

WWW.ORRSC.COM

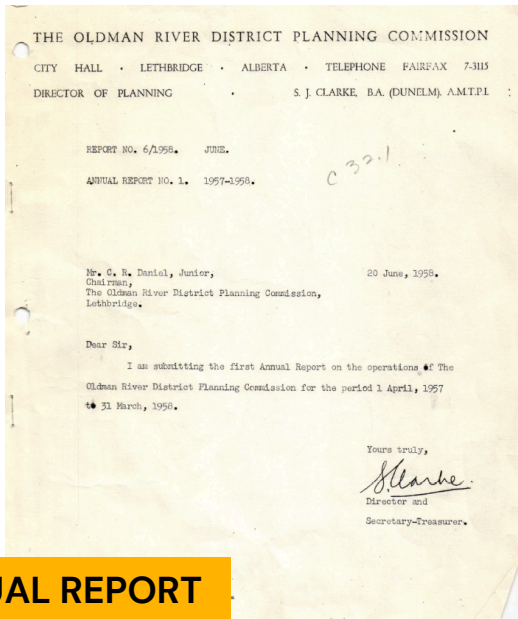


2025

ANNUAL REPORT

Oldman River Regional Services Commission

ABOUT ORRSC



1957 ANNUAL REPORT

For nearly seven decades, the Oldman River Regional Services Commission (ORRSC) has been supporting municipalities across the Oldman, Milk, and Bow River watersheds with a comprehensive suite of services. Our work spans land use planning, subdivision, geographic information systems (GIS), Subdivision and Development Appeal Board support, and Assessment Review Board services, helping communities navigate growth and development with confidence.



2024 ANNUAL REPORT

Founded in 1955 as the Lethbridge District Planning Commission, ORRSC has grown and evolved alongside southern Alberta's communities, continually adapting to meet the region's changing needs. In 2025, we proudly celebrated our 70th anniversary of providing a collaborative, shared-services approach to regional service delivery.

Today, ORRSC is comprised of 40 member municipalities, guided by a Board of Directors with 41 appointed members, and supported by a dedicated team of 23 staff, who work together to ensure effective and responsive service for our communities.



OUR MISSION

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

ORRSC continues to champion municipal perspectives while sustaining the legacy of southern Alberta as a region where meaningful connections are experienced.



Photo: Village of Duchess

WHAT WE DO

PLANNING

GIS

Under the Municipal Government Act, municipalities are responsible for overseeing land use, subdivision, and development through the creation of bylaws and statutory long-range planning documents.

ORRSC's Planning Department supports this mandate by working closely with municipal Administration and Council, providing expert guidance and support on land use planning, subdivision, development, and related matters, and helping ensure decisions are informed and aligned with community priorities.

Accurate geographic information is essential for municipalities to make informed decisions, plan effectively, and deliver services that meet the needs of their communities.

ORRSC's GIS Department delivers a wide range of geographic information services to our member municipalities and their communities. Our team supports mapping, data visualization, GPS data collection, drone imagery, and advanced spatial analysis to help municipalities make informed, data-driven decisions.



Photo: Vulcan County

HOW WE DO IT & ADDITIONAL SERVICES

RELATIONSHIPS

SUBDIVISION

APPEAL BOARDS

ORRSC plays a central role in fostering collaboration between municipalities and a wide range of stakeholders, including government departments, utility providers, school divisions, and community interest groups. By monitoring regional development trends and conducting research, the Commission helps connect municipalities and strengthen the region as a whole. Following each federal census, ORRSC analyzes population data and projections to support informed municipal planning. We also keep pace with emerging technologies to improve access to information, support better decision-making, and enhance service delivery.

In addition to these services, ORRSC produces a quarterly research periodical, administers a regional Subdivision and Development Appeal Board and Assessment Review Board, and offers a variety of training programs for member staff, Councils, and board members, all designed to support the capacity and effectiveness of our member municipalities.



MESSAGE FROM THE CHAIR

The Oldman River Regional Services Commission has been serving member-municipalities for over 70 years. Possessing a base of knowledge for our region that has developed since 1955, in conjunction with the breadth of experience of current staff, the Commission provides a planning perspective that is unmatched in Alberta. Sound municipal planning helps councils understand their policy options, crafting solutions for their communities that are compliant with legislative requirements. It is a forward-thinking discipline that requires constant engagement on legislative changes, as well as conversations amongst colleagues to think through how policy options are implemented while mitigating potential consequences. Good municipal planning provides the guidance necessary for subdivision and development authorities to apply their land use framework in a manner that is both consistent across general matters and reasonably justified in the contingent circumstances of each application—the exceptions to the rule.

