

Present: Mayor Campbell  
Councillor Land  
Councillor Coates  
Councillor Elderkin  
Councillor Jonah

Staff Present: Sean Wallace – CAO  
Kim Beers – Director, Legislative Services  
Jillian Hutchinson – Treasurer  
Ian Barrett – Director, Operations

Absent: Councillor Ward-Russell

### **CALL TO ORDER**

**Mayor Campbell** called the meeting to order at 6:00 pm

### **ADOPTION OF AGENDA**

**IT WAS MOVED** by **Councillor Coates** and **SECONDED** by **Councillor Jonah** **THAT** the agenda be adopted.

**MOTION CARRIED** (unanimously)

### **CONFLICT OF INTEREST DECLARATIONS**

None.

### **BUDGET 2026**

Administration advised that all adjustments approved by Council to the General Operating Budget were completed. A recalculation of surplus amounts was requested from E6 and subsequently provided.

For the General Operating Budget, the 2024 surplus increased from approximately \$182,000 to \$184,367, with the additional amount transferred to capital.

For the Alma and Riverside-Albert Utilities, no changes were made to their previously reported surplus amounts.

For the Hillsborough Utility, the surplus increased from approximately \$79,000 to \$123,222 following E6's recalculation. The increased surplus was transferred to the Water Capital Reserve, as the amount remained insufficient to fund a 72-hour pump test.

Administration explained that the revised surplus figures were based on updated calculations provided by E6 at Council's request.

Administration further explained the contributing factors to utility surpluses:

- Alma Utility: Unused contingency expenses related to purification treatment and wastewater collection, along with project funding arrangements, resulted in surplus amounts; however, cash flow constraints due to active projects limited transfers to capital.
- Riverside-Albert Utility: Surplus resulted from unused budgeted transfers to capital and operating reserves due to low cash flow. At year end, the utility was operating in an overdraft position of approximately \$30,000, as operating funds had been used to advance capital project costs.
- Hillsborough Utility: Surplus resulted from delayed water exploration activities, an unbudgeted wastewater capital transfer, and several minor revenue and expense variances.

Administration noted that anticipated debenture financing for Riverside-Albert utility may restore cash flow and allow operating funds to be reimbursed; however, confirmation is pending due to outstanding audits and final debenture approvals. It was noted that a portion of the debenture proceeds will be used to pay down the existing bank loan, with any remaining funds returned to the appropriate reserve or operating accounts.

**IT WAS MOVED** by **Councillor Elderkin** and **SECONDED** by **Councillor Land** to have a recess at 6:11 pm.

**MOTION CARRIED** (unanimously)

**Mayor Campbell** welcomed Council back at 6:52 pm.

Council continued discussion on the Riverside-Albert Utilities. The Treasurer confirmed that, if the pending debenture is approved, anticipated for December 19, 2025, there is a likelihood that approximately \$135,000 will be returned to the Riverside-Albert utility bank account. A letter dated December 4, 2025 from the Department of Environment and Local Government confirmed that the debenture had been issued for signing and return, with proceeds expected on December 19, 2025.

Council noted that while the potential debenture proceeds would assist with short-term operational cash flow, it would not fully resolve longer-term structural surplus and rate issues. Council expressed the need to review each utility independently to determine reasonable and sustainable rate adjustments for residential, commercial, institutional, and industrial users.

Administration confirmed the following proposed and discussed rate impacts:

- Residential water: Originally proposed increase of \$37 per quarter; Council discussed reducing this to \$30 per quarter.
- Wastewater rates: Residential sewer, sewer residential plus, and sewer C rates to remain unchanged.

- Water Residential Plus and Water C: Discussion confirmed a consistent \$30 per quarter increase, moving rates from \$152 to \$182.
- User counts were noted for context (approximately 54 residential users, 3 residential plus users, and 14 Water C users).

Council expressed concern with the proposed 25% increase for institutional/industrial users, noting the impact on businesses and economic development. Consensus emerged to consider a reduced increase of approximately 10%, rather than the originally proposed rate.

