



Comparative Analysis

Corporation of the Municipality of East Ferris
December 31, 2023

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On May 27, 2025
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Independent Auditor's Report (excerpt)

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 financial assets 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.

Consolidated Statement of Financial Position

	Actual 2023	Actual 2022	Over (Under) Prior Year	Comments
Financial Assets				
Cash and cash equivalents	\$ 786,213	\$ 1,218,956	\$ (432,743)	cash generated from operations was used to acquire capital assets
Taxes receivable	316,078	466,592	(150,514)	collection efforts during the year resulted in several large accounts reduced
Accounts receivable	<u>574,818</u>	<u>2,216,855</u>	<u>(1,642,037)</u>	collected insurance proceeds and grants (medical centre) from prior year
	<u>1,677,109</u>	<u>3,902,403</u>	<u>(2,225,294)</u>	
Liabilities				
Accounts payable and accrued liabilities	743,332	3,261,257	(2,517,925)	medical centre is complete therefore fewer payables and holdbacks
Deferred revenues - other	295,008	1,915	293,093	NORDS and Trillium grants (active transportation) received but not spent
Deferred revenues - obligatory reserve fund	43,409	139,292	(95,883)	gas tax grants used in the current year
Municipal debt	7,173,450	6,033,500	1,139,950	\$1.4M of new debt for public works garage offset by principal repayments
Employee future benefits payable	367,499	311,121	56,378	reasonable
Asset retirement obligations	<u>1,412,793</u>	<u>1,393,012</u>	<u>19,781</u>	reasonable
	<u>10,035,491</u>	<u>11,140,097</u>	<u>(1,104,606)</u>	
Net Debt	<u>(8,358,382)</u>	<u>(7,237,694)</u>	<u>(1,120,688)</u>	
Non-Financial Assets				
Tangible capital assets	32,001,243	30,037,152	1,964,091	\$3.4k in additions offset by \$1.3M in amortization
Prepaid expenses	211,187	186,517	24,670	reasonable
Inventories	<u>83,758</u>	<u>80,089</u>	<u>3,669</u>	reasonable
	<u>32,296,188</u>	<u>30,303,758</u>	<u>1,992,430</u>	
Accumulated Surplus	<u>\$ 23,937,806</u>	<u>\$ 23,066,064</u>	<u>\$ 871,742</u>	

Consolidated Statement of Operations

	Budget 2023	Actual 2023	Actual 2022	Over (Under) Budget	Comments
Revenues					
Net taxation	\$ 6,681,989	\$ 6,733,898	\$ 6,126,355	\$ 51,909	reasonable
User charges	848,982	954,442	840,404	105,460	higher recreation fees, landfill fees
Government grants and transfers	950,871	1,002,094	1,020,419	51,223	reasonable
Other	<u>381,244</u>	<u>1,122,899</u>	<u>2,094,713</u>	<u>741,655</u>	interest received higher than expected
	<u>8,863,086</u>	<u>9,813,333</u>	<u>10,081,891</u>	<u>950,247</u>	
Expenses					
General government	1,956,211	2,046,330	1,673,060	90,119	reasonable - 4.6%
Protection services	1,476,418	1,505,794	1,278,045	29,376	reasonable
Transportation services	2,393,681	2,499,377	2,412,502	105,696	reasonable - 4.4%
Environmental services	291,870	277,425	274,715	(14,445)	landfill accretion expense not budgeted
Health services	184,357	184,356	181,522	(1)	reasonable
Social and family services	1,654,537	1,654,536	1,593,494	(1)	reasonable
Recreation and cultural services	1,449,755	1,429,549	1,400,079	(20,206)	reasonable
Planning and development	<u>236,364</u>	<u>231,501</u>	<u>247,776</u>	<u>(4,863)</u>	reasonable
	<u>9,643,193</u>	<u>9,828,868</u>	<u>9,061,193</u>	<u>185,675</u>	1.92% over budget
Annual surplus (deficit) before other	(780,107)	(15,535)	1,020,698	764,572	
Other					
Government grants and transfers related to capital	<u>1,190,637</u>	<u>887,277</u>	<u>2,090,479</u>	<u>(303,360)</u>	less was spent on community centre renovations than expected as other sources of funding were received
Annual surplus	<u>\$ 410,530</u>	<u>\$ 871,742</u>	<u>\$ 3,111,177</u>	<u>\$ 461,212</u>	

Consolidated Statement of Operations - Expenses

	Budget 2023	Actual 2023	Actual 2022	Over (Under) Budget	Comments
Salaries, wages and benefits	\$ 2,854,409	\$ 2,948,217	\$ 2,554,505	\$ 93,808	reasonable
Materials, contracted services, rents, and financial expenses	2,958,327	3,061,730	2,819,976	103,403	reasonable
Transfers to other governments and the public	2,489,074	2,477,538	2,421,700	(11,536)	reasonable
Amortization	<u>1,341,383</u>	<u>1,341,383</u>	<u>1,265,012</u>	<u>-</u>	reasonable
	<u>\$ 9,643,193</u>	<u>\$ 9,828,868</u>	<u>\$ 9,061,193</u>	<u>\$ 185,675</u>	

Reserves

	Actual 2023	Actual 2022
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	<u>12,963</u>	<u>75,750</u>
	<u>\$ 1,410,921</u>	<u>\$ 1,497,907</u>

Budget Reconciliation

	Budget 2023	Actual 2023	Comments
Municipal Surplus	\$ -	\$ -	
Adjustments for PSAB compliance			
Municipal debt repaid	302,784	280,050	reasonable
Municipal debt issued	-	(1,420,000)	debenture related to garage
Accretion expense	-	(19,781)	
Acquisition of tangible capital assets	1,922,705	3,411,125	new municipal office and garage not budgeted
Amortization of tangible capital assets	(1,341,383)	(1,341,383)	reasonable
Proceeds on disposal of tangible capital assets	-	(150,265)	
Gain on disposal of tangible capital assets	-	44,614	
Employee future benefits payable	-	(56,378)	
Contributions to (from) reserves	(473,576)	(86,986)	only used fire marque and parkland dedication reserves, were able to cover other items through operations
Contributions from general surplus	-	198,620	
Change in Library surplus	<u>-</u>	<u>12,126</u>	
Surplus (deficit) per financial statements	\$ <u>410,530</u>	\$ <u>871,742</u>	

