



ASSOCIATION OF MANITOBA MUNICIPALITIES

MEETING WITH

Honourable Andrew Swan
Minister of Justice

March 28, 2011

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Executive Summary

Departmental Issues

1. Peace Office Training and Validation

- An issue that has emerged recently and is of great concern to our organization is the validity of common offense notices issued by municipally appointed by-law officers.
- Municipalities have long been under the understanding that they have the ability to designate by-law officers for the purpose of enforcing municipal bylaws, however this has come into question as the Province has indicated that to be able to issue common offense notices you must be a peace officer, which can only be designated by the Province after the successful completion of a training program.
- While we certainly appreciate the willingness of the Province to work with those communities with known issues, we remain concerned since many municipalities continue to think all that is required is a council designation.
- We are looking forward to working with the department and other stakeholders on the working group which has been created and want to make sure the work is done as quickly as possible.
- The AMM is hopeful that this issue can be resolved quickly and once a solution is found it needs to be communicated to all municipalities to ensure everyone is aware of the necessary revisions.

Therefore, the AMM would like to see a solution to this issue implemented quickly and communicated to all municipalities to ensure all municipalities are aware of the necessary changes.

2. Enforcement of Parking Violation

- Current legislation allows municipalities to issue tickets for parking and traffic violations, but does not offer sufficient authority to enforce collection of these fines. As the value of outstanding tickets grows, so does the frustration of urban municipalities across Manitoba.

- Fines resulting from parking and traffic violations are one of the few mechanisms municipalities can use to raise revenue and outstanding parking fines often accumulate to a substantial amount. As long as these amounts remain uncollected, municipalities are missing out on opportunities to invest in critical areas of service provision.
- The AMM has been raising this issue with the Province for a number of years and although a working group was struck in 2006 a solution could not be found, despite Provincial commitments to resolve this issue.
- As it stand today municipalities have no efficient mechanism for collection of parking violations.

Therefore, the AMM asks the Provincial Government to identify this issue as a top priority for the department and implement a solution immediately to allow municipalities to restrict the re-issuance of driver and vehicle licenses pending the payment of outstanding parking and traffic violation fines.

3. Municipal Policing Costs

- Although community safety and crime prevention are among the top priorities of communities across Manitoba, the current funding structure for police services is unsustainable.
- Under the current structure, municipalities have little influence over the level of police service obtained yet are required to provide funding as determined by the RCMP.
- The AMM was pleased with the 2008 Federal Budget allocation of an additional \$400 million over five years for provinces and territories to recruit 2,500 new police officers since there should be a significant impact on Manitoba communities.
- The Province must ensure sufficient resources are available through funding mechanisms that support effective policing while maintaining cost-efficient service delivery.
- Research from the Federation of Canadian Municipalities found that policing is one of the fastest growing areas of expenditure in municipalities across the country and there are widespread concerns with the lack of control over rising

policing costs, reduced service levels, and the RCMP's limited ability to respond to local policing priorities.

Therefore, the AMM urges the Provincial Government to commit additional resources to police services throughout Manitoba to ensure that all communities have sufficient access to safety and crime prevention services.

4. Mandatory Police Boards

- As you are well aware municipalities with their own police force are concerned with the requirement in the new Police Services Act to establish police boards.
- The move to force elected councils to appoint a board to oversee local police services is counterintuitive and takes direct responsibility for policing out of the hands of those elected to run the force.
- Municipalities certainly understand the need to be transparent in their decision making process however municipalities fail to see how moving the oversight of the local police force away from the elected council and into the purview of an appointed board will deliver a more transparent and accountable system of police oversight.
- While the goal of mandatory police boards is to provide greater citizen oversight into the management of local police services, we believe this is unnecessary and will in fact only complicate the process further.
- The need for mandatory boards is also reduced due to the other positive changes in the new Act including the creation of the Manitoba Police Commission and an Independent Investigative Unit.
- Policing is certainly a core municipal responsibility, and one municipal councils do not take lightly. Community leaders know that to build and sustain a healthy community public safety is paramount.

Therefore, the AMM requests the Province reconsider the current requirement for mandatory police boards and make this optional for municipalities with their own police force.

5. 2012 RCMP Police Contract Update

- Municipalities are closely following the negotiation of the 2012 RCMP policing contract as the outcome of these negotiations will have a major impact on municipalities. Manitoba municipalities are looking forward to the potential improvements that could be achieved through the new contract.
- The AMM appreciates the willingness of the Province to work with AMM to identify top priorities for inclusion in the new agreement.
- In 2009 the AMM surveyed its membership on this issue and found the top concerns were staffing levels and the need to maximize the resources available, including increasing the use of civil positions for clerical work.
- The AMM has shared this information with your department and appreciates the commitment to raise these concerns through the negotiation process.
- Municipalities have also expressed concerns about possible changes to what will be covered or whether there will be any changes to the population thresholds in the 2012 agreement, and any updates would be appreciated.

Therefore, the AMM looks forward to continuing to work with the Province as the 2012 negotiations conclude.

