

2020 UBCM Annual Report





**ANNUAL REPORT
2020 VIRTUAL UBCM CONVENTION**

Broadcasting from Victoria, BC

Tuesday, September 22 – Thursday, September 24



**FOR MORE DETAILS:
Prior to Convention: ubcm.ca**

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Letter of Transmittal

It is our pleasure to present the 2020 Annual Report of the Union of BC Municipalities (UBCM) to our local government and First Nations members.

At the time of preparing this year's Annual Report, British Columbia continues to be one of the most successful jurisdictions in the world in its response to the COVID-19 pandemic. The provincial government has done exceedingly well in coordinating with the federal government, setting direction and communicating the way forward for British Columbia through this unprecedented period. B.C.'s local governments have also played a critical role to implement health and safety orders throughout the state of emergency. It is hard to think of any period in recent history where there has been such a degree of coordination and collaboration between the three orders of Government or such strong non-partisan leadership from all parties in B.C. – to the great benefit of our citizens.

From the first days of the state of emergency, UBCM has been directly engaged in COVID-19 response on a daily basis with provincial officials across government. Our aim has been to ensure that local government needs for information, coordination and support were heard and understood. We thank all our members for sharing your thoughts and observations on the challenges facing communities with UBCM.

As it became apparent that local government revenue would be highly impacted by the implementation of COVID-19 safety measures, UBCM conducted outreach with CAOs and CFOs from a sample of the membership to inform and shared those findings with the province. Following our outreach, the Ministry of Municipal Affairs and Housing introduced several changes to the property tax framework that provide liquidity and breathing space for local governments. Since then our advocacy has continued by highlighting the need for greater federal and provincial support for public transit, an expansion of the existing property tax deferral program and robust infrastructure investment through established programs like the federal Gas Tax Fund to support economic recovery.

As you will see by reviewing the full reports of our policy, advocacy, program administration and service delivery, UBCM continues to be a highly efficient organization that is driven by the common interests of local governments. The hallmarks of our work continue to be a policy based, non-partisan and inclusive approach that is sensitive to the diverse needs of our members.

The surest indication that we are providing value to our membership is your continuing support. 100% of local governments in our province and each of our First Nations members renewed their membership for 2019-20, and we continue to work to earn the same level of support for the coming year.

It is an honour to continue to work on behalf of the common interests that unite local governments in British Columbia, and provide a strong voice for the needs of communities. We thank you for your support and look forward to input from all communities at our virtual 2020 Convention.

Yours sincerely,



Mayor Maja Tait, President



Gary MacIsaac, Executive Director

Corporate Operations



Corporate Operations

Executive Priorities

At the November 2019 Executive meeting, board members identified priorities for the coming year. In March 2020, BC declared a state of emergency in response to COVID-19. As a result, the Executive needed to make adjustments to its priorities in order to respond effectively and quickly to financial, and other challenges facing local governments. At their May 2020 meeting the Executive endorsed amending their 2019-2020 Work Plan as follows:

- *Suspend the work of the Special Committee on Local Government Finance and the Special Committee on Climate Action; re-evaluate as part of the 2020-2021 work plan discussion.*
- *Continue to advocate on the local government financial relief framework that UBCM has brought forward with a focus on transit, property tax deferrals and infrastructure stimulus, and monitor the financial impact of the pandemic on local governments.*
- *Consider establishing a Special Committee on Economic Recovery (either Presidents Committee or a variation thereof) that would act as the key liaison with provincial and federal governments in the development of an economic recovery plan (i.e. infrastructure, economic stimulus, Restart Plan, etc.)*
- *Leverage the findings to date from the two Special Committees (Local Government Finance and Climate Action) and feed that information into UBCM’s response to the Province’s Restart Plan.*

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.

Following the chart, UBCM’s Advocacy Days 2020 is highlighted along with a summary of the additional work undertaken by UBCM, over and above the work plan, to respond to COVID-19. A summary of UBCM’s internal operations concludes this section.

Special Projects/Priorities	Accomplishments
<p>Refresh of Strong Fiscal Futures Report</p>	<ul style="list-style-type: none"> • Special Committee on Local Government Finance established; Committee met Dec 17/19; Feb 6/20 & March 25/20. • Discussions on financial issues focused on: Housing, Climate Change, and Community Safety. • Committee members are pre-occupied with COVID 19 response in their respective communities. Foresee challenge in delivery/implementation of final deliverable at UBCM Convention; and • May 22/20 Executive agree to revise the work plan of the Committee in light of COVID-19 and re-evaluate as part of the 2020-21 work plan.

Special Projects/Priorities	Accomplishments
<p>Re-Design of UBCM Website</p>	<ul style="list-style-type: none"> • Our present website is 10 years old and in need of review and update. Process for website redesign has been established. • Staff are beginning to investigate options /platforms but extensive work will need to be done by a number of staff. • Work will be carried over to 2020-2021 Work Plan.
<p>Resolutions Process Review</p>	<ul style="list-style-type: none"> • Staff dedicated resources and had arranged to hold sessions at each Area Association conference to obtain feedback from members on changing the resolutions process. • Area Association conferences were cancelled due to the pandemic so no formal consultation occurred but the Resolutions Committee will be testing new processes and procedures at the virtual Convention with respect to resolutions. • Resolutions Committee will gauge member feedback from the 2020 virtual convention experience in lieu of a formal Resolutions Process Review. Review could be undertaken in 2020-21 Work Plan.
<p>Housing</p>	<ul style="list-style-type: none"> • Continue to engage with the Province on implementation of their 30 point housing plan. Current focus: short-term rentals; Development Approvals Process Review (DAPR); and other housing matters as identified by federal government as well. • Staff are continuing to support this work through the various provincial committees and working groups. • Advisory Group on short-term rentals has been established and had been meeting regularly prior to the pandemic; work is paused now but will resume in the fall. • Currently waiting for further action by Province on DAPR. In discussions with MAH on homeless encampments.

Corporate Operations

Special Projects/Priorities	Accomplishments
<p>Cannabis</p>	<ul style="list-style-type: none"> • Continue to monitor implementation of legalized framework and address outstanding issues related to regulation of edibles/extracts/topicals and a share of excise tax revenues. • Provincial government unwilling to share excise tax revenue at this time. Looking to continue work with the Province through a new technical committee, to address new and outstanding issues. • Staff are continuing to support this work through the various provincial committees and working groups. But there has been a delay in seeking LG appts to a new technical advisory group to support further provincial discussions on edibles and topicals, etc. • Work will continue into 2020-21 Work Plan.
<p>Responsible Conduct Working Group</p>	<ul style="list-style-type: none"> • Continue work to strengthen the framework supporting the responsible conduct of local elected officials in BC. • Next phase of this project is exploring the development of a resource to support local enforcement of codes conduct. • Work has slowed on this file as the Province, UBCM and LGMA have devoted their efforts to pandemic related issues. However, the file remains active with reduced activity.
<p>Infrastructure</p>	<ul style="list-style-type: none"> • UBCM sits on the Management Committee (non-voting) and has input on the overall design and administration. • Approvals/announcements have been delayed by federal process. • Management Committee has convened for first round/ intake of: RNF; EQ; CCR; and Clean BC.

Special Projects/Priorities	Accomplishments
Infrastructure Cont.	<ul style="list-style-type: none"> • Staff have had conversations with federal /provincial / FCM staff on various infrastructure funding programs and whether there is the ability to tweak existing programs to support economic stimulus in a post-COVID recovery phase. • UBCM members have also stressed the importance of receiving timely decisions on project funding so they can plan for major capital works. Major infrastructure projects provide local economic stimulus that is needed for communities. • UBCM has identified this as an opportunity to bring local government finance issues forward to both orders of gov't as part of an economic recovery strategy.
Provincial Land Use Planning Processes/ UNDRIP/TRC	<ul style="list-style-type: none"> • Continue to work with MAH and MIRR to engage provincial government more broadly about the role of local government in land use, recognition as an order of government, and the importance of engagement and consultation as the Province moves forward with land use planning processes, TRC recommendations and UNDRIP. In regular discussions with MIRR on the roll-out of UNDRIP. • UBCM identified “order of government” as one of its Advocacy Priorities for 2020. UBCM has continued to work through MAH and MIRR to convey the importance of this issue for local governments. • Progress has been made - MAH staff did initial key message work to educate/share with other ministries and FLNRO revised its Modernized Land Use planning process to provide greater engagement of local governments. Additional work is still needed and will continue through 2021.
Climate Change/Climate Action	<ul style="list-style-type: none"> • Continue to advocate local government climate action positions as the Province implements Clean BC and consults on its 2020 adaptation strategy. • Special Committee on Climate Action has been established and has met 8 times since August 2019. • May 2020 Executive agree to revise the work plan of the Committee in light of COVID-19 and re-evaluate the Committee’s work part of the 2020-21 work plan. • The Committee has developed a draft set of recommendations that will be presented to the membership in Summer 2020 via webinars, and the Committee will reconvene in October 2020.

Corporate Operations

Advocacy Days 2020

UBCM held its seventh annual Advocacy Days on February 19th and 20th to raise awareness of the organization's key policy priorities. Executive members met with 34 MLAs from all parties, including Premier John Horgan, 9 ministers, the leader of the Official Opposition, and both caucus chairs. Meetings focussed on local government consultation, local government finance and climate action.

The Executive discussed the importance of consulting with local governments as an order of government, particularly in the areas of land and resource management and UNDRIP (*UN Declaration on the Rights of Indigenous Peoples*). UBCM advocated for:

- communicating to all ministries the need to engage local governments as an order of government;
- employing consultation models that include early outreach, at clearly defined points, with a range of opportunities for input;
- adopting a 'local government implementation' lens during the implementation of UNDRIP; and
- developing a notification mechanism for informing local governments potentially impacted by UNDRIP agreements.

The Executive also raised awareness of the re-established UBCM Local Government Finance Committee, which is undertaking a comprehensive review of UBCM's previous local government finance report, *Strong Fiscal Futures*. It sought dialogue on new local government revenue sources that could support shared provincial-local priorities, particularly in the areas of housing, climate action and public safety. On climate action, the UBCM Executive raised awareness of the work of the UBCM Special Committee on Climate Action and called for dialogue on new mitigation and adaptation pathways. It highlighted the work of the Committee in exploring local efforts to support the reduction of greenhouse gases and the creation of weather resilient communities.

UBCM Response to COVID-19

Over and above the annual work plan, the following summarizes the various activities undertaken by the UBCM Secretariat to respond to COVID-19:

- undertook targeted outreach to 35-40 members in response to local government finance concerns; that outreach was repeated following the provincial package of local government support to determine what other outstanding concerns remained. Communicated the feedback to Ministry of Municipal Affairs and Housing (MAH) and through the Compass.
- daily contact with MAH staff; sitting in on five weekly Minister briefings with Mayors and Chairs.
- monitoring the daily briefings from the PHO/Health minister and reporting out to members as required.
- developed work from home policy to support our staff to ensure they remained healthy; no staff have been laid off.
- participated in weekly/bi-weekly calls with FCM P/T Associations and Rural Forum members to monitor the cross Canada impacts of the pandemic; and monitor FCM's request of the federal government.

- contracted legal services to assist in reviewing the UBCM Act, bylaws and other policies and procedures to advise on governance issues, specifically our ability to hold a virtual convention and advise on our obligations with respect to the 2020 Convention hotel contracts. Received Ministerial Order to address UBCM virtual convention authority.
- investigating various virtual Convention platforms, options for holding the 2020 Convention, evaluating the pros and cons of various services and how we can best engage our members and meet our statutory obligations.
- re-focused the Compass to reflect only COVID-19 updates as they impacted local governments. Normal Wednesday reporting has resumed.
- working with MFA and our Investment Fund Managers to ensure UBCM investments and funds under trust are managed to reduce risk, ensure capital preservation and liquidity.
- reviewing internal finance processes to ensure that effective controls are in place to protect UBCM assets in a remote environment.
- expanded the EFT payment process to include non-member organizations and vendors improving payment processing time. Also implemented internal controls to mitigate fraud on expanded EFT process.
- collaborated with other local government associations to respond in a coordinated effort to the problems impacting local governments in response to the pandemic. (i.e. outreach to bylaw enforcement officers re: Ministerial Orders; support and participation in webinars with LGMA; supporting specific data collection with CivicInfo) and assisting other organizations in reaching local governments with relevant information.
- targeted policy work to support provincial activities in light of the pandemic (i.e. tree planting protocols).
- continued communications with federal, provincial and FCM staff on infrastructure stimulus and other funding program changes that will assist local governments as we move to the economic recovery phase.
- foresee additional coordination and policy work to support transit communities that are presently struggling financially.
- beginning to determine how the Province's Restart Plan will impact local governments, develop our own UBCM "back to office" work plan, and identify opportunities to support our members through the next few months and into the fall.
- work with LGPS and Gas Tax Program partners to modify programming to increase flexibility in agreements, contracts, timelines and reporting requirements for local government recipients.
- continue to deliver administration of LGPS and Gas Tax programs including application evaluations, approvals, claims processing, correspondence, etc.
- develop modified work processes/procedures for staff to allow for 'work from home' while also ensuring safe work environments at the 2 UBCM offices for those staff with 'in office' work requirements such as printing, filing, etc.

