



For immediate release

December 3, 2018

City of Moncton Holds the Tax Rate and Sees Positive Growth

Moncton – Moncton City Council adopted its 2019 Budget during its December 3, 2018 Public Council meeting. Residents' tax rate will not increase in 2019 and will remain at \$1.6497 per hundred dollars of assessed value. In addition, following a successful year, the overall assessment base for the City increased by 3.84% for 2019 in contrast to a decrease of 0.25% in 2018.

Highlights of the 2019 Operating Budget, set at \$157.5 million include:

- Assessment increased by 3.84% in total, with residential increasing by 2.99% and non-residential increasing by 5.47%.
- Community funding and equalization grant – Based on the City's positive assessment increase (3.84%), the equalization grant from the Province will be reduced by \$3M. The City will receive \$3.9M compared to \$6.9M in 2018.
- Fiscal and debt charges will increase by \$3.4M in 2019, offset by a planned reduction in deposits to reserves of \$3.3M.
- 2019 will be the first full year of operations for the Avenir Centre and the Plaza.
- The City is continuing to invest in Capital out of the Operating Budget ('pay as you go' basis rather than borrowing) with a total of over \$7M to fund Capital projects.
- Costing for RCMP policing increased by approximately 7% from 2018. Major factors include the addition of 4 new members, normal inflationary cost increases, as well as the City's deposit of \$1.3M of the RCMP's prior year surplus to a reserve that will be used to smooth future RCMP increases in our operating budget.
- Codiac Transpo - Budget increase of over \$600,000 (9.5%) from 2018 to support new routes and services including services to the Avenir Centre.
- The City is contributing \$3.9M in grants to local organizations in 2019. This amount includes an allocation of \$468,000 to assist organizations and agencies dealing with poverty reduction.

Highlights of the City's \$77.6 Million Capital Budget include:

- \$7 million in total contributions from the Operating Budget to help reduce debt financing requirements. This approach has been a strategic priority for the last several years and is helping to reduce the City's overall borrowing requirements and debt.
- The City will be using approximately \$3.9M of unused capital spending authority from previous years to spend on 2019 projects.
- Net Debt Borrowing for 2019 Capital Projects will total \$32.37M for General and Utility Funds combined.
- Over \$17.3M in projects are for water and wastewater infrastructure improvements and renewal including \$6M to be invested in the water system to address concerns arising from Blue Green Algae.
- Over \$15.1M in projects are for storm sewer construction and improvements.

- Over \$14.4M in projects are for road and sidewalk construction and improvement projects including the reconstruction of Lutz Street in the downtown core.
- Over \$12.3M in projects are for other transportation services including \$9.3 on Codiac Transpo fleet and infrastructure and \$2M on a major upgrade to the Church Street parking garage.
- Over \$10M in recreation and culture expenditures including enhancements to parks, trails, recreation master plan projects, aquatic features in parks, CN Sportsplex, Moncton High artificial field and funding related to the North End Centre and Twin Oaks extension.

Highlights of the \$39.9 million 2019 Utility Budget (water and wastewater) include:

- The water and wastewater utility bill for a typical household in Moncton* (average household use of 272 cubic meters as defined by the Province of New Brunswick) will increase by \$32.00 per year, or \$8.00 per quarterly bill. These figures are based on an annual bill of \$1,057 or quarterly bill of \$264.25. Included is a \$210 fee for the Greater Moncton Waste Water Commission (GMWC), which remains unchanged from 2018. This amount will be applied to various improvements and upgrades at the wastewater facility as well as infrastructure improvements to Moncton's water distribution system.

*Households in Moncton typically consume less water than the provincial average, thus reducing the expected amount of the water and wastewater rate increase.

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