Administration advised that, to offset the reduced institutional rate increase while maintaining service levels, adjustments could be made to internal transfers, including:

- Reducing the water operator staffing cost allocation to 50%;
- Reducing equipment cost allocations to 25%; and
- Lowering transfers to the Village Core capital fund, while noting that Village Core costs are funded by the former village areas and not Local Service Districts.

It was noted that these adjustments would reduce immediate financial pressure on ratepayers, maintain operational and repair capacity, and potentially allow unused contingencies to be transferred to capital reserves at year-end. Administration advised that, with the proposed adjustments, the overall financial impact to the Riverside-Albert utility would be minimal.

**IT WAS MOVED** by **Councillor Elderkin** and **SECONDED** by **Councillor Land** to have a recess at 7:07 pm.

**MOTION CARRIED** (unanimously)

**Mayor Campbell** welcomed Council back at 7:13 pm.

Council discussed revised utility rates intended to improve affordability for Riverside-Albert water users. As a result of lowering the proposed rates, Council noted that approximately \$13,700 must be addressed to balance the Riverside-Albert Utility. It was clarified that Riverside-Albert is a user-based system, and therefore costs must be recovered through user rates (i.e., the shortfall cannot be shifted to property taxes). Administration recommended reducing the Transmission and Distribution – Other (2.4.1.4.9) budget item (primarily contingency-related) to close the gap, and Council agreed. Council emphasized the need for increased transparency and closer monitoring of all three utility budgets in 2026 to achieve sustainable, balanced rate-setting.

Council then moved to the Hillsborough Utility and reviewed proposed quarterly rate changes tied to planned water exploration. The proposed changes were noted as:

- Water: \$95 → \$119 per quarter

- Wastewater: \$125 → \$131 per quarter  
Council discussed that these adjustments support water exploration planning and acknowledged that prior-year surplus funding (referenced as surplus from the second previous year) is included in the 2026 budget figures. It was noted that future costs, including a required pump test, are not financed by government and will require internal funding; Council emphasized being mindful of spending to preserve funds for that purpose. Council also noted that it may be beneficial to approach government for assistance with testing and referenced that funding is already set aside for a later project phase.

Council next reviewed the Alma Utility and discussed adjusting water and wastewater rates while keeping the combined residential annual total approximately the same (noted as \$1,510/year). Council questioned whether lowering sewer rates was appropriate given system age and future costs, while administration advised the wastewater system is generally in good condition with planned repairs and upgrades included in upcoming phases. Administration indicated the rate adjustments were largely a rebalancing between categories, and Council discussed fairness and identifying which users would benefit from any proposed sewer decrease.

Council acknowledged that changing rates would impact other budget figures and noted the need to continue refining the numbers accordingly.

**IT WAS MOVED** by *Councillor Elderkin* and **SECONDED** by *Councillor Land* to have a recess at 7:26 pm.

**MOTION CARRIED** (unanimously)

**Mayor Campbell** welcomed Council back at 8:02 pm.

Administration advised that, following further review and verification of the Riverside-Albert Utility, one revenue item had not been previously amended. The water service rate for municipally owned properties had remained at the originally proposed 25% increase and was subsequently reduced. This adjustment created an additional funding shortfall.

To address this, Administration confirmed that a total of approximately \$14,264 would be reduced from the Riverside-Albert Sewer contingency to balance the utility budget.

Council indicated consensus with the revised figures.

