

TO: Nova Scotia Federation of Municipalities

FROM: Deputy Paul LaFleche and Mayor Murray Scott (Chair)

DATE: October 13, 2022

RE: Renegotiation of Service Exchange Agreement

The Department of Municipal Affairs and Housing (DMAH) would like to provide municipalities with an update on the renegotiation of the Service Exchange Agreement (MOU).

Since March 2022, DMAH has worked collaboratively with an advisory group from the Nova Scotia Federation of Municipalities (NSFM) with representation from the Association of Municipal Administrators of Nova Scotia (AMANS). The advisory group provides direction to the department based on feedback provided in a survey distributed to their membership.

DMAH and the advisory group have met 8 times since April 2022 with another 2 meetings planned for the end of October. These regular monthly meetings have yielded significant progress on the identification of issues of concern and areas for collaboration between the province and municipalities. Some examples of topics discussed are:

- The Municipal Financial Capacity Grant
- Municipal roads and associated funding
- Housing Handover Agreements
- Grants in Lieu
- Policing
- Legislation (e.g. marketing levy, selling land below market value, etc)

Once DMAH and the advisory group have reached a direction on agreed upon issues, a submission will be made to Executive Council for their review and decision, followed by consultation with municipal units. Should any major changes to the MOU be required following consultation, an additional submission to Executive Council will be required.

It is anticipated that a final submission will be submitted in late 2022 or early 2023 with an implementation date of April 1, 2024. This date allows for municipalities to be provided with 12-months' notice for budgeting purposes.

To date, the meetings have been collaborative and professional, and while it is too soon to provide specifics on individual issues, the province and advisory group will continue to collaborate in good faith on behalf of the citizens of our great province.

Sincerely,

Original Signed

Deputy Paul LaFleche

Original Signed

Mayor Murray Scott