Upon the retirement of Lenze Kuiper as Chief Administrative Officer, the Commission welcomed Tracy Thomas as his successor. The Executive Committee is grateful for the transition that Lenze facilitated as well as for his years of service. These last few years have been challenging for the Commission, both on staff recourses given a dearth of available municipal planners in our region, as well as on the financial means of the organization with the unpredictability of fee-for-service revenues. As such, the Executive Committee has implemented a rigorous financial planning process to ensure that the fixed-expenses of the Commission are matched by the fixed-sources of revenue. This process also seeks to communicate the budgetary impacts to member-municipalities in a timely manner. Revenue surpluses provide the opportunity to enhance the Commission's financial resilience by addressing long-term liabilities, investing in the organization, and rebuilding reserves, while supporting thoughtful planning for member and service fees. With subdivision and development service fee revenues being up in 2025, the Commission then had financial capacity to clear-up a significant accrued over-time liability with staff.



MESSAGE FROM THE CHAIR

Continued

Looking ahead, member municipalities can expect a new comprehensive service agreement, supported by insights gathered by our new Chief Administrative Officer, Tracy Thomas, who commenced in January 2026 and has been connecting with members to better understand their needs and priorities. At the end of the day, a member-owned service commission for an organization of this size should be seen as a core planning support, providing perspective across the unique needs of each municipality and shared-services that contain costs while providing great value. The Commission cannot be a catch-all solution for policy choices that Councils still need to make, one way or another, nor the implementation of a land-use framework that must always occur at the local level. The Oldman River Regional Services Commission has been a great success because of the necessity of collaboration in local government and the appreciation of our members for the value of this shared service. The Executive Committee is committed to sound financial planning, supporting proactive organizational leadership and staffing, as well as transparent and clear communication with member-municipalities.



Christopher Northcott
Chair



MESSAGE FROM THE CAO

It is a privilege to serve as Chief Administrative Officer of the Oldman River Regional Services Commission. While the fiscal year covered in this report concluded prior to my arrival in January, it represents an important period in the Commission's ongoing work to support our member municipalities. The past year marked a time of transition for the organization, providing an opportunity to reflect on the strong foundation that has been built and consider how the Commission will continue to evolve to meet the needs of our region.

ORRSC has a long history of supporting communities across southern Alberta through professional planning advice, geographic information services, and regional collaboration. The work reflected in this report is the result of the dedication of Commission staff, the leadership of the Board of Directors and Executive Committee, and the efforts of those who have guided the organization over many years. That legacy reflects decades of trust built with our member municipalities and a shared commitment to thoughtful planning and responsible growth across the region.

At the heart of this organization is an exceptional team. The knowledge and professionalism of ORRSC staff are among the Commission's greatest strengths. Collectively, the team brings over 350 years of professional experience in planning, GIS, administration, and municipal service. That depth of expertise allows the Commission to provide practical advice, sound technical support, and a regional perspective that benefits every member municipality.

Over the past year, several important steps were taken to strengthen the organization for the future. The Commission has begun implementing a new approach to budgeting that provides greater stability and predictability for both the organization and our member municipalities. At the same time, work is underway to modernize the Member Service Agreement to create a clear and consistent framework for all members.



MESSAGE FROM THE CAO

Continued

A key part of that work has been identifying opportunities to increase the value of membership. As part of the updated agreement, several services will be integrated into the core membership package, including services such as the regional Subdivision and Development Appeal Board and Assessment Review Board. These additions strengthen the value offered to our municipalities while simplifying how services are delivered across the region.

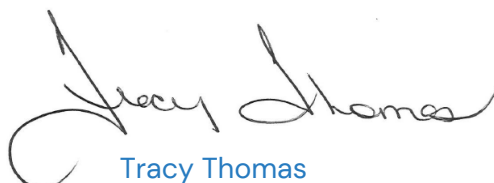
Looking ahead, strengthening engagement with our member municipalities will remain a priority. Building strong relationships with councils and administrators is essential to understanding the challenges communities are facing and ensuring the Commission remains responsive to their needs.

Internally, we are also focused on strengthening the organization itself. This includes reviewing policies and governance practices, assessing operational capacity, and identifying opportunities to improve efficiency and service delivery. The goal is straightforward: ensuring ORRSC remains a stable, effective, forward-looking organization.

Together, these initiatives will help guide the next strategic direction for the Commission and ensure we continue to support strong, well-planned communities throughout southern Alberta.

I want to thank the Board of Directors and Executive Committee for their leadership and support. I also want to recognize the dedication and professionalism of the staff who work every day to support our member municipalities.

