

## **UBCM Select Committee on Local Government Finance Terms of Reference**

### **Background:**

The Strong Fiscal Futures report (SFF) was released at the 2013 UBCM Convention and advocacy continued in 2014. It is considered an excellent thought piece on local government finance and revenues. The purpose of the SFF was to set out a realistic, practical agenda for reforming British Columbia's system of local government finance. The SFF identified 5 key directions:

1. Resiliency - *Improve the resiliency of the existing local government finance system by maintaining and building on its strongest features.*
2. Value - *Improve value to taxpayers by tightening the management of shared provincial-local mandates and ensuring that regulatory requirements imposed on local governments achieve value for money.*
3. Responsiveness - *Advance a local government agenda to both grow the economy and to have local governments share in the benefits of that growth through an Infrastructure Development and Community Building Bank.*
4. Fairness - *Work to expand local government revenue tools to make the distribution of local government costs both fairer and more responsive to economic growth.*
5. Excellence - *Build the Local Government Partnership.*

Despite the strength of the SFF, it received little to no traction from the government of the time. However, UBCM membership has repeatedly and continuously supported continued advocacy in this area.

### **Purpose:**

The Select Committee will undertake a comprehensive review of the SFF. Within the Select Committee's comprehensive review, it is expected that the review will include, but not be limited to, the following:

- local government services, including service benefits and cost drivers;
- existing and potential local government own source revenues, including fees and charges, and property and other taxes;
- existing and potential inter-governmental transfers, including grants and sharing of revenues, as well as considerations relating to methods of delivery and distribution;
- the degree of alignment between local government revenues and servicing responsibilities and demands; and
- local government and taxpayer capacity, including economic, fiscal or other circumstances which may affect that capacity.

Further, it is anticipated that the Select Committee, through the comprehensive review of the SFF, will:

- Review all of the Options captured in the SFF;
- Develop a 'short-list' of Options that best represent current issues/challenges and can be supported by a practical/realistic implementation strategy;
- Build on the 'short-listed' Options, as applicable, developing additional documentation and rationale for their support; and
- Utilize the 'short-listed' Options as the basis for a committee report that identifies renewed priority Options recommended for future advocacy and ultimate implementation.

**Members and Support:**

- UBCM Executive will appoint Select Committee members composed of:
  - One (1) member from the UBCM Executive;
  - Two (2) members from the BC Mayor's Caucus;
  - At least 2 other members from amongst local government elected officials, who may or may not be members of the UBCM Executive or the Mayor's Caucus;
  - Up to 5 other members, who may or may not be elected officials, but who are either partners in the local government system or possess specific relevant expertise;
- UBCM Executive will appoint two of the members as the Co-Chairs; and
- UBCM staff will support the Select Committee.

**Products/Deliverables:**

The Select Committee will prepare a report of its findings for the UBCM Executive, and may prepare interim reports as it considers appropriate. The final report will be provided by June 30, 2021, unless the term of the committee is extended.

If the term of the Select Committee is extended, it shall provide an interim (update) report to UBCM Executive by June 30 in each year of its mandate.

**Resources:**

UBCM will pay costs of the Select Committee, up to the maximum budget allocation, including:

- travel and per diem expenses for committee members at the same rates as UBCM Executive policies;
- meeting and other operating expenses of the committee;
- consultant fees and expenses;
- any other expenses specifically approved, in advance, by the Executive Director.

**Term:**

The Select Committee will meet from October, 2019 through to June 30, 2021, at the call of the Chair. It is anticipated that there will monthly meetings. The UBCM Executive may consider extensions to this term on an annual basis.