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2024 ANNUAL REPORT *DRAFT*

Oldman River
Regional Services
Commission



ABOUT US

The Oldman River Regional Services Commission (ORRSC) provides a spectrum of land use planning, subdivision, GIS, subdivision and development appeal services, and assessment review services to municipalities spanning the Oldman, Milk, and Bow River watersheds.

ORRSC's history is deeply rooted in southern Alberta and has evolved from various forms since 1955 when it first started as the Lethbridge District Planning Commission.

2024 marked our 69th year anniversary of embodying an exemplary shared services approach to regional service delivery. We are comprised of 40 member municipalities, 41 appointed members to the Board of Directors, and 24 staff members throughout the year, including permanent, contracted, and temporary employees.



OUR INTENT

Established under Part 15.1 of the Municipal Government Act, ORRSC is a cooperative effort of its member municipalities in southern Alberta who have created an organization to provide services to its members.

To continue to champion municipal perspectives sustaining the legacy of southern Alberta as a region where meaningful connections are experienced.

WHAT WE DO

PLANNING

The Municipal Government Act requires municipalities to manage land use, subdivision, and development by preparing bylaws and statutory long-range planning documents.

The Planning Department provides professional advice and assistance to Administration and Council regarding land use planning, subdivision, development and other related matters.

GIS

The GIS Department offers a multifaceted approach to the world of displaying and providing geographic information to our GIS member municipalities and their residents.

The GIS Department also provides services such as developing maps, plotting, GPS acquisition, drone photography and a variety of geographic analysis tools and modules.

HOW WE DO IT & ADDITIONAL SERVICES

ORRSC helps facilitate and support relationships between municipalities and various entities involved in land development and land management, like government departments, utility companies, school divisions and interest groups. Regional development trends are monitored and researched for the collective benefit of the membership, helping link individual municipalities to one another to create a stronger region. Census data analysis and associated population projections are undertaken following each federal census. Emerging technologies in the world of municipal document preparation and presentation continue to be monitored and implemented.

ORRSC also provides a research periodical (quarterly), a regional Subdivision and Development Appeal Board and Assessment Review Board, and a variety of training for staff, Councils, and various board members to support its member municipalities.



MESSAGE FROM THE CHAIR

I have had the pleasure of working with the Oldman River Regional Services Commission in a professional capacity since 2012. It is an organization I grew to appreciate for its comprehensive understanding of urban and rural perspectives, the long-standing planning service that it offers our membership which does not exist elsewhere in the province, as well as the built-in collaboration across a diverse membership that maintains a deep-rooted knowledge of Southern Alberta municipalities while offering a state of the art GIS system. In 2024, the Oldman River Regional Services Commission marks 69 years of serving the Province of Alberta, our region, and our membership.

When I was elected to Vulcan County Council 2021, I was soon appointed to serve on the board of the commission as the Vulcan County member. From there, I found myself serving as a rural representative on the Executive Committee, what proved to be a rewarding opportunity to serve with Directors who have been at the table for far longer than myself. Gordon Wolstenholme, a long-serving Councilor from Town of Fort Macleod, served as Board Chair the past ten years. Don Anderberg, Mayor of the Town of Pincher Creek, has also served on the Board for many years. As timing would have it, both gentlemen have decided not to seek another term with their municipal Council and will not be returning to our Board meetings after October. I want to take this opportunity to thank them for their service and dedication to the commission. Their perspective was greatly appreciated as we navigated through difficult budgetary choices in 2024.

This year will also mark the final year of service for our Chief Administrative Officer, Lenze Kuiper. Many of you will know Lenze or will have sought his assistance at some point over the past twenty years, or you may know him from his attendance at one of your council meetings. Lenze leaves big shoes to fill for his successor and the job of planning for this succession is not one that the Executive Committee takes lightly. Updates will be provided to the Board by the Executive Committee as we move through this process toward the end of 2025.

MESSAGE FROM THE CHAIR

To better manage fluctuations in fee-for-service revenue, the Board of Directors chose this past fall to budget for fixed expenditures with fixed membership revenues; both the floor and the ceiling of membership fees were increased significantly. While this operating plan will be fully implemented by 2027, the actual impact for each member will remain largely contingent on changes in their taxable assessment relative to all other members. Furthermore, by initiating our budgetary planning process earlier in the year, we anticipate that increases to membership fees will be more predictable and less drastic.

In closing, the Executive Committee is also working with staff on a new comprehensive service agreement for the member municipalities. We anticipate that a new service agreement will be one of the first orders of business for the municipal councils after the Fall election. This will serve as an opportunity to educate new council members about the variety of services offered by the planning commission, as well as provide strategic insight into how the Commission is planning for the future.

On behalf of the Board of Directors, I want to thank the Staff of the Planning Commission for their many hours of dedicated service while juggling very full schedules. Our municipalities are better positioned for planning and development challenges because the interests of our members and what's best for our communities remains a guiding priority for this organization.

Sincerely,



Christopher Northcott
Chair

MESSAGE FROM THE CAO

“Tomorrow belongs to the people who prepare for it today”

African Proverb

As we close another remarkable year at the Oldman River Regional Services Commission, it is fitting to reflect on our progress, the obstacles we’ve encountered, and our vision for the future. This year has been especially significant, not only in terms of our financial outlook and the corresponding implications for member requisitions, but also in how we’ve adapted to the evolving landscape of municipal service delivery.

