

2011 ANNUAL REPORT

Association of Manitoba Municipalities
September 1, 2010 to August 31, 2011

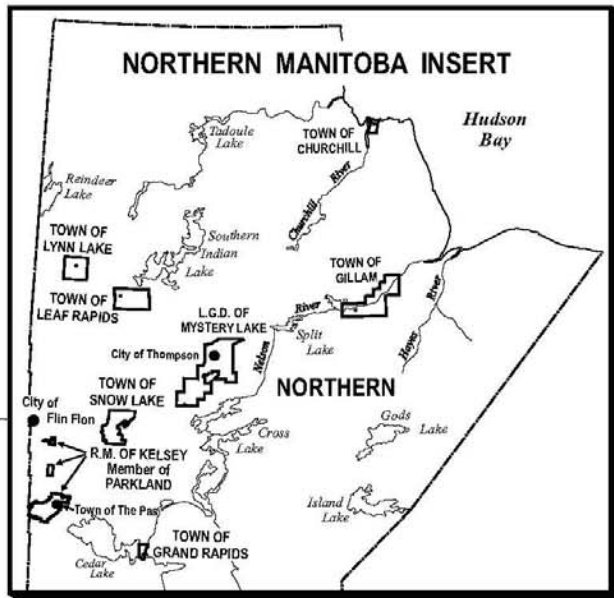


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**ASSOCIATION
of
MANITOBA
MUNICIPALITIES
DISTRICTS**



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 submit the 2011 Annual Report.

There is no doubt this past year has presented monumental challenges for many communities. The 2011 flood was both unprecedented and widespread, and left many areas of Manitoba devastated. Although rebuilding efforts continue and many still face an uncertain

future, it was and is heartening to see communities and neighbours helping each other throughout the flood-fighting effort. I have to sincerely thank our members for their extensive preparations. Your guidance throughout the ordeal is commendable and shows you to be true community leaders in every sense.

The past year could also be described as the year of elections, with Manitobans heading to the polls three times—first to elect their municipal representatives, then federal, and finally provincial. Although there was much talk of voter fatigue, elections do present opportunities for associations such as the AMM and we took full advantage of those opportunities this year. Our polling in early 2011 showed Manitobans to be very concerned about the state of their communities and cognizant of the fact that municipalities need help to pay for the repair and replacement of their infrastructure. Out of this research our advocacy campaign, *Putting Communities First*, was born and it encompassed the better part of 2011.

Campaign successes include the grassroots efforts of our membership, which resulted in 151 municipalities, or 77 per cent, passing resolutions calling on all parties to dedicate some of the revenue the government collects to fixing and upgrading our community infrastructure. Our paid media campaign including print, radio and online advertising, shared our message with hundreds of thousands of Manitobans and encouraged voters to get involved in the effort. During a tour of the province, dozens of local community leaders and elected officials joined together to discuss infrastructure issues and push candidates to highlight the issue in their campaigns.

It is important to measure success and we did just that throughout the campaign. However, we did not realize

that the most important, and as of yet immeasurable, outcome might be the common ground found amongst various organizations lobbying alongside us throughout the campaign. Municipal infrastructure touches every citizen, in every community, in Manitoba. Working together as we move forward will make us all stronger.

I'd like to acknowledge the Federation of Canadian Municipalities (FCM) for their support of our campaign as well. FCM is a strong voice for municipalities on a national level and they promoted our campaign on their social media channels at every turn. Manitoba municipalities have excellent representation on the FCM National Board of Directors in Councillors Jenny Gerbasi (City of Winnipeg), Erin Hogan (City of Thompson), Marvin Plett (City of Winkler), Don Forfar (RM of St. Andrews), and myself, and to have the FCM backing us on an issue of such importance carries a great deal of weight.

Thank you to my executive team for their work over the past year. I would be unable to do my job as President without the support of Vice-Presidents Roger Wilson and Eileen Clarke and Executive Director Joe Masi. I'd also like to thank the AMM Board of Directors for their support and encouragement in 2011. Getting behind a campaign of the magnitude of *Putting Communities First* requires fortitude and you demonstrated that throughout the entire year. I am proud to serve alongside you.

In the end, the *Putting Communities First* campaign generated widespread media attention, engaged our membership, and made the political parties take notice. While it did not result in the type of election promises we had hoped for, the conversation started. I congratulate Premier Greg Selinger and his government on their re-election, and I look forward to continuing the discussion as they begin their term as our provincial representatives. The discussion **MUST** continue, because if one thing is certain, it is that municipal infrastructure needs are not going away.

