

THE ASSOCIATION OF MANITOBA MUNICIPALITIES

2009 ANNUAL REPORT

SEPTEMBER 1, 2008 TO AUGUST 31, 2009



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. 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 Northern District shall be comprised of one (1) representative from The Pas, RM of Kelsey, Flin Flon, Snow Lake or Grand Rapids, and one (1) representative from Thompson, Lynn Lake, Leaf Rapids, Churchill, Gillam or LGD of Mystery Lake. The Director for the City of Winnipeg shall be appointed by the council of the City of Winnipeg. The President of the Manitoba Municipal Administrators' Association also sits as an ex-officio representative to the Board of Directors.

The Executive Committee consists of a President, a Vice-President Rural, and a Vice-President Urban. The Executive are elected for a one-year term at every 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.



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NORTHERN MANITOBA INSERT

Hudson Bay

Tadoule Lake

Reindeer Lake

TOWN OF LYNN LAKE

Southern Indian Lake

TOWN OF LEAF RAPIDS

L.G.D. OF MYSTERY LAKE

City of Thompson

TOWN OF SNOW LAKE

City of Flin Flon

R.M. OF KELSEY

Town of The Pas

Cedar Lake

TOWN OF GRAND RAPIDS

Chenail River

Split Lake

Howe River

TOWN OF GILLAM

TOWN OF CHURCHILL

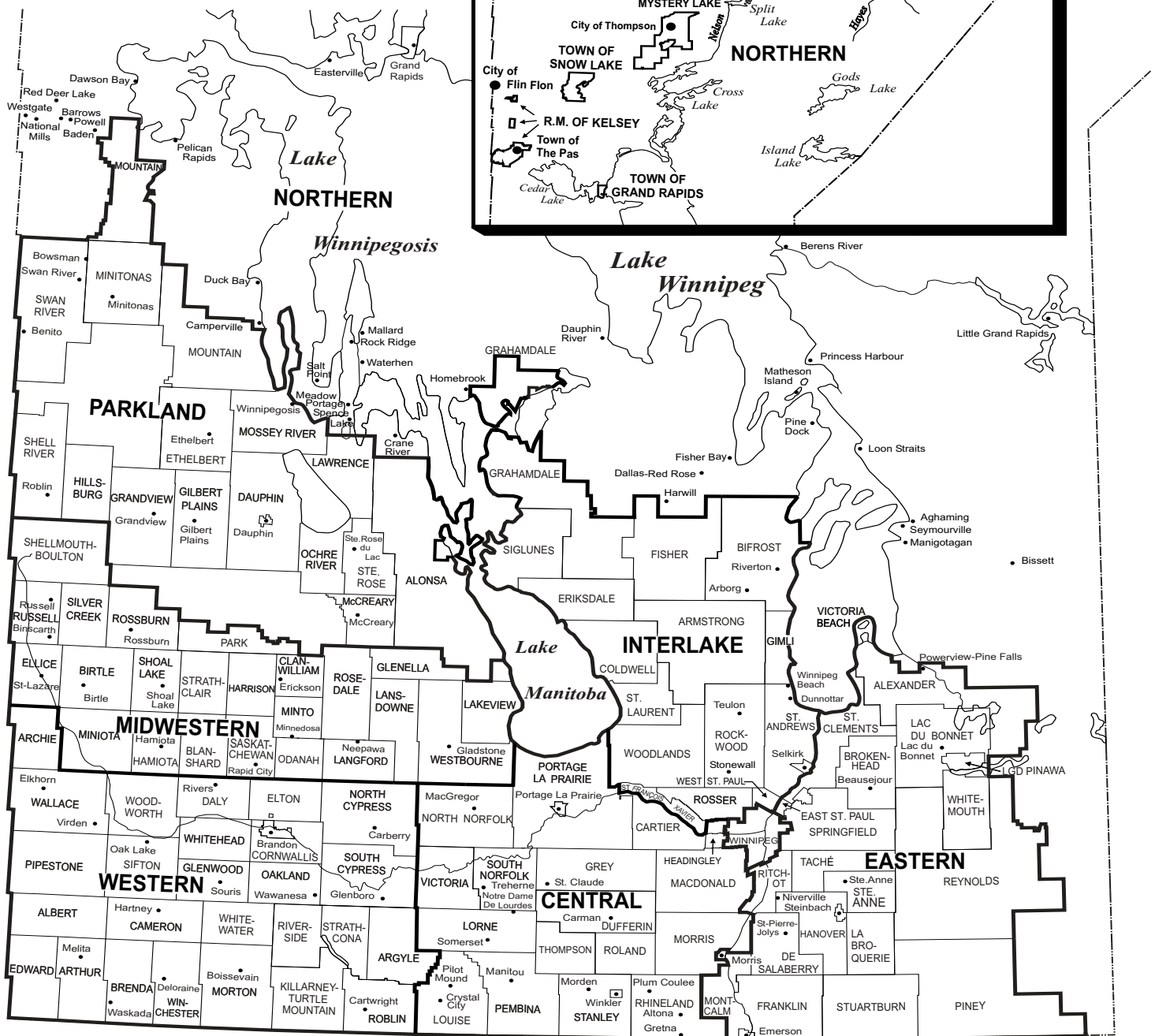
Nelson River

Cross Lake

Gods Lake

Island Lake

NORTHERN





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, Town
Manitou, Town
McCreary, Village
Melita, Town
Minitonas, Town
Minnedosa, Town
Morden, Town
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, Village
Powerview, Village
Rapid City, Town
Rivers, Town
Riverton, Village
Roblin, Town
Rossburn, Town
Russell, Town
Selkirk, City
Shoal Lake, Town
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
Tache
Thompson
Victoria
Victoria Beach
Wallace
West St. Paul
Westbourne
Whitehead
Whitemouth
Whitewater
Winchester
Woodlands
Woodworth

PRESIDENT'S MESSAGE



On behalf of the Board of Directors of the Association of Manitoba Municipalities, I am pleased to present the 2009 Annual Report.

It is hard to believe that my first year as AMM President is coming to a close. If time really does fly when you are having fun, 2009 must have been very enjoyable for me—it went by so quickly.

We achieved success in several areas this past year, most notably disaster financial assistance; MPIC (Manitoba Public Insurance Corporation) rates for emergency vehicles; increased funding for drainage; and a further reduction in education taxes on property. The AMM has lobbied for these changes for years and these highlights prove that steady, repeated effort can and does result in successes for municipalities.

Federally, while we remained appreciative of the Building Canada Fund, we also experienced frustration. The January announcement that the Communities Component was “open for business” was positive, but the tight deadline to apply was a concern. Even more disturbing was the lack of municipal representation on the selection committee. Previous programs, most recently the Municipal Rural Infrastructure Fund (MRIF), included the AMM and gave municipalities a voice in the selection process. We think this is essential to a fair and equitable program and although we were disappointed to have been shut out this year, we are optimistic we will have a seat at the table for the next intake period.

Federally and provincially, our key issue this year was the need for alternate revenue for municipalities to deal with the serious infrastructure deficit facing our communities. We highlighted it at every meeting with Provincial Cabinet Ministers, raised it with every MLA we met with during Lobby Days, and discussed it with Premier Doer during our annual meeting with Cabinet. We have asked the Province to share one per cent of the provincial sales tax with municipalities for infrastructure, and we will continue to push for a fair share. It is simply time for a new approach to municipal finance and we have no intention of backing down.

If our key issue was alternate revenue, its partner was our growing anxiety with downloading. Either through direct off-loading of responsibilities from other orders of government or through stricter or new rules, municipalities are shouldering more of the load. With the revenue stream remaining stagnant, this reality is putting a greater strain on municipalities.

“If our key issue was alternate revenue, its partner was our growing anxiety with downloading.”

We made sure to convey this message to government at every opportunity this year.

We raised dozens of other issues during our annual minister meetings, including health care. This continues to be a major issue for municipalities, in itself worrisome as health care is not a municipal issue – a perfect example of downloading. Concerns with the regional health authority system, the requirement for municipalities to contribute 10% to capital projects, and issues around physician recruitment, retention and training all place a great deal of pressure on Manitoba communities. And this is only one example. The many other issues we raised are detailed in the pages of this report.

I would like to bid farewell to Gary Doer who has taken up the post of Canadian Ambassador to the United States. The AMM truly appreciates his dedication to the people of our province and we wish him well. I also welcome Premier Greg Selinger to his new position. I met with Premier Selinger several times in his former role as finance minister and have always found him to be honest and forthright. I believe he will be responsive to the needs of municipalities.

I must also thank my executive team for their hard work over the past year. Without the support of Vice-Presidents Shirley Kalyniuk and Roger Wilson and Executive Director Joe Masi, my work would have been much more difficult—and a lot less enjoyable. The entire Board of Directors deserves a warm thank you as well, for their dedication and hard work throughout the year.

I bid farewell to Parkland directors Rene Maillard and Robert Misko, and welcome incoming directors Betty Nykyforak and Ron Kostyshyn, who I am sure will fill those big shoes admirably. Welcome also to Randy Lints, who took over the Midwestern Director spot vacated by Roger Wilson. New faces around the board table always make for an interesting year and I think we have a really great group of people representing the interests of our members.

My final thank-you is of course reserved for our members. Your support and encouragement throughout the past year meant a great deal to me. You may think you are attending AMM events to learn, but really it is we who learn from you. You bring your knowledge, enthusiasm, and ideas to us and it is that dedication that propels us to carry out our work on your behalf. It is truly your ongoing commitment to your communities that makes Manitoba a great place to live.

Doug Dobrowolski, President

EXECUTIVE DIRECTOR'S MESSAGE



I am pleased to provide the Executive Director's message for the 2009 Annual Report of the Association of Manitoba Municipalities (AMM). This report outlines the activities of our 11th year of operation.

On the financial side, the AMM and Municipalities Trading Company of Manitoba Limited (MTCML) continue to be strong. MTCML sales remained consistent

at around \$25,000,000 and despite the serious economic downturn this past year, the AMM was able to offer a rebate back to our membership. This year's rebate was \$500,000, bringing the total rebates to \$4.3 million over the past eight years.

We sincerely thank all municipalities for their continued use of our trading company, and our MTCML Official Suppliers for their part in our success. I am also pleased to welcome several new Official Suppliers and Corporate Members this year, further strengthening our service to our members.

Our events continued to draw a large number of members this past year, and with good reason. The AMM was able to offer two first-rate and affordable professional development courses for elected officials. Events such as the Municipal Officials Seminar & Trade Show last spring were well attended despite the disastrous flooding conditions taking place in many parts of Manitoba.

Our 10th Annual Convention was second-to-none and succeeded in showcasing just how far we have come during our first decade. This Convention also saw the culmination of over a year of preparation for our 10th anniversary and the completion of the AMM History Book, *With One Voice: A History of Municipal Governance in Manitoba*. It was an event no one in attendance will soon forget.

On the communications side, our magazine and bulletins continue to see increased readership while keeping our members and a growing list of subscribers informed on various AMM initiatives. The AMM website at www.amm.mb.ca continues to be a valuable resource for our members as we continue to offer increased on-line registration opportunities, along with the most up-to-date information.

A number of special events take place annually and one of the most exciting this past year was a visit from our friends with The Corporation of Municipalities of the Republic of El Salvador (COMURES). We have been part of an exchange with COMURES since 2005 and their visit in April marked

**"This past year has been
challenging in so many ways."**

the beginning of the technical phase of the exchange, with a strong focus on communication. This exchange is sponsored by the Federation of Canadian Municipalities (FCM) and is truly as much a learning experience for AMM as it is for COMURES.

I owe thanks to our Board of Directors for its support and guidance throughout the year. Board members come and go but each and every one makes an indelible mark on this organization. Without their great investment of time and effort into the AMM we would not be the successful lobby group we are today.

I also must recognize the excellent work the staff of the AMM do on behalf of our Board and our membership. The events leading up to the 10th anniversary celebrations resulted in a great many extra tasks on the calendar for every member of our staff. We have had no staff turnover for over five years and that long-term commitment to the organization shows in everything they do. I could not do my job as Executive Director without their support.

Thanks also to President Ernie Epp and Executive Director Mel Nott of the Manitoba Municipal Administrators Association (MMAA) and all MMAA members for their contribution to the AMM. The MMAA holds a position at the AMM board table and their input and perspective is indispensable. We truly value the partnership and excellent working relationship between the AMM and MMAA.

Lastly, I thank our membership for their continued advice, support and encouragement. You have welcomed our Association to your offices on municipal visits and provided us with valuable feedback on various issues facing municipalities. This past year has been challenging in so many ways. You have faced flooding, an unstable economy, difficulties with PSAB, the download of services, and many other trials and tribulations. The dedication and professionalism with which you continue to serve your communities is admirable.

I hope you enjoy this annual report and we look forward to continuing to work on your behalf in the coming year.

