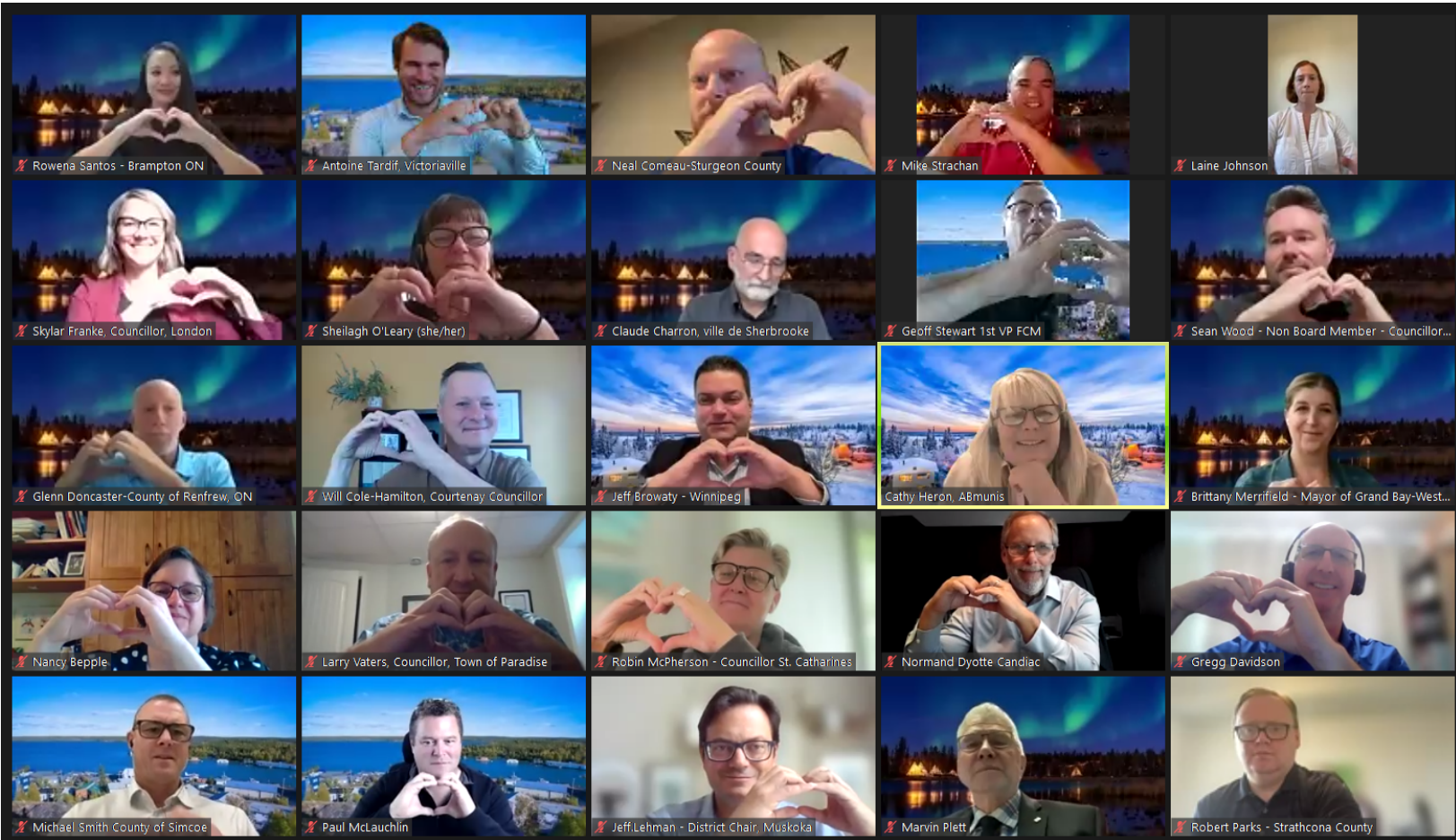


This document summarizes key updates from the most recent meeting of the Board of Directors of the Federation of Canadian Municipalities (FCM). It is designed to support board and committee members in reporting back to their local and regional councils on their progress with FCM.

