MUNICIPAL INCORPORATION

Municipal incorporation is the establishment of a municipality as an autonomous legal entity. A municipal corporation is a town, village, or hamlet that has natural person as well as governmental powers. Municipal corporations are given the power to govern through provincial statutes. For municipalities in northern Saskatchewan, the enabling provincial statues are: *The Northern Municipalities Act, 2010* and *The Northern Municipalities Regulations.*

Incorporation provides many benefits to community residents. It creates a more accessible, accountable and responsive government because of the direct access to the elected municipal council by residents. It promotes orderly patterns of urban growth and land use and ensures adequate municipal services, financial integrity, reduces inefficiency and enhances equity in the financing of municipal services. Municipalities have direct control over local revenue sources and expenditure needs as they set property tax rates and determine service levels. They oversee sustainability, growth management through community plans and zoning bylaws and make decisions as allowed by the Province of Saskatchewan. Mandatory and optional functions of municipalities are attached in Appendix-A.

The Government of Saskatchewan's Ministry of Government Relations recognizes three general types of municipalities and seven sub-types – urban municipalities (cities, towns, villages and resort villages), rural municipalities and northern municipalities (northern towns, northern villages and northern hamlets). Cities are formed under the provincial authority of *The Cities Act*, which was enacted in 2002. Towns, villages, resort villages and rural municipalities are formed under the authority of *The Municipalities Act*, enacted in 2005. The three sub-types of northern municipalities are formed under the authority of *The Northern Municipalities* Act, 2010, enacted in 2011. As provincial laws, these three acts were passed by the Legislative Assembly of Saskatchewan with royal assent granted by the Lieutenant Governor.

Saskatchewan's vision is to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life. Four goals set the Government of Saskatchewan's direction for the province. They include: sustaining growth and opportunities for Saskatchewan people, meeting the challenges of growth, securing a better quality of life for all Saskatchewan people and delivering responsive and responsible government. There are 781 municipalities in Saskatchewan: 461 of them are urban municipalities (16 cities, 146 towns, 159 villages and 40 resort villages), 296 are rural municipalities and 24 are northern municipalities (2 northern towns, 11 northern villages and 11 northern hamlets). Ministry of Government Relations provides provincial programs and services to the province's 781 municipalities for realization of these goals. A newly incorporated municipality will be eligible for such provincial programs and services.

INCORPORATION OF RAMSEY BAY AS A NORTHERN HAMLET

Ramsey Bay is the largest resort subdivision with 216 cabins and a permanent population of 100 people which increases to 475 in summer. Its taxable assessment has decreased by 0.02 per cent to $32.436 million in 2018 from $32.443 million in 2017. *The Northern Municipalities Act, 2010* and *The Northern Municipalities Regulations* identify that resort subdivisions with a population of 100 or more, 50 or more dwellings and a minimum taxable assessment of greater than $2 million meet the minimum criteria for incorporation as northern hamlet. Ramsey Bay's large size makes incorporation to a northern hamlet appropriate to serve the residents' needs for local autonomy in municipal governance through an

elected council. Incorporation will also make Ramsey Bay eligible for grants from the Province, such as Northern Revenue Sharing, Capital and Gas Tax Grants.

Part IV of *The Northern Municipalities Act, 2010* covers matters related to incorporation of a resort subdivision as a northern hamlet. As the Northern Municipal Services provides tax management service to northern hamlet, Ramsey Bay will continue to receive this service after its incorporation.

