



# ANNUAL REPORT

2014



*THE ASSOCIATION OF  
MANITOBA MUNICIPALITIES  
IDENTIFIES AND ADDRESSES  
THE NEEDS AND CONCERNS  
OF ITS MEMBERS IN ORDER  
TO ACHIEVE STRONG  
AND EFFECTIVE MUNICIPAL  
GOVERNMENT.*

COVER PHOTO: PISEW FALLS, NEAR THOMPSON, MANITOBA  
COURTESY OF ROSE KUZINA

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# Message from the President

On behalf of the Board of Directors of the Association of Manitoba Municipalities (AMM), I am pleased to submit the 2014 Annual Report.

This past year, the 16th in AMM history, will stand out in the record books as a time of dissent and upheaval for Manitoba municipalities. The forced amalgamation initiative has been a cloud darkening the municipal landscape since it the Province of Manitoba announced its intentions two years ago. At the direction of our membership the AMM legally challenged the Municipal Amalgamations Act but this challenge was dismissed. On January 1, 2015, amalgamation will be complete.

There is, however, light at the end of the tunnel. The AMM has lobbied forcefully for support and resources to smooth the completion of the amalgamation process, and these supports were recently introduced. Challenges remain but municipalities are resilient, and I have no doubt our members will move on and continue to do the good work their citizens elect them to do.

Some of that work has already begun. The New Building Canada Fund (NBCF) was launched in 2014 and the AMM was pleased to see a dedicated Small Communities Fund (SCF) included, and also to be appointed to the selection committee tasked with making recommendations for the fund. After a lengthy launch and application process, it is good to see the wheels are now in motion and the first projects are underway.

Alternate revenue continued to be a primary focus for the Board this past year and although no firm headway has been reached, our joint poll called "Everything is Local" offered plenty of validation. First, the citizens of Manitoba believe infrastructure is the top issue they face in

their communities. Secondly, those same citizens are open to having new tax-generated revenues placed into the hands of local governments. Given this solid direction, we will continue our efforts for as long as necessary to achieve a predictable, long-term source of infrastructure revenue.

The year was not without its successes and those are detailed throughout the pages of this report. Our work with the federal and provincial governments, with Manitoba's cities, and with organizations such as the Public Utilities Board was not without challenges but those trials make the successes we enjoyed even more gratifying.

And while all of these relationships are important to the work we do, there is none other as important to our success as our relationship with our membership. It is especially during the difficult years – and this year has been nothing if not difficult – that we see the awesome strength and passion of our members for the often thankless jobs that they have taken on. Well done.

With 2014 also being a municipal election year we have many new members to welcome and outgoing members to bid farewell. This extends to our own Board of Directors. First, I'd like to wish former AMM Urban Vice-President Eileen Clarke every success in the future. Eileen was an extremely hard worker who brought a business-minded approach to the AMM Executive, and I will miss her greatly.

And to our outgoing directors, Shirley Kalyniuk, Randy Lints, Cliff Kutzan, Lyle Smith, Angela Enright, Luke Robinson, and Claude Lussier – thank you for your service and dedication to the Board. Your contributions will be missed.

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*Given this solid direction, we  
will continue our efforts for as  
long as necessary to achieve a  
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infrastructure revenue.*

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Doug Dobrowolski, President




# Message from the Executive Director

I am pleased to provide the Executive Director's message for the 2014 Annual Report of the AMM. It has been a challenging year but not without some highlights, and I would like to share those with you.

First and foremost, the Municipalities Trading Company of Manitoba Limited (MTCML) enjoyed another strong year, with sales of approximately \$34.5 million. Due to the continued participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate \$700,000 to our members based on their sales. This brings the cumulative rebate over the past 13 years to \$8 million.

Our membership events, including Mayors, Reeves and CAOs meetings, the Municipal Officials Seminar and Trade Show (MOS), June District Meetings, and the Annual Convention again enjoyed excellent attendance this past year. In fact, MOS attendance was at an all-time high with 680 delegates taking part. I attribute this to the value our members see in our events, the quality of speakers we offer, and the networking opportunities provided for members. I assure you we will continue to raise the bar in this area.

With social media changing on an almost daily basis, the AMM's communications efforts continue to evolve. The AMM's social media presence – particularly Twitter – now has close to 1,000 followers. At the same time, our regular communications offerings, including the Municipal Leader magazine and bi-weekly news bulletin continue to ensure our members and others are always up-to-date on AMM activities and municipal issues. This year we also invested in a brand-new website, built with our members needs in mind and completely responsive to desktop computers, tablets, and smartphones.

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*The MTCML was able to rebate \$700,000 to our members based on their sales. This brings the cumulative rebate over the past 13 years to \$8 million.*

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Joe Masi, Executive Director

Our Board of Directors is second to none and truly representative of all corners of Manitoba. I sincerely appreciate their support and guidance throughout the year. Without their investment in time and effort into the AMM we would not be the successful association we are today.

It also goes without saying that the programs and services we offer our members would simply not be possible without the excellent efforts of our staff, as they truly go above and beyond to ensure our member benefits are of the highest quality. I know from my perspective, and from that of our membership as well, the hard work of our staff does not go unnoticed.

I would also like to recognize the partnership we enjoy with the Manitoba Municipal Administrators' Association. President Daryl Hrehirchuk sits as an ex-officio member and made a significant contribution at our board table throughout the year. We also appreciate the efforts of Executive Director Mel Nott and all of the MMAA's members throughout the year. This year in particular was, due to amalgamation, fraught with uncertainty and I believe our excellent working relationship with the MMAA helped, and will continue to help, smooth that path.

Finally, thank you to our members for their continued advice, support and encouragement. Some years are more challenging than others and 2014 has been trying for all of us. But our association has remained focused and that is a testament to your strength and support.

I hope you enjoy this annual report, and I look forward to continuing to work on your behalf in 2015.



# AMM 2014

## Board of Directors

The AMM Board of Directors is comprised of the members of the Executive Committee who shall not hold any other Board position, plus fifteen (15) additional Board Members. The Board Members are comprised of Elected Officials representing one of seven (7) Districts. The Parkland, Western, Midwestern, Central, Eastern, and Interlake districts are comprised of one (1) representative from an urban municipality and one (1) representative from a rural municipality in each of the respective Districts. The representation to the Board for the Northern District shall be comprised of one (1) representative from either The Pas, Flin Flon, Snow Lake or Grand Rapids, and one (1) representative from either Thompson, Lynn Lake, Leaf Rapids, Churchill, Gillam or the LGD of Mystery Lake. The Director for the City of Winnipeg shall be appointed by the council of the City of Winnipeg.

The AMM shall have an Executive Committee consisting of a President, Vice-President Rural and Vice-President Urban. The Executive Members are elected for a two-year term at the Annual Convention.

The term of office for all Directors shall be for two years. Each Director shall hold office until the second annual District Meeting following their election to office.

The President of the Manitoba Municipal Administrators' Association also sits as an ex-officio member of the AMM Board of Directors.



AMM Executive:

Reeve Ralph Groening, **RURAL  
VICE-PRESIDENT**

Mayor Eileen Clarke, **URBAN  
VICE-PRESIDENT**

Joe Masi,  
**EXECUTIVE DIRECTOR**

Councillor Doug Dobrowolski,  
**PRESIDENT**

*“Our strength is our people.”*



Councillor Trevor King  
INTERLAKE RURAL



Mayor Randy Sigurdson  
INTERLAKE URBAN



Reeve Neil Christoffersen  
CENTRAL RURAL



Mayor Mel Klassen  
CENTRAL URBAN



Reeve Claude Lussier  
EASTERN RURAL



Mayor Chris Goertzen  
EASTERN URBAN



Reeve Rick Plaisier  
WESTERN RURAL



Councillor Stuart Olmstead  
WESTERN URBAN



Reeve Randy Lints  
MIDWESTERN RURAL



Mayor Shirley Kalyniuk  
MIDWESTERN URBAN



Reeve Cliff Kutzan  
PARKLAND RURAL



Mayor Lyle Smith  
PARKLAND URBAN



Councillor Luke Robinson  
NORTHERN



Councillor Angela Enright  
NORTHERN



Councillor Jeff Browaty  
CITY OF WINNIPEG



CAO Daryl Hrehirchuk  
MANITOBA MUNICIPAL  
ADMINISTRATORS'  
ASSOCIATION

# AMM Staff

## Front Row, L to R:

Linda Hargest,  
DIRECTOR OF ADMINISTRATION & MARKETING

Denys Volkov,  
DIRECTOR OF POLICY & COMMUNICATIONS

## Back Row, L to R:

PATTI DE BAETS, FINANCE COORDINATOR

LINDSAY THOMSON, SENIOR POLICY ANALYST

LYNNE BEREZA, COMMUNICATIONS COORDINATOR

JOE MASI, EXECUTIVE DIRECTOR

DONNA BELBIN, EVENTS COORDINATOR

JULIA GREEN, EXECUTIVE ASSISTANT



# AMM Members

## URBAN CENTRES

Altona, Town  
 Arborg, Town  
 Beausejour, Town  
 Benito, Village  
 Binscarth, Village  
 Birtle, Town  
 Boissevain, Town  
 Bowsman, Village  
 Brandon, City  
 Carberry, Town  
 Carman, Town  
 Cartwright, Village  
 Churchill, Town  
 Crystal City, Village  
 Dauphin, City  
 Deloraine, Town  
 Dunnottar, Village  
 Elkhorn, Village  
 Emerson, Town  
 Erickson, Town  
 Ethelbert, Village  
 Flin Flon, City  
 Gilbert Plains, Town  
 Gillam, Town  
 Gladstone, Town  
 Glenboro, Village  
 Grand Rapids, Town  
 Grandview, Town  
 Gretna, Town  
 Hamiota, Town  
 Hartney, Town  
 Lac du Bonnet, Town  
 Leaf Rapids, Town  
 Lynn Lake, Town  
 MacGregor, Village  
 Manitou, Town  
 McCreary, Village  
 Melita, Town  
 Minitonas, Town  
 Minnedosa, Town  
 Morden, City  
 Morris, Town  
 Mystery Lake, LGD  
 Neepawa, Town  
 Niverville, Town  
 Notre-Dame-de-Lourdes,  
 Village  
 Oak Lake, Town  
 Pilot Mound, Town

Pinawa, LGD  
 Plum Coulee, Town  
 Portage la Prairie, City  
 Powerview-Pine Falls, Village  
 Rapid City, Town  
 Rivers, Town  
 Riverton, Village  
 Roblin, Town  
 Rossburn, Town  
 Russell, Town  
 Selkirk, City  
 Snow Lake, Town  
 Somerset, Village  
 Souris, Town  
 St. Claude, Village  
 St. Lazare, Village  
 St. Pierre-Jolys, Village  
 Ste. Anne, Town  
 Ste. Rose du Lac, Town  
 Steinbach, City  
 Stonewall, Town  
 Swan River, Town  
 Teulon, Town  
 The Pas, Town  
 Thompson, City  
 Treherne, Town  
 Virden, Town  
 Waskada, Village  
 Wawanesa, Village  
 Winkler, City  
 Winnipeg Beach, Town  
 Winnipeg, City  
 Winnipegosis, Village

## RURAL MUNICIPALITIES

Albert  
 Alexander  
 Alonsa  
 Archie  
 Argyle  
 Armstrong  
 Arthur  
 Bifrost  
 Birtle  
 Blanshard  
 Brenda  
 Brokenhead  
 Cameron  
 Cartier

Clanwilliam  
 Coldwell  
 Cornwallis  
 Daly  
 Dauphin  
 De Salaberry  
 Dufferin  
 East St. Paul  
 Edward  
 Ellice  
 Elton  
 Eriksdale  
 Ethelbert  
 Fisher  
 Franklin  
 Gilbert Plains  
 Gimli  
 Glenella  
 Glenwood  
 Grahamdale  
 Grandview  
 Grey  
 Hamiota  
 Hanover  
 Harrison  
 Headingley  
 Hillsburg  
 Kelsey  
 Killarney-Turtle Mountain  
 La Broquerie  
 Lac du Bonnet  
 Lakeview  
 Langford  
 Lansdowne  
 Lawrence  
 Lorne  
 Louise  
 Macdonald  
 McCreary  
 Miniota  
 Minitonas  
 Minto  
 Montcalm  
 Morris  
 Morton  
 Mossey  
 Mountain  
 North Cypress  
 North Norfolk  
 Oakland  
 Ochre River

Odanah  
 Park  
 Pembina  
 Piney  
 Pipestone  
 Portage la Prairie  
 Reynolds  
 Rhineland  
 Ritchot  
 Riverside  
 Roblin  
 Rockwood  
 Roland  
 Rosedale  
 Rossburn  
 Rosser  
 Russell  
 Saskatchewan  
 Shell River  
 Shellmouth-Boulton  
 Shoal Lake  
 Sifton  
 Siglunes  
 Silver Creek  
 South Cypress  
 South Norfolk  
 Springfield  
 St. Andrews  
 St. Clements  
 St. Francois Xavier  
 St. Laurent  
 Stanley  
 Ste. Anne  
 Ste. Rose  
 Strathclair  
 Strathcona  
 Stuartburn  
 Swan River  
 Taché  
 Thompson  
 Victoria  
 Victoria Beach  
 Wallace  
 West St. Paul  
 Westbourne  
 Whitehead  
 Whitemouth  
 Whitewater  
 Winchester  
 Woodlands  
 Woodworth

# Top Issues for 2013

## Amalgamation

The Province of Manitoba announced its intention to begin a process of amalgamations of all municipalities with a population under 1,000 in the 2012 Throne Speech. The AMM's role has been to support its members where possible, while maintaining it is not opposed to community-driven amalgamations.

On September 13, 2013, Bill 33: The Municipal Modernization Act (now referred to as the Municipal Amalgamations Act) received Royal Assent. On October 10th the AMM invited affected municipalities to a meeting in Portage la Prairie to give them an opportunity to meet with AMM legal counsel and to ask questions and receive clarification about the Bill. On November 26, delegates at the AMM Annual Convention carried a resolution calling on the AMM to oppose forced amalgamation through legal proceedings, representing those municipalities that did not wish to amalgamate. The results were 65% for and 35% against the resolution.

