

**Corporation of the  
Municipality of East Ferris**

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

**December 31, 2022**

**Corporation of the  
Municipality of East Ferris**

**Financial Report**

**December 31, 2022**

Management Report

Independent Auditor's 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.



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Chief Administrative Officer/Treasurer  
September 26, 2023

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## **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, 2022, 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, 2022, 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.

ACCOUNTING • TAX • ADVISORY

*Baker Tilly SNT LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*

COMPTABILITÉ • FISCALITÉ • SERVICES-CONSEILS

*Baker Tilly SNT s.r.l. est membre de la Coopérative Baker Tilly Canada, qui fait partie du réseau mondial Baker Tilly International Limited. Les membres de la Coopérative Baker Tilly Canada et de Baker Tilly International Limited sont tous des entités juridiques distinctes et indépendantes.*

## **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.

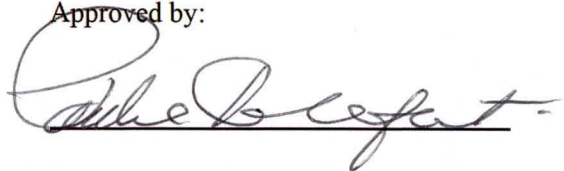
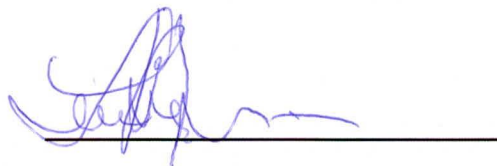
North Bay, Ontario  
September 26, 2023

*Baker Tilly SNT LLP*  
CHARTERED PROFESSIONAL ACCOUNTANTS,  
LICENSED PUBLIC ACCOUNTANTS

**Corporation of the Municipality of East Ferris**  
**Consolidated Statement of Financial Position**  
**December 31, 2022**

	<u>2022</u>	<u>2021</u>
<b>Financial Assets</b>		
Cash and cash equivalents (note 4)	\$ 1,218,956	\$ 1,418,398
Taxes receivable	466,592	467,839
Accounts receivable (note 5)	<u>2,216,855</u>	<u>509,139</u>
	<u>3,902,403</u>	<u>2,395,376</u>
<b>Liabilities</b>		
Temporary borrowing	-	1,200,000
Accounts payable and accrued liabilities (note 6)	3,261,257	1,326,212
Deferred revenues - other (note 7)	1,915	1,825
Deferred revenues - obligatory reserve fund (note 8)	139,292	10,901
Municipal debt (note 9)	6,033,500	1,609,186
Employee future benefits payable (note 10)	311,121	359,621
Landfill closure and post-closure (note 11)	<u>300,326</u>	<u>298,812</u>
	<u>10,047,411</u>	<u>4,806,557</u>
<b>Net Debt</b>	<u>(6,145,008)</u>	<u>(2,411,181)</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (note 12)	28,992,896	22,120,441
Prepaid expenses	186,517	161,039
Inventories	<u>80,089</u>	<u>86,871</u>
	<u>29,259,502</u>	<u>22,368,351</u>
<b>Accumulated Surplus (note 13)</b>	<u>\$ 23,114,494</u>	<u>\$ 19,957,170</u>
Contingencies (note 14)		
Commitments (note 15)		

