



EOCP

Environmental Operators
Certification Program

ANNUAL REPORT 2019

A BRIEF HISTORY

The EOCP, in 1966, was the very first organization in Canada to oversee voluntary classification of water and wastewater treatment systems and certification of Operators – this is before there were even any regulations related to water or wastewater! The program was initially run by a small ad-hoc group of wastewater Operators who recognized that some standards for the industry were needed. Initially, the organization was registered as the British Columbia Water and Wastewater Operators Voluntary Certification Program (BCWWOVCP).

The promulgation of the BC Municipal Sewage Regulation by the Ministry of Water, Land, and Air Protection in 1999 increased the responsibilities of the EOCP. Subsequently, in 2003, there was the enactment of the BC Drinking Water Protection Act and Regulation requiring the classification of water treatment Facilities and the related certification of the Operators working in the Facilities. An additional development was the promulgation of the Public Health and Safety Act in 2007 by the government of

Yukon which also mandated the classification of water and wastewater Facilities, and the related certification of Operators who maintain the Facilities. In 2015, the BC Municipal Sewer Regulations were replaced with the BC Municipal Wastewater Regulations and required wastewater collection Operators to become certified.

Numerous strides by the EOCP, over the past 54 years, established its role for facility classification and Operator certification, and enhanced protection of public health and the environment.

Over the past few years, the EOCP has undergone significant change, to enable the organization to better meet the needs of its stakeholders and keep up with technological changes in the industry.

54 years since those Operators saw a vision for the industry, the EOCP continues to grow, work with its stakeholders, and has been evolving to ensure that the needs of Operators and employers are met, while continuing to work in the public interest.

Bill Hyslop, the EOCP's first Executive Director, at a tradeshow in 1999.



MESSAGE FROM THE DIRECTORS AND STAFF

Dear Stakeholders of the EOCP

2019 started off with quite the accolade! The EOCP won an award from the Association of Boards of Certification that is presented to a member certifying authority in recognition of outstanding contribution toward establishing or advancing the certification of environmental professionals.

The last of the work on the EOCP's Customer Relationship Manager (CRM), the largest project ever undertaken by the EOCP in its 50 plus year history, was completed. Unlike many stories regarding implementation of CRMs being fraught with problems, inadequate implementation, and significant cost overruns, the EOCP's CRM development and implementation, in comparison proceeded smoothly. One of the key reasons for this is that it was built with the involvement of staff at all levels, and developed to fit the EOCP's own unique needs.

During 2019, work continued on the 'Compliance Project' with regulatory agencies in BC and YK to ensure facilities are appropriately classified and Operators maintain certification. The results of the project have been very encouraging, with close to 75% of non-compliance issues either fully addressed or with plans to do so.

Concurrent with the CRM launch, the EOCP's online 'face', its website, underwent significant upgrading in collaboration between the staff team and users of the website. Now, stakeholders can access the CRM directly from the website 'Login' option.

In 2018 and 2019, the EOCP was asked for input on three important projects, and each can be accessed through the following links:

1. BC Provincial Health Officer's Drinking Water Report. This report evaluates drinking water protection activities in BC for fiscal years 2012-2013 through to 2016-2017, and is available at <https://tinyurl.com/y6spal69>
2. BC's Auditor General for Local Government (AGLG) information for booklets related to drinking water – 'Primer on Drinking Water Management in British Columbia' and 'Considerations for Local Government Administrators-Integrated Drinking Water Management'. These booklets are available at <https://tinyurl.com/y6ed5rv9>
3. The Auditor General's Report on drinking water looked at whether the Ministry of Health and the Provincial Health Officer were taking adequate action to protect drinking water for British Columbians. The report is available at <https://tinyurl.com/y6zjfneq>

Last, but by no means least, the EOCP has been working diligently on the upcoming #EOCP2020: a Conference Designed for Operators, by Operators. More details on the conference are at <https://tinyurl.com/y59b46p9>

Although this Annual Report reflects back on 2019, we cannot ignore how our world has changed so dramatically. As individuals who work in the water and wastewater industry, we have the unique ability to support so many organizations and individuals to provide services as we adjust to our new reality. We have the ability to persevere, solve problems, and work together shoulder-to-shoulder for better days ahead.

Please be kind, be calm, and be safe.