The AMM and our provincial representatives have come to a consensus on other issues, and some of those successes are recapped in the pages of this report. I have every confidence that we will resolve a number of other municipal issues throughout the coming year. And, I look forward to the day we can work together to Put Communities First.

A handwritten signature in black ink, appearing to read 'Doug Dobrowolski', written in a cursive style.

Doug Dobrowolski
President

EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to provide the Executive Director's message for the 2011 annual report of the Association of Manitoba Municipalities (AMM). This report outlines the activities of our 13th year of operation.

This year marked a number of exciting activities for the AMM and its membership. I will echo President Dobrowolski in lauding the *Putting Communities First* Campaign. The AMM Board of Directors, staff, and membership came together to make this initiative a success, helping to significantly raise the profile of the AMM throughout the province, and highlighting our number one issue of municipal infrastructure.

Our members also enjoyed numerous other successes in 2011. The Municipalities Trading Company of Manitoba Limited (MTCML) enjoyed an exceptionally strong year, with MTCML sales growing to \$31 million, an increase of \$5 million from the previous year. Due to such high participation amongst our members combined with discount pricing from MTCML Official Suppliers, the AMM was able to offer a rebate to our membership in the amount of \$700,000. This year's rebate brings the total rebates to our members over the past 10 years to \$5.5 million.

The AMM was able to distribute a refund in the amount of \$2.2 million from the Self-Insurance Loss Pool. This refund is the fourth in the AMM's history and brings the cumulative total since 2004 to over \$5 million. Refunds from the loss pool are made possible due to our program's unique structure as well as favourable claims experience over the past 5 years. Congratulations to our members for practicing excellent risk management.

This year also marked the beginning of a new four-year education program. Manitoba Local Government, in collaboration with the AMM, kicked off the program by presenting Newly Elected Municipal Officials Training between January and March. We were pleased to partner with the province to not only offer these valuable sessions, but to produce the handy guidebook, "Once Elected, What is Expected?" A number of other well-attended sessions followed throughout the year and I am looking forward to year two of this outstanding program.

Our two largest membership events, the Municipal Officials Seminar and Trade Show and the Annual Convention, always enjoy high attendance, even during difficult time such as this year's flood. I attribute this to the excellent value our members see in our events, the quality of speakers we offer, and the networking opportunities these events provide. Coming together with others who may be experiencing similar difficulties or challenges is always beneficial, and for the AMM, hearing firsthand about these

challenges is what helps drive our association forward.

In terms of communications, much of our efforts were directed toward the *Putting Communities First* campaign and getting that message out became easier through increased use of social media. Our blog helped to highlight the President's Tour; our Twitter feed kept our followers up to date on our campaign activities; and our Facebook page encouraged discussion around the infrastructure needs of our communities.

Our website and the online Campaign Centre provided even more opportunity to keep our members up to date on our activities.

It goes without saying ambitious projects like Putting Communities First would not succeed without the leadership of our Board of Directors. Their support and guidance throughout the year is truly appreciated. I also would like to thank our staff for the excellent work they do on behalf of the Board and our membership, and bid farewell to Tyler MacAfee, former Director of Policy and Communications. Tyler spent nine years with the AMM and was a driving force behind our lobbying efforts. We wish him all the best in his future endeavors.

I would also like to recognize the excellent partnership we enjoy with the Manitoba Municipal Administrators' Association (MMAA). President Brent McMillan, Executive Director Mel Nott and the MMAA's members make a valuable contribution to the AMM, from sitting at our board table to participating in our events to providing sound advice on a number of issues.

In closing, the most important relationship we have at the AMM is with our members. This past year presented the opportunity to get to know many newly elected municipal officials and re-connect with those who were re-elected. One thing is certain, you are all true leaders and your continued advice, support and encouragement is what makes our association what it is – an advocate for strong, effective municipal government.




