



MANAGED
FOREST
COUNCIL

Annual Report 2021 / 2022



November 30, 2022

Honourable Katrine Conroy
Minister of Forests
PO Box 9049, Stn. Prov. Govt.
Victoria, BC V8W 9E2

Dear Minister:

With pleasure, I submit the 2021 / 2022 Annual Report of the Managed Forest Council. The report includes a summary of statutory requirements as outlined in Section 10(2) of the *Private Managed Forest Land Act* and commentary on Council and its various activities throughout the year.

There are 281 private managed forests in British Columbia, encompassing 805,000 hectares. In 2021, 4.5 million m³ of timber were harvested on managed forest land, representing approximately 6% of the total provincial timber harvest, and 20% of the timber harvest on the Coast. These properties are located mostly on Vancouver Island, the southern mainland Coast, the Kootenays and the Okanagan- Shuswap.

Some highlights of 2021 / 22:

- Council and its staff worked closely with the Ministry on the provincial Managed Forest Program Review and provided a formal submission to government with several options to strengthen the objectives of the program;
- Participated as a delegate at the 2021 ABCFP and UBCM virtual conventions;
- Owners restocked a total of 7,900 hectares in 2021;
- Conducted 62 inspections of managed forest throughout BC; and
- Through its compliance enforcement program assessed \$8,500 in penalties from owners.

Sincerely yours,

Trevor Swan, RPF, LLB, C Dir
Chair

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A regenerating managed forest in the Interior.



What We Do

The Private Managed Forest Land Council is an independent agency established under the *Private Managed Forest Land Act* (Act). The Act was passed in November 2003 by the provincial government and was fully implemented in August 2004. As of September 2014, the Private Managed Forest Land Council is known by its working name, the Managed Forest Council (Council).

The objective of Council is to encourage forest management practices on private managed forest land and to administer the Managed Forest Program. This includes the monitoring of forest practices and the protection of key environmental values on private managed forest land as established by regulation.

Participation in the program by private landowners is voluntary. The Council budget is 100% funded by fees levied on the program participants.

Key environmental values are:



Soil conservation: to protect soil productivity.



Water quality: to protect human drinking water.



Fish habitat: to retain sufficient streamside mature trees and understory vegetation both during and after harvesting to protect fish habitat.



Critical wildlife habitat: to facilitate the long-term protection of that habitat.



Reforestation: to promptly regenerate the areas with a healthy commercially valuable stand of trees that are not impeded by vegetative competition.

Owners protect small wetlands and lakes within and adjacent to their managed forests.



The Function of Council

In keeping with its objective Council is responsible for the administration of private managed forest land legislation. This includes four broad functions:

1. Strategic planning, reporting and program administration;
2. Establish and monitor forest practice standards for managed forest land;
3. Enforce standards and perform audits; and
4. Review landowner applications to enter managed forest land class.

This Annual Report covers the period from April 1, 2021 to March 31, 2022. It contains information Council considers relevant to the fulfillment of its objective in the exercise of its powers, performance, duties and functions under the Act.

2021 / 2022 Council

The Council is comprised of representatives from government and managed forest landowners:

- a chair who is jointly appointed by the four members of Council for a three-year term;
- two owner members elected for a three-year term by the private managed forest landowners; and
- two members appointed by the provincial government.

Council members report annually as to their compliance with the Council's established code of conduct. All council members declared that they have abided by the Code of Conduct as written in Section III G of the Council Governance Policy for 2021.



Current Council:

(bio sketches available on our website:
www.mfcouncil.ca/about/who-we-are/)

Chair (as of February 1, 2021):
Trevor Swan

Owner Elected Members:
Will Pryhitko, MF 38
Blair Robertson, MF 177

Government Appointees:
Brian Frenkel
Dennis Lozinsky

Council Staff:

Executive Director:
Phil O'Connor, RPF
Program Manager:
Ann Donaldson, RPF

Water bars are important tools to manage water resources on deactivated roads.

