

## President Ralph Groening AMM Speaking Notes

### Welcome Remarks/Provincial Election & AMM Campaign

- Hello Everyone, it is great to be here and see all of you.
- Thank you to our meeting host – **XXXXXX**! Your municipality has done an excellent job preparing for today.
- For some of you, this is also your first June District meeting, which completes the AMM major event cycle following the annual Convention, Mayors, Reeves and CAOs meetings, and Municipal Officials Seminar.
- The AMM strives to hold engaging and informative events, and I hope they have helped you in your roles as elected officials.
- The June District Meetings are always a special time for the AMM Executive and staff, and I am personally very thankful for the opportunity to serve our great organization and visit local communities across Manitoba.
- Our province is vast and diverse, but municipalities regardless of size or location have common challenges.
- That is why we have already started preparing for the next provincial election.

- In fact, the AMM has continued to push the ‘Fair Share-Fair Say’ campaign at every meeting with the Premier, Cabinet Ministers, and MLAs since the last election.
- Over these past few years, the provincial government has provided more say to local governments on numerous files – we have recognized these positive changes and we have expressed our appreciation.
- However, as you all know, the ‘fair share’ aspect of our previous campaign message has not been adequately addressed since our operating funding has been frozen for the last three years.
- This **three-year freeze** does not recognize inflationary increases and puts greater financial and administrative pressures on municipalities.
- When the next provincial election is eventually called, AMM messaging will focus on the importance of investing in local communities and ensuring they have the resources necessary to cover their costs and carry out their responsibilities.
- After all, municipalities make a significant contribution to economic growth in Manitoba.
- But growth comes at a cost, particularly in light of our increasing infrastructure needs and fiscal constraints.

- To make our communities stronger and more resilient, we require long-term predictable funding that grows with the economy.
- We will need your help to spread this message across Manitoba and to your residents.
- We represent the order of government ‘closet to the people’ so let’s ensure municipal priorities are Manitoba’s priorities.
- More details will be communicated to your offices as soon as the election is formally called.
- Before I provide updates on some municipal policy files, I also wanted to discuss this afternoon’s consultation session led by Shared Health, who will be talking about the transformation that is occurring in our healthcare system throughout Manitoba.
- Healthcare impacts us all, and today’s presentation will build on the one delivered at MOS and discuss how Manitoba's Health System Transformation will affect local communities.
- I encourage you to ask questions and share your ideas on this important issue.

## 2019 Federal Budget & ICIP2

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- I would like to provide a brief update on the 2019 federal budget and discuss the roll out of Phase 2 of the *Investing in Canada* infrastructure plan.
- On March 19<sup>th</sup>, the Government of Canada presented the 2019 federal budget, which included commitments to increase investments in broadband Internet and expand the Gas Tax Fund.
- As you are aware, the Gas Tax Fund is a long-term, predictable federal funding stream that local governments rely on to deliver thousands of infrastructure projects each year across the country.
- Budget 2019 commits a one-time \$2.2-billion top-up to support municipal infrastructure.
- The increased transfer means better roads, bridges, transit, and more.
- The transfer also complements the goals of the *Investing in Canada* plan, which aims to deliver \$180 billion of investments in infrastructure over 12 years.
- On June 4, 2018, the federal and provincial governments announced the signing of the Canada-Manitoba Integrated Bilateral Agreement that will provide more than \$1.17 billion in federal funding over the next decade for our province.

- Phase 2 investments in Manitoba will focus on four priority areas: public transit; green infrastructure; community, culture and recreation infrastructure; and infrastructure in rural and northern communities.
- The long-term goals of ICIP are to increase economic growth, improve environmental quality, improve mobility, and manage public infrastructure in a more sustainable way.
- We were pleased to see this agreement come to fruition last year as the impacts of these investments will significantly benefit all municipalities and build stronger communities.
- We also conveyed our appreciation to the provincial government, and Minister Wharton in particular, for ensuring the AMM will have a seat at the table to provide valuable input during the intake and selection committee process.
- I want to assure you that the AMM is committed to working with the provincial government to ensure municipalities receive their fair-share of these cost-shared infrastructure dollars.
- We know the municipal cost-sharing percentages range from 26.67% to 6.67% for the various funding streams.
- A fair balance must be struck between municipal and provincial projects, especially under the green infrastructure funding stream which totals \$451 million.

