

**Town of Labrador City  
2020 Operating and Capital Budget**

**Presented by:  
Councillor Nick McGrath, Chair  
Finance and Administration Committee**

**December 10, 2019**

Mayor Benoit, Council, Staff and Special Guests, on behalf of the Finance and Administration Committee, it is an honor to present our 2020 Operating and Capital Budget for the Town of Labrador City.

As required under the Municipalities Act, this is a balanced budget of \$24,866,148 comprised of \$17.64 million in operations and \$7.22 million in capital expenditures. The 2020 budget represents an increase of \$369,045 from the 2019 budget.

The 2020 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 Benoit, we believe our budget reflects that we have listened to our residents and are providing for their needs.

**Revenue**

For 2020, the Residential Property Tax, Commercial Property Tax, and Business Tax rates will remain the same as 2019.

In an effort to balance the budget, it is necessary to increase the Water & Sewer Tax for Residential and Commercial as follows:

- Flat rate will increase by \$60 per year; going from \$400 to \$460
- Metered Rate for Industrial will increase by 35 cents per 1,000 gallons; going from \$2.30 to \$2.65
- Metered Rate for Commercial and Institutional will increase by 23 cents per 1,000 gallons; going from \$1.54 to \$1.77

Even with this increase, we maintain a reasonable rate in comparison to other parts of the province that are as high as \$600 or more.

The low-income threshold eligibility will be increased based on the CPI index as follows: for the 90% rebate from \$30,801 and dependent at \$6,125 to \$31,386 and dependent at \$6,241. Eligibility for the 50% rebate has increased from \$35,763 to \$36,442.

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 \$8,518,780.

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.

For 2020, violations of the Animal Regulations will be subject to a fee of \$125 per offence. All other 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 2020, 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.

Mayor Benoit, we would also like to take this opportunity to express our appreciation for the dedication and hard work of our Volunteer Fire Brigade. The annual honorarium to our volunteers has been increased to \$2,600 per year.

We are also pleased to announce the addition of one part-time position in the Planning Department that will be dedicated to dealing with enforcement issues within our community during the summer months.

### **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 2019.

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 2020 will include some of the following items:

- An investment of \$100,000 into walking trail development;
- Accessibility upgrades to the Carol Curling Club in the amount of \$80,000;
- \$50,000 for equipment surfacing at the Centennial Playground for inclusive playground equipment;
- \$50,000 to complete the purchase of a Community Accessible Transportation Vehicle;
- A digital repeater will be purchased in the amount of \$90,000;

- \$250,000 in infrastructure upgrades which includes sand garage roof coating and sprinkler system repairs for the Arena, Curling Club and Town Hall;
- \$160,000 for new vehicles to replace our aging fleet.

Upgrades will be done on the Drake Waste Water Treatment Plant starting in 2020 to ensure our plant is compliant with new federal regulations. This project will cost \$3.6 million and is cost shared with federal, provincial and municipal funding.

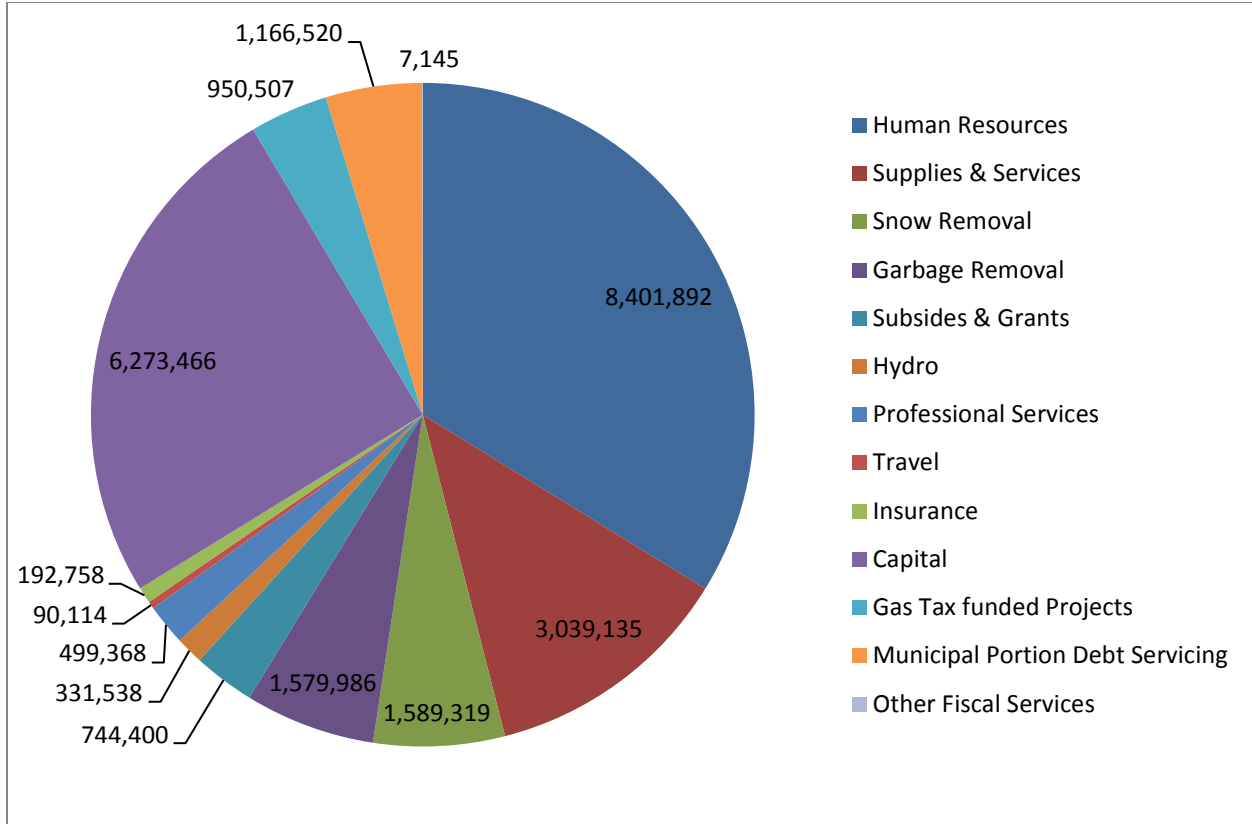
Council will also be looking for Ministerial approval to finance through long term loans, additional street reconstruction in the community along with walking trails lighting, in the amount of approximately \$1.2 million.

