



**Saskatchewan Urban Municipalities Association**

**AUDITED FINANCIAL STATEMENTS  
for the year ended September 30, 2011**

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# SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION

## 2011 FINANCIAL REPORT

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For the year ending September 30, 2011, a net operating surplus of \$146,471 was realized. This is due mainly to a number of projected expenditures not taking place and additional revenues generated.

### **Membership Fees**

Membership fees show a moderate increase over the prior year. The base fee was increased from \$400 to \$448 per voting delegate and a per capita fee remained unchanged at \$0.55. The per capita rate has remained constant since 2006.

### **Group Insurance Services and Administration**

Net revenues for Group Insurance Services have increased by 6.53% over the prior year.

The increase can be attributed a small rate increase to specific products and 2011 being a bond renewal year.

Increases to administration expenses reflect both staff positions being filled for the year and printing of new benefit material.

### **General Administration & Information Services**

Revenues have slightly increased over the prior year due to the marginal increases in the interest rates received on deposits and higher utilization of advertising on the website.

Increases to administration expenses reflect all staff positions being filled for the fiscal year and the addition of one position mid-way through the year.

### **Corporate Services**

Net revenues in Corporate Services Programs have decreased over the prior year.

Election material net revenues are reduced by \$25,067. With the timing of the elections held every four years, election material sales will now be reflected in two fiscal years.

A number of Advantage Programs have experienced lower usage including Office Supplies, Shipping Labels and the Larvicide program.

The General Insurance Program, which has been transitioned to SUMAssure, received \$8,227 less commissions in 2011. There are no future revenues anticipated from this program.

### **Building**

There has been an increase in the building lease costs for 2011 as the original lease expired in October 2010 with the new rates reflecting the current market conditions. The current lease will expire on October 31, 2013 with the option to renew an additional two years.

### **Convention**

Revenues for the 2011 Convention were higher than those generated in 2010 as a result of increased sponsorship, trade show revenues and overall registrations. Expenses increased by \$63,587 due largely to increased location costs and staff travel expenses. The net revenues from the 2011 Convention were \$137,831, compared to \$166,503 for 2010.

### **Administered Programs**

Overall net revenues are reduced by \$86,789 as 2010 reflected \$33,440 net fees received for the Newly Elected meetings and \$104,249 administration fee for the Paper, Cardboard Recycling Fund (PCRF) Program.

Administration fees realized in this fiscal year for the PCRF program are \$22,478 for phase three of the program.



## Management's Responsibility

To the Directors of Saskatchewan Urban Municipalities Association:

Management has the responsibility for preparing the accompanying financial statements and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian generally accepted accounting principles.

In discharging its responsibility for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

The Board of Directors and Executive Committee are composed entirely of directors who are neither management nor employees of the Association. The Executive Committee is appointed by the Board to review the financial statements in detail with management and to approve the audited financial statements for publication.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the management and the Executive Committee to discuss their audit findings.

A handwritten signature in black ink, appearing to read 'L. Mougeot', is written over a horizontal line.

Laurent Mougeot  
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Tammy Bryant', is written over a horizontal line.

Tammy Bryant, CMA  
Manager – Financial Services

December 15, 2011  
Regina, SK

*"The Voice of Saskatchewan Cities, Towns and Villages"*



## Independent Auditors' Report

To the Members of Saskatchewan Urban Municipalities Association:

We have audited the accompanying financial statements of Saskatchewan Urban Municipalities Association, which comprise the statement of financial position as at September 30, 2011 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Urban Municipalities Association as at September 30, 2011 and its results of operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan  
December 15, 2011

*MNP* LLP  
MNP LLP

**SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION**

**Statement of Financial Position**

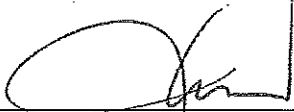
**As at September 30, 2011**

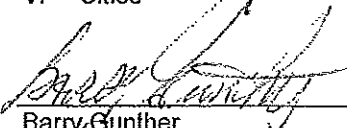
**ASSETS**

	2011	2010
	\$	\$
<b>CURRENT</b>		
Cash and Short-Term Investments (Note 8)	2,678,364	3,056,246
Accounts Receivable	328,002	185,185
Group Benefits Program Premiums Receivable	-	6,161
Inventory	18,045	20,942
Prepaid Expenses	88,506	77,472
	<u>3,112,917</u>	<u>3,346,006</u>
<b>CAPITAL ASSETS, NET (Note 3)</b>	<u>62,960</u>	<u>75,513</u>
	<u><u>3,175,877</u></u>	<u><u>3,421,519</u></u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT</b>		
Accounts Payable and Accrued Liabilities	584,154	573,619
Unearned Revenue	362,708	315,797
Vision Care Funded Liability	201,636	167,531
Deferred Contributions (Note 7)	48,410	45,161
Funds Held in Trust (Note 8)	319,424	806,337
	<u>1,516,332</u>	<u>1,908,445</u>
<b>NET ASSETS</b>		
Net Assets Invested In Capital Assets	62,960	75,513
Net Assets Internally Restricted (Note 6)	490,362	477,809
Unrestricted Net Assets	1,106,223	959,752
	<u>1,659,545</u>	<u>1,513,074</u>
	<u><u>3,175,877</u></u>	<u><u>3,421,519</u></u>

  
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 Jim Scarrow  
 VP - Cities

  
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 Barry Gunther  
 VP - Villages

The accompanying notes form an integral part of the financial statements.

**SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION**

**Statement of Revenue and Expenditure**

**For the Year Ended September 30, 2011**

	2011	2010
	\$	\$
<b>REVENUES</b>		
Membership Fees (Note 4)	656,800	631,068
Group Insurance Services (Note 5)	4,439,720	4,284,339
Group Insurance Administration	12,523	5,033
General Administration & Information Services	54,121	37,252
Corporate Services	1,117,994	1,128,328
Membership Activities	1,114	48,578
Projects & Administered Programs	27,096	132,206
Building Occupancy	2,602	2,308
Convention	546,651	511,736
	<u>6,858,621</u>	<u>6,780,848</u>
<b>EXPENDITURES</b>		
Group Insurance Services (Note 5)	3,820,747	3,705,289
Group Insurance Administration	195,610	148,031
General Administration & Information Services	923,254	822,298
Corporate Services	1,015,848	977,411
Membership Activities	11,236	26,590
Board Activities	142,525	122,358
Executive Activities	83,387	73,993
Projects & Administered Programs	11,779	30,100
Building Occupancy	98,944	88,021
Convention	408,820	345,233
	<u>6,712,150</u>	<u>6,339,324</u>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>146,471</u>	<u>441,524</u>

The accompanying notes form an Integral part of the financial statements.

**SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION**

**Schedule of Revenue and Expenditure**

**For the Year Ended September 30, 2011**

	2011 \$	2010 \$
<b>REVENUES</b>		
Membership	656,800	631,068
Sales	1,025,595	1,014,841
Registration Fees	441,096	466,314
Contributions	3,000	5,940
Sponsorship & Donations	89,600	94,500
Premiums & Administration Fee	4,437,521	4,283,712
Commissions	86,066	107,446
Administration Fee	33,444	117,566
Advertising & Subscriptions	54,032	43,635
Rent	2,602	2,308
Interest	27,245	11,989
Other	1,621	1,529
	<u>6,858,622</u>	<u>6,780,848</u>
 <b>EXPENDITURES</b>		
Meetings - Per Diems & Travel	203,445	176,391
Cost of Goods Sold	997,675	952,440
Premiums	3,820,654	3,705,289
Salaries & Benefits	930,054	797,862
Honorarium	10,000	10,000
Contract Services	123,879	99,762
Training & Professional Development	5,928	2,470
Office Supplies	9,481	11,535
Postage, Courier, & Other Transport	34,008	33,705
Telephone, Fax, & Internet	23,127	18,832
Photocopying	7,794	4,788
Office Equipment	22,181	35,351
Audit, Legal, & Licensing Fees	13,659	11,197
Subscriptions & Memberships	4,569	3,808
Printing	40,047	28,759
Advertising	1,074	111
Consulting Fees	17,858	17,352
Amortization	29,188	27,469
Building Occupancy Costs	100,112	83,136
Event Related Expenses	289,243	274,771
Other	28,175	44,296
	<u>6,712,151</u>	<u>6,339,324</u>
 <b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>146,471</u>	<u>441,524</u>

The accompanying notes form an integral part of the financial statements.

SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION

Statement of Changes in Net Assets

For the Year Ended September 30, 2011

	Net Investment In Capital Assets \$	Internally Restricted For Projects \$	Internally Restricted For General Capital Assets Purchases \$	Internally Restricted For Group Insurance Capital Assets Purchases \$	Internally Restricted For Group Insurance Operations \$	Unrestricted \$	2011 \$	2010 \$
Balance, Beginning of Year	75,513	-	193,078	103,778	180,953	959,752	1,513,074	1,071,550
Excess of Revenue Over Expenditures	-	-	-	-	-	146,471	146,471	441,524
Investment in Capital Assets	(12,553)	-	-	-	-	12,553	-	-
Internal Restrictions	-	-	16,742	(4,189)	-	(12,553)	-	-
Balance, End of Year	62,960	-	209,820	99,589	180,953	1,106,223	1,659,545	1,513,074

The accompanying notes form an integral part of the financial statements.

**SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION**

**Statement of Cash Flows**

**For the Year Ended September 30, 2011**

	2011	2010
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of Revenue Over Expenditures	146,471	441,524
Add: Amortization on capital assets	<u>29,188</u>	<u>27,469</u>
	<u>175,659</u>	<u>468,993</u>
Net change in non-cash working capital items:		
Accounts receivable	(142,817)	114,633
Group Benefit Program premiums receivable	6,161	39,954
Inventory	2,897	(4,636)
Prepaid expenses	(11,034)	(20,033)
Accounts payable and accrued liabilities	10,534	66,303
Unearned revenue	46,911	(67,885)
Vision Care funded liability	34,105	37,653
Deferred contributions	3,249	12,904
Funds held in trust (note 8)	<u>(486,913)</u>	<u>170,388</u>
	<u>(536,907)</u>	<u>349,281</u>
	<u>(361,248)</u>	<u>818,274</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(16,634)	(42,481)
Proceeds on disposal of capital assets	<u>-</u>	<u>-</u>
	<u>(16,634)</u>	<u>(42,481)</u>
<b>NET CHANGE IN CASH AND SHORT-TERM INVESTMENTS</b>		
	(377,882)	775,793
<b>CASH AND SHORT-TERM INVESTMENTS - BEGINNING OF YEAR</b>		
	<u>3,056,246</u>	<u>2,280,453</u>
<b>CASH AND SHORT-TERM INVESTMENTS - END OF YEAR</b>		
	<u>2,678,364</u>	<u>3,056,246</u>
<b>CASH AND SHORT-TERM INVESTMENTS ARE COMPRISED OF:</b>		
Cash	<u>2,678,364</u>	<u>3,056,246</u>
	<u>2,678,364</u>	<u>3,056,246</u>

The accompanying notes form an integral part of the financial statements.

# SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION

## Notes to Financial Statements

September 30, 2011

### 1. GOVERNING STATUTES AND NATURE OF OPERATIONS

The Saskatchewan Urban Municipalities Association (SUMA) is incorporated under a private act by chapter 101 of the Statutes of Saskatchewan and is the provincial voice of urban municipal governments. SUMA advocates, negotiates, and initiates improvements in local, provincial and federal legislation and delivers programs and services to members to enhance urban life in Saskatchewan.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Inventory

Inventory is stated at the lower of cost and replacement value.

#### Capital Assets

Capital Assets are recorded at cost and amortized over their estimated useful lives as follows:

Leasehold Improvements	12.5% Straight Line Basis
Furniture & Fixtures	20% Straight Line Basis
Electronic Equipment	25% Straight Line Basis
Computer Equipment	25% Straight Line Basis

#### Revenue Recognition

SUMA follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount receivable can be reasonably estimated and collection is assured.

Membership fees are recorded when received. The portion relating to January through September is recognized in the fiscal year received and the balance is deferred to the following fiscal year.

SUMA uses the accrual method of accounting for all other revenues. Sales are recorded and revenue is recognized as the goods are shipped to the customer. Administration and registration fees are recognized and recorded as earned.

#### Financial Instruments

SUMA has classified cash, accounts receivable, group benefits program premium receivable, accounts payable and accrued liabilities, vision care funded liability and funds held in trust as financial instruments held for trading. Held for trading financial assets and liabilities are financial instruments that are acquired or incurred principally for the purpose of selling or repurchasing the instrument in the near term. These instruments are initially recognized at their fair value. Fair value approximated by the instrument's initial cost in a transaction between unrelated parties. Held for trading financial instruments are carried at fair value with both realized and unrealized gains and losses included in net income. Initial cost approximates fair value due to the short-term nature of the instrument.

#### Income Taxes

SUMA is exempt from income taxes under paragraph 149 (1) (1) of The Income Tax Act.

## Recent Accounting Pronouncements

### Canadian accounting standards for not-for-profit organizations

In October 2010, the Accounting Standards Board (AcSB) approved the accounting standards for private sector not-for-profit organizations (NFPOs) to be included in Part III of the CICA Handbook-Accounting ("Handbook"). Part III will comprise:

- The existing "4400 series" of standards dealing with the unique circumstances of NFPOs, currently in Part V of the Handbook; and
- The new accounting standards for private enterprises in Part II of the Handbook, to the extent that they would apply to NFPO's.

Effective for fiscal years beginning on or after January 1, 2012, private sector NFPOs will have the option to adopt either Part III of the Handbook or International Financial Reporting Standards (IFRS). Earlier adoption is permitted. The Association expects to adopt Part III of the Handbook as its new financial reporting standards. The Association has not yet determined the impact of the adoption of Part III of the Handbook on September 30, 2013 financial statements.

### 3. CAPITAL ASSETS

	2011		2010	
	Cost \$	Accumulated Amortization \$	Net \$	Net \$
Leasehold Improvements	66,013	48,801	17,212	25,473
Furniture & Fixtures	70,204	59,484	10,720	10,210
Electronic Equipment	64,528	45,758	18,770	27,050
Computer Equipment	153,802	137,544	16,258	12,780
	354,547	291,587	62,960	75,513

### 4. MEMBERSHIP FEES

	2011 \$	2010 \$
Cities	291,870	286,166
Towns	191,873	184,329
Villages	129,077	119,673
Northern	21,654	19,011
Resort	16,776	16,014
New North	3,000	3,000
Associate	2,550	2,875
	656,800	631,068

5. **GROUP INSURANCE SERVICES**

			2011	2010
	Revenues	Expenses	Net	Net
	\$	\$	\$	\$
Group Benefits & EAP Programs	4,133,883	3,663,659	470,224	444,732
Administration Charge	65,999	-	65,999	65,948
Vision Care Program	15,258	-	15,258	14,807
Volunteer Fire-Fighters Program	168,439	114,297	54,142	52,863
Bonding Program	53,941	42,791	11,150	73
Other Revenues	2,200	-	2,200	627
	<u>4,439,720</u>	<u>3,820,747</u>	<u>618,973</u>	<u>579,050</u>

6. **INTERNALLY RESTRICTED NET ASSETS**

In 1998 and as amended in 2002, SUMA's Board of Directors internally restricted the following net assets to be held for:

**General Capital Assets Purchases**

To be used to fund any General capital assets purchases.

Unrestricted net assets must be transferred into this restricted fund in any of the following circumstances:

- Upon approval by the Board of Directors.
- Upon amortization of General capital assets, an equivalent amount must be transferred into this restricted fund, net of any purchases or disposals.

**Group Insurance Capital Assets Purchases**

To be used to fund any Group Insurance capital assets purchases.

Unrestricted net assets must be transferred into this restricted fund in any of the following circumstances:

- Upon approval by the Board of Directors.
- Upon amortization of Group Insurance capital assets, an equivalent amount must be transferred into this restricted fund, net of any purchases or disposals.

**General Operations**

To be used to fund any net deficit in the General area upon approval of the Board of Directors.

Unrestricted net assets must be transferred into this restricted fund only upon approval by the Board of Directors.

**Group Insurance Operations**

To be used to fund any net deficit in the Group Insurance area upon approval of the Board of Directors. Unrestricted net assets must be transferred into this restricted fund only upon approval by the Board of Directors.

### General Projects

These internally restricted net assets are not available for unrestricted purposes without the approval of the Board of Directors. All internally restricted net assets must be completely funded by cash or investments.