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, 2022**

	<u>2022</u>		<u>2021</u>
	<u>Budget</u> (Unaudited)	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Net taxation	\$ 6,089,188	\$ 6,126,355	\$ 5,965,232
User charges	738,523	840,404	835,196
Government grants and transfers - Provincial	949,635	1,020,419	1,177,934
Other	<u>316,596</u>	<u>2,094,713</u>	<u>1,399,757</u>
Total revenues	<u>8,093,942</u>	<u>10,081,891</u>	<u>9,378,119</u>
<b>Expenses</b>			
General government	1,536,939	1,653,016	1,757,007
Protection services	1,263,682	1,278,045	1,209,601
Transportation services	2,283,993	2,412,502	2,142,222
Environmental services	279,233	248,612	253,858
Health services	181,522	181,522	176,545
Social and family services	1,601,239	1,593,494	1,546,263
Recreation and cultural services	1,299,894	1,400,079	1,238,521
Planning and development	<u>256,806</u>	<u>247,776</u>	<u>199,501</u>
Total expenses	<u>8,703,308</u>	<u>9,015,046</u>	<u>8,523,518</u>
<b>Annual surplus (deficit) before other</b>	<u>(609,366)</u>	<u>1,066,845</u>	<u>854,601</u>
<b>Other</b>			
Government grants and transfers related to capital - Provincial	1,670,747	1,580,941	723,398
Government grants and transfers related to capital - Federal	<u>1,664,331</u>	<u>509,538</u>	<u>791,095</u>
	<u>3,335,078</u>	<u>2,090,479</u>	<u>1,514,493</u>
<b>Annual surplus</b>	2,725,712	3,157,324	2,369,094
<b>Accumulated surplus, beginning of year</b>	<u>19,957,170</u>	<u>19,957,170</u>	<u>17,588,076</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 22,682,882</u>	<u>\$ 23,114,494</u>	<u>\$ 19,957,170</u>

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, 2022**

	<u>2022</u>	<u>2021</u>
<b>Operating transactions</b>		
Annual surplus	\$ 3,157,324	\$ 2,369,094
<b>Cash and cash equivalents provided by (applied to)</b>		
Non-cash items:		
Increase (decrease) in employee future benefits payable	(48,500)	25,191
Increase in landfill closure and post-closure costs	1,514	11,942
Amortization of tangible capital assets	1,236,451	1,126,154
Gain on disposal of tangible capital assets	(1,241,605)	(913,767)
Change in non-cash working capital balances		
Decrease in taxes receivable	1,247	1,885
(Increase) decrease in accounts receivable	(1,707,716)	2,048,491
Increase in accounts payable and accrued liabilities	1,935,045	801,233
Increase (decrease) in deferred revenues - other	90	(70)
Increase (decrease) in deferred revenues - obligatory reserve fund	128,391	(277,528)
Increase in prepaid expenses	(25,478)	(27,132)
(Increase) decrease in inventories	6,782	(32,004)
Cash and cash equivalents provided by operating transactions	<u>3,443,545</u>	<u>5,133,489</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(8,860,920)	(5,688,171)
Proceeds on disposal of tangible capital assets	1,993,619	985,100
Cash and cash equivalents applied to capital transactions	<u>(6,867,301)</u>	<u>(4,703,071)</u>
<b>Financing transactions</b>		
Municipal debt issued	4,800,000	400,000
Municipal debt repaid	(375,686)	(367,560)
Temporary borrowings issued	-	1,200,000
Temporary borrowings repaid	(1,200,000)	-
Cash and cash equivalents provided by financing transactions	<u>3,224,314</u>	<u>1,232,440</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(199,442)</b>	<b>1,662,858</b>
<b>Cash and cash equivalents (bank indebtedness),     beginning of year</b>	<u>1,418,398</u>	<u>(244,460)</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 1,218,956</u></u>	<u><u>\$ 1,418,398</u></u>

**Corporation of the Municipality of East Ferris**  
**Consolidated Statement of Change in Net Debt**  
**For The Year Ended December 31, 2022**

	<u>2022</u> <b>Budget</b> <small>(Unaudited)</small>	<u>2022</u> <b>Actual</b>	<u>2021</u> <b>Actual</b>
<b>Annual surplus</b>	<b>\$ 2,725,712</b>	<b>\$ 3,157,324</b>	<b>\$ 2,369,094</b>
Amortization of tangible capital assets	<b>1,236,451</b>	<b>1,236,451</b>	1,126,154
Proceeds on disposal of tangible capital assets		<b>1,993,619</b>	985,100
Gain on disposal of tangible capital assets	-	<b>(1,241,605)</b>	(913,767)
Acquisition of tangible capital assets	<b>(10,892,097)</b>	<b>(8,860,920)</b>	(5,688,171)
Change in prepaid expenses	-	<b>(25,478)</b>	(27,132)
Change in inventories	-	<b>6,782</b>	(32,004)
<b>Increase in net debt</b>	<b>(6,929,934)</b>	<b>(3,733,827)</b>	<b>(2,180,726)</b>
<b>Net debt, beginning of year</b>	<b>(2,411,181)</b>	<b>(2,411,181)</b>	<b>(230,455)</b>
<b>Net debt, end of year</b>	<b><u><u>\$ (9,341,115)</u></u></b>	<b><u><u>\$ (6,145,008)</u></u></b>	<b><u><u>\$ (2,411,181)</u></u></b>

**Corporation of the Municipality of East Ferris**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2022**

**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, 2022**

**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 Revenue - Obligatory Reserve Funds

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.

