

THE SASKATCHEWAN MUNICIPAL BOARD



Presented to
RMAAS
Spring
Convention,
May 15, 2013

Dianne Ford,
SMB Chair

VISION

Focusing on excellence in customer service, the Saskatchewan Municipal Board exemplifies leadership as an administrative tribunal that provides timely, reasoned, consistent decisions and approvals

CORE BUSINESS:

- The Saskatchewan Municipal Board is:

An administrative tribunal established to decide on issues relating to local authorities of a **regulatory** and/or **judicial** nature. The Board fulfills the majority of its mandate through ‘working committees’, all of which interact with Municipal Governments
- Function 1: Regulatory
 - Review Debt Obligations; Oversee Financial Health
 - Borrowing, Water & Sewer Rates, and Local Improvement Approvals
 - Advisory role
- Function 2: Judicial
 - Hear and Determine Appeals from the Public in Municipal Matters

WORKING COMMITTEES

- Local Government Committee (LGC)
- Road Maintenance Agreement Committee (RMAC)
- Municipal Boundary Committee (MBC)
- Planning Appeal Committee (PAC)
- Assessment Appeal Committee (AAC)
- Fire Prevention Appeal Committee (FPAC)
- Noxious Weed Appeal Committee (NWAC)



LOCAL GOVERNMENT COMMITTEE (LGC)

- Comprised of:
 - 3 Full Time Members of the SMB
- Main Interactions with the RMs:
 - Borrowing
 - Sewer & Water Rates
 - Local Improvements
 - Certain Investments

RM/LGC RELATIONSHIP

- LGC's Mandate:
 - Ensure financial credibility and stability of local authorities
 - Ensure equity for municipal water & sewer utility users
 - Provide assurance to lenders and the general public of the local authorities financial health

WHEN IS AN APPLICATION REQUIRED?

■ Borrowing Funds

- *If* this would cause the RM to exceed their debt limit; or
- *If* the funds are not payable within 3 years; or
- *If* the funds are secured by a debenture issue; and
- *If* borrowing funds for *operations* causes the RM to exceed their debit limit
 - REMINDER:
 - Public Notice for Borrowings must be made
 - As per section 128(1) of *The Municipalities Act*

BORROWING MISCONCEPTION & FACT

- Borrowing Misconception:
 - *“An RM cannot borrow funds if it will exceed its debt limit.”*
- Borrowing Fact:
 - Since May 2011 the SMB has approved 95/139 borrowings that exceed their debt limit
 - Over this same period the SMB **has not refused** any borrowing applications

WHEN IS AN APPLICATION REQUIRED? (CONTINUED)

- Lending Funds or Guaranteeing Repayment of a Loan
 - *If* the amount would cause the RM to exceed their debt limit
 - Ensuring that the Loans or Guarantees are made pursuant to section 181, 182, & 183 of *The Municipalities Act*

- Entering Into Agreements Exceeding 5 Years to:
 - Lease capital property, or to share in the operating losses of a service, facility or project
 - If the lease agreement results with the RM owning the asset, the RM may have to complete a borrowing application with the SMB

WHEN IS AN APPLICATION REQUIRED? (CONTINUED)

- Certain Investments using Surplus Funds:
 - Investments other than those outlined in *The Municipalities Act* Section 160(1)a will require SMB approval
 - Some Permitted Investments:
 - Securities of the Government of Canada or any Province in Canada
 - Securities whose payment is guaranteed by the Government of Canada or any Province in Canada
 - The RM's own securities or securities of any other Municipality or School Division in Saskatchewan

Not sure which investments you can or cannot utilize?

Give us a call at 306 – 787 – 6221

WHEN IS AN APPLICATION REQUIRED? (CONTINUED)

- Approval of Rates for Water and Sewer Utility Services
 - Ensure Rate for Water and Sewer as well as any other: Charges, Tolls, Rents, Discounts and Interest Rates Comply with *The Municipalities Act* and provide for a Self-Sustaining Utility

 - Our Mandate:
 - Ensure Financial Stability of Utility Services
 - Ensure Yearly Surplus Funds Derived from Utility Rates for Future Utility Infrastructure Needs

WHEN IS AN APPLICATION REQUIRED? (CONTINUED)

- Local Improvements
 - Common Local Improvement Applications
 - New and Replacement Pavement, Curb, Sidewalk & Gutter
 - Not sure if your project could be deemed a Local Improvement?
 - Give us a call at 306 – 787 – 6221 or view the Ministry of Government Relations' Local Improvements Manual online!



ROAD MAINTENANCE AGREEMENT COMMITTEE

- What does the Road Maintenance Agreement Committee Do?
 - Required by provincial legislation to hear and determine at a first level, applications relating to road maintenance agreement issues between an RM, another municipality or hauler including:
 - Whether or not a proposed agreement is required
 - Issues involving any matter outlined in the agreement or proposed agreement
 - As per Section 22.1 of *The Municipalities Act*
- Timeline:
 - Legislation requires the Committee to make its determination within 10 business days (unless otherwise agreed upon)
 - Section 22 of *The Municipalities Act*

MUNICIPAL BOUNDARY COMMITTEE

- Comprised of:
 - 3 Full - Time Members plus 2 Part - Time Members
- Role:
 - Review applications for the alteration of Municipal boundaries (annexation) or the amalgamation of Municipalities, *if* the parties involved cannot come to an agreement
 - Committee decisions are final and binding
- Fact:
 - Most boundary alterations are negotiated without a formal hearing
 - From 2004 to present Municipalities have successfully negotiated approx. 160 boundary alterations on their own (complimentary resolution)
 - Over this same timeframe there were 19 applications to the SMB of which 10 were withdrawn, 8 were decided by the SMB and 1 is pending finalization by the SMB.

BOUNDARY ALTERATION PROCESS

- Process Typically Triggered by a City or Urban Municipality that Requires Land to Expand
 1. Good Faith Negotiations between a City/Urban Municipality and a RM
 2. The Parties Cannot Reach an Agreement
 3. City/Urban Municipality Submits an Application to the SMB (The Application Can Be Found on our Website: smb.gov.sk.ca)
 4. SMB and Staff from the Dispute Resolution Office may hold an Informal Facilitated Meeting prior to a Formal Hearing
 5. SMB may Hold a Formal Hearing Open to the Public
 6. SMB Issues a Decision
 7. Minister of Government Relations Issues the Order Pursuant to SMB Decision

QUESTIONS?



306 - 787 - 6221
smb.gov.sk.ca