Joe Masi, Executive Director

BOARD OF DIRECTORS



**Alice Bourgouin, Reeve, RM of Rosser
Interlake Rural Director**

AMM Resource Management Committee / Manitoba Water Council / Planning Excellence Awards Judging Panel



**Randy Sigurdson, Mayor, Town of Arborg
Interlake Urban Director**

AMM Social & Fiscal Issues Committee / Physician Resource Coordination Office Policy Committee / Manitoba Product Stewardship Board / Manitoba Disaster Appeals Board



**Mel Klassen, Mayor, Town of Altona
Central Urban Director**

Chair, AMM Resource Management Committee / AMM Administration Committee / Manitoba Product Stewardship Board / Municipal Employee Benefits Board / Municipal Advisory Committee on Recycling



**Ralph Groening, Councillor, RM of Morris
Central Rural Director**

Chair, AMM Administration Committee / AMM Social & Fiscal Issues Committee / Manitoba Habitat Heritage Board / Office of the Fire Commissioner Advisory Committee / Manitoba Emergency Services College Advisory Committee



**George Harbottle, Reeve, RM of Alexander
Eastern Rural Director**

AMM Administration Committee / AMM Resource Management Committee / Municipal Employees Benefits Board / MPIC Review Committee / Manitoba Disaster Appeals Board



**Art Rempel, Councillor, City of Steinbach
Eastern Urban Director**

Chair, AMM Social & Fiscal Issues Committee / AMM Administration Committee / Community Investment Support Program / Municipal Excellence Awards Committee / Medical First Response Advisory Committee



**Alan Ransom, Councillor, RM of Morton
Western Rural Director**

Vice-Chair, AMM Resource Management Committee / Conservation Agreement Board / Building Standards Board / Building Officials Training Certificate Program



**Maxine Chacun, Councillor, Town of Virden
Western Urban Director**

AMM Resource Management Committee / Public Fire Safety and Prevention Advisory Committee / MPIC Review Committee / MPIC Road Safety Committee / MPIC Wildlife Committee

BOARD OF DIRECTORS



Eileen Clarke, Mayor, Town of Gladstone
Midwestern Urban Director

Vice-Chair, AMM Administration Committee / AMM Social & Fiscal Issues Committee / Municipal Excellence Award Committee / Ageing Friendly Rural-Remote Communities Initiative Steering Committee



Randy Lints, Reeve, RM of Hamiota
Midwestern Rural Director

AMM Resource Management Committee / Tire Stewardship Board / Biodiesel Committee



Betty Nykyforak, Councillor, Town of Roblin
Parkland Urban Director

AMM Social & Fiscal Issues Committee



Ron Kostyshyn, Reeve, RM of Mossey River
Parkland Rural Director

AMM Resource Management Committee / Beaver Control Program Review / Aggregate Review Committee



Oswald Sawh, Councillor, City of Thompson
Northern Director

Vice-Chair, AMM Social & Fiscal Issues Committee



Karen MacKinnon, Councillor, City of Flin Flon
Northern Director

AMM Administration Committee / Social & Fiscal Issues Committee / Municipal Excellence Award Committee



Russ Wyatt, Councillor
City of Winnipeg Director

AMM Social & Fiscal Issues Committee



Ernie Epp, President
Manitoba Municipal Administrators' Association
Chief Administrative Officer, Town of Morden



Standing L to R:

Mayor Shirley Kalyniuk, Town of Rosscburn, Urban Vice-President

Vice-President Kalyniuk represents the AMM on the CD Framework Working Group.

Reeve Roger Wilson, RM of Birtle, Rural Vice-President

Vice-President Wilson represents the AMM on the CD Framework Working Group.

Joe Masi, Executive Director

Sitting:

Councillor Doug Dobrowolski, RM of Macdonald, President

President Dobrowolski represents the AMM on the Federation of Canadian Municipalities (FCM) Board of Directors the Federal Gas Tax Oversight Committee, and the Lake Winnipeg Stewardship Board.

The AMM Executive also sits on all AMM internal committees.

**Sitting L to R:**

Director of Administration & Marketing Linda Hargest, Director of Policy & Communications Tyler MacAfee, Executive Director Joe Masi.

Standing L to R:

Communications Coordinator Lynne Bereza, Administrative Assistant - Board & Administration Julia Green, Senior Policy Analyst Lynn Ferguson, Administrative Assistant - Policy & Communications Erika Rempel, Events Coordinator Donna Belbin, Finance Coordinator Patti de Baets.





Alternate Revenue for Municipalities

Lack of revenue is not a new problem for municipalities. In fact a strong argument can be made that from its inception municipal government has not had the resources required. One need only look back to the resolutions from the founding meeting of the Union of Manitoba Municipalities in 1905 to see municipal revenues were front and centre even then.

It is because of the importance of this issue that the AMM brought it to every Provincial Cabinet Minister we met with over the past year. It was also the only issue we raised with every MLA we met with as part of our Lobby Days. Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada. This leaves municipalities having to compete against one another for limited dollars and restricts a municipality's ability to properly plan for much needed investment. The amount in grant programs like the Municipal Rural Infrastructure Fund is nowhere near the total demand, meaning there is no guarantee much needed projects will ever see funding.

Municipalities must have access to new revenue sources. A greater reliance on property taxes and provincial and federal grants has created an ever-widening chasm between municipal revenues and needs, leaving future generations with what is quickly becoming an insurmountable infrastructure deficit.

A new approach is needed, and for this reason the AMM asked the Province of Manitoba to share one per cent of the Provincial Sales Tax with municipalities for infrastructure. This will provide municipalities with in excess of \$200 million a year. For a community of 1,000 people, this means an investment of roughly \$185,000 in their local infrastructure, or \$370,000 for a community of 2,000 people. Although this alone will not erase the infrastructure deficit in Manitoba, it would be a positive first step.



L to R: City of Brandon Mayor Dave Burgess, City of Winnipeg Councillor and AMM Director Russ Wyatt, and President Ron Bell address the media. The press conference was organized during the AMM 10th Annual Convention to discuss Resolution #75 asking for the equivalent of a one per cent provincial sales tax to municipalities for municipal infrastructure.

One of the ways the AMM gauged public attitudes on infrastructure renewal funding in Manitoba last year was by taking part in an Omnibus survey. This survey was administered by Probe Research to a random sampling of 1,000 adults between September 15 and October 6, 2008.

The survey questions were designed to gauge Manitobans' attitudes towards the importance of infrastructure renewal projects, their opinion on the affordability of such projects, and their support of a one per cent sales tax dedicated to infrastructure programs.

Key Findings

- When asked how much priority municipal governments should give to infrastructure renewal projects, the vast majority feel that municipalities should be giving either "highest" priority (27%) or "high" priority (67%) to these types of projects. This priority was offered by all respondents regardless of location or socio-demographic background.
- A majority of Manitobans do not, however, feel their own municipal government could afford to pay for infrastructure upgrades without raising taxes or looking to other levels of government for financial support. Only a little more than one-third (35%) surveyed felt their municipality could pay for its own infrastructure needs, while over half (55%) were convinced their municipality could not afford to cover these projects.
- A majority of Manitobans (54%, including 22% who "strongly" support) report they would support the idea of an additional one per cent municipal tax dedicated exclusively for infrastructure renewal projects.





The AMM prepares a Federal Budget Submission each year as part of its federal lobbying activities. The following is a summary of the 2009 submission.

In Canada, the municipal infrastructure deficit is in excess of \$123 billion for current needs—a number that has doubled over the last five years. Equally alarming, the \$123 billion is only for the upgrade and repair of current municipal infrastructure. Another \$115 billion is required for new infrastructure. In Manitoba alone, the AMM estimates the total municipal infrastructure deficit to be in excess of \$11 billion. To put it into perspective, this is over \$10,000 per Manitoban.

The federal government has taken positive steps to help municipalities, most notably the Gas Tax Agreement and more recently the Building Canada Fund (see sidebar). However, when evaluated in comparison to the overall municipal infrastructure deficit, much more work is needed. The piecemeal approach to funding—a grant here, a pot of money there—simply is not working.

Of course, no one program will fix such a dire situation, nor is it going to be fixed overnight. What is needed is a long-term coordinated approach from all three orders of government. To truly avert a national crisis, the federal government must work with the provincial/territorial and municipal governments to create a strategy to meet the challenges of this ballooning municipal infrastructure deficit. Municipalities cannot meet this challenge on their own, nor can the provinces.

Another way to relieve the pressure on municipal governments is to put an end to the off-loading of responsibilities. Too often municipalities are left to deal with responsibilities that have never been municipal responsibilities, such as health care and policing. For example, across Canada the federal share of the cost of RCMP contract services has gone from 50 per cent in 1976 to zero since 1992.

Another concern for municipalities is the practice of developing new requirements and mandates for municipalities without accompanying financial support. One example is the Federal Government's intention to implement new regulations for the management of municipal wastewater across Canada. Although it is estimated the regulation will impact 4,000 wastewater treatment facilities, there was no mention of any new funding to offset the substantial costs such a regulation imposes on municipalities. Who will pay for this?

In every infrastructure funding program in Manitoba, demand has far outstripped available funding. There simply is not enough money in current programs to handle the

added costs new regulations will bring. The net result is a further financial burden on municipalities.

One way to address some of these issues is for the federal government to develop a new portfolio specifically tasked with championing the issues of small rural communities at the cabinet table. Too often the unique needs of small rural municipalities are either dismissed or completely overlooked in discussions of how to solve the issues facing municipalities. For the first time in Canadian history rural Canada's share of the national population fell below 20 per cent. This has left municipalities with shrinking tax bases, limited revenue sources and an aging infrastructure. Rural Canada needs a champion.

Building Canada Fund

The Government of Canada and Province of Manitoba signed the Building Canada Framework Agreement on September 5, 2008—less than a week into the AMM's 2009 fiscal year.

On January 13, 2009, the Government of Canada and the Province of Manitoba announced the Communities Component of the Building Canada infrastructure plan was now "open for business" in Manitoba. Communities with a population of less than 100,000 were invited to apply for funding for their important public infrastructure projects. The hope was that work could begin as soon as the 2009 construction season began.

The extremely tight deadline of February 23, 2009 was of great concern to the AMM, and we were also disappointed in the lack of communication regarding this long-awaited announcement. The AMM was also informed there would be no municipal representation on the selection committee, unlike the previous consultative committee that was established for the Municipal Rural Infrastructure Fund (MRIF).

The AMM raised these concerns with Minister Vic Toews and Premier Gary Doer, as well as Infrastructure and Transportation Minister Ron Lemieux and Intergovernmental Affairs Minister Steve Ashton.

To date, there is still uncertainty about how much funding is flowing to Manitoba, and the AMM remains concerned with the lack of municipal representation.

However, we are pleased the process is finally underway and we will continue to request municipal representation in future intakes.

LOBBYING HIGHLIGHTS - SUCCESSES



It is only natural that as a lobby group the AMM is judged by its successes. This past year was a success for the AMM in many areas and a work in progress in others. Here is an overview of the AMM's lobbying highlights from the last year.

Disaster Financial Assistance—a breakthrough

The spring of 2009 was a wet one for a lot of municipalities. For those municipalities in the Red River Valley it was tough year with flood levels reaching the second highest ever on record, and impressive heights were reached in other areas of the province as well. Municipal officials were out in their communities working day and night to initiate emergency plans and coordinate relief efforts. In many cases it was the actions of municipal officials and local volunteers that saved homes and prevented more extensive damage.

In times of disaster municipalities need to take action without having to worry about how much everything will cost. The AMM has been working with the Province for years to find a better way to deliver disaster assistance to municipalities and raised it immediately in the spring when it became evident it was going to be a difficult year. The AMM was very pleased when the Province announced in July 2009 that it would adjust the cost-sharing agreement with municipalities and cap the total municipal contribution.

The new rate is a flat rate of five dollars per capita of municipal expenditures, replacing the former system of municipalities contributing the first 10 per cent of their total claim. This new rate will mean significant savings for municipalities in the future and was a welcome announcement to those municipalities impacted this year.

MPIC Rate Increase

Another issue the AMM has been pushing for a number of years is the compensation provided by the Manitoba Public Insurance Corporation (MPIC) to municipalities for responding to motor vehicle accidents. In 2005 the AMM was able to secure a rate increase that brought the rates up substantially; however, this increase failed to adequately compensate municipalities for the actual costs of responding to accidents.

The AMM has continually raised this issue with MPIC as well as the Provincial Government. The AMM met with MPIC in early September 2009 and was able to secure another rate increase. MPIC will now be increasing the compensation rates the Consumer Price Index (CPI) as of 2006 plus one per cent annually across the board. This means that effective September 1, 2009 basic calls will receive \$658 per incident (up from \$600) and \$877 per incident for complex calls (up



L to R: President Doug Dobrowolski, Intergovernmental Affairs Minister Steve Ashton, and Manitoba Emergency Measures' Lee Spencer on July 6, 2009.

from \$800). MPIC will also continue to reimburse municipalities for extra services as required. Most importantly, the AMM was successful in having MPIC commit to an annual increase of the rates effective March 1 of each year based on the prior year's CPI plus one per cent.