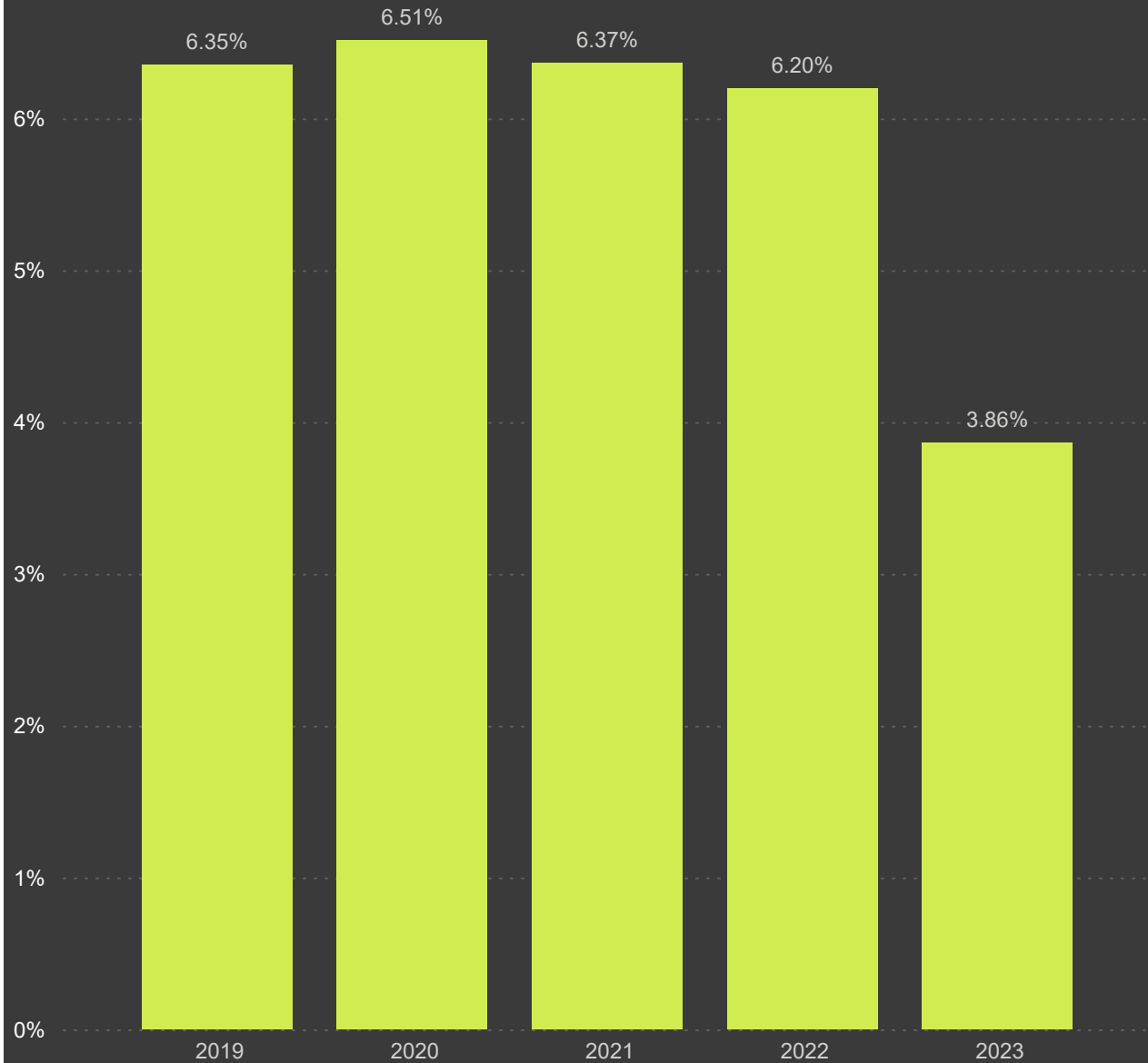
Benchmarking

DISCLAIMER

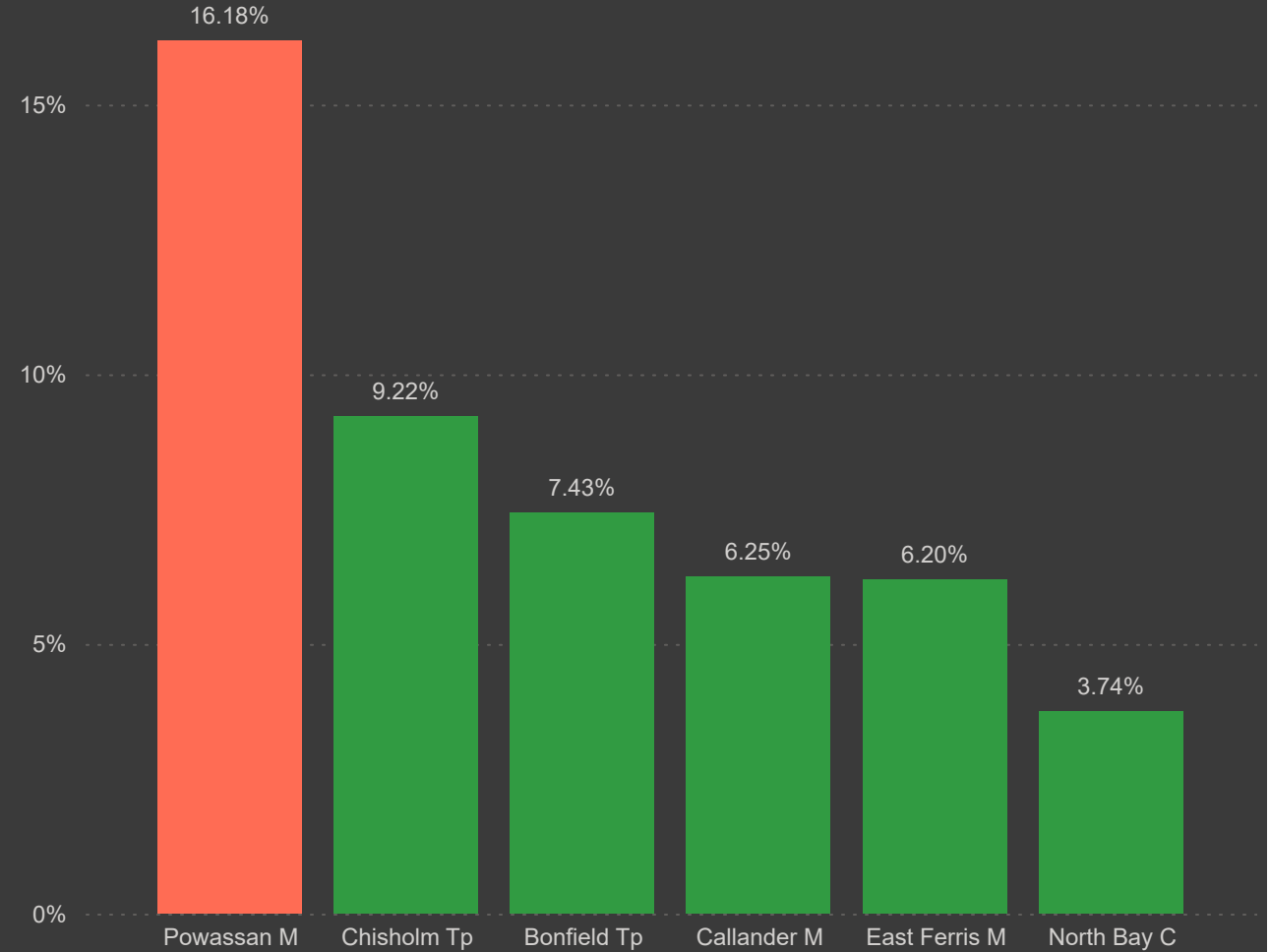
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Historical Values



