

Monica Hawkins

From: Jason Trottier
Sent: Thursday, October 24, 2019 2:44 PM
To: Monica Hawkins
Subject: FW: 2019 FITs and Municipal Profile
Attachments: FITC19_East Ferris M.pdf; MFP19_East Ferris M.pdf

Hi Monica,

This is correspondence for the November 12th Council meeting. Please include the email below as well as the attachments.

Thank you!

Jason H. Trottier, BBA, CPA, CMA
CAO/Treasurer

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From: Searle, Bryan (MMAH) <Bryan.Searle@ontario.ca>
Sent: Wednesday, October 23, 2019 11:21 AM
To: Jason Trottier <jason.trottier@eastferris.ca>
Subject: 2019 FITs and Municipal Profile

The Ministry of Municipal Affairs and Housing reviews each municipality's financial health through the use of key financial indicators in relation to established provincial thresholds. Please find attached the financial indicator template (FITs) that has been calculated using your 2018 FIR data.

The Ministry reviews the indicators from time-to-time, to make sure they provide useful information, and you will notice that there have been a few changes in the report this year.

The changes this year are relatively minor and are intended to represent improvements in the value of the calculations (making them more representative of overall financial situation).

The denominator for Net Financial Assets or Net Debt indicator has been changed from as a Percentage of Own Purpose Taxation, User Fees and Charges to as a Percentage of Own Source Revenues. This is intended to provide a better reflection of all the revenues that municipalities have control over.

Donated Tangible Capital Assets (TCAs) have been subtracted from Total Revenues in the Debt Servicing Costs as a Percentage of Total Revenues indicator. Donated TCAs are non-cash revenue and the year over year changes in this line may impact annual comparisons.

The Annual Surplus/Deficit indicator has been updated to both subtract Donated TCAs from the numerator, and change the denominator to as a Percentage of Own Source Revenues. This reflects consistency with the other changes above.

The formulas (SLC references and calculations) can be found at the bottom of the report for all indicators.

Financial indicators are an important but incomplete measure of municipal financial health.

For 2018 East Ferris had 1 indicator that exceeded the threshold for “low” risk: Reserves (16.5%)

If you have any questions once you have had an opportunity to review the FITs and municipal profile, please call me.

Thank you,

Bryan Searle
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