Most importantly, I want to thank our member communities for the trust they place in the Commission. I look forward to working with you as we continue strengthening the services, partnerships, and regional collaboration that support communities across the region.



Tracy Thomas
Chief Administrative Officer



EXECUTIVE COMMITTEE

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

At the Organizational Meeting held on December 4, 2024, the following members were elected for the 2024/2025 term:

Christopher Northcott

Chair, Vulcan County

Don Anderberg

Vice Chair, Town of Pincher Creek
Recognized for 15 Years of Service

Evan Berger

Municipal District of Willow Creek

David Cody

County of Warner

Brad Schlossberger

Town of Claresholm

Neil Sieben

Town of Raymond

Gordon Wolstenholme

Town of Fort Macleod
Recognized for 21 Years of Service



Vice Chair D. Anderberg & Former Chair G. Wolstenholme
September 4, 2025 Board of Directors Meeting



BOARD OF DIRECTORS

Municipal elections were held across the region on October 20, 2025, resulting in the election and re-election of Councillors throughout our member municipalities. Following the election, the Commission welcomed 24 new members to the Board of Directors at its Organizational Meeting on December 4, 2025.

Kevyn Stevenson
Village of Arrowwood

Roger Houghton
Former Cardston County

Katerina Bunyan
Village of Cowley

Colin Bexte
Former Village of Arrowwood

Kent Wynder
Town of Cardston

Dave Slingerland
Former Village of Cowley

Jane Jensen
Village of Barnwell

Allan Burton
Former Town of Cardston

Dean Ward
Muni. of Crowsnest Pass

Shayla Anderson
Former Village of Barnwell

Sue Brown
Village of Carmangay

Doreen Johnson
Muni. of Crowsnest Pass

Kyle Prince
Village of Barons

Sue Dahl
Former Village of Carmangay

Dave Phillipuzzi
Former Muni. of Crowsnest Pass

Dan Doell
Former Village of Barons

Judy Perkin
Village of Champion

Stephen Dortch
Village of Duchess

Sydney Miller
Town of Bassano

James F. Smith
Former Village of Champion

Shawn Patience
Town of Fort Macleod

Mike Wetzstein
Former Town of Bassano

Brad Schlossberger
Town of Claresholm

Gordon Wolstenholme
Former Town of Fort Macleod

Jackie Johnson
City of Brooks

Colin Slingsby
Town of Coalhurst

Diane Conner
County of Forty Mile

Ray Juska
Former City of Brooks

Deborah Florence
Former Town of Coalhurst

Joan Hughson
Former County of Forty Mile

Randy Bullock
Cardston County

Tanya Smith
Village of Coutts

Mark Peterson
Village of Glenwood



BOARD OF DIRECTORS

Continued

Suzanne French
Village of Hill Spring

Victor Czop
Former Town of Nanton

Matthew Foss
Former Village of Stirling

Mark Sayers
Lethbridge County

Bill Oudshoorn
Town of Nobleford

David Torrie
MD of Taber

Morris Zeinstra
Former Lethbridge County

Marins de Leeuw
Former Town of Nobleford

John DeGroot
Former MD of Taber

Brad Koch
Village of Lomond

Teresa Feist
Town of Picture Butte

Russell Norris
Town of Vauxhall

Tavis Tidmarsh
Town of Magrath

Jim Welsch
MD of Pincher Creek

Christopher Northcott
Vulcan County

Gerry Baril
Former Town of Magrath

Gordon McMullen
Town of Pincher Creek

Richard DeBolt
Town of Vulcan

Don Cody
Town of Milk River

Don Anderberg
Former Town of Pincher
Creek

David Cody
County of Warner

Peggy Losey
Former Town of Milk River

Ron Davis
MD of Ranchland

Ian Glendinning
Village of Warner

Rory Lahd
Village of Milo

Neil Sieben
Town of Raymond

Marty Kirby
Former Village of Warner

Dean Melnyk
Former Village of Milo

Don Norby
Town of Stavelly

Evan Berger
MD of Willow Creek

Shauna Strong
Town of Nanton

Scott Barton
Village of Stirling



ORRSC STAFF

ADMINISTRATION

Lenze Kuiper
Chief Administrative
Officer (2005)

Tracy Thomas
Chief Administrative Officer
(Jan 2026)

Raeanne Keer
Executive Assistant
(2022)

Stephanie Sayer
Accounting Clerk (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 - Nov 2025)

Bonnie Brunner
Senior Planner (2007)

Gavin Scott
Senior Planner (2007)

Ryan Dyck
Senior Planner (2013)

