2026 Annual Report

UBCM
Union of BC Municipalities

Table of Contents

THE COMPASS

This weekly newsletter is our primary method of communicating matters of relevance to our members.

Articles focus on analysis of legislative developments, updates to regulations and pertinent news.

Subscribe here: ubcm.ca/thecompass

Letter of Transmittal

Dear UBCM Members,

On behalf of the UBCM Executive, we are pleased to bring you the 2026 UBCM Annual Report. Our membership is diverse, and UBCM's strength lies in advocating for solutions that respect the variety of needs among us. This year we faced multiple legislative proposals that threatened local government decision making. Our collective voice made a difference, and UBCM will continue to make the Province aware that legislation needs to be developed in consultation and designed to be adaptable to local conditions.

One such instance was Bill M216, the *Professional Reliance Act*, which proposed legislation that would have limited the ability of local governments to review development proposals. The bill raised serious concerns about building safety, liability and the pitfalls that come with a province-wide mandate that was developed without appropriate consultation. UBCM moved quickly to identify these risks, and communicate with our members. In turn, councils and regional district boards from across the province wrote comprehensive feedback to ministers and the legislative committee. The bill was ultimately set aside, and the Province has committed to working collaboratively with local governments on appropriate ways to improve permitting timelines.

More than any other file this year, the proposed amendments to the *Heritage Conservation Act* underscored the need for meaningful engagement in policy development. UBCM supports reconciliation and recognizes the importance of the Province's nation-to-nation relationships with First Nations. At the same time, we are firm in our position that local governments must be included when legislation directly affects land use, development processes, infrastructure and community decision-making. The gaps and blind spots we identified in the proposed amendments could have been avoided if local government technical expertise had been consulted earlier.

While some issues have been addressed, it is our view that the proposed amendments are still not ready for legislation. UBCM has called for a collaborative approach where all orders of government, First Nations, and relevant sectors jointly work towards solutions that meet the needs of archaeological conservation and community development. We have also requested that proposed changes be piloted to test for effectiveness and to avoid unintended consequences.

It was a strength to have UBCM members engage so thoroughly in this process, providing detailed and technical feedback on the proposed changes. However, the Province has not demonstrated that it has taken sufficient time to consider and integrate feedback from local governments and other organizations. In order to ensure UBCM's ability to speak publicly about the proposed changes and to affirm the need for a transparent, collaborative approach to renewing the Act, UBCM

Councillor Cori Ramsay, UBCM President, 2025-2026

declined to sign a non-disclosure agreement to review the Province's briefing document, which was offered just days after the spring input window closed. UBCM has dedicated considerable resources to this file and will continue to work towards an updated *Heritage Conservation Act* that works for all British Columbians.

UBCM also monitored the implications of the Cowichan Tribes decision and intends to seek intervenor status once appeal proceedings are underway. Given the significance of the case for British Columbia's land title system and for local government responsibilities, it is important that the appeal process include a voice that can speak to system-wide implications for communities across BC.

The year saw the Province introduce legislation to address long-standing UBCM priorities. Legislation to establish a mandatory code of conduct for all local elected officials in BC was introduced with clear processes for complaints, investigations and sanctions, though it has not yet been passed. UBCM worked with the Province to develop the consultation process for these changes and will continue to engage with the Province as it moves through the legislative process. An Act to provide parental leave for local elected officials was another important advancement that, if passed, will help open the door for local government leadership for people at all stages of life.

Funding programs that UBCM administers on behalf of the federal and provincial governments continue to be a core function, as is advocating for sustained and increased supports. One of the most impactful programs in recent years is the FireSmart Community Funding & Supports, which helps reduce wildfire risk through planning, fuel management, risk assessments and public education. Earlier this year the Province indicated it would not renew the funding. UBCM's quick advocacy, and the clear voices of fire officials across the resulted in an additional one-time top up of $15 million, which we are glad to see. However, we are still advocating for renewed, ongoing funding that focuses on prevention.

The Strategic Priorities Fund intake within the Build Communities Strong Fund (formerly the Canada Community-Building Fund) also revealed significant infrastructure pressures, with applications oversubscribed by a wide margin. Successful recipients will receive $125 million for regionally significant projects that cannot be funded by local governments alone. We are looking forward to those announcements but are still aware of the dozens of applicants who will not receive funding. UBCM continues to make the case for improved, long-term funding to enable the necessary infrastructure upgrades in our growing communities.

Gary MacIsaac, UBCM Executive Director

Finally, the implementation of UBCM's new resolutions process marks an important step in strengthening member debate. By endorsing a framework that focuses on new, province-wide issues tied to core local government responsibilities, members signaled a desire for fewer resolutions and more time to consider those that advance practical solutions. This work will continue to evolve with member input.

The 2026 Annual Report documents these efforts and the work undertaken on your behalf. Thank you to local elected officials, staff, First Nations partners, provincial and federal representatives, and community leaders who contributed throughout the year. UBCM's effectiveness depends on the participation, expertise and resolve of its members. Together, we will continue to advance local government priorities and strengthen communities across British Columbia for the common good.

Sincerely,

Cori Ramsay
President

Gary MacIsaac
Executive Director

Aerial view of a Sparwood neighbourhood where a drinking water improvement was completed with Build Communities Strong Fund investment was used.

Executive Board 2025-2026

UBCM Executive 2025-2026

CORI RAMSAY

President

Councillor, City of Prince George

Committees: Presidents

JENNA STONER

First Vice President

District of Squamish

Committees: Presidents, Convention, Indigenous Relations, Resolutions

SARRAH STOREY

Second Vice President

Village of Fraser Lake

Committees: Presidents, Health and Social Development, Indigenous Relations

AIMEE GRICE

Third Vice President

Town of Oliver

Committees: Presidents, Indigenous Relations, Health and Social Development

TRISH MANDEWO

Past President

Councillor, City of Coquitlam

Committees: Presidents, Community Economic Development

LISA DOMINATO

Vancouver Representative

City of Vancouver

Committees: Convention, Indigenous Relations

CRAIG HODGE

Metro Vancouver/GVRD Representative

City of Coquitlam

Committees: Presidents, Convention, Community Safety

AIDAN MCLAREN-CAUX

Small Community Representative

Village of Nakusp

Committees: Community Economic Development, Environment

JERRILYN KIRK

Electoral Area Representative

Regional District of Fraser-Fort George

Committees: Community Economic Development, Health and Social Development

Members of the Presidents Committee met with Premier David Eby and Minister of State Brittny Anderson in April.

UBCM Executive 2025-2026

PETE FRY

Vancouver Metro Area Representative

City of Vancouver

Committees: Resolutions, Health and Social Development

TASHA HENDERSON

Vancouver Metro Area Representative

City of New Westminster

Committees: Community Safety, Environment

KEVIN MCISAAC

AKBLG Representative

City of Fernie

Committees: Environment, Resolutions

PAUL ALBRECHT

LMLGA Representative

City of Langley

Committees: Community Safety, Indigenous Relations

GLADYS ATRILL

NCLGA Representative

Town of Smithers

Committees: Community Safety, Community Economic Development

LOUISE WALLACE RICHMOND

SILGA Representative

City of Salmon Arm

Committees: Convention, Community Economic Development

VANESSA CRAIG

AVICC Representative

Regional District of Nanaimo

Committees: Convention, Environment

SHEILA BOEHM

Director at Large

City of Williams Lake

Committees: Environment, Health and Social Development

KEITH PAGE

Director at Large

City of Nelson

Committees: Community Safety, Indigenous Relations

GORD KLASSEN

Director at Large

City of Fort St. John

Committees: Community Safety, Resolutions

ROBERTA SCHNIDER

Director at Large

Regional District of East Kootenay

Committees: Convention, Environment

VICKEY BROWN

Director at Large

Village of Cumberland

Committees: Community Economic Development, Health and Social Development

UBCM Executive members met with Ministers, leaders of the opposition and MLAs during 2026 Advocacy Days meetings.

