

Organized Hamlet of Lone Rock

Board Meeting

June 17, 2025

7:00pm

Attendance: Lloyd Ludwig, Donna Woods, Tracy Kashuba, Terry Kashuba

1. Call to Order Welcome & Introductions:

Meeting commenced 7:04 PM

2. Opening Remarks from the Chairman:

April 15, 2025 Hamlet Board meeting Minutes adopted as filed
Unanimously adopted

SMB hearing IMD -2021-0001 took place in Regina, Saskatchewan April 28, 2025 to April 30th 2025. The hearing concluded with negotiations of an agreement to move all disputes forward through an agreed process as required in Municipalities Act section 68.1. The SMB Board greatly stressed coming to an agreement for compliance and that good faith negotiations take place regarding all outstanding issues. A draft agreement was prepared April 30th 2025 which was amended and returned to the RM of Wilton for finalization. 6 drafts were negotiated as of date of this OHB meeting and the OHB is waiting on the finalization of that agreement as there are legislative violations which have to be considered in not reaching the agreement as it was required to be agreed and filed by December of 2024.

Ministry of Government Relations and Advisory services has been very helpful in legislative compliance and the OHB has been in contact with the RCMP and the SK Marshals service in regard to compliance in keeping with the government direction.

The SMB has reserved its decision with the most likely outcome being a forensic audit of the RM accounts which may lend to further review as far as management audit depending on the outcome.

SMB Dispute IMD-2022-0001 which was accepted by the SMB and is awaiting the above SMB determination before proceeding with mediation under Municipalities Act 77/392 process Dispute Resolution has been in contact with the OHB and has been forwarded the Disputes as well as issues surrounding the other disputes and the agreement which has yet to be confirmed. Dispute resolution has advised they have done some preliminary review and are ready to proceed once the SMB IMD-2021 determination has been forwarded. The Ombudsman's office has confirmed and agreed with Government Relations that as the RM of Wilton did not pursue their dispute under the Municipalities Act 77/392 procedure if they disagree failing a determination of the SMB

the Lone Rock Organized Hamlet Board remains as elected Lloyd Ludwig, Donna Woods, Tracy Kashuba.

The Ministers are awaiting the outcome of RCMP investigation and the SMB hearing. The Crown will review the forensic audit of the RM which will also be forwarded to both Minister of Justice and Minister of Government Relations. A number of agreements as per the legislation that the OHB need to consent to or they are illegal have not been received as of the June 17, 2025 meeting. An email has gone out reminding the RM of those legislated obligation and a request for the mandatory meeting dates no response from the RM has been received to date. Federal Minister of Public Safety and the Provincial counterpart have been in contact as well as Federal & provincial Ministers of Justice as to the issues and have been updated as to current situation. They have requested copies of the SMB hearing videos and RCMP Commander for Canada has responded and has advised that the RCMP is undertaking all the Civilian Review directives as per CRCC PC-2021-2576... An issue came up during the SMB hearing and Deputy Commander Blackmore has been relieved of her position. OHB has been updated by the Civilian Review commission and interim deputy commissioner in moving matters forward. Any residents that have made payments for utility billing they did not receive or was shut down can either submit them to the RCMP or can forward them to the OHB for submission on their behalf to the RCMP also anyone who also paid the base tax on any of the previous year's taxes can also submit the same as it was to be approved by the OHB which was not done. The new Prime Minister has been made aware of the Lone Rock situation as his office has contacted the OHB along with Minister of Justice who contacted his provincial counterpart as to the concerns raised in both RCMP civilian review and the ongoing issues. The OHB has made a number of requests for Municipalities Act 117 documents and bylaws which the RM of Wilton has not provided. Government Relations has recommended OHB attach the requests to the meeting minutes as the minutes can be referred in either SMB or court processes. A list is being prepared for attachment.

New business:

- a. Review of RM minutes & financials which don't coincide. Taxpayer federation has requested a copy of the forensic audit for review as it becomes a public document it most likely will be forwarded to them. The disintegration of population in RM of Wilton that's contradictory to the surrounding RMs population increases is another issue they are still reviewing.
- b. Any refusal under Municipalities Act 117 can be proceeded on with a complaint to the RCMP which we have been advised is both a Municipalities Act violation and can be Criminal Code violation. The Ombudsman is already reviewing those issues as it will be a focus of Transparency for her report in fall session.
- c. Another issue has been brought up by counsel as there are thousands of dollars missing from hamlet account as each time a property is taken through tax arrears the taxes & fees are supposed to go into the Hamlet Account as well as each property acquired by the RMs taxes. This was raised with provincial auditor who had questions that could be addressed through the forensic audit.

