

The asset retirement obligation at year-end is as follows:

	<u>2023</u>	<u>2022</u>
Landfill	\$ 575,422	\$ 555,641
Asbestos removal	489,005	489,005
Fuel tanks	17,507	17,507
Septic systems	244,466	244,466
Drinking water wells and monitoring wells	<u>86,393</u>	<u>86,393</u>
	<u>\$ 1,412,793</u>	<u>\$ 1,393,012</u>

Landfill

Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. The main components of the landfill closure plan are final capping using selected specific layers of earthen materials based on an engineered cap design and implementation of a drainage management plan. The post-closure maintenance requirements will involve cap maintenance, installation of monitoring wells, groundwater monitoring, inspections and annual reports.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

13. Asset Retirement Obligations (Continued)

The reported liability is based on estimates and assumptions with respect to events extending over the estimated remaining useful life using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable. The most recent waste capacity study for the landfill site was performed in a report dated February 2014.

	Estimated Remaining Capacity	Estimated Remaining Life	Post-Closure Care Activities	Inflation Rate	Discount Rate
2023					
East Ferris	67% (234,000 m ³)	60 years	25 years	2.02%	3.56%
2022					
East Ferris	68% (238,000 m ³)	61 years	25 years	2.02%	3.56%

Asbestos removal

The Municipality owns buildings which contain asbestos, and therefore, the Municipality is legally required to perform abatement activities upon renovation or demolition of these assets. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. The timing of post-closure care cannot yet be reasonably estimated, so no discounting has been applied to the liability.

Fuel tanks, septic systems, drinking water wells and monitoring wells

The Municipality owns fuel tanks, septic systems, drinking water wells and monitoring wells which represents an environmental hazard upon removal and decommissioning and there are legal obligations regarding how they must be removed. The timing of post-closure care cannot yet be reasonably estimated, so no discounting has been applied to the liability.

Corporation of the Municipality of East Ferris
Notes to the Consolidated Financial Statements
December 31, 2023

14. Tangible Capital Assets

	Cost				Accumulated Amortization				Net Book Value	
	Balance, beginning of year <small>(restated - note 5)</small>	Additions	Transfers / Disposals	Balance, end of year	Balance, beginning of year <small>(restated - note 5)</small>	Amortization	Disposals	Balance, end of year	December 31, 2023	December 31 2022 <small>(restated - note 5)</small>
Land	\$ 1,005,798	\$ 213,918	\$ (6,299)	\$ 1,213,417	\$ -	\$ -	\$ -	\$ -	\$ 1,213,417	\$ 1,005,798
Land improvements	1,528,018	374,544	-	1,902,562	524,798	50,114	-	574,912	1,327,650	1,003,220
Roads and bridges	17,475,010	588,792	-	18,063,802	11,092,312	753,261	-	11,845,573	6,218,229	6,382,698
Buildings	15,363,638	1,798,408	7,009,354	24,171,400	3,515,005	274,305	(10,692)	3,778,618	20,392,782	11,848,633
Machinery and equipment	1,810,394	41,677	-	1,852,071	623,337	103,188	-	726,525	1,125,546	1,187,057
Vehicles	1,846,850	252,220	45,161	2,144,231	496,949	146,979	(29,435)	614,493	1,529,738	1,349,901
Computer hardware and software	130,029	42,239	-	172,268	65,207	13,536	-	78,743	93,525	64,822
Work in progress	7,195,023	99,327	(7,193,994)	100,356	-	-	-	-	100,356	7,195,023
	<u>\$ 46,354,760</u>	<u>\$ 3,411,125</u>	<u>\$ (145,778)</u>	<u>\$ 49,620,107</u>	<u>\$ 16,317,608</u>	<u>\$ 1,341,383</u>	<u>\$ (40,127)</u>	<u>\$ 17,618,864</u>	<u>\$ 32,001,243</u>	<u>\$ 30,037,152</u>