Advocacy Priorities

Advocacy Priorities

UBCM's mandate is to advocate for the development and implementation of legislation, regulations, policies and programs that support local government 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 federal and provincial 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 specific pieces of legislation that affect local governments, overall engagement practices, and advocating for predictable and stable funding for local government responsibilities such as infrastructure. The resolutions process heavily informs UBCM policy priorities, and is included in this section.

ADVOCACY DAYS 2026

In April the UBCM Executive met with the Premier, Ministers and MLAs from all parties to talk about the priority issues local governments are facing.

Engaging with Local Government

This year the focus was on helping MLAs understand why it's so important to engage with local governments early and often as policy solutions are being developed. We shared examples where this has worked well, benefiting all parties in the end – as well as some instances where local governments have not been part of the process which led to difficult unintended consequences in the legislation. Our goal was to remind decision makers that as an order of government, local governments need to be considered distinctly from stakeholders in consultation processes.

Emergency Management Supports

We also talked about the need for long-term funding and capacity building for emergency management. Floods, droughts, heat domes, and wildfires have become more frequent and severe making them more challenging and expensive to manage. At the same time, the new *Emergency and Disaster Management Act* (EDMA) has expanded local government obligations – which add very real operational and administrative costs beyond what property taxes can absorb. We are asking the Province for ongoing supports tied directly to new EDMA responsibilities, and to restore long-term funding for wildfire mitigation work.

Presidents Committee met with Premier David Eby during April advocacy meetings.

Financial Development Tools

Finally, we asked for support from the Province to keep local governments financially whole amidst federal pressure to reduce Development Cost Charges (DCCs) in order to qualify for certain infrastructure funding programs. The fact is, housing will not be made more affordable by cutting DCCs. But property taxes will likely be forced up. There is a gaping need for infrastructure renewal and expansion in BC just to keep up with population growth and density mandates – not to mention climate related upgrades. Property taxes alone cannot sustain these costs. DCCs are an essential financial tool local governments use to pay for the infrastructure required for housing growth. 'Growth pays for growth' has been a longstanding policy approach. Our request is to allow local governments to continue to determine local rates based on local need, and separate any pressure on these fees from infrastructure funding.

Executive members Keith Page, Gladys Atrill and Pete Fry, preparing to meet with MLAs during April advocacy meetings.

Legislative Priorities

Several pieces of legislation were introduced, or had amendments proposed, which would significantly affect areas of local government responsibility. UBCM engaged with our members and the Province on these items to ensure that the realities and concerns of local operations are considered.

BILL M 216 – PROFESSIONAL RELIANCE ACT

In October 2025, MLA George Anderson introduced private member's Bill M 216, *Professional Reliance Act*, which would have significantly eroded local government authority over planning approvals. In response, UBCM moved quickly to advocate on behalf of members, undertaking extensive outreach from the bill's introduction through the committee stage, including securing an extension to the engagement period, engaging with media, preparing a formal submission, and appearing before the committee considering the legislation.

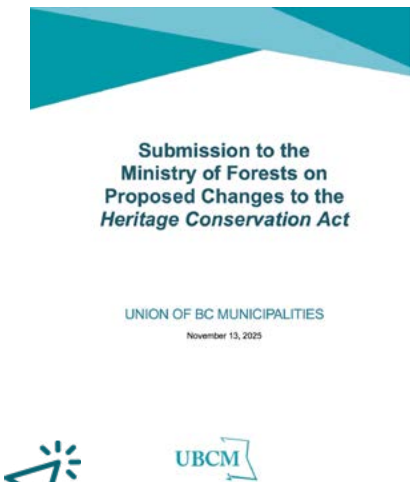
UBCM argued that the bill was fundamentally flawed and should not proceed, pointing to significant risks for public safety and liability, as well as a poorly developed policy process. During the brief engagement period, the committee also received more than 70 submissions from local governments. Following this strong response from UBCM and local governments, the committee recommended to the House that the bill not proceed further.

President Cori Ramsay and First Vice President Jenna Stoner spoke to journalists about Bill M216 after they addressed the legislative committee in April. [Click to view the full video.]

HERITAGE CONSERVATION ACT RENEWAL

The *Heritage Conservation Act* establishes the framework for conserving cultural heritage in BC, including protections for sites that indicate the potential of human habitation prior to 1846. The Act is outdated and needs to be refreshed. Proposed changes introduced in 2025 have been a matter of significant concern for UBCM and our members.

From the start, UBCM has maintained support for this work, including that the Province work with First Nations leaders as it develops potential changes to the existing legislation. However, the Province chose to work exclusively with First Nations leaders over a two-year period to develop amendments to the Act – meaning that local governments were left outside of the most critical step of the policy process. The resulting proposals did not appropriately balance the full range of interests held by the various stakeholders, and left gaps that would have benefited from the inclusion of local government expertise.


Submission to the Ministry of Forests on Proposed Changes to the *Heritage Conservation Act*

UNION OF BC MUNICIPALITIES

November 13, 2025

UBCM

In September 2025, UBCM called on the Province to slow down its rollout of proposed changes to allow time for proper consultation. A six-week extension allowed for a swift engagement with UBCM members. The collected feedback was shared with the Ministry of Forests in November.

The Province delayed its initial plan to introduce the new legislation in fall 2025, trying again for spring 2026. In April, the Province shared a technical policy paper and asked for feedback within a 30-day window. UBCM, local governments, business organizations and others responded to this opportunity, providing detailed input.

However, within days of the consultation period closing the Province had a three-column briefing document that outlined proposed changes to legislation. This gave the strong impression that feedback had not been considered or integrated.

To ensure our ability to speak publicly about the proposed changes and to affirm the need for a more transparent, collaborative approach to renewing the Act, UBCM declined to sign a non-disclosure agreement to review the Province's briefing document. We also issued a joint news release with industry organizations to share our reasoning. ([Read that release here.])

Our ask throughout the process has been for the Province to bring together local governments, First Nations, industry representatives, archaeologists and provincial officials in a solutions-focused working group to ensure the legislative changes are workable, and that they balance the goal of reconciliation with the need to support economic growth and the address interests of property owners.

We have also asked for a pilot program in select communities to test and refine key concepts in the new legislation, before such a sweeping overhaul is passed. The Province has dismissed this option as being unfeasible, but UBCM continues to believe there is precedent and means.

UBCM has dedicated considerable resources to this file. We will continue to engage with the Province to seek a better course of action.

Legislative Priorities continued

EMERGENCY AND DISASTER MANAGEMENT ACT

Regulations for the *Emergency and Disaster Management Act* were introduced this May, following almost two years of consultation with the Local Government Advisory Committee on EDMA Regulations.

Notably, the Province agreed to exclude Crown land from regional district emergency management planning and risk assessments, as a direct result of feedback from the UBCM membership. Most of the new regulations for local authorities will not come into effect until January 2027, in response to feedback from the committee to give local authorities time to prepare.

The primary issue still outstanding is the need for a long-term provincial funding and capacity-building framework for local governments. UBCM has continued to raise this issue with the Minister of Emergency Management and Climate Readiness and Provincial officials, including during Advocacy Days meetings with MLAs.

There are more regulations to be developed under the Act, and UBCM has requested opportunities for local government input, particularly for the Post-Emergency Financial Assistance Regulation, which will replace the Compensation and Disaster Financial Assistance Regulation.

The EDMA Regulations provide specifics on key local government responsibilities outlined in the Act. Specifically, they include rules on establishing multi-jurisdictional emergency management organizations; rules for developing, reviewing and publishing emergency management plans; guidelines for developing and reviewing business continuity plans; and risk assessment and emergency management planning requirements for regional districts.

