

**Town of Labrador City  
2019 Operating and Capital Budget**

**Presented by:  
Deputy Mayor Fabian Benoit, Chair  
Finance and Administration Committee**

**December 11, 2018**

Mayor Button, Council, Staff and Special Guests, on behalf of the Finance and Administration Committee, it is an honor to present our 2019 Operating and Capital Budget for the Town of Labrador City.

As required under the Municipalities Act, this is a balanced budget of \$24,497,103 comprised of \$17.56 mil in operations and \$6.94 mil in capital expenditures. The 2019 budget represents a slight decrease of \$99,000 from the 2018 budget.

The 2019 budget, as always, will target the core responsibilities that enhance the quality of life for our residents such as: snow clearing, fire protection, safe drinking water, sewer, waste management, street paving, and recreational facilities.

Mayor Button, we believe our budget reflects that we have listened to our residents and are providing for their needs.

**Revenue**

For 2019, the Commercial Property Tax, Business Tax and Water/Sewer rates will remain the same as 2018.

The Residential Property Tax mil rate for 2019 will be set at 5.3 mils. As 2019 is a revaluation year through the Municipal Assessment Agency, residential properties saw a decrease of 27% in assessed values. Provincial sustainability standards require all municipalities to maintain the same level of taxation per capita as in 2015. In order to meet this requirement, we are obligated to increase the mil rate in order to offset the decrease in assessments.

The low-income threshold eligibility will be increased based on the CPI index as follows: for the 90% rebate from \$29,962 and dependent at \$5,958 to \$30,801 and dependent at \$6,125. Eligibility for the 50% rebate has increased from \$34,790 to \$35,764.

The Council of Labrador City would like to thank the Iron Ore Company of Canada for their continued support with their grant in lieu of tax agreement in the amount of \$8,236,609.

Your Worship, through the generous contribution of the Iron Ore Company of Canada, the residents of Labrador City continue to enjoy one of the lowest property tax mil rates within the Province.

In addition, we would like to thank the Provincial Government, Minister of Municipal Affairs for changes to the Municipal Assessment Act which will see properties assessed every year instead of every three years. This change will allow for a more accurate and current assessment which will lead to less drastic changes due to the fluctuation of the mining industry.

For 2019, municipal fees, including permits, recreation user fees, equipment rentals, emergency response fees etc. will remain unchanged. Copies of Schedules A to E are attached for your information.

### **Expenditures**

In 2019, Council is committed to continuing our windrow snow clearing program for seniors and those with disabilities, along with our grant program for barrier-free/accessible infrastructure upgrades to commercial properties.

We will also continue our speed bump program and will be adding more speed bumps to strategic areas in our community.

As a new initiative for the seniors in our area, we are pleased to announce that we have allotted \$30,000 to develop a Senior's Taxi Program. Our intention is to roll out this initiative in the spring of 2019.

Mayor Button, we would also like to take this opportunity to express our appreciation for the dedication and hard work of our Volunteer Fire Brigade. Our annual honorarium to our volunteers has been set at \$1,000 for over 25 years. In 2019, we commit to increase that amount to \$1,800 and in 2020, we will see an additional increase to \$2,600.

We are also pleased to announce the addition of one full-time unionized position to be allocated in the Recreation Department. Our employees under USW Local 6185 are vitally important to Council. On a personal note, as a proud member of USW, I would like to thank Council for supporting this new position.

We look forward to strengthening our relationship with our union as we negotiate a new collective bargaining agreement this upcoming year.

### **Wellness**

Your Worship, Council has always strived to maintain financial support to community volunteer groups, leisure groups, and sports organizations. We recognize that our volunteers are at the very heart of our community. The Committee recommends continuing the support to service clubs, sports and leisure groups, and charitable organizations at the same budgeted level as 2018.

In partnership with the Town of Wabush and IOC, the Town of Labrador City will continue the community black fly and mosquito control programs. This quality of life program for the region allows residents to enjoy the summer months outdoors.

