

Memorandum of Understanding on Local Government Financial Resiliency



Ministry of Municipal Af<u>fairs</u> Update from the Province-UBCM Working Group on Local Government Finance (LGFWG)



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Establish a
Partnership with
the Province

 An effective partnership is critical to finding sustainable solutions

New Economy

- Transitioning from tangible to nontangible assets
- Impacts to the property tax system

Addresses Cost Drivers

- Attainable Housing
- Community Safety
- Climate Change



Progress to Date



September 15, 2021

Members of the UBCM endorsed their report, Ensuring Local Government Financial Resiliency -Today's Recovery and Tomorrow's New Economy.



May 16, 2022

Province and UBCM staff finalize the Terms of Reference for the Working Group.



September, 2022

2022 Interim Report published.

WG presentation to UBCM Membership at Convention.



July 2023

Minister's and UBCM **Presidents Committee** Meeting.

- -Shared Problem Statement endorsed (Rec. #1)
- -Direction to explore possible approaches regarding challenges with property tax system.

The Province and UBCM completed a memorandum of understanding (MOU) establishing the Working Group (WG) to further investigate matters related to local government financial resiliency.

Initial Ministers' and UBCM **Presidents Committee** Meeting

Endorsed the Short-Term (2022) Work Plan.

June, 2022

Ministers' and UBCM **Presidents Committee** progress briefing.

- -Endorsed the Medium-Term (2023) Work Plan.
- -Directed WG to provide further analysis on recommendation #1

March 2023

2023 Interim Report published.

WG presenting updates to **UBCM** membership at Convention

September 2023

January 26, 2022



UBCM and the Province work together in reviewing the current local government property tax system and the impacts of the 'New Economy' in order to:

- develop a fairer, more responsive property tax;
- monitor impacts of the New Economy on taxation; and
- identify emerging sources, and opportunities to share taxation/revenues that may result from the New Economy.

RECOMMENDATION

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Work with the Province on the development of a local government funding and support framework to address new and ongoing emergency management costs.