Joe Masi
Executive Director

BOARD OF DIRECTORS



Trevor
King
Councillor
RM of Woodlands
Interlake Rural
Director



Mel
Klassen
Mayor
Town of Altona
Central Urban
Director



Randy
Sigurdson
Mayor
Town of Arborg
Interlake Urban
Director



Ralph
Groening
Reeve
RM of Morris
Central Rural
Director



Robert
Stefaniuk
Mayor
RM of Ritchot
Eastern Rural
Director



Rick
Pauls
Mayor
Municipality of Killarney-Turtle Mountain
Western Rural
Director



Chris
Goertzen
Mayor
City of Steinbach
Eastern Urban
Director

Vacant
Western Urban
Director

BOARD OF DIRECTORS



Shirley
Kalyniuk

Mayor
Town of Rosburn

Midwestern
Urban Director



Lyle
Smith

Mayor
Town of Gilbert
Plains

Parkland Urban
Director



Randy
Lints

Reeve
RM of Hamiota

Midwestern Rural
Director



Gary
Momotiuk

Reeve
RM of Gilbert Plains

Parkland Rural
Director



Jim
Goymer

Mayor
Town of Gillam

Northern
Director



Russ
Wyatt

Councillor
City of Winnipeg

City of Winnipeg
Director



Angela
Enright

Councillor
Town of Snow Lake

Northern
Director



Brent
McMillan

President
Manitoba Municipal
Administrators'
Association

BOARD OF DIRECTORS

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

The 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)

Mayor Eileen Clarke
Town of Gladstone
Urban Vice-President

Reeve Roger Wilson
RM of Birtle
Rural Vice-President

Councillor Doug Dobrowolski,
RM of Macdonald
President

Back, L to R:

Lynne Bereza
Communications Coordinator

Patti de Baets
Finance Coordinator

Lindsay Thomson
Senior Policy Analyst

Joe Masi
Executive Director

Erika Rempel
Administrative Assistant
Policy & Communications

Donna Belbin
Events Coordinator

Julia Green
Administrative Assistant
Board & Administration

Seated, L to R:

Linda Hargest
Director of Administration &
Marketing

Tyler MacAfee
Director of Policy &
Communications



TOP ISSUE FOR 2011

THE CORE CHALLENGES OF MUNICIPALITIES

Municipalities need new tools to deal with new responsibilities and new expectations. Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada, and this over-reliance leaves municipalities without the tools required to meet demands.

The AMM fully recognizes initiatives like the GST rebate, Gas Tax Agreement and Building Manitoba Fund are beneficial. However, 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 have asked 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 over \$200 million a year.

The national municipal infrastructure deficit sits in excess of \$123 billion, and Manitoba's share is more than \$11 billion. 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.

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.

TOP ISSUE FOR 2011

Each year the AMM Board of Directors identifies top issues that become the focal point of AMM lobbying efforts. To no one's surprise infrastructure, increasing municipal responsibilities and the need to revise municipal funding arrangements—packaged together as the core municipal challenges (see sidebar)—were once again the top issue this year.

The need for a new approach to municipal funding has never been more evident, and as such the AMM raised this issue during every provincial cabinet minister meeting this year. As well, the fixed election date of October 4, 2011 provided further opportunities for the AMM to call for alternate revenues dedicated to municipal infrastructure. We used these opportunities throughout the entire year.

INFRASTRUCTURE FUNDING COUNCIL FINAL REPORT

The Infrastructure Funding Council (IFC) released its final report on May 18, 2011. The IFC was created by the AMM and the City of Winnipeg to take an in-depth look at the number one issue facing municipal governments—infrastructure.

The report, titled *New Relationships: A New Order - A balanced approach to funding municipal infrastructure in Manitoba*, is a comprehensive document outlining an overall infrastructure funding strategy. It provides recommendations regarding internal infrastructure funding options within the control of municipalities, along with recommendations regarding external infrastructure funding options requiring intergovernmental negotiation and approval.

To no one's surprise infrastructure, increasing municipal responsibilities and the need to revise municipal funding arrangements—packaged together as the core municipal challenges—were once again the top issues this year.





Below Left: Leader of the Official Opposition, Hugh McFadyen, addresses the AMM Board.

Right: Minister of Local Government, Ron Lemieux, with President Dobrowolski.



Upon release of the report, the AMM and the City of Winnipeg called for immediate action to:

1. Dedicate infrastructure funding (for all AMM members) equal to 1 point of the existing 7 points of PST over and above the 2011 provincial budget allocation;
2. Receive a rebate of the PST paid by municipalities to the provincial government similar to the rebate of the GST paid by municipalities to the federal government;
3. Seek permanent and indexed transfers to municipalities of the Federal Gas Tax Fund.