The AMM spent the ensuing days consulting with legal advisors and determining next steps. On December 11, the AMM began legal proceedings challenging the Province's implementation of the Municipal Amalgamations Act.

The challenge was directed at two aspects of the amalgamation process:

1. The applicants asked the Court to ensure that the procedure the Province must follow to consider amalgamating municipalities under the Amalgamations Act was fair and transparent for municipalities and their residents.
2. The Province of Manitoba's decision, before the December 1, 2013 deadline, that certain groupings of municipalities would be amalgamated.

In general, the AMM and the affected municipalities asked for procedural fairness in accordance with the Municipal Amalgamations Act. The Act itself could not be challenged; however, we believed it was, or had the potential to be unfairly enforced.



*The Probe Research poll “Everything is Local” indicated that over 55% of Manitobans and over 60% of residents in affected municipalities supported the AMM’s legal challenge on amalgamation.*

The AMM was disappointed this court challenge was dismissed on March 28, 2014. This result meant that municipalities would be required to comply with the Act. However, the judge did ask the Minister of Municipal Government to respect community amalgamation plans.

Regulations were passed for all amalgamated municipalities, which will officially become legal entities on January 1, 2015.

It became clear throughout the process that amalgamations in Manitoba will come with challenges as well as hard costs to complete the integration of two or more municipalities. These costs include, but are not limited to, audits, data and software conversions, human resources and legal issues. Since this was a provincial initiative, the AMM felt it was important for the Province to provide the support and resources needed to complete the amalgamation process.

The AMM has worked with the Manitoba Municipal Administrators Association (MMAA) and Manitoba Municipal Government to identify all the potential challenges for amalgamating municipalities.

#### Key facts about the AMM’s amalgamation court challenge:

- 65% of AMM members voted in favour of legally challenging the government’s decision to force the amalgamation of municipalities with populations under 1,000 residents at the 2013 annual convention.
- The AMM has never opposed amalgamation and remains in support of voluntary amalgamation.
- The Probe Research poll “Everything is Local” indicated that over 55% of Manitobans and over 60% of residents in affected municipalities supported the AMM’s legal challenge on amalgamation.
- Real benefits of municipal amalgamation in Manitoba remain unclear.

LEFT: THE AMM HOSTED A MEETING IN PORTAGE LA PRAIRIE ON OCTOBER 10, 2013. MUNICIPAL REPRESENTATIVES FROM MUNICIPALITIES AFFECTED BY AMALGAMATION HAD THE OPPORTUNITY TO ASK QUESTIONS ABOUT BILL 33: THE MUNICIPAL MODERNIZATION ACT.

*“The AMM is very pleased to be part of the selection committee tasked with making recommendations for the Small Communities Fund.”*

President Doug Dobrowolski

# New Building Canada Fund

On February 13, 2014 Prime Minister Steven Harper announced details of the 10-year New Building Canada Fund (NBCF) and its three funding programs: the National Infrastructure Component (NIC), the Provincial-Territorial Infrastructure Component - National and Regional Projects (PTIC-NRP), and the Provincial -Territorial Infrastructure Component - Small Communities Fund (PTIC-SCF).

The AMM was pleased to hear that a dedicated Small Communities Fund (SCF) would mean that small, rural, remote, and northern communities would have greater predictability and access to infrastructure funding. However, important questions remained about how the rest of the New Building Canada Fund would be used to meet local needs.

On March 28, the federal government officially launched the programs and announced Manitoba's allocation of the PTIC was \$467.1 million - \$420.4 million for National and Regional Projects, and \$46.7 million for the SCF.

The AMM expressed concern to the federal government that only 10% of the New Building Canada Fund was guaranteed for the SCF. Nevertheless, municipalities were anxious to begin applying for projects under the new funding as they awaited further details.

In late June the first intake of the SCF was initiated. The process was aided by the creation of a local consultative committee established to review and make funding recommendations on projects submitted under the SCF. As in the past, the AMM joined members of the Northern Association of Community Councils (NACC) and Aboriginal and Northern Affairs to sit on this committee.

The deadline for the first intake was July 11 and the first approved projects were announced in the Interlake in early October. Subsequent announcements were expected to follow soon after in the other areas of the province.

President Doug Dobrowolski took part in the first announcement. “The AMM is very pleased to be part of the selection committee tasked with making recommendations for the Small Communities Fund,” he said. “With the approval of these important projects, municipalities can now move forward in addressing their infrastructure needs.”

The New Building Canada Plan is a 10-year infrastructure funding plan consisting of several separate sources of funding:

## 1. Gas Tax Fund (GTF)

Originally introduced in as a predictable and flexible source of funding for municipalities, the renewed and now permanent GTF will be indexed at two% per year, to be applied in \$100 million increments. Manitoba will receive over \$340 million per year from the GTF from 2014-2019.

## 2. New Building Canada Fund (NBCF)

The NBCF consists of a National Infrastructure Component and a Provincial-Territorial Infrastructure Component (PTIC). 10% of the PTIC is guaranteed for the Small Communities Fund, which funds projects in communities with populations under 100,000.

Manitoba will receive \$467 million under the PTIC over the next 10 years, \$46.7 million of which will be allocated to the Small Communities Fund.

## 3. P3 Canada Fund

\$1.25 billion will be invested into the P3 (Public-Private Partnerships) Canada Fund, to be administered by PPP Canada.

# Alternate Revenue

For many years, the AMM has lobbied for alternate revenue in the form of a share of the existing PST. This request became more audible following the Province of Manitoba's decision to increase the Provincial Sales Tax (PST) by 1% in its 2013 budget. Unfortunately the increase was not totally dedicated to addressing the over \$11 billion municipal infrastructure deficit in Manitoba.

The AMM is not alone in asking for a predictable and long-term source of revenue to fix crumbling municipal infrastructure. As the condition of our local infrastructure deteriorates, it is becoming more and more important to our residents to see it fixed. They share our concerns.

In late 2013 the AMM partnered with the City of Winnipeg and the Manitoba Heavy Construction Association to conduct a poll called "Everything is Local." In the poll, Manitobans were asked what they thought about the PST increase. It is no secret it was, and continues to be, unpopular.

However, Manitobans have previously told us they would accept an increase to the PST as long as it was dedicated to municipal infrastructure needs.

*Manitobans clearly have a higher level of trust in their municipal government than they do in their provincial government.*

So rather than focusing on how upset they were about the increase to the PST, we asked citizens who they think should control the funds raised by increasing the PST. Should it be the provincial government, or should these funds be provided directly to municipal governments so they could use this money to invest in local infrastructure?

We found that Manitobans are overwhelmingly disposed to having new tax-generated revenues put in the hands of local governments.

In fact, 69% of those surveyed felt the money raised from the PST increase should flow directly to municipalities.

Slightly less than one-quarter (23%), on the other hand, felt the provincial government should determine how this money is spent.

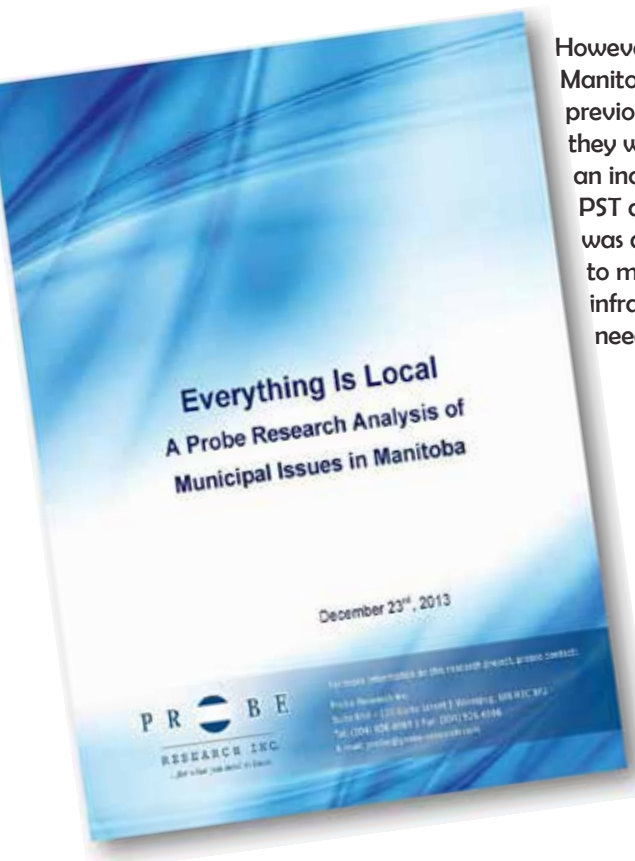
We also asked Manitobans which areas of their municipality they thought required additional municipal investments.

More than one-half of Manitobans – 56% – believe local governments should spend more money addressing core infrastructure, like streets, roads, bridges, and water and wastewater-related assets.

While the "Everything is Local" poll is a snapshot in time, it successfully illustrates that Manitobans clearly have a higher level of trust in their municipal government than they do in their provincial government when it comes to infrastructure spending.

AMM President Doug Dobrowolski believes this is because municipalities are the order of government closest to the people. "Municipal elected officials are the people we see every day – they are our co-workers, neighbours and friends," he explained.

"It only makes sense that Manitobans have a high level of trust in their local governments to make the infrastructure spending decisions that will directly affect their communities."



# Lobbying Highlights



RIGHT: PRESIDENT DOUG DOBROWOLSKI  
JOINED THE HONOURABLE KEVIN CHIEF,  
MINISTER OF CHILDREN AND YOUTH  
OPPORTUNITIES, AT THE MANITOBA  
LEGISLATURE ON JUNE 6 TO ANNOUNCE  
OVER 100 ADDITIONAL GREEN TEAM  
POSITIONS.

# Successes

Any lobby group is judged by its successes. The past year was a success for the AMM in many areas and a work in progress in others. Here is an overview of some of the highlights of the past year.

## INFRASTRUCTURE FUNDING

To build on the success of the recently introduced Municipal Road Improvement Program (MRIP), the provincial government added \$3 million to this program, making a total of \$10 million available for road repairs to municipalities outside of Winnipeg per year for the next five years. This was part of the provincial Five Year Plan, aimed at using the new PST revenue for core infrastructure, including roads, bridges, flood protection and municipal infrastructure.

The AMM was pleased its voice was heard, as municipalities will now benefit from more dollars to complete badly needed repairs and upgrades to their core infrastructure.

The Manitoba Water Services Board received another \$2 million funding increase through the Five Year Plan, resulting in a total of \$16.8 million in provincial funding per year for the next five years for water and wastewater projects. This new funding will help support more communities with water and wastewater project design and development work to upgrade their facilities.

## SURFACE WATER MANAGEMENT AND DRAINAGE REGULATION

After numerous AMM resolutions passed on water management and improved drainage regulation and enforcement, a commitment was made in the 2011 Throne Speech to develop a provincial surface water management strategy. The AMM was therefore pleased to

see the release of the Surface Water Management Strategy and "Towards Sustainable Drainage: A Proposed New Regulatory Approach" in June 2014 for consultations. The AMM provided comments on surface water management as it was in development. Representatives of the AMM also participated on a steering committee led by Manitoba Conservation and Water Stewardship to come up with a plan for a new drainage regulation that could work together with the Surface Water Management Strategy.

The AMM will provide additional comments on both consultation documents released by the Province by the end of 2014.

## HOMETOWN GREEN TEAM

This year, provincial funding for the Hometown Green Team was increased by \$500,000. This allowed communities to offer 110 new Green Team positions for Manitoba's youth. The AMM was pleased with this increase after lobbying for more provincial support for this program since 2007. The Hometown Green Team offers 50-50 funding for wages to municipalities, which allows them to offer meaningful summer job opportunities to students in small urban and rural communities. This also allows the delivery of local projects that enhance urban and rural communities, such as recreation activities or neighbourhood clean-up.



## FUNDING FOR CHILD CARE

The AMM has lobbied for many years for more child care spaces and improved working conditions to retain qualified child care workers, particularly in small or rural communities because of the positive spin-off effects that available child care has on local economies. With some progress in recent years, the government followed up on its previous Family Choices agenda with consultations with parents, early learning and child care workers, and other stakeholders on priorities going forward. The government recently released their new strategy called "Family Choices: Manitoba's Plan to Expand Early Learning and Child Care." The new strategy outlines plans to invest in more child care spaces, support higher wages for child care workers, and other supports for both child care centres and parents. The 2014 provincial budget announced an investment of \$5 million in funding for the creation of an additional 1,000 child care spaces.

## MODERNIZATION OF LIQUOR LICENSES

After extensive consultations, the Province of Manitoba's new liquor and gaming legislation and regulations went into effect on April 1, 2014. The AMM was particularly pleased it addressed requests on behalf of municipi-

## *The AMM successfully lobbied for increased funding for economic development as funding for the Partner 4 Growth program was doubled in 2014.*

palities to simplify and modernize the license and enforcement process. For multi-use facilities that previously had to apply for multiple licenses from the 12 licenses available, obtaining a liquor license will be much quicker and easier.

## GROWING FORWARD 2 PROGRAMS

The AMM lobbied for a number of separate initiatives that were included as programs under the Growing Forward 2 Agreement between the provincial and federal governments. Since Growing Forward 2 is an agricultural framework, the programs are aimed at agricultural producers. However, the AMM was pleased with the way they intersect with municipal priorities in many cases, and have the potential to benefit both sectors.

### Growing Adaptation

This program provides funding for strategic water infrastructure projects and studies that provide economic development in the agri-product processing and agricultural industries. Although not all municipal rural water pipeline

projects will qualify, the AMM was pleased to see some funding provided to support the expansion of this infrastructure after several years of lobbying for the renewal of a tripartite federal-provincial-municipal funding program.

