

2022 UBCM Annual Report



**ANNUAL REPORT TO BE CONSIDERED
AT THE 2022 UBCM CONVENTION**

FOR MORE DETAILS: ubcm.ca

convention
program
september 12-16



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Letter of Transmittal

It is our pleasure to convey the 2022 Annual Report to the membership of the Union of B.C. Municipalities (UBCM).

UBCM's purpose is to provide a non-partisan voice for the shared interests of B.C.'s local governments. It is our longstanding belief is that our members and British Columbians are best served through collaborative working relations with the Province of British Columbia and the Government of Canada.

While it is true that there are defined historic levels of jurisdiction for each order of government, the reality is that most of these areas require shared responsibility and coordinated service delivery. A critical accomplishment this past year was the signing of a Memorandum of Understanding between UBCM and the province to review the three greatest cost drivers for local government that are also shared priorities with the Province: climate change; community safety; and attainable housing. This three-year process will provide an opportunity to consider how these critical areas are funded to ensure that British Columbians are receiving the benefits of coordinated and well-considered service delivery.

Other achievements from the past year resulting from our engagement with the province include a report of policy considerations for the development of a regulatory framework for the short-term rental industry in British Columbia. This year has also seen the renewal of the Green Communities Committee, with a new composition and terms of reference to focus on mitigation and adaptation efforts to better support local governments. We are also pleased to see that sustained advocacy from UBCM led to the creation of a new Local Government Climate Action program, which increased the funding level of the previous program by three times and provides greater flexibility for local governments in the allocation of these funds to local mitigation and adaptation initiatives.

One of UBCM's critical roles is providing feedback on a confidential basis to the Province as it prepares legislation that will broadly impact local governments. Over the past year, UBCM was consulted on legislative amendments to mandate a requirement for local governments to consider the adoption or amendment of a Code of Conduct at least once in each term, as well as new tools for local governments when a local elected official is charged with or convicted of a major criminal offence. Both legislative changes responded to resolutions endorsed by UBCM's members.

Our work in the past year has included providing advice to the province when legislative approaches under consideration were misaligned with the problem statement. Our efforts in such situations are to propose workable alternatives, drawing on the unique expertise of local governments. Due to necessary and appropriate confidentiality agreements, this work remains out of sight to the membership but represents essential work on your behalf nonetheless.

The membership continues to be appreciative of the responsive and efficient administrative services provided by UBCM for federal and provincial funding programs. These include the current 10-year agreement for the administration of \$2.9 billion from the Canada Community Building fund and a suite of provincially funded programs that address a range of needs from emergency preparedness to supporting unsheltered residents. The capacity to administer programs on behalf of both British Columbia and Canada is well established and a foundational aspect of our work on your behalf.

We encourage all of our members to review the full report of our work from the past year and welcome any questions or comments that may arise.

It is an honour to have served on your behalf this year, and we look forward to doing so again in the year to come.



Councillor Laurey-Anne Roodenburg, President



Gary Maclsaac, Executive Director

Corporate Operations



Corporate Operations

Executive Priorities

At the November 2021 Executive meeting, board members identified priorities for the coming year. These priorities are based on the 2021-2022 Work Plan adopted at the July 2021 Executive meeting, with some additions and adjustments based on board direction following Executive member discussion of UBCM Priorities and Work Plan at their November 2021 inaugural board meeting.

The chart below provides a summary of the past year's priorities, their status at year-end and reflects the additional work and adjustments undertaken in response to the pandemic that carried on into 2022.

Following the chart, UBCM's Advocacy Days 2022 is highlighted. A summary of UBCM's internal operations concludes the section.

Priorities	Progress to Date
Housing	<ul style="list-style-type: none">• Continued engagement with the Province on the implementation of outstanding elements of their 30-point housing plan, and potential new actions in response to the current housing crisis. A Province-UBCM advisory group on short term rentals completed its work and submitted a report to Minister Eby• Continued work with the Province to address actions coming out of the report. Staff will also continue to monitor further steps in the implementation of the Development Approvals Process Review, and response to the bilateral Expert Panel on Housing Supply and Affordability. Staff will also monitor and respond to potential legislative or policy changes undertaken by the Federal government
Cannabis Taxation Revenue Sharing	<ul style="list-style-type: none">• Continue to seek opportunities to advocate for a taxation revenue sharing agreement with the provincial government. Staff will continue to use emerging data and past work, including relevant information from the UBCM Select Committee on Local Government Finance report, <i>Ensuring Local Government Financial Resiliency</i>

Priorities	Progress to Date
<p>Provincial Land Use Planning Processes/ UNDRIP/TRC / Recognition of Order of Government</p>	<ul style="list-style-type: none"> • Work continues on DRIPA through engagement with the Ministry of Municipal Affairs (MUNI) and direction from the Indigenous Relations Committee. Jointly with MUNI held a successful, well-received webinar for local governments on DRIPA, profiling actions taken by local government to advance reconciliation in their own communities • Met with provincial staff on the Modernized Land Use Planning Process, noting that adjustments have been made to the process to engage local governments in the targeted areas
<p>Climate Change/Climate Action</p>	<ul style="list-style-type: none"> • Continue to engage the Province and responsible ministries on implementing the recommendations of UBCM's Special Committee on Climate Action. The recommendations continue to inform the development of the Province's climate adaptation strategy, the creation of PACE legislation, and implementation of CleanBC at the community level • The new provincial climate action strategy, <i>Roadmap to 2030</i>, recognizes that local governments are key partners and play a vital role in meeting ambitious climate targets. • The joint UBCM-Province Green Communities Committee has been 'refreshed' with a new composition, terms of reference and work plan to support both local mitigation and adaptation efforts • The Province created a new \$76 million Local Government Climate Action program following UBCM advocacy and input after the elimination of CARIP funding. The new program provides three times the amount previously received under CARIP, as well as greater flexibility to support local mitigation and adaptation plans
<p>Working Group on Responsible Conduct</p>	<ul style="list-style-type: none"> • Continue to work with the Province and Local Government Management Association to advance the objectives established by the Executive in its 2021 Special Resolution and to monitor the successes and challenges noted by local governments as they promote responsible conduct. The Province passed legislation in the fall that responds to the 2021 Special Resolution. Further regulation expected this spring to implement new Code of Conduct requirement to consider and Oath of Office update. Work also underway for education module

Corporate Operations

Priorities	Progress to Date
<p>Infrastructure</p>	<ul style="list-style-type: none"> • Continue to work with the Province and Federal government in the delivery of the Investing in Canada Infrastructure Program. UBCM has a staff role on program development and administration of those programming streams that will directly impact local government. UBCM continues to advocate for those priorities and recommendations outlined in our submission to Infrastructure Canada • Third intake for Environmental Quality (EQ)Stream intake closed February 23, 2022. The federal/provincial share of this intake is approximately \$270 million • Community, Culture and Recreational Stream is fully allocated. No additional intakes proposed • Rural and Northern Communities Fund Stream is fully allocated. No additional intakes proposed • COVID-19 Resilience Infrastructure Stream is fully allocated. No additional intakes proposed
<p>Local Government Finance</p>	<ul style="list-style-type: none"> • UBCM members endorsed the Select Committee on Local Government Finance report that was presented to the 2021 Convention; MOU with Province signed January 25, 2022. • Finance Working Group and Terms of Reference established; 3 year work plan developed. • The Working Group will address actions/activities identified in the Short-Term Work Plan (0-6 months). • Working Group (Co-chairs) will lead a session at UBCM 2022 Convention reporting out on work to date

Advocacy Days 2022

UBCM's Executive held its 9th annual Advocacy Days during the May Executive meeting. Over two days, Executive members met with over 40 MLAs from all parties, including Premier John Horgan, 12 ministers, Leader of the Official Opposition, and both caucus chairs. Meetings focussed on housing, climate action and community safety as they relate to the local government finance system.

The Executive discussed local government finance and the work with the Province to address mounting cost pressures for local governments while advancing shared local-provincial priorities. In particular, the Executive raised the importance of continued collaboration on housing, and the need for a review of the funding mechanisms that finance growth-related infrastructure. It highlighted the need to ensure that local planning and financial tools ensure that 'growth fully pays for growth' – and called for the Province to undertake a comprehensive review of the funding mechanisms for financing growth-related infrastructure including Development Cost Charges and Community Amenity Contributions.

The Executive also discussed the importance of climate action within communities, and the need for ongoing financial support for reducing emissions and creating weather resilient communities. While commending the Province's leadership on its climate change and adaptation strategies, and the new Local Government Climate Action Program, it called for a dedicated and permanent funding stream for local climate action. It proposed that having a percentage of the provincial Carbon Tax allocated to communities would support innovative local climate action, and help tackle the remaining 25% of emissions not captured through *CleanBC*.

The need to develop a long-term local government funding and capacity building framework for new and ongoing emergency management costs was also tabled for discussion with MLAs. The Executive highlighted the financial pressures of preparing, and responding to the increased scope and intensity of natural disasters at community level. It also acknowledged the costs of the new roles and responsibilities for local governments under the proposed modernization of emergency management.



Enderby, BC

Corporate Operations

UBCM Internal Operations

Update Resolutions Database

Executive expressed a desire to see the on-line Resolutions Database revised to reduce the number of records available. Direction was given at the November 2021 Executive meeting to provide only the most recent 20 years of resolutions in the on-line database. The project was completed in January 2022. An article was published in the January 5, 2022 edition of The Compass informing our members of the update to the database. The database will be updated annually. When the most recent year of resolutions is added, the oldest year of resolutions will be removed, in order to keep the database current with only the most recent 20 years of resolutions.

Resolutions Process Review

Member feedback following the last few Conventions expressed a desire to make changes to the UBCM resolutions process. Due to COVID, UBCM did not have an opportunity to undertake Area Association engagement as planned in 2020 or 2021 with respect to gathering feedback from our members on revising UBCM's resolutions process. However, engagement did occur as part of the 2022 Area Association conferences. Feedback from these sessions has been gathered and a discussion on options for amending the resolutions process will be brought forward for member consideration at the upcoming UBCM Convention.

UBCM Governance Documents Review

In 2020, due to the prescriptiveness of UBCM's governance documents, UBCM required a special Ministerial Order to conduct a virtual Convention. Recognizing that the Ministerial Order would expire and the need to address the possibility of a future emergency situation, the UBCM Executive put forward an Extraordinary Resolution (ER) in 2020 to amend the UBCM Bylaws to replicate the authority provided within the Ministerial Order so the Executive could respond to emergency situations in the future. This situation prompted the Executive to approve a special project to conduct a fulsome review and suggest amendments to modernize UBCM's governance documents to address their prescriptiveness, outdated legislative references, inconsistencies and errors.

A Project Proposal was approved by the Executive in July 2021; a phased approach was approved in November 2021 that began with a legal review the UBCM Act, then the UBCM Bylaws, recognizing that amendments to both would require member support by Extraordinary Resolution. A project consultant undertook a full review of the UBCM Act, Bylaws, Executive Policies and conference rules and procedures. The consultant is working with Ministry of Municipal Affairs on the UBCM Act amendment process as well as legal counsel on the UBCM Bylaws. Two ER resolutions will be presented at the 2022 Convention to seek member support for amendments to both the UBCM Act and Bylaws. If endorsed subsequent amendments will be made to the Executive Policies and Conference Rules and Procedures.

Cybersecurity Project

Cybersecurity is a rapidly increasing threat that is facing local governments and UBCM alike prompting UBCM to undertake a special project to assess the threat to the organization. With the support of contract staff, IT support and UBCM staff, the risks were identified, and mitigative measures developed to address possible threats. In addition to purchasing cybersecurity insurance, the following work plan / timeline was adopted for the project:

- Stage 1 – Management and Physical Security – Dec 2021-Feb 2022
- Stage 2 – Employees and Business Practice – Feb 2022- May 2022
- Stage 3 – Data Security and IT Staff – May-June 2022
- Stage 3 – probe by external company to find weaknesses – Oct 2022
- Final Audit Deliverables – Nov 2022
- Mitigation Strategy development and implementation to continue in 2022/23

Group Benefits

UBCM plans include a database review and redesign, marketing and communications, the development of standardized analysis and reporting, completion of contract review and development and distribution of plan communication materials for members. Current consultants, George and Bell and our Third Party Administrator Health Benefits Trust will support this project. In addition a new approved position will provide senior administrative and marketing support and replaces the position of Manager, Member and Association Services.