(vi) Landfill Closure and Post-Closure

The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, adjusted for estimated inflation, and are charged to operations as the landfill site's capacity is used.

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 1. Significant Accounting Policies (Continued)

#### (b) Basis of Accounting (Continued)

##### (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.

##### *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, 2022

### 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. The cost, 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
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, 2022**

**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, 2022**

**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.

**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 landfill closure and post-closure care depend on estimates of usage, remaining life and capacity. The provision for future closure and post-closure costs also depends on estimates of such costs.
- 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, 2022

### 3. Future Accounting Pronouncements

These standards and amendments were not effective in the year ended December 31, 2022, 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 3450 - Financial Instruments, establishes recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments for public sector entities. The standard requires fair value measurement of derivatives and portfolio investments that are equity instruments quoted in an active market. All other non-derivative financial instruments will be measured at cost or amortized cost. A government can elect to record other financial assets or liabilities on a fair value basis, if they manage and evaluate the asset and liability groups on that basis. Unrealized gains and losses are represented in the new statement of re-measurement gains and losses. New requirements clarify when financial liabilities can be de-recognized. Disclosure of the nature and extent of risks arising from holding financial instruments is also required. This section is effective for fiscal years beginning on or after April 1, 2022. Early adoption is permitted.

Section PS 1201 - Financial Statement Presentation, was issued in June 2011. This standard requires entities to present a new statement of re-measurement gains and losses separate from the statement of operations. This new statement includes unrealized gains and losses arising from re-measurement of financial instruments and items denominated in foreign currencies and any other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This section is effective for fiscal years beginning on or after April 1, 2022 and applies when PS 2601 and PS 3450 are adopted.

Section PS 2601 - Foreign Currency Translation, was issued in June 2011 and replaces the existing Section PS 2600. This standard has been revised to ensure consistency with the financial instruments standard. The standard requires that non-monetary items denominated in foreign currency that are included in the fair value category are adjusted to reflect the exchange rate at the financial statement date. Unrealized exchange gains and losses are presented in the new statement of re-measurement gains and losses. This section is effective for fiscal years beginning on or after April 1, 2022. Early adoption is permitted.

Section PS 3041 – Portfolio Investments, was issued in March 2012 and replaces the existing section PS 3040. This standard has been revised to ensure consistency with the financial instruments standards. This standard provides revised guidance on accounting for, presentation and disclosure of portfolio investments. The distinction between temporary and portfolio investments has been removed in this new standard, and upon adoption, PS 3030 Temporary Investments will no longer apply. This section is effective for fiscal years beginning on or after April 1, 2022 and applies when PS 2601 and PS 3450 are adopted.

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 3. Future Accounting Pronouncements (Continued)

Section PS 3280 - Asset Retirement Obligations, was issued in August 2018. This standard establishes standards on how to account for and report a liability for asset retirement obligations. It defines which activities would be included in a liability for retirement of a tangible capital asset, establishes when to recognize and how to measure a liability for an asset retirement obligation and provides the related financial statement presentation and disclosure requirements. This section is effective for fiscal years beginning on or after April 1, 2022. Early adoption is permitted.

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. Cash and Cash Equivalents

	<u>2022</u>	<u>2021</u>
Cash	\$ 718,956	\$ 1,418,398
Guaranteed Investment Certificate maturing April 13, 2023, bearing interest at 2.40%	<u>500,000</u>	<u>-</u>
	<u>\$ 1,218,956</u>	<u>\$ 1,418,398</u>

The Municipality has authorized credit facilities totalling \$1,800,000, which is unsecured. As at December 31, 2022, the Municipality has utilized \$0 (2021 - \$0). The interest is calculated at the bank's prime lending rate.