The IFC report outlines a series of recommendations with a three-pronged approach proposing a 20-year staged-in process, from 2011 to 2030, to implement municipal organizational and efficiency gains, generate the revenue needed to address the infrastructure deficit, and gradually develop new funding relationships. The recommendations are separated into three distinct groups:

1. Recommendations that can be acted upon by municipalities on their own;
2. Recommendations which require provincial agreement, approval and legislation;
3. Recommendations associated with a joint provincial/municipal/national strategy to secure the federal government's rightful participation in funding municipal infrastructure investment.

LOBBY DAYS

The AMM held its annual Lobby Days on April 27, 2011. This year the AMM Board of Directors met with the Progressive Conservative Caucus and the NDP Caucus the same day.

AMM Interlake Rural Director Trevor King presented "The Core Challenges of Municipalities" to the gathered MLAs, highlighting the municipal infrastructure deficit, the ever-increasing responsibilities facing municipalities, and the need for new revenue sources as the main issues for AMM members heading into the fall provincial election.

Mayor Chris Goertzen, Eastern Urban Director, addressed the NDP caucus as they gathered later the same day. Goertzen highlighted the fact that the current municipal infrastructure deficit in Manitoba is estimated to be \$11 billion dollars, or \$10,000 per Manitoban.

Both speakers stressed that for municipal governments to be sustainable in the future, and for Manitobans to have the quality of life they deserve, municipalities must have access to sustainable growth revenues.

In his response, Minister of Local Government Ron Lemieux acknowledged the positive working relationship municipalities have had with his government and highlighted the Province's 2011 budget commitment to share revenue with municipalities in legislation.

The current municipal infrastructure deficit in Manitoba is estimated to be \$11 billion dollars, or \$10,000 per Manitoban.

TOP ISSUE FOR 2011

Any campaign, to be successful, must communicate key messages that resonate with the targeted audience. The key messages for the *Putting Communities First* campaign were:

- Every community in Manitoba is somebody's hometown. That is where we live, work and raise our families. But today our communities are struggling.
- Manitoba's municipalities need help. They need access to new sources of revenue to deal with a growing list of challenges and responsibilities, including infrastructure, health care and housing.
- The most pressing issue is a growing backlog of infrastructure in need of repair and replacement. We can see signs of that backlog everywhere: potholed streets and roads; faulty sewer and water mains; and shabby playgrounds and padlocked community centres.
- Manitoba's municipal infrastructure deficit has been estimated at more than \$11 billion. That's \$10,000 per Manitoban and fixing it is more than municipal governments and local property taxpayers can handle.
- Municipalities are calling on all parties to put communities first and commit to reallocating some of the revenue that the government collects from our communities to fixing and upgrading the infrastructure those communities need.
- This upcoming provincial election, Manitoba's municipalities want to know where all parties stand on fixing these problems.

ADVOCACY CAMPAIGN – PUTTING COMMUNITIES FIRST

A fixed provincial election date of October 4, 2011 provided the perfect opportunity this year for the AMM to boldly campaign for the long-term financial commitment municipalities need. From the AMM Board of Directors' annual strategic planning session in January the concept was born—create an advocacy campaign designed to raise the AMM's profile and create political room for the issues faced by Manitoba municipalities. The AMM hired Interchange Public Affairs to help guide us through the process.

- March - The AMM undertook focus group testing in Winnipeg, Brandon and Thompson to determine the campaign's key messages (see sidebar). Also in March, President Dobrowolski introduced the election strategy during the annual Mayors, Reeves and CAOs meetings.
- April - AMM members were introduced to the *Putting Communities First* campaign, shown an online toolkit, and asked to brainstorm how the campaign might be implemented in their communities.
- June - The official campaign was launched in Winnipeg, followed by a presentation during June District Meetings. AMM members were encouraged to pass a council resolution calling on all parties to "Put Communities First" this election, and forward their resolution to the AMM. Members responded by submitting 151 resolutions, representing 77 per cent of municipalities. These resolutions were forwarded to the leaders of the three main parties.
- August - President Dobrowolski visited five districts as part of a "President's Tour" to meet with local elected officials, community leaders, and election candidates to highlight infrastructure issues and generate media attention for the campaign throughout Manitoba.
- September - The AMM kicked off a paid advertising campaign, including print, radio and online ads throughout the province. The campaign ran throughout the month of September and included a final print ad in the Winnipeg Free Press on October 4, 2011—election day.