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FCM's Committee of the Whole meets during the September 2023 FCM Board meeting and signals support for the city of Yellowknife, NWT.

Context and key points

The September 2023 FCM Board of Directors meeting was held virtually on September 14. The originally scheduled in-person gathering in Yellowknife, NWT was cancelled due to the evacuation order placed on the city.

- As Canada's 44th Parliament returned from its summer adjournment, municipal leaders from coast to coast to coast convened virtually to address issues of municipal concern and carry out vital governance work.
- FCM's September board meeting was scheduled to take place for the first-time in the city of Yellowknife, NWT. However, in light of serious wildfires in the areas directly outside Yellowknife and the mandatory evacuation order placed on the city, the decision was taken in the weeks leading up to this meeting to meet virtually.
- Led by FCM's President, Scott Pearce, Board members focused on a range of municipal priorities. These included the necessity of a new Municipal Growth Framework, an important advocacy priority that FCM members adopted via a **historic resolution** at our Annual Conference in May 2023. The September board meeting took place in the context of FCM having kickstarted advocacy and public engagement on this issue over the summer.
- The board adopted several resolutions on key priorities, as outlined at the end of this document.
- The need for a new **Municipal Growth Framework** was outlined to FCM board members via a special toolkit document that was shared in August 2023. This toolkit included a set of assets to assist board members in communicating the need for this framework, including a set of key messages, ready-made op-eds and social media post drafts, a set of Q&As, and recent media articles covering the initiative.

High-level key messages on this important advocacy goal include:

- As our population grows and municipal responsibilities expand, **it is increasingly crucial that Canadians have confidence in their local leaders** to protect the core elements that define a good quality of life.
- **That's why it's time for a national conversation about how we support Canadians by supporting municipalities.** For too long—over a century—municipal responsibilities have expanded while resources have remained unchanged. Here are the facts:
 - Municipalities are operating within a nineteenth-century revenue system to respond to 21st-century responsibilities and evolving needs of Canadians.
 - Municipalities manage more than 60 percent of Canada's public infrastructure yet only receive between 8 and 10 cents for each tax dollar collected.
 - Emerging from the pandemic, we've seen federal and provincial sales and income taxes increase rapidly while overall municipal property tax revenue has remained flat—or even declined—when accounting for inflation and population growth.

- At the end of the day, **we need to better link municipal revenue with population growth, economic growth and the services municipalities provide in the 21st century.** This is essential in providing Canadians both new and old the quality of life they deserve.

FCM leadership on the Municipal Growth Framework

- At FCM’s May 2023 Annual Conference, members passed a resolution outlining the need for the development of a new **Municipal Growth Framework** to support Canadian municipalities and the people who call our communities home. This resolution gives FCM a mandate to:
 - declare that **Canada needs a modernized growth framework** for municipalities;
 - **lead the development of a Municipal Growth Framework** that links municipal financial capacity to challenges such as population growth and economic growth; and
 - **call on the federal government** to engage with FCM in the development of this framework.
- **To put it simply:** A new Municipal Growth Framework means revenue tools that grow with the economy, and a redefining of the way we engage across orders of government. By linking revenue to growth dynamics, we can better support Canadians with the infrastructure, services, and amenities that will support their quality of life.
- **FCM is calling for a real conversation,** with federal, provincial and territorial governments at the table, focusing on the changes required for Canada’s growing communities to meet both today and tomorrow’s challenges.
- **FCM is leading an important discussion on what a new Municipal Growth Framework may look like**—this is the conversation FCM and our member municipalities from coast to coast to coast need to have with our peers in the federal and provincial/territorial governments.
- **Now is the time to examine how a modernized framework can empower municipalities and prioritize Canadians’ needs in a growing nation.**

“Now is the time for FCM to do what it does best—advocate fearlessly for our communities.

*Nowhere is this more apparent than in our historic decision to advocate for a new **Municipal Growth Framework**. On behalf of the Canadians we serve, we need to look beyond the next budget, beyond the next crisis and empower our communities from the ground up.”*

FCM President, Scott Pearce



Committees and forums

FCM's Board of Directors oversees various committees and forums that provide direction and insight on a wide range of issues and priorities. A summary of each committee and forum meeting held over this period is provided below.

