

Village of Fundy Albert
Budget Presentation
General Operating Budget
Utility Budgets

Outline

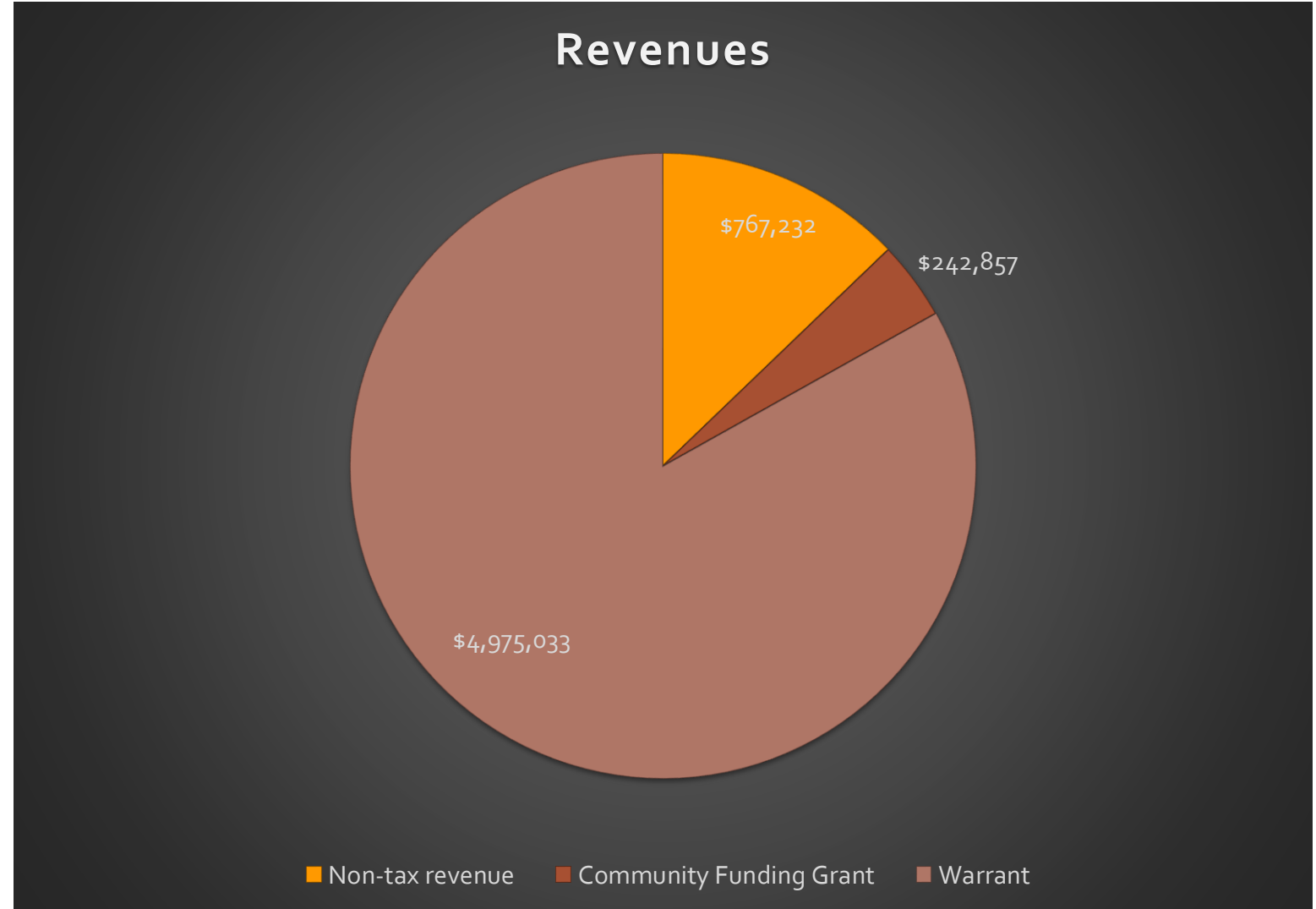
- **The 2024 General Operating Budget**
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 - Local versus Shared Costs
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- Fundy Albert tax rates
- Explanation for the increases
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- **The 2024 Utility Budget**
 - The budgets
 - Charges
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- Explanation for utility rate increases
- Upcoming initiatives/projects – utility budget
- Questions