6. Traffic Control at Motor Vehicle Accident Scenes and False Alarms

- Municipalities fully understand their responsibility to provide fire prevention services to their communities. However at issue is the expectation that volunteer firefighters perform traffic control at accident scenes, something that is not a municipal responsibility.
- One of the major concerns is the safety of having untrained volunteers perform this duty at accident scenes. The AMM did receive a commitment from the RCMP to provide training to volunteer firefighters; however we firmly believe this responsibility should not be downloaded to municipalities.
- If the expectation is for municipal firefighters to take on this added responsibility full training and compensation must be provided.

- Preliminary research suggests that costs of traffic control performed by firefighters can be significant for many municipalities.
- Compensation has been provided to municipalities for these services in other provinces which could be used as a model for a Manitoba solution.
- The AMM was also pleased to hear the OFC is working on designating municipal firefighters as flagmen at accident scenes which will be helpful, but compensation for performing this responsibility is imperative.
- The AMM would also like to see greater effort made to raise public awareness of the importance of slowing down for emergency personnel at accident scenes as well as a legislated maximum passing speed.

Therefore, the AMM requests the Province either discontinue the practice of having municipal firefighters perform traffic control at accident scenes or provide training and financial compensation for this service. The AMM further requests that greater effort be made to raise public awareness of the need to slow down for emergency personnel at accident scenes.

General Issue

The Core Challenges for Municipalities

- Municipal government plays a greater role in the lives of Canadians than any other time in history and the new realities facing municipalities have serious repercussions as they diligently try to balance growing responsibilities with stagnant revenues.
- The core challenges facing municipalities have become overwhelming, and the lead up to this year's provincial election provides an opportunity for all political parties, candidates and citizens to engage in a thoughtful discussion about how these challenges should be addressed.
- Municipal infrastructure is the very foundation of a community, yet its current state leaves communities with little hope for prosperity. Nationally the municipal infrastructure deficit is in excess of \$123 billion and provincially it is estimated at over \$11 billion, or a staggering \$10,000 per Manitoban.

- As well, municipal responsibilities continue to grow, either through the intentional or unintentional offloading of responsibilities or new unfunded mandates being forced on municipalities.
- Because of these challenges municipalities must have access to new sources of revenues. Options include the Province collecting a one cent municipal tax to be allocated to municipalities for infrastructure, a rebate of the Provincial Sales Tax paid by municipalities, or an increase to existing revenue sources such as VLTs.
- Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada and while in some cases these types of programs are necessary it leaves municipalities having to compete against each other for limited dollars and restricts a municipality's ability to properly plan for much needed investment.
- For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues. This is the only way municipalities will be able to even begin to address the core challenges they face.
- The AMM is therefore asking every political party to make municipal funding a top priority for this year's provincial election. Now is the time for each party to lay out its vision for the future of municipal government in Manitoba and how these core challenges can be addressed. The health of our communities is at stake.

Therefore, the AMM would like to see a commitment from each political party to:

- 1. Make a greater investment in municipal infrastructure**
- 2. End the downloading of responsibilities to municipalities and require that any new mandates come with new funding**
- 3. Provide new growth revenues to municipalities**

Departmental Issues

1. Peace Officer Training and Validation

An issue that has emerged recently and is of great concern to our organization is the validity of common offense notices issued by municipally appointed by-law officers. Municipalities have long been under the understanding that they have the ability to designate by-law officers for the purpose of enforcing municipal bylaws. However recently the Province has indicated that to be able to issue common offense notices you must be a peace officer, which can only be designated by the Province after the successful completion of a training program. As a result there has been some question as to the validity of the notices issued by municipally-designated by-law officers.

While we certainly appreciate the willingness of the Province to work with those communities that have come forward with known issues, like the City and RM of Portage la Prairie, to find a workable solution we remain concerned about many municipalities continue to think all that is required is a council designation. We are looking forward to working with the department and other stakeholders on the working group which has been created and want to make sure the work is done as quickly as possible. The AMM is hopeful that this issue can be resolved quickly and once a solution is found it needs to be communicated to all municipalities to ensure everyone is aware of the necessary revisions.

Therefore, the AMM would like to see a solution to this issue implemented quickly and communicated to all municipalities to ensure all municipalities are aware of the necessary changes.

2. Enforcement of Parking Violations

Current legislation allows municipalities to issue tickets for parking and traffic violations, but does not offer sufficient authority to enforce collection of these fines. As the value of outstanding tickets grows, so does the frustration of urban municipalities across Manitoba. These municipalities have serious infrastructure and other service demands that would benefit from the collection of unpaid fines; however

the mechanisms for collection are inadequate to allow municipalities to reap these benefits.

