

**Town of Labrador City
2022 Operating and Capital Budget**

**Presented by:
Councillor Junior Humphries, Chair
Finance and Administration Committee**

December 14, 2021

Mayor Barnett, Council, Staff and Special Guests, on behalf of the Finance and Administration Committee, it is an honor to present our 2022 Operating and Capital Budget for the Town of Labrador City.

As required under the Municipalities Act, this is a balanced budget of \$25,726,917 comprised of \$18 million in operations and \$7.7 million in capital expenditures.

The 2022 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 Barnett, we believe our budget reflects that we have listened to our residents and are providing for their needs.

Revenue

For 2022, the Residential Property Tax, Commercial Property Tax, and Business Tax have been adjusted to reflect the changes in assessed values. This has resulted in a decrease in the mil rate for residential and an increase for commercial and business. A new business class has been implemented for department and grocery stores. The Water & Sewer rates will remain the same as 2021 for both residential and commercial.

The low-income threshold eligibility for property tax rebates will be increased based on the CPI index as follows: for the 90% rebate from \$31,417 and dependent at \$6,247 to \$32,705 and dependent at \$6,503. Eligibility for the 50% rebate has increased from \$36,478 to \$37,974.

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 which represents \$8,726,135.

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 2022, Summer Program registration and Board Advertising have increased and ice rentals will increase effective August 1, 2022. All other municipal fees, including permit fees, equipment rentals, emergency response fees etc. will remain unchanged. Copies of Schedules A to F are attached for your information.

Expenditures

In 2022, 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 Barnett, we would also like to take this opportunity to express our appreciation for the dedication and hard work of our Volunteer Fire Brigade; which currently has 41 members. The annual honorarium to our volunteers will remain at \$2,600 per year.

We are pleased to announce the creation of a Communications Coordinator position. This position will help keep residents informed on significant projects and improvements. There has also been a re-structuring of Supervisory Staff in the Recreation, Public Works, and Administration Departments. As well, we will be participating in the 1st year electrical apprentice program.

The Accessible Vehicle is fully operational now for our residents and we continue to proudly contribute to this project with an operating grant of \$100,000. We have also committed funds to purchase a Hippocampe All-Terrain Vehicle that will allow persons with limitations the opportunity to use our trails during both winter and summer months. It also allows for easier access on Tanya Beach.

A new item this year is the creation of a “Summer Festival” to be held during the summer. This would be a one-day outdoor event that includes a recognized entertainer along with local talent and multi-cultural activities. More details will be provided on our Facebook Special Events Page as we get closer to the event.

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 2021.

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 2022 will include some of the following items:

- An investment of \$190,000 into walking trail development;
- \$250,000 for additional road work in our Patching Program;

- \$200,000 for an inclusive piece of playground to be installed in the summer of 2023 which will be accessible for all users;
- \$150,000 has been allotted for resurfacing of the Gordon Young Softball;
- \$100,000 for a ventilation system in the Mobile Equipment Garage;
- \$162,000 for new vehicles to replace our aging fleet;
- \$67,000 for an air compressor for the Fire Department;
- \$60,000 to replace the Kubota in the Recreation Department.

There is currently a tender call for Upgrades on the Drake Waste Water Treatment Plant starting in 2022 to ensure our plant is compliant with new federal regulations. This project is cost shared with federal, provincial and municipal funding.

Council has taken the initiative to start reserve accounts for the Al Thoms Recreation Area as well as Infrastructure Upgrades. Our infrastructure is aging so we will be prioritizing projects over the next few years; including the Curling Club, Fire Hall, Town Hall, a Gymnastics facility and storage facility for the Arena. We have been successful over the past 4 years to save for a new Fire Rescue Truck at a cost of \$500,000.

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 \$1.8 million to be started in 2023. We will also be borrowing for replacement of the emergency generator at the Fire Department at a cost of just under \$430,000.