UBCM Internal Operations

Commercial Vehicle License Program

The Commercial Vehicle Licensing (CVL) program that UBCM administered on behalf of the BC provincial government and local governments ended on December 31, 2019. The CVL program was established in 1906 with the goal of providing a source of revenue to local governments to offset expenses related to the use of local government roads and highways from commercial vehicle traffic. After a comprehensive review by the UBCM Executive between 2018 and 2019, it was decided that the program has ceased to fulfill its original intent, as revenues generated were minimal and significant resources were required to administer the program.

Information Technology/Information Management (IT/IM)

Work continues with the UBCM IT/IM Strategy implementation. Staff, with support from a consultant, continue to develop and modify IT/IM policies to support UBCM. Current work includes policies to support information security, development of file management policies, and evaluating email and other server needs.

Corporate Operations

Group Benefits Plan Marketing Review

UBCM initiated a Request for Proposal process in the fall of 2019 for its Group Benefits program. Proposals were received from several group benefit carriers in January 2020.

UBCM is pleased to announce that Pacific Blue Cross (PBC) was chosen as the preferred proponent in the UBCM Group Benefits Plan Marketing Review. The continuation of our longstanding relationship builds on 36 years of valued partnership and collaborative efforts in delivering benefits to our member local governments and affiliated associations.

The marketing exercise provided the opportunity to ensure that the group benefits provider to the UBCM pooled plan provides value, excellence in customer service, service level improvements and future rate stability. It has also provided the opportunity to ensure that the chosen carrier understands and is committed to meeting the requirements of a service level agreement and the development and implementation of a strong governance model to protect and guarantee Plan sustainability into the future.

The new agreement with PBC includes an overall decrease in group benefit premiums as well as terms that help shield the Plan from significant cost increases for the next few years.

UBCM Staffing Changes

There were a few staffing changes within the UBCM's Richmond Office. Jennifer Kwok departed UBCM in August, 2019 and UBCM hired Julia Carandang as a full time employee as UBCM's Finance and Corporate Operations Administrator in January 2020. Jamee Justason continues to serve as UBCM's Resolutions and Policy Analyst as UBCM welcomed back Reiko Tagami from parental leave to serve in a new Policy Analyst position. Bhar Sihota was promoted to a Senior Policy Analyst as of May 1, after serving five years with UBCM in a Policy Analyst capacity.

Within the UBCM Victoria office, Christina Arsens (formally Ross) and Rebecca Williams are currently on parental leave. Brenda Pittman has been hired on a 2-year contract to backfill the Victoria Office Coordinator position, which was left vacant when Sasha Pryn accepted a temporary assignment as Program Officer, Local Government Program Services, responsible for the Child Care Programs and the Housing Needs Report Program. Holly Yee has been hired on an 18-month contract to backfill the Program Assistant, Gas Tax Program Services, currently vacant due to Rebecca Williams' parental leave. At this time, a decision is pending whether to temporarily backfill Christina Arsens' position while she is on parental leave.

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

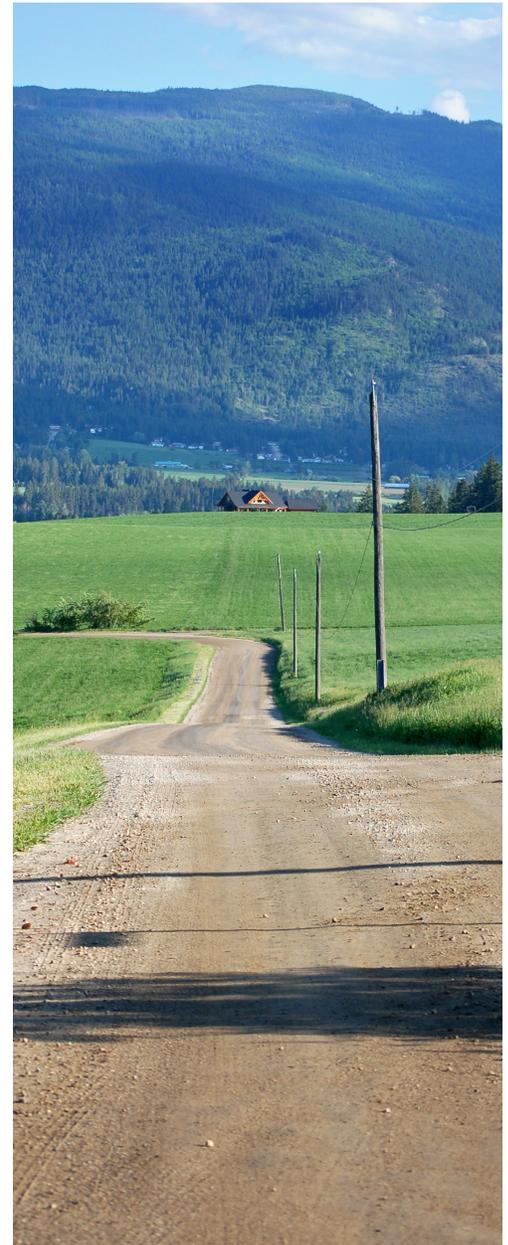
We will be the recognized **advocate** for local government in BC in:

- 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.



Spallumcheen, BC

Corporate Operations

UBCM Executive



Mayor Maja Tait
District of Sooke
President
Presidents Committee, Chair



Councillor Jen Ford
Resort Municipality of Whistler
Third Vice-President
Health and Social Development
Committee, Chair
Presidents Committee



Councillor Brian Frenkel
District of Vanderhoof
First Vice-President
Community Economic
Development Committee, Chair
Resolutions Committee
Presidents Committee



Councillor Arjun Singh
City of Kamloops
Past President
Environment Committee, Chair
Presidents Committee



**Councillor Laurey-Anne
Roodenburg**
City of Quesnel
Second Vice-President
Convention Committee, Chair
Presidents Committee



Councillor Pete Fry
City of Vancouver
Vancouver Representative
Health and Social
Development Committee
Resolutions Committee



Councillor Craig Hodge
City of Coquitlam

Metro/GVRD Representative
Community Safety Committee,
Vice-Chair
Presidents Committee



Councillor Paul Albrecht
City of Langley
Vancouver Metro Area Representative
Health and Social Development
Committee, Vice-Chair
Community Economic
Development Committee,
Vice-Chair



Councillor Trish Mandewo
City of Coquitlam
Vancouver Metro Area Representative
Indigenous Relations Committee
Community Economic
Development Committee



Mayor Mitch Campsall
District of 100 Mile House

Small Community Representative
Community Safety Committee
Indigenous Relations Committee



Director Roly Russell
Kootenay Boundary Regional
District
AKBLG Representative
Resolutions Committee,
Vice-Chair
Environment Committee



Director Grace McGregor
Kootenay Boundary Regional
District

Electoral Area Representative
Environment Committee,
Vice-Chair
Convention Committee



Mayor Jack Crompton
Resort Municipality of Whistler

LMLGA Representative
Convention Committee
Resolutions Committee

Corporate Operations



Councillor Gord Klassen
City of Fort St. John

NCLGA Representative
Community Safety Committee,
Chair
Community Economic
Development Committee



Councillor Chad Eliason
City of Salmon Arm

Director at Large
Convention Committee, Vice-Chair
Environment Committee



Councillor Lori Mindnich
Village of Lumby

SILGA Representative
Health and Social Development
Committee
Indigenous Relations Committee



Councillor Ben Geselbracht
City of Nanaimo

Director at Large
Community Economic Development
Committee
Environment Committee



Councillor Carl Jensen
District of Central Saanich

AVICC Representative
Convention Committee
Community Safety Committee



Director Travis Hall
Central Coast Regional District

Director at Large
Indigenous Relations Committee,
Chair
Environment Committee

UBCM Executive



Councillor Claire Moglove
City of Campbell River

Director at Large
Resolutions Committee, Chair
Indigenous Relations
Committee, Vice-Chair



Councillor Helen Poon
City of Port Alberni

Director at Large
Health and Social Development
Committee
Community Economic Development
Committee

UBCM Staff

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

Left to Right, middle row: Marylyn Chiang, Senior Policy Analyst; Kathleen Spalek, Chief Financial Officer; Jennifer Kwok (*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; Lilliana Kang (*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; Brant Felker, Gas Tax Policy & Program Manager; Rebecca Williams, LGPS Program Officer (*on parental leave*); 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, Gas Tax Program Services Program Analyst

Left to Right, front row: Karen Borden, BC FireSmart Committee Coordinator; Paul Taylor, Director of Communications; Liz Cookson, Executive Coordinator, AVICC; Sasha Prynne, LGPS Program Officer; Christina Arsens, LGPS Program Officer (*on parental leave*); Danyta Welch, Manager, LGPS

Not shown: Brenda Pittman, Office Coordinator; Holly Yee, Program Administrator; Gabi Vindisch, Executive Coordinator, Local Government Leadership Academy

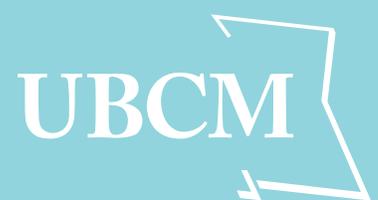


Fort Nelson, BC



Bowen Island, BC

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).

2020 saw some significant changes to the work plan in response to the pandemic.

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.

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 and reviewed our corporate investment policy in spring 2020. • Serve as the contact point on staffing matters and HR initiatives. In 2020 approved amendments to Staff Policies and established a new Executive Director Performance Appraisal Process. • Amended the Convention Code of Conduct to confirm its continued application for the 2020 virtual Convention. • Received reports and provided direction to UBCM Municipal Pension Plan Partner Working Group members.
<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 state of emergency. • Provided oversight on the establishment of the 2020 virtual Convention, in coordination with the relevant Executive Committees. • Oversaw development of the UBCM's Advocacy Days program and priorities in February 2020; including meetings with provincial elected officials, ministers and MLAs. • Provide feedback/comment on the design/development of provincial and federal infrastructure programs. • Provide recommendations on a variety of UBCM appointments to external committees (Land Title Survey Authority, Municipal Pension Board trustees, etc.)

Policy and Advocacy

Priorities	Progress to Date
Serve as the lead on intergovernmental relations	<ul style="list-style-type: none"> • Directs UBCM advocacy work on housing (development approvals process review committee), asset management, responsible conduct, infrastructure funding, flood and fire advisory committee, and oversees UBCM's participation in FCM's international programs. • Provide support to FCM's Toward Parity Initiative by hosting a webinar in Fall 2020. • Serves as the contact point for emerging local government issues with the Minister of Municipal Affairs and Housing. • Act as UBCM spokespersons with media and provincial and federal governments.
Promote Best Practices to UBCM Membership	<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 2020 UBCM Convention through video montage. • Support promotion of Local Government Awareness Week (LGAW) including a provincial proclamation for 2020 reflective of the local – provincial partnership in response to the state of emergency; and consolidated LGAW activity ideas on the UBCM web site.

Committee Members

Mayor Maja Tait, President
 Councillor Brian Frenkel, First Vice-President
 Councillor Laurey-Anne Roodenburg, Second Vice-President
 Councillor Jen Ford, Third Vice-President
 Councillor Arjun Singh, Past President
 Councillor Craig Hodge, GVRD/Metro Representative

Convention Committee

The 2019 Convention was held in Vancouver from September 23-27, with the theme of Resiliency and Change. A total of 2,125 delegates attended the Convention, an increase of 249 from 2018's Convention. The overall Convention rating was a strong 4.4 out of 5, which is consistent with the 2018 Convention, and is the highest rating since UBCM started tracking results electronically in 1997.

