



Intergovernmental Partnership & Collaboration

LGLA Elected Officials Seminars
January – February 2012



Intergovernmental Partnership & Collaboration

1. Purpose of this session
2. Some examples already profiled
 - UBCM
 - LGMA
 - Regional Districts
 - LGLA
3. Format of this session



History of Collaboration

- Union of British Columbia Municipalities (UBCM): 1905
- Local Government Management Association (LGMA): 1919
- Ministry of Community, Sport & Cultural Development: 1934
- Regional Districts: 1965
- Municipal Finance Authority of BC (MFA-BC): 1970
- British Columbia Assessment (BCA): 1974
- Municipal Insurance Association of BC: 1987
- CivicInfo BC: 1998
- Local Government Leadership Academy: 2005



Three Types of Collaboration

■ Intergovernmental Collaboration:

- Union of British Columbia Municipalities (UBCM)
- Ministry of Community, Sport & Cultural Development (MCSCD)

■ Management Capacity Building:

- Local Government Management Association (LGMA)

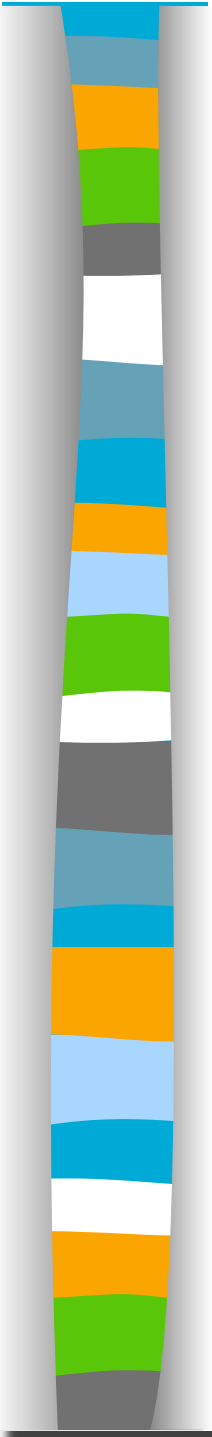
■ Collaborative Helper Organizations

- Municipal Finance Authority of BC (MFA-BC)
- British Columbia Assessment (BCA)
- Municipal Insurance Association (MIA)
- CivicInfo BC



Two Dimensions of Collaboration

- Collaboration **within** the local government sector
 - Local governments and local government
 - MFA, MIA, CivicInfo
- Collaboration **between** the local government sector and others
 - Provincial, Federal, First Nations, Private Sector, International
 - With UBCM, LGMA, FCM, Area Associations, LGLA



Intergovernmental Partnerships & Collaborations are:

- A key part of the local government system
- Not imposed by Provincial government; often enabled by the Province; and can “assist” achieving provincial interests
- Have a clear case for collaboration and services to be provided; but purposes may evolve
- Maintain core local autonomy; but development custom governance, funding and service delivery



Case Studies: The What and Why of Collaboration

■ Four Organizations Profiled

– Collaborative Organizations:

- Pooled borrowing through the Municipal Finance Authority (MFA)
- Pooled risk sharing through the Municipal Insurance Association (MIA)
- Consistent approach to property value assessment through BC Assessment (BCA)

- **Intergovernmental Relations:** Ministry of Community, Sport & Cultural Development (MCSCD)





The Case for Collaboration (MFA)

- Biggest region to smallest village each have the same access to debt financing; pay the same interest rate and share the benefits of “AAA” credit ratings
- Lowest cost of financing which compared to all other municipalities in Canada
- Collaboration based on:
 - local governments guarantee each others debt (joint & several) within each Regional District
 - a borrowing power formula and borrowing limits
 - debt reserve fund



Services Provided

Services

- Capital project funding
- Interim short-term financing
- Investment pooling of surplus funds
- Leasing program
- Education and local area sponsorships

Management and administration

- Mixed model of small staff and specialist external service providers – located in Victoria

Services Provided: What does MFA-BC Finance?