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 5. Accounts Receivable

	<u>2022</u>	<u>2021</u>
Federal government	\$ 449,597	\$ 429,000
Province of Ontario	1,202,515	2,051
Other Municipalities	5,617	12,668
Other	<u>559,126</u>	<u>65,420</u>
	<u>\$ 2,216,855</u>	<u>\$ 509,139</u>

### 6. Accounts Payable and Accrued Liabilities

	<u>2022</u>	<u>2021</u>
Federal government	\$ 40,684	\$ 29,593
Province of Ontario	9,835	39,491
Trade payables	2,375,482	276,788
Accrued liabilities	<u>835,256</u>	<u>980,340</u>
	<u>\$ 3,261,257</u>	<u>\$ 1,326,212</u>

### 7. Deferred Revenues - Other

	Balance as at December 31, 2021	Amounts received during the year	Recognized as revenues during the year	Balance as at December 31, 2022
Library	<u>\$ 1,825</u>	<u>\$ 90</u>	<u>\$ -</u>	<u>\$ 1,915</u>

### 8. 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, 2021	Amounts received during the year	Recognized as revenues during the year	Balance as at December 31, 2022
Safe re-start	\$ 10,901	\$ -	\$ -	\$ 10,901
Canada Community - Building Fund	<u>-</u>	<u>309,429</u>	<u>181,038</u>	<u>128,391</u>
<b>Total Deferred Revenues - Obligatory Reserve Fund</b>	<u>\$ 10,901</u>	<u>\$ 309,429</u>	<u>\$ 181,038</u>	<u>\$ 139,292</u>

**Corporation of the Municipality of East Ferris**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2022**

**9. Municipal Debt**

	<u>2022</u>	<u>2021</u>
Term loan, repayable in monthly instalments of \$2,840, including interest at the fixed rate of 3.40%, maturing December 1, 2026	<b>\$ 379,159</b>	\$ 400,000
Debenture loan, repayable in semi-annual instalments of \$34,781, including interest at the fixed rate of 2.57%, maturing December 20, 2026	<b>262,827</b>	324,445
Debenture loan, repayable in semi-annual instalments of \$35,864, including interest at the fixed rate of 2.86%, maturing August 15, 2027	<b>331,970</b>	392,894
Debenture loan, repayable in semi-annual instalments of \$12,055, including interest at the fixed rate of 3.33%, maturing December 20, 2036	<b>268,034</b>	282,847
Debenture loan, repayable in monthly instalments of \$27,090, including interest at the fixed rate of 4.65%, maturing November 15, 2047	<b>4,791,510</b>	-
Debenture loan, repayable in semi-annual instalments of \$45,283, including interest at the fixed rate of 2.34%, matured August 15, 2022	-	89,000
Debenture loan, repayable in monthly instalments of \$10,000 plus interest at a rate of 2.58%, matured December 17, 2022	<u>-</u>	<u>120,000</u>
	<b><u>\$ 6,033,500</u></b>	<b><u>\$ 1,609,186</u></b>

Principal instalments required to be paid over the next five years are as follows:

2023	\$ 267,208
2024	276,869
2025	286,904
2026	297,326
2027	238,143
Thereafter	<u>4,667,050</u>
Total	<b><u>\$ 6,033,500</u></b>

**Corporation of the Municipality of East Ferris**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2022**

**10. Employee Future Benefits Payable**

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

	<u>2022</u>	<u>2021</u>
Vacation pay	\$ 155,091	\$ 187,548
Retirement allowance	<u>156,030</u>	<u>172,073</u>
	<u>\$ 311,121</u>	<u>\$ 359,621</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 3.36% (2021 - 2.71%).

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 11. Landfill Closure and Post-Closure

Under environmental law, there is a requirement for closure and post-closure maintenance of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage. The reported liability is based on estimates and assumptions with respect to events extending over an extended period using the best information available to management. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The current landfill site is expected to reach capacity in approximately 2083. 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. Post-closure care activities for these sites are expected to occur for approximately 25 years.