	2011 \$	2010 \$
General Capital Assets Purchases	209,820	193,078
Group Insurance Capital Assets Purchases	99,589	103,778
Group Insurance Operations	180,953	180,953
General Projects	-	-
	490,362	477,809

## 7. DEFERRED CONTRIBUTIONS

This represents resources externally restricted for the following purposes:

### FCM Travel Fund

The Federation of Canadian Municipalities (FCM) Travel Fund's purpose is to partially fund the travel costs incurred by smaller municipalities associated with holding office on the FCM Board. FCM Board members from Regina, Saskatoon, Moose Jaw, Saskatchewan Association of Rural Municipalities (SARM), and SUMA are not eligible under this fund. The fund is funded by a voluntary contribution of 5 cents per capita by all Saskatchewan urban FCM members, except Regina, Saskatoon, and Moose Jaw. FCM collects these contributions and forwards them onto SUMA. SUMA administers the payment of expense claims from this fund. Excess funds are restricted for payment of future FCM expense claims.

### Towns and Villages Legislative Review Committee

In 2004, SUMA received restricted funds from the Government of Saskatchewan. The restricted funds are to be utilized to offset costs of meetings for this committee aimed at assisting Saskatchewan communities to prepare for implementation of the new Municipalities Act for towns and villages.

### FSIN SUMA SARM Roundtable

In 1995, SUMA received restricted funds from Saskatchewan Indian and Metis Affairs Secretariat. The restricted funds are to be utilized to offset costs of planning and consultation with the Federation of Saskatchewan Indian Nations aimed at developing model approaches in addressing land and jurisdictional issues.

	2011 \$	2010 \$
FCM Travel Fund	43,312	40,063
Towns and Villages Legislative Review Committee	3,462	3,462
FSIN SUMA SARM Roundtable	1,636	1,636
	48,410	45,161

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**8. FUNDS HELD IN TRUST**

**Paper Cardboard Recycling Fund**

The Paper Cardboard Recycling Fund (PCRF) initiative was designed to assist the municipal sector in maintaining paper and cardboard recycling services and operations for residents of the province until a more long-term sustainable system is in place. SUMA is acting as the administering agency for the restricted funds

**Planning for Growth**

Funds have been received and will be administered by SUMA on behalf of Enterprise Saskatchewan and the Gas Tax. The program is to encourage partnerships between municipalities to plan on a regional basis.

	2011	2010
	\$	\$
Southeast Town Sector Funds	629	629
Paper Cardboard Recycling Fund	181,480	296,617
Municipal Awards	11,504	9,091
Planning for Growth	125,811	500,000
	<u>319,424</u>	<u>806,337</u>

Cash restricted for use by funds held in trust is included in cash.

**9. FUTURE COMMITMENTS**

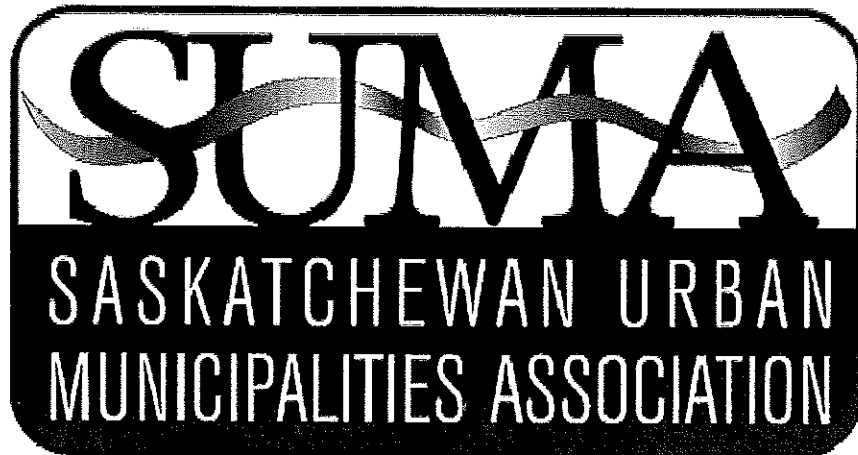
SUMA has entered into a three year lease agreement for office space in 2010, with a two year renewal option. The lease payments are \$89,826 annually and the current renewal expires on October 31, 2013.

**10. MEASUREMENT UNCERTAINTY**

The preparation of financial statements in conformity with accounting principles described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Amortization is based on the estimated useful lives of capital assets. Management has also established an allowance for doubtful accounts. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

**11. CAPITAL DISCLOSURE**

SUMA's objective when managing capital is to maintain a sufficient reserve fund base to ensure they can continue to cover the significant expenditures relating the Association. The Association receives funding from its members to cover the operating expenditures.



**RESOLUTIONS**

*107th Annual*  
**SASKATCHEWAN URBAN MUNICIPALITIES ASSOCIATION**  
*Convention*  
*January 29 – February 1, 2012*  
*Queensbury Centre*  
*Regina, Saskatchewan*

***Resolutions Committee:***  
*Mayor Barry Gunther*  
*Councillor Michael Fougere*  
*Mayor Paul Topola*  
*Councillor Darren Hill*

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## **1. Environmentally Friendly Infrastructure Projects**

Town of Watson

Whereas the Government of Saskatchewan is responsible for establishing the legislative and regulatory framework for Saskatchewan's environment; and

Whereas provincial regulations govern water treatment technologies that directly affect municipalities which must implement these technologies; and

Whereas current regulations and procedures prevent permits to construct new environmentally friendly water treatment technologies in the province of Saskatchewan, restricting the type and scope of new projects;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association lobby the Ministry of Environment to allow the development of "environmentally friendly" infrastructure projects for Saskatchewan municipalities where such projects have gained regulatory acceptance in other jurisdictions, and to encourage engineering firms to be more open and accepting of these "green" technologies.

### **Background**

The Ministry of Environment (MOE) is requiring the Town of Watson to upgrade its lagoon system in order to address concerns of increased waste water from a new reverse osmosis water treatment plant. The Town of Watson has looked into other technologies that are accepted in other parts of North America and Europe but is getting very little interest from MOE and engineering firms. The green technologies are also substantially more cost effective than the price of a conventional lagoon.