Greyhound Bus Service

An issue that immediately drew attention from the AMM was Greyhound Bus Lines' announcement in early September, 2009 to discontinue service throughout Manitoba. This would cause serious problems for many rural and remote communities in the province. The AMM immediately took action by meeting with the Province to discuss the impact of this policy decision on municipalities. The Province agreed with the seriousness of the issue and a working group was created to find possible solutions. The AMM also raised this issue with the Federation of Canadian Municipalities (FCM), and was successful in getting an emergency resolution of the Board passed. The resolution called on the Federal Government to work with the provinces and industry to find a short-term solution to continue service as well as develop a long-term strategy to ensure service remains into the future.

Greyhound backed away from its original announcement to discontinue service and was working with stakeholders to find a solution, but renewed its threat on October 23, 2009. On October 29, Transport Minister Ron Lemieux announced Greyhound and the Province had agreed to work together to find a mutually satisfactory solution and Greyhound agreed to cancel its deadline of November 1 to pull out of Manitoba.

The AMM will continue to monitor the situation and work with Greyhound, the Provincial and Federal Governments and FCM to find a permanent resolution.

LOBBYING HIGHLIGHTS - PROVINCIAL



The AMM meets annually with all Provincial Cabinet Ministers to bring forward important municipal issues. Meetings and updates for 2009 are highlighted in the following pages.

Manitoba Competitiveness, Training and Trade

On February 10, 2009 the AMM met with the Honourable Andrew Swan. The AMM opened the meeting by highlighting the need for business development in rural areas. Minister Swan indicated attracting people to take up trades is challenging and he is aware of many impending retirements in the skilled trades. Although apprenticeship training programs provide integral educational opportunities within communities, finding mentors can be difficult.

The AMM also stressed the need to create local training opportunities in emerging technologies. Minister Swan indicated the Province has been successful in bringing skilled people into Manitoba through the Provincial Nominee Program. The Province has also implemented business programs like the Canada-Manitoba Business Services Centre which offers distance courses throughout the province.

The AMM also raised water and wastewater operator training concerns. The Minister indicated the Province is currently reviewing whether apprenticeships would be beneficial in the training and certification process. Red River College is willing to offer courses outside of Winnipeg and Brandon

if there is a business case, as the key is balancing training efficiencies with the need for local offerings.

The AMM also requested an update on the January 16, 2009 commitment from all provinces to amend the Agreement on Internal Trade (AIT) to make it easier for any worker certified for an occupation by a regulatory authority of one province or territory to be recognized as qualified for that occupation by all other provinces and territories. Minister Swan indicated the Province is supportive of the amendments to increase labour mobility. Professions are able to ask for exemptions and conditions to be placed on their profession and Manitoba may also place restrictions on people coming to work in Manitoba if other provinces or territories place the same restrictions on Manitobans.

Update: Since the meeting with Minister Swan the AMM has been informed of upcoming changes to the water and wastewater operator program, including making it easier for operators to re-write tests and for municipalities to apply for conditional licenses for their operators. The AMM also met with department representatives and other stakeholders to begin discussions about making water and wastewater operators an apprenticeship trade.

Manitoba became the first province in Canada to formally implement Chapter 7 changes to the Agreement on Internal Trade (AIT) with the proclamation of The Labour Mobility Act in June 2009. The Act will allow workers certified in other jurisdictions to practice their occupations in Manitoba in accordance with Chapter 7.



L to R:

AMM Director of Policy & Communications
Tyler MacAfee
and Minister of Competitiveness, Training and Trade
Andrew Swan.



Amendments to the Onsite Wastewater Management Systems Regulation

In early 2009 Manitoba Conservation proposed amendments to the Onsite Wastewater Management Systems Regulation, MR 83/2003 under The Environment Act. This regulation governs the standards, installation and management of Onsite Wastewater Management Systems (OWMS) from private dwellings and businesses which generate a wastewater flow of less than 10,000 litres (2,200 gallons) per day.

The AMM took the following actions throughout the consultation process:

- February 25, 2009 – The AMM Resource Management Committee heard a presentation by Manitoba Conservation regarding the proposed regulatory amendment.
- February 26, 2009 – President Dobrowolski sent a letter to Minister of Conservation Stan Struthers regarding concerns with the proposed amendments.
- February 27, 2009 – The AMM distributed a Member Advisory to encourage municipalities to comment on the proposed amendments.
- March, 2009 – The AMM included the issue on the agenda for the Mayors, Reeves and CAOs meetings.
- April 15, 2009 - A plenary session took place at the Municipal Officials Seminar and the Department of Conservation was available to answer questions during and immediately following the session.
- May 28, 2009 - The AMM met with Minister Struthers to discuss the proposed regulatory amendments and to express concern with the impact the proposed amendments would have on residents.

Manitoba Conservation also held a number of regional meetings with dozens of concerned municipalities throughout its consultation process. Despite the clear message delivered from AMM members, the Province proceeded in September 2009 to amend the regulation and place a province-wide ban on sewage ejectors. The AMM feels this is excessive as there is no scientific evidence to support such a widespread measure.

Municipalities submitted resolutions on the issue at the Parkland, Central and Midwestern June District meetings, asking that the “AMM lobby the Province of Manitoba to have the new regulation apply on a case-by-case basis where there are scientifically justified environmental concerns and identified high risk areas.” AMM members will vote on this resolution at the Annual Convention in November, 2009.

Manitoba Infrastructure and Transportation

On February 10, 2009 the AMM met with the Honourable Ron Lemieux. The first issue on the agenda was the Building Canada Fund (BCF) and the concern that municipalities would not have a voice in the project prioritization process. The Minister expressed regret over the AMM’s exclusion from the announcement of the Communities Component of the BCF. The Minister also indicated that funding would be rolled out quickly and the usually cooperative process for project selection would not be followed. The Minister was disappointed to hear from the AMM that some municipalities would not be applying to the BCF because of the one-third requirement.

While the majority of the meeting was spent on the major infrastructure issues, the AMM also raised concerns with the impact of rail line abandonment on municipal infrastructure and local economies, drainage infrastructure issues, water system assessment costs and concerns of those municipalities that were previously local government districts (LGDs).

The Minister indicated that he supports rail as a means of transportation, especially as the Province moves forward with Centreport. The Minister expressed some frustration with the lack of clarity from rail companies on what they need to be successful in Manitoba. The Minister agreed with the AMM’s concerns with water system assessment costs as well as drainage funding concerns. The challenge remains a lack of funding overall for these issues. The Minister did offer to meet with the former LGD municipalities. The Province is prepared to take over responsibility for main market roads but is not ready to fund lesser roads. The Province has heard from some municipalities that former LGD municipalities receive preferential treatment.

***Update:** Since this meeting with the Minister much of the BCF and Federal Stimulus Funding in Manitoba has been allocated. The AMM is pleased this was done quickly, however it remains disappointed with the exclusionary approach of the federal and provincial governments.*

Manitoba Conservation

Manitoba Conservation advanced a number of initiatives of interest to the AMM over the last year. On February 24 the AMM had the opportunity to raise a number of these directly with the Honourable Stan Struthers. One such issue was recycling and the need to move forward with an industry-led model for recycling printer paper and packaging. The AMM has been pleased the Province has committed to retain the current 80:20 funding split. The AMM also stressed the need to move forward with the electronic



waste and household hazardous waste programs. The Minister indicated his department is working on these issues and agrees with the need to develop a permanent electronic waste program.

On the issue of cleaning up contaminated sites in communities, the Minister indicated his government has taken the approach that those who make the mess should clean it up.

The AMM also raised residency fees for permanent park residents and the impact this is having on municipalities. The need to increase funding for the beaver control program was also discussed.

The AMM also had a very frank discussion with the Minister on a number of concerns with the water and wastewater operator training program, including the lack of adequately trained operators, the licensing process as well as issues with the testing process. The Minister committed to follow up with his department.

Update: Since the meeting with the Minister the AMM has been informed of upcoming changes to the water and wastewater operator program, including making it easier for operators to re-write tests and for municipalities to apply for conditional licenses for their operators. On the recycling file, the industry-led stewardship group has submitted its plan to the Province and is expecting to hear back from the Province in late 2009. The Province has also announced a number of electronic waste depots throughout Manitoba, however a permanent program has not been reached yet.

Manitoba Labour and Immigration

On February 24 the AMM met with the Honourable Nancy Allan. The first issue raised was the need to have 911 services across Manitoba. Minister Allan was in agreement and the Province is working internally to find the best ways to make 911 more efficient. The AMM also raised concerns with growing municipal responsibilities for fire inspections. The Minister indicated that fire inspections are a municipal responsibility the Province is not prepared to take over. The Minister did commit to having the Office of the Fire Commissioner provide assistance to municipalities where required.

Also on the agenda was the issue of silent floor joists in new home construction and the impact they have for fighting fires due to different burn rates and patterns. The Minister indicated this issue is being reviewed nationally and the first stage of this review is now complete. The information is being reviewed by the Manitoba Building Standards Board. It appears there are better ways to design these floors that are safer for firefighters.

The Minister was disappointed to hear from AMM that some municipalities would not be applying to the Building Canada Fund because of the one-third requirement.

Manitoba Family Services and Housing

On February 24, 2009 the AMM met with The Honourable Gord Mackintosh. The AMM opened the meeting by stressing that housing programs must be available and accessible to all Manitoba communities while responding to the specific needs of demographic groups such as seniors. Minister Mackintosh indicated that 13,000 housing units have been rehabilitated, built or committed to and the

new HomeWorks program across the Province committed \$39 million in year one and over \$40 million in year two. The Province is willing to work with the AMM on developing a range of options municipalities can use and their role in affordable housing development, such as providing land.

Child care was also on the agenda and the AMM stressed the direct impact it has on regional economic development. The timely implementation of the Family Choices agenda will maximize the immediate impacts on expanded child care services and improve worker remuneration particularly in rural Manitoba. Minister Mackintosh indicated that there is a strong financial commitment provincially in this area, which saw an increase of spaces in the first year and is focusing on attracting people to work in the area for the second year. The Province is working on more in-home child care options, seasonal spaces and using schools, as well as looking at expanding training options through technology at Assiniboine Community College, Red River College and University of the North.

Update: The Province is contributing \$227 million over two years for housing initiatives in Winnipeg and across the Province. The federal contribution is close to \$100 million over two years under Canada's Economic Action Plan, the two-year extension of federal funding for the Affordable



L to R: Minister of Science, Technology, Energy and Mines Jim Rondeau and President Doug Dobrowolski.

Housing Initiative (AHI) and the renovation programs for low-income households for a combined investment of \$327 million. The AMM also met recently with Manitoba Housing staff to discuss housing needs and new programs.

In May the Province committed \$11.4 million in new funding to support new child care sites, revitalize centres, create more spaces, hire more workers, enhance child safety and develop a curriculum framework.

Manitoba Science, Technology, Energy and Mines

The AMM opened the February 24, 2009 meeting with the Honourable Jim Rondeau by raising the need to move forward with recycling initiatives in the Province, including electronic waste and household hazardous waste. The Minister indicated there would be another electronic waste pick-up this year which will help keep this material out of municipal landfills. The Minister was pleased to see plastic bags included in the new paper and packaging program guidelines.

Biodiesel and ethanol initiatives were also raised as these pose economic development opportunities for municipalities. The Minister indicated that 8.5 per cent is the mandate for ethanol and the plant in Minnedosa is now fully running. The Minister indicated there are some chal-

lenges with the Federal Government's lack of a clear policy and incentive/subsidy system for the industry, making it difficult for those looking to develop facilities to create a business plan. Manitoba has everything in place to develop the industry, including clear rules and testing facilities.

Wind power was also on the agenda, with the Minister supporting a national grid for wind power. Also discussed were mining issues, with the Minister indicating the mining reserve fund is going toward exploration and development in the North with the goal of continually developing the industry to offset concerns when one mine closes.

Update: *On the recycling file the industry-led stewardship group has submitted its plan to the Province and is expecting to hear back from the Province in late 2009. The Province has also announced a number of electronic waste depots throughout Manitoba, however a permanent program has not been reached yet. The AMM has also raised concerns with the Province refusing to offer support to northern mining communities out of the assistance fund.*

Manitoba Advanced Education and Literacy

At the AMM's meeting with the Honourable Diane McGifford on April 1, 2009, the shortage of medical professionals was at the top of the agenda as it is reaching crisis levels in many areas of Manitoba. A comprehensive strategy with provincial funding is necessary to train, recruit and retain medical professionals in order to provide access to health care services for all Manitobans. Minister McGifford indicated that spaces for medical students had increased from 70 to 110 and there are more spaces for rural and northern students than ever before. The Minister also noted that since 1998 the number of doctors in rural Manitoba has doubled. The Province also continues to expand and improve training opportunities for other health professionals.