Fines resulting from parking and traffic violations are one of the few mechanisms municipalities can use to raise revenue and outstanding parking fines often accumulate to a substantial amount. As long as these amounts remain uncollected, municipalities are missing out on opportunities to invest in critical areas of service provision. For instance, the City of Winnipeg has estimated that outstanding fees due to parking violations amount to approximately \$10 million. Similarly, unpaid parking tickets in the City of Portage la Prairie are currently worth over \$187,000; an amount that has grown substantially since 2005 when unpaid tickets totaled over \$86,000 and up from the 2009 total of \$131,000. These amounts could translate to badly-needed infrastructure investments if further consequences were in place to hold offenders accountable for their violations. The magnitude of this problem illustrates the need for a more productive means of collecting these fines.

The AMM has been raising this issue with the Province for a number of years and although a working group was struck in 2006 a solution could not be found, despite Provincial commitments to resolve this issue. As it stand today municipalities have no efficient mechanism for collection of parking violations.

Therefore, the AMM asks the Provincial Government to identify this issue as a top priority for the department and implement a solution immediately to allow municipalities to restrict the re-issuance of driver and vehicle licenses pending the payment of outstanding parking and traffic violation fines.

3. Municipal Policing Costs

Although community safety and crime prevention are among the top priorities of communities across Manitoba, the current funding structure for police services is unsustainable. Municipalities are absorbing an increasing share of policing costs in addition to undertaking a key role in alternative service provision. The growing pressure on municipal budgets and the rising costs of police services require greater

investment by the Provincial Government since municipalities cannot bear these costs alone.

Municipal concerns with the escalating costs and inefficiencies of service provision are closely linked. Under the current structure, municipalities have little influence over the level of police service obtained yet are required to provide funding as determined by the RCMP. At present, salaries constitute a significant portion of municipal policing budgets and commitments to increase salaries have a serious impact on municipalities. The AMM supports appropriate remuneration for these essential services, however municipal budgets cannot respond to the demand to increase RCMP salaries, particularly when municipalities have no control over these amounts.

Therefore, the AMM was pleased with the 2008 Federal Budget allocation of an additional \$400 million for provinces and territories to recruit 2,500 new police officers since there should be a significant impact on Manitoba communities. The Province's commitment to allocate half of Manitoba's share to rural communities will be a valuable complement to the increased funding for policing in recent Provincial budgets. The Federal allocation covers a five-year timeframe, but municipal budgets have already stretched to accommodate existing services and long-term funding is required to maintain further service improvements. Some additional funding was provided by the Province for policing in 2010; however the Province must ensure sufficient resources are available through funding mechanisms. Adequate Provincial resources must be allocated to support effective policing while maintaining cost-efficient service delivery.

The AMM has also highlighted Manitoba's municipal concerns to the Federal Government by collaborating on the Federation of Canadian Municipalities' (FCM) lobbying efforts. In 2008, FCM released a report outlining municipal concerns, called *Towards Equity and Efficiency in Policing – A Report on Policing Roles, Responsibilities and Resources in Canada*. This research found that policing is one of the fastest growing areas of expenditure in municipalities across the country. It illustrates that there are widespread concerns with the lack of control over rising policing costs, reduced service levels and the RCMP's limited ability to respond to local policing

priorities. Due to the importance of this issue, FCM has been engaged in further research to examine the specific impacts of the escalating costs of RCMP contracts on municipalities. This research is expected to be a useful reference in developing the new provincial policing agreements to be implemented in 2012 and should be considered by the Federal and Provincial Governments as negotiations advance.

Therefore, the AMM urges the Provincial Government to commit additional resources to police services throughout Manitoba to ensure that all communities have sufficient access to safety and crime prevention services.

4. Mandatory Police Boards

As you are well aware municipalities with their own police force are concerned with the requirement in the new Police Services Act to establish police boards. The move to force elected councils to appoint a board to oversee local police services is counterintuitive and takes direct responsibility for policing out of the hands of those elected to run the force. Municipalities certainly understand the need to be transparent in their decision making process, and today's municipal council is more transparent and accountable to the people they serve than at any other time in history. If a local resident has a question about a municipal decision they are well aware who is their local representative, and often knows them on a first name basis. Nearly all municipalities in the province have a website or an electronic way to communicate with citizens. Manitoba Local Government has worked with municipalities and our association to make municipal government in Manitoba an open process. Perhaps most importantly municipal councils face the electorate every four years. There are plenty of mechanisms already in place for citizens to stay informed on the decisions their council is taking, and there are opportunities to replace representatives if those decisions are not in tune with the desires of the local community.

Municipalities fail to see how moving the oversight of the local police force away from the elected council and into the purview of an appointed board will deliver a more transparent and accountable system of police oversight. Under the new legislation these appointed boards have control over the hiring of the police chief and can also

hire officers. Police boards will also set the direction of the municipal police force and will take on supervisory responsibilities. Police boards are charged with establishing priorities and objectives for the police service, and must monitor the police chief to ensure compliance of community needs and values.

