

Financial Indicators

2017 Households:  
2017 Population:  
Median Household Income:  
2017 MFCI Index:  
Taxable Residential Assessment as a  
% of Total Taxable Assessment:  
Own Purpose Taxation:

	Fort Frances	Red Lake	Marathon	Sioux Lookout	Greenstone	Dryden	Kenora
2017 Households:	3812	1,938	1,643	2,485	2,931	3,541	7,492
2017 Population:	7739	4,107	3,273	5,272	4,636	7,743	15,096
Median Household Income:	\$62,928	\$106,411	\$82,816	\$85,146	\$63,488	\$70,493	\$73,331
2017 MFCI Index:	7.6	0.3	6.3	2.7	7.1	6.4	3.9
Taxable Residential Assessment as a % of Total Taxable Assessment:	64.8	55.7	57.8	76.3	26.7	52.4	70.9
Own Purpose Taxation:	\$10,495,794	\$8,709,188	\$4,819,822	\$9,468,923	\$14,121,992	\$13,692,112	\$23,684,717
North Population 2500<=10000	Fort Frances	Red Lake	Marathon	Sioux Lookout	Greenstone	Dryden	Kenora

SUSTAINABILITY INDICATORS

Total Taxes Receivable less Allowance for  
Uncollectibles as a % of Total Taxes Levied

Net Financial Assets or Net Debt as a % of Own  
Purpose Taxation Plus User Fees

Total Reserves and Discretionary Reserve  
Funds as a % of Operating Expenses

Cash Ratio (Total Cash and Cash Equivalents as a % of Current  
liabilities)

FLEXIBILITY INDICATORS

Debt Servicing Cost as a % of Total Operating  
Revenue

Asset Consumption Ratio

Annual Surplus /(Deficit) as a % of own purpose taxation, user  
fees and service charges (operating Surplus Ratio)

