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President's Message

**- Rodney Audette RMA, President
UMAAS**

Another year has almost passed us all by, and I would imagine the upcoming year will be as busy or busier than the past. That seems to be the norm over the last few years anyways.

As we start our preparations for our annual year end, your UMAAS Convention Committee has already begun their work putting together draft agenda materials for review. There will be an emphasis on workshop and educational sessions for the convention as your executive continues to listen to your suggestions on how you want your convention to look.

As noted in my September 2014 message, Division #2 vacancy was addressed via UMAAS Bylaws. After a call for nominations within the Division one candidate stepped forward. I would like to welcome Chris Costley, CAO for the Village of Mossbank and Town of Gravelbourg. We look forward to your participation on the Executive!

Recently a number of Planning and Development workshops were held around the Province to which they were very well attended. Comments were positive from the information that was provided and more educational workshops will be presented in 2015. A workshop on Taxation Policy and Assessment is being considered for 2015. This will be open to administrator/CAO's and elected officials to provide more insight on tax tools and policy setting and assessment compiling and assessment roll preparation.

The Ministry of Government Relations has updated their website and some of the content therein. You are asked to provide your feedback on the site. Let the folks at Government Relations know what you think of the site, the content and the relevance of materials on the site, whether it be bylaw samples; sample forms; or administrator/council member handbook information. The more they

hear from administrators the better the access and materials will be. Send in your comments!

Your executive continues to strive to ensure your organization is presented with proper training sessions and workshops to further education of our members. Your ideas and suggestions are what we tailor education towards, so keep them coming as well. One item related to education is the LGA course and materials used in the courses themselves. It would be interesting to hear from our newest members over the past 3-5 years, of how the LGA materials relates to the current job responsibilities in preparing members for a career in municipal administration. Forward your comments/suggestions so your executive committee member can review and consider.

In closing I would like to extend sincere thanks to Past President Shelley Funk. Shelley will be leaving our organization in December 2014 as she is riding off into the UMAAS sunset and retiring from municipal administration. Shelley has worked tirelessly for UMAAS in her capacities as Division Director, Vice-President, President and Past President. Her work and dedication on your behalf has provided for an enhanced relationship with SUMA and a greater partnership and respect with a number of committees that UMAAS participates jointly with SUMA. Thank you Shelley for your time and dedication to UMAAS.

I look forward to seeing you all at the 2015 SUMA Convention in Saskatoon. On behalf of the Executive, UMAAS staff, I and my wife Shauna wish everyone a very Merry Christmas and a Joyous and safe New Year.

Executive Director's Editorial

**- Richard Dolezsar,
RMA**

"Time To Seriously Look At Our Saskatchewan Municipal Governance Structures"

Times up! I can't procrastinate any longer and December's article has to be tackled.

Last issue I talked about funding of municipalities from senior governments and how despite being home base for 100% of the population our great nation only gives us access to about 8% of the total tax bill paid by Canadians. Well not much has changed since then, but I have given this some more serious thought and I think Saskatchewan municipal governments have a bit of soul searching to do as well.

In Saskatchewan we have well over 400 urban municipalities and over 200 rural municipalities. If we take the two major cities out of the mix that means we have 500,000 people living in over 600 municipalities which have an average population of just a slight bit over 800 people. There are a lot of municipal corporations, both urban and rural with fewer than 300 people residing therein.

At some point municipalities do have to accept some responsibility for finding ways to join together and come up with economies of scale for municipal services. Now, don't get me wrong, I am in no way promoting anything like some of the far out plans, we've heard of, in past, such as dividing the province into 27 or 29 grandiose structures. Those types of proposals had about as much chance of being accepted and succeeding in Saskatchewan as a snowball in ????

We do have some pretty healthy, well served communities in the 3000 to 8000 population range. How about setting targets in that range, which would include urban centers and the surrounding rural residents. If I had a dime for every time I've heard a story about how the town funds all the recreation and cultural services for its residents along with the surrounding area, or how the R.M. provides all the transportation infrastructure for local agriculture or industry and the main industry assessment base is across one line or another, I would be a rich man.