While the legislation leaves the final responsibility for the police budget with the local council, the police board will be advising council on what is required. Even if on paper the final authority lies with the council, it will be extremely difficult for the municipal council to refuse the requests of the police board. This creates the potential for conflict within the community between the appointed board and elected council on financial support for the police force. Municipal councils are expected to balance their budget taking in all factors including limited revenues, increasing responsibilities and escalating infrastructure needs. Most of the communities outside Winnipeg that have their own police force are able to hold police costs to under 20% of their total budget. This is done through a careful examination and balancing of the total needs of the community. The police board will have a single focus and is unlikely to provide a balanced review of community needs prior to submitting their financial request to council. This leaves municipal councils in the untenable position of having to either refuse the request of the local board or succumb to the request at the expense of other community priorities.

While the goal of mandatory police boards is to provide greater citizen oversight into the management of local police services, we believe this is unnecessary and will in fact only complicate the process further. The need for mandatory boards is also reduced due to the other positive changes in the new Act including the creation of the Manitoba Police Commission and an Independent Investigative Unit.

Policing is certainly a core municipal responsibility, and one municipal councils do not take lightly. Community leaders know that to build and sustain a healthy community public safety is paramount. The AMM fully supports the need to make communities safer and municipalities support the need to make the system more transparent,

however mandatory police boards are not the answer and we fail to see how they meet these objectives.

Therefore the AMM requests the Province reconsider the current requirement for mandatory police boards and make this optional for municipalities with their own police force.

5. 2012 RCMP Police Contract Update

Municipalities are closely following the negotiation of the 2012 RCMP policing contract as the outcome of these negotiations will have a major impact on municipalities. Manitoba municipalities are looking forward to the potential improvements that could be achieved through the new contract.

The AMM appreciates the willingness of the Province to work with AMM to identify top priorities for inclusion in the new agreement. In 2009 the AMM surveyed its membership on this issue and found the top concerns were staffing levels and the need to maximize the resources available, including increasing the use of civil positions for clerical work. The AMM has shared this information with your department and appreciates the commitment to raise these concerns through the negotiation process. Municipalities have also expressed concerns about possible changes to what will be covered and possible changes to the population thresholds in the 2012 agreement, and any updates would be appreciated.

Therefore, the AMM looks forward to continuing to work with the Province as the 2012 negotiations conclude.

6. Traffic Control at Motor Vehicle Accident Scenes and False Alarms

An issue of concern to AMM members is the cost of providing traffic control at motor vehicle accident scenes. Municipalities fully understand their responsibility to provide fire prevention services to their communities. However, at issue is the expectation that volunteer firefighters perform traffic control at accident scenes, something that is not a municipal responsibility.

One of the major concerns is the safety of having untrained volunteers perform this duty at accident scenes. The AMM did receive a commitment from the RCMP to provide training to volunteer firefighters; however we firmly believe this responsibility should not be downloaded to municipalities. The AMM also recognizes that traffic control is not always a high priority for the RCMP, nor is it necessarily always the best use of RCMP resources. Nevertheless, if municipal firefighters are to be expected to take on this added responsibility, full training and compensation must be provided.

Preliminary research suggests that costs of traffic control performed by firefighters can be significant for many municipalities. These costs can also be influenced by extreme weather conditions, which means they are often unpredictable. In addition, the AMM has found that compensation has been provided to municipalities for these services in other provinces, which could be used as a model for a Manitoba solution. In Saskatchewan, for instance, traffic control in a non-productive call is covered by Saskatchewan Government Insurance (SGI) at 60% of the rate for a productive call. This type of solution may also require changes to *The Manitoba Public Insurance Act*, as MPIC maintains that it cannot provide compensation for traffic control under the current legislation. However, it would provide Manitoba municipalities with some compensation for a service that both the Province and the RCMP have acknowledged is not a municipal responsibility.

The AMM also met recently with the Office of the Fire Commissioner (OFC) and was pleased to hear the OFC is working with Manitoba Infrastructure and Transportation to see if this issue can be resolved in part by designating municipal firefighters as flagmen at accident scenes. Our association hopes to settle both the designation issue and the compensation issue, and we would be happy to work with your department to help find a suitable resolution.

The AMM would also like to see greater attention put toward reducing speeds when passing emergency personnel at accident scenes. While section 109.1 of *The Highway Traffic Act* lays out the requirements for passing a stopped emergency vehicle it is clear this does not always happen at accident scenes. In addition, since there is no

maximum legislated speed, it is difficult to enforce. MPIC has advised AMM that they will be airing a commercial in 2011 relating to the awareness of motorists approaching emergency vehicles, which is certainly a positive step. The AMM would like to see greater effort made to raise public awareness of the need to slow down at accident scenes and introduce a maximum speed when passing emergency personnel.

Therefore, the AMM requests the Province either discontinue the practice of having municipal firefighters perform traffic control at accident scenes or provide training and financial compensation for this service. The AMM further requests that greater effort be made to raise public awareness of the need to slow down for emergency personnel at accident scenes.

