

THE ASSOCIATION OF MANITOBA MUNICIPALITIES

2010

ANNUAL REPORT



SEPTEMBER 1, 2009 TO AUGUST 31, 2010



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The map illustrates the administrative divisions of Manitoba, Canada. The regions are labeled as follows:

- NORTHERN:** Includes municipalities such as Mystery Lake, Town of Snow Lake, City of Thompson, City of Flin Flon, R.M. of Kelsey (Member of Parkland), Town of The Pines, Town of Grand Rapids, and Berens River.
- PARKLAND:** Includes municipalities such as Red Deer Lake, Devon Bay, Pelican Rapids, R.M. of Kelsey (Member of Parkland), Minitonas, Swan River, Shell River, Hillsburg, Grandview, Gilbert Plains, Dauphin, Carleton Place, and others.
- INTERLAKE:** Includes municipalities such as Groulx, Birtle, Shoal Lake, Strathclair, Harrison, Minto, Roseville, Gledys, Laysdown, Lakeview, Portage la Prairie, Westbourne, MacGregor, North Norfolk, North Cypress, South Cypress, and others.
- EASTERN:** Includes municipalities such as Winnipeg, St. James, St. Andrews, St. Clements, Lac du Bonnet, Brokenhead, and others.
- CENTRAL:** Includes municipalities such as Grey, Headingley, Macdonald, RTH, St. Anne, and others.
- WESTERN:** Includes municipalities such as Woodworth, Whitehead, Glenwood, Oakland, and others.
- MIDWESTERN:** Includes municipalities such as Minto, Roseville, Gledys, Laysdown, Lakeview, Portage la Prairie, Westbourne, MacGregor, North Norfolk, North Cypress, South Cypress, and others.

Major lakes shown include Lake Winnipeg, Lake Winnipegosis, and Lake Manitoba. The map also shows the locations of several towns and cities, including Winnipeg, Brandon, and Portage la Prairie. An inset map in the top right corner provides a closer look at the Northern region, highlighting the R.M. of Kelsey and the Town of Grand Rapids.



URBAN CENTRES

ALTONA, TOWN
ARBORG, TOWN
BEAUSEJOUR, TOWN
BENITO, VILLAGE
BINSCARTH, VILLAGE
BIRTLE, TOWN
BOISSEVAIN, TOWN
BOWSMAN, VILLAGE
BRANDON, CITY
CARBERRY, TOWN
CARMAN, TOWN
CARTWRIGHT, VILLAGE
CHURCHILL, TOWN
CRYSTAL CITY, VILLAGE
DAUPHIN, CITY
DELORAINE, TOWN
DUNNOTTAR, VILLAGE
ELKHORN, VILLAGE
EMERSON, TOWN
ERICKSON, TOWN
ETHELBERT, VILLAGE
FLIN FLON, CITY
GILBERT PLAINS, TOWN
GILLAM, TOWN
GLADSTONE, TOWN
GLENBORO, VILLAGE
GRAND RAPIDS, TOWN
GRANDVIEW, TOWN
GRETNA, TOWN
HAMiota, TOWN
HARTNEY, TOWN
LAC DU BONNET, TOWN
LEAF RAPIDS, TOWN
LYNN LAKE, TOWN
MACGREGOR, VILLAGE
MANITOU, TOWN
MCCREARY, VILLAGE
MELITA, TOWN
MINITONAS, TOWN
MINNEDOSA, TOWN
MORDEN, 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
TACHÉ
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 2010 Annual Report.

With 2010 being a municipal election year in Manitoba, many of you reading this report will be new to the AMM and perhaps unfamiliar with some of our issues. It is my pleasure to welcome you to the world of municipal government and to our association.

It is always gratifying to begin with successes, and this year was no different in that it held several. Undoubtedly our greatest achievement came in the form of our united lobbying efforts. This was highlighted

when we voiced our concern over the Province's proposed amendments to the Onsite Wastewater Management System Regulation – otherwise known as the “sewage ejector issue”. While this report includes a full recap of the situation and our efforts, suffice it to say it is a perfect example of what we can accomplish when we work together.

Our top issue for 2010 was actually a combination of several – the growing infrastructure deficit, increasing municipal responsibilities and the need for alternate revenues for municipalities. We packaged these issues together as the “Core Challenges for Municipalities” and conveyed these challenges to government at every opportunity this year.

The infrastructure issue has become so threatening that the AMM, in partnership with the City of Winnipeg, created the Infrastructure Funding Council on May 21st. The IFC's mandate is to develop a comprehensive infrastructure funding

IT IS CRUCIAL THAT WE TAKE EVERY OPPORTUNITY TO PLACE OUR ISSUES FRONT AND CENTRE WITH BOTH THE GOVERNMENT AND THE OPPOSITION.

strategy, including recommendations, to begin the process of addressing the ballooning municipal infrastructure deficit. I look forward to the completion of this report in the near future.

The AMM pushed several key issues on the federal scene this year, including the need for an escalator clause in the federal Gas Tax Agreement and the need for a new round of

programs to fund municipal infrastructure. The Communities Component of the Building Canada Fund has been allocated in Manitoba, so it is essential for all parties to begin the discussion now about the next generation of municipal infrastructure funding programs. Also high on the agenda was the federal government's new wastewater requirements and the concern that there is no accompanying dollars to fund these requirements.

Provincially, we kicked off our lobbying year with our annual meeting with Premier Selinger and the Provincial Cabinet last November. This was our first meeting with the new Premier and we had the opportunity

to make him aware of a great many issues. Throughout the year we also raised dozens of other issues during our annual provincial Minister meetings which are detailed in the pages of this report.

I must thank my executive team for their 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 efforts throughout the year.

Several AMM directors have decided to step down and follow other pursuits, and I bid farewell to Eastern directors Art Rempel and George Harbottle, Interlake Rural Director Alice Bourgouin and Northern Director Oswald Sawh. Their efforts over the past number of years are greatly appreciated and their wisdom and insight around our board table made us a stronger team. They will be missed.

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 and our entire board. Our success with the sewage ejector issue is a testament of how united we can move the agenda of government in our favour.

This may be our last annual report before a provincial election. As we enter the new year, it is crucial that we take every opportunity to place our issues front and centre with both the government and the opposition. You can be assured that the AMM will make it a priority to do just that.

Best wishes to you as you enter a new term in municipal government.

Doug Dobrowolski, President





EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to provide the Executive Director's message for the 2010 annual report of the Association of Manitoba Municipalities (AMM). This report outlines the activities of our 12th year of operation.

The AMM and Municipalities Trading Company of Manitoba Limited (MTCML) had another strong year, with MTCML sales consistent at around \$26,000,000. Due to the high participation of our members and discount pricing from MTCML Official Suppliers, the AMM was once again able to offer a rebate back to our membership. This year's rebate was \$500,000, bringing the total rebates to \$4.8 million over the past nine 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.

I am also very pleased that the AMM was able to distribute a refund in the amount of \$755,838.87 from the Self-Insurance Loss Pool. This refund, the third in the AMM's history, is made possible due to our program's unique structure as well as favourable claims experience this past year. The AMM has always believed our insurance program is unparalleled in Canada, and our independent study this year supports that. Harper Risk, author of the study, noted that "the design and management of the program is considered 'best in class' by various industry observers and is looked upon as a model for other programs".

Our events continued to draw 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. Our 11th Annual Convention last November and Municipal Officials Seminar & Trade Show in April were well attended and offered a wealth of information, education and networking opportunities to our members.

This year also marked the end of an election cycle, and with it we wrapped up our series of municipal visits. Our goal is always to meet with each municipal council at least once during their four-year term and we exceeded that goal, meeting with 238 municipalities since the 2006 election. We will begin the cycle anew in 2011 and I look forward to meeting the many newly elected officials over the next four years.

The next four years will also allow the AMM to implement some of the strategies laid out in *Ballot Box Barriers: An action plan for engaging more women in the municipal democratic process*. This report, released in June, 2010 is a result of the AMM Women in Government task force's work over the past year.

**THE AMM HAS ALWAYS BELIEVED
OUR INSURANCE PROGRAM IS
UNPARALLELED IN CANADA, AND
OUR INDEPENDENT STUDY THIS YEAR
SUPPORTS THAT.**

On the communications side, we recently delved into the world of social media, launching the *Ballot Box Barriers* Facebook page along with an AMM blog called *Municipal Musings*. Both have been well received by our members.

I owe thanks to our Board of Directors for its support and guidance throughout the year. I also must recognize the excellent work the staff of the AMM do on behalf of our Board and our membership. They are a dedicated group of people who all take a great deal of pride in the work they do. I could not do my job as Executive Director without their support.

Thanks also to Past-President Ernie Epp, President Brent McMillan and Executive Director Mel Nott of the Manitoba Municipal Administrators Association (MMAA) and all MMAA members for their contribution to the AMM. 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. To those of you who have been re-elected, I look forward to seeing you again at our events and municipal visits. And to those of you who are newly elected, I offer a warm welcome to our association. I look forward to getting to know you.

**Joe Masi,
Executive Director**



BOARD OF DIRECTORS



INTERLAKE



**ALICE
BOURGOVIN**

REEVE
RM OF ROSSER
INTERLAKE RURAL
DIRECTOR



**RANDY
SIGURDSON**

MAYOR
TOWN OF ARBORG
INTERLAKE URBAN
DIRECTOR

CENTRAL



MEL KLASSEN

MAYOR
TOWN OF ALTONA
CENTRAL URBAN
DIRECTOR



**RALPH
GROENING**

COUNCILLOR
RM OF MORRIS
CENTRAL RURAL
DIRECTOR

EASTERN



**GEORGE
HARBOTTLE**

REEVE
RM OF ALEXANDER
EASTERN RURAL
DIRECTOR



ART REMPEL

COUNCILLOR
CITY OF
STEINBACH
EASTERN URBAN
DIRECTOR

WESTERN



ALAN RANSOM

COUNCILLOR
RM OF MORTON
WESTERN RURAL
DIRECTOR



**MAXINE
CHACUN**

COUNCILLOR
TOWN OF VIRDEN
WESTERN URBAN
DIRECTOR



BOARD OF DIRECTORS

MIDWESTERN



EILEEN CLARKE

MAYOR
TOWN OF
GLADSTONE

MIDWESTERN
URBAN DIRECTOR



RANDY LINTS

REEVE
RM OF HAMIOTA

MIDWESTERN
RURAL DIRECTOR

PARKLAND



**BETTY
NYKYFORAK**

COUNCILLOR
TOWN OF ROBLIN

PARKLAND URBAN
DIRECTOR



**RON
KOSTYSHYN**

REEVE
RM OF MOSSEY
RIVER

PARKLAND RURAL
DIRECTOR

NORTHERN



OSWALD SAWH

COUNCILLOR
CITY OF
THOMPSON

NORTHERN
DIRECTOR



**KAREN
MACKINNON**

COUNCILLOR
CITY OF FLIN FLON

NORTHERN
DIRECTOR



RUSS WYATT

COUNCILLOR
CITY OF WINNIPEG

CITY OF WINNIPEG
DIRECTOR



**BRENT
MCMILLAN**

PRESIDENT

MANITOBA
MUNICIPAL
ADMINISTRATORS'
ASSOCIATION



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 either The Pas, Flin Flon, Snow Lake or Grand Rapids, and one (1) representative from either 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 Association shall have an Executive Committee consisting of a President, Vice-President Rural and Vice-President Urban. The Executive members 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.



EXECUTIVE AND STAFF



L to R:

Joe Masi,
Executive Director
(Ex officio)

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

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

Councillor
Doug Dobrowolski,
RM of Macdonald,
President

Back, L to R:
Joe Masi, Executive Director;
Lynne Bereza, Communications
Coordinator; Rachel Philippe,
Senior Policy Analyst; Tyler
MacAfee, Director of Policy
& Communications; Donna
Belbin, Events Coordinator;
Patti de Baets, Finance
Coordinator; Erika Rempel,
Administrative Assistant, Policy
& Communications

Front, L to R:
Linda Hargest, Director of
Administration & Marketing;
Julia Green, Administrative
Assistant, Board &
Administration





CORE CHALLENGES FOR MUNICIPALITIES

Each year the AMM Board of Directors identifies top issues that become the focal point of AMM lobbying efforts. Unsurprisingly infrastructure, increasing municipal responsibilities and the need to revise municipal funding arrangements were the top issues this year. Together these represent the core municipal challenges. They were shared with nearly everyone the AMM met with this past year.

Now more than ever municipalities need new tools to deal with new responsibilities and expectations. Currently Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada. While in some cases these types of programs are necessary (such as large-scale infrastructure projects), it leaves municipalities having to compete against each other for limited dollars and restricts a municipality's ability to properly plan for much needed investment.

The amount allocated to grant programs like the recent Municipal Rural Infrastructure Fund or community

infrastructure funding under the Building Canada Fund

is nowhere near the total demand, meaning there is no guarantee much-needed projects will ever receive funding.

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

While we fully recognize initiatives like the GST rebate, Gas Tax Agreement and Building Manitoba Fund are beneficial, the reality is municipalities must have access to new revenue sources. Municipalities are struggling to deliver core services as their budgets begin to crack under increased demands.

