



GSD STRATEGIES

The Feasibility of Forming a Municipal District between the RM of Milton, the RM of Antelope Park, and the Village of Marengo

The project

- Since 1996 the two RMs and Village have shared administration
- In June 2023, the three municipalities met to discuss forming a Municipal District
- They applied to the province for funding to support a study, and the project was approved
- They conducted an RFP and contracted GSD to do a feasibility study
- GSD developed an interim report and met with Councils in September
- Following this round of public meetings, GSD will meet with the Councils in December to discuss next steps and present a final report

Forming a Municipal District

- A Municipal District (MD) is a structure that enables urban and rural municipalities to merge operations and governance
- MDs can only be created by the province
- No MD exists yet in Saskatchewan
- Forming a MD requires Councils to vote in favour, to hold public meetings, and to reach a legal agreement that is submitted to the province for approval

Examples from Alberta

- There are six specialized municipalities in AB
- They allow, like MDs for the joining of rural and urban areas
- The Alberta list includes:
 - Crowsnest Pass
 - Jasper
 - Lac La Biche
 - Mackenzie
 - Strathcona
 - Wood Buffalo

The process

- Assess the current strength of each aspect of municipal operations
- Explore how formation of a MD might impact each aspect
- Gather input from the public
- Present option to the Councils

Aspects of municipal operations

- Operational and administrative capacity
- Financial stability
- Taxation
- Infrastructure/Asset management
- Service delivery
- Demography
- Governance
- Community well-being

Operational and administrative capacity

- **Strengths:**
 - 30 years of joint administration
 - Competent administration
 - Modern bylaws and policies
 - Current with all required reporting and filings

Operational and administrative capacity

- **Weaknesses:**
 - Inefficient because of triplication
 - Lots of Administrator overtime
 - Challenging to recruit

Financial stability

- **Strengths:**
 - No debt for any of the municipalities
 - All three have accumulated surpluses:
 - \$13.2 Million for Milton
 - \$13.04 Million for Antelope
 - \$1.17 Million for Marengo
 - Good financial reporting and monitoring

Financial stability

- **Weaknesses**
 - Increased workload of managing three sets of books leads to overtime, triplicated steps, and potential for errors

Taxation

- **Strengths:**
 - Municipalities are already deploying tax tools
 - Utility rates are cost recovery with some funding for repair/replacement
 - Incoming tax revenue is sufficient to cover expenses
 - Alsask is already set up as a Special Service Area with a differential tax rate

Taxation

- **Weaknesses:**
 - Differing mill rates and mill rate factors

	Milton	Antelope	Marengo	Alsask (SSA)
Uniform Mill Rate	4.5	2.7	10	16.5
Mill Rate Factors				
Commercial and Pipe/Rail	5.85	4.7	1.65	
Agricultural (arable and non-arable)	1	1	0.75 non-arable 1.65 arable	
Residential	0.9	1	1	

Infrastructure/Asset management

- **Strengths:**
 - All 3 have accumulated surpluses and reserves
 - All 3 have completed an asset management plan, a policy and a strategy
 - Milton has “relatively good” infrastructure
 - Marengo has “fair” infrastructure
 - Antelope has “relatively good” infrastructure

Infrastructure/Asset management

- **Weaknesses:**
 - None of the 3 have implemented the asset management plan or done any work on it since 2021
 - The infrastructure in Alsask has “significant deterioration”
 - Water treatment and paved roads in Antelope are “very poor”
 - Water supply and sanitary treatment are the biggest concerns in Marengo
 - Reserves are not sufficient to deal with catastrophic loss replacement

Service delivery

- **Strengths:**
 - Lots of regional service delivery
 - Waste management
 - Land use
 - Emergency planning
 - Milton has consumption-based utility billing
 - Antelope supplies minimal water or wastewater services

Service delivery

- **Weaknesses:**
 - Public Works staffing is not managed jointly, and not shared, meaning duplication and differing approaches to work
 - Marengo's fixed fee water billing is not optimal
 - Marengo councillors doing snow removal

Demography

- **Strengths:**
 - Marengo's population is growing and is 40% under 20

Demography

- **Weaknesses:**
 - Antelope and Milton's populations are both shrinking and getting older
 - Antelope is the third smallest RM, by population, in Saskatchewan

Governance

- **Strengths:**
 - Sharing a municipal office reduces costs
 - Good governance practices and bylaws and policies in place
 - Effective public communication channels

Governance

- **Weaknesses:**
 - Very few contested elections
 - Historically, there have been some council vacancies
 - Struggling to find candidates
 - 18 elected position for 448 residents

Community well-being

- **Strengths:**
 - Regionalized services
 - Fire services
 - RCMP
 - Ambulance
 - Contracted bylaw enforcement to same company
 - Emergency Planning (Prairie Winds)

Community well-being

- **Weaknesses:**
 - Distance from service centres means slow response time for fire and police

Summary

- The 3 municipalities are mostly stable and in good shape
- This is thanks to the joint administration, mostly
- The 3 municipalities have joined many regional initiatives to ensure ongoing service availability
- Demographics and governance pose significant risk currently
- Administrative burnout in the current model is a legitimate concern
- The tax rate differences between Milton and Antelope pose the biggest challenge to forming a Municipal District

Issues and Options

- **Managing Financial Reserves**
 - Since all 3 municipalities have financial reserves, any restructuring agreement could protect those reserves and ensure they are preserved for spending in the municipality from which they were raised
- **Taxation**
 - Moving to a uniform Mill Rate for Milton and Antelope will be challenging. A restructuring agreement could request the province to allow differing tax rates between the two regions

Issues

- **Struggling to fill Council seats**
 - A Municipal District would likely have no more than 9 council seats including a Reeve/Mayor
- **Administrative overload**
 - In a MD structure, staff workload would reduce so that time could be reallocated to other areas
- **Legal issue**
 - The RM of Milton has an unresolved legal case, and any municipalities joining with them would need to be financially protected against any settlement

Options

- **Continue to explore formation of a Municipal District**
 - The next steps involved negotiating a restructuring agreement and does not yet commit any party
- **Maintain the status quo**
 - Staff burnout is a legitimate concern, however, other than that, the system functions relatively well
- **Milton and Marengo join together**
 - Marengo and Milton and join forces, leaving Antelope to determine its next steps, which could include continuing joint administration or going out on its own

Timeline and next steps

- GSD will meet with all three Councils on December 12th to review public meeting feedback and finalize the project's report
- Should Councils wish to proceed, they will need to pass a resolution at a separate duly called meeting
- If all Councils chose to pursue forming a MD, the next step would be to negotiate the restructuring agreement and application
- Another round of public meetings would be held
- The earliest a completed application is likely to be finished is June 2025, with a possible legal formation date of January 1, 2026, if the province approved

Questions for us

- What questions do you have for us with respect to the process or our findings to date?

Questions for you

- What are your key takeaways from what you heard today?
- When you think about forming a MD, what are the major arguments in favour or against it?
- What other pieces of information would you like to have if this process continues?



THANK YOU FOR YOUR
TIME THIS EVENING!