The estimated liability for this maintenance is the present value of future cash flows associated with closure and post-closure costs discounted using the Municipality's estimated average borrowing rate of 3.36% (2021 - 2.71%). The change in liability is recorded based on the capacity of the landfill used to date. The liability is currently unfunded and is expected to be funded through budget allocations to a landfill reserve over the remaining life of the landfill. The most recent waste capacity study was performed in a report dated February 2014.

The Municipality operates the following landfill sites:

<u>2022</u>	<u>Estimated Remaining Capacity</u>	<u>Estimated Remaining Life / Post- closure</u>	<u>Recorded Liability</u>	<u>Total Estimated Undiscounted Outflow in the Future</u>	<u>Amounts to be Recognized in the Future</u>
East Ferris	68% (109,800 m3)	61 years	<u>\$ 300,326</u>	<u>\$ 948,084</u>	<u>\$ 647,758</u>
2021			<u>\$ 298,812</u>	<u>\$ 982,295</u>	<u>\$ 683,483</u>

**Corporation of the Municipality of East Ferris**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2022**

**12. Tangible Capital Assets**

	<u>Cost</u>				<u>Accumulated Amortization</u>				<u>Net Book Value</u>	
	<u>Balance, beginning of year</u>	<u>Additions</u>	<u>Transfers / Disposals</u>	<u>Balance, end of year</u>	<u>Balance, beginning of year</u>	<u>Amortization</u>	<u>Disposals</u>	<u>Balance, end of year</u>	<u>December 31, 2022</u>	<u>December 31 2021</u>
Land	\$ 700,228	\$ 305,570	\$ -	\$ 1,005,798	\$ -	\$ -	\$ -	\$ -	\$ 1,005,798	\$ 700,228
Land improvements	714,074	61,467	215,936	991,477	476,381	31,383	-	507,764	483,713	237,693
Roads and bridges	16,264,811	1,210,199	-	17,475,010	10,329,429	762,883	-	11,092,312	6,382,698	5,935,382
Buildings	11,762,706	792,125	1,971,436	14,526,267	3,149,625	198,994	(146,236)	3,202,383	11,323,884	8,613,081
Machinery and equipment	1,607,318	508,438	(305,362)	1,810,394	607,549	89,424	(73,636)	623,337	1,187,057	999,769
Vehicles	1,953,674	729,387	(836,211)	1,846,850	733,744	140,231	(377,026)	496,949	1,349,901	1,219,930
Computer hardware and software	130,029	-	-	130,029	51,671	13,536	-	65,207	64,822	78,358
Work in progress	4,336,000	5,253,734	(2,394,711)	7,195,023	-	-	-	-	7,195,023	4,336,000
	<u>\$ 37,468,840</u>	<u>\$ 8,860,920</u>	<u>\$ (1,348,912)</u>	<u>\$ 44,980,848</u>	<u>\$ 15,348,399</u>	<u>\$ 1,236,451</u>	<u>\$ (596,898)</u>	<u>\$ 15,987,952</u>	<u>\$ 28,992,896</u>	<u>\$ 22,120,441</u>

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 13. Accumulated Surplus

	<u>2022</u>	<u>2021</u>
Surplus		
Invested in tangible capital assets	\$ 28,992,896	\$ 22,120,441
General (see note (a) below)	(767,373)	(1,345,075)
Bibliothèque East Ferris Public Library	36,011	26,715
Unfunded Liabilities		
Municipal debt	(6,033,500)	(1,609,186)
Landfill closure and post-closure	(300,326)	(298,812)
Employee future benefits payable	(311,121)	(359,621)
Total surplus	<u>21,616,587</u>	<u>18,534,462</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	157,051
Municipal office	-	351,792
Active transportation	50,000	25,000
Fire marque	24,199	-
Parkland dedication	75,750	49,750
Total reserves	<u>1,497,907</u>	<u>1,422,708</u>
Accumulated Surplus	<u>\$ 23,114,494</u>	<u>\$ 19,957,170</u>

(a) General Surplus (Deficit):

The general deficit of \$(767,373) (2021 - \$(1,345,075)) at the end of the year is comprised of the following:

	<u>2022</u>	<u>2021</u>
Opening balance	\$ (1,345,075)	\$ 611,146
Annual surplus	3,157,324	2,369,094
Transfer from (to) reserves	(75,199)	104,000
Net change in tangible capital assets	(6,872,455)	(4,490,684)
Increase (decrease) in unfunded liabilities	4,377,328	69,572
Bibliothèque East Ferris Public Library surplus	<u>(9,296)</u>	<u>(8,203)</u>
Closing balance	<u>\$ (767,373)</u>	<u>\$ (1,345,075)</u>



# **Corporation of the Municipality of East Ferris**

## **Notes to the Consolidated Financial Statements**

**December 31, 2022**

### **14. 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.

### **15. 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, 2022 is \$111,250 (2021 - \$136,250).

The Municipality entered into contracts for the design and construction of a new municipal office and garage for approximately \$6,438,768 plus applicable taxes. At December 31, 2022, there was approximately \$1,551,263 plus applicable taxes remaining to be completed.

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 16. 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>2022</u>	<u>2021</u>
Taxation and user charges	<u>\$ 1,188,104</u>	<u>\$ 1,169,399</u>
Total amounts received or receivable	1,188,104	1,169,399
Requisitions	<u>1,188,104</u>	<u>1,169,399</u>
	<u>\$ -</u>	<u>\$ -</u>

### 17. 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 559,000 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, 2022, the estimated accrued pension obligation for all members of the Plan was \$128,789 million (2021 - \$119,342 million). The Plan had an actuarial value of net assets at that date of \$122,111 million (2021 - \$116,211 million) indicating an actuarial deficit of \$6,678 million (2021 - \$3,131 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 2022 was \$158,391 (2021 - \$169,274) for current services and is included as an expense on the Consolidated Statement of Operations and Accumulated Surplus.

On January 1, 2022 the yearly maximum pension earnings increased to \$64,900 from \$61,600 in 2021. The contributions are calculated at a rate of 9.0% (2021 - 9.0%) for amounts up to the yearly maximum pension earnings stated above and at a rate of 14.6% (2021 - 14.6%) for amounts above the yearly maximum pension earnings.

# Corporation of the Municipality of East Ferris

## Notes to the Consolidated Financial Statements

December 31, 2022

### 18. 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%).

### 19. 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>2022</u>	<u>2021</u>
Budget By-law surplus for the year	\$ -	\$ -
Add: Acquisition of tangible capital assets	<b>10,411,811</b>	2,763,650
Municipal debt repaid	-	387,992
Contributions to reserves	-	-
Less: Amortization of tangible capital assets	<b>(1,236,451)</b>	(1,125,447)
Contributions from reserves	<b>(267,623)</b>	(195,000)
Municipal debt issued	<b>(6,182,025)</b>	(995,000)
Budget surplus per statement of operations and accumulated surplus	<u><b>\$ 2,725,712</b></u>	<u>\$ 836,195</u>