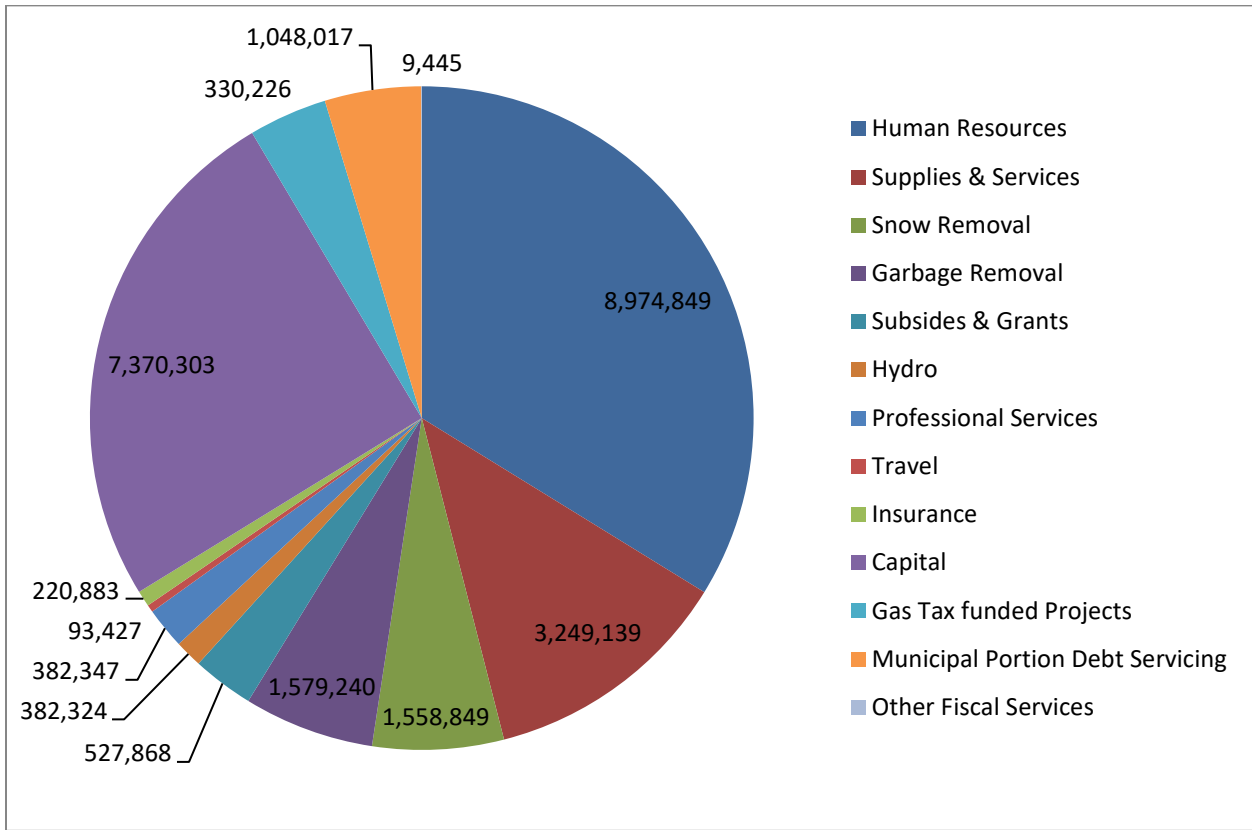
We continue to work with the Seniors Group and are currently awaiting further project details to evaluate how the municipality can offer assistance.

Council is very pleased with this year's budget which allows for the continuation of exemplary services our residents have become accustomed to.

Respectfully Submitted:

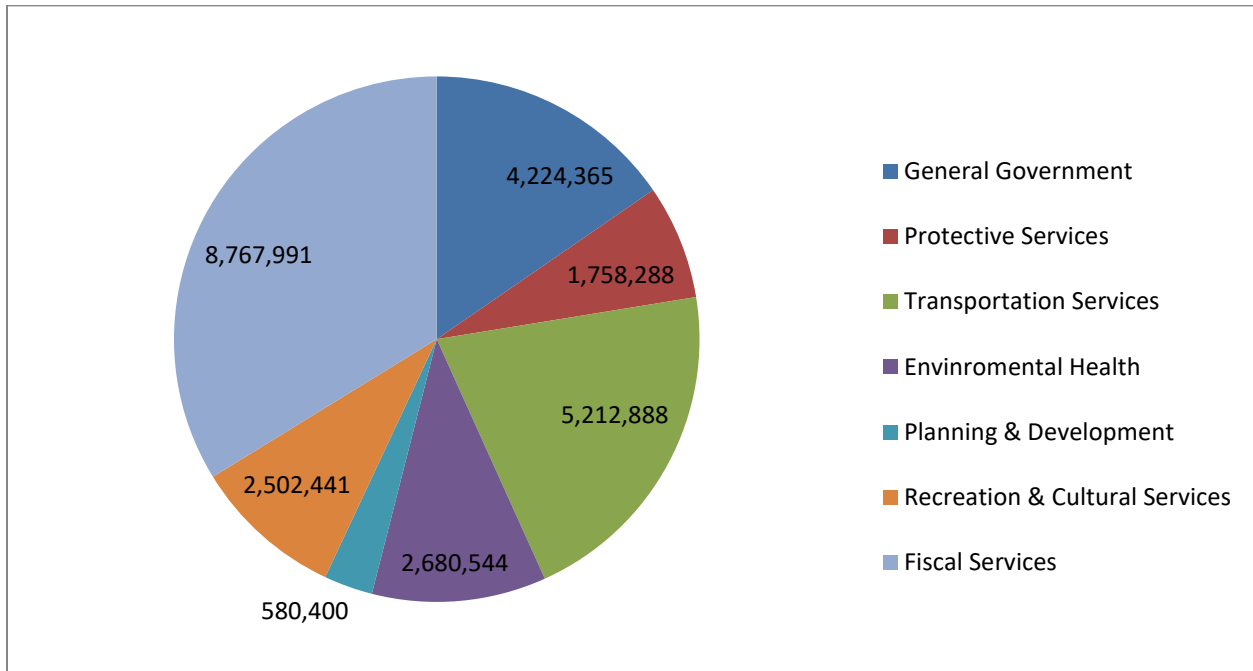
Councillor Junior Humphries, Chair
Finance and Administration Committee