Municipal Comparison



Risk Levels

High: >15% Moderate: 10% to 15% Low: < 10%



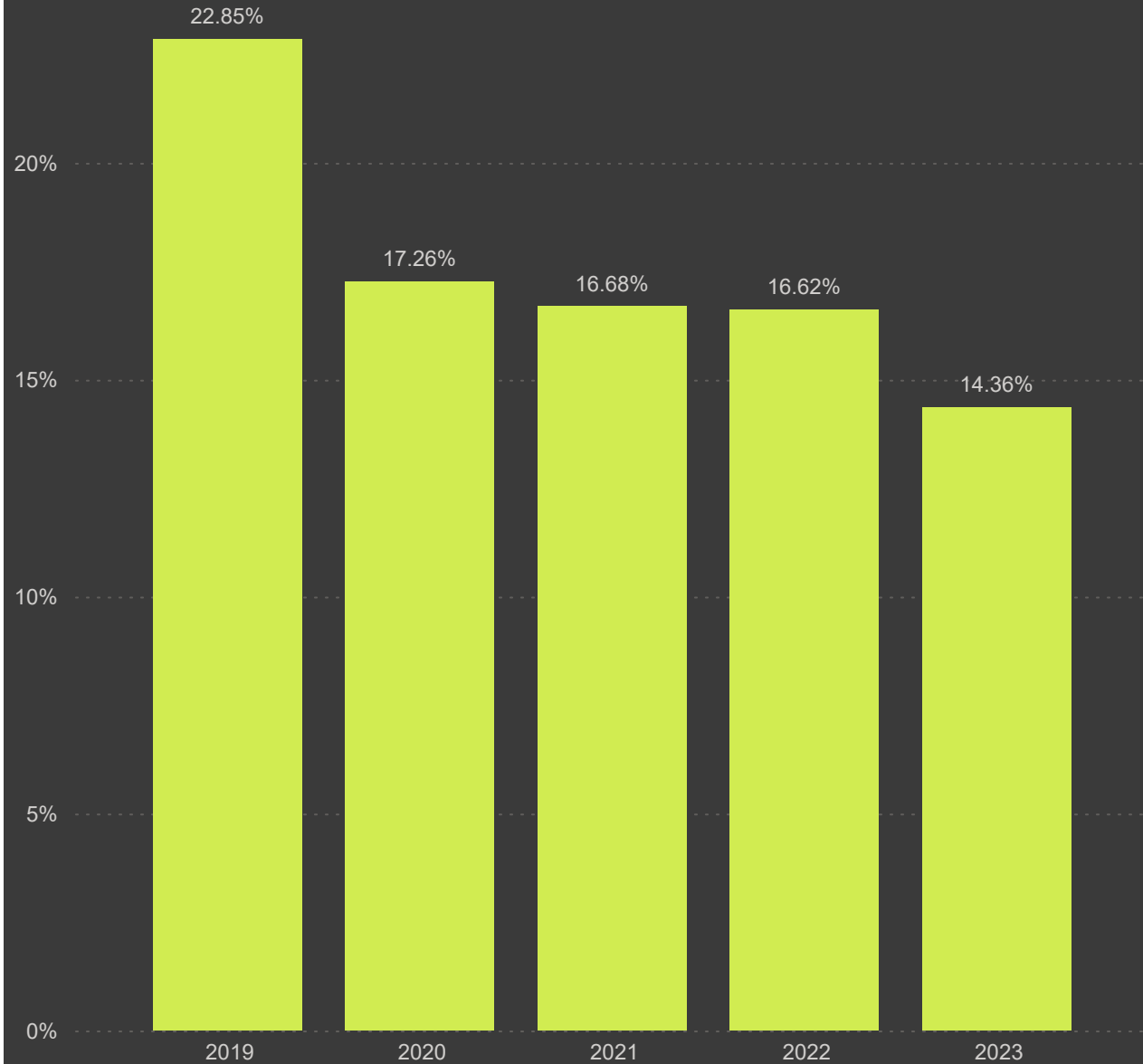
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Total Reserves Ratio