2024 General Operating Budget

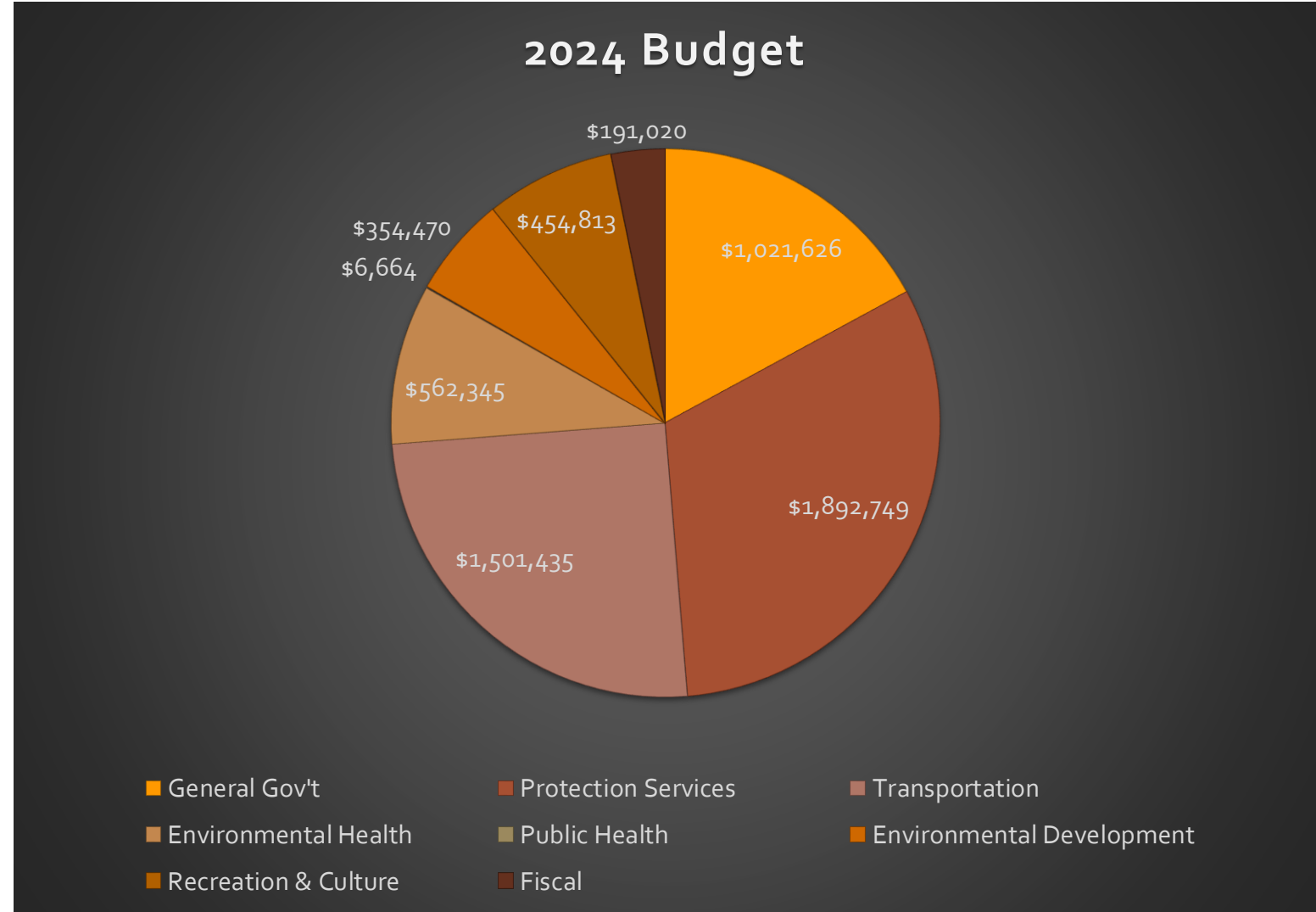
2024 General Operating Budget

- The General Operating budget for 2024 was approved by Council on January 6, 2024;
- Council's approval of the budget was the result of balancing service level expectations, increasing cost of services, as well as impacts on tax rates;
- The General Operating budget for 2024 totals \$5,985,121;
- The Community Funding Grant, previously referred to as the Unconditional Grant, is less in 2024 than it was in 2023 (**\$274,914 in 2023, and \$242,857 in 2024**)
- \$767,232 is non-tax revenue
- .The remainder is the warrant (**the amount of the budget less revenues from other, fees and the Community Funding Grant from the province**) that needs to be raised through residential, non-residential and heavy industrial tax rates is \$4,975,033.