INFRASTRUCTURE PROJECTS ACT

The *Infrastructure Projects Act* received royal assent in May 2025, and government is developing criteria and regulations to streamline designated infrastructure projects. To date, no projects have been designated under the Act for expedited approvals. UBCM, along with environmental groups, First Nations and other stakeholders, raised concerns about the authority granted to provincial cabinet over development approvals and the limited consultation before the legislation was drafted. As implementation proceeds, UBCM will continue to monitor potential impacts on local government infrastructure development, permitting, approval processes and guidelines and report back to members as the regulatory framework evolves.

REGIONAL DISTRICT LEGISLATION UPDATE

In 2025, the five area associations shared a proposed roadmap to modernize the *Local Government Act* as it pertains to regional districts. The roadmap included 33 recommendations to address challenges regional districts face with the Act as it is currently written. In response to this request, UBCM has engaged the Province to seek consensus on priority areas. Updates on this work will be shared in The Compass.

UBCM Executive at a quarterly meeting.

Additional Advocacy

These are some of the headlines from UBCM's policy work that isn't directly tied to legislation.

CHRONOLOGY OF DECRIMINALIZATION

British Columbia's three-year decriminalization pilot came to an end on January 31, 2026. The pilot was the first of its kind in Canada to remove criminal penalties for the possession of small amounts of illegal substances for personal use. UBCM members supported the goal of decriminalization, but consistently called for a simultaneous increase of on-demand mental health and addiction treatment, detox and recovery services, safe supply and drug testing, and other required wraparound supports to address the toxic drug crisis. (See resolutions: 2023-SR3, 2023-EB3, 2024-EB4, 2023-NR7, and 2024-EB6)

During the decriminalization pilot period, there was an increase in consumption of illicit drugs in public places. Local governments called on the Province for support to maintain safe access to public spaces. An amendment to the pilot prohibited consumption in a list of public spaces, such as playgrounds and parks.

Ultimately, Premier David Eby concluded that the pilot "did not work," and the Province did not seek an extension from Health Canada, but allowed the exemption to expire at the end of the three-year period.

ROY v. VANCOUVER

On the issue of homelessness, UBCM has applied to the court for intervenor status in the *Roy (or BC Civil Liberties Association) v. Vancouver* case. This case contests provisions in the City of Vancouver's Parks Bylaw that limit outdoor sheltering in public parks. The Civil Liberties Association is asking the court to recognize a constitutional right to "daytime sheltering." If granted, this would establish a right to maintain full-time encampments in parks throughout British Columbia.

DISASTER MITIGATION

UBCM continues to seek clarity from the Province regarding responsibility for properties deemed uninhabitable due to landslide risk. Current provincial policy does not clearly define roles for property acquisition or buyouts, particularly with respect to the role of regional districts, which lack both the resources and legislative authority to undertake buyouts, and Disaster Financial Assistance is unavailable where homes are not physically damaged. In correspondence with UBCM on this matter, the Ministry of Emergency Management and Climate Readiness has not provided definitive guidance. This absence of clear policy leaves affected property owners without reliable pathways for assistance. The issue remains unresolved, and UBCM continues to advocate for a clear and transparent provincial guidance on this matter.

IMPROVING LOCAL GOVERNMENT ENGAGEMENT IN PROVINCE-FIRST NATIONS NEGOTIATIONS

UBCM has a longstanding MOU with the Province of BC, represented by the Ministry of Indigenous Relations and Reconciliation (MIRR). Under the MOU, the Province commits to consulting directly with affected local governments regarding negotiations with First Nations, both within and outside the treaty process. This MOU was renewed and strengthened at the 2024 UBCM Convention.

Following the provincial election in 2024, staff began working with MIRR and the Ministry of Housing and Municipal Affairs (HMA) to support implementation on the renewed MOU through a staff-level working group.

Over the past year, UBCM, MIRR and HMA collaborated on a Monday study session at the 2025 Convention to provide members with an update on this work and to gather feedback. Input collected through in-session engagement was summarized in a What we Heard report, which was shared through The Compass.

Work is ongoing to develop internal guidelines for MIRR negotiators to support consistent and effective engagement with local governments. In parallel, the working group is developing a complementary public-facing guide for local elected officials. Completion of both resources is anticipated in fall 2026.

Broadband connectivity work in the Regional District of Central Kootenay with investment from the Build Communities Strong Fund-Community stream.

Resolutions

UBCM resolutions form the basis of our policy and advocacy. They are one way the literal "voice of local governments in BC" takes form. All UBCM members are eligible to submit resolutions.

A NEW FRAMEWORK

This open process has resulted in hundreds of resolutions, which has become a challenge. It is difficult to take action on the 200+ separate requests that are conveyed each year. That's why during the 2025 UBCM Convention, our membership endorsed an extraordinary resolution (2025-ER1) to filter resolution submissions, with the intention of refining our collective voice and sharpening our advocacy.

Starting in 2026, all resolutions submitted to UBCM that meet one or more of the following criteria will be excluded from consideration at Convention:

- Existing UBCM policy (policy for and policy against, within the last five years)
- Outside of the scope of local governments and member First Nations
- Does not meet UBCM criteria for format or clarity
- Regional in focus

We're looking forward to having more time for debate on individual resolutions during the 2026 UBCM Convention as a result of this framework.

HIGHLIGHTS OF 2025 RESOLUTIONS & IMPACTS OVER TIME

UNDRIP implementation – Tla'amin First Nation submitted a resolution calling for provincial supports for local governments to implement the United Nations Declaration on the Rights of Indigenous Peoples *(2025-SR4)*. It was co-sponsored by the UBCM Executive which elevated it to a Special Resolution and was endorsed by the membership. This is the first resolution to be submitted by a member First Nation.

Representatives of the Tla'amin First Nation speaking to its resolution, Supports for United Nation Declaration on the Rights on Indigenous Peoples Implementation, with a line up at the Pro mic ready to speak in support. The resolution was endorsed.

Responsible conduct – In the spring 2026 session, the Province introduced legislation to establish a standard Code of Conduct for elected officials in BC, create a standardized complaints process, and strengthen the sanctions available. This legislation is a direct answer to several resolutions that have called for more effective tools for local governments to hold themselves to account.

The Responsible Conduct Committee, made up of UBCM, the Local Government Management Association, and provincial staff, were heavily involved in the policy work leading to this legislation. The new standards could be in place for the next term, following the October 2026 general election if the bill passes in the fall 2026 legislative session.

Related resolutions: 2024-EB88, 2023-EB69, 2022-EB77, 2021-2020-NR1.

Health care workforce – Through numerous resolutions, UBCM members have asked the Province to improve the staffing of health care professionals in their communities. The Province reported that one year after the BC government launched a targeted campaign to recruit US-trained health-care workers, more than 400 professionals have signed on to work in BC communities.

Related resolutions: 2025-EB2, 2023-SR1

"I want to thank our members for throwing their support behind last year's Extraordinary Resolution, 2025-ER1, and giving the Resolutions Committee the tools to help streamline the resolutions process. These tools will help improve the debate experience for our members and sharpen our advocacy with the provincial government. I invite all members to join us during the resolutions debate at Convention 2026 so that we may embark together on this new chapter for resolutions."

Councillor Pete Fry,
Chair of the Resolutions Committee

Councillor Pete Fry

Resolutions continued

Parental leave – New legislation introduced in spring 2026 proposes to provide local elected officials with the same parental leave entitlements that are available for regular employees covered under WorkSafe. If passed, it will make it easier for local elected officials to take a leave when they become a parent. Several UBCM resolutions have asked for this move. Currently, each local government needs to establish their own policy on parental leave. This policy proposes a provincial standard. If passed, it would send a signal that people from all stages of life have a place in local government leadership.

Related resolutions: 2025-NR107, 2024-NR89, 2023-NR85, 2022-EB79, 2021-NR1, 2016-B99.