A variety of tours and sessions were held this year on topics ranging from Financing Reconciliation to Modular Housing and Disrupting Money Laundering. Programming also included a diverse range of clinics and workshops, including Emergency Health Services: Developing Municipal Agreements, Getting Older Adults Active and Connected, Championing Earthquake Safety and Risk Reduction, and Moose Hide Campaign: Taking a Stand for Safety. As always, delegates had the opportunity to set policy through Resolutions sessions, and participate in a number of Provincial Policy sessions, Cabinet Town Halls and government meetings.

Committee Members

Councillor Laurey-Anne Roodenburg, Chair
Councillor Chad Eliason, Vice Chair
Mayor Jack Crompton
Councillor Carl Jensen
Director Grace McGregor



2019 Convention in Vancouver, BC

Policy and Advocacy

Environment Committee

Climate Action • Caribou Recovery Planning • Environmental Assessments

Priorities	Progress to Date
Respond to environmental policy matters falling within the scope of the Committee	<ul style="list-style-type: none"> • The Special Committee on Climate Action has met eight times since August 2019 and has developed a draft set of recommendations. • Continued to provide local government feedback on the caribou recovery plan to the provincial government and Blair Lekstrom, former Community Liaison to the Premier. • Met with Minister of Environment and Climate Change on Committee priorities as part of 2020 Advocacy Days. • Continued to advocate for local government interests on the federal Oceans Protection Plan initiatives. • Provided feedback on the proposed amendments to the site identification process in the Contaminated Sites Regulation.
Participate in working groups and committees to ensure local government interests are represented	<ul style="list-style-type: none"> • Ongoing representative participation in Recycle BC's Advisory Committee on the packaging and printed paper stewardship program, and advocating program expansion to include ICI. • Participated in the Local Government Contaminated Sites Working Group.
Work with the Province, societies and other associations to seek out greater opportunities for environmental protection and improvement in BC	<ul style="list-style-type: none"> • Met with provincial staff to discuss the revitalization of the BC environmental assessment process. • In conjunction with the Community Economic Development Committee, met with members of the Independent Panel, for the Old Growth Strategic Review to receive more information about the engagement process, timelines, and to provide feedback.

Committee Members

Councillor Arjun Singh, Chair
 Director Grace McGregor, Vice Chair
 Councillor Chad Eliason
 Councillor Ben Geselbracht
 Director Travis Hall
 Director Roly Russell

Indigenous Relations Committee

Treaty/Non-treaty Agreements • Indigenous Relations Policy and Initiatives • Relationship-Building

Priorities	Progress to Date
<p>Monitor and respond to policy matters falling within the scope of the Committee</p>	<ul style="list-style-type: none"> • Monitored, assessed and communicated to members policies, agreements and programs such as the provincial UN Declaration on the Rights of Indigenous Peoples (UNDRIP) legislation and Rural & Indigenous Health Framework. • Regular communication with the Ministry of Indigenous Relations and Reconciliation (MIRR) and others regarding Indigenous initiatives and policy.
<p>Advocate for local government interests through working groups and intergovernmental communication</p>	<ul style="list-style-type: none"> • Advocacy and communication with MIRR on issues such as the implementation of the UNDRIP legislation, in part through a working group to implement an MOU with MIRR signed at the 2018 Convention. • Participate in the Off-Reserve Aboriginal Action Plan Provincial Coordination Team.
<p>Relationship building between local governments, First Nations and Indigenous organizations through best practices and initiatives</p>	<ul style="list-style-type: none"> • In coordination with the First Nations Summit, administer the Regional Community to Community Forum Program. • Administer a new “Urban Communities Partnering for Reconciliation” funding program to support dialogues on urban Indigenous issues. • Ongoing work with partners to collect and share resources on Reconciliation and related initiatives, including sharing of “Pathways to Collaboration” case studies.

Committee Members

- Director Travis Hall, Chair
- Councillor Claire Moglove, Vice Chair
- Councillor Trish Mandewo
- Mayor Mitch Campsall
- Councillor Lori Mindnich
- Chief Ken Baird, Vice Chair Metro Vancouver Indigenous Relations Committee

Policy and Advocacy

Community Safety Committee

Policing • Cannabis • Liquor • Emergency Management • Road Safety • Crime Prevention • Bylaw Enforcement • Flood and 911 Emergency Communication Services

Priorities	Progress to Date
<p>Respond to community safety issues falling within the scope of the Committee</p>	<p>Protective Services</p> <ul style="list-style-type: none"> Continued to monitor and provide input on the delivery of RCMP services through the Committee and the RCMP Local Government Contract Management Committee (LGCMC). Monitored, provided feedback, and updated the membership regarding the status of the new RCMP labour relations regime. Monitored and provided input regarding auxiliary policing in British Columbia. Reviewed changes to the Traffic Fine Revenue Sharing Agreement. Collaborated with relevant stakeholders to address RCMP building lease agreements. Reviewed changes and engaged the Province regarding the settlement disputed items under the Police Service Agreements. Engaged the Province regarding the need for additional provincial policing resources. Provided input towards the development of BC’s policing transition evaluation framework. Monitored and provided input towards the provincial <i>Community Safety Amendment Act</i>. <p>Cannabis</p> <ul style="list-style-type: none"> Monitored the regulation of medical and non-medical cannabis, including the introduction of edibles, extracts and topicals. Continued work with the Province to address ongoing cannabis policy issues. Conducted research, analysis and advocacy related to cannabis excise tax revenue sharing with the provincial government.

Priorities	Progress to Date
<p>Respond to community safety issues falling within the scope of the Committee</p>	<p>Other</p> <ul style="list-style-type: none"> • Monitored provincial liquor policy and provided input towards policy changes. • Monitored changes related to bylaw enforcement, including the bylaw adjudication program. • Engaged with the Province and relevant stakeholders, and provided input towards 911 emergency communications service delivery. Engaged the provincial government regarding flood and wildfire management. • Worked with the Province to facilitate local government feedback towards the <i>Emergency Program Act</i> review, including a UBCM submission. • Monitored the status of provincial road safety initiatives. • Monitored the 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"> • Continued participation as part of the EMBC-UBCM Flood and Wildfire Advisory Committee, which expanded its mandate to address the <i>Emergency Program Act</i> review. • Established the Cannabis Policy Technical Working Group (in place of the JCCR), to engage with the Province regarding relevant cannabis policy issues. • Coordinated and participated in the RCMP LGCMC, RCMP Occupancy Agreement Working Group and Local Government Working Group on Liquor Policy. • Participated in the 911 Services Steering Committee, and a provincial Bylaw Adjudication Program working group. • UBCM appointments to the Advisory Committee on Provincial Policing Standards; BC Operation Lifesaver Committee; BC Access to Justice Committee; various BC Road Safety Strategy committees; BC Seismic Safety Council; and, PRIMECorp Board.
<p>Work with the Province and other associations on community safety</p>	<ul style="list-style-type: none"> • Collaborated with FCM and other local government associations to address and share information regarding community safety issues. • Monthly staff meetings with the Ministry of Public Safety and Solicitor General to discuss community safety issues of mutual concern.

Committee Members

Councillor Gord Klassen, Chair
 Councillor Craig Hodge, Vice Chair
 Mayor Mitch Campsall
 Councillor Carl Jensen
 BC Association of Police Boards

Policy and Advocacy

Community Economic Development Committee

Forestry • Fishing • Energy • Mining • Agriculture • Tourism • Economic Diversification • Arts, Culture, Heritage • Jobs, Skills (Re)Training • Telecommunications (connectivity)

Priorities	Progress to Date
<p>Respond to policy matters falling within the scope of the Committee</p>	<ul style="list-style-type: none"> • Continued to monitor and convey members’ economic development challenges to the Province as it moves to restart the provincial economy in a COVID-19 environment; 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 being recognised as an order of government and ensuring that there is adequate consultation and engagement with local government in all land use planning and decision-making processes that would impact BC communities. • Provided feedback on the federal government’s new Universal Broadband Fund. • Prepared a submission as part of the Province’s Coastal Ferry Services Review. • Prepared a submission to the Old Growth Forest Review being conducted by an Independent Panel; and conveyed a submission to the Province’s Interior Forest Renewal Consultation Process. • Provided input/ feedback to provincial officials on the development of guidelines for tree-planting under COVID -19 restrictions. • Conveyed a submission to the BC Utilities Commission in response to the Municipal Utility Inquiry. • Continued to provide local government feedback on the caribou recovery plan, reviewed the amendments made to the agreement and continue to participate on the status/ update calls with provincial government officials. • Received a delegation from Independent Panel Member Al Gorley on the Old Growth Forest Review.

Priorities	Progress to Date
	<ul style="list-style-type: none"> • Provided direction on five referred resolutions from the 2019 Convention. • Continued to advocate for renewed funding to the Rural Dividend Program in response to endorsement resolution 2019-OF1; and reviewed the new Short Term Employment Program that was the recipient of diverted Rural Dividend Funding.
<p>Participate in working groups and committees to ensure local government interests are represented</p>	<ul style="list-style-type: none"> • UBCM 1st VP Brian Frenkel serves as the UBCM appointment to the Forest and Range Practices Advisory Council (PAC), UBCM's appointment to the Forest Products Innovations' BC Innovation Leadership Committee and the Private Forest Lands Council. • Continued to serve as the contact point for issues related to <i>Off Road Vehicle Act</i> implementation; re-established local government working group, held two conference calls and investigated opportunities to advance ORV tourism as part of community economic recovery plans. • AVICC and NCLGA local elected officials serve as representatives to DFO's aquaculture management advisory committees (finfish and shellfish). • UBCM staff serve on the Community Energy Association board.
<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 Forests, Lands and Natural Resource Operations and Rural Development and Minister of Energy, Mines and Petroleum Resources as part of 2020 Advocacy Days. • Met with the federal Minister responsible for Rural Economic Development, Honourable Maryam Monsef to advocate on a number of issues including broadband connectivity, economic diversification for resource-based communities, flexibility in Gas Tax funding to support renewed infrastructure, etc. • Partnering with the Province for a fourth time (Jobs, Economic Development and Competitiveness) to undertake survey in Fall 2020 of local economic development practices. • Continue to meet with policy sector-aligned associations in an effort to support greater community engagement and consultation on policy decision-making.