2021 – 2022 Summary of Council Functions and Activities

Program Administration

2021 – 2022 Budget

- For the 2021 fiscal year, the budget was \$416,000, revenue was \$416,820 and expenses were \$380,000. The revenue surplus was \$37,177.
- The annual fee levied on managed forest owners is made up of a general administration fee and a fee based on application of a mill rate to the bare land value of the property. Council established the mill rate for the 2021 / 2022 fiscal year at 0.275/\$ 1,000 of Bare Land Value. The general administration fee was \$ 250 for each managed forest. The 2021 / 2022 annual fee represents an 11.5 % decrease in revenue from fees over the 2020 fiscal year.
- Council expenses for the 2021 / 2022 fiscal year were \$ 380,000, 11.0% lower than those for the 2020 / 2021 fiscal year.
- Council objective is to retain a contingency reserve of \$150,000. For each of the past four years, Council has had a surplus of revenue over expenses. Council net assets (contingency reserve plus any revenue surplus) at the beginning of the 2021 / 2022 fiscal year were \$ 226,899. To align its net assets with its contingency reserve, Council adopted a strategy of running a small annual deficit. At the end of the 2021 / 2022 fiscal year, Council net assets increased to \$ 264,016. The increase in net assets at the start of the 2021 / 2022 fiscal year is a reflection of the impacts of Covid-19 on Council achieving its strategic goals.
- Grant Thornton LLP, an independent third-party accounting and auditing firm, was retained to conduct a Review Engagement of the 2020 fiscal year financial statements. Council accepted the Review Engagement in fall 2021.

Management Commitments for Managed Forests

- Council receives a number of new management commitments from new entrants to the program or from new owners who have purchased existing managed forest. New management commitments are evaluated and accepted within time frames established by Council. Staff work with the landowners to resolve errors or omissions with the submissions.
- Throughout the year Council receives numerous management commitment amendments from existing managed forest owners. The amendments may be to add or remove land, change or update forest management strategies, or update forest inventory. Council has a policy to process these amendments in a timely fashion, and includes a performance measure in its Corporate Plan to ensure its objective of processing these amendments within 30 days.



A merchantable stand of mixed Douglas-fir / Red Cedar on the northern Gulf Islands.

Council 2021 / 2022 Performance Measures

Council reports on a series of performance measures established within its annual Corporate Plan. The performance measures were established to analyze and report on Council's performance in meeting its corporate goals in the delivery of its mandate.

Performance Measure # 1: Inspections

Performance Measure	2021 / 2022 Target	2021 / 2022 Result	2022 / 2023 Proposed	2023 / 2024 Proposed
# of inspections	62	√ Achieved	60	60

Discussion: During spring and early summer of 2021 Council staff and contract inspectors completed 62 inspections of managed forests throughout BC. Since the 2014 inspection year staff have aggressively pursued Council target of conducting field inspections of each managed forest at least once every five years. The result is a rebalanced inspection program that meets Council inspection target while leading to an increase in the frequency of future inspections. The 62 inspections completed in 2021 reflect the achievement of a rebalanced inspection schedule. Going forward, future Council inspections to achieve this goal should average 60 inspections per year.

Performance Measure # 2: Meeting Attendance

Performance Measure	2021 / 2022 Target	2021 / 2022 Result	2022 / 2023 Proposed	2023 / 2024 Proposed
Meeting attendance minimum 80%	80%	√ Achieved	80%	80%

Discussion: Council is comprised of five members and meets once a month throughout the year. An 80% attendance record represents a total of 48 person days. This year Council attendance at monthly meetings represented 54 person days, 13% above the targeted performance measure for 2021.

Performance Measure # 3: Stakeholder Engagements

Performance Measure	2021 / 2022 Target	2021 / 2022 Result	2022 / 2023 Proposed	2023 / 2024 Proposed
# of stakeholder engagements	10	√ Achieved	10	10

Discussion: Stakeholder engagement is a key component of Council's ongoing communication strategy. For the 2021 fiscal year a performance measure of 10 engagements was established. Despite the difficulties associated with the Covid – 19 pandemic, Council completed a total of 12 engagements with various stakeholders throughout the year. Many of the stakeholder engagement events were completed remotely due to the ongoing Covid – 19 pandemic.