If these municipalities would restructure into one manageable cohesive regional unit, the issues of who pays for what, where the funds come from and how to jointly plan and manage growth, development and boundaries would

all resolve themselves within a new framework that takes into account a reasonably sized and populated service area.

This scenario works its way into our administrative areas as well, as weekly we receive calls from small municipalities who are unable to attract or retain a trained Clerk, Administrator or CAO. Now, I'm sure every one of these municipalities has a lot of community pride and history that they are relying on. However, at the end of the day often it is obvious to a neutral outsider is that the problem with attraction and retention is the size of the economic unit. To attract young people to the municipal administration field we need economic units that can offer real career opportunities and the opportunity to incrementally work towards a six figure salary that is available in other comparable fields. We need to be substantial enough units to have a full complement of staffing from planners, building inspectors and bylaw enforcement officers to engineers, water treatment technologists and accountants. Over time the efficiencies and betterment of services are bound to provide rewards to those who are willing to take the risks and initiate changes.

I don't have a crystal ball to see how long it will take us to get there, but I do know we have to start to move in that direction. I believe the province has developed permissive legislation that would allow for these types of transitions and ladies and gentlemen I believe it is time we start to use it to further common sense restructuring of Saskatchewan municipalities. Have a look around you, a rural Saskatchewan community isn't a town, village or RM by itself, the term community implies a group of people working together for common goals, I bet if you live in town half your friends and acquaintances are from the rural area and vice versa. We work together on community projects hand in hand but yet somehow we have some type of historical and archaic structure keeping us separate. Seriously we have to address this issue ourselves or else there will be some day in the future that it is addressed for us and the results may not be as good as what we could do ourselves. I'm going to leave this as food for thought as we head into the new year.

Please take some time out this holiday season to wind down and enjoy your family and friends. Merry Christmas and Happy New Year to all !!!

CAO Profile

I grew up in Mossbank and left for Saskatoon after graduation to attend the U of S. I majored in political studies and completed a Bachelor of Arts degree and thereafter a Bachelor of Commerce degree majoring in accounting. I took political studies due to interest and accounting due to practicality, and after working a few years as an accountant, am happy to have moved into an occupation encompassing both accounting and politics. I enjoy the dynamic nature of this profession, as I enjoy new challenges

**-Chris Costley
Mossbank**

and dislike routine. My time as CAO thus far has been anything but routine, with adjustments to tax policy, a lagoon expansion, a spray park construction, a by-election, new businesses, street name changes, the revival of former festivals, and management of numerous grants. I'm very happy with my decision to move into this field and am looking forward to what the future will bring!

Community Profile

Mossbank

Mossbank was formerly owned by CN Rail, on the quarter directly east of the CP Rail town of Reycraft. The two railways crossed just to the south and this helped spur the growth here, eventually leading to the incorporation of the Village of Mossbank on December 14, 1915 (merging Reycraft and Mossbank). The town saw significant growth from 1940 to 1960, thanks largely to its high quality water and the No. 2 Bombing & Gunnery School just east of town where over 6,000 people were trained during World War II. In 1957, it hosted a pivotal debate between Tommy Douglas and Ross Thatcher over crown corporations that continues to this day. As with most rural towns, the next 50 years

were marked largely by challenges, but with the improvement in agricultural prices, that trend has reversed and we are seeing rapid growth. Private construction in 2013 amounted to assessment growth of over \$1.4 million and 2014 will likely post another \$600,000 in growth. Despite this, pop culture and fifty years of decline have had a significant effect on the perception of rural life, and it is a constant struggle to maintain our momentum. On the 2015 August long weekend, we are holding our Centennial Celebration and will be celebrating our history and local culture. We cordially invite you to join us!

Editorial

Recently, we all received a letter from SUMA President Debra Button regarding the request for municipalities to fund STARS at a cost of \$2 per capita. In it, she warned of the risks associated with allowing provincial responsibilities to be downloaded onto municipal governments, but did not discuss what in my opinion is the most important argument against downloading, the difference between the tax tools available to provincial and municipal governments.

The oldest forms of taxation are those available to municipal governments - taxation of property and fixed taxation per household. The reason these forms of tax were first adopted was presumably the same reason we use them municipally, because they are the simplest and cheapest to administer, not because they are the best.