Jennifer Maxwell
Subdivision Technician (2015)

Maxwell Kelly
Planner (2019)

Kattie Schlamp
Planner (2022)

Rachel Schortinghuis
Assistant Planner (2024)

Harsimran (Sim) Kaur
Assistant Planner (2024)

Jiayi Wang
Assistant Planner (2024 - Mar 2025)

Mason Burtnik
Assistant Planner
(July 2025)

Kevin Theriault
Assistant Planner
(Sept 2025)

Skylar Nikkel
Assistant Planner (Sept 2025)

Ronni Svreck
Records Management Clerk
(November 2025)

*M. Burla retired in 2022, and has continued as a contracted employee.

RECOGNITION OF **SERVICE**

BOARD OF DIRECTORS

5+ YEARS

Tanya Smith
Dean Ward
Suzanne French
Morris Zeinstra
Peggy Losey
Victor Czop
Marinus de Leeuw
Don Norby
Matthew Foss

10+ YEARS

Dave Filipuzzi
David Cody

15+ YEARS

Don Anderberg

20+ YEARS

Gordon Wolstenholme
Brad Koch

40+ YEARS

Ron Davis

ORRSC STAFF

5+ YEARS

Carlin Groves
Maxwell Kelly

10+ YEARS

Ryan Dyck
Kaylee Sailer
Jennifer Maxwell

15+ YEARS

Bonnue Brunner
Mladen Krsitic
Gavin Scott
Jordan Thomas

20+ YEARS

Jaime Thomas
Lenze Kuiper

25+ YEARS

Steve Harty
Diane Horvath

45+ YEARS

Mike Burla



PLANNING PROJECTS

Throughout 2025, ORRSC advanced several significant Land Use Bylaw reviews, amendments, and updates, with numerous projects successfully completed and others progressing toward finalization in the upcoming year. Through each Land Use Bylaw process, our team works closely with member municipalities to ensure local priorities, growth objectives, and community values are clearly reflected in updated regulatory frameworks.

In addition, we initiated and continued work on key statutory and non-statutory planning documents, including Municipal Development Plans, Area Structure Plans, Hamlet and Growth Studies, and Historic Guideline documents, helping to guide long-term growth and support informed decision-making across the region.

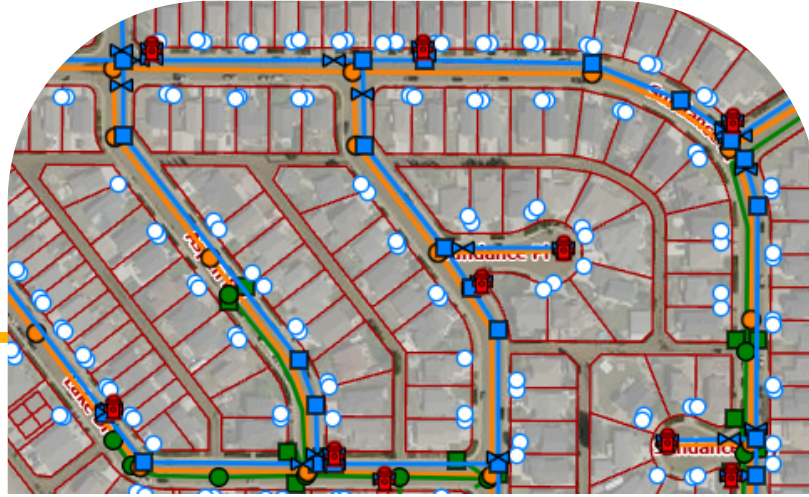
Our Planners also provided ongoing expertise in intermunicipal collaboration, annexation processes, and subdivision and development appeal board hearings. ORRSC actively participated in Provincial Board hearings, including those of the Land and Property Rights Tribunal, and the Alberta Utilities Commission, ensuring member interests were well represented.

Knowledge sharing remained a priority in 2025. Our quarterly publication continued to highlight relevant planning topics and best practices, fostering dialogue among municipalities, stakeholders, and partner organizations. Staff also contributed to the broader planning community through fostering professional relationships with industry stakeholders.

Looking ahead, ORRSC remains committed to delivering high-quality planning services while advancing key projects that support sustainable growth and strong, resilient communities across our region.



GEOGRAPHIC INFORMATION SYSTEM (GIS) PROJECTS



This past year has been a period of significant progress and transition for GIS at Oldman River Regional Services Commission. A major focus has been supporting the national shift to NextGen 911 by actively updating and refining spatial data to meet evolving standards and improve emergency response accuracy across the region.