### **2026 General Operating Budget**

**IT WAS MOVED** by *Councillor Elderkin* and **SECONDED** by *Councillor Land* **THAT WHEREAS** the 2023 and 2024 audited financial statements for the Municipality of Fundy Albert are not yet available; and

**WHEREAS** Council has no choice but to include an estimate for the second previous year's

surplus/deficit in order to approve the budget at this time; and

**WHEREAS** the Treasurer of the Municipality of Fundy Albert, in consultation with E6, has recommended that Council include a conservative estimate for the second previous year's surplus in the amount of \$184,367;

**NOW THEREFORE BE IT RESOLVED** that Council accept the Treasurer's recommendation as presented.

**WHEREAS** the Council of the local government of Fundy Albert has created a total operating budget of \$7,203,312;

**AND WHEREAS** the sum of the Warrant of the local government for the ensuing year be \$5,809,733;

**AND WHEREAS** the tax rates for the local government be:

Taxing Authorities (#)	Residential Rate	Non- Residential Rate	Heavy Industrial Rate
681-0	1.5569	2.6467	2.6467
681-1	0.5899	1.0028	1.0028
681-2	0.5899	1.0028	1.0028
681-3	0.5461	0.9284	0.9284
681-4	1.3936	2.3691	2.3691
681-5	0.5899	1.0028	1.0028
681-6	1.3936	2.3691	2.3691
681-7	0.5899	1.0028	1.0028

**BE IT RESOLVED** that the council of the local government of Fundy Albert resolve that the sum of \$7,203,312 be the total operating budget of the local government, that the sum of \$5,809,733 be the Warrant for the local government for the ensuing year, and that the tax rates for the local government be as listed above.

Questions:

**Mayor Campbell** thanked Council for approving a zero percent tax rate increase and for its efforts during a challenging budget year. It was clarified that while the municipal tax rate remains unchanged from the previous year, some residents may still see an increase in their tax bill due to provincial property assessment changes, which are determined by the province and are outside of Council's control.

**MOTION CARRIED** (unanimously)

**2026 Utility Budget**

**IT WAS MOVED** by *Councillor Elderkin* and **SECONDED** by *Councillor Land* **THAT**

**WHEREAS** Fundy Albert Water & Wastewater Operating Budget has total expenses of \$1,695,389;

**AND WHEREAS** Alma Utility System has an annual Water Service Charge of \$982 per unit and an annual Wastewater Service Charge of \$528 per unit;

**AND WHEREAS** Hillsborough Utility System has an annual Water Service Charge of \$476 per unit and an annual Wastewater Service Charge of \$524 per unit;

**AND WHEREAS** Riverside-Albert Utility System has an annual Residential Water Service Charge of \$708, an annual Residential Plus/Commercial Water Service Charge of \$728, an annual Institutional Water Service Charge increase of 10%, an annual Industrial Water Service Charge of \$8,607, and an annual Own Local Government Water Service Charge of \$3,854;

**AND WHEREAS** Riverside-Albert Utility System Annual Wastewater Service Charges will remain the same for 2026;

**AND WHEREAS** the total of \$1,275,176 in Revenue is raised by User Charges;

**AND WHEREAS** the total of \$4,20,213 in Revenue is raised by Own & Other Sources of Revenue;

**BE IT RESOLVED THAT** the council of the local government of Fundy Albert resolve that pursuant to subsection 117(4) of the Local Governance Act, the total budget for the Water & Wastewater Utility for the ensuring year would consist of total revenues of \$1,695,389 and total expenditures of \$1,695,389.

**Questions:**

Council expressed appreciation for the completion of the outstanding audits once finalized and emphasized that the water and wastewater utilities are essential services for the three former villages. It was noted that while these systems must be maintained, they must also remain affordable, as affordability is a key factor for residents choosing to live in the community. Council emphasized the importance of improved financial tracking, oversight, and long-term planning for utility expenses to ensure sustainability and fairness for all users. It was further noted that maintaining reliable and well-managed water systems is critical to supporting continued population growth and community development within Fundy Albert.

**MOTION CARRIED** (unanimously)

**PUBLIC STATEMENTS AND INQUIRIES**

None

**Mayor Campbell** expressed appreciation to staff and participants for their time, diligence, and patience throughout the discussions, particularly during extended budget deliberations.

**ADJOURNMENT**

Moved by **Councillor Land** to adjourn at 8:13 pm

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Mayor

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Clerk