

2025 Annual Report



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THE ANNUAL REPORT IS
TO BE CONSIDERED AT THE
2025 UBCM CONVENTION.



Letter of Transmittal

On behalf of the Union of BC Municipalities, we are pleased to present the Annual Report for the fiscal year ending in 2025.

The fall provincial election provided an opportunity for UBCM to connect with each major party about local government priorities. We produced a report, *Stretched to the Limit*, to help candidates understand the challenges local governments are facing. The three issues we centred were: housing and homelessness; infrastructure; and climate action and emergency management. This platform was used as a framework at Convention 2024, which helped focus media coverage on core local government priorities.

The trade war has caused considerable uncertainty for local governments. To help measure the real potential for impact and evaluate fiscal responses, UBCM commissioned Oxford Economics to analyze the macroeconomic impact of escalating tariffs on GDP, employment, trade, manufacturing and more.

We visited your Area Association meetings to share the results: While BC has less exposure to US tariffs than the rest of Canada, our GDP could be affected by as much as \$5.6 billion in 2026, and as many as 31,000 jobs could be lost in the peak of this trade war. The report showed that strategic stimulus spending on infrastructure could blunt these impacts. It earns more in recovery than it costs to invest, and result in legacy infrastructure projects our communities already need. We have shared this data with the province and continue to use the macro-level results in our advocacy to address infrastructure gaps.

Local governments across the country are experiencing a time where powers are being centralized to provincial and federal governments. In many cases, prescriptive legislation and regulation come at the expense of local autonomy.

This continues to show up in housing regulation as the Province implements its Housing Supply Act with housing targets for local governments. Federally, the new government has proposed reducing development charges. This will require engagement with local governments to ensure they understand what the knock-on effect will be for community financing and programming. UBCM continues to press both governments for a collaborative approach to solving the affordable housing crisis. Specifically, for an approach that considers factors outside of local government control such as market uncertainty, interest rates, the rising costs of materials and labour and the fact that local governments can grant approvals but cannot force building starts.

Councillor Trish Mandewo, UBCM President, 2023-2025



UBCM opposed Bill 15, the Infrastructure Projects Act, which provides the Province with an override for local land use decisions. In partnership with the First Nations Leadership Council, we held a **joint news conference** to voice opposition to the Bill, especially the lack of consultation before it was introduced.

"The provisions in Bill 15 constitute an unnecessary overreach by the Province into local decision-making. Local governments welcome provincial efforts to expedite project development, but not through transferring power from communities to Victoria.

If the goal is to reduce the regulatory burden on major projects, local governments are more than willing to work with the province to improve the system – let's work together."

UBCM President, Trish Mandewo

The joint action was the first since we signed a Relationship Protocol with the First Nations Leadership Council last fall, at the province-wide Community-to-community forum in Vancouver. The protocol affirms our collective commitment to promote dialogue, build relationships between local governments and First Nations, and advance reconciliation and collaboration on specific initiatives.

The same week, UBCM signed a renewed Memorandum of Understanding with the Ministry of Indigenous Relations and Reconciliation. The renewal commits the Province to consult directly with affected local governments on negotiations with First Nations, both in and outside the treaty process, and includes an implementation plan to ensure adequate MIRR negotiators are resourced to engage with local governments. We pushed for the implementation plan because members were concerned about lack of

consultation under the past MOU. We are pleased to see progress from the joint working group this year and look forward to seeing engagement protocols implemented.

This summer we launched the first Strategic Priorities Fund intake under the renewed 10-year Canada Community-Building Fund agreement. This intake makes as much as \$7 million available for local governments to regionally significant, innovative legacy projects. The Local Government Program Services team administered \$93.8 million in funding to local governments through a dozen programs ranging from emergency services, asset management, Community-to-Community forums, and more.

Lastly, we could not close this year without acknowledgment and thanks to long serving UBCM staff member, Marie Crawford, who retired after 36 years of holding things together behind the scenes at UBCM. We are so grateful for her thoughtful leadership and the many initiatives we still stand on today.

As your President and Executive Director, we are proud to share with you the successes from last year and are looking forward to continuing the progress throughout next year. Please feel free to contact us with your questions or comments.

Gary MacIsaac, UBCM Executive Director



A handwritten signature in black ink that reads "Mandewo".

Councillor Trish Mandewo
UBCM President

A handwritten signature in black ink that reads "Gary MacIsaac".

Gary MacIsaac
Executive Director



Multi-use trails in the
Sea to Sea Regional
Park in Sooke



Corporate Operations

Executive Priorities

Each summer the UBCM Executive determines priorities for the year ahead, including policy and advocacy engagement, special projects and internal initiatives. These priorities provide strategic direction for Executive and staff throughout the year.

PROVINCIAL ELECTION

The October 2024 provincial election provided an opportunity to raise local government priorities amongst provincial parties. UBCM developed an [election strategy](#) to influence party platforms and policy positions, and affirm UBCM's role as the voice for local government. Refer to the [Provincial Election page](#) for more.

INFRASTRUCTURE

From roads and bridges to sewers and water lines, local governments provide the critical infrastructure and core services that businesses and citizens have come to depend on. This foundation, though, is facing significant fiscal pressures from new legislated housing growth, senior government regulatory requirements, and increased extreme weather events.

While local governments are doing significantly more, they are doing so with fiscal tools that have been in place for generations. Local governments are being asked to solve 21st century problems with 20th century revenue tools.

UBCM is calling for new provincial transfers to local governments to address pressures on infrastructure. Refer to the [Infrastructure page](#) for more on this file.

EMERGENCY HEALTHCARE

Healthcare is a core service the Province provides for British Columbians, but it is increasingly spilling over into areas of

local jurisdiction. Fire and police departments are responding to a substantial increase in calls for people dealing with substance abuse, mental health issues and homelessness. UBCM has advocated for ongoing investments and coordination to address areas of healthcare that are being de facto downloaded to local governments. Refer to the [Emergency Healthcare page](#) for more.

INDIGENOUS RELATIONS

UBCM continues to advocate on behalf of local governments to ensure there is appropriate consultation with local governments when the Province is negotiating agreements with First Nations. We signed an updated Memorandum of Understanding with the Ministry of Indigenous Relations and Reconciliation, which includes a new commitment and implementation plan for better engagement with local governments.

We are also pleased to have signed a Relationship Protocol with the First Nations Leadership Council, representing a mutual commitment to supporting First Nations and local government relationship-building. Read more on this file on the [Indigenous Relations page](#).

UBCM's policy and advocacy work also focused on housing, responsible conduct, emergency management and

climate action. Refer to [Additional Policy Updates](#) for more on these files.

INTERNAL OPERATIONS & EVENTS

The [BC-FCM Travel Fund](#) provides financial support to local government elected officials from BC attending Federation of Canadian Municipalities (FCM) board and standing committee meetings.

The fund was brought under UBCM administration last year from FCM to better manage contributions to our members. This year Executive changed the eligibility to open the fund to all UBCM members and changed the name from the former UBCM-FCM Small Communities Travel Fund.

Three UBCM staff members are appointed as [Municipal Pension Plan](#) members and spend a considerable

amount of time serving on committees responsible for managing plan policies, investments and growth.

UBCM offers a Group Benefits Plan which offers bargaining support, specialized actuarial services and competitive purchasing power. Over the last five years we have added more than 10 new groups, totalling more over \$22 million in claims from more than 4,000 employees and 130 individual groups.