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

15. Accumulated Surplus

	<u>2023</u>	<u>2022</u>
		(Restated note 5)
Surplus		
Invested in tangible capital assets	\$ 32,001,243	\$ 30,037,152
General (see note (a) below)	(568,753)	(767,373)
Bibliothèque East Ferris Public Library	48,137	36,011
Unfunded Liabilities		
Municipal debt	(7,173,450)	(6,033,500)
Asset retirement obligations	(1,412,793)	(1,393,012)
Employee future benefits payable	(367,499)	(311,121)
Total surplus	<u>22,526,885</u>	<u>21,568,157</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	508,843	508,843
Active transportation	50,000	50,000
Fire marque	-	24,199
Parkland dedication	12,963	75,750
Total reserves	<u>1,410,921</u>	<u>1,497,907</u>
Accumulated Surplus	<u>\$ 23,937,806</u>	<u>\$ 23,066,064</u>

(a) General Surplus (Deficit):

The general deficit of \$(568,753) (2022 - \$(767,373)) at the end of the year is comprised of the following:

	<u>2023</u>	<u>2022</u>
Opening balance	\$ (767,373)	\$ (1,344,979)
Annual surplus	871,742	3,111,177
Transfer from (to) reserves	86,986	(75,199)
Net change in tangible capital assets	(1,964,091)	(6,843,984)
Increase (decrease) in unfunded liabilities	1,216,109	4,394,908
Bibliothèque East Ferris Public Library surplus	<u>(12,126)</u>	<u>(9,296)</u>
Closing balance	<u>\$ (568,753)</u>	<u>\$ (767,373)</u>

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

16. Contingencies

Legal Matters

The Municipality is involved in certain legal matters and litigations, the outcomes of which are not presently determinable. The loss, if any, from these contingencies will be accounted for in the periods in which the matters are resolved.

Council is of the opinion that it is unlikely that any liability, to the extent not provided by insurance or otherwise, would be material in relation to the Municipality's consolidated financial position.

Contaminated Sites

The Municipality has identified a potential liability for a contaminated site known as the St. Theresa School Site. It is not possible at this time to determine the amount, if any, of any liability or remediation costs that may be required. The loss, if any, from this contingency will be accounted for in the period in which the liability can be reasonably estimated.

17. Commitments

During 2004, the Municipality passed a resolution committing to pay \$75,000 per year for 10 years for the North Bay Regional Health Centre Hospital capital project. A formal agreement has been executed and payments commenced in May 2008. In May 2011, this resolution was revised and the remaining payments of \$525,000 will be paid over the next 10 years. In April 2015, this resolution was revised and the remaining payments of \$315,000 will be paid over the next 8 years. In May 2018, this resolution was revised and the remaining payments of \$236,250 will be paid over the next 10 years. The remaining balance of the commitment as at December 31, 2023 is \$84,000 (2022 - \$111,250).

The Municipality entered into contracts for surface treatment of Groulx Road for approximately \$440,480 plus applicable taxes. At December 31, 2023, there was approximately \$392,835 plus applicable taxes remaining to be completed.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

18. Contributions to Unconsolidated Joint Local Boards

Further to note 1(a)(ii), the following contributions were made by the Municipality to these boards:

	<u>2023</u>	<u>2022</u>
Current Transfers:		
District of Nipissing Social Services Administration Board	\$ 1,396,859	\$ 1,337,429
East Nipissing District Home for the Aged	257,677	256,066
North Bay Parry Sound District Health Unit	157,106	156,522
	<u>1,811,642</u>	<u>1,750,017</u>

19. Operations of School Boards

Further to note 1(a)(iii), the taxation, other revenues, and expenses of the school boards are comprised of the following:

	<u>2023</u>	<u>2022</u>
Taxation and user charges	\$ 1,211,913	\$ 1,188,104
Total amounts received or receivable	1,211,913	1,188,104
Requisitions	<u>1,211,913</u>	<u>1,188,104</u>
	<u>\$ -</u>	<u>\$ -</u>

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

20. Pension Agreements

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of all qualifying 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 OMERS Administration Corporation Board of Directors, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. OMERS provides pension services to approximately 612,000 active and retired members and approximately 1,000 employers.