### Growing Assurance – Ecological Goods and Services (EG&S)

The AMM has lobbied since 2010 for a provincial policy to provide compensation for EG&S due to its numerous environmental benefits. This program provides financial assistance to local Conservation Districts to work with producers to implement beneficial management practices in several different categories on farms to conserve and enhance EG&S on the agricultural landscape.

### Growing Assurance – Farmland Beaver Damage Control

This \$1 million program will help reduce flooding and other damage to agricultural lands by providing funding for beaver removal, pond levelers, beaver deceivers and dam removal. The program also educates farmers about humane removal methods, and how to prevent problems to their land such as crop loss and erosion. The AMM was pleased this program recognized the often significant cost of rebuilding infrastructure damaged by beaver activity by taking a more proactive approach. The AMM hopes to see positive results from this new program, but continues



PRESIDENT DOUG DOBROWOLSKI (L) AND THE HONOURABLE RON KOSTYSHYN AT A PARTNER 4 GROWTH ANNOUNCEMENT.



LINDSAY THOMSON (L), AMM SENIOR POLICY ANALYST, AND MAYOR EILEEN CLARKE, URBAN VICE-PRESIDENT, DISPLAY THE MANITOBA SERVICE EXCELLENCE AWARD FOR PARTNERSHIP PRESENTED TO THE SUBDIVISION JOINT TECHNICAL ADVISORY COMMITTEE ON JUNE 20.

to emphasize the importance of beaver management methods to prevent costly damage.

#### RENTAID

A 2011 AMM resolution requested that the Province of Manitoba provide an increased shelter allowance to low income individuals and families. In 2014 the Province announced a new benefit program to help with housing costs for low-income individuals and families. Manitoba Rent Assist will have two streams: one for Employment and Income Assistance (EIA) clients, and one for other low-income Manitobans. The government's goal is to make shelter benefits simpler, with eligibility criteria that is easier to understand. The new benefit builds upon previous efforts and focuses on portability when people leave social assistance for work, to facilitate an easier transition to employment. Manitoba Rent Assist replaces and adds to the former EIA shelter allowance and RentAid programs.

#### SUBDIVISION REVIEW PROCESS

Amendments to the Planning Act now allow for a new and expedited process for certain single-lot subdivisions ("minor" subdivisions). These changes

allow approving authorities to issue conditional approval up-front for very simple applications that meet specified criteria. These criteria were compiled by a joint Technical Advisory Committee that included representatives from the AMM and all government departments and agencies involved in the subdivision review.

The changes introducing the new review process for simple one-lot subdivision applications took effect on January 31, 2014, and are expected to reduce approval times by more than two months. Single-lot subdivisions in both urban and rural areas that meet the criteria may follow the expedited process.

#### PARTNER 4 GROWTH

The AMM successfully lobbied for increased funding for economic development as funding for the Partner 4 Growth program was doubled in 2014, for a total of \$260,000 in available funding. In all, 32 regional projects from throughout the province received 50-50 cost-shared grants. Eligible applicants included rural municipalities, First Nations communities, non-profit organizations, chambers of commerce and other Manitoba communities. The AMM

continues to lobby for future increases to Partner 4 Growth funding to support additional community economic development efforts, and a coordinated economic development strategy for all of Manitoba.

#### REDUCED SPEED LIMITS IN SCHOOL ZONES

Once the legislation was proclaimed in the fall of 2013 to allow municipalities greater control over speed limits in school zones, the AMM's legal counsel developed a template by-law for municipalities to use. A guide was developed by Manitoba Infrastructure and Transportation to help with the implementation of the by-law according to the regulations. Now that municipalities have the ability to implement reduced speed limits in school zones on roadways within their geographical boundaries, many have done so to coincide with the start of the 2014 school year. As well, on August 11, 2014 the regulation was amended to address concerns regarding advanced warning sign placement, overall signage height, and marking adjacent reduced-speed school zones. A new version of the Guide to Establishing Reduced-Speed School Zones was also made available to reflect these changes.

# Lobbying Highlights

## Federal



### MEETINGS WITH MEMBERS OF THE FEDERAL CABINET

The AMM met with the Honourable Shelly Glover, Senior Regional Minister for Manitoba, and Minister of Canadian Heritage and Official Languages on March 13, 2014.

The AMM began the discussion with the New Building Canada Fund (NBCF), and Minister Glover indicated details would be provided by April 1, 2014. The AMM was pleased the NBCF would include a Small Communities Component and requested to be included on the selection committee. The AMM expressed concern that local roads, tourism, culture, sport and recreation were not included as eligible categories in the NBCF. Minister Glover also discussed the new communications protocol for the Gas Tax Fund.

The AMM also raised ongoing broadband and cell service issues in areas such as southeastern Manitoba, which can produce potential safety issues and barriers to economic development. The AMM asked for details on the new \$305 million rural broadband fund announced in the 2014 federal budget, and the Minister indicated additional information would be available later in the spring. The AMM and the Minister also discussed meeting with other Manitoba Members of Parliament to further discuss cell service availability. Finally the AMM discussed its recommendations to improve Disaster Financial Assistance. As well, the National Disaster Mitigation Program could play an important role in flood mitigation in the future. The federal budget has committed \$200 million over five years to this program.

The AMM also met with the Honourable Peter Braid, Parliamentary Secretary for Infrastructure and Communities, and MP Lawrence Toet on March 14, 2014. The AMM reiterated its position on the New Building Canada Plan.

The AMM continues to support the work of the Federation of Canadian Municipalities (FCM's) work to deliver recommendations to Public Safety Canada on the proposed National Disaster Mitigation Program. As well, both AMM and FCM regularly raise the importance of housing with the federal

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ABOVE, L TO R: THE HONOURABLE CANDICE BERGEN, MINISTER OF STATE (SOCIAL DEVELOPMENT), WITH AMM URBAN VICE-PRESIDENT EILEEN CLARKE AND EXECUTIVE DIRECTOR JOE MASI AT A HOUSING ANNOUNCEMENT.

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government, and FCM launched their “Fixing Canada’s Housing Crunch” campaign in October 2013 to urge governments to work together to develop a long-term plan for housing. In July 2014, the Government of Canada and Province of Manitoba announced a joint investment of \$104 million over five years to help create more affordable housing for individuals and families across the province. The funding will be delivered through an extension to the Investment in Affordable Housing (IAH) agreement. Under the IAH, the Province of Manitoba has the flexibility to design and deliver a range of affordable housing programs to address local housing needs and priorities.

Finally, the AMM was pleased to hear that funding applications for the rural broadband program, Connecting Canadians, will be open to Internet Service Providers in the fall of 2014 based on identified underserved areas. FCM also continues to monitor Industry Canada spectrum auctions and their impact on expanding broadband access.

#### AMM WORK WITH FCM

This year there were some changes to Manitoba’s representation on the FCM Board. Along with AMM President Doug Dobrowolski and City of Winkler Deputy Mayor Marvin Plett, Manitoba’s newest FCM Board members are Kurtiss Krasnesky, Deputy Mayor of the RM of St. Andrews, Michael Wasylin, Deputy Mayor of the RM of East St. Paul, and Jeff Browaty, Councillor for the City of Winnipeg. As well, Jenny Gerbasi, Councillor for the City of Winnipeg, was elected Third Vice-President.

The AMM continues to participate in the FCM National Municipal Rail Safety Working Group which was formed following several rail accidents in 2013. Since last year, Transport Canada announced Protective Direction No. 32, a regulation requiring all railway companies operating in Canada to provide yearly aggregate information on the nature and volume of dangerous goods they transport by rail through a municipality for emergency response planning purposes. A number of Manitoba municipalities registered to receive this information, and have begun to receive reports from the railways.

Protective Direction No. 32 responded to one aspect of improved rail safety that has been raised through the FCM Working Group, but there are a number of other initiatives FCM has been pursuing. These include ensuring Transport Canada is addressing municipal concerns identified in the Transportation Safety Board Report regarding the Lac-Mégantic derailment, assessing insurance requirements to determine if they are adequate, ensuring railway risk assessment guidelines incorporate municipal concerns, and providing recommendations on new federal Grade Crossing Regulations.

As well, the AMM continues to support FCM’s work to deliver recommendations to Public Safety Canada on the proposed National Disaster Mitigation Program. Finally, the AMM was pleased to hear that funding applications for the rural broadband program, Connecting Canadians, will be open to Internet Service Providers in the fall of 2014 based on identified underserved areas. FCM also continues to monitor Industry Canada spectrum auctions and their impact on expanding broadband access.

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BELOW, L TO R:  
PRESIDENT DOUG DOBROWOLSKI JOINED THE HONOURABLE SHELLEY GLOVER, MINISTER OF CANADIAN HERITAGE AND OFFICIAL LANGUAGES, THE HONOURABLE STAN STRUTHERS, MINISTER OF MUNICIPAL GOVERNMENT, JOYCE BATEMAN, MP FOR WINNIPEG SOUTH CENTRE, MAYOR SAM KATZ, CITY OF WINNIPEG, AND LARRY MAGUIRE, MP FOR BRANDON-SOURIS AT THE MAY 2 SIGNING OF THE FEDERAL GAS TAX AGREEMENT.

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# Lobbying Highlights



## Provincial

The AMM meets annually with each provincial Cabinet Minister to raise important municipal issues. As well, the AMM stated its position on forced amalgamation at the beginning of every ministerial meeting in 2014.

### FINANCE

The AMM had a pre-budget meeting with the Honourable Jennifer Howard on January 23, 2014. President Doug Dobrowolski presented the AMM pre-budget submission to the Minister and highlighted several key points on behalf of municipalities: specifically, the need for alternate revenue sources such as a rebate of the PST paid by municipalities, the New Building Canada Fund and Gas Tax Fund, the lack of affordable housing, the need for improved cell service in some areas of Manitoba, the need for increased funding for the Community Places Program, the need for dedicated funding for palliative care, and the lack of provincial planners to assist municipalities with important tasks such as development plan review.

Vice-President Ralph Groening and Vice-President Eileen Clarke raised the need for provincial funding to support a number of important programs such as conservation districts,

rural water pipeline expansion, economic development and the municipal bridge program. President Dobrowolski urged the Province to look at saving money by reviewing duplications and inefficiencies in provincial regulations. Minister Howard indicated the upcoming budget would focus on skills and economic development, as well as core infrastructure. The emphasis would be on finding efficiencies rather than short-term cuts.

### JUSTICE

The AMM's first meeting on February 6, 2014 was with the Honourable Andrew Swan. The AMM opened the meeting with a discussion about community policing and requested support for the renewal of the federal Police Officer Recruitment Fund (PORF). While Minister Swan had previously discussed the PORF with his federal counterpart, he had not received any indication it would be renewed. The AMM also requested an update on how policing will be affected in amal-

gamated municipalities. Minister Swan provided reassurance there will be no major impact on amalgamated municipalities regarding policing, although some municipalities will have to make choices about their policing arrangements after 5 years.

Additionally, the AMM raised concerns regarding overtime costs and the new police boards.

According to the Minister, the police boards are working well. The Manitoba Association of Chiefs of Police (MACP) had not raised any issues with police boards at their last meeting with the Minister. Minister Swan also indicated his department is working on reducing overtime costs for police officers by using technology to create efficiencies. As well, new legislation that will change enforcement of provincial offences and municipal by-laws should help to reduce costs.

President Dobrowolski thanked the Minister for providing support for the Manitoba Contract Advisory Committee which assists the 22 municipalities with federal RCMP contracts. Vice-President Groening and Vice-President Clarke discussed the issue of police escorts under the Mental Health Act and the establishment of the community safety officer program already underway in Thompson. The Department has been working with the MACP to address the issue of police escorts.

## HEALTH

The AMM began its February 6 meeting with the Honourable Erin Selby with a discussion about the implementation of the Brandon Medical Education Study

recommendations to improve recruitment and retention of doctors in rural and northern Manitoba. The Minister indicated she would like to learn from municipalities about best practices to attract doctors to communities. The AMM also mentioned it was pleased to be invited to be on the selection committee of the Office of Rural and Northern Health.

The AMM raised another long-standing issue: the removal or reduction of capital contribution requirements for health facilities, as health care is a provincial responsibility. The Minister responded that municipalities in other

The AMM discussed the implementation of the Emergency Medical Services Review and thanked department staff for inviting it to participate on one of the work teams. The AMM also discussed the need for the Province to require Regional Health Authorities (RHAs) to fund palliative care sufficiently and have a separate budget item in their budgets for this initiative. Minister Selby acknowledged palliative care is a national issue and was looking at providing additional support.

The AMM requested that Minister Selby work with Minister Swan to streamline transfers of Mental Health Act patients

## *The AMM requested support for the renewal of the federal Police Officer Recruitment Fund (PORF).*

provinces are required to pay even higher amounts. Instead of the 10% requirement in Manitoba, it is 20% in BC, 25% in Saskatchewan, and up to 50% in Ontario. The AMM encouraged the Department to continue allowing in-kind contributions.

and avoid tying up police resources. RHA Board representation was also discussed in addition to communication with local councils and the importance of having a complaint resolution process. The Minister supported better communication and community consultations.

L TO R: URBAN VICE-PRESIDENT EILEEN CLARKE, PRESIDENT DOUG DOBROWOLSKI, THE HONOURABLE ANDREW SWAN, MINISTER OF JUSTICE, AND RURAL VICE-PRESIDENT RALPH GROENING.



## LABOUR AND IMMIGRATION

The AMM met with the Honourable Erna Braun on February 6, 2014. Vice-President Groening began with issues related to the Office of the Fire Commissioner (OFC). The AMM has been pleased to participate on the Provincial Fire Protection Strategy Working Group and hoped to have enough information to complete the Strategy soon. There are a number of challenges that fire departments need assistance with, and one of those is finding and keeping qualified staff. Some AMM members have expressed concerns about the amount of time required to take their courses, and have suggested they be made available online. Additionally, President Dobrowolski discussed a recent AMM resolution requesting a provincial ban on sky lanterns due to the fire hazard they present. The OFC was studying how this issue has been handled in other jurisdictions.