Ranges	Year	Median and Average	Actuals	Level of Challenge	Actuals	Level of Challenge	Actuals	Level of Challenge	Actuals	Level of Challenge	Actuals	Level of Challenge	Actuals	Level of Challenge	Actuals	Level of Challenge
Low: < 10% Mod: 10% to 15% High: > 15%	2012	9.3%- 11.8%	6.4%	low	7.9%	low	19.8%	high	15.9%	high	19.7%	high	9.6%	low	2.4%	low
	2013	10.4% 13.8%	9.2%	low	10.7%	moderate	25.4%	high	17.6%	high	18.2%	high	25.7%	high	2.0%	low
	2014	12.5% 14.5%	6.3%	low	15.7%	high	27.1%	high	11.3%	moderate	18.3%	high	19.1%	high	2.4%	low
	2015	10.3% 14.2%	6.3%	low	16.4%	high	30.4%	high	10.3%	moderate	18.6%	high	22.0%	high	1.5%	low
	2016	9.3% 13.4%	4.7%	low	11.3%	moderate	30.9%	high	12.5%	moderate	16.2%	high	8.4%	low	1.4%	low
	2017	9.7% to 11.7%	2.8%	low	15.2%	high	12.0%	moderate	12.6%	moderate	12.9%	moderate	8.4%	low	1.0%	low
Low: > -50% Mod: -50% to -100% High: < -100%	2012	-49.5%-32.2%	59.9%	low	-145.0%	high	43.3%	low	-83.6%	moderate	-116.3%	high	-203.3%	high	82.9%	low
	2013	-15.1% -17.0%	64.7%	low	-120.3%	high	53.3%	low	-67.2%	moderate	-117.3%	high	-181.7%	high	86.8%	low
	2014	-3.5%-8.2%	80.8%	low	-110.0%	high	57.8%	low	-70.0%	moderate	-105.9%	high	-135.3%	high	88.5%	low
	2015	1.1% -10.3%	84.2%	low	-106.3%	high	64.1%	low	-56.2%	moderate	-85.1%	moderate	-112.1%	high	207.4%	low
	2016	-17.2% -10.5%	76.0%	low	-117.6%	high	64.5%	low	-52.2%	moderate	-67.3%	moderate	-92.4%	moderate	202.6%	low
	2017	12.9% -7.4%	89.2%	low	-111.0%	high	72.5%	low	-58.4%	moderate	-55.0%	moderate	-80.7%	moderate	191.7%	low
Low: > 20% Mod: 10% to 20% High: < 10%	2012	30.2% 29.3%	45.3%	low	16.2%	moderate	45.3%	low	17.0%	moderate	13.0%	moderate	10.2%	moderate	63.2%	low
	2013	29.9% 34.7%	42.0%	low	19.1%	moderate	58.0%	low	19.2%	moderate	13.2%	moderate	30.3%	low	63.4%	low
	2014	32.5% 37.9%	57.6%	low	22.9%	low	57.2%	low	19.7%	moderate	15.4%	moderate	31.2%	low	63.5%	low
	2015	32.9% 39.5%	59.4%	low	24.1%	low	68.0%	low	28.5%	low	20.4%	low	34.4%	low	69.1%	low
	2016	32.8% 37.3%	48.2%	low	26.5%	low	61.6%	low	30.7%	low	20.7%	low	31.0%	low	67.2%	low
	2017	35.8% 40%	55.8%	low	32.1%	low	68.1%	low	35.8%	low	21.7%	low	28.5%	low	66.9%	low
Low: > 0.5:1 Mod: 0.5:1 to 0.25:1 High: 0.25:1	2013	1.69:1 2.82:1	0.3:1	low	3.8:1	low	5.55:1	low	1.12:1	low	0.3:1	moderate	0.14:1	high	4.92:1	low
	2014	1.84:1 2.55:1	1.84:1	low	1.48:1	low	4.95:1	low	0.09:1	high	0.28:1	moderate	0.65:1	low	4.04:1	low
	2015	1.78:1 2.35:1	0.2:1	low	1.78:1	low	2.89:1	low	0.72:1	low	1.17:1	low	0.84:1	low	6.55:1	low
	2016	1.73:1 2.34:1	0.14:1	low	1.13:1	low	1.99:1	low	0.34:1	moderate	1.73:1	low	1.33:1	low	5.25:1	low
	2017	2.16:1 3.18:1	0.36:1	moderate	1.37:1	low	2.99:1	low	0.85:1	low	2.16:1	low	1.52:1	low	6.25:1	low
Low: < 5% Mod: 5% to 10% High: >10%	2012	4.3% 6.0%	3.8%	low	17.3%	high	1.7%	low	5.0%	low	7.3%	moderate	12.3%	high	1.7%	low
	2013	4.4% 5.8%	4.1%	low	16.5%	high	2.0%	low	7.1%	moderate	7.4%	moderate	14.3%	high	1.9%	low
	2014	5.2% 6.7%	3.3%	low	11.8%	high	1.9%	low	6.1%	moderate	8.4%	moderate	11.0%	high	1.4%	low
	2015	5.2% 10.8%	2.6%	low	11.9%	high	1.6%	low	4.6%	low	8.1%	moderate	10.6%	high	0.0%	low
	2016	4.9% 5.3%	2.5%	low	14.6%	high	9.2%	moderate	3.4%	moderate	6.9%	moderate	11.7%	high	0.0%	low
	2017	4.0% 4.7%	2.4%	low	14.0%	high	1.6%	low	3.1%	low	7.5%	moderate	10.3%	high	0.0%	low
Low: < 50% Mod: 50% to 75% High: > 75%	2012	41.8% 42.6%	41.8%	low	37.1%	low	46.8%	low	38.6%	low	47.7%	low	53.2%	moderate	35.9%	low
	2013	42.9% 44.2%	43.0%	low	39.5%	low	47.9%	low	41.3%	low	49.0%	low	50.8%	moderate	36.8%	low
	2014	43.8% 44.5%	44.6%	low	39.7%	low	49.3%	low	43.3%	low	50.3%	moderate	43.8%	low	44.1%	low
	2015	44.6% 45.3%	44.8%	low	41.2%	low	47.4%	low	42.5%	low	52.6%	moderate	45.6%	low	49.2%	low
	2016	46.1% 46.1%	44.6%	low	42.6%	low	48.3%	low	44.6%	low	54.1%	moderate	47.0%	low	46.9%	low
	2017	46.9% 47.1%	45.3%	low	56.3%	moderate	49.6%	low	44.7%	low	55.1%	moderate	47.9%	low	46.8%	low
Low: < -1% Mod: -15% to -30% High: < -30%	2012	4.8% 2.5%	4.6%	low	-12.4%	moderate	5.2%	low	18.5%	low	-11.9%	moderate	-68.7%	low	4.8%	low
	2013	7.7% 15.8%	2.1%	low	-3.7%	moderate	5.4%	low	1.5%	low	-1.4%	moderate	15.6%	low	16.8%	low
	2014	10.8% 15.8%	21.5%	low	36.0%	low	30.0%	low	70.0%	low	1.2%	low	24.3%	low	22.6%	low
	2015	8.3% 3.0%	23.6%	low	4.2%	low	56.2%	low	4.4%	low	1.9%	low	9.0%	low	4.9%	low
	2016	9.3% 20.4%	18.7%	low	-5.9%	moderate	2.3%	low	41.7%	low	8.9%	low	16.4%	low	8.9%	low
	2017	5.2% 9.0%	21.40%	low	10.30%	low	-1.90%	moderate	57.30%	low	16.50%	low	1%	low	3.80%	low



