

**Town of Labrador City
2021 Operating and Capital Budget**

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

December 8, 2020

Mayor Benoit, Council, Staff and Special Guests, on behalf of the Finance and Administration Committee, it is an honor to present our 2021 Operating and Capital Budget for the Town of Labrador City.

As required under the Municipalities Act, this is a balanced budget of \$25,966,370 comprised of \$18 million in operations and \$8 million in capital expenditures.

The 2021 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 2021, the Residential Property Tax, Commercial Property Tax, Business Tax, and Water & Sewer rates will remain the same as 2020. The minimum bill for No Fixed Place of Business tax will increase from \$300 per year to \$2,500 per year.

The low-income threshold eligibility for property tax rebates will be increased based on the CPI index as follows: for the 90% rebate from \$31,386 and dependent at \$6,241 to \$31,417 and dependent at \$6,247. Eligibility for the 50% rebate has increased from \$36,442 to \$36,478.

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 that was recently renewed for another ten years. This year's commitment is \$8,520,901 with an additional \$1,000,000 infrastructure grant.

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 2021, some permit fees have been increased and noise regulation fees have been implemented. All other municipal fees, including equipment rentals, emergency response fees etc. will remain unchanged. Copies of Schedules A to E are attached for your information.

Expenditures

In 2021, 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 will remain at \$2,600 per year.

We are also pleased to announce our commitment to participate in 1st year apprentice programs for engineering, electrical and mechanical fields.

We have allocated \$40,000 towards promotion of our community and funds have been dedicated for the operation of the Accessible Vehicle which will be ready in the spring.

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 2020.

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.

The Town of Labrador City will also continue to invest in their partnership with IOC, Tacora and the Town of Wabush to provide quality recreational services to the residents of Labrador West.

Capital Programs

Capital projects for 2021 will include some of the following items:

- An investment of \$138,000 into walking trail development;
- \$225,000 for a new loader;
- \$90,000 for lawn sweepers;
- \$100,000 to install concrete pad and accessible playground equipment;
- A thermal imaging camera will be purchased for the Fire Department in the amount of \$30,000;
- \$200,000 in infrastructure upgrades which includes a wheelchair ramp at the Curling Club and exterior painting of the Arena;
- \$100,000 for new vehicles to replace our aging fleet.

Upgrades will be done on the Drake Waste Water Treatment Plant starting in 2021 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.

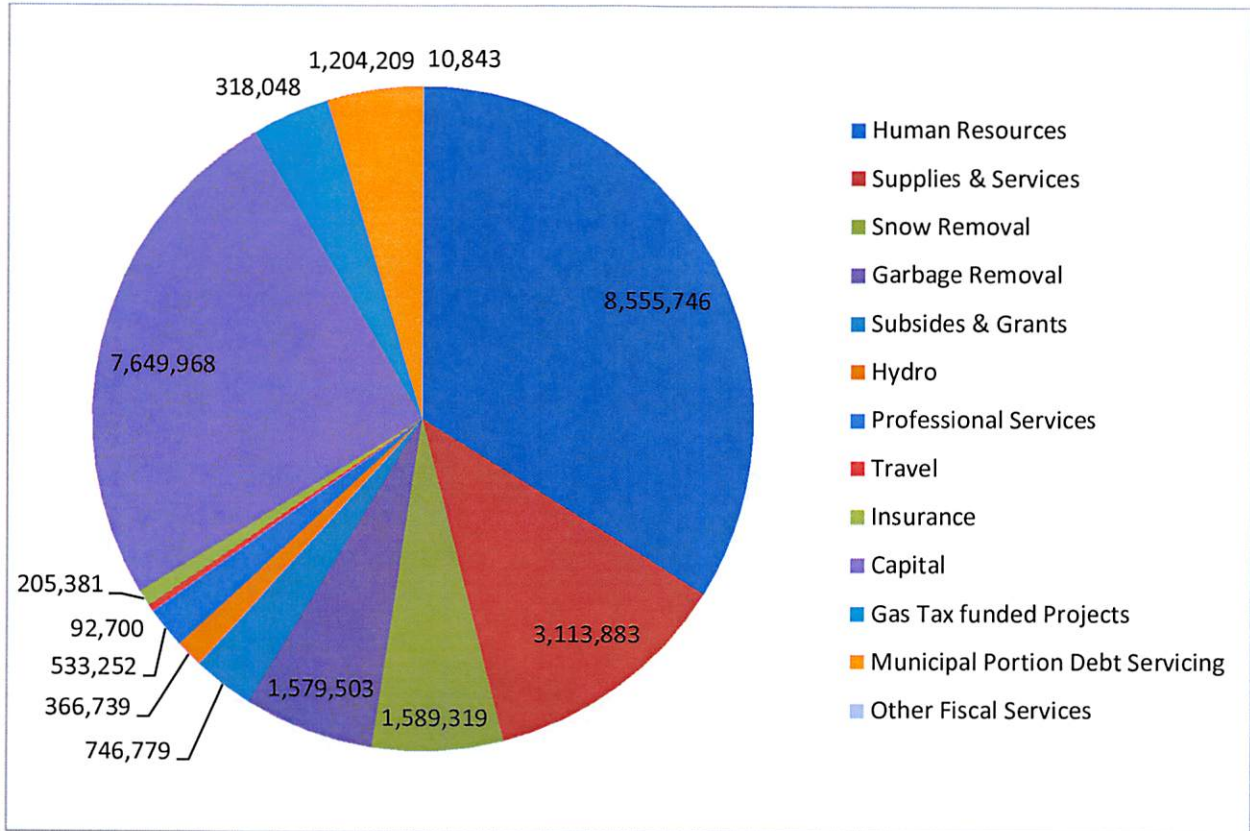
Council will also be looking for Ministerial approval to finance through long term loans, additional street reconstruction in the community in the amount of approximately \$1.2 million.