Repeat offenders – For several years members have endorsed resolutions seeking help with repeat offenders in their communities. The Province's Repeat Violent Offending Intervention Initiative (ReVOII) program was launched in 2023, accompanied by a $25-million provincial investment over three years. It includes specialized teams comprised of support personnel, probation officers, police and dedicated prosecutors. The program currently operates in 12 locations across BC. It was reported that in an 18-month period after joining the program, police interactions involving accused individuals decreased by approximately 50%.

Jenna Stoner attended the 2024 UBCM Convention with her newborn and voted in favour of a resolution calling for parental leave permissions for local elected officials.

Related resolutions: 2025-EB32, 2025-NR56, 2022-NR36, 2022-NR37, 2021-NR3, 2015-B54.

Provincial permitting time and resources – Budget 2026 invests more than $40 million over three years to remove barriers and avoid duplication in permitting across the natural resource and tourism sectors.

Related resolutions: 2025-SR5, 2025-EB55, 2025-EB96, 2023-EB12, 2023-EB59, 2021-LR3, 2020-EB52, 2019-B153.

Support for foresty; timber sales and fibre access – In March 2026, the Province introduced legislative amendments to the *Forest Act* and the *Forest and Range Practices Act*, which empower BC Timber Sales to improve access to fibre, create more opportunities for loggers and contractors, deepen partnerships with First Nations and strengthen its stewardship role in BC's forests.

And in May 2026, the Province announced a $2-million grant to FPInnovations, a non-profit R&D lab that will support forestry-focused economic hubs. The Make More in BC project will support BC's wood products, from mass timber to the pulp and paper products most sought after in gobal and domestic markets.

Related resolutions: 2025-NR110, 2025-EB84, 2024-EB97, 2024-NR94, 2021-EB51, 2020-EB66, 2016-B45, 2015-LR2, 2006-B43.

Gang and gun violence – New regulations taking effect Oct. 1, 2026, will bring the *Firearm Violence Prevention Act* into force, with the intent of curbing gun violence, disrupting organized crime and improving community safety.

Related resolutions: 2021-EB10, 2009-A4.

Gender-based and initimate partner violence – In April 2026, the Province announced an additional $4.6 million from a partnership between the federal and provincial governments to support gender-diverse people, women and their children who are leaving violence. The funding advances work under Safe and Supported: BC's Gender-Based Violence Action Plan, which aims to provide timely support to survivors, invest in community healing, and prevent violence and exploitation.

It also announced additional funding and a continuation of the Safe Supports Project that provides wrap around services for survivors of intimate-partner violence in rural, remote and northern BC.

Related resolutions: 2025-NR57, 2024-EB34, 2020-EB2, 2019-B6, 2019-B86, 2018-B164, 2017-B5, 2017-B56, 2016-B83, 2015-B4, 2015-B53, 2014-B4.

Volunteer firefighters – In March 2026, the Province announced that it is investing nearly $4 million through the Community Emergency Preparedness Fund to equip and train volunteer and composite fire departments, and improve emergency response and community safety.

Related resolutions: 2025-EB5, 2024-NR37, 2021-NR9, 2019-B95, 2019-B27, 2019-B26, 2018-B20, 2018-B22, 2016-B4, 2015-B3, 2012-B10, 2011-B6, 2009-B63.

Resolutions continued

Exotic cats – As of May 1, 2026, the Province has banned the breeding and transportation of exotic cats in BC. All existing exotic cats and hybrids up to four generations will have to be permitted under specific conditions and owners have until May 1, 2027 to apply for permits.

Related resolution: 2023-NR50.

Extended producer responsibility – In October 2025, the Province added more moderate risk products to the Recycling Regulation, including automotive products designed for use in the maintenance or repair of a vehicle; compressed canisters and aerosols; electronic, electrical and battery-containing products; large 12-volt consumer batteries; and medical sharps used at home.

Related resolutions: 2025-EB43, 2022-EB54, 2020-EB53, 2014-B97, 2009-B35, 2008-B84, 2006-B29, 2005-B24.

Organic waste – In April 2026, the Province announced a second round of CleanBC Organics funding of $14 million to support more BC communities in diverting organic waste and reducing emissions.

Related resolutions: 2025-EB40, 2023-NR48, 2022-EB56.

Childcare funding – In May 2026, the Province announced that school districts can now apply for support to accelerate the creation of before and after-school care spaces throughout the province. Funding is available for schools to repurpose existing space, which will help cover startup costs that come with launching new childcare programs.

Related resolutions: 2025-NR1, 2024-EB17, 2023-NR1, 2023-NR2, 2022-EB23, 2017-B50, 2016-B49, 2016-B50, 2016-B51, 2014-B39, 2012-B50, 2007-B54, 2007-LR8, 2005-B156.

Involuntary care – In Budget 2026, the Province allocated $131 million for intensive mental-health and addictions treatment, including increasing spaces for those who need involuntary care through new facilities in Prince George, Maple Ridge and Surrey.

Related resolutions: 2013-B83, 2010-B143.

HEART and HEARTH homelessness support – In February 2026, the Province announced additional communities across BC are joining the HEART and HEARTH program to help address encampments and alleviate homelessness. The Province, through BC Housing, is working with local governments and community partners through homeless and encampment response teams (HEART) helping people sheltering outdoors to move indoors. HEART works to quickly assess the needs of people in encampments and to provide rapid access to the support services they need to exit homelessness. In addition, the homeless and encampment response temporary housing solutions (HEARTH) program provides emergency housing and sheltering options and immediate co-ordinated supports. In May 2026, the Province announced a new HEART and HEARTH initiative in the District of North Vancouver.

Related resolutions: 2024-EB23, 2024-EB24 2023-NR26, 2023-EB18, 2022-NR64, 2021-LR5, 2019-B68, 2019-B183, 2015-B46, 2013-B54, 2012-B94, 2009-C28, 2008-A3, 2007-B24, 2006-B81.

Build Canada Homes Program – In September 2025, the federal government launched Build Canada Homes, a new agency responsible for affordable housing development across the country. It aims to coordinate federal leadership, provide financing and support construction

Fort Street now has a dedicated cycling lane with other pedestrian improvements, with investment from the Build Communities Strong Fund in Victoria.

Resolutions continued

innovation. The agency will focus on supporting the growth of the non-market, community housing sector, including Indigenous, non-profit, co-operative and public housing, with the goal of doubling housing construction, restoring affordability and reducing homelessness.

Related resolutions: 2025-SR5, 2025-NR123, 2024-SR3, 2024-EB23, 2024-EB24, 2024-EB25, 2024-NR26, 2024-NR27, 2024-NR28, 2023-EB18, 2023-NR26, 2022-NR64, 2021-LR5, 2020-SR10, 2020-NR70, 2019-B68, 2015-B46, 2013-B54, 2012-B94, 2009-C28, 2008-A3, 2007-B24, 2006-B81.

Public land and water use planning – The Province is engaging the public in public land and water use planning. Each planning process is designed to address the issues and challenges within the plan area, mitigate the effects of climate change on communities, advance reconciliation, and provide clarity on how the land base will be managed for all economic, cultural, and conservation objectives.

Related resolutions: 2025-NR74, 2023-LR1, 2020-NR16.

EV charging infrastructure – As of April 2026, the Province continues to support the growth of EV charging infrastructure across BC with its CleanBC Go Electric public charger program by providing $19 million to build 75 new public EV charging projects.

Related resolutions: 2025-EB65, 2024-EB85, 2022-EB74, 2020-EB28, 2019-B144, 2017-B116, 2017-B132.

Rest stops – The Province continues to improve rest stops in BC with its $100-million Safety Rest Area Improvement Program. In March 2026, the Province announced improvements to Highway 1 rest areas to improve safety, accessibility and amenities for truck drivers and all motorists.

Related resolutions: 2022-EB68, 2004-B23.

Small craft harbours – Nearly $1 billion has been allocated to repair and modernize critical infrastructure for fishers across the country, protect livelihoods, and empower coastal communities.