Rural Forum

Members heard from President Scott Pearce and CEO Carole Saab about the growing pressures rural municipalities are facing and how imperative it is that rural Canada prosper with the right tools and resources in place.

Members voted in favour of adopting an addition to the Policy Statement on Rural Economic Development. The new policy outlines how the federal government should support Canadian agricultural communities to adapt to the negative impacts of a changing climate and pursue new opportunities to participate in a low-carbon agriculture sector. Specifically, the policy position supports farmer-centric policies and strategies, strengthening incentives for sustainable management practices and new technologies, and identifying and addressing gaps in research funding and data collection, management, and content.

FCM staff presented to the forum on the state of rural broadband in Canada and FCM's advocacy priorities for this file.

There was a roundtable discussion on the new Municipal Growth Framework, with a particular focus on how a new Municipal Growth Framework can work for rural communities. The discussion was varied and tied into areas such as infrastructure and housing, tourism, community safety, and inflation.

The Rural Forum held an election for Chair and Vice-Chairs. For the year 2023-2024, Neal Comeau (Sturgeon County, AB) will serve as Chair. Leah Main (Village of Silverton, BC) and Mike Strachan (Village of Torquay, SK) will serve as Vice-Chairs.

Northern and Remote Forum

The forum voted to support a recommendation that invites municipal elected officials from the Boards of the Association of Yukon Communities (AYC), Northwest Territories Association of Communities (NWTAC) and Nunavut Association of Municipalities (NAM) to attend the Northern and Remote Forum meetings as non-voting observers.

The forum also directed FCM staff to assess process options for northern and remote observers from the boards of provincial associations. Staff will develop an option for consideration at the March 2024 meeting.

There were several staff presentations: the state of broadband, climate adaptation work and weaving northern elements into the 2024 FCM Annual Conference.

There was also a roundtable discussion on how the new Municipal Growth Framework can work for northern and remote communities. The conversation included the need to emphasize the economic potential of Northern Canada, how to engage meaningfully with other levels of government, ensuring tools are simple (such as block transfers like the CCBF), and the potential to expand revenue sharing under existing taxes and fees.

Governance Committee

The committee began the meeting by considering new Terms of Reference for three FCM committees. As background, the committee heard that following a decision by the Executive Committee to consolidate the existing standing committees down to five, several bodies needed new or significantly revised Terms of Reference.

The new Terms of Reference reflect the following:

1. The shift from a Governance Working Group to a Governance Committee as a core committee of the Board alongside the Finance and Audit Committee, and the Human Resources Committee;
2. The blending of the Standing Committee on Anti-Racism and Equity with the Standing Committee on Increasing Women's Participation in Municipal Government; and
3. The combining of former Standing Committees on Municipal Infrastructure and Transportation, and Finance and Intergovernmental Affairs, to create the Standing Committee on Finance, Infrastructure and Transportation.

The coming work of the Governance Committee will include a thorough review of the Terms of Reference of all committees and forums, an alignment with best governance practice, and some changes might result in by-law amendments to be brought to the board and ultimately the membership.

The committee then moved to a discussion of the revised Code of Ethical Conduct, as well as the Complaint Procedure under the Code, and the Conflict-of-Interest Policy. The Harassment Policy will remain a separate document, and a Substance Use Policy is being developed which will be an Annex to the Code of Conduct. The Executive Committee had provided feedback to an early version of the Code, and Governance Committee members offered additional feedback on issues including an external Complaints Officer, monitoring and reporting on complaints, involvement of staff in the process and the possible routes for making a complaint.

The committee heard an update on Board Effectiveness Framework items that have been advanced since the March meeting when the framework was approved.

There have been four key areas of focus:

1. Reviewing the Code of Conduct and Conflict of Interest policies;
2. Anti-Racism, Equity, and Inclusion components of governance, including leveraging the non-board committee member process to increase diversity;
3. Orientation and training through an FCM 101 session for new board members in June, subsequently shared with all board and committee members, as well as an Executive Committee retreat, and an orientation session for the Committee of the Whole (the possibility of providing self-guided board training on specific board competencies is also being explored); and
4. Prioritizing short-term improvements and longer-term changes to the board portal for improved access to board and committee documents.