Finally, UBCM continues to manage programs and services for the benefit of our members, including the Canada Community-Building Fund, Local Government Program Services, local government awareness week and the Community Excellence Awards. See the [Funding Programs](#) and [Member Services](#) sections for more.



UBCM Executive 2024-2025



TRISH MANDEWO

President

Councillor, City of Coquitlam

Committees: Presidents



CORI RAMSAY

First Vice President

Councillor, City of Prince George

Committees: Presidents, Resolutions, Indigenous Relations



JENNA STONER

Second Vice President

Councillor, District of Squamish

Committees: Presidents, Resolutions, Convention



SARRAH STOREY

Third Vice President

Mayor, Village of Fraser Lake

Committees: Presidents, Health and Social Development

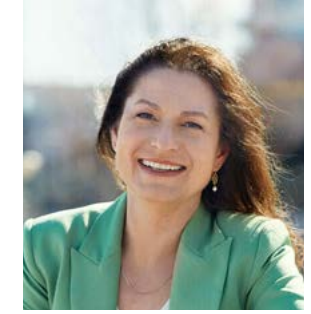


CRAIG HODGE

MVRD Representative

Councillor, City of Coquitlam

Committees: Presidents, Convention, Community Safety



LISA DOMINATO

Vancouver Representative

Councillor, City of Vancouver

Committees: Indigenous Relations, Community Safety



DENISE O'CONNOR

Small Community Representative

Mayor, Village of Lytton

Committees: Indigenous Relations, Community Economic Development



JERRILYN KIRK

Electoral Area Representative

Director, Regional District of Fraser-Fort George

Committees: Convention, Community Economic Development



PETE FRY

Vancouver Metro Area Representative

Councillor, City of Vancouver

Committees: Resolutions, Health and Social Development



TASHA HENDERSON

Vancouver Metro Area Representative

Councillor, City of New Westminster

Committees: Community Economic Development, Environment



KEVIN MCISAAC

AKBLG Representative

Councillor, City of Fernie

Committees: Community Economic Development, Environment



PAUL ALBRECHT

LMIGA Representative

Councillor, City of Langley

Committees: Convention, Community Safety

UBCM Executive 2024-2025



**LOUISE WALLACE
RICHMOND**

SILGA Representative

Councillor, City of Salmon
Arm

Committees: Convention,
Community Economic
Development



JUDY GREENAWAY

NCLGA Representative

Director, Bulkley-Nechako
Regional District

Committees: Indigenous
Relations, Community
Safety



BEN GESELBRACHT

AVICC Representative

Councillor, City of
Nanaimo

Committees: Convention,
Environment



SHEILA BOEHM

Director at Large

Councillor, City of
Williams Lake

Committees: Health and
Social Development,
Environment



SPENCER COYNE

Director at Large

Mayor, Town of Princeton

Committees: Indigenous
Relations, Environment



AIMEE GRICE

Director at Large

Councillor, Town of Oliver

Committees: Indigenous
Relations, Health and
Social Development



GORD KLASSEN

Director at Large

Councillor, City of Fort St.
John

Committees: Resolutions,
Community Economic
Development



DAVID WILKS

Director at Large

Mayor, District of
Sparwood

Committees: Health and
Social Development,
Community Safety



UBCM Staff

UBCM staff were hard at work throughout the year to advance advocacy goals, engage with other governments on initiatives that affect our members, and distribute funding to local governments and First Nations through our various funding programs.


[View the full staff list](#)


Marie Crawford was given a Life Membership certificate by President Trish Mandewo and Executive Board member Craig Hodge. Marie retired in 2024 from UBCM after 36 years. Thank you for your invaluable contributions, Marie!



Program officers Jonas Woodrow and Bryan Steer, and HR and Group Benefits officer Rebecca Williams greeted attendees at the 2024 Convention Trade Show.



Policy analyst Jamee Justason and program officer Lynsay Pacey at the 2024 Convention.



Communications director Paul Taylor presented findings from the Working Group on Responsible Conduct at the 2024 Convention.



Policy analyst Reiko Tagami and Local Government Program Services manager Danyta Welch at the 2024 Convention.



Advocacy Priorities

Core Advocacy Priorities

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.

UBCM participates in policy development and implementation processes in several ways.

- **Proactively** presenting our own independent initiatives to other governments.
- **Reactively** responding to proposed provincial or federal policy.
- **Ongoing involvement** in Ministry-UBCM or multi-stakeholder policy development processes, which are many and varied, some requiring sustained involvement while others may only require limited intervention.

Some of our key policy and advocacy work over the past year focused on housing, community safety, emergency health care and infrastructure. The resolutions process heavily informs UBCM policy priorities, and is included in this section.

ADVOCACY DAYS 2025

UBCM Executive held its 12th annual Advocacy Days in April, coinciding with the quarterly Executive meetings, to discuss local government priorities with the Province.

Over two days, Executive members met with 30 MLAs from all parties, including Premier David Eby, 11 Cabinet ministers, the leader of the official opposition John Rustad, and BC Green Party members.

Meetings focused on strategic investments in infrastructure to strengthen BC's economy and support housing growth; scaled up investments needed in affordable and supportive housing to improve affordability and reduce local cost pressures; and emergency health care investments that would reduce the downloading of pre-hospital care onto local governments.



Executive members Pete Fry, Louise Wallace Richmond and Ben Geselbracht preparing to meet with MLAs during April advocacy meetings.

Provincial Election

During the 2024 provincial election, UBCM drew attention to the financial impacts local governments are facing in infrastructure, housing and homelessness, and climate change and emergency management, with a report called *Stretched to the Limit*.

Local governments are providing more and more public services in areas of provincial responsibility without a corresponding growth in revenue. They are increasingly stepping up to meet the needs of a growing population when faced with gaps in provincial services and costly new legislative requirements especially in housing, infrastructure, community safety and climate action.

HOUSING & HOMELESSNESS

Calling for all parties to commit to an annual transfer of a percentage of the provincial Property Transfer Tax to support local efforts in subsidizing affordable housing supply and homelessness responses.

A dedicated transfer would help offset the costs of local contributions to affordable and supportive housing units including land donations, grants, lost revenue from nominal leases, property tax exemptions, and development cost charge waivers. It would help defray the costs of managing homelessness linked to the absence of deeply affordable shelter – including local first responder, bylaw, and outreach services, as well as temporary shelter and decampment costs.

INFRASTRUCTURE

Calling for all parties to commit to an annual allocation-based transfer equivalent to the doubling of Canada Community-Building Fund funding to support local capital and operating infrastructure priorities.

Annual infrastructure funding would support cost-effective, long-term planning while providing the flexibility to meet the unique needs of each community. It would help address the existing core infrastructure deficit, as well as fund new pressures linked to senior government environmental regulatory requirements, legislated housing growth and increased extreme weather events.

CLIMATE ACTION & EMERGENCY MANAGEMENT

Calling for all parties to commit to transferring annually a percentage of the growth in the provincial carbon tax to support local climate action projects and emergency management planning and responses.

A dedicated transfer would provide the financial certainty for local governments to prioritize climate action, undertake hazard mitigation planning and risk assessments, implement new emergency management requirements, and continue to support provincial responses to extreme weather events.



UBCM Provincial Election Priorities 2024

STRETCHED TO THE LIMIT



Emergency Healthcare

Healthcare is a core service the Province provides for British Columbians, but it is increasingly spilling over into areas of local jurisdiction. Fire and police departments are responding to a significant increase in calls for people struggling with substance abuse, mental health issues and homelessness.

On top of the difficulty for people receiving care, this transfers the financial burden onto local governments, and strains local resources.