A new approach is needed, and for this reason we are asking the Province of Manitoba to collect a one cent municipal tax to be allocated to municipalities for infrastructure and split equally among municipalities on a per capita basis. This will provide municipalities with more than \$200 million a year. For a community of 1,000 people, this means approximately an investment of \$185,000 in their local infrastructure, or \$370,000 for a community of 2,000 people. A community such as Thompson could see close to \$2.5 million, while Winnipeg would expect to see over \$117 million. Although

this funding alone will not erase the infrastructure deficit in Manitoba, it is a positive first step.

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

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

**THE AMM POSITION PAPER ON THE
CORE CHALLENGES IS AVAILABLE AT WWW.AMM.MB.CA/POL_PROVINCIAL.HTML.**

Municipalities are not looking for new revenue sources to store money away for a rainy day. The storm has arrived. With a national municipal infrastructure deficit in excess of \$123 billion and Manitoba's

share in excess of \$11 billion, there is no shortage of work to be done. If municipalities are left to deal with this ballooning deficit alone armed only with property taxes and grants, it will continue to grow exponentially. Alternatively, providing municipalities with new revenue sources will not only begin to address this growing deficit, but will help build and strengthen our economy.

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

Therefore the AMM would like to see:

- A greater investment in municipal infrastructure by all orders of government.
- An end to the downloading of responsibilities to municipalities and a requirement that new mandates come with new funding.
- A commitment to provide new alternate revenues to municipalities.



INFRASTRUCTURE FUNDING COUNCIL

On May 21st of this year the AMM in partnership with the City of Winnipeg created the Infrastructure Funding Council (IFC) to take an in-depth look at the number one issue facing municipal governments - infrastructure.

The IFC's mandate is to develop an overall, comprehensive infrastructure funding strategy to begin the process of addressing the ballooning municipal infrastructure deficit. The mandate is also clear that this strategy should not simply ask the federal and provincial governments for more money, but rather provide recommendations on both internal funding options within the control of municipalities as well as external funding options that require intergovernmental negotiation and participation.

The IFC has been working diligently over the summer laying the foundation for the report, seeking input from stakeholders and municipal officials across the province. The AMM is eagerly anticipating the completion of the report.

Pictured: President Doug Dobrowolski (at podium), Mayor Sam Katz and IFC Chair Chris Lorenc at the May 21st announcement



The Infrastructure Funding Council consists of six members appointed by the City of Winnipeg and the AMM:

Chris Lorenc, Chair

Chris brings a wealth of experience to the IFC having been a Winnipeg City Councillor from 1983 to 1992, Chair of the Manitoba Transportation Strategy Group as well as Chair of the City of Winnipeg Mayor's Trade Council. Chris is currently the President of the Manitoba Heavy Construction Association.

Reg Alcock

Well known in Manitoba having been both an MLA and MP, Reg held numerous responsibilities at the federal level including President of the Treasury Board. Reg is currently an executive-in-residence at the University of Manitoba Asper School of Business.

Councillor Mike O'Shaughnessy

Mike brings over 30 years of municipal experience to the table having been a City of Winnipeg Councillor off and on since 1974. This was Mike's last term as he did not run in the 2010 election.

Jill Vogan

Many municipal officials know Jill as the former Director of the Canada/Manitoba Infrastructure Secretariat. There are few people who know the ins and outs of infrastructure funding as well as Jill, who has retired from work at the Province and now works as a consultant.

Ron Bell

No stranger to AMM members as he is immediate Past-President of the association, Ron has now retired from municipal politics but brings his years of experience acting as Manitoba's municipal voice on the national stage to the IFC.

Cory Young

Cory brings a unique perspective to the committee having been both a CAO and elected official. Cory was a councillor in the City of Thompson and now lives and works in Winnipeg.



While the Federation of Canadian Municipalities (FCM) remains the strongest municipal voice at the federal level the AMM often takes opportunities to raise Manitoba municipal issues on the federal stage.

FEDERAL BUDGET CONSULTATIONS

The AMM made a presentation to the Federal Standing Committee on Finance in Winnipeg in October 2009. While the format is not necessarily conducive to debate, the AMM did have the opportunity to highlight the major challenges facing municipalities in Manitoba. The AMM pushed for an innovative federal strategy to address the growing infrastructure deficit facing our communities, an end to the offloading of responsibilities to municipalities as well as a commitment to provide funding when the municipal mandate is expanded, and the creation of a rural champion at the federal Cabinet table.

MEETING WITH ANITA NEVILLE

On February 5, 2010 the AMM had the opportunity to meet with Manitoba Liberal MP Anita Neville to discuss municipal issues. The AMM shared the same briefing document that was discussed with the Federal Standing Committee on Finance. Ms. Neville indicated she was pleased the Gas Tax Program was working well but was disappointed to see the AMM was excluded from the project selection process of the stimulus funding. Ms. Neville also expressed great interest in the AMM's work on women in municipal government and shared some of her work on the issue.

As a result of this meeting the AMM was invited to attend a meeting with MP Neville and Liberal Finance Critic MP John McCallum the following week.

Copies of presentations are available at www.amm.mb.ca/pol_federal.html.

MANITOBA NIGHT AT FCM

On November 17 2009 the Manitoba Caucus of the FCM participated in a "Manitoba Night" of sorts in Ottawa. An offshoot of the FCM's federal lobby days, "Manitoba Night" is an opportunity for the Manitoba Caucus to meet individually with Manitoba Members of Parliament and raise our concerns. This year the Caucus highlighted a number of pressing issues for municipalities.

One of the more general issues is the federal deficit and accompanying cost-cutting that threatens to affect municipal funding. The Manitoba Caucus stressed the need to protect and enhance what municipalities currently receive from the federal government, rather than reduce it.

The need for an escalator clause in the federal Gas Tax Agreement was also noted. The Gas Tax Agreement has become a model of sustainable, predictable long-term funding that works well for municipalities and the focus should now turn to providing an escalator for the fund to ensure that municipal purchasing power remains in years to come.

The Building Canada Fund was discussed as well. As most of the communities' component of the fund has been allocated in Manitoba, there is a need for a new round of programs to fund municipal infrastructure. A concern was also raised with the stimulus funding awarded through Building Canada. The requirement that those projects be completed by March, 2011 will be very difficult for some municipalities.

The Caucus also raised the Federal Government's new wastewater requirements. The concern is that there is no accompanying funding to pay for the new requirements.

Finally, the need for a disaster financial assistance program for preventative work was raised.

Manitoba MPs who participated in this year's "Manitoba Night" included Conservative members James Bezan (Selkirk-Interlake), Candice Hoepfner (Portage-Lisgar), Inky Mark (Dauphin-Swan River-Marquette) and Joy Smith (Kildonan-St. Paul); Liberal member Hon. Anita Neville (Winnipeg South Centre); and NDP member Jim Maloway (Elmwood-Transcona).

Members of the Manitoba Caucus include AMM President Doug Dobrowolski, Reeve Don Forfar, RM of St. Andrews, Councillor Jeff McConnell, Town of Virden, Councillor Bob Bodnaruk, RM of Springfield, and Councillor Jenny Gerbasi, City of Winnipeg.





LOBBYING HIGHLIGHTS - SUCCESSES

As a lobby group, the AMM is judged by its successes. The AMM achieved success in many areas over the past year while other areas remain a work in progress. Here are some of the AMM's lobbying highlights over the past year.

SEWAGE EJECTORS

One of the top issues for the AMM over the past year has been the proposed amendments to the Onsite Wastewater Management System Regulation, or what has become known as the sewage ejector issue. The AMM was extremely disappointed that the Province opted to proceed with changes to the regulation in October 2009 despite widespread concern from rural Manitoba. The AMM continued to voice concern after the regulation was passed and in early 2010 began meeting with the Premier and Minister Blaikie to find a workable solution to this issue.

The AMM was extremely pleased to see the revised version of the regulation enacted on May 6, 2010. The revised version of the regulation allows sewage ejectors provided they are not located in an environmentally sensitive area as defined in the regulation and on a minimum of ten acres of land. Repairs of existing ejectors are allowed and financial support through low interest loans are being explored by the Province for those who have to make changes to their systems.

The AMM is pleased that the Province reconsidered this regulation and would like to thank the membership for their effective lobbying efforts on this issue.

PENSION SOLVENCY ISSUE

Another issue where the AMM had success over the last year was getting a pension solvency funding exemption for the Municipal Employees Pension Plan. At the end of 2008 the Plan had a small solvency deficiency which resulted in increased contribution rates of both employees and employers by one per cent as well as no cost-of-living increase for retired employees. At that time it was projected that at the end of 2011, the solvency deficiency could amount to approximately \$65 million. Although in the past the Trustees have ensured that costs are shared between employees and employers, the employers are ultimately responsible for any deficiencies.

The AMM raised this issue with Minister Howard and expressed frustration that the municipal plan was not granted an exemption. This would be warranted as there will always be employees paying into the plan and there is

little concern of all 198 municipalities discontinuing business. The Minister agreed with the AMM's concerns and in June registered the Solvency Exemption for Public Sector Pension Plans Regulation which allows the Trustees of the Municipal Employees Pension Plan to elect to be exempt from solvency funding legislation.

The AMM was very pleased with this outcome and believes this means significant savings for municipalities and employees.

WATER AND WASTEWATER OPERATOR TRAINING

There has also been significant development on the issue of training for water and wastewater operators. As of September 1, 2006 provincial regulations required municipal water and wastewater facilities to employ only certified operators. However, there have been concerns with municipalities' ability to meet the new requirements ever since the certification concept was first introduced in 2002. The shortage of operators and the lack of available training opportunities have continuously presented major obstacles for many municipalities in ensuring certified individuals are on staff. The AMM raised these issues with the Premier and Cabinet on numerous occasions, as well as at many individual meetings with the Ministers of Conservation, Water Stewardship, Advanced Education and Literacy, and Entrepreneurship, Training and Trade.

A long-term solution is now possible through the effort to designate water and wastewater operators as a certified trade. On June 14, 2010 the AMM representatives attended the first formal meeting of the Provincial Advisory Committee that is developing the program qualifications to establish the trade designation. Through the summer months, the Committee conducted a Provincial Occupational Apprentice Analysis that articulates the knowledge and skills water and wastewater operators require to fulfill their duties. The next steps are to develop course materials and finalize the details of the course delivery.

The Provincial Advisory Committee anticipates the inaugural water and wastewater operator trade designation class to begin in the fall of 2011. This program is expected to boost interest in the field while providing the resources necessary to support students in their successful completion of the program.



The AMM meets annually with all Provincial Cabinet Ministers to bring forward important municipal issues. Meetings and updates for 2010 are highlighted in the following pages.

MANITOBA LABOUR & IMMIGRATION

On February 23, the AMM met with Minister Jennifer Howard to review resolutions related to 911 services, including mile marker signs along the Trans-Canada Highway and an alternative telephone number for non-emergency calls. Minister Howard indicated she is expecting a report from the Provincial 911 Committee in the near future. She recognized the value of a 911 education campaign and will discuss the possibility of mile markers with Manitoba Infrastructure and Transportation. Minister Howard also appreciates municipalities working on civic addressing as it assists with emergency response.

The AMM also raised concerns that the new Fire Safety Inspections Regulation downloads responsibility for certain inspections to municipalities. Minister Howard clarified these inspections were not previously a provincial responsibility and the Office of the Fire Commissioner (OFC) is willing to help municipalities. She also indicated municipalities have the option to charge for these inspections and may employ a regional inspector to share costs among several municipalities.

A related issue is the use of silent floor construction and the impact on firefighter safety. The AMM asked for legislative amendments to ensure homes with silent floor construction are clearly identified. Minister Howard indicated she has heard this concern from firefighters and is waiting for recommendations from the Building Standards Board.

The AMM also emphasized that municipal firefighters must be trained to conduct traffic control and must be compensated for providing this essential service. To further ensure the safety of emergency personnel, motorists should be required to reduce speeds when passing accidents. Minister Howard indicated the OFC wants to set

up a Municipal Advisory Committee where issues such as this could be discussed. The OFC will continue to provide training through Mutual Aid Districts.

Minister Howard is also responsible for legislation governing the Municipal Employee Pension Plan (MEPP); therefore the AMM requested an exemption from provincial solvency requirements. The Minister indicated this matter is under review.

Update: The Province installed signs every two kilometres along the Trans-Canada Highway for 115 kilometres west of the Ontario border. The Province plans to install marker signs on another 27 kilometres of the highway in 2011.

The Provincial Fire Safety Inspection Committee was formed with representatives from the AMM, OFC and Manitoba Association of Fire Chiefs. The committee asked municipalities to complete a survey since it is currently reviewing the Fire Safety Inspections Regulation with the aim of recommending changes.

On June 17 the Province passed Bill 8 – The Highway Traffic Amendment Act which requires motorists to slow down when approaching designated vehicles engaged in roadside assistance or responding to an emergency. The AMM made a submission asking for an education campaign to increase awareness of the need to slow down.

See page 15 for a full update on the Solvency Exemption for Public Sector Plans Regulation.

