

Annual Report 2022 / 2023



October 31, 2023

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

Dear Minister:

With pleasure, I submit the 2022 / 2023 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 activities throughout the year.

There are 288 private managed forests in British Columbia, encompassing 806,000 hectares. In 2022, 4.0 million m³ of timber were harvested on managed forest land, representing approximately 11% of the total provincial timber harvest. Managed Forests are located mainly on Vancouver Island, the southern mainland Coast, in the Kootenays and the Okanagan-Shuswap.

Some highlights of 2022 / 2023:

- Updated management commitment requirements to align with the *Professional Governance Act*, and adopted a new policy regarding forest professional reserved practice.
- Commenced a regulatory review process.
- Continued to engage with BC Assessment, the Ministry, and private managed forest landowners with respect to BC Assessment valuation model.
- Participated in the FPBC, UBCM, AVICC, and PFLA conventions.
- Conducted 50 inspections of managed forest throughout BC, which had a 98% owner compliance rate; initiated a field review to follow up on one potential noncompliance.
- Tracked owner activity that included 10,000 hectares harvested, 8,300 hectares restocked, and 5,800 hectares successfully regenerated.

Sincerely yours,

Trevor Swan, RPF, LLB, C Dir

Chair

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Recent harvest with riparian tree retention.



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 taking into account the social, environmental, and economic benefits of those practices. Council administers the Managed Forest Program including 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.





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:

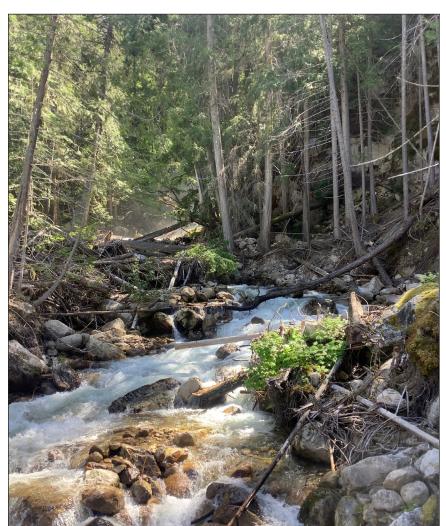
- 1. Strategic planning, reporting and program administration;
- 2. Establish and monitor forest practice standards;
- 3. Enforce standards and perform audits and inspections; and
- 4. Review landowner applications to enter managed forest land class.

This Annual Report covers the period from April 1, 2022 to March 31, 2023. 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.

2022 / 2023 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 Minister of Forests.



Council members report annually as to their compliance with 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 2022.

Current Council:

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

Chair:

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 quality and fish habitat are two of the key environmental values protected by Council regulation.

2022 / 2023 Summary of Council Functions and Activities

Program Administration

2022 / 2023 Budget

- For the 2022 fiscal year, Council's budget was \$ 416,000, revenue was \$ 421,400 and expenses were \$ 467,100. The deficiency of revenues over expenses was \$ 45,700.
- The annual fee levied for each managed forest is made up of a general administration fee and a fee based on application of a mill rate applied to the property's bare land value. The general administration fee was \$ 250 and the mill rate was 0.273 per \$ 1,000 bare land value. The 2022 / 2023 annual fee represents a 0.6% increase in revenue from fees over the 2021 fiscal year.
- Council expenses increased by 23% over the 2021 fiscal year. Part of the increase reflected expansion of operations following restrictions and reduced travel during 2020 and 2021 due to Covid.
- Council net assets (contingency reserve plus any revenue surplus) was \$ 218,328 at year end and is consistent with Council policy to retain a contingency reserve of \$ 150,000.
- Grant Thornton LLP, an independent third-party accounting and auditing firm, was retained to conduct a Review Engagement of the 2021 fiscal year financial statements. Council accepted the Review Engagement in September 2022.

