

Distributing the Costs of a Planning District

Introduction

Many municipalities are considering inter-municipal and district planning as an alternative, or supplement, to local community planning. District planning may consider a host of joint services; the most obvious being the administration of the planning district and joint staff.

There are many different ways that municipalities can distribute the costs associated with a planning district, such as:

- Administering the district
- Preparing plans or studies
- Hiring professional or office staff
- Office space
- Materials and other costs of the district

Below are several of the more common methods utilized to share the costs of a planning district. This list is not comprehensive but seeks to provide a series of examples that may be used when preparing the planning district agreement.

Equal Share Method

Each municipality contributes the same amount of financial support to the planning district as the other partners. This method distributes all costs associated with the planning district and its staff equally between all members.

This method is probably the most common method of distributing planning district costs in Saskatchewan. This method is often used in districts with only two or three members and is relatively simple to administer.

Per Capita Share Method

Each municipality contributes a share or percentage of the required financial support to the planning district based on the population of the member municipality. The logic of distributing costs in this fashion is that planning is a community service and each jurisdiction contributes based on the number of citizens benefiting from joint planning. In some instances, a cap is placed on the amount any municipality is required to contribute.

This method typically is used in districts where the members have comparable populations. This also means that as the population of each municipality grows, those communities that are seeing high rates of growth pay more for planning services provided by the district. The percentage or share of costs covered by each municipality is adjusted in the year following the release of government census information (every five years).

Assessment Share Method

Each municipality contributes a share or percentage of the required financial support to the planning district based on the total assessment of the member municipality. The logic of distributing costs in this fashion is that those communities with a higher assessment have a greater ability to raise capital to pay for planning services.

This method typically is used in districts where the members have comparable assessments. It is also utilized regularly in large districts with many members of varying size and varying levels of industry in combination with a cap or established maximum contribution amount. This means that as the assessment of each municipality grows those communities that are seeing high rates of growth or increased capacity to raise revenue pay more for the planning services provided by the district. The percentage/share and cap of costs covered by each municipality would be adjusted following the release of the Saskatchewan Assessment Management Agency revaluations for the members (approximately every five years).

Fee for Service Method

Municipalities pay for the service provided by the planning district. The district establishes relaxed fees for services provided to its members, such as amending the district official community plan or zoning bylaws, processing permit applications, preparing servicing agreements or drafting concept plans.

Fees are also established, usually at a higher or more competitive market rate, for these same services if they are provided to other non-member municipalities. All fees are used to off-set the costs of the district and can commonly be adjusted so that regular contributions are not required. Planning advisory and referral services and support to the district planning commission should be free to all members. The logic of this model is to distribute the costs of the district directly with the use of district services.

This method is typically used in concert with the previous cost distribution methods to cover any shortfalls. This model is commonly varied to provide free service to members and fee for service to non-members. This model is also commonly used where planning staff are full employees of a single municipality and are providing direct service to other municipalities within the district.

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