Union of Municipalities of New Brunswick
Union des municipalités du Nouveau-Brunswick

June 25, 2025

Dear Mayor Beers and Council,

I am writing to you to provide an update on resolution U-24-11, adopted at the 2024 AGM, which calls for a review of the Union of Municipalities of New Brunswick's (UMNB) membership dues formula.

In January 2025, Pollett Strategy Inc. was engaged to conduct a review of UMNB's Dues formula and recommend potential models for consideration by the Board and Membership. We are pleased to share this report with you for information and discussion.

The report presents four (4) options on how to fund our Union in a transparent and equitable way. The UMNB board has met and discussed the options presented and is in support of model #4 which is based on a base amount, population, and tax base with a sliding scale that reduces as size increases. While this is the recommendation of the board, the decision on dues lies with the members. UMNB will be engaging with its members throughout the summer and fall to answer questions and help our members make an informed decision on a new model.

Together, we have made some significant progress on key issues for our sector - whether that's negotiating a new fiscal agreement, rolling out a new insurance service for members, or uniting the municipal voice through our merger with the Cities Association and greater partnership with the AFMNB. We have done a lot and the last few years and this is the next step in the evolution.

Municipal Reform has changed local governments - and UMNB

In 2024, UMNB celebrated its 30th year of incorporation. A lot has changed since 1994, including the expectations of the public on local governments and in turn the expectations our members have on NB's largest municipal association. Increasingly UMNB is leading advocacy at the provincial and federal levels, conducting research, preparing position papers, providing education and service delivery on behalf of 60 member municipalities.

Despite the increased mandate and expansion of services, the organization's formula has not changed SINCE 1994 to meet the demand. Up until 2018, UMNB was powered by one full-time staff member. In 2024, UMNB grew to 4 full time staff. This was achieved by adding new members, expanding services, and merging with the Cities of New Brunswick Association. The Union cannot continue to strengthen its advocacy role, provide improved services and continue to be a trusted leader for municipal governments without additional resourcing.

Why investigate the dues formulas?

There are several reasons to re-examine dues formulas. Firstly, the current formula does not meet inflationary needs and requires frequent adjustments. Much like our members our costs increase every year and a new formula should account for this. Secondly, the merger between the CNBA and UMNB has caused us to have a 2-tier formula (one for members of the urban caucus and one for rest of the members) which exposes inequities between members. Finally, the current formula lacks a rationale and transparency which doesn't meet the needs of a modern UMNB. There also needs to be predictability for members that allows you to budget effectively year over year. The change in formula will allow regular growth for the Union without the need for yearly debates on increasing or changing the formula.

What does this change mean for your municipality?

Under the blended model (#4), most communities can expect an average increase of 9% over your 2025 dues. While 9% seems like a large number, most communities will see an increase of less than $1,000 overall. As with any model, there are outliers. To ease the burden of transition, UMNB proposes that for the nine (9) members that have an increase of 15% or more, the increase would be phased in over a two-year period.

Five Rivers
2025 Dues: $5,385.58
Proposed 2026 Dues: $5,470.69
Difference (%): + $85.11 (1.56%)

What are the next steps?

UMNB finds itself at a critical crossroads. Since 2021, UMNB has added 15 new municipal members which has enabled our growth and allowed us to do more for members of all size. The time has come for us to further professionalize the organization by enabling better research, advocacy, and services to benefit our members. It's time for us to dig deeper and to accomplish it together by resourcing the union in an equitable and sustainable fashion.

Please take the time to review the report and discuss it with your council. There will be opportunities to discuss this initiative with the membership in the months ahead and at this year's annual conference. We intend to follow a similar process used for the recent UMNB by-law updates, with many opportunities for questions and discussion before it comes to a vote of the members at a special meeting by the end of 2025. Should you have any questions, please don't hesitate to reach out to your zone director or to the staff.

Union of Municipalities of New Brunswick
Union des municipalités du Nouveau-Brunswick

Thank you for your continued support of the UMNB in these critical times. We look forward to continuing the progress we have made together on behalf of all communities.

Sincerely,

Brittany Merrifield, President
Union of Municipalities of New Brunswick

Pollett
Strategy Inc.

UMNB MEMBERSHIP DUES MODEL ANALYSIS

Submitted by Pollett Strategy Inc.