General Issue

The Core Challenges for Municipalities

Today's municipal government plays a greater role in the lives of Canadians than any other time in history. Municipalities no longer simply plow the streets and pick up the garbage. Certainly today's municipal corporation still cleans the streets and collects garbage (and recyclables), but it also is sustainably managing growth through everything from state of the art transit systems to environmentally conscious land use and water planning. The pioneers of municipal government would be astonished to see today's council agenda where elected officials are doing everything from recruiting doctors from around the world to providing funding for daycares.

These new realities are having serious repercussions for municipalities as they diligently try to balance growing responsibilities with stagnant revenues. Every day municipalities are facing new demands from both citizens and other orders of government and must try to balance these with existing priorities and scarce revenues that remain overly reliant on the ebb and flow of grant programs. The current challenges facing municipalities are overwhelming and there must be a greater effort to address these if we want to see strong vibrant communities throughout our province.

While municipal concerns cut across every provincial department, there are two core issues that are most pressing for municipalities today - the ballooning municipal infrastructure deficit and the growing mandate of municipal government, either through intentional and unintentional offloading of responsibilities from other orders of government and unfunded mandates. These two challenges are crippling municipal government and keeping Manitoba communities behind.

The lead up to this year's provincial election provides an opportunity for all political parties, candidates and citizens to engage in a thoughtful discussion about how these core challenges should be addressed.

Municipal Infrastructure Deficit

It is no secret that municipalities are facing nearly insurmountable infrastructure challenges. We only need to take a look around our communities to see the deteriorating state of our infrastructure. Roads that are nearly impassable due to potholes and heaving, drafty libraries with crippling heating bills, recreation complexes with leaking roofs and water and sewer treatment plants that are running beyond capacity. These are the very foundation of a community, yet their current state leaves communities with little hope for prosperity. For Manitoba communities to thrive in the future these swelling infrastructure challenges must be addressed.

In Canada the municipal infrastructure deficit was estimated in 2007 to be in excess of \$123 billion for current needs. Most alarming is how quickly the deficit has been compounding, as it has doubled over the previous 5 years. Equally alarming, the \$123 billion is only for the upgrade and repair of current municipal infrastructure, with another \$115 billion required for new infrastructure.¹

These national trends hold true for Manitoba as well. The City of Winnipeg has recently calculated its infrastructure deficit at \$3.8 billion for existing infrastructure and \$3.6 billion for new strategic infrastructure.² Historically the municipal infrastructure deficit

¹ Mirza, Saeed, "Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure", November 2007 (available at www.fcm.ca)

² City of Winnipeg Administrative Report, "Infrastructure and Possible Funding Options" Tabled at July 22nd, 2009 Council Meeting (available at www.winnipeg.ca)

outside of Winnipeg has been double that within Winnipeg so it is fair to extrapolate that the deficit outside Winnipeg for existing infrastructure is over \$7.5 billion, putting the total municipal deficit for existing infrastructure in Manitoba in excess of \$11 billion, or a staggering \$10,000 per Manitoban. It is certainly an insurmountable amount for municipalities to tackle on their own since the total municipal taxes levied in 2008 were just over \$760,000,000.³

There is no doubt the current infrastructure deficit is crippling Manitoba's economy. Adequate infrastructure is an obvious prerequisite for economic development and unfortunately it is greatly lacking in many communities. FCM has investigated this principle in depth and found that an increase in municipal infrastructure spending of \$1 billion in 2008 (at nominal process and allocated to a representative mix of infrastructure) would increase the size of the real economy by roughly 0.13 percent or \$1.3 billion in nominal terms. While this would erode slightly over time with consistent investment, over a four-year period it would still result in meaningful gains to the economy, dropping to a 0.6 percent increase in the final year. The resulting investment would be felt in the employment sector as well, since a great number of industries would benefit. A \$1 billion investment in 2008 would add 11,500 new jobs, which would be felt in industries from labour and material suppliers through to architects and engineers.⁴

Providing adequate infrastructure has both direct and indirect benefits for private-sector manufacturing. Infrastructure is an intermediate input into the production process, with businesses locating where there is access to water, hydro and transportation. New roads reduce fuel costs and haul times. Access to high quality (and adequate) water reduces input costs. There is also evidence that increased investments in public infrastructure allow private companies to use labour inputs more intensively, translating into more jobs.⁵

³ Province of Manitoba, "Statistical Information 2008 – Municipalities of the Province of Manitoba", P.17

⁴ Sonnen, Carl, "Municipal Infrastructure- Macroeconomic impacts of spending and level-of-government financing" May 31, 2008 (available at www.fcm.ca)

⁵ Brox, James A. "Infrastructure Investment: The Foundation of Canadian Competitiveness - IRPP Policy Matters 2008" August, 2008 (available at www.irpp.org)

While the numbers are staggering, of far greater concern is the very real impact this infrastructure deficit is having on the people who live in Manitoba. Manitobans are experiencing longer commutes to work either because of impassable roads or slower speeds. We are also spending more time traveling to neighbouring communities to access recreation opportunities. Many have seen the outmigration of neighbours and friends who tire of dealing with these daily challenges.