Moreover, the AMM submitted comments regarding the changes to the Highway Traffic Act authorizing firefighters to control traffic at accident scenes, which recently went into effect. As indicated in the AMM's comments on the Bill when it was in the Legislature, municipalities are concerned this will be a burden on firefighters. It is also important to ensure firefighters receive the necessary training.

Vice-President Clarke discussed immigration to Manitoba, and the ongoing difficulties with retaining international medical professionals in rural areas. There are also language and skill barriers for new immigrants that create challenges to participating in the labour force or becoming comfortable in a new community. Department staff indicated federal changes to language requirements will affect the provincial nominee program. Finally, Vice-President Clarke raised the need for immigrant housing options and asked Minister Braun to work with the Minister of Housing and Community Development on the implementation of the Rental Housing Supply Roundtable recommendations.

## HOUSING AND COMMUNITY DEVELOPMENT

The AMM met with the Honourable Peter Bjornson on February 10, 2014. The AMM discussed the need for affordable housing in Manitoba. The Minister indicated the government was on track to create an additional 1,500 housing units. However, these units were mainly located in the City of Winnipeg. Minister Bjornson was interested in learning about local incentives to attract housing development in rural areas.

The AMM discussed housing needs in different areas of the province, and suggested the Municipal Leader as an option to help increase awareness of

housing programs in Manitoba. President Dobrowolski requested a one-day seminar to discuss housing, best practices and to build partnerships between stakeholders. The Minister indicated he was considering organizing a provincial housing conference to coincide with the national housing conference in 2015. Vice-President Clarke mentioned she was pleased to have participated on the Rental Housing Supply Roundtable and with the recommendations made in the final report.

Vice-President Groening raised the need for additional funding for the Community Places Program. Everyone agreed the program provides a great value for money.

**Update:** Minister Bjornson established the Housing Advisory Roundtable to continue to work on the Seniors' Housing and Rental Housing Supply Roundtables, with an added focus on community development. The first meeting was on May 12, 2014.

## CHILDREN AND YOUTH OPPORTUNITIES

The AMM also met with the Honourable Kevin Chief on February 10, 2014 and discussed the Minister's work with Minister Irvin-Ross on a long-term plan for child care in Manitoba.

In addition, President Dobrowolski discussed Manitoba Hydro's recreation centre pilot project to help reduce operating costs for community centres. The idea came from Minister Chief last year. The AMM has been working with Manitoba Hydro to identify the least efficient recreation centres over the last



L TO R: EXECUTIVE DIRECTOR JOE MASI AND PRESIDENT DOUG DOBROWOLSKI MEET WITH THE HONOURABLE RON LEMIEUX, MINISTER OF TOURISM, CULTURE, HERITAGE, SPORT AND CONSUMER PROTECTION.



LEFT: PRESIDENT DOUG DOBROWOLSKI  
JOINS PREMIER GREG SELINGER AND  
MUNICIPAL GOVERNMENT MINISTER  
STAN STRUTHERS ON APRIL 30, 2014  
TO ANNOUNCE FUNDS FOR WATER AND  
WASTEWATER IMPROVEMENTS.

year. The AMM also asked for the Minister's staff to become involved in this initiative if possible and Minister Chief agreed.

President Dobrowolski requested an update on the recreation policy review recently announced by the Province. The Minister was conducting a review of the existing provincial policy which was developed about 20 years ago. The City of Winnipeg had been involved already, and the AMM was looking forward to participating in the review as well.

Finally, Vice-President Clarke discussed the Hometown Green Team Program and the Minister indicated he has been a great supporter of this program. The AMM was concerned the number of eligible positions would be reduced for amalgamated municipalities and requested additional funding.

#### TOURISM, CULTURE, HERITAGE, SPORT AND CONSUMER PROTECTION

The AMM's next February 10 meeting was with the Honourable Ron Lemieux. The AMM discussed the need to increase library funding and the advantages of a single library card system. According to the Minister, 14 libraries in Manitoba have begun to use the same software, which will help to merge library services. As well, e-books and new technology are changing how libraries provide access.

The AMM requested a provincial museum strategy, similar to the recently announced tourism strategy, as museum funding has not been increased in years. The AMM also suggested a review of the "star attraction" designation policy. Minister Lemieux indicated the department was working on promoting local attractions through Tourism Manitoba.

Next, the AMM discussed improvements in the relationship between the Public Utilities Board (PUB) and the AMM under the leadership of the new PUB Chair. The AMM asked the Minister to consider appointing future board members with municipal experience.

The AMM requested that the Department consult with the AMM regarding the implementation of the new home warranty legislation, and for communication material to be distributed to municipalities once it goes into effect. The Minister indicated the AMM would be consulted as the regulations were drafted.

#### HEALTHY LIVING AND SENIORS

The AMM's final meeting on February 10, 2014 was with the Honourable Sharon Blady. Vice-President Clarke discussed the need for more housing options for seniors, and urged Minister

Blady to work with Minister Bjornson to address these needs. The Minister would like to encourage the co-op housing model; however Vice-President Clarke pointed out this model does not always work well in rural Manitoba.

President Dobrowolski discussed supports for seniors, specifically for mobility and living independently. This included support for handi-van services and Transportation Options Networks for Seniors. President Doug Dobrowolski also asked Minister Blady to facilitate better communication between the Age-Friendly Initiative and the Acces-

sibility Committee, as they have many similar objectives.

Finally, Vice-President Groening asked the Minister to work with the Ministers of Justice and Health to find solutions to address the requirement for police escorts under the Mental Health Act. The Minister supported working on this issue with other stakeholders.

#### INFRASTRUCTURE AND TRANSPORTATION AND EMERGENCY MEASURES

The AMM began its meeting with the Honourable Steve Ashton on Febru-

ary 19, 2014 by thanking Department staff for their assistance with the AMM's review of outstanding resolutions. President Dobrowolski raised the importance of provincial investments in roads and highways. Minister Ashton highlighted the unprecedented investments in roads and highways since 1999. His department is looking at new technologies to make better use of funding for roads. The AMM appreciated the Municipal Roads Improvement Program, but reiterated the need for a plan to address the municipal infrastructure deficit, including roads and bridges as well as rural airports. The AMM also discussed the New Building Canada Fund and the Minister indicated the Province had not applied for any projects yet.

President Dobrowolski discussed the need for improved flood mitigation and both Minister Ashton and the AMM agreed they supported the current formula for Disaster Financial Assistance. On rail line abandonment, Vice-President Groening asked for a better communication process from the Province. Minister Ashton agreed to develop an information sheet on the rail line abandonment process to share with AMM members. The AMM updated the Minister on recent work with FCM on a number of issues related to rail safety. Regarding inter-city bus service, the Minister reported that Greyhound has kept 80-85% of its routes, and the new charter bus legislation would be proclaimed later this year.

Vice-President Clarke requested the Province improve coordination with Crown lands and municipal development to speed up the process for municipalities. Minister Ashton indicated



LEFT: THE HONOURABLE STAN STRUTHERS, MINISTER OF MUNICIPAL GOVERNMENT, WITH PRESIDENT DOUG DOBROWOLSKI AND EXECUTIVE DIRECTOR JOE MASI DURING THE AMM PARKLAND DISTRICT MEETING.

*President Dobrowolski discussed the need for improved flood mitigation and both Minister Ashton and the AMM agreed they supported the current formula for Disaster Financial Assistance.*

several departments have completed some improvements already. Another issue AMM members have provided feedback on was decreased road maintenance along provincial roads and the safety hazards it caused. This was a provincial budget issue and was expected to be addressed as soon as possible.

The AMM hoped to see new economic opportunities develop with the Churchill Arctic Port and the Minister indicated this was the purpose of recently introduced legislation. The Province was looking at a number of prospects, including the development of international partnerships.

#### MUNICIPAL GOVERNMENT

Also on February 19, 2014, the AMM and the Manitoba Municipal Administrators Association (MMAA) met with the Honourable Stan Struthers regarding two pressing issues facing municipalities: amalgamation and the new gas tax funding agreement.

The MMAA listed all the administrative issues related to amalgamation in municipalities, some of which carry significant costs to implement. The AMM maintained all costs should be covered by the Province. The AMM, Minister Struthers and the MMAA agreed to form a joint committee to review all outstanding issues from amalgamation and the cost implications.

The AMM and the Minister also discussed the New Building Canada Fund, and arranged for a presentation by the Canada-Manitoba Infrastructure Secretariat at the AMM's Mayors, Reeves and CAOs meetings in March.

#### AGRICULTURE, FOOD AND RURAL DEVELOPMENT

On February 25, 2014, the AMM met with the Honourable Ron Kostyshyn. The first topic on the agenda was Growing Forward 2 (GF2) and the new funding it has provided for rural water pipelines. After several years of lobbying the AMM was pleased to see this included in GF2 even though the amount is significantly less than what was previously available, and the projects must benefit the agricultural sector. GF2 will also provide funding for Ecological Goods and Services through conservation districts.

The AMM thanked the Province for introducing some funding for economic development after eliminating grants in 2012. While the Partner 4 Growth program has been successful, it requires more funding to make a stronger impact. The AMM also hoped to clarify the definition of tourism projects in the future.

Regarding the Problem Beaver Management Program, AMM members had expressed concern about the recent changes to program structure and funding. The Minister committed to contacting the AMM shortly to discuss opportunities for future funding.

Another long-standing issue was the review of the Noxious Weeds Act. Minister Kostyshyn indicated three departments were working together on the review and the AMM would be briefed once it was completed. The AMM discussed funding for rural veterinary boards for both operating and capital expenses. The Minister emphasized the impor-

tance of these clinics for bio-security and committed to reviewing the AMM's recommendations. Lastly, the AMM was pleased the coal ban deadline was softened and emphasized the importance of ensuring there was funding to assist with conversions of energy systems. The Minister indicated use and production of biomass energy was growing.

#### CONSERVATION AND WATER STEWARDSHIP

The AMM met with the Honourable Gord Mackintosh on March 4, 2014. The first topic was the Surface Water Management Strategy, and the Minister indicated it would be released for comments soon. The AMM emphasized the importance of conservation districts, particularly in the new strategy, and the need to increase their funding in order for them to properly fulfill their roles and deliver important programs. The AMM also requested an update on the acquisition of LiDAR data, as it has a number of uses for planning and water management. Minister Mackintosh indicated there was a significant amount of data collected already from various sources and the Department was looking at combining this data. Additionally, the AMM requested the Department look at permitting drainage on Crown lands and the Minister committed to following up on this issue. Delays with Crown lands were also discussed, and the Minister hoped to establish a point of contact for municipalities to obtain status updates on their applications.

On recycling, the AMM thanked Green Manitoba for its ongoing work and support. The AMM also hoped to reinstate

a committee to look at all the steward-run recycling programs. The AMM repeated its opposition to the proposed ban on synthetic pesticides for cosmetic uses, and the Minister committed to setting up a meeting with AMM in the near future to discuss the new legislation.

On contaminated sites clean-up the Minister hoped to address this issue before next year's meeting with the AMM. The Minister was interested in the AMM's suggestion of establishing timelines. Minister Mackintosh also provided an update on his department's ongoing work with Manitoba Agriculture, Food and Rural Development to introduce a new initiative for problem beaver management. The Minister ended by outlining plans to protect and preserve Manitoba's provincial parks.

#### EDUCATION AND ADVANCED LEARNING

The AMM's first topic at its March 14 meeting with the Honourable James Allum was the need for modernizing education funding, and in particular, reducing education taxes on property. The AMM advocated for the 80:20 formula: 80% of education operating costs should be provincially funded, with 20% funded through property taxes. Minister Allum indicated the government is moving ahead with its promise to provide a rebate of school taxes for seniors and on farmland. The AMM would like to see the cap removed from the farmland school tax rebate.

Next, the AMM requested an update on the Planning and Land Dedication for School Sites Act. The AMM, Partnership of the Manitoba Capital Region and the City of Winnipeg, among others have expressed concern about certain provisions in the Act. Minister Allum was aware of the concerns but would like to find a compromise. His department is working with Manitoba Municipal Government to create a new planning guide to cover this issue, and is expected to be completed by early 2015.

The AMM also discussed the Brandon Medical Education Study and the importance of training opportunities for health care professionals in addition to doctors. Minister Allum indicated training was one of the government's top priorities.

#### FAMILY SERVICES

The AMM met with the Honourable Kerri Irvin-Ross on March 27, 2014 to discuss support for more child care spaces throughout Manitoba. The AMM appreciated the provincial investments already made to increase the number of spaces and improve wages for child care workers. Vice-President Groening requested an update on provincial plans for child care in growing communities. Some communities are looking to expand existing facilities while others would like to start new programs. The Minister highlighted the additional 1,000 child care spaces announced in the 2014 provincial budget. As well, the Province has built its capacity and knowledge over the last few years and this can be shared with communities to help them meet their growing needs. The Minister shared a list of regional coordinators for different communities. Minister Irvin-Ross is working with Minister Chief to coordinate the new Family Choices plan.

**Update:** Manitoba Family Services submitted an article for the AMM's Summer 2014 issue of the Municipal Leader outlining the most recent Family Choices plan.

#### MINERAL RESOURCES

The AMM met with the Honourable Dave Chomiak on April 22, 2014. The first agenda topic was ongoing oil production issues, and the AMM appreciated the continuing work of the RM-Oil Industry Working Group as it has resulted in regular and valuable dialogue. The AMM suggested there may be a need for additional administrative support to complete the recommendations, and department staff committed to ensuring there is sufficient support.

In terms of mining in northern Manitoba, communities such as Flin Flon, Snow Lake and Thompson among others need help to maintain long-term economic strength and resilience if prices drop on mineral resources. The Minister indicated there is a group in Thompson working on long-term planning, and the city has been doing relatively well since the Vale announcement. Some communities are expanding, while some are losing capacity and need specific economic planning related to their situation. The Province is currently working on a Northern Development Strategy for the region as a whole. Manitoba has the most generous exploration incentives, but in terms of other options, there might be positive impacts from First Nations' economic development happening in the near future.