What we're asking for:

- HEART and HEARTH funding for homeless response and shelter support to be expanded to all communities in BC.
- Long-term funding for the mental health and policing programs under the Safer Communities Action Plan.
- Additional long-term beds for mental health care.
- Additional complex care facilities.

How we're involved:

- Executive members met with MLAs in person to draw attention to these issues.
- Executive met with Hon. Josie Osborne, Minister of Health, about the challenges of cost-sharing health care capital via Regional Hospital Districts, emergency room closures and the need for health equity for rural and remote areas.
- The UBCM Health and Social Development Committee has continued to provide input and monitor the pilot project on decriminalization of illicit drugs, which is ongoing until January 2026.

- The UBCM Community Safety Committee has called for greater investment in key areas of provincial responsibility.
- The Local Government Policing Modernization Roundtable, an external committee chaired by UBCM Executive member Craig Hodge, has raised the need to thoroughly examine the delivery of services along the public safety continuum, in particular how provincial areas of responsibility are financed and resourced.



The Presidents Committee met with Premier Eby to raise issues at the top of mind for local governments, including emergency healthcare.

The 2024 Convention plenary session focused on Public Safety, Mental Health and Addictions with a panel of local government officials and staff and the Minister of Public Safety and Solicitor General.

Infrastructure

Local infrastructure is the foundation on which British Columbia's economy and quality of life rests. From roads and bridges to sewers and water lines, local governments provide the critical infrastructure and core services that businesses and citizens have come to depend on. This foundation, though, is facing significant fiscal pressures from new legislated housing growth, senior government regulatory requirements and increased extreme weather events.

While local governments are doing significantly more, they are doing so with fiscal tools that have been in place for generations. Local governments are being asked to solve 21st century problems with 20th century revenue tools.

There is currently an over-reliance on the property tax system that never contemplated funding infrastructure gaps linked to provincial mandates and population growth.

BILL 15: INFRASTRUCTURE PROJECTS ACT

This spring, the Province introduced Bill 15, the *Infrastructure Projects Act*, giving greater powers to Cabinet to expedite the approval of projects it deems to be provincially significant. UBCM and the First Nations Leadership Council jointly called on the Province to withdraw Bill 15, citing concerns that the Bill could prioritize speed and development over other considerations, undermine local government and First Nation autonomy. Bill 15 received Royal Assent in May. UBCM will continue to engage the Province as regulations are developed.

To support future growth and livable communities, we need to provide local governments with a diversified financial base that will help them maintain a quality of life that British Columbians deserve.

UBCM is calling for new provincial transfers to local governments to address these pressures

- Strategic stimulus investments to mitigate the impact of US tariffs.
- Transferring a percentage of the Provincial Property Transfer Tax to support local efforts in subsidizing affordable housing supply and homelessness responses.
- Match the federal CCBF contribution with an additional \$650 million in additional infrastructure funding for local capital and operating infrastructure priorities.



Members of the UBCM Executive met with then Housing and Municipal Affairs Minister Ravi Kahlon to discuss infrastructure pressures faced by local governments.

UBCM also administers several funding programs funded by the federal and provincial governments that support infrastructure. Refer to the **Funding Programs** section for more information.

Kelowna built a new multi-use overpass as part of their active transportation network, with combined funding from the Canada Community-Building Fund, the Growing Communities Fund, and the City's own reserves.



Tariffs & Stimulus Investment

Tariffs levied on Canadian exports to the US have a measurable impact on the Canadian economy, but the persistent and frequent changes — *how much? on what? when? for how long?* — made it hard to strategize a response. Uncertainty also created an atmosphere of panic and threatened overreaction.

To help measure the real potential for impact and evaluate fiscal responses, UBCM commissioned an economics firm to analyze the macroeconomic impact of escalating tariffs on GDP, employment, trade manufacturing and more.

TOP LINE

BC is in better shape than central Canada. BC has less manufacturing than places like Ontario and Quebec, and almost half of our exports already go to countries besides the US. The negative impacts will still be significant for BC, however.

BC's GDP could be affected by as much as \$5.6 billion in 2026 and as many as 31,000 jobs could be lost in the peak of this trade war.

STIMULUS IMPACT

We specifically commissioned analysis to evaluate how the model would change with strategic stimulus spending on infrastructure. The model showed that investing in infrastructure will blunt the negative impacts to jobs, trade and GDP overall. Strategic spending will generate more GDP in the economy than it costs to invest, and leave us with the legacy infrastructure projects our communities already need.

This has become the basis of UBCM's advocacy to the provincial and federal governments related to the trade war.

- \$3.25 billion from the BC government for growth-sustaining local government infrastructure (\$625 million per year for five years).
- \$1.7 billion from the Canadian government for infrastructure (doubling the CCBF).
- \$1.3 billion from the Canadian government for social housing in BC through enabling growth-related infrastructure.

We also continue to press the importance of including local government voices in the provincial response to the US tariff threat and have asked to be kept apprised of provincial responses.

MEMBER ENGAGEMENT

UBCM President Trish Mandewo and Executive Director Gary MacIsaac visited the Area Association meetings to share these findings with members.

LOCAL PROCUREMENT POLICY GUIDANCE

In the immediate aftermath of the tariff threats, many local governments looked to their procurement policies to support a concerted "Buy Canadian" response to the threats and rhetoric from the US government. UBCM provided a resource for members with legal guidance on procurement policies. The guide contains information on legislative powers, contract law, trade agreements and options for consideration.

Read the Reports:

- **Taking Stock of the US-Canada Trade War** – UBCM presentation to Area Associations
- **Macroeconomic Impacts of the US-Canada Trade War** – An Oxford Economics report for UBCM
- **Local Government Procurement Policies** – A legal bulletin for UBCM members



STRATEGIC STIMULUS INVESTMENT

- Blunt the negative impacts to jobs, trade
- Generate more in GDP growth than it will cost to invest
- Create legacy infrastructure projects communities already need

UBCM President Trish Mandewo presenting at LMLGA 2025.



Indigenous Relations

UBCM continues to support relationship-building between First Nations and neighbouring local governments, and is working to ensure there is appropriate consultation on areas of local government jurisdiction.

ADEQUATE CONSULTATION

UBCM signed a renewed Memorandum of Understanding with the Ministry of Indigenous Relations & Reconciliation (MIRR) during the 2024 Convention, which commits the Province to consulting directly with affected local governments on negotiations with First Nations, both in and outside the treaty process.

A survey we conducted before renewing the MOU showed that local governments are concerned about the insufficient level of communication and consultation when the Province and First Nations are negotiating agreements that impact neighbouring local governments.

So we pushed the Province for a work plan to implement its commitment to consult local governments. MIRR agreed, and after the election, we formed a working group with staff from UBCM, MIRR and the

Ministry of Housing and Municipal Affairs to implement the work plan. Over the year, the working group has been developing an engagement guide for MIRR negotiators to strengthen local government engagement as an organizational practice. It includes an engagement process, information on local government statutory authority, roles and responsibilities, key local government interests and more. Once this guide is implemented within MIRR, the working group will expand implementation to include other ministries.

RELATIONSHIP PROTOCOL WITH FIRST NATIONS LEADERSHIP COUNCIL

UBCM signed a Relationship Protocol with the First Nations Leadership Council (made up of the BC Assembly of First Nations, the First Nations Summit and the Union of BC Indian Chiefs). The purpose of the Protocol is to promote dialogue, build relationships between local governments and First Nations, and advance reconciliation and collaboration on specific initiatives.