- d. The Hamlet Board minute review confirmed the OHB never agreed to a change from the 75% of annual revenue a formal breakdown has been forwarded to Gov Relations auditor as discussed at last meeting previous percentages should have been set at 75% so that will need to be audited from 2015 Also the percentage amount of transfer into Hamlet account for taxation was set at 75% & 85% for the special Levy the amount proposed by the RM wasn't agreed on. The RM of Wilton did not bring it to the Appeal Board so it reverts to Legislated amounts. There has also been a base tax applied to Lone Rock properties which was not consulted on or agreed to by the Organized Hamlet Board. Counsel has advised this is an illegal tax & it will be addressed at the SMB hearing and as stated earlier can be raised with RCMP or brought to OHB to forward to RCMP on their behalf. The new & pending Legislation makes it a requirement that the agreed upon percentage be negotiated for a maximum period of 5 years & that it be included on the RM financials & the OH budget along with the indemnity of the Hamlet Board members as it becomes a debt owing & collectable under employment standards or through MA 77/392 process. The OH budget remains the only budget under legislation with any modification or disagreement the RM is to raise through the MA 77/392 SMB dispute process within that year or it nullifies any objection RM may have.

Office of Employment standards have reached out as to recent enactments to inquire if the OHB wanted to unsuspend their file with them regarding the indemnity payments. The OHB has followed up and included the current amounts and interest which was also added as a line item in the budget as required under legislative amendments. The OHB will follow up after the SMB process as RM counsel has indicated that the RM at the onset of the dispute stopped forwarding funds to the OHB account which was 2018 and that has a number of issues that will have to be rectified.

3. Government Correspondence:

The OHB received confirmation under the legislation that only OHB budget is allowed although negotiations can be raised utility expenses are to be agreed and can be brought by the RM to the SMB under 77/392 process if the OHB budget is not agreed to by the RM.

The Minister of Justice and shadow Minister are still reviewing Tax Enforcement issues as a number of issues have been brought forward and is part of an ongoing review which is also being considered in the legislation amendment review for tabling in fall legislative session.

There is 2 issues as a breakdown of all funds paid for out of OHB account towards infrastructure or equipment becomes an asset of the OHB which must be accounted for and RM affidavit materials that a fee of \$60.00 per hour was paid to Jill Parton for general administrative duties & document forwarding as per the freedom of information request which was included in the SMB IMD-2021-0001 document books has been confirmed and sworn to at the SMB hearing which provides the equality

legislation employment standards requested. As the new legislation makes it mandatory to include the hourly rate for OHB members this may clear up some of the issues. The OHB has inquired to the RM as to what the wages are of administrator & assistant as those are supposed to be published public amounts which the OHB has not been able to view. There have been multiple requests for the RM Council Public Disclosure Statements those have also been refused and will be included in the disclosure list.

4. In Camera Session: Legal discussion

Return from in camera session nothing to vote on or report as just a clarification on necessary steps in moving forward as to inaccuracies on RM website. RCMP advised to make a formal complaint which counsel has completed and may now be under SK Marshals jurisdiction.

- 5. SK Water Security Agency:** OHB will hold the report for the SMB hearing as it appears there were some errors in the information as somehow someone advised that it was a sanitary system not a potable water system which has now been clarified in the SMB hearing. We are also still in communication with Federal agency in that regard as some legislated changes were made in the fall which will impact.

The question as to where the money is going as the money from utility invoices is supposed to be placed in an account directed by the Hamlet Board as per the legislation & the RM of Wilton has yet to provide financials & invoices in that regard which are now being looked into and will form part of the forensic audit. RM counsel has recommended MNP do the forensic audit which has as procedure also included management audit directives in the final report.

- 6. Rates on Well & Sewage Conversions:** This matter has been directed by the Judge to be heard in front of the SMB but as always the Hamlet is still supporting all water /sewer utility remain as part of annual tax notice. Further follow up with the Government Relation are needed as there seem to be a number of inconsistencies with the budgets provided by the RM & what is being collected. Also the question has been raised why would the RM charge infrastructure costs with the intention of shutting down the system & where are those funds going which were supposed to be audited prior if they intend to decommission the system as per the legislation that would also go into the Hamlet account or into the Utility corps account as being established in 2017 which was never formally decommissioned as per legislation. OHB agent raised this at the April 28, 2025 SMB hearing as there was also Federal approvals required which did not seem to materialize. The accounting of all infrastructure costs and equipment becomes a credit to the OHB account which also was not done.

The Minister of Environment has confirmed on a detailed review of all the records 2015 to present no approval was given to the RM of Wilton to decommission or alter the Lone Rock water treatment plant which is required prior. A review is underway which will coincide with SMB determination.

Septic pump outs have been requested the RM has indicated they do not want to accept our minutes which both the Minister's office & Government Relations Executive have indicated is not an option the OHB has but to send the OHB minutes to the RM & CC Government Relations a review in this regard is being done by the Ombudsman for RM compliance issues.