Mike Firlotte, Chair, Board of Directors
Kalpna Solanki, Chief Executive Officer



2018 CONFERENCE FEEDBACK

“Great job, especially for a first conference! As a speaker I found the experience very professional, well organised and useful. It was an excellent opportunity to meet operators in BC and learn from them.”
- Presenter

“The conference was well organized and thought out. Can't wait for the 2020 conference.”
- Conference Delegate

“Very well organized and structured! Kudos to all the EOCP staff and volunteers!”
- Conference Delegate

“You guys raised the bar - this was an excellent tradeshow. We will be back!”
- Vendor

WATER**TRANSPORT****LEADERSHIP****WASTEWATER****2020 CONFERENCE THEME****LEADING
EDGE****Four learning streams:**

- water
- wastewater
- transport
(distribution and collection)
- leadership

Registration Is Live!**<https://tinyurl.com/y59b46p9>**

EOCP BY THE NUMBERS

EXAMS



1,467 exams taken

215 exam sessions

FACILITIES



514 facilities re/classified

OUTREACH



516 Facebook



347 Twitter



108 LinkedIn



15 Instagram

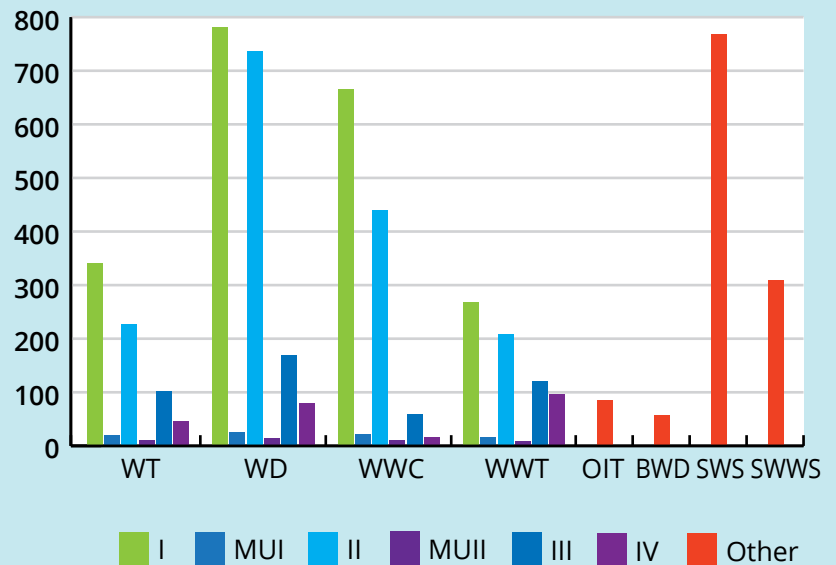


6,435 Operator Digest

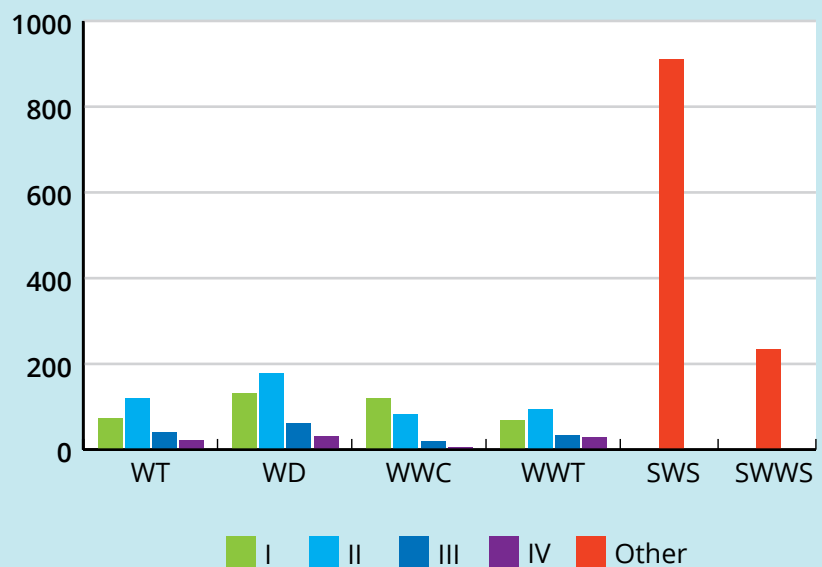
DEFINITIONS

WT	Water Treatment
WD	Water Distribution
WWC	Wastewater Collection
WWT	Wastewater Treatment
OIT	Operator In Training
BWD	Bulk Water Delivery
SWS	Small Water System
SWWS	Small Wastewater System
MU	Multi Utility

OPERATOR CERTIFICATION (2019)



FACILITY CLASSIFICATION (2019)



GOVERNANCE



In accordance with the Constitution and Bylaws (ratified by the EOCP's membership in June 2016), the EOCP is governed by a board of directors that reflects the water and wastewater industry.

