

PROPOSAL FOR THE AMALGAMATION OF THE TOWN OF SHOAL LAKE AND THE RURAL MUNICIPALITY OF SHOAL LAKE

Introduction

Section 34 of The Municipal Act provides, as follows:

34(1) A proposal to amalgamate two or more municipalities or for the annexation by a municipality of land from another municipality may be initiated by
(b)the council of a municipality.

34(2) A proponent may initiate a proposal under subsection (1) by filing a written proposal with the Municipal Board.

This is an amalgamation proposal that has been jointly prepared and approved by the councils of the Town of Shoal Lake and the Rural Municipality of Shoal Lake for submission to the Municipal Board and for consideration by the ratepayers of the Town and the Rural Municipality.

General Information

The Rural Municipality of Shoal Lake was incorporated in 1884 and, according to the 2006 census, currently has a population of 555 persons. It is comprised of Townships 16, 17, and 18, in Ranges 23 and 24WPM (exc. The Town of Shoal Lake).

The Town of Shoal Lake was incorporated in 1909 and, according to the 2006 census, has a population of 680 persons. It is located near the center of the R.M. of Shoal Lake and is comprised of Section 9, Township 17, Range 23WPM.

The Town and R.M. of Shoal Lake have a history of cooperation. Examples of shared services are outlined below.

Fire Protection is provided by the Shoal Lake and District Fire Department including Station 1 in Shoal Lake and Station 2 in Oakburn. The cost of operations is shared equally between the Town and R.M. of Shoal Lake.

The recently formed Leisure Services Board oversees joint community facilities and promotes recreation and community events throughout both the Town and R.M. The facilities under its direction include the Shoal Lake Communiplex, Shoal Lake Community Hall and Lakeview Park. The cost of operations of the Leisure Services Board and its facilities are shared equally between the Town and R.M.

The Shoal Lake Community Development Corporation was established to attract business and community development to both municipalities. The CDC operates with one Economic Development Officer who is directed by a board comprised of members from both councils. The costs of operations are equally shared.

Each municipality operates its own landfill. The recycling materials collected at the Oakburn landfill are delivered to the Shoal Lake landfill for packaging. The cost of operations and upgrades of the Shoal Lake Landfill are cost shared on a 60% Town and 40% R.M. arrangement.

The Shoal Lake Planning Board is comprised of the Town and R.M. of Shoal Lake and the costs of operations are equally shared.

The Shoal Lake Water Enhancement Board, Municipal Cemetery, Emergency Measures Organization, and the 2009 Celebrations are funded equally between the two municipalities.

The Town and R.M. belong to and contribute members and funds to the following committees and Boards;

- Shoal Lake Library
- Prairie Mountain Regional Museum
- Mayors and Reeves
- Healthy Community Committee
- Highway 21-24-83
- Lagoon Committee
- McCormack McPhail Bursary
- Parkland Library
- Parkland Service for Seniors
- Prairie Mountain Regional Tourism
- Shoal Lake Airport Authority
- Shoal Lake Chamber of Commerce
- Shoal Lake Handi-Van
- Shoal Lake Veterinary Board
- Trans Canada Yellowhead Highway Assoc.
- UARCD
- Waste Management Landfill Site
- Yellowhead Policing

History of Amalgamation

The concept of amalgamation originated from a combination of input from public and council members over the past several years. A public meeting was held in 2005 to get a general feeling from the rate payers on the concept of amalgamation. Information was gathered and compiled for councils review. The public had provided the municipalities with several questions that needed answers. An amalgamation committee consisting of some council members and the CAO's of each municipality was formed to compile a presentation for the public that would answer these questions. In 2007, a second public meeting was held where Council presented a list of scenarios for the election of council, location of the office, staffing and budgeting that would be possible in an amalgamated municipality. A vote taken by the members attending the meeting resulted in over 80%

in favor of amalgamation. Following that meeting council has decided to have all members and CAO's be part of the Amalgamation Committee.

Reasons for the proposal

- Common vision and similar challenges that could be better achieved by working as one.
- High degree of interdependency. Both municipalities are already involved on numerous fronts. Merger would lead to less duplication and a more unified approach that would simplify existing arrangements allowing goals to be more effectively and efficiently achieved.
- An amalgamated municipality with a common single purpose would create a stronger voice and have an increased influence in discussions with business, government and other communities.
- Less governance. Number of councillors, proportioned to the population they govern.

Consultation

The councils have scheduled a public meeting to present this proposal to the citizens of the Town and Rural Municipality and to answer questions pertaining to the amalgamation proposal. In addition, a copy of the proposal will be forwarded to other local authorities who could be affected by amalgamation. Those local authorities include Assiniboine Regional Health Authority, Park West School Division, Shoal Lake Planning District, Upper Assiniboine River Conservation District and Shoal Lake Community Development Corp. After allowing a period of time to allow citizens and local authorities to review and digest the proposal, the municipalities will hold a public hearing to allow anyone to make representations regarding the proposal.