Occupational Health and Safety (OHS) Policy

UBCM is not required to have a formal Occupational Health and Safety Plan due to the size and nature of our organization. However, WorkSafeBC does recommend that UBCM has a less formal health and safety plan. Steps to address this are in progress including:

- Office safety plans and amendments made available to staff via e-mail
- Ergonomic assessment and report was last completed in 2018, due to staff changeover since 2018 it is recommended we revisit an ergonomic assessment and provide training to staff
- First Aid Kits and personal earthquake kits have been replenished, with expired items discarded in the Victoria office
- Floor Wardens have been identified and an emergency response plan is underway for the Victoria office

UBCM Staffing Changes

There were no staffing changes in the Richmond Office over the past year.

Within the UBCM Victoria office, Peter Ronald, LGPS Program Officer, retired in December 2021. The position is being back-filled in Summer 2022. Brenda Pittman, Victoria Office Coordinator completed a 2-year term contract in October of 2021. The position has not been back-filled to date. Karen Borden, BC Firesmart Committee Coordinator, retired in June 2022. The position has been backfilled by Lynn Eileen. Liz Cookson competed and was selected as the new Sr. Finance Policy Analyst in June 2022. She leaves her previous position, Executive Coordinator, AVICC vacant.

Mission Statement

The **values** we want associated with UBCM as an organization are:

- Credibility and accuracy in what we do
- Timely and effective in how we respond
- Valuing teamwork and respecting diversity in everything we do
- Being non-partisan and objective in how we present ourselves

Our **vision** is to most effectively represent and serve all local governments in BC.

Guided by our values and to achieve our vision the purpose of UBCM is:

To **represent and serve** all local governments in BC by:

- Being the recognized advocate for their common interests
- Meeting the members' common needs

We will be the recognized **advocate** for local government in BC in:

- Policy development and implementation
- Government relations
- Communications externally
- Liaison with other groups

Our priorities for meeting the members' common needs are through:

- Communication to members
- Advice and training for local government officials
- Convention
- Information sharing

We strive for **continuous improvement** in all that we do.



Cranbrook, BC

Corporate Operations

UBCM Executive



Councillor Laurey-Anne Roodenburg
City of Quesnel

President
Presidents Committee



Councillor Jen Ford
Resort Municipality of Whistler

First Vice-President
Convention Committee, Chair
Presidents Committee



Mayor Ange Qualizza
City of Fernie

Second Vice-President
Community Economic
Development Committee, Chair
Presidents Committee



Councillor Claire Moglove
City of Campbell River

Third Vice-President
Resolutions Committee,
Vice-Chair
Presidents Committee



Councillor Brian Frenkel
District of Vanderhoof

Past President
Resolutions Committee, Chair
Presidents Committee
Community Economic
Development Committee



Councillor Pete Fry
City of Vancouver

Vancouver Representative
Health & Social Development
Committee, Chair
Resolutions Committee



Councillor Craig Hodge
City of Coquitlam

Metro/GVRD Representative
Community Safety Committee,
Chair
Presidents Committee



Councillor Sarah Fowler
Village of Tahsis

Small Community Representative
Community Economic
Development Committee
Community Safety Committee



Director Grace McGregor
Kootenay Boundary Regional District

Electoral Area Representative
Environment Committee, Chair
Convention Committee



Councillor Trish Mandewo
City of Coquitlam

Vancouver Metro Area Representative
Indigenous Relations Committee, Chair
Community Economic Development Committee



Mayor Val van den Broek
City of Langley

Vancouver Metro Area Representative
Indigenous Relations Committee
Community Safety Committee



Mayor Clara Reinhardt
Village of Radium Hot Springs

AKBLG Representative
Community Safety Committee
Convention Committee



Director Ian Morrison
Cowichan Valley Regional District

AVICC Representative
Environment Committee, Vice-Chair
Indigenous Relations Committee



Councillor Laura Dupont
City of Port Coquitlam

LMLGA Representative
Health and Social Development Committee
Indigenous Relations Committee



Councillor Cori Ramsay
City of Prince George

NCLGA Representative
Health and Social Development Committee
Indigenous Relations Committee



Councillor Lori Mindnich
Village of Lumby

SILGA Representative
Convention Committee, Vice-Chair
Health & Social Development Committee, Vice-Chair

Corporate Operations



Councillor Sadie Hunter
City of Kamloops

Director at Large
Community Economic
Development Committee,
Vice-Chair
Environment Committee



Councillor Gord Klassen
City of Fort St. John

Director at Large
Resolutions Committee
Community Safety Committee,
Vice-Chair



Councillor Amy Lubik
City of Port Moody

Director at Large
Community Safety Committee
Environment Committee



Mayor Sarrah Storey
Village of Fraser Lake

Director at Large
Convention Committee
Health and Social
Development Committee



Mayor Gaby Wickstrom
Town of Port McNeill

Director at Large
Indigenous Relations Committee,
Vice-Chair
Community Economic
Development Committee

UBCM Executive



Left to Right, back row: Councillor Lori Mindnich, Councillor Sarah Fowler, Mayor Clara Reinhardt, Director Grace McGregor, Mayor Gaby Wickstrom, Councillor Craig Hodge, Councillor Jen Ford, Mayor Ange Qualizza, Councillor Claire Moglove, Mayor Val van den Broek, Mayor Sarrah Storey, Councillor Trish Mandewo, Councillor Laura Dupont

Left to Right, front row: Councillor Cori Ramsay, Councillor Pete Fry, Councillor Laurey-Anne Roodenburg, Councillor Brian Frenkel, Councillor Sadie Hunter, Director Ian Morrison

Not shown: Councillor Gord Klassen, Councillor Amy Lubik,

UBCM Staff

Left to Right, back row: Josh van Loon, Senior Policy Analyst; Hervinder Bains, Senior Financial Accountant; Bhar Sihota, Senior Policy Analyst

Left to Right, middle row: Marylyn Chiang, Senior Policy Analyst; Kathleen Spalek, Chief Financial Officer; Jennifer Kwok, Event & Corporate Operations Assistant (no longer with UBCM); Kelsey Mackay-Smith, Event & Sponsorship Coordinator

Left to Right, front row: Jamee Justason, Resolutions and Policy Analyst; Marie Crawford, General Manager of Richmond Operations; Gary Maclsaac, Executive Director; Anna-Maria Wijesinghe, Manager, Member & Association Services (no longer with UBCM); Lilliana Kang, Convention Assistant (no longer with UBCM)

Not shown: Raelene Adamson, Office Administrator; Reiko Tagami, Policy Analyst; Julia Carandang, Finance & Corporate Operations Administrator



Left to Right, back row: Peter Ronald, LGPS Program Officer (Retired); Brant Felker, CCBF Policy & Program Manager; Rebecca Williams, Program Administrator; CCBF Program Services; Rebecca Bishop, LGPS Program Officer; Gary Maclsaac, Executive Director; Glen Brown, General Manager of Victoria Operations; Jared Wright, Director of Advocacy & Government Relations; Toby Simpson, Program Officer, CCBF Program Services

Left to Right, front row: Karen Borden, BC FireSmart Committee Coordinator (Retired); Paul Taylor, Director of Communications; Liz Cookson, Senior Finance Policy Analyst; Sasha Prynne, LGPS Program Officer; Christina Arsens, LGPS Program Officer; Danyta Welch, Manager, LGPS

Not shown: Lynn Eileen, BC FireSmart Committee Coordinator; Gabi Vindisch, Executive Coordinator, LGLA; Jonas Woodrow, Program Officer, LGPS

Policy and Advocacy



Policy and Advocacy

UBCM's mandate is to advocate on behalf of BC local governments and member First Nations for the development and implementation of legislation, regulation, policies and programs that support the membership's needs. Our goal is to effect change that will benefit our members. To facilitate reaching that goal, UBCM participates in policy development and implementation processes in a number of ways:

- proactively – presenting our own independent initiatives to other governments (i.e. UBCM's housing report "A Home for Everyone" sets out member direction and defines our advocacy efforts to provincial and federal governments.)
- reactively – responding to proposed provincial or federal policy changes (i.e. federal legislation to legalize cannabis))
- ongoing involvement – participating in Ministry-UBCM or multi-party policy development processes which are many and varied with some requiring sustained involvement while others may only require limited intervention (i.e. Local Government RCMP Contract Management Committee).

Much of UBCM's policy work is done through the Executive and its Committees. The following pages provide an overview of the extensive policy work undertaken and outlines progress to date on various issues identified through annual Committee work plans.

In addition to the Executive and Committees, many policy topics are covered off through ongoing working groups, committees and meetings that UBCM appointments and staff attend. These policy matters are summarized in the section that follows the Committee overviews.



Zeballos, BC

Presidents Committee

Secretariat / Financial Management • Intergovernmental Relations • Best Practices • Member Services

Priorities	Progress to Date
<p>Provide support to the UBCM Secretariat on member priorities, financial and human resource issues.</p>	<ul style="list-style-type: none"> • Provide strategic direction to the Secretariat between Executive meetings • Report quarterly on UBCM finances to the Executive; oversee the annual financial audit • Reviewed and approved a one-time change to our corporate investment policy in spring 2022 to hedge against rising inflation, preserve fund capital, ensure growth and maintain minimum target returns • Serve as the contact point on staffing matters and HR initiatives. This year focused on supporting senior management in implementing its hybrid workplace pilot project, addressing COVID related matters such as vaccine and mask mandates; and matching work plan priorities with staffing capacities • Continue to provide oversight and direction on two approved special projects related to: Cybersecurity and UBCM Governance Documents Review • Provided recommendations on referred resolutions from the 2021 UBCM Convention • Provided direction on the UBCM-Province MOU on Local Government Finance and subsequent establishment of a Local Government Financial Review Working Group and Technical Review Committee
<p>Serve as the lead on intergovernmental relations</p>	<ul style="list-style-type: none"> • Provided leadership in UBCM’s advocacy work with the Province, federal government and FCM in response to local government financial and administrative challenges during the pandemic, and post pandemic economic recovery • Provided oversight on the return to an in person Convention in 2022; taking lessons learned from the virtual conventions and applying improved processes to the in person convention • Oversaw development of the UBCM’s May 2022 Advocacy Days program and identified three priorities: affordable housing, climate change and community safety, all in the context of UBCM’s Local Government Finance Report. Priorities were shared in meetings with Cabinet ministers and MLAs

Policy and Advocacy

Priorities	Progress to Date
<p>Serve as the lead on intergovernmental relations - Cont'd</p>	<ul style="list-style-type: none"> • Serve as the contact point for communications with BC Urban Mayors Caucus and other local government associations • Provided recommendations on a variety of UBCM appointments to external committees (i.e. Real Estate Foundation of BC, Municipal Pension Board trustees, PRIMECorp BC, etc.) • Directs UBCM advocacy work on housing (development approvals process review committee), climate action, asset management, infrastructure funding and oversees UBCM's participation in FCM's international programs • Serves as the contact point for emerging local government issues with the Minister of Municipal Affairs • Provides direction on work related to responsible conduct and codes of conduct • Act as UBCM spokespersons with media and provincial and federal governments
<p>Promote Best Practices to UBCM Membership</p>	<ul style="list-style-type: none"> • Oversees UBCM's Community Excellence Awards program; issued call for applications, will review submissions in July/ August and profile winners at 2022 UBCM Convention • Support promotion of Local Government Awareness Week (LGAW) including a provincial proclamation for 2022 and profiling the Excellence Awards winners to showcase the best practices from BC communities

Provide direction on UBCM Member Services and Group Benefits Programs

- Ensure compliance and deliverables with the Service Performance Agreement and Administrative partnership guidelines and negotiate 2022/2023 annual renewal with insurance carrier, Pacific Blue Cross; ensure adherence to the Rate Setting Policy; renewed Third Party Administrator contract with Health Benefits Trust and George & Bell Consulting to ensure continued support for member inquiries, issues, dispute resolution, complex financial analysis, plan quotes and changes to plan design. Continue to serve as advocate for the members in the UBCM Group Benefits Plan and increase marketing communication and awareness with the goal of combatting rising benefit premium costs through “economies of scale”.
- Provide direction on Plan Partner - Municipal Pension Plan matters.