mfa-bc





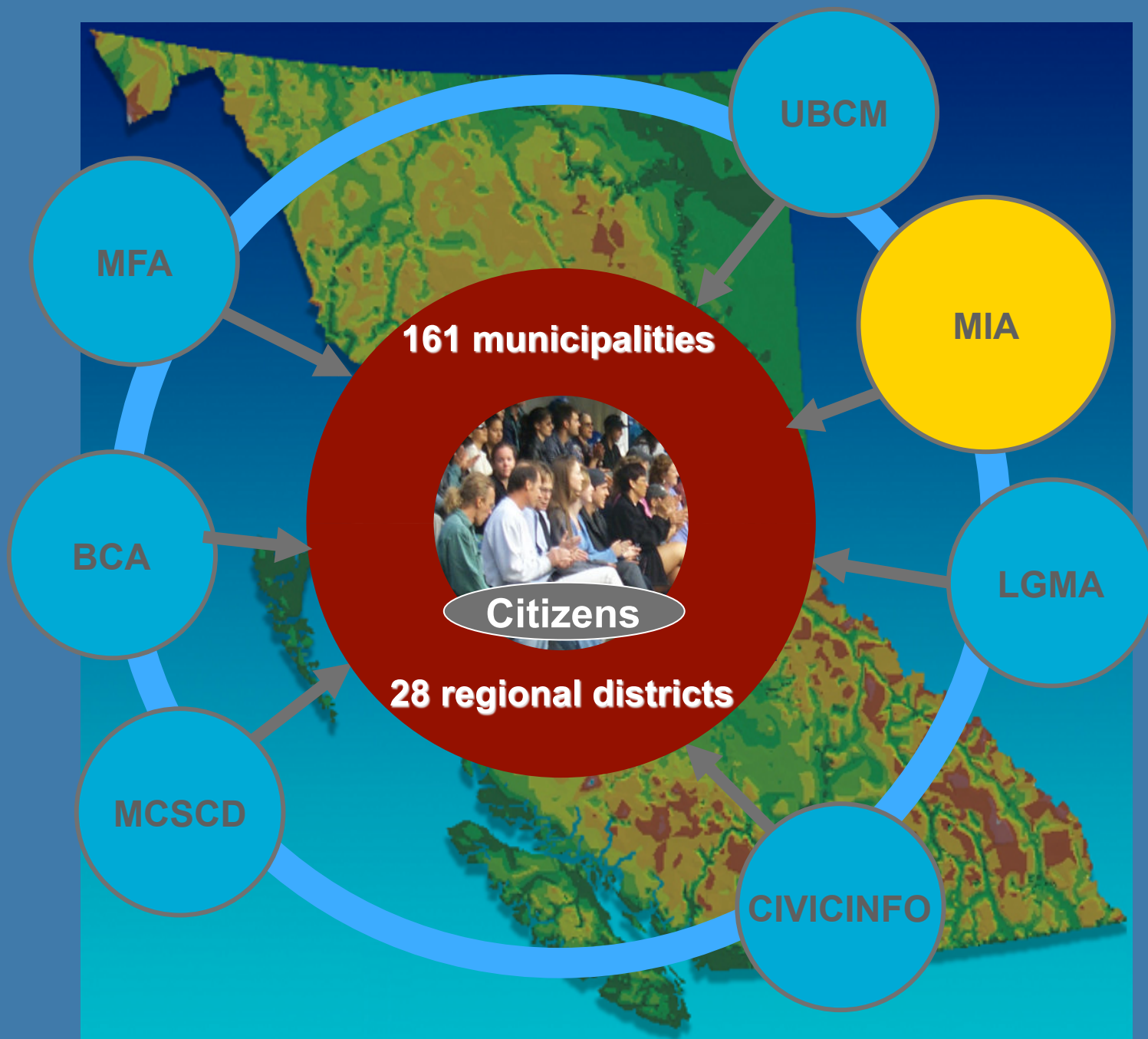
Governance and Funding

- All local governments have an interest in the success of the MFA
- Each of 28 regional districts has representation on the board – 38 members appointed annually
- No provincial representation
- Board of Trustees composed of elected officials – 10 elected annually
- Chair elected annually by the members
- Financial self sufficiency – no provincial funding; not a tax burden
- When investments earn more than budgeted, excess is returned to members



Key Features

- 40-year history of proven success
- Representation from every region in British Columbia
- Size provides economies of scale
- Access to financial markets during unstable periods
- Independence from provincial government but cooperate with provincial government
 - Establishes ‘rules of the game’
 - Watches over local fiscal health
- No MFA borrower has ever defaulted on a loan
- Commitment to education and local area sponsorships





The Case for Collaboration (MIA)

- Access to liability insurance
 - coverage that local government needs for types of coverage and limits of coverage
- Economies of scale in administration and access to insurance markets
- Collaboration based on:
 - local governments guarantee to share each others costs of liability settlements (“insurance exchange”)
 - rates that are influenced by experience and risk management



Services Provided

- Comprehensive liability insurance coverage
- Risk management training
- Mixed model of small staff and specialist, external service providers and re-insurers



