

MUNICIPALITY OF TEMAGAMI  
2022 BUDGET COMMENTS

For the first time in many years we are now dealing with an elevated rate of inflation. In the fall when Council provided budget guidance the rate of inflation was tracking around the 4% level. In March, this reached a recent high of 6.7%. There are some actions being taken by the Federal Government and the Bank of Canada to try and reverse this trend but presently the cost of providing services is much higher this year than last.

The 2022 budget has been prepared using the 4% guideline. This is in the hopes that the inflation fighting approach now being taken will work and tempered with the existence of a tax stabilization reserve held by the Municipality which should offset any inflation related deficit in 2022 that may occur if our cost of service does not decrease from present levels. In 2022, the 4% increase in tax revenues equates to a tax rate increase of 3.59%. We have also worked to keep the costs of services such as water, sewer, grinder pump and garbage collection, as close to the line as possible.

Council is still working through the Service Delivery Review and the Waste Management Master Plan. We have just started the second stage of our recreation strategy which will start to implement this plan. This year, we have also been successful in receiving grant approvals for modernization, track improvements and water treatment and system improvements. In total, budgeted grant approvals are \$1,795,240 from the federal government and \$3,545,095 provincially for a total of \$5,340,335. While much of these projects may not be completed in 2022, it is an indication of the work we have ahead of us.

Council did receive a draft budget on May 2, 2022 and asked Staff to request public comments that can be considered prior to Council considering the tax rate and user charge by-laws which, in essence, approve the budget. To facilitate this, please send your comments through [communicate@Temagami.ca](mailto:communicate@Temagami.ca) or through mail/drop box by May 18<sup>th</sup>. While this is a condensed version of the budget that was received by Council, the complete presentation can be found at [www.temagami.ca](http://www.temagami.ca) or by clicking [here](#).

Most often, the first question asked and the last question answered is how will this affect me? To answer this question the rates included in the budget presentation are:

Type	2021	2020	+/-	%
Tax Rate (Residential)	<b>0.824210%</b>	0.795632%	0.028578%	3.59%
Water Rate	<b>\$1,261.08</b>	\$1,221.83	\$39.25	3.21%
Sewer Rate	<b>\$366.50</b>	\$365.05	\$1.45	0.40%
Grinder Rate	<b>\$330.95</b>	\$324.24	\$6.71	2.07%
Collection Rate	<b>\$84.31</b>	\$84.11	\$0.20	0.24%
By Type				
No User Rates				3.59%
All User Rates				2.83%
No Grinder				2.96%

With the assessments between 2021 and 2022 being static, on the tax portion of your tax bill, this budget would increase your tax bill by 3.59%. For the average ratepayer this would equal an increase of \$75. For those properties who also receive services, properties who receive all four services (Village) can expect to see an overall increase of 2.83 of 3% while properties in Temagami North (no grinder pump charge) should expect an increase of 2.96%.

While we still intend to acquire debt at some point, this will not be done until the work on the UV Filtration system in Temagami North, or repairs to the water towers are completed. With the large water improvement grant there is a municipal component and Council will be asked to consider increasing the debt expectation by \$600,000 to spread the municipal share over a number of years. If approved this would take our expected debt to \$2,250,000. While interest rates have recently risen slightly, we are still in a low interest rate period which works to lower the cost of this borrowing.

For the 2022 budget, our proposed capital projects total \$7,133,778. A great deal of this is funded in part by the federal and provincial governments through various programs. Council is also continuing the practice of utilizing reserves for capital purposes. The detail of the capital programming is included in the complete presentation.

We have made strides in isolating and resolving the infiltration of water into our sanitary sewers in Temagami North and should have the three remaining man holes that were identified with the video work completed last year, either replaced or identified. Capacity at our water treatment facilities and at our sewage lagoons is key to future lot development. Finishing this project will provide us with a clear indication of next steps.

