

Council agrees to keep tax increase to a minimum in 2021

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Staff at the Town of Caledon brought forward talks on the Town's 2021 budget on Tuesday (Sept. 22), which included a proposed three percent tax increase for local taxpayers.

Due to high budget pressures, staff felt it necessary for the tax increase, and presented the decision to council late on during Tuesday's meeting.

Council moved the timeline for the 2021 budget process to January or February to be able to better assess the economic effects the pandemic will have. Approved budgets are usually completed in December.

Ward 5 Regional Coun. Annette Groves shared her concerns for local businesses who have felt the pressure financially due to the pandemic, and how the tax increase would further impact them.

"I know that speaking to many of the businesses here in Bolton, I can tell you restaurants, retailers, they're all struggling. They were struggling before this, but the pandemic has caused them even more stress," she remarked. "I just have some difficulties here with even looking at an increase."

This proposed change is being seen as a starting point for staff to create a "reasonable, and workable" budget for Council come discussion time.

Agreeing with Coun. Groves, Ward 5 Area Coun. Tony Rosa shared similar remarks about the budget increase, stating that, in his belief, Council would be moving in the wrong direction by considering a tax increase, saying he would be more in favour of the municipality towing the line this year.

"Rather than supporting a target of three percent, maybe we should be looking the other way and say our target should be zero per cent. Then if we have to increase that because we have priorities that we have to meet, then we could look at that," Coun. Rosa said.

A recent staff report states that the preliminary target projection for the Town's 2021 Tax Funded Capital Program currently sits at \$36 million annually and will continue to be refined.

Heather Hare, Treasurer for the Town explained to Council that the municipality has yet to resort to using the Town's reserves, but that could possibly change as the pandemic continues.

"Obviously, there's a second wave coming. We are going to do an updated year forecast and bring that report to Council in November to show where we're at, at the end of the year," she said.

Almost all of Council agreed that three percent was too big an increase during these difficult times, and committed to trying to decrease that percentage to a more reasonable amount come budget discussion time.

"I do believe we have a responsibility. I'm willing to move that to two percent or aim for lower," said Mayor Allan Thompson. "We're going to have support our community in some way."

He added, "If we have to have a bit of an increase, fine. But maybe on the other hand, we help the people out with tax benefits to allow people to be able to move forward, because we're not out of this yet."

Council made a formal decision to have staff work to lower the proposed three percent tax increase down to two percent. With the COVID-19 pandemic continuing, and budget discussions pushed off until the new year, that decision could, and likely will change.

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