Municipal councils want to create vibrant, welcoming communities, but this is nearly impossible with the state of infrastructure today. For example, there remain 167 boil water advisories in Manitoba, many in Manitoba municipalities.⁶ This means today, thousands of Manitobans do not have access to safe drinking water when they turn on the tap. It is unreasonable to think these communities can realistically compete with the rest of Manitoba and Canada if they do not have this essential infrastructure.

Ever Increasing Responsibilities

A second core challenge for municipalities is ever increasing responsibilities. Municipalities are continually being asked to do more and more, either through the intentional or unintentional offloading of responsibilities from other orders of government or through new unfunded mandates being forced on municipalities by the provincial and federal government. These new responsibilities do not come with new revenue sources and result in municipal budgets being stretched thinner and thinner. The sad reality is that as municipalities are being forced to take on more, the core municipal responsibilities suffer.

Municipal officials believe in their community. This is where they live, where they raise their families, where they work and for many where they were born. They care greatly about their community and when they see a need they will do everything they can to address it. Many times municipal officials are their own worst enemy, as they step in and act where other orders of government have abdicated their responsibilities. Municipalities step up and do repairs on provincial roads, they recruit physicians from all corners of the world, and they help fund community health facilities. In some cases municipalities are just filling gaps in service unintentionally left by other orders of

⁶ Province of Manitoba “Provincial Boil Water Advisories” – October 19th, 2010

government and other times municipalities are stepping in because the provincial and federal governments have made it clear their community will not get the service or investment unless they do.

Compounding this is the growing trend of unfunded mandates being heaped on municipalities by the provincial and federal governments. Too often new rules are implemented without adequate thought to how they can possibly be implemented. These unilateral decisions leave municipalities in the untenable position of either scarifying core programs and services or being in non-compliance of provincial rules. Unfortunately we are hearing more and more from municipalities that they are being forced to opt for the latter.

Municipalities cannot keep pace with the rapid increase in the offloading of responsibilities and unfunded mandates. These challenges are pushing municipalities further and further behind.

Alternate Revenues

Now more than ever municipalities need new tools to deal with new responsibilities and new expectations. Currently Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada⁷. While in some cases these types of programs are necessary (for example large-scale infrastructure projects), it leaves municipalities having to compete against each other for limited dollars and restricts a municipality's ability to properly plan for much needed investment. The amount allocated to grant programs like the recent Municipal Rural Infrastructure Fund or community infrastructure funding under the Building Canada Fund is nowhere near the total demand, meaning there is no guarantee much-needed projects will ever receive funding.

Over-reliance on grants and transfers leave municipalities without the tools required to meet demands. Many municipal issues, when stripped down to their core, are really issues of access to revenue. For example, the need to remove education tax from property is really a municipal revenue issue, as municipalities see education tax as

⁷ Slack, Kitchen, McMillan, Vaillancourt, "Roles, Responsibilities, Resources and Relationships – Report to the Provincial and Territorial Municipal Associations" June 15th, 2007.

eroding the property tax base, which is the single greatest source of municipal revenue. Over the last number of years we have seen more and more municipalities speaking out on the need for greater municipal revenue sources.

It is important that the federal and provincial government contributions to municipalities are not forgotten. Federally, municipalities have benefited from a GST rebate, the sharing of the federal gas tax and the Building Canada Fund as well as Stimulus Funding. Provincially, municipalities have benefited from the sharing of provincial income tax, the Building Manitoba Fund, and supports in several other areas. We also appreciate the Province stepping up with their one-third share of recent federal programs. The message the AMM is hoping to convey is not that either order of government has completely forgotten about municipalities, but rather that despite these efforts municipalities still face enormous challenges and more is needed.

Municipalities must have access to new revenue sources. A greater reliance on property taxes and provincial and federal grants has created an ever-widening chasm between municipal revenues and needs, leaving future generations with what is quickly becoming an insurmountable infrastructure deficit. Municipalities are struggling to deliver core services as their budgets begin to crack under increased demands.

The reality is the property taxation system cannot meet the new demands facing municipalities. Municipalities have been increasing taxes to try to meet these demands however they are falling further and further behind. Over the last 10 years municipalities outside the City of Winnipeg have increased their own taxes levied by over 4 percent a year on average. In 2009 only 13 municipalities outside Winnipeg decreased taxes, while 183 increased taxes, 22 municipalities by over 10 percent. Every year municipalities are going to citizens in their communities and asking them for more and more, yet the infrastructure deficit and budgetary demands continue to rise.

A new approach is needed, and for this reason we are advocating for a one-cent municipal tax to be allocated to municipalities for infrastructure and split equally among municipalities on a per capita basis. This will provide municipalities with in excess of \$200 million a year. For a community of 1,000 people, this means roughly an

investment of \$185,000 in their local infrastructure, or \$370,000 for a community of 2,000 people. A community such as Thompson could see close to \$2.5 million, while Winnipeg would expect to see over \$117 million. Although this funding alone will not erase the infrastructure deficit in Manitoba, it is a positive first step.

