



PRESS RELEASE

Audited financial statements show 2018 deficit for Bathurst

Bathurst, Friday June 28, 2019 – Snow removal operations and higher operational expenses at the K.C. Irving Regional Centre contributed to a deficit situation for the City of Bathurst for the 2018 fiscal year.

Audited financial statements show that the cost of snow removal operations in 2018 was \$496,442 higher than the \$851,157 initially budgeted.

“What the past few years have shown is that we need to be better prepared financially and commit a stronger amount for snow removal operations, and we did that by expanding the 2019 budget. Therefore, the 2018 deficit should be absorbed in 2020 without any tax increase,” said Mayor Paolo Fongemie.

As for the K.C. Irving Regional Center, even though the Centre generated \$72,121 more in revenue than the \$1,096,000 that was expected, expenses were \$568,838 higher than the \$1,046,201 budgeted.

“As the facility grows older, increased maintenance issues are a concern. We need to have regional discussions on operational costs that should be deemed as regional. It will be very important for the Provincial Government to proceed with a fiscal reform to municipal funding”, said Fongemie.

As for the City’s Utility Fund, a \$391,948 shortfall is more the result of a financial realignment. \$340,000 in administration fees were transferred from the General fund to show the true costs in utilities.

“There were efficiencies in our water and sewer operations, but revenues were under budget. Here, the challenge is not that great to overcome, but with the lowest cost to citizens among the major municipalities in New Brunswick, we certainly have to be mindful moving forward,” Fongemie stated.

“All that said, we need to recognize our employees for their efforts to find cost savings. By thinking outside the box, they were able to find \$240,000 in efficiencies. That is a sizeable amount and we thank them for their commitment to sound planning and efficient operations,” concluded Mayor Fongemie.

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