Each year an independent actuary determines the funding status of OMERS Primary Pension Plan ('the Plan') by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. On December 31, 2023, the estimated accrued pension obligation for all members of the Plan was \$134,574 million (2022 - \$128,789 million). The Plan had an actuarial value of net assets at that date of \$130,372 million (2022 - \$122,111 million) indicating an actuarial deficit of \$4,202 million (2022 - \$6,678 million). The Plan is a multi-employer plan, therefore 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 amount contributed by the Municipality to OMERS for 2023 was \$193,716 (2022 - \$158,391) for current services and is included as an expense on the Consolidated Statement of Operations and Accumulated Surplus.

On January 1, 2023 the yearly maximum pension earnings increased to \$66,600 from \$64,900 in 2022. The contributions are calculated at a rate of 9.0% (2022 - 9.0%) for amounts up to the yearly maximum pension earnings stated above and at a rate of 14.6% (2022 - 14.6%) for amounts above the yearly maximum pension earnings.

21. Guarantor

In March 2022, the Municipality passed a by-law authorizing the signing of a Guarantee and Postponement of Claims Agreement with Ontario Infrastructure and Lands Corporation for the redevelopment of Cassellholme (East Nipissing District Home for the Aged). Under the agreement, the total construction cost of \$57,695,599 will be financed by the creditor, Ontario Infrastructure and Lands Corporation. Should the debtor, The Board of Management for the District of Nipissing East fail to make payments on the debt, then the nine participating municipal guarantors will each be responsible for repayment of the debt up to their maximum guaranteed proportions per the Postponement of Claims Agreement. The Municipality's guaranteed proportion of this debt is \$4,298,322 (7.45%).

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

December 31, 2023

22. Financial Instruments

Risks arising from financial instruments and risk management

The Municipality is exposed to a variety of financial risks including credit risk, liquidity risk and market risk.

There have been no changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Credit risk

Credit risk is the risk of losses resulting from a counterparty's failure to honour its contractual obligations. The Municipality's financial assets consisting of cash and cash equivalents, accounts receivable and taxes receivable are subject to credit risk. The Municipality is exposed to credit risk to the extent that accounts receivable and taxes receivable are not collected in a timely manner. The carrying amounts of financial assets on the consolidated statement of financial position represent the maximum credit risk of the Municipality at the date of the consolidated statement of financial position. The Municipality does not believe it is subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they become due. The Municipality's financial liabilities include accounts payable and accrued liabilities and municipal debt. The Municipality maintains sufficient resources to meet its obligations. The Municipality does not believe it is subject to significant liquidity risk.

Market risk

Market risk is the risk of changes in the fair value of financial instruments resulting from fluctuations in the market. The Municipality is exposed to currency risk, interest risk and price risk to the extent that the fair value of a financial instrument will fluctuate as a result of market factors. The Municipality's financial instruments consisting of cash and cash equivalents, accounts receivable, taxes receivable, accounts payable and accrued liabilities and municipal debt are subject to market risk. The Municipality does not believe it is subject to significant market risk.

Corporation of the Municipality of East Ferris

Notes to the Consolidated Financial Statements

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23. Budget Figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by Council. The budget approved by Council is developed in accordance with the provincially mandated funding model for municipalities and is used to manage program spending within the guidelines of the funding model. Given differences between the funding model and generally accepted accounting principles for local governments established by the Public Sector Accounting Board, the budget figures presented have been adjusted to conform with the basis of accounting that is used to prepare the consolidated financial statements. The budget figures are unaudited.

	<u>2023</u>	<u>2022</u>
Budget By-law surplus for the year	\$ -	\$ -
Add: Acquisition of tangible capital assets	1,922,705	10,411,811
Municipal debt repaid	-	-
Contributions to reserves	-	-
Less: Amortization of tangible capital assets	(1,341,383)	(1,236,451)
Contributions from reserves	(473,576)	(267,623)
Municipal debt repaid (issued)	<u>302,784</u>	<u>(6,182,025)</u>
Budget surplus per statement of operations and accumulated surplus	<u>\$ 410,530</u>	<u>\$ 2,725,712</u>

24. Comparative Figures

The presentation of certain accounts of the previous year has been changed to conform with the presentation adopted for the current year.