The committee also heard an overview of the process used for committee assignments given the new committees structure, including that committee sizes are larger than ideal due to having fewer committees. The committee profile survey used this year included the collection of some demographic and skills self-assessment information that will assist in establishing a baseline of board composition. The committee provided feedback regarding terms for the FCM Board of Directors.

Community Safety and Crime Prevention

The committee received a presentation and update from Public Safety Canada on the Federal Government's Assessment of the RCMP Contract Policing Program and findings of the Mass Casualty Commission Final Report.

The committee reviewed three expiring resolutions on RCMP Community Policing, Supporting the Indigenous Court System, and Improving the Medical Cannabis Regime, and recommended them for adoption into standing policy.

The committee adopted two new resolutions on the following topics:

1. Implementing a Graduated Tier System for RCMP Contract Policing Cost-sharing Agreements
2. Increasing the Tax Credit for Volunteer Firefighters and Search and Rescue Volunteer

The committee undertook a strategic discussion about the impacts of complex social issues, including substance use, mental health and affordability, on community well-being from a public safety perspective.

Réseau Francophone

The committee elected positions of Chair (Anik Des Marais) and Vice-Chair (Bernard Bigras-Denis). Anik Des Marais, the new Chair of the Network of Francophone Municipalities addressed members and provided an update on the network.

Justin Johnson, CEO of the Association of Manitoba Bilingual Municipalities (AMBM) and Annie Girard shared the 2022-2025 ABMB's Strategy to Support Economic Immigration in Manitoba's Bilingual Municipalities and how they encourage, stimulate, coordinate and support economic growth for their communities with the leadership and expertise of organizations such as the Economic Development Council for Manitoba Bilingual Municipalities (CDEM).

The strategy aims to build the capacity of its member municipalities to attract French speaking or bilingual immigrants to their territory, and to create conditions that are conducive to their reception, settlement and inclusiveness. It also wishes to confirm the role and consolidate the presence of Manitoba's bilingual municipalities within the continuum of Francophone immigration to the province, in complementarity and solidarity with the key players who make up this continuum.

The members also held a roundtable on local priorities and discussed the need to recruit more French-speaking members in the country, particularly outside of Quebec and particularly in the province of Ontario, and to make a collective effort to increase representation within the network.

Environmental Issues and Sustainable Development

The committee received a presentation on FCM's Recommendations for the 2030 Emissions Reduction Plan Progress Report and approved a proposed addition to FCM's Climate Change Policy Statement on Clean Electricity.

The committee reviewed an expiring resolution related to national utility corridors and the need to improve predictability to help restore investor confidence. The committee voted to incorporate the second clause of the resolution into standing policy.

The committee voted to adopt three new resolutions on the following topics:

1. A federal mechanism to address inflationary cost escalations in DMAF funded projects
2. The availability of affordable pluvial and fluvial flood insurance for existing buildings
3. Investing in the resiliency of nationally significant transportation routes and single-access corridors

The committee received an update on key GMF priorities including a new three-year strategic plan and new program developments.

Municipal Finance, Infrastructure and Transportation

The committee reviewed the new Terms of Reference which combines the previous mandates of the Standing Committee on Municipal Infrastructure and Transportation and the Standing Committee for Municipal Finance and Intergovernmental Arrangements

The committee received an update on FCM's Budget 2024 advocacy priorities related to the next generation of federal infrastructure program and public transit. Members discussed issues with costs of inflation, federal program design, and operational funding needs.

The committee voted to incorporate into standing policy three expiring resolutions on modernizing the Official Languages Act, public consultations on telecommunications infrastructure, and shipping dangerous goods by rail.

The committee approved a new resolution on Rural Transit Operating Funding.

Committee members discussed the Municipal Growth Framework and shared their current fiscal challenges and thoughts on the proposed framework.

The committee then received updates on FCM's research on the cost of municipal infrastructure to meet CMHC's targets for new housing construction and the Reconciliation Action Working Group.