PROVINCE-WIDE COMMUNITY-TO-COMMUNITY FORUM

In 2024, UBCM and the First Nations Leadership Council co-hosted a province-wide Community-to-Community forum. It was a day of dialogue around building relations, advancing reconciliation and exploring ways to work together. First Nation and local government leaders and senior staff were invited to participate. The Forum sought to foster collaboration and deepen understanding toward a more inclusive future for all communities in BC.



Jody Wilson-Raybould spoke at the Forum, specifically addressing the opportunity and need for local governments and First Nations to work together.

Regional Chief Terry Teegee (BCAFN), FNS political executives Hugh Braker and Chief Cheryl Casimer, Grand Chief Stewart Phillip (UBCIC) and Trish Mandewo (UBCM President) at the signing of the UBCM & FNLC Relationship Protocol



Signing the new MIRR & UBCM Memorandum of Understanding with then Minister of Indigenous Relations Murray Rankin.



Resolutions

Resolutions form the basis of UBCM's policy and advocacy positions and direct our work throughout the year. Endorsed resolutions are the collective voice of our members.

On average, we consider 205 resolutions a year, but in 2024, the membership considered a near record number of 264 resolutions. 186 resolutions were endorsed, and 22 were referred to the UBCM Executive for their consideration due to a lack of time at Convention.

NEW IN 2024:

- A new category titled Indigenous Relations and Reconciliation was introduced to highlight resolutions addressing these issues.
- The resolutions submission deadline moved to June 15 (up from June 30) to give staff and Executive more time to develop supporting materials for the resolutions book. This was endorsed via an Extraordinary Resolution in 2023.
- For the first time in over 35 years, UBCM had a new Parliamentarian. Claire Moglove is a mediator, retired lawyer, former city councillor and former member of the UBCM Executive.



"Resolutions are always a highlight at UBCM and we eagerly anticipate the debates, decisions and priorities that result. While many appreciate resolutions as the 'meat and potatoes' of Convention, we acknowledge that such a large number can dilute our focused advocacy. The Resolutions Committee is committed to improving the process and will continue to focus on streamlining and enhancements."

Councillor Pete Fry,
Chair of the Resolutions Committee



HIGHLIGHTS OF 2024 RESOLUTIONS

Healthcare – Hire more health care professionals and support operations.

Mental Health – Improve access to supports and complex care facilities.

Child Care – Need for more funding and spaces.

Poverty Reduction – Initiatives and funding to reduce poverty.

Homelessness – Supports, supportive housing and shelter beds.

Infrastructure – Investment and upgrading.

Emergency Management – Support and funding for local governments.

Water Management – Protection for freshwater, water infrastructure and safeguarding water for agriculture.

Rural and Resource Roads – Maintenance to serve rural communities and to act as secondary access routes.

Transit – Increase public transit across BC.

Responsible Conduct – Code of conduct and ethics commissioner.

Resource Development – Support for resource dependent communities.

Read about results
in 2025 from
UBCM Resolutions



Additional Policy Updates

HOUSING

Housing remains a core focus as the Province implements its Homes for People plan, *Housing Supply Act*, *Short-Term Rental Accommodations Act*, Bill 44 (Small Scale Multi Unit Housing and Proactive Planning) and Bill 47 (Transit Oriented Development).

There was a particular focus of engaging with the Province on guidance manuals associated with the recent legislation, digital permitting and roll-out of the housing targets program. UBCM has advocated for scaled up investment in affordable housing, improved BC Housing operations to expedite projects and additional funds for local governments to support affordable housing.

Our staff also worked with the BC Urban Mayors' Caucus to conduct a survey exploring gaps in Provincial delivery and funding of housing, and associated cost implications for local governments.

RESPONSIBLE CONDUCT

A discussion paper on the potential of a mandatory code of conduct and models of enforcement was released in fall 2024. The paper, *Potential for Change*, follows a succession of UBCM resolutions that call for changes to the responsible conduct framework for local elected officials. UBCM and local government feedback has been shaping the Province's policy process as it considers additional legislative changes.

EMERGENCY MANAGEMENT

The Local Government Advisory Committee was established in July 2024 to provide input on regulations for the *Emergency and Disaster Management Act*. The committee is comprised of 10 local government representatives and co-chaired by UBCM and the Ministry of Emergency Management and Climate Readiness. Over the past year, the group met to discuss: consultation and cooperation with Indigenous governing bodies; the scope of regional district responsibilities; and requirements to prepare emergency management plans, risk assessments and business continuity plans.

Three local government webinars held in April helped provide further input into this process. Feedback is being shared with the Province as they move forward with developing draft regulations for local authorities over the summer.

UBCM Executive continues to seek long-term provincial funding and support for these and other local government emergency management costs and responsibilities.

POLICE ACT AND PUBLIC SAFETY MODERNIZATION

The Local Government Policing Modernization Roundtable was established in 2022, prior to the release of the all-party Special Committee on Reforming the Police Act final report. The Roundtable is a forum for local

governments to share their experience and knowledge and bring forward matters of interest or concerns respecting policing modernization, the Special Committee's recommendations, and other public safety priorities. It includes 15 local government representatives, and is co-chaired by UBCM and the Ministry of Public Safety and Solicitor General.

Consistent with its August 2022 [submission](#), the Roundtable and UBCM continue to emphasize the importance of addressing key local government priorities, including the development of an equitable funding framework; provincial investment as part of a coordinated continuum of response to mental health, addictions and other complex social issues; and various governance and authority issues.

CLIMATE CHANGE RESILIENCE

UBCM continues to support local governments in building climate change resilience through research, advocacy and intergovernmental collaboration. This year, UBCM commissioned two key projects through the Provincial-UBCM Green Communities Committee. One focused on best practice supports and resourcing to enable local government disaster risk management, and another to analyze local-level climate risk assessments and evaluate available capacity to support this work going forward.

PROVINCIALY SIGNIFICANT LITIGATION

UBCM sought intervenor status on two court cases with relevance for all BC local governments.

- *Matsqui-Abbotsford Impact Society v Abbotsford (City)*. This case had potential to set precedence for all local governments in BC when attempting to dismantle encampments on city property. The case was headed for appeal, but was dropped when the remaining occupants abandoned the encampment.
- *Roy v Vancouver* is a case seeking the right of unhoused people to shelter full time in parks and other public spaces. The implications of a successful challenge would impact, not just to the City of Vancouver, but local governments across BC. UBCM is currently seeking intervenor status on this case.



Active transportation network in Metchosis; FireSmart activities in Errington; Emergency Operations Centre training in ACRD

Funding Programs

Local Government Program Services

Since 2004, UBCM has delivered dozens of funding programs intended to strengthen BC communities' resilience and capacity across priority issues.

Highlights from the year of Local Government Program Services include:

- \$93.8 million awarded in funding
- 728 applications approved for funding (many more are in process and under review)
- More than 1,000 applications received for grant programs and the Community Excellence Awards
- Introduced application-based funding for Next Generation 911 implementation

\$93.8 million was distributed through UBCM-administered programs this year.