Both of these forms of tax fail to reflect changes in real income, though a tax on property does a better job than the other. There are several examples of this you may have personally witnessed as administrators - people downsizing their homes upon retirement; overambitious builders facing financial hardship due to higher than anticipated taxes; high income earners choosing to purchase older homes and renovate rather than build due to tax advantages; or an abundance of campers, carports and sheds that are not taxable.

Similarly, entrepreneurs, whose income varies greatly from year to year, may opt to operate out of their home rather than build or in other cases avoid improving their building for fear of a tax increase. And most distressing to me is that our railroad providers, without which many of our towns would never have been established, have

removed rail lines in part because of their annual property taxes, which they pay regardless of income on those lines. All of the behaviours I have described increase exponentially as rates increase despite attempts to compensate by using different methods of assessment for different types of property (market approach, income approach, etc.) - they all fail to do what they are intended to do which is to accurately tax income.

Our income tax system is very expensive to operate, but does not discourage development to the same extent as property tax (though it is certainly not perfect either). As we already have an income tax system in place, perhaps we could also use it to collect a portion of municipal taxes, without significantly adding to the cost of administration. In fact, the government already makes annual transfers to municipal governments through the municipal operating grant based on census data (of PST revenue, however), and that could just be increased using a portion of income tax revenue.

The benefits of such a move might include an increase in construction, revitalization of our entrepreneurial class, and retention and growth of infrastructure. If this were the case, the subsequent result may be additional income and property tax revenue. If downloading responsibilities were accompanied by appropriate funding, I would welcome that. However, I do not believe that the property tax system is the right revenue source to draw upon for what is being asked of municipalities today.

Board of Examiners Report

June 4, 2014 Meeting

Conditional Certificates:

Jack McHardy
Jennifer Josephson
Valerie Pelton
Elaine Lowton
Brenna Ackerman
Jaon Carriere
Melanie Hartley
Tammy Sloan
Heidi Berlin
Kimberly Downing
Geraldine Kreway
Valerie Stricker
Alicia Leclercq

Standard Certificates:

Ashley Greenshields
Bernie Morton
Glenda Hamilton
Krystal Strong

Advanced Level 1:

Joanne Loy
Donna Rollie

E.F.A.P.

EMPLOYEE AND FAMILY ASSISTANCE PROGRAM

Do You. . .

- have difficulty coping at work?
- live in fear and apprehension?
- have more bills than money?
- require legal advice?
- find living stressful instead of exciting?
- have trouble talking with your spouse or children?
- use alcohol and/or other drugs to cope with life?
- want someone confidential to talk to?

Wonder What To Do???

If you need information or assistance to sort out a problem we invite you to have a private discussion with your Program Manager, Internal Referral Agent, Supervisor, Employee Group Representative or your Counseling Service.



Human Resources Services Ltd. (HRS)

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		Melfort:	1-800-305-4477
		Estevan:	1-800-305-4477

Website: www.hrs-stress.com E-mail: hrs2@sasktel.net
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**Adam R. Touet
The W Law Group
Suite 300, 110 - 21st Street East
Saskatoon, SK. S7K 0B6
Phone: 306-244-2242
Email: atouet@wlawgroup.com**

Mr. Touet is under annual retainer to your Association and is available to members for initial consultations.

2015 UMAAS Conference NOTICE!!!

The Travelodge Hotel, Saskatoon
offers the following
special rate for on-site
Convention Rooms
June 2nd - 5th, 2015

\$144.00 - Standard
\$164.00 - Business Class
Phone (306) 242-8881

Please book by May 2nd, 2015
and advise you are with the UMAAS



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Municipal Road Permits – GST Clarification Graham Leflar, CRA, Senior Technical Interpretation Analyst

The issue has to do with the issuance by a municipality of a permit under a road haul, road maintenance or similar agreement. They're also often referred to as overweight permits. As you and many of the administrators are aware, I've done a couple of presentations in the past in which I have stated that the issuance of these permits by the municipality is a taxable supply for GST/HST purposes. As a result, a municipality that is registered for GST/HST purposes is generally required to collect the GST on these permits and where it is not yet registered, revenues from these permits would be included in determining whether it is over the \$50,000 small supplier threshold and would be required to become registered.