### 20. Comparative Figures

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

**Corporation of the Municipality of East Ferris**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2022**

**21. Segmented Information**

	<u>General Government</u>	<u>Protection Services</u>	<u>Transportation Services</u>	<u>Environmental Services</u>	<u>Health Services</u>	<u>Social and Family Services</u>	<u>Recreation and Cultural Services</u>	<u>Planning and Development</u>	<u>2022 Total</u>
<b>Revenues</b>									
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	<u>297,554</u>	<u>3,123</u>	<u>1,738,354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,383</u>	<u>16,299</u>	<u>2,094,713</u>
Total Revenues	<u>1,589,806</u>	<u>1,224,268</u>	<u>3,603,572</u>	<u>613,815</u>	<u>140,343</u>	<u>1,232,005</u>	<u>1,409,419</u>	<u>268,663</u>	<u>10,081,891</u>
<b>Expenses</b>									
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	248,612	-	-	609,492	106,920	2,802,390
Transfers to other governments and the public	-	646,684	-	-	181,522	1,593,494	-	-	2,421,700
Amortization	<u>30,483</u>	<u>83,055</u>	<u>912,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>210,483</u>	<u>-</u>	<u>1,236,451</u>
Total expenses	<u>1,653,016</u>	<u>1,278,045</u>	<u>2,412,502</u>	<u>248,612</u>	<u>181,522</u>	<u>1,593,494</u>	<u>1,400,079</u>	<u>247,776</u>	<u>9,015,046</u>
<b>Annual surplus (deficit) before other</b>	(63,210)	(53,777)	1,191,070	365,203	(41,179)	(361,489)	9,340	20,887	1,066,845
<b>Other</b>									
Government grants and transfers related to capital - Provincial	-	-	396,545	-	1,184,396	-	-	-	1,580,941
Government grants and transfers related to capital - Federal	<u>-</u>	<u>-</u>	<u>509,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>509,538</u>
<b>Annual surplus (deficit)</b>	<u>\$ (63,210)</u>	<u>\$ (53,777)</u>	<u>\$ 2,097,153</u>	<u>\$ 365,203</u>	<u>\$ 1,143,217</u>	<u>\$ (361,489)</u>	<u>\$ 9,340</u>	<u>\$ 20,887</u>	<u>\$ 3,157,324</u>

**Corporation of the Municipality of East Ferris**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2022**

**21. Segmented Information (Continued)**

	<u>General Government</u>	<u>Protection Services</u>	<u>Transportation Services</u>	<u>Environmental Services</u>	<u>Health Services</u>	<u>Social and Family Services</u>	<u>Recreation and Cultural Services</u>	<u>Planning and Development</u>	<u>2021 Total</u>
<b>Revenues</b>									
Net taxation	\$ 1,229,651	\$ 846,546	\$ 1,499,246	\$ 177,664	\$ 123,556	\$ 1,082,161	\$ 866,786	\$ 139,622	\$ 5,965,232
User charges	73,657	160,298	-	408,890	-	-	104,129	88,222	835,196
Government grants and transfers - Provincial	211,295	149,060	257,620	91,109	21,231	185,951	234,832	26,836	1,177,934
Other	<u>1,289,457</u>	<u>6,000</u>	<u>74,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,931</u>	<u>-</u>	<u>1,399,757</u>
Total Revenues	<u>2,804,060</u>	<u>1,161,904</u>	<u>1,831,235</u>	<u>677,663</u>	<u>144,787</u>	<u>1,268,112</u>	<u>1,235,678</u>	<u>254,680</u>	<u>9,378,119</u>
<b>Expenses</b>									
Salary, wages and employee benefits	768,607	348,732	696,328	-	-	-	645,639	114,927	2,574,233
Materials, contracted services, rents, and financial expenses	960,131	135,685	627,841	253,858	-	-	394,364	84,574	2,456,453
Transfers to other governments and the public	-	643,870	-	-	176,545	1,546,263	-	-	2,366,678
Amortization	<u>28,269</u>	<u>81,314</u>	<u>818,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,518</u>	<u>-</u>	<u>1,126,154</u>
Total expenses	<u>1,757,007</u>	<u>1,209,601</u>	<u>2,142,222</u>	<u>253,858</u>	<u>176,545</u>	<u>1,546,263</u>	<u>1,238,521</u>	<u>199,501</u>	<u>8,523,518</u>
<b>Annual surplus (deficit) before other</b>	<u>1,047,053</u>	<u>(47,697)</u>	<u>(310,987)</u>	<u>423,805</u>	<u>(31,758)</u>	<u>(278,151)</u>	<u>(2,843)</u>	<u>55,179</u>	<u>854,601</u>
<b>Other</b>									
Government grants and transfers related to capital - Provincial	-	-	723,398	-	-	-	-	-	723,398
Government grants and transfers related to capital - Federal	<u>-</u>	<u>-</u>	<u>791,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>791,095</u>
<b>Annual surplus (deficit)</b>	<u>\$ 1,047,053</u>	<u>\$ (47,697)</u>	<u>\$ 1,203,506</u>	<u>\$ 423,805</u>	<u>\$ (31,758)</u>	<u>\$ (278,151)</u>	<u>\$ (2,843)</u>	<u>\$ 55,179</u>	<u>\$ 2,369,094</u>