FireSmart public education event in Pemberton with funding support from the FireSmart Community Funding & Supports program

Community Emergency Preparedness Fund

Funded by the Ministry of Emergency Management and Climate Readiness

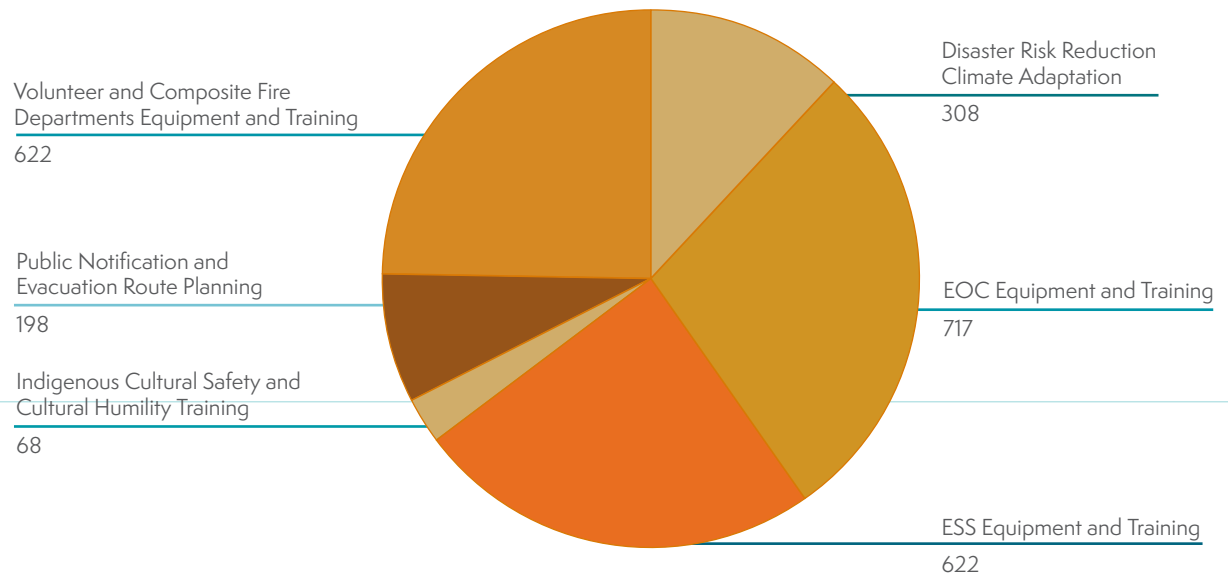
Supports First Nations and local governments to prepare for disasters and reduce risks from natural hazards in a changing climate.

This fund is divided into several streams aimed at specific emergency needs. This program will continue in 2025/26.

Since 2017:

- Total fund: \$368.4 million
- 2,885 applications received, including current and previous funding streams
- \$357.1 million awarded to date

of applications by funding stream within the Community Emergency Preparedness Fund since 2017



Local Government Program Services

Active Transportation Planning

Funded by the Ministry of Transportation and Transit

Supports local governments to incorporate or enhance active transportation components of formal planning documents. This can include research, consultation and policy development. This program will continue in 2025/26.

Since 2020:

- Total fund: \$965,600
- 41 applications received
- \$420,800 awarded to date

Asset Management Planning

Funded by the Ministry of Housing and Municipal Affairs

Supports 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. Accrued interest from other Local Government Program Services programs are allocated to this fund.

Since 2014:

- Total fund: \$6.3 million
- 468 applications received
- \$4.6 million awarded to date

Local Government Development Approvals

Funded by the Ministry of Housing and Municipal Affairs

Supports the implementation of established best practices and to test innovative approaches to improve development approvals processes while meeting local government planning and policy objectives. Funded through the Canada-BC Safe Restart Agreement.

Since 2021:

- Total fund: \$25 million
- 142 applications received
- \$17.4 million awarded

Regional Community to Community Forum

Funded by the Ministry of Housing and Municipal Affairs, and Indigenous Services Canada

Provides funding for local governments and First Nations to come together in dialogue on topics of mutual interest or concern. Includes a contribution of accrued interest from LGPS programs. This program will continue into 2025/26.

Since 1999:

- Total fund: \$3.4 million, including Provincial C2C events
- 953 applications received
- \$2.3 million awarded

Community Resiliency Investment

Funded by the Ministry of Forests

Funding for local governments and First Nations in BC to increase community wildfire resiliency by undertaking community-based FireSmart planning and activities that reduce the community's risk from wildfire. The FireSmart Pilot Program for Regional District Cooperative Community Wildfire Response Organizations was announced in September 2024. The pilot program provides funding to regional districts to increase community resiliency and to help build a cooperative pathway for wildfire response for local community members in areas that do not fall within a structural fire protection jurisdiction area.

FireSmart Community Funding & Supports will continue in 2025/26.

Since 2018:

- Total fund: \$175.1 million, including the FireSmart Economic Recovery Fund
- 874 applications received
- \$132.7 million awarded to date

Next Generation 911

Funded by the Ministry of Citizens' Services

Supports local preparedness for the implementation of Next Generation 911, including the transition and operational readiness of existing 911 services to NG911 in compliance with the CRTC Mandate.

Since 2023:

- Total fund: \$60 million
- 245 applications approved from allocations and applications
- \$47.4 million awarded

Urban Communities Partnering for Reconciliation Pilot

Funded by the Ministry of Indigenous Relations and Reconciliation

This pilot program supports 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 advance tangible outcomes.

Since 2019:

- Total fund: \$220,000
- 38 applications received
- \$135,100 awarded



SUBSCRIBE HERE

Keep up to date with grant stream intakes. Subscribe to UBCM's weekly newsletter, The Compass

Canada Community-Building Fund

CCBF is a long-standing federal transfer program that delivers funding to local governments in BC for capital infrastructure and capacity building projects. Since the program started in 2005, UBCM has transferred over \$6 billion to municipalities and regional districts. In turn, these local governments have expended over \$5 billion on nearly 6,300 unique projects.

2024 marks the first year of reporting under the recently renewed CCBF Agreement. Over 970 projects reported expenditures of over \$420 million of CCBF funding for capital infrastructure and capacity building projects. Highlights from 2024 include:

- Over 200 kilometers of road paved or improved
- Over 180 kilometers of drinking water and wastewater pipe newly constructed or improved
- Enhancements to over 35 recreation and community centres

Investment Category	Spend in 2024	# of projects
Public Transit	\$230m	34
Local Roads, Bridges, and Active Transportation	\$90m	266
Sport and Recreation	\$28m	190
Drinking Water	\$19m	111
Wastewater	\$15m	79
Fire Halls and Stations	\$11m	45
Community Energy Systems	\$7m	49
Capacity Building	\$6m	106
Solid Waste	\$3.5m	19
Cultural and Tourism	\$3m	39
Other	\$3m	19
Disaster Mitigation and Resilience	\$3m	22

Learn more in the CCBF Annual Report



\$1.6 billion will be distributed to BC communities over the next five years.

Funding is delivered through three distinct funding programs:

- Community Works Fund
- Strategic Priorities Fund
- Metro Vancouver Regional Fund



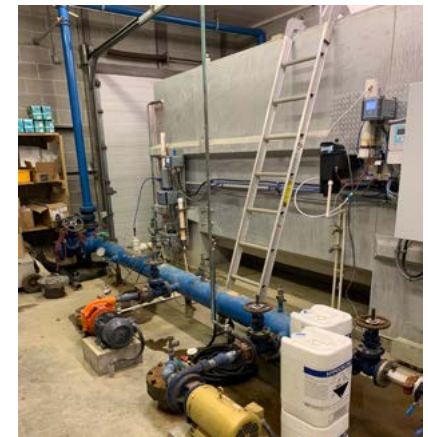
The Village of Burns Lake built a new fire hall with CCBF funds, giving the department adequate space for training and strategic road access when responding to emergencies.