While the AMM is not necessarily asking for a new tax, there is support among Manitobans for a new tax dedicated to municipal infrastructure. Polling done by AMM in 2008 found that 94 percent of Manitobans see infrastructure as a high priority, including a 94 percent positive response rate in Winnipeg. The poll also found that 55 percent of Manitobans think that municipalities do not have the revenue sources needed to cover infrastructure costs alone, including 50 percent in Winnipeg. Most interestingly, the poll found that 54 percent of Manitobans, including 51 percent of Winnipeggers, support an additional one percent municipal tax dedicated to infrastructure renewal projects⁸. As the infrastructure deficit continues to grow, support for this will only increase.

The AMM is also asking for other revenue sources for municipalities, such as a rebate of the Provincial Sales Tax as well as increases to existing sources such as VLT revenues. We would also ask that any new mandates for municipalities be accompanied by corresponding financial support.

The sad reality is that while the Province of Manitoba has been a leader in some municipal areas, it has not been enough. We have the opportunity to visit every municipality in Manitoba within the four year election cycle and it is clear our communities are struggling and we are falling behind.

We understand that providing additional revenues to municipalities may become more difficult as the economy continues to fluctuate. While economic projections can never be taken as absolute fact, they are often a prophetic divining rod on economic times. However what should not be lost is the positive impact infrastructure investment would have for the provincial and national economy. Furthermore, delaying investment in

⁸ Probe Research "Public Attitudes on Infrastructure Renewal Funding in Manitoba" September, 2008.

these critical infrastructure projects will have serious long-term consequences for Manitoba's economy.

Municipalities are not looking for new revenue sources to store money away for a rainy day. The storm has arrived. With a national municipal infrastructure deficit in excess of \$123 billion, and Manitoba's share in excess of \$11 billion, there is no shortage of work to be done. If municipalities are left to deal with this ballooning deficit alone armed only with property taxes and grants, it will continue to grow exponentially. Alternatively, providing municipalities with new revenue sources will not only begin to address this growing deficit, but will help build and strengthen our economy.

The time has come for a new approach to municipal funding. The expectations of today's municipalities are greater than any time in history. Regrettably so are the financial challenges facing municipalities. For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues. This is the only way municipalities will be able to even begin to address the core challenges they face.

The AMM is therefore asking every political party to make municipal funding a top priority for this year's provincial election. Now is the time for each party to lay out its vision for the future of municipal government in Manitoba and how these core challenges can be addressed. The health of our communities is at stake.

Therefore, the AMM would like to see a commitment from each political party to:

- 1. Make a greater investment in municipal infrastructure**
- 2. End the downloading of responsibilities to municipalities and require that any new mandates come with new funding**
- 3. Provide new growth revenues to municipalities**

Appendix A – Active Resolutions

AMM Resolution Number 43 - 2009

Topic: Funding for RCMP Support Staff

Sponsor: Town of Virden (Western District)

Department: Manitoba Justice

WHEREAS all orders of government have made police funding a priority;

AND WHEREAS the RCMP has adopted a computerized system know as PROS, which requires a large amount of time for officers to input information required by the system;

AND WHEREAS the Town of Virden operated a pilot project where a clerk was retained at \$30,000 per annum to input the required data into PROS, and freeing up officers for other work;

AND WHEREAS as a result of this pilot project it was discovered that the officers went from spending four to five hours of a nine hour shift doing clerical work to one hour per shift, resulting in \$30,465 less of each individual officer's salary being spent performing clerical duties;

AND WHEREAS the decrease in officer time being spent performing clerical duties resulted in significantly more officer time being freed up to spend on patrol with more "boots on the streets" without having to create extra positions;

AND WHEREAS the cost of the clerical position should not be borne solely by municipalities that are obligated to provide financial support to policing services as this type of program benefits all communities that are policed;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and Government of Canada to review the feasibility of funding an RCMP clerk position for the purpose of providing all Manitoba RCMP detachments with a clerk dedicated to inputting data to the PROS system, thereby freeing up officer's time for more productive policing in Manitoba communities.

AMM Resolution Number 42 - 2009

Topic: New Police Services Act

Sponsor: Town of Morden (Central District)

Department: Manitoba Justice

WHEREAS the Province of Manitoba has tabled a new Police Services Act which includes the requirement for every municipality that operates a police service to establish and maintain a police board;

AND WHEREAS the proposed police boards, once in place, will have no accountability to the municipality in overseeing the municipal police service;

AND WHEREAS the requirement of police boards as outlined in the new Police Services Act is another measure by the Province of Manitoba to remove authority from municipalities;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to amend The Police Services Act to make local police boards voluntary.

AMM Resolution Number 41 - 2009

Topic: Staffing At RCMP Detachments

Sponsor: Village of St. Pierre-Jolys (Eastern District)

Department: Manitoba Justice

WHEREAS the staffing complement in most RCMP detachments is not a full staffing complement due to staff shortages;

AND WHEREAS those municipalities operating under the Extension Police Service Agreement are paying a rate based on a full staffing complement;

AND WHEREAS it is recognized that the RCMP cannot deliver equitable services to these municipalities unless they have a full staffing complement;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to prorate the service charges to affected municipalities based on the yearly percentage of staffing complement.

