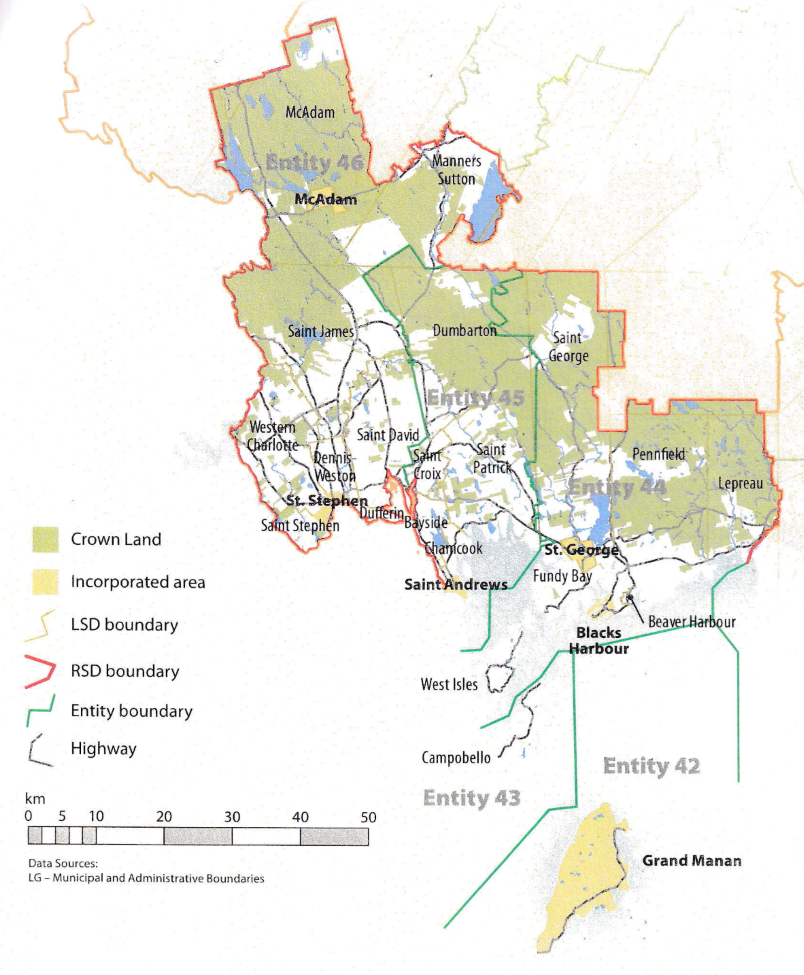
An Image of the Future – Entity 46 and Regional Service District 10

To illustrate the benefits of this new framework, take the example of Entity 46. For the duration of this discussion the municipality shall be referred to as Entity 46, as while the municipality could conceivably adopt the name McAdam, Western Charlotte, or St. Stephen, the naming of the 53 municipal entities remains a task for the citizens of each proposed entity.[[1]](#footnote-2) Leaving the name of each entity undetermined is an important measure for the development of sustainable new municipal identities to compliment those of the existing towns, villages, and LSDs.

**Geographic Boundaries**

Entity 46 would be comprised of the Town of St. Stephen, the Village of McAdam, and the Dufferin, Saint Stephen, Dennis-Weston, Western Charlotte, Saint David, Saint James, Manners Sutton, McAdam LSDs. The entity would include a portion of the province’s coastline, the border with the United States, and portions of both Charlotte and York counties. The majority of the entity’s Crown Lands are concentrated in the three northernmost included LSDs.

**Demographic Base**

The total population of the municipality would be approximately 13000 people. In accordance with the *Official Languages Act*, Entity 46 would not be required to operate bilingually because the Francophone minority is less than 20% of the overall population.

As it stands today, 55% of the proposed entity’s population live in unincorporated areas and are accordingly without representative local government. In addition to the lack of democratic institutions, the lack of incorporated municipal entities means that there is no land use planning to coordinate economic development. Amalgamation into Entity 46 would therefore benefit the residents of the effected LSDs by enabling them to use the resources they possess and control this development through local representative institutions.

