



FOR IMMEDIATE RELEASE

Council takes strategic measures to balance 2021 budget during uncertain times

(Gander, NL – December 7, 2020) On Monday, December 7th, Finance Chair, Councillor Gina Brown, presented the Town Council of Gander’s budget for 2021.

Council’s operating budget for 2021 has matching revenues and expenditures in the amount of \$18,955,236, an increase of \$321,386 over the 2020 budget. Most new spending can be directly attributed to one-time COVID-19 mitigating initiatives, costing approximately \$125,000, and \$75,000 towards specials events such as the 20th commemoration of 9/11 and preparations for the 2022 NL Winter Games. Other increases include cost of payroll, benefits and debt charges which required funding due to contractual obligations.

Revenue projections have been adjusted to reflect the challenges facing the community, due to COVID-19. Council is expecting \$400,000 less in revenue. Approximately half of this would be due to reduced obligations of the Gander International Airport Authority and NAV Canada, as their tax agreements are based on air traffic. In addition, tax revenues are expected to be lower based on the 2021 property assessment values.

Councillor Brown recognized the struggles residents and business owners have faced during the pandemic. Despite the challenges faced, Council has approved a balanced budget while avoiding any increase to tax rates. It should be noted that the assessed property values did not change equally to all residents and business owners and some will see an increase in taxes while others will see a decrease.

There are obstacles and Council will be anticipating an operating shortfall of \$513,000. This is being managed with one-time measures, including a surplus from 2020 and strategic use of COVID-19 - Safe Restart funding. These funds were provided to municipalities to assist with short-term financial impacts.

“The challenges of 2020 were unprecedented for our community as residents and businesses struggled with normalcy during the pandemic and worries of health, well-being, and economic survival caused extensive hardship. Our Council recognized the need to reduce further financial impact on taxpayers by limiting new expenditures, maintaining much needed services, and ensuring strategic investments for future growth.” – **Councillor Gina Brown, Chair of Finance**

As part of the budget presentation, Councillor Brown announced Council’s renewed commitment to recreation and growing the economy. Council will contribute \$2.2M towards a new \$6.6M

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soccer/track and field facility, with the remaining \$4.4M provided by the federal and provincial governments. It is also notable that Council continues to provide grants to community partners, including a \$30,000 contribution to complete the seniors and family play area adjacent to the tennis courts.

One of Council's priorities for 2021 will be adopting a formal debt management strategy. The goal is to reduce the impacts of long-term debt, while maintaining a high service standard. This includes a targeted investment to foster growth and satisfy the demand for commercial land. Council will be investing \$1.2M in the first phase of an expansion of the Gander Business Park.

"Over the past number of years, Council's focus has been on water, sewer and road upgrades including the new Wastewater Treatment Plant. To achieve this, meant forgoing other much needed investments. We are pleased to now be in a position to focus on community recreation, tourism recreation and growing our economy. Our community will continue to move forward as a progressive community, and regional service center, with quality infrastructure."

– ***Councillor Gina Brown, Chair of Finance***

The budget presentation and schedule of tax rates and fees are now available at www.gandercanada.com/2021budget and will be available at the Town Hall as of December 8, 2020.

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