We achieved strong growth across several areas. Revenues rose by 12%, reaching \$2.3 million, driven by increased subdivision fees, fee-for-service, and expanding membership. However, expenses also climbed by 6% to \$2.4 million, resulting in a year-end deficit. Despite this, our continued innovation in professional planning services, GIS, our Intermunicipal Subdivision and Development Appeal Board, and Regional Assessment Review Board have strengthened our service delivery. Although the proposed Development Officer service was deemed unviable at this time, the exploration of this initiative reflects our commitment to responsive and forward-thinking solutions to assist our members in where they need us most.

Of course, the year was not without challenges. Fluctuating economic conditions on all levels led municipalities, developers, and landowners to proceed more cautiously in their planning and decision-making. We addressed these challenges proactively by updating statutory plans and Land Use Bylaws to reflect the current environment. The challenges of a competitive labour market highlighted the importance of both talent retention and forward-looking succession planning. In anticipation of future transitions, our Executive has been proactively participating in succession strategy discussion to safeguard operational stability in the future.

MESSAGE FROM THE CAO

Looking ahead, we are committed to continually enhancing our digital capabilities by investing in technology that improves operational efficiency and user experience. Through hardware and software upgrades, these enhancements will include an asset management component, aligning our operations more closely with the evolving needs of member municipalities. We also see opportunities for growth by expanding our membership in both planning and GIS services. As we move into a municipal election year, increased engagement will be a priority, with initiatives supporting Council orientations, strategic planning, and community engagement.

2025 marks my final year as Chief Administrative Officer, I extend my heartfelt gratitude to our dedicated staff, supportive Board and Executive, and our loyal municipalities. Your commitment and trust have been instrumental in our success. Together, we are not only strengthening the Commission but also building a lasting legacy of innovation, accountability, and excellence. I am excited about the opportunities that lie ahead, and I remain confident in our shared ability to continue fostering healthy, vibrant communities throughout southern Alberta. Thank you being a part of our journey.

Warm Regards,



Lenze Kuiper
Chief Administrative Officer

EXECUTIVE COMMITTEE

The Executive Committee is elected by their peers on the Board of Directors and are delegated the responsibility of financial and administrative matters on behalf of the Board.

At the Organizational Meeting held on December 7, 2023, the following members were elected for the 2023/2024 term:



GORD WOLSTENHOLME

Chair, Town of Fort Macleod

DON ANDERBERG

Vice Chair, Town of Pincher Creek

SCOTT AKKERMANS

Town of Coalhurst

DAVID CODY

County of Warner

CHRISTOPHER NORTHCOTT

Vulcan County

BRAD SCHLOSSBERGER

Town of Claresholm

NEIL SIEBEN

Town of Raymond

BOARD OF DIRECTORS

As of December 31, 2024, including former members of 2024.

Colin Bexte

Village of Arrowwood

Jake Hiebert

Village of Barnwell - Former Member

Shayla Anderson

Village of Barnwell

Dan Doell

Village of Barons

Mike Wetzstein

Town of Bassano

Ray Juska

City of Brooks

Roger Houghton

Cardston County

Allan Burton

Town of Cardston

Sue Dahl

Village of Carmangay

James F. Smith

Village of Champion

Brad Schlossberger

Town of Claresholm

Scott Akkermans

Town of Coalhurst - Former Member

Deborah Florence

Town of Coalhurst

Tanya Smith

Village of Coutts

Dave Slingerland

Village of Cowley

Dean Ward

Municipality of Crowsnest Pass

Dave Filipuzzi

Municipality of Crowsnest Pass

Stephen Dortch

Village of Duchess

Gord Wolstenholme

Town of Fort Macleod

Joan Hughson

County of Forty Mile

Mark Peterson

Village of Glenwood

Suzanne French

Village of Hill Spring

Morris Zeinstra

Lethbridge County

Brad Koch

Village of Lomond

Gerry Baril

Town of Magrath

Peggy Losey

Town of Milk River

Dean Melnyk

Village of Milo

Victor Czop

Town of Nanton

Marinus de Leeuw

Town of Nobleford

Teresa Feist

Town of Picture Butte

Tony Bruder

Municipal District of Pincher Creek -
Former Member

Jim Welsch

Municipal District of Pincher Creek

Don Anderberg

Town of Pincher Creek

Ron Davis

Municipal District of Ranchland

Neil Sieben

Town of Raymond

Don Norby

Town of Stavely

Matthew Foss

Village of Stirling

John DeGroot

Municipal District of Taber

Ray Coad

Town of Vauxhall - Former Member

Russell Norris

Town of Vauxhall

Christopher Northcott

Vulcan County

Richard DeBolt

Town of Vulcan

David Cody

County of Warner

Marty Kirby

Village of Warner

Evan Berger

Municipal District of Willow Creek

ORRSC STAFF

ADMINISTRATION

Lenze Kuiper
Chief Administrative
Officer (2005)

Sherry Johnson
Bookkeeper
(1981-April 2024)

Raeanne Keer
Executive Assistant (2022)

Stephanie Sayer
Accounting Clerk (April 2024)

GEOGRAPHIC INFORMATION SYSTEMS (GIS)