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## **2. Amend *The Cities Act* to Allow Unpaid Utility Charges to Tax Roll**

City of Melfort

Whereas *The Municipalities Act* allows municipal councils to add unpaid charges for a utility service provided to the parcel by a public utility that are owing with respect to the parcel to the tax roll; and

Whereas *The Cities Act* allows municipal council to add unpaid charges for a utility service provided to the parcel by a public utility that are owing by the owner of the parcel of land only; and

Whereas there are many instances where tenants, particularly transient tenants, leave utility accounts unpaid and in many situations, uncollectible, and *The Cities Act* does not permit municipal council to add these unpaid utility charges owing by the tenants to the tax roll; and

Whereas the uncollectible accounts then become an unfair expense to all taxpayers of the city;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association urge the Ministry of Municipal Affairs to amend *The Cities Act* Clause 333(1) (b) to allow Council to add unpaid utility charges owing with respect to the parcel of land to the tax roll, in the same manner as provided for in *The Municipalities Act* Clause 369(1) (b)."

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### **3. Appeal Period for Supplemental Assessments**

City of Yorkton

Whereas Section 185(1.1) of *The Cities Act*, requires that in the year of revaluation, the assessment notice or amended assessment notice must have not less than 60 days to appeal the assessment; and

Whereas Section 189(1) allows for a supplementary assessment to be made if a property's value changes during the year; and

Whereas Section 189(2.1) requires that the same rules apply to the Supplementary Assessment process as to that set out in section 185 of *The Cities Act*; and

Whereas all properties may appeal their annual assessment notice or amended assessment notice, however only those properties affected by a Supplemental Assessment Notice can appeal their Supplemental Assessment Notice; and

Whereas Supplemental Notices are not processed typically until October or November of the year, thus the 60 day appeal period causes great delays in the completion of the work process of the Assessment;

Therefore be it resolved that *The Cities Act* Section 185 (1.1) be amended to allow a 30 day appeal period for Supplemental Assessments in revaluation years.

#### **Background**

Prior to the Income Approach to value being implemented in 2009, the assessment appeal period was 30 days. *The Cities Act* - Section 185(1.1) now legislates, that in the year of revaluation, the appeal period shall be 60 days.

Currently all properties in the province have their assessments updated in value once every four years. It is during the re-evaluation year that most of the appeals occur. The extension to the appeal times in legislation was made to ensure property owners had sufficient time to appeal their assessments, since commercial tax agents often represent many properties throughout the province and most cities have their appeal periods during similar times of the year.

The change to extend the appeal times when there is a provincial wide re-evaluation makes sense, but this change to legislation also affects the supplemental assessments.

Larger municipalities do supplemental assessments for additions and deletions during the year. With the economic growth there are more properties being built and assessed during the year. The majority of these are then taxed for a portion of a year, with

supplemental assessment notices typically sent out in the fall (October). These new properties now also have 60 days to appeal (in a re-evaluation year) and this delays finalizing assessment.

The new year values are delayed by at least an extra month because the supplemental assessment roll needs to be confirmed before new values can be entered. Provincial agencies are then unable to get their reports and the whole process of tax policy and assessment processes are delayed.

It should be noted that the 60 day appeal period for supplemental assessments only occurs if the property has changed in a revaluation year. Since assessments are updated once every four years, supplemental assessments have a 30 day appeal period for three years and then a 60 day appeal period for one year.

It appears that the change in legislation was an oversight and the 60 day appeal period in a revaluation year should exclude supplemental assessments.

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#### **4. Flood Mitigation Funding**

District of Katepwa / Town of Osler / Town of Dalmeny

Whereas many municipalities experienced extensive widespread flooding in 2011; and

Whereas in many of these areas the clean-up and restoration did not begin until after the grant deadlines had past; and

Whereas available contractors and specialists to review shorelines, elevations and mitigation projects were extremely busy; and

Whereas it is imperative that permanent flood mitigation work be commenced as quickly as possible to ensure similar flooding issues do not occur in the spring of 2012;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association urge the Government of Saskatchewan to implement a 2012 flood mitigation program for urban governments, to assist in completing projects started in 2011, and which will assist in developing future permanent solutions to flood and water control.

#### **Background**

The extent of the 2011 flood is very wide spread – more so than any flood in the recorded history of the province. The flood lasted most of the summer for many communities and work was not able to be completed during this time. It is important for residents of Saskatchewan to complete mitigation projects while the flood is fresh in their minds so that this kind of event has less impact in the future. By extending or creating a new funding opportunity we encourage people to complete and/or extend their mitigation projects.

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## **5. Encourage Urban Governments to Join Watershed Authorities**

SUMA Board of Directors

Whereas a sustainable supply of water is necessary for the present and future needs of Saskatchewan; and

Whereas water knows no boundaries and protection of water requires multi-level and inter jurisdictional coordination and management; and

Whereas urban governments are the operators and owners of waterworks and are responsible for supplying safe drinking water and treating wastewater as prescribed by environmental legislation; and

Whereas many urban governments are facing critical issues with respect to predictable quantity and quality of water resources; and

Whereas local watershed groups lead, develop and promote the importance of source water protection and encourage all stakeholders to work collaboratively to ensure long-term availability of water for Saskatchewan people;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association encourage all urban governments to join their local watershed groups.