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

Respectfully Submitted:

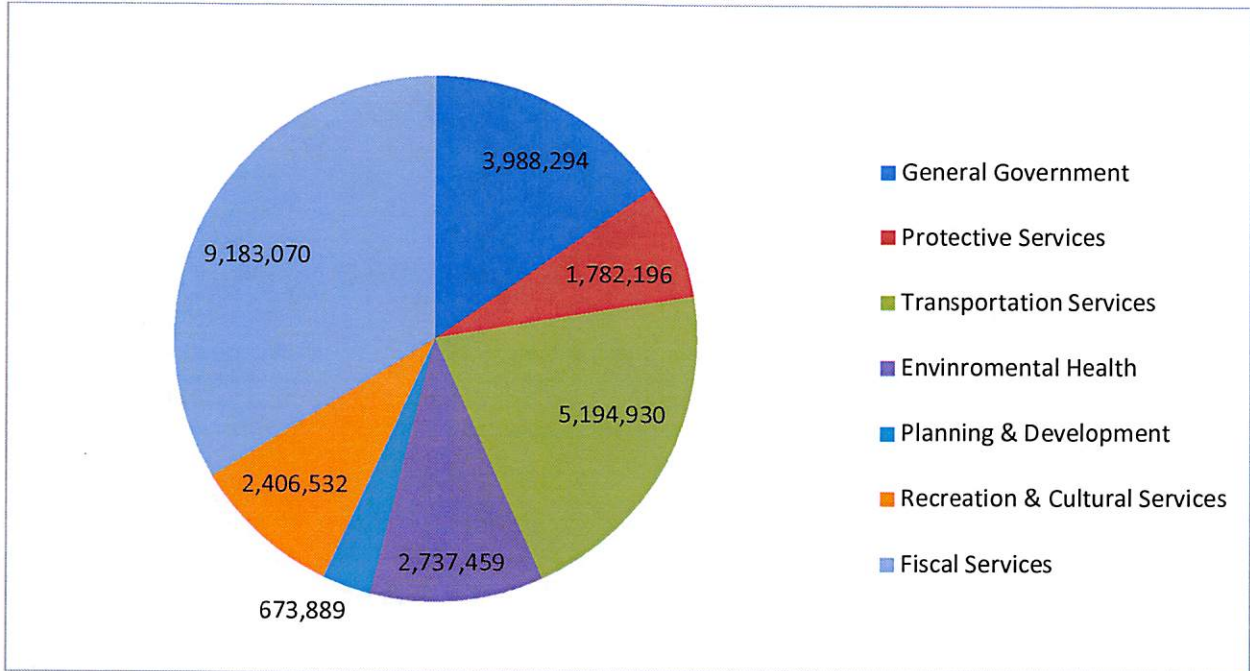
Councillor Nick McGrath, Chair
Finance and Administration Committee

