



Finance Councillor's Report

Fiscal Year 2024 Review and 2025 Budget Outlook

Prepared by: Sophie Côté, O.L.S., AOLS Finance Councillor

1. Overview

The Association concluded the 2024 fiscal year in a strong financial position, reporting a surplus of \$349,002, compared to a budgeted deficit of \$557,761. This turnaround was driven by strong investment performance, exceptional AGM participation, and strategic cost management.

The 2025 budget projects a planned deficit of \$654,894, representing targeted reinvestment in modernization, governance, and regulatory initiatives. This planned deficit is fully funded through existing reserves and forms part of a deliberate multi-year strategy to improve efficiency, compliance, and long-term sustainability.

2. 2024 Financial Performance Summary

Revenue

Overall revenue performance in 2024 exceeded budget expectations. Key contributing factors included:

- Investment income: +\$171,000 over budget.
- 2024 London AGM: Record attendance generated an additional \$138,000.
- Examinations: Higher-than-expected participation contributed +\$67,000.
- Membership fees: Declined by approximately \$9,500, largely due to retirements.

These gains more than offset minor shortfalls in membership and Continuing Education revenues.

Expenses

Total expenditures came in significantly below budget due to deferred strategic projects and prudent cost management:

- Deferred technology investments: \$164,000 in savings from delayed Membership Management System and Records Scanning projects.
- Council and Committee meetings: \$39,000 savings due to continued hybrid/virtual participation.
- Salary savings: \$75,000 in unfilled staff positions.
- Reduced marketing and communications activity: \$52,000 savings following completion of earlier campaigns.



Together, these measures contributed to the overall surplus, positioning the Association with healthy reserves and flexibility for 2025 initiatives.

3. 2025 Budget and Strategic Allocations

For 2025, total revenues are projected at \$3,071,082, with expenditures of \$3,725,976, resulting in a planned deficit of \$654,894. This deficit is intentional and strategic — reflecting the cost of advancing digital transformation, strengthening governance, and ensuring operational continuity.

Key 2025 Revenue Forecasts

- Fees and Licenses: \$54,000 (decline attributed to member retirements and reduced new licensing).
- Survey Records Index (SRI): \$32,000 (reflecting reduced firm subscriptions).
- Continuing Education Contributions (CEC): \$20,000 (limited in-person seminars planned).

Major 2025 Expenditures

- Staff Salaries and Benefits: \$112,000 increase to support capacity.
- Office Administration: \$20,000 for system and workflow optimization.
- Discipline Reserve Allocation: \$240,000 to rebuild the reserve for upcoming hearings.
- Membership Management System Upgrade: \$90,000.
- Website Redevelopment: \$75,000.
- Scanning Project: \$50,000.
- Strategic Planning Project: \$100,000 to support development of a new five-year plan.
- Committee Training & Governance Development: \$85,000.

While the budgeted deficit is significant, no debt will be incurred. Expenditures will be funded through the General Operating Fund, which remains robust.

4. Fund Balances and Investment Overview

As of October 31, 2024, the Association's fund balances remain well above the 6–12 months reserve benchmark recommended for organizational stability.



Fund	2024 Closing Balance	Notes
General Operating Fund	\$3,182,643	Core reserve for ongoing operations and to fund the planned 2025 deficit.
Liability Insurance Fund	\$2,302,074	Insurance related reserve
Compensation Fund	\$150,000	Maintained at same level as prior years
Survey Review Department (SRD) Reserve Fund	\$560,000	A portion of SRD’s surplus \$560,000 was earmarked for investment.

Investment performance was a major contributor to our overall financial position, achieving an approximate 8–9 % total return on funds managed through Logan Wealth Management in 2024. This performance exceeded our conservative expectations of a 5-6% return and reflects continued recovery in both fixed-income and equity markets.

The Association continues to follow a balanced investment approach, prioritizing stability and capital preservation.

5. Looking Ahead: Strategic Priorities for 2025 and Beyond

Membership and Demographics

Membership numbers declined from 488 to 436 licensed members, reflecting retirements and demographic trends across the profession. This underscores the importance of recruitment and succession planning initiatives supported by marketing investments and support of established academic programs.

Digital Transformation

The 2025 budget prioritizes completion of several core modernization projects — the Membership Management System, website redevelopment, digital infrastructure upgrades and records digitization — to enhance efficiency and member experience.

Governance and Strategic Planning

A dedicated \$100,000 allocation will support a strategic planning process to define the Association’s direction for the next five years.

Financial Stewardship



Despite the planned deficit, the Association’s General reserve fund remain well-positioned to absorb project costs while maintaining financial stability. The deliberate use of reserves for transformation initiatives represents a strategic investment in organizational resilience.

6. Conclusion

The 2024 fiscal year closed with a stronger-than-expected surplus, demonstrating prudent management and resilience in a challenging environment.

The 2025 fiscal year will focus on strategic reinvestment — improving digital infrastructure, strengthening governance, and addressing demographic challenges — all while maintaining a disciplined approach to spending and oversight.

Our financial position remains sound. Through careful management of reserves and continued focus on modernization, the Association is well-equipped to navigate the challenges and opportunities of the years ahead.

Sophie Côté, O.L.S.

Finance Councillor

Association of Ontario Land Surveyors