- Based on our discussions with the provincial government, it remains unclear how much of these funds will be available to municipalities.
- **On June 3<sup>rd</sup>, Minister Wharton officially launched the intake for the start of Phase 2 funding.**
- We have urged the Province of Manitoba to act as quickly as possible so that municipalities can take full advantage of our short construction season and growth opportunities.
- We will certainly continue to keep you updated on the outcomes of our discussions and implementation of ICIP2.

## 2019 Provincial Budget

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- Next, I would like to discuss the implications of the 2019 provincial budget and positive developments regarding the Municipal Road and Bridge Program.
- As mentioned earlier, Budget 2019 maintains municipal operating and public safety grant funding at **2016** levels.
- We know that inflation, added responsibilities, and tight budget constraints puts you all in a very difficult position.
- We have consistently raised concerns about this directly to the Premier and all members of the provincial Cabinet - we will continue to do so going forward.

- Budget 2019, however, does positively impact municipalities in other areas.
- For instance, the reduction of the PST to 7% effective July 1<sup>st</sup> is expected to save municipalities approximately \$3.1 million annually.
- There is a \$2 million increase to the Manitoba Water Services Board to support municipal water and sewer projects.
- A new, streamlined and responsive community grant program has been unveiled called the Building Sustainable Communities Program.
- This program streamlined seven previous programs into one program.
- The same amount of total funding is available, yet there is now only one application.
- The AMM will continue to participate in assessing applications and make recommendations on these community grants.
- The next part of my remarks may sound repetitive given the public announcements, but it is worth repeating.
- Thanks to our unity and joint advocacy efforts, the government heard LOUD and CLEAR our concerns regarding the importance of the Municipal Road and Bridge Program.

- Budget 2019 committed **\$10 million** in flexible funding to enhance support for municipal roads and bridges outside of Winnipeg.
- This funding is being distributed to all municipalities via their operating baskets and will be allocated based on population thresholds mirrored after the old Municipal Road and Bridge Program.
- There is ZERO red tape as you are no longer required to apply for funding. This funding is totally unconditional which provides greater flexibility and for more ‘Fair Say’.
- To be clear, there is no longer a 50-50 cost-sharing requirement.
- These funds are complementary to federal funding, which means these funds are stackable.
- You can use these funds towards your contribution for *Investing in Canada* projects.
- You can use these funds towards the same types projects and initiatives you allocate your federal gas tax dollars towards.
- Funds may also be used on annual basis or accumulated over a number of years to complete larger infrastructure projects – it is totally up to you and your Councils.
- We have worked together to protect investments in municipal roads and bridges – they are vital for our local communities and our provincial economy.



## Provincial DFA Review Final Report

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- In 2017, Manitoba EMO committed to undertake a review of the provincial Disaster Financial Assistance (DFA) program.
- The main objectives of the review were to: modernize the DFA program; reduce red tape and administrative burdens; and minimize financial risk to the Province of Manitoba and municipalities while maximizing recovery through the federal DFAA.
- The review was coordinated by Manitoba EMO's Recovery and Mitigation Branch and was led by a Steering Committee co-chaired by the provincial Acting Assistant Deputy Minister of Emergency Management and Public Safety and the AMM.
- On May 6, 2019, I was pleased to join Minister Schuler in publicly releasing the review's final report.
- The recommendations in the final report identify several opportunities to streamline the provincial DFA program and make it more responsive to local needs during times of emergency.
- For example, stakeholders throughout the consultations highlighted the need for additional training and education when it comes to clarifying DFA requirements and providing templates and tools to DFA clients to improve and streamline the program.

