



LABRADORCITY

Wabush Recreation Funding

FOR IMMEDIATE RELEASE

12/08/2017

On Monday November 20th, Council of Labrador City was approached by the Town of Wabush requesting \$500,000 for assistance with their recreational needs. Please note this request is \$200,000 more than was approved in 2017.

After much deliberation, on December 8th, the Council decided not to approve this request.

Although we are constantly aiming to work with our neighboring town, we could not justify this decision to our tax payers based on the following reasons:

1. While in the process of preparing our budget for 2018, we realized that taxes would be affected if we were to allot \$500,000 for this purpose;
2. Council cannot see any opportunity for allocating these funds without drastically taking away from projects in our budget that underline our own needs and future goals as a municipality;
3. Financially speaking, to approve a request that has risen by 43% than that of the previous year would be fiscally irresponsible. Our worry is such a cost would continue to inflate in future years and thus potentially begin to create financial tension between the towns.

We continue to have open and professional communication with our neighboring town and will continue to work together to provide services; whether this is in mutual agreements or in kind. However, we do feel this relationship cannot continue to simply be a monetary one.

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