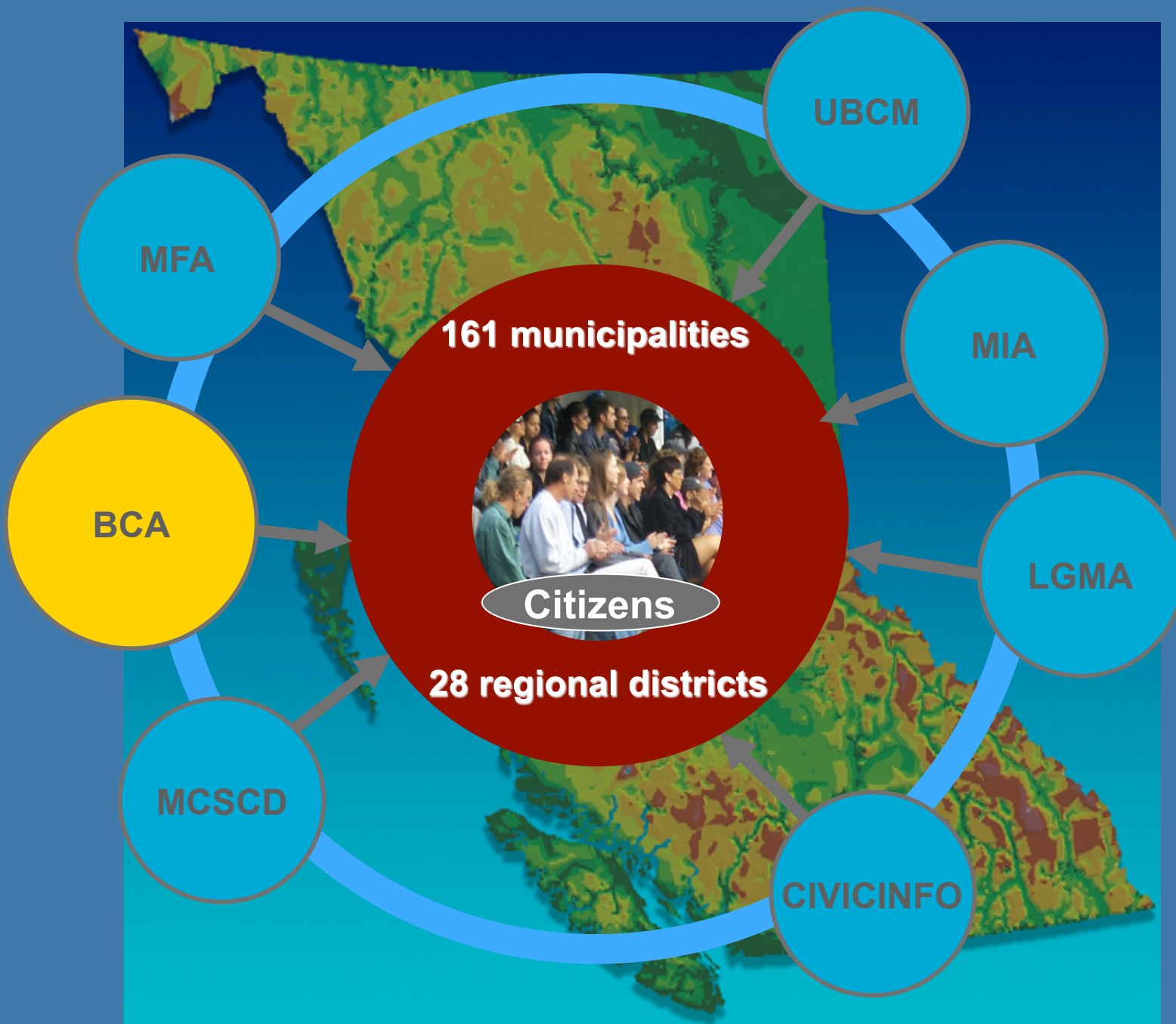
Governance and Funding

- Local governments are both owners and clients (voluntary)
- Board of elected and appointed members that are all from local government members
- Chair elected annually by the board
- Financial self sufficiency – no provincial funding
- When surpluses emerge, excess is returned to members



Key Features

- BC success story in turning a crisis into a model for other jurisdictions
- Stable costs
- Maintains liability coverage needed for local government financial security
- Board of local government elected officials and staff
- Rewards those who actively manage risk
- “Not for profit” association





The Case for Collaboration (BCA)

- Needed to replace a locally based assessment system with a system that provided consistent assessments province-wide, using an integrated professional organization



Services Provided

What is Provided

- Property tax base

How it is provided

- Desktop review
- Assessment Link BC
- Local government service standards
- Integrated Cadastral Information Society (ICIS)
- Risk to Roll consultation
- Provides local government access to other property and owner related information

Services provided through 17 regional/area offices and Victoria HQ.