The AMM also raised water and wastewater operator training. The AMM stressed current and potential operators must have local access to the necessary training



opportunities, which requires greater provincial investment. Minister McGifford indicated the Province was aware and working on these concerns. Manitoba Conservation and Manitoba Competitiveness, Training and Trade are looking into program delivery and one of the models being considered is an apprenticeship training program.

The AMM also encouraged the Province to invest in training in emerging industries like the production and maintenance of wind turbines. Minister McGifford indicated the wind power issue and biodiesel technologies have slowed so the training requirements are not as great as before. The Province is still committed to increasing enrollment in the trades. The Minister also noted the Province has been in discussion with the Federal Government regarding the federal budget announcement of \$2 billion for the Knowledge Information Fund. Provinces can apply to this fund to fix the infrastructure of their post-secondary institutions.

Update: Since the meeting with Minister McGifford the AMM has been informed of upcoming changes to the water and wastewater operator program, including making it easier for operators to re-write tests and for municipalities to apply for conditional licenses for their operators.

Manitoba Culture, Heritage, Tourism and Sport

The AMM began its meeting with the Honourable Eric Robinson on April 6, 2009 by highlighting the need for increased provincial investment to support healthy communities through sustainable recreation programming and infrastructure. The Minister indicated he is committed to greater funding for recreational practitioners. He committed his department to proceeding in this area and maintaining contact with the AMM during the process.

The AMM then raised the need for additional investment in libraries, noting library infrastructure require a revised funding formula focused on enhancing public library resources, rather than a per capita allocation. Minister Robinson noted his department is working on a universal library card. He also updated the AMM on the joint use of schools and community facilities initiative.

Update: The AMM was pleased to see recreation included in the Federal Stimulus Plan's new Recreational Infrastructure Canada Program (RinC).

POSITION PAPERS FROM ALL MEETINGS WITH MINISTERS ARE AVAILABLE ON THE AMM WEBSITE AT WWW.AMM.MB.CA.

In May the Provincial Government announced a \$5.8 million investment in Manitoba libraries for operating and collection development costs, as well as technological innovations and support for enhanced cooperation between local library systems.

The AMM received an update from Minister Robinson in August on the Joint Use of School and Community Facilities Advisory Committee report. Departmental staff is working on the development and implementation of a survey completed on the report's recommendations. The survey results will be published as a joint use agreement handbook in spring 2010.

The AMM also met with departmental staff to work on the feasibility of a single library card for Manitoba.

Manitoba Aboriginal and Northern Affairs

The AMM also met with Minister Robinson in his capacity as Acting Minister of Aboriginal and Northern Affairs on April 6, and began this meeting by highlighting the need to improve the Treaty Land Entitlement (TLE) negotiation process, including the current compensation structure. Minister Robinson indicated the process can be quite lengthy as it requires collaboration between both the Provincial and Federal Governments. Attempts are being made to shorten the process.

The AMM also stressed the importance of service agreements between First Nations and municipalities as a necessary component in the land conversion process. The Minister agreed on the importance of communication between First Nations and municipalities in this process and indicated he would be open to looking at revising the funding formula for municipalities.

Railways offer a vital transportation link for many northern and remote communities, as well as a key trade route for agricultural products and the AMM highlighted the need to ensure this important infrastructure is appropriately maintained, including links to the Port of Churchill. Minister Robinson indicated that Omnitrax has not come through on commitments made last year, and committed to updating the AMM on this issue.

LOBBYING HIGHLIGHTS - PROVINCIAL



L to R: Urban Vice-President Shirley Kalyniuk, President Doug Dobrowolski, Health Minister Theresa Oswald and Rural Vice-President Roger Wilson on April 7, 2009.

Manitoba Agriculture, Food and Rural Initiatives

The AMM met with the Honourable Rosann Wowchuk on April 6, 2009. The first item on the agenda was noxious weeds, with the AMM noting the need for a review of The Noxious Weed Act to ensure a coordinated effort to control weed growth along highways, roads and ditches. Minister Wowchuk indicated the Province is considering a review of the Act but it will take over one year to complete. The Minister also noted there is a need to be careful in the review of this Act as it could result in less control for municipalities and weed supervisors to deal with problems.

The AMM then discussed how increased involvement from the Province would promote greater coordination as new land and water planning legislation and policies are implemented. Minister Wowchuk agreed that a cooperative approach is preferred but stressed her department will express concerns where agricultural land and existing agricultural operations are impacted.

The AMM also asked that the farmland education property tax rebate be changed to a deduction from the tax bill. The Minister indicated there is no interest on the part of the Province to change the current system. The AMM also raised concerns with inadequate planning for a livestock disposal emergency as well as the findings of the Manitoba Connects - Building a New Rural Manitoba Economic Development Strategy report.

Update: The 2009 Provincial Budget increased the Farmland School Tax rebate to 75 per cent. Manitoba Agriculture, Food and Rural Initiatives presented the Manitoba Connects report at all 2009 June District Meetings.

Manitoba Justice

On April 7, 2009 the AMM met with the Honourable David Chomiak. The AMM began by raising the need for greater deterrents to criminal activity as crime—especially youth crime—is a major concern for many municipalities. Minister Chomiak indicated that programs like Lighthouses and recreation, social and education opportunities are essential in preventing youth from engaging in criminal activity.

The AMM also identified the need to enforce payment on parking tickets as many municipalities have significant debts left owing. The Minister indicated he is committed to resolving this issue in 2010 but the process may require legislative amendments and modifications to the Province's computer system.

The AMM also noted police services throughout Manitoba require sufficient resources to ensure all communities have access to safety and crime prevention services. Minister Chomiak indicated there is movement on the special constable/cadet program and agreed that administrative support is important. This will be the preferred direction in the future RCMP contract when the current contract expires on March 31, 2012.

The AMM also expressed concerns with the direction proposed in the new Police Act being considered by the Province. Minister Chomiak indicated that Manitoba is one of the only provinces without police boards, and although he admitted to hearing municipal opposition to these boards he believes they are necessary to enhance public oversight of policing.

Finally, the discussion focused on having the Manitoba Public Insurance Corporation (MPIC) increase compensation rates for accident response to recognize the role of municipal fire departments and their rising costs. Minister Chomiak indicated he would discuss the issue with MPIC and ask that MPIC meet with the AMM to discuss these concerns.

LOBBYING HIGHLIGHTS - PROVINCIAL



Update: MPIC has adjusted the compensation rates for accident response effective September 1, 2009.

The Province has put into effect changes to the Summary Convictions Act which makes the remuneration process for unpaid parking tickets easier for municipalities. The key issue remains on the administrative side and the AMM is working with the Province to find a solution.

Manitoba Education, Citizenship and Youth

The AMM opened the April 7 meeting with the Honourable Peter Bjornson by raising the issue of removing education tax from property. The AMM's position is for the Province to fund 80 per cent of the operating costs. The Minister indicated that the Province's commitment is to fund 80 per cent of all education expenses and Manitoba is about average on education funding from property. He noted Saskatchewan gets about 46 per cent from property while Ontario gets 35 per cent, and Manitoba is at about 32 per cent. The Minister indicated the Province will be continuing on its slow and steady approach to deal with this issue.

The AMM also raised anti-drug awareness programs in schools, with the Minister stressing this is a priority. The Province is increasing resource officers in schools and requiring the Safe School Charter to have a drug use policy for students, something that has not always been in place. The Province has adopted a shotgun approach, which includes tobacco, drugs, healthy child and methamphetamine awareness.

The AMM also raised the need to amend the Public Schools Act to require school boards to hold public hearings for borrowing. The Minister indicated that this was an issue in only one case he has no intention of changing the Act. Currently the Minister must approve all borrowing.

The AMM also raised the unnecessary requirement for communities to contribute 10 per cent to health capital projects.

The AMM also received an update on the Joint Use of Facilities report. The Minister indicated he supports municipalities and school divisions sharing facilities and believes developing a template and model for this will ensure success.

Manitoba Health

While health care is not a municipal issue, municipal officials are finding it on their agenda more and more. The AMM raised the top municipal health-related concerns with the Honourable Theresa Oswald on April 7.

First on the agenda was recruitment, retention, and training of health practitioners and the pressure this is placing on communities. The Minister indicated that Manitoba is actually a leader in this area. The Province is targeting Canadians who have left to go to school in other countries, and offers the Rural and Northern Residency program which exchanges time in rural areas for guarantees in being matched to specialties. The Province is working to increase the supply of health professionals in Manitoba to offset the demand which will hopefully take some of the pressure off municipalities. At the AMM's 2008 Annual Convention, the Minister made the commitment to develop a document to help municipalities recruit and retain doctors and her department is working on this. The Province is also considering developing a medical school in Brandon as a possible option to increase the supply of doctors.

The AMM also raised concerns with the current Regional Health Authority (RHA) system. The Minister indicated a committee is prioritizing the recommendations of the RHA Review, and noted communications will be at the top of the list. The Minister agreed there are issues with the Assiniboine Regional Health Authority but indicated this RHA has 20 facilities, while most RHAs have only 4 or 5.

The AMM also raised the unnecessary requirement for communities to contribute 10 per cent to health capital projects. The Minister has committed to look at this, however no immediate changes will be forthcoming. The Province is willing to take into account anything that a community does to come to the 10 per cent. The Minister agreed there is a need for consistency in the process as well.

Funding for regional palliative care was also raised, with the Minister indicating RHAs do receive funding for palliative care, however there is likely not enough.

Manitoba Healthy Living

On April 7 the AMM met with the Honourable Kerri Irvin-Ross. The AMM opened the meeting asking for an update

LOBBYING HIGHLIGHTS - PROVINCIAL



on the Age Friendly Initiative. The Minister indicated there are currently 29 communities involved in the initiative, as well as Brandon and Winnipeg, and another intake was expected by mid-June. Minister Irvin-Ross expressed pleasure that the AMM is a partner with the Province on this initiative.

The AMM also raised the need to increase recreation infrastructure funding as this is a key component of healthy communities. The Minister indicated the Province has increased the total grant amount for the Community Places Program and was pleased to see recreation included in the recent Federal Stimulus Package.

A final issue on the agenda was a general discussion about the challenges facing seniors in communities. The Minister indicated there are several issues around seniors housing with nearly every community wanting to have seniors housing units. Neepawa is a good example of what can happen when the community comes together. The Province has been pleased with the Aging In Place Strategy, however there is a need for transitional housing units along with adequate transportation for seniors.

Update: Since this meeting with Minister Irvin-Ross another intake took place for the Age Friendly Initiative, with 50 communities signing up to participate and another 14 set to be announced in November 2009.

Manitoba Water Stewardship

A department growing in importance for municipalities is Manitoba Water Stewardship and the AMM had the opportunity to meet with the Honour-

able Christine Melnick on May 28 to talk about some key municipal concerns.

First on the agenda was water protection and land use planning. The AMM indicated there needs to be a strong link between the two and when new municipal requirements are implemented there must be financial support. This should include areas like water and wastewater operator training and water system assessments. The Minister indicated her department is looking at the financial implications of the new rules for municipalities, noting it can be challenging to find financial resources.

The AMM also raised the need to increase funding for Conservation Districts (CDs). The Minister indicated funding in this area has increased, but concerns remain with

how to bring larger urban centres into the program. The AMM also informed the Minister that the cooperative approach adopted in redrafting the new CD mandate has been appreciated.

The AMM also raised concerns with water management, including the need for improved flood protection and drainage concerns. The Minister indicated she was very pleased with the tireless efforts of municipalities during the 2009 flooding. Some of the areas in need received Building Canada Fund money. The Minister indicated that changes to the drainage licensing system are working well so far and the new enforcement officers are in place. However, many were seconded to help with flood fighting efforts resulting in a backlog of requests.

L to R: Minister of Water Stewardship Christine Melnick with President Doug Dobrowolski.



LOBBYING HIGHLIGHTS - PROVINCIAL



Update: Since meeting with Minister Melnick the Provincial Land Use Policies have been shared with municipalities and include stronger links between land use and water planning.

The AMM has also been working closely with the department on revamping the CD Framework document which was released in May 2009. Attention has now turned to the funding formula. The AMM was pleased to see some water management concerns addressed in the Building Canada Fund, however more remain.

The Province also released the new Minor Works Drainage policy in September 2009. The AMM will closely monitor the effectiveness of this new policy and has a commitment from the Province to revisit the policy next year.

Manitoba Intergovernmental Affairs

While municipal issues cut across departments, Manitoba Intergovernmental Affairs remains the primary contact point for the AMM on many issues. As such the AMM meets on a regular basis with the Minister of Intergovernmental Affairs to raise both long-standing and emerging issues.

The AMM was in regular contact with Minister Steve Ashton during the spring flooding as he played the dual role of Minister of Intergovernmental Affairs and Minister Responsible for Emergency Measures. The AMM also had numerous discussions with Minister Ashton on the infrastructure challenges facing communities and the need to provide alternate revenues to municipalities.