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## **6. Engage Ministry of Environment in Infrastructure Projects**

Town of Shellbrook

Whereas Saskatchewan Environment is the regulating body in relation to sewage regulations;

Whereas municipalities are required to comply with the regulations as set out by Saskatchewan Environment and invest in multi-million dollar facilities to meet these regulations;

Whereas Saskatchewan Environment will only tell you what you cannot do after the research and feasibility studies have been invested in;

Whereas small municipalities have limited financial resources;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association lobby the Ministry of Environment to provide recommendations to communities and to be part of the planning process as to infrastructure types that will meet the regulations, work in the region proposed, and therefore limit the time, finances, and resources spent prior to the actual project coming to fruition.

### **Background**

Sask Environment required Shellbrook to upgrade their sewage disposal system. The Town hired an engineer to do a feasibility study for the area and to come up with some

options for the Town to consider. Shellbrook decided to look into the option of irrigation of the effluent onto hay land, afterward being able to sell the hay for a small profit. The Town had its engineer go through all of the steps including talking to Sask Environment, (which was of no help), and faced many unanswered phone calls and responses such as "we don't know". When all was said and done and the Town was ready to do this project, SERM then told Shellbrook it couldn't as the town's soil was not the right type for this project. SERM was not interested in the project and would not tell Shellbrook what they could do or what would work for the area. Instead, they were quick to tell Shellbrook what they couldn't do after considerable time, effort and funds had been expended toward the irrigation option.

The Town had to go back to the drawing board, already months behind. After more research, they decided to put in a mechanical lagoon system which was two million dollars more to build than the irrigation project. Because this was a Building Canada Fund project, time was of the essence.

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## **7. Energy Efficient Street Lighting**

Town of Pilot Butte

Whereas the Province of Saskatchewan is experiencing unprecedented growth in housing and infrastructure; and

Whereas the Saskatchewan Power Corporation (SaskPower) is having to expend large amounts of money to expand their electrical generating capacity; and

Whereas urban governments and their residents are tasked with paying power costs for urban street lighting; and

Whereas costs to municipalities can be reduced through use of energy-efficient lighting; and

Whereas energy-efficient lighting is available and has become cost-effective;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association lobby the Government of Saskatchewan and SaskPower to implement a program whereby more efficient use of electricity for street lighting is encouraged and promoted within the Province of Saskatchewan.

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## **8. Implementing a Province Wide Municipal Electronic Payment Option**

Town of Ituna

Whereas it is becoming common practice to accept payment of invoices by using direct debit and/or credit cards; and

Whereas an increasing amount of ratepayers are requesting the ability to pay utility bills and taxes by direct debit and/or credit card methods of payment; and

Whereas the banking costs of providing such services is excessive for smaller towns and villages;

Therefore, be it resolved the Saskatchewan Urban Municipality Association lobby the financial institutions to provide a standard municipal direct debit and/or credit card payment option that would accommodate all villages, town and cities, and that we request the Province of Saskatchewan to provide reimbursement for the provisions of such services under their municipal grant funding program.

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## **9. Provincial Standardized Property Tax Discount Rate**

SUMA Board of Directors

Whereas the Ministry of Education establishes a province wide mill rate for education property tax; and

Whereas the Ministry of Education must budget for any funding loss resulting from a property tax discount offered by a municipality; and

Whereas a standardized discount rate would provide for an easier method in budgeting for the ministry and also reduce competition between communities;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association urge the Government of Saskatchewan to establish a standardized property tax discount rate to be tied to the Bank of Canada rate.

Be it further resolved that urban governments retain the authority to choose whether or not to offer a property tax discount.

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## **10. Review Criteria used to Establish Municipal Long Term Debt Limit**

SUMA Board of Directors

Whereas many urban governments have reached their debt limit due to investing in infrastructure needed to facilitate growth within their communities; and

Whereas the long term debt limits are prohibiting many urban governments from addressing other critical needs, thereby creating a barrier to further growth; and

Whereas the criteria used to establish these debt limits does not take into consideration that certain debt is funded by utilities;

Therefore be it resolved that the Saskatchewan Urban Municipalities Association work with the Ministry of Municipal Affairs to initiate a review of the criteria used to establish long term debt limits to ensure applicability to urban governments today.

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## **11. Seniors Property Tax Deferral Program**

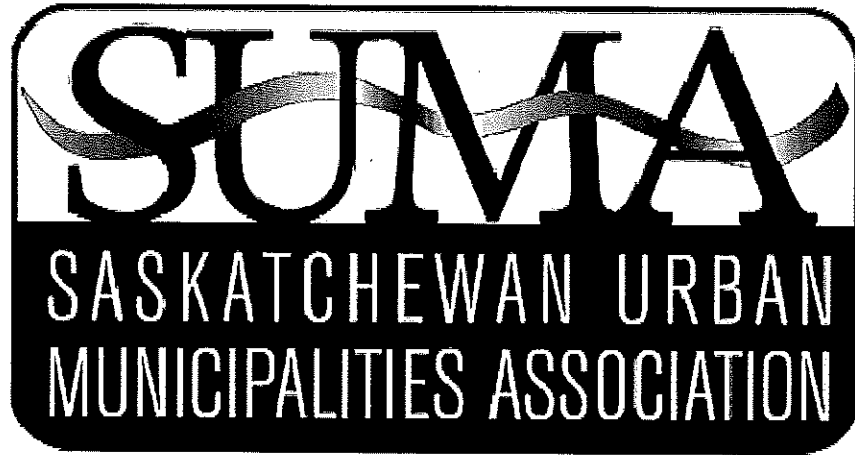
SUMA Board of Directors

Whereas many low income seniors aged 65 and over in Saskatchewan do not possess the disposable income to offset the rising costs of homeownership; and

Whereas many of those seniors own their residences and would prefer to remain in their homes; and

Whereas it is beneficial for these seniors to remain in their homes as a means to free up the low inventory of affordable housing for other residents;

Be it resolved that the Saskatchewan Urban Municipalities Association urge the Government of Saskatchewan to explore the feasibility of a Seniors' Property Tax Deferral Program similar to that administered by other provinces.