Committee Members

Councillor Brian Frenkel, Chair
 Councillor Paul Albrecht, Vice Chair
 Councillor Helen Poon
 Councillor Trish Mandewo
 Councillor Ben Geselbracht
 Councillor Gord Klassen

Policy and Advocacy

Health and Social Development Committee

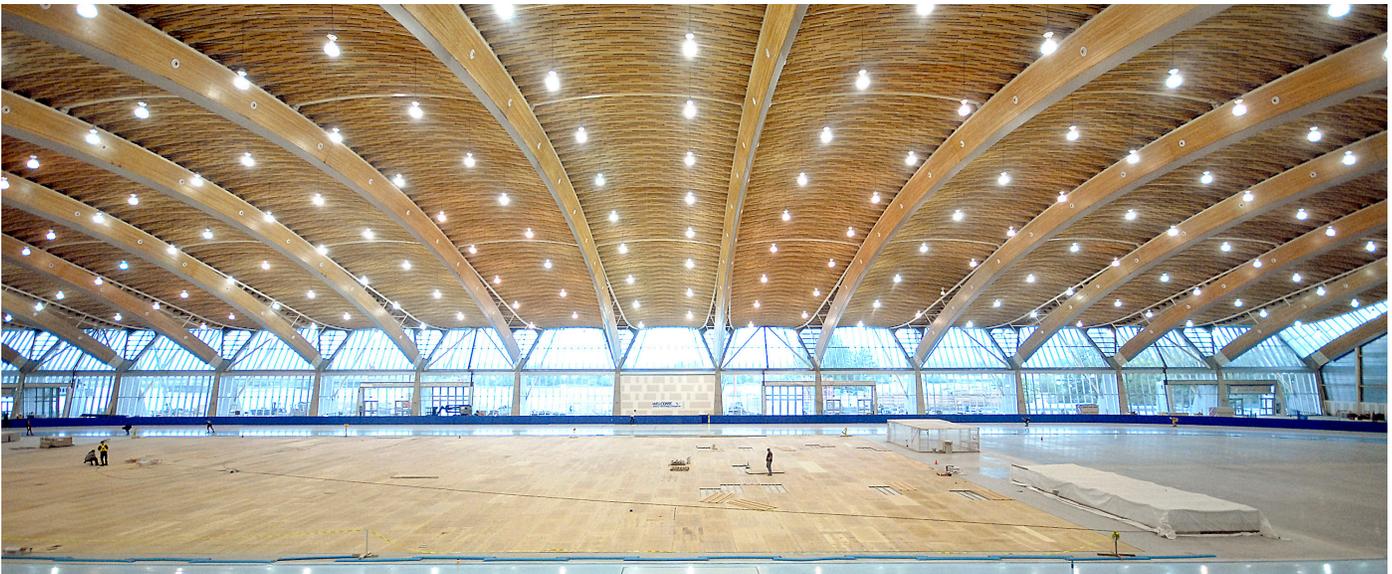
Healthy Communities • Child Care Resource Guide • Accessibility Legislation • Mental Health

Priorities	Progress to Date
Respond to policy matters falling within the scope of the Committee	<ul style="list-style-type: none"> • Worked with the Ministry of Children and Family Development to redirect funds for the development of a child care resource guide for local governments. • Hired SPARC BC to draft the child care resource guide. UBCM will offer an online learning module in 2020 when the guide has been completed. • Provided feedback to the Ministry of Social Development and Poverty Reduction on accessibility legislation.
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. • Chaired the Emergency Medical Assistants Education Fund to distribute funding for paramedic training, particularly for remote and rural communities. • 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 Healthy Built Environment Alliance, an alliance of public health, design and land use professionals. • Member of the provincial Accessibility Legislation Consultation Advisory Committee to provide feedback on accessibility legislation.

Priorities	Progress to Date
<p>Work with the Province, Societies and other associations to seek out greater opportunities for improved health in BC</p>	<ul style="list-style-type: none"> • Provided input for Vancouver Coastal Health's Vaping Guide for Local Governments. • Councillor Murry Krause, a former UBCM President, continues to serve on the Poverty Reduction Advisory Committee, which advises the Minister on matters relating to poverty reduction and prevention. • Continued to provide feedback to the Ministry of Mental Health and Addictions on their mental health strategy, <i>A Pathway to Hope</i>; and explored opportunities for local government collaboration and coordination on the strategy.

Committee Members

- Councillor Jen Ford, Chair
- Councillor Paul Albrecht, Vice Chair
- Councillor Lori Mindnich
- Councillor Helen Poon
- Councillor Pete Fry



Richmond, BC

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	2015	2016	2017	2018	2019
Province supports the request	1	4	12	16	9
Willing to consider the changes, suggestions or concerns expressed	4	3	25	17	30
Willing to undertake further study or review of the issues in question	8	18	13	18	23
Issues have already been addressed in whole or in part through existing provincial initiatives	47	57	46	56	51
Proposed changes/suggestions/concerns will not be considered	29	20	25	32	30
Not addressed in provincial response	13	21	15	14	15
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 2019/20. Each of the issues was the topic of a resolution from a UBCM member local government.

Area	Related Resolutions	Action
Abandoned and Wrecked Vessels	2017-B26, 2016-B22, 2014-B23, 2014-B62, 2013-B3, 2012-B23, 2010-B30, 2005-B112	In July 2019, the Province appointed MLA Sheila Malcolmson as Parliamentary Secretary for Environment, with a particular focus on abandoned vessels and marine-sourced debris. MLA Malcolmson is tasked with making recommendations for a provincial action plan on potential solutions and challenges related to abandoned vessels and marine-sourced debris. The Province released a What We Heard document in February 2020, and the final report was scheduled for spring 2020.
Accessibility Legislation	2016-B53, 2016-B62, 2016-B69	In 2019, the Province held consultations on the development of proposed accessibility legislation. The proposed BC legislation will support and align with the federal government's Bill C-81, Accessible Canada Act: An Act to Ensure a Barrier-Free Canada. The provincial legislation will require the development, implementation, and enforcement of accessibility standards in BC. Accessibility standards will be required for the built environment and transportation, as well as information, communication, service delivery and employment.
Auditor General for Local Government	2015-B85	The Province announced it will be shutting down the office of the Auditor General for Local Government.
Broadband High-Speed Internet Service	2017-B37, 2010-B72	The Province updated the <i>Local Government Act</i> (LGA) to provide regional districts with an additional tool to expand high-speed Internet to under-served areas. The changes enable regional districts to provide financing for capital costs to Internet service providers where it may not otherwise make sense from a business perspective. Regional districts have been historically challenged to deliver broadband services within their jurisdictions, where legislation limited the options available to them. Specifically, the prohibition on assistance to business within the LGA excluded regional districts from providing financial assistance to Internet service providers. The LGA does contain specific exceptions for services that are considered essential, such as telephone, natural gas or electricity. The changes to the LGA reflect that high-speed Internet is now considered an essential service.

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Area	Related Resolutions	Action
Cannabis – Agricultural Land Reserve	2018-B71, 2014-B109, 2014-B113	Province recently undertook a legislative and regulatory amendment to recast all cannabis production in the ALR as farm use. As a result, applications to the ALC are no longer required for any form of cannabis production.
Cannabis – Taxation and Revenue	2019-A2, 2018-SR1, 2017-SR1, 2016-A3	In 2019, UBCM administered a local government cannabis cost survey and generated a subsequent report to support the assertion that local governments will incur tangible one-time and ongoing costs resulting from legalization. The report is consistent with UBCM's previously developed short- and long-term strategies to guide the negotiation of a provincial-local government cannabis taxation revenue sharing agreement.
Code of Conduct	2018-B83, 2017-B2, 2016-B70, 2016-B103, 2015-B93	A Working Group on Responsible Conduct, comprised of staff from UBCM, the Ministry of Municipal Affairs and Housing and Local Government Management Association (LGMA) has been exploring ways in which the practice of responsible conduct by local elected officials can be strengthened. Following the release of a set of foundational principles and a model code of conduct, the Working Group is focusing on a framework that supports a code of conduct, including processes for establishing, adopting, maintaining and enforcing a code of conduct.

Area	Related Resolutions	Action
Community Emergency Preparedness Fund	2019-B97, 2019-B105, 2018-B100	In May 2019, the Province announced the renewal of the Community Emergency Preparedness Fund (CEPF) with \$31 million in new funding. Seven funding streams, open to local governments and First Nations in BC, were announced, including new funding for volunteer fire departments and Indigenous cultural safety training. Funding permitting, additional intakes for some funding streams are scheduled for 2020/21.
<i>Community Safety Act</i>	2009-B66	Provincial Bill 13, the <i>Community Safety Amendment Act</i> received Royal Assent on October 31. Legislation follows the 2013 <i>Community Safety Act</i> , which was based on Safer Communities and Neighbourhoods (SCAN) legislation implemented in six other provinces and territories but never brought into force. SCAN legislation creates a civil remedy solution to address properties where specified criminal and nuisance activities are taking place that negatively affect a community. Amendments are intended in part to reduce red tape and better address low level gang and firearm violence in communities.
Environment – BC Energy Step Code	2018-B31, 2016-B63, 2014-B27, 2007-B130	The BC Energy Step Code is an optional compliance path in the BC Building Code that local governments may use, if they wish, to incentivize or require a level of energy efficiency in new construction that goes above and beyond the requirements of the BC Building Code. BC Energy Step Code Council surveyed local government staff to measure levels of awareness and readiness to adopt the BC Energy Step Code and to learn of the experiences of local governments which have already implemented the program.
Environment – BC Plastics Action Plan	2019-B42, 2019-B145, 2019-B147, 2018-B29, 2018-B126	In July 2019 the Province released its proposed BC Plastic Action Plan and sought feedback. The plan proposes action in four areas to reduce plastic pollution and use less plastic overall: 1) Bans on single-use packaging: determining which types of plastic packaging to phase out altogether, as well as any necessary exemptions, such as those for health, safety and accessibility, to keep products available for the people who need them.

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Area	Related Resolutions	Action
Environment – BC Plastics Action Plan	2019-B42, 2019-B145, 2019-B147, 2018-B29, 2018-B126	<p>2) Dramatically reduce single-use plastics in landfills and waterways: requiring producers to take responsibility for more plastic products, ensuring more single-use items like sandwich bags, straws and cutlery get recycled.</p> <p>3) Plastic bottle and beverage container returns: expanding the deposit-refund system to cover all beverage containers – including milk and milk-substitutes – with a 10-cent refundable deposit, keeping millions more containers out of landfills and waterways.</p> <p>4) Reducing plastic waste overall: supporting effective ways to prevent plastic waste in the first place and making sure recycled plastic is reused effectively.</p>
Environment – Caribou Recovery	2019-B39, 2018-B116, 2017-B114	<p>In February 2020, the Province issued a press release noting that the partnership agreement included new language that clarified local government involvement in caribou recovery. The Province also advised that local governments have been invited to participate on the Land Use Objective Technical Committee. It was also noted in April 2020 that the Socio-Economic Advisory Committee would be reviewing a confidential preliminary socio-economic study.</p>
Environment – Climate Action Preparedness and Adaptation Strategy	2019-B136, 2019-B137, 2019-B139, 2019-B141, 2016-B58, 2015-A5, 2015-B38, 2015-B75, 2014-B26, 2014-B27, 2014-B95, 2014-B96	<p>The Province is developing a Climate Preparedness and Adaptation Strategy to prepare for and respond to the impacts of climate change. In response to record wildfires, extreme weather, increased drought and more frequent flooding, BC is looking to develop policies and programs to support climate resilient communities. As part of the first phase of engagement on the strategy, the Province called on communities to share their thoughts and solutions through an online questionnaire, discussion forums and written submissions.</p>

Area	Related Resolutions	Action
Environment – Climate Change Adaptation	2019-B139, 2019-B141, 2018-B94, 2018-B96, 2014-B95, 2013-B75, 2011-B79, 2011-B91, 2011-B98, 2010-B47, 2010-B101, 2009-B105, 2009-B107, 2009-B110	The Province has released a provincial-scale climate risk assessment report. Using a provincial-scale framework, the risk assessment evaluates the likelihood of 15 climate risk events for BC and their health, social, economic and environmental consequences. As a high-level assessment, the results reflect risks for the province as a whole. However, the BC Climate Action Secretariat plans to customize and pilot the risk assessment for use by regional governments, so they can better understand and respond to emerging climate risks.
Environment – UBCM Climate Action Committee	2019-B136, 2019-B137, 2019-B139, 2019-B141, 2016-B58, 2015-A5, 2015-B38, 2015-B75, 2014-B26, 2014-B27, 2014-B95, 2014-B96	UBCM has struck a Special Committee on Climate Action to generate new ideas, explore opportunities and barriers to local government action, and identify avenues for further partnership work in mitigating, and adapting to, the effects of climate change. The new committee is comprised of elected officials and senior staff from local government, as well as representatives from the Province, environmental non-governmental organizations, crown corporations and academia.
Fisheries Act Review	2018-B73, 2013-B28, 2012-B80	In June 2020, the federal Department of Fisheries and Oceans created interim Codes of Practice for undertaking emergency and routine works under the revised <i>Fisheries Act</i> that pose a low risk to fish and fish habitat. The Codes of Practice allow proponents who meet the interim guidance to undertake routine works without applying for a review.
Food Security	2019-B66, 2019-B69, 2013-B55, 2013-B56	In late 2019, the Province released "The Future of BC's Food System: Findings and Recommendations from the BC Food Security Task Force." The mandate of the Food Security Task Force was to make recommendations that support food security and the economic growth of the agricultural sector in BC. The report contains 4 key recommendations.