A new overpass in Kelowna



Roadwork in Saanich



Water treatment in North Okanagan



Member Services

Municipal Innovation – Women in Local Leadership

For more than 20 years, UBCM has participated in international initiatives that support local democracy through the Federation of Canadian Municipalities. This year we continued to support a program called FCM Partnerships for Municipal Innovation – Women in Local Leadership, which runs from 2022 to 2026.

The program aims to increase women's capacity to get involved and lead in local government, as well as increase local governments' capacity to deliver inclusive, gender-responsive services. UBCM's involvement is with the National League of Communes in Cambodia.

In November 2024, UBCM President Trish Mandewo, UBCM First Vice-President Cori Ramsay and UBCM policy analyst Marylyn Chiang traveled to Phnom Penh and the

Kampong Chhnang Province. The study tour themes for this visit included: the need for self-advocacy, developing a leadership mindset, persuasive communications techniques, gender stereotypes, gender equality, gender mainstreaming and pluralism.

In January 2025, President Mandewo and UBCM staff travelled to a workshop in Toronto, Ontario to meet with coordinators and volunteers who support the five

countries under the PMI-WILL project. President Mandewo participated on a panel of women elected officials and shared her experiences and lessons learned. UBCM staff provided the perspective from a local government association and offered insights on working with partner countries and best practices.



Group Benefits Plan

UBCM offers a comprehensive group benefits plan for local governments, First Nations and affiliated provincial associations through Pacific Blue Cross. Over the last five years, the Group Benefits Plan has added more than 10 new plans for a total buying power of \$22 million in claims, more than 4,000 employees in 130 individual group plans.

Plan members receive professional actuarial services, a dedicated team, enhanced service standards and customized group benefits that meet specific needs and conforms with individual collective agreements.

BENEFITS RESOURCES

This year UBCM has improved access to training and resources for our membership including the addition of three webinars:

- Leading in Sickness and Health,
- Mental Health Basics for Leaders, and
- Post Pandemic Stress.

We believe that continued education and access to resources is an important aspect of the Group Benefits Plan and look forward to continuing to grow these offerings.

GOVERNANCE & NEGOTIATION

UBCM is committed to providing a strong governance model for the Group Benefits Plan so that members receive the best possible service. George & Bell Consultants provide actuarial services for the annual renewal and give detailed financial analysis and advice on the plan. As partners, we are committed to working together to ensure that local governments and affiliated associations receive value, economies of scale, excellence in service and strong advocate representation.

Negotiations with Pacific Blue Cross are completed each year in July and August by George & Bell Consulting. The renewal timeline runs from April 1 to August 31 with new rates provided in September and effective October 1.



THE GROUP BENEFITS PLAN INCLUDES:

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



Community Excellence Awards

Click on each winner
to read more about
the projects

Community Excellence Awards recognize and celebrate UBCM member communities that have implemented projects or programs that go above and beyond in meeting the purposes of local government in BC. The awards are intended to showcase outstanding initiatives and share them with other members to implement in their own communities. [Here are your 2024 winners.](#)

PRESIDENTS COMMITTEE CHOICE AWARD – Central Saanich: Integrated Planning and Reporting

Central Saanich reworked its planning process, which had been disjointed and siloed causing frustration and confusion, into an integrated framework to make collaborative progress on community priorities. The new method gives open and clear communication residents and ensures that staff and partners have an agreed-upon roadmap to deliver community priorities.



EXCELLENCE IN SERVICE DELIVERY

Victoria: OUR DWTN Revitalization Program

Victoria made a concerted and creative effort to revitalize its downtown core after noting that public perception had begun to view it as “unsafe and dirty with nothing fun to do.” Staff were empowered to craft a response and were encouraged to take creative risks. Their integrated plan, OUR DWTN, resulted in a dedicated public works team to respond to issues quickly, a city-funded facade beautification grant, public art installations and dozens of free concerts and events.



EXCELLENCE IN ASSET MANAGEMENT

Kelowna: Enterprise Asset Management System Implementation

Kelowna's enterprise asset management system provides staff with a robust inventory of every single asset – from manhole covers to road paint markings and every water main in between. Lifecycle and maintenance schedules are updated with on-the-ground data and condition reports, which gives staff the information needed to manage workflow and financial planning accurately and efficiently.

EXCELLENCE IN SUSTAINABILITY

Nanaimo Relimagined: City Plan, Integrated Action Plan and Monitoring Strategy

In its latest OCP renewal, Nanaimo applied the ‘doughnut economics’ theory and reworked its departments and internal processes to measure itself on social and economic impact to residents, and the environmental reality of the region. The project stood out for its deep commitment to building a complete community, the robust community engagement, and the ongoing benefits of departmental integration.

(Doughnut economics is a theory that envisions a ‘sweet spot’ in which all people meet their needs within the limits of social foundations and environmental capacity.)

Free concerts in downtown Victoria livened up the wet, cold winter.

Nanaimo staff and council spent hours engaging with residents at community events.

EXCELLENCE IN GOVERNANCE

Thompson-Nicola Regional District: Service and Taxation Communication Materials

During its 2024 budget, the Thompson-Nicola Regional District created a package of materials to help inform taxpayers about what services are provided in the electoral areas and member municipalities, and sharing the exact costs of services per property. Infographics showed cost of services for each community, explained who does what, and broke down complex rural tax notices.





Financial Statements

Financial Statements of

**UNION OF BRITISH COLUMBIA
MUNICIPALITIES**

And Independent Auditor's Report thereon

Year ended May 31, 2025

**KPMG LLP**

PO Box 10426 777 Dunsmuir Street
 Vancouver BC V7Y 1K3
 Canada
 Telephone 604 691 3000
 Fax 604 691 3031

INDEPENDENT AUDITOR'S REPORT

To the Members of Union of British Columbia Municipalities

Opinion

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

- the statement of financial position as at May 31, 2025
- 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, 2025, 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 "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's 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.



Union of British Columbia Municipalities
Page 2

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.

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.

Auditor's 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 auditor's 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.



Union of British Columbia Municipalities
Page 3

- 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 auditor's 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 auditor's 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

Chartered Professional Accountants

Vancouver, Canada
July 18, 2025

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Financial Position

May 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash	\$ 11,633,407	\$ 26,119,031
Investments (note 3(a))	906,670,812	792,552,068
Accounts receivables	54,570	249,600
Prepaid expenses	294,109	192,133
	<u>918,652,88</u>	<u>819,112,832</u>
Tangible capital assets (note 4)	1,479,710	1,579,576
Intangible asset (note 5)	-	-
	<u>\$ 920,132,608</u>	<u>\$ 820,692,408</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 121,268	\$ 235,068
Convention deposits	12,000	285,955
Deferred revenue (note 7)	864,536	835,379
Deferred contributions (note 8)	<u>892,647,264</u>	<u>795,798,137</u>
	893,645,068	797,154,539
Other liabilities	<u>91,520</u>	<u>108,463</u>
	893,736,588	797,263,002
Net assets:		
Invested in tangible capital and intangible assets (note 9)	1,479,710	1,579,576
Internally restricted (note 10)	5,120,000	5,120,000
Unrestricted	<u>19,796,310</u>	<u>16,729,830</u>
	26,396,020	23,429,406
Commitment (note 13)		
	<u>\$ 920,132,608</u>	<u>\$ 820,692,408</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, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Annual member dues (note 7)	\$ 1,432,421	\$ 1,357,078
Convention	2,433,011	2,524,118
Members' services	1,302,002	1,331,498
Administrative fees (note 11)	22,674	79,360
Investment income (note 3(b))	2,958,439	5,594,208
Government grants (note 8):		
Local Government Program Services	101,679,762	156,772,589
Canada Community-Building Fund	147,242,484	146,500,433
Other government funding	459,529	151,287
	257,530,322	314,310,571
Expenses:		
Salaries and benefits	2,189,450	2,119,017
Executive	316,775	307,854
Office services and supplies	320,564	325,144
Staff travel	56,690	76,302
Professional fees	100,223	146,511
Convention	1,622,484	1,706,158
Members' services	592,767	834,842
Government programs (note 8):		
Local Government Program Services	101,679,762	156,772,589
Canada Community-Building Fund	147,225,464	146,500,433
Other government funding	459,529	151,287
	254,563,708	308,940,137
Excess of revenue over expenses	\$ 2,966,614	\$ 5,370,434