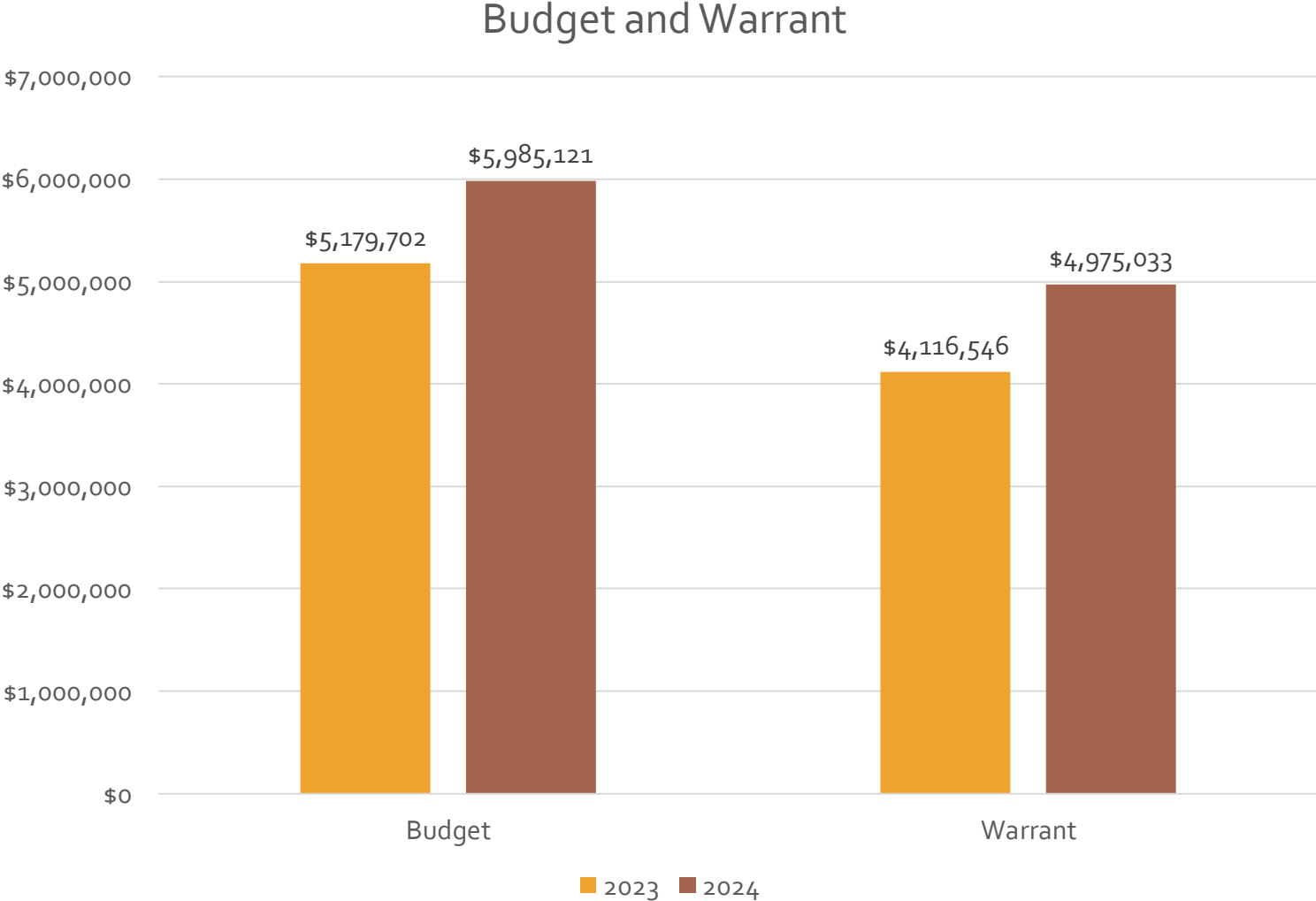
2024 Budget Revenues



2024 Budget Expenditures

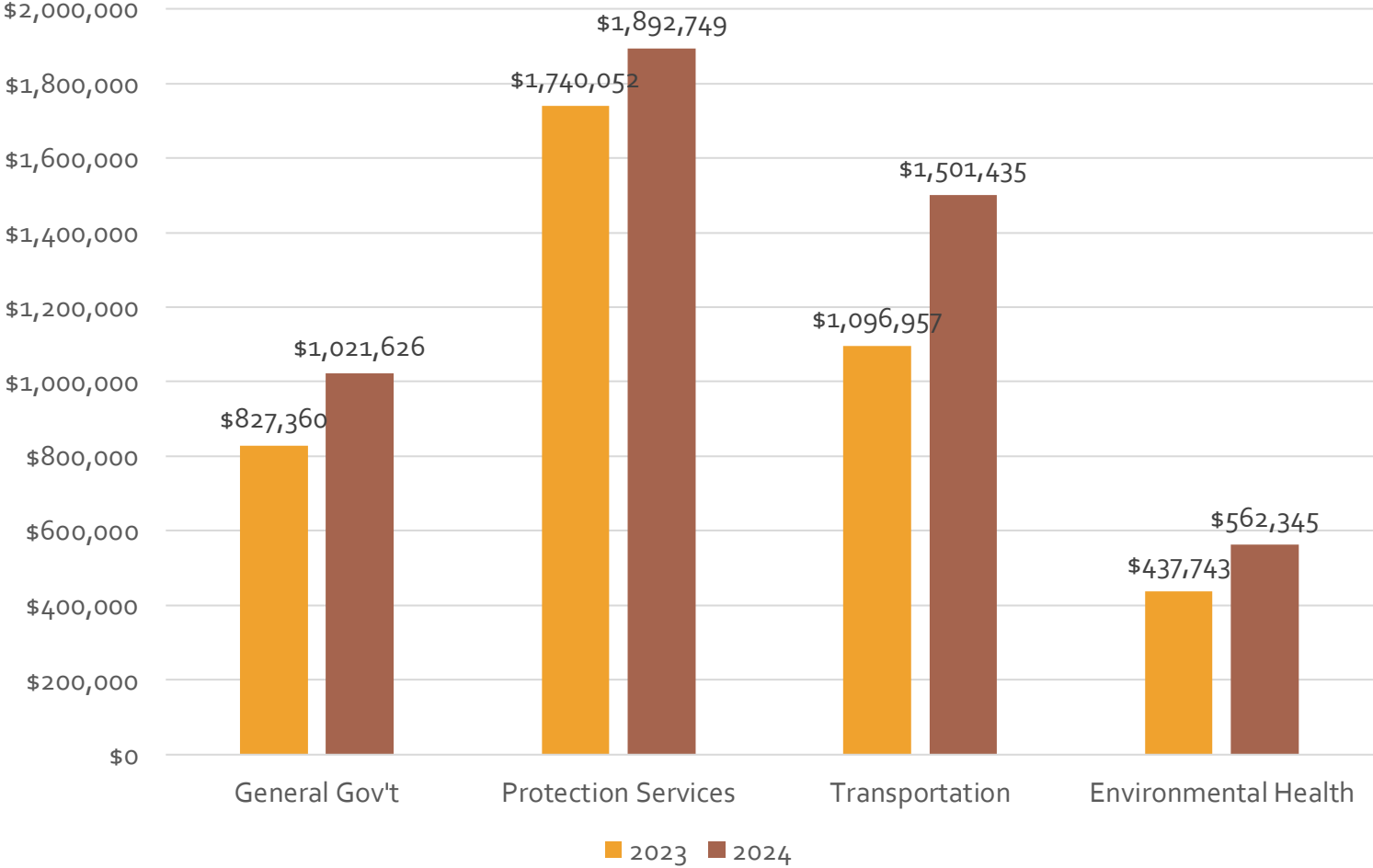


2023 to 2024 Comparison



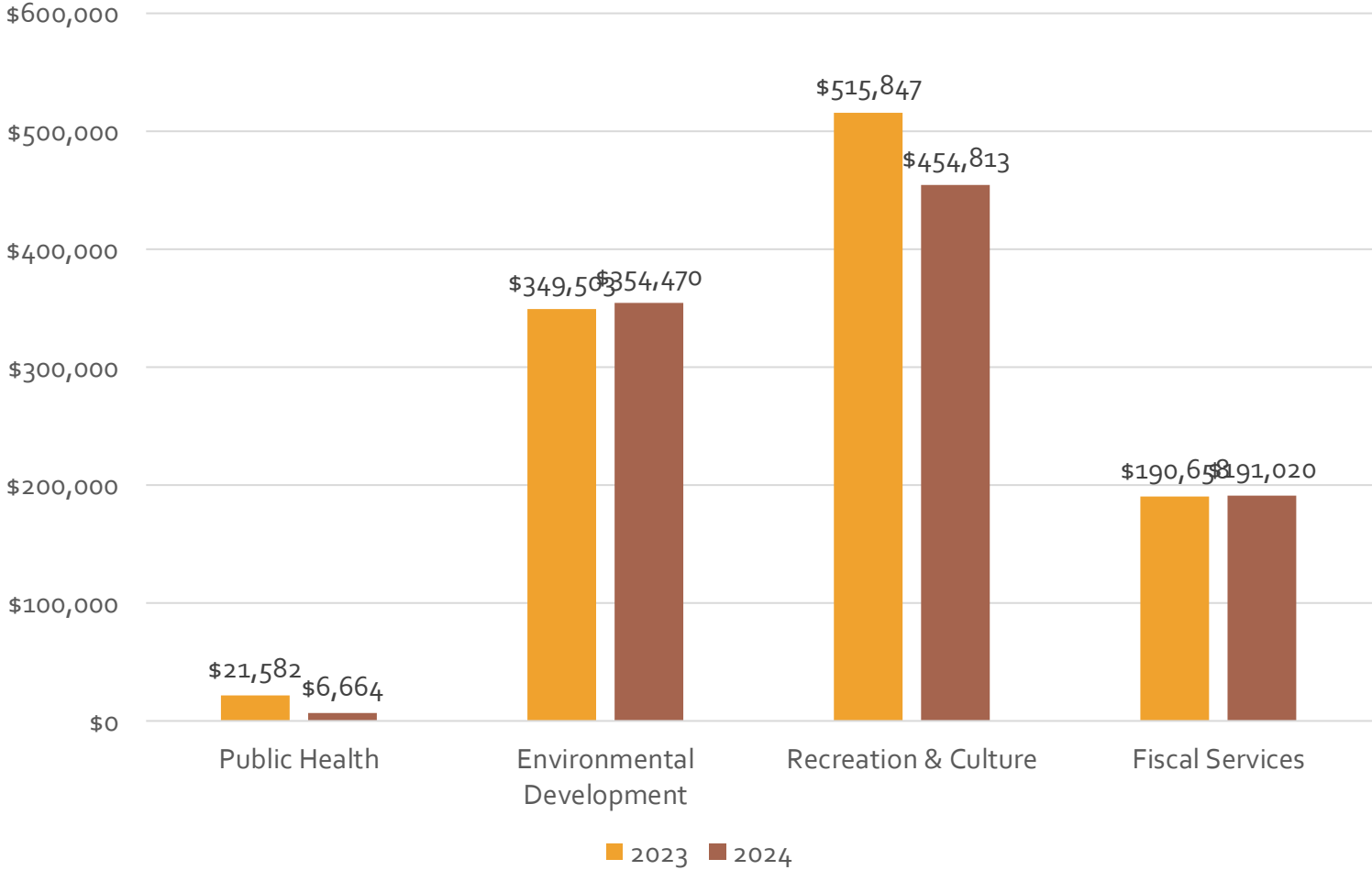
2023 to 2024 Comparison

General Operating Budget



2023 to 2024 Comparison

General Operating Budget



Local versus Shared Services

- Expenditures are classified and are paid by taxpayers based on whether they are a local, or a shared cost. The determination of what a local versus shared cost was done by the province in 2023. This is subject to review and adjustment by Council.
- Local costs are only paid by taxpayers who directly benefit from a particular service.
- Shared costs are for those services that all taxpayers have access to and benefit from. They are paid by all taxpayers. Shared costs are paid at 100% by taxpayers in the former incorporated municipalities and at 90% by other taxpayers (inside vs outside rate).
- There are a few examples where costs for services are both a local and shared cost.

Local Costs

Examples	
Cost of Assessment (all)	Solid waste collection (all)
Cost of policing (all)	Solid waste handling (all)
Animal and pest control (all)	Mosquito control (Coverdale only)
Public works (former villages only)	Beautification (former villages only)
Street lights (former villages)	Trees (former villages only)
Street lights (Coverdale LD - \$480)	

Shared Costs

Examples	
General government services	Plan 360 costs
Grants and contributions	SERSC mandated services
Fire Protection	Tourist bureaus
Emergency Measures	Recreational facilities
Street signs	Trails
William H. Steeves Museum (bldg.)	Hillsborough Public Library

Local and Shared Costs

Examples

Training costs (general government vs public works)

By-Law Enforcement

Snow removal (private contract – recreational facilities)