# FINANCIAL INDICATOR REVIEW

(Based on 2017 Financial Information Return)

Fort Frances T

## NOTES

Financial Information Returns ("FIRs") are a standard set of year-end reports submitted by municipalities to the Province which capture certain financial information. On an annual basis, Ministry staff prepare certain financial indicators for each municipality, based on the information contained in the FIRs. It is important to remember that these financial indicators provide a snapshot at a particular moment in time and should not be considered in isolation, but supported with other relevant information sources. In keeping with our Financial Information Return review process and follow-up, Ministry staff may routinely contact and discuss this information with municipal officials.

### Supplementary Indicators of Sustainability and Flexibility

The following is a summary, adapted from the Chartered Professional Accountants of Canada Statement of Recommended Practice (SORP) 4.

- A government (including a municipality) may choose to report supplementary information on financial condition, to expand on and help explain the government's financial statements.

- Supplementary assessment of a government's financial condition needs to consider the elements of sustainability and flexibility.

- Sustainability in this context may be seen as the degree to which a municipality can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without inappropriately increasing the debt or tax burden relative to the economy within which it operates.

- Sustainability is an important element to include in an assessment of financial condition because it may help to describe a government's ability to manage its financial and service commitments and debt burden. It may also help to describe the impact that the level of debt could have on service provision.

- Flexibility is the degree to which a government can change its debt or tax level on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

- Flexibility provides insights into how a government manages its finances. Increasing taxation or user fees may reduce a municipality's flexibility to respond when adverse circumstances develop if the municipality approaches the limit that citizens and businesses are willing to bear.

A municipality may temporarily use current borrowing, subject to the requirements set out in the Municipal Act to meet expenses and certain other amounts required in the year, until taxes are collected and other revenues are received. Municipal current borrowing cannot be carried over the long term or converted to long term borrowing except in very limited circumstances.

- For each element of financial condition, the report on indicators of financial condition should include municipality-specific indicators and municipality-related indicators. It may be useful to also include economy-wide information when discussing financial condition.

### Additional Notes on what Financial Indicators may indicate:

Total Taxes Receivable less Allowance for Uncollectibles as a % of Total Taxes Levied - How much of the taxes billed are not collected.

Net Financial Assets or Net Debt as % of Own Purpose Taxation, User Fees and Service Charges - How much tax and fee revenue is servicing debt?

Reserves and Reserve Funds as a % of Municipal Expenses - How much money is set aside for future needs / contingencies?

Cash Ratio (Total Cash and Cash Equivalents as a % of Current Liabilities) - Measures the ability of the municipality to meet its current obligations with its current resources on hand.

Debt Servicing Cost as a % of Total Revenues - Indicates the extent to which past borrowing decisions may impact the current budget.

Closing Amortization Balance as a % or Total Cost of Capital Assets (Asset Consumption Ratio) - measures the age of a municipality's physical assets. It measures the extent to which depreciable assets have been consumed by comparing the amount of the assets that have been used up and their historical cost.

Annual Surplus / (Deficit) as a % of Own Purpose Taxation, User Fees and Service Charges (Operating Surplus Ratio) - Indicates the municipality's ability to cover its operational costs and have funds available for other purposes (i.e. reserves, debt repayment, etc.)

The Northern and Rural Municipal Fiscal Circumstances Index (MFCI) is used by the Ministry of Finance to calculate the "Northern and Rural Fiscal Circumstances Grant" aimed at northern as well as single and lower-tier rural municipalities. The index measures a municipality's fiscal circumstances. The MFCI is determined by six indicators: Weighted Assessment per Household, Median Household Income, Average Annual Change in Assessment (New Construction), Employment Rate, Ratio of Working Age to Dependent Population, and Per Cent of Population Above Low-Income Threshold. A lower MFCI corresponds to relatively positive fiscal circumstances, whereas a higher MFCI corresponds to more challenging fiscal circumstances. (Note: the MFCI index is only available for northern and rural municipalities)