May 2025

www.pollettstrategy.ca
craig@pollettstrategy.ca

Table of Contents

Executive Summary *1*

Introduction *2*

Financial Considerations Analysis *2*

Model 1: Status Quo+ 2

Model 2: Fixed Base Rate + Tax Base Assessment 2

Model 3: Fixed Base Rate + Per Capita Rate 4

Model 4: Fixed Base Rate + Tax Base Assessment + Per Capita Rate 6

Non-financial Considerations *8*

Model Analysis and Comparison *9*

Model 1: Status Quo+ 9

Model 2: Fixed Base Rate + Tax Base Assessment 9

Model 3: Fixed Base Rate + Per Capita Rate 10

Model 4: Fixed Base Rate + Tax Base Assessment + Per Capita Rate 10

Summary *11*

Recommendation 11

Implementation 12

Executive Summary

The Union of Municipalities of New Brunswick (UMNB) retained the services of Pollett Strategy Inc. (PSI) to develop options for new membership dues models to update the existing model. As per direction from UMNB, the dues model options are required to be balanced, namely that dues increases are to be spread out among members, and minimized to the best extent possible. Models must account for both the expected 2026 revenue needs as outlined in the latest budget as well as a needed increase of approximately $30,000 in gross revenue, the purpose of which is to explore options for new revenue sources to reduce the medium-and-long-term financial burden on UMNB's membership.

The analysis included four model options, outlined below. These models reflect the most common models used by municipal associations across Canada. Using membership data provided by UMNB, we have projected overall dues revenue for UMNB and the impact on individual member municipalities from each model. Detailed data tables are found in Appendix A.

When comparing model options, it is important to consider:

1. The revenue generated
2. The balance and fairness to members
3. The ease of implementation
4. The clarity of the model
5. The long-run sustainability of the model

Option 1 – Status Quo+ A 10% increase to dues for all members
This increase was determined to cover an expected 3.5% CPI increase as well as the requested $30,000 gross revenue increase
Total projected revenue for 2026: **$571,123.70**
Option 2 - A Fixed Base Rate + a Tax Base Assessment Rate
A model that uses a moderate fixed dues rate with an additional top up calculated in proportion with the 2025 Tax Base Assessment.
Versions of this model are used by Rural Municipalities of Alberta (RMA), Saskatchewan Association of Rural Municipalities (SARM), Association of Manitoba Municipalities (AMM), and Association of Francophone Municipalities of New Brunswick (AFMNB).
Total Projected Revenue for 2026: **$568,603.48**
Option 3 - A Fixed Base Rate + a Per Capita Rate
A model that uses a moderate fixed dues rate with an additional top up calculated in proportion with the latest Census population estimates.
Versions of this model are used by Union of British Columbia Municipalities (UBCM), Northwest Territories Association of Communities (NWTAC), Association of Municipalities of Ontario (AMO), Federation of Prince Edward Island Municipalities (FPEIM), and Municipalities Newfoundland and Labrador (MNL).
Total Projected Revenue for 2026: **$565,895.00**
Option 4 - A Fixed Base Rate + a Per Capita Rate + a Tax Base Rate
A model that uses a small, fixed dues rate with two additional top ups calculated using the 2025 Tax Assessment in proportion with the latest Census population estimates.
A version of this combination model is used by Nova Scotia Federation of Municipalities (NSFM).
Total Projected Revenue for 2026: **$567,864.54**

Based on our assessment of these five considerations, we recommend UMNB adopt Option #4 for implementation in 2026.

Introduction

The Union of Municipalities of New Brunswick (UMNB) has reached a pivotal moment in the evolution of its financial model. As the organization continues to support a broad and diverse membership of municipalities across the province, it faces the dual challenge of ensuring fiscal sustainability while maintaining fairness and clarity in its membership dues structure. In response to these needs, UMNB has engaged Pollett Strategy Inc. (PSI) to conduct a comprehensive analysis and develop viable models for updating the current dues framework.

This report outlines four distinct membership dues models, each grounded in structures already in use by municipal associations across Canada. The objective is to provide options that not only meet UMNB's revenue requirements for 2026—including an expected $30,000 increase to support long-term revenue diversification efforts—but also distribute the financial burden equitably among members. Importantly, the proposed models strive to minimize sudden or significant increases in dues for individual municipalities and to align with principles of fairness, clarity, and administrative feasibility.