This budget allows for the continuation of exemplary services our residents have become accustomed to.

Respectfully Submitted:

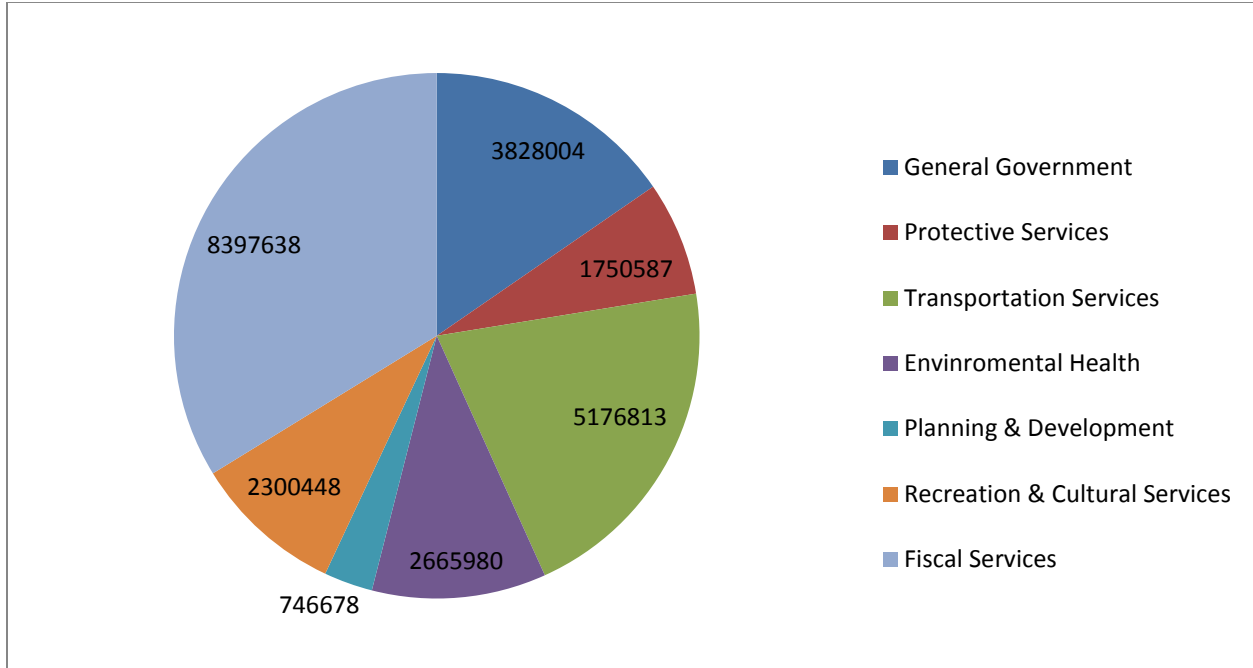
Councillor Nick McGrath, Chair  
Finance and Administration Committee