Jaime Thomas
GIS Analyst (2005)

Mladen Kristic
CAD/GIS Technologist
(2006)

Jordan Thomas
GIS Analyst (2006)

Kaylee Sailer
CAD/GIS Technologist (2013)

Carlin Groves
CAD/GIS Technologist (2019)

PLANNING

Mike Burla*
Senior Planner (1978)

Steve Harty
Senior Planner (1998)

Diane Horvath
Senior Planner (2000)

Bonnie Brunner
Senior Planner (2007)

Gavin Scott
Senior Planner (2007)

Ryan Dyck
Planner (2013)

Jennifer Maxwell
Subdivision Technician (2015)

Maxwell Kelly
Planner (2019)

Kattie Schlamp
Planner (2022)

Tristan Scholten
Planning Intern
(2023-Jan 2024)

Matthias Barrett
Co-op Student (Jan-July)

Rachel Schortinghuis
Assistant Planner (Mar 2024)

Kara Schortinghuis
Subdivision Assistant
(June - Sept)

Harsimran (Sim) Kaur
Assistant Planner
(Aug 2024)

Jiayi Wang
Assistant Planner (Aug 2024)

RECOGNITION OF SERVICE

BOARD OF DIRECTORS

5+ YEARS

Tanya Smith

Dean Ward

Suzanne French

Morris Zeinstra

Peggy Losey

Marinus de Leeuw

Don Norby

10+ YEARS

Dave Phillipuzzi

Don Anderberg

David Cody

20+ YEARS

Gord Wolstenholme

Brad Koch

40+ YEARS

Ron Davis

RECOGNITION OF SERVICE

ORRSC STAFF

5+ YEARS

Carlin Groves

Maxwell Kelly

Jennifer Maxwell

10+ YEARS

Ryan Dyck

Kaylee Sailer

15+ YEARS

Bonnie Brunner

Mladen Kristic

Lenze Kuiper

Gavin Scott

Jaime Thomas

Jordan Thomas

20+ YEARS

Diane Horvath

25+ YEARS

Steve Harty

45+ YEARS

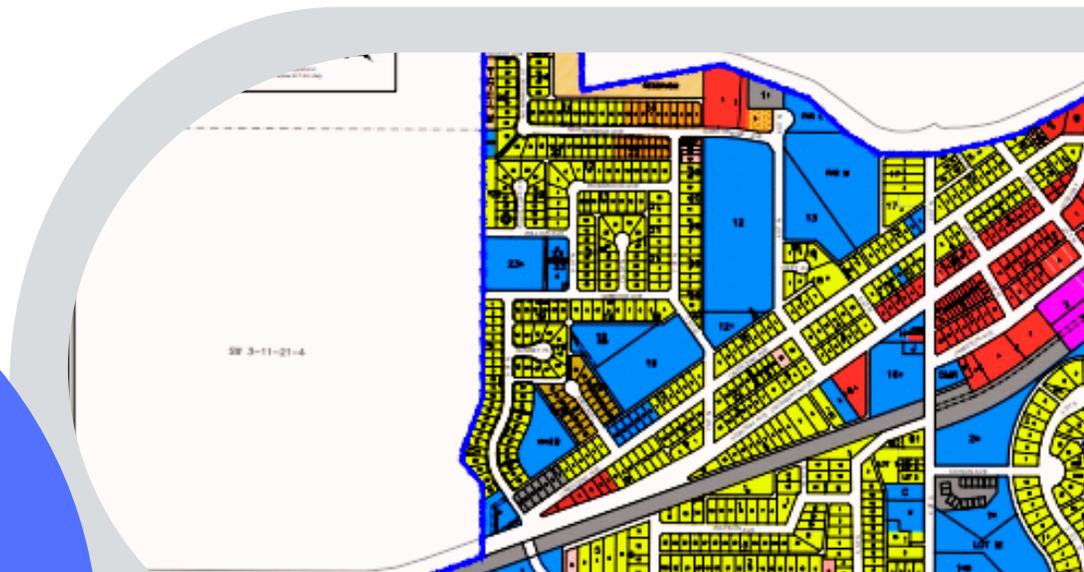
Mike Burla

PLANNING PROJECTS

Throughout 2024, we continued to work on a number of significant Land Use Bylaw reviews, amendments, and updates, many of which we hope to see finalized in 2025. Through our Land Use Bylaw process, we work closely with each municipality to ensure their unique land use goals and community priorities are addressed. In addition, we started a number of new statutory planning documents, including Municipal Development Plans and Area Structure Plans.

Our team provided ongoing advice on intermunicipal matters, annexation processes, and subdivision and development appeal board hearings, as well as actively participating in Provincial Board Hearings such as those with the Land and Property Rights Tribunal, the Natural Resources Conservation Board, and the Alberta Utilities Commission. Our quarterly publication on various planning topics serves as a platform for conversation, connecting municipalities, community stakeholders, academics, and different levels of government. Professional development activities included presenting at the Community Planning Association of Alberta Annual Conference and the Montana Association of Planners.