Related resolutions: 2024-NR86, 2024-NR87, 2014-B52.

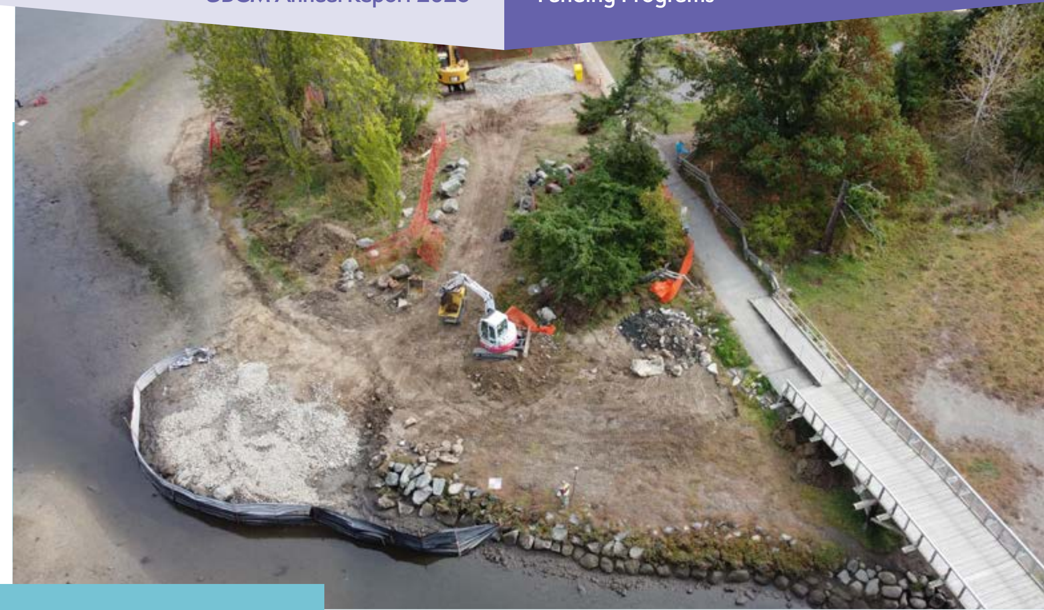
Wetlands – In November 2025 the Province hosted two engagement sessions with local governments addressing wetlands. They discussed best management practices for changes in and about a stream, managing wetland classes, applying the mitigation hierarchy for wetland activities, strategic use of offset payments to support wetland conversation, wetland identification and delineation, and wetland professional accountability. Feedback was sought from local governements on proposed changes to key environmental regulations and permitting processes related to wetlands.

Related resolutions: 2025-EB54, 2024-NR36, 2020-EB52, 2012-B73.

Osoyoos upgraded 550 metres of drinking water pipes along 74th Avenue to improve service to 3,500 homes. This is the first project from the Capital plan working project list, which will improve water system infrastructure to meet future demand.

Funding Programs

Local Government Program Services



Esquimalt used Disaster Risk Reduction-Climate Adaptation funds to rehabilitate a shoreline area along the Gorge waterway.

UBCM has delivered provincially funded grant programs since 2004. Numerous funding programs were available to local governments, First Nations, and other eligible applicants in 2025–2026.

During UBCM's 2025/26 fiscal year:

- 846 applications were received for grant programs, plus nominations for Community Excellence Awards and Long Service Awards.
- 334 applications were approved for funding and 349 remain under review
- $45 million was awarded for applicaitons received in 2025/26

These are some highlights from the programs we administer.

$79 million was distributed through programs administered by Local Government Program Services this year.

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. Limited intakes are scheduled for 2026/27 and 2027/28. The Foundations of Disaster Risk Reduction funding stream was announced in 2025 and will open in 2026/27.

Since 2017:

- Total fund: $383.3 million
- 3,479 applications received, including current and previous funding streams
- $347.6 million awarded to date

Total applications received per stream, since 2017:

- Disaster Risk Reduction-Climate Adaptation: 326
- Emergency Operations Centres Equipment and Training: 887
- Emergency Support Services Equipment and Training: 720
- Extreme Heat/Temperature Planning: 52
- Flood Risk Assessment, Mapping, and Mitigation Planning: 211
- Indigenous Cultural Safety and Cultural Humility Training: 102
- Public Notification and Evacuation Route Planning: 281
- Structural Flood Mitigation: 107
- Volunteer and Composite Fire Departments Equipment and Training: 793

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, including research, consultation, and policy development.

This program will not continue in 2026/27.

Since 2020:

- Total fund: $965,600
- 46 applications received
- $650,796 awarded to date

Asset Management Planning

Currently closed to applications due to a lack of funding. Has been funded by the Ministry of Housing and Municipal Affairs, plus accrued interest from other programs.

Helps local governments to deliver sustainable services by strengthening asset management practices and subsidizing Asset Management BC training events.

Since 2014:

- Total fund: $6.3 million
- 468 applications received
- $5.2 million awarded to date

Local Government Program Services

Local Government Development Approvals

Funded by the Ministry of Housing and Municipal Affairs in part through the Canada-BC Restart Agreement.

Supports local governments to improve development approvals processes through implementing established best practices or testing innovative approaches, while meeting local government planning and policy objectives.

This program will not continue in 2026/27.

Since 2021:

- Total fund: $25.1 million
- Total applications received: 213
- Total grants awarded: $17.1 million

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.

The next application deadline is October 9, 2026

Since 1999:

- Total fund: $3.7 million, including Provincial C2C events
- 1,059 applications received
- $2.7 million awarded

Strengthening Communities' Services Program

Funded by the Ministry of Housing and Municipal Affairs, through the Canada-BC Restart Agreement.

Aims to support local governments and Treaty First Nations to take action in providing urgent assistance to individuals currently experiencing unsheltered homelessness.

This program will not continue in 2026/27.

Since 2021

- Total fund: $100 million
- 88 applications received
- $94 million awarded

Urban Communities Partnering for Reconciliation Pilot

Funded by the Ministry of Indigenous Relations and Reconciliation

Supports local governments and eligible Indigenous societies to 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.

This program will not continue in 2026/27.

Since 2019:

- Total fund: $220,000
- 38 applications received
- $175,887 awarded

Community Resiliency Investment

Funded by the Ministry of Forests

Provides funding to increase community wildfire resiliency by undertaking community-based FireSmart planning and activities that reduce the community's risk from wildfire.

This program shifted to a competitive intake to fairly distribute the remaining funds after it was confirmed in Budget 2026 that minimal new funds would be contributed.

Since 2018:

- Total fund: $192.9 million, including the FireSmart Economic Recovery Fund and a new $15 million contribution in 2026
- 1,171 applications received
- $165 million awarded to date

Complete Communities

Funded by the Ministry of Housing and Municipal Affairs

Supports local governments and modern Treaty First Nations to enhance their ability to make evidence-based land use planning decisions through assessments of their current community completeness; analysis and identification of strengths, opportunities, challenges, and potential actions that align with identified community goals, and support creating more complete communities and an implementation plan.

This program will not continue in 2026/27.

Since 2022:

- Total fund: $10.0 million
- Total applications received: 66
- Total grants awarded: $7.8 million

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

Build Communities Strong Fund

Build Communities Strong Fund–Community stream is the new name for the Canada Community-Building Fund. UBCM continues to administer the fund on behalf of the Canadian and BC governments. This fund has provided a steady source of infrastructure funding for local governments since 2006 when it was initially named the Gas Tax Fund.

The fund delivers allocation-based money through the Community Works Fund for infrastructure projects such as road works, sewer upgrades, water treatment, recreation facilities and more. Additional application-based funding is awarded through the Strategic Priorities Fund for regionally significant projects that would be beyond the financial ability of the annual allocation to support. In Metro Vancouver, local governments have continued to direct the majority of their allocation to TransLink to maintain and upgrade its fleet.