Committee Members

- Councillor Laurey-Anne Roodenburg, President
- Councillor Jen Ford, First Vice-President
- Mayor Ange Qualizza, Second Vice-President
- Councillor Claire Moglove, Third Vice-President
- Councillor Brian Frenkel, Past President
- Councillor Craig Hodge, GVRD/Metro Representative



White Rock, BC

Policy and Advocacy

Convention Committee

The 2021 Convention was held virtually from September 14 - 17, with the theme of Obstacles to Opportunities. A total of 1,002 delegates attended the Convention. The overall Convention rating was a strong 4.3 out of 5. The plenary session, keynote speaker, Global Warming workshop, and the online voting process for elections being the highest rated aspects of Convention.

This was the second Convention held virtually and to accommodate the new format the program was shorter than an in-person Convention. The program started on Tuesday morning with the Opening ceremony and Annual General Meeting and ended mid-day on Friday. A kick-off networking night was held on Monday, September 13th. This event was held in an interactive platform and featured four speakers with additional time for questions and networking afterwards. Programming included a range of workshops, including *Housing Prospects, Trends & Key Issues, Global Warning: Lessons from the 2021 Heat Wave, Modernizing Forest Policy in BC, and Is your Local Government Safe From a Cybersecurity Attack?* The plenary session was *Pathways to Truth and Reconciliation* featuring the Honourable Murray Sinclair. The Keynote Speaker was Rick Mercer interviewed by Jody Vance. Delegates had the opportunity to set policy through a completely virtual Resolutions session, and participate in the Virtual Trade Show, as well as networking through forums and chat boxes.

Committee Members

Councillor Jen Ford, Chair
Councillor Lori Mindnich, Vice Chair
Director Grace McGregor
Mayor Sarrah Storey
Mayor Clara Reinhardt



2021 UBCM Virtual Convention

Environment Committee

Climate Action • Plastics Action Plan • Environmental Assessments • Watershed Security

Priorities	Progress to Date
<p>Respond to environmental policy matters falling within the scope of the Committee</p>	<ul style="list-style-type: none"> • Engaged the Province on implementing the recommendations of the UBCM Special Committee on Climate Action and informed the provincial climate action and adaptation strategies • Successfully advocated for a new local government climate action program, following the elimination of the CARIP program • Worked with provincial partners to ‘re-energize’ the joint UBCM-Province Green Communities Committee to support local mitigation and adaptation measures • Engaged the Province on the provincial single use and plastic waste intentions paper and the bonding strategy for contaminated sites • Continued to provide local government feedback on the BC caribou recovery plan • Advocated for local government interests on the federal Oceans Protection Plan initiatives • Met with the Environmental Assessment Office to discuss consultation and timing of environmental assessments
<p>Participate in working groups and committees to ensure local government interests are represented</p>	<ul style="list-style-type: none"> • Ongoing representative participation in Recycle BC’s Advisory Committee on the packing and printed paper product stewardship program • Member of the provincial Caribou Recovery Planning Table • Board member for the Community Energy Association, which supports local governments in advancing solutions on climate action

Work with the Province, Societies and other associations to seek out greater opportunities for environmental protection and improvement in BC

- Met with provincial staff to discuss the development of the *Watershed Security Strategy and Fund*
- Met with provincial staff to discuss the provincial plastics action plan
- Discussed the Province's climate action strategy, *Roadmap to 2030*, and draft adaptation strategy
- Received delegations on the watershed security strategy, environmental assessments and other environmental protection initiatives.
- Met with the Ministry of Health and health authorities to outline the Committee's interest in a provincial approach to the health impacts of climate change, which includes extreme heat planning

Committee Members

Director Grace McGregor, Chair
Director Ian Morrison, Vice Chair
Councillor Amy Lubik
Councillor Sadie Hunter



Alert Bay, BC

Indigenous Relations Committee

Treaty and Other Agreements • Indigenous Relations Policy and Initiatives • Relationship Building

Priorities	Progress to Date
Monitor and respond to policy matters falling within the scope of the Committee	<ul style="list-style-type: none"> Monitored, assessed and communicated to members policy and legislation related updates such as the release of the <i>Declaration on the Rights of Indigenous Peoples Act (DRIPA)</i> Action Plan Regular communication with the Ministry of Indigenous Relations and Reconciliation (MIRR) and Ministry of Municipal Affairs regarding Indigenous initiatives and policy
Advocate for local government interests through working groups and intergovernmental communication	<ul style="list-style-type: none"> Advocacy and communication with MIRR and Municipal Affairs on issues such as the implementation of DRIPA Ongoing work towards implementing an MOU with the Province to support engagement between the Province, UBCM and local governments on Indigenous issues and agreements Delivered a webinar on DRIPA guidance for local governments in collaboration with the Province. Working towards additional guidance for local governments
Relationship building between local governments, First Nations and Indigenous organizations through best practices and initiatives	<ul style="list-style-type: none"> In coordination with the First Nations Summit, administer the Regional Community to Community Forum Program Ongoing work with partners to collect and share resources on Reconciliation and related initiatives, including via the Compass and on ubcm.ca Collaboration with Indigenous and other organizations to advance reconciliation

Committee Members

Councillor Trish Mandewo, Chair
 Mayor Gaby Wickstrom, Vice Chair
 Director Ian Morrison
 Councillor Laura Dupont
 Councillor Cori Ramsay
 Mayor Val van den Broek
 Chief Ken Baird, Metro Vancouver IRC Rep

Policy and Advocacy

Community Safety Committee

Policing • Cannabis • Liquor • Emergency Management • Road Safety • Justice System • Bylaw Enforcement • Flood and Fire Protection • Emergency Communication Services

Priorities	Progress to Date
<p>Respond to community safety issues falling within the scope of the Committee</p>	<p>Policing</p> <ul style="list-style-type: none"> Continued to monitor and provide input on the delivery of RCMP services through the Committee and the Local Government RCMP Contract Management Committee (LGCMC) Updated, advised and engaged members regarding the RCMP Collective Agreement Engaged the Province and RCMP regarding the status of auxiliary policing Continued work to address RCMP building lease agreements, through the BC RCMP Occupancy Agreement Working Group Participated in the ongoing <i>Police Act</i> review, through the new Local Government Policing Modernization Roundtable. Continued to monitor the implementation of Body Worn Cameras (BWCs) through the federal BWC Working Group <p>Other Community Safety Priorities</p> <ul style="list-style-type: none"> Monitored the regulation of medical and non-medical cannabis, and worked with the Province to address ongoing issues Conducted analysis and advocacy related to cannabis excise tax revenue sharing with the provincial government Monitored provincial liquor policy, providing input towards relevant policy changes Monitored changes related to bylaw enforcement and adjudication

Priorities	Progress to Date
	<ul style="list-style-type: none"> • Engaged with the Province regarding emergencies and disasters, including recent floods, wildfires and extreme heat events • Continued work with the Province to facilitate local government input towards the <i>Emergency Program Act</i> review • Monitored the status of provincial road safety initiatives • Engaged with the Province and E-Comm regarding emergency communication services, including the introduction of Next Generation 911 technology • Monitored the ongoing impacts of COVID-19, including all relevant federal and provincial policy changes affecting community safety
<p>Participate in working groups and committees to ensure local government interests are represented</p>	<ul style="list-style-type: none"> • Coordinated and participated on the LGCMC, BC RCMP Occupancy Agreement Working Group, Local Government Policing Modernization Roundtable, Local Government Working Group on Liquor Policy, Cannabis Policy Technical Working Group and EMBC-UBCM Flood and Wildfire Advisory Committee • Participated on the federal RCMP Contract Management Committee, Auxiliary Program – BC Model Working Group, federal Body Worn Camera Working Group, Advisory Committee on Provincial Policing Standards and Counter Illicit Finance Alliance of British Columbia • UBCM appointments to the BC Access to Justice Committee, various BC Road Safety Strategy committees, BC Seismic Safety Council, PRIMECorp Board and BC Operation Lifesaver Committee
<p>Work with the Province and other associations on community safety</p>	<ul style="list-style-type: none"> • Engaged with FCM and other local government associations to discuss community safety issues of importance • Monthly staff meetings with the Ministry of Public Safety and Solicitor General to discuss community safety issues of mutual concern • Meetings with RCMP E-Division regarding policing issues of mutual concern • Meetings with E-Comm regarding emergency communication issues of mutual concern

Committee Members

Councillor Craig Hodge, Chair
 Councillor Gord Klassen, Vice Chair
 Mayor Val van den Broek
 Mayor Clara Reinhardt
 Councillor Amy Lubik
 Councillor Sarah Fowler
 BC Association of Police Boards

Policy and Advocacy

Community Economic Development Committee

Natural Resource Sector • Agriculture • Tourism • Economic Diversification • Arts, Culture, Heritage • Jobs, Skills (Re) Training • Telecommunications/Connectivity

Priorities	Progress to Date
Respond to policy matters falling within the scope of the Committee	<ul style="list-style-type: none">• Continued to advocate for members' economic development challenges as the Province moves to restart BC's economy; working with various ministries and associations to support and share tools/resources/best practices to assist local governments with recovery efforts• Continued to prioritize the importance of local government recognition as an order of government; ensuring consultation and engagement with the Province on matters affecting local government jurisdiction including monitoring the new modernized land use planning process• Provided feedback on the Province's old growth deferral process; participated in Minister of Forest's call with mayors about how deferrals were determined; and conveyed a series of recommendations to the Province to mitigate the impact on communities• Monitored rollout of the federal government's Universal Broadband Fund. Collaborated with FCM and the other provincial/territorial local government associations to better understand challenges and coordinate policy change requests• Provided feedback on the new provincial Connecting Communities BC funding program. Emphasized specific issues experienced in rural and remote communities

Priorities	Progress to Date
<p>Respond to policy matters falling within the scope of the Committee - Con't</p>	<ul style="list-style-type: none"> • Coordinated a webinar with DFO staff to update members on a variety of aquaculture related files including fin-fish licence renewal process, area-based aquaculture management pilot projects and overall status of transition of open net pen operations • Participated in a round table with DFO minister Joyce Murray re: 2025 open net pen transition • Supported Province's second webinar series (Nov 2021) on modernizing BC's forest policy addressing: Re-introduction of Prescribed Fire; Minimizing Slash Pile Burning; BCTS 3 – Sale Max Policy; Value-Added Manufacture Program; Enhanced Compliance and Enforcement in Forestry; Area-Based Tenure Pricing • Provided direction on two referred resolutions from the 2021 Convention
<p>Participate in working groups and committees to ensure local government interests are represented</p>	<ul style="list-style-type: none"> • UBCM Past President Brian Frenkel serves as the UBCM appointment to the Forest and Range Practices Advisory Council (PAC); Forest Products Innovations' BC Innovation Leadership Committee; Private Forest Lands Council; Mass Timber Advisory Council and Land and Natural Resource Operations Roundtable • Committee Vice-Chair Hunter serves as a member of the Regional Connectivity Knowledge Network (RCKN), local government elected officials and senior staff from remote and rural areas in BC who build capacity to improve broadband connectivity in their communities. • Working with Commercial Energy Consumers Association to represent local government interests in BC Utilities Commission proceedings related to BC Hydro streetlighting conversion and UBCM monitored BCUC's Municipal Utilities Inquiry • UBCM staff serve on the Community Energy Association board • AVICC and NCLGA local elected officials serve as representatives to DFO's aquaculture management advisory committees (finfish and shellfish)