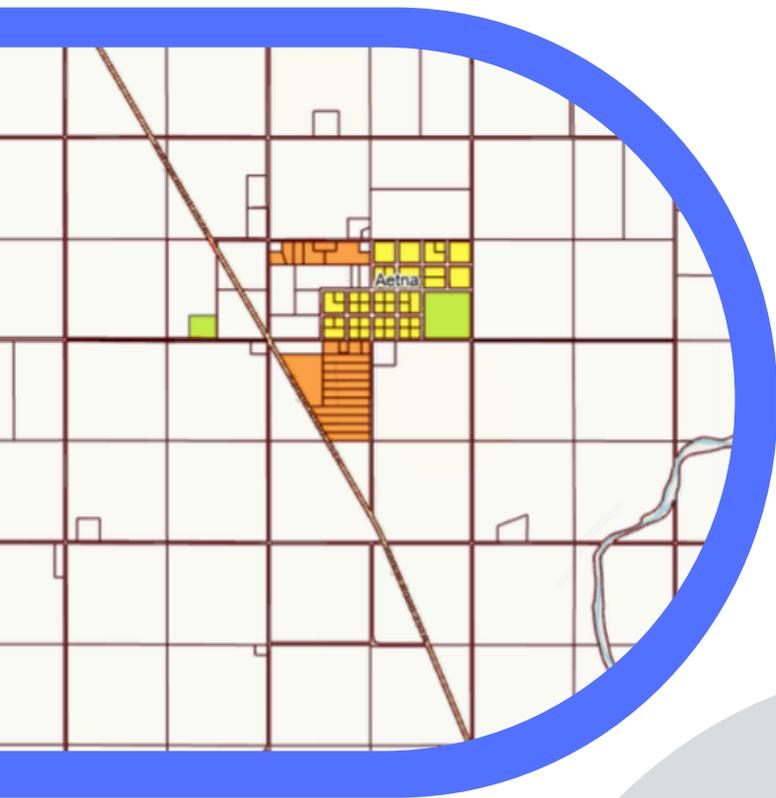
Looking forward to 2025, our Planners are eager to continue providing essential planning support, while also advancing several key projects aimed at enhancing the growth and development of our member municipalities.



GEOGRAPHIC INFORMATION SYSTEM (GIS) PROJECTS

2024 saw ORRSC GIS staff undertake several large projects but most notably was working with the Alberta Municipal Data Partnership (AMDSP) to transition spatial data for all GIS members into a deliverable that can be consumed by the forthcoming Next Generation 9-1-1 (NG9-1-1) Project. The NG9-1-1 Project in Canada is a major initiative led by the Canadian Radio-television and Telecommunications Commission (CRTC) to modernize the country's emergency communication systems. The goal is to upgrade from traditional voice-based 9-1-1 services to a more advanced, digital, Internet Protocol (IP)-based system. Municipalities across Canada are required to have a spatial data set in place for use by the end of 2025. ORRSC member municipalities have already been completed and will be used as testing datasets by the CRTC.

ORRSC GIS staff have also implemented a new server environment that will host a new GIS software upgrade in 2025. ORRSC remains on the cutting edge of GIS technology and is a leader in municipally delivered GIS.



This new update will pave the way for seamless field collection of assets for public works personnel and a new Asset Management module which can be utilized by municipalities of varying sizes. The Asset Management Module will feature enhanced reporting on infrastructure collections which will aid in Tangible Capital Asset (TCA) reporting.

SUBDIVISION STATISTICS

A total of **188** subdivision applications were processed during the 2024 calendar year. The status of these applications, as of December 31, 2024 are as follows:

154 Approved or Approved on Condition
1 Refused

31 Pending
2 Withdrawn

MEMBER MUNICIPALITY	# of Subdivisions	Boundary Line Adj	DECISION				NEWLY CREATED LOTS (By Use)								
			A or A/C	R	W/E	P	Res	Com	Ind	CR	Ag	Inst	Rec	Misc	TOTAL
Cardston County	19	5	17	-	-	2	-	-	-	25	3	-	-	-	28
City of Brooks	1	-	1	-	-	-	-	-	1	-	-	-	-	-	1
County of Forty Mile No. 8	4	1	2	-	-	2	3	-	-	2	-	-	-	-	5
County of Warner No. 5	12	3	10	-	-	2	3	-	-	8	-	-	-	-	11
Lethbridge County	36	12	30	-	-	6	-	-	1	37	6	1	-	-	45
Municipal District of Pincher Creek No. 9	12	3	11	-	-	1	5	8	-	4	1	-	2	-	20
Municipal District of Ranchland No. 66 *	1	-	1	-	-	-	-	-	-	2	-	-	-	-	2
Municipal District of Willow Creek No. 26	17	4	15	1	-	1	-	-	-	13	1	-	-	-	14
Municipal District of Taber	17	7	10	-	-	7	50	-	1	13	1	-	-	-	65
Municipality of Crowsnest Pass	18	10	15	-	1	2	13	-	-	4	1	-	-	-	18
Town of Bassano	2	-	2	-	-	-	16	-	-	-	-	-	-	-	16
Town of Cardston	2	1	2	-	-	-	1	-	-	-	-	-	-	-	1
Town of Claresholm	6	4	5	-	-	1	4	-	-	-	-	1	-	-	5
Town of Coalhurst	1	-	1	-	-	-	1	-	-	-	-	-	-	-	1
Town of Fort Macleod	5	1	4	-	-	1	42	4	-	-	-	-	3	-	49
Town of Magrath	1	-	-	-	-	1	1	-	-	-	-	-	-	-	1
Town of Milk River	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Town of Nanton	2	-	2	-	-	-	1	-	1	-	-	-	-	-	2
Town of Nobleford	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Town of Picture Butte	1	1	1	-	-	-	-	-	-	-	-	-	-	-	0
Town of Pincher Creek	4	-	4	-	-	-	27	-	-	-	-	-	-	-	27
Town of Raymond	7	1	4	-	1	2	9	1	2	-	-	-	-	-	12
Town of Stavely	1	-	1	-	-	-	-	-	-	-	-	1	-	-	1
Town of Vauxhall	1	-	1	-	-	-	4	-	-	-	-	-	-	-	4
Town of Vulcan	2	-	2	-	-	-	2	-	-	-	-	-	-	-	2
Village of Arrowwood	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Barnwell	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Barons	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Carmangay	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Champion	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Coutts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Cowley	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Duchess	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Glenwood	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Hill Spring	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Lomond	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Milo	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Village of Stirling	2	-	2	-	-	-	6	-	-	-	-	-	-	-	6
Village of Warner	0	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Vulcan County	14	6	11	-	-	3	-	-	-	10	15	-	-	-	10
TOTAL	188	59	154	1	2	31	188	13	6	116	15	3	5	0	346