The committee approved a recommendation to focus FCM's advocacy on rail safety over the next year on three areas: development in proximity to rail lines, the impact of climate change on rail transportation, and the need for improved rail safety measures.

Anti-Racism, Equity and Inclusion

AREI members discussed the integration of the Standing Committee on Increasing Women's Participation in Municipal Government and reviewed the changes to the Terms of Reference to reflect a formal inclusion of and commitment to the work of gender equity.

The committee received a presentation of the AREI Hub, a key deliverable from the 2022-2023 workplan, now available in French and English through the FCM website. The hub outlines FCM's commitment to AREI and reconciliation, lists FCM resources and initiatives as well as a repository of external resources and samples to facilitate members advancing the work of AREI and reconciliation in their communities.

The committee will evaluate the process and outcome of the 2022-2023 workplan implementation and establish a new work plan with a focus on working with the Governance Committee in integrating AREI into FCM governance, capacity building and advancing key equity issues.

Social Economic Development

The committee received a presentation and update from the Canadian Mortgage and Housing Corporation on affordability measures and requirements in current National Housing Strategy programs.

The committee accepted a recommendation to adopt the Federal Support for Literacy programs resolution and voted to amend the Providing Adequate Funding for Ukrainian Arrivals resolution, referring it back for staff analysis.

The committee received an update from staff on FCM housing and homelessness advocacy. This included updates on the Rapid Housing Initiative, the Housing Accelerator Fund, identifying solutions on homelessness and encampments through Reaching Home, advocacy on the Urban Rural and Northern Indigenous Housing Strategy, and continuing to identify opportunities to link housing to infrastructure in FCM's market rental housing advocacy.

Resolutions

FCM members submit resolutions for the board's consideration on subjects of national municipal interest. The September 2023 FCM Board of Directors meeting saw the adoption of the following resolutions:

- **Implementing a Graduated Tier System for RCMP Cost-Sharing Agreements:** This resolution directs FCM to advocate for the introduction of additional population tiers to the cost-sharing agreements for RCMP contract policing.
- **Increasing the Tax Credit for Volunteer Firefighters and Search and Rescue Volunteers:** This resolution directs FCM to call on the Government of Canada to increase the existing tax credit from \$3,000 to \$10,000 in recognition of the invaluable contributions of our essential volunteer firefighters and volunteer search and rescue personnel across the country.
- **Federal Mechanisms to Address Inflationary Costs through DMAF:** This resolution directs FCM to call on the federal government to work with municipalities to develop a funding mechanism to address inflationary cost escalation as it relates to the Disaster Mitigation and Adaptation Fund (DMAF) program.
- **Insurability of Buildings in a Climate Crisis Context:** This resolution directs FCM to make the required representations to the Government of Canada and other relevant organizations to guarantee the insurability of existing buildings against climate-related risks, including rain and river floods, in the context of the climate crisis.
- **Resilient National Corridors:** This resolution directs FCM to urge the federal government, in collaboration with Provinces, Territories, First Nations, private stakeholders, and municipalities, to immediately invest in the adaptation and resiliency of nationally significant transportation routes, and single-access corridors, ensuring that these critical links remain viable in the face of a changing climate.
- **Rural Transit Operating Funding:** This resolution directs FCM to advocate to the Government of Canada to ensure the new Rural Transit Solutions Fund is expanded to include further operational funding, outside of the Active Transportation Fund and the Zero Transmission Fund, for small to medium sized municipalities, and rural, remote, Northern and Indigenous communities.
- **Federal Support for Literacy Programs:** This resolution directs FCM to add Literacy to its "Inclusive Communities" advocacy work. It also directs FCM to call on the Government of Canada to add explicit references to Literacy in its various policies, for the Government of Canada to support literacy non-profits with core funding, including funding digital literacy programs at the introductory level in communities gaining broadband access, and by ensuring literacy initiatives and funding expand beyond employment programs.

The board also adopted **important recommendations** calling for urgent federal leadership on wildfire prevention and response, including expediting the development of a Canadian Wildland Fire Prevention and Mitigation Strategy, and increasing investments in the Disaster Mitigation Adaptation Fund.

FCM resolutions database:

fcm.ca/en/about-fcm/corporate-resources/fcm-resolutions