Town of Labrador City 2022 Expenditures by Cost Element



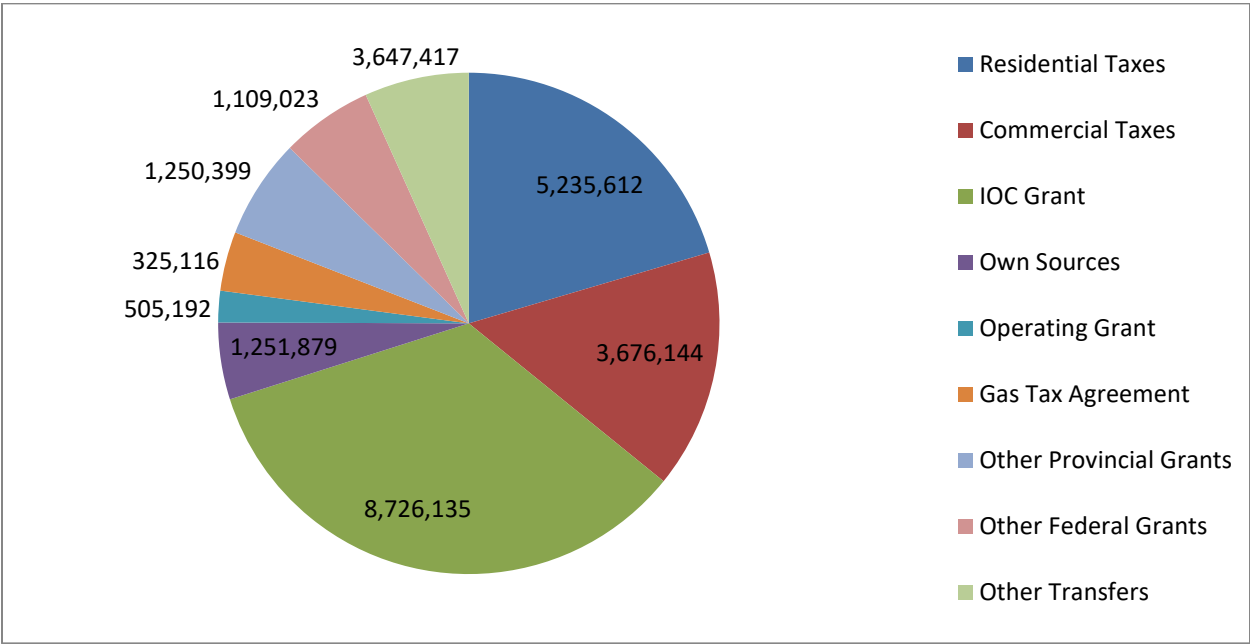
	<u>Operating & Capital</u>		<u>Operating</u>	
Human Resources	8,974,849	35%	8,974,849	50%
Supplies & Services	3,249,139	13%	3,249,139	18%
Snow Removal	1,558,849	6%	1,558,849	9%
Garbage Removal	1,579,240	6%	1,579,240	9%
Subsidies & Grants	527,868	2%	527,868	3%
Hydro	382,324	1.5%	382,324	2%
Professional Services	382,347	1.5%	382,347	2%
Travel	93,427	0%	93,427	0%
Insurance	220,883	1%	220,883	1%
Capital	7,370,303	29%		
Gas Tax Funded Projects	330,226	1%		
Municipal Portion Debt Servicing	1,048,017	4%	1,048,017	6%
Other Fiscal Services	9,445	0%	9,445	0%
	<u>\$25,726,917</u>	<u>100%</u>	<u>\$18,026,388</u>	<u>100%</u>

Town of Labrador City 2022 Expenditure by Department



1.0 General Government	4,224,365	16%
2.0 Protective Services	1,758,288	7%
3.0 Transportation	5,212,888	20%
4.0 Environmental Health	2,680,544	11%
5.0 Planning & Development	580,400	2%
6.0 Recreation & Cultural Services	2,502,441	10%
7.0 Fiscal Services	8,767,991	34%
Total:	\$25,726,917	100%

**Town of Labrador City
2022 Revenue by Category**



	<u>All Sources incl. Transfers</u>		<u>Local Revenue</u>	
Residential Taxes	5,235,612	20%	5,235,612	28%
Commercial Taxes	3,676,144	14%	3,676,144	19%
IOC Grant	8,726,135	34%	8,726,135	46%
Own Sources	1,251,879	5%	1,251,879	7%
Operating Grant	505,192	2%		0%
Gas Tax Agreement	325,116	1%		0%
Other Provincial Grants	1,250,399	5%		0%
Other Federal Grants	1,109,023	5%		0%
Other Transfers	3,647,417	14%		0%
	<u>\$25,726,917</u>	<u>100%</u>	<u>\$18,889,770</u>	<u>100%</u>