CHINOOK INTERMUNICIPAL SDAB

The Chinook Intermunicipal Subdivision and Development Appeal Board (SDAB) is a quasi-judicial board comprised of appointed persons from participating municipalities. The Chinook Intermunicipal SDAB is a regional board which provides municipalities with shared access to a large pool of certified board members and board clerks.

ORRSC offers regular in-house training to board members to ensure the legislative requirement is met.

18 SDAB Appeals
Received

1 SDAB Training
Session Held

17 SDAB
Hearings Held

52 Board Members
Appointed



REGIONAL ASSESSMENT REVIEW BOARD

The Regional Assessment Review Board (ARB) is a long-standing quasi-judicial board established under the Municipal Government Act, and is responsible for making decisions regarding property assessment complaints. The Regional ARB provides municipalities with shared access to a large pool of certified board members and board clerks.

26 ARB Appeals
Received

21 ARB Appeals
Withdrawn

5 ARB Hearings
Held

32 Board Members
Appointed



ORRSC PERIODICAL

ORRSC

The ORRSC Periodical is a quarterly publication focusing on planning topics of regional interest and the promotion of best practices.

The Periodical is researched, written, and designed in house by ORRSC Staff.

Copies of the current and past editions can be found at www.orrsc.com.

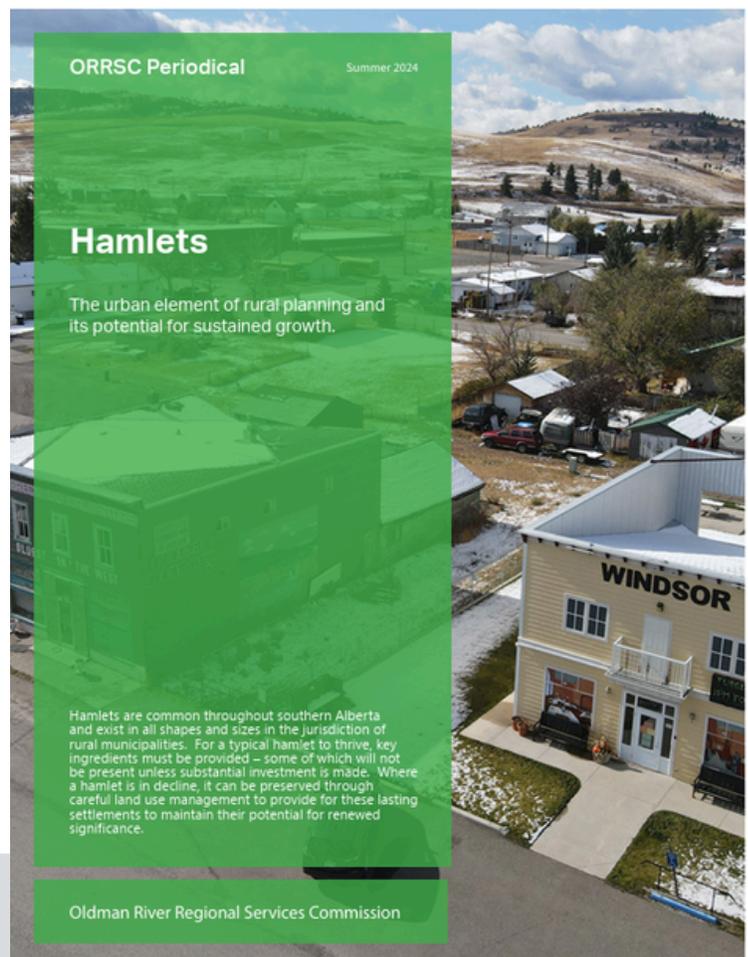
2024 EDITIONS & TOPICS

Water Management
Spring 2024

Hamlets
Summer 2024

Home Occupations
Fall 2024

Exemptions
Winter 2024



FINANCIAL CHANGES

Following a detailed financial review from July to November 2024, the Executive Committee determined that a membership fee increase was essential to ensure ORRSC's long-term financial stability. Reliance on unpredictable fee-for-service and subdivision revenues is no longer a viable strategy for meeting core operational needs.

