Successful Municipal Practices:
Responding to New Challenges

Tools for Change

WORKING REGIONALLY WITH NEW PARTNERS:
Annexation
Rural Municipality of Shell River/Rural Municipality of Park North

The Rural Municipality (RM) of Shell River is located in Manitoba's beautiful Parkland region approximately 250 kilometers northwest of the City of Brandon, adjacent to the Manitoba/Saskatchewan border. The Rural Municipality (RM) of Park, prior to the annexation of Park North in 2007, was unique in that it was geographically split. Park North is located immediately north of the RM of Shell River, which is approximately 200 kilometers away from Park South, which is situated immediately south of Riding Mountain National Park. The RM of Park municipal office is located in the community of Onanole in Park South.

Due to their geographical proximity, the history of the RM of Shell River and Park North is intertwined and the Town of Roblin has been the main service area for the residents of both. Park North has partnered with the RM of Shell River and the Town of Roblin in many areas including the planning district, conservation district, veterinary, fire protection, emergency plan and the community development corporation. Subsequently, the RM of Park duplicated many services, being members of two planning districts, three veterinary districts, etc. This also increased the cost and commitment for council members, who had to sit on each of these boards and committees.

The RM of Park and Shell River councils had, for many years, discussed the annexation of Park North and agreed that governance would be more appropriate and efficient for the residents of Park North if the area became a part of the RM of Shell River. In the spring of 2003 an Annexation Steering Committee was formed to study the impacts of a potential annexation. The committee was comprised of representatives from both municipal councils and Manitoba Intergovernmental Affairs.

The financial analysis indicated that even though the remaining area of the RM of Park would be smaller in population by approximately 340 residents and the taxable assessment reduced by $4 million, the viability and future growth of both municipalities would not be detrimentally affected by the proposed annexation.

The RM of Park was unique in that it was geographically split; Park North being located approximately 120 kilometers northwest of Park South.

The councils agreed that governance would be more appropriate and efficient for Park North if it became a part of the RM of Shell River.

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Without the northern segment, the RM of Park would have a taxable assessment of $36 million and a population of approximately 900 residents. The population of the RM of Shell River would increase to approximately 1,330 residents and the taxable assessment would increase from $28.5 million to $33 million.

The transfer of capital assets is a necessary part of annexation discussions and the RM of Park and Shell River Councils negotiated an agreement acceptable to both municipalities. The fixed capital assets attributable to Park North were transferred, calculated at 15.3%, the ratio of the total current assessment of the area of Park North in comparison to the whole of the RM of Park. The capital asset transfer included reserves and accumulated surpluses. Municipal land was excluded from the agreement and owned by the municipality where it is situated. The RM of Park agreed to provide an additional payment of $12,000 to the RM of Shell River to offset expenditures that may be incurred for additional administrative costs.

Public consultation was a critical component of the annexation process. Information was published in three local newspapers and mail outs were sent directly to the citizens encouraging them to attend the public meeting in their area. Open house meetings were held in Roblin, San Clara and Onanole and generally there was community support for the annexation. Citizens agreed that the RM of Shell River could best provide the municipal infrastructure to the citizens and property owners of Park North and it followed that the RM of Shell River should have jurisdiction over that area.

A unique aspect of the annexation was that voters in Park North were able to be nominated to and vote for the office of Reeve for the RM of Shell River at the general municipal election on October 25, 2006, prior to the annexation becoming official. As a result, the "new" council is comprised of the two members of council elected to represent the two wards in Park North and the four councillors elected to represent the RM of Shell River. The two Park North councillors were members of the RM of Park council for November and December, 2006, and then were sworn into office for the RM of Shell River on January 1, 2007. The head of council for the RM of Shell River was elected by the voters of both Shell River and Park North.

On January 1, 2007 the boundaries of the RM of Shell River were officially expanded to include Park North. Based on their social and economic ties, the geographical separation between Park North and Park South, and governance efficiencies it was more appropriate for Park North to be a part of the RM of Shell River. The commitment of the two councils to work together and the involvement of the citizens in the process from the beginning resulted in a successful and friendly annexation for the RM of Shell River and the RM of Park.

Tools for Change

Using the transitional provisions of The Municipal Act the members of council for the "expanded" RM of Shell River were elected at the general municipal election.

For more information on better municipal business practices, Successful Municipal Practices, and the Tools for Change program, see the Association of Manitoba Municipalities' website, at www.amm.mb.ca.

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