Through detailed financial modelling and qualitative analysis, this report evaluates each option against key criteria: revenue generation, fairness to members, implementation complexity, transparency, and long-term sustainability. The goal is to support UMNB's decision-making with data-driven recommendations that reflect the diverse fiscal capacities of its member municipalities and the organization's evolving strategic needs.

In this report, we project the revenue delivered by each of the four options and the impact on the fees of a variety of membership types. We then review the non-financial considerations before summarizing the pros and cons of each option. Finally, we provide a recommendation for the option to implement.

Financial Considerations Analysis

Model I: Status Quo+

- A 10% increase from the 2025 Dues amounts to all members.
- Increase of $51,920.34 from 2025 dues amounts, totalling $571,123.70.
- This increase covers an expected 3.5% CPI increase, as shown in the UMNB draft budget, as well as a gross revenue boost of $30,000 to support future efforts to seek new funding sources, as requested.
- No group of members (Cities, Towns, Rural Communities, or Villages) is particularly advantaged or disadvantaged by this model, as all pay in proportionally equal amounts.
- It is clear, however, that cities will pay the largest absolute portion of the increase, which may be challenging especially given the need to reduce financial burden on cities after the merging of UMNB and CNBA.
- Since the model is simply an extension of the previous years' dues structure, any inequities or weaknesses in the dues structure from 2025 will carry over to 2026, i.e. overleveraged members from 2025 will still view 2026 dues as expensive.

Model 2: Fixed Base Rate + Tax Base Assessment

- A cumulative 9.39% increase from the 2025 dues spread across all members based on tax base assessment amounts.
- Increase of $49,400.12 from 2025 dues amounts, totalling $568,603.48.
- The model is designed in the following way:

Membership Type	Fixed Base Rate	Tax Base Assessment Rate
City	$5,000	0.0000040
Town	$4,000	0.0000045
Rural Community	$3,000	0.0000050
Village	$3,000	0.0000050

- Under this model, each member pays dues according to the formula:
  - Fixed Base Rate + Tax Base Assessment * Rate = Total Dues
- Examples:
  - Miramichi, a City with Tax Base = 1,939,980,500 would pay:
    - $5,000 + 1,939,980,500 * 0.000004 = $12,759.92, an increase of ($961.77) 7.54% over 2025.
  - Grand Bay-Westfield, a Town with Tax Base = 664,792,600 would pay:
    - $4,000 + 664,792,600 * 0.0000045 = $6,991.57, an increase of ($488.02) 6.98% over 2025.
  - Harvey, a Rural Community with Tax Base = 512,117,100 would pay:
    - $3,000 + 512,117,100 * 0.000005 = $5,560.59 an increase of ($175.01) 3.15% over 2025.
  - Fundy – St Martins, a Village with Tax Base = 455,777,000 would pay:
    - $3,000 + 455,777,000 * 0.000005 = $5,278.89 an increase of ($568.64) 10.77% over 2025.
- Fixed Base Rate and Tax Base Assessment Rate values were calculated to meet a 2026 revenue target of approximately $559,000.00 as well as to minimize the number of members that will pay more than a 15% increase compared with 2025 dues. We call these members 'outliers'.
  - Given that a 10% across-the-board increase will cover the needed revenue increases, an outlier threshold of 15% represents those that will pay more than 5% extra beyond the needed average increase, indicating an additional burden to them under this model.

- The breakdown of dues increases by member type is shown in the table below:

	City Average Increase	Town Average Increase	Rural Community Average Increase	Village Average Increase
Increase by Member Type	8.79%	11.72%	4.64%	13.70%
City vs Non-City Increase	8.79%	10.02%		
Overall Increase	9.41%			

