



Corporation of the Municipality of Temagami

Memo No.
2021-M-024

Memorandum to Council

Subject:	Year End
Agenda Date:	March 4, 2021
Attachments:	Budget Variance, December, Reserve Activity/Balances

RECOMMENDATION

BE IT RESOLVED THAT Council receive Memo 2021-M-024, Year End, for information.

INFORMATION

There are two entries yet to be made. The first is updating the estimate for the closure and post closure costs for our landfill sites. The second is to transfer any surplus funds to reserves as per municipal policy. Attached to this report is the budget variance for 2020 after all but these two entries have been made. Also, the updated reserve activity which assumes, for the moment, that the total surplus from the budget variance will be transferred to reserves.

During 2020 we received unexpected revenues. Among them were the \$60,000 used to offset pandemic response costs (or decreased revenue), \$26,789 additional funds from the MTO for Marten River Fire responses, funding from the Community Foundation Association of \$19,000, \$11,000 for sale of land, \$10,000 more in building permits than what was expected.

We also had some expenses that were lower than expected. During the first six months of the pandemic we had 2.5 FTE go on voluntary layoff for personal reasons, our legal expenses leveled off for this year, our early winter season was (knock on wood) easier than previous years when led to lower overtime and material costs, we did not have as much activity in our training and conferences or in our recreation areas due to the pandemic all leading to operating costs.

Most of our planned capital was completed with the lagoon clean out, the Community Improvement Plan, the Official Plan and the Fire Hall Roof being the notable projects that have been carried forward to 2021. Most of these were to be funded through the use of efficiency funding or through transfer from reserves so these funds are also being carried forward to the 2021 budget.

The one area that is higher than budget is that the allowance for doubtful taxes receivable was increased by \$126,000. This does not write off any tax accounts but sets the expectation that we may not receive them. Work will continue to attempt to collect funds owed by the Province. The auditors have noted that this is an area of concern to them over the past couple of years and we are able to rectify this.

When everything is taken into consideration, we ended up with \$215,883.55 available to be transferred to reserves as per municipal policy subject to any adjustment that may be required when the landfill closure and post closure costs are available for consideration. In addition to this amount, \$84,769.05 was transferred to the water and sewer capital reserve, \$4,966.85 to the grinder pump capital reserve and \$22,090.75 to the Library reserves.

In total, at the end of the year, subject to possible adjustments noted above, our reserves total \$3,814,189.29. Some of these will be used as will be explained during budget deliberations that are presently being scheduled.

Respectfully Submitted:
Craig Davidson
Treasurer/Administrator