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Changes in Net Assets

Year ended May 31, 2025, with comparative information for 2024

	Invested in tangible capital and intangible assets (note 9)	Internally restricted (note 10)	Unrestricted	Total
Balance, May 31, 2023	\$ 1,740,852	\$ 5,120,000	\$ 11,198,120	\$ 18,058,972
Excess (deficiency) of revenue over expenses	(161,276)	-	5,531,710	5,370,434
Balance, May 31, 2024	1,579,576	5,120,000	16,729,830	23,429,406
Excess (deficiency) of revenue over expenses	(139,483)	-	3,106,097	2,966,614
Invested in tangible capital assets	39,617	-	(39,617)	-
Balance, May 31, 2025	\$ 1,479,710	\$ 5,120,000	\$ 19,796,310	\$ 26,396,020

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Cash Flows

Year ended May 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 2,966,614	\$ 5,370,434
Items not involving cash:		
Unrealized gain on investments	(721,264)	(706,377)
Amortization of tangible capital assets	139,483	146,320
Amortization of intangible asset	-	101,568
Amortization of deferred capital contributions	-	(86,612)
	2,384,833	4,825,333
Changes in non-cash operating working capital:		
Accounts receivable	195,030	(118,047)
Prepaid expenses	(101,976)	6,809
Accounts payable and accrued liabilities	(113,800)	(3,368)
Convention deposits	(273,955)	(29,595)
Deferred revenue	29,157	49,005
Deferred contributions	65,677,506	7,369,678
Other liabilities	(16,943)	17,742
	67,779,852	12,117,557
Investments:		
Purchase of tangible capital assets	(39,617)	-
Reinvestment of investment income	(1,785,859)	(3,784,931)
Purchase of investments	(215,740,000)	(203,500,000)
Proceeds on disposal of investments	135,300,000	204,400,000
	(82,265,476)	(2,884,931)
Increase (decrease) in cash	(14,485,624)	9,232,626
Cash, beginning of year	26,119,031	16,886,405
Cash, end of year	\$ 11,633,407	\$ 26,119,031
Non-cash activities:		
Investment income accrued and recorded to deferred contributions	\$ 31,171,621	\$ 34,398,715

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements

Year ended May 31, 2025

1. Operations:

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

UBCM's operations include the following significant activities:

(a) Operating:

Reflects the general operating activities and administration functions of the UBCM.

(b) Convention:

Activities directly related to the annual convention.

(c) Local Government Program Services ("LGPS"):

The Province of British Columbia (the "Province") has provided funding to UBCM for shared provincial-local government interests in a variety of fields. The service that UBCM provides is to control and deliver those funds to members for the purposes of the various programs.

(d) Canada Community-Building Fund ("CCBF"):

The Government of Canada ("Canada"), the Province, and UBCM had entered into the Administrative Agreement on the Federal Gas Tax Fund in British Columbia (the "CCBF Agreement") to transfer funding to UBCM to control and deliver the funding to local government organizations in British Columbia. The federal CCBF provides predictable, long-term and stable funding to local governments in British Columbia for investment in infrastructure and capacity building projects. The existing CCBF Agreement was effective from April 1, 2014 until March 31, 2024. A new agreement was signed and is effective from April 1, 2024 until March 31, 2034.

(e) Other government funding:

Canada and the Province provides funding to UBCM for various special projects. The service that UBCM provides is to control and deliver those funds to members for the purposes of the various special projects.

2. Significant accounting policies:

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

(a) Revenue recognition:

UBCM follows the deferral method of accounting for contributions which include government grants. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

2. Significant accounting policies (continued):

(a) Revenue recognition (continued):

Externally restricted contributions are recorded as deferred 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 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.

Contributed tangible capital assets are measured at the fair value at the date of contribution. Contributed tangible 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 tangible capital assets subject to amortization and contributions restricted for the purchase of tangible capital assets and intangible asset are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related tangible capital asset and intangible asset.

(b) Tangible capital assets:

Tangible 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 and computer equipment	4 to 7
Leasehold improvements	Lesser of useful life of asset and lease term

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

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

2. Significant accounting policies (continued):

(c) Intangible asset:

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

Asset	Years
CCBF management software	7

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

(d) Financial instruments:

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

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

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

(e) Deferred lease inducement:

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

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

2. Significant accounting policies (continued):

(f) Employee future benefits:

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

(g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Investments:

(a) Investments:

	2025	2024
Money market funds	\$ 898,295,420	\$ 784,897,941
Exchange traded funds ("ETFs"):		
Equity indexed ETFs	3,141,002	3,041,572
Fixed income indexed ETFs	5,171,390	4,596,817
Other	63,000	15,738
	<u>\$ 906,670,812</u>	<u>\$ 792,552,068</u>

(b) Investment income:

	2025	2024
Interest income	\$ 2,237,175	\$ 4,887,831
Unrealized gains on investments	721,264	706,377
	<u>\$ 2,958,439</u>	<u>\$ 5,594,208</u>

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

4. Tangible capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 252,000	\$ -	\$ 252,000	\$ 252,000
Building	3,347,623	2,159,058	1,188,565	1,322,470
Office and computer equipment	219,699	180,554	39,145	2,553
Leasehold improvements	99,447	99,447	-	2,553
	\$ 3,918,769	\$ 2,439,059	\$ 1,479,710	\$ 1,579,576

5. Intangible asset:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
CCBF management software	\$ 832,872	\$ (832,872)	\$ -	\$ -

6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at May 31, 2025 are government remittances payable of \$20,933 (2024 - \$75,490) for sales and payroll-related taxes.

7. Deferred revenue:

	Members' dues	Other	Total
Balance, May 31, 2023	\$ 772,836	\$ 13,538	\$ 786,374
Amounts received	1,403,812	44,716	1,448,528
Recognized as revenue	(1,357,078)	(42,445)	(1,399,523)
Balance, May 31, 2024	819,570	15,809	835,379
Amounts received	1,470,892	360,313	1,831,205
Recognized as revenue	(1,432,421)	(369,627)	(1,802,048)
Balance, May 31, 2025	\$ 858,041	\$ 6,495	\$ 864,536

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

8. Deferred contributions:

	LGPS	CCBF (a)	Other funding	Total
Balance, May 31, 2023	\$ 603,521,590	\$ 149,010,114	\$ 1,584,652	\$ 754,116,356
Amounts received	900,000	305,908,817	237,000	307,045,817
Interfund transfer	(169,009)	-	169,009	-
Restricted investment income earned	23,789,504	14,270,769	-	38,060,273
Recognized as revenue	(156,772,589)	(146,500,433)	(151,287)	(303,424,309)
Balance, May 31, 2024	471,269,496	322,689,267	1,839,374	795,798,137
Amounts received	100,000	313,048,555	390,827	313,539,382
Interfund transfer	(281,129)	-	281,129	-
Restricted investment income earned	15,108,820	17,582,700	-	32,691,520
Recognized as revenue	(101,679,762)	(147,242,484)	(459,529)	(249,381,775)
Balance, May 31, 2025	\$ 384,517,425	\$ 506,078,038	\$ 2,051,801	\$ 892,647,264

(a) UBCM is required to annually report in accordance with the CCBF Agreement to Canada and the Province by September 30. As at May 31, 2025, included in CCBF deferred contributions is deferred capital contributions of nil (2024 - nil). During the year ended May 31, 2025, amortization of deferred capital contributions recognized as revenue was nil (2024 - \$86,612).