Policy and Advocacy

Area	Related Resolutions	Action
Forestry	2019-B156, 2017-B31, 2017-B36, 2016-B61	The Province advised that they have started a multi-year initiative to make improvements to the <i>Forest and Range Practices Act</i> (FRPA) legal framework. Expected outcomes include: support reconciliation with First Nations; restore the social contract and public trust in forest management; support the certainty of log and fibre supply; ensure that land managers have clear ability to promote and protect natural resources; and improve and streamline range planning.
Forestry – Coastal	2019-B166, 2016-C27, 2013-B75, 2011-B91, 2007-B45	In Budget 2019, the Province allocated \$10 million over three years for the Coast Forest Sector Revitalization Initiative. Funding will support the objective of diversifying forest tenures and manufacturing, increasing domestic timber processing, and consultation with Indigenous governments, industry committees and other stakeholders.
Forestry – Private Managed Forest Land Program	2019-B38, 2019-B48, 2018-B41, 2018-B42, 2013-B112, 2011-B50, 2010-B26, 2009-B41, 2009-B128, 2008-B34, 2007-B42, 2006-B102	The Province held a review of the Private Managed Forest Land Program as part of Coast Forest Revitalization Initiative. The review examined how well the PMFL Program is meeting its goals to: encourage private landowners to manage their lands for long-term forest production, and encourage sustainable forest management practices, including the protection of key public environmental values.

Area	Related Resolutions	Action
Forestry – Wildfire Resiliency	2019-B91, 2019-B93, 2018-B96, 2017-B4, 2016-B6, 2015-B5	The Community Resiliency Investment program was announced in 2018. UBCM administers the FireSmart Community Funding & Supports stream and has completed two annual funding intakes. The Crown Land Wildfire Risk Reduction stream, administered by the Ministry of Forests, Lands, Natural Resource Operations & Rural Development, includes: fuel management planning and treatment activities focusing on provincial Crown land located around communities, prescribed fire and risk reduction activities targeting provincially identified critical infrastructure.
Housing – Beneficial Ownership Registry	2019-B129, 2017-A2, 2016-B136	The Province passed the <i>Land Owner Transparency Act</i> to establish a beneficial ownership registry for property in BC. The intent of the registry is to make information about the owners of BC real estate publicly available, and to support tax authorities, law enforcement agencies and relevant regulators to target tax evasion, fraud and money laundering. Additionally to discourage speculation in real estate, including by foreign investors, and to ensure that investors pay a fair share of federal and provincial taxes.
Housing – Ending Tenancies	2019-B184, 2017-B53, 2017-B126, 2016-B121, 2016-B137	In July 2019, the Province released new guidelines on ending a tenancy for landlord's use of the property, addressing renovations and occupancy by a landlord, purchaser or close family member. These are intended to help clarify and build awareness of rules established under the <i>Residential Tenancy Act</i> and to help prevent renovations.
Housing – Federal Affordable Housing Investment	2016-B45, 2015-B46, 2015-B48, 2014-B46	The federal government has been rolling out National Housing Strategy Initiatives to support the maintenance and development of affordable housing. These include the creation of a new lending institution, the HPC Housing Investment Corporation, to increase affordable housing across Canada.
Housing – Homelessness	2019-B68, 2019-B183	The Province has been working with local governments to provide safe shelter and supports for people living in encampments, particularly since the onset of the COVID-19 pandemic. The Province is also continuing to roll out its Rapid Response to Homelessness program to support the construction of modular homes.

Policy and Advocacy

Area	Related Resolutions	Action
Housing – Rental Housing Development	2017-B120, 2015-B48, 2014-B43, 2012-B143	The Province has been supporting the development of affordable housing through a number of initiatives and has been working towards addressing recommendations in the final report of the Rental Housing Task Force.
Housing – Rental Housing Task Force	2018-B56, 2017-B126, 2016-B137	The Province released final report of the Rental Housing Task Force making 23 recommendations and has been working towards addressing its recommendations.
Housing – Secondary Suites	2019-B188, 2007-B69	In November 2019, the Province updated the BC Building Code to, in part, remove the maximum size restriction for secondary suites.
Housing – Short Term Rentals	2019-B34, 2018-A4	In September 2019, a new provincial-UBCM advisory group was struck to provide the Province with policy options to strengthen the regulation of short-term rentals. UBCM has made repeated calls for greater provincial involvement in the establishment of platform accountability agreements with operators to increase long-term rental stock in communities and curb speculative demand.
Indigenous – Cultural Safety Training	2019-B98, 2018-B22, 2018-B149	Province provided funding to provide emergency management personnel with cultural safety and cultural humility training in order to effectively partner with and provide safe and respectful assistance to Indigenous communities during times of emergency.

Area	Related Resolutions	Action
Indigenous – UNDRIP	2019-A4, 2018-B149, 2018-B150, 2015-B106	The Province passed Bill 41, <i>Declaration on the Rights of Indigenous Peoples Act</i> . The Act states that the "government must take all measures necessary to ensure the laws of British Columbia are consistent with" the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).
Indigenous – National Inquiry into Murdered and Missing Indigenous Women and Girls	2019-LR4, 2015-B111	The National Inquiry into Missing and Murdered Indigenous Women and Girls (MMIWG) has released its final report finding that "persistent and deliberate human and Indigenous rights violations and abuses" underlie violence against Indigenous women and girls. The report makes far reaching calls for change directed to governments, media, individuals and others. One request of all orders of government is to fully implement and comply with relevant rights instruments including the UN Declaration of the Rights of Indigenous Peoples (UNDRIP).
Money Laundering	2019-B85, 2019-B129	The Province created a Commission of Inquiry into Money Laundering in British Columbia. The Commission's Terms of Reference require a review of the impact of money laundering on various economic sectors within British Columbia including gaming, real estate, financial institutions and professional services. The Terms of Reference also includes a review of the effectiveness of the regulatory agencies and individuals managing these activities.
Opioid Crisis	2019-B171, 2018-B142, 2018-B169, 2018-B170, 2017-B71	In Budget 2019, the Province allocated \$30 million in new funding over three years to increase efforts to respond to opioid overdose emergencies.
Poverty Reduction Strategy	2016-B47, 2015-B44	In 2019, the Province released its Poverty Reduction Strategy titled: <i>Together BC</i> . Legislated targets were also introduced to reduce the overall poverty rate by at least 25% and child poverty by 50% by 2024. The government will release annual progress reports by October 1 each year that describes the actions taken and progress made.

Policy and Advocacy

Area	Related Resolutions	Action
Remuneration for Local Government Elected Officials	2018-B148	UBCM developed a best practices guide to assist local governments in the development of fair and equitable remuneration policies for elected officials. The guide reflects general local government principles of autonomy and local decision-making and provides options that are scalable relative to the varying resources, capacity, and contexts of local governments in British Columbia.
Transportation – Active Transportation Strategy	2019-B15, 2018-B15, 2016-B9, 2013-B99, 2012-B63, 2010-B16, 2010-B17, 2009-B83, 2008-B108, 2007-B14, 2007-B99, 2006-B140	On June 17, 2019 the Province released Move. Commute. Connect. BC's Strategy for cleaner, more active transportation. It is focused on changing the transportation landscape to make active transportation (including cycling) safer, more accessible and convenient for the public.
Transportation – BC Ferry Fares	2019-B18, 2013-B12, 2012-B6, 2011-A3, 2010-B20, 2007-B18, 2004-B59	In the 2019 Throne Speech, the Province promised to maintain its freeze on ferry fares for major routes, and discounts on minor and northern routes.
Transportation – Electric Vehicle Charging	2019-B144, 2017-B116, 2017-B132	In Budget 2019, the Province included \$20 million for fast charging and hydrogen fueling stations and \$5 million over three years for battery charging stations at highway rest areas owned by the province to encourage longer range travel in cleaner vehicles.

Area	Related Resolutions	Action
Transportation – Electric Vehicle Sales	2019-B142, 2019-B143, 2018-B130, 2018-B131	In 2019, the Province passed the <i>Zero-Emission Vehicle Act (ZEVA)</i> to require all new vehicles sold in the province to be zero-emission by 2040. In Budget 2019, the Province committed: \$42 million to maintain point of sale incentives and \$3 million to develop and implement a Zero Emission Vehicle standard to require an escalating annual percentage of new light duty zero emission sales, reaching 30% by 2030 and 100% by 2040.
Transportation – Police Reporting and Minor Accident Clearing	2017-B83	The Province has amended its rules around mandatory police reporting of minor collisions. The updated <i>Motor Vehicle Act Regulations</i> increase the mandatory reporting threshold for property-damage-only (PDO) collisions from \$1,000 to \$10,000. The changes are intended to reduce congestion and delays resulting from minor collisions where there are no injuries. The increased threshold may also help improve the rate at which crashes are cleared, reducing the risk to workers at the scene. Police officers will still attend PDO collisions at their discretion.
Transportation – Ride Hailing	2019-LR1, 2017-B57	In July 2019, the Province enacted ride-hailing regulations and began issuing licenses in September.
Youth Mental Health and Addiction	2017-B70, 2016-B133, 2012-B37	In Budget 2019, the Province allocated \$74 million over three years to enhance mental health and addictions services for children, youth and young adults including funding ‘one stop shop’ centres that provide full support services.

These are recent success stories. Not all resolutions achieve immediate results, but they bring important local government issues to the attention of the provincial and federal governments.

Committee Members

Councillor Claire Moglove, Chair
 Director Roly Russell, Vice Chair
 Mayor Jack Crompton
 Councillor Brian Frenkel
 Councillor Pete Fry

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.

Local Government COVID-19 Financial Advocacy

In late March 2020, UBCM reached out to a wide range of local governments to gather information on the immediate and projected long-term financial pressures facing local governments, their residents, and local businesses as a result of the pandemic. Many local governments identified a loss of variable revenue, the shelving of capital projects, a re-evaluation of property taxes, new costs of supporting vulnerable populations, and concerns over reserve restrictions and looming financial deadlines. In response to these concerns, UBCM raised potential relief measures with the Province that focused on property taxes, legislated financial timelines, restrictions on reserves, capital project timelines, grants, and infrastructure stimulus funding.

In early April, the Province introduced a financial relief framework that introduced temporary changes to B.C.'s property tax framework to provide financial support for businesses and local governments. Among the changes introduced, local governments were given the ability to borrow, interest-free, from their capital reserve funds and municipalities will be able to access school tax revenue collected for the Province until the end of the year. UBCM committed to monitoring the impact of the measures on local government finances, and working with the Province to ensure that local governments had the necessary resources to sustain their communities.

Following a second round of outreach to local governments in April, UBCM called for additional provincial support measures in May that would address local government funding shortfalls, mitigate the risk of tax delinquencies, and facilitate a revival of local economies. In particular, UBCM called for financial support for transit to aid local economic recoveries; an infrastructure stimulus framework to generate economic returns for communities; and an expansion of the property tax deferral program to all residents to reduce the risk of tax delinquencies. In addition, UBCM supported FCM's report calling for a minimum of \$10 billion in emergency operating funding, with an additional \$2.4 billion for communities with transit systems, to be provided through a direct federal allocation to local governments.

Public Transit

In the early days of the pandemic, UBCM reached out to members to identify their financial challenges. And while we heard predictably about property taxes, and the loss of other revenue sources (eg. casinos, parking and recreation fees) we also heard very specific concerns around transit, and the significant impact on local government budgets.

In response, UBCM worked collaboratively with officials from BC Transit, TransLink and the Mayors' Council on Regional Transportation to get a better understanding of the impacts for all parties. UBCM hosted a forum on June 16th where over 90 local government participants from both BC Transit and TransLink communities signaled their support for a draft document that requested the Province to work with all transit / community partners on the development of:

- a transit recovery strategy to address the financial impacts associated with fare losses; and
- a rebuilding strategy that would focus on how to sustain, grow and identify alternative funding models to support public transit.

UBCM has written to Minister of Transportation and Infrastructure, the Honourable Claire Trevena to share the concerns of BC Transit communities and has offered to assist in coordinating a consultation with affected communities to identify what is needed to support them to ensure that transit, as an essential service, can be maintained at this critical time and into the future.

Broadband Internet Connectivity

The UBCM Community Economic Development Committee in its yearly workplan identified broadband Internet connectivity as a key priority; the importance of which has been underscored in 2020 by the move to work and conduct business remotely during the COVID-19 pandemic. Long a concern of UBCM members across BC, UBCM actively monitors federal and provincial funding programs for expansion of broadband Internet; and has provided local government feedback on the topic in consultations with both orders of government. UBCM also 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.

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.