- In general, the increase is split evenly between cities and non-cities, but the largest increases will be borne by Villages, while Rural Communities show the lowest average increase.
- No member group, on average, lies outside of the 15% outlier threshold, however several individual members will end up paying more than a 15% increase. Under this model, those members are:
    - Baie-des-Hérons/Heron Bay – ($1270.74) 21.25%
    - Bathurst – ($1896.76) 16.91%
    - Campbellton – ($1543.27) 16.52%
    - Campobello Island - ($1075.67) 29.68%
    - Dieppe – ($6604.43) 25.97%
    - Doaktown – ($1802.79) 51.81%
    - Grand Manan – ($ 671.45) 15.28%
    - Hartland – ($1062.78) 18.41%
    - Municipality of Lakeland Ridges – ($781.92) 17.36%
    - Oromocto – ($1982.04) 16.73%
    - Quispamsis – ($5942.55) 36.45%
    - Regional Community of Southern Victoria – ($970.12) 23.88%
    - Rothesay –($2901.60) 22.73%
    - Saint Quentin - ($1,570.51) 29.67%
    - Shediac – ($2744.45) 21.95%
    - Strait Shores –($3722.80) 16.66%
    - Village of Fredericton Junction –($1316.33) 39.86%
    - Village of McAdam –($1331.70) 40.14%
- In total, there are 18 outliers under this model: 2 Rural Communities, 6 Villages, 7 Towns, and 3 Cities, averaging a 25.39% increase.
- Comparing the total number of outliers and their average increase across models will give us a stronger sense of the appropriateness of each model to apply to UMNB's dues needs

Model 3: Fixed Base Rate + Per Capita Rate

- A cumulative 9.66% increase from the 2025 dues spread across all members based on per capita amounts.
- Increase of $46,691.64 from 2025 dues amounts, totalling $565,895.00.
- Population figures are from the most recent national Census (2021). Future analyses should update the population figures using the upcoming 2026 census.
- The model is designed in the following way:

Membership Type	Fixed Base Rate
City	$6,000
Town	$4,000
Rural Community	$2,500
Village	$2,000

Population Thresholds	Per Capita Rate
< 2,000	$1.20/capita
2,001 – 4,000	$0.85/capita
4,001 – 6,000	$0.75/capita
6,001 – 8,000	$ 0.67/capita
8,001 – 10,000	$0.62/capita
10,000 – 20,000	$0.55/capita
>20,000	$0.50/capita

- Under this model, each member pays dues according to the formula:
  - Fixed Base Rate + Population * Per Capita Rate = Total Dues
- Examples:
  - Miramichi, a City with Population = 18,125 would pay:
    - $6,000 + 18,125 * $0.55/capita = $15,968.75, an increase of ($4170.60) 26.12% over 2025.
  - Grand Bay-Westfield, a Town with Population = 5,880 would pay:
    - $4,000 + 5,880 * $0.75/capita = $8,410.00, an increase of ($1906.45)22.67% over 2025.
  - Harvey, a Rural Community with Population = 3,895 would pay:
    - $2,500 + 3,895 * $0.85/capita = $5,810,75 an increase of ($425.17) 7.32% over 2025.
  - Fundy – St Martins, a Village with Population = 5,225 would pay:
    - $2,000 + 5,225 * $0.75/capita = $5,918.75 an increase of ($1208.50) 20.42% over 2025.
- Fixed Base Rate and Per Capita values were calculated to meet a 2026 revenue target of approximately $559,000.00 as well as to minimize the number of members that will pay more than a 15% increase compared with 2025 dues. We call these members 'outliers'.
  - Given that a 10% across-the-board increase will cover the needed revenue increases, an outlier threshold of 15% represents those that will pay more than 5% extra beyond the needed average increase, indicating an additional burden to them under this model.

- The breakdown of dues increases by member type is shown in the table below:

	City Average Increase	Town Average Increase	Rural Community Average Increase	Village Average Increase
Increase by Member Type	12.34%	14.83%	3.87%	11.55%
City vs Non-City Increase	12.34%	10.08%		
Overall Increase	10.65%			

- In general, the increase is split evenly between cities and non-cities, but the largest increases will be borne by Towns, with Cities and Villages also paying above 10% increases
- Town increases, on average, lie outside of the 15% outlier threshold, although they are not the only group. Several individual members will end up paying more than a 15% increase. Under this model, those members are:
    - Alnwick – ($1815.95) 32.79%
    - Baie-des-Hérons/Heron Bay – ($3403.50) 41.95%
    - Bathurst – ($4987.55) 34.85%
    - Beaurivage – ($2741.62) 33.73%
    - Butternut Valley – ($1190.67) 18.11%
    - Campbellton – ($4803.25) 38.12%
    - Campobello Island – ($1091.92) 30.00%
    - Champdoré – ($2450.67) 31.27%
    - District of Carleton North ($2194.40) – 22.66%
    - Doaktown – ($1823.05) 52.09%
    - Edmundston – ($4147.75) 25.75%
    - Fundy – St Martins – ($1208.50) 20.42%
    - Grand Bay – Westfield – ($1906.45) 22.67%
    - Grand-Bouctouche – ($1733.95) 21.05%
    - Hartland – ($2473.00) 34.43%
    - Miramichi – ($4170.60) 26.12%
    - Miramichi River Valley – ($1309.52) 17.86%
    - Municipal District of St Stephen – ($ 2053.67) 22.66%
    - Nackawic – Millville –($1489.40) 26.13%
    - Nashwaak – ($1356.00) 22.35%
    - Quispamsis – ($3966.45) 27.68%
    - Regional Community of Southern Victoria – ($1074.62) 25.79%
    - Salisbury – ($1698.15) 18.48%
    - Strait Shores – ($1099.20) 22.80%
    - Sussex – ($1536.55) 19.11%
    - Village of Fredericton Junction – ($871.75) 30.50%
    - Village of McAdam –($1423.75) 41.75%
- In total, there are 27 outliers under this model: 7 Rural Communities, 5 Villages, 11 Towns, and 4 Cities, averaging a 28.19% increase.