MANITOBA ENTREPRENEURSHIP, TRAINING & TRADE

The AMM began its February 23 meeting with Minister Peter Bjornson by discussing an apprenticeship model for water and wastewater operators. Minister Bjornson indicated an advisory committee has been established to develop the apprenticeship model and the AMM will be invited to participate.

The discussion then turned to support for small business management training to help promote and retain local businesses. Minister Bjornson indicated the Province is halfway to meeting its commitment of 4,000 new apprentices. He also reviewed opportunities for distance

**THE AMM EMPHASIZED THAT
MUNICIPAL FIREFIGHTERS
MUST BE TRAINED TO
CONDUCT TRAFFIC CONTROL
AND MUST BE COMPENSATED
FOR PROVIDING THIS
ESSENTIAL SERVICE.**



LOBBYING HIGHLIGHTS - PROVINCIAL

education and e-learning available through the University of Winnipeg and the video conferencing access points through the Canada-Manitoba Business Development Centre. The Province is also developing a publication of all programs available to Manitoba businesses.

Another training issue is the need for expertise in emerging technologies. The AMM indicated the growing wind energy and biodiesel markets increasingly require skilled professionals. Minister Bjornson indicated the Province is always looking at new training areas and has looked specifically at biodiesel opportunities.

Lastly, the AMM requested an update on the Buy American Deal and how this is expected to impact Manitoba municipalities. Minister Bjornson indicated little impact is expected in Manitoba since we currently have a very open tendering process.

Update: The AMM appointed two directors to the Provincial Advisory Committee to develop an apprenticeship program for water and wastewater operators. See page 15 for the full update.

MANITOBA HEALTHY LIVING, YOUTH & SENIORS

On February 25 the AMM met with Minister Jim Rondeau to review recreation and housing issues. This included the need for sufficient resources to ensure recreation practitioners and recreation commissions provide high-quality recreational programming. Minister Rondeau indicated the Recreation Opportunities Fund helps in this area and the Province is targeting the 25 per cent of the population that is inactive.

The AMM also raised the issue of escalating operating costs for recreation centres and requested new incentive programs to ensure centres remain open for as many hours as possible while keeping user fees reasonable. Minister Rondeau favours long-term solutions to such problems and indicated Manitoba Innovation, Energy and Mines would also play a role.

Another major issue is the demand for seniors' housing options, such as community living and supportive housing. Minister Rondeau indicated there is new federal funding for housing and some will be dedicated to seniors' housing. The Province is working to develop a range of options and funding is available through the HomeWorks! Program.

Pictured L to R: Urban Vice-President Shirley Kalyniuk, Rural Vice-President Roger Wilson, Minister of Healthy Living, Youth & Seniors Jim Rondeau; and President Doug Dobrowolski



Update: As part of the 2010 Budget, the Province committed to add 1500 new social housing units over the next five years and increase the operating and capital investments in social housing by nearly ten per cent. In May the Province committed funding for five projects: three Age-Friendly Manitoba initiatives; an additional suite in the Safe Suite Program; and the compilation of data regarding Manitoba seniors into a comprehensive document. The Age-Friendly Manitoba Initiative now has 66 communities engaged in making communities more accessible to seniors.



MANITOBA WATER STEWARDSHIP

The February 26 meeting with Minister Christine Melnick started with a discussion of water and land use planning. The AMM emphasized the importance of communication when new legislation and policies are developed and implemented. Minister Melnick agreed and felt that business has been conducted well recently, even though it can be difficult to manage differing perspectives.

The AMM highlighted the need for additional funding for conservation districts (CD) to continue offering meaningful programming. Minister Melnick indicated the Province supports the CD program and discussed the option of outside investment in CDs. She has also encouraged the Manitoba CD Association to explore this possibility.

With increasing legislated demands for additional licensing and certification, municipalities require additional funding for water and wastewater treatment projects. Minister Melnick anticipates that the AMM representation on the Water Services Board will be a positive step toward addressing these issues.

A discussion of water in Manitoba would not be complete without a discussion of flood protection. Ongoing issues include the inability to improve structures repeatedly damaged by flooding and the increased vulnerability of communities due to rail line abandonment. Minister Melnick indicated the Province has been working to improve the responsiveness of Disaster Financial

A DISCUSSION OF WATER IN MANITOBA WOULD NOT BE COMPLETE WITHOUT A DISCUSSION OF FLOOD PROTECTION.

Assistance to the needs of Manitoba communities and the AMM could help in lobbying the Federal Government.

Finally, the AMM raised drainage issues including the need for a province-wide water management plan and increased resources for drain construction and maintenance. The AMM also raised concerns with the drainage licensing process. Minister Melnick indicated staffing remains a concern as they are working through four times as many licenses as compared to previous years.

Update: *The Province is developing exemption regulations and expanding definitions of minor works so that municipal works with little or no impact can be expedited. The AMM also completed its work with the Conservation Districts Framework for the Future Consensus Committee, however it remains concerned with the process. The group proposed a funding formula and board appointment policy which were shared with all 18 CDs and forwarded to the CD Commission for approval.*

Photo courtesy of Jordan Morningstar, 2009





MANITOBA CONSERVATION

On February 26 Minister Bill Blaikie met with the AMM regarding recycling issues. First on the agenda was the long-standing need for permanent, province-wide programs for household hazardous waste and electronic waste. Minister Blaikie indicated the Province aims to have the industry-led plans in place as of April 1, 2011.

The AMM also discussed the Waste Reduction and Recycling Support (WRARS) Levy and the concern that it penalizes municipalities with poor recycling programs. The levy takes money away from areas with limited programs, rather than allowing municipalities to invest those funds in better local recycling initiatives. Minister Blaikie will consider incentives for communities with minimal recycling programs.

Although the industry-led group has taken over printed paper and packaging recycling, the AMM emphasized it is essential for the Province to continue to play a role. Minister Blaikie indicated the transition has been smooth to date.

Manitoba Conservation is also responsible for issues related to contaminated sites. Therefore the AMM requested increased funding for contaminated site remediation and a legislated timeline for completing necessary remediation work. Minister Blaikie committed to have department officials meet with the AMM to discuss this issue in greater detail.

The AMM also described the damage beavers can cause to municipal infrastructure and urged the Province to increase funding for the problem beaver removal program. Action must also be taken to control beaver activity on Crown land as it has major repercussions for adjacent landowners. Minister Blaikie indicated there will be no changes to the program this year and that trap lines are set on Crown land.

Another long-standing issue is the provincial requirement to certify all water and wastewater operators. Minister Blaikie indicated the department is trying to work with municipalities in cases where an operator's license is about to expire.

Finally, the AMM raised issues with the Onsite Wastewater Management Systems Regulation and requested that the province-wide ban on sewage ejectors be removed. Minister Blaikie confirmed the Province is working to resolve this matter.



Update: As of April 1, 2010 the industry-led group Multi-Material Stewardship Manitoba took over printed paper and packaging recycling for Manitoba. The AMM continues to monitor the impact of the WRARS Levy in Manitoba.

Pictured: Minister of Conservation Bill Blaikie with President Dobrowolski

Regarding contaminated sites, the AMM met with department staff and learned the Province is dealing with its sites and working to get individuals to cover some of the costs. Municipalities have some responsibility where municipal property is contaminated. The Province will continue to work with the AMM on this issue and municipalities should inform the department of any contaminated sites not included on the current inventory.

Upon the AMM's request, the Province has agreed to review the problem beaver management program. The AMM will meet with Manitoba Conservation officials to resolve ongoing issues.

The Province is developing an apprenticeship program to designate water and wastewater operators as a certified trade. The AMM is participating on the Provincial Advisory Committee to develop program qualifications.

See page 15 for a full update on the Onsite Wastewater Management Systems Regulation.



MANITOBA EDUCATION

On March 11 the AMM met with Minister Nancy Allan to discuss education taxes on property, anti-drug programs in schools, and the joint use of community facilities. The AMM emphasized that for maximum impact, the Province's five-year plan to achieve an 80:20 funding ratio must apply to operating costs. Minister Allan indicated Manitoba is watching Saskatchewan where the provincial government committed to remove school taxes from property in two years.

The AMM also asked for funding for anti-drug programming within the school curriculum to support community crime prevention efforts. Minister Allan indicated there are 50 DARE programs in schools and anti-drug awareness is part of the core curriculum. The Province is also considering strengthening the curriculum for tobacco awareness.

The AMM participated on the Joint Use of Schools and Community Facilities Advisory Committee and its report is still being reviewed by the Province. The AMM highlighted the need for further provincial action, including additional operating funding for municipal recreation facilities as compensation for reducing user fees for school divisions. Minister Allan agreed with the need to move this issue forward, particularly to resolve the cost issues.

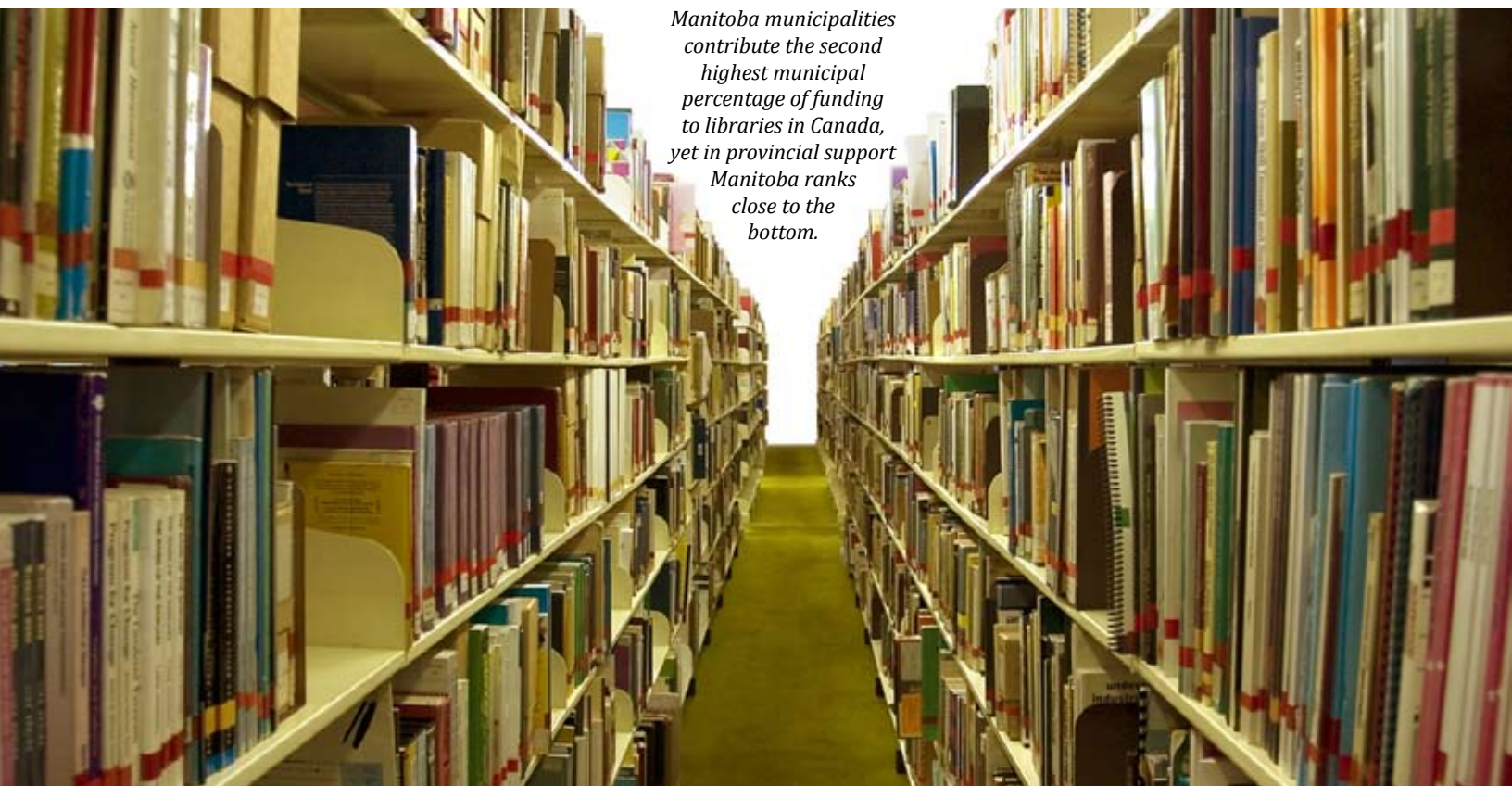
THE AMM ALSO ASKED FOR FUNDING FOR ANTI-DRUG PROGRAMMING WITHIN THE SCHOOL CURRICULUM TO SUPPORT COMMUNITY CRIME PREVENTION EFFORTS.

Update: *The 2010 Budget Speech indicated there would be no enhancements to the education property tax credit or the farmland school tax rebate.*

MANITOBA CULTURE, HERITAGE & TOURISM

Library service was the first topic for the AMM's March 11 meeting with Minister Flor Marcelino. In 2006 the AMM participated in the Public Libraries Review Committee, but its funding recommendations have still not been addressed. This is of particular concern as Manitoba municipalities contribute the second highest municipal percentage of

Manitoba municipalities contribute the second highest municipal percentage of funding to libraries in Canada, yet in provincial support Manitoba ranks close to the bottom.





funding to libraries in Canada, yet in provincial support Manitoba ranks close to the bottom. Minister Marcelino indicated some municipalities received increases through new technical grant funding, but the economic climate has hindered further library investment.