The AMM reiterated its support for recent changes to modernize liquor and gaming regulation, particularly in reducing the number of liquor licenses. The Minister thanked the AMM for the advice and indicated a significant amount of time went into developing the changes to support a move to risk-based interpretation of the law and creating a business model to generate more activity and flexibility. Municipalities have the same powers to authorize licenses, but they have been formalized in the new regulations, and there are other opportunities for municipal and citizen input.

**Update:** The Liquor and Gaming Authority of Manitoba submitted an article for the AMM's Summer 2014 issue of the Municipal Leader outlining the changes.

#### JOBS AND THE ECONOMY

The AMM's April 28 meeting with the Honourable Theresa Oswald began with the AMM raising the lack of cell service and internet access in rural Manitoba. Minister Oswald suggested there might be funding through the new federal broadband fund, but no details have been released yet by the federal government.

*The AMM encouraged the Province to keep all economic development programs under one portfolio to improve efficiency.*

The AMM encouraged the Province to keep all economic development programs under one portfolio to improve efficiency. Minister Oswald recently met with Manitoba Agriculture, Food and Rural Development to discuss this issue and indicated her preference would be to have stronger links with job and skills development. Regarding new trade agreements and CentrePort, Minister Oswald indicated her department was fully engaged in the Canada-EU free trade agreement which will be beneficial for Manitoba, and continues to monitor a potential Western Canada trade agreement. The Minister's goal was to ensure the best deal for Manitoba.

Regarding apprenticeship training and opportunities, the Minister highlighted a new Bill that requires the Province of Manitoba to include apprentices in all of their projects. Municipalities are excluded from this bill. The AMM was involved in the creation of the water and wastewater technician apprenticeship program, and continues to monitor its uptake. As a result, the AMM encouraged the Province to ensure training options and certification processes are clear.

The AMM concluded the meeting with a discussion about the adequacy of rental supports through RentAid and Employment Income Assistance. The Minister and her department were working on RentAssist, which was introduced in the most recent budget.

#### ABORIGINAL AND NORTHERN AFFAIRS

The AMM began its April 29 meeting with the Honourable Eric Robinson by sharing details about its work with the Treaty Relations Commission of Manitoba regarding the Treaty Land Entitlement (TLE) process, and requested the Department's cooperation. The Minister assured the AMM that the Province was doing what it could to speed up the process; however, there were delays from the federal government side as well. The Minister was also interested in participating in joint work to simplify the process.

The AMM requested the Minister consult with northern municipalities on Manitoba's second Northern Development Strategy. The Minister saw this as a priority for the North and was taking the lead on this issue. Minister Robinson indicated he would discuss this issue with Cabinet. The Minister was also interested in re-starting Mayors and Chiefs meetings in the North, and consultations with northern municipalities. Regarding developments on the Port of Churchill, Minister Robinson was working with Cabinet to establish a plan for the port.

RIGHT: THE HONOURABLE  
KERRI-IRVIN ROSS, MINISTER OF  
FAMILY SERVICES, WITH RURAL  
VICE-PRESIDENT RALPH GROENING  
AND URBAN VICE-PRESIDENT EILEEN  
CLARKE.



## MULTICULTURALISM AND LITERACY

The AMM met with the Honourable Flor Marcelino on April 30, 2014 and discussed grants provided through her department to multicultural programs. These programs can help provide support to new immigrants. Minister Marcelino's department also oversees language learning centres for adults. There are 42 centres in Manitoba and the Minister was interested in promoting the services they provide. The AMM understands the importance of literacy programs for immigrants, particularly in helping them find employment.

## OTHER AMM MEETINGS

The AMM met with the Municipal Board Chair, Vice-Chair and Secretary on June 24, 2014. The AMM thanked the Municipal Board for creating the checklists to guide municipal administrators and councillors through a number of processes, and discussed additional opportunities to simplify the Municipal Board processes for New Building Canada Fund project applications. Additionally, the AMM and MMAA met with the Public Utilities Board (PUB) on October 3, 2014. The PUB has been working with the MMAA to improve its processes and develop some training for CAOs. Both the AMM and MMAA are pleased with the improved working relationship with the PUB under the new Chair.

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BELOW, L TO R: AMM PRESIDENT DOUG DOBROWOLSKI, PUB CHAIR REGIS GOSSELIN, AMM RURAL VICE-PRESIDENT RALPH GROENING, PUB EXECUTIVE DIRECTOR HOLLIS SINGH, AMM EXECUTIVE DIRECTOR JOE MASI, AND PUB BOARD MEMBER SUSAN PROVEN.

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# Legislative Update

Every year the AMM examines any new Bills introduced while the Legislature is in session to determine if they have the potential to impact municipalities. If this is the case, the AMM considers making a submission to the standing committee that reviews the Bill in detail after it receives First and Second Reading.

## BILL 10: THE FIRES PREVENTION AND EMERGENCY RESPONSE AMENDMENT ACT

The AMM supported the additional tools provided for by the amendments to enforce the Fire Code and the Fires Prevention and Emergency Response Act (FPERA). According to the Province of Manitoba, the administrative penalties introduced in Bill 10 are intended to help address non-compliance with an order issued under the Fire Code or the FPERA. The AMM agreed that effective enforcement of both the Fire Code and FPERA is important to ensure the safety of buildings and structures, and the people who use them. The AMM also emphasized the importance of communicating the changes in Bill 10 to all fire departments, and that the Office of the Fire Commissioner should work with fire departments to fulfill all fire safety inspection requirements.

## BILL 31: THE POLICE SERVICES AMENDMENT ACT (COMMUNITY SAFETY OFFICERS)

The AMM supported Bill 31 as it directly addressed a resolution passed by AMM members at the 2013 Convention. The Bill enables municipalities to establish community safety officer programs. Community safety officers will be able to deliver crime prevention programs, connect persons in need with appropriate social services and maintain a public presence in the community. If authorized to do so, community safety officers will also be able to assist local police officers in non-criminal matters, exercise prescribed powers, and enforce specific enactments.

However, the AMM also expressed concern in its submission about the potential costs of a community safety officer program, and recommended that the Province of Manitoba estab-



lish a consistent approach to contribute long-term, cost-shared funding in order to assist communities with program set-up and delivery.

## BILL 55: THE ENVIRONMENT AMENDMENT ACT (REDUCING PESTICIDE EXPOSURE)

AMM members passed a resolution in 2011 opposing a ban on cosmetic pesticides, and since then the AMM presented a number of municipal concerns throughout provincial consultations leading up to the Bill's introduction that it also submitted to the standing committee. Although Bill 55 will not ban all cosmetic pesticides, it will phase out the use of synthetic pesticides for lawn care or for use on the exterior property of a school, hospital or child care centres, except in specific circumstances. Only federally approved bio-pesticides or low-risk products will be allowed, and the full list of allowed products will be passed as a regulation. Agricultural or forestry activities, golf courses, uses related to the protection of public health or safety, and any other activities identified in the regulation will be exempt from the restrictions.

The AMM felt it would be more effective to focus on public education, and emphasized that all pesticides are subject to the same scientific evaluation by the Health Canada Pest Management Regulatory Agency (PMRA) under the Pest Control Products Act. The AMM also expressed concern on behalf of our members about the effects pesticide restrictions in urban areas may have on the spread of pests and invasive species to nearby rural areas, particularly since municipalities are responsible for noxious weed control under the Noxious Weeds Act. Additionally, the AMM has discovered that municipal weed control programs could see a 15-fold cost increase if existing pesticides are replaced with alternative ones approved by the Province.

As well, a number of Bills passed in previous sessions did not go into effect immediately, and in some cases the AMM continued to consult with the Province regarding the implementation of the legislation in order to ensure a smooth transition.

For instance, the AMM continues to meet with Manitoba Justice to prepare for the implementation of the Provincial Offences Act and the Municipal By-law Enforcement Act, and with the Consumer Affairs branch to discuss the New Home Warranty Act. These two pieces of legislation were passed in 2013, and the AMM provided its comments in both cases.

# Meeting with Cabinet

On November 28, 2013, the last day of the AMM Annual Convention, the AMM Board of Directors met with Premier Greg Selinger and the provincial Cabinet to discuss municipal priorities. At a busy time of year, the AMM always appreciates the time with Premier Greg Selinger and his Cabinet members to discuss important issues.

On November 28, 2013, the last day of the AMM Annual Convention, the AMM Board of Directors met with Premier Greg Selinger and the provincial Cabinet to discuss municipal priorities. Since there was a provincial cabinet shuffle in October, this was a good opportunity for the AMM to highlight some of the key municipal issues for the new Cabinet Ministers.

President Dobrowolski began by thanking the government for its work to help achieve some of the successes of the past year, noting Minister Swan and the Department of Justice had been a great help to cities and towns interpreting their policing agreements and with their work to develop improvements to the municipal by-law enforcement process.

Another achievement from 2013 was the development of a new application process for rural single-lot subdivisions, and the introduction of the regulation to enable municipalities to establish reduced speed limits in school zones. This is something the AMM has lobbied on for several years, and members were pleased to see it implemented.

Moving on to critical issues, President Dobrowolski once again outlined the AMM's position on amalgamation, and the importance of providing qualified people to help those municipalities who are amalgamating to deal with any issues they encounter. As well, the timelines should not be allowed to affect the quality of decisions. These decisions will affect the community for years to come, and the AMM is aware of cases where the timelines have made people feel rushed. President Dobrowolski hoped to continue working with the government on a number of important issues, despite having different opinions on amalgamation.

Premier Selinger acknowledged it has not been an easy process, but not every detail needs to be decided before the mergers take place. Some issues may take more time to find common ground, but hasty decisions should not be made. The Premier emphasized the need to look beyond the specifics and keep the long-term bigger picture in mind.

Next, President Dobrowolski raised the need for alternate revenue sources for municipalities and the AMM's disappointment with the Provincial Sales Tax (PST) increase. Initially this went mostly to provincial infrastructure and municipalities received very little of this additional revenue.

The Premier indicated the decision to raise the PST was a very difficult one, but the government was dealing with a significant deficit due to the costs of the 2011 flood. Provincial roads are very important infrastructure for communities, and the Province has now committed to dedicating this new revenue to core infrastructure.

The Premier noted that health care continues to account for about 43% of the provincial budget, and the effects of the recession are still being felt. In terms of infrastructure programs, the Province is looking to institute earlier tendering and simpler guidelines in order to keep the dollars in Manitoba.

Another of the AMM's critical issues is the lack of consistent cell service and wireless coverage in Manitoba. President Dobrowolski suggested raising this issue at the next meeting of all of the provincial Premiers. The Premier agreed and mentioned the Province has urged the federal government to make cell coverage a requirement for companies bidding on new broadband spectrum.

*The AMM  
would  
like to see  
separate  
federal  
funding  
for flood  
mitigation.*



PICTURED ABOVE, L TO R: PROVINCIAL CABINET MINISTERS FLOR MARCELINO (MULTICULTURALISM AND LITERACY), STAN STRUTHERS (MUNICIPAL GOVERNMENT), THERESA OSWALD (JOBS AND THE ECONOMY), STEVE ASHTON (INFRASTRUCTURE AND TRANSPORTATION), ERNA BRAUN (LABOUR AND IMMIGRATION), ANDREW SWAN (JUSTICE), PREMIER GREG SELINGER, MINISTER PETER BJORNSON (HOUSING AND COMMUNITY DEVELOPMENT), PRESIDENT DOUG DOBROWOLSKI, MINISTERS RON LEMIEUX (TOURISM, CULTURE, SPORT AND CONSUMER PROTECTION), DAVE CHOMIAK (MINERAL RESOURCES), GORD MACKINTOSH (CONSERVATION AND WATER STEWARDSHIP), ERIN SELBY (HEALTH), RON KOSTYSHYN (AGRICULTURE, FOOD AND RURAL DEVELOPMENT) AND JAMES ALLUM (EDUCATION AND ADVANCED LEARNING).

Other critical issues the AMM raised were the need to reinstate additional funding for the Community Places Program (CPP), the upcoming ban on cosmetic pesticides, the lack of funding for problem beaver management, the need for a new model for education funding, removing the requirement for community contributions for health capital projects, and the need for increased funding to veterinary boards.

The AMM then thanked the government for progress on affordable housing, with commitments to build

more rental units in the 2013 budget, and economic development funding through the Partner 4 Growth program even though it was less than the Regional Development Corporation grants that were cut in 2012.

Finally, the AMM talked about ongoing concerns with Disaster Financial Assistance. The AMM would like to see separate federal funding for flood mitigation, rather than including flood mitigation in the new infrastructure programs. The Province and AMM agreed on these issues and the importance of softening the financial burden

on communities dealing with disasters. For this reason, the Premier supports the 90/10 contribution formula as it was designed to help hard-hit communities.

For Manitoba, the main issues are that the federal government has still not yet fulfilled all flood mitigation commitments, including the investments promised in 2012. As well, the assistance repayment time from the federal government is too long, and the Province is still required to pay for any up-front disaster-related costs for First Nations communities.

# Working with Cities

The AMM works shoulder to shoulder with Manitoba cities.



The AMM and the City of Winnipeg had a successful year working together on issues important to all municipalities.

The City of Winnipeg has a permanent seat on the AMM Board of Directors. In 2013-14 Winnipeg was represented by Councillor Jeff Browaty of the North Kildonan Ward who has rejuvenated dialogue between the AMM Board and City of Winnipeg Council. AMM President Doug Dobrowolski and Winnipeg's Mayor Sam Katz continued discussing the infrastructure deficit, alternate revenues for municipalities and the need for a Provincial Sales Tax (PST) rebate by the Province of Manitoba to all municipalities. In 2014 President Dobrowolski and Mayor Katz attended a signing ceremony of the new multi-year Gas Tax Agreement between the Government of Canada and Province of Manitoba.