Details of proposal

It is proposed that, effective January 1, 2011, the Town of Shoal Lake and the Rural Municipality of Shoal Lake amalgamate into one municipality named the Municipality of Shoal Lake.

Council

The Council of the Municipality of Shoal Lake will consist of a Head of Council and six councillors. All members of council will be elected by a vote of the voters of the whole municipality. This will allow every voter the opportunity to vote for every member on the Council that will represent them. The election of the first council of the Municipality of Shoal Lake will occur at the next general election scheduled for October 27, 2010 and the successful candidates will assume office effective January 1, 2011. The term of office of the existing members will be extended to December 31, 2010. Existing members of council are eligible to run for office on the council of the amalgamated municipality.

Municipal Office

An expansion of the Town Office building is being considered for the amalgamated office along with any other viable options.

Staffing

The current staff members employed by the Town and R.M. of Shoal Lake will remain, however positions may be reclassified. The Town and R.M. employees (excluding the CAO's) belong to the International Union of Operating Engineers. In the event of amalgamation, the municipalities have agreed to discuss wages, working conditions and benefits that are fair and reasonable to both parties, with the goal to reach consensus.

Assets and Liabilities

The assets and liabilities of each municipality would be assumed by the amalgamated municipality.

Regulations

By-Laws and resolutions currently in force would remain in effect as intended unless affected by amalgamation.

Status of the Municipality

The municipality shall have the status of Rural Municipality.

Summary

The councils of the R.M. of Shoal Lake and the Town of Shoal Lake are concurrently filing a joint proposal and report requesting The Municipal Board to consider the amalgamation of the two municipalities. In considering this proposal and report and to facilitate the amalgamation process, the two municipalities request The Municipal Board to consider the following matters:

That the term of office for the existing council of the R.M. of Shoal Lake and the Town of Shoal Lake be extended to noon January 1, 2011.

That the Council comprised of 6 councillors and one head of council for the proposed amalgamated municipality be elected on October 27, 2010, to take office at noon , January 1, 2011.

That the Rural Municipality of Shoal Lake and the Town of Shoal Lake be amalgamated under the name of the Municipality of Shoal Lake effective January 1, 2011 and that assets, liabilities, rights and obligations of both the Rural Municipality of Shoal Lake and the Town of Shoal Lake will pass on to the new Municipality of Shoal Lake.

STATISTICAL INFORMATION 2008

Population	Town	680
	Rural Municipality	555
	Total	<u>1,235</u>
Assessment	Town	\$ 12,538,130.
	Rural Municipality	22,806,290.
	Total	<u>\$ 35,344,420.</u>
Budgeted Expense	Town	\$ 956,951.00
	Rural Municipality	1,402,783.00
	Total	<u>\$ 2,319,734.00</u>

Reserves & Surplus	Town	Rural Municipality	Prov.
General Reserve	\$ 97,715.05	\$ 177,380.18	
Machinery Replacement	105,865.57	91,534.55	
Federal Gas Tax	77,590.94	31,540.28	
Fire Equipment	109,544.92	26,880.31	
Airport	20,000.00	6,000.00	
Communiplex	25,000.00		
Handivan	14,519.88	4000.00	61,761.99
Land Acquisition	88,370.47		
Water & Sewer	69,517.36		
Road Construction		50,000.00	
Health Care Incentive		7,667.00	
Recreation		23,657.96	
Tax Reserve (Jan. 1/08)	65,095.00	98,268.00	
Surplus (Jan. 1/08)	538,347.00	409,752.00	
TOTAL	<u>\$ 1,211,566.19</u>	<u>\$ 988,435.66</u>	<u>\$61,761.99</u>

Shoal Lake Tax Calculation

**2008 COMBINED
BUDGETS**

Expenditures	At Large	Rural SSA	Town SSA	Total
General Government Services	390,387	-	-	322,452
Protective Services	67,285	-	-	67,285
Transportation Services	666,505	-	-	666,505
Environmental Health Services	124,800	2,750	36,950	123,600
Public Health and Welfare Services	18,200	-	-	18,200
Environmental Development Services	13,200	-	-	13,200
Economic Development Services	95,677	-	-	95,677
Recreation and Cultural Services	465,871	-	-	465,871
Fiscal Services	307,236	33,459	272,277	307,236
Reserves	170,573	-	-	169,973
	<u>2,319,734.00</u>	<u>36,209</u>	<u>309,227</u>	<u>2,249,999</u>

Less: Other Revenue	905,638	-	142,600	905,638
Total Requirements	1,414,096	36,209	166,627	1,344,361

Assessments

At Large	Rural SSA	Town SSA
35,344,420	22,806,290	16,395,870

Proposed Current Difference

Mill Rates

At Large	32.30	
Rural SSA	1.59	
Town SSA	10.16	
Total Mill Rate - RM	33.88	35.43
Total Mill Rate - Town	42.46	44.874
		-1.55
		-2.41