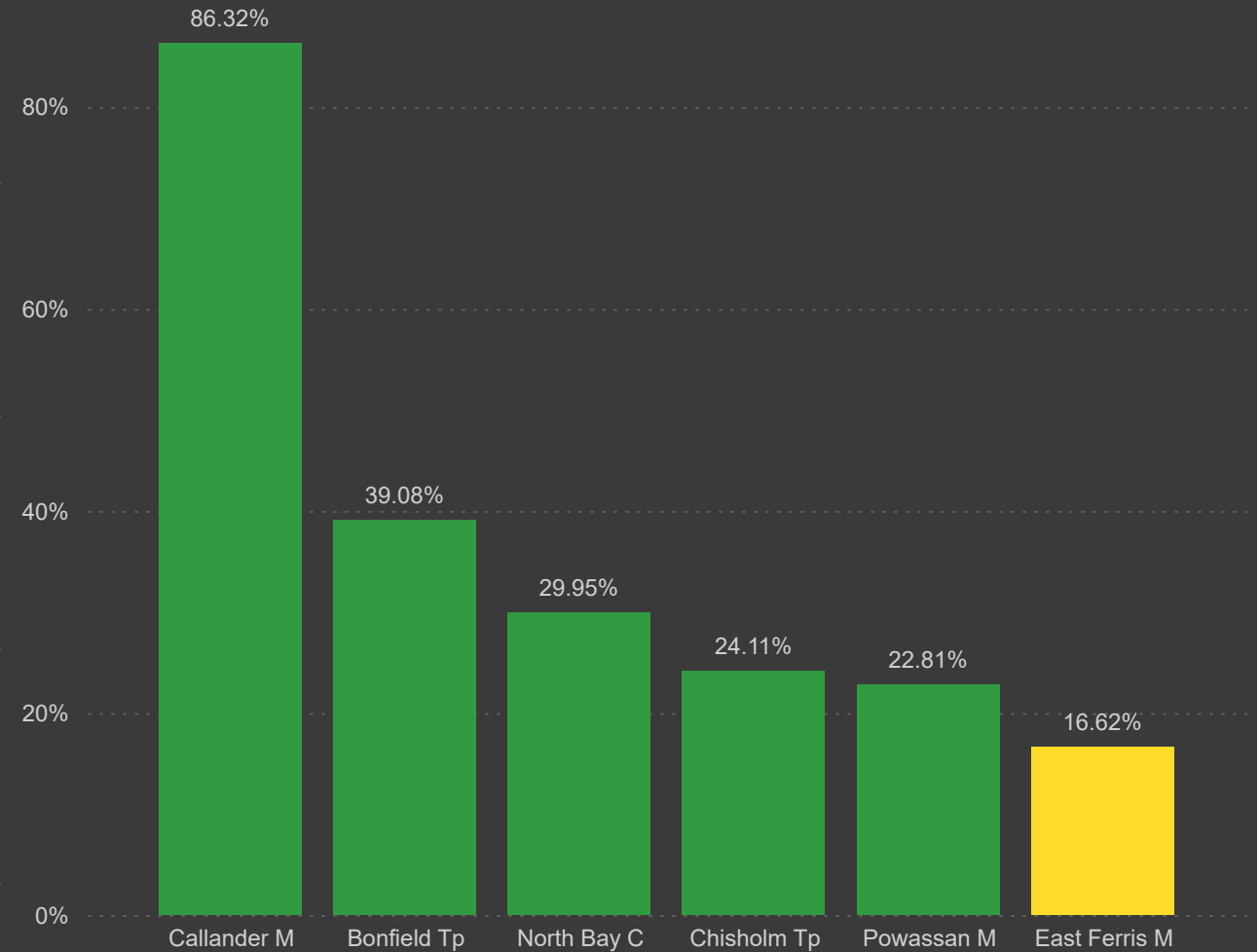
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Historical Values



Municipal Comparison



Risk Levels

Low: > 20%

Moderate: 10% to 20%

High: < 10%



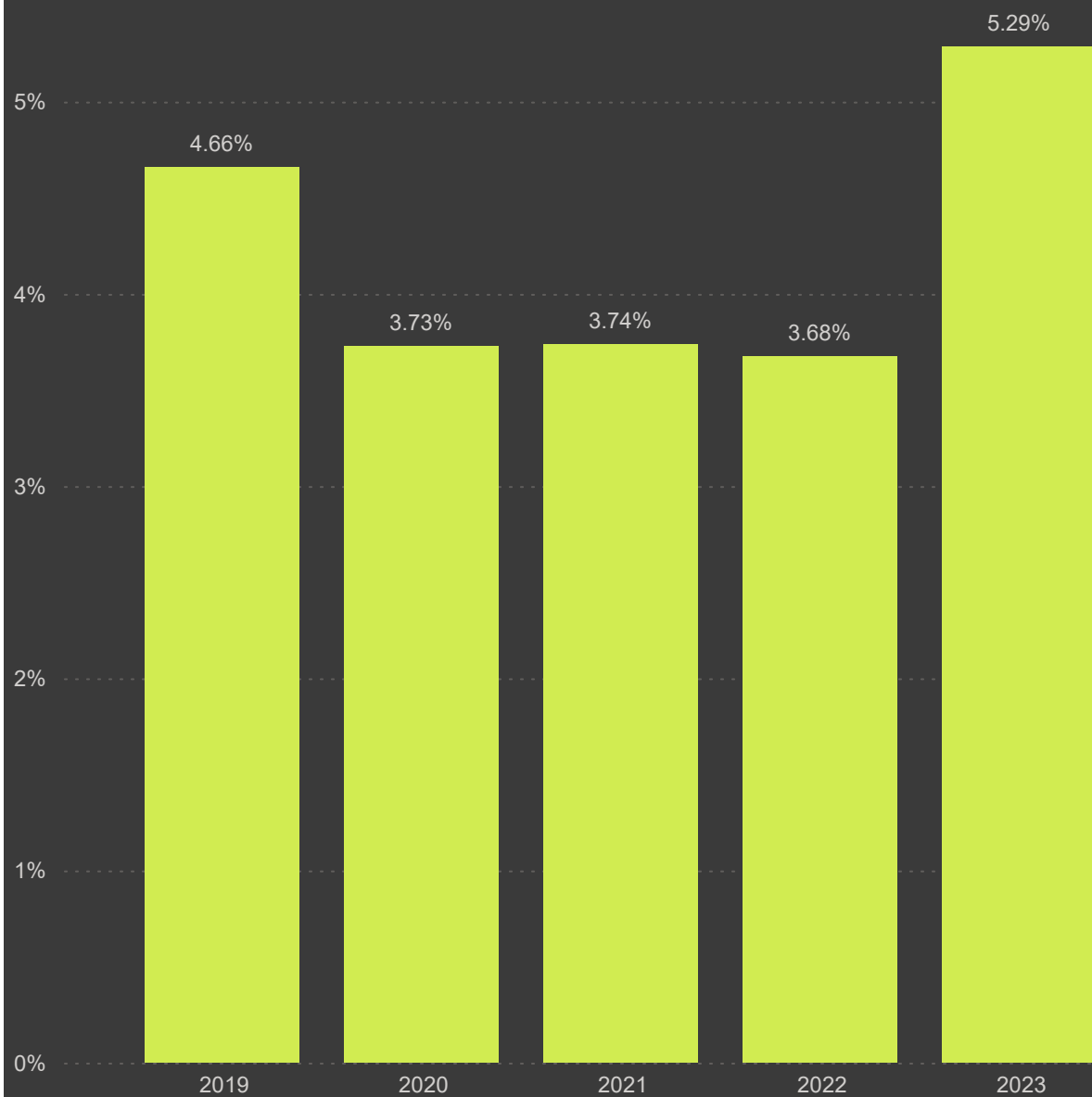
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Debt Servicing Ratio