To safeguard the high-quality services our members expect, the Executive and Administration have set a clear financial objective that within three years, membership fees will fully cover all fixed operating costs, including payroll, benefits, utilities, insurance, software, and professional services. This strategic shift reflects our commitment to responsible, sustainable service delivery. While this goal is ambitious, it is a vital step toward securing ORRSC's future and ensuring 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.

Starting in 2025, a draft budget will be presented each September to provide member municipalities with early insight into funding requirements and proposed fee changes. The final budget will continue to be reviewed and approved at the December Board of Directors meeting.

Step 1

Financial Audit
Complete
(May/June)



Step 2

Prepare Draft
Budget
(Summer)



Step 3

Draft Budget
Presented to Board
(September)



Step 4

Prepare Final
Budget
(Fall)



Step 5

Final Budget
Presented to Board
(December)



FINANCIAL STATEMENTS

The following pages consist of the Independent Auditor's Report prepared by KPMG LLP.

Financial Statements of

**OLDMAN RIVER REGIONAL
SERVICES COMMISSION**

And Independent Auditor's Report thereon

Year ended December 31, 2024



KPMG LLP

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Lethbridge, AB T1K 7T5
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Oldman River Regional Services Commission

Opinion

We have audited the financial statements of Oldman River Regional Services Commission (the Commission), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- the statement of change in accumulated surplus for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2024, and its results of operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, including the 4200 series of standards for government not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, including the 4200 series of standards for government not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Lethbridge, Canada

April 17, 2025

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash and short-term deposits	\$ 186,662	\$ 215,450
Accounts receivable (note 3)	41,771	62,895
Cash not available for current operations	93,035	192,986
	<u>321,468</u>	<u>471,331</u>
Financial liabilities		
Accounts payable and accrued liabilities	\$ 260,077	\$ 225,957
Deferred revenue	-	20,000
Debt	-	40,000
	<u>260,077</u>	<u>285,957</u>
Net financial assets	61,391	185,374
Non-financial assets		
Prepaid expenses and deposits	31,644	7,522
Tangible Capital assets (note 4)	577,301	630,982
	<u>608,945</u>	<u>638,504</u>
Accumulated surplus (note 9)	670,336	823,878
Commitments (note 6)		

See accompanying notes to financial statements.

On behalf of the Board:

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Operations

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 12)	2024 Actual	2023 Actual
Revenue:			
Municipal contributions	\$ 1,078,233	\$ 1,126,012	\$ 985,948
GIS member fees	569,464	550,912	526,463
Application fees	225,000	277,280	203,605
Other revenue	66,500	105,093	96,523
Service fees	200,000	134,277	127,557
Finalization fees	55,000	73,473	56,780
Interest income	35,000	32,753	47,353
Extension fees	7,500	6,500	5,520
	2,236,697	2,306,300	2,049,749
Expenses:			
Salaries and benefits	2,007,100	2,144,845	1,995,158
Equipment	74,000	88,758	55,294
Occupancy costs	34,700	43,616	59,436
Telephone	16,000	29,341	24,931
Repairs and maintenance	15,001	16,601	41,971
Staff travel	13,000	16,258	15,415
Professional fees	13,000	15,645	10,450
Printing and duplicating	4,500	12,287	2,134
Members' fees	5,000	7,915	7,383
Janitorial	6,000	6,421	6,000
Members travel	8,000	6,308	7,105
Office and general	5,500	3,633	1,376
Entertainment	-	3,172	-
Staff training and conferences	7,000	2,663	4,792
Advertising	5,000	2,561	6,338
Public relations	2,000	2,452	4,924
Land titles office	2,500	1,613	2,051
Interest and bank charges	-	1,320	647
Postage	7,500	1,226	16
Miscellaneous	1,250	137	11,207
Consulting fees	1	-	6,720
Amortization	-	33,457	36,119
	2,227,052	2,440,229	2,299,467
Excess (deficiency) of revenues over expenses before the undernoted item	9,645	(133,929)	(249,718)
Other expense: Loss on disposal of capital assets	-	(19,613)	(520)
Excess (deficiency) of revenues over expenses	\$ 9,645	\$ (153,542)	\$ (250,238)

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Changes in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	Budget	2024	2023
Deficiency of revenue over expenses	\$ 9,645	\$ (153,542)	\$ (250,238)
Acquisition of tangible capital assets	--	(5,389)	(165,481)
Proceeds on disposal of tangible capital assets	--	6,000	--
Loss on disposal of tangible capital assets	--	19,613	520
Amortization of tangible capital assets	--	33,457	36,119
	9,645	53,681	(128,842)
(Increase) decrease in prepaid expenses	--	(24,122)	3,834
Change in net financial assets	9,645	(123,983)	(375,246)
Net financial assets, beginning of year	185,374	185,374	560,620
Net financial assets, end of year	\$ 195,019	\$ 61,391	\$ 185,374