Policy and Advocacy

Priorities	Progress to Date
<p>Work with the Province, Trusts and other associations to seek out greater economic development opportunities</p>	<ul style="list-style-type: none"> • Participated in meetings with Minister of Jobs, Economic Recovery and Innovation, Hon. Ravi Kahlon; Minister of State for Trade, Hon George Chow; and Minister of Citizens Services, Hon. Lisa Beare as part of 2022 Advocacy Days • Met with Hon. Gudie Hutchings, federal minister of Rural Economic Development • Received delegations over the year from: Council of Forest Industries; Motorcycle Powersport BC; BC Social Procurement Initiative and the Outdoor Recreation Council of BC (ORCBC). With respect to the latter, conveyed letter of support for their proposal to the Province to establish a BC Trail Fund • Worked with Ministry of Municipal Affairs, Immigration Programs Branch to promote the BC Provincial Nominee Program Entrepreneur Immigration (EI) Regional Pilot as a local economic development tool • Partnered with the Province (Citizens' Services) and NDIIT to study the accuracy of federal internet speed estimates in BC; where inaccuracies may be preventing some communities from securing broadband funding • Continue to meet with policy sector-aligned associations in an effort to support greater community engagement and consultation on policy decision-making

Committee Members

Mayor Ange Qualizza, Chair
 Councillor Sadie Hunter, Vice-Chair
 Councillor Trish Mandewo
 Mayor Gaby Wickstrom
 Councillor Sarah Fowler
 Councillor Brian Frenkel

Health and Social Development Committee

Mental Health and Addictions • Child Care • Accessibility Legislation • Climate Change and Health

Priorities	Progress to Date
Respond to policy matters falling within the scope of the Committee	<ul style="list-style-type: none"> • Provided input for the Ministry of Mental Health and Addictions on the decriminalization of illicit drugs • Continued to advise the Ministry of Social Development and Poverty Reduction on the accessibility legislation and regulation development • Worked with the Ministry of Children and Family Development on consultation with local governments with respect to their role in child care as it becomes integrated into the broader learning environment
Participate in working groups and committees to ensure local government interests are represented	<ul style="list-style-type: none"> • Member of the BC Healthy Living Alliance, an alliance of province-wide health related organizations addressing the impacts of chronic disease • Co- Chair of the Emergency Medical Assistants Education Fund which distributes education grants for paramedic training • Member of the Ministry of Health’s Healthy Communities Working Group, which encourages health authorities and local governments to work together to create healthy communities • Member of the Ministry of Children and Family Development’s Child Care Reference Group • Member of the Advisory Table for the Ministry of Health’s integrated provincial approach to food security • Member of the provincial Decriminalization Core Planning Table
Work with the Province, Societies and other associations to seek out greater opportunities for improved health in BC	<ul style="list-style-type: none"> • Received delegations from the Ministry of Mental Health and Addictions on complex care housing, homelessness, harm reduction, and decriminalization • Met with the Ministry of Health and health authorities to outline the Committee’s interest in a provincial approach to the health impacts of climate change, which includes extreme heat planning • Met with the Community Action Initiative to advise on harm reduction in BC communities

Committee Members

Councillor Pete Fry, Chair
 Councillor Lori Mindnich, Vice Chair
 Councillor Laura Dupont
 Councillor Cori Ramsay
 Mayor Sarrah Storey

Policy and Advocacy

Resolutions Committee

The resolutions process is the foundation of UBCM’s advocacy on behalf of BC local governments and member First Nations

Members often ask UBCM about the status or progress of policy arising from a resolution endorsed by the UBCM membership at Convention. They want to know if laws have been passed and if change has been made. Through resolutions, UBCM members speak with one voice to express the needs and concerns of BC communities. Issues raised and solutions proposed in resolutions often bring positive change for local governments in BC.

The majority of resolutions are addressed to the provincial government. Those resolutions endorsed by the membership are conveyed to the provincial government. The responses we receive from the Province are analyzed and placed into one of six categories. Staff assess the receptiveness of the Province based on their responses, and report their finding to the UBCM Executive. The table below provides an overview of five years of historical provincial response rates by category

Provincial Response Types	2020	2019	2018	2017	2016
Province supports the request	8	9	16	12	4
Willing to consider the changes, suggestions or concerns expressed	4	30	17	25	3
Willing to undertake further study or review of the issues in question	8	23	18	13	18
Issues have already been addressed in whole or in part through existing provincial initiatives	47	51	56	46	57
Proposed changes/suggestions/concerns will not be considered	29	30	32	25	20
Not addressed in provincial response	13	15	14	15	21
Provincial Responses Received Each Year	98	114	126	148	153

* Some resolutions make multiple requests, so the Province provides different responses to different parts of the resolution. Because of this, the combined total of response types tracked in the above table may be greater than the number of responses received from the Province.

UBCM achieves significant dialogue and success through the resolutions process. The following developments have been noted in 2021/22. Each of the issues was the topic of a resolution from a UBCM member local government.

Area	Related Resolutions	Action
Agricultural Land Reserve - Second Residences	2020-EB64, 2019-B168, 2017-B139, 2014-B115	In November 2021, the Ministry of Agriculture, Food & Fisheries released guidance to provide information about the changes to the Agricultural Land Reserve Use Regulation in order to assist local governments in understanding and implementing residential flexibility. In July 2021, the provincial government approved amendments to the Agricultural Land Reserve Use Regulation. The amendments, which came into effect on December 31, 2021, permit second residences on ALR parcels based on certain conditions.
Child Care - \$10 a Day Spaces	2017-B50, 2016-B49, 2016-B50, 2016-B51, 2014-B39, 2012-B50, 2007-B54, 2007-LR8, 2005-B156, 2001-B98	As of April 2022, the Province has created 6,500 \$10 a Day ChildCareBC spaces for families, more than doubling the number from 2,500 when the program began in 2018. By partnering with the Government of Canada through the Canada-Wide Early Learning and Child Care Agreement, the number of \$10 a Day ChildCareBC spaces will nearly double again to 12,500 by December 2022.
Child Care - Funding	2017-B50, 2016-B49, 2016-B50, 2016-B51, 2014-B39, 2012-B50, 2007-B54, 2007-LR8, 2005-B156, 2001-B98	In Budget 2022, the Province announced an additional investment of \$284 million over three years for childcare services, which includes fee reductions for pre-school children for before and afterschool care
Community Safety - Emergency Management	2020-SR1, 2019-B105, 2019-B101, 2019-B99, 2019-B97, 2019-B96, 2018-B106, 2018-B100, 2017-B86, 2016-B56, 2015-B78, 2015-B5, 2014-B76, 2012-B114	<p>"In June 2022, Emergency Management BC (EMBC) announced a revised timeline that will see new emergency management legislation introduced in spring 2023. The Province intends to use the additional time to, among other things, complete work on the co-development of legislation with Indigenous representatives.</p> <p>An outstanding local government issue remains the lack of adequate long-term provincial funding and support to undertake new responsibilities proposed by EMBC. The Province has recently made several short-term commitments towards emergency preparedness and recovery, including \$1.5 billion to help communities in building back better their critical infrastructure following a disaster."</p>

Policy and Advocacy

Area	Related Resolutions	Action
Community Safety - <i>Police Act</i>	2020-SR11, 2020-EB5, 2018-B88, 2016-B75, 2013-B89	The Special Committee on Reforming the Police Act released its final report, <i>Transforming Policing and Community Safety in British Columbia</i> , on April 28, 2022. The report contains a summary of the Special Committee's work, including feedback received over the past year, as well as 11 broad recommendations. Local governments are currently working with the Province, through the Local Government Policing Modernization Roundtable, to analyze the Special Committee's recommendations.
Environment - CARIP Replacement	2021-SR1, 2021-LR1	In Budget 2022, the Province announced that it is establishing a new \$76 million Local Government Climate Action program in 2022/23 that will help local governments take action to reduce emissions and prepare for and adapt to climate change
Environment - Circular Economy	2021-EB38	In February 2022, the Province announced \$13 million for the Circular Economy Strategy to support programs that reuse and collect plastic materials
Environment - Climate Preparedness and Adaptation Strategy	2021-EB39, 2020-SR1, 2019-B135, 2019-B138, 2019-B139, 2019-B141, 2019-B11, 2018-B95, 2018-B107, 2017-B86, 2016-B58, 2016-B56, 2015-A5, 2015-B7, 2015-B38, 2015-B75, 2015-B77, 2015-B78, 2014-B26, 2014-B27, 2014-B50, 2014-B76, 2014-B95, 2014-B96, 2013-A1, 2013-B44, 2013-B75, 2012-B25, 2012-B35, 2012-B63, 2012-B79, 2012-B121, 2011-B22, 2011-B79, 2011-B91, 2011-B98	In June 2022, the Province announced that people in British Columbia will be better protected from the impacts of wildfires, flooding and extreme heat through the actions included in the new Climate Preparedness and Adaptation Strategy. The strategy includes actions across ministries supported by \$513 million of investment to ensure BC is prepared for climate impacts in the near term, while setting the foundation for future action.

Area	Related Resolutions	Action
Environment - Marine Debris	2020-NR46, 2002-B55	<p>In May 2022, the federal government's Fisheries and Oceans Canada's (DFO) Ghost Gear Program has a total of \$10 million available for projects focused on the reduction, prevention and retrieval of ghost gear (abandoned and lost fishing gear). Ghost gear, also referred to as ALDFG, (for nets, line, rope, traps, pots, and floats), is a form of marine pollution that can be fatal to fish, marine mammals and other marine life, poses a navigation hazard, and also breaks down into other forms of pollution such as microplastics. The Ghost Gear Fund aims at increasing participation in ghost gear retrieval operations in Canada, assisting with disposal of end-of-life fishing gear and retrieved ghost gear, and acquiring and testing new fishing gear technologies aimed at reducing fishing gear loss.</p>
Environment - Landfill Emissions	2009-B113	<p>In February 2022, the federal government launched two consultations on measures to reduce methane emissions from landfills. The first seeks input on proposed methane emission reduction regulations, while the second invites feedback on a proposed greenhouse gas offset system protocol. Environment and Climate Change Canada is seeking comments on a discussion paper which outlines proposed objectives of regulations to reduce methane emissions from local government solid waste landfills. New regulations are being proposed to increase the number of landfills that take action to reduce methane emissions and ensure that landfills maximize methane recovery. The federal government is seeking input on whether the regulations could achieve long-term emission reductions through increased diversion of biodegradable waste and increased use of landfill methane as a source of low-carbon energy.</p>
Environment - Single Use Plastics	2021-NR36, 2020-EB53, 2019-B42, 2019-B148, 2018-B126	<p>In June 2022, the federal government confirmed its commitment to ban single-use plastics in Canada and the ban will come into effect in December 2022.</p>

Policy and Advocacy

Area	Related Resolutions	Action
<p>Environment - Watershed Security Strategy</p>	<p>2021-EB45, 2020-EB51, 2017-B115, 2016-B25, 2015-B32, 2014-B88, 2013-B32, 2013-B37, 2013-B195, 2011-B50, 2011-B57, 2011-B100, 2011-B129, 2009-B136, 2008-B35, 2007-B26, 2007-B42, 2007-B122</p>	<p>The Province launched engagement on a new provincial Watershed Security Strategy and Fund on January 25, 2022 and has prepared a discussion paper to provide background information and enable input on a broad range of watershed security related themes. The themes include watershed governance, data and science, reconciliation, drinking water, land use planning, supply and demand, and funding.</p>
<p>Finance - Local Government Finance</p>	<p>2020-EB34, 2019-SR2, 2012-B11, 2011-B28, 2011-B29, 2011-B30, 2010-B24, 2010-B76, 2009-B30, 2009-LR9, 2008-B119, 2006-B24, 2005-B18, 2005-B20, 2005-B106, 2004-A6, 2004-A8, 2004-B11, 2004-B111</p>	<p>In September 2021, members endorsed the Report from the UBCM Select Committee on Local Government Finance entitled "Ensuring Local Government Financial Resiliency – Today's Recovery and Tomorrow's New Economy" (Policy Paper #1). The Report identified key cost drivers (attainable housing, community safety, and climate change) and the impact of the new economy as significant factors in the local government finance system, and made 20 recommendations related to local government financial resiliency. The Report acknowledged that more analysis is required, and it proposed further work with the Province. On January 25, 2022 the Minister of Finance and the Minister of Municipal Affairs signed an MOU with UBCM that established a Working Group made up of provincial and UBCM staff who would further investigate the Report's recommendations. The Working Group met in May and June, and developed a work program and key messages that were endorsed by the Ministers and the UBCM Presidents Committee during a joint presentation on June 29th. A session is being planned for the 2022 UBCM Convention to update members on the report, the working group, and the work plan.</p>