Model 4: Fixed Base Rate + Tax Base Assessment + Per Capita Rate

- A cumulative 8.40% increase from the 2025 dues spread across all members based on both tax base and per capita amounts.
- Increase of $48,661.18 from 2025 dues amounts, totalling $567,864.54.
- Population figures are from the most recent national Census (2021) and adjustments by statisitics Canada in 2023 to reflect the local government changes in New Brunswick. Future analyses should update the population figures using the upcoming 2026 census.
- The model is designed in the following way:

Membership Type	Fixed Base Rate	Tax Base Assessment Rate
City	$2,000	0.0000038
Town	$1,000	0.0000047
Rural Community	$1,000	0.0000050
Village	$1,000	0.0000050

Population Thresholds	Per Capita Rate
< 2,000	$0.70/capita
2,001 – 4,000	$0.60/capita
4,001 – 6,000	$0.50/capita
6,001 – 8,000	$ 0.40/capita
8,001 – 10,000	$0.30/capita
10,000 – 20,000	$0.20/capita
>20,000	$0.10/capita

- Under this model, each member pays dues according to the formula:
  - Fixed Base Rate + (Population * Per Capita Rate) + (Tax Base Assessment * Rate) = Total Dues
- Examples:
  - Miramichi, a City with Population = 18,125 and Tax Base = 1,939,980,500 would pay:
    - $2,000 + 18,125 * $0.20/capita + 1,939,980,500 * 0.0000038 = $12,996.93, an increase of ($1198.78) 9.22% over 2025.
  - Grand Bay-Westfield, a Town with Population = 5,880 and Tax Base = 664,792,600 would pay:
    - $1,000 + 5,880 * $0.50/capita + 664,792,600 * 0.0000047 = $7,064.53, an increase of ($560.98) 7.94% over 2025.
  - Harvey, a Rural Community with Population = 3,895 and Tax Base = 512,117,100 would pay:
    - $1,000 + 3,895 * $0.60/capita + 512,117,100 * 0.0000050 = $5,897.59, an increase of ($512.01) 8.68% over 2025.
  - Fundy – St Martins, a Village with Population = 5,225 and Tax Base = 455,777,000 would pay:
    - $1,000 + 5,225 * $0.50/capita + 455,777,000 * 0.0000050 = $5,891.39, an increase of ($1181.14) 20.05% over 2025.
- Fixed Base Rate, Per Capita Rates, and Tax Base Assessment Rates were calculated to meet a 2026 revenue target of approximately $559,000.00 as well as to minimize the number of members that will pay more than a 15% increase compared with 2025 dues. We call these members 'outliers'.
  - Given that a 10% across-the-board increase will cover the needed revenue increases, an outlier threshold of 15% represents those that will pay more than 5% extra beyond the needed average increase, indicating an additional burden to them under this model.