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (153,542)	\$ (250,238)
Items not involving cash:		
Amortization	33,457	36,119
Loss on disposal of tangible capital assets	19,613	520
	(100,472)	(213,599)
Changes in non-cash operating working capital:		
Accounts receivable	21,124	(11,264)
Prepaid expenses and deposits	(24,122)	3,834
Accounts payable and accrued liabilities	34,120	(15,157)
Deferred revenue	(20,000)	-
	(89,350)	(236,186)
Capital activities:		
Purchase of tangible capital assets	(5,389)	(165,481)
Proceeds on disposal of tangible capital assets	6,000	-
	611	(165,481)
Financing activities:		
Debt repayment	(40,000)	-
Decrease in cash and short-term deposits	(128,739)	(401,667)
Cash and short-term deposits, beginning of year	408,436	810,103
Cash, end of year	\$ 279,697	\$ 408,436
Cash is represented by:		
Cash and short-term deposits	\$ 186,662	\$ 215,450
Cash not available for current operations	93,035	192,986
	\$ 279,697	\$ 408,436

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Changes in Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	Unrestricted	Internally restricted	Invested in capital assets	Total 2024	Total 2023
Balance, beginning of year	\$ -	\$ 192,896	\$ 630,982	\$ 823,878	\$ 1,074,116
Excess (deficiency) of revenue over expenses	(153,542)	-	-	(153,542)	(250,238)
Amortization of capital assets	33,457	-	(33,457)	-	-
Acquisition of capital assets	(5,389)	-	5,389	-	-
Proceeds on disposals of capital assets	6,000	-	(6,000)	-	-
Loss on disposal of capital assets	19,613	-	(19,613)	-	-
Net transfers	99,861	(99,861)	-	-	-
Balance, end of year	\$ -	\$ 93,035	\$ 577,301	\$ 670,336	\$ 823,878

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements

Year ended December 31, 2024

Nature of operations:

Oldman River Regional Services Commission (the "Commission") is a regional planning commission created by an order in Council of the province of Alberta on October 21, 2003. It was created pursuant to the Municipal Government Act of Alberta. Members of the Commission are restricted to municipal authorities. The Commission is exempt from income tax under Section 149 of the Canadian Income Tax Act.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. The Entity's significant accounting policies are as follows:

(a) Revenue recognition:

The Commission follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Approval fees, sales of maps fee for service and other exchange based transactions revenue are recognized as revenue in the period in which the service is delivered or in which the transaction or events that gave rise to the revenue occurred.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(b) Tangible capital assets:

Capital assets are stated at cost, less accumulated amortization. Amortization is provided using the following methods and annual rates:

Asset	Basis	Rate
Building	Declining balance	4%
Vehicles	Declining balance	30%
Computer	Straight-line	4 years
General contents	Straight-line	5 years

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the asset no longer has any long-term service potential to the Commission. Any such impairment is measured by a comparison of the carrying amount of an asset to estimated residual value.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits, which are highly liquid with original maturities of less than three months from the date of acquisition. These financial assets are convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(d) Financial instruments:

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Commission recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank indebtedness, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the Commission is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

Portfolio investments in equity instruments quoted in an active market and derivatives are recorded at fair value. All other financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from de-recognition of a financial instrument is recognized in the Statement of Operations. Impairment losses such as write-downs or write-offs are reported in the Statement of Operations.

There are no remeasurement gains or losses and as such, a statement of remeasurement gains and losses has not been prepared.

(e) Employee future benefits:

The Commission participates in a multi-employer defined pension plan called the Local Authorities Pension Plan ("LAPP"). This pension plan is a multi-employer defined benefit pension plan that provides pension benefits for the Commission's participating employees, based on years of service and earnings.

The plan is accounted for as a defined contribution plan whereby contributions are expensed as incurred.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(f) Asset Retirement Obligations:

Asset retirement obligations (ARO) are legal obligations associated with the retirement of a tangible capital assets (TCA). Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to;

- decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- remediation of contamination of a tangible capital asset created by its normal use; post-retirement activities such as monitoring; and
- constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

There are no asset retirement obligations as of December 31, 2024.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of tangible capital assets. Actual results could differ from those estimates.

(h) Contaminated sites liability:

The Commission uses Public Sector Accounting Standards section 3260 - liability for contaminated sites. Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or retroactive or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring. At December 31, 2024 the Commission did not have any liabilities associated with contaminated sites.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

2. Recent accounting pronouncements:

The following summarizes the upcoming changes to the Public Sector Accounting Standards by the Public Sector Accounting Standards Board (PSAB). In 2025, the Commission will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently.

(a) The Conceptual Framework for Financial Reporting in the Public Sector:

The Conceptual Framework for Financial Reporting in the Public Sector, is the foundation for public sector financial reporting standards. It replaces the conceptual aspects of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards. This revised framework is effective for fiscal years beginning on or after April 1, 2026. Early adoption is permitted. The conceptual framework is to be applied prospectively.

(b) PS 1202 - Financial Statement Presentation:

The Canadian Public Sector Accounting Board issued a new guideline, PS 1202 Financial Statement Presentation. The new reporting model builds upon existing section PS 1201 of the same name, to better respond to the need for understandable financial statements. The key aspects of this guideline are:

- Statement of financial position - Statement has been restructured to present total assets, then total liabilities to arrive at net assets/liabilities.
- Statement of Net Financial Assets (Liabilities) - New statement that will display a revised calculation of net debt. Option to present the net financial assets/liabilities indicator at the bottom of statement of financial position.
- Statement of Changes in Net Assets (Liabilities) - New statement that will show a reconciliation between opening and closing balances of each component of net assets or net liabilities.
- Statement of Cashflow - Restructured such that financing activities will be separated from other items on the statement. Allowing the statement to highlight net cash before financing activities.
- Budget - Requirement for presentation of budget figures using the same basis of accounting, accounting principles, scope of activities and classifications as the actual amounts.