In 2013 and 2014 the AMM and the City of Winnipeg concluded consultations with the provincial government regulations on reduced speed limits in school zones that are being implemented this year to improve the safety of children across the province. The joint work also continues on the Municipal By-Law Enforcement Act which will redefine how municipal by-laws are being enforced. The consultations on the accessibility legislation and affordable housing continue with the provincial government, the AMM and City of Winnipeg having representatives on the relevant committees. Last but not least is the close work with the City Clerk's Office which ran the municipal

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ABOVE: MEMBERS OF THE MANITOBA CITIES CAUCUS MEET WITH THE HONOURABLE ANDREW SWAN, MINISTER OF JUSTICE, TO DISCUSS POLICING ISSUES.

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election in the City of Winnipeg this year. City Clerks contributed an article to the Municipal Leader, which was shared with other publications, on the newest municipal election smartphone application.

The AMM continues regular meetings with all Manitoba cities under the chairmanship of Mayor Chris Goertzen, City of Steinbach. The top issue for the Manitoba Cities Caucus in 2013-14 was the federal New Building Canada Fund (NBCF) which was announced in the 2014 federal budget.

Other important issues were the rising costs of policing and the time spent by police officers transferring Mental Health Act patients. The AMM Cities Caucus also called on the federal government to renew the Police Officer Recruitment Fund which ended this year after injecting much needed financial resources to assist municipalities with policing.

The City of Winkler and City of Selkirk hosted special meetings of the AMM Cities Caucus to discuss policing.

# Lobby Day

The AMM held its annual Lobby Day on April 24, 2014.

Although the AMM regularly meets with provincial Cabinet Ministers, the mandate of Lobby Day is for the AMM Board of Directors to meet with and educate not only Cabinet members about municipal issues and the work of the AMM, but Members of the Legislative Assembly (MLAs) from all the major political parties in Manitoba.

The first meeting of the day was with Rana Bokhari, Leader of the Manitoba Liberal Party, and Dr. Jon Gerrard. Next, the AMM met with Leader of Official Opposition, Brian Pallister, and a number of Progressive Conservative MLAs. Lobby Day concluded with a meeting with the New Democratic Party, including Municipal Government Minister Stan Struthers, various Cabinet Ministers and MLAs.

During each meeting, the AMM highlighted two major issues to the parties—infrastructure funding and alternate revenue, and economic development. Board members also asked a number of specific questions related to the highlighted topics and other municipal issues.

*“I will commit to working with you to develop a strategic infrastructure plan for the province that is based on return on investment.”*

Brian Pallister, Leader of the Official Opposition.

*“I would encourage you to keep lobbying if this is something you think is important. I get the challenge in terms of alternate revenue sources.”*

Municipal Government Minister Stan Struthers on a PST rebate for municipalities.

*“The Liberal plan to build a better Manitoba would have already provided municipalities an additional \$218 million this year.”*

Rana Bokhari, Leader of the Manitoba Liberal Party, in an October 15, 2014 policy announcement.



# Communications and Events

Pictured on facing page

Top:

President Doug Dobrowolski presents the 2014 George Harbottle Memorial Young Community Leader Award to Dane Monkman.

Middle, L to R:

Representatives from the Saskatchewan Association of Rural Municipalities (SARM), the Saskatchewan Urban Municipal Association (SUMA), the Alberta Association of Municipal Districts and Counties (AAMDC), and the Alberta Urban Municipalities Association (AUMA), together with the AMM, make up the Western Canadian Municipal Association.

Bottom:

AMM Eastern Urban Director Mayor Chris Goertzen (right) welcomes Mayor María Elena Guerra Gallardo, City of Juigalpa, Nicaragua (centre) and Professor Jesús Ángel Muguel García, translator (left) to the City of Steinbach.

# Special Events

## AMM AWARDS YOUTH LEADERSHIP

The AMM presented the 2014 George Harbottle Memorial Young Community Leader Award to Dane Monkman during the Manitoba School Boards Association Celebration of Success evening on March 13. The AMM established the Young Community Leader Award in 2009, in conjunction with the Manitoba School Board Association Citizenship Awards.

The Award was renamed in 2012 to honour the memory of AMM Honourary Life Member George Harbottle.



## WESTERN CANADIAN MUNICIPALITIES FIND COMMON GROUND

Representatives from the provincial urban and rural municipal associations of Alberta, Saskatchewan and Manitoba gathered on May 21, 2014 in Winnipeg. The Western Canadian Municipal Association (WCMA) meets annually to discuss items of common interest.

Priority topics discussed included the National Disaster Mitigation Program (NDMP) being developed by the federal government, the New Building Canada Fund, and the need to secure alternative revenue sources to fund infrastructure. Rail safety, by-law enforcement and natural resources were also on the agenda.

The SARM, AAMDC and AMM updated the group on actions each has taken on the grain movement challenge, and the AMM also highlighted the cosmetic pesticide ban and municipal amalgamation.



## SPECIAL GUESTS FROM NICARAGUA

The AMM welcomed Julia de la Cruz Mena Rivera, María Elena Guerra Gallardo and Jonathan Gonzalez Rosales from the Association of Municipalities of Nicaragua (AMUNIC) in August 2014.

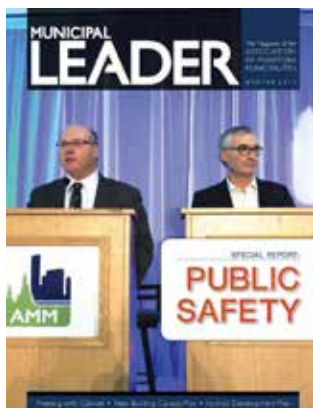
The visit was a continuation of a relationship that began back in 2010 when AMM Executive Director Joe Masi, as part of a larger delegation, visited Nicaragua at the invitation of the Federation of Canadian Municipalities (FCM). The purpose of the trip was to work with the AMUNIC on various issues.

A follow-up visit in late 2013 focused on the functions of the Municipalities Trading Company of Manitoba Ltd. (MTCML), and this year finding ways to generate revenue opportunities for the AMUNIC continued to be a priority for the group.

The exchange not only gives the AMM's Nicaraguan counterparts the chance to see how the AMM operates, but also gives the AMM the opportunity to showcase its work to an international audience.

The exchange is part of FCM International and is funded by the Canadian International Development Agency (CIDA).





# Communications

## AMM IN THE MEDIA

During the 2014 fiscal year, the AMM was mentioned in Manitoba media 313 times. Of these, a full 40% – or 124 hits – were on the topic of municipal amalgamation. This polarizing issue dominated the rural media but also made it into the Winnipeg Free Press on numerous occasions.

The most reported day for the AMM was December 11, 2013, when the AMM held a news conference at the Manitoba Legislature to announce it was legally challenging the Municipal Amalgamations Act.

“This was not an easy or a swift decision,” said AMM President Doug Dobrowolski. “The AMM has spent the past year lobbying not against amalgamation, but against the forced nature of this legislation. Municipalities deserve better.”

The AMM tracked at least 13 media stories following the announcement (see sidebar).

## SOCIAL MEDIA

The AMM's social media channels continued to gain popularity in 2013. The Twitter feed gained 250 followers for a total of 980, and the AMM Facebook page continues to build a following. The AMM is also part of the LinkedIn network and uses the photo sharing site Flickr to share images of AMM events.

## AMM WEBSITE - [WWW.AMM.MB.CA](http://WWW.AMM.MB.CA)

The AMM website is a valuable tool for members and others seeking AMM news, policies, lobbying highlights and event information. This past year work began on a brand new website to replace the previous version that was created in 2005.

The new website launched in October, 2014 and focuses entirely on the user and their diverse information needs. The site features a well-planned and user-friendly navigation at the top to quickly orient any visitor to where they want to go. Every page also showcases a large, relevant image of the province and a bold title to help visitors figure out where they are.

Most importantly, the site is built to work perfectly on all computer desktops, smartphones and tablets and is optimized to accommodate those devices. This will enable all users - wherever they may be - to access the site at their convenience.

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*“The AMM has spent the past year lobbying not against amalgamation, but against the forced nature of this legislation. Municipalities deserve better.”*

President Doug Dobrowolski, December 11, 2013

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## MUNICIPAL LEADER MAGAZINE

The AMM's quarterly magazine, the Municipal Leader, has a controlled circulation of 1,800 and is read by mayors, reeves, councillors, CAOs, purchasers, suppliers, MLAs, MPs and others interested in the business of municipal government. It is available in hard copy or electronic format.

Special reports featured over the past year included Public Safety and Municipal Technology. Each issue also featured regular sections such as Municipal Ideas, Municipal Profile, Education, Legal Corner, Insurance, MTCML and Candid Camera. We welcomed regular columns from the RCMP and the Office of the Fire Commissioner as well.

## BI-WEEKLY NEWS BULLETIN

The AMM news bulletin reports on the latest AMM activities and events. It has 762 subscribers, a gain of 72 from last year. This includes all municipal Chief Administrative Officers, who in turn distribute it to elected officials in Manitoba.

## AMM MEMBER ADVISORIES

The AMM distributes Member Advisories to communicate issues of immediate importance or urgency to its members. Over the past year a total of 12 advisories were distributed, with the majority focused on the AMM's top issues - amalgamation and the New Building Canada Fund.



Media outlets featuring stories on the AMM's December 11, 2013 announcement that it was legally challenging the Municipal Amalgamations Act:

- CJOB Radio
- CKLQ Radio Dauphin
- CJ Radio Swan River
- CBC Radio
- CJB Radio Boissevain
- CKDM Radio Dauphin
- Winnipeg Sun
- Winnipeg Free Press
- Canadian Press
- Manitoba Cooperator
- Portage Daily Graphic Herald Leader
- CKY TV
- CBC TV

BELOW: PRESIDENT DOUG DOBROWOLSKI ANNOUNCES THE AMM'S DECISION TO LEGALLY CHALLENGE THE MUNICIPAL AMALGAMATIONS ACT AT THE MANITOBA LEGISLATURE ON DECEMBER 11, 2013.



# Member Events

AMM 15TH ANNUAL CONVENTION  
NOVEMBER 25-28, 2013

For the third year in a row the AMM convention attendance exceeded the 1,000 mark. The theme for the 15th annual event, held at the Keystone Centre in Brandon, was "Shaping our Future."

Keynote Speakers included Doug Keeley, pollsters Bricker and Wright, and Amanda Lindhout.

Other speakers included the Honourable Shelly Glover, MP for St. Boniface and Minister of Canadian Heritage and Official Languages, the Honourable Stan Struthers, MLA for Dauphin and Minister of Municipal Government, Brian Pallister, MLA for Fort Whyte and Leader of the Official Opposition, and Rana Bokhari, Leader of the Liberal Party of Manitoba. A number of Ministers joined Premier Greg Selinger for the annual Ministerial Forum as well.

Two Honourary Life Memberships were awarded during the annual Gala. This year's recipients were Audrey Coulson and Leroy (Roy) J. Stevenson.

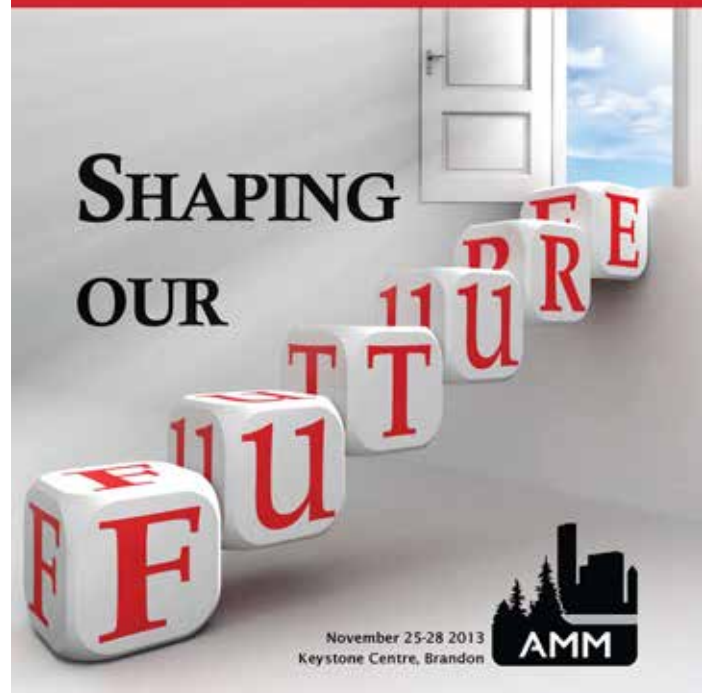
Several resolutions sessions took place during which 51 resolutions were debated, one was withdrawn, three were defeated and 47 were carried.

MAYORS, REEVES AND CAOS MEETINGS  
MARCH 18-26, 2014

The annual series of Mayors, Reeves and CAOs meetings was held between March 18 and 26, 2014. During the meetings, the AMM Executive - President Doug Dobrowolski, Urban Vice-President Eileen Clarke and Rural Vice-President Ralph

ASSOCIATION OF MANITOBA MUNICIPALITIES

## 15TH ANNUAL CONVENTION



Groening - updated the membership on some of the most pressing issues facing Manitoba municipalities, including infrastructure funding, economic development, housing and others.

The New Building Canada Fund was also on the agenda, with Karlene Debanche, Executive Director of the Canada-Manitoba Infrastructure Secretariat, attending each meeting to provide an update.

Hosts for 2014 were the RM of Swan River and the Town of Swan River (Parkland), the RM of Cameron and the Town of Hartney (Western), the Town of Gladstone (Midwestern), the RM of Portage la Prairie and the City of Portage la Prairie (Central), the RM of Siglunes (Interlake), the RM of Hanover (Eastern), and the Town of Snow Lake (Northern).



## MUNICIPAL OFFICIALS SEMINAR AND MTCML TRADE SHOW APRIL 16-17, 2014

Over 680 delegates took part in this year's Municipal Officials Seminar and MTCML Trade Show at the Keystone Centre in Brandon, Manitoba.