The other area of importance for future growth potential is capacity at our waste disposal sites. Last year we started the process for expansion of the Strathy site. This work will continue as well as having a waste audit completed to gain a better understanding of the composition of the waste we receive. This will better inform future planning for our waste sites and transfer stations as well as the development of waste diversion programs.

In our operations, the proposed increase in our budget is basically due to three budgets, which we pay to the District of Nipissing Social Services Administration Board and Au Chateau. These represent payments made that are beyond the control of Council. Without these, our overall operating budget is proposed to be \$149,458 higher than 2021 or an increase of 2.3%. This increase, for the most part, is related to the cost of the 2022 Municipal Election, the operating side of the funded Modernization project and repairs required to the dozer.

There is more information on the capital projects planned, revenues, and operations in the budget presentation found on [www.temagami.ca](http://www.temagami.ca) (click [here](#)). The next page is the budget summary prepared which records totals. This is being offered as a quick reference but you are encouraged to review the full presentation.

If you have comments you would like to share with Members of Council, please submit them by May 18, 2022 through [communicate@Temagami.ca](mailto:communicate@Temagami.ca) or through mail/drop box at the Municipal Office.

Municipality of Temagami					
Budget Summary					
for 2022					
	2021		2022	Budget Increase	
	Budget	Actual	Budget	\$	%
Municipal Taxation	4,019,861	4,027,011	4,179,869	160,008	3.98%
Provincial Grants	1,852,488	1,977,234	3,545,095	1,692,607	91.37%
Federal Grants	79,000	111,748	1,795,240	1,716,240	2172.46%
User Charges	1,023,256	1,007,967	1,043,326	20,070	1.96%
Investment Income	116,000	128,823	116,000	0	0.00%
Debt Acquisition	1,650,000		2,250,000		
Other Revenue	22,000	80,243	19,000	(3,000)	(13.64%)
<b>Total Revenue</b>	<b>8,762,605</b>	<b>7,333,026</b>	<b>12,948,530</b>	<b>4,185,925</b>	<b>47.77%</b>
<b>Operations</b>					
General Government	1,062,500	950,670	1,112,742	50,242	4.73%
Protection	761,220	713,228	761,230	10	0.00%
Public Works	971,772	941,618	1,035,742	63,970	6.58%
Environmental	944,373	834,895	958,466	14,093	1.49%
Health	772,184	791,759	802,912	30,728	3.98%
Social Services	1,357,641	1,357,607	1,438,262	80,621	5.94%
Parks, Recreation and Cultur	400,925	237,169	388,165	(12,760)	(3.18%)
Planning and Development	226,800	193,265	229,975	3,175	1.40%
<b>Total Operations</b>	<b>6,497,415</b>	<b>6,020,211</b>	<b>6,727,494</b>	<b>230,079</b>	<b>3.54%</b>
<b>Capital</b>					
General Government	125,000	45,969	151,628	26,628	21.30%
Protection	48,500	23,889	82,500	34,000	70.10%
Public Works	670,000	557,255	751,000	81,000	12.09%
Environmental	2,261,850	402,445	5,602,650	3,340,800	147.70%
Health	10,600		10,600	0	0.00%
Parks, Recreation and Cultur	20,000	40,720	278,000	258,000	1290.00%
Planning and Development	230,000	130,686	257,400	27,400	11.91%
<b>Total Capital</b>	<b>3,365,950</b>	<b>1,200,964</b>	<b>7,133,778</b>	<b>3,767,828</b>	<b>111.94%</b>
<b>Total Expense</b>	<b>9,863,365</b>	<b>7,221,175</b>	<b>13,861,272</b>	<b>3,997,907</b>	<b>40.53%</b>
<b>Net</b>	<b>(1,100,760)</b>	<b>111,851</b>	<b>(912,742)</b>		
Transfer to/from Reserves	725,260	(111,851)	912,742		
<b>Balance</b>	<b>(375,500)</b>	<b>(0)</b>	<b>0</b>		