

**Town of Labrador City  
2023 Operating and Capital Budget**

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

**January 31, 2023**

Mayor Adams, Council, Staff and Special Guests, on behalf of the Finance and Administration Committee, it is an honor to present our 2023 Operating and Capital Budget for the Town of Labrador City.

As required under the Municipalities Act, this is a balanced budget of \$31,652,323 comprised of \$21.1 million in operations and \$10.5 million in capital expenditures.

The 2023 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 Adams, we believe our budget reflects that we have listened to our residents and are providing for their needs.

**Revenue**

For 2023, the Residential and Commercial Property Tax will remain the same. While the mil rate has not changed, assessed values are now updated on an annual basis which may reflect an increase or decrease in your taxes. A new business class has been implemented for hotels, restaurants, bars, and convenience stores. All business classes were reviewed and compared across the province. While some classes have significant increases, the mil rate overall is still well below the provincial average. The Water and Sewer flat rate has increased from \$460 to \$500 per year and the metered water has increased by \$1.00 per 1,000 gallons of usage. This increase is directly related to the ongoing upgrades at the Drake Waste Water Plant as per federal regulations. The cost of the project is just under \$8 million.

The low-income threshold eligibility for property tax rebates will be increased based on the CPI index as follows: for the 90% rebate from \$32,705 and dependent at \$6,503 to \$34,994 and dependent at \$6,958. Eligibility for the 50% rebate has increased from \$37,974 to \$40,962.

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 \$9,110,438.

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 2023, tax certificates, compliance letters and tax information requests have increased. 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 2023, 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 Adams, 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 40 members. The annual honorarium to our volunteers will remain at \$2,600 per year.

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 are thrilled that we will be offering IronFest again this year. Stay tuned this week for the announcement of the bands!

The rate for students has been increased from \$16/hr to \$20/hr and supervisory students from \$18/hr to \$22/hr. Hopefully this will help with our recruitment of students during the summer to offer programs to our residents and continue to beautify our Town.

## **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 2022.

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.

As you know, we are currently working through Regional Recreation and there's still a tremendous amount of work to be done. We've budgeted just over \$700,000 for this process which will ultimately see enhanced recreational services and programs to our residents for years to come.

## **Capital Programs**

Capital projects for 2023 will include some of the following items:

- An investment of \$135,000 into walking trail development;
- \$200,000 to install our accessible piece of playground equipment;
- \$112,100 for removal of the boiler tank in the Arena;
- \$150,000 for new vehicles to replace our aging fleet;
- \$100,000 for a Hover Craft Rescue vehicle that will be cost shared;
- \$40,000 for a Side by Side Vehicle for use on the walking trails and special events.

Council has taken the initiative to start a reserve account for the Wabush Narrows Crossing that will be part of our trail system. We are also continuing our reserve accounts for the Al Thoms Recreation Area and Infrastructure Upgrades.

We are currently working on our strategic plan that will see many projects prioritized over the next several years including the Curling Club, Fire Hall, Town Hall, a Gymnastics facility and Booth Avenue Master Plan.

Council will also be looking for Ministerial approval to finance through long term loans the following projects:

- Street Reconstruction \$2.6M
- Arena Storage Building \$1.8M
- Drake Waste Water Treatment Plant Upgrades \$1.8M (\$3,000,000 in reserves will be applied to this project)
- Emergency Generator Replacement \$520,000

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