The following is the explanation for this position that I have included in a number of rulings that have been issued to RMs:

It is important to distinguish between the supply of a road maintenance service and the supply or supplies made by a municipality to a contractor (e.g., a gravel hauler, an oil company) under what are commonly referred to as "road haul agreements" or "road maintenance agreements". In these cases, because the hauling operations carried out by the contractor typically involve goods that are significant in nature and likely to cause severe damage to the municipality's roads, we understand that the municipality requires the contractor to enter into a road haul or road maintenance agreement, which essentially provides for the municipality to recover the extra costs it will incur to maintain the road as a result of the contractor's hauling operations.

Although these agreements usually discuss road maintenance costs, the purpose of the agreement is to allow the contractor to transport goods along a portion of a municipal road for a specified period and therefore, the only supply acquired by the contractor is the right to use the municipal road. As such, it is our general position that the supply made by the municipality under these arrangements is one of the right to use or have access to the municipality's roads (i.e., property of the municipality).

Although supplies of permits by a municipality are generally exempt under section 20 of Part VI of Schedule V, a supply of a right to enter, to have access to or to use **property of a municipality** is excluded from this exempting provision for supplies of permits and similar rights by paragraph 20(l) of Part VI of Schedule V. As such, the supply of such a right is a taxable supply that is subject to the GST/HST.

As you'll note from the portion in bold, for the exclusion from the exemption

(i.e., making it a taxable supply) to apply, the supply of the permit by the municipality must relate to the use of the municipality's roads (i.e., property of the municipality, not property of another entity). What has recently come to my attention is that there may be situations where the Province of Saskatchewan has given direction and control over certain portions of provincial highways to a municipality, including the right to issue road use permits. In these situations, we would generally view the municipality as the entity being the supplier of the permit rather than just acting as agent of the Province. However, the road is still property of the Province, not the municipality, and so in these cases, the supply of the permit would generally not be excluded from the exemption by paragraph 20(l) of Part VI of Schedule V. In that case, the supply of the permit by a municipality regarding the right to travel on a provincially owned road would remain an exempt supply for GST/HST purposes. A registrant municipality would not be required to collect the GST on the sale of the permit and a non-registrant municipality would not be required to include those revenues in determining if it is required to register.

Therefore, I suggest that if a municipality is involved in any matter regarding road permits where they are either issued in relation to a provincial highway, or where it is not clear whether it may be acting as agent of the Province, the administrator should maybe contact me to discuss the issue before deciding whether or not to charge the GST on the sale of the permit.

Feel free to contact me either by telephone or by email if you have any questions.

Thanks,

Graham Leflar

306-975-4733 | facsimile / telecopieur 306-975-4418

[<mailto:Graham.Leflar@cra-arc.gc.ca>](mailto:Graham.Leflar@cra-arc.gc.ca)

Senior Technical Interpretation Analyst | Analyste principal des interprétations techniques

Legislative Policy and Regulatory Affairs, GST/HST Rulings – Prairie Region

Canada Revenue Agency | 340 3rd Avenue N | Saskatoon SK S7K 0A8
Agence du revenu du Canada | 340 3^e avenue n | Saskatoon SK S7K 0A8
Government of Canada | Gouvernement du Canada

UMAAS 2015 SALARY GUIDELINE POPULATION 1000 & OVER

Points	1000-1499	1500-2999	3000 Plus
1 - 3	58,576 - 64,060	69,010 - 76,220	84,295 - 89,780
4 - 6	64,060 - 69,546	76,220 - 83,430	89,780 - 95,435
7 - 9	69,546 - 76,786	83,430 - 89,610	95,435 - 100,920
10 - 12	76,786 - 83,368	89,610 - 94,760	100,920 - 105,307
13 - 15	83,368 - 87,756	94,760 - 100,940	105,307 - 109,695

Point Scales	Points	Experience	Points
		1 - 2 Years	1
Standard Certificate (D/C)	2	3 - 5 Years	3
A (Advanced Level I)	3	6 - 10 Years	5
Advanced Level II (Superior A)	5	11 - 15 Years	7
		16 - 20 Years	9
		21 - 25 Years	10

To determine what salary range you would qualify for, fill out the following and refer to the chart for the salary range.

