



FOR IMMEDIATE RELEASE
Council brings down \$18.6M operating budget for 2020

(Gander, NL – December 18, 2019)

On Wednesday, December 18th, Finance Chair, Councillor Gina Brown, presented the Town Council of Gander's budget for 2020.

Council's overall operating budget for 2020 has matching revenues and expenditures in the amount of \$18,633,850, an increase of \$1.5 million or 8.8% over the 2019 budget.

To present a balanced budget, Council took several steps to mitigate increasing expenses including energy reductions, staffing level and benefits adjustments, a reduction in grants and contributions, and the decision to increase capital-out-of-revenue purchases to approximately \$1 million, up from \$82,800 in 2019, to save on interest.

Council was unable to achieve budget objectives by further cuts without impacting core services and as a result, will require tax and fee increases of 5%. The residential property mil rate will increase from 6.95 to 7.3, while the water and sewer levy will increase from \$430 to \$450. The commercial/business property mil rate will increase from 6.8 to 7.15. Commercial water tax will be based on a mil rate of 7.15.

"Council was tasked with a challenging budget this year, which required in-depth discussions and debate. This year's tax increase is reflective of the potential 50% increase in the Town's utility bill, and the repayment of loans and additional operating expenses associated with the new Wastewater Treatment Plant. This is the single largest investment Council has ever made in infrastructure and will meet our community's needs for decades to come. The new Wastewater Treatment Plant will be operational in early 2020, at which time Gander will be one of the few communities in the province to be compliant with new federal requirements for wastewater treatment." – **Councillor Gina Brown, Chair of Finance.**

As part of the budget presentation, Councillor Brown announced Council's intentions to proceed with an organizational review.

"With the guidance and assistance of an independent consultant, we will conduct an in-depth review of each service we provide, the resources required, and determine how Council can optimize the delivery of its municipal services." – **Councillor Gina Brown, Chair of Finance.**

Council will invest \$2.6 million, for work valued at \$8.5 million in new major capital projects and

equipment. The remainder of the funding will come from the Provincial and Federal governments. New spending includes improvements to the Steele Community Centre, a Cooper Boulevard traffic plan, and the first phase of Council's investment in a new recreation multiplex and soccer/track and field facilities.

Full documentation of the 2020 operating and capital budgets and the schedule of tax rates and fees for the coming year will be available at the Town Hall and on the Town's website at www.gandercanada.com, beginning on Thursday, December 19th.

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