**NOTICE OF PROPOSED AMENDMENTS**

**FOR CONSIDERATION**

**AT THE 2012 ANNUAL GENERAL MEETING**

**JANUARY 31<sup>st</sup>, 2012**

**REGINA - SASKATCHEWAN**

**PREPARED BY**

**BYLAW REVIEW AND GOVERNANCE COMMITTEE**

On December 2<sup>nd</sup> 2011, the Board of Directors approved a recommendation to forward all amendment proposals identified by the Bylaw Review and Governance Committee to the general membership for a vote at the 2012 AGM (January 31, 2012 – Regina).

Three major areas of SUMA's Bylaws were reviewed:

- 1) Term of office for Executive Committee and Directors
- 2) Appointment of Vice President representing Cities
- 3) Ability for Alternates to represent a SUMA region in the absence of a Director
- 4) Housekeeping: Committee name change (Bylaw Review and Governance Committee)

**Note to reader:**

Bold text identifies new language.

~~Crossed~~ identifies deletion.

Original text of the Bylaw is available on the website (ABOUT) or by calling SUMA at 306.525.3727.

**1. TERM OF OFFICE**

The committee initially considered 3 options to reflect the upcoming change of the municipal term of office (from 3 to 4 years) on the term of office for Directors and Executive Committee members:

- A) Status quo – three year term
- B) Four year term – concurrent with municipal term of office
- C) Two year term – breaking midway through municipal term

**Based on consultation with the membership, the Committee is recommending that option b) be implemented (4 year term of office for all directors and Executive committee members).**

**The required changes to SUMA's Bylaws are as follows:**

*Article 22. The chairperson of each southern regional committee shall serve as regional director on SUMA's provincial Board of Directors for a term of ~~three~~ **four** years coinciding with his/her term as chair of the regional*

*Article 28. The chairperson of the northern regional committee shall serve as the northern regional director on SUMA's provincial Board of Directors for a term of ~~three~~ **four** years coinciding with his/her term as chair of the regional committee.*

*Article 35. Regional Committee elections for the seven southern regions shall take place every ~~third~~ **fourth** year at the fall regional meeting immediately following province wide municipal elections. The Regional Committee elections for the Northern Region shall take place at the Annual Convention immediately following the province-wide elections.*

*Article 36. The term of office for members of the regional committee shall be ~~three~~ **four** years terminating on the day of the next full regional committee election.*

*Article 56. The president shall be elected for a ~~three~~ **four** year term at the first SUMA Annual Convention following province-wide municipal elections*

*Article 76. The vice president representing towns shall be elected for a ~~three~~ **four** year term at the first SUMA Annual Convention following province-wide municipal elections.*

*Article 84. The vice president representing villages, resort villages and northern municipalities shall be elected for a ~~three~~ **four** year term at the first SUMA Annual Convention following province-wide municipal elections.*

## **2. VICE PRESIDENT FOR CITIES**

At the last Annual Convention, the delegates from the City Sector approved the joint submission of all 15 Saskatchewan cities to appoint the chair of the City Mayors Caucus (CMC) as Vice President of Cities on the Executive Committee. SUMA's consultations at regional meetings on this topic did not identify any concerns, and the Bylaw Review and Governance Committee has prepared bylaw amendments which will facilitate the proposal.

### **The required changes to SUMA's Bylaws are as follows:**

Article 50. The provincial Board of Directors shall consist of the President; Vice President - Cities; Vice President - Towns; Vice President - Villages; 2 members appointed by the City of Saskatoon; 2 members appointed by the City of Regina; 1 member appointed by the City of Moose Jaw; 1 member appointed by the City of Prince Albert; the Chairperson of the Northern Regional Committee; and the Chairpersons of the seven Southern Regional Committees. **When applicable, the Saskatoon-Regina Executive Member shall also be a voting member on the Board in accordance with Article 92.a.**

Article 55. (a) The provincial Board of Directors shall appoint a chief electoral officer to administer the election of the president, ~~vice president for cities,~~ vice president for towns and the vice president for villages.

Article 65. (a) The election of ~~the vice president representing cities,~~ the vice president representing towns and the vice president representing villages shall be conducted following the election of the president.

(b) Any unsuccessful candidate for the position of president, so wishing, shall be automatically nominated for the position of vice president of the appropriate sector without having to file new nomination papers.

Article 67. The vice president representing cities shall be the chairperson elected by the City Mayors Caucus and shall serve a concurrent term with his or her election as chairperson of the City Mayors Caucus. ~~elected for a three-year term at the first SUMA Annual Convention following province-wide municipal elections.~~

Article 68. ~~Each elected official representing a SUMA member city who is in attendance at the SUMA Annual Convention and who has registered as a convention delegate shall be eligible to cast one ballot in the election of the vice president representing cities.~~

Article 69. ~~All elected officials representing SUMA member cities shall be eligible to run for vice president representing cities.~~

Article 70. ~~The election of the vice president representing cities shall be conducted by secret ballot.~~

Article 71. ~~The candidate who wins a plurality of votes in the election of the vice president representing cities shall be declared the winner by the chief electoral officer.~~

Article 72. If a southern regional director wins election as chairperson of the CMC ~~vice president representing cities,~~ his/her position as chair of the southern regional committee shall immediately be declared vacant.

Article 73. If a single city regional director wins election as chairperson of the CMC as vice-president representing cities, his/her position as regional director shall not be declared vacant.

Article 74. Nominations for vice president representing cities must be submitted in writing and signed by the candidate and at least two (2) other elected officials of any SUMA member city.