Area	Related Resolutions	Action
Forestry - Old Growth Logging Deferrals	2021-SR2, 2019-B36, 2017-B66, 2016-C27	In November 2021, the provincial government announced that it would be working in partnership with First Nations to defer the harvest of 2.6 million hectares of BC's most at-risk old growth forests. Logging deferrals are viewed as a temporary measure – as recommended in the 2020 Old Growth Strategic Review – to allow for the development of a new approach to sustainable forest management that prioritizes ecosystem health.
Forestry - Old Growth Logging Deferrals Supports	2021-SR2, 2019-B36, 2017-B66, 2016-C27	In Budget 2022, the Province announced \$185 million over the fiscal plan to support forestry workers and communities affected by the old growth logging deferrals including funding for education and skills training, business and community partnerships, and the Bridging to Retirement program
Health - Accessible BC Act	2020-EB31, 2020-EB32, 2020-EB81, 2016-B62, 2015-B8, 2015-B110, 2015-B118, 2014-B12, 2013-B55, 2013-B140, 2012-B43, 2011-A2, 2011-B62, 2011-B67, 2010-B70, 2010-B70, 2009-B145, 2009-B167, 2009-B174, 2008-B157, 2008-B158, 2008-B159, 2007-B106, 2007-B191, 2007-B199, 2006-B73, 2006-B132, 2002-B62, 2002-B94, 2000-B113	The Accessible BC Act was passed in June 2021, and aims to identify, remove, and prevent barriers for people with disabilities in BC by enabling the development of accessibility standards and introducing new accessibility requirements for government and prescribed organizations. Local governments have been identified as a prescribed organization, and as of September 1, 2022, local governments will be required to establish an accessibility committee, an accessibility plan and a build tool to receive feedback on their accessibility.
Health - Complex Care Model	2020-EB80, 2019-B68, 2017-B52, 2015-A2, 2013-B52, 2010-B42, 2007-B153	In Budget 2022, the Province announced \$164 million over three years to expand the Complex Care Complex model to over 20 sites that will support up to 500 people with severe mental health, substance abuse issues or traumatic and acquired brain injuries

Policy and Advocacy

Area	Related Resolutions	Action
Health - Decriminalization of Possession of Small Amounts of Drugs	2021-EB56, 2021-NR44	In June 2022, the federal Minister of Mental Health and Addictions and Associate Minister of Health announced the granting of a three-year exemption under the Controlled Drugs and Substances Act (CDSA) to remove criminal penalties for people who possess a small amount of certain illicit substances for personal use. This exemption will be in effect from January 31, 2023 to January 31, 2026 throughout British Columbia.
Housing - Affordability	2021-EB75, 2021-NR54, 2019-B30, 2018-B55, 2018-B56, 2017-B17, 2015-B47, 2013-B53, 2011-B67, 2011-B175, 2008-B158, 2006-A2, 2006-B162, 2005-B48, 2005-B50, 2004-B128, 2003-B40	In Budget 2022, the Province announced an additional \$166 million over three years to continue and accelerate progress towards building 114,000 affordable housing units, together with \$633 million over three years to expand homelessness services and approaches.
Indigenous - DRIPA	2021-EB77, 2020-NR61, 2019-A4, 2018-B23, 2018-B149, 2018-B150, 2015-B106	In April 2022, the Province released the Declaration on the Rights of Indigenous Peoples Act (DRIPA) Action Plan, developed in consultation with Indigenous peoples, outlining 89 actions across all government ministries that will be undertaken over the next five years (2022-2027) to implement the Act. Two elements within the action plan directly address local governments: 1.11- Support inclusive regional governance by advancing First Nations participation in regional district boards, and 4.27- Review the principles and processes that guide the naming of municipalities and regional districts, and evolve practices to foster reconciliation in local processes.

Area	Related Resolutions	Action
Responsible Conduct of Local Elected Officials	2021-SR3, 2021-2020-NR1	In response to 2021-SR3, the Government of BC introduced legislative amendments to the Community Charter, Vancouver Charter and Local Government Act that would require local governments to consider adopting or updating a Code of Conduct within 6 months after their first regular council or regional district board meeting. Bill 26 received Royal Assent in November 2021. The amended legislation would also require a local government that chooses not to establish or review a Code of Conduct to make available to the public, on request, a statement respecting the reasons for its decision. 2021-SR3 also called for the foundational principles that support responsible conduct to be embedded in the prescribed Oath of Office for local governments. The Ministry of Municipal Affairs had indicated that this will proceed by regulation. The resolution also called for the province to work with UBCM on an educational module that would be made available to every local elected official in BC, and work is underway to complete this by the fall of 2022.
Transportation - Active Transportation	2020-EB24, 2019-B16, 2018-B15, 2013-B99	In Budget 2022, the Province announced \$30 million in grants to local governments to improve active transportation infrastructure
Transportation - Electric Vehicles & Infrastructure	2020-EB27, 2020-EB28, 2019-B144, 2017-B116, 2017-B132	In Budget 2022, the Province announced \$79 million to continue the Go Electric program that provides rebates for electric vehicle charging systems, funds hydrogen refueling infrastructure, and supports an electric commercial vehicle pilot program
Transportation - Railway Grade Crossings	2016-B11, 2015-B56, 2011-B82	In December 2021, the federal government approved amendments to the railway Grade Crossings Regulations (GCR), extending the compliance deadlines and providing some relief for specific scenarios. The compliance timelines have been modified to prioritize grade crossings by levels of risk: November 28, 2022 for high-priority grade crossings; and November 28, 2024 for all other grade crossings.

Policy and Advocacy

Emerging and Ongoing Policy Files

In addition to the policy matters covered by UBCM's Committees, there are a number of other issues that are addressed outside the committee structure. The following provides an overview of those issues and how UBCM is representing the members' interests.

Wrecked, Abandoned or Hazardous Vessels

UBCM continued to monitor the federal and provincial governments' actions on abandoned and derelict vessels. In February 2019, the federal government established new legislation, the *Wrecked, Abandoned or Hazardous Vessels Act*, to ensure that wrecked, abandoned or hazardous commercial and pleasure vessels are removed and remediated at the owner's expense. The *Act* is one of the six measures introduced under the federal government's \$1.5 billion Oceans Protection Plan to address abandoned vessels. Other measures include a Small Craft Harbours Abandoned and Wrecked Vessels initiative, and an Abandoned Boats Funding program.

On April 28, 2021, the provincial government announced \$9.5 million has been provided from the Clean Coast, Clean Waters Initiative Fund to tackle shoreline cleanups and remove derelict vessels from the north coast of BC to southern Vancouver Island. \$7.1 million of that funding has been allocated to shoreline clean up, and the remainder for the removal of 100 derelict vessels. The funding has been distributed to four agencies (Songhees Development Corporation, the Small Ship Tour Operators Association – Wilderness Tourism Association, the Coastal Restoration Society and the Ocean Legacy Foundation) to address the clean up and removal work.

Fire Safety Act - Reactivation of UBCM Working Group

In March, 2022 UBCM received correspondence from Minister Farnworth confirming the Province's direction to have regional districts take on responsibility for fire inspections, compliance monitoring and enforcement. UBCM members have established policy against this provincial direction and sought amendments to remove the requirement prior to the new *Fire Safety Act* being brought into force. A working group was established over 2018-2019 to seek amendments to the new *Act*, but work was stalled when no agreement was forthcoming on a way forward. The process was further delayed due to the pandemic and until a new Fire Commissioner was appointed.

In response to Minister Farnworth's letter notifying that this file would be reactivated, the UBCM Executive has made new and re-appointments to its *Fire Safety Act* working group to engage with the Office of the Fire Commissioner (OFC). An initial meeting of the OFC and the UBCM working group was held in July 2022 and further meetings are expected in the coming months.

Broadband Internet Connectivity

The Vice-Chair of the Community Economic Development Committee represents UBCM on the Regional Connectivity Knowledge Network (RCKN), a peer-driven group of elected officials and technical staff from local and Indigenous governments in the most rural and remote areas of British Columbia. Supported jointly by UBCM and Connected Communities (provincial Ministry of Citizens' Services), the RCKN focuses on learning, building capacity, and accessing expertise to advocate for improved connectivity in their communities.

UBCM, the provincial Ministry of Citizens' Services, and Northern Development Initiative Trust (NDIT) partnered to examine inconsistencies with federal Internet service speed data for BC. The goal was to improve data accuracy, so all communities that are legitimately eligible could be duly considered for connectivity funding. A report on the outcome of this study was released in Feb 2022.

In March 2022, the federal and provincial governments jointly announced a total combined funding commitment of \$830 million for high-speed internet connectivity to rural, remote, and Indigenous communities in BC. Each order of government committed up to \$415 million, towards achieving the national target of connecting 100 per cent of Canadians to high-speed internet by 2030. The Government of British Columbia announced an accelerated provincial target of 100 per cent of BC communities connected by 2027.

UBCM actively monitors federal and provincial funding programs for expansion of broadband Internet; and has provided local government feedback on connectivity to both orders of government. Further, UBCM collaborates with FCM and provincial and territorial local government associations to advocate collectively for expansion and upgrading of Internet service, particularly in rural and remote communities.

RCMP Collective Agreement

On August 6, 2021 a six-year collective agreement (April 1, 2017 - March 31, 2023) was finalized between RCMP members below the rank of inspector and reservists, and the Government of Canada. Notably, retroactive to April 1, 2017, RCMP members will receive an annual base salary increase of 1.75% per year plus an annual market adjustment ranging from 1.5% - 2.5%. Local governments have expressed concerns regarding the absence of consultation and communication; the settlement testing the ability for local governments to absorb large one-time costs (e.g. retroactive payments); and the lack of adequate financial guidance from the federal government.

UBCM continues to raise local government concerns with federal and provincial stakeholders through participation in the RCMP Local Government Contract Management Committee and national Contract Management Committee. In November 2021, UBCM, delivered correspondence requesting that the federal government cover all retroactive costs associated with the collective agreement. UBCM subsequently organized a series of meetings between its members and Public Safety Canada to discuss concerns and impacts related to the collective agreement.

Emergency Program Act Review

In 2019, Emergency Management BC (EMBC) began a thorough review of the Emergency Program Act (EPA), the framework outlining the management of disasters and emergencies in BC. UBCM's Flood and Wildfire Advisory Committee (FWAC) has been meeting regularly with EMBC to provide local government input throughout the modernization process. This work is expected to culminate in the repeal of the EPA, to be replaced by new emergency management legislation in spring 2023.

Policy and Advocacy

The most widespread concern, as expressed by local governments in response to an October 2019 EMBC discussion paper, is the lack of adequate provincial support and funding to undertake new responsibilities proposed by the Province. The FWAC continues to raise this and other key issues in advance of legislation being introduced.

