

MEMORANDUM

To: Regional Chair Emmerson and Members of Regional Council

From: Bruce Macgregor
Chief Administrative Officer

Date: June 10, 2021

Re: FCM – 2021 Membership Renewal

York Region is a long-standing member of FCM – the Federation of Canadian Municipalities

The [Federation of Canadian Municipalities](#) has been in existence for over 80 years. The non-profit corporation represents municipalities through active engagement with the Government of Canada. York Region's annual fee covers membership for the Region and all nine local municipalities. This differs, for example, from the Association of Municipalities of Ontario (AMO) that collects fees from the Regional and local municipalities separately.

Municipal membership fees made up approximately 43% of the \$15.8 M FCM annual budget. The balance of funding is primarily received through recoveries by FCM for administering the federal Green Municipal Fund.

FCM distributed approximately \$165 Million in grant funding to municipalities through the Green Municipal Fund in the last fiscal year.

In June 2020, Council passed a resolution seeking representation on FCM's Ontario Big City Mayors' Caucus

In 2020, Council passed a resolution seeking to gain representation on the FCM "Big City Mayors' Caucus" (see Attachment 1). While a response to this resolution was not received, recent inquiries were responded to with a copy of a reply to a similar request from the Chair of the Mayors and Chairs of Ontario (Attachment 2). The consideration of changes to governance is now expected to be deliberated by the FCM Board in September 2021.

Annual membership fees have grown by over 50% in the last five years

Annual membership fees include a base fee and per capita component. The base fee is stepped for small, medium and large municipalities. In 2017, FCM introduced an optional “advocacy fee” of approximately \$24,000 or roughly 13% surcharge on top of annual renewal costs. The optional fee grew to \$57,000 in 2019 and was not paid by the Region in any of the three years it was included in annual invoices. In 2020, FCM integrated this “surcharge” with its annual membership fees. Over the same 5-year period, AMO membership fees (now at just under \$16,000 for the Region alone), have increased by 18%.

FCM Membership Fees (2016-2021)

Year	Full Amount Invoiced	'Outstanding Advocacy Fund' Contribution*	Amount Paid	Paid Increase % (annual)	Paid Increase % (since 2016)
2016	\$147,435	Not included	\$147,435	-	-
2017	\$174,187	\$23,748 (not paid)	\$150,439	2.0%	2.0%
2018	\$190,490	\$25,528 (not paid)	\$164,962	9.7%	11.9%
2019	\$226,523	\$57,000 (not paid)	\$169,523	2.8%	15.0%
2020	\$216,441	Included in per capita fee	\$216,441	27.7%	46.8%
2021	\$224,057	Included in per capita fee	**\$224,057	3.5%	52.0%

* These contributions were previously optional and not paid by the Region. Beginning in 2020, the FCM revised their per capita fee for all municipalities to incorporate costs for the Legal Defence Fund and Special Advocacy Fund and to build reserves for long-term fiscal sustainability

** Amount invoiced by FCM; payment pending approval

Council might want to consider its ongoing participation in FCM given the lack of representation in relevant caucuses and rising costs

There is no doubt that over time, FCM has been an effective voice for municipalities at the federal level. There is a prospect that the governance deliberations scheduled for later in 2021 might result in more representative membership in FCM's Ontario caucuses. It might be practical for the Region to continue membership through 2021 and re-evaluate ongoing participation and membership in 2022.



Bruce Macgregor
Chief Administrative Officer

Attachments (2)
eDOCS # 13044029