The Honourable Stan Struthers, Minister of Municipal Government, opened Wednesday's session, while Thursday Brock Carlton, CEO for the Federation of Canadian Municipalities (FCM), updated members on the status of the New Building Canada Fund.

A number of professional development and policy sessions were also offered.

## JUNE DISTRICT MEETINGS 9-17, 2014

District Meetings took place from June 9-17, 2014. Delegates heard presentations from President Doug Dobrowolski, Vice-Presidents Eileen Clarke and Ralph Groening, Executive Director Joe Masi, and Western Financial Group. The Minister of Municipal Government, Stan Struthers, also attended each meeting.

The 2014 meetings were hosted by the Town of Stonewall (Interlake), the RM of Thompson (Central), the RM of Wallace and the Town of Virden (Western), the RM of Hamiota and the Town of Hamiota (Midwestern), the RM of Ethelbert and the Village of Ethelbert (Parkland), the Town of Beausejour (Eastern), and the City of Flin Flon (Northern).

## AMM EDUCATION PROGRAM

The AMM entered the fourth and final year of its 4-year Education Program in 2014. This series of workshops is designed specifically for Manitoba municipal officials and will provide the training and tools necessary for effective and ethical leadership. Sessions included:

- January 27, 2014 - Strengthening Communication Skills for Difficult Situations
- April 15, 2014 - Making a Leadership Difference

The AMM 4-year education program certificates were also presented to the first recipients. Reeve Frances Smeed, RM of Rosser and Mayor Betty Nykyforak, Town of Roblin, completed 75% of the sessions offered to be eligible for this recognition.

## MUNICIPAL VISITS

Each year the AMM travels extensively throughout the province, meeting with local councils to hear firsthand about the issues facing these communities. The AMM's goal is to meet with each municipal council at least once during its four-year term. In 2014 the AMM visited a total of 71 municipalities.



BELOW, L TO R:

KEYNOTE SPEAKER AMANDA LINDHOUT RECEIVES A STANDING OVATION FROM AMM 15TH ANNUAL CONVENTION DELEGATES.

MAYORS, REEVES AND CAOS MEETING PARTICIPANTS APPLAUD A SPEAKER.

PRESIDENT DOUG DOBROWOLSKI STANDING OUTSIDE THE MIDWESTERN JUNE DISTRICT MEETING HOSTED BY THE TOWN AND RM OF HAMIOTA. REEVE FRANCES SMEE (L) AND MAYOR BETTY NYKYFORAK (R) WERE RECOGNIZED FOR COMPLETING 75% OF THE AMM'S EDUCATION SESSIONS.



# MTCML



## MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD..

The Municipalities Trading Company of Manitoba Ltd.. (MTCML) is the business arm of the AMM. It allows AMM members to purchase products and services at lower prices through the power of bulk buying.

Sales increased and our MTCML Official Suppliers continued to provide our members with excellent service and pricing. Product sales were approximately \$34,500,000 this year.

The MTCML provides a major source of revenue for the AMM and allows AMM membership dues to remain one of the lowest in Canada.

Due to the great participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$700,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past 13 years to \$8 million dollars.

There are also two major buying programs offered by the Trading Company: the insurance program and the fuel supply program. These programs are owned by the AMM membership, managed by the AMM and administered by companies that have expertise in the program area.



## FUEL SUPPLY PROGRAM

PFA Canada (PFA) Fuel and Lubricant Program is an innovative national program

specializing in the distribution of fuel and lubricants. Through strategic supplier partnerships, PFA offers a simple alternative to managing fuel and lubricant purchases. PFA ensures that its member municipalities are purchasing fuel at a fair cost. Visit their website at [www.pfacanada.com](http://www.pfacanada.com).

## INSURANCE PROGRAM

All 196 AMM member municipalities outside Winnipeg participate in the AMM's property/casualty "protected self-insurance" program, administered by Western Financial Group Insurance Solutions. It includes a \$6,100,000 annual self-insurance loss pool that keeps premiums much lower than if individual municipalities purchased their own coverage. Insurance is then purchased from various insurance providers for coverage in excess of the \$6,100,000 annual loss pool amount to provide municipalities with complete protection.



## Group Insurance Solutions

This unique structure allows the opportunity for significant refunds in low-claim years.

The AMM also makes available a "self-insured" health and dental benefits program for employees and council members, providing flexible coverage options at very reasonable rates. Participation currently includes 148 municipalities, plus 229 other policyholders such as conservation districts and other entities, and retirees. Just over 1,600 employees plus their families are provided protection.

## MTCML OFFICIAL SUPPLIERS

MTCML Official Suppliers offer discounts to our member municipalities, support many events with sponsorships, and offer great customer service, allowing the AMM to keep its membership rates the lowest in Canada.

### MTCML OFFICIAL SUPPLIERS

- Acklands Grainger
- Airmaster Sales Ltd.
- Alcom Electronic Communications
- Armtec Ltd.
- Bracor
- Bridgestone (Tires)
- Canada Culvert
- CD Awards
- Darwen Road Technologies Ltd.
- Denray Tire
- Dust Free Road Maintenance
- Everest Supply & Services Inc.
- Evergro Canada Inc.
- Fort Distributors Ltd.
- Grand & Toy
- Guardian Traffic Services
- HRdownloads
- Kal Tire
- MTS
- Michelin (Tires)
- Orkin PCO Services
- Prairie Fuel Advisors Inc.
- St. John Ambulance
- Screen Door
- Shippam & Associates
- Supreme Basics
- The Flag Shop
- Western Financial Group Insurance Solutions

*Due to the great participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$700,000 to our members based on MTCML sales.*



## AMM CORPORATE MEMBERS

AMM Corporate Members provide services to member municipalities.

### AMM CORPORATE MEMBERS

- Barnes & Duncan Surveying, Geomatics & Engineering
- Bobcat of Central Manitoba Ltd.
- Borland Construction
- Canad Inn/Radisson
- Capital I Industries
- Commissionaires Manitoba
- Cubex
- Custom Truck Sales
- Dillon Consulting
- FAHR Group
- J.R. Cousin Consultants Ltd.
- Manitoba Aboriginal & Northern Affairs
- Manitoba Heavy Construction Assoc.
- Manitoba Hydro
- Mazergroup Construction Equipment
- Miller Environmental Corporation
- Onsite Wastewater Systems Installers of Man.
- Operating Engineers of Manitoba Local Union No. 987
- People First HR Services Ltd.
- St. John Ambulance
- Superior Propane
- Tri Core Projects Manitoba Ltd.
- Westcon Equipment & Rentals Ltd.
- Western Financial Group
- Western Recreation & Development
- WSP

# Financial Statement



**ASSOCIATION OF MANITOBA MUNICIPALITIES**

**Combined Financial Statements Year Ended  
August 31, 2014**



## INDEPENDENT AUDITORS' REPORT

To the Members of Association of Manitoba Municipalities

We have audited the accompanying combined financial statements of Association of Manitoba Municipalities, which comprise the statement of financial position as at August 31, 2014 and the combined statements of income, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The statement of income for the General Account does not include revenues and expenses relating to special projects for which the Association has received funds to distribute on behalf of third party funders.

### Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of Association of Manitoba Municipalities as at August 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*The Exchange*

chartered accountants, LLP  
Winnipeg, Manitoba  
September 26, 2014

## ASSOCIATION OF MANITOBA MUNICIPALITIES

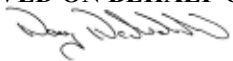
## General Account


## Statement of Financial Position

August 31, 2014

	2014	2013 (Restated)
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and short term deposits (Note 9)	\$ 43,979	\$ -
Accounts receivable	395,469	442,078
Due from Trading Account	250,000	-
Prepaid expenses	75,752	28,833
Restricted cash (Note 9)	65,134	31,468
	<u>830,334</u>	<u>502,379</u>
<b>SEGREGATED FUNDS</b>		
Building Reserve (Note 4)	315,647	208,836
Communications Reserve (Note 5)	211,048	138,786
Employee Benefits Reserve (Note 6)	131,052	119,856
Legal Fund (Note 7)	93,946	52,764
	<u>751,693</u>	<u>520,242</u>
PROPERTY AND EQUIPMENT (Notes 2, 10)	369,825	390,765
INVESTMENT IN MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.	<u>10</u>	<u>10</u>
	<u>\$ 1,951,862</u>	<u>\$ 1,413,396</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Bank indebtedness (Note 11)	\$ -	\$ 12,159
Accounts payable and accrued liabilities	12,808	12,362
Goods and services tax payable	17,177	18,836
Deferred income	520,913	483,306
Due to Building Reserve	195,000	-
Due to Communications Reserve	200,000	100,000
Due to Legal Fund	50,000	-
Due to Trading Account	-	50,000
Funds held in trust (Notes 9, 17)	65,134	31,468
	<u>1,061,032</u>	<u>708,131</u>
<b>NET ASSETS</b>		
Unrestricted	(199,635)	(185,886)
Invested in property and equipment	369,825	390,765
Restricted (Note 15)	720,640	500,386
	<u>890,830</u>	<u>705,265</u>
	<u>\$ 1,951,862</u>	<u>\$ 1,413,396</u>
LEASE COMMITMENTS (Note 12)		

## APPROVED ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

See notes to financial statements

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## General Account

## Statement of Income

Year Ended August 31, 2014

	2014	2013 (Restated)
<b>REVENUE</b>		
Membership dues	\$ 385,868	\$ 383,125
Convention	333,125	355,173
Seminar	93,520	87,300
Trade show	67,750	58,768
Rental	34,333	32,000
Education	22,195	27,053
Miscellaneous	1,744	15,015
Corporate membership	13,050	11,542
Associate membership	8,300	8,050
Magazine	6,897	6,425
Investment income	5,966	6,007
Merx	900	800
Advertising - bulletin	1,125	750
	<u>974,773</u>	<u>992,008</u>
<b>EXPENSES</b>		
Functions (Page 15)	388,700	446,267
Executive (Page 15)	359,132	372,356
Other (Page 15)	299,815	207,437
Staffing (Page 15)	764,593	781,431
	<u>1,812,240</u>	<u>1,807,491</u>
<b>OPERATING LOSS</b>	<u>(837,467)</u>	<u>(815,483)</u>
<b>OTHER INCOME (EXPENSES)</b>		
Management fees	800,000	750,000
Unrealized gains (Note 2)	2,778	2,485
	<u>802,778</u>	<u>752,485</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<u>\$ (34,689)</u>	<u>\$ (62,998)</u>

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## Trading Account

## Statement of Financial Position

Year Ended August 31, 2014

	2014	2013
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 228,160	\$ 271,201
Accounts receivable	1,863,413	1,594,028
Inventory (Note 2)	29,299	21,039
Due from General Account	-	50,000
	<u>2,120,872</u>	<u>1,936,268</u>
<b>SEGREGATED FUNDS</b>		
Public Sector Accounting Reserve (Note 8)	30,124	29,824
Self-insurance Loss Pool (Note 14)	14,674,600	13,551,926
	<u>14,704,724</u>	<u>13,581,750</u>
	<u>\$ 16,825,596</u>	<u>\$ 15,518,018</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 767,074	\$ 840,148
Goods and services tax payable	2,215	977
Due to General Account	250,000	-
	<u>1,019,289</u>	<u>841,125</u>
<b>SELF-INSURANCE LOSS POOL (Note 14)</b>	<u>12,358,072</u>	<u>12,140,841</u>
<b>NET ASSETS</b>		
Capital Stock	10	10
Unrestricted	3,448,225	2,506,218
Restricted (Note 16)	-	29,824
	<u>3,448,235</u>	<u>2,536,052</u>
	<u>\$ 16,825,596</u>	<u>\$ 15,518,018</u>

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## Trading Account

## Statement of Income

Year Ended August 31, 2014

	2014	2013
<b>SALES</b>	<b>\$ 17,550,044</b>	<b>\$ 15,970,140</b>
<b>COST OF SALES</b>	<b>17,248,120</b>	<b>15,694,369</b>
<b>GROSS PROFIT</b> (2014 - 1.7%, 2013 - 1.7%)	<b>301,924</b>	<b>275,771</b>
<b>INSURANCE ADMINISTRATION FEES</b>	<b>923,419</b>	<b>883,765</b>
<b>INVESTMENT INCOME</b>	<b>479,570</b>	<b>561,510</b>
	<b>1,704,913</b>	<b>1,721,046</b>
<b>EXPENSES</b>		
Advertising and promotion	13,476	3,375
Interest and bank charges	-	110
Membership rebate	700,000	800,000
Inventory write-off	457	160
	<b>713,933</b>	<b>803,645</b>
<b>OPERATING INCOME</b>	<b>990,980</b>	<b>917,401</b>
<b>OTHER INCOME (EXPENSES)</b>		
Management fees	(800,000)	(750,000)
Unrealized gains ( <i>Note 2</i> )	970,903	219,013
Contribution to Association of Manitoba Municipalities reserves	(250,000)	-
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 911,883</b>	<b>\$ 386,414</b>

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## Statement of Changes in Net Assets

Year Ended August 31, 2014

	Unrestricted	Invested in Property and Equipment	Restricted (Notes 15 and 16)	2014	2013
<b>GENERAL ACCOUNT</b>					
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ (161,917)	\$ 390,765	\$ 500,386	\$ 729,234	\$ 776,660
Prior period adjustment (Note 17)	(23,969)	-	-	(23,969)	(9,391)
As restated	(185,886)	390,765	500,386	705,265	767,269
Investment in property and equipment	(6,219)	6,219	-	-	-
Deficiency of revenue over expenses - General Account	(7,530)	(27,159)	-	(34,689)	(62,998)
Excess of revenue over expenses - Reserves	-	-	220,254	220,254	994
<b>NET ASSETS - END OF YEAR</b>	\$ (199,635)	\$ 369,825	\$ 720,640	\$ 890,830	\$ 705,265
<b>TRADING ACCOUNT</b>					
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 2,506,218	\$ -	\$ 29,824	\$ 2,536,042	\$ 2,155,508
Excess of revenue over expenses - Trading Account	911,883	-	-	911,883	386,414
Excess (deficiency) of revenue over expenses - Reserves	-	-	300	300	(5,880)
Transfers between reserves (Note 16)	30,124	-	(30,124)	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 3,448,225	\$ -	\$ -	\$ 3,448,225	\$ 2,536,042