- Manitoba EMO has also committed to develop clear criteria and eligibility requirements for the establishment of a DFA program.
- This is a very positive step forward as uncertainty surrounding eligible and ineligible costs has often led to confusion and frustration among AMM members.
- Additionally, provincial commitments to speed-up municipal site inspections and create an online platform to check on the status of a DFA claim and other digital methods for submitting documentation should also significantly reduce red tape and streamline the DFA program.
- A summary of the final report was distributed to all municipal offices in early May.
- The AMM will continue to closely monitor this file to ensure the provincial government implements the recommendations highlighted in the final report.

## Education Funding Review

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- In January 2019, the Province of Manitoba established a new Commission to undertake a comprehensive, independent review of our province's elementary and secondary education system

- While the AMM welcomes the establishment of the Manitoba Commission on K-12 Education, I had the opportunity to make a formal presentation on May 13<sup>th</sup> in which I discussed how the education system is currently funded and prospects for sustainability going forward.
- As the Commission’s public consultation Discussion Paper rightly recognizes, Manitoba has experienced several changes over the years but the main structures underpinning the K-12 education system have remained unchanged.
- The Discussion Paper also notes that K-12 education does not exist in a vacuum.
- Therefore, when examining how to improve the system, I stressed that all factors must be considered, including how the system is funded.
- We know the current funding model in Manitoba is both antiquated and inadequate given the ever-increasing demands on municipalities.
- That is why we have repeatedly urged the Province of Manitoba to provide new, sustainable long-term funding to reduce school division reliance on property taxes.
- We have already renewed discussions with other stakeholders such as the Manitoba School Boards Association (MSBA) with the shared

objective of establishing a provincially-endorsed Task Force to review opportunities and options concerning the education funding model in Manitoba.

- During my remarks to the Commission, I urged its members to closely consider how funds that support education are being collected and invested into the system.
- Continual year-over-year increases greater than the rate of inflation for the school tax portion often result in complaints to municipal offices.
- Municipal officials or local Councils should not have to field complaints regarding school taxes.
- Overall, the system's future and long-term sustainability cannot be de-coupled from how it is funded and paid for.
- Further discussions should transpire about different funding models and local taxation – this is inevitable if the intention is to improve sustainability and overall system costs.
- This Commission's review is long overdue, and the AMM is anxiously awaiting its report and recommendations.

## **Vice-President Kam Blight AMM Speaking Notes**

### **MI Service Delivery Model Review**

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- Hello Everyone, I've really been looking forward to today's meeting.
- I would like to discuss the Manitoba Infrastructure Service Delivery Review.
- In November 2017, MI launched a comprehensive review of its service delivery model to solicit new ways of thinking and provide Manitoba Infrastructure with a new direction to improve our province's infrastructure.
- Given the department's scope, finding efficiencies and reducing red tape in delivering services is certainly very welcome so we can help improve the sustainability of public infrastructure.
- Consultations with municipalities first began back in February 2018 when the department presented to Mayors, Reeves and CAOs.
- During those sessions, MI heard first-hand about some of the challenges and frustrations experienced by municipalities and local government officials.

- The need for increased communication, addressing long delays in waiting for departmental responses, and the lack of municipal autonomy were common themes.
- In addition, the AMM strongly advised against any sort of downloading or offloading of responsibilities to municipalities.
- If efficiencies can be found through revising the scope of provincial-municipal responsibilities, it is essential that provincial funding be provided to municipalities given their financial limitations.
- That is why a new Working Group was struck between the AMM and MI to renew discussions about possible opportunities between municipalities and the department to deliver roadway maintenance services on provincially owned infrastructure.
- I want to be as clear as possible and provide reassurance to you all – **there is no intention of downloading responsibilities to municipalities under this initiative based on our discussions with MI.**
- This initiative is about reducing duplication and finding efficiencies as well as discussing possible areas of collaboration for delivering roadway maintenance services.
- As I reported at the Mayors, Reeves and CAOs meetings in March, an informational package and Expression of Interest questionnaire

was expected to be sent to all municipalities in the beginning of April.