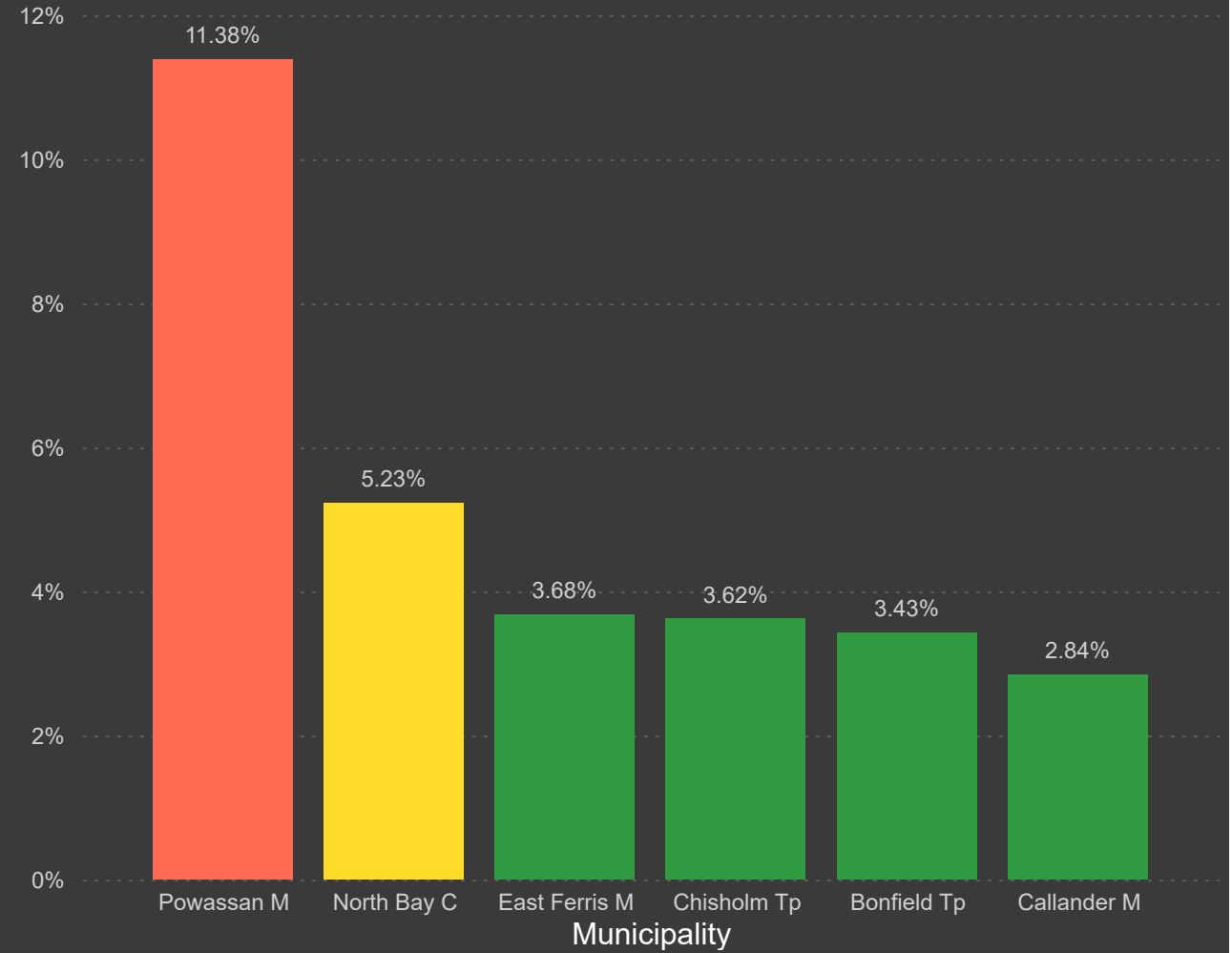
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Historical Values