Throughout the year the AMM raised the need to review the roles, responsibilities and resources of municipal government with the Minister, and was pleased to have the opportunity to meet with a committee of deputy ministers to discuss this in greater detail.

The AMM also met with Minister Ashton to express concerns with Bill 35: The Municipal Conflict of Interest and Campaign Financing Act.



Clockwise from top:

The Minister of Intergovernmental Affairs attends virtually all AMM member events. Shown here is Intergovernmental Affairs Minister Steve Ashton addressing delegates at June District Meetings; at the AMM 10th Annual Convention Gala Banquet; and with City of Winnipeg Mayor Sam Katz and President Doug Dobrowolski at the 10th Annual Convention Opening Ceremonies.



The AMM suggested a three-pronged approach to alleviate the situation, beginning with the need for alternate revenue.



On November 27, 2007 before taking the stage for the Ministerial Forum, Premier Gary Doer and members of the Provincial Cabinet met with the AMM Board of Directors to discuss a variety of municipal issues.

To begin the AMM raised the need to take a serious look at the role of municipal government in Manitoba, explaining the current ad hoc approaches to funding and shifting responsibilities are not working. Municipal governments are left scrambling to play greater roles and fill vacancies left by the Provincial and Federal Governments, and many communities are barely managing to stay ahead of the wave of ever-growing responsibilities.

The AMM suggested a three-pronged approach to alleviate this situation, beginning with the need for alternate revenue. The AMM asked the Province of Manitoba to allocate the equivalent of one per cent of the provincial sales tax to municipalities for infrastructure, splitting it equally on a per capita basis.

The AMM then explained that while alternate revenues are needed, so too is an alternate relationship whereby consideration be given to how decisions made at the Cabinet table impact municipalities. The Province should strive to ensure new initiatives do not adversely impact municipalities.

Finally, the need for a whole new approach to governance in Manitoba was outlined, with the AMM pointing to trends across Canada and the recognition that municipalities are an important order of government. Their growing stature means the time has come to seriously discuss the need for municipalities to be more active partners in the governance structure of this province.

Several other issues were also raised during the meeting with the Premier and Cabinet, including:

- TLE Compensation for Municipalities
- Legal Cost of Negotiating TLEs
- Promoting Business Development and Apprenticeships in Rural Manitoba
- Recycling
- Cleanup of Abandoned Sites
- Education Tax on Property
- Funding for Libraries
- Increased Funding for Recreation Facilities
- Disaster Financial Assistance and Permanent Flood Protection
- Affordable Housing in Rural Manitoba
- Health Professional Recruitment, Retention and Training
- Community Capital Contributions to Health Projects
- Infrastructure
- Highways Capital Budget
- Rail Line Abandonment
- Planning
- Policing
- The Youth Criminal Justice Act
- Funding for Renewable Energy
- Rural and Northern Internet and Cell Phone Service
- Impacts of Water Legislation on Municipalities
- Tripartite Water Funding Program
- Drainage



Each year the AMM follows the action at the Provincial Legislature closely, as this is often where major decisions are made that impact municipalities. This year was no different as a couple of key pieces of legislation were introduced.

Bill 16 – The Police Services Act

In April 2009 the Province introduced a new Police Services Act on the heels of some limited municipal consultation. The bill proposed a number of changes including the creation of a new provincial police commission that would be made up of members of the public and provide advice to the Provincial Government on policing regulations, standards and emerging issues. It would also help train municipal police boards and maintain a list of civilians to monitor certain major police investigations. The bill also creates a new Independent Investigation Unit mandated to investigate incidents involving police use of force, incidents resulting in serious injury to members of the public as a result of contact with police, and other incidents or allegations against police where there is a public interest in independent investigations.

Of greatest interest for the AMM is the requirement in Bill 16 for all municipalities with their own police force to establish a police board. The bill gives these boards the mandate to hire the police chief as well as the rest of the police force, set the direction of the municipal police force and take on supervisory responsibilities. Police boards will be charged with the duties of establishing priorities and objectives for the police service, and must monitor the police chief to ensure compliance of community needs and values.

The AMM expressed concern that taking responsibility for policing out of the hands of the elected council and putting it into the control of an appointed board would not improve transparency or accountability, which is the intent of the bill.

Update: While some amendments were made to the bill the major issues raised by AMM were not changed. The bill received 3rd reading on October 5, 2009 and Royal Assent on October 8, 2009.

Bill 4 – The Community Revitalization Tax Increment Financing Act

Bill 4 was another bill watched closely by the AMM. Originally introduced in the previous session of the Legislature the bill was tweaked and reintroduced on November 26, 2008. This bill offers municipalities another tool to promote and attract investment in their communities. Bill 4 provides new tools to promote community economic

development by moving the incremental education tax that would have been paid into a new community revitalization fund whose purpose is to revitalize communities, encourage economic development, enhance social and cultural development, and preserve heritage projects.

The AMM was pleased to see amendments included from the original bill that will strengthen municipal control over where the funds will be spent, as grants from the fund will only be used for a purpose agreed to by the municipality. The bill also includes a system of accountability and transparency in how the fund is administered.

Update: Bill 4 received Royal Assent on October 8, 2009.

Bill 35 – The Municipal Conflict of Interest and Campaign Financing Act

The AMM has also supported greater transparency in government and is therefore supportive of much of what is included in Bill 35. Greater transparency in election financing and expenditures makes sense. So too does strengthening some of the conflict of interest provisions. What the AMM cannot support however is creating disincentives to participation in the democratic process and changing the rules in the middle of a municipal mandate.

Bill 35 requires municipalities to develop election financing schemes that will establish campaign periods, contribution and spending limits, and reporting requirements among other things. The bill also requires municipalities to develop conflict of interest code of conduct policies for employees.

Where the AMM has real concerns is with the requirement for elected officials to make their financial disclosure statements public after November 2009. The AMM is not in support of changing the current process as we are not aware of any case where a citizen was denied the right to question whether an elected official was in conflict or any case where a CAO did not provide truthful information. We are also very concerned with the proposition of changing the rules in the middle of the current municipal mandate.

Update: The AMM was very disappointed that despite commitments to make changes to Bill 35, the final version of the bill passed by the Legislature failed to amend the proposed rules for financial disclosure statements. Bill 35 received Royal Assent on October 8, 2009.



LOBBY DAYS



"MUNICIPALITIES ARE FACING SUCH ENORMOUS CHALLENGES THAT MUCH MORE IS NEEDED. ALL THREE PARTIES HEARD OUR MESSAGE LOUD AND CLEAR."

The AMM blitzed the Manitoba Legislature in 2009 in an effort to inform MLAs about top issues facing municipalities. During the fifth annual "Lobby Days", held on April 22-23, 2009, the AMM met with the NDP caucus as a group, and with Conservative and Liberal MLAs on an individual basis.

One message was delivered to all MLAs this year and that is the AMM's most critical issue—the need for alternate revenue for infrastructure investment. "We continued pushing the Province to share one per cent of the provincial sales tax with municipalities for infrastructure, which would provide municipalities with over \$200 million a year," explains President Doug Dobrowolski. Since this resolution was carried by AMM members at the 2008 annual convention, the AMM has raised it with each Minister individually. However, "it is important to ensure all MLAs are aware of the needs of our municipalities," according to President Dobrowolski. "It is good for our members, but also good for the MLAs so they are informed when dealing with their constituents."

The AMM also gave credit where credit was due during Lobby Days. "The Province has brought in some good programs for municipalities, and we acknowledged that," noted Dobrowolski. "But municipalities are facing such enormous challenges that much more is needed. I think MLAs from all three parties heard our message loud and clear."



Top: Minister of Science, Technology, Energy and Mines Jim Rondeau; AMM Vice-President Shirley Kalyniuk; MLA for St. Norbert Marilyn Brick; and AMM Interlake Rural Director Alice Bourgouin

Middle: Midwestern Rural Director Randy Lints and Central Rural Director Ralph Groening wait in the "lobby"

Bottom: Eastern Urban Director Art Rempel and President Doug Dobrowolski present MLA for Arthur-Virden, Larry Maguire, with the AMM history book "With One Voice".





El Salvador Exchange

Over the past several years the AMM has participated in a Federation of Canadian Municipalities (FCM) sponsored exchange with the municipal association from El Salvador —The Corporation of Municipalities of the Republic of El Salvador (COMURES). Located in Central America, El Salvador is the smallest and most densely populated country in the region. In fact, El Salvador is roughly a sixth of the size of Manitoba, yet has six times the population. El Salvador has a national government and is divided into 267 municipal governments.

The exchange began in 2005 when a delegation from El Salvador attended an FCM meeting and became aware of AMM. COMURES requested an exchange be set up with the AMM and in 2006 a group of elected officials and staff from their association came to Manitoba. This was followed up with a group from AMM visiting El Salvador in 2007 to set up the work plan for the exchange.

From March 30 to April 4, 2009, the technical phase of the exchange began with a group of five COMURES representatives visiting Manitoba. The aim of this phase of the mission was to gain a better understanding of how the AMM communicates with our membership as well as with the general public. COMURES was also very interested in how AMM works with government. The group was pleased to have the opportunity to spend a day at the Provincial Legislature to meet the Honourable Steve Ashton, Minister of Intergovernmental Affairs, and get an overview from the department on how they work with the AMM.

While much of the mission is designed for COMURES to learn about how municipal government works in Canada and Manitoba, there has been plenty of opportunity for the AMM to learn as well. COMURES is an extremely professional organization and a strong national advocate for municipalities. In fact, through recent lobbying efforts COMURES has been successful in getting municipalities 7 per cent of the national budget, and are working on getting to 10 per cent. COMURES also works closely with its members in providing training and educational opportunities.

While municipalities in El Salvador face many challenges, they continue to work to make their country better. COMURES, as the umbrella group, is actively trying to find ways to improve how they do business. Much was gained from their week with the AMM and the next stage of the exchange will be the AMM visiting El Salvador to share some of the AMM's best practices with the COMURES membership. No doubt, the AMM will learn much along the way.



Top:

Meeting with Minister Steve Ashton.

Centre:

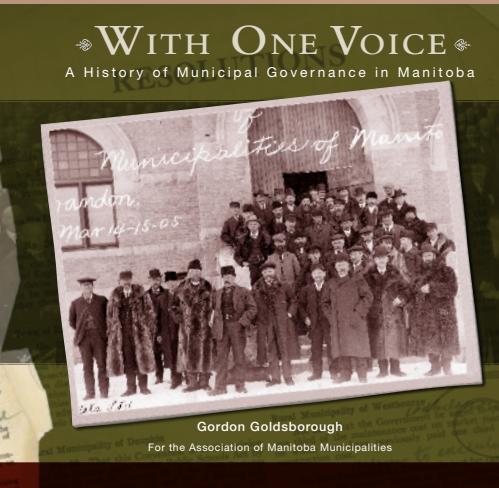
Clockwise from left: Micheline Caron, Regional Coordinator, Latin America, FCM; Carlos Pinto, Executive Director of COMURES; Mayor Dany Rodriguez, City of Zaragoza; Margarita Alfaro, Coordinator of Communications and Inter-Institutional Relations; Bessy Torres, Communications Advisor; and Mayor Elsa Guevara de Melchor, Municipality of Santa Maria Ostuma.

Bottom:

Enjoying a snowy day in Manitoba.



SPECIAL EVENTS



AMM 10th Anniversary
While most of 2008 was dedicated to special events around the AMM 10th anniversary, it all culminated at the 10th Annual Convention. An event of this magnitude called for some extra special touches and we delivered them to our members in grand style.



The first event to take place was the official launch of our history book, *With One Voice: A History of Municipal Governance in Manitoba*. The author, Gordon Goldsborough, gave a reading of his book and we were fortunate to have The Honourable John Harvard, Lieutenant-Governor of Manitoba, attend our book launch to personally receive his copy. His Honour is an avid historian himself and thanked those in attendance for being a part of “the continuing story of our great province.”

The celebration carried through to the opening ceremonies. This year, we reflected on our past by having some very special guests join us—a number of past-presidents of not only the AMM, but the Union of Manitoba Municipalities (UMM) and the Manitoba Association of Urban Municipalities (MAUM) as well. Their presence reminded us that their hard work helped us to reach our goals of today, and their wisdom gave us strength to keep going even when obstacles were placed in our path.

Also in celebration of our 10th anniversary, the Gala Banquet boasted some lavish entertainment in the form of the incomparable Andre-Philippe Gagnon.

Clockwise from top left:

AMM history book *With One Voice*; author Gordon Goldsborough at the history book launch; 10th Anniversary Gala Banquet entertainer Andre-Philippe Gagnon; Past-Presidents Homer Gill, Art Dyck, Al Ducharme and Glen Carlson at the opening ceremonies.