## **Capital Programs**

Capital projects for 2019 will include some of the following items:

- An investment of \$40,000 into walking trail development;
- Accessibility upgrades to the Carol Curling Club in the amount of \$65,000;
- \$70,000 for indoor playground equipment – we would like to thank Canadian Tire for their \$20,000 contribution towards this worthwhile project;
- \$190,000 in infrastructure upgrades – including a new pump for our drinking water system, scoreboard for the Arena, LED lighting upgrades to the Arena, and knee wall installation in our sand garage;
- Community safety upgrades will include AED machines for our outdoor recreation areas, and a portacount fit testing machine to ensure proper protection for our employees and volunteer firefighters;
- \$75,000 for new vehicles to replace our aging fleet.

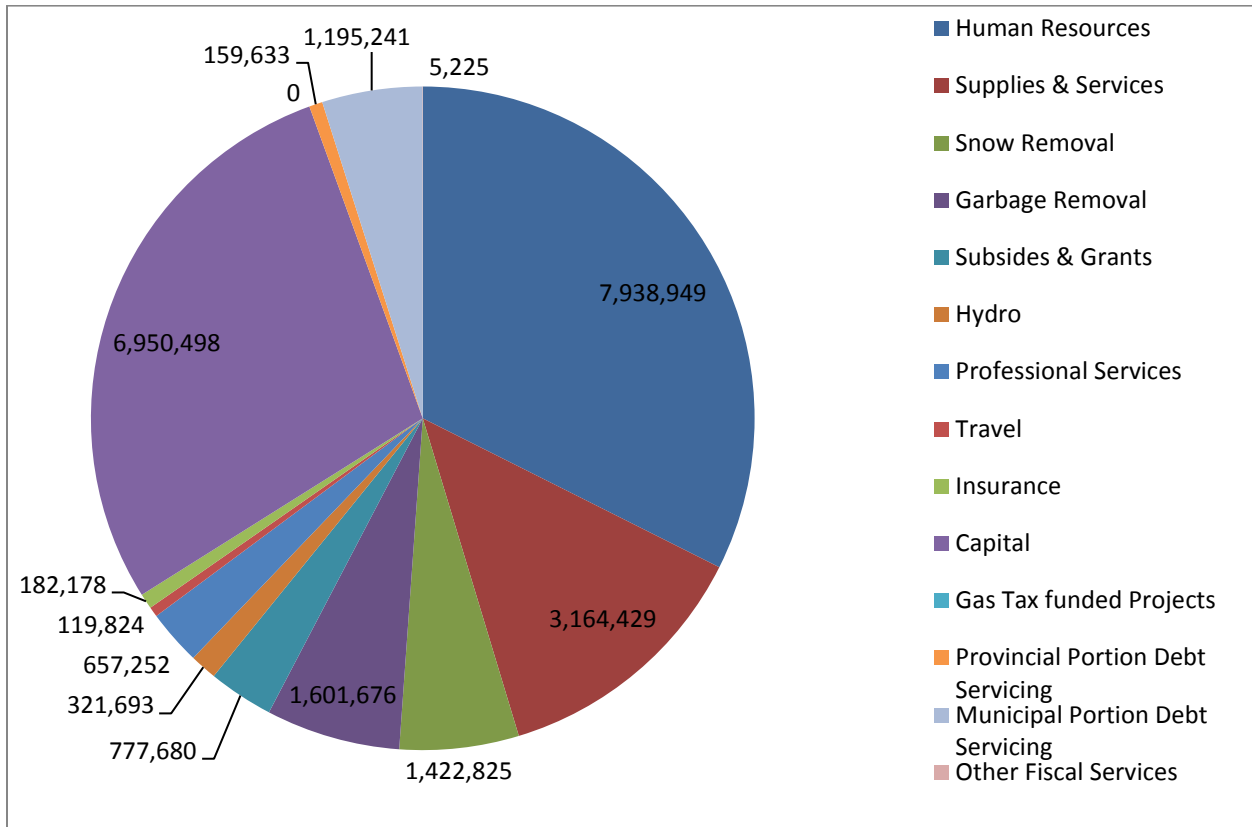
Council will also be looking for Ministerial approval to finance through long term loans, additional street reconstruction in the community along with upgrades to the municipal depot infrastructure, in the amount of approximately 1.8 mil.