The BCSF-Community Stream in BC is in its second year of a 10-year agreement. $1.6 billion will be delivered to local governments in BC between 2024 and 2029. In 2025 local governments used the allocation funding to invest in the following categories:

Investment Category	Spend in 2025	# of projects
Public Transit	$228m	33
Local Roads, Bridges and Active Transportation	$62m	210
Sports and Recreation	$31m	254
Wastewater	$18m	83
Drinking Water	$14m	122
Cultural and Tourism	$10m	43
Fire Halls and Fire Stations	$7.6m	65
Community Energy Systems	$5.4m	46
Capacity Building	$4.7m	97
Solid Waste	$5m	24
Other	$3m	19
Disaster Mitigation and Resilience	$3m	22

Daajing Giids used its Strategic Priorities Fund grant to complete a network of transportation improvements including paving, traffic redirection, drainage improvements, two new cul-de-sacs, and a new gravel walking trail.

Learn more in the Annual Outcomes Report

The Centennial Pool in Hagensborg got a renovation with $2.7 million from the Strategic Priorities Fund. The pool now has a fresh deck with accessible 25-metre lanes and a new mechanical building with an energy-efficient pumping system (which replaced the old diesel system) and a new filtration system.

Member Services & Operations

Convention

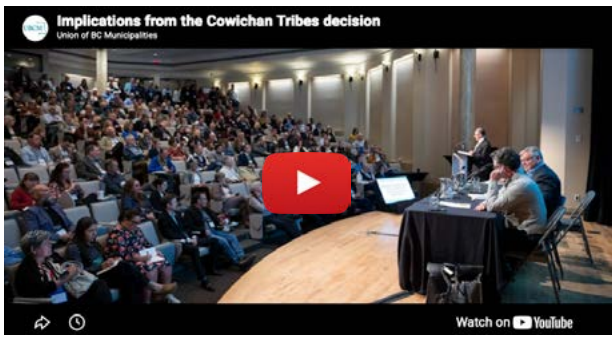
The 2025 UBCM Convention was held in Victoria, for the first time in nearly 10 years. A total of 2,322 delegates attended the full week of clinics, workshops and study sessions. Members considered 226 resolutions, ultimately endorsing 206.

Among the endorsed resolutions was a new framework that will screen resolutions for 2026 and beyond, with the intention of reducing duplicate requests and keeping the focus on provincially pertinent issues within local government jurisdiction. Read more about that change on the Resolutions page 11.

Convention gives UBCM members the opportunity to discuss the important issues from the year during sessions, resolutions and networking events. Some of the critical issues that emerged in 2025 were:

IMPLICATIONS FROM THE COWICHAN TRIBES v. CANADA DECISION.

UBCM convened a panel of three lawyers to discuss possible implications for local governments. The precedent set by this case will have significant impacts for years to come, and this panel provided a valuable foundation for our members to understand the facts of the case. As a non-partisan, members-based organization, UBCM is uniquely positioned to facilitate thoughtful discussion across the political spectrum on critical issues. The video of the panel has become our most viewed video by a wide margin.



The case has been appealed by all parties, and UBCM will apply to act as an intervenor in the appeal. Our goal is to ensure the Court understands the unique implications this ruling will have on local government's ability to regulate, tax and service within its jurisdiction. The role of an intervenor is inherently neutral in the case, seeking only to provide context and information relevant to the case.

MENTAL HEALTH SUPPORTS FOR ELECTED OFFICIALS.

Local elected leaders are increasingly called upon to deliver complex, high-demand services while navigating a climate of growing public frustration. At times, that frustration has escalated into abuse or threats – both online and in person. As this environment starts to take a toll, many leaders are experiencing mental health challenges, and the public nature of their roles can make seeking help especially difficult.

A panel discussion on mental health for local elected leaders at the 2024 Convention struck a chord among delegates, and an informal peer-support network has emerged as a result. That network has continued to meet regularly to provide mutual support in a private environment among peers who are familiar with the unique challenges that local elected leaders contend with.

Watch the full session on YouTube

In 2025, UBCM brought former NHL goalie Corey Hirsch to share his story of coming to terms with the mental health condition that plagued him – while he simultaneously excelled at work. Following his presentation, a panel of local government leaders explored strategies, resources and policy changes needed to safeguard the well-being and effectiveness of those serving in elected office.

This work is important and ongoing. UBCM has committed to developing more resources to support our members to stay healthy and whole while serving in elected leadership.

Convention continues to be supported by many organizations whose sponsorship helps subsidize the cost of the event. We are pleased to have many returning sponsors among the 44 who supported 2025 Convention.

Municipal Innovation – Women in Local Leadership

Since 2022, UBCM has participated in FCM's Partnerships for Municipal Innovation – Women in Local Leadership program, which runs to the end of 2026.

The program is designed to strengthen women's participation and leadership in local governance, while also supporting local governments in delivering inclusive, gender-responsive services. Over the years, UBCM has worked with Cambodia's national local government association, the National League of Councils.

In August 2025, UBCM President Trish Mandewo and CFO Hervinder Bains travelled to Zambia to support a mission led by the Local Government Association of Zambia.

The focus of that trip was to assist women in the Local Government Gender Equality Committee and the Advocacy Task Force as they prepared for the 2026 local government election.


Past President Trish Mandewo

Group Benefits Plan

UBCM administers a comprehensive group benefits program for local governments, First Nations, and affiliated provincial associations in partnership with Pacific Blue Cross.

The UBCM Group Benefits Plan continues to expand, leveraging collective purchasing power of approximately $26 million across more than 4,000 employees and 130 participating group plans to secure competitive pricing.

Plan members benefit from expert actuarial support, a dedicated service team, enhanced service standards, and flexible benefit solutions tailored to meet specific organizational needs and align with individual collective agreements.

Over the past year, UBCM expanded access to training and educational resources for members. UBCM recognizes that our members often operate with limited capacity, and that accessible, practical support is essential to promote employee well-being. As part of our commitment to our members, UBCM will continue to enhance and broaden these training and resource offerings in the coming year to meet our members evolving needs.

UBCM maintains a strong governance framework for the Group Benefits Plan to ensure members receive consistent, high-quality service. Convyta provides actuarial expertise for the annual renewal process, along with detailed financial analysis and strategic guidance.

Together, UBCM and Convyta work collaboratively to deliver value, achieve economies of scale, uphold service excellence, and advocate effectively on behalf of participating organizations.

UBCM Group Benefits Plan

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

Read more about the projects here

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 2025 winners.**

PRESIDENTS COMMITTEE CHOICE AWARD – District of Saanich: Asset Management Strategy and Implementation Plan.

Saanich, like many growing communities, had strong asset related work happening across departments but no single, coordinated roadmap to bring it all together. Without a formal asset management strategy, it was hard to align infrastructure decisions, financial planning, climate resilience and service levels over the long term – which increased risk as assets aged and demand grew. This plan was recognized for the forward-thinking approach to managing community assets and delivering services sustainably.

EXCELLENCE IN SERVICE DELIVERY

Township of Esquimalt: Youth Aquatic Safety & Leadership Program.

Five years ago, a critical shortage of lifeguards and swim instructors was forcing pools in Esquimalt to reduce hours and cancel swim lessons. In response, Esquimalt integrated lifeguard certification into high school PE classes creating a direct pipeline from classroom to community employment. Now, 24% of its lifeguards are program graduates, pools have stayed open, and swim classes are back on. This practical, creative solution turned a service crisis into a long term win for public safety, youth development, and local service delivery.

EXCELLENCE IN ASSET MANAGEMENT

City of Greenwood: Resilient Greenwood: Building the Future Together.

