

MUNICIPALITY OF
**EASTERN
CHARLOTTE**

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News Release

Municipal Budget Approved for 2024

29 December 2023

ST. GEORGE – Council for Eastern Charlotte unanimously approved its budget during a Special Meeting of Council on Thursday, December 28, at the Magaguadavic Place Community Center.

This is the first Council-approved budget since Local Governance Reform resulted in the merge of two (2) former municipalities and six (6) full or partial Local Service Districts (LSD) on January 1, 2023. The budget for the year 2023 was mandated by the Province of New Brunswick.

Property assessments increased by 8.69 percent for the new year, a total of \$740,015,250. The General Operating Budget was set at \$6,537,928.53. The Utility Budgets, being separate budgets for Blacks Harbour and St. George water systems, total \$519,587 and \$849,391, respectively.

A significant change for 2024 came in a reduction of the Community Funding and Equalization Grant (CFEG), annual funding provided by the Province. In 2023, the CFEG for the new entity of Eastern Charlotte was \$654,258. The grant for 2024 is \$465,104. This is a loss to the local government of \$189,154, or 33.8 percent.

Jason N. Gaudet, CAO, brought to Council's attention the trend of decreased CFEG funding as a result of reform. When the Village of Blacks of Harbour and the Town of St. George received separate funding in 2022, the total was \$725,842. The difference for Eastern Charlotte, with a larger population and service area, is a decrease of 43.79 percent. "It is a very significant loss," shared Gaudet. "Really, we have to be concerned about what 2025 fiscal year will bring as well."

In an effort to shorten the gap, Council approved a number of increases to cost of services and tax rates. The Industrial/Non-Residential was raised from 1.50 to the maximum allowance of 1.70. Though providing an estimated increase in revenue of \$208,968, much of the funds gained are earmarked for development grants and incentives, especially to support new housing initiatives.

For 2024, mandated services from the Regional Service Commission (RSC 10) will total \$675,957. These services include landfill operation, local planning, and building inspection, as well as several new services that were mandated for the first-time last year as part of the Province's municipal reform. New services include regional-focused economic development, tourism promotion and public transportation. In addition, optional RSC services for Dangerous & Unsightly Enforcement will cost \$114,067 in 2024, bringing a total of \$790,024 in cost with RSC.

For the upcoming year, Eastern Charlotte will continue to focus much needed attention on improvements to its Fire Services. In 2023, three (3) separate fire departments were merged under a single organization, Eastern Charlotte Fire Rescue, and the municipality hired the region’s first full-time Fire Chief. Cost for Fire Services in 2024 is budgeted at \$945,040, which is a 24 percent increase from the previous year.

The water and sewerage rates will see a slight rise in 2024. Water and sewerage users in Blacks Harbour will now pay \$496.00 for the year for combined services, an increase of 2.9 percent. For users of one service (water or sewerage), the rate will be \$292.50. In St. George, the annual rate will be \$377.00 for water and \$169.00 for sewerage, for a combined cost of \$546.00, an increase of about two percent.

The majority of tax sub-units in Eastern Charlotte also received an increase in rates. The tax rate is the number of cents per \$100 of assessed property value. The tax rates for 2024 for the sub-units of Eastern Charlotte are as follows:

TAX AUTHORITY	PREVIOUS RATE	NEW RATE	+ OR -	DIFFERENCE
Beaver Harbour	0.3791	0.4158	Increase	0.0367
Blacks Harbour (Village)	1.5297	1.4414	Decrease	0.0883
Fundy Bay	0.3493	0.3973	Increase	0.0480
Pennfield	0.2975	0.3789	Increase	0.0814
St. George (Rural)	0.2900	0.3996	Increase	0.1096
St. George (Town)	1.3700	1.2748	Decrease	0.0952
Second Falls/ Bonny River	0.3339	0.4035	Increase	0.0696
St. Patrick	0.2762	0.3595	Increase	0.0833

“We are in a period where the Government has cut our unconditional grants and will continue cutting until they get us where they want us,” said Councillor Alexa Detorakis. “This gap leaves us with hard choices about how to address it, either by cutting services or increasing taxes, and there isn’t much left to cut.”

Municipal staff are continuing their work on by-laws which will unify services and reduce costs. Council enacted By-Law EC-05, Dangerous & Unightly Premises By-Law (DUAP) in June 2023. Previously, residents outside the former boundaries of St. George and Blacks Harbour were charged by the Department of Local Government for the administration of DUAP services. By-Law EC-05 added the service to costs already paid by the municipality.

The municipality also continues to look ahead to several housing development agreements under discussion for 2024, a development strategy for the area at Exit 56, and the expansion and improvement of water systems in St. George and Blacks Harbour.