Amendments to the Legislation indicates consent of the OHB is required for all the expenses of a Utility and the OHB has not had any discussion as to consent of any expenses regarding the utilities.

- 7. Tax Rates:** Discussion Hamlet Board still awaiting information that was agreed to by RM Council in mediation & as indicated by the Municipal Board taxation has to follow procedure first being consultation with the Hamlet Board then if not agreed 77/392 Appeal Board process. The RM has violated the legislation in this regard as the Hamlet Board is supposed to set the rate not the RM. A question was also raised as depreciation being an expense for appearance of deficit which is currently being investigated. The new amendments to legislation makes it mandatory that the RM meet & form agreements with the OHB failing the agreement action of the RM would be considered illegal until it has been resolved through the 77/392 Dispute SMB process as the RM would raise the dispute through the process. Failing the Province could withhold funds or terminate council & administration and the OHB could submit a complaint to the RCMP or in future Marshals service for enforcement.
- 8. Hamlet Communications:** Supreme Court had made a recent ruling indicating procedure for Municipalities to purchase property & their liability if not followed. The ruling also included limiting development & how that would also be considered quasy -expropriation of property even if Municipality doesn't receive title it is still compensable for loss of development. Another SCC decision is still being decided as to what the definition of " Proper Purpose " for municipalities to have some clarification on actions a municipality can take in regard to property which already has a "Proper Purpose" requirement and test municipalities must undertake. Ombudsman's office is also reviewing the RM controlled corporations as to conflict of interest & legislated procedure in funding which is ongoing..
- 9. RM Tractor & Hamlet Road Maintenance:** Minister of Highways & minister of health have reached out the Minister of Health has referred the issue to their legal dept we are waiting on clarity from the SMB as to some of the issues.
- 10. Street Lights:** We have contacted Saskpower in this regard as to setting up our own street light system & they have forwarded the grant applications we have been looking into what they recommended.
- 11. Trees & Buildings:** Environmental problems persist with the buildings that were obtained by the RM this also lends to the MA 346 claim as more issues arise & are seeing more effects due to the destruction. This can be initiated within the SMB process included in IMD-2022-0001.

We were directed to also look into any property devaluations due to RM bylaw or resolution or actions of RM as those can either be determined by the 77/392 Dispute process. SMB or Judge Devaluations have been touched on in the RM affidavits which have been reviewed also a report has been submitted to the Real Estate Board in this regard to confirm historical market value with current to place a figure devaluation. Followed up on this and the devaluation is still being calculated.
- 12. Policies:** In Keeping with the New & pending Legislation the OHB is required to submit policies which will be implemented by the RM.

Organized Hamlet of Lone Rock Meetings Policy:

1. **Lone Rock Organized Hamlet Board** meetings will take place on the following dates unless otherwise changed for reasons of attendance;

February 12, 2025 7PM
April 15, 2025 7PM
June 17, 2025 7PM
October 13, 2025 7PM

Organized hamlet of Lone Rock AGM meeting
October 20, 2025 7PM

2. Meetings will be held in person & through electronic attendance as provided for in legislation
3. Hamlet Board members will be given days' notice of meeting date or change to meeting date so as to accommodate attendance.
4. If a special meeting is required then 7 day notice will be forwarded to the board members requesting the meeting which may be sooner if agreed by consensus.
5. Meeting minutes will be prepared by the Secretary & forwarded to the RM for public inspection.
6. The OHB if determines may have other general community meetings throughout the year with notice as provided by the notice policy or any amendments made within.
7. Minutes will be taken at all meetings which will be forwarded to the RM of Wilton 472 for adoption & public inspection.

Organized Hamlet of Lone Rock Elections Policy:

1. Voters of the Organized Hamlet are eligible to be board members
2. Nominations for any board member can be made at the AGM from any voter & seconded by any voter except for the nominee.
3. Vote will take place by raising of hands or by voice or visual confirmation of those attending by electronic means.
4. The election result will be recorded in the AGM minutes and forwarded to the RM within the minutes to be open for public view as per the legislation.
5. The elected board member will hold their position as board member for a period of 3 years. If a board member resigns prior to the 3 year term an election may be called for a special community meeting to fill the vacancy. If a board member resigns at an AGM a nomination process to fill the vacancy will occur as indicated in paragraph 2 of this Elections policy.
6. Board members will remain until such time as their positions have been filled.
7. A Secretary & Chairman will be decided at the AGM so as to forward the information within the AGM minutes for public review.

Organized Hamlet of Lone Rock Notice Policy:

1. Notice will be given to residents by posting within the community or provided for by electronic notification including Social Media.
2. Notice will be provided as required at minimum of 7 days prior to event.