Cannabis Taxation Revenue Sharing

The Federal-Provincial-Territorial Agreement on Cannabis Taxation sees the federal government retain 25% of excise tax revenue (up to \$100 million per year), with the remaining 75% or more going to provinces and territories. This reflects a federal share that was reduced by 25% in recognition of the costs and responsibilities assumed by local governments. The federal government declined to provide revenue to local governments directly, instead leaving that responsibility to provinces and territories. In British Columbia, the provincial government has not disbursed any of its cannabis-related taxation revenue to local governments.

UBCM continues to call on the Province to comply with the intent of the federal excise tax revenue sharing scheme, and recognize the costs and responsibilities assumed by local governments by negotiating an equitable cannabis taxation revenue sharing agreement. The 2021 UBCM Select Committee on Local Government Finance report, *Ensuring Local Government Financial Resiliency*, recommends “a targeted consumption tax that provides local governments a share of provincial cannabis taxation revenue.”

With the Federal-Provincial-Territorial Agreement on Cannabis Taxation currently up for renewal, and in the absence of a revenue sharing framework with the Province, UBCM has also delivered correspondence to the federal government advocating for a new agreement that directly transfers excise tax revenue to local governments.

Police Act Review

The *Police Act* provides the framework for the delivery of police services throughout British Columbia, including responsibilities assigned to the Province and local governments. In 2020, the Province announced its intention to review the 45-year old *Police Act*, subsequently creating the Special Committee on Reforming the *Police Act* (SCRPA). UBCM delivered a submission and presented its recommendations to the SCRPA in early 2021. On April 28, 2022, the SCRPA released its final report, *Transforming Policing and Community Safety in British Columbia*. The majority of the report’s 11 broad recommendations will, if implemented, significantly impact local governments.

The Province has also established the Local Government Policing Modernization Roundtable (LGPMR), a forum for local government priorities and concerns to be raised as part of broader work to research policing issues, explore options and advise the Province on courses of action. UBCM has appointed 15 local government representatives to the Roundtable

The SCRPA recommendations are substantial and will require extensive discussion and consideration. The LGPMR is currently in the early stages of analyzing and providing input related to each of the 11 broad recommendations.

Federal Comprehensive Lands Claims Policy

In February 2018, the federal government announced the launch of a national engagement with First Nations, Inuit and Métis people to develop a Recognition and Implementation of Rights Framework. Legislative and policy elements of the framework could include a new policy reflecting the unique needs of First Nations, Inuit and Métis peoples to replace the current Comprehensive Land Claims Policy and the Inherent Right to Self-Government Policy.

In September 2019, the federal government, Province and First Nations Summit endorsed a policy on Recognition and Reconciliation of Rights for Treaty Negotiations in British Columbia. This B.C. specific policy establishes a process whereby negotiation mandates are co-developed in recognition of the inherent right to self-determination. The intent of the policy is to provide greater flexibility to develop agreements in an incremental or staged way.

As of March 2020, the Federal Government fulfilled their 2019 Budget commitment to forgive all comprehensive claims negotiation loan debt. The Federal Government has also engaged with Indigenous groups across the country through a series of discussion tables, and is moving forward towards implementation of the United Nations Declaration on the Rights of Indigenous Peoples Act. Finally, other legislative changes are being pursued to support self-determination including work towards new land management legislation. UBCM will continue to monitor these initiatives.

National Inquiry into Missing and Murdered Aboriginal Women and Girls

The National Inquiry into Missing and Murdered Indigenous Women and Girls released its final report on June 3, 2019, built around 231 Calls for Justice. In response to resolution 2019-LR4, UBCM encouraged the Federal Government to move forward on the development and implementation of a National Action Plan to address violence against Indigenous women and others. The federal government released its National Action Plan on June 3, 2021, followed by its first annual progress report in June 2022, detailing wide ranging implementation activities spanning culture, health and wellness, human safety and security, justice, and organizational capacity and coordination. UBCM is monitoring the implementation of the Calls for Justice.

Elections Education and Advice Technical Advisory Committee

The Technical Advisory Committee (TAC) was constituted in fall 2016 to meet the requirements set out in the new Local Elections Campaigning Financing Act (LECFA). UBCM has a seat on the TAC Advisory Committee along with the Local Government Management Association, Elections BC, Ministry of Municipal Affairs, Ministry of Education and BC School Trustees Association. TAC members provide information and resources to support election participants and discuss matters of common interest respecting the administration and application of LECFA related regulations.

In advance of the October 15, 2022 General Local Elections, TAC members have completed updates of all forms and guidebooks to support election participants. As well a number of educational workshops and webinars have been held this past year. All of the updated materials including videos and webinars are posted on the Municipal Affairs website at: www.gov.bc.ca/localections

Policy and Advocacy

Federal Regulations for Railway Grade Crossings

Local governments—as road authorities—and rail companies must ensure that public railway grade crossings meet the requirements of the federal Rail Safety Grade Crossings Regulations (GCR). In response to advocacy by local government organizations including UBCM, the federal government amended the GCR to extend compliance deadlines and prioritize grade crossings by levels of risk. The timeline for grade crossings to meet GCR requirements is now: November 28, 2022 for high-priority grade crossings; and November 28, 2024 for all other grade crossings.

For grade crossings of provincially regulated railways, the BC government extended the GCR compliance deadline to January 1, 2028.

To assist with required improvements to railway grade crossings, the federal Rail Safety Improvement Program (RSIP) provides grant funding, with an August 1 annual deadline for grant applications. UBCM participates in a Transport Canada working group for provincial and territorial local government associations, to ensure that local governments receive clear information about GCR implementation and rail safety funding, and local government perspectives are provided to the federal government.

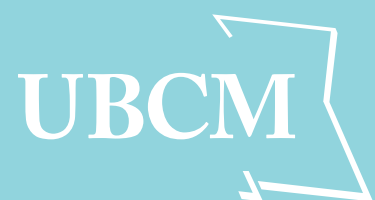
FCM International Programs – UBCM Partners with Cambodia

UBCM has been involved in international programming through the Federation of Canadian Municipalities for over twenty years. In February 2022, the Executive approved participation in the FCM Partnerships for Municipal Innovation – Women in Local Leadership (PMI-WILL) program for a period from January 2022 - December 31, 2026. The program aims to increase women’s capacity to get involved and lead in local governance, as well as local governments’ capacity to deliver inclusive, gender-responsive services.

UBCM has partnered with the National League of Communes (NLC) under the PMI-WILL program. In 2021, UBCM participated in a virtual assessment of organizational needs and opportunities within the NLC, the results of which are driving capacity building initiatives and future work plans. UBCM also supported a review of a capacity development guide for Canadian local government associations involved in the FCM program.



Programs and Services



Programs and Services



Grand Forks, BC

HIGHLIGHTS

- Community Emergency Preparedness Fund received an additional \$110 million in funding.
- FireSmart Community Funding & Supports received an additional \$90 million in funding.
- Housing Needs Report Program: Since 2019, 100 individual or regional applications representing 90% of the local governments in the province have received funding to help recipients meet the legislative requirements to complete a Housing Needs Report.
- Poverty Reduction Planning & Action program: Since 2020, 57 applications for \$3.5 million in approved funding have been funded for either planning or projects to help reduce poverty at the local level.
- Strengthening Communities' Services: Since the program launched in 2021, 50 Local Governments have been approved for a combined total of \$76 million in funding.

Local Government Program Services

UBCM has delivered numerous provincially funded programs since 2004. Numerous funding programs were available to local governments and First Nations in 2021/21.

Active Transportation Planning

Administered for the Ministry of Transportation and Infrastructure (\$600,000 since 2020), the intent of the Active Transportation Planning program is to support local governments to incorporate or enhance active transportation components of formal planning documents (Official Community Plan, Sustainability Plan, Neighbourhood Plan, or Transportation Plan), including research, consultation, and policy development.

Asset Management Planning Program

Administered for the Ministry of Municipal Affairs and including the contribution of accrued interest from LGPS programs (\$4.85 million since 2014), the program provides assistance to local governments to deliver sustainable services by extending and deepening asset management practices within their organizations and through subsidies for Asset Management BC training events..

Community Child Care Planning & Space Creation

Administered for the Ministry of Education and Child Care (formerly administered by the Ministry of Children & Family Development) and including funding from the Canada-British Columbia Early Learning and Child Care Agreement (\$21.5 million since 2018), two funding streams support local governments to engage in child care planning activities and develop child care spaces for children ages 0-5.

Community Emergency Preparedness Program

Administered for the Ministry of Public Safety & Solicitor General (\$187 million since 2017), the CEPF is intended to enhance the resiliency of local governments, First Nations, and communities in responding to emergencies.

The following funding streams had intakes in 2021/22:

- Emergency Operations Centres and Training
- Emergency Support Services
- Evacuation Route Planning

In addition, a new funding stream for Extreme Heat Mapping, Assessment, and Planning was announced in May 2022, and further refinements to the CEPF funding streams will continue in 2022/23.

Community Resiliency Investment program

The FireSmart Community Funding & Supports program is administered for the Ministry of Forests (\$151 million since 2018) and provides funding to local governments and First Nations in BC to increase community resiliency by undertaking community-based FireSmart planning and activities that reduce the community's risk from wildfire. The FireSmart Economic Recovery Fund (\$10 million) was launched in 2021, supporting job creation—with local economic recovery benefits—through the lens of wildfire prevention activities. Eligible applicants included local governments, First Nations, improvement districts and volunteer fire departments. This fund was one-time funding and will not continue.

Housing Needs Report Program

Administered for the Ministry of Municipal Affairs (\$5.0 million since 2018), the Housing Needs Reports program supports local governments in undertaking housing needs reports in order to meet provincial requirements. The final intake was completed in 2022.

Local Government Development Approvals program

Administered for the Ministry of Municipal Affairs, through the Canada-BC Restart Agreement (\$15 million since 2021), the Local Government Development Approvals program supports the implementation of established best practices and to test innovative approaches to improve development approvals processes while meeting local government planning and policy objectives. This program was supported by one-time funding and will not continue.

Poverty Reduction Planning & Action Program

Administered for the Ministry of Social Development and Poverty Reduction (\$5.0 million since 2019), the Poverty Reduction Planning & Action program supports local governments in reducing poverty at the local level and supports the Province's poverty reduction strategy, TogetherBC. Three intakes have been successfully completed to date.

Regional Community to Community (C2C) Forum Program

Administered for the Ministry of Municipal Affairs and Indigenous Services Canada, and including the contribution of accrued interest from LGPS programs (\$2.4 million since 1999), the C2C program provides funding for local governments and First Nations to come together in dialogue on topics of mutual interest or concern.

Strengthening Communities' Services program

Administered for the Ministry of Municipal Affairs, through the Canada-BC Restart Agreement (\$100 million since 2021), the Strengthening Communities' Services program aims to support local governments and Treaty First Nations take action in providing urgent assistance to individuals currently experiencing unsheltered homelessness. The final intake was completed in 2022.

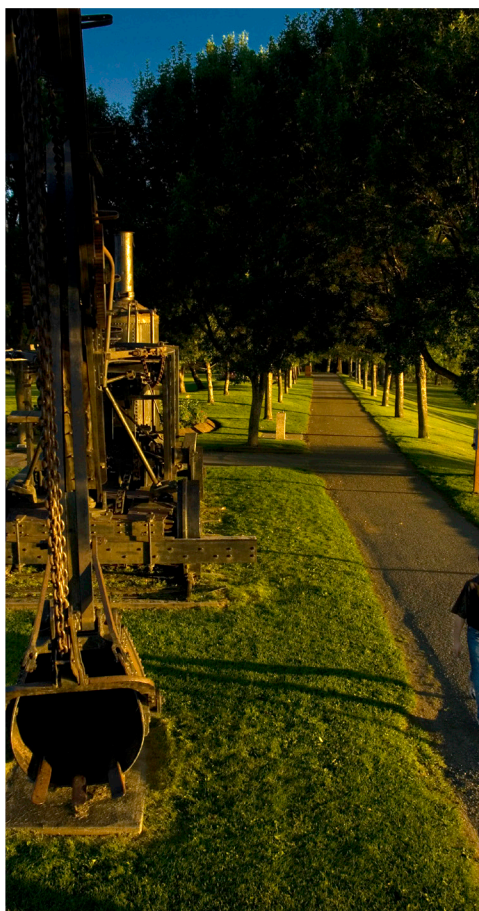
Urban Communities Partnering for Reconciliation Pilot Program

Administered for the Ministry of Indigenous Relations & Reconciliation (\$110,000.00 in 2019), this pilot program supported local governments and eligible Indigenous societies develop events and activities that provide a time and place for dialogue to build on opportunities, support reconciliation efforts, resolve issues of common responsibility, interest or concern, and/or to advance tangible outcomes.