Municipal Comparison



Risk Levels

High: >10%

Moderate: 5% to 10%

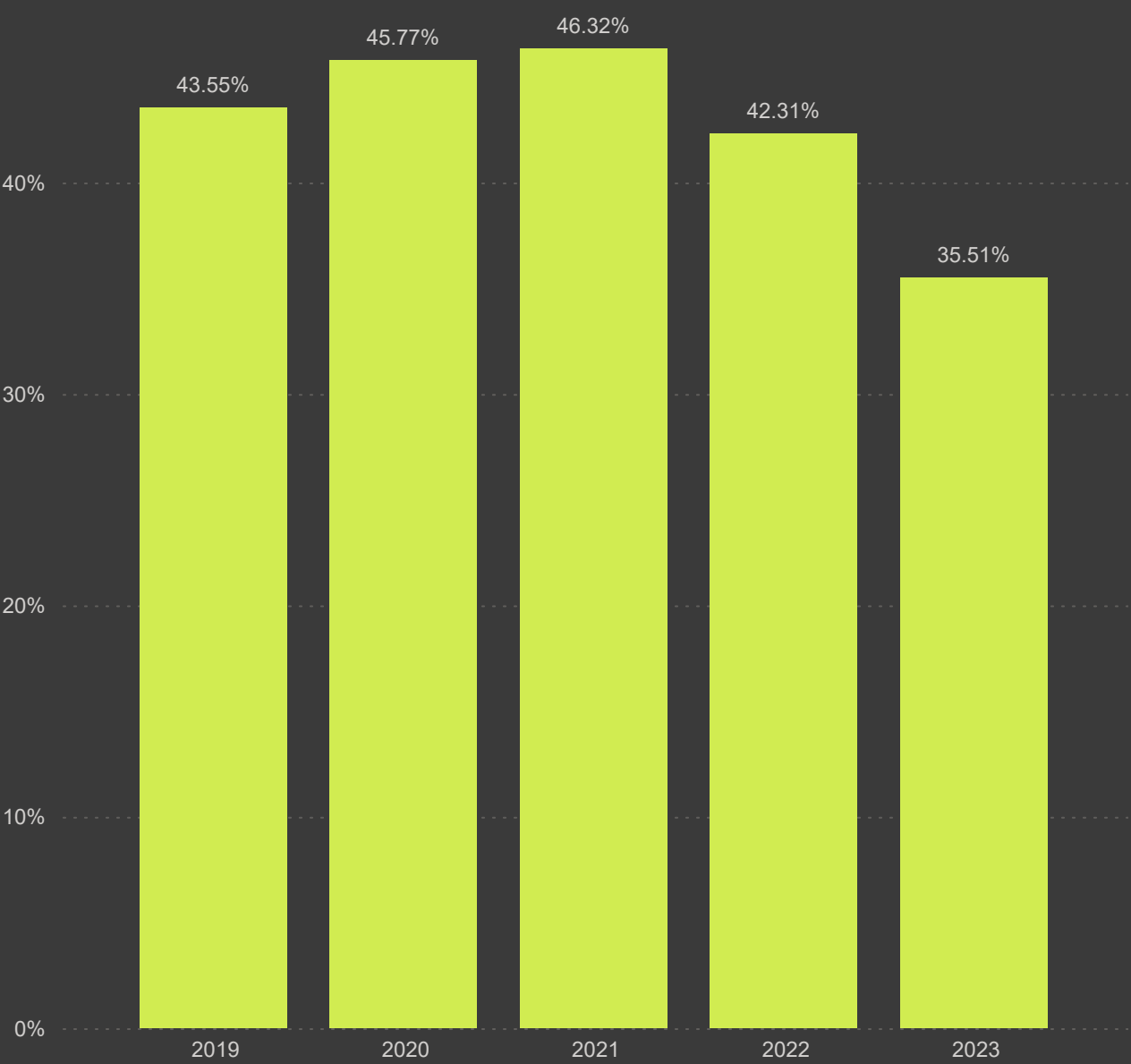
Low: < 5%

Asset Consumption Ratio

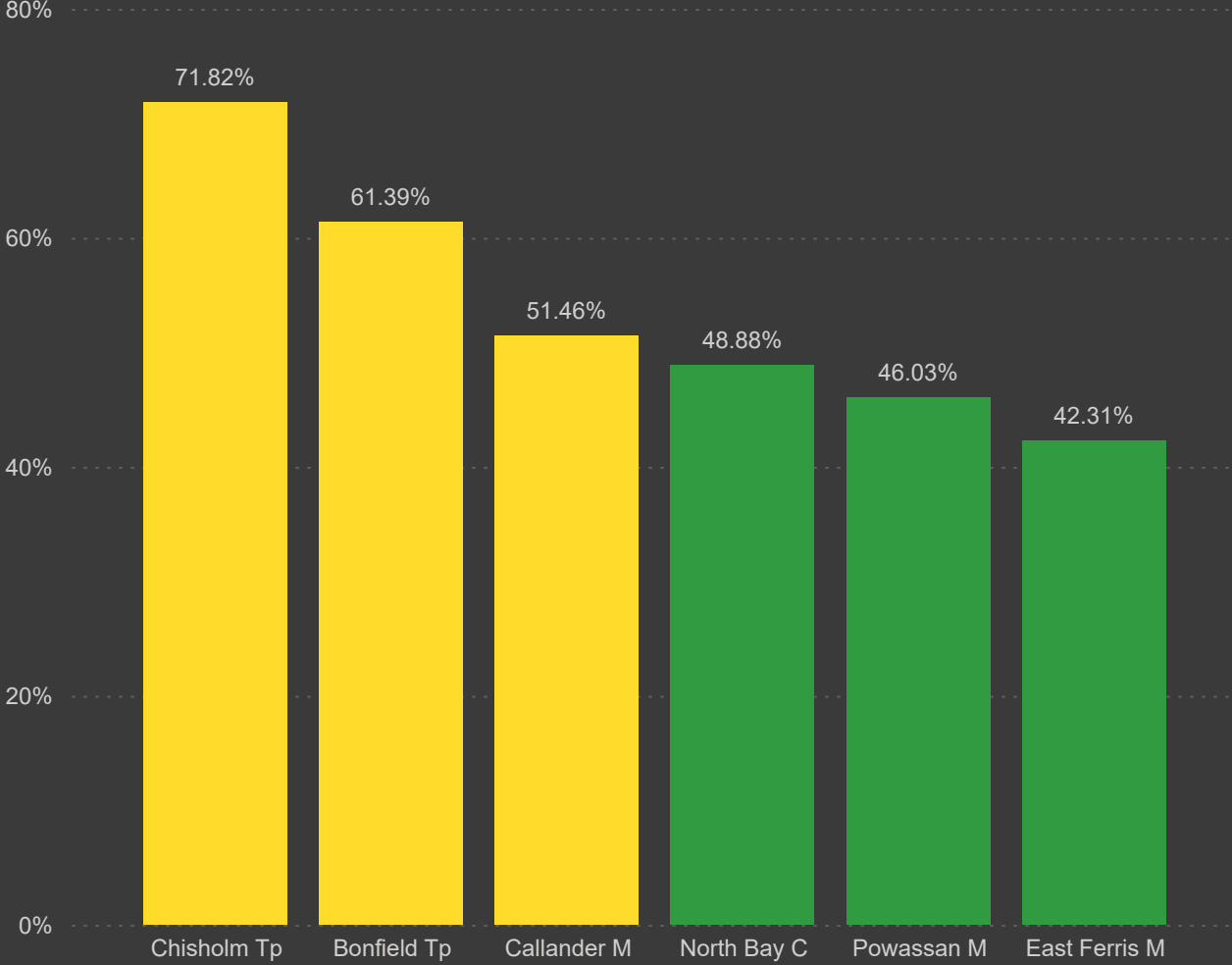
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Historical Values