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| --- | --- | --- |
| **Voter Turnout by Existing Municipality** | | |
| **Municipality** | **Voter Participation 20121** | **Voter Participation 20162** |
| St. Stephen | 58.1% | 41.4% |
| McAdam | 54.8% | 65.9% |
| 1. Elections NB | | |

In addition, amalgamation would benefit the proposed entity’s existing municipality’s democratic institutions. While in 2012 St. Stephen reported a voter turnout far greater than the provincial average, this turnout rate dropped below the provincial average in 2016. McAdam on the other hand saw its voter turnout rate increase significantly.

The solution for the municipalities of proposed Entity 46 is therefore to expand incorporation and suffrage to contiguous LSDs. Expanding the electorate creates a greater competition of interests, leading to better accountability. As has been witnessed in many Rural Communities, voter turnout among previously unincorporated populations is reasonably high, indicating that the inclusion of contiguous unincorporated populations can improve voter turnouts in existing municipalities. The optimistic results in McAdam will also set a good example for the newly incorporated communities.

**Financial Base**

Entity 46 would also have a financial base capable of service provision beyond a simple aggregation of the assessed value of each constituent municipality and LSD. Under the new framework, municipal revenues will come from a combination of equalization payments from the provincial government, municipal property taxes, and other user fees related to services like water and wastewater usage.

Because its population is above 10000, Entity 46 would qualify as a ‘Group B’ municipality. As Entity 46’s assessment base per capita would be lesser than the group average, it would be entitled to an annual equalization grant of $1,658,127 to ensure equal opportunity among the 53 municipal entities. With the tax room transfer from the provincial government to municipal governments included in the proposed new framework, Entity 46’s assessment base of $833,188,200 would be able to yield more revenue than it could under the current local governance regime. Equal Opportunity among municipalities remains a priority in the new framework, but the primary guarantor of said equality is now tax warrants rather than equalization payments.

Of course, the tax room transferred from the provincial government does not necessitate that property tax rates will increase by $1.50 per $100 of valuation across Entity 46, nor does it indicate that the entire municipality will operate with one uniform property tax rate. Because Entity 46 would be composed of suburban and rural populations and since the level of local services may vary considerably within the same municipality, existing provisions regarding differentiated tax rates within the same municipality would need to be used. Residents within each municipality should be taxed for the level of services they receive.[[2]](#footnote-3)

As has been seen in many municipalities around the province, municipalities can adopt differing tax rates for different areas under their jurisdiction. For example, while Eel River Crossing’s property tax rate in 2011 was $1.32 per $100, each former LSD had different, lower property tax rates appropriate to their circumstances. Similar situations can be found across the province, with some cities even imposing different tax rates for those inside and outside the urban center. Entity 46 could easily implement a two tiered property tax regime similar to Fredericton and Dieppe where those inside the urban area and those outside are charged substantially different rates.