The AMM also discussed the resolution requesting a province-wide universal library card system and Saskatchewan's move in this direction. Minister Marcelino indicated the Province has considered this, but there are significant issues to resolve before proceeding.

The AMM also requested increased funding for tourism and community museums. Minister Marcelino indicated infrastructure investments such as highways and clean water also support the tourism industry.

MANITOBA AGRICULTURE, FOOD & RURAL INITIATIVES

On March 11 the AMM met with Minister Stan Struthers to discuss several issues, starting with economic development. Minister Struthers reviewed the Province's plan for implementing recommendations from the Manitoba Connects report. He agreed that the lack of coordination among the many organizations is problematic. The Minister offered to meet with the AMM on this issue to develop tangible outcomes for economic development in Manitoba.

Next the AMM requested a coordinated approach for municipalities and provincial departments to minimize the spread of noxious weeds. The AMM further requested the Province expedite a review of The Noxious Weeds Act. Minister Struthers confirmed his department is working on a review and it will take some time to complete. The Province consulted with weed district supervisors and will work with municipalities as well.

The AMM also encouraged a more cooperative approach to land use planning and recognition that municipal planning must support a variety of interests in addition to agriculture. Minister Struthers indicated agriculture has an important stake in land use planning and the department is responsible for fulfilling its mandate. At the same time, he wants to ensure staff works cooperatively with municipalities.

Since the Province announced its goal to reduce education taxes on farmland in 2004, municipalities have requested a more efficient delivery system to replace the rebate

process. Minister Struthers indicated the current system has a simple application process and a fast turnaround time, therefore the Province is not considering changes.

In closing, the AMM sought an update on the implementation of the Rural Veterinary Services Task Force Report recommendations. Minister Struthers indicated that 17 of the 33 recommendations have been completed and committed to provide a full report to the AMM.

Update: *Since the Province is reviewing The Noxious Weeds Act, the AMM sent Minister Struthers a list of concerns based on active resolutions. Minister Struthers responded that weeds listed in the Act have been reviewed and proposals to add new weeds identified by the Invasive Species Council of Manitoba and the Early Detection and Rapid Response program will be considered. The process for updating the list is also being reviewed.*

Minister Struthers also sent the AMM a detailed update on the Rural Veterinary Services Task Force recommendations. Minister Struthers committed that recommendations related to changing legislation, regulations and operating grants would only be undertaken after detailed consultation with the AMM. He also indicated the Province is committed to reviewing the program every five years.

MANITOBA HOUSING & COMMUNITY DEVELOPMENT

On March 25 the AMM discussed housing issues with Minister Kerri Irvin-Ross. The AMM highlighted the concern of program funding accessibility since previous affordable housing programs tended to focus funding on major centres. As well, the specific housing needs of seniors must be addressed. Minister Irvin-Ross indicated the department is conducting an assessment of housing needs in Manitoba. Minister Irvin-Ross supported the idea of a housing conference to revisit the work of the Housing Now! Conference.

The Communities Places Program is now under this department, therefore the AMM articulated the need for more overall program funding in order to increase the maximum allowable grant per project. Minister Irvin-Ross indicated the Community Places Program is being reviewed.

Update: *The Province announced an initiative to support the construction of secondary suites in homes through a forgivable loan program.*



BUS SERVICE
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MANITOBA.

MANITOBA INFRASTRUCTURE & TRANSPORTATION

The AMM had a long list of issues to discuss at the March 31 meeting with Minister Steve Ashton. First, the AMM highlighted the growing infrastructure deficit and the need for long-term, sustainable, predictable funding for all categories of public infrastructure. Minister Ashton indicated existing programs are helpful in this regard, but recognized more is needed.

The AMM also urged the Province to address the economic and environmental impacts of rail line abandonment. Minister Ashton indicated the Province has provided assistance to short line rail companies and has been supportive of the federal review. However, he is not considering a review of The Provincial Railways Act at this time. The AMM emphasized the importance of rail service to northern communities, particularly with trade opportunities through the Port of Churchill. Minister Ashton stated that OmniTrax is making improvements to the rail line and there is significant growth potential in Churchill. Although the Minister committed to ensuring rail service remains for the north, he conceded that VIA is expected to reduce service to twice a week.

Bus service is also important in remote communities and the AMM requested the Province continue working cooperatively to ensure service remains throughout Manitoba. Minister Ashton referred to upcoming regional consultations on the future of bus service and other options for intercity service.

The AMM also requested that the department develop a province-wide drainage management plan and allocate sufficient resources to drain construction and maintenance throughout Manitoba. Municipalities are also having difficulty raising funds for engineering assessments required under The Drinking Water Safety Act, and the AMM requested provincial assistance on this matter.

Finally, the AMM discussed the need to resolve issues with firefighters conducting traffic control at motor vehicle accidents, including financial compensation and the need for motorists to reduce speeds when passing accidents. Minister Ashton alluded to upcoming legislative changes, but did not commit to financial compensation.

Update: Since meeting with Minister Ashton, a significant issue has emerged regarding the Building Canada Fund. There are some concerns that projects not completed by March 31, 2011 will not receive any further federal funding. Along with the Federation of Canadian Municipalities, the AMM has lobbied the Federal Government to extend project timelines where extenuating circumstances caused construction delays.

The AMM is also represented on the Infrastructure Funding Council (IFC) along with the City of Winnipeg to develop an overall, comprehensive infrastructure funding strategy. The IFC plans to release its report shortly, including recommendations for infrastructure funding options both within the control of municipalities and those requiring intergovernmental negotiation and/or approval.

The AMM also provided feedback to the consultation of the Manitoba Intercity Bus Project Team regarding continued bus service in rural and northern Manitoba. Municipalities were encouraged to provide input to this consultation and the Province is expected to report on the results in the near future. As well, VIA Rail service to Churchill is still available three times a week.



LOBBYING HIGHLIGHTS - PROVINCIAL

MANITOBA JUSTICE

On April 19 the AMM discussed a wide variety of policing issues with Minister Andrew Swan, starting with the question of whether municipal by-law enforcement officers can issue common offense notices without the peace officer designation. Minister Swan indicated there were some incorrect issuances and a review was underway. By-law enforcement officers should only enforce municipal by-laws, as anything else requires provincial training. Minister Swan also suggested that a group of municipalities could work together to train and hire one individual to serve their collective needs.

The AMM also reviewed the issue of restricting the re-issuance of driver and vehicle licenses pending the payment of outstanding parking fines. The AMM was working with the Province toward a solution, but the process stalled. Minister Swan commented that the cost of implementing a system to support this process may be in excess of the revenue it would generate.

The AMM also discussed the need for additional resources for policing in Manitoba and the 2012 Provincial Police Services Agreement (PPSA). Minister Swan explained that the three outstanding issues



Pictured: President Dobrowolski with Minister of Justice Andrew Swan

POLICE BOARDS ARE NOW MANDATORY UNDER THE POLICE SERVICES ACT, YET MUNICIPALITIES HAVE MAJOR ISSUES WITH THIS REQUIREMENT.

THE AMM REQUESTED THAT THE PROVINCE RECONSIDER AND MAKE POLICE BOARDS OPTIONAL.

for the PPSA are accommodations, medical costs and depot costs. He expects the 15,000 population threshold to remain.

Police boards are now mandatory under The Police Services Act, yet municipalities have major issues with this requirement. The AMM requested that the Province reconsider and make police boards optional. Minister Swan expressed the concern that if boards remained optional, those most in need of oversight would not establish a board. The Province will provide board training, orientation and develop a code of conduct, however board establishment has been postponed until after the 2010 municipal election.

The AMM also raised traffic control concerns, as discussed with Ministers Howard and Ashton. Minister Swan is responsible for the Manitoba Public Insurance Corporation and committed to take this issue forward.

Update: The RCMP informed the AMM that a new officer reporting system is in development and implementation is underway.

The AMM will continue to provide input into Manitoba's 2012 contract negotiations.



MANITOBA HEALTH

On April 29 the AMM met with Minister Theresa Oswald to discuss municipal concerns with Manitoba's health care system. Although health care is a provincial responsibility, municipalities are involved in many associated issues.

Limited access to medical professionals is a significant problem throughout Manitoba, therefore the AMM started by requesting an expanded strategy to train, recruit and retain medical professionals. Minister Oswald indicated there have been net increases in health practitioners in recent years and the Province is working to bring technology to rural centres to offer an attractive work environment. The Province also appointed dedicated staff to repatriate Canadians trained abroad. Minister Oswald indicated her intent is to saturate the market so communities are not bidding against each other to attract doctors.

Part of this issue is to offer local training opportunities and the AMM raised the possibility of developing a medical school at Brandon University. Minister Oswald indicated Manitoba Advanced Education and Literacy will work with the Council on Post-Secondary Education to conduct a feasibility study exploring this option.

The AMM also explained the significant financial burden municipalities face due to the policy requiring community contributions for capital projects. Minister Oswald committed to discussing this matter with the Finance Minister.

Funding for palliative care has been a long-standing issue and additional resources are required for regional programs. Minister Oswald indicated the decision to

allocate funds to palliative care rests with the Regional Health Authorities (RHA) and she is not prepared to mandate that RHAs must allocate funds to palliative care.

The AMM also discussed the impact of communities losing ambulance service due to centralization. Minister Oswald indicated the Province has elevated standards regarding expectations for ambulance service and emergency response. Service centre locations are determined based on data from the Medical Transportation Coordination Centre.

***Update:** In June the Province announced new resources for its doctor education, recruitment and retention strategy. The University of Manitoba School of Medicine will receive an additional \$1 million over the next two years to sustain increased enrolment and encourage medical students to practice family medicine in rural, northern and urban centres. As well, tuition fees will be held at a five percent increase to keep the cost of attending medical school affordable. The Province will also invest in a study of education, recruitment and retention initiatives to further increase the supply of doctors, with a particular emphasis on those serving rural and northern areas. The study will also examine the potential for medical training at Brandon University. As well, the University of Manitoba received \$6.9 million in federal funding to expand the Northern and Remote Family Medicine Residency Program by an additional 15 seats.*

The AMM continues to participate in the Physician Resource Coordination Office (PRCO) Advisory Committee. In the spring of 2010, the PRCO distributed a best practices pamphlet regarding RHA and community roles in physician recruitment and retention in Manitoba.





MANITOBA ADVANCED EDUCATION & LITERACY

On April 29, the AMM raised three issues with Minister Diane McGifford: apprenticeship for water and wastewater operators, training opportunities in emerging technology, and funding for libraries.

Minister McGifford supports the development of a designated trade for water and wastewater operators and indicated the Province is exploring the possibility of mobile training options.

The AMM also raised the need to support training for emerging technologies such as wind energy and biodiesel. Minister McGifford indicated Manitoba's educational institutions are monitoring developments in these fields, but to date there is insufficient demand for further programming.

Regarding funding for libraries, Minister McGifford indicated an investment in libraries is an investment in the health of a community and that advancing technology should improve access in the future.

Update: AMM representatives are involved with the Provincial Advisory Committee to develop an apprenticeship program for water and wastewater operators. See page 15 for further details.

MANITOBA INNOVATION, ENERGY & MINES

On June 1 the AMM discussed renewable energy initiatives and mining issues with Minister Dave Chomiak. The first item on the agenda was further support for expanding the ethanol and biodiesel markets in Manitoba. Minister Chomiak indicated there are two companies working on biodiesel in Arborg and Beausejour, and more development is expected. The Province is also developing methane capture projects for landfills.

Regarding wind energy, Minister Chomiak indicated the new wind farm at St. Joseph required a unique funding model to make it work. The Province is developing a wind atlas to aid in future development, however in order to remain competitive with hydro, wind energy must be inexpensive to the consumer.



Pictured: Rural Vice-President Roger Wilson, Urban Vice-President Shirley Kalyniuk, Minister of Advanced Education & Literacy Diane McGifford, and President Dobrowolski.

**THE AMM ALSO
RAISED THE NEED TO
SUPPORT TRAINING
FOR EMERGING
TECHNOLOGIES SUCH
AS WIND ENERGY AND
BIODIESEL.**



The AMM also raised issues related to single-industry communities and the need to ensure that existing programs are functioning as intended. Minister Chomiak indicated there was a slight drop in exploration funding in the 2010 budget and the exploration fund receives anything over \$10 million from the Mining Community Reserve Fund.

MANITOBA FAMILY SERVICES & CONSUMER AFFAIRS

Minister Gord Mackintosh met with the AMM on June 2 to discuss Manitoba's child care system, survey monument restoration, and issues with the Public Utilities Board (PUB).

Daycares support economic development, therefore the AMM asked for expanded child care services and improved worker remuneration across the province. Minister Mackintosh indicated the Family Choices agenda is moving forward, including several pilot projects to examine the particular needs of rural Manitoba.

The cost of replacing survey monuments can be quite onerous for municipalities and the AMM requested that the Province work with municipalities to promote alternatives to survey monument restoration where possible. Minister Mackintosh indicated that in recent years the Survey Monument Restoration Fund was not fully allocated, but if demand were to increase the fund amount could be reviewed.