The directors of the EOCP board are:



**Mike Firlotte,
Chair**

Water Quality
Supervisor,
City of Penticton



**Chris Lawrence,
Chair-elect**

Manager of
Operations,
District of Houston



**Brian Dean,
Past-Chair**

President, Dean
Environmental



**Allison O'Neill,
Treasurer**

Water Engineering
Technology
Department Chair
and Professor,
Okanagan College



**Jeff Culhane,
Secretary**

Utilities Specialist,
Township of
Langley



Anna Agnew

Chief Operator,
Town of Gibsons



Peter Coxon

Senior Project
Leader/Principal,
Urban Systems



Krista Derrickson

Manager of Utilities
& Public Works,
Westbank First
Nation



Rob Fleming

Acting Manager,
Drinking Water
Safety Program,
First Nations
Health Authority



Jim McQuarrie

Retired

OPERATIONS

In accordance with the Constitution and Bylaws, the day-to-day Operations of the EOCP are run by the CEO and her staff.

The EOCP staff team comprises of:



Kalpna Solanki,
Chief Executive
Officer



Kim Eames,
Office Manager and
Board Secretariat



Jenni Green,
Technical Expert



Stephanie Hall,
Exam
Co-Ordinator



Lachlan Manser,
Program
Assistant



ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM SOCIETY

Statement of Financial Position

December 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 57,178	\$ 112,106
Marketable securities (Note 3)	-	8,606
Accounts receivable (Note 4)	111,716	189,571
Prepaid expenses	42,779	24,748
	211,673	335,031
TANGIBLE CAPITAL ASSETS (Net of accumulated amortization) (Note 5)	21,180	21,577
INTANGIBLE ASSETS (Net of accumulated amortization) (Note 6)	531,211	532,613
	\$ 764,064	\$ 889,221
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 55,394	\$ 121,464
Goods and services tax payable	13,355	9,731
Wages payable	2,697	1,425
Deferred income	377,599	306,344
	449,045	438,964
NET ASSETS	315,019	450,257
	\$ 764,064	\$ 889,221

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM SOCIETY**Statement of Revenues and Expenditures****Year Ended December 31, 2019**

	2019	2018
REVENUES		
Member dues	\$ 302,155	\$ 294,121
Services	278,102	251,377
Grants	150,000	-
Investment income	3,246	(7,879)
Amortization of deferred capital contribution	-	68,788
Conference revenues	-	161,253
	733,503	767,660
DIRECT COSTS	4,782	5,657
GROSS PROFIT (99.35%; 2018 - 99.26%)	728,721	762,003
EXPENSES		
Advertising and promotion	12,733	19,906
Amortization of tangible capital assets	12,545	9,051
Amortization of intangible assets	132,803	114,333
Bad debts	38,172	35,019
Business taxes and licences	933	-
Conference expenses	11,383	161,608
Delivery, freight and express	13,080	5,967
Equipment rentals	3,552	3,428
Exams, taxes, licenses and memberships	80,962	74,205
Insurance	3,409	3,094
Interest and bank charges	11,745	14,564
Meals and entertainment	5,561	3,296
Meetings and travel	46,563	36,211
Miscellaneous	292	-
Occupancy costs	37,769	33,177
Office and computer supplies	41,732	25,143
Personnel costs	322,667	309,440
Professional growth	463	940
Professional services	37,222	32,835
Repairs and maintenance	3,842	3,494
Sub-contracts	40,270	47,083
Supplies	2,468	1,562
Utilities	3,793	4,863
	863,959	939,219
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (135,238)	\$ (177,216)

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM SOCIETY**Statement of Changes in Net Assets****Year Ended December 31, 2019**

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 450,257	\$ 627,473
DEFICIENCY OF REVENUES OVER EXPENSES	(135,238)	(177,216)
NET ASSETS - END OF YEAR	\$ 315,019	\$ 450,257

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM SOCIETY**Statement of Cash Flows****Year Ended December 31, 2019**

	2019	2018
OPERATING ACTIVITIES		
Cash receipts from contributions and members	\$ 844,441	\$ 722,819
Cash paid to suppliers and employees	(768,050)	(718,939)
Goods and services tax	3,624	3,869
Cash flow from operating activities	80,015	7,749
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(12,149)	(4,718)
Net change in marketable securities	8,606	50,602
Purchase of intangible assets	(131,400)	(150,566)
Cash flow used by investing activities	(134,943)	(104,682)
DECREASE IN CASH FLOW	(54,928)	(96,933)
Cash - beginning of year	112,106	209,039
CASH - END OF YEAR	\$ 57,178	\$ 112,106