Organized Hamlet of Lone Rock Minutes Policy:

1. Minutes will be taken at every AGM & Organized Hamlet Board Meeting and forwarded to the RM to be posted for public inspection and adopted as per legislation.
2. In keeping with Privacy and Security legislation the format of minutes will continue as in these minutes & the previous year's minutes as to format.

Organized Hamlet of Lone Rock Hamlet Board and RM of Wilton meeting Policy:

1. The Organized Hamlet Board will request to meet with the RM of Wilton minimum 2 times a year.
2. The Meeting will be in person or through electronic means to accommodate attendance inclusive of legal counsel or agent as may be required.
3. The RM will supply audited financial statements with accompanying receipts for the review of the OHB in contemplation of the yearly budget.
4. Minutes will be taken during the meetings so that they can be open for public inspection as per the legislation.
5. Minimum of 30 days' notice is to be provided to the OHB as to the meeting dates or date of change.
6. Rescheduling of meetings shall be within 30 days of the original date of meeting.

Organized Hamlet of Lone Rock Hamlet Disqualification Policy:

1. Disqualification of Hamlet Board members is in accordance to Municipalities Act and Regulations.
2. As per the Municipalities Regulation disqualification can only occur with the agreement of 2 board members and included in the resolution of the OHB meeting minutes.
3. In keeping with legislation if a hamlet board member is disqualified all owing indemnity payments to the board member must be paid in full to the Board member with a 2%per month interest accruing on all outstanding amounts owing to the Board member till fully paid.

Resolutions: Put forward by Lloyd Ludwig Seconded by Donna Woods

- (1) April 15, 2025 Hamlet Board meeting Minutes are adopted as filed
- (2) Follow up with minister with information as to budgets & Tax dollar spending as well as Hamlet Minutes & Water/Sewer billing & the removal of property tax exemptions in the Hamlet. Forward revised revenue amounts to Minister to adjust our budget including

2025 budget & update on the legislative violations as well as the matters forwarded to the RCMP which have been updated.

- (3) RM Directed to pay for legal fees & costs as provided for in the above mentioned legislation at the direction of the Organized Hamlet Board. As well as in the Annual Organized Hamlet of Lone Rock General meeting. Including indemnity of Hamlet Board & budgeted payments. The amount adopted for 2025 year is \$30 dollars an hr for indemnity with the same also applying to agent Terry Kashuba which will also include any disbursements. If Employment Standards does conclude the agent amount should be increased to \$60 as included in affidavits of the RM of Wilton Reeve and Administrator it will be increased at employment standards direction.
- (4) 77 Appeal Board issues that follow are herin forwarded to the RM of Wilton to begin the MA 77 Appeal Board:
 1. Copy of all permits, authorizations, Taxations, or permissions by any and all regulatory agencies whether federal or provincial with respect to shutting down municipal sewer and potable water services in the OH, including accounting of infrastructure account.
 2. Budget Deficits (Explanation & documentation).
 3. Forensic Audit be done on Hamlet accounts 2015 to present inclusive of water/sewer utility.
 4. Code of Ethics Complaints to be reviewed by independent 3rd party panel & RM Wilton Code of Ethics bylaw review & amended to comply with legislation & any resolutions made regarding Hamlet Board Members quashed as they are no longer applicable to the amended legislation.
 5. Review all building permit approvals & denials in keeping with the "SK growth plan" Removal of all building & development moratorium in accordance with legislation.
- (5) Set that the RM of Wilton as forwarded in past implement the water & sewer Utility remains within the yearly taxes as in previous years & reimbursement or credit be supplied to those that have already paid them along with reimbursement for time periods in which loss of service or Boil water advisory in place. Confirmed with SK water & Federal water agency a rate of \$72.00 a day for Boil water & or service disruption & set as rate for compensation to be reimbursed to each ratepayer after 72 hr is implemented & billing will be corrected with compensation retroactive to 72 hrs after notification is provided to the RM of Wilton or the Lone Rock Utility Board of the utility disruption and up to the present date.
- (6) Approval of legal counsel forwarding letters to ministers & filing matters with the investigators that they deem appropriate & provide them with materials that will go out to the media regarding the investigations.
- (7) Continued development with Government Relations suggestion that the OHB create a Code of Ethics and Public Conduct Policy.

- (8) The Organized Hamlet Board resume operations of the water & sewer utility & any infrastructure assets. To raise the issue of the transfer of the utility from the Lone Rock utility board by the RM of Wilton was illegal & is still under investigation.
- (9) The Above Policies be adopted as written.

Resolutions are hereby voted on & unanimously passed.

13. Next Meeting: Next Hamlet Board meeting to be October 13. 2025 7:00PM

14. Meeting Adjourned: 8:14 PM

A handwritten signature in blue ink, appearing to read "Donna Wood", is written over the text "14. Meeting Adjourned: 8:14 PM".