The AMM also expressed concern for orders issued by the PUB since municipalities are finding these to be increasingly cumbersome and invasive. Improved communication would be a major step to improving relationships with municipalities. Minister Mackintosh indicated the Province does not control PUB since it is an arm's-length agency, however, he will raise the issue of better coordination and communication.

Update: The Survey Monument Restoration Fund was fully exhausted for 2009-2010. It is expected that demand for the program will exceed the available funds by over \$100,000 for 2010-2011.

MANITOBA ABORIGINAL & NORTHERN AFFAIRS

On June 8 Minister Eric Robinson met with the AMM to discuss municipal government relationships with First Nations, funding for the Port of Churchill, and northern rail lines.

The AMM raised issues with the treaty land entitlement (TLE) process and the cost of negotiating service agreements. Minister Robinson committed his department to meet with the AMM to review these policies.

The AMM also stressed the importance of northern infrastructure including the rail network and Port of Churchill, along with the need to address the economic

and environmental impacts of rail line abandonment. Minister Robinson acknowledged the importance of the line and agreed that OmniTrax should invest in infrastructure.

Update: The AMM met with departmental representatives to discuss municipal concerns with the TLE process. The Province acknowledged the Reference Manual for Municipal Development

and Services Agreement could be updated. The differences between the Manitoba and Saskatchewan agreements were also discussed. The department indicated it would be prepared to review any specific situation where there is a demonstrated case that would warrant a review of the existing Municipal Tax Loss Compensation package.

COMPLETE POSITION
PAPERS FROM THE AMM'S
MEETINGS WITH PROVINCIAL
DEPARTMENTS ARE AVAILABLE AT
[WWW.AMM.MB.CA/POL_](http://WWW.AMM.MB.CA/POL_PROVINCIAL.HTML)
[PROVINCIAL.HTML](http://WWW.AMM.MB.CA/POL_PROVINCIAL.HTML).





LOBBY DAYS



The AMM hosted the 6th Annual Lobby Days on April 20 and 21, 2010. This year the AMM met with the NDP and Conservative Caucus' in their respective groups, as well as with Liberal Leader Jon Gerrard.

The central theme for the 2010 Lobby Days was "the core challenges of municipalities".

Pictured at left, top to bottom:

AMM Central Urban Director Mel Klassen and Eastern Rural Director George Harbottle with MLA for Selkirk Greg Dewar

Rural Vice-President Roger Wilson with MLA for Ste. Rose Stu Briese

President Dobrowolski with Bill Blaikie, Minister of Conservation and AMM Winnipeg Director Russ Wyatt

Executive Director Joe Masi with MLA for Brandon East Drew Caldwell

Pictured at right, top to bottom:

Manitoba Liberal Leader Dr. Jon Gerrard with President Dobrowolski, Midwestern Urban Director Eileen Clarke, and Interlake Urban Director Randy Sigurdson

MLA for Minnedosa Leanne Rowat with Urban Vice-President Shirley Kalyniuk and Northern Director Karen MacKinnon

MLA for Brandon West Rick Borotsik with Parkland Rural Director Ron Kostyshyn

MLA for Morris Mavis Taillieu with Central Rural Director Ralph Groening



MEETING WITH CABINET



Each year the AMM meets with the Premier and Cabinet to discuss the top issues facing municipalities in our province. This is always a frank and open discussion where issues are discussed and ideas and directions debated. This year the AMM met with the Premier and Cabinet on November 26, 2009, on the last day of the AMM Annual Convention.

First up on the agenda was the core challenges facing municipalities (see page 12). The Premier indicated he was well aware of the financial challenges facing all orders of government having been Finance Minister for ten years. The Premier indicated the issue of downloading of responsibilities is an important one and committed to looking at ways to resolve these issues.

Another top issue for this meeting was the Onsite Wastewater Management Systems Regulation (see page 15). The AMM stressed the unfair burden the new October 2009 regulation places on rural homeowners. The Premier indicated he was open to discussing this issue further and would ask the deputy ministers from the impacted departments to meet with the AMM to find a workable solution to the implementation of the regulation.

The AMM also discussed health care issues with the Cabinet, stressing the need to have proper services in all areas of the province. The Premier indicated they would be open to the idea of a medical school in Brandon and would participate in a feasibility study on the issue.

At the right is a complete list of issues in the briefing document shared with Cabinet. The complete 2009 Cabinet Brief is available at www.amm.mb.ca/pol_cabinet.html.

- * The Core Challenges
- * TLE Compensation for Municipalities
- * Funding for Port of Churchill and Northern Rail
- * Noxious Weed Issues
- * Emergency Livestock Disposal Planning
- * Economic Development in Manitoba
- * Recycling
- * Contaminated Sites
- * Issues with Permanent Park Residents
- * Impact of Cottage Lots on Municipalities
- * Onsite Wastewater Management Regulation
- * Water and Wastewater Operator Training
- * Funding for Libraries
- * Education Tax on Property
- * Anti-Drug Programs in Schools
- * Increased Investment in Child Care Services
- * Health Professional Recruitment, Training and Retention
- * Community Capital Contributions to Health Projects
- * Funding for Regional Palliative Care
- * Funding for Seniors Initiatives
- * Investment in Recreation Operations
- * Affordable Housing in Rural Manitoba
- * Building Canada Fund
- * Rail Line Abandonment
- * Drainage Issues
- * Greyhound Bus Service
- * Funding for Renewable Energy
- * The Youth Criminal Justice Act
- * Parking Violations
- * Municipal Policing Costs
- * Mandatory 911 Subscription
- * Provincial Floor Construction Standards
- * Amendments to the Conflict of Interest and Campaign Financing Acts
- * Mobility Disadvantaged Transportation Funding
- * Water and Land Use Planning
- * CD Funding
- * Funding for Water Initiatives
- * Provincial Flood Proofing Plan





MEETING WITH CABINET

THE COMPLETE 2009 CABINET BRIEF IS AVAILABLE AT WWW.AMM.MB.CA/POL_CABINET.HTML.



Pictured L to R: Jennifer Howard, Minister of Labour & Immigration; Rosann Wowchuk, Minister of Finance; Stan Struthers, Minister of Agriculture, Food & Rural Initiatives; Peter Bjornson, Minister of Entrepreneurship, Training & Trade; Premier Greg Selinger; President Doug Dobrowolski, Kerri Irvin-Ross, Minister of Housing & Community Development; Ron Lemieux, Minister of Local Government; Nancy Allan, Minister of Education; Flor Marcelino, Minister of Culture, Heritage & Tourism; and Christine Melnick, Minister of Water Stewardship.

One of the key responsibilities for the AMM is to track bills introduced in the Manitoba Legislature and assess their impact on our members. Most often the AMM is consulted in the development of the legislation where we are able to provide input and work with government to ensure the new legislation is fair for municipalities. Our association takes pride in this working relationship with the government.

Unfortunately we do not always see eye to eye with government and no truer example was the introduction of Bill 35: The Municipal Conflict of Interest and Campaign Financing Act which received Royal Assent on October 8, 2009. This bill made two important changes for municipal officials.

The first is the change to the elected official's financial disclosure statement. The AMM was very concerned with the decision to change the rules in the middle of an election cycle. The AMM was not in support of the change and was not aware of any situation where a citizen was denied the right to question whether an elected official was in conflict under the old rules.

Bill 35 also made sweeping changes to the campaign financing process which creates set campaign periods, contribution and spending limits, and reporting requirements. The AMM is very concerned that these new rules are overly burdensome and really have little need in the vast majority of municipal elections.

While the AMM was disappointed that municipal concerns were largely ignored in the legislative process, we felt strongly that the AMM needed to continue working with the Province to ensure the implementation of the rules would be as easy as possible for elected officials. The AMM used its legal fund to have template by-laws developed to ensure every municipality did not have to undertake this costly process.

The AMM also worked closely with the Province on developing the Municipal Candidate's Guidebook and other materials to help ensure everyone understands the rules.



Province could spur municipal politics

DEMOCRACY, in the simplest of terms, is "government of the people." We elect people to represent us, and with a municipal election upcoming in a few short months our thoughts are turning to who those people might be. But what if no one wants the job?

Serving on council was once thought to be a fulfilling experience allowing a person to give back to their community. Recent developments are making it less and less attractive, and many Manitoba municipalities are concerned about their ability to attract a full slate of candidates this fall.

As a municipal councillor for the past 18 years, I know first-hand the rewards of serving my community. And yet municipalities continue to struggle to attract motivated, qualified individuals to civic office. It is easy to see why people would shy away.

Lack of time due to work and family responsibilities, a negative perception of politics, and simply a lack of interest are reasons commonly (and understandably) cited by the uninitiated. Certainly no one is doing it for the money, either. What is unusual is for seasoned veterans who wear their sense of civic duty like a badge of honour to step down regardless of whether there is someone waiting in the wings to take their place.

As a seasoned veteran myself, and as the president of the Association of Manitoba Municipalities, I can tell you a couple of things that might make running for and remaining in office a bit more palatable.

One is granting the same rights to municipal officials as those serving at the provincial and federal level are offered. Members of Parliament and members of the Manitoba legislature have

immunity from the process of liability as a result of any debate or discussion that takes place while they are in their respective chambers. In short, they can't be sued for anything they say in the government's house.

Your local mayor or reeve and councillors enjoy no such immunity. As a result, a number of municipal officials are facing litigation against trivial claims, in some cases simply for saying what is perceived as the wrong word. These types of legal games involve a great deal of time and expense for a municipality, not to mention the personal toll they take on the elected officials in question.

The AMM has lobbied the province for similar immunity and received a lukewarm response. The province has suggested this isn't a huge concern for municipalities. Try telling that to the men and women who have served their communities for years and now, when they are ready to step down and pursue other interests, have a lawsuit hanging over their heads — for something they said in their own council chambers.

The province has also indicated a change such as this would require opening up the Municipal Act and the issue is not a priority at this time. And yet the Act was opened as recently as last fall, in a move to make municipalities more transparent. The resulting legislation, Bill 35: The Municipal Conflict of Interest and Campaign Financing Act, is yet another reason why serving one's community is becoming less appealing.

Transparency in government is a good thing. It is one of the main reasons why councils are calling for immunity — so they are not forced to take their discussions in-camera in order to avoid the punitive actions of disgruntled ratepayers. And yet Bill 35 challenges even the most experienced political veterans with its demands.

For instance, it is customary for an elected official to file a financial disclosure statement with the municipality, to ensure conflict-of-interest



DOUG DOBROWOLSKI

President Dobrowolski submitted the following opinion piece to the Winnipeg Free Press on May 7, 2010 in response to Bill 35.

EDITORIAL: PROVINCE COULD SPUR MUNICIPAL POLITICS

Democracy, in the simplest of terms, is "government of the people". We elect people to represent us, and with a municipal election upcoming in a few short months our thoughts are turning to who those people might be. But what if no one wants the job? Serving on council was once thought to be a fulfilling experience allowing a person to give back to their community. Recent developments are making it less and less attractive, and many Manitoba municipalities are concerned about their ability to attract a full slate of candidates this fall.

As a municipal councillor for the past 18 years, I know firsthand the rewards of serving my community. And yet municipalities continue to struggle to attract motivated, qualified individuals to civic office. It is easy to see why people would shy away. Lack of time due to work and family responsibilities, a negative perception of politics, and simply a lack of interest are reasons commonly (and understandably) cited by the uninitiated. Certainly no one is doing it for the money either. What is unusual is for seasoned veterans who wear their sense of civic duty like a badge of honour to step down regardless of whether there is someone waiting in the wings to take their place.

As a seasoned veteran myself, and as the president of the Association of Manitoba Municipalities (AMM), I can tell you a couple of things that might make running for and remaining in office a bit more palatable.



One is granting the same rights to municipal officials as those serving at the provincial and federal levels are offered. Members of Parliament and members of the Manitoba Legislature have immunity from the process of liability as a result of any debate or discussion that takes place while they are in their respective chambers. In short, they can't be sued for anything they say in the government's house.

Your local mayor or reeve and councillors enjoy no such immunity. As a result, a number of municipal officials are facing litigation against trivial claims, in some cases simply for saying what is perceived as the wrong word. These types of legal games involve a great deal of time and expense for a municipality, not to mention the personal toll they take on the elected officials in question.

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Transparency in government is a good thing. It is one of the main reasons why councils are calling for immunity – so they are not forced to take their discussions in-camera in order to avoid the punitive actions of disgruntled ratepayers. And yet Bill 35 challenges even the most experienced political veterans with its demands.

For instance, it is customary for an elected official to file a financial disclosure statement with the municipality, to ensure conflict-of-interest rules are followed. Fair enough. However, the Chief Administrative Officer (CAO) of the municipality used to be the go-between. Not anymore – under the new rules one's finances and those of one's immediate family can be personally perused by any member of the general public that expresses an interest in seeing them. What was formerly a system of checks and balances is now a blatant invasion of privacy.