- The breakdown of dues increases by member type is shown in the table below:

	City Average Increase	Town Average Increase	Rural Community Average Increase	Village Average Increase
Increase by Member Type	9.24%	8.20%	5.38%	6.76%
City vs Non-City Increase	9.24%	6.78%		
Overall Increase	8.01%			

- In general, the increase is split close between cities and non-cities, but Cities and Towns will bear a slightly higher proportional cost than other member types under this model.
- No member group, on average, lies outside of the 15% outlier threshold, however several individual members will end up paying more than a 15% increase. Under this model, those members are:
    - Baie-des-Hérons/Heron Bay –($1101.29) 18.95%
    - Dieppe – ($5480.04) 22.55%
    - Doaktown – ($677.79) 28.78%
    - Fundy – St Martins ($1181.14)– 20.05%
    - Nackawic – Millville – ($902.88)17.66%
    - Nashwaak – ($920.07) 16.34%
    - Quispamsis – ($7245.44) 41.15%
    - Rothesay – ($2,296.60) 18.89%
    - Shediac – ($2292.34) 18.86%
- In total, there are 9 outliers under this model: 2 Rural Communities, 2 Villages, 4 Towns, and 1 City, averaging a 22.58% increase.

Non-financial Considerations

Clearly, the primary considerations for UMNB are financial. That said, there is not a significant difference in the revenue projections provided outside the number of outliers created by each model. However, the models do create potential imbalances within the membership which is one of the key considerations in this analysis.

In addition to the financial considerations, there are three related considerations.

Firstly, we must consider the ease of implementation. Included in this consideration are: how administratively straightforward is the calculation of the fees; and, how open to the model are the members. The options presented in this report range from simply increasing the existing fees to tracking two proxies for ability to pay (population and assessment base). While the latter may seem the more complex, it is really no more complicated than the former. The spreadsheets used to calculate the fees are set and relatively easy to understand. As long as the population and assessment data is available to input (and we have no reason to believe it will not continue to be easily available), the annual calculations are straightforward no matter which option is chosen.

Member acceptance of a new model also seems likely. UMNB has had several member-facing conversations on the dues model since the merger with the CNBA and before. A new revenue model is expected and, for many, expected with some anticipation. The key issue driving member acceptance (beyond financial impact as discussed in the previous section) will be the clarity of the model.

Model clarity should not be confused with model simplicity. The simplest models would be a flat fee or a per capita rate. However, most members of municipal associations understand that neither of these options alone provide the fairness and balance required. A sector that routinely manages resident expectations of the property tax system recognizes the need for a dues formula that accounts for the fact that size and capacity to pay do not always co-exist. A combination of flat fees, per capita rates, and assessment base rates exist across Canada.

Lastly, we must consider the capacity of UMNB to maintain the model – keep the data updated, respond to economic shocks, respond to structural changes within the sector, etc. Again, the crux of the issue here is ensuring that the required data will continue to be available over time.

Model Analysis and Comparison

Model 1: Status Quo+

Advantages	Disadvantages
• Simple to calculate, both for UMNB and for members. • Proportionally fair – everyone pays a 10% increase. No outliers	• Not reflective of any of the characteristics of the members (size, population, Tax Base, etc.). • Makes a good baseline for other models' calculations, but not a robust model for the future. • Not fair in terms of absolute contributions, which would see larger dues from cities and towns but without a rationale to provide justification.

Model 2: Fixed Base Rate + Tax Base Assessment

Advantages	Disadvantages
• Fairly easy to calculate, just need to ensure members know their base rates and Tax Base Assessment rates and the formula for calculation. • Good financial rationale for implementing dues increases – based on tax assessments • Somewhat proportionally fair – City and Non-City groups will pay approximately the same increases. • Model is self-updating; as tax base assessments increase year over year, revenue will naturally increase as well.	• Not reflective of population, just tax bases and municipality types. • Villages will end up paying the highest increase (13.70%) although this is still below the outlier threshold of 15%. • Relatively high number of outliers (18) paying an average of 25.39%; discounts for fairness may be required for these members, reducing overall revenue.

• Reduces the proportional burden on cities, which is a goal in light of the recent merger with CNB. • The distribution of changes is relatively narrow: the highest decrease is -15.45% while the highest increase is 51.81%, a difference of 67.26%	

Model 3: Fixed Base Rate + Per Capita Rate

Advantages	Disadvantages
• Fairly easy to calculate, just need to ensure members know their base rates and Per Capita rates and the formula for calculation. • Reduces the proportion payable by the Rural Communities.	• Not reflective of tax assessment or financial standing, just population and municipality types. • Financial rationale is not strong – population is only tangentially related to municipal fiscal standing • Population numbers can get out of date quickly and only get updated every 5 years at the Census. This would require regular updating of dues amounts in the intervening years. • Cities and Towns will end up paying the highest increase (12.34% and 14.83% respectively). Towns as a group will fall outside the outlier threshold, the only model where this is the case. • The distribution of changes is very wide: the highest decrease is -41.93% while the highest increase is 52.09%, a range of 94.01% from biggest payer to biggest saver. This could cause significant fairness issues among members. • Not especially proportionally fair • Very high number of outliers (27) paying an average of 28.19%; discounts for fairness may be required for these members, significantly reducing overall revenue