- Unfortunately, the release of these documents was delayed due to unforeseen circumstances.
- AMM staff and I recently met directly with MI's Deputy Minister to resolve these issues, and I am pleased to say we've been able to move this file forward.
- **On May 29<sup>th</sup>, the Expression of Interest Survey was distributed to all municipal offices.**
- The survey will help guide the Working Group's discussions and narrow down the scope for possible areas of focus.
- **By completing this survey, it does not form a formal or binding agreement with Manitoba Infrastructure. This is strictly an information gathering exercise at this point in time.**
- Therefore, please review this survey very closely with your fellow Council members, administration and public works staff.
- Your feedback is extremely important in this process.
- **Submissions must be made by July 5, 2019.**
- We also encourage you all to continue sharing your ideas on this important issue to the AMM office or MI directly.

## Provincial Drainage Regulations & Water Management

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- Next, I know that issues regarding drainage have caused much frustration – I have experienced many of them first-hand as the Reeve of the RM of Portage la Prairie.
- Provincial drainage regulations are still under development and we are waiting to hear from Manitoba Sustainable Development regarding timelines and further consultations with our organization.
- We all know that reducing red tape for low-risk, low-impact drainage projects is long overdue.
- The AMM commended the provincial government for proposing a 14-day approval period through a streamlined registration process with an option for applicants to bundle individual projects on one application under particular circumstances.
- The AMM also welcomed the proposed exemption for like-for-like culvert replacements since these routine projects are often delayed due to red tape, which frustrates municipalities.
- We are hopeful that these positive changes will help reduce the significant backlog of drainage project applications in a timely manner and expedite routine projects.
- Throughout and following the public consultation period, the AMM Executive and staff have been meeting with representatives from



Manitoba Sustainable Development to discuss municipal concerns in greater detail.

- We have received assurances that the existing backlog of applications will be reviewed – as a result, we expect a significant number of these applications will automatically transition into the new registration process and many of these routine projects will be expedited.
- Unfortunately, it appears that these regulations will not be ready for this season.
- We are watching the development of this regulation very closely, and we will immediately communicate any changes once finalized.

## PMJAC/Police Service Review & MHA Update

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- I would like to touch on issues pertaining to policing costs and services.
- The Provincial-Municipal Justice Advisory Committee (PMJAC), whose members consist of municipal officials that come from various policing and public safety backgrounds, continues to meet regularly with representatives from Manitoba Justice.
- The objective of PMJAC is to bring focus and strategic collaboration to justice and community safety issues present in municipalities.

- Provincial and municipal representatives have discussed numerous issues related to increasing policing costs as well as various service provision models, including a review of existing AMM resolutions and concerns brought forward by AMM members over the years.
- The AMM Executive has also met with Minister Cullen to urge the provincial government to undertake a comprehensive review of policing in Manitoba in consultation with the AMM and municipalities focused on the distribution of policing costs and grant funding to promote a more transparent, fair and sustainable policing model.
- Policing and public safety is the fastest-growing cost for municipalities.
- As Manitoba Justice has indicated its intention to review *The Police Services Act*, PMJAC’s municipal members have identified seven core principles to help guide a provincial review of a new policing structure in Manitoba.
- These identified core principles have been communicated directly to Manitoba Justice.
- The AMM and PMJAC believe the provincial government should consult closely and directly with municipalities throughout the review of *The Police Services Act*.

- The final report regarding the independent review of *The Police Services Act* is expected in spring of 2020.
- We have also told Minister Cullen that the AMM and Manitoba municipalities stand ready to offer advice and propose practical solutions in order to help build a more sustainable policing structure across Manitoba.
- **In regards to patient transfers under *The Mental Health Amendment Act*, a new hub system was formally announced on May 30<sup>th</sup>.**
- The deployment of ‘qualified persons’ in healthcare facilities will be done in stages, beginning with Health Sciences Centre Winnipeg, Selkirk Hospital and Brandon Regional Health Centre.
- Allowing trained personnel at healthcare facilities, rather than a police officer, to supervise an individual who's awaiting a mental health assessment should significantly reduce policing costs and help ensure police service coverage in local communities.
- These changes are very positive and address the issues raised in several AMM resolutions over the years.

