

# MEDIA RELEASE

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## Municipal representatives pleased with new 'Municipal Operating Grant' Program

Representatives from Saskatchewan's municipal governments gathered in Saskatoon on Friday to applaud the Province for its implementation of the new 'Municipal Operating Grant' (MOG) program.

The Saskatchewan City Mayors' Caucus, the Saskatchewan Urban Municipalities Association (SUMA) and the Saskatchewan Association of Rural Municipalities (SARM) agree that the Government of Saskatchewan's commitment to implement the MOG program is a historical event in the relationship between the Province and municipal governments.

Under the new program, annual grants to municipalities will now be linked to the PST. Municipalities will receive grants worth \$167 million in 2009-2010 – equivalent to 90 per cent of one point of the PST. The government has also committed to provide the equivalent of one point of the PST to municipalities in next year's budget. This level of support empowers municipalities to offer high quality services and develop local economies.

Saskatchewan municipalities have long been advocating a predictable, sustainable and long-term solution to the revenue sharing file. In addition to increasing the level of provincial funding to municipalities, the establishment of the MOG program will make annual budget forecasting much simpler.

The last year has seen significant strengthening of the government-to-government relationship between municipalities and the provincial government in Saskatchewan. In cooperation with the Ministry of Municipal Affairs, SUMA, SARM and representatives from the municipal sectors spent a tremendous amount of time as partners in the 'Municipal Sector Strategic Plan' identifying the costs associated with the operations of municipalities. It was through this process that an agreed amount was established to meet the needs of municipalities.

Municipal representatives agree that the MOG program confirms the Government's willingness to share the responsibility for making Saskatchewan communities better places to live, and is another strong signal that the province and municipalities – together – are working to build a strong economic future for Saskatchewan.

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### Saskatchewan City Mayors' Caucus

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