Strategic Planning

Provincial Program Review – Ongoing

- The Province announced a review of the Managed Forest Program in January 2019 as part of its Coastal Revitalization Strategy. Council supports this review and is pleased the province has welcomed its participation as the regulator of forest practices on private managed forest land. Since the province's announcement, Council has had the opportunity to participate in several meetings to discuss the Ministry progress and to share Council views on areas of legislation that would strengthen its ability to administer the program and its role as the regulator of forest practices on private managed forest land. Late in 2019, Council made a formal submission to the Ministry outlining its views on proposed changes aimed at strengthening the program.

Compliance Reporting

Inspections

- The Inspection Program is designed to assess owners' compliance with the Council regulations.
- Each year Council engages a team of independent registered forest professionals to complete inspections of selected managed forests. Over the past five years Council staff has increased their participation in the field component of the inspection program. These inspections are an important component of the Managed Forest Program and Council's function in monitoring the implementation of forest practices on managed forest land. Of the 62 managed forests inspected in 2021, 21 were in the Interior of the province and 41 were on the Coast. This sample represents approximately 22% of managed forests in the program and was comprised of a series of small, medium and large size properties.
- During each inspection discussions are held with the owners regarding their recent forest management activities. Owners are provided an opportunity to discuss Council regulation and bring forward questions or concerns they have regarding the program. A sample of the owner activities are inspected. The sample may include recent harvesting, an owner's practices with respect to protecting fish habitat, the condition of newly constructed or maintained roads, and the regeneration status of both older and more recent cutblocks.
- The 2021 inspection program indicated that overall owners are managing their properties in accordance with their management commitments and the regulatory requirements of the *Private Managed Forest Land Act*. Recommendations were made to some owners suggesting they monitor the status of regenerating cutblocks to ensure they comply with reforestation requirements within the legislated time frame.

Field Reviews, Investigations and Determinations

- Council conducts field reviews and investigations into various regulatory aspects of the managed forest program. Investigations by Council are initiated in a variety of ways. They may be initiated through a concern or inquiry from the public, a non-compliance issue identified through its inspection program, or from the legally required reporting of landslides or debris flows from an owner of private managed forest land. Council may also initiate an investigation on its own into any area or aspect of the program.
- The Act and regulations place many requirements on owners of private forest land. The Act also establishes several mechanisms that may be used to ensure compliance with the owner's requirements. The main mechanisms are: consent agreements, stop work orders, administrative contravention determinations and offences.
- During the 2021 / 2022 reporting period, one formal investigation was initiated by Council.
- Council received notification of eight debris flows or slides into streams. These owner-reported debris flow/ slide reports are reported in accordance with Section 26 of Council regulation. Each report is assigned a slide number and assessed for probable cause. An owner follow-up and proposed mitigation actions are reviewed as part of the Council slide review.



Harvesting on smaller south Vancouver Island managed forest.

Activities Summary

Section 10(2) of the Act requires Council to report on managed forest owner and administrative penalty data. The data for 2021 / 2022 is reported in the following table.

SECTION	DESCRIPTION	STATUS	COMMENT
a)	Number of owners subject to the Act	281 285	As of April 1, 2021 As of March 31, 2022
b)	Number of hectares subject to the Act	805,315 805,040	As of April 1, 2021 As of March 31, 2022
c)	Number of management commitments withdrawn	2	
d)	Number and nature of inspections performed	62	Routine inspections
e)	Number and nature of consent agreements	8	Failure to provide notice of sale
f)	Amount of penalties collected and owing	\$ 8,500	Consent Agreements Council Reg s. 11
g)	Number and nature of remediation orders made	0	None
h)	Number and nature of stop work orders made	0	None
i)	New regulations enacted by Council	0	None

Summary of Annual Declarations

By May 1 of each year, owners of private managed forest land are required to submit to the Council a declaration of the operations completed in the previous reporting period. The reporting period is January 1 to December 31 for owners on the Coast, and April 1 to March 31 for owners in the Interior. The following table provides a summary of information provided in the owners' 2021 annual declarations.