We have also strengthened our role in regional emergency response, contributing GIS support and collaboration within multi-agency cooperative efforts. These partnerships continue to highlight the value of timely, reliable geospatial information in critical situations.

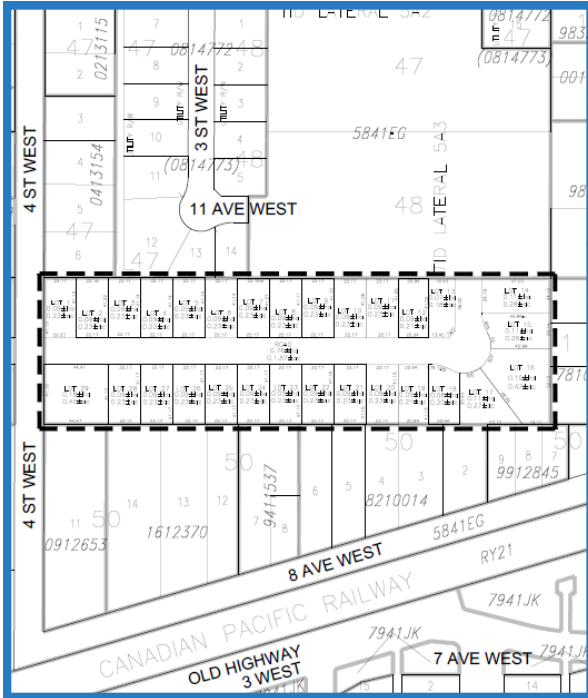
On the technology front, we are in the process of modernizing our GIS delivery platform, transitioning from Geocortex to VertiGIS Studio. This upgrade maintains a familiar user experience while enhancing performance, flexibility, and future scalability.

In addition, we have begun advancing our Asset Management initiatives. We are currently in discussions with multiple vendors to identify a solution that integrates effectively with our GIS environment and supports long-term infrastructure planning and management.

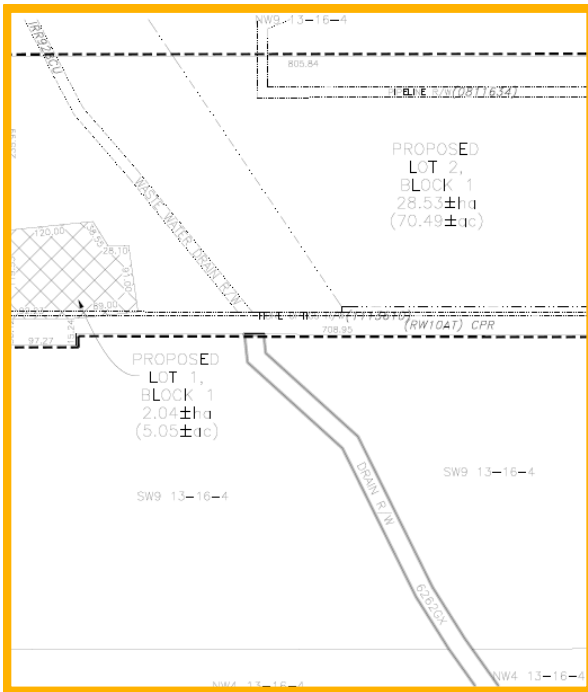
Overall, this year has been defined by modernization, collaboration, and a continued commitment to delivering high-quality GIS services to our member municipalities. As we move into 2026, we are starting to strengthen our role in regional emergency response by providing GIS support and collaborating in multi-agency efforts. These partnerships continue to highlight the value of timely, reliable geospatial information in critical situations.

SUBDIVISION STATISTICS

Continued



Subdivision activity in 2025 remained strong and generally consistent with 2024 levels, reflecting continued development interest across the region. A total of 186 applications were processed in 2025, a slight decrease from 188 applications in 2024. Despite this modest decline in application volume, the number of lots proposed to be created increased significantly from 346 in 2024 to 445 in 2025. This suggests a shift towards more complex subdivision proposals, resulting in a higher overall lot yield per application.



Financially, subdivision-related revenue saw a notable increase in 2025, rising to \$383,210 compared to \$357,252 in 2024. This growth was primarily driven by higher application fee revenues, while finalization and extension fees remained relatively stable year-over-year. The increase in total revenue, alongside the higher number of lots created, indicates sustained development activity and continued demand for subdivision services throughout the region.

Overall, while the number of applications remained steady, the scale and impact of subdivision activity in 2025 grew, highlighting a year of strong development interest across the region.