In April 2019, the provincial government appointed MLA Sheila Malcolmson, as Parliamentary Secretary to George Heyman, Minister of Environment and Climate Change, on marine debris protection. The Province advised that MLA Malcolmson would make recommendations for a provincial action plan to eliminate the environmental threats caused by derelict vessels. A What We Heard report was released in February 2020, and a final report is expected at a later date.

RCMP Labour Relations Regime

In January 2015, the Supreme Court of Canada ruled that the RCMP had the right to collective bargaining, similar to other members of the public service. Bill C-7 (*An Act to amend the Public Service Labour Relations Act, the Public Service Labour Relations and Employment Board Act and other Acts and to provide for certain other measures*) received Royal Assent in June 2017.

The National Police Federation (NPF), the union representing the RCMP, served federal Treasury Board with a notice to bargain in July 2019, beginning the process to negotiate a collective bargaining agreement. If the NPF is successful in achieving wages and benefits that align with the industry standard, there will be a significant cost to local governments. 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.

Policy and Advocacy

Traffic Fine Revenue Sharing Program

In 2018, the provincial government advised UBCM of its intention to amend the Traffic Fine Revenue Sharing Agreement (TFRSA), an unconditional grant that returns 100% of net provincial traffic fine revenue to local governments. UBCM subsequently appointed a select committee to consult with the Province and assess proposed amendments.

In its submission to the Province, UBCM supported the provincial government being able to recover clearly defined costs associated with operating red light and speed activation cameras, as well as the eTicketing program. Capital expenditures required to enhance/expand these programs or support ongoing operations and maintenance, where reasonable and appropriately analyzed to result in net positive revenue would require further discussion and UBCM approval. UBCM was also supportive of a new administrative justice tribunal, as long as it was more cost effective than the current traffic court system. UBCM did not support the implementation of a Collision Reduction Program, largely because this proposal did not align with the existing unconditional nature of the TFRSA. In September 2019, Minister Mike Farnworth announced that the Province would implement changes consistent with UBCM's position.

911 Emergency Communication Services

In October 2018 the Province re-started work to amend BC's 911 emergency communication framework. A steering committee began meeting in 2019, to review key components of the provincial system (e.g. funding model, governance, standards).

As part of this work, stakeholders discussed the implementation of a 911 call answer levy on cellular devices, to generate revenue towards specific 911 framework issues and upgrades. UBCM was supportive of a 911 call answer levy, subject to an agreement with the Province on the establishment of an independent body for revenue administration.

Bound by CRTC direction and deadlines to provide Next Generation 911 services, the Province originally intended to introduce legislation in early 2020. UBCM was informed in March 2020 that the Province would not be proceeding with legislation during the spring 2020 legislative session. Next steps are unknown at this time.

Emergency Program Act Review

Emergency Management BC (EMBC) recently began a thorough review of the *Emergency Program Act* (EPA), the framework outlining the management of disasters and emergencies in BC. The mandate of the EMBC-UBCM Flood and Wildfire Advisory Committee was expanded to include providing front-end input into this review.

The Province released its discussion paper, *Modernizing BC's Emergency Management Legislation*, on October 28, 2019. Included in the paper are more than 60 recommendations (including 29 key policy shifts) for consideration. In addition to the 43 local authorities that provided input, UBCM developed several broad recommendations seeking ongoing sustainable funding and provincial support for local governments to address new responsibilities proposed by the Province.

This review is likely to result in a full repeal and replacement of the EPA. Owing to COVID-19, the Province has delayed tabling new legislation until at least 2021.

Cannabis Taxation Revenue Sharing

The two-year 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 directly provide local governments a share of excise tax revenue, leaving that responsibility to provinces. In addition to the federal excise tax, cannabis sold in BC is subject to the PST, GST and a 15% provincial mark-up on the landed cost of cannabis.

In 2018, UBCM members endorsed resolution SR1 seeking a short- and long-term strategy for cannabis excise tax revenue sharing with the provincial government. This was followed by a 2019 survey for local governments to quantify incremental expenditures associated with cannabis legalization. Despite findings showing significant local government ongoing and one-time costs associated with legalization, the Province has yet to commit a portion of its cannabis tax revenue to BC local governments.

Auditor General for Local Government (AGLG)

The office of the Auditor General for Local Government (AGLG) came into being in April 2012 despite a 2011 resolution and UBCM policy paper that took issue with the necessity of the office. Significant operational issues led to the firing of AGLG in 2015. A subsequent report by UBCM on the AGLG operations included a series of recommendations that were adopted by Province. UBCM's membership endorsed a resolution at the 2015 Convention that called for the disbanding of the office. Following a review, the Province retained the office in 2019.

The 2020 Budget indicated that funding for the AGLG office would be reduced by 31%. Minister Robinson indicated to the UBCM Executive during its February meeting that the government intends to phase out the AGLG office over the next few years, allowing time to complete its current set of audits, but that no new audits will be undertaken. In light of the membership position on this issue, UBCM expressed support for this decision in media interviews.

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.

Minister Bennett's current Mandate Letter includes the following priority: "Continue ongoing work with First Nations, Inuit and Métis to redesign the Comprehensive Claims and Inherent Rights Policies". Few details on what this entails have been made public since the election.

Policy and Advocacy

BC Ferries

In May 2020, UBCM made a written submission to the Ministry of Transportation and Infrastructure in response to an online consultation on the development of a vision for coastal ferry services. The submission provided perspectives expressed collectively by the UBCM membership, organized according to four themes put forward as part of the consultation: efficient end-to-end travel of people and goods; equitable and accessible transportation network; mitigates and is responsive to climate change; and reflects the values of coastal communities.

National Inquiry into Missing and Murdered Aboriginal Women and Girls

On December 8, 2015, the Government of Canada launched a National Inquiry into Missing and Murdered Indigenous Women and Girls in response to the urging of many Indigenous families, communities and organizations who called on Canada to take action. UBCM provided periodic input to highlight local government perspectives and to support a process that meaningfully addressed the concerns of those affected. The inquiry released its final report on June 3, 2019. In response to resolution 2019-LR4, UBCM has 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. More broadly, UBCM is monitoring the federal and provincial response to the report and considering the implications of its recommendations for local governments.

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 and Housing, 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. Prior to the 2018 local elections, TAC members were responsible for preparing all of the forms and guidebooks to assist all election participants understand the new rules related to contribution and expense limits. Following the 2018 local elections, TAC members reviewed the feedback from election participants and others, including the Report by BC's Chief Election Officer at Elections BC. TAC members are also working to develop guidance documents to support local governments that need to hold by-elections or assent votes under the current COVID-19 environment while still meeting PHO guidelines and rules.

Transportation Network Services (Ride-hailing)

In accordance with UBCM member interest in ride-hailing, UBCM has been monitoring the implementation of regulations and rollout of the application process for new ride-hailing services. In September 2019 the provincial Passenger Transportation Board (PTB) began accepting applications from transportation network service (ride-hailing) companies for a passenger transportation license. As of July 2020, the PTB had approved 17 applications, and refused 19 applications. All regions of the province now have one or more companies licensed to provide ride-hailing transportation services.

Now that ride-hailing companies are beginning to provide service to the general public, UBCM understands that the Ministry of Transportation and Infrastructure (MOTI) is considering whether it should regulate the training provided to drivers of passenger directed vehicles, both taxi and ride hailing services. MOTI has consulted with UBCM to seek local government perspectives on standardizing such training.

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) by November 28, 2021. To assist with any required improvements to railway grade crossings, the federal Rail Safety Improvement Program (RSIP) provides grant funding. Applications to RSIP were accepted until August 1, 2020. 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 local government perspectives are provided to the federal government.

UBCM is also collaborating with FCM and the Railway Association of Canada (RAC) to identify areas of the province with concentrated railway activity or records of multiple accidents. After analyzing this information, UBCM will reach out to specific local governments to provide support in communicating with rail companies, improving railway grade crossings, and implementing guidelines for new development in proximity to railway operations.

Electric Kick Scooters Pilot Project

The provincial Ministry of Transportation and Infrastructure (MOTI) announced in January 2020 that it would begin to accept applications for local government pilot projects to regulate electric kick scooters. The Province developed the pilot program in response to inquiries from multiple local governments, and in alignment with the provincial Active Transportation Strategy objective of working with communities to promote and enable active transportation use, as well as the CleanBC priority of reducing greenhouse gas emissions from the transportation sector. UBCM provided input to MOTI on general local government perspectives regarding local regulation of electric kick scooters under the *Motor Vehicle Act*.

ICBC Policy for Fleet Vehicle Drivers

Throughout autumn 2019, UBCM worked with ICBC to ensure that the move to a more driver-based model for vehicle insurance would not negatively affect local government fleet operations. In December 2019 ICBC confirmed that at-fault crashes occurring in a fleet vehicle would not impact the driver's ICBC premiums, including their personal policy or other policies where they are listed as a driver. The at-fault crash would also have no impact on the driver's crash forgiveness eligibility.

FCM International Programs – UBCM Partners with Cambodia

UBCM has been involved in international programming through the Federation of Canadian Municipalities for over twenty years. The UBCM Executive has committed to a project involving capacity building with the national local government association in Cambodia and has entered into a MOU with FCM to support this work for a period through to November, 2020.

Over the past year UBCM participated in an overseas mission with the National League of Communities (NLC) in Cambodia. The focus of the mission was building the capacity of elected women at the local level, and increasing female participation in local government. UBCM also provided ongoing technical assistance to build the communication and policy development capacity of NLC staff.





Central Saanich, BC



Midway, BC

Programs and Services



Programs and Services

Highlights

Age-friendly Communities: 2009, more than 150 local governments and 10 First Nations have completed projects or been approved for funding.

Asset Management Planning: Since 2015, 259 asset management projects or subsidies have been approved.

Community Child Care: To date, over \$16 million in funding for child care planning or space creation has been approved. 90 local governments have been approved for planning grants, in individual or regional applications since the program's inception. The Space Creation program has seen 17 local governments approved for funding since the start of the program.

The **Community Emergency Preparedness Fund** hosted two new, one-time streams:

- 21 projects were funded under the 2019 Indigenous Cultural Safety and Cultural Humility Training stream to enable emergency response personnel to serve Indigenous communities with respect and cultural awareness during emergencies.
- 10 of the projects are being

Local Government Program Services

UBCM has delivered numerous provincially funded programs since 2004. Multiple funding programs were available to local governments and First Nations in 2019/20.

Age-friendly Communities (formerly the Seniors' Housing & Support Initiative)

Administered for the Ministry of Health (over \$7 million since 2005), the program assists local governments to support aging populations, develop and implement policies and plans, or undertake projects that enable seniors to age in place. The last intake opened up the planning funding stream to all First Nations in BC for the first time.

Asset Management Planning Program

Administered for the Ministry of Municipal Affairs & Housing and including the contribution of accrued interest from LGPS programs (\$4.6 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 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 (\$69.5 million since 2017), the CEPF is intended to enhance the resiliency of local governments, First Nations and communities in responding to emergencies. As of fall of 2019, CEPF was expanded to include all BC First Nations (previously only Treaty First Nations were eligible) as eligible applicants.

The program ran six funding stream intakes between October 2019 and March of 2020:

- Structural Flood Mitigation
- Volunteer and Composite Fire Departments Equipment and Training
- Indigenous Cultural Safety and Cultural Humility Training
- Emergency Operations Centres and Training
- Emergency Support Services
- Flood Risk Assessment, Flood Mapping and Flood Mitigation Planning

The seventh stream, Evacuation Route Planning, will have a 2020 intake.

Community Resiliency Investment program

The FireSmart Community Funding & Supports program, under the Community Resiliency Investment program, is administered for the Ministry of Forests, Lands, Natural Resource Operations & Rural Development (\$61.8 millions since 2018) and is intended to reduce the risk and impact of wildfire to communities in BC through community funding, supports and priority fuel management activities on provincial Crown land.

Housing Needs Report Program

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

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.

Regional Community to Community (C2C) Forum Program

Administered for the Ministry of Municipal Affairs & Housing and Indigenous Services Canada, and including the contribution of accrued interest from LGPS programs (\$2.1 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.

Urban Communities Partnering for Reconciliation Pilot Program

Administered for the Ministry of Indigenous Relations & Reconciliation (\$110,000 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.

Highlights

undertaken by First Nations applicants.