Municipal Comparison



Risk Levels

Low: < 50%

Moderate: 50% to 75%

High: >75%

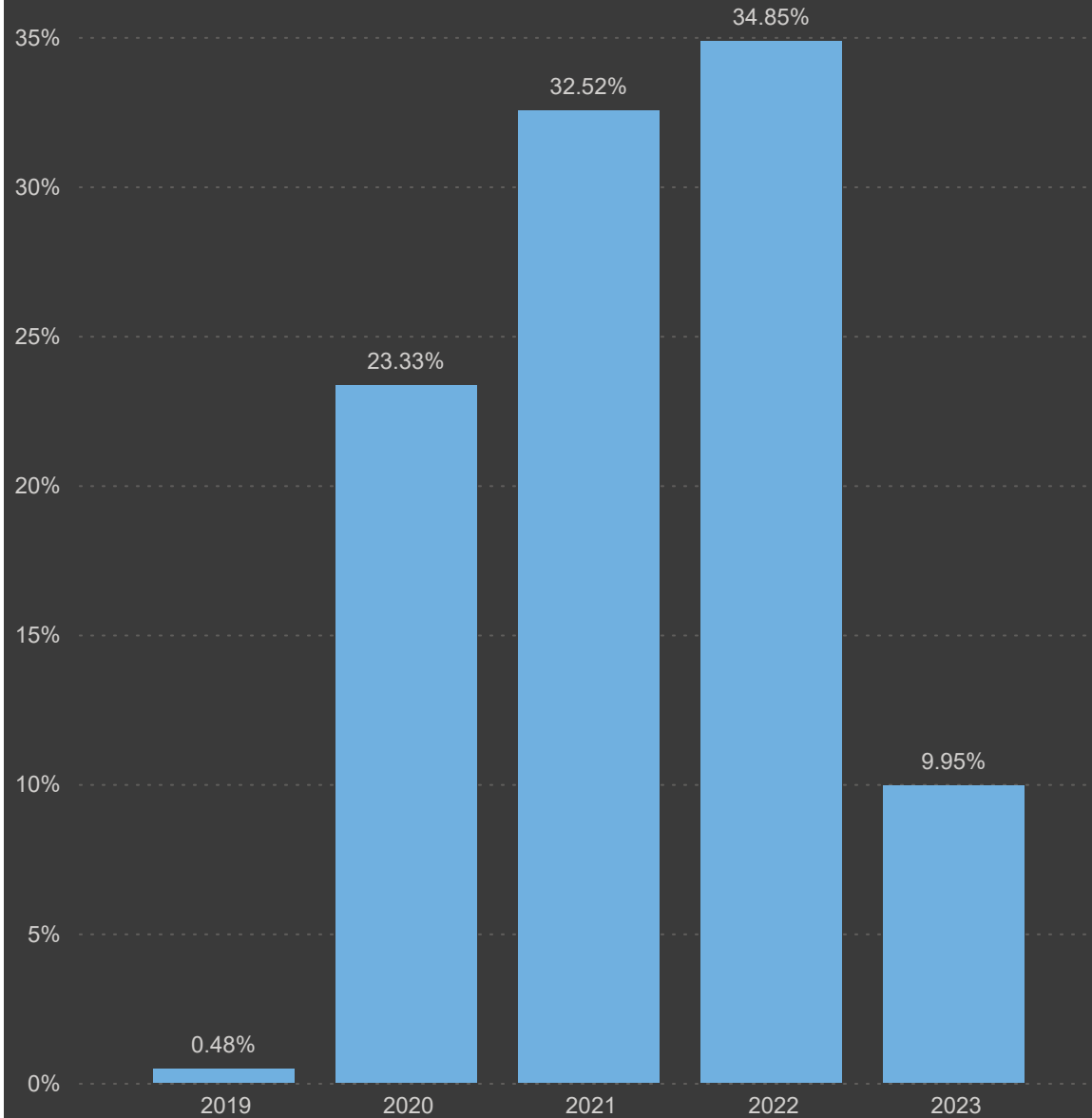


bakertilly Operating Surplus Ratio

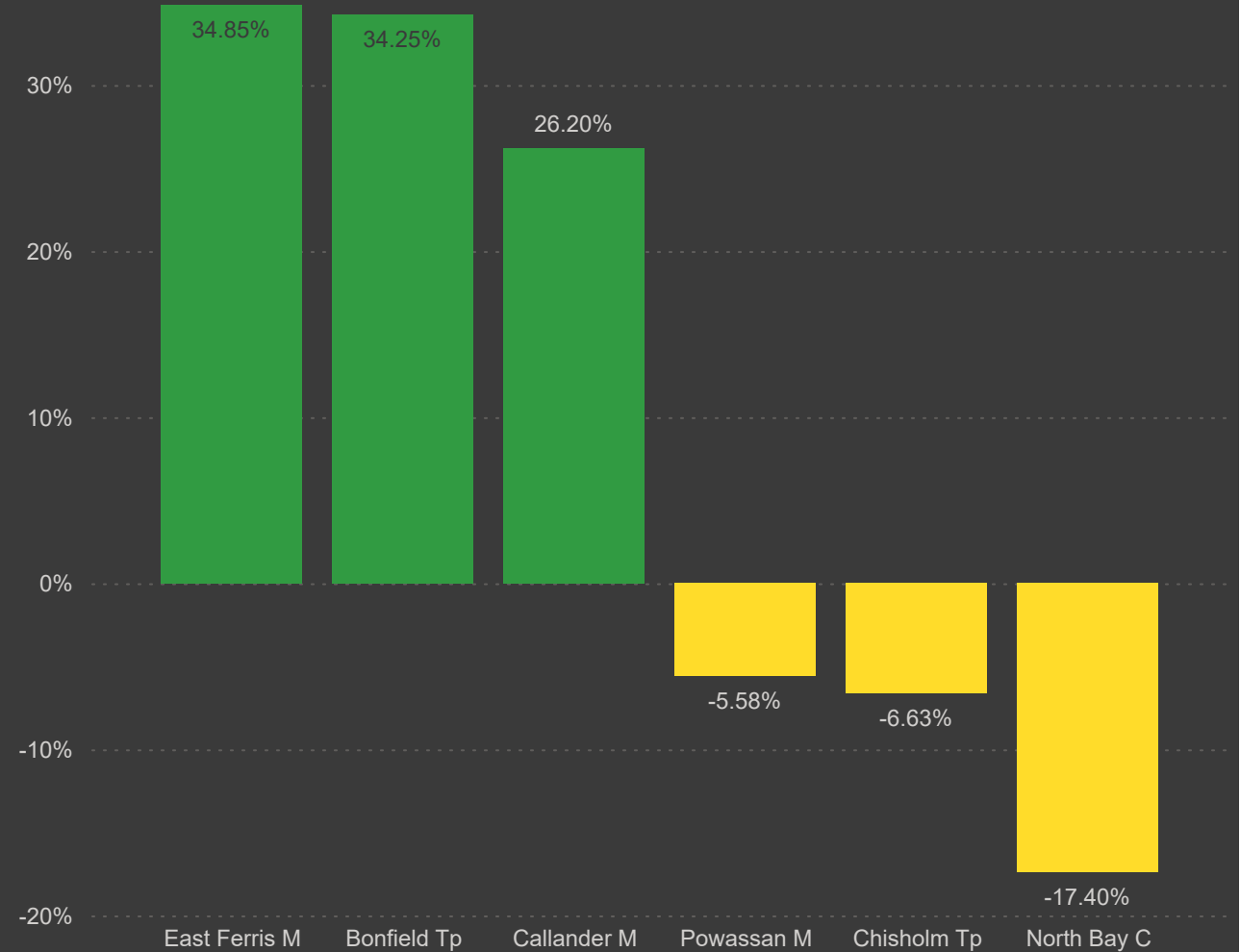
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Historical Values



Municipal Comparison



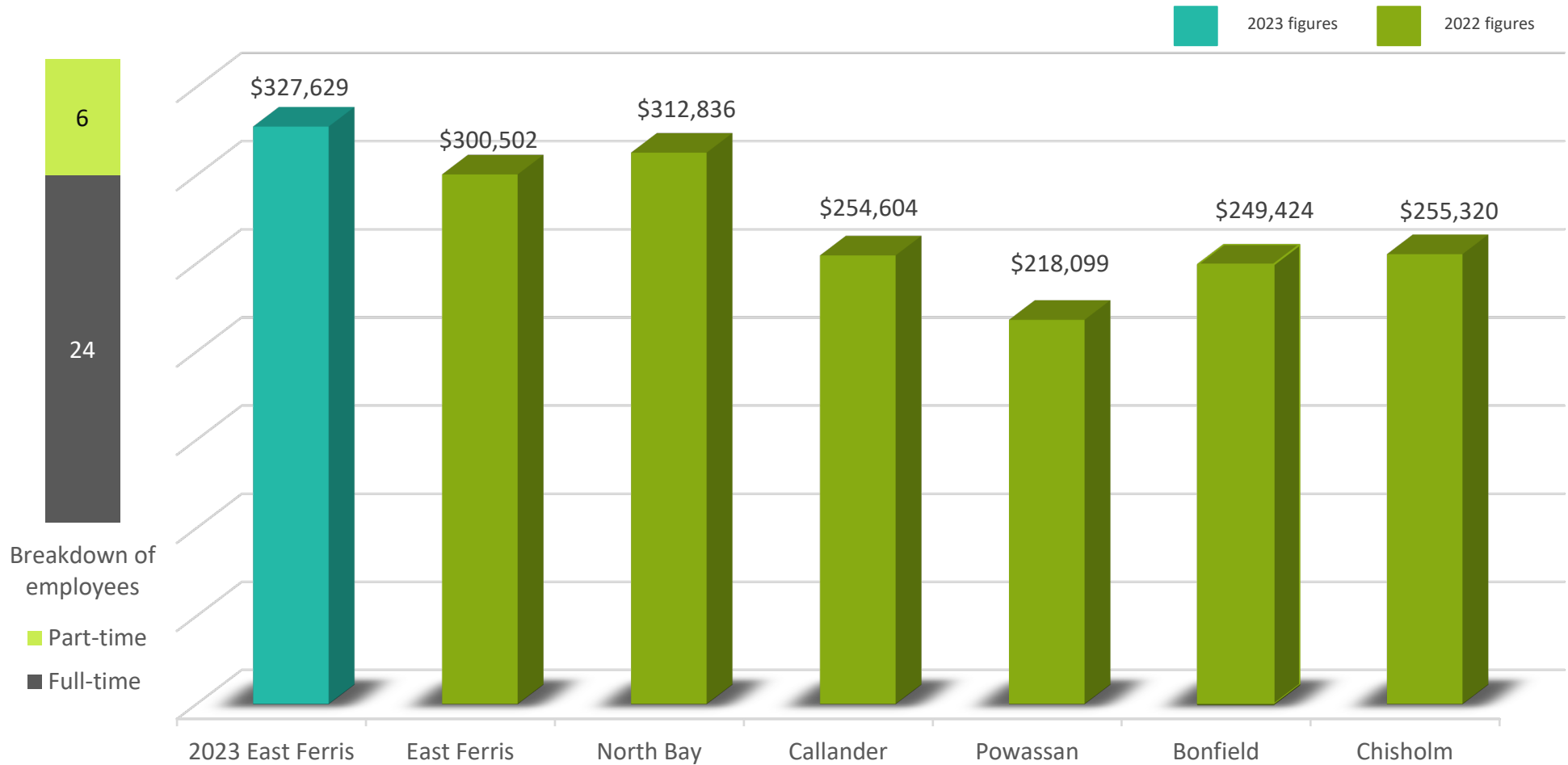
Risk Levels

High: < -30%

Moderate: -1% to -30%

Low: > -1%

Expenses per Employee





Conclusion

Should any member of Council wish to discuss or review any matter addressed in this report or any other matters related to financial reporting, please do not hesitate to contact us at any time.

This presentation is preserved in our working paper file and serves as documentary evidence that the matters noted in this communication have been addressed.



Thank you