## PUB Working Group

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- Next, I would like to talk about a new joint Working Group involving the AMM, MMAA and Public Utilities Board (PUB).
- The main objectives are to review and streamline the PUB application process, reduce the processing time and backlog of applications, and improve communication between the PUB and municipalities.
- In addition, we hope to educate all parties involved and increase understanding of elected officials while identifying reasons for lengthy delays in utilities filing applications.
- Some of the issues can be attributed to staffing challenges at the PUB as well as utilities filing incomplete and incorrect information in their applications.
- These themes were also highlighted in our submission to the Red Tape Reduction Task Force in 2017.
- We know there are problems, and we are taking action along with MMAA and PUB to address them in a constructive manner.
- At the end of this process, a report with clear recommendations will be presented along with educational materials for Councils, including webinars for utilities' staff.

- We look forward to providing additional updates on this initiative as it progresses.

## Vice-President Brad Saluk AMM Speaking Notes

### Bill 2 (Codes of Conduct)

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- Hello Everyone, it is great to be here.
- I would like to begin by discussing Bill 2: *The Municipal Amendment Act* (Strengthening Codes of Conduct for Council Members).
- The AMM takes the issues that were brought forward by our members which prompted this proposed legislation very seriously and we are committed to promoting respectful workplace policies and practices for all of our members.
- Harassment and bullying have no place in the workplace, including in and outside Council chambers and municipal offices.
- We commend the local Councils who highlighted these issues by sponsoring various resolutions, which were debated and overwhelmingly supported by our members at previous Conventions.
- As you are aware, there have been extensive consultations with AMM members over the past year-and-a-half in regards to strengthening protections for elected officials.

- Based on those consultations, Bill 2 aims to standardize Codes of Conduct by defining certain content and minimum standards and values.
- Municipalities will be required, by by-law, to establish a Code of Conduct based on the Regulation.
- In regards to mandatory training, all elected officials will be required to take training within six months of being elected.
- Any member who fails to undergo training will be suspended until training is completed.
- The training course is expected to be delivered online and it may take up to two hours to complete.
- The appeals process has yet to be established – consultations will be continuing over the coming weeks and months.
- On May 8<sup>th</sup>, President Groening made a formal presentation to the to the Legislative Affairs Committee on Bill 2. His full remarks can be downloaded from the AMM website.
- On May 15<sup>th</sup>, the AMM was notified by Minister Wharton that Bill 2 passed third reading with one amendment, which changed the coming into force date to November 1, 2020.
- According to Minister Wharton, the amended coming into force date grants the opportunity to continue consultations with key stakeholders, particularly with the AMM, and ensure regulations,

tools and training development to support Bill 2 are robust and in alignment with best practices.

- We are committed to ensuring the needs and concerns of our members continue to be heard and addressed.
- The AMM will continue to consult closely with MMAA and Manitoba Municipal Relations on this legislation and provide regular updates.

## Bill 25 (Taxation Tools)

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- In regards to Bill 25: *The Municipal Amendment and City of Winnipeg Charter Amendment Act*, the AMM has voiced its concerns about this proposed legislation directly to Minister Wharton.
- Bill 25 proposes local Councils report on measures the municipality may take to mitigate shifts in taxes between property classes as a result of a reassessment.
- Overall, it is essential that Councils maintain autonomy and authority over local taxation decisions.
- The provincial government should ensure that resources, templates and tools are provided to local Councils that explain the various municipal taxation tools and mechanisms available to



municipalities so that they are able to make fully-informed decisions in consideration of multiple factors.

- The current processes to enact the various tax tools are much too complex and often confusing for AMM members.
- Therefore, the AMM has urged the provincial government to streamline the application and approval process for the various tax tools in order to provide greater flexibility for local Councils.
- In regards to other aspects of Bill 25, the AMM supports the proposed elimination of the outdated requirement for municipalities to pay 4.75 per cent interest on excess taxes.
- As the current requirements are not in line with economic conditions and have not been reviewed since 1997, they have resulted in significant financial expenses for municipalities.
- Eliminating the interest rate will align with the approach taken by the Provinces of Alberta and Saskatchewan and therefore should benefit Manitoba municipalities.
- The AMM will continue to monitor the effectiveness of these proposed requirements in relation to red tape reduction efforts and promoting government efficiency.