Points: Certificate _____ Years of Experience _____ Total Points _____

UMAAS 2015 SALARY GUIDELINE POPULATION UNDER 1000

Points	1 - 99	100 - 299	300 - 499	500 - 999
1 - 2	16.73/hr - 18.64/hr	21.93/hr - 24.10/hr	32,910 - 38,790	42,343 - 45,768
3 - 5	18.64/hr - 23.02/hr	24.10/hr - 26.31/hr	38,790 - 44,975	45,768 - 51,248
6 - 8	23.02/hr - 27.39/hr	26.31/hr - 27.96/hr	44,975 - 51,248	51,248 - 60,332
9 - 12		27.96/hr - 29.61/hr	51,248 - 60,332	60,332 - 69,545
13 - 17			60,332 - 65,817	69,545 - 76,787

Point Scales	Points	Experience	Points	Assessment	Points
Certificate - 0	0	1 - 2 years	1		
Standard Certificate (D/C)	2	3 - 5 years	3	1.5 M to 15 M	1
Advanced Level I (A)	3	6 - 10 years	5	OVER 15 M	2
Advanced Level II (Superior A)	5	11 - 15 years	7		
		16 - 20 years	9		
		21 - 25 years	10		

To determine what salary range you would qualify for, fill out the following and refer to the chart for the salary range.

Points: Certificate _____ Years of Experience _____ Assessment _____
Total Points _____

NOTES RESPECTING THE 2015 SALARY GUIDELINE

1. This Guideline has been verified with a Salary Survey conducted in 2014 and annual comparisons to Fraternal Organizations including Rural Municipal Administrators' Association, Saskatchewan Association of School Business Officials, Manitoba Municipal Administrators' Association and Local Government Administrators' Association of Alberta.
2. The 2015 Schedule reflects a median adjustment of 3% with consideration of recent average Saskatchewan settlements and 2015 forecasts. there have been some adjustments in the low to medium scales in the 1500 to 2999 population range based on the 2014 survey results..
3. Dividing the guideline into population segments assists in reflecting the employer's ability to pay.
4. Population categories take into consideration budget factors, annual expenditures and size of staff.
5. Hourly rate basis for the under 300 communities will assist them in applying the guideline to their situations.
6. Circumstances caught on dividing lines of these ranges may have to look at the next range or an average thereof (i.e. 499 population) may have to look at an average of 300 to 499 and 500 to 999 or develop their own range from local survey information.
7. Other factors which can affect salaries include: Northern Locations, Additional Committee obligations, Joint Offices.
8. SUMA is now recognizing this Salary Guideline.

UMAAS

JOINT OFFICE SALARY GUIDELINE

2015

Sept/14

Population				Assessment			
Points Urban		Points Rural		Points Urban		Points Rural	
1	0-200	1	0-200	1	0-1,700,000	1	0-33,000,000
2	201-400	2	201-400	2	1,700,001-8,000,000	2	33,000,001-82,000,000
3	401-600	3	401-600	3	8,000,001-16,000,000	3	82,000,001-140,000,000
4	601-1000			4	16,000,001-33,000,000	4	140,000,001-182,000,000
5	1001-2000			5	> 33,000,000	5	> 182,000,000
6	> 2000						

Certification				Years of Experience			
Points Urban		Points Rural		Points Urban		Points Rural	
1	Standard	1	C	1	0-5	1	0-5
2	Level 1	2	A	2	6-10	2	6-10
3	Level 2	3	Superior A	3	10-15	3	10-15
				4	16-20	4	16-20
				5	>20	5	>20

	TOTAL POINTS	Combined Population 0-1,500	Combined Population > 1,500
	1-8	\$49,363 - \$65,817	\$76,786 - \$93,240
	9-16	\$65,817 - \$82,271	\$93,240 - \$109,695
	17-25	\$82,271 - \$98,725	\$109,695 - \$126,149
	26-31	\$98,725 - \$115,180	\$126,149 - \$142,604
	31-33	\$115,180 - \$131,634	\$142,604 - \$159,063
	34-	\$131,634 - \$148,093	\$159,063 - \$175,517