December 31, 2023

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	2023 Total
Revenues									
Net taxation	\$ 1,401,970	\$ 1,031,641	\$ 1,712,359	\$ 190,068	\$ 126,305	\$ 1,133,546	\$ 979,404	\$ 158,605	\$ 6,733,898
User charges	40,137	153,254	-	420,248	-	-	275,228	65,575	954,442
Government grants and transfers - Provincial	176,217	136,980	215,231	97,591	26,777	142,478	186,885	19,935	1,002,094
Other	350,033	5,774	693,227	-	-	-	33,239	40,626	1,122,899
Total Revenues	1,968,357	1,327,649	2,620,817	707,907	153,082	1,276,024	1,474,756	284,741	9,813,333
Expenses									
Salary, wages and employee benefits	841,933	517,021	772,866	-	-	-	664,476	151,921	2,948,217
Materials, contracted services, rents, and financial expenses	1,096,416	265,386	807,629	268,908	-	-	543,811	79,580	3,061,730
Transfers to other governments and the public	-	638,646	-	-	184,356	1,654,536	-	-	2,477,538
Amortization	107,981	84,741	918,882	8,517	-	-	221,262	-	1,341,383
Total expenses	2,046,330	1,505,794	2,499,377	277,425	184,356	1,654,536	1,429,549	231,501	9,828,868
Annual surplus (deficit) before other	(77,973)	(178,145)	121,440	430,482	(31,274)	(378,512)	45,207	53,240	(15,535)
Other									
Government grants and transfers related to capital - Provincial	-	-	102,435	-	-	-	228,569	-	331,004
Government grants and transfers related to capital - Federal	24,804	-	410,831	-	-	-	120,638	-	556,273
Annual surplus (deficit)	<u>\$ (53,169)</u>	<u>\$ (178,145)</u>	<u>\$ 634,706</u>	<u>\$ 430,482</u>	<u>\$ (31,274)</u>	<u>\$ (378,512)</u>	<u>\$ 394,414</u>	<u>\$ 53,240</u>	<u>\$ 871,742</u>

Corporation of the Municipality of East Ferris
Notes to the Consolidated Financial Statements
December 31, 2023

25. Segmented Information (Continued)

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	2022 Total (Restated - note 5)
Revenues									
Net taxation	\$ 1,123,340	\$ 868,521	\$ 1,639,464	\$ 168,949	\$ 123,357	\$ 1,082,891	\$ 951,452	\$ 168,381	\$ 6,126,355
User charges	14,228	212,530	-	359,099	-	-	204,052	50,495	840,404
Government grants and transfers - Provincial	154,684	140,094	225,754	85,767	16,986	149,114	214,532	33,488	1,020,419
Other	297,554	3,123	1,738,354	-	-	-	39,383	16,299	2,094,713
Total Revenues	1,589,806	1,224,268	3,603,572	613,815	140,343	1,232,005	1,409,419	268,663	10,081,891
Expenses									
Salary, wages and employee benefits	784,650	389,447	659,448	-	-	-	580,104	140,856	2,554,505
Materials, contracted services, rents, and financial expenses	837,883	158,859	840,624	266,198	-	-	609,492	106,920	2,819,976
Transfers to other governments and the public	-	646,684	-	-	181,522	1,593,494	-	-	2,421,700
Amortization	50,527	83,055	912,430	8,517	-	-	210,483	-	1,265,012
Total expenses	1,673,060	1,278,045	2,412,502	274,715	181,522	1,593,494	1,400,079	247,776	9,061,193
Annual surplus (deficit) before other	(83,254)	(53,777)	1,191,070	339,100	(41,179)	(361,489)	9,340	20,887	1,020,698
Other									
Government grants and transfers related to capital - Provincial	-	-	396,545	-	1,184,396	-	-	-	1,580,941
Government grants and transfers related to capital - Federal	-	-	509,538	-	-	-	-	-	509,538
Annual surplus (deficit)	\$ (83,254)	\$ (53,777)	\$ 2,097,153	\$ 339,100	\$ 1,143,217	\$ (361,489)	\$ 9,340	\$ 20,887	\$ 3,111,177