9. Net assets invested in tangible capital and intangible assets:

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

	2025	2024
Tangible capital assets	\$ 1,479,710	\$ 1,579,576
Intangible asset	-	-
Net assets invested in tangible capital and intangible assets, end of year	\$ 1,479,710	\$ 1,579,576

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

	2025	2024
Net assets invested in tangible capital and intangible assets, beginning of year	\$ 1,579,576	\$ 1,740,852
Excess of revenue over expenses:		
Amortization of tangible capital assets	(139,483)	(146,320)
Amortization of intangible asset	-	(101,568)
Amortization of deferred capital contributions	-	86,612
	(139,483)	(161,276)
Investment in tangible capital assets and intangible assets:		
Purchase of tangible capital assets	39,617	-
Net assets invested in tangible capital and intangible assets, end of year	\$ 1,479,710	\$ 1,579,576

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

10. Internally restricted net assets:

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

(a) Business Stabilization Reserve:

This reserve relates to:

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

(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.

(f) Amounts restricted are as follows:

	2025	2024
Business Stabilization Reserve	\$ 1,500,000	\$ 1,500,000
Technology Reserve	1,500,000	1,500,000
Legal Reserve	500,000	500,000
Building and Equipment Maintenance Reserve	500,000	500,000
Building Replacement Reserve	1,120,000	1,120,000
	<u>\$ 5,120,000</u>	<u>\$ 5,120,000</u>

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

11. Administrative fees:

During the year ended May 31, 2025, UBCM charged administrative fees to third parties to recover its costs incurred of \$22,674 (2024 - \$79,360).

12. Trust funds:

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

	2025	2024
Jeff McKelvey Scholarship Fund (a)	\$ 93,050	\$ 83,642
BC-FCM Small Communities Travel Fund (b)	-	323,637
Local Government Leadership Academy (c)	1,552,296	1,464,388
	<u>\$ 1,645,346</u>	<u>\$ 1,871,667</u>

(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) British Columbia Federation of Canadian Municipalities ("BC-FCM") Small Communities Travel Fund:

UBCM administers the BC-FCM Small Communities Travel Fund. The purpose of this fund is to assist FCM Board Members with their travel costs to FCM meetings through per capita levies. During fiscal 2025, management of this fund was transferred to UBCM and renamed as the BC-FCM Travel Fund. Accordingly, the balance has been recorded as part of other deferred contributions.

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

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

13. Commitment:

Effective October 1, 2021, UBCM extended the operating lease for its office space in Richmond, British Columbia for a period of five years with expiry on June 30, 2027.

UBCM is committed to annual basic lease payment plus estimated proportionate share of taxes and common area maintenance costs until the end of the lease as follows:

2026	\$ 108,260
2027	130,130
2028	10,840
	<u>\$ 249,230</u>

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

14. Municipal Pension Plan:

UBCM and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of Trustees, 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 are based on a formula. As at December 31, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors, of which 33 (2024 - 33) are UBCM's employees.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation as at December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis. UBCM paid \$316,583 (2024 - \$282,527) for employer contributions to the plan in fiscal 2025.

The next valuation will be as at December 31, 2024, with results available in 2025.

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.

15. Directors, employees, and contractors for service remuneration under the Union of British Columbia Municipalities Act:

The *Union of British Columbia Municipalities Act* (British Columbia) was changed effective April 1, 2025 to include requirements to disclose remuneration paid to all directors and remuneration paid to all employees and contractors for services who were paid at least \$75,000 during the fiscal period.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

15. Directors, employees, and contractors for service remuneration under the Union of British Columbia Municipalities Act (continued):

The following table discloses the total remuneration to each individual director by UBCM during fiscal 2025. For individuals with more than one director role during fiscal 2025, only their most recent title is disclosed.

Last Name, First Name	Position	Year Served	2025
Mandewo, Trish	President	2024-2025	\$ 56,942
Ramsay, Cori	First Vice President	2024-2025	8,565
Kaehn, Art	First Vice President	2023-2024	1,725
Stoner, Jenna	Second Vice President	2024-2025	4,632
Graham, Wesly	Second Vice President	2023-2024	2,131
Storey, Sarrah	Third Vice President	2024-2025	6,315
Ford, Jen	Past President	2023-2024	225
Dominato, Lisa	Vancouver Representative	2024-2025	1,000
Kirby-Yung, Sarah	Vancouver Representative	2023-2024	450
Hodge, Craig	Metro/Greater Vancouver Regional District Representative	2024-2025	7,584
O'Connor, Denise	Small Community Representative	2024-2025	1,099
Fowler, Sarah	Small Community Representative	2023-2024	413
Kirk, Jerrilyn	Electoral Area Representative	2024-2025	3,810
Fry, Pete	Vancouver Metro Area Representative	2024-2025	3,407
Henderson, Tasha	Vancouver Metro Area Representative	2024-2025	2,171
Macdonald, Nicole	Vancouver Metro Area Representative	2023-2024	250
Page, Keith	Association of Kootenay and Boundary Local Governments Representative	2023-2024	3,560
Mclsaac, Kevin	Association of Kootenay and Boundary Local Governments Representative	2024-2025	2,207
Albrecht, Paul	Lower Mainland Local Government Association Representative	2024-2025	1,726
Ross, Patricia	Lower Mainland Local Government Association Representative	2023-2024	1,563
Greenaway, Judy	North Central Local Government Association Representative	2024-2025	2,453
Wallace Richmond, Louise	South Interior Local Government Association Representative	2024-2025	3,278
Geselbracht, Ben	Association of Vancouver Island and Coastal Communities Representative	2024-2025	1,071
Cote, Penny	Association of Vancouver Island and Coastal Communities Representative	2023-2024	1,003
Klassen, Gord	Director at Large	2024-2025	6,076
Wilks, David	Director at Large	2024-2025	5,111
Grice, Aimee	Director at Large	2024-2025	4,963

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2025

15. Directors, employees, and contractors for service remuneration under the Union of British Columbia Municipalities Act (continued):

Last Name, First Name	Position	Year Served	2025
Coyne, Spencer	Director at Large	2024-2025	3,467
Boehm, Sheila	Director at Large	2024-2025	3,358
Wood, Sean	Director at Large	2023-2024	1,391

During the year ended May 31, 2025, UBCM paid total remuneration of \$3,091,826 to 26 employees and contractors for services, each of whom received total annual remuneration of \$75,000 or greater.

16. Financial risks:

(a) Market risk:

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

(b) Credit risk:

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

(c) Liquidity risk:

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

(d) Interest rate risk:

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

There has been no change to the financials risk exposures outlined above from 2024.

17. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year. The reclassifications had no impact on the prior year net assets or excess of revenue over expenses.



2025 Annual Report

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