- 108 projects were funded with an allocation of \$4.7 million under the 2019 Volunteer and Composite Fire Departments Equipment and Training stream. Improvement districts and society-run fire departments were eligible to apply.

Community Resiliency Investment program: 128 applications were approved under the 2019 CRI program and a further 124 applications were approved for 2020.

Housing Needs Reports: To date, individual or regional applications representing 121 local governments in BC (approximately two-thirds of the local governments in the province) have been approved for funding or completed projects.

Poverty Reduction Planning & Action: The first intake of the program in Spring 2020 saw over 35 applications from across the province, with planning and projects ranging from social services inventories, updates to official community plans to include poverty reduction, and addressing food security at the local level.

Regional C2C Forums: Since 1999, more than 600 C2C events have brought together over 180 First Nations and 140 local governments, with over 1,000 total participants including indigenous and non-indigenous organizations.

Programs and Services



Fraser Lake, BC



Revelstoke, BC

Gas Tax Agreement

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 Gas Tax funding to British Columbia local governments and other recipients.

UBCM continues to administer the Gas Tax 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

On June 1, 2020, Prime Minister Trudeau announced an acceleration of the 2020/21 Gas Tax Fund transfer to all provinces and territories. This accelerated payment totaled \$280.4 million for British Columbia, and was delivered on June 10 as one single full-year payment rather than two half-year payments later in the year.

Community Works Fund (CWF)

- UBCM will deliver nearly \$110 million to all local governments in 2019 through the Community Works Fund program.
- The accelerated payment of GTF to UBCM in 2020 resulted in the CWF transfer to be delivered in July, 2020.
- Eligible investment categories for local government capital infrastructure include: local roads and bridges; highways; short-sea shipping; short-line rail; regional and local airports; broadband connectivity; public transit; drinking water; wastewater; solid waste; community energy systems; brownfield redevelopment; sport infrastructure; recreational infrastructure; cultural infrastructure; tourism infrastructure; and disaster mitigation.
- Local Governments can also invest CWF towards certain capacity building projects such as Integrated Community Sustainability Planning, Long-Term Infrastructure Planning and Asset Management Planning.
- Local Governments CWF allocation is based on a funding floor of \$55,125 and a per capita amount.
- All Local Governments in British Columbia participate in the Community Works Fund program.

Strategic Priorities Fund (SPF)

- 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.
- The first intake for the Strategic Priorities Fund program was launched in December 2014 and in total, 66 projects were awarded SPF grants valued at \$120 million.
- A second SPF intake was launched in February 2017, and in total 112 projects were awarded SPF grants valued at \$193 million.
- There is no timeline set for the next SPF intake.

Greater Vancouver Regional Fund (GVRF)

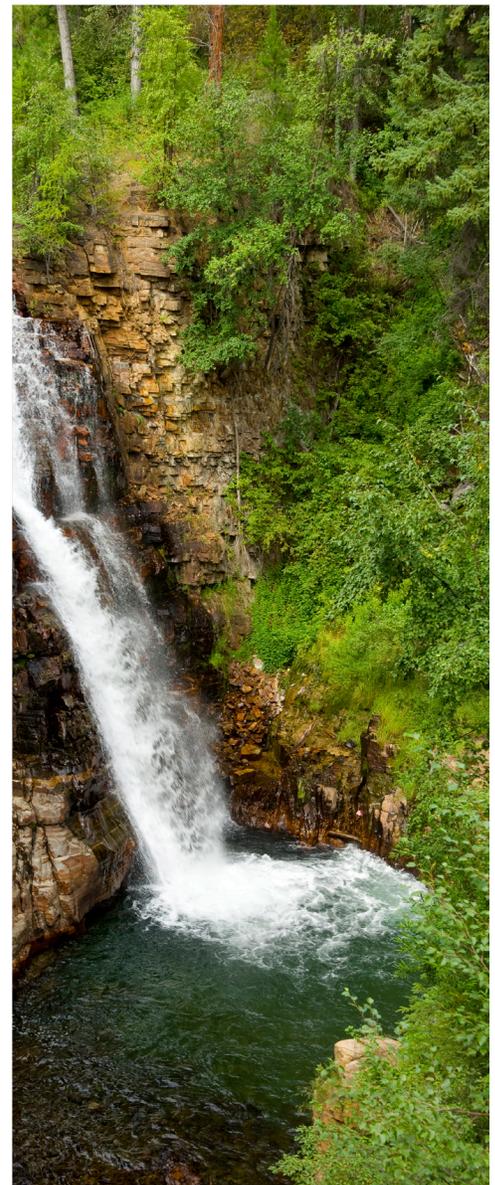
- continues to deliver pooled funding in the Greater Vancouver region for regional transportation projects.
- UBCM entered into a GVRF agreement with TransLink in 2017 which will deliver over \$1.3 billion over 10 years for transportation investments that benefit Metro Vancouver region.
- All projects submitted by TransLink are reviewed and approved by the Greater Vancouver 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.
- Asset management, and showing progress made, will be part of the GTA Outcomes Reports, required for 2018 and 2023.



Sidney, BC



Kimberley, BC

Programs and Services

Member Services

Group Benefits Program

UBCM in partnership with Pacific Blue Cross/BC Life offers 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

With 125 local governments and affiliated organizations participating in the UBCM Group Benefits Plan accounts for more than 3,000 individuals.

Highlights from the year:

A review and summary of recommendations was undertaken on the following areas:

- Premium rates
- Service delivery
- Plan administrative costs and reporting
- Disability and Drug Management
- Compliance and Technology
- Value Added Services

The marketing exercise provided the opportunity to ensure that the group benefits provider to the UBCM pooled plan provides value, excellence is customer service, service level improvements and future rate stability. It has also provided the opportunity to ensure that the chosen carrier understands and is committed to meeting the requirements of a service level agreement and the development and implementation of a strong governance model to protect and guarantee Plan sustainability into the future.

The new agreement with PBC includes an overall decrease in group benefit premiums as well as terms which help shield the Plan from significant cost increases for the next few years.

- Hosted a group benefits conference for members and non-members of the UBCM Group Benefits Plan from October 24th-25th, 2019. The Conference was intended to provide a learning opportunity to local government staff and others that are responsible for group benefit plans and to inspire new ideas. A total of approximately 55 participants attended the conference, including CAOs, Directors of Finance and Human Resources and payroll. The overall rating for the Conference was 4.5 out of 5.
- 3 members terminated – Courtenay (October 31, 2019), Cache Creek (October 31, 2019), Parksville (December 31, 2019).
- Presented to 31 employers marketing the UBCM Group Benefits Plan.
- Due to both the formal marketing exercise and other initiatives seven (7) new employers joined the UBCM Group Benefits Plan including Peace River Regional District (Feb 1 2020); Creston (to join Aug 1 2020); North Salt Spring Waterworks District (to join Aug 1 2020); Uchucklesaht Tribe Government (to join Aug 1 2020); Tahsis (to join Aug 1 2020); Pitt Meadows (to join Aug 1 2020) and RD Fraser-Fort-George (to join Oct 1 2020).
- Responded to 7 RFPs for group benefits.
- 5 Plan members were visited (Sunshine Coast RD, Parksville, Central Saanich, Chilliwack and White Rock).
- Produced 8 issues of Group Benefits Newsletter (distributed to all CAOs and UBCM Group Benefits Plan administrators) with a 46% average opening rate.
- Conducted a review of 12 employers' plan designs including making recommendations either for cost efficiency or improvements (Kent, Sun Peaks, RD Kootenay Boundary, Hudson's Hope, Armstrong Spallumcheen Parks & Rec, BC Municipal Safety Association, Lantzville, Nakusp, Thompson-Nicola RD, New Hazelton, Kitimat-Stikine RD and Coldstream).
- Review of marketing initiatives including the development of partnerships and other opportunities.
- At the aggregate level, negotiation with PBC/BCL resulted in an annual savings of approximately \$107,000 from the carrier's original proposal. Including all lines of benefits there was approximately 1.0% overall aggregate increase to the Plan.
- Continued review of Long Term Disability and Life rates.
- As a result to COVID-19 new processes were introduced to increase efficiencies and service levels with the carrier.
- Surveyed 20 employers to communicate the results of marketing exercise and to request feedback and comments.
- Continue to work towards a formalized service agreement.
- Attended two CAO Forums and the GFOABC virtual tradeshow.
- Approximately 195 amendments processed.
- Included data on sponsorship fee in database.
- New Service Representative assigned to UBCM account on June 30, 2020.

Petro-Canada SuperPass Rebate Program

UBCM in partnership with Petro-Canada offers UBCM members significant savings, convenience, control and security when using the Petro-Canada SuperPass Credit Card.

Designed to provide innovative security and control features, it can increase the overall efficiency by enabling better management of fleet expenditures. The SuperPass Card can be customized at the individual card level to provide the features (or control) best suited to your particular business needs.

A discount of 2.0 cents/litre on all grades of gasoline and diesel purchased at Petro-Canada retail service stations.

Commercial Vehicle Licensing

Program was cancelled effective December 31, 2019. The City of Vancouver and City of Victoria have implemented their own programs effective January 1, 2020. Other local governments have not indicated if they will be implementing a replacement program at this time. UBCM staff continue to get several calls every day from concerned commercial vehicle owner/operators with various questions on the discontinuance of the program.

Programs and Services

Dog/Cat Tags

UBCM provides a discounted rate on dog and cat tags which local governments sell to their residents. Just under 65 members participated in this program purchasing over 28,000 tags. .

Publications

UBCM provides a variety of publications for our members, affiliated organizations and the public.

NET•WORK•BOOK

Since March 1, 2019 UBCM has not been provided the NET•WORK•BOOK book in a PDF format. All the information contained in the NET•WORK•BOOK is available on the website.

Local Government in BC

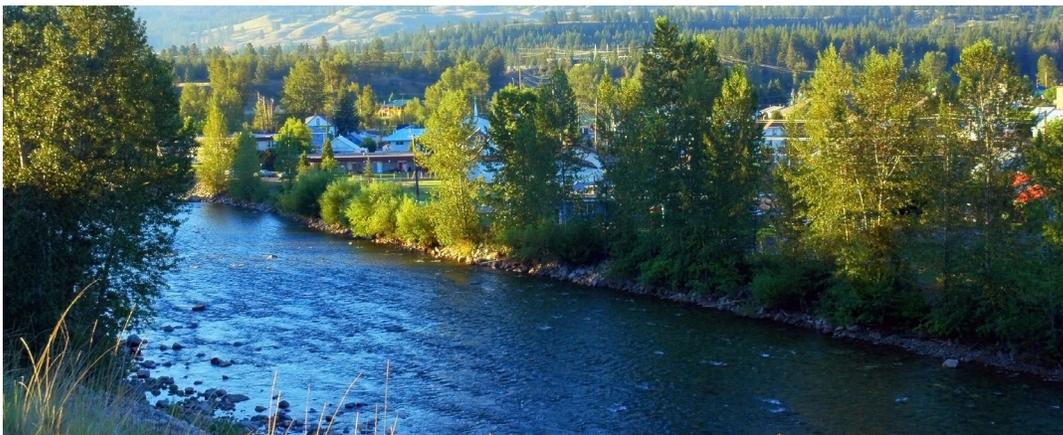
Local Government in British Columbia explains how government works and examines its role in our society.

Community Effort Book

The Community Effort Book provides an excellent overview of local government in BC in an easy to read, colourfully illustrated format, and is available in PDF format by request.

Planners and Wall Calendars

Every year, UBCM produces a very useful Local Government Planner and Wall Calendar, noting dates of importance to local governments. Just under 1,000 Planners and Calendars were purchased this year.



Princeton, BC

**Financial Statements of the
Union of British Columbia Municipalities
And Independent Auditors' Report thereon
Year ended May 31, 2020**



Financial Statements

Independent Auditors' Report

To the Members of the Union of British Columbia Municipalities

Opinion

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

- the statement of financial position as at May 31, 2020
- 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, 2020, 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.
- 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.

The logo for KPMG LLP, featuring the letters 'KPMG' in a bold, sans-serif font, followed by 'LLP' in a smaller, similar font. A horizontal line is drawn underneath the text.

