

November 4, 2024

File No:30C-178

Chief Administrative Officers & Councils
All Member Municipalities of ORRSC

Dear Chief Administrative Officer and Council,

RE: 2025 Annual Membership Contribution Fee Increase

We are writing to inform our membership of an upcoming adjustment to our annual membership fees, effective January 1, 2025. After careful review and deliberation of the organization's finances the Executive Committee has determined that membership fees will need to increase for ORRSC to remain financially viable. We can no longer rely on the financial instability associated with fee for service and subdivision fees to meet the minimum financial needs of the organization. It is the Executive Committee and Administration's goal to find a way to remain financially stable and continue to provide member municipalities with the high-quality services and programs that our membership has come to expect from us. For 2025, the mill rate is estimated to increase by 0.031, in addition to raising the fee ceiling to \$108,000 (estimated using the 2024 equalized assessments), and an increase of the fee floor to \$5,000.00. As we await the official 2025 equalized assessment numbers from the Province of Alberta, there will be an opportunity to review the proposed changes and adjust them accordingly.

We have thoroughly reviewed the operational costs, and the Executive Committee has determined a financial goal of guaranteeing that the organization's fixed expenses (payroll, benefits, utilities, insurance, software, professional services, etc.) are covered by the annual membership fees. The Executive Committee's long-term goal for moving forward is for the fixed operating expenses to be fully covered by membership fees within three years. The Executive Committee acknowledges that the proposed plan is aggressive, but it is important for the organization to develop a new financial stability plan to ensure that our members can continue to have the planning, subdivision, and GIS services which we have provided to our members over the last 69 years.

We want to make certain that our members know that a large amount of time and discussion was put into reviewing several scenarios and financial plans, and that these proposed changes are not being implemented lightly. Our intention, moving forward, is to conduct large-scale financial reviews, like the one completed this Fall on a regular basis. The Executive Committee believes that a 3-year financial plan will help to ensure the organization's viability and assist the member municipalities with future budget planning.

We understand that an increase in fees can be challenging and that all industries, including municipal government, are feeling the financial pressures of the current economic climate. We want to assure our membership that a great deal of consideration has gone into this decision and that we appreciate the loyalty and support that we have received since ORRSC's inception. ORRSC remains dedicated to providing exceptional value to our members.

The proposed 2025 Budget will be presented to the Board of Directors at our Organizational Meeting on December 5, 2024.

If you have any questions or concerns regarding this change, please do not hesitate to contact Lenze Kuiper, Chief Administrative Officer, or one of the Executive Committee members as detailed below.

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Gord Wolstenholme, Chair



Lenze Kuiper, Chief Administrative Officer