



# Councillor Blog

## August 2023

Welcome back fellow residents of White City (and those reading from the surrounding area) for the August 2023 edition of the White City Councillor Blog. This month's blog will focus on the SaskEnergy Municipal Surcharge.

As part of the 2018-2019 Provincial Budget, the Government of Saskatchewan announced the restoration of the SaskEnergy Municipal Surcharge at a rate of 5% and expansion to all urban municipalities in the province.

The municipal surcharge would result in SaskEnergy collecting 5% of natural gas sales from residents and businesses in participating urban municipalities. These funds would then be remitted back to the respective municipality. Each urban municipality in the province, including our own Town of White City (the Town), had the opportunity to opt in or opt out of the municipal surcharge.

In 2018, municipalities were required to choose whether to participate in the SaskEnergy Municipal Surcharge. White City is one of 59 municipalities that have chosen to opt out of the Program (from a total of 486 urban municipalities in the province). Other urban municipalities who have opted out include one northern village, 14 resort villages, 27 villages, 4 towns and 12 cities.



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Council chose to opt out of the program with an opportunity to review the decision in 2023. Council reviewed the decision at our June 26, 2023 Regular Council Meeting and decided, in agreeance with the Town Council in place in 2018, that we would continue to opt of out the program for the following reasons:

### 1. Responsibility to Residents

The Town was not originally part of the SaskEnergy Municipal Surcharge and so residents and businesses were never charged the addition 5% levy on their SaskEnergy bills. While choosing to take part in the municipal surcharge could result in increased revenues for the Town, it would be at the detriment to our residents. Requiring residents to pay an additional 5% on top of increasing natural gas costs would be an unnecessary additional burden.

### 2. Fiscal Responsibility

As noted above, the Town was not originally part of the SaskEnergy Municipal Surcharge and there would be no loss of revenue required to maintain services or municipal operations. If the Town had decided to opt into the municipal surcharge, the additional revenues could, theoretically, have been used to offset required municipal revenues raised through taxation. However, it is important to note the revenues from the municipal surcharge could fluctuate greatly which may present the risk of collecting less revenues than budgeted.

### 3. Transparency

As noted above, if the Town had chosen to opt into the program and reduced taxes based on the additional revenue received, it would, in our opinion, result in less transparency to the public. The increase to energy bills and decrease to taxes would ultimately result in a similar bottom line for our budget, but it would not be transparent to residents as the reduction in taxes would essentially be collected from residents in another way creating an artificial decrease in our municipal taxes.

The decision to continue opting out of the SaskEnergy Surcharge Program reflects our commitment to making well-informed choices that best serve the interests of our community. We value your trust and appreciate your understanding of the factors involved in this decision.

If you have any questions, have a comment, want more information, or want to suggest a topic for a future blog please email [townoffice@whitecity.ca](mailto:townoffice@whitecity.ca) or call 306-781-2355 – we look forward to hearing from you!

– Mayor Brian Fergusson