Municipal Excellence Award - April 16, 2009

President Doug Dobrowolski presented the 5th Annual Municipal Excellence Award at the Municipal Officials Seminar. The 2009 recipients were co-winners—the Town of Carberry for its Main Street Heritage Conservation District Project, and the Town of Altona and Town of Plum Coulee for their Regional Police Services Agreement. A panel judged the submissions using criteria including creativity, cost-effectiveness, sustainability, and overall benefit to the municipality.

The Town of Carberry saw the value of their Main Street and took the steps necessary to preserve and revitalize its grand old historic buildings. By establishing the first Commercial Heritage Conservation District in Manitoba, they have preserved their heritage, provided a sense of place for their residents, and created a marketable tourist attraction at the same time.

The Towns of Altona and Plum Coulee's regional police services agreement has benefits for both communities. For Altona, it's reduced costs with continued high quality service. For Plum Coulee, it's consistent response, increased visibility and community policing. It is also the only agreement of its kind in Manitoba where a police services agreement is endorsed by Manitoba Justice.

Other finalists included:

- Rural Municipality of Langford's *Municipal Strategic Plan*
- Town of Carman and Rural Municipality of Dufferin's *Commercial and Industrial Development Agreement*
- Rural Municipality of Alexander's *Regional Library*
- Town of Gladstone's *Age-Friendly Community*

AMM Young Community Leader Award - March 19, 2009

The AMM, in partnership with the Manitoba Association of School Trustees (MAST), awarded Mike Lawson with the Young Community Leader Award at the MAST Celebration of Success.

MAST has been awarding student citizenship awards for several years now and invited the AMM to join them this year by offering its own award. Mike received the award based on his outstanding contributions not only to his school, but to his community.

AMM History Book Presentation - April 19, 2009

On April 19, 2009 President Dobrowolski made a presentation to the Manitoba Historical Society (MHS) in the amount of \$1,300. This presentation represented the profits from the sale of the AMM History Book *With One Voice: A History of Municipal Governance in Manitoba*. The book was sold at select bookstores throughout Manitoba and it was the suggestion of the author, Gordon Goldsborough, that any profits be donated to MHS to assist with their work in preserving Manitoba's history. The AMM also donated a copy of the history book to every public library in Manitoba; to every municipal office; and to every elected municipal official. Over 1,500 books were donated in total.



Top:

Representatives from the Town of Altona and RM of Plum Coulee.

Centre:

President Dobrowolski and Mayor Wayne Blair, Town of Carberry.

Bottom:

President Dobrowolski with the AMM Young Community Leader award winner, Mike Lawson.

Bottom:

President Dobrowolski presents a donation to author Gordon Goldsborough and Harry Duckworth of the Manitoba Historical Society.





AMM Annual Convention November 24-27, 2008

A total of 986 delegates attended the AMM's 10th Annual Convention held at the Winnipeg Convention Centre. The theme chosen was "A century of vision, a decade of partnership" to coincide with both the AMM's 10th anniversary and the 100+ years of active municipal associations in Manitoba.

Speakers

Speakers at this year's convention included keynotes Mike Duffy, Stephen Lewis and Preston Manning; Minister of Intergovernmental Affairs Steve Ashton; Leader of the Manitoba Official Opposition Hugh McFadyen; Leader of the Manitoba Liberal Party Dr. Jon Gerrard; President of the Federation of Canadian Municipalities Jean Perrault; and Scott McKay of Probe Research. Premier Gary Doer presented his annual address to delegates at the Gala Banquet. Delegates also had the opportunity to attend several workshops and plenary sessions.

Ministerial Forum

The annual Ministerial Forum enjoyed the participation of a record number of Ministers accompanying Premier Gary Doer. Those in attendance were Ministers Steve Ashton, Rosann Wowchuk (Agriculture), Peter Bjornson (Education), Dave Chomiak (Justice), Ron Lemieux (Transportation), Gord Mackintosh (Family Services), Christine Melnick (Water Stewardship), Jim Rondeau (Science, Technology, Energy and Mines), Stan Struthers (Conservation), Andrew Swan (Competitiveness, Training and Trade), Kerri Irvin-Ross (Healthy Living), Theresa Oswald (Health), Eric Robinson (Culture, Heritage, Tourism and Sport) and Greg Selinger (Finance).

Elections for AMM Executive

The delegate body elected a new President with Doug Dobrowolski taking over from Ron Bell. Roger Wilson was elected to serve as Rural Vice-President while Urban Vice-President Shirley Kalyniuk was re-elected.

Resolutions

A total of 8 resolutions were defeated, 4 withdrawn, and 63 carried.



Top:

Hugh McFadyen, Leader of the Official Opposition

The Honourable Jon Gerrard, Leader of the Manitoba Liberal Party

Centre:

Premier Gary Doer addressing delegates at the Gala Banquet

Humanitarian Stephen Lewis gives a powerful keynote address

Bottom:

President Doug Dobrowolski accepts the presidential pin from Past-President Ron Bell.



Mayors, Reeves and CAOs Meetings March 16-24, 2009

The AMM annual Mayors, Reeves and CAOs meetings were held between March 16 and 24, 2009. The AMM Executive gave participants an overview of our priority issues for the year, specifically the need for alternate revenues to tackle the ever-growing municipal infrastructure deficit. The AMM Executive also updated the community leaders in attendance on issues relating to policing, recycling, health, water, and various other issues.

2009 hosts included the RM of Mountain, RM of Shellmouth-Boulton and RM of Silver Creek, RM of Cameron and Town of Hartney, RM of Ritchot, RM of Rosser, and Town of Gillam. The Central District Meeting scheduled for the RM of Headingley was cancelled due to poor weather.

Municipal Officials Seminar and Trade Show April 15-16, 2009

A total of 551 municipal officials attended this year's Municipal Officials Seminar and Trade Show. While attendance was down due to extreme flooding conditions throughout Manitoba, those in attendance enjoyed a wide variety of policy and professional development breakout sessions. In conjunction with MOS, the Municipalities Trading Company (MTCML) held its largest trade show event of the year. This one-day trade show included over 100 booths.

A special "Mystery Prize Draw" was held to attract delegates to the expanded trade show area. Holly Shurvell, Assistant CAO for the RM of Harrison, won the \$1,000 prize.

June District Meetings June 15-23, 2009

This year's June District Meetings saw 163 municipalities represented, or 83 per cent. The 675 delegates heard presentations from Manitoba Agriculture, Food and Rural Initiatives; Manitoba Public Insurance and the Manitoba Public Utilities Board, along with several district-specific speakers. A total of 70 resolutions were debated.

The 2009 meetings were hosted by the RM of East St. Paul, Town of Altona and RM of Rhineland, Municipality of Killarney-Turtle Mountain, Village of Binscarth, Town of Russell and RM of Russell, RM of Hillsburg, Town of Roblin and RM of Shell River, Town of Lynn Lake and the City of Selkirk.

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 their four-year term.

The AMM visited 58 municipalities in 2009.

AMM Education Program

The 2009 Education Program included two stimulating and relevant workshops focusing on communications and the technical issues of municipal government.

Essential Skills Managers Need for a Positive Work Environment was led by workshop leader Genella Macintyre of Partners in Discovery. The workshop was held in Portage la Prairie and focused on what managers need to know in order to build a positive work environment. Over 70 participants attended this session.

The second session, Public Engagement and Participation, was led by workshop leader Ruth Marr, M.Sc., President of Marr Consulting Services. Ruth explained the process of public engagement and the benefits of engaging your community. This workshop was held in Winnipeg and attracted 55 participants.

Below:

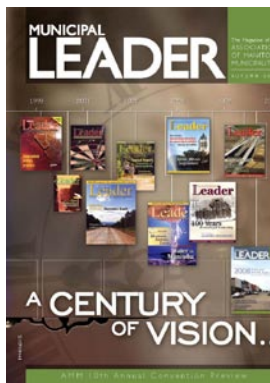
Delegates at the Parkland District Meeting on June 19, 2009.





The Municipal Leader

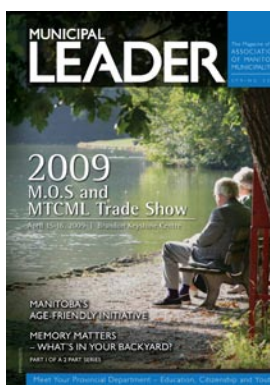
The AMM's quarterly magazine has a distribution of 1,800 and focuses on a wide range of timely issues.



The Fall, 2008 issue was a celebration of the AMM's 10th anniversary. It included a special pullout section and a fold-out cover highlighting all of the Municipal Leader covers over the past ten years. It also contained a convention preview along with articles ranging from citizen involvement to the value of public libraries to community healthy living initiatives.



Winter, 2009 offered a comprehensive recap of the 10th Annual Convention and introduced the newly elected AMM Executive for 2009. This issue also contained a special report titled Municipal Infrastructure: the need for alternate revenue. Articles on renewable energy, biodiesel and a review of the provincial Throne Speech rounded out this edition.



Spring, 2009 previewed the 2009 Municipal Officials Seminar and MTCML Trade Show. It also included a piece on Manitoba's Age Friendly initiative, an overview of the AMM lobbying process, and articles on disaster recovery and community heritage preservation. The Candid Camera pages offered a pictorial recap of the AMM Executive's busy first months.



Summer, 2009 included a special report on a very timely topic, the Greening of Municipalities. This issue also recapped the 5th annual Lobby Days, the AMM Municipal Excellence Award, and the El Salvador exchange. We also offered a thorough explanation of the 2010 reassessment, and capped off the issue with a look at the 2009 Mayors, Reeves and CAOs meetings.

A FULL THIRD (33%) OF THE 2009 MEDIA HITS WERE AROUND ONE TOPIC—THE AMM'S REQUEST FOR ONE PER CENT OF THE PROVINCIAL SALES TAX.

Bi-Weekly News Bulletin

The AMM's bi-weekly news bulletin is a popular and efficient way to deliver timely information on AMM issues. The bulletins are distributed via email to each municipal CAO who in turn distributes them to council, for a total reach of 1,379.

An additional 600+ bulletins are distributed to MLAs, Cabinet Ministers, fraternal organizations and recipients who subscribe using a form posted on the AMM website. This figure includes 91 new subscribers for the reporting year.

AMM Member Advisories

The AMM distributes Member Advisories to communicate issues of immediate importance to AMM members. A total of 14 Member Advisories were distributed to AMM members last year on topics including the Building Canada Fund, 2009 Federal Budget, Provincial Police Act Consultation, proposed amendments to the Onsite Wastewater Management Regulation, 2009 Provincial Budget, Disaster Financial Assistance and the 2012 Police Services Agreement.

AMM Website—www.amm.mb.ca

The AMM website received a total of 151,536 visitors in 2009, or an average of 12,628 visitors each month. The site is a one-stop-shop for member services, AMM event information and registration, Municipalities Trading Company of Manitoba Ltd. information, media releases, and various other resources. The AMM website also provides an in-depth policy section, offering not only the latest position papers and budget submissions but an online searchable database of AMM active resolutions.



AMM in the Media

The AMM continually strives to enhance our relationship with media province-wide. In 2009 the AMM was mentioned in Manitoba media 383 times, up considerably from 210 mentions in 2008.

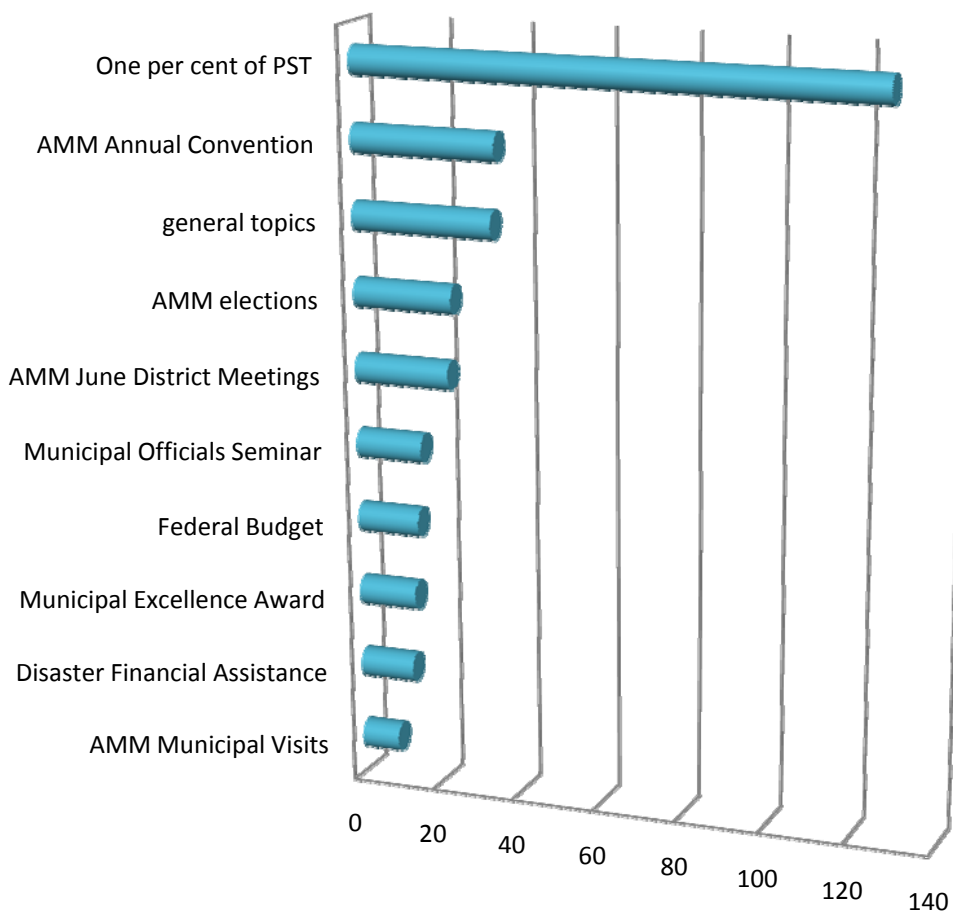
A full third (127) of the 2009 media hits were around one topic—the AMM's request for one per cent of the provincial sales tax.