Management Commitments & Amendments for Managed Forests

- Council receives management commitments from new applicants to the program and from purchasers of
 existing managed forest land. Management commitments are evaluated and accepted within time frames
 established by Council. Staff work with the landowners to resolve any deficiencies with the submissions.
- Throughout the year, managed forest owners may submit management commitment amendments to add or remove land, revise forest management strategies, or update forest inventory. Council policy is to process these amendments within 30 days.



The inspection program includes assessment of road drainage structures.

Council 2022 / 2023 Performance Measures

Council reports on performance measures identified within its annual Corporate Plan. Performance measures are 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	2022 / 2023 Target	2022 / 2023 Result	
# of inspections	60	Not Achieved	

Discussion: During spring and summer 2022 Council staff and contract inspectors completed 50 inspections of managed forests throughout BC. Council policy is to inspect each managed forest at least once every five years. The inspection program has met this target over the past five years, with some fluctuation in the number of inspections carried out each year to account for geographic locations and efficiencies. Inspection planning ensures the policy will continue to be achieved.

Performance Measure # 2: Meeting Attendance

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

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 57 person days, 19% above the performance measure target.

Performance Measure # 3: Stakeholder Engagements

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

Discussion: Stakeholder engagement is a key component of Council's ongoing communication strategy. Twelve engagements were carried out during the 2022 fiscal year.

Strategic Planning

Risk Assessment Review - Ongoing

The objective of risk assessment in the context of a managed forest is to evaluate both the potential for activities to negatively impact key environmental values (hazard level) and the potential consequences if a negative impact occurs. The purpose of the ongoing risk assessment review is to confirm how and to what extent risk is assessed by owners prior to the start of forest activities.

The annual inspection program includes an ongoing component of risk assessment where an owner is carrying out, or plans to carry out, forest activities including harvesting, road building, road maintenance, road deactivation, and reforestation. The assessment includes documentation of the tools used by owners to assess risk, owner assessments prior to the initiation of operations, and use of qualified people to plan, carry out, and sign off on forest activity. The results are used to determine frequency of future inspections and communications with owners.

Compliance Reporting

Inspections

- The Inspection Program is designed to assess owner compliance with the Private Managed Forest Land Council Regulation (Council Regulation).
- Each year Council engages a team of independent registered forest professionals to complete inspections of selected managed forests. These inspections are an important component of the Managed Forest Program and Council's function to monitor the implementation of forest practices on managed forest land. Of the 50 managed forests inspected in 2022, 14 were in the Interior of the province and 36 were on the Coast. This sample represents approximately 17.5% of managed forests in the program and was comprised 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 is inspected. The sample
 may include recent harvesting, practices with respect to protecting water quality and fish habitat, condition
 of newly constructed, maintained or deactivated roads, and the regeneration status of both older and more
 recent cutblocks.
- The 2022 inspection program indicated that overall owners are managing their land in accordance with their management commitments and the Council Regulation. Recommendations were made to some owners regarding the need to monitor the status of regenerating cutblocks to ensure they comply with reforestation requirements within the legislated time frames. One potential noncompliance was identified, which led to initiation of a field review.

Field Reviews, Investigations and Determinations

- Council conducts field reviews and investigations into regulatory aspects of the managed forest program. Investigations are initiated by: a concern or inquiry from a stakeholder including the public; a potential non-compliance identified through the inspection program; or from the required reporting of landslides or debris flows by owners.
- The Act and regulations place many requirements on owners of private managed forest land. The Act also establishes several mechanisms that may be used to ensure compliance with owner requirements. The main mechanisms are consent agreements, stop work orders, administrative contravention determinations and offences.
- There were no formal investigations initiated in 2022 / 2023.
- Council received notice of three debris flows that deposited material into streams. These owner-reported debris flow notices were submitted in accordance with Section 26 of the Council Regulation. The debris flows were assessed for probable cause and the owner's proposed mitigation actions. No further actions were required.