Photo: Town of Fort Macleod

CHINOOK INTERMUNICIPAL SDAB

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

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

20

**SDAB APPEALS
RECEIVED**

18

**SDAB HEARINGS
HELD**

3

**SDAB TRAINING
SESSIONS**

54

**BOARD MEMBERS
APPOINTED**





Photo: Town of Stavely

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. As a regional board, the ARB provides municipalities with shared access to a large pool of certified board members and clerks.

21

**ARB APPEALS
RECIEVED**

7

**ARB HEARING
HELD**

14

**ARB APPEALS
WITHDRAWN**

31

**BOARD MEMBERS
APPOINTED**

ORRSC PERIODICAL

The ORRSC Periodical is a quarterly publication that highlights planning topics of regional interest and promotes best practices relevant to our member municipalities. Each edition features timely articles, insights, and practical information to support informed decision-making and strengthen planning knowledge across the region. It is researched, written, and designed in-house by ORRSC staff, reflecting the expertise and experience of our team.

Current and past editions of the Periodical are available on the ORRSC website at www.orrsc.com.

2025 EDITIONS & TOPICS

BROWNFIELD PROPERTY
SPRING 2025

TRAILS
SUMMER 2025

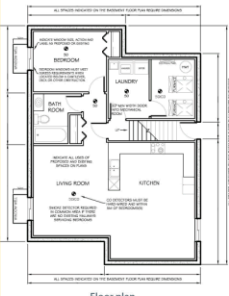
PRIVATE SEWAGE DISPOSAL SYSTEMS
FALL 2025

SECONDARY SUITES
WINTER 2025

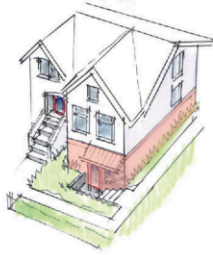
ORRSC Periodical Winter 2025

Secondary Suites

An overview of the history, challenges, and potential of attached secondary suites.



Floor plan



Secondary suites have long existed within local housing systems. They have evolved into formal housing units that offer housing choice and gentle densification of existing neighbourhoods. This periodical considers how Canada's housing history has created space for secondary suites, their regulatory challenges, and how municipal planning can support this housing category.

Oldman River Regional Services Commission

Images: Top: The City of Calgary: <https://www.calgary.ca/development/home-building/assisting-secondary-suites.html>. Bottom: The City of Burnaby: <https://www.burnaby.ca>

FINANCIAL CHANGES UPDATE

2025 marked the first year of implementing ORRSC's new financial plan, developed to ensure long-term financial stability and sustainability. This plan establishes a clear objective for membership fees to fully fund all fixed operating costs, including payroll, benefits, utilities, insurance, software, and professional services, thereby reducing reliance on variable revenue streams.

This strategic shift reflects ORRSC's commitment to responsible financial management while maintaining the high-quality planning, subdivision, and GIS services our members have relied on for more than 70 years. While the transition represents a significant change, it is a necessary step toward securing the organization's future and strengthening the consistency and predictability of our service delivery model.

We recognize that increased fees have created pressures for member municipalities, particularly in a broader environment where financial challenges are being felt across many sectors. However, we were encouraged by the positive feedback received regarding improved budget transparency and early communication. The introduction of advance budget information has enabled members to better anticipate and plan for upcoming costs within their own budgeting processes.

The Executive Committee and Administration remain committed to identifying efficiencies and cost savings wherever possible while maintaining the high standard of service our members expect. We will continue to advance the financial plan in alignment with Board direction, ensuring a balanced and sustainable path forward for ORRSC and its membership.





Photo: Town of Magrath

FINANCIAL

STATEMENTS

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



Financial Statements of

**OLDMAN RIVER REGIONAL
SERVICES COMMISSION**

And Independent Auditor's Report thereon

Year ended December 31, 2025

Management's Responsibility for Financial Reporting

Oldman River Regional Services Commission's (the "Commission") management is responsible for the preparation, accuracy, objectivity, and integrity of the accompanying financial statements and the notes thereto. Management believes that the financial statements present fairly the Commission's financial position as at December 31, 2025 and the results of its operations for the year then ended.

The financial statements have been prepared in accordance with Canadian public sector accounting standards. Financial statements are not precise, since they include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintained a system of internal controls to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained, and assets are properly accounted for and safeguarded. These systems are monitored and evaluated by management and reliable financial information is available for preparation of the financial statements.

The Board of Directors (the "Board") is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

The financial statements have been audited by the independent firm of KPMG LLP, Chartered Professional Accountants. Their report to the Board, stating the scope of their examination and opinion on the financial statements, follows.

A handwritten signature in black ink, appearing to read "Tracy Thomas", is written over a horizontal line.