The new legislation also contains stringent new rules for those considering running for election. While it stands to reason candidates should keep track of their election

contributions and expenses and file the required financial statement in a timely manner, the fact of the matter is some people simply do not have any contributions or expenses. This has created numerous questions and concerns for potential candidates, especially those in smaller municipalities. Issues like what should be considered as mileage, when does a candidate claim meal expenses and who should be considered a volunteer are already causing confusion. Anyone not in compliance could be subject to a \$5,000 fine.

**MEMBERS OF PARLIAMENT AND
MEMBERS OF THE MANITOBA
LEGISLATURE HAVE IMMUNITY
FROM THE PROCESS OF LIABILITY
AS A RESULT OF ANY DEBATE OR
DISCUSSION THAT TAKES PLACE
WHILE THEY ARE IN THEIR
RESPECTIVE CHAMBERS. IN SHORT,
THEY CAN'T BE SUED FOR ANYTHING
THEY SAY IN THE GOVERNMENT'S
HOUSE.**

**YOUR LOCAL MAYOR OR REEVE AND
COUNCILLORS ENJOY NO SUCH
IMMUNITY.**

It is important to remember that municipal candidates do not have official agents or political parties to turn to for support. Often these are local people who have limited exposure to public life but are willing to step up and play a greater role in their community. Now they not only have to try to decipher complicated campaign rules or risk penalization, they must subject themselves to lawsuits even within the realm of one of our most basic rights – freedom of expression.

There are already many things that deter good people from running for municipal council. We need to stop creating more.



THEREFORE BE IT
RESOLVED THAT THE
AMM STRIKE A STEERING
COMMITTEE TO
IDENTIFY BARRIERS TO
WOMEN'S PARTICIPATION
IN MUNICIPAL
GOVERNMENT AND MAKE
RECOMMENDATIONS
AT THE NEXT AMM
CONVENTION ON HOW
MORE WOMEN COULD BE
ENGAGED IN DECISION
MAKING.



BALLOT BOX BARRIERS

An action plan for engaging more women in
the municipal democratic process

Association of Manitoba Municipalities
Task Force on Women in Municipal Government

WOMEN IN GOVERNMENT TASK FORCE

In December 2009 the AMM appointed a task force to identify barriers to women's participation in municipal government. The task force was struck in response to a resolution carried at the organization's recent annual convention (see sidebar).

The resolution further asked the committee to make recommendations on how more women could be engaged in municipal politics.

The ensuing report, *Ballot Box Barriers – An action plan for engaging more women in the municipal democratic process* – was released on June 9, 2010.

The report begins laying a foundation by exploring the role of women in government in Canada, both historically and today, as well as the role of women in government around the world. The report then takes a cross-Canada look at what has been done in each province on the issue of promoting women in government. The report also offers up a more in-depth review of the amazing work done by the Federation of Canadian Municipalities in promoting women in municipal government across Canada.

The report turns its attention to Manitoba with a recap of the excellent past initiatives done by various groups. This is followed by a review of the questionnaire compiled by the current elected municipal officials in Manitoba to get their firsthand thoughts and insights into this issue.

The focus of *Ballot Box Barriers* then identified 12 major barriers, followed by a presentation of possible solutions to overcome those barriers.

The report concludes with a three-point action plan to ensure the barriers, solutions and great work recapped in the report are carried forward. The report recommends a four-year plan led by the AMM be implemented to raise awareness of municipal government and bring more women into the process before the 2014 municipal election.

The plan also calls for the AMM to provide support for existing elected officials, women or men, interested in the issue. The plan further recommends the AMM keep this issue front and centre throughout the implementation of the four-year plan.

The Women in Government Task Force included:

- Shirley Kalyniuk, Chair – AMM Urban Vice-President
- Alice Bourgouin – AMM Interlake Rural Director
- Russ Wyatt – AMM City of Winnipeg Director

Ballot Box Barriers is available at
www.amm.mb.ca/res_women.html
or by contacting the AMM.



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).

The exchange began in 2005 when a delegation from El Salvador attended a FCM meeting and requested an exchange be set up with the AMM. In 2006 a group from their association came to Manitoba. This was followed up with a group from the AMM visiting El Salvador in 2007, followed by a group from COMURES visiting Manitoba in 2009.

This exchange has now concluded and the mission has resulted in COMURES gaining a much better understanding about how municipal government works in Canada and Manitoba.



RUSSIAN DELEGATION VISIT - OCTOBER 28, 2010

With funding from the Canadian-Russian Northern Development Partnership Program (NORDREP), officials with Yamal-Nenets autonomous okrug, a Russian province in former Siberia, travelled to Canada for a study tour in October 2009. The Department of Aboriginal and Northern Affairs hosted a study tour while the delegation was in Manitoba, and their activities included a visit to the AMM office.

YOUNG COMMUNITY LEADER AWARD - MARCH 18, 2010

This year's recipient of the AMM Young Community Leader Award was Brittany MacDonald. Brittany, a grade 12 student at Rivers Collegiate, is a positive role model, coach, peer tutor, and invaluable volunteer for both school and community.

The AMM awards the Young Community Leader Award annually in conjunction with the Manitoba School Board Association Citizenship Awards. These awards are given to Manitoba students who have demonstrated their commitment to the values of citizenship in both school and their broader communities.



MUNICIPAL EXCELLENCE AWARD - APRIL 15, 2010



President Doug Dobrowolski presented the 6th Annual Municipal Excellence Award at the 2010 Municipal Officials Seminar. This year's recipient was the Town of Snow Lake for its Sustainable Development Plan. A panel judged the submissions using criteria including creativity, cost-effectiveness, sustainability and overall benefit to the municipality.

Snow Lake Mayor Garry Zamzow accepted the award.

Other finalists included the City of Portage la Prairie and RM of Portage la Prairie, Town of Morden, Town of Gladstone, and the City of Selkirk, RM of St. Andrews and RM of St. Clements.

MEMBER EVENTS

AMM ANNUAL CONVENTION NOVEMBER 23-26, 2009

A total of 918 delegates attended the AMM's 11th Annual Convention held at the Keystone Centre in Brandon. The Gala was enjoyed by 997 attendees. This year's theme was "What If? A world of opportunities."

SPEAKERS

Speakers included Dr. David Foot, Dr. David Barber, and Senator Roméo Dallaire; Minister of Local Government Ron Lemieux; Leader of the Manitoba Official Opposition Hugh McFadyen; Leader of the Manitoba Liberal Party Dr. Jon Gerrard; President of the Federation of Canadian Municipalities Basil Stewart; Commanding Officer of RCMP "D" Division Bill Robinson; officials from Manitoba Local Government, and Garth Manness, President and CEO of Credit Union Central of Manitoba. As well, Premier Greg Selinger presented his annual address to delegates at the Gala Banquet, and delegates had the opportunity to attend several workshops and plenary sessions.

Pictured clockwise: Premier Greg Selinger, Senator Roméo Dallaire, Gala entertainer Wayne Lee, and Ministers Jennifer Howard and Flor Marcelino.



MINISTERIAL FORUM

The annual Ministerial Forum saw Premier Greg Selinger accompanied by Minister of Health Theresa Oswald, Minister of Justice and Attorney General Andrew Swan, Minister of Entrepreneurship, Training and Trade Peter Bjornson, Minister of Finance Rosann Wowchuk, Minister of Education Nancy Allan, Minister of Labour and Immigration Jennifer Howard, Minister of Housing and Community Development Kerri Irvin-Ross, Minister of Water Stewardship Christine Melnick, Minister of Culture, Heritage and Tourism Flor Marcelino, Minister of Agriculture, Food and Rural Initiatives Stan Struthers, Minister of Local Government Ron Lemieux, and Minister of Transportation Steve Ashton.

ELECTIONS FOR AMM EXECUTIVE

The delegate body acclaimed all three executive members: President Doug Dobrowolski, Rural Vice-President Roger Wilson, and Urban Vice-President Shirley Kalyniuk.

RESOLUTIONS

After adding one late resolution to the agenda, 48 resolutions were carried, one withdrawn and two defeated.





Pictured: Delegates at the Parkland District Meeting in Dauphin, Manitoba on June 10, 2010.

MAYORS, REEVES AND CAOS MEETINGS MARCH 15-23, 2010

The AMM annual Mayors, Reeves and CAOs meetings gave the AMM Executive a chance to update members on the most pressing issues for municipalities today, including the sewage ejector ban, provincial land use policies, economic development, housing, recycling, health care, policing and drainage. Issues like equal rights for municipal officials during council meetings and the need for more women in government were touched on as well. The AMM also provided updates on federal infrastructure funding and gas tax, and explained our priority issue for 2010 – the core challenges of municipalities.

Hosts for 2010 were the RM of Grandview and Town of Grandview, the RM of Hamiota and Town of Hamiota, the RM of Pipestone, the RM of South Norfolk and Town of Treherne, the RM of West St. Paul, the Town of Churchill, and the RM of Springfield.

MUNICIPAL OFFICIALS SEMINAR AND TRADE SHOW APRIL 14-15, 2010

A total of 553 municipal officials attended this year's Municipal Officials Seminar and Trade Show. The agenda included the Minister of Local Government Ron Lemieux; five policy and professional development plenary sessions; a series of breakout sessions; and the one-day Municipalities Trading Company of Manitoba Ltd. (MTCML) Trade Show, featuring over 100 displays.

The agenda also included the presentation of the 6th Annual Municipal Excellence Award.



JUNE DISTRICT MEETINGS JUNE 10-18, 2010

During this year's June District Meetings 688 delegates heard presentations from President Dobrowolski, Green Manitoba, Age-Friendly Manitoba and the City of Selkirk. An open discussion on municipal core challenges, including the infrastructure deficit and the need for alternate revenues, also took place at each meeting. The AMM task force on women in municipal government also released *Ballot Box Barriers: An action plan for engaging more women in the municipal democratic process*. A total of 49 resolutions were debated with 45 carried and four defeated.

The 2010 meetings were hosted by the City of Dauphin and RM of Dauphin, the Town of Gladstone and RM of Westbourne, the RM of Woodworth, the Town of Manitou and RM of Pembina, the City of Steinbach, the RM of Armstrong, and the City of Flin Flon.

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.

In 2010 the AMM visited a total of 64 municipalities, bringing the four-year total to 238.

AMM EDUCATION PROGRAM

The 2010 Education Program featured two stimulating and relevant workshops.

The AMM's February 5 Session brought Cec Hanec of Cec Hanec and Associates to Portage la Prairie to present *The Ethical Moment and Effective Self-Management*.

The second workshop, *Strategic Thinking at the Speed of Change* took place on May 17 in Brandon, and was led by Steve Pilote, Senior Consultant with People First HR Services.



THE MUNICIPAL LEADER MAGAZINE

The AMM's quarterly magazine has a controlled circulation of 1,800 and is read by mayors, reeves, councillors, CAOs, purchasers, suppliers, MLAs and MPs. Each issue includes previews and recaps of AMM events. Special reports are featured at minimum every second issue. This year's special reports - "Inclusive Communities" and "The HR Challenge" - shone a spotlight on the needs of people - both those in the community and those who make up our staff and councils.

The 2010 Winter Olympics in Vancouver received some special attention in the Leader as well, with our "Olympic Salute" not only featuring Manitoba athletes but looking at how sport helps communities.

A new feature launched this year, "Memorable Manitoba", highlighted some very special Manitoba attractions, including Altona's Gallery in the Park, the Niverville Heritage Centre and the Inglis Grain Elevators.

Each issue also included articles submitted by various people or groups on matters of interest to municipalities, including the Historic Resources Branch, Resource Conservation Manitoba, Service Canada, Manitoba Libraries Branch, Association of Bilingual Municipalities of Manitoba, South Basin Mayors and Reeves, Multi-Material Stewardship Manitoba, Manitoba Public Insurance Corporation, Manitoba Ombudsman, Public Utilities Board and Manitoba Agriculture Services Corporation.

BI-WEEKLY NEWS BULLETIN

The AMM bulletin is emailed to 667 addresses including municipal CAOs, who in turn distribute it to their councils for a total circulation in excess of 2,000.

The AMM website generated an additional 58 bulletin subscribers this past year.

**THE AMM WEBSITE RECEIVED A
TOTAL OF 211, 014 VISITORS IN
2010, OR AN AVERAGE OF 17,584
VISITORS EACH MONTH.**

**THIS INCREASED BY 59,000
SINCE 2009.**

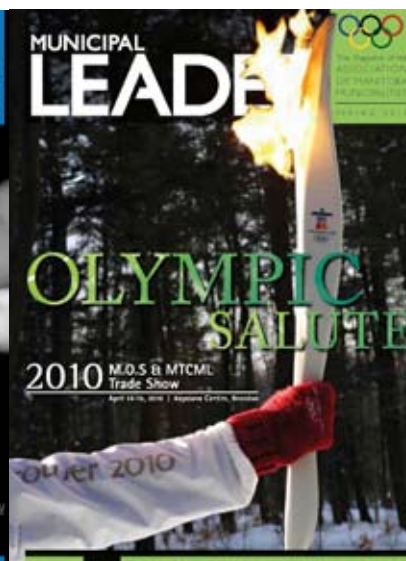
AMM MEMBER ADVISORIES

The AMM distributes Member Advisories to communicate issues of immediate importance to AMM members. A total of 13 Member Advisories were distributed last year on topics including the Onsite Wastewater Management Systems Regulation, the Municipal Conflict of Interest and Campaign Financing Act, infrastructure funding, Greyhound bus passenger service, MPI compensation rate increase, Waste Reduction and Recycling Support Program, and the AMM Annual Convention location.