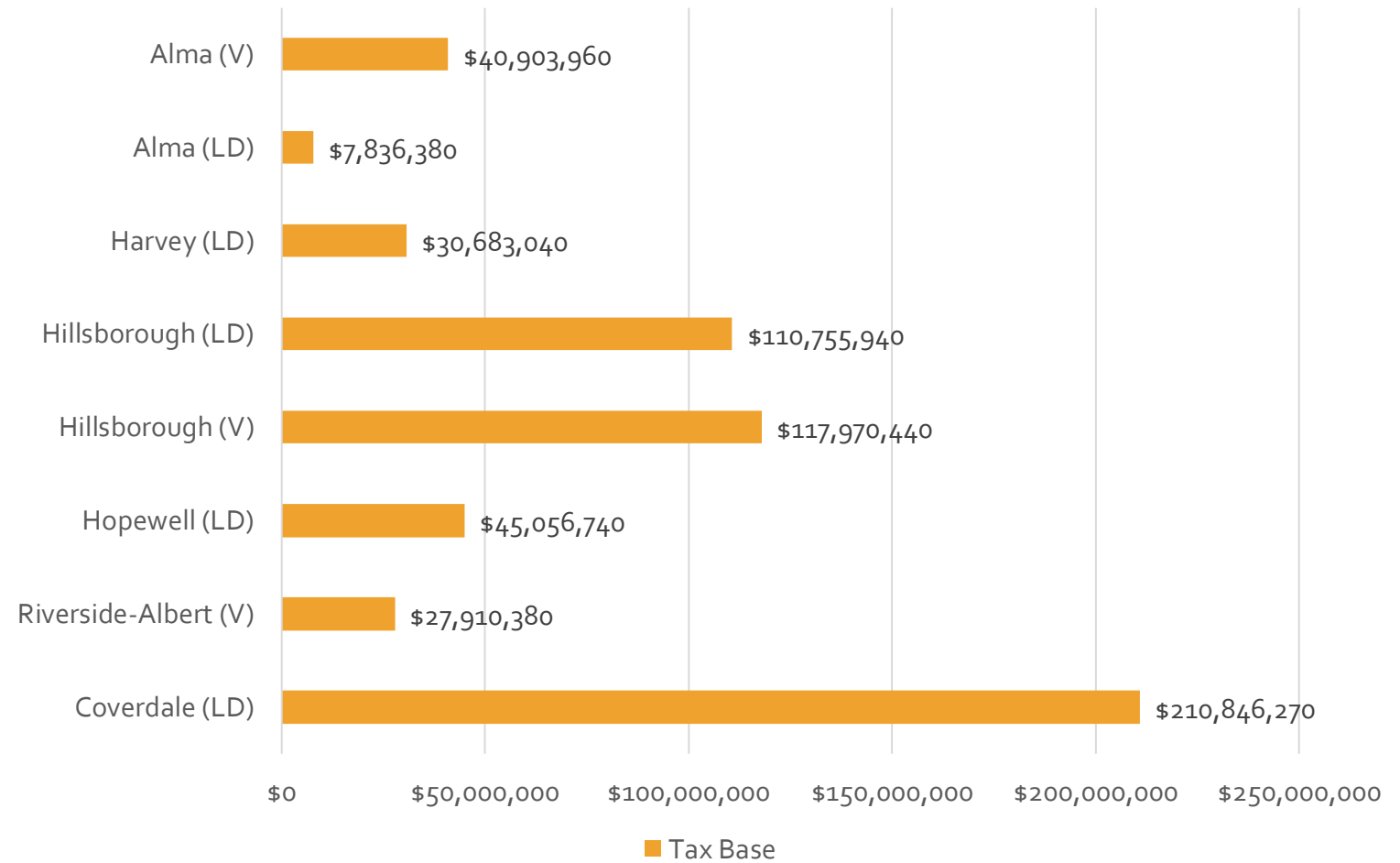
Principal and Interest payments on shared and local debt

Local and Shared Costs

- It's important to note that while some costs are shared, the revenues derived from them are also shared. Examples include:
 - Revenues from the provision of fire protection services to the southeast rural district
 - Rental of community halls
 - Rink fees
 - Building permit revenues from Plan 360
 - Utility transfer revenue from the utility budgets for administrative costs provided by the general operating budget for salaries of administrative personnel, audit, legal and office costs.

Fundy Albert Assessments

Fundy Albert Assessments



Includes both residential and non-residential

Fundy Albert Tax Rates

- For 2024, non residential and heavy industrial rates are 1.7 times the residential rate in each of Fundy Albert's taxation areas.
- Tax rates are then applied to each sub-unit, based on that rate per \$100 of assessed property value;
- In 2024, we have gone from 3 separate tax rates in the three former incorporated municipalities to 2, and five separate tax rates in the former local service districts, to two.
- The goal is to eventually merge rates to where there is one rate for the former incorporated municipalities, and one rate for the former unincorporated areas.

Fundy Albert Tax Rates

- The tax base in Fundy Albert has grown from \$526,961,650 in 2023 to \$591,963,150 in 2024. This is the result of new development, and also increases in property assessments.
- For an explanation of Province of New Brunswick property assessment process, please refer to:
- <https://youtu.be/vJC525HJvCk>

Fundy Albert Rates

Sub-Unit	Local Rate*	DTI Special Levy	Total Rate
Alma (V)	\$1.5669	N/A	\$1.5669
Alma (LD)	\$0.5799	\$0.4115	\$0.9914
Harvey (LD)	\$0.5799	\$0.4115	\$0.9914
Hillsborough (LD)	\$0.5361	\$0.4115	\$0.9476
Hillsborough (V)	\$1.3936	N/A	\$1.3936
Hopewell (LD)	\$0.5799	\$0.4115	\$0.9914
Riverside-Albert (V)	\$1.3936	N/A	\$1.3936
Coverdale (LD)	\$0.5799	\$0.4115	\$0.9914

* Local rates are per \$100 of assessed value and do not include the special levy of \$0.4115