Programs and Services



Armstrong, BC



Quesnel, BC

Canada Community-Building Fund

In May 2014, UBCM entered into a ten-year Gas Tax Agreement (GTA) with Canada and British Columbia which will see over \$2.9 billion in federal funding transferred for investments in local government infrastructure and capacity building projects. The GTA provides the administrative framework for the delivery of federal Canada Community-Building funding to British Columbia local governments and other recipients.

UBCM continues to administer the Canada Community-Building Fund on behalf of the three parties through three distinct funding programs: the Community Works Fund; the Strategic Priorities Fund; and the Greater Vancouver Regional Fund.

Program Highlights

In 2021/22, the Government of Canada made a significant investment in the CCBF program by providing a top-up of nearly \$300 million which was delivered through the three CCBF funding programs. In 2022/23, British Columbia will receive the standard payment of \$293 million.

Canada also expanded the program to include Fire Hall Infrastructure investments for the Community Works Fund and Strategic Priorities Fund programs. The new category took effect in April 2021.

In 2022, UBCM announced the launch of a third and final Strategic Priorities Fund intake – which is expected to commit up to \$100 million for large, regional or innovative projects across the province.

Community Works Fund (CWF)

- UBCM will deliver over \$114 million to all local governments in 2022 through the Community Works Fund program
- Eligible investment categories for local government capital infrastructure projects include: local roads, bridges and active transportation; public transit; drinking water; wastewater; solid waste; community energy systems; recreational and sport infrastructure; tourism and cultural infrastructure; regional and local airports; broadband connectivity; disaster mitigation; short-sea shipping; short-line rail and brownfield redevelopment
- Local Governments can also invest CWF towards certain capacity building projects such as Asset Management Planning, Integrated Community Sustainability Planning, and Long-Term Infrastructure Planning
- Local Governments CWF allocation is based on a funding floor of \$57,880 and a per capita amount

- In British Columbia, all Local Governments participate in the Community Works Fund program and, on average, expend more than \$110 million of CWF on over 800 infrastructure and capacity building projects each year.

Strategic Priorities Fund (SPF)

- The SPF is an application-based Gas Tax program which is available for local governments outside of the Greater Vancouver region
- SPF pools approximately \$30 million each year for eligible projects that are large in scale, regional in impact or innovative and align with the national objectives of productivity and economic growth, a clean environment, and strong cities and communities
- A third and final SPF intake under the Renewed Agreement, 2014-2022, was launched in April 2022 and closed for applications June 30, 2022. Up to \$100 million is available funding for local and regional capital infrastructure and capacity building projects
- Previous funding intakes in 2015 and 2017 approved funding of \$291 million for a total of 170 projects.

Greater Vancouver Regional Fund (GVRF)

- UBCM continues to deliver pooled funding in the Greater Vancouver region for regional transportation projects.
- UBCM entered into a GVRF agreement with TransLink in 2017 which will deliver over \$1.3 billion over 10 years for transportation investments that benefit Metro Vancouver region.
- All projects submitted by TransLink are reviewed and approved by the Metro Regional District Board of Directors.

Asset Management

- The GTA states that all local governments must work to strengthen Asset Management in accordance with the Asset Management framework developed by the Partnership Committee.
- The Partnership Committee approved the Asset Management for Sustainable Service Delivery: A BC Framework and local government commitments pursuant to the Framework in 2015.
- An on-line Asset Management Assessment was launched in June 2016 whereby all local governments provided baseline information on the 'state of asset management' in their respective organization. A report on the findings was released in October 2017.
- In 2018, local governments completed an Asset Management Commitment Questionnaire that identifies commitments and/or planned improvements that move forward with strengthening asset management practices.
- The Asset Management Assessment Form – Measuring Progress launched on June 2, 2022. The deadline for submission is September 30, 2022. This is phase three of local governments commitment under the CCBF agreement to report on progress in asset management practices since signing their Community Works Fund Agreement and is a pre-condition to approvals under the 2022 Strategic Priorities Fund. Results of this assessment will form the 2023 CCBF Outcomes Report.



Sidney, BC



Langley City, BC

Programs and Services

Member Services

UBCM Group Benefits Program

UBCM in partnership with Pacific Blue Cross/BC Life offer a variety of health benefits including:

- Extended Health
- Dental
- Group Life, Dependent Life and Optional Life
- Accidental Death & Dismemberment (AD&D) and Optional AD&D
- Short Term Disability and Long Term Disability
- Administrative Services Only (ASO)
- Critical Illness Benefits (Group and Optional Plans)
- Employee and Family Assistance Plan
- Health Spending Accounts
- Benefits for Elected Officials

UBCM provides group benefit plan insurance to 127 participants that include 100 local government members and 27 affiliated associations covering approximately 3,200 employees.

Highlights from the year

UBCM has been working to ensure that the Group Benefits Plan has a strong governance model and that members receive the service they deserve and pay for through sponsorship fees. UBCM continues to contract the services of George & Bell Consultants to provide actuarial services for the annual renewal and to provide detailed financial analysis and advise to UBCM and to our members. In addition, UBCM has a contract with a third-party administrator, Health Benefits Trust (HBT), to provide day to day general inquiry support to our members. As partners, we are committed to working together to ensure that local governments and affiliated associations receive value, economies of scale, excellence in service and strong advocate representation.

Annual Renewal

Negotiations with PBC are completed each year in July by UBCM's consultant and actuary, George & Bell Consulting. The renewal timeline runs from April 1 to August 31st with new rates provided in September and effective October 1st.

Dog/Cat Tags

UBCM provides a discounted rate on dog and cat tags which local governments sell to their residents. In 2021/2022 53 members participated generating \$14,803 in revenue. Revenues and participants have been declining over the past few years as members move to permanent tags that don't have to be replaced each year.

Planners and Wall Calendars

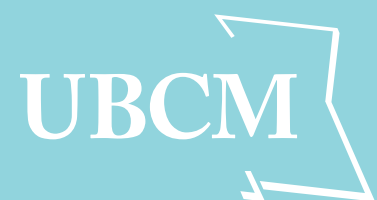
UBCM provides an annual Planner and Wall Calendar with key legislative dates to our membership for a nominal fee. For the 2022 calendar year UBCM sold 206 planners and 865 calendars for total revenue of approximately \$8,000. Interest in planners has decreased significantly over the years although calendar sales remain strong with the majority of local governments continuing to purchase them and display them prominently in their offices.

Financial Statements of

**UNION OF BRITISH COLUMBIA
MUNICIPALITIES**

And Independent Auditors' Report thereon

Year ended May 31, 2022





KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
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INDEPENDENT AUDITORS' REPORT

To the Members of Union of British Columbia Municipalities

Opinion

We have audited the financial statements of Union of British Columbia Municipalities (the "Entity"), which comprise:

- the statement of financial position as at May 31, 2022
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows 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 Entity as at May 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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 accounting standards for 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 Entity's internal control.

Financial Statements



Union of British Columbia Municipalities
Page 3

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause Entity 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 represent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Vancouver, Canada
July 15, 2022

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Financial Position

May 31, 2022, with comparative information for 2021


	2022	2021
Assets		
Current assets:		
Cash	\$ 6,855,067	\$ 316,591,085
Investments (note 3)	689,461,856	578,805,543
Accounts receivables	177,804	218,852
Prepaid expenses	271,575	151,113
	<u>696,766,302</u>	<u>895,766,593</u>
Capital assets (note 4)	1,877,226	2,049,558
Intangible asset (note 5)	223,452	345,336
	<u>\$ 698,866,980</u>	<u>\$ 898,161,487</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 175,240	\$ 297,340
Convention deposits	88,500	6,500
Deferred revenue and contributions (note 7)	684,357,314	883,309,337
	<u>684,621,054</u>	<u>883,613,177</u>
Deferred lease inducement	798	10,379
Other liabilities	81,536	66,751
	<u>684,703,388</u>	<u>883,690,307</u>
Net assets:		
Invested in capital and intangible assets (note 8)	1,887,805	2,050,766
Internally restricted (note 9)	5,120,000	5,120,000
Unrestricted	7,155,787	7,300,414
	<u>14,163,592</u>	<u>14,471,180</u>
Commitment (note 12)		
	<u>\$ 698,866,980</u>	<u>\$ 898,161,487</u>

See accompanying notes to financial statements.

Approved on behalf of the Executive Committee:



Director



Director

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Operations

Year ended May 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Annual member dues (note 7)	\$ 1,278,844	\$ 1,267,260
Convention	583,029	446,123
Members' services	756,759	654,484
Administrative fees (note 10)	143,121	148,235
Investment income	185,586	578,851
Local Government Program Services (note 7)	68,207,742	31,613,641
Canada Community-Building Fund (note 7)	613,952,670	316,187,093
	<u>685,107,751</u>	<u>350,895,687</u>
Expenses:		
Salaries and benefits	1,660,626	1,810,409
Executive	190,709	113,264
Members' services	251,035	140,675
Office services and supplies	301,811	278,439
Staff travel	21,418	2,619
Professional fees	189,123	175,719
Convention	640,205	497,277
Local Government Program Services (note 7)	68,207,742	31,613,641
Canada Community-Building Fund (note 7)	613,952,670	316,187,093
	<u>685,415,339</u>	<u>350,819,136</u>
Excess (deficiency) of revenue over expenses	\$ (307,588)	\$ 76,551

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Changes in Net Assets

Year ended May 31, 2022, with comparative information for 2021

	Invested in capital and intangible assets (note 8)	Internally restricted (note 9)	Unrestricted	Total
Balance, May 31, 2020	\$ 2,217,238	\$ 5,120,000	\$ 7,057,391	\$ 14,394,629
Excess (deficiency) of revenue over expenses	(166,472)	-	243,023	76,551
Balance, May 31, 2021	2,050,766	5,120,000	7,300,414	14,471,180
Deficiency of revenue over expenses	(162,961)	-	(144,627)	(307,588)
Balance, May 31, 2022	\$ 1,887,805	\$ 5,120,000	\$ 7,155,787	\$ 14,163,592

See accompanying notes to financial statements.

Financial Statements

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Cash Flows

Year ended May 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating:		
Excess (deficiency) of revenue over expenses	\$ (307,588)	\$ 76,551
Items not involving cash:		
Change in fair value of investments	166,220	(172,952)
Amortization of capital assets	172,332	177,505
Amortization of intangible asset	121,884	121,884
Amortization of deferred capital contributions	(131,255)	(132,917)
Amortization of deferred lease inducement	(9,581)	(9,490)
	12,012	60,581
Changes in non-cash operating working capital:		
Accounts receivable	41,048	(110,825)
Prepaid expenses	(120,462)	(61,884)
Accounts payable and accrued liabilities	(122,100)	110,121
Convention deposits	82,000	(32,500)
Deferred revenue and contributions	(200,743,301)	360,422,953
Other liabilities	14,785	5,398
	(200,836,018)	360,393,844
Investments:		
Purchase of investments	(540,000,000)	(385,956,186)
Proceeds on disposal of investments	431,100,000	337,000,614
	108,900,000	(48,955,572)
Increase (decrease) in cash	(309,736,018)	311,438,272
Cash, beginning of year	316,591,085	5,152,813
Cash, end of year	\$ 6,855,067	\$ 316,591,085
Non-cash activities:		
Investment income accrued and recorded to deferred revenue and contributions (note 7)	\$ 1,922,533	\$ 1,795,677

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements

Year ended May 31, 2022

1. Operations:

Union of British Columbia Municipalities (“UBCM”) is incorporated under the Union of British Columbia Municipalities Act and its principal activity is to represent the interests of its members in dealing with other orders of government. UBCM is a not-for-profit organization and is exempt from income taxes.