Model 4: Fixed Base Rate + Tax Base Assessment + Per Capita Rate

Advantages	Disadvantages
• Completely reflective of financial standing, including population, municipality type, and tax base assessments • The fairest of all dynamic models, the increase to all municipal groups is approximately the same between City and Non-City groups, and all are less than 10%.	• Harder to calculate than all other models – members need to know their per capita rates, their tax assessment base rates, and their fixed base rates, as well as the formula for calculation. • Population numbers can get out of date quickly and only get updated every 5 years at the Census. This would require regular

• Although population numbers are only updated every 5 years, the overall proportion of dues that come from the per capita rates are lower than for other models, reducing the impact of outdated population numbers. • The model is self-updating, as both populat ion and tax base assessments increase, dues revenue will increase. • The distribution of changes is relatively narr ow: the highest decrease is -23.29% while the highest increase is 41.15%, a different of 64.44% • The lowest number of outliers, with only 9, paying an average increase of 22.58%, the lowest average outlier increase of all models. Adjustments can be made on an individual basis, if needed for fairness, without impacting overall revenue too greatly.	updating of dues amounts in the intervening years. • Cities will end up paying the highest rate increases, but by the smallest margins recorded among the models.

Summary

The following table summarizes the assessment of the four options across the financial and non-financial considerations. Green indicates the option delivers the required consideration, amber indicates the option partially delivers the required consideration, red indicates the option does not deliver the required consideration.

Considerations	Option 1	Option 2	Option 3	Option 4
Meets Revenue Targets				
Fairness				
Financial Rationale				
Self-Updating				
Clarity				
Few Outliers				
Change Distribution				
Overall Increases Below 15%?				
Implementation				
Sustainability				

Recommendation

Based on the above considerations, we recommend Option 4 be implemented for calculating the 2026 UMNB member dues, with options for discounts for the identified outliers, and accompanied by a strong communications component to help members understand the formula and the reasons for the change.

Implementation

Changes to fee structures for any association require three things to be successful: member engagement; meaningful analysis; and an authentic narrative for implementation. UMNB has engaged its membership on this discussion since the members of the former Cities of New Brunswick Association joined. It was clear that a new approach to the fee structure needed to be investigated as opposed to simply tweaking the existing model.

This report provides an in-depth and thoughtful analysis of the most reasonable options available to UMNB for a new or modified fee structure. The recommendation of Option 4 recognizes the revenue needs outlined by UMNB and provides the best solution for finding a balance between population and tax assessment base as proxies for capacity to pay. Option 4 also creates the fewest outliers and is still a model that is sustainable in terms of the economic environment and the ability of UMNB to administer. **We recommend that the changes be adopted in full for 2026, with possible exceptions made for the few outliers. These municipalities could be provided with a two-year implementation schedule should the Board of Directors deem it reasonable.**

The last requirement is the key messaging and schedule for implementation. One of the considerations here is the scale of the fee increase, or at least the scale of the increase in the context of increased value for that fee. The increases presumed by Option 4 are not insignificant. However, it has been clear for some time that an increase in revenue – mainly from fees – was necessary. It has also been recognized that the distribution of fees – on an absolute basis – between the various categories of members needed to adapt.

The greater context includes the historic "merger" with CNBA and the continued growth of UMNB's advocacy success. Our sense is that UMNB members are seeing more value for money and should understand that this investment will only improve the situation again. There is a positive momentum that needs to be supported. All that to say, the membership are likely more open to a significant change in the fee structure today than they have been in recent memory. The narrative around this change is authentic and should resonate with members.

Given the budget approval processes in place for UMNB and New Brunswick municipalities, it will be important to begin the conversation with members long before the Annual General Meeting in October. Key messages and an engagement plan should be ready to implement as soon as the Board has made its decision. It will be important for Councils to see the absolute cost increases as these are often less intimidating that when expressed as percentage increases. The tables we have provided will allow UMNB to communicate the dollar amount increase for each member well in advance of the AGM along with the aforementioned key messaging on the rationale and benefit of this change.