



The Corporation of the Town of Tecumseh

Financial Services

To: Mayor and Members of Council

From: Tom Kitsos, Director Financial Services & Chief Financial Officer

Date to Council: January 14, 2025

Report Number: FS-2025-01

Subject: 2023 Year-End Budget Variance Amendment

Recommendations

It is recommended:

That Report FS-2025-01, 2023 Year-End Budget Variance Amendment Report, dated January 14, 2025, showing a tax-supported surplus of \$487,717, an increase of \$53,659 as to what was reported in Council Report FS-2024-09, **be received**;

And that tax-supported surplus transfers be made as follows:

- a) \$415,804 operating fund surplus to Tax Rate Stabilization Reserve to bring this reserve to approximately \$3.4M (target reserve balance is 15% of general levy, which is \$4.3M); and
- b) \$71,913 capital fund surplus be transferred as follows:
 - a. \$50,000 to Tax Rate Stabilization Reserve to be carried forward to 2024 towards 2023 approved Small Equipment purchases not fulfilled at year-end, and
 - b. \$21,913 to Infrastructure Reserve

Background

Financial Services Report FS-2024-09 titled “2023 Year-End Budget Variance” was presented to Council at the Regular Council Meeting of June 25, 2024.

At that time, Administration advised Council that there may be an adjustment, pending final reconciliation of the Town’s 2023 Health Benefits Administrative Services Only (ASO) activity for 2023.

The final reconciliation produced a favourable variance of \$53,659, resulting in an increase to the tax-supported operating fund surplus from \$434,058 as reported in FS-2024-09 to \$487,717.

Comments

Administration recommends increasing the transfer to the Tax Rate Stabilization Reserve as a result of this final reconciliation.

Consultations

None

Financial Implications

Summary of the 2023 amended year-end variance is as follows:

Tax supported services	Amount
Operating surplus	\$487,717

Rate supported services	Amount
Operating surplus - Water	\$210,386
Operating surplus - Wastewater	\$(203,490)
Total Surplus	\$494,613

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input checked="" type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

Communications

Not applicable

Website Social Media News Release Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None