## Town of Labrador City 2020 Expenditures by Cost Element



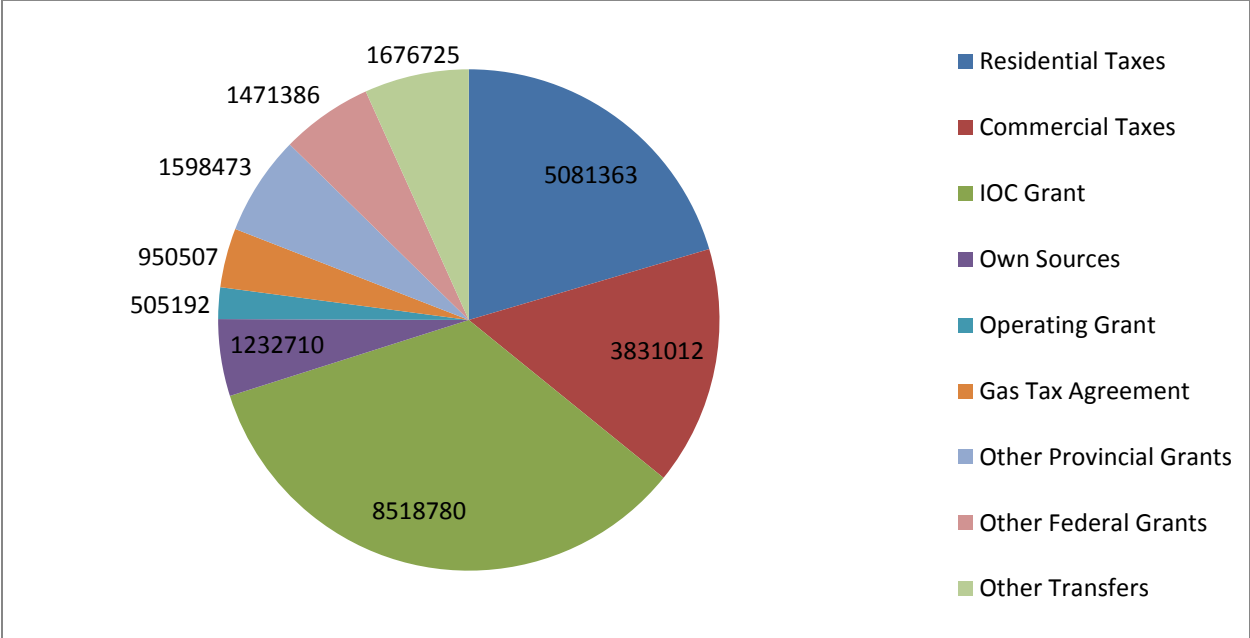
	Operating & Capital		Operating	
Human Resources	8,401,892	34%	8,401,892	48%
Supplies & Services	3,039,135	12%	3,039,135	17%
Snow Removal	1,589,319	6%	1,589,319	9%
Garbage Removal	1,579,986	6%	1,579,986	9%
Subsides & Grants	744,400	3%	744,400	4%
Hydro	331,538	1%	331,538	2%
Professional Services	499,368	2%	499,368	3%
Travel	90,144	0.5%	90,144	0%
Insurance	192,758	1%	192,758	1%
Capital	6,273,466	25%		
Gas Tax Funded Projects	950,507	4%		
Municipal Portion Debt Servicing	1,166,520	5%	1,166,520	7%
Other Fiscal Services	7,145	0.5%	7,145	0%
	\$24,866,148	100%	\$17,642,175	100%

## Town of Labrador City 2020 Expenditure by Department



1.0 General Government	3,828,004	15%
2.0 Protective Services	1,750,587	7%
3.0 Transportation	5,176,813	21%
4.0 Environmental Health	2,665,980	11%
5.0 Planning & Development	746,678	3%
6.0 Recreation & Cultural Services	2,300,448	9%
7.0 Fiscal Services	8,397,638	34%
<b>Total:</b>	<b>\$24,866,148</b>	<b>100%</b>

**Town of Labrador City  
2020 Revenue by Category**



	<u>All Sources incl. Transfers</u>		<u>Local Revenue</u>	
Residential Taxes	5,081,363	21%	5,081,363	27%
Commercial Taxes	3,831,012	15%	3,831,012	20%
IOC Grant	8,518,780	34%	8,518,780	46%
Own Sources	1,232,710	5%	1,232,710	7%
Operating Grant	505,192	2%		0%
Gas Tax Agreement	950,507	4%		0%
Other Provincial Grants	1,598,473	6%		0%
Other Federal Grants	1,471,386	6%		0%
Other Transfers	1,676,725	7%		0%
	<u>\$24,866,148</u>	<u>100%</u>	<u>\$18,663,865</u>	<u>100%</u>