

#### COMMUNICATION # CC-2020-0013

TITLE: Municipal Revenue Sharing Eligibility Requirements

TO: City Council

FROM: Department of Financial Services

DATE: December 31, 2019

PUBLIC: PUBLIC DOCUMENT

# **RECOMMENDATION**

The Council of the City of Moose Jaw confirms the municipality meets the following eligibility requirements to receive the Municipal Revenue Sharing Grant:

- Submission of the 2018 Audited Financial Statement to the Ministry of Government Relations:
- Submission of the 2018 Public Reporting on Municipal Waterworks to the Ministry of Government Relations;
- In Good Standing with respect to the reporting and remittance of Education Property Taxes;
- Adoption of a Council Procedures Bylaw;
- Adoption of an Employee Code of Conduct; and
- All members of Council have filed and annually updated their Public Disclosure Statements, as required; and

That the City understands if any requirements are not met, the Municipal Revenue Sharing Grant may be withheld until all requirements are met; and

That the Director of Financial Services be authorized to sign the Declaration of Eligibility and submit it to the Ministry of Government Relations.

#### **TOPIC AND PURPOSE**

The purpose of this report is to obtain City Council's approval of the Municipal Revenue Sharing Grant Eligibility Declaration.

# **BACKGROUND**

The Provincial Government has provided Municipal Revenue Sharing Grants to municipalities in Saskatchewan for many years.

In 2018-19, the Ministry of Government Relations undertook a review of the Municipal Revenue Sharing program. Changes to the program include:

- Funding will be based on the value of .75 of 1 point of the Provincial Sales Tax from the second preceding year;
- Funding percentages to the four pools will remain substantially the same but will be rounded to one decimal point;
- Beginning in 2019-20, Targeted Sector Support of \$1.5 million from Municipal Revenue Sharing will be allocated to support programs, projects and initiatives directed at good governance, legislative compliance and increased intermunicipal and regional co-operation;
- After a test year for additional eligibility criteria in 2019-20, municipalities will attest to their compliance with a set of key legislative provisions in order to remain eligible. Full implementation is intended for 2020-21.

## **DISCUSSION**

In 2019, eligibility requirements for Municipal Revenue Sharing Grants will be tested. The requirements are legislated responsibilities and intended to promote good governance.

Beginning in November 2020, municipalities will be asked to complete an annual declaration. If municipalities do not meet all six requirements or do not submit their declarations before the closing date, their Municipal Revenue Sharing Grant for 2021 may be withheld until all requirements are met.

If a municipality does not meet all of the eligibility requirements, it is their responsibility to take all required steps to meet each of the requirements and notify the ministry. Once we are informed that a municipality meets all the requirements, its Municipal Revenue Sharing payment will be released.

An overview of the eligibility requirements is provided in the graphic below:



Additional detailed information on the eligibility requirements are provided as attachments to this report.

City Administration has reviewed the eligibility requirements and can confirm that the City of Moose Jaw meets these requirements for 2019. In order, to file the declaration by the due date of January 15, 2020 a resolution of Council confirming that the municipality meets all six eligibility requirements is required.

# **FINANCIAL IMPLICATIONS**

The City will receive \$6,831,325 in Municipal Revenue Sharing from the Province in 2020.

### **PRESENTATION**

VERBAL: Mr. Brian Acker, Director of Financial Services, will provide a verbal presentation of this report.

# **ATTACHMENTS**

- i. Municipal Revenue Sharing Eligibility Requirements Summary.
- ii. Municipal Revenue Sharing Grant Eligibility Guide.

# **REPORT APPROVAL**

Reviewed by: Tracy Wittke, Assistant City Clerk

Approved by: Jim Puffalt, City Manager Approved by: Fraser Tolmie, Mayor

Written by:

To be completed by the Clerk's Department only.  Presented to Regular Council or Executive Committee on		
No	Resolution No.	

Brian Acker, B.Comm., CPA, CMA; Director of Financial Services

# **Report Approval Details**

Document Title:	Municipal Revenue Sharing Grant Eligibility Requirements - CC-2020-0013.docx
Attachments:	<ul> <li>Attach 1 Municipal Revenue Sharing Eligibility Requirements</li> <li>Summary.pdf</li> <li>Attach 2 Municipal Revenue Sharing Grant Declaration of</li> <li>Eligibility Guide.pdf</li> </ul>
Final Approval Date:	Jan 6, 2020

This report and all of its attachments were approved and signed as outlined below:

Tracy Wittke

Jim Puffalt

Fraser Tolmie