I will now respectfully announce that the final portion of this budget speech will be present by Mayor Button.

Respectfully Submitted:

Deputy Mayor Benoit, Chair  
Finance and Administration Committee

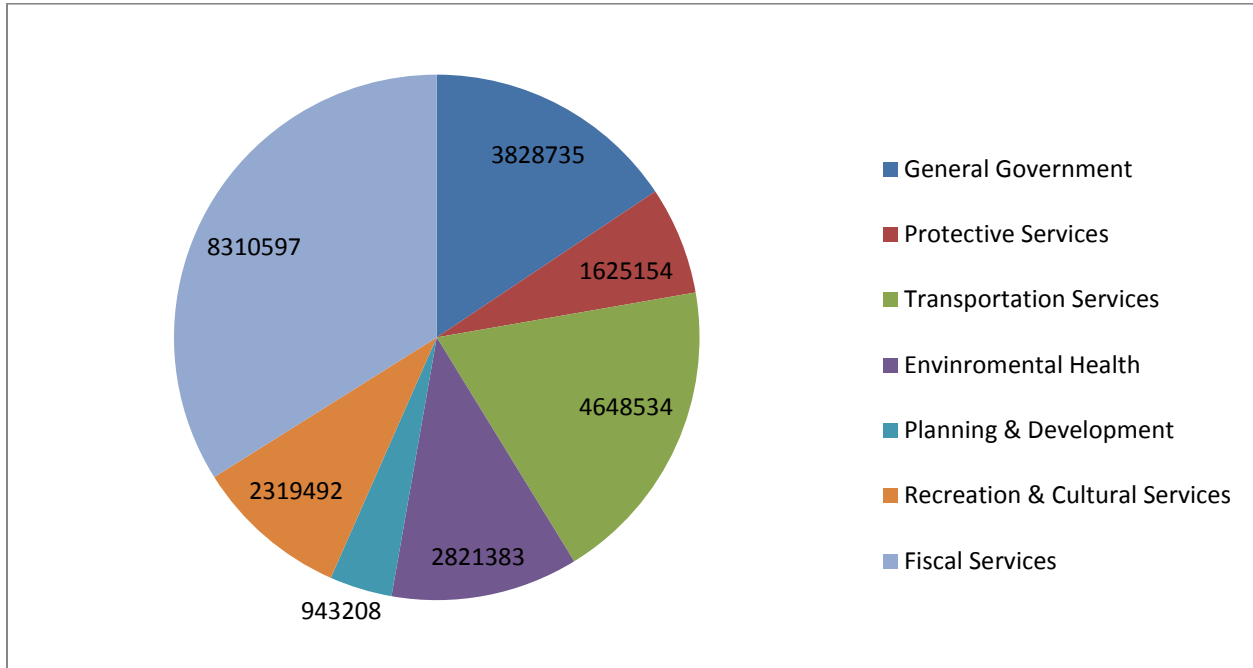
## Town of Labrador City 2019 Expenditures by Cost Element



	<b>Operating &amp; Capital</b>	
Human Resources	7,938,949	32%
Supplies & Services	3,164,429	13%
Snow Removal	1,422,825	6%
Garbage Removal	1,601,676	7%
Subsides & Grants	777,680	3%
Hydro	321,693	1%
Professional Services	657,252	3%
Travel	119,824	.5%
Insurance	182,178	1%
Capital	6,950,498	28%
Gas Tax Funded Projects	0	0%
Provincial Portion Debt Servicing	159,633	.5%
Municipal Portion Debt Servicing	1,195,241	5%
Other Fiscal Services	5,225	0%
	<b>\$24,497,103</b>	<b>100%</b>