Chartered Professional Accountants
Vancouver, Canada
July 17, 2020

Financial Statements

Union of British Columbia Municipalities Statement of Financial Position

May 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Current assets:		
Cash	\$ 5,152,813	\$ 15,643,450
Investments (note 3)	527,881,342	390,945,873
Accounts receivables	108,027	178,608
Prepaid expenses	89,229	210,508
	<u>533,231,411</u>	<u>406,978,439</u>
Capital assets (note 4)	2,227,063	2,356,394
Intangible asset (note 5)	467,220	589,104
	<u>\$ 535,925,694</u>	<u>\$ 409,923,937</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 187,219	\$ 216,071
Convention deposits	39,000	416,222
Deferred revenue and contributions (note 7)	521,223,624	395,938,461
	<u>521,449,843</u>	<u>396,570,754</u>
Deferred lease inducement	19,869	28,361
Other liabilities	61,353	61,353
	<u>521,531,065</u>	<u>396,660,468</u>
Net assets:		
Invested in capital and intangible assets (note 8)	2,217,238	2,338,094
Internally restricted (note 9)	5,120,000	5,120,000
Unrestricted	7,057,391	5,805,375
	<u>14,394,629</u>	<u>13,263,469</u>
Commitment (note 12)		
Subsequent event (note 15)		
	<u>\$ 535,925,694</u>	<u>\$ 409,923,937</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, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Annual member dues (note 7)	\$ 1,259,730	\$ 1,236,241
Convention	1,995,142	1,250,865
Members' services	628,646	631,860
Administrative fees (note 10)	141,318	132,001
Investment income	1,054,625	789,700
Local Government Program Services (note 7)	25,582,712	19,714,043
Gas tax (note 7)	420,954,396	307,147,289
	<u>451,616,569</u>	<u>330,901,999</u>
Expenses:		
Salaries and benefits	1,656,019	1,554,075
Executive	266,212	264,308
Members' services	113,999	100,234
Office services and supplies	265,006	277,021
Staff travel	45,118	49,921
Professional fees	93,214	115,542
Convention	1,508,733	945,901
Local Government Program Services (note 7)	25,582,712	19,714,043
Gas tax (note 7)	420,954,396	307,147,289
	<u>450,485,409</u>	<u>330,168,334</u>
Excess of revenue over expenses	\$ 1,131,160	\$ 733,665

See accompanying notes to financial statements.

Financial Statements

Union of British Columbia Municipalities

Statement of Changes in Net Assets

Year ended May 31, 2020, with comparative information for 2019

	Invested in capital and intangible assets (note 8)	Internally restricted (note 9)	Unrestricted	Total
Balance, May 31, 2018	\$ 2,453,894	\$ 5,120,000	\$ 4,955,910	\$ 12,529,804
Excess (deficiency) of revenue over expenses	(154,785)	-	888,450	733,665
Net change in invested in capital and intangible assets (note 8)	38,985	-	(38,985)	-
Balance, May 31, 2019	2,338,094	5,120,000	5,805,375	13,263,469
Excess (deficiency) of revenue over expenses	(164,624)	-	1,295,784	1,131,160
Net change in invested in capital and intangible assets (note 8)	43,768	-	(43,768)	-
Balance, May 31, 2020	\$ 2,217,238	\$ 5,120,000	\$ 7,057,391	\$ 14,394,629

See accompanying notes to financial statements.

Union of British Columbia Municipalities

Statement of Cash Flows

Year ended May 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses	\$ 1,131,160	\$ 733,665
Items not involving cash:		
Change in fair value of investments	(6,307)	(371,822)
Amortization of capital assets	173,099	161,440
Amortization of intangible asset	121,884	121,884
Amortization of deferred contributions for capital	(130,359)	(128,539)
Amortization of deferred lease inducement	(8,492)	(8,402)
Changes in non-cash operating working capital:		
Accounts receivable	70,581	58,732
Prepaid expenses	121,279	(58,581)
Accounts payable and accrued liabilities	(28,852)	81,180
Convention deposits	(377,222)	309,022
Deferred revenue and contributions	116,386,360	78,358,136
	117,453,131	79,256,715
Investments:		
Purchase of capital assets	(43,768)	(38,985)
Purchase of investments	(267,850,000)	(194,900,000)
Proceeds on disposal of investments	139,950,000	120,200,000
	(127,943,768)	(74,738,985)
Increase (decrease) in cash	(10,490,637)	4,517,730
Cash, beginning of year	15,643,450	11,125,720
Cash, end of year	\$ 5,152,813	\$ 15,643,450
Non-cash activities:		
Investment income accrued and recorded to deferred revenue and contributions (note 7)	\$ 9,029,162	\$ 6,050,240

See accompanying notes to financial statements.

Financial Statements

1. Operations:

The Union of British Columbia Municipalities (the “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. The UBCM is a not-for-profit organization and is exempt from income taxes.

The 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 the UBCM for shared provincial-local government interests in a variety of fields. The service that the UBCM provides is to control and deliver those funds to members for the purposes of the various programs.
- (d) *Gas Tax* - The Government of Canada (“Canada”), the Province, and the UBCM had entered into the Administrative Agreement on the Federal Gas Tax Fund in British Columbia (the “Gas Tax Agreement”) to transfer funding to the UBCM to control and deliver the funding to local government organizations in British Columbia. The purpose of the funding is focused on achieving environmental sustainability and the improvement of public transit and infrastructure. The Gas Tax 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:

The 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.

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.

2. Significant accounting policies (continued):

(a) Revenue recognition (continued):

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 are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

(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

The UBCM reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the 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
Gas tax management software	7

The UBCM reviews the carrying amount of intangible assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the 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.

Financial Statements

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. The 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, the 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 the 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:

The 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.

2. Significant accounting policies (continued):

(h) New accounting standards:

In March 2018, the Accounting Standards Board issued “*Basis for Conclusions – Accounting Standards Improvements for Not-for-Profit Organizations*” resulting in the introduction of three new Handbook sections in Canadian accounting standards for not-for-profit organizations; Section 4433, *Tangible Capital Assets Held By Not-For-Profit Organizations*, Section 4434, *Intangible Assets Held By Not-For-Profit Organizations* and Section 4441, *Collections Held By Not-For-Profit Organizations*.

The amendments are effective for financial statements with fiscal years beginning on or after January 1, 2019. Management has considered the application of the aforementioned new accounting standards and the implementation of these changes had no impact on the UBCM’s financial statements.

3. Investments:

	2020	2019
Money market funds (a)	\$ 521,186,747	\$ 390,945,873
Equities (b)	6,647,988	-
Other	46,607	-
	\$ 527,881,342	\$ 390,945,873

(a) Money market funds are held with the Municipal Finance Authority. For the year ended May 31, 2020, the average annualized yield was 1.71% (2019 - 1.89%).

(b) Equities are comprised of investments in various exchange traded funds (“ETFs”).

4. Capital assets:

	2020		2019	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 252,000	\$ -	\$ 252,000	\$ 252,000
Building	3,347,623	1,489,533	1,858,090	1,991,995
Office equipment	138,599	103,377	35,222	25,376
Leasehold improvements	140,931	59,180	81,751	87,023
	\$ 3,879,153	\$ 1,652,090	\$ 2,227,063	\$ 2,356,394

Financial Statements

5. Intangible asset:

			2020	2019
	Cost	Accumulated amortization	Net book value	Net book value
Gas tax management software	\$ 832,872	365,652	\$ 467,220	\$ 589,104

6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at May 31, 2020 are government remittances payable of \$47,231 (2019 - \$22,676) for GST and payroll-related taxes.

7. Deferred revenue and contributions:

	Members' dues	LGPS	Gas Tax (a)	Other	Total
Balance, May 31, 2018	\$ 712,937	\$ 57,680,350	\$ 253,254,136	\$ 11,201	\$ 311,658,624
Amounts received	1,255,929	126,460,884	278,604,567	31,918	406,353,298
Restricted investment income earned	-	807,354	5,242,886	-	6,050,240
Recognized as revenue	(1,236,241)	(19,714,043)	(307,147,289)	(26,128)	(328,123,701)
Reallocation of restricted funds (b)	-	25,000	(25,000)	-	-
Balance, May 31, 2019	732,625	165,259,545	229,929,300	16,991	395,938,461
Amounts received	1,265,052	3,768,508	559,020,980	23,757	564,078,297
Restricted investment income earned	-	2,013,818	7,015,344	-	9,029,162
Recognized as revenue	(1,259,730)	(25,582,712)	(420,954,396)	(25,458)	(447,822,296)
Reallocation of restricted funds (b)	-	25,000	(25,000)	-	-
Balance, May 31, 2020	\$ 737,947	\$ 145,484,159	\$ 374,986,228	\$ 15,290	\$ 521,223,624

(a) The UBCM is required to annually report in accordance with the Gas Tax Agreement to Canada and the Province by September 30. As at May 31, 2020, included in gas tax is deferred contributions for capital of \$477,045 (2019 - \$607,404). During the year ended May 31, 2020, amortization of deferred contributions for capital was \$130,359 (2019 - \$128,539).

(b) During the year ended May 31, 2020, \$25,000 (2019 - \$25,000) were transferred from the Gas Tax Fund to the LGPS fund and spent for use in the Asset Management Planning Program in accordance with the Gas Tax Agreement.

Financial Statements

8. Net assets invested in capital and intangible assets:

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

	2020	2019
Capital assets	\$ 2,227,063	\$ 2,356,394
Intangible asset	467,220	589,104
Amount financed by deferred contributions for capital (note 7(a))	(477,045)	(607,404)
Net assets invested in capital and intangible assets, end of year	\$ 2,217,238	\$ 2,338,094

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

	2020	2019
Net assets invested in capital and intangible assets, beginning of year	\$ 2,338,094	\$ 2,453,894
Excess of revenue over expenses:		
Amortization of capital assets	(173,099)	(161,440)
Amortization of intangible asset	(121,884)	(121,884)
Amortization of deferred contributions for capital	130,359	128,539
	(164,624)	(154,785)
Net change in invested in capital and intangible assets:		
Purchase of capital assets	43,768	38,985
Net assets invested in capital and intangible assets, end of year	\$ 2,217,238	\$ 2,338,094

9. Internally restricted net assets:

Internally restricted net assets are comprised of reserves restricted by the Executive Committee of the 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.

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:

	2020	2019
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
	\$ 5,120,000	\$ 5,120,000

10. Administrative fees:

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

	2020	2019
Commercial Vehicle License Program Fund	\$ 16,000	\$ 16,000
UBCM professional counsel	119,318	110,001
Rental fee	6,000	6,000
	\$ 141,318	\$ 132,001

Financial Statements

11. Trust funds:

The UBCM administers the following trust funds where activities and balances are not reflected in the 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:

The 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. The UBCM ceased administering the Commercial Vehicle License Program on behalf of local governments on December 31, 2019.

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

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

	2020	2019
Jeff McKelvey Scholarship Fund	\$ 72,365	\$ 78,748
UBCM / FCM Travel Fund	326,193	342,935
Commercial Vehicle License Program Fund	369	686,076
Local Government Leadership Academy	912,170	872,418
	\$ 1,311,097	\$ 1,980,177

12. Commitment:

Effective July 1, 2017, 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, 2022. The UBCM is committed to annual basic lease payment plus estimated proportionate share of taxes and common area maintenance costs as follows:

2021	\$ 122,460
2022	122,550
2023	10,210
	\$ 255,220

13. Municipal Pension Plan:

The 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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors, of which 23 (2019 - 23) are the 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 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.

The UBCM paid \$220,193 (2019 - \$202,689) for employer contributions to the plan in fiscal 2020.

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. The UBCM manages its investment portfolio to earn investment income and invests according to approved policy. The 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 the UBCM is subject to significant market risk arising from its investments as investments are comprised of money market funds and exchange traded funds. There was a change in risk exposure in the current year with new investments in exchange traded funds (note 3).

(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 and accounts receivable, the UBCM's credit risk is limited to the carrying value on the statement of financial position. Management does not believe that the UBCM is subject to any significant concentration of credit risk.

(c) Liquidity risk:

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

14. Financial risks (continued):**(d) Interest rate risk:**

The 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 2019 other than as described above and the pervasive impact of COVID 19 as described in note 15.

15. Subsequent event:

In March of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. At the time of approval of these financial statements, the UBCM has determined to change its annual convention in 2020 to a virtual format and has implemented work from home arrangements for employees able to do so. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy is not known and an estimate of the financial effect on the UBCM is not practicable at this time.

