



NOTICE OF 2022 NOTIFICATION FEE

January 7, 2022

Dear Members,

BC 1 Call processed a record number of locate requests in 2021, helping to prevent avoidable damage to our members' infrastructure. We also achieved a record low notification-to-locate request ratio, providing both financial and operational benefits to members.

Watch for our 2021 Report to Members and Partners, which will be released in the first quarter of 2022. In addition to more details on service volumes, the report will include customer experience performance, growth of registered users, results of our first brand awareness survey, insights from our 2021 member and user surveys, and a summary of our promotional activities throughout the year.

2022 Notification Fee

On December 9, 2021 the Board of Directors approved a 2022 Member Fee of **\$2.50 per net notification**. In other words, the 2021 fee will remain in effect for 2022.

General members will continue to be charged \$2.50 per actual billable notification, invoiced in arrears as in the past.

On a historical note, BC 1 Call's member fees have remained flat or decreased over each of the past 27 years, with the exception of 2020 and 2021.

Financial Sustainability & Fee Setting

As member fees (i.e. notification fees) are our sole source of revenue, the annual per notification fee is set with a view to covering BC 1 Call's operating budget. The 2022 budget provides for greater marketing and communications efforts to promote BC 1 Call use and membership, and includes a \$30K buffer in the event general member fees fall below forecast levels. Our retained earnings will remain within the range recommended for non-profits by Canada Revenue Agency.

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The Board of Directors has assured continued financial sustainability by:

- Moving to a cost structure with a higher percentage of fixed costs, enabling more precise modeling of member fees required to cover each annual budget (this occurred in 2020).
- Making a reasonable, but conservative, assumption of the number of billable notifications forecast for 2022 (i.e. fees to be paid by members).
 - Calculated using the total number of billable notifications sent from September 1, 2020 to August 31, 2021. No increase was assumed.
- Securing shareholder agreement to pay fixed fees again in 2022, payable in advance thereby facilitating predictability of revenue streams and adequate cash flow to meet accounts payable.
 - Our six shareholders' fees cover ~75% of expenses.

\$25 Minimum Member Fee Beginning in 2023

In 2020, 15 members did not receive a single invoice from BC 1 Call because total fees for notifications sent to them were below \$25 (this is the amount deemed sufficient to warrant the administrative costs of BC 1 Call issuing an invoice, and of a member paying it).

In September, 2021, the Board of Directors decided, with support from input received through the General Member Fee Preference Survey, to charge a minimum member fee of \$25/year starting in 2023.

As a result, we will be modifying our Member's Agreement to reflect this change, as well as to provide for more flexibility to change the member fee structure in future, should that be appropriate.

The current Member's Agreement can be found on our [Member Resources](#) page.

Looking Forward to 2022

We will continue to work diligently to drive awareness and increase the use of BC 1 Call to help prevent damage to our members' underground infrastructure, as well as keep the B.C. excavating community safe, and help avoid disruption to critical community services.

The Board of Directors and I greatly appreciate your continued membership and support.

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BC1C.CA 1-800-474-6886 BC 1 CALL, 9768 THIRD ST, SIDNEY BC, V8L 3A4

If you have any questions or concerns regarding this fee notice, please do not hesitate to reach out to me directly.

Best regards,

Chris Hyland

President and CEO

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