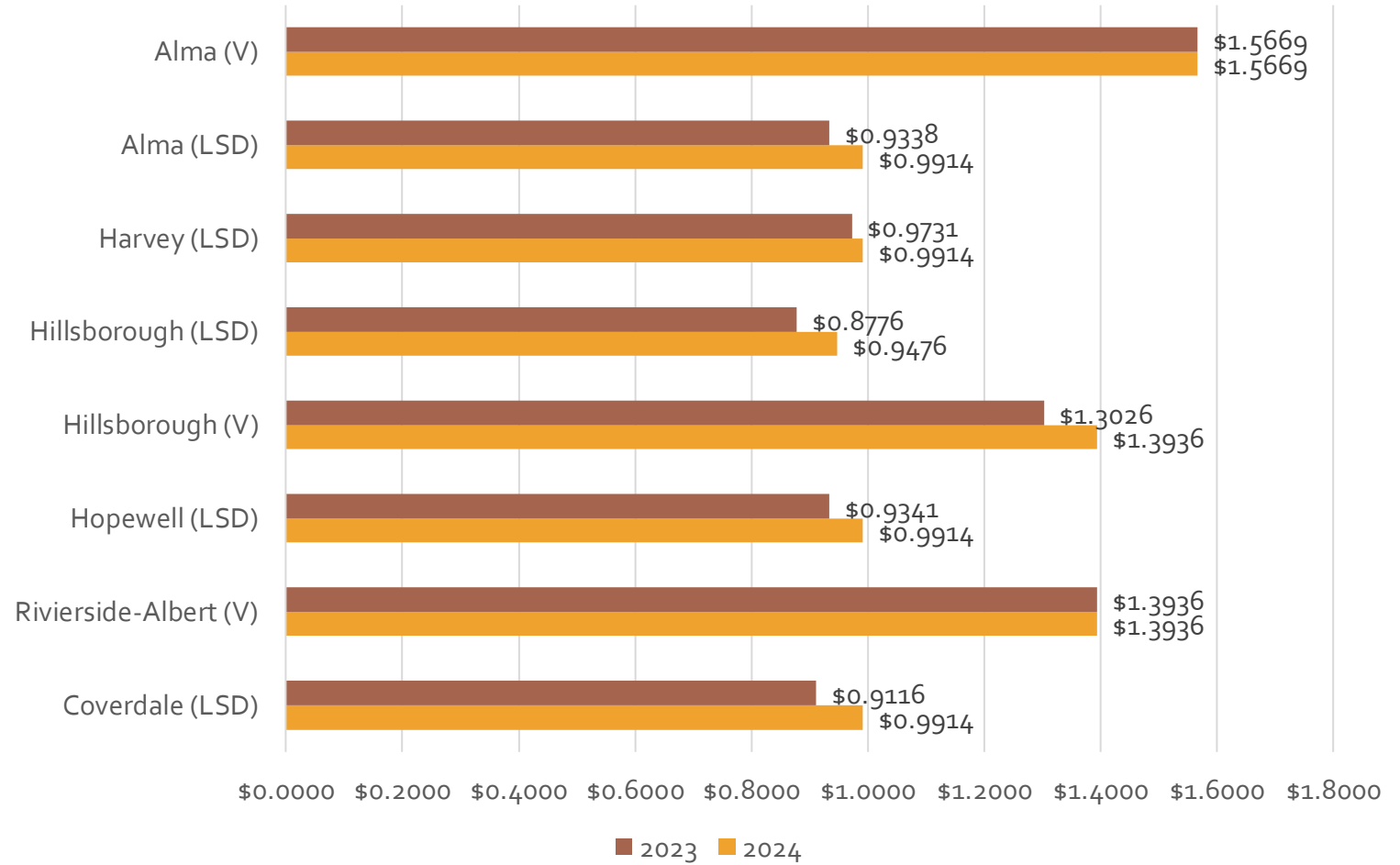
Rates 2023 VS 2024

Sub-Unit	2024 Rate*	2023 Rate*	% Change
Alma (V)	\$1.5669	\$1.5669	0.00%
Alma (LSD)	\$0.9914	\$0.9338	6.17%
Harvey (LSD)	\$0.9914	\$0.9731	1.88%
Hillsborough (LSD)	\$0.9476	\$0.8776	7.98%
Hillsborough (V)	\$1.3936	\$1.3026	6.99%
Hopewell (LSD)	\$0.9914	\$0.9341	6.13%
Riverside-Albert (V)	\$1.3936	\$1.3936	0.00%
Coverdale (LSD)	\$0.9914	\$0.9116	8.75%

* Rates include the special levy of \$0.4115 per \$100 of assessed value, where applicable

Tax Rate Comparison

Tax Rate Comparison



Tax rate includes special levy of \$0.4115 per \$100 of assessed value, where applicable

General Operating Budget increases

- Council had minimal involvement in the development of the 2023 general operating and utility budgets. Consequently, the human resource implications of having to manage a significantly larger budget were not adequately considered.
- It's very clear after our experience in 2023 that that additional administrative resources are necessary to manage a budget that is 90% larger than what the former incorporated municipalities had to manage.
- In hindsight, the local rates in some of the former incorporated municipalities should not have decreased in 2023.
- Employee and Council compensation did not increase in 2024.