The new standard, along with related consequential amendments, will be effective for fiscal years beginning on or after April 1, 2026, with earlier adoption permitted if the entity adopts the revised conceptual framework at the same time.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

3. Accounts receivable:

	2024		2023	
Trade receivables	\$	36,154	\$	51,254
Goods and services tax		5,617		11,641
	\$	41,771	\$	62,895

4. Tangible capital assets:

	2024		
	Cost	Accumulated amortization	Net book value
Land	\$ 80,000	\$ -	\$ 80,000
Building	773,397	421,967	351,430
General contents	412,053	280,465	131,588
Other equipment	13,678	13,097	581
Vehicles	56,590	56,590	-
Computer	172,605	158,903	13,702
	\$ 1,508,323	\$ 931,022	\$ 577,301

	2023		
	Cost	Accumulated amortization	Net book value
Land	\$ 80,000	\$ -	\$ 80,000
Building	773,397	407,324	366,073
General contents	408,053	272,851	135,202
Other equipment	13,678	13,097	581
Vehicles	83,140	54,691	28,449
Computer	171,216	150,539	20,677
	\$ 1,529,484	\$ 898,502	\$ 630,982

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

5. Financial risks and concentration of risk:

(a) Liquidity risk:

Liquidity risk is the risk that the Commission will be unable to fulfil its obligations on a timely basis or at a reasonable cost. The Commission manages its liquidity risk by monitoring its operating requirements. There has been no change to the risk exposures from 2023.

(b) Market risk:

Market risk is the risk that changes in market price such as interest rates will affect the Commission's income or value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters.

(c) Interest rate risk:

The Commission is exposed to interest rate risk on its fixed interest rate financial instruments and floating rate operating line of credit.

(d) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Commission is exposed to credit risk with respect to accounts receivable and has processes in place to monitor accounts receivable balances. The Commission believes that it is not exposed to significant credit risk arising from its financial instruments.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

6. Commitments:

- (a) The Commission leased equipment under agreements expiring on dates ranging from June, 2026 to August, 2026. The base rent obligation under the leases for the next year is approximately \$7,284.
- (b) The Commission has signed contracts for electricity and natural gas for its facilities, which expired on December 31, 2018, however it is to continue on a year to year basis until written notice of termination on December 31, 2024.

7. Economic dependence:

The Commission receives a significant portion of its revenue directly and indirectly from its members, as such, the Commission is economically dependent on its members.

8. Debt limits:

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 76/2000 for the Commission be disclosed as follows:

	2024	2023
Total debt limit	\$ 1,153,150	\$ 1,024,874
Total debt	-	(40,000)
Amount of debt limit unused	\$ 1,153,150	984,874
Debt servicing limit	\$ 230,630	204,975
Debt servicing	-	(40,000)
Amount of debt servicing limit unused	\$ 230,630	\$ 164,975

The debt limit is calculated at 0.5 times revenue of the Commission (as defined in Alberta Regulation 76/2000) and the debt service limit is calculated at 0.1 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Commission. Rather, the financial statements must be interpreted as a whole.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

9. Accumulated surplus

	2024	2023
Net assets:		
Investment in capital assets	577,301	630,982
Internally restricted	93,035	192,896
	670,336	823,878

Internally restricted net assets is comprised of the following:

	2024	2023
Operating reserve fund	80,756	175,228
Capital reserve fund	12,279	17,668
	93,035	192,896

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2024

10. Local Authorities Pension Plan:

Employees of the Commission participate in the Local Authorities Pension Plan, which is one of the plans covered by the Public Sector Pension Plans Act. The plan covers approximately 304,451 employees of approximately 444 non-government employer organizations such as municipalities, hospitals, and schools (non-teachers).

The Commission is required to make current service contributions to the Plan of 8.45% of pensionable payroll up to the year's maximum pensionable earnings under the Canada Pension Plan, and 11.65% on pensionable earnings above this amount.

Employees of the Commission are required to make current service contributions of 7.45% of pensionable salary up to the year's maximum pensionable earnings under the Canada Pension Plan, and 10.65% on pensionable salary above this amount.

Total current and past service contributions by the Commission to the Local Authorities Pension Plan in 2024 were \$147,191 (2023 - \$147,035). Total current and past service contributions by the employees of the Commission to the Local Authorities Pension Plan in 2024 were \$130,611 (2023 - \$130,483).

At December 31, 2023 the Plan disclosed an actuarial surplus of \$15.1 billion.

11. Contractual rights:

Contractual rights are rights of the Commission to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

The Commission has entered into agreements to provide services to municipal members. The timing and extent of the fees collected in the future depend upon the timing and extent of services provided and as such will vary in the future.

The Commission collects municipal contributions from its members, the amounts collected depend upon participation and population of member communities and as such will vary in the future.

12. Budget information:

The budget information was approved by the Executive on November 9, 2023.