Tracy Thomas
Chief Administrative Officer
April 9, 2026



KPMG LLP

3410 Fairway Plaza Road South
Lethbridge, AB T1K 7T5
Canada
Telephone 403 380 5700
Fax 403 380 5760

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, 2025
- 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, 2025, 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 9, 2026

OLDMAN RIVER REGIONAL SERVICES COMMISSION

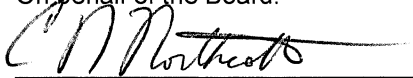
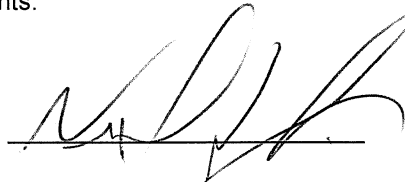
Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets		
Cash and short-term deposits	\$ 89,582	\$ 186,662
Accounts receivable (note 3)	67,399	41,771
Cash not available for current operations	238,040	93,035
	<u>395,021</u>	<u>321,468</u>
Financial liabilities		
Accounts payable and accrued liabilities	\$ 165,456	\$ 260,077
Deferred revenue	30,450	-
	<u>195,906</u>	<u>260,077</u>
Net financial assets	199,115	61,391
Non-financial assets		
Prepaid expenses and deposits	38,925	31,644
Tangible capital assets (note 4)	600,937	577,301
	<u>639,862</u>	<u>608,945</u>
Accumulated surplus (note 9)	838,977	670,336
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, 2025, with comparative information for 2024

	2025 Budget (note 12)	2025 Actual	2024 Actual
Revenue:			
Municipal contributions	\$ 1,637,734	\$ 1,637,734	\$ 1,126,012
GIS member fees	519,277	522,612	550,912
Application fees	200,000	307,510	277,280
Service fees	75,000	194,749	134,277
Other revenue	47,100	83,375	105,093
Finalization fees	55,000	70,100	73,473
Interest income	35,000	22,574	32,753
Extension fees	5,000	5,600	6,500
Grant revenue	-	8,200	-
	2,574,111	2,852,454	2,306,300
Expenses:			
Salaries and benefits	2,247,550	2,357,146	2,144,845
Equipment	147,500	110,473	88,758
Occupancy costs	50,000	47,856	43,616
Telephone	27,000	25,736	29,341
Staff travel	25,500	34,354	16,258
Printing and duplicating	16,000	15,758	12,287
Professional fees	15,500	22,369	15,645
Members' fees	8,000	9,245	7,915
Janitorial	6,000	6,619	6,421
Members travel	5,500	10,799	6,308
Staff training and conferences	5,500	3,046	2,663
Office and general	3,200	3,861	3,633
Land titles office	2,500	3,245	1,613
Entertainment	2,000	4,532	3,172
Public relations	2,000	3,560	2,452
Postage	2,000	2,901	1,226
Interest and bank charges	1,200	610	1,320
Repairs and maintenance	1,001	-	16,601
Miscellaneous	400	941	137
Consulting fees	1	-	-
Advertising	-	-	2,561
Amortization	-	20,762	33,457
	2,568,352	2,683,813	2,440,229
Excess (deficiency) of revenues over expenses before the undernoted item	5,759	168,641	(133,929)
Other expense: Loss on disposal of capital assets	-	-	(19,613)
Excess (deficiency) of revenues over expenses	\$ 5,759	\$ 168,641	\$ (153,542)

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Changes in Net Financial Assets

Year ended December 31, 2025, with comparative information for 2024

	Budget	2025	2024
Excess of revenue over expenses	\$ 5,759	\$ 168,641	\$ (153,542)
Acquisition of tangible capital assets	--	(44,398)	(5,389)
Proceeds on disposal of tangible capital assets	--	--	6,000
Loss on disposal of tangible capital assets	--	--	19,613
Amortization of tangible capital assets	--	20,762	33,457
	5,759	(23,636)	53,681
Increase in prepaid expenses	--	(7,281)	(24,122)
Change in net financial assets	5,759	137,724	(123,983)
Net financial assets, beginning of year	61,391	61,391	185,374
Net financial assets, end of year	\$ 67,150	\$ 199,115	\$ 61,391