Article 75. (a) Nominations for vice president representing cities must be received by the chief electoral officer no later than twenty four (24) hours prior to the scheduled time when voting begins.

(b) If there are no candidates nominated for vice president representing cities twenty four (24) hours prior to the scheduled time when voting begins, nominations for the position will be accepted from the convention floor, provided that the nomination papers have been properly completed and that nominee eligibility criteria are met.

Article 92. The Executive Committee of the provincial Board of Directors shall consist of the President, the Vice President for Cities, the Vice President for Towns, the Vice President for Villages and a Regina or Saskatoon representative from the SUMA Board of Directors (jointly selected by Regina and Saskatoon) unless either city is already represented there as President or Vice-President for Cities.

(a) In the event that a delegate from Saskatoon or Regina is not elected President or **appointed Vice-President of Cities by virtue of election as chairperson of the City Mayors Caucus**, then registered delegates from Regina and Saskatoon will elect a representative to sit on the SUMA executive.

Article 124. Resolutions for consideration by the provincial Board of Directors, the Executive Committee, or members at the Annual Convention may be submitted by:

- 1) SUMA member councils in good standing with evidence of endorsement by way of a council motion; or
- 2) any meeting held within the framework of the Association including but not restricted to regional meetings, **city mayors caucus**, seminars, symposia and workshops with evidence of endorsement by way of a motion approved by the meeting.

### **XXXVI. Establishment of City Mayors Caucus**

Article 168. (a) **Mayors of cities holding a SUMA membership in good standing shall establish a working committee to be known as the City Mayors Caucus (CMC).**

(b) **The election of the chairperson and vice-chairperson of the CMC shall occur at the 2012 fall meeting of the CMC by a vote of all city mayors in attendance and shall occur every two years thereafter.**

Article 169. (1) **In the event of a tie vote between two or more candidates with the largest number of votes, the designated returning officer shall:**

- (a) **write the names of those candidates separately on blank sheets of paper of equal size, colour and texture;**
- (b) **fold the sheets in a uniform manner and so the names are concealed;**
- (c) **deposit them in a receptacle; and**
- (d) **direct a person to withdraw one of the sheets.**

**(2) The candidate whose name is on the sheet withdrawn pursuant to Article 169(1) shall be declared elected.**

**Article 170. The chairperson of the City Mayors Caucus shall serve as the Vice President of Cities on SUMA's Executive Committee for a term concurrent with his/her term as chair of the CMC.**

**Article 171. If the chair of the CMC becomes vacant, the vice chairperson shall assume the chair and shall serve out the current term as chairperson of the CMC and Vice President of Cities on SUMA's Executive Committee.**

**Article 172. At any point during their term on the CMC or Executive Committee, elected officials may apply for a temporary leave of absence not exceeding 90 days. Requests for such a leave must be made in writing and submitted to the Executive Committee for approval. Such leave can be extended by written request to the Executive Committee. CMC chairperson and vice-chairperson who are candidates in a Provincial or Federal election must apply for a leave of absence which leave shall be mandatory during the writ period.**

**Article 173. City Mayors Caucus Responsibilities**

**a) Mayors sitting on the City Mayors Caucus shall be accountable to their respective municipal council. The CMC shall also report on a regular basis to SUMA's Executive Committee and the Board of Directors.**

**b) The CMC and SUMA may work jointly on Association projects and activities across the Province.**

**Article 174. City Mayors Caucus Meeting Procedures**

**a) The chairperson of the CMC shall have the authority to call a meeting of the caucus.**

**b) Quorum for the CMC meetings shall be ~~representation from mayors of 8 member cities~~ a sufficient number of mayors representing a simple majority of the current members.**

**c) Each mayor representing a SUMA member city on the CMC shall be eligible to cast one vote on motions, resolutions or recommendations considered at the CMC meeting.**

**d) The CMC may establish its own rules of procedures for sector related consultations and developing consensus, including the ability to hold distance meetings through technology and electronic voting.**

### **3. ABILITY FOR DIRECTORS TO DESIGNATE AN ALTERNATE**

The Committee is also recommending that Directors be provided with an opportunity to designate alternates to represent their Region in the event a director is not available to attend a regular Board meeting. The intent is to maintain proper representation of the region or single city region, and to encourage succession and participation on the Board.

**The required changes to SUMA's Bylaws are as follows:**

**Article 23. If a position on a southern regional committee becomes vacant, the alternate designated to the position shall assume the vacated position and serve out the term of office on the regional committee.**

Article 23.1 In the event a regional director is

- a) incapacitated;
- b) away on approved leave in accordance with these bylaws; or
- c) otherwise unavailable to attend a Board Meeting,

an alternate designated member of the regional committee shall be entitled to attend a SUMA Board meeting to represent the region as a voting member of the Board.

Article 23.2 In the event a single city region director is

- a) incapacitated;
- b) away on approved leave in accordance with these bylaws; or
- c) otherwise unavailable to attend a Board Meeting,

a designated elected official on the single city region shall be entitled to attend a SUMA Board meeting to represent the city as a voting member of the Board.

#### **4. COMMITTEE NAME CHANGE**

**The required changes to SUMA's Bylaws are as follows:**

##### **XXVII. Standing Committee of the Board - Bylaw Review and Governance**

132. There shall be a **Bylaw Review and Governance** Committee appointed by the provincial Board of Directors consisting of SUMA board members only.

133. Committee appointments shall be made for a one year term.

134. The Board may appoint any personnel it deems necessary to advise the **Bylaw Review and Governance** Committee.

135. The **Bylaw Review and Governance** Committee shall:

- 1) meet at least once per year to review the purpose, organization, and effectiveness of the bylaws of the Association;
- 2) report annually to the provincial Board of Directors; and
- 3) report to SUMA's Annual General Meeting.