Like many small communities, Greenwood's budget was strained from years of deferred maintenance, emergency repairs and declining core infrastructure. To get on top of the situation, the City took an energetic approach to its long-term asset management by integrating planning, leadership development and a lot of community engagement. Rather than treating infrastructure planning as a bureaucratic task, Resilient Greenwood reimagined a collaborative, community-driven effort.

EXCELLENCE IN SUSTAINABILITY

Metro Vancouver Regional District: Repair Cafes.

Many residents want to repair rather than discard, but lack the skills, tools, or support to do so.

Metro Vancouver is co-funding Repair Café events where residents bring broken electronics, jewelry, bikes and even clothing for free repairs and advice from skilled community volunteers. In 2024 the region held 34 repair events where more than 1,400 items were repaired, extending their lifespan and keeping them out of the landfill.

EXCELLENCE IN GOVERNANCE

Village of Cache Creek: Transparent Recovery Initiative.

Following the flood in 2023, Cache Creek faced a critical challenge: managing a complex, multi-year recovery effort while responding to demand for timely, accurate, and transparent information. Residents needed consistent updates, clear explanations, and visibility into recovery progress, costs, and decision making. The Village integrated three digital platforms for a centralized source of real time information on recovery projects, timelines, mitigation efforts, and funding. What began as a rapid response evolved into a comprehensive, interactive resource used by residents, media, and partner agencies alike. Built quickly and cost effectively by a small local government with limited resources, the initiative has strengthened public trust, improved civic engagement, and reduced uncertainty during recovery.

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 through our various funding programs.


Outgoing Executive Director Gary MacIsaac

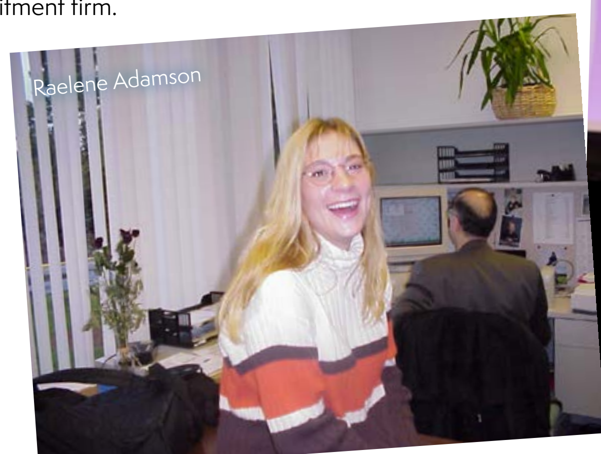
We are facing a significant change next year as our Executive Director, **Gary MacIsaac**, prepares to retire after the 2026 UBCM Convention in September.

Gary has sat at the head of our table since 2007. He has steered our work with a steady focus on achieving long-term results. His leadership is characterized by a deep respect for local government service, wide-ranging knowledge and a quick wit that's always close at hand.

Gary's patience and humility have supported almost 20 different UBCM Presidents and iterations of the Executive Board, and dozens of staff. We're grateful for all he has invested into local governments in BC, and plan to squeeze all the guidance and hard-earned wisdom out of Gary that we can in the next few months.

The search for a new Executive Director has been led by a hiring committee made up of members of the UBCM Executive, with guidance from a recruitment firm.

Another long time staff member, **Raelene Adamson,** retired this spring. Raelene worked as the office administrator in Richmond. We are so grateful for all the years of hard work – and the thousands and thousands of envelopes stuffed from back when we used to print and mail hard copies of the resolutions package! We will miss her wry humour and brilliant smile.


Raelene Adamson

Danyta Welch was recognized with the Lynn Orstad Award for Women in Wildfire Resiliency, for her enduring commitment to supporting BC communities in building wildfire resilience. Danyta's impact is often behind the scenes, where she pushes to make funding and resources more accessible so communities get the help they need as easily as possible. Congratulations, Danyta, and thank you for all of your work!


Danyta Welch

UBCM also welcomed **Sheryl Kozyniak** to our team as our corporate officer late last year.

View the full staff list

Kelsey Mackay Smith and Jackie-Deane Cowell


Oscar de Groot


Jamee Justason, Alicia Brown and Rebecca Williams

City of Vancouver constructed an outdoor amphitheatre at the PNE.

Financial Statements

Financial Statements of

UNION OF BRITISH COLUMBIA MUNICIPALITIES

And Independent Auditor's Report thereon

Year ended May 31, 2026

KPMG LLP
777 Dunsmuir Street, 11th floor
Vancouver, BC V7Y 1K3
Canada
Tel 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, 2026
- 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, 2026, 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.

KPMG

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.

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.

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.

- 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.

KPMG

- 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.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada

July 17, 2026

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Financial Position

May 31, 2026, with comparative information for 2025

		2026		2025
Assets				
Current assets:				
Cash	$	7,720,644	$	11,633,407
Investments (note 3(a))		668,541,631		906,670,812
Accounts receivables		84,840		54,570
Prepaid expenses		473,640		294,109
		676,820,755		918,652,898
Tangible capital assets (note 4)		1,340,145		1,479,710
	$	678,160,900	$	920,132,608
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 5)	$	281,614	$	121,268
Convention deposits		445,850		12,000
Deferred revenue (note 6)		893,732		864,536
Deferred contributions (note 7)		648,192,890		892,647,264
		649,814,086		893,645,068
Other liabilities		110,568		91,520
		649,924,654		893,736,588
Net assets:				
Invested in tangible capital assets (note 8)		1,340,145		1,479,710
Internally restricted (note 9)		5,120,000		5,120,000
Unrestricted		21,776,101		19,796,310
		28,236,246		26,396,020
Commitment (note 11)				
	$	678,160,900	$	920,132,608

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, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Annual member dues (note 6)	$ 1,484,585	$ 1,432,421
Convention	2,285,207	2,433,011
Members' services	1,346,331	1,302,002
Administrative fees	-	22,674
Investment income (note 3(b))	2,144,587	2,958,439
Government grants (note 7):		
Local Government Program Services	84,577,300	101,679,762
Canada Community-Building Fund	518,499,147	147,242,484
Other government funding	440,597	459,529
	610,777,754	257,530,322
Expenses:		
Salaries and benefits	2,470,372	2,189,450
Executive	343,981	316,775
Office services and supplies	408,320	320,564
Staff travel	85,154	56,690
Professional fees	266,201	100,223
Convention	1,332,381	1,622,484
Members' services	514,075	592,767
Government programs (note 7):		
Local Government Program Services	84,577,300	101,679,762
Canada Community-Building Fund	518,499,147	147,225,464
Other government funding	440,597	459,529
	608,937,528	254,563,708
Excess of revenue over expenses	$ 1,840,226	$ 2,966,614

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Changes in Net Assets

Year ended May 31, 2026, with comparative information for 2025

	Invested in tangible capital assets (note 8)	Internally restricted (note 9)	Unrestricted	Total
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
Excess (deficiency) of revenue over expenses	(139,565)	-	1,979,791	1,840,226
Invested in tangible capital assets	-	-	-	-
Balance, May 31, 2026	$ 1,340,145	$ 5,120,000	$ 21,776,101	$ 28,236,246

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Statement of Cash Flows

Year ended May 31, 2026, with comparative information for 2025

	2026	2025
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	$ 1,840,226	$ 2,966,614
Items not involving cash:		
Unrealized gain on investments	(1,120,047)	(721,264)
Amortization of tangible capital assets	139,565	139,483
	859,744	2,384,833
Changes in non-cash operating items:		
Accounts receivable	(30,270)	195,030
Prepaid expenses	(179,531)	(101,976)
Accounts payable and accrued liabilities	160,346	(113,800)
Convention deposits	433,850	(273,955)
Deferred revenue	29,196	29,157
Deferred contributions	(261,192,978)	65,677,507
Other liabilities	19,048	(16,943)
	(259,900,595)	67,779,852
Investments:		
Purchase of tangible capital assets	-	(39,617)
Reinvestment of investment income	(762,168)	(1,785,859)
Purchase of investments	(112,250,000)	(215,740,000)
Proceeds on disposal of investments	369,000,000	135,300,000
	255,987,832	(82,265,476)
Decrease in cash	(3,912,763)	(14,485,624)
Cash, beginning of year	11,633,407	26,119,031
Cash, end of year	$ 7,720,644	$ 11,633,407
Non-cash activities:		
Investment income accrued and recorded to deferred contributions	$ 16,738,604	$ 31,171,621

See accompanying notes to financial statements.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements

Year ended May 31, 2026

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 CCBF Agreement 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.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

2. Significant accounting policies:

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

(a) Revenue recognition:

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

Externally restricted contributions are recorded as deferred 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.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

2. Significant accounting policies (continued):

(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.