AMM WEBSITE—WWW.AMM.MB.CA

The AMM website received a total of 211,014 visitors in 2010, or an average of 17,584 visitors each month. This increased by 59,000 since 2009.

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 2010 the AMM was mentioned in Manitoba media 540 times, up considerably from 383 mentions in 2009.

The primary reason for the increase of over 150 media hits was due to two main issues - the proposed moving of the location of the AMM Annual Convention to Winnipeg on a permanent basis, and the sewage ejector ban discussed on page 15.

As of the writing of this report, the sewage ejector ban issue has been resolved and the convention location issue will be decided through a ballot vote at the AMM 12th Annual Convention in November, 2010.



Not surprisingly, the third and fourth issues most mentioned in the media were the AMM's largest event, the Annual Convention, and AMM's work in the area of women in politics, which resulted in the *Ballot Box Barriers* report highlighted on page 32.

AMM COMMENTARY

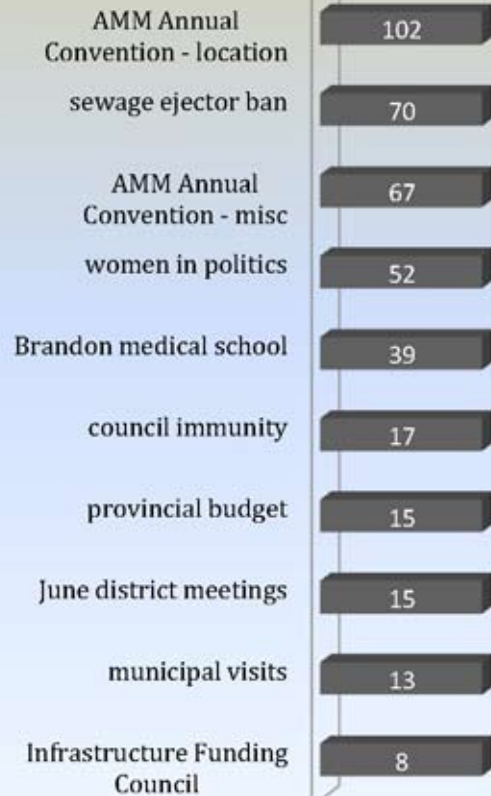
On two occasions during the past year, the AMM submitted opinion pieces to Manitoba daily and weekly newspapers in order to draw attention to important issues. Last October, "New Sewage Rules

Slammed" raised awareness of the Province's proposed sewage ejector ban, while May's "Province could spur municipal politics" called attention to how Bill 35 would negatively affect municipal elected officials.

Both pieces were picked up by Manitoba's largest daily newspaper, the Winnipeg Free Press, as well as numerous rural daily and weekly newspapers.

A large portion of the 70 sewage ejector ban media hits over the past year were generated by last October's editorial, and AMM members were pleased with the extra attention the issue received due to these submissions.

TOP 10 MEDIA ISSUES - 2010



SOCIAL MEDIA

The AMM delved into the world of social media during 2010 with the launch of a Facebook page and a blog called "Municipal Musings".

The Facebook page is devoted to the women in government report, *Ballot Box Barriers: An action plan for engaging more women in the municipal democratic process*, with the goal of generating discussion on this important topic. The blog aims to provide commentary on a variety of topics related to municipal government.



MTCML OFFICIAL SUPPLIERS & CORPORATE MEMBERS

Official Suppliers offer discounts to our member municipalities and allow us to keep our membership rates the lowest in Canada.

- Acklands Grainger
- Airmaster Sales Ltd.
- Armtec Ltd.
- Bridgestone (Tires)
- Canada Culvert
- Carlyle Printers
- CD Awards
- Darwen Road Technologies Ltd.
- Denray Tire
- Dust Free Road Maintenance
- Everest Supply & Services Inc.
- Evergro Canada Inc.
- Fort Distributors Ltd.
- Goodyear (Tires)
- Grand & Toy
- Guardian Traffic Services
- HRdownloads
- Kal Tire
- MTS
- Michelin (Tires)
- Norquay Printers Ltd.
- Orkin PCO Swat Team
- Prairie Fuel Advisors Inc.
- Screen Door
- Shippam & Associates
- Souris Rock Shop
- Western Financial Group Insurance Solutions

Corporate Members provide services to member municipalities.

- Borland Construction
- Canad Inn/Radisson
- Capital I Industries
- Custom Truck Sales
- GENIVAR
- J.R. Cousin Consultants Ltd.
- Manitoba Aboriginal & Northern Affairs
- Manitoba Heavy Construction Assoc.
- Manitoba Hydro
- Mazergroup Construction Equipment
- MHPM Project Managers Inc.
- Miller Environmental Corporation
- Onsite Wastewater Systems Installers of Man.
- People First HR Services Ltd.
- Pinchin Environmental
- Traffic Safety Education & Consulting of Man.
- Tri Core Projects Manitoba Ltd.
- Westcon Equipment & Rentals Ltd.
- Western Financial Group



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 success. Sales remained consistent and the pool of official suppliers continued to change and grow, and product sales were about \$26,000,000.

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.

Due to the great participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$500,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past nine years to \$4,800,000.

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.

DUE TO THE GREAT PARTICIPATION OF OUR MEMBERS AND DISCOUNT PRICING FROM MTCML OFFICIAL SUPPLIERS, THE MTCML WAS ABLE TO REBATE ANOTHER \$500,000 TO OUR MEMBERS BASED ON THEIR MTCML SALES. THIS BRINGS THE CUMULATIVE REBATE OVER THE PAST NINE YEARS TO \$4,800,000.



MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.



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



FUEL SUPPLY PROGRAM

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 50,000,000 litres per year for the three provinces.

IN 2010, THE AMM WAS ABLE TO DISTRIBUTE A REFUND IN THE AMOUNT OF \$755,838.87 FROM THE SELF-INSURANCE LOSS POOL.

INSURANCE PROGRAM

All 197 AMM member municipalities outside Winnipeg participate in the AMM's property/casualty "protected self-insurance" program, administered by Western Financial Group Insurance Solutions. It includes a \$6,100,000 annual self-insurance loss pool that keeps premiums much lower than if individual municipalities purchased their own coverage. Insurance is then purchased from various insurance providers for coverage in excess of the \$ 6,100,000 annual loss pool amount to provide municipalities with complete protection.

This unique structure allows the opportunity for significant refunds in low-claims years. In 2010, the AMM was able to distribute a refund in the amount of \$755,838.87 from the Self-Insurance Loss Pool. This refund is the third in the AMM's history.

The AMM also makes available a "self-insured" health and dental benefits program for employees and council members, providing flexible coverage options at very reasonable rates. Participation currently includes 135 municipalities, 115 other policy-holders such as conservation districts and other entities, plus retirees. Approximately 1,500 employees plus their families are provided protection.

This past year, the AMM contracted Harper Risk Services to conduct a review of our property and casualty insurance program. The results were favourable (see sidebar).

THE DESIGN AND MANAGEMENT OF THE PROGRAM IS CONSIDERED "BEST IN CLASS" BY VARIOUS INDUSTRY OBSERVERS AND IS LOOKED UPON AS A MODEL FOR OTHER PROGRAMS.

IT CONTAINS ALL THE ADVANTAGES OF THE ONLY OTHER PRACTICAL ALTERNATIVE (A RECIPROCAL) WITH NONE OF THE DISADVANTAGES, INCLUDING THE RISK OF RECIPROCALLS GETTING OUT OF CONTROL DUE TO THE NATURAL PROCLIVITY FOR THEM TO TAKE ON DUTIES OUTSIDE THEIR ORIGINAL MANDATE.

IT IS MY VIEW THAT THE CURRENT ARRANGEMENT GIVES AMM AND ITS MEMBERS OPTIMAL SERVICE, COVERAGE AND OVERALL EFFICIENCIES THAT GO TOWARDS REDUCING COST OF RISK.

THE "CONTINUOUS IMPROVEMENT" APPROACH AS OPPOSED TO REGULAR TENDERS HAS PROVED TO BE ADVANTAGEOUS OVER THE YEARS AND AMM FEEDBACK WOULD SEEM TO SUPPORT THIS.

AMM MEMBERS AND EXECUTIVE HAVE MADE SOUND DECISIONS IN THEIR HANDLING OF THE PROGRAM.

*Peter Harper ACII
Chartered Insurance Practitioner*



ASSOCIATION OF MANITOBA MUNICIPALITIES

Financial Statements

Year Ended August 31, 2010



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, 2010 and the statements 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, 2010 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, 2010



ASSOCIATION OF MANITOBA MUNICIPALITIES

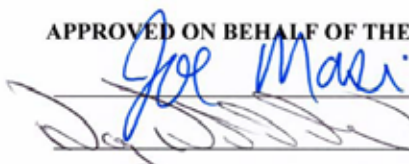
General Account


Statement of Financial Position

August 31, 2010

	2010	2009
ASSETS		
CURRENT		
Cash and short term deposits	\$ 59,269	\$ -
Accounts receivable	353,009	345,620
Prepaid expenses	59,259	52,448
	<u>471,537</u>	<u>398,068</u>
SEGREGATED FUNDS		
Building Reserve (Note 4)	400,617	379,284
Communications Reserve (Note 5)	132,998	82,759
Employee Benefits Reserve (Note 6)	107,358	106,080
Legal Fund (Note 7)	32,309	44,855
	<u>673,282</u>	<u>612,978</u>
PROPERTY AND EQUIPMENT (Notes 2, 10)	<u>381,804</u>	<u>376,547</u>
	<u>\$ 1,526,623</u>	<u>\$ 1,387,593</u>
LIABILITIES		
CURRENT		
Bank indebtedness	\$ -	\$ 66,894
Accounts payable and accrued liabilities	27,994	126,985
Deferred income	379,791	341,026
Due to Building Reserve	20,000	50,000
Due to Communications Reserve	50,000	20,000
Due to Trading Account	250,000	-
	<u>727,785</u>	<u>604,905</u>
BUILDING RESERVE (Notes 4, 14)	<u>400,617</u>	<u>379,284</u>
COMMUNICATIONS RESERVE (Notes 5, 14)	<u>132,998</u>	<u>82,759</u>
EMPLOYEE BENEFITS RESERVE (Notes 6, 14)	<u>100,000</u>	<u>100,000</u>
LEGAL FUND (Notes 7, 14)	<u>32,309</u>	<u>44,855</u>
	<u>665,924</u>	<u>606,898</u>
NET ASSETS		
Unrestricted	(248,890)	(200,757)
Invested in property and equipment	<u>381,804</u>	<u>376,547</u>
	<u>132,914</u>	<u>175,790</u>
	<u>\$ 1,526,623</u>	<u>\$ 1,387,593</u>
LEASE COMMITMENTS (Note 12)		

APPROVED ON BEHALF OF THE BOARD

 Director

 Director



FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Statement of Income

Year Ended August 31, 2010

	2010	2009
REVENUE		
Membership dues	\$ 323,026	\$ 320,983
Convention	275,455	290,817
Seminar revenue	61,400	63,350
Trade show	63,598	64,855
Rental revenue	32,000	32,000
Education	14,775	12,000
Magazine	8,891	11,190
Miscellaneous	572	7,375
Corporate membership	8,917	10,208
Investment income	5,058	7,493
Associate membership	7,250	7,000
Advertising - bulletin	975	1,700
Merx revenue	680	760
History book sale	480	4,257
	803,077	833,988
EXPENSES		
Functions (Page 17)	359,528	471,367
Executive (Page 17)	357,557	359,524
Other (Page 17)	320,293	338,511
Staffing (Page 17)	689,946	701,506
	1,727,324	1,870,908
Administration dividend, Trading Account	(180,000)	(180,000)
	1,547,324	1,690,908
OPERATING LOSS	(744,247)	(856,920)
OTHER INCOME		
Dividend, Trading Account	700,000	740,000
10th Anniversary Reserve	-	82,887
Unrealized gains (losses) (Note 2)	1,371	(5,858)
	701,371	817,029
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (42,876)	\$ (39,891)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Financial Position

Year Ended August 31, 2010

	2010	2009
ASSETS		
CURRENT		
Cash	\$ -	\$ 131,696
Accounts receivable	1,341,789	1,533,065
Inventory (<i>Note 2</i>)	33,596	26,902
Due from General Account	250,000	-
	1,625,385	1,691,663
SEGREGATED FUNDS		
Insurance Reserve (<i>Note 8</i>)	1,007,870	1,005,884
Public Sector Accounting Reserve (<i>Note 9</i>)	32,512	50,008
Self-insurance Loss Pool (<i>Note 13</i>)	11,855,521	11,152,869
	12,895,903	12,208,761
	\$ 14,521,288	\$ 13,900,424
LIABILITIES		
CURRENT		
Bank indebtedness	\$ 370,654	\$ -
Accounts payable and accrued liabilities	526,192	537,777
Due to Insurance Reserve	400,000	750,000
	1,296,846	1,287,777
INSURANCE RESERVE (<i>Notes 8, 15</i>)	1,007,870	1,005,884
PUBLIC SECTOR ACCOUNTING RESERVE (<i>Notes 9, 15</i>)	32,512	50,008
SELF-INSURANCE LOSS POOL (<i>Note 13</i>)	11,326,335	10,869,807
	12,366,717	11,925,699
	13,663,563	13,213,476
NET ASSETS		
Unrestricted	857,725	686,948
	\$ 14,521,288	\$ 13,900,424



FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Income

Year Ended August 31, 2010

	2010	2009
SALES	\$ 11,594,154	\$ 12,382,589
COST OF SALES	11,353,812	12,156,818
GROSS PROFIT (2010 - 2.1%, 2009 - 1.8%)	240,342	225,771
INSURANCE ADMINISTRATION FEES	818,647	765,343
INVESTMENT INCOME	347,225	468,218
	1,406,214	1,459,332
EXPENSES		
Administration dividend, General Account	180,000	180,000
Advertising and promotion	8,413	7,423
Allocation to Insurance Reserve	-	750,000
Interest and bank charges	7	43
Membership rebate	500,000	500,000
Inventory write-off	9	-
	688,429	1,437,466
OPERATING INCOME	717,785	21,866
OTHER EXPENSES		
Dividend, General Account	(700,000)	(740,000)
Unrealized gains (losses) (Note 2)	152,992	(499,523)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 170,777	\$ (1,217,657)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Statement of Changes in Net Assets

Year Ended August 31, 2010

	Unrestricted	Invested in Property and Equipment	2010	2009
GENERAL ACCOUNT				
NET ASSETS - BEGINNING OF YEAR	\$ (200,757)	\$ 376,547	\$ 175,790	\$ 215,681
Investment in property and equipment	(21,860)	21,860	-	-
Deficiency of revenue over expenses	(26,273)	(16,603)	(42,876)	(39,891)
NET ASSETS - END OF YEAR	\$ (248,890)	\$ 381,804	\$ 132,914	\$ 175,790
TRADING ACCOUNT				
NET ASSETS - BEGINNING OF YEAR	\$ 686,948	\$ -	\$ 686,948	\$ 1,904,605
Excess (deficiency) of revenue over expenses	170,777	-	170,777	(1,217,657)
NET ASSETS - END OF YEAR	\$ 857,725	\$ -	\$ 857,725	\$ 686,948



FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Statement of Cash Flows

Year Ended August 31, 2010

	2010	2009
OPERATING ACTIVITIES		
Net gain, General Account	\$ (42,876)	\$ (39,891)
Net gain, Trading Account	170,777	(1,217,657)
Items not affecting cash:		
Amortization	16,603	22,516
Unrealized losses (gains)	(154,363)	505,381
Allocation to reserves	720,000	820,000
	<u>710,141</u>	<u>90,349</u>
Changes in non-cash working capital	<u>(1,064,468)</u>	<u>(1,856,632)</u>
Cash flow used by operating activities	<u>(354,327)</u>	<u>(1,766,283)</u>
INVESTING ACTIVITY		
Purchase of equipment	<u>(21,860)</u>	<u>(12,854)</u>
Cash flow used by investing activity	<u>(21,860)</u>	<u>(12,854)</u>
DECREASE IN CASH FLOWS	<u>(376,187)</u>	<u>(1,779,137)</u>
CASH - BEGINNING OF YEAR	<u>64,802</u>	<u>1,843,939</u>
CASH (BANK INDEBTEDNESS) - END OF YEAR	<u>\$ (311,385)</u>	<u>\$ 64,802</u>
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	<u>\$ 346,711</u>	<u>\$ 468,426</u>
CASH (BANK INDEBTEDNESS) CONSISTS OF:		
General Account	\$ 59,269	\$ (66,894)
Trading Account	<u>(370,654)</u>	<u>131,696</u>
	<u>\$ (311,385)</u>	<u>\$ 64,802</u>



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

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:

Financial instruments

The Association has elected to apply Section 3861, Financial Instruments - Disclosure and Presentation in place of Sections 3862 and 3863.

The Association classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired or liability incurred. The Association's accounting policy for each category is as follows:

Assets held-for-trading

Financial instruments classified as assets held-for-trading are reported at fair value at each balance sheet date, and any change in fair value is recognized in excess (deficiency) of revenue over expenses in the period during which the change occurs. Transaction costs are expensed when incurred.

In these financial statements, cash and short-term deposits and segregated funds have been classified as held-for-trading.

Available-for-sale investments

Financial instruments classified as available-for-sale are reported at fair value at each balance sheet date, and any change in fair value is recognized in net assets in the period in which the change occurs. All transactions related to marketable securities are recorded on a settlement date basis.

In these financial statements, no items have been classified as available-for-sale.

(continues)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

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

Held-to-maturity investments

Financial instruments classified as held-to-maturity are financial assets with fixed or determinable payments and fixed maturities that the Association's management has the positive intention and ability to hold to maturity. These assets are initially recorded at fair value and subsequently carried at amortized cost, using the effective interest rate method. Transaction costs are included in the amount initially recognized.

In these financial statements, no items have been classified as held-to-maturity.

Loans and receivables and other financial liabilities

Financial instruments classified as loans and receivables and other financial liabilities are carried at amortized cost using the effective interest method. Transaction costs are expensed when incurred.

In these financial statements, accounts receivable have been classified as loans and receivables. Accounts payable and accrued liabilities have been classified as other financial liabilities.

Capital management

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.

Fund accounting

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

General Account

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

Trading Account

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

Investments - Held for trading

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

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, 2010

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:

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

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.

(*continues*)



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

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

Future changes in significant accounting policies

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

Section 1625, "Comprehensive revaluation of assets and liabilities" has been amended as a result of issuing "Business combinations", Section 1582, "Consolidated financial statements", Section 1601, and "Non controlling interests", Section 1602, in January 2009. The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. Earlier adoption is permitted as of the beginning of a fiscal year. An entity adopting this Section for a fiscal year beginning before January 1, 2011 also adopts Section 1582.

Section 1582, "Business combinations" replaces Section 1581 effective for years beginning on or after January 1, 2011. The principal changes are: assets, liability and equity are recognized at full fair value rather than the acquirer's interest in the fair value; a bargain purchase resulting in negative goodwill is recognized as a gain in net income in the acquisition period.

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.

Section 1602, "Non controlling interests" effective for years beginning on or after January 1, 2011 in conjunction with Section 1582, "Business combinations", and Section 1601, "Consolidated financial statements", recognizes a non controlling interest at fair value in the equity Section of the balance sheet.

The Association prepares its financial statements in accordance with Canadian GAAP as defined by Canada's Accounting Standards Board (AcSB). The AcSB issued an exposure draft in March 2010 titled "Accounting Standards for Not-for-Profit Organizations". It is anticipated that these standards will be applicable for year ends beginning on or after January 1, 2012. Earlier application is permitted.

3. FINANCIAL INSTRUMENTS

Credit Risk

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

Fair Value

The Association's carrying value of cash and short term deposits, segregated funds, accounts receivable, and accounts payable and accrued liabilities approximates its fair value due to the immediate or short term maturity of these instruments.

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.



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

4. BUILDING RESERVE

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

5. COMMUNICATIONS RESERVE

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

6. EMPLOYEE BENEFITS RESERVE

This reserve was originally established to pay out severance packages and was augmented by the transfer of the general reserve in Manitoba Association of Urban Municipalities at December 31, 1998. Since that time, it has been used to fund superannuation, and the reserve is not to exceed \$100,000.

7. LEGAL FUND

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

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.

8. INSURANCE RESERVE

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

9. 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.



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

10. PROPERTY AND EQUIPMENT

	2010		2009	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Buildings	\$ 378,676	\$ 119,020	\$ 377,799	\$ 111,456
Computer equipment	141,295	118,809	120,314	112,778
Computer software	9,163	9,163	9,163	7,420
Land	90,000	-	90,000	-
Office equipment	60,958	59,368	60,958	59,181
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	2,690	10,762	1,614
	\$ 708,759	\$ 326,955	\$ 686,901	\$ 310,354
Net book value	\$ 381,804		\$ 376,547	

11. OPERATING LEASE REVENUE

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:

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

12. LEASE COMMITMENTS

The Association leases a vehicle that expires February 1, 2011. The Association also leases a photocopier that expires December 15, 2015. Under the leases, the Association is required to make the following lease payments:

2011	\$ 10,743
2012	11,314
2013	11,314
2014	11,314
2015	11,314
Thereafter	5,657



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

13. SELF-INSURANCE LOSS POOL

	2008/2009 and Prior Pool	2009/2010 Pool	2010	2009
Balance, beginning of year	\$ 10,869,807	\$ -	\$ 10,869,807	\$ 8,011,394
Current year loss pool additions	-	6,122,509	6,122,509	5,543,774
	10,869,807	6,122,509	16,992,316	13,555,168
Insurance claims paid	(3,617,315)	(1,292,827)	(4,910,142)	(2,669,106)
Other	-	(755,839)	(755,839)	(16,255)
Balance, end of year	\$ 7,252,492	\$ 4,073,843	\$ 11,326,335	\$ 10,869,807

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

This joint loss pool is responsible for paying the first \$1,000,000 (2009 - \$1,000,000) per claim for certain types of claims, up to a maximum of \$6,100,000 (2009 - \$6,100,000) aggregate for the year.

	2010	2009
The segregated cash is recorded at fair value as:		
Bank	\$ 14,227	\$ 38,749
Great West Life - Loss Pool Fund	11,841,294	11,114,120
	\$ 11,855,521	\$ 11,152,869



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

14. RESERVES - GENERAL ACCOUNT

	2010	2009
<u>Building Reserve</u>		
Opening balance	\$ 379,284	\$ 323,933
Interest received	1,333	5,351
Allocation from operating	20,000	50,000
	<u>\$ 400,617</u>	<u>\$ 379,284</u>
<u>Communications Reserve</u>		
Opening balance	\$ 82,759	\$ 62,024
Interest received	239	735
Allocation from operating	50,000	20,000
	<u>\$ 132,998</u>	<u>\$ 82,759</u>
<u>Employee Benefits Reserve</u>		
Opening balance	\$ 100,000	\$ 100,000
Interest received	4,724	103
Allocation to operating	(4,724)	(103)
	<u>\$ 100,000</u>	<u>\$ 100,000</u>
<u>Legal Fund</u>		
Opening balance	\$ 44,855	\$ 24,992
Interest received	110	336
Allocation from Trading Account	-	21,207
Expenses	(12,656)	(1,680)
	<u>\$ 32,309</u>	<u>\$ 44,855</u>



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2010

15. RESERVES - TRADING ACCOUNT

	2010	2009
<u>AMM 10th Anniversary Reserve</u>		
Opening balance	\$ -	\$ 81,848
Interest earned	-	1,039
Allocation to General Account	-	(82,887)
	<u>\$ -</u>	<u>\$ -</u>
 <u>Insurance Reserve</u>		
Opening balance	\$ 1,005,884	\$ 253,146
Interest earned	1,986	2,738
Allocation	-	750,000
	<u>\$ 1,007,870</u>	<u>\$ 1,005,884</u>
 <u>Public Sector Accounting Reserve</u>		
Opening balance	\$ 50,008	\$ 77,075
Expenses	(17,496)	(27,067)
	<u>\$ 32,512</u>	<u>\$ 50,008</u>



FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Schedule of Expenses

Year Ended August 31, 2010

	2010	2009
Functions		
Convention	\$ 244,905	\$ 375,661
Education	20,607	6,767
Municipal seminar	51,573	45,439
Resolutions committee	4,879	3,600
Trade show	37,564	39,900
	<u>\$ 359,528</u>	<u>\$ 471,367</u>
Executive		
Communication allowance	\$ 2,400	\$ 2,550
Board - stipend	24,962	44,880
Board - sundry	(8)	766
Meeting expenses	292,299	311,328
President's salary	37,904	-
	<u>\$ 357,557</u>	<u>\$ 359,524</u>
Other		
AMM 10th anniversary	\$ -	\$ 429
Association fees	2,828	3,223
Audit fees	14,035	9,919
Bad debts	394	-
Bank charges	5	120
Building repairs and maintenance	51,775	29,487
Building reserve	20,000	50,000
Communications reserve	50,000	20,000
Depreciation	16,603	22,516
Donations and gifts	12,642	10,303
Insurance	5,409	5,136
Legal	23,733	11,050
Office	47,273	60,108
Postage and stationery	14,689	36,964
Promotion materials	8,754	26,639
Property taxes	19,615	18,711
Telephone	19,861	21,369
Vehicle expenses	12,677	12,537
	<u>\$ 320,293</u>	<u>\$ 338,511</u>
Staffing		
Management expenses	\$ 33,775	\$ 34,682
Staff expenses	6,484	11,715
Salaries	554,250	552,025
Employee benefits	89,870	89,803
Workers compensation	2,449	191
Staff training and recruitment	3,118	13,090
	<u>\$ 689,946</u>	<u>\$ 701,506</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.

THE ASSOCIATION OF MANITOBA MUNICIPALITIES

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