Town of Labrador City 2021 Expenditures by Cost Element



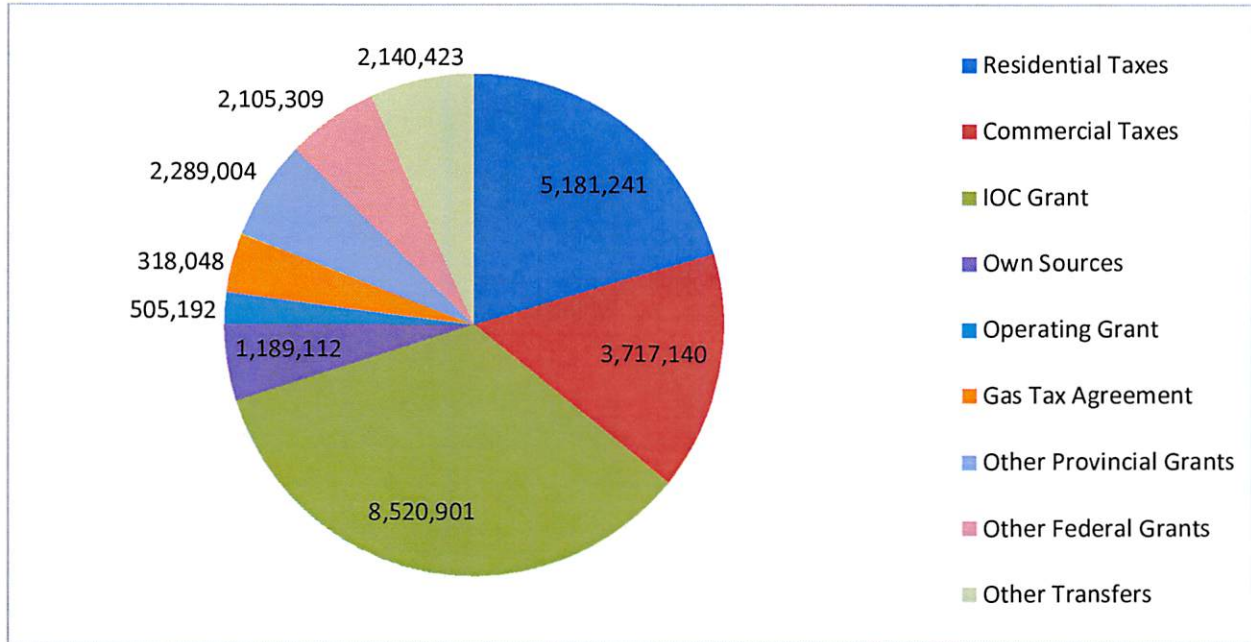
	<u>Operating & Capital</u>		<u>Operating</u>	
Human Resources	8,555,746	33%	8,555,746	48%
Supplies & Services	3,113,883	12%	3,113,883	17%
Snow Removal	1,589,319	6%	1,589,319	9%
Garbage Removal	1,579,503	6%	1,579,503	9%
Subsidies & Grants	746,779	3%	746,779	4%
Hydro	366,739	1%	366,739	2%
Professional Services	533,252	2%	533,252	3%
Travel	92,700	0.5%	92,700	0%
Insurance	205,381	1%	205,381	1%
Capital	7,649,968	29%		
Gas Tax Funded Projects	318,048	1%		
Municipal Portion Debt Servicing	1,204,209	5%	1,204,209	7%
Other Fiscal Services	10,843	0.5%	10,843	0%
	<u>\$25,966,370</u>	<u>100%</u>	<u>\$17,998,354</u>	<u>100%</u>

Town of Labrador City 2021 Expenditure by Department



1.0 General Government	3,988,294	15%
2.0 Protective Services	1,782,196	7%
3.0 Transportation	5,194,930	20%
4.0 Environmental Health	2,737,459	11%
5.0 Planning & Development	673,889	3%
6.0 Recreation & Cultural Services	2,406,532	9%
7.0 Fiscal Services	9,183,070	35%
Total:	\$25,966,370	100%

Town of Labrador City 2021 Revenue by Category



	<u>All Sources incl. Transfers</u>		<u>Local Revenue</u>	
Residential Taxes	5,181,241	20%	5,181,241	28%
Commercial Taxes	3,717,140	14%	3,717,140	20%
IOC Grant	8,520,901	33%	8,520,901	46%
Own Sources	1,189,112	5%	1,189,112	6%
Operating Grant	505,192	2%		0%
Gas Tax Agreement	318,048	1%		0%
Other Provincial Grants	2,289,004	9%		0%
Other Federal Grants	2,105,309	8%		0%
Other Transfers	2,140,423	8%		0%
	<u>\$25,966,370</u>	<u>100%</u>	<u>\$18,608,394</u>	<u>100%</u>