Managed forest owners restocked over 8.000 hectares of harvested land in 2022 / 23.

Activities Summary

Section 10(2) of the Act requires Council to report on managed forest owner and administrative penalty data. The data for 2022 / 2023 is reported in the following table.

SECTION	DESCRIPTION	STATUS	COMMENT		
a)	Number of owners subject to the Act	285 288	As of April 1, 2022 As of March 31, 2023		
b)	Number of hectares subject to the Act	805,040 805,869	As of April 1, 2022 As of March 31, 2023		
c)	Number of management commitments withdrawn	5	None		
d)	Number and nature of inspections performed	50	Routine inspections		
e)	Number and nature of consent agreements	1	Failure to provide notice of sale		
f)	Amount of penalties collected and owing	\$ 1,000	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' 2022 annual declarations.

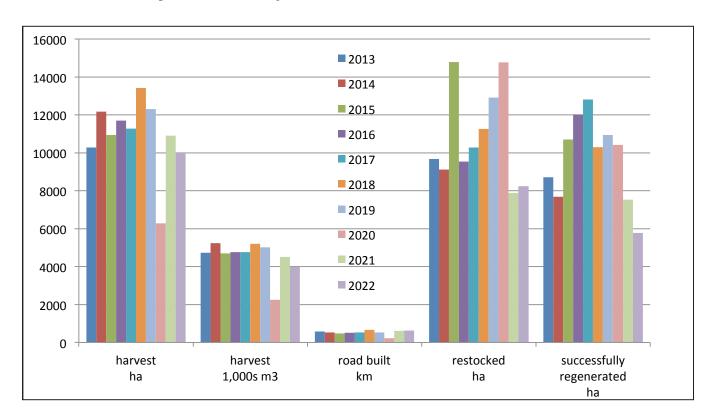
	Total #		Hamicat	Destroyed	Dood	Dood	Reforestation	
	Total # Owners	No Activity	Activity Harvest Destroyed Road Road Activity Timber Construction Deactivation	Deactivation	Restocked	Successfully Regenerated		
Coast	208	159 owners	39 owners 8,779 ha 3,697,752 m ³	5 owners 25.6 ha	24 owners 585.6 km	9 owners 70.8 km	22 owners 7,802 ha	12 owners 5,352 ha
Interior	77	57 owners	16 owners 1,225 ha 294,076 m³	2 owners 45.0 ha	9 owners 38.8 km	3 owners 2.6 km	12 owners 447 ha	4 owners 423 ha
TOTAL	285*	216 owners	55 owners 10,004 ha 3,991,828 m ³	7 owners 70.6 ha**	33 owners 624.4 km	12 owners 73.4 km	38 owners 8,249 ha	16 owners 5,775 ha

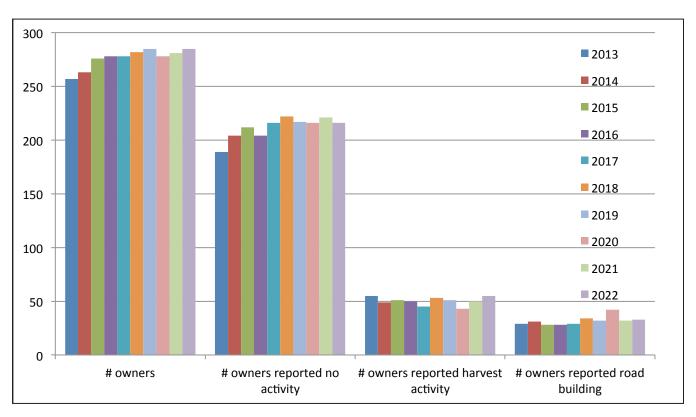
^{*} Total number of owners does not equal the sum of no activity owners and owners reporting activity due to differing combinations of activities by some owners.

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.

^{** 99.6%} of destroyed timber was caused by fire

Annual Activity Level Comparison 2013 – 2022







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