UBCM’s operations include the following significant activities:

- (a) *Operating* - Reflects the general operating activities and administration functions of the UBCM.
- (b) *Convention* - Activities directly related to the annual convention.
- (c) *Local Government Program Services (“LGPS”)* - The Province of British Columbia (the “Province”) has provided funding to UBCM for shared provincial-local government interests in a variety of fields. The service that UBCM provides is to control and deliver those funds to members for the purposes of the various programs.
- (d) *Canada Community-Building Fund (“CCBF”)* - The Government of Canada (“Canada”), the Province, and UBCM had entered into the Administrative Agreement on the Federal Gas Tax Fund in British Columbia (the “CCBF Agreement”) to transfer funding to UBCM to control and deliver the funding to local government organizations in British Columbia. The federal CCBF provides predictable, long-term and stable funding to local governments in British Columbia for investment in infrastructure and capacity building projects. The CCBF Agreement is effective from April 1, 2014 until March 31, 2024.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook - Accounting. Significant accounting policies include:

(a) Revenue recognition:

UBCM follows the deferral method of accounting for contributions which include government grants. 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. Externally restricted contributions are recorded as deferred revenue and contributions in the year received, and recognized as revenue in the year in which the related expenses are recognized.

Unrestricted investment income is recognized as revenue when earned. Restricted investment income is recorded as deferred revenue and contributions in the year earned, and recognized as revenue in the year in which the related expenses are recognized.

Financial Statements

2. Significant accounting policies (continued)

(a) Revenue recognition (continued):

Revenue from annual member dues, special levies, fees and contracts is recognized when the services are provided. Amounts collected relating to subsequent periods are recorded as deferred revenue and contributions.

Contributed capital assets are measured at the fair value at the date of contribution. Contributed capital assets not subject to amortization, such as land, are recorded as direct increases in net assets in the period the assets are received. Contributed capital assets subject to amortization and contributions restricted for the purchase of capital assets and intangible assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital asset and intangible asset.

(b) Capital assets:

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Asset	Years
Building	25
Office equipment	4
Leasehold improvements	Lesser of useful life of asset and lease term

UBCM reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to UBCM's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the capital asset exceeds its fair value or replacement cost.

(c) Intangible asset:

Intangible asset is recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the asset's estimated useful life as follows:

Asset	Years
CCBF management software	7

UBCM reviews the carrying amount of intangible assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to UBCM's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the intangible asset exceeds its fair value or replacement cost.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2022

2. Significant accounting policies (continued):

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. UBCM has elected to carry its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, UBCM determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount UBCM expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(e) Deferred lease inducement:

Deferred lease inducement relates to tenant inducements received in a lease agreement, including any rent-free periods and step-rent increases. Amortization of deferred lease inducements is recognized over the initial term of the lease on a straight-line basis against office services and supplies expense.

(f) Employee future benefits:

UBCM and its employees contribute to the Municipal Pension Plan. Defined contribution plan accounting is applied to the multi-employer defined benefit plan and, accordingly, contributions are expensed when paid or payable.

(g) Use of estimates:

The preparation of financial statements 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 reporting period. Actual results could differ from those estimates.

Financial Statements

3. Investments:

	2022	2021
Money market funds	\$ 682,634,483	\$ 571,682,754
Equities (a)	6,769,804	7,096,182
Other	57,569	26,607
	\$ 689,461,856	\$ 578,805,543

(a) Equities are comprised of investments in various equity and fixed income index exchange traded funds (ETFs).

3. Capital assets:

			2022	2021
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 252,000	\$ -	\$ 252,000	\$ 252,000
Building	3,347,623	1,757,343	1,590,280	1,724,185
Office equipment	138,598	127,291	11,307	20,679
Leasehold improvements	140,931	117,292	23,639	52,694
	\$ 3,879,152	\$ 2,001,926	\$ 1,877,226	\$ 2,049,558

4. Intangible asset:

			2022	2021
	Cost	Accumulated amortization	Net book value	Net book value
CCBF management software	\$ 832,872	\$ 609,420	\$ 223,452	\$ 345,336

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at May 31, 2022 are government remittances payable of \$34,404 (2021 - \$9,781) for GST and payroll-related taxes.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements

Year ended May 31, 2022

6. Deferred revenue and contributions:

	Members' dues	LGPS	CCBF (a)	Other	Total
Balance, May 31, 2020	\$ 737,947	\$ 145,484,159	\$ 374,986,228	\$ 15,290	\$ 521,223,624
Amounts received	1,272,164	134,510,385	573,579,026	15,693	709,377,268
Restricted investment income earned	-	297,569	1,498,108	-	1,795,677
Recognized as revenue	(1,267,260)	(31,613,641)	(316,187,093)	(19,238)	(349,087,232)
Balance, May 31, 2021	742,851	248,678,472	633,876,269	11,745	883,309,337
Amounts received	1,286,383	200,857,313	280,416,420	33,934	482,594,050
Restricted investment income earned	-	481,921	1,440,612	-	1,922,533
Recognized as revenue	(1,278,844)	(68,207,742)	(613,952,670)	(29,350)	(683,468,606)
Balance, May 31, 2022	\$ 750,390	\$ 381,809,964	\$ 301,780,631	\$ 16,329	\$ 684,357,314

(a) UBCM is required to annually report in accordance with the CCBF Agreement to Canada and the Province by September 30. As at May 31, 2022, included in CCBF is deferred capital contributions of \$212,873 (2021 - \$344,128). During the year ended May 31, 2022, amortization of deferred capital contributions recognized as revenue was \$131,255 (2021 - \$132,917).

Financial Statements

7. Net assets invested in capital and intangible assets:

Net assets invested in capital and intangible assets is calculated as follows

	2022	2021
Capital assets	\$ 1,877,226	\$ 2,049,558
Intangible asset	223,452	345,336
Amount financed by deferred capital contributions (note 7(a))	(212,873)	(344,128)
Net assets invested in capital and intangible assets, end of year	\$ 1,887,805	\$ 2,050,766

Change in net assets invested in capital and intangible assets is calculated as follows:

	2022	2021
Net assets invested in capital and intangible assets, beginning of year	\$ 2,050,766	\$ 2,217,238
Excess of revenue over expenses:		
Amortization of capital assets	(172,332)	(177,505)
Amortization of intangible asset	(121,884)	(121,884)
Amortization of deferred capital contributions	131,255	132,917
	(162,961)	(166,472)
Net assets invested in capital and intangible assets, end of year	\$ 1,887,805	\$ 2,050,766

8. Internally restricted net assets:

Internally restricted net assets are comprised of reserves restricted by the Executive Committee of UBCM for future expenditures related to specific purposes. The Executive Committee approved the establishment of the following reserves:

(a) Business Stabilization Reserve:

This reserve relates to:

- 50% of budgeted member dues restricted for the purposes of providing a stabilization fund in the event of unforeseen future revenue losses or events; and
- 50% of the normal convention expenses in reserve restricted for the purposes of providing funding in the case of an emergency event such as cancellation of a convention.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2022

9. Internally restricted net assets (continued):

(b) Technology Reserve:

This reserve is restricted for providing sustainable funding to support new technology solutions; to upgrade of legacy systems; and to purchase new and to upgrade existing hardware and software.

(c) Legal Reserve:

This reserve is restricted for providing funding for the assistance of appeals of court decisions that impact members.

(d) Building and Equipment Maintenance Reserve:

This reserve is restricted for providing funding for replacing hardware, equipment and furniture at the convention; and for repairs and maintenance at the Richmond office and the Local Government House.

(e) Building Replacement Reserve:

This reserve is restricted for providing funding for the replacement of the Local Government House building.

Amounts restricted are as follows:

	2022	2021
Business Stabilization Reserve	\$ 1,500,000	\$ 1,500,000
Technology Reserve	1,500,000	1,500,000
Legal Reserve	500,000	500,000
Building and Equipment Maintenance Reserve	500,000	500,000
Building Replacement Reserve	1,120,000	1,120,000
	<u>\$ 5,120,000</u>	<u>\$ 5,120,000</u>

10. Administrative fees:

UBCM charges administrative fees to third parties to recover its costs incurred. Administrative fees are comprised as follows:

	2022	2021
UBCM professional counsel	\$ 135,921	\$ 132,959
Rental fee	7,200	6,000
Other	-	9,276
	<u>\$ 143,121</u>	<u>\$ 148,235</u>

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2022

11. Trust funds:

UBCM administers the following trust funds where activities and balances are not reflected in UBCM's financial statements:

(a) Jeff McKelvey Scholarship Fund:

The Jeff McKelvey Scholarship Fund was established through contributions from members, the Province of British Columbia and other individuals. Scholarship applications and awards are made within the Union executive's general guidelines by the Board of Examiners.

(b) UBCM / Federation of Canadian Municipalities ("FCM") Travel Fund:

UBCM administers the UBCM / FCM Travel Fund. The purpose of the Fund is to assist FCM board members with their travel costs to FCM meetings through per capita levies.

(c) Commercial Vehicle License Program Fund:

Participating municipalities remit license fees collected for commercial vehicles to the UBCM in trust. Surplus funds are distributed to the participating municipalities on December 31 annually. UBCM ceased administering the Commercial Vehicle License Program on behalf of local governments on December 31, 2019.

(d) Local Government Leadership Academy ("LGLA"):

UBCM holds investments in trust for the LGLA. The LGLA provides local government and First Nations elected officials and senior administrators with leadership development opportunities in the interest of improving governance at the local level.

The funds held by UBCM on behalf of the trust funds are as follows:

	2022	2021
Jeff McKelvey Scholarship Fund	\$ 79,289	\$ 73,367
UBCM / FCM Travel Fund	332,137	335,259
Commercial Vehicle License Program Fund	373	370
Local Government Leadership Academy	894,899	930,528
	<u>\$ 1,306,698</u>	<u>\$ 1,339,524</u>

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2022

12. Commitment:

Effective October 1, 2021, the UBCM extended the operating lease for its office space in Richmond, British Columbia for a period of five years with expiry on June 30, 2027. The UBCM is committed to annual basic lease payment plus estimated proportionate share of taxes and common area maintenance costs as follows:

2023	\$ 104,540
2024	106,440
2025	106,620
2026	108,260
2027	130,130
2028	10,840
	<hr/>
	\$ 566,830

13. Municipal Pension Plan:

UBCM and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The Board of Trustees of the plan, representing plan members and employers is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2021, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors, of which 27 (2021 - 23) are UBCM's employees.

The most recent actuarial valuation as at December 31, 2018, indicated a \$2.866 billion funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2021, with results available in late 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

UBCM paid \$286,580 (2021 - \$235,484) for employer contributions to the plan in fiscal 2022.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2022

14. Financial risks:

(a) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. UBCM manages its investment portfolio to earn investment income and invests according to approved policy. UBCM is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes. Management does not believe that UBCM is subject to significant market risk arising from its investments as investments are comprised of money market funds and exchange traded funds.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. For cash, investments, and accounts receivable, UBCM's credit risk is limited to the carrying value on the statement of financial position. Cash is held by a large provincial credit union, investments in money market funds are held with the Municipal Finance Authority of BC and investments in equities are held with a large federal financial institution.

(c) Liquidity risk:

Liquidity risk is the risk that UBCM will be unable to fulfill its obligations on a timely basis or at a reasonable cost. UBCM manages liquidity risk by maintaining adequate cash. UBCM monitors the cash flow to ensure a sufficient continuity of funding.

(d) Interest rate risk:

UBCM is not exposed to significant interest risk as it does not have amounts payable that are charged interest.

There has been no change to the financials risk exposures outlined above from 2021.