AMM Resolution Number 56 - 2008

Topic: Reinstate Warrant of Committal

Sponsor: Town of Lynn Lake (Northern District)

Department: Manitoba Justice

WHEREAS the Province of Manitoba made the decision to eliminate the Warrant of Committal for smaller fines;

AND WHEREAS the elimination of this warrant removes an avenue to pursue the payment of fines;

AND WHEREAS without consequences for the non-payment of fines, violators are encouraged to continue breaking laws;

THEREFORE BE IT RESOLVED THAT the AMM lobby of the Province of Manitoba to reinstate the Warrant of Committal for non-payment of fines.

AMM Resolution Number 57 – 2008

Topic: Police Service in Rural Manitoba

Sponsor: RM of Taché (Eastern District)

Department: Manitoba Justice

WHEREAS RCMP presence in rural communities remains a concern for effective policing services;

AND WHEREAS RCMP detachment jurisdictions are so geographically large that they impede the detachment's abilities to provide regular presence in communities and effective response times to incident calls;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to negotiate a service provision model with the RCMP that will enhance policing service in rural Manitoba.

AMM Resolution Number 31 - 2007

Topic: Increased Punishment for Crime

Sponsor: RM of Glenwood (Western District)

Department: Manitoba Justice; Justice Canada

WHEREAS crime in Manitoba has escalated;

AND WHEREAS if the offenders are apprehended the sentencing is not considered any deterrent;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and the Government of Canada to increase the punishment for crime for all offenders, including youth offenders.

AMM Resolution Number 30 - 2007

Topic: Increased RCMP Personnel

Sponsor: RM of Glenwood (Western District)

Department: Manitoba Justice; RCMP; Justice Canada

WHEREAS crime in Manitoba has escalated;

AND WHEREAS there is a huge shortage of law enforcement officers and travel time is critical when a call is received to apprehend the criminals in the act;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and the Government of Canada to increase RCMP personnel, and also provide the funding required to meet this increased cost.

AMM Resolution Number 19 - 2006

Topic: Property Offence Consequences

Sponsor: City of Dauphin (Parklands District)

Department: Manitoba Justice

WHEREAS property offences such as vandalism have increased significantly in Manitoba municipalities;

AND WHEREAS resources for municipalities to resolve vandalism crime are limited and the cost to communities is increasing;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to request the cooperation of all judicial branches of government to provide alternative consequences for property offences and break and enter offences;

AND BE IT FURTHER RESOLVED that Manitoba municipalities be involved in the process.

AMM Resolution Number 51 - 2005

Topic: Parking Violations

Sponsor: City of Portage la Prairie (Central District)

Department: Manitoba Justice, Manitoba Public Insurance

WHEREAS AMM presented the Province of Manitoba in 2003 with a request to enact legislation to restrict the re-issuance of personal or vehicle licenses until restrictions for parking and traffic violations within the municipality have been made;

AND WHEREAS parking violations in the City of Winnipeg are considered a Provincial offence and therefore charges may be added to driver's license renewals;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to provide that parking violations throughout the province be considered a Provincial offence and that charges may be added to vehicle and license renewals.

AMM Resolution Number 50 - 2005

Topic: Improving the Youth Criminal Justice Act

Sponsor: City of Dauphin (Parklands District)

Department: Manitoba Justice, Justice Canada

WHEREAS the Youth Criminal Justice Act was enacted on April 1, 2003;

AND WHEREAS the implementation of this Act has resulted in regional disparities in Canada and increased the public's concern over public safety;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to initiate or support efforts to revise the Youth Criminal Justice Act to deal more effectively with offenders and repeat offenders of this Act;

AND BE IT FURTHER RESOLVED THAT the AMM lobby the Provincial Government to ensure regional disparities in Canada are considered in any future revision of the Youth Criminal Justice Act.

AMM Resolution Number 29 - 2003

Topic: Greater Information Regarding Fines

Sponsor: City of Portage la Prairie (Central District); RM of Wallace (Western District)

Department: Manitoba Justice

WHEREAS municipal police services may, in the performance of their duties, issue tickets and/or summons for violations under provincial legislation (for example, the Highway Traffic Act) as well as under municipal by-laws;

AND WHEREAS fines, less an approved administrative charge, shall accrue to the municipality affected if a municipality is responsible for providing police services;

AND WHEREAS it is incumbent upon municipal authorities to accurately account for all revenues inclusive of those provided by such fines;

AND WHEREAS the municipality is currently reimbursed by a block sum less the administrative charge;

AND WHEREAS information as to the particulars of the offence leading up to such fines is not included with the reimbursement from the Province;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Provincial Government to provide a detailed accounting of the offences and corresponding fine revenues in the Province's reimbursement to municipalities.