



Corporation of the Municipality of Temagami

Memo No.
2020-M-175

Memorandum to Council

Subject: Report from Treasurer/Administrator

Agenda Date: December 10, 2020

Attachments:

RECOMMENDATION

BE IT RESOLVED THAT Council receive the Treasurer/Administrator's report dated November 19, 2020.

INFORMATION

DSSAB Affiliation Update

We are working to schedule the second conversation, being with Timiskaming DSSAB, in January. Again, there are no possibilities to report until we have this conversation and as previously noted, the aim of the discussions is to provide a more inclusive one stop for all of the services, including public health, that are citizens may require.

CENGN Broadband Project

Our understanding is that the technology company presentations have been made. We are hopeful for positive news in the very near future.

Provincial Changes

The Province has, or is in the process of making changes to various regulations that will alter taxation in 2021 and beyond.

The first is reducing high Business Education Tax (BET) rates to 0.88%. Presently, our rates are not high but at the 2020 target of 0.98% and the letter received is silent on what changes may yet come. While it is assumed that the target BET rate would be lower, until the regulation is complete it is not assured.

The Province is also proposing to alter legislation which would allow Municipalities to consider a small business property subclass to the commercial property class. This would allow council to alter the tax ratio for small business separately from what would be classified as commercial. Yet to be established is rules around what is considered small and what flexibility Council would have in establishing rates. Our 2020 tax ratio for the commercial class is 1.194873.

The difficulty with some of the changes put forth from the Province is the timing of them. For example, our 2021 assessment rolls have already been finalized and now the notion of an option tax class with rules yet to be determined is announced by the Province. Especially for the small business tax class, first legislation has to be proposed and passed, then regulations need to be developed and approved, and then municipalities can see what changes would be beneficial, if any. While we will continue to watch for announcements, we may end up being like most municipalities and waiting until 2022 to consider the small business tax class and what the benefits may be to ensure we can implement our tax policy and rates for 2021 on a timely basis.

Respectfully Submitted:
Craig Davidson
Treasurer/Administrator