ASSOCIATION OF MANITOBA MUNICIPALITIES



PUTTING COMMUNITIES FIRST

This election, Manitobans want to know where all parties stand on fixing these problems.

Look around your community. What do you see?

If you see broken sidewalks, potholed streets and shabby playgrounds, you're not alone. These problems are in every community and they are more than we can handle.

This provincial election, Manitoba municipalities are calling on all parties to put communities first by committing some of the revenue that the government collects to fixing these problems.

Think about it. Do you want future generations – our children and grandchildren – saddled with a problem they have done nothing to create?

Ask your local candidates where they stand.
Ask them to put communities first.



www.amm.mb.ca

LOBBYING HIGHLIGHTS - FEDERAL

MEETINGS WITH THE HONOURABLE VIC TOEWS

Throughout the past year, the AMM met twice with the Honourable Vic Toews, Minister for Public Safety and Member of Parliament for Provencher.

One of the main topics discussed with Minister Toews at the October 12, 2010 meeting was Disaster Financial Assistance. The first issue the AMM brought up was homeowner claims for basement flooding being denied if they had experienced both sewer back-up and overland flooding, despite the fact that overland flooding is uninsurable and eligible for Disaster Financial Assistance. The problem was not with the program guidelines, but improper interpretation of the program criteria. Secondly, the AMM urged the federal government to allow disaster events to be linked where an area experienced consecutive heavy rains or damage to the same infrastructure. Not only would this reduce inefficiency and simplify the rebuilding process for municipalities, it would also save money for each order of government by reducing the number of claims submitted.

The AMM also brought up the need for better internet and cellular service in rural Manitoba to improve RCMP communication and public safety. The Minister committed to discuss this internally with his colleagues.

During the AMM's July 21, 2011 meeting with Minister Toews there was another discussion in relation to the same issues with Disaster Financial Assistance. The Minister indicated the issue of denied claims for basement flooding

and linking of disasters was being reviewed by the Deputy Ministers across Canada and he was awaiting their advice.

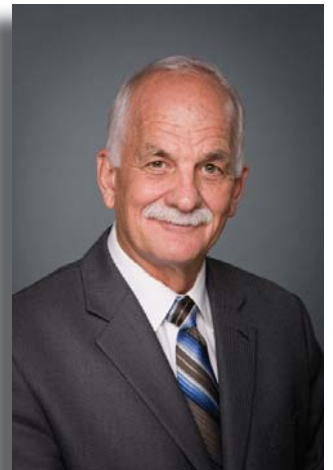
The next topic discussed was the need for a permanent flood mitigation program in Manitoba. Minister Toews felt this type of program would be a good investment by the federal government and indicated that the Deputies were developing the details.

The AMM also raised the need for funding for rural water pipelines, and the Minister revealed that several other municipalities outside Manitoba were lobbying on this issue as well.

Finally, the Minister discussed the possibility of future infrastructure programs. The federal government was pleased with the municipal response to the Building Canada program, and indicated that future programs were under discussion.

FEDERATION OF CANADIAN MUNICIPALITIES

The FCM is the national voice of municipal government in Canada. In November, 2010, the AMM met with Manitoba Members of Parliament during FCM's annual Advocacy Days.



The AMM urged the federal government to allow disaster events to be linked where an area experienced consecutive heavy rains or damage to the same infrastructure.



LOBBYING HIGHLIGHTS - SUCCESSES

Advocacy work is not always linear and while much of the AMM's success is difficult to quantify, we did have a number of clear-cut successes this year. Here is a recap of some of our biggest successes in 2010-2011.

BRIDGES

At the 2010 AMM Convention, Premier Greg Selinger announced a new Municipal Bridge Renewal Program that would be developed in consultation with the AMM. This is a big step forward in the attempt to start to address one of the most expensive municipal infrastructure needs. The AMM has worked with the province to develop the guidelines for the program and a request was sent out to municipalities in February asking them to prioritize their bridge needs. The AMM has shared this information with the province, and while this year's flooding has delayed many initiatives we are hopeful this will move forward in the fall.

SMALL TRANSIT

The AMM was also able to secure specific funding for transit in small communities. The new application-based fund was developed in consultation with the AMM and is available to all municipalities with populations under 40,000. The fund is aimed at enhancing and expanding municipal transit, including handi-transit services. The fund will allow municