



**Special Public Meeting of Council #1
December 20, 2022, at 5:30 pm**

MINUTES

PRESENT:

**Mayor Gary Goobie
Deputy Mayor Woodford
Councillor Curtis Buckle
Councillor Laura Crawley
Councillor Bruce King
Councillor Sadie King
Councillor Steve Winsor**

**Gary Corbett, CAO
Steve Martin, Recreation
Marie Searle, Finance**

Presentation of the 2023 Budget by Councillor Crawley

a. Budget 2023

S22-01-145

Crawley/Woodford

BE IT RESOLVED that the Town of Holyrood, in accordance with the Municipalities Act Section 75-79, adopt the 2023 Budget with operating revenues and expenditures totaling \$4,434,502.90

Crawley

It was a difficult process, we looked at various ways of doing this budget. We need some source of revenue to do the work of the town. We did not want to raise taxes, but this is the only sensible source of revenue to support everything we have been doing.

Goobie

Thank you to my Council colleagues and staff for your sincere opinions, input, and advice as part of this deliberation process.

I will keep my comments brief, as I don't need to reiterate Councillor Crawley's budget speech, which was well explained and articulated. I will concentrate my message on a little broader in scope.

Over the past few days, I've been giving much thought on how to respond to the proposed budget, so I felt the best approach was to be direct, forthright and to the point.

This is my 23rd Town of Holyrood budget in which I was part of, and I can honestly say was the most challenging and difficult and I dealt with many challenging budgets during all those years.

We all recognize that much has changed within our economy over the past year, which nobody could predict would creep upon us so fast and severe. High inflation rates, rising interest rates, and soaring prices on gas, food, and home heating fuel.

Clearly, it became a perfect storm, which is having a negative financial impact on seniors, low-income families, single parents and families with mortgages. Beyond any doubt, we are all going through strenuous times. We were all sensitive and recognized this during the budgetary process.

As a Town, we are also not immune to this financial impact, resulting in our expenditures increasing considerably as well.

With that said, despite the uncertainty of how the Provincial and Federal economy will unfold in the future, we, as a Council have a responsibility to provide our residents with safe, reliable and effective services as we weather this fiscal storm.

This is not a time to make popular political decisions, but responsible decisions that have to be made during these financially difficult times. Failure to do that, will actually be irresponsible on our part, and could possibly jeopardize the essential level of services in which residents expect.

During the budget process, each department committee went through their budgets line by line to shave and cut where we possibly could. Despite that exhaustive effort, we still fell short, simply because of rising prices on the cost of maintaining and improving essential infrastructure and services. It's the reality we're facing during these unprecedented times, which most municipalities across the province are also enduring.

I think it's important to note, that since becoming Mayor back in 2009, 13 years ago, we never increased the mil rate on residential or businesses. In fact, in 2013, we actually decreased the mil rate by 1 full mil to help offset the higher assessments which were conducted by the Municipal Assessment Agency, a mandatory requirement for municipalities. Many towns across the Province only reduced the rate by .25 to .5. Again, we reduced it by 1 full mil.

With all that said, again, our Council sincerely understands and recognizes the financial challenges everyone is enduring during these difficult financial times and after a long and exhaustive budget process, we feel a moderate adjustment in taxes right across the

board is the fairest way to allow our town to function in a manner which residents expect. Again, due to these unprecedented times, I think our budget takes a balance approach and is applied as fair as possible.

Woodford

Congratulations to Councillor Crawley on delivering such a difficult budget tonight, I know that wasn't easy to do.

I understand some residents may have some issues and concerns with the budget, but it's really never a good time to raise taxes unfortunately.

There are many reasons why we need an increase at this time, this Council needs to address the aging infrastructure in this town, the requirement for the consistent water supply the, the challenges of climate change and extreme weather patterns, the increase in Fire and Public Safety requirements, the maintenance on our roads, the continued recreational services and programs for all residents, young and old.

Our budget represents the absolute necessities- there are no bells and whistles in this budget, it reflects our back to basics. We want to make sure our basic services are available and functioning properly while also ensuring the growth and development of the town.

Council and staff have discussed, debated, scrutinized the figures presented from each department and no we have not all agreed on items and we do have some reservations, however, I do support this budget as I feel that the information presented for discussion and debate, the reports from directors, the presentations and the review of all the documentation, has led me to the decision that this is our only way forward.

Since I joined Council in 2021, I can honestly say there has never been a moment when town staff and Council has not put the public interest first and foremost, it has been the driving factor for every decision made. The past year has been extremely busy and difficult and we have done a lot of work, we've worked together to develop a more efficient, effective, transparent and informative process of governance.

Personally, I continue to grow and learn from my interactions on committees with Directors, the CAO, Mayor and fellow Councillors. While we may disagree on some points, I honestly believe we are all

working towards the same goal of supporting our municipality and its operations while ensuring the public and municipalities well-being and interests are maintained.

B. King

Are there good things in this budget? Absolutely. Council and Staff have spent a lot of time, put in a lot of effort and had some very frank discussions, right up until a couple hours ago.

Everybody had their say, and we are not always going to agree. When this budget is tabled tonight, regardless of the outcome, we will move forward and work together as a group in the best interest of the town.

Is there a good time to raise taxes, most people would say no. Is there a bad time to raise taxes, I would say yes. I firmly believe 2023 is a bad time to raise taxes and here are some of my personal reasons.

First of all, COVID is still alive and well- people are still being affected, the economy is still being affected, I can vouch for being one of them. I managed to survive for 2.5 years and got it about a month ago.

Secondly, comments on social media. If we think back to December 7 with regards to staff at the Free Little Pantry, who have said if you fill these pantries up every single day, people would be down there every single day. People are even calling because they want to know when the pantry will be stocked up, I see these people as there is one near my home. People that are most affected and using food banks, are seniors and we have quite a few seniors in Holyrood. Single Parent and low-income families- these groups are regular users of the food bank and free little pantry.

I'll refer to VOCM question of the day- there is a prediction in 2023 the cost of groceries will go up 7%. You just don't live on groceries, you have to buy gas, pay for insurance. Interest rates are climbing, and it is predicted that they will go up again in 2023. Unless you have a fixed mortgage, changes are you will be paying a lot more for your mortgage.

Carbon tax will be brought in on Canada Day that will have a negative effect on everybody that breaths oxygen. Those already receiving the Guaranteed Income Supplement are also using the food banks. There was a story on NTV on December 18 and there was a lady there from

Bridges of Hope, who said two income families are going to the food bank.

Tax-Free Day is explained as this: if you take every cent that you make on January 1 and you pay your federal, provincial and municipal taxes, you will have to go until June 22 before you put any money in your pocket. The prediction is 50% of what you make will go to taxes. Right now, the average family in Newfoundland will pay approximately 46% in income tax. If you have two people in a family making \$110,502, you will pay an estimate of \$51,865. This information is from the Fraser Institute.

We need to change the focus to asking taxpayers for the money that we need, and not the money that we want. Council and Town Staff must share the burden, along with residents. If we are going to ask them to pay more, we should take less and lead by example.

Hopefully when the Operational review starts in the New Year, residents will get out and make their voices heard and if you have something to say during consultations, I encourage all residents to participate and become more involved. It's unfortunate that there is only one person in this room tonight.

Our expectations have to be in line with our population and our tax base, these include residents and Council. We are a town of 2,500 people. We have to live within our means.

And because of these reasons that I have stated, I cannot support the 2023 budget with the proposed taxes on the residence.

Buckle

Thank you, Councillor Crawley, for delivering the budget speech. Budget was well put together and shows our residents how much work we put into it coming up with a budget. There were many meetings, we looked at everything we needed, things that we didn't need right now and cut those, we worked with directors and went through line by line items. There was a lot of time and effort that went into it and staff put in a lot of work behind the scenes. We had to make some decisions and there were things we took out that we would like to have but we didn't really need in this budget. The rising cost of fuel impacts all departments. We are going to put some money into our water system, we are fortunate to have government funding to do some of these big projects. We are building our recreation in the town. We had four festivals last year. All those festivals and activities mean a lot of work behind the scenes. We have a great

recreation and public works department. We have to upgrade some snow clearing equipment. We have lots of work being done in public works. It's a hard time financially, but we have to run the day-to-day operations of the town. We had to do what was right to run the town.

S. King

I will support the budget, but I have a lot of reservations about this budget.

Even though we have increased our mil rate by 0.5 and have increased fees, it's not going to cover our expenses in 2023. We all know times are difficult and some people are finding it hard to make ends meet as food, gas, heating costs, etc. have gone through the roof. We have to realize as cost increases for us, it also increases for this town.

For the past few years, we have been operating on a shoestring budget and it will be no different this year even with an increase in taxes. We still try to give our residents the best possible services but we do not know what emergencies can come up- water leaks, flooding, blocked culverts, ditching and we need to be prepared for these and I'm wondering if we are going to be prepared.

Our water and sewer system has been in the ground over 50 years and we can expect problems. We need to start replacing infrastructure in parts of the town and be proactive instead of reactive.

In this budget, we will continue to provide a safe and reliable water source. We have put money into a new truck and plow for snow clearing, that is a necessity.

With regard to other departments, they will have funding that we hope will be sufficient to meet their needs. Thanks to staff and fellow Councillors who worked so hard in preparing this balanced budget. My only hope is that it will get us through 2023 without a major shortfall.

Winsor

Everyone here tonight made some good points. This was a very challenging budgetary process and I want to thank Councillor Crawley for delivering that. Staff did a good job in providing us the information when we asked questions and challenged line items.

The timing is absolutely terrible and I have reservations about the

budget as well. But it's been a long time since taxes were increased, some 7 years. It was noted by others that in the past, taxes were actually higher. We look at other towns and benchmark against that.

Councillor B. King made some excellent points on an overall level of taxation that we all experience, provincially and federally.

Along with my colleague Councillor King, at Infrastructure and Public Works, we reviewed line by line items with the director. Every item was exceeded in our budget last year- fuel, paint, wood, tires, brakes, pipes, valves, etc. We challenged the need to have things. I'm a nuts and bolts type of person- basic services like water and sewer, and roads.

Infrastructure & Public Works consumes the largest percentage of the budget- all of which is necessary. There is a certain level of expectation of service in the town and we are trying to live up to those expectations but maybe we need to manage those expectations both externally and internally.

In our ongoing committee work, we all need to exercise cost discipline.

Councillor B. King notes an important piece of work starting in January which is the operational organizational review and strategic planning process. I think it's very important that everyone gets involved in that so we can hear what you want, need and what we must have, what you can't have, what we continue doing and what we need to stop doing. We also have to be respectful that there are existing agreements and contracts in place and we need to navigate that in the right way.

I will support the budget, but I do have reservations. We did not agree on all line items and we probably never will and that's okay but we do it in a respectful way with debate and some give and take. The important thing is that we tried to strike the right balance by spreading the load in the most equitable manner we thought possible given the trying circumstances and commit to find opportunities for savings and continue to improve.

Merry Christmas to everyone.

In Favor- 6
Goobie
Woodford

Buckle
Crawley
S. King
Winsor
Opposed- 1
B. King
Abstained- 0
Motion Carried

b. **S22-01-146**

Crawley/S. King

BE IT RESOLVED that the Town of Holyrood, in accordance with the Municipalities Act Section 75-79, adopt the attached 2023 Schedule of Taxes, Rates and Fees, to take effect January 1, 2023

In Favor- 6
Goobie
Woodford
Buckle
Crawley
S. King
Winsor
Opposed- 1
B. King
Abstained- 0
Motion Carried

2. DATE OF NEXT MEETING

January 17, 2023 at 5:30 pm

3. ADJOURNMENT

S22-01-147

Buckle/Woodford

BE IT RESOLVED that this meeting now adjourn.

In Favor- 7

Goobie
Woodford
Buckle
Crawley
B. King
S. King
Winsor
Opposed- 0
Abstained- 0
Motion Carried

Mayor

CAO

Minutes taken by CT