



MEDIA RELEASE

- For Immediate Release -

Valley Waters Council Passes 2025 Operating Budget

Average rate increase less than a third of a cent.

(Friday, January 17, Valley Waters, NB) Officials in Valley Waters were notified by the Province this fall that, on average, homeowners in the village are going to see more than a 10% increase on their property tax bill in 2025 because of the increase in provincial property assessments.

“As a municipality, we have no control over that”, says Mayor Randy McKnight. “We knew that we had to consider the overall tax bill that people would be facing as we were deliberating on next year’s tax rates.”

Of the 4946 properties in Valley Waters, 42% of those are residential. The average residential property value in Valley Waters is now \$251,000, compared to \$227,000 last year. With a 10.38% average assessment increase, that means a substantial increase on tax bills before the Village considers a rate increase.

Adding insult to injury, the Province charges municipalities a fee for the property assessment services. In the case of Valley Waters, that amounts to over \$105,000.

At the same time, the Province is reducing community equalization payments to municipalities and re-directing the funds to regional service commissions.

“It’s unsustainable”, says Mayor McKnight. “When municipal reform was first contemplated, success of the model was dependent on fiscal reform to fund the downloaded responsibilities. They’ve put the cart before the horse”, he says. “We are now two years into the reform process, paying over \$650,000 to the Kings Regional Service Commission, and its completely on the backs of taxpayers.

“It’s unrealistic to expect most of our residents to be able to manage these property tax increases. The promised tax reform in this Province is long overdue”, he says.

With anticipated cost increases next year for items such as electricity, insurance, asphalt, and basic inflation, it’s a balancing act for Valley Waters to deliver on its mandate and invest in strategic growth without a rate increase, says Mayor McKnight.

For example, one of the three fire departments in Valley Waters, Belleisle Valley Fire Department, is overdue for replacing one of its fire trucks next year. Costs of fire equipment have skyrocketed since COVID, and the municipality will finance that purchase over 12 years in order to minimize the tax impact.

The largest item in the \$4.57M budget is \$1.26M for RCMP coverage (28% of the total budget), followed by Norton (Ward 4) road maintenance at \$662,000, fire protection for three departments totalling \$615,000, and solid waste at \$563,000. Residents in Wards 1,2 and 3 pay the Province directly for road maintenance (approx. \$1.77M).

Valley Waters was incorporated as a village on January 1st, 2023 - during the Provincial municipal reform process. Of the six tax sub-units, the Norton subunit will see a tax rate increase of about a third of a cent per \$100 of assessment value, Springfield sub-unit will see an increase of over a half cent, while Kars and Upham will remain virtually unchanged, Norton LSD (with the lowest tax rate and the lowest assessment increase in the municipality) will see a 2 cent increase, and the rate for Wickham will decrease.

On average, \$8 of the increase on next year's property tax bills can be attributed to the Valley Waters municipal rate increase, while \$281 can be attributed to the provincial assessment increase.

Council also approved the sewer budget for Norton, with no rate increase for users in 2025.

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