(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.

The intangible asset held by UBCM has been fully depreciated, however it is still in use.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

2. Significant accounting policies (continued):

(d) Financial instruments:

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

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

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

(e) Deferred lease inducement:

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

(f) Employee future benefits:

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

(g) Use of estimates:

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

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

3. Investments:

(a) Investments:

	2026	2025
Money market funds	$ 659,057,241	$ 898,295,420
Exchange traded funds ("ETFs"):		
Equity indexed ETFs	3,603,978	3,141,002
Fixed income indexed ETFs	5,880,412	5,171,390
Other	-	63,000
	$ 668,541,631	$ 906,670,812

(b) Investment income:

	2026	2025
Interest income	$ 1,024,540	$ 2,237,175
Unrealized gains on investments	1,120,047	721,264
	$ 2,144,587	$ 2,958,439

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

4. Tangible capital assets:

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Land	$ 252,000	$ -	$ 252,000	$ 252,000
Building	3,347,623	2,292,963	1,054,660	1,188,565
Office and computer equipment	219,699	186,214	33,485	39,145
Leasehold improvements	99,447	99,447	-	-
	$ 3,918,769	$ 2,578,624	$ 1,340,145	$ 1,479,710

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at May 31, 2026 are government remittances payable of $15,568 (2025 - $20,933) for sales and payroll-related taxes.

6. Deferred revenue:

	Members' dues	Other	Total
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
Amounts received	1,503,655	268,244	1,771,899
Recognized as revenue	(1,484,585)	(258,118)	(1,742,703)
Balance, May 31, 2026	$ 877,111	$ 16,621	$ 893,732

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

7. Deferred contributions:

	LGPS	CCBF	Other funding	Total
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
Amounts received	14,997,934	326,092,245	342,222	341,432,401
Interfund transfer	56,779	-	(56,779)	-
Restricted investment income earned	8,391,902	9,230,248	8,119	17,630,269
Recognized as revenue	(84,577,300)	(518,499,147)	(440,597)	(603,517,044)
Balance, May 31, 2026	$ 323,386,740	$ 322,901,384	$ 1,904,766	$ 648,192,890

8. Net assets invested in tangible capital assets:

Net assets invested in tangible capital assets is calculated as follows

	2026	2025
Tangible capital assets	$ 1,340,145	$ 1,479,710
Net assets invested in tangible capital assets, end of year	$ 1,340,145	$ 1,479,710

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

8. Net assets invested in tangible capital assets (continued):

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

	2026	2025
Net assets invested in tangible capital assets, beginning of year	$ 1,479,710	$ 1,579,576
Excess of revenue over expenses:		
Amortization of tangible capital assets	(139,565)	(139,483)
Investment in tangible capital assets:		
Purchase of tangible capital assets	-	39,617
Net assets invested in tangible capital assets, end of year	$ 1,340,145	$ 1,479,710

9. 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.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

9. Internally restricted net assets (continued):

(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:

	2026	2025
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

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

10. 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:

		2026		2025
Jeff McKelvey Scholarship Fund (a)	$	96,100	$	93,050
Local Government Leadership Academy (b)		1,600,173		1,552,296
	$	1,696,273	$	1,645,346

(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 by the Board of Examiners within UBCM's general guidelines.

(b) 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.

11. 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:

2027	$	130,130
2028		10,840
	$	140,970

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

12. Municipal Pension Plan:

UBCM and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors, of which 36 (2025 - 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, 2024, indicated a $2.675 billion funding surplus for basic pension benefits on a going concern basis. UBCM paid $366,061 (2025 - $316,583) for employer contributions to the plan in fiscal 2026.

The next valuation will be as at December 31, 2027.

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.

13. 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, 2026

13. 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 2026. For individuals with more than one director role during fiscal 2026, only their most recent title is disclosed.

Last Name, First Name	Position	Year Served	2026
Ramsay, Cori	President	2025-2026	$ 24,135
Stoner, Jenna	First Vice President	2025-2026	8,535
Storey, Sarrah	Second Vice President	2025-2026	9,369
Grice, Aimee	Third Vice President	2025-2026	5,268
Mandewo, Trish	Past President	2025-2026	19,294
Dominato, Lisa	Vancouver Representative	2025-2026	944
Hodge, Craig	Metro/GVRD Representative	2025-2026	8,787
McLaren-Caux, Aidan	Small Community Representative	2025-2026	4,727
Kirk, Jerrilyn	Electoral Area Representative	2025-2026	5,973
Fry, Pete	Vancouver Metro Area Representative	2025-2026	3,782
Henderson, Tasha	Vancouver Metro Area Representative	2025-2026	1,605
McIsaac, Kevin	AKBLG Representative	2025-2026	3,779
Albrecht, Paul	LMLGA Representative	2025-2026	2,774
Atrill, Gladys	NCLGA Representative	2025-2026	2,536
Greenaway, Judy	NCLGA Representative	2024-2025	1,448
Wallace Richmond, Louise	SILGA Representative	2025-2026	5,171
Geselbracht, Ben	AVICC Representative	2025-2026	2,640
Craig, Vanessa	AVICC Representative	2025-2026	1,988
Boehm, Sheila	Director at Large	2025-2026	5,319
Klassen, Gord	Director at Large	2025-2026	4,941
Page, Keith	Director at Large	2025-2026	4,725
Brown, Vickey	Director at Large	2025-2026	2,812
Schnider, Roberta	Director at Large	2025-2026	2,342
Coyne, Spencer	Director at Large	2024-2025	1,010

During the year ended May 31, 2026, UBCM paid total remuneration of $3,486,557 (2025 - $3,091,826) to 29 (2025 - 26) employees and contractors for services, each of whom received total annual remuneration of $75,000 or greater.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

---

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 due to changes in market prices. UBCM manages its investment portfolio in accordance with its approved investment policy, with the objective of generating investment income while preserving capital.

UBCM is not engaged in hedging activities and does not hold or use derivative financial instruments for trading purposes. Market risk is managed through the adoption of conservative investment strategies, including maintaining a portfolio primarily composed of money market funds, along with limited exposure to fixed income and equity-indexed exchange-traded funds.

Management has assessed the exposure to market risk and does not consider it to be significant, as the majority of investments are held in low-risk, highly liquid money market instruments.

(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:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

UBCM is exposed to interest rate risk primarily through its investment portfolio, which includes money market funds and certain fixed income investments. These instruments are subject to changes in market interest rates, which may impact investment income and, to a lesser extent, fair values.

UNION OF BRITISH COLUMBIA MUNICIPALITIES

Notes to Financial Statements (continued)

Year ended May 31, 2026

14. Financial risks (continued):

(d) Interest rate risk (continued):

UBCM manages its exposure to interest rate risk through conservative investment strategies, including maintaining a significant portion of its investments in highly liquid, short-term money market instruments, which reduces sensitivity to interest rate fluctuations.

UBCM does not have significant interest-bearing liabilities and, accordingly, its exposure to interest rate risk from financial liabilities is minimal. Management does not consider the overall exposure to interest rate risk to be significant.

There has been no change to the financials risk exposures outlined above from 2025.