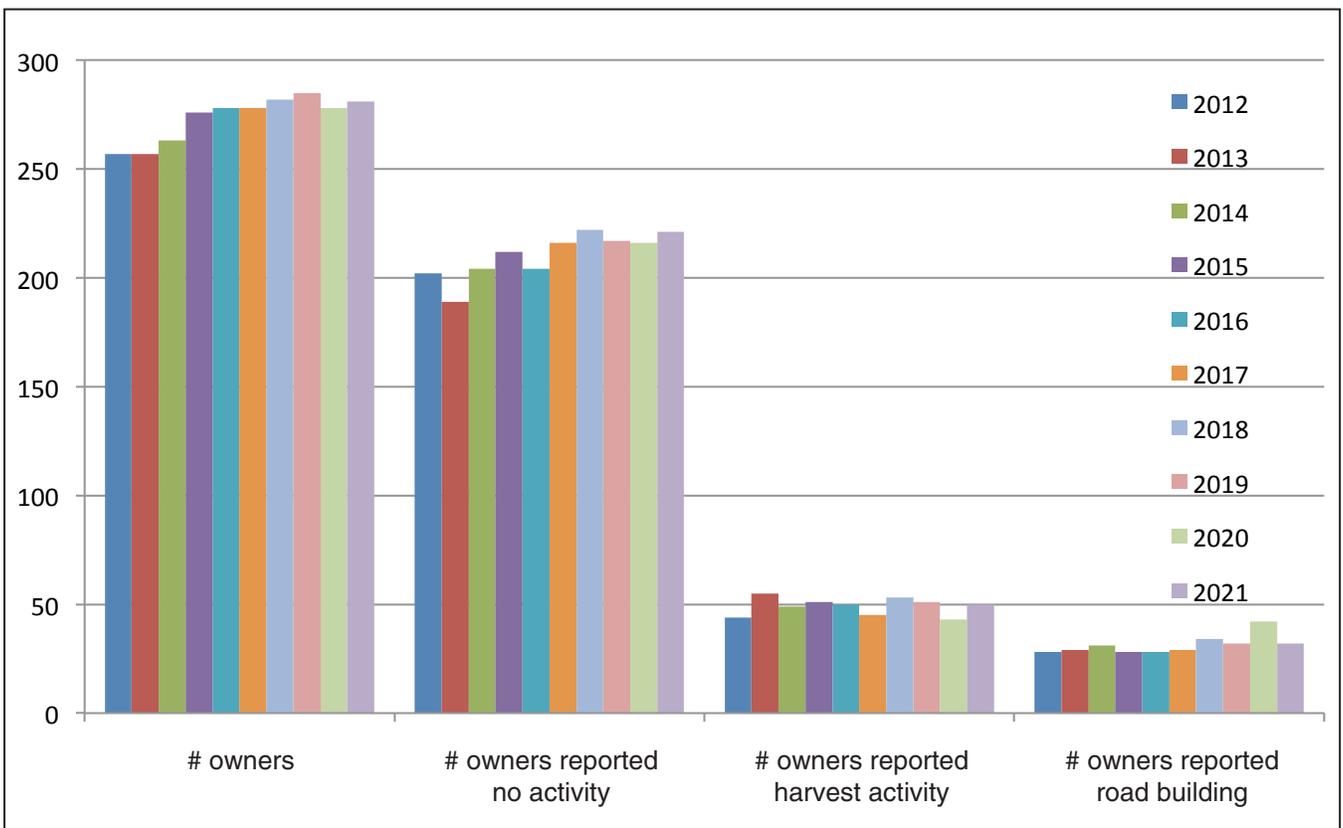
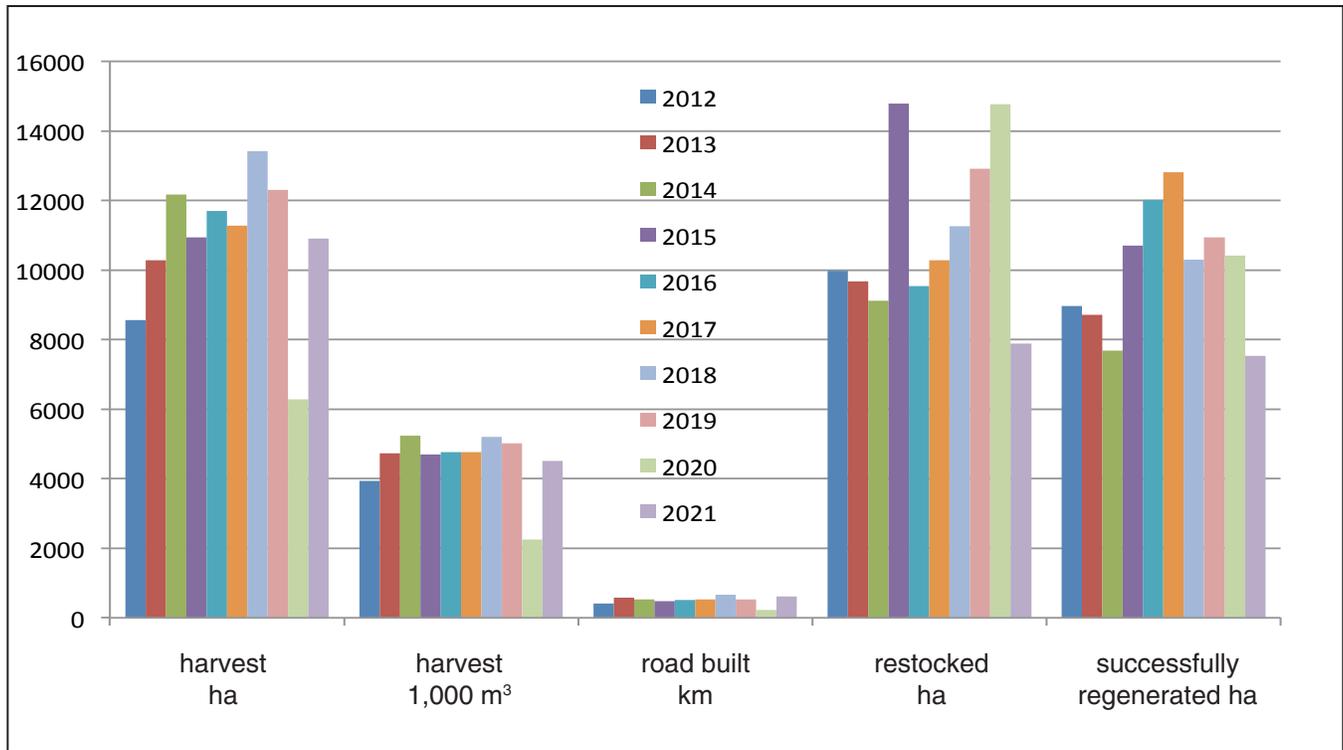
	Total # Owners	No Activity	Harvest Activity	Destroyed Timber	Road Construction	Road Deactivation	Reforestation	
							Restocked	Successfully Regenerated
Coast	206	167 owners	35 owners 8,999 ha 4,128,110 m ³	7 owners 92.5 ha	22 owners 576.1 km	8 owners 38.7 km	22 owners 6,972 ha	13 owners 6,748 ha
Interior	75	54 owners	15 owners 1,916 ha 378,332 m ³	2 owners 449.4 ha	10 owners 41.8 km	1 owner 2.3 km	11 owners 919 ha	5 owners 792 ha
TOTAL	281*	221 owners	50 owners 10,915 ha 4,506,442 m ³	9 owners 541.9 ha**	32 owners 617.8 km	9 owners 41.0 km	33 owners 7,891 ha	18 owners 7,540 ha

* Total number of owners does not equal the sum of no activity owners and owners reporting activity due to differing combinations of activities by some owners.

** 99% of destroyed timber was caused by fire

The Council's objective is to encourage forest management practices on private managed forest land, taking into account the social, environmental and economic benefits of those practices.

Annual Activity Level Comparison 2012 – 2021





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