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 168,641	\$ (153,542)
Items not involving cash:		
Amortization	20,762	33,457
Loss on sale of capital assets	-	19,613
	189,403	(100,472)
Changes in non-cash operating working capital:		
Accounts receivable	(25,628)	21,124
Prepaid expenses and deposits	(7,281)	(24,122)
Accounts payable and accrued liabilities	(94,621)	34,120
Deferred revenue	30,450	(20,000)
	92,323	(89,350)
Capital activities:		
Purchase of capital assets	(44,398)	(5,389)
Proceeds on sale of capital assets	-	6,000
	(44,398)	611
Financing activities:		
Debt repayment	-	(40,000)
Increase (decrease) in cash and short-term deposits	47,925	(128,739)
Cash and short-term deposits, beginning of year	279,697	408,436
Cash, end of year	\$ 327,622	\$ 279,697
Cash is represented by:		
Cash and short-term deposits	\$ 89,582	\$ 186,662
Cash not available for current operations	238,040	93,035
	\$ 327,622	\$ 279,697

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Statement of Changes in Accumulated Surplus

Year ended December 31, 2025, with comparative information for 2024

	Unrestricted	Internally restricted	Invested in capital assets	Total 2025	Total 2024
Balance, beginning of year	\$ -	\$ 93,035	\$ 577,301	\$ 670,336	\$ 823,878
Excess (deficiency) of revenue over expenses	168,641	-	-	168,641	(153,542)
Amortization of capital assets	20,762	-	(20,762)	-	-
Acquisition of capital assets	(44,398)	-	44,398	-	-
Net transfer	(145,005)	145,005	-	-	-
Balance, end of year	\$ -	\$ 238,040	\$ 600,937	\$ 838,977	\$ 670,336

See accompanying notes to financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements

Year ended December 31, 2025

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, 2025

1. Significant accounting policies (continued):

(b) Tangible capital assets:

Tangible 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, 2025

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, 2025

1. Significant accounting policies (continued):

(f) Asset Retirement Obligations:

Asset retirement obligations (ARO) are legal obligations associated with the retirement of 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, 2025.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2025

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 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, 2025 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, 2025

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 2026, 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 standard, 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, 2025

3. Accounts receivable:

	2025		2024	
Trade receivables	\$	60,587	\$	36,154
Goods and services tax		6,812		5,617
	\$	67,399	\$	41,771

4. Capital assets:

	2025		
	Cost	Accumulated amortization	Net book value
Land	\$ 80,000	\$ -	\$ 80,000
Building	773,397	436,024	337,373
General contents	415,222	284,534	130,688
Other equipment	13,678	12,991	687
Vehicles	90,568	54,374	36,194
Computer	143,012	127,017	15,995
	\$ 1,515,877	\$ 914,940	\$ 600,937

	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

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2025

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 2024.

(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, 2025

6. Commitments:

- (a) The Commission leased certain equipment under agreements expiring on dates ranging from June 2026 to August 2030. The base rent for the next year, or until expiry of the lease agreement, is approximately \$4,200. The Commission is currently in negotiation to renew the equipment lease expiring in June 2026.
- (b) The Commission has entered into an agreement for the supply of natural gas energy with Alberta Municipal Services Corporation ("AMSC") for a term of 3 years from January 1, 2025 to December 31, 2027 at a fixed rate of \$2.822 per gigajoule.

The Commission has also entered into an agreement for the supply of electrical energy with AMSC for a term of 5 years from January 1, 2025 to December 31, 2029 at a fixed rate of \$69.50 per megawatt hour.

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.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2025

8. Debt limits:

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the Commission be disclosed as follows:

	2025	2024
Total debt limit	\$ 1,426,227	\$ 1,153,150
Total debt	-	-
Amount of debt limit unused	\$ 1,426,227	1,153,150
Debt servicing limit	\$ 285,245	230,630
Debt servicing	-	-
Amount of debt servicing limit unused	\$ 285,245	\$ 230,630

The debt limit is calculated at 0.5 times revenue of the Commission (as defined in Alberta Regulation 255/2000) 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, 2025

9. Accumulated surplus

	2025	2024
Net assets:		
Unrestricted	\$ -	\$ -
Investment in capital assets	600,937	577,301
Internally restricted	238,040	93,035
	\$ 838,977	\$ 670,336

Internally restricted net assets is comprised of the following:

	2025	2024
Operating reserve fund	\$ 119,020	\$ 80,756
Capital reserve fund	119,020	12,279
	\$ 238,040	\$ 93,035

OLDMAN RIVER REGIONAL SERVICES COMMISSION

Notes to Financial Statements (continued)

Year ended December 31, 2025

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 316,938 employees of approximately 453 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 2025 were \$171,841 (2024 - \$147,191). Total current and past service contributions by the employees of the Commission to the Local Authorities Pension Plan in 2025 were \$148,118 (2024 - \$130,611).

At December 31, 2024, the Plan disclosed an actuarial surplus of \$19.6 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 14, 2024.