BENEFITS OF INCORPORATION

1. Incorporation may help preserve the unity and pride of a community.
2. Democracy at the local level improves the lives of residents as local government is the tier of public authority that residents first look to solve their immediate social problems. It is also the level of democracy in which residents have the most effective opportunity to actively and directly participate in decisions made for their municipality.
3. Eligible for grants from the Province such as Northern Revenue Sharing, Capital and Gas Tax Grants.
4. Municipal services needed by residents may be provided in a more cost effective way when provided locally.
5. Services directly benefiting residents are often best provided at a local level by a municipality:
    - bylaw enforcement and fire protection;
    - construction and maintenance of infrastructure;
    - preservation or enhancement of physical environment;
    - adoption of building, fire and health codes for protecting health, safety and welfare of residents;
    - planned and orderly development of the municipality;
    - development of parks, cultural amenities and recreation facilities; and
    - management of municipal finance including property taxation
6. Professional administration under the direction of elected council representing the residents who provide strategic directions.
7. Determination of community's own destiny at local level through strategic vision and sustainability planning.
8. Proper land-use planning and zoning to facilitate long range development and redevelopment as well as efficient service delivery.
9. Ability to establish economic development corporations to stimulate local economy and provide tax incentives to attract businesses to the municipality that add to the property tax base and create local jobs.
10. Provide municipal services such as water, sewer, garbage collection, roads, recreation, etc. as per the collective demand of the residents.
11. Regulation of commercial and industrial activities within municipal boundary through business licensing.
12. Transparency and accountability through municipal budgeting that is done by council on careful deliberation and input from stakeholders.
13. Benefits of membership with SUMA and New North, such as professional development of elected and appointed officials, networking with peers, lobbying with senior levels of government and procurement of goods and services at competitive rates.

NEGATIVES OF INCORPORATION

1. Additional municipal expenditures associated with:
    - hiring a qualified administrator or clerk;

- acquiring and maintaining an office, including office equipment and furniture
- an annual audit;
- holding elections to elect mayor and council and subsequent orientation of council members;
- council remuneration;
- maintaining memberships with municipal associations such as New North and SUMA, including costs of attending conventions and workshops offered by these associations;

2. Keeping abreast of federal, provincial and local legislations for regulatory and permit compliance that are essential for managing the municipal operations effectively.
3. Responsibility to resolve issues raised by residents.
4. Responsibility to enact, implement and enforce bylaws, including associated costs.
5. Engaging and seeking contributions from residents which are necessary for representation on local issues.

AUTHORITIES OF COUNCIL AND ADMINISTRATION IN AN INCORPORATED MUNICIPALITY

An incorporated municipality assumes the duties and responsibilities for governing itself. After a municipality is incorporated and its council members are elected, the municipal council becomes responsible for the affairs of the municipality. A municipality is responsible for its actions and for the actions of its employees. Municipalities may sue and be sued (natural person powers).   They may pass bylaws to regulate people, places and activities for the safety, health and welfare of the residents and tax residents to raise revenues to provide services (governmental powers).

The mayor is the highest elective office in a municipal government. The mayor is the ceremonial head of a municipality and may represent the municipality at official and ceremonial functions. The mayor presides over the municipal council meetings and provides leadership for the council and the municipality as a whole.   He may be a signatory for the municipality. The mayor must sign all bylaws adopted and minutes after they have approved by council at the meetings he chairs. He must also sign contracts the municipality negotiates when authorized by resolution or bylaw of council. The council is the governing body of the municipal corporation and the custodian of its powers, both legislative and administrative*. The Northern Municipalities Act, 2010* provides that councils can only exercise the powers of the municipal corporation in the proper form, either by bylaw or resolution. The council, working as a whole, approves bylaws and resolutions, adopts the budget, confirms the appointments, sets the policies, and determines the direction of the municipality. The council may not direct staff or provide administration of the affairs of the municipality. As an individual, a council member may not direct municipal employees, determine priorities, make assignments, or make decisions for the municipality; but, sitting as an elected member of the council, he jointly with the council as a whole is totally responsible for the operation of the municipality.   All council actions must be reasonable and prudent.   All council decisions must be made in good faith at public meetings in an open and transparent manner.

The municipal administrator or clerk executes the policies, performs the tasks, advises and provides the information to the municipal council and in general gets the job done. The staff may suggest policies for the municipality; council approves them.