General Operating Budget increases

- Like residents, the municipality of Fundy Albert is seeing increases in the cost of doing business. Costs for fuel, electricity, insurance, are resulting in increased costs of services.
- There are now expanded responsibilities in the areas by-law enforcement, obligations to provide emergency measures services, and the management of service contracts that demand more time and effort by administrative personnel.
- Cost of services purchased by the municipality such as police, fire protection, solid waste collection and handling, planning services, and snow removal have increased. An example of this is where the cost of winter maintenance in one of the former villages increased from approximately \$96,500 in 2023 to more than \$181,500 in 2024.

Comparison (SE Region)

Average LD Rate including FA	\$0.9860
Average LD Rate excluding FA	\$0.9866
Average Municipal Rate Including FA	\$1.3021
Average Municipal Rate Excluding FA	\$1.2676
High Municipal Rate - Alma	\$1.5669
Low Municipal Rate - Shediac Parish Village	\$0.7942
High LD Rate - Pointe de Bute LD	\$1.1752
Low LD Rate - Salisbury LD (Salisbury T)	\$0.8480

Comparable tax rates

<https://www2.gnb.ca/content/dam/gnb/Corporate/Promo/localgovreform/2024-tax-rate-taux-de-taxes.pdf>

Initiatives & Projects

- Moving forward, the municipality will be developing a strategic plan, a new website, logo and brand. GNB is helping defray some of these costs.
- Centralization of administrative employees.
- Hiring of new personnel to meet administrative workload and service level demands and obligations.
- An entire suite of policies and guidelines are to be developed to address legislative and regulatory obligations, including the consolidation of the former by-laws and policies that existed in the former incorporated municipalities.
- Fundy Albert will be proceeding with the purchase of a new fire truck for the volunteer department in the community of Riverside-Albert. There are also needs in other areas of Fundy Albert.
- The development of a work plan to address increased work demands on our public works department.

Budgets are available for review

- You can find the approved general operating and utility budgets posted on the Village of Fundy Albert website at: www.fundyalbert.ca
- You can also contact the Village of Fundy Albert municipal office at (506) 734-3733 or by email at CAO@fundyalbert.ca to arrange an appointment to view the budget in person.

2024 Utility Budgets

Utility Budget (2024)

- The utility budget for the Village of Fundy Albert includes total expenditures of \$1,321,874; and revenues from other sources of \$264,695 and funding of \$1,057,179 to be raised through user charges.
- The utility budgets are comprised of the water and wastewater utilities for the former Villages of Alma, Hillsborough and Riverside-Albert. While the utility budget is shown as one amount, it is made up of three separate “companies” that are paid for by the users in each municipality, separately.
- Only users who have access to the utilities in question in the three former incorporated municipalities pay for the services.
- Tax payers who do not have access to the services, whether in the former incorporated municipalities, or the local service districts do not pay.

Utility Budget (2024)

Sub-Unit	Water	Wastewater	Total Water & Wastewater
Alma	\$153,638	\$154,770	\$308,408
Hillsborough	\$206,720	\$290,500	\$497,220
Riverside-Albert	\$132,198	\$119,353	\$251,551
Total			\$1,057,179

Utility Budget Charges (2024)

Sub-Unit	Total Water & Wastewater	Equivalent Users	Water Rate	Wastewater Rate	Total
Alma	\$308,408	227	\$694	\$666	\$1,360
Hillsborough	\$497,220	592	\$340	\$500	\$840
Riverside-Albert	\$251,551	268	\$459	\$480	\$939

Comparison 2024 to 2023

Sub-Unit	2024 Rates *	2023 Rates *	% Increase
Alma	\$1,360	\$889	52.98%
Hillsborough	\$840	\$797	5.40%
Riverside-Albert	\$939	\$862	8.93%

* Annual rates

Explanation for utility rate increases

- There has been a general increase cost of replacement/repair parts, electricity, and insurance.
- In Alma, costs associated with the construction of the new water supply has increased the cost of the water rate significantly. It includes interim financing costs for the municipality's portion of the project (\$816,000).
- The utility rate for water in Alma in 2024 includes the cost of the temporary water supply from Fundy National Park.
- In Alma, the wastewater lagoon requires considerable repairs to resolve deficiencies noted in a wastewater system audit conducted by the Department of the Environment.
- In Riverside-Albert, water treatment plant upgrades are included.
- In Hillsborough, there are costs associated with Phase I of the new well development project.

Questions?