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM SOCIETY

Notes to Financial Statements

Year Ended December 31, 2019

1. PURPOSE OF THE SOCIETY

Environmental Operators Certification Program Society (the "society") is a not-for-profit organization incorporated provincially under the Society Act of British Columbia. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The society's mandate is to protect human health, the environment and the investment in facilities through increased knowledge, skill and proficiencies of the members of the program in all matters relating to water treatment and distribution and wastewater collection, treatment and disposal.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Revenue recognition

Environmental Operators Certification Program Society follows the deferral method of accounting for contributions, which include government grants. Grants are recorded as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recognized as revenue when initially recorded in the accounts.

Membership fees are accrued in the year to which they are applicable.

Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are recognized.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial assets measured at fair value include marketable securities.

Financial liabilities measured at amortized cost include accounts payable.

Measurement uncertainty

When preparing financial statements according to ASNFO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the society may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as allowance for doubtful accounts.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	30%	straight-line method
Furniture and fixtures	20%	diminishing balance method

The society regularly reviews its tangible capital assets to eliminate obsolete items. As at December 31, 2019, no capital assets had been identified which required a write-down.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Intangible assets

Intangible capital assets are stated at cost or deemed cost less accumulated amortization. Intangible capital assets are amortized over their estimated useful lives at a 20% diminishing balance method.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation. The cash flow has been presented to more closely match current year requirements.

Contributed services

The operations of the society depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

3. MARKETABLE SECURITIES

	2019	2018
Investors Income Plus Portfolio B	\$ -	\$ 8,606
	\$ -	\$ 8,606
Cost	\$ -	\$ 8,978

4. ACCOUNTS RECEIVABLE

	2019	2018
Membership dues receivable	\$ 148,954	\$ 214,321
Allowance for doubtful accounts	(37,240)	(24,749)
	\$ 111,714	\$ 189,572

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment	\$ 35,807	\$ 22,678	\$ 13,129	\$ 12,048
Furniture and fixtures	25,888	17,837	8,051	9,529
	\$ 61,695	\$ 40,515	\$ 21,180	\$ 21,577

6. INTANGIBLE ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer software	\$ 848,992	\$ 317,781	\$ 531,211	\$ 532,613

7. CONTRACTUAL OBLIGATIONS

The Society entered into a lease agreement for premises with The Salvation Army expiring June 30, 2022. Base rent per month is \$2,063. In addition, the lease requires payment of additional rent and utilities of approximately \$1,192 per month.

The Society entered into a lease agreement for the use of an office photo copier with CBSC Capital Inc. expiring October 31, 2023. The term of the lease is 66 months constituting a total of 22 quarterly payments of \$567, plus applicable taxes.

The Society entered into a lease agreement for the use of an office postage meter with Pitney Bowes Leasing expiring July 31, 2021. The term of the lease is 60 months constituting a total of 20 quarterly payments of \$214.

Contractual obligation repayment schedule:

2020	\$ 28,916
2021	30,147
2022	16,452
2023	1,820
	<u>\$ 77,335</u>

8. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of December 31, 2019.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The society is exposed to credit risk from members. In order to reduce its credit risk, the society reviews a member's credit history before extending credit and conducts regular reviews of its existing member's credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The society has a significant number of members which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The society is exposed to this risk mainly in respect of its receipt of funds from its members and funders and other related sources.

Unless otherwise noted, it is management's opinion that the society is not exposed to significant risks arising from these financial instruments.

9. GOING CONCERN

The accompanying financial statements have been prepared on the going concern assumption that the society will be able to realize its assets and discharge its liabilities in the normal course of operations.

10. REMUNERATION

During the year, the Society paid compensation in excess of \$75,000 to one employee. The total amount paid was \$125,901. This disclosure is in accordance with a new requirement of the BC Societies Act which came into effect November 28, 2016.

11. SUBSEQUENT EVENTS

The following events occurred subsequent to the fiscal year end:

World health pandemic

On March 11, 2020, the World Health Organization declared a world health pandemic named Covid-19. Due to the ongoing development and progression of the pandemic, I am unable to estimate the direct financial effect that this subsequent event will have on the future operations of the Society.

VISION

A Canada where all
people have access to
safe drinking water
and good sanitation.
We firmly believe
that this is possible.