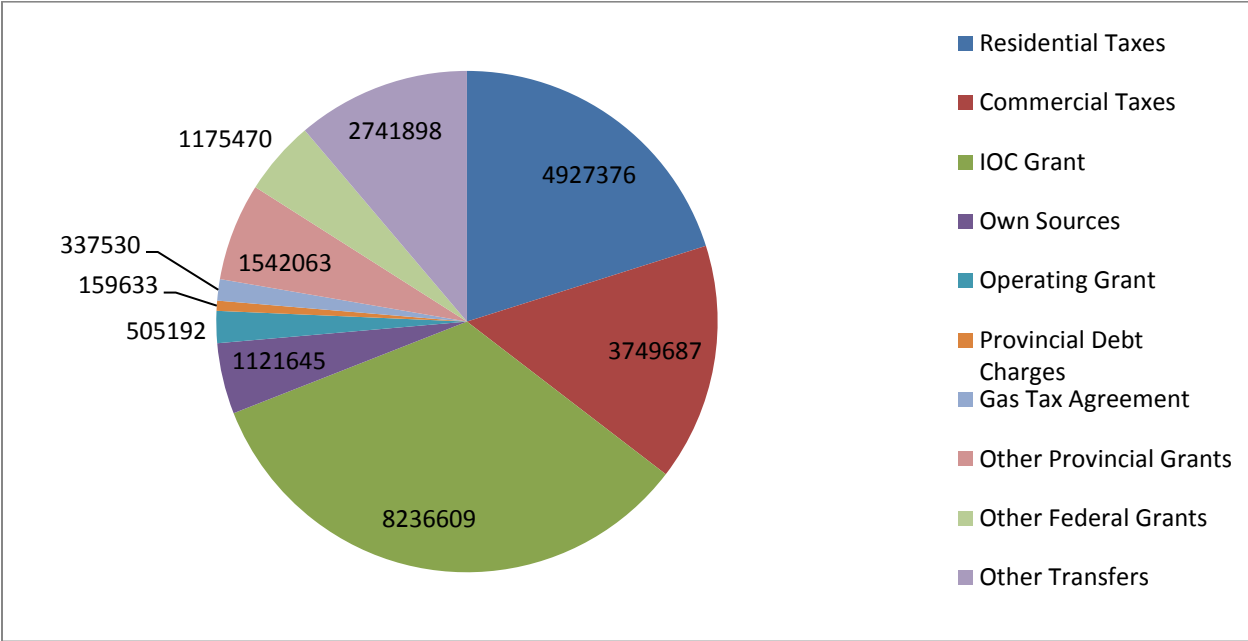
	<b>Operating</b>	
	7,938,949	45%
	3,164,429	18%
	1,422,825	8%
	1,601,676	9%
	777,680	4%
	321,693	2%
	657,252	4%
	119,824	1%
	182,178	1%
	159,633	1%
	1,195,241	7%
	5,225	0%
	<b>\$17,546,605</b>	<b>100%</b>

## Town of Labrador City 2019 Expenditure by Department



1.0 General Government	3,828,735	16%
2.0 Protective Services	1,625,154	7%
3.0 Transportation	4,648,534	19%
4.0 Environmental Health	2,821,383	12%
5.0 Planning & Development	943,208	4%
6.0 Recreation & Cultural Services	2,319,492	9%
7.0 Fiscal Services	8,310,597	34%
<b>Total:</b>	<b>\$24,497,103</b>	<b>100%</b>

## Town of Labrador City 2019 Revenue by Category



	<u>All Sources incl. Transfers</u>		<u>Local Revenue</u>	
Residential Taxes	4,927,376	20%	4,927,376	27%
Commercial Taxes	3,749,687	15%	3,749,687	21%
IOC Grant	8,236,609	34%	8,236,609	46%
Own Sources	1,121,645	5%	1,121,645	6%
Operating Grant	505,192	2%		0%
Provincial Debt Charges	159,633	1%		0%
Gas Tax Agreement	337,530	1%		0%
Other Provincial Grants	1,542,063	6%		0%
Other Federal Grants	1,175,470	5%		0%
Other Transfers	2,741,898	11%		0%
	<b>\$24,497,103</b>	<b>100%</b>	<b>\$18,035,317</b>	<b>100%</b>