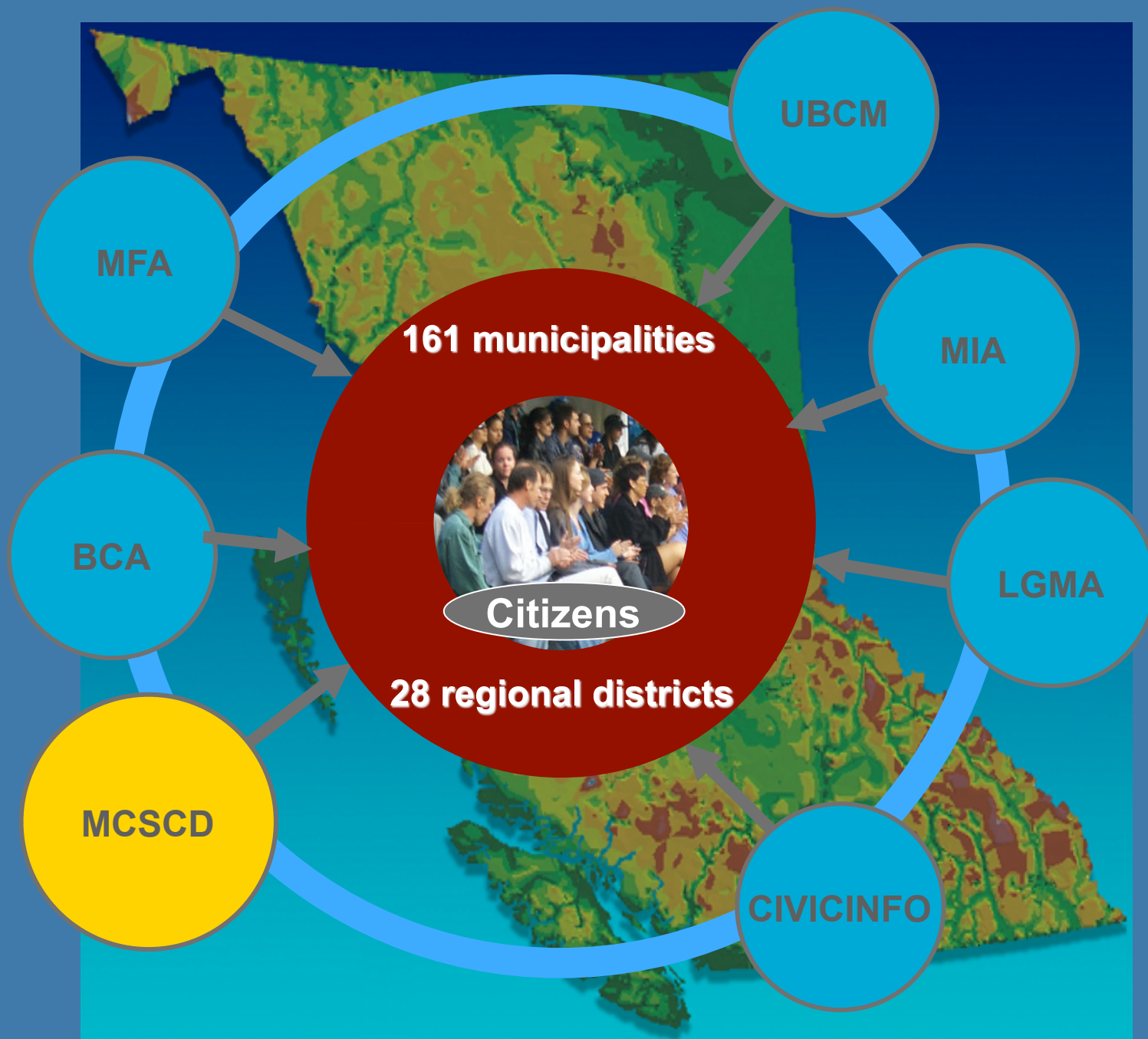
Governance and Funding

- Crown corporation - Board appointed by Cabinet
- Reports to Minister of Community, Sport and Cultural Development
- Financial self sufficiency – small property tax levy (approved by Cabinet); no other provincial funding (approx 95%)
- Data sales (approx 5%)
- Pays for property assessment appeal system



Key Features

- Recognized internationally as a leading assessment organization
- High satisfaction among local government (95%)
- Low appeal rates (<2%)
- Independent organization establishing a tax base separate from establishing tax rates





The Case for Collaboration

- Changing Canadian context
- Local governments: want to be engaged
- Province: recognition of importance of local governments to provincial objectives
- Common recognition collaboration yields “win-win”



Services Provided

Ministry services to local governments:

- Legislative framework
- Structural change
- Strategic oversight and approvals
- Advice and problem solving
- Grants
- Relationship management



Governance and Funding

Legislated relationship with local governments:

- Recognition of local government as an “order of government”
- Relationship principles articulated
- Mechanisms to manage shared jurisdiction
- Consultation requirements and agreements



Key Features

- Capable provincial ministry with strategic policy capacity
- Effective local government association
- Long history of joint LG/provincial problem solving
- Commitment to a long term and systematic policy focus