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## Combined Statement of Cash Flows

Year Ended August 31, 2014

	2014	2013 (Restated)
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses, General Account	\$ (34,689)	\$ (62,998)
Excess of revenue over expenses, Trading Account	911,883	386,414
Excess (deficiency) of revenue over expenses, General Reserves	220,254	994
Excess (deficiency) of revenue over expenses, Trading Reserves	300	(5,880)
Items not affecting cash:		
Amortization	27,159	27,133
	<u>1,124,907</u>	<u>345,663</u>
Changes in non-cash working capital	<u>(279,731)</u>	<u>(234,228)</u>
Cash flow from operating activities	<u>845,176</u>	<u>111,435</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of equipment	(6,219)	(40,677)
Net sales of segregated funds, General Account	113,549	(28,480)
Net sales (purchases) of segregated funds, Trading Account	<u>(1,122,974)</u>	<u>1,974,553</u>
Cash flow from (used by) investing activities	<u>(1,015,644)</u>	<u>1,905,396</u>
<b>FINANCING ACTIVITY</b>		
Net contributions to self insurance loss pool, Trading Account	<u>217,231</u>	<u>(1,430,509)</u>
Cash flow from (used by) financing activity	<u>217,231</u>	<u>(1,430,509)</u>
<b>INCREASE IN CASH FLOWS</b>	<u>46,763</u>	<u>586,322</u>
<b>CASH (DEFICIENCY) - BEGINNING OF YEAR</b>	<u>290,510</u>	<u>(295,812)</u>
<b>CASH (BANK INDEBTEDNESS) - END OF YEAR</b>	<u>\$ 337,273</u>	<u>\$ 290,510</u>
<b>CASH FLOWS SUPPLEMENTARY INFORMATION</b>		
Interest received	<u>\$ (137)</u>	<u>\$ (120)</u>
<b>CASH (BANK INDEBTEDNESS) CONSISTS OF:</b>		
General Account	\$ 43,979	\$ (12,159)
Trading Account	228,160	271,201
Restricted cash	<u>65,134</u>	<u>31,468</u>
	<u>\$ 337,273</u>	<u>\$ 290,510</u>

## ASSOCIATION OF MANITOBA MUNICIPALITIES

### Notes to Combined Financial Statements

**Year Ended August 31, 2014**

#### 1. DESCRIPTION OF BUSINESS

The Association was established to provide lobbying activities, professional development seminars and to aid in the development of policies that are of importance to its member municipalities in the Province of Manitoba. As well, the Association operates a program which offers member municipalities group discounts on various products and services. This program operates through the Municipalities Trading Company of Manitoba Ltd. (MTCML), which is represented in these financial statements by the Trading Account. The Association is exempt from income tax on its earnings under Section 149 of the Income Tax Act.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The combined financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The combined financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

##### Basis of combination

The combined financial statements include the financial statements of the general operations of the Association, without inclusion of special project revenues and expenses funded by third parties, as well as the statements of the Association's wholly owned subsidiary Municipalities Trading Company of Manitoba Ltd. (referred to as "Trading account" throughout these financial statements).

##### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

##### Fund accounting

The Association accounts for its operations in two funds as follows:

##### General Account

This fund includes transactions relating to the day-to-day operations of the Association.

##### Trading Account

This fund includes transactions relating to the day-to-day operations of the Municipalities Trading Company of Manitoba Ltd.

##### Investments - Held for trading

Investments are classified as held for trading and are stated at market values, unrealized gains and/or losses are recorded on the income statement.

## ASSOCIATION OF MANITOBA MUNICIPALITIES

### Notes to Combined Financial Statements

**Year Ended August 31, 2014**

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Inventory

Inventory is measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventory includes all costs to purchase, convert, and bring the inventories to their present location and condition. Cost is determined using specific identification for major equipment and the weighted-average cost formula for all other inventory items. Inventory valuation reserves are maintained for inventory that is slow moving or obsolete.

##### Property and equipment

Property and equipment are stated at cost or deemed cost less accumulated amortization. Amortization is recorded on the straight-line basis using the following annual rates:

Buildings	2.5%
Computer equipment	30%
Computer software	100%
Office equipment	10%
Photocopier	20%
Sign	10%
Motor vehicles	20%

The Association regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

##### Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Association's revenues are recognized when earned and collection is reasonably assured.

The Trading Account's sales are normally recognized when the products are shipped, at which time title passes to the customer.

The Trading Account's Insurance Administration Fees and Investment revenues are recognized when earned and collection is reasonably assured.

## ASSOCIATION OF MANITOBA MUNICIPALITIES

### Notes to Combined Financial Statements

**Year Ended August 31, 2014**

#### 3. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure as of August 31, 2014.

##### Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from its members. Since the association's members consists of primarily government authorities there is a minimal risk that a counterparty will fail to perform its obligations.

##### Interest Rate

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the association manages exposure through its normal operating and financing activities. The association is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

#### 4. BUILDING RESERVE

This reserve has been established to fund major repairs, renovations, and expansion of the building.

#### 5. COMMUNICATIONS RESERVE

This reserve has been established to fund future media campaigns aimed at increasing awareness of topics deemed important to the Association of Manitoba Municipalities.

#### 6. EMPLOYEE BENEFITS RESERVE

This reserve was originally established to pay out severance packages and was augmented by the transfer of the general reserve in Manitoba Association of Urban Municipalities at December 31, 1998. Since that time, it has been used to fund superannuation. Accumulated equity in the reserve is not to exceed \$150,000.

#### 7. LEGAL FUND

During 1999, a Legal Fund was established to fund various matters that require the services of a lawyer, including preparation of by-laws, research and responding to any proposed legislative changes or lobbying on issues important to municipalities in Manitoba.

#### 8. PUBLIC SECTOR ACCOUNTING RESERVE

This reserve has been established to fund the cost of consulting fees required to determine the needs, costs and procedures for municipalities to be compliant with the Public Sector Accounting Board's required reporting standards. During the year, the Board passed a motion to close the reserve and transfer the \$30,124 surplus to unrestricted net assets.

## ASSOCIATION OF MANITOBA MUNICIPALITIES

### Notes to Combined Financial Statements

**Year Ended August 31, 2014**

#### 9. CASH AND SHORT TERM DEPOSITS

Included in cash and short term deposits is \$65,134 (2013 - \$31,468), relating to funds held in a bank account in the Association's name relating to other expenses which are not a part of the association's operations, including special projects funded by the Provincial Government, Federation of Canadian Municipalities member expenses funded by the member municipalities and other miscellaneous projects. These funds are restricted for use on these operations and are held in trust. Revenues and expenses relating to these operations have not been included in these financial statements.

#### 10. PROPERTY AND EQUIPMENT

	<b>2014</b>		<b>2013</b>	
	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Cost</b>	<b>Accumulated amortization</b>
Buildings	\$ 378,676	\$ 149,314	\$ 378,676	\$ 141,741
Computer equipment	161,119	152,137	155,450	147,197
Computer software	9,713	9,438	9,163	9,163
Land	90,000	-	90,000	-
Office equipment	65,563	61,482	65,563	60,834
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	6,995	10,762	5,919
Motor vehicles	63,237	29,879	63,237	17,232
	<b>\$ 796,975</b>	<b>\$ 427,150</b>	<b>\$ 790,756</b>	<b>\$ 399,991</b>
Net book value	<b>\$ 369,825</b>		<b>\$ 390,765</b>	

#### 11. BANK INDEBTEDNESS

The association does not have a line of credit. Bank indebtedness arises from a large number of outstanding cheques that will clear in the subsequent period.

#### 12. LEASE COMMITMENTS

The association leases a photocopier that expires December 15, 2015. Under the lease, the association is required to make the following lease payments:

2015	\$ 11,314
2016	5,657

#### 13. COMMITMENTS

The association has signed an agreement with the RBC Convention Centre for the 2014 Annual Provincial Conference to take place in the next fiscal year. The association has currently made three deposit payments of \$10,780 each and are required to make an additional two payments before the event takes place.

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## Notes to Combined Financial Statements

## Year Ended August 31, 2014

## 14. SELF-INSURANCE LOSS POOL

	2012/2013 and Prior Pool	2013/2014 Pool	2014	2013
Balance, beginning of year	\$ 12,140,841	\$ -	\$ 12,140,841	\$ 13,571,350
Current year loss pool additions	-	6,133,184	6,133,184	6,146,842
	12,140,841	6,133,184	18,274,025	19,718,192
Insurance claims paid	(4,423,110)	(1,492,843)	(5,915,953)	(5,172,200)
Loss pool rebates paid	-	-	-	(2,405,151)
Balance, end of year	\$ 7,717,731	\$ 4,640,341	\$ 12,358,072	\$ 12,140,841

The "self-insurance loss pool" is operated by the Association of Manitoba Municipalities. The pool is funded annually by proportionate contributions from participating municipalities.

This joint loss pool is responsible for paying the first \$1,000,000 (2013 - \$1,000,000) per claim for certain types of claims, up to a maximum of \$6,100,000 (2013 - \$6,100,000) aggregate for the year.

Cash and equity investments segregated for the self-insurance loss pool are recorded at fair market value. Funds are held through the following:

	2014	2013
Bank	\$ 59,565	\$ 40,470
Great West Life - Loss Pool Fund	14,615,035	13,511,456
	\$ 14,674,600	\$ 13,551,926

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## Notes to Combined Financial Statements

Year Ended August 31, 2014

## 15. RESERVES - GENERAL ACCOUNT

	2014	2013
<u>Building Reserve (Note 4)</u>		
Opening balance	\$ 208,836	\$ 207,924
Interest received	6,811	912
Contribution from MTCML	100,000	-
	<u>\$ 315,647</u>	<u>\$ 208,836</u>
<u>Communications Reserve (Note 5)</u>		
Opening balance	\$ 138,786	\$ 137,982
Interest received	390	804
Expenses	(28,128)	-
Contribution from MTCML	100,000	-
	<u>\$ 211,048</u>	<u>\$ 138,786</u>
<u>Employee Benefits Reserve (Note 6)</u>		
Opening balance	<u>\$ 100,000</u>	<u>\$ 100,000</u>
<u>Legal Fund (Note 7)</u>		
Opening balance	\$ 52,764	\$ 53,486
Interest received	512	398
Expenses	(9,331)	(1,120)
Contribution from MTCML	50,000	-
	<u>\$ 93,945</u>	<u>\$ 52,764</u>
Total Restricted Reserves	<u>\$ 720,640</u>	<u>\$ 500,386</u>

# ASSOCIATION OF MANITOBA MUNICIPALITIES

## Notes to Combined Financial Statements

Year Ended August 31, 2014

### 16. RESERVES - TRADING ACCOUNT

	2012	2011
<u>Insurance Reserve (Note 9)</u>		
Opening balance	\$ -	\$ 619,492
Transfer to Unrestricted Net Assets	-	(619,492)
	<u>\$ -</u>	<u>\$ -</u>
 <u>Public Sector Accounting Reserve (Note 10)</u>		
Opening balance	\$ 29,824	\$ 135,704
Interest received	300	326
Expenses	-	(6,206)
Transfer to Unrestricted Net Assets	(30,124)	(100,000)
	<u>\$ -</u>	<u>\$ 29,824</u>
 Total Trading Reserves	<u>\$ -</u>	<u>\$ 29,824</u>

### 17. PRIOR PERIOD ADJUSTMENT

During the year, the association noted that they were holding onto funds in trust which were for specified expenses which are not a part of the association's operations. In past years, any amounts received for these purposes were recorded as revenue and any amounts spent from these monies were recorded as expenses. Since these are not a part of the association's operations, the related revenues and expenses should not be recorded in their statement of income. Due to this, FCM dues were reduced by \$30,576, FCM expenses were reduced by \$16,253, investment income was reduced by \$596, funds held in trust was increased by \$23,969 and opening unrestricted net assets in the general account was reduced by \$9,391 for the year ended August 31, 2013. Opening unrestricted net assets for the general fund was also reduced by \$23,969 for the year ended August 31, 2014.

### 18. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

## ASSOCIATION OF MANITOBA MUNICIPALITIES

## General Account

## Combined Schedule of Expenses

Year Ended August 31, 2014

	2014	2013
<b>Functions</b>		
Convention	\$ 285,232	\$ 339,082
Education	18,107	18,605
Municipal seminar	44,990	48,605
Resolutions committee	4,340	4,151
Trade show	36,031	35,824
	<u>\$ 388,700</u>	<u>\$ 446,267</u>
<b>Executive</b>		
Communication allowance	\$ 2,742	\$ 2,400
Board - stipend	27,457	28,444
Board - sundry	135	121
Meeting expenses	267,707	281,895
President's salary	61,091	59,496
	<u>\$ 359,132</u>	<u>\$ 372,356</u>
<b>Other</b>		
Amortization	\$ 27,159	\$ 27,133
Association fees	2,845	2,450
Audit fees	14,626	10,135
Bank charges	137	120
Building repairs and maintenance	28,545	21,214
Donations and gifts	15,908	13,020
Insurance	5,529	5,797
Legal	76,729	11,959
Office	56,452	48,131
Postage and stationery	24,631	24,794
Promotion materials	4,084	1,383
Property taxes	18,681	19,095
Telephone	16,033	13,820
Vehicle expenses	8,456	8,386
	<u>\$ 299,815</u>	<u>\$ 207,437</u>
<b>Staffing</b>		
Management expenses	\$ 32,828	\$ 32,797
Staff expenses	13,993	12,460
Salaries	607,133	622,424
Employee benefits	108,826	112,800
Workers compensation	558	840
Staff training and recruitment	1,255	110
	<u>\$ 764,593</u>	<u>\$ 781,431</u>



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