

Reference No. 2017-030

December 4, 2017

Hon Serge Rousselle, Q.C.
Minister of Environment and Local Government & Minister of Service New Brunswick
Province of New Brunswick
Marysville Place, PO Box 6000
Fredericton, NB E3B 5H1

Dear Hon. Minister Rousselle,

The Town of Sackville is writing to express our immediate concern with regards to the significant reduction in our Property Tax Assessment for 2018. As your press release on this topic noted, you “will work on a case by case basis with local governments that will see a decrease in revenue” and I believe our situation needs your attention.

As the revised assessment data for the Town of Sackville became clear, it is apparent that our Town has been one of the hardest hit per capita; all of which is related to how assessment has been handled in recent years. We now strongly believe the facts suggest there should be further financial assistance of approximately \$60,000 in 2018 beyond the initial allocation of \$51,854. I have attached a brief overview of the circumstances that further illustrate our financial needs.

Therefore, I am asking you to work with us to re-consider the circumstances of our assessment reduction and the level of related assistance. As Mayor, I certainly understand the challenges of achieving a balanced budget at the municipal level. However, the nature of this year’s assessment reductions rests with Service New Brunswick’s actions and decisions.

Therefore, I am seeking your personal attention to recognize the unique circumstances that have been cast upon us this year. In order to allow you time to review the circumstances further, I will request Council to delay bringing our budget down on December 11 as per our normal process and to delay this matter until the Regular meeting of Council on January 8. Unfortunately, time is not on our side as we both know the 2018 budgets must be submitted in the very near future.

In addition to the immediate issue above, unlike many of the other municipalities, the Town of Sackville does not receive the level of Equalization funding required to assist us in addressing our needs. We raised these matters in the past without success however we believe this matter needs to be re-visited. The Equalization Formula, is another matter that I would hope you would be willing to discuss in the near future.

As you can understand our budgets are due to the Province so therefore we ask for your immediate attention to this request. Please know that we remain appreciative of your commitment to work through individual assessment cases in this unique year. And to facilitate, myself or Town staff are ready to meet with you and/or your officials on short notice.

I anxiously await your response.

Yours truly,

A handwritten signature in black ink, appearing to read 'John Higham', with a stylized flourish at the end.

John Higham
Mayor

Cc: Hon. Brian Gallant, Premier
Bernard Leblanc, MLA for Memramcook-Tantramar
Council, Town of Sackville
Phil Handrahan, CAO Town of Sackville

Attachment

Town of Sackville – Implication of SNB 2018 Property Assessment Calculations

The following is a representation of the information the Town received from SNB on the re-adjustment of property assessment values for the Town of Sackville for 2018.

Assessment Reductions:

October 4 /17 - SNB informs Town:

- Assessment Appeals that took place from Jan 1 to Oct. 1/17 (\$3.7 Million)
- Estimated further Appeals from Oct. 1/17 to end of year (\$1.9 Million)

November 24/17 – Province informs Town:

- Above reductions
- Plus SNB Over estimating due to implementation of MAS system (\$7.0 Million)
- **Total Assessment Reduction (\$12.6 M)**
- Plus New Construction/Renovation:
(Increase in Property Assessment Base from last year) \$3.4 M
- **Total Overall Assessment in Tax Base (\$ 9.2 M)**
- Province to provide one time financial assistance to address the
Issues resulting from the property assessment freeze \$51,854
- The Town did not anticipate further reductions in property assessment of \$7 million
- The implication of the \$7 Million Assessment reduction results in less revenue for the
Town in 2018, totalling
\$108,500
- The Province offer of one time financial assistance \$ 51,854
- **Town seeking additional support from Province for 2018 \$ 56,646**