## Cannabis Taxation Revenue-Sharing

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- Next, I would like to discuss the need for cannabis taxation revenue-sharing and the AMM’s advocacy efforts to ensure municipalities are safe and well-served in this new reality.
- Regrettably, the 2019 provincial budget contained no commitment to share cannabis taxation revenues with municipalities despite the federal government allocating an additional 25% of cannabis excise tax revenues to the Province of Manitoba specifically for municipalities.
- Across Canada, only governments in Ontario and Quebec have committed to sharing revenues with municipalities thus far.
- A revenue-sharing model must be co-developed that respects municipal authority and recognizes increased municipal policing and administration costs.
- These costs must be fully covered and not downloaded to local governments.
- The AMM has discussed the issue of taxation revenue-sharing with Premier Pallister, Minister Fielding and Minister Wharton, and all have stressed the importance of monitoring and tracking costs at the local level.

- Therefore, please have your staff forward any figures related to cannabis legalization to the AMM office so that we can more forcefully advocate on your behalf.
- The AMM developed a cannabis cost-tracker tool, which can be downloaded from the AMM website.

## Newspaper Recycling

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- In regards to newspaper recycling payments, the AMM continues to communicate with MMSM and News Media Canada to resolve the issues stemming from the provincial government's decision to no longer pay newspaper recycling levies.
- Consequently, MMSM has been withholding payments to municipalities in light of the funding shortfall.
- To date, more than **\$1.4 million** owing to municipalities has been withheld and this amount continues to grow.
- I can report that News Media Canada has consulted with our organization as they preparing to submit their own program plan to the provincial government.
- Through their own plan, News Media Canada believes Manitoba newspapers would fulfill their obligations by providing advertising space to municipalities in lieu of cash.

- Newspapers intend to provide advertising credits so that municipalities are fully compensated.
- In turn, municipalities would be able to use the advertising to encourage further recycling throughout Manitoba.
- If and when News Media Canada submits its proposed plan to the Province of Manitoba, we understand it will be posted for public comments.
- Assuredly, the AMM will make a formal submission so that this issue can be resolved promptly and municipalities can start receiving the funds that are owed to them.
- We will also monitor the financial implications of this development to ensure your communities are not negatively affected financially through MMSM in discussions with the Province.

## Wireless/Broadband Connectivity & FleetNet Replacement

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- Lastly, I would like to conclude my report by discussing the importance of cell service and broadband Internet connectivity.
- The AMM continues to urge the Province to pursue partnerships with municipalities and the private sector while considering ways to provide additional financial assistance for rural telecommunications infrastructure projects.

- Last fall, Bell MTS announced much-needed investments in southeastern Manitoba – this was obviously very welcome.
- Meanwhile, cellular network coverage remains sparse in many areas throughout Manitoba, which may harm public safety in times of emergency.
- The summer 2019 issue of *The Municipal Leader* features a Special Report about connectivity issues – so please grab a copy as there will be many articles about this common challenge.
- In addition, the decades-old FleetNet emergency communications system is being replaced.
- The Province of Manitoba has entered into a publicly tendered agreement with Bell Mobility Inc. (Bell) for a new Public Safety Communications Service (PSCS).
- The PSCS will provide a modern mobile radio service for public safety and public service organizations in Manitoba, and will replace the Very High Frequency (VHF) radio network used by Manitoba Sustainable Development.
- Over 99% of Manitobans live in the areas that will be covered by the PSCS.
- Engineered to be highly reliable, the PSCS is based on modern communications standards and will be built with modern infrastructure and equipment.

- Implementation of the PSCS infrastructure, and transition of public safety and public service users to the new service, will take up to three years (i.e., from fiscal year 2018/19 to 2020/2021).
- It is anticipated that municipalities will start transitioning to the PSCS beginning in 2020.
- **Compatible radios will be available for sale at a discount via our Trading Company.**
- Further information about this project can be found on the Vehicle and Equipment Management Agency (VEMA) – Radio Services website.
- Bell will also start contacting your municipality’s designated point of contact very soon to discuss transition plans and radio compatibility.
- Thank you very much for your attention.