The AMM Annual Convention was a distant second with 35 media mentions.

Some of the media interviews granted were a result of the 33 news releases and media advisories distributed throughout the year.

Others were a product of increased awareness of the AMM's lobbying efforts.

Top 10 Media Issues - 2009



Below: President Doug Dobrowolski responds to media questions.





MTCML

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

This past year was another great success. Sales remained consistent and the pool of official suppliers continued to change and grow. The products sales were near \$25,000,000 this year.

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

Despite the past year's serious economic downturn, the MTCML was still able to rebate another \$500,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past eight years to \$4,300,000.

MTCML Official Suppliers

Official Suppliers are very important to the success of the MTCML. These suppliers offer hundreds of products and services that municipalities use. The Trading Company has individual contracts with each supplier, ensuring the best possible pricing for the purchasing members. In return, suppliers have direct contact with Manitoba's municipal market and can be a part of regular marketing opportunities through AMM events and communications.

There are also two major buying programs offered by the Trading Company. These programs are owned by the AMM membership, managed by the AMM and administered by a company that has expertise in the program area.

MTCML Rebates 2002-2009

2002	\$ 250,000
2003	\$ 300,000
2004	\$ 350,000
2005	\$ 350,000
2006	\$ 500,000
2007	\$ 750,000
2008	\$1,300,000
2009	\$ 500,000

\$4,300,000



MTCML OFFICIAL SUPPLIERS

A. Clark Roofing **NEW**
 ABC Fire & Safety **NEW**
 Acklands Grainger
 Airmaster Sales Ltd.
 Armtec Ltd.
 Bridgestone (Tires)
 Canada Culvert
 CD Awards
 Darwen Road Technologies Ltd.
 Denray Tire
 Dust Free Road Maintenance
 Everest Supply & Services Inc.
 Fort Distributors Ltd.
 Goodyear (Tires)
 Grand & Toy
 Guardian Traffic Services
 Hayhurst Elias Dudek
 HRdownloads **NEW**
 Kal Tire
 MTS
 Michelin (Tires)
 Norquay Printers Ltd.
 Orkin PCO Swat Team
 Prairie Fuel Advisors Inc.
 Shippam & Associates
 Souris Rock Shop
 The Screen Door **NEW**
 Tirecraft
 Westcon Equipment & Rentals
 Westgro Horticultural Supplies Inc.



Fuel Supply Program

Prairie Fuel Advisors manages the AMM's Fuel Supply Program. Prairie Fuel Advisors helps municipalities in Alberta, Saskatchewan and Manitoba reduce their overall cost of fuels, oils, greases, and lubricants by negotiating better supply contracts for the total volume of these products than individual municipalities can obtain on their own.

This equates to approximately 48,000,000 litres per year for the three provinces.

Insurance Program

All 197 AMM member municipalities outside Winnipeg participate in the AMM's property/casualty "protected self-insurance" program, administered by HED Insurance. It includes a \$5,500,000 annual self-insurance loss pool that keeps premiums much lower than if individual municipalities purchased their own coverage. Insurance is then purchased from various insurer providers for coverage in excess of the \$ 5,500,000 annual loss pool amount, to provide municipalities with complete protection.

This unique structure allows the opportunity for significant refunds in low-claims 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. Currently a total of 256 policyholders participate, including 136 municipalities, 35 quasi-municipal entities, and 85 retirees.

AMM Corporate Members

Currently there are 17 AMM Corporate Members. Corporate Members assist the buying group in providing services and hosting events throughout the year.

Borland Construction
Canad Inn/Radisson
Custom Truck Sales
Genivar
Global Wind Group Inc.
Hayhurst Elias Dudek
J.R. Cousin Consultants Ltd.
Manitoba Aboriginal & Northern Affairs
Manitoba Heavy Construction Assoc.
Manitoba Hydro
Manitoba Ready Mix Concrete Assoc.
Mazergroup Construction Equipment
Miller Environmental Corporation
People First HR Services Ltd.
Pinchin Environmental
Tri Core Projects Manitoba Ltd.
Westcon Equipment & Rentals Ltd.



Left: A displayer chats with a delegate.



ASSOCIATION OF MANITOBA MUNICIPALITIES

Financial Statements

Year Ended August 31, 2009



THE EXCHANGE

chartered accountants LLP

AUDITORS' REPORT

To the Members of Association of Manitoba Municipalities

We have audited the statement of financial position of Association of Manitoba Municipalities, General and Trading Accounts as at August 31, 2009 and the statement of income, General and Trading Account, statement of changes in net assets and combined statement of cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at August 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The Exchange

chartered accountants LLP

Winnipeg, Manitoba
September 15, 2009

100-123 Bannatyne Ave., Winnipeg, MB R3B 0R3
Telephone: (204) 943-4584 Fax: (204) 957-5195
Toll Free: 1-866-EXG-0303
E-mail: info@exg.ca Website: www.exg.ca

FINANCIAL STATEMENT



ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

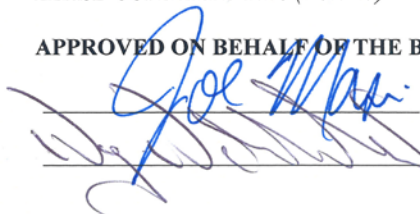
Statement of Financial Position


August 31, 2009

	2009	2008
ASSETS		
CURRENT		
Cash and short term deposits	\$ -	\$ 47,678
Accounts receivable	345,620	321,326
Prepaid expenses	52,448	78,823
	<u>398,068</u>	<u>447,827</u>
SEGREGATED FUNDS		
Building Reserve (Note 5)	379,284	323,933
Communications Reserve (Note 6)	82,759	62,024
Employee Benefits Reserve (Note 7)	106,080	117,490
Legal Fund (Note 8)	44,855	24,992
	<u>612,978</u>	<u>528,439</u>
PROPERTY AND EQUIPMENT (Notes 2, 11)	<u>376,547</u>	<u>386,576</u>
	<u>\$ 1,387,593</u>	<u>\$ 1,362,842</u>
LIABILITIES		
CURRENT		
Bank indebtedness	\$ 66,894	\$ -
Accounts payable and accrued liabilities	126,985	27,995
Prepaid revenue	341,026	338,217
Deferred dividend revenue	-	200,000
Due to Building Reserve	50,000	50,000
Due to Communications Reserve	20,000	20,000
	<u>604,905</u>	<u>636,212</u>
BUILDING RESERVE (Notes 5, 15)	<u>379,284</u>	<u>323,933</u>
COMMUNICATIONS RESERVE (Notes 6, 15)	<u>82,759</u>	<u>62,024</u>
EMPLOYEE BENEFITS RESERVE (Notes 7, 15)	<u>100,000</u>	<u>100,000</u>
LEGAL FUND (Notes 8, 15)	<u>44,855</u>	<u>24,992</u>
	<u>606,898</u>	<u>510,949</u>
NET ASSETS		
Unrestricted	(200,757)	(170,895)
Invested in property and equipment	376,547	386,576
	<u>175,790</u>	<u>215,681</u>
	<u>\$ 1,387,593</u>	<u>\$ 1,362,842</u>

LEASE COMMITMENTS (Note 13)

APPROVED ON BEHALF OF THE BOARD

 Director

 Director



ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Statement of Income

Year Ended August 31, 2009

	2009	2008
REVENUE		
Membership dues	\$ 320,983	\$ 318,881
Convention	290,817	287,984
Seminar revenue	63,350	78,135
Trade show	64,855	70,440
Rental revenue	32,000	34,667
Education	12,000	24,120
Magazine	11,190	10,703
Miscellaneous	7,375	15,275
Corporate membership	10,208	9,500
Investment income	7,493	8,767
Associate membership	7,000	7,200
Advertising - bulletin	1,700	1,700
Merx revenue	760	880
History book sale	4,257	-
	833,988	868,252
EXPENSES		
Functions	471,367	337,116
Executive	359,524	348,588
Other	338,511	399,732
Staffing	701,506	657,516
	1,870,908	1,742,952
Administration dividend, Trading Account	(180,000)	(180,000)
	1,690,908	1,562,952
OPERATING LOSS	(856,920)	(694,700)
OTHER INCOME		
Dividend, Trading Account	740,000	580,000
10th Anniversary Reserve	82,887	-
Unrealized gains (losses) (Note 2)	(5,858)	2,733
	817,029	582,733
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (39,891)	\$ (111,967)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Financial Position

Year Ended August 31, 2009

	2009	2008
ASSETS		
CURRENT		
Cash	\$ 131,696	\$ 1,796,261
Accounts receivable	1,533,065	1,572,076
Inventory (Note 2)	26,902	19,667
Prepaid dividend	-	200,000
	1,691,663	3,588,004
SEGREGATED FUNDS		
AMM 10th Anniversary Reserve	-	81,848
Insurance Reserve (Note 9)	1,005,884	253,146
Public Sector Accounting Reserve (Note 10)	50,008	77,075
Self-insurance Loss Pool (Note 14)	11,152,869	8,759,270
	12,208,761	9,171,339
	\$ 13,900,424	\$ 12,759,343
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 537,777	\$ 2,431,275
Due to Insurance Reserve	750,000	-
	1,287,777	2,431,275
AMM 10TH ANNIVERSARY RESERVE (Note 16)	-	81,848
INSURANCE RESERVE (Notes 9, 16)	1,005,884	253,146
PUBLIC SECTOR ACCOUNTING RESERVE (Notes 10, 16)	50,008	77,075
SELF-INSURANCE LOSS POOL (Note 14)	10,869,807	8,011,394
	11,925,699	8,423,463
	13,213,476	10,854,738
NET ASSETS		
Unrestricted	686,948	1,904,605
	\$ 13,900,424	\$ 12,759,343



ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Income

Year Ended August 31, 2009

	2009	2008
SALES	\$ 12,382,589	\$ 12,561,290
COST OF SALES	12,156,818	12,359,104
GROSS PROFIT (2009 - 1.8%, 2008 - 1.6%)	225,771	202,186
INSURANCE ADMINISTRATION FEES	765,343	733,975
INVESTMENT INCOME	468,218	972,171
	1,459,332	1,908,332
EXPENSES		
Administration dividend, General Account	180,000	180,000
Advertising and promotion	7,423	16,235
Allocation to Insurance Reserve	750,000	-
Interest and bank charges	43	-
Membership rebate	500,000	1,300,000
	1,437,466	1,496,235
OPERATING INCOME	21,866	412,097
OTHER EXPENSES		
Dividend, General Account	(740,000)	(580,000)
Unrealized losses (<i>Note 2</i>)	(499,523)	(191,918)
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (1,217,657)	\$ (359,821)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Statement of Changes in Net Assets

Year Ended August 31, 2009

	Unrestricted	Invested in Property and Equipment	2009	2008
GENERAL ACCOUNT				
NET ASSETS - BEGINNING OF YEAR	\$ (170,895)	\$ 386,576	\$ 215,681	\$ 327,648
Investment in property and equipment	(12,854)	12,854	-	-
Deficiency of revenue over expenses	(17,008)	(22,883)	(39,891)	(111,967)
NET ASSETS - END OF YEAR	\$ (200,757)	\$ 376,547	\$ 175,790	\$ 215,681
TRADING ACCOUNT				
NET ASSETS - BEGINNING OF YEAR	\$ 1,904,605	\$ -	\$ 1,904,605	\$ 2,264,426
Deficiency of revenue over expenses	(1,217,657)	-	(1,217,657)	(359,821)
NET ASSETS - END OF YEAR	\$ 686,948	\$ -	\$ 686,948	\$ 1,904,605



ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Statement of Cash Flows

Year Ended August 31, 2009

	2009	2008
OPERATING ACTIVITIES		
Net loss, General Account	\$ (39,891)	\$ (111,967)
Net loss, Trading Account	(1,217,657)	(359,821)
Items not affecting cash:		
Amortization	22,516	48,176
Unrealized losses	505,381	189,185
Allocation to reserves	820,000	70,000
	<u>90,349</u>	<u>(164,427)</u>
Changes in non-cash working capital	(1,856,632)	(407,065)
Cash flow used by operating activities	<u>(1,766,283)</u>	<u>(571,492)</u>
INVESTING ACTIVITY		
Purchase of equipment	<u>(12,854)</u>	<u>(19,981)</u>
Cash flow used by investing activity	<u>(12,854)</u>	<u>(19,981)</u>
DECREASE IN CASH FLOWS	<u>(1,779,137)</u>	<u>(591,473)</u>
CASH - BEGINNING OF YEAR	<u>1,843,939</u>	<u>2,435,412</u>
CASH - END OF YEAR	<u>\$ 64,802</u>	<u>\$ 1,843,939</u>
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	<u>\$ 468,426</u>	<u>\$ 972,171</u>
CASH CONSISTS OF:		
General Account	\$ (66,894)	\$ 47,678
Trading Account	<u>131,696</u>	<u>1,796,261</u>
	<u>\$ 64,802</u>	<u>\$ 1,843,939</u>



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

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 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 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:

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.