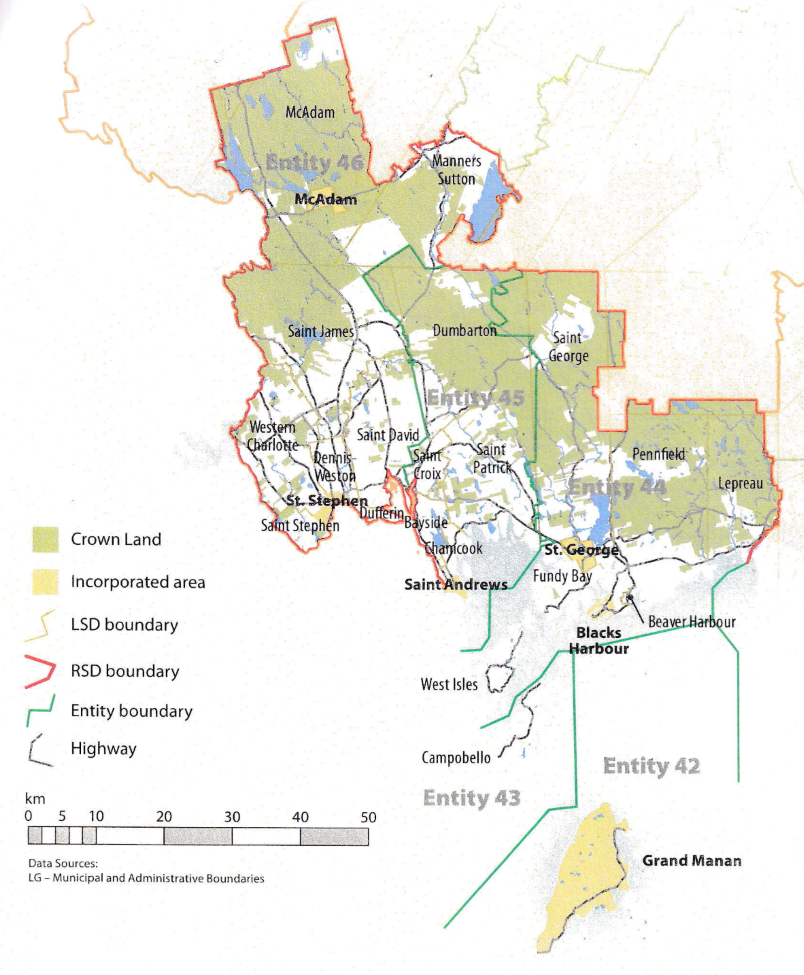
Overall, then, Entity 46 would have a financial base appropriate to its size and population. With such a financial base, the municipal entity could be as ambitious or cautious in its service provision as its residents please.

**Division of Municipal and Provincial Responsibilities**

In addition to policing, emergency measures planning, fire prevention and suppression, roads, and garbage disposal, a municipality may choose to enlarge its role and provide a great number of other services. Many municipalities also take responsibility for local arts and culture, parks and recreation, public transportation, and more. Whether or not this sort of expansion is done is entirely up to the residents of Entity 43, and the tax rates of the entity would reflect this level of service. Many of these services, however, would be better served being provided at the regional rather than local level. Rather than leaving some services in the care of the province, the new framework provides Regional Service Districts within which municipalities can collaborate on such basic services as policing, waste management, economic development, and land-use planning. Collaboration on these issues will further reduce cost for services, allowing property tax rates to remain at a reasonable rate.

Entity 46 would belong to RSD 10 along with Entities 42, 43, 44, and 45. As with each municipal entity, RSDs could conceivably be named, but this would be left to each to determine for itself. All entities would be partners in the provision of regional services, with each contributing in accordance with their respective demographic and tax bases.

While this region is too large to be incorporated into a single municipality, the populations nonetheless have a great deal of shared experiences and challenges. RSD 10 covers portions of both Charlotte and York counties and the distribution of commuters reflects the economic interdependence within these areas. Unlike the other 11 RSDs, however, two of RSD 10’s constituent entities have overwhelming majorities of commuters who remain within their communities as the island communities of Campobello and Grand Manan are relatively self-contained. Typically only urban centers report such a level of commuter retention, but given the exceptional circumstances of island communities, these numbers can be regarded as exceptional.

That being said, the commuting populations of the three other included entities see over half of their workers leave their respective communities to work in another part of their county of origin. Such numbers illustrate the need for further collaborative economic planning to reflect the interconnected economies of these communities.

By better enabling municipalities to provide the services their citizens require through cooperation in service provision, the new framework would therefor clarify the distinction between municipal and provincial responsibilities. While today the service provision of roads, animal control, and policing is dependent on whether or not you live in an incorporated or unincorporated local governance entity, in the new framework, all of these services will be provided by the municipal government. When the residents know exactly who is accountable for what, services will improve.

**Summation**

Overall, Entity 46 would allow all residents to enjoy a comparable level of service in correlation with their level of taxation, to feel represented at a local level and have a real say in how their property tax dollars are being spent, and create a municipal entity that is sustainable enough to navigate the demographic and economic challenges of the 21st century.

1. Finn, 111. [↑](#footnote-ref-2)
2. Finn, 90. [↑](#footnote-ref-3)