Capital disclosure

The Association's capital consists of unrestricted net assets from operations.

The Association's capital management policy is to maintain sufficient capital to meet its objectives through its unrestricted net assets by managing the operations in accordance with the yearly budget.

The Association is not subject to externally imposed capital requirements.

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.

Inventory

Inventory is valued at the lower of specific cost and 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 for sale. The Association uses a standard cost method to approximate cost which is reviewed and updated annually.

(continues)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

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

Property and equipment

Property and equipment are stated at cost less applicable government grants. Amortization is recorded on the straight-line basis using the following annual rates:

Building	2.5%
Computer hardware	30%
Computer software	100%
Office equipment	10%
Photocopier	20%
Sign	10%
Vehicles	25%

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.

Future changes in significant accounting policies

The following accounting standards have been issued by the CICA but are not yet effective. The Association is currently evaluating the effect of adopting these standards on their financial statements.

Section 1601, "Consolidated financial statements" replaces Section 1600 effective for years beginning on or after January 1, 2011. The principal change are those reflecting the changes in new Section 1582 and the recognition of non controlling interest at fair value.

For years beginning January 1, 2009 or later new Section 4470 requires that when allocations of fundraising and general support expenses have been made to other functions, the policies adopted for the allocation of expenses among functions, the nature of the expenses being allocated, and the basis on which such allocations have been made should be disclosed. In addition, the amounts allocated from each of these two categories and the amounts and the functions to which they have been allocated, should be disclosed. Management is currently considering the best means to comply with this requirement for the next year end.

The CICA plans to converge Canadian Generally Accepted Accounting Principles with International Financial Reporting Standards ("IFRS") over a transition period expected to end in 2011. The Association is in the process of determining the impact IFRS will have on its financial statement disclosures.

(continues)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

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

The CICA concluded that the guidance in Section 1000 Financial Statement Concepts permitting deferral of costs should be applied where necessary to prevent the inappropriate capitalization of costs. The IFRS guidance on the matching concept added to Section 1000 might affect items other than intangible assets, such as the recognition as liabilities of items that do not meet the definition of liabilities.

The Association has not yet determined the impact, if any, on the financial statements.

3. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial assets and liabilities are initially recorded at fair value. Measurement in subsequent periods depends on the financial instrument's classification. Financial instruments are classified into one of the following five categories: held for trading; available for sale; held to maturity; loans and receivables; and other financial liabilities. All financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost.

The financial assets and liabilities of the Association are classified and measured as follows:

<u>Financial Asset/Liability</u>	<u>Category</u>	<u>Subsequent Measurement</u>
Cash and short term deposits	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Segregated Funds	Held for trading	Fair value
Accounts payable	Other financial liabilities	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost

Amortized cost is determined using the effective interest rate method.

Gains and losses on financial instruments subsequently measured at amortized cost are recognized in the statement of earnings and retained earnings in the period the gain or loss occurs. Changes in fair value on financial instruments classified as held for trading are recognized in the statement of earnings and retained earnings for the current period. Changes in fair value on financial instruments classified as available for sale would be recorded in other comprehensive income until realized, at which time they recorded in the statement of earnings and retained earnings.

Fair value of financial instruments

The fair values of accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity.

Financial risk management - overview

The Association has exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; market risk; interest risk; and foreign currency risk.

(continues)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

3. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (*continued*)

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 customers. In order to reduce its credit risk, the Association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Association has a significant number of customers which minimizes concentration of credit risk.

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. CHANGE IN ACCOUNTING POLICY

Effective for the year commencing on September 1, 2008, The Canadian Institute of Chartered Accountants (CICA) issued Section 1400, "General Standards of Financial Statement Presentation", which includes requirements for management to assess an entity's ability to continue as a going concern and to disclose material uncertainties related to events or conditions that may cast doubt upon the entity's ability to continue as a going concern.

Management has assessed future operations for the Association and has determined that these financial statements should be prepared in accordance with the going concern assumption. Under the going concern assumption, an entity is viewed as being able to continue its operations in the foreseeable future and realize its assets and discharge its liabilities in the normal course of operations.

Effective for the year commencing on September 1, 2008, the Association implemented the new CICA accounting Section 1535, "Capital Disclosures". Section 1535 specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The Association has included the required disclosure in Note 2 to the financial statements.

Effective September 1, 2008, the Association adopted Canadian Institute of Chartered Accountants (CICA) Handbook Section 3031, "Inventories", which supersedes Section 3030. The new standard introduces significant changes to the measurement and disclosure of inventory and provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to net realizable value. In addition, in certain circumstances, write-downs of inventory previously recognized may be reversed.

Inventories are stated at the lower of cost and 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 for sale. The Association uses a standard cost method to approximate cost which is reviewed and updated annually.

(*continues*)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

4. CHANGE IN ACCOUNTING POLICY (*continued*)

Effective September 1, 2008, the Association adopted Canadian Institute of Chartered Accountants (CICA) Handbook Section 3062, "Financial Instruments - Disclosures", which supersedes Section 3861. The new standards require an entity to provide disclosures in its financial statements that enable users to evaluate the significance of financial instruments on its financial position and performance, the nature and extent of the risks to which it is exposed during the period and at the statement of financial position date, and how those risks are managed.

Effective September 1, 2008, the Association adopted Canadian Institute of Chartered Accountants (CICA) Handbook Section 3063, "Financial Instruments - Presentation", which supersedes Section 3861. The new standards carry forward the presentation requirements of Section 3861, "Financial Instruments - Disclosure and Presentation", which is unchanged.

Adoption of these standards had no impact on the recognition, measurement or presentation of financial instruments in the Association's financial statements for the year ended August 31, 2009.

5. BUILDING RESERVE

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

6. 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.

7. EMPLOYEE BENEFITS RESERVE

This reserve was originally established to fund a human resource position 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, and the reserve is not to exceed \$100,000.

8. 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.

The Legal Fund will be funded, to a maximum of \$50,000, by retaining the excess premiums under the Municipal Insurance Programs that were previously rebated to municipalities each year.

9. INSURANCE RESERVE

This reserve has been established to fund potential cost increases for municipal insurance in years where there are high claims.



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

10. 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.

11. PROPERTY AND EQUIPMENT

	2009		2008	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Building	\$ 377,799	\$ 111,456	\$ 377,799	\$ 100,127
Computer hardware	120,314	112,778	253,241	251,441
Computer software	9,163	7,420	44,601	42,105
Land	90,000	-	90,000	-
Office equipment	60,958	59,181	121,256	117,237
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	1,614	19,890	9,301
Vehicles	-	-	35,411	35,411
	\$ 686,901	\$ 310,354	\$ 960,103	\$ 573,527
Net book value	\$ 376,547		\$ 386,576	

12. OPERATING LEASE COMMITMENT

The Association generates revenue by leasing a portion of its building to an unrelated company. The lease expires April 30, 2013.

The Association will receive the following lease revenue in the years ended August 31:

2010	\$ 32,000
2011	32,000
2012	32,000
2013	21,333

13. LEASE COMMITMENTS

The Association leases a vehicle that expires February 1, 2011. Under the lease, the Association is required to make the following lease payments:

2010	\$ 4,515
2011	2,258



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

14. SELF-INSURANCE LOSS POOL

	2007/2008 and Prior Pool	2008/2009 Pool	2009	2008
Balance, beginning of year	\$ 8,011,394	\$ -	\$ 8,011,394	\$ 7,302,637
Current year loss pool additions	-	5,543,774	5,543,774	5,343,005
	8,011,394	5,543,774	13,555,168	12,645,642
Insurance claims paid	(1,519,837)	(1,149,269)	(2,669,106)	(4,634,248)
Other	-	(16,255)	(16,255)	-
Balance, end of year	\$ 6,491,557	\$ 4,378,250	\$ 10,869,807	\$ 8,011,394

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 \$500,000 (2008 - \$500,000) per claim of certain types of claims, up to a maximum of \$4,000,000 (2008 - \$4,000,000) in aggregate for the year.

	2009	2008
The segregated cash is recorded at fair value as:		
Bank	38,749	13,041
Great West Life - Loss Pool Fund	11,114,120	8,746,229
	\$ 11,152,869	\$ 8,759,270



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

15. RESERVES - GENERAL ACCOUNT

	2009	2008
<u>Building Reserve</u>		
Opening balance	\$ 323,933	\$ 268,551
Interest received	5,351	5,382
Allocation from operating	50,000	50,000
	<u>\$ 379,284</u>	<u>\$ 323,933</u>
<u>Communications Reserve</u>		
Opening balance	\$ 62,024	\$ 40,000
Interest received	735	2,024
Allocation from operating	20,000	20,000
	<u>\$ 82,759</u>	<u>\$ 62,024</u>
<u>Employee Benefits Reserve</u>		
Opening balance	\$ 100,000	\$ 100,000
Interest received	103	5,655
Allocation to operating	(103)	(5,655)
	<u>\$ 100,000</u>	<u>\$ 100,000</u>
<u>Legal Fund</u>		
Opening balance	\$ 24,992	\$ 45,824
Interest received	336	1,675
Allocation from Trading Account	21,207	-
Expenses	(1,680)	(22,507)
	<u>\$ 44,855</u>	<u>\$ 24,992</u>



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2009

16. RESERVES - TRADING ACCOUNT

	<u>2009</u>	<u>2008</u>
<u>AMM 10th Anniversary Reserve</u>		
Opening balance	\$ 81,848	\$ 76,533
Interest earned	1,039	5,315
Allocation to General Account	(82,887)	-
	<u>\$ -</u>	<u>\$ 81,848</u>
 <u>Insurance Reserve</u>		
Opening balance	\$ 253,146	\$ 247,002
Interest earned	2,738	6,144
Allocation	750,000	-
	<u>\$ 1,005,884</u>	<u>\$ 253,146</u>
 <u>Public Sector Accounting Reserve</u>		
Opening balance	\$ 77,075	\$ 100,000
Transfer in	-	3,150
Expenses	(27,067)	(26,075)
	<u>\$ 50,008</u>	<u>\$ 77,075</u>



ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Schedule of Expenses

Year Ended August 31, 2009

	2009	2008
Functions		
Convention	\$ 375,661	\$ 224,776
Education	6,767	20,376
Housing conference	-	3,647
Municipal seminar	45,439	52,598
Resolutions committee	3,600	3,628
Trade show	39,900	32,091
	<u>\$ 471,367</u>	<u>\$ 337,116</u>
Executive		
Communication allowance	\$ 2,550	\$ 2,750
Board - stipend	44,880	44,004
Board - sundry	766	599
Meeting expenses	311,328	301,235
	<u>\$ 359,524</u>	<u>\$ 348,588</u>
Other		
AMM 10th anniversary	\$ 429	\$ 15,227
Association fees	3,223	2,450
Audit fees	9,919	9,483
Bank charges	120	222
Building repairs and maintenance	29,487	39,051
Building reserve	50,000	50,000
Communication	-	9,280
Communications reserve	20,000	20,000
Depreciation	22,516	48,176
Donations and gifts	10,303	23,131
Insurance	5,136	4,897
Legal	11,050	8,390
Office	60,108	53,778
Postage and stationery	36,964	42,930
Promotion materials	26,639	11,896
Property taxes	18,711	29,932
Telephone	21,369	20,534
Vehicle expenses	12,537	10,355
	<u>\$ 338,511</u>	<u>\$ 399,732</u>
Staffing		
Management expenses	\$ 34,682	\$ 26,001
Staff expenses	11,715	11,638
Salaries	552,025	524,707
Employee benefits	89,803	88,231
Workers compensation	191	353
Staff training and recruitment	13,090	6,586
	<u>\$ 701,506</u>	<u>\$ 657,516</u>



**The Association of Manitoba
Municipalities identifies and
addresses the needs and
concerns of its members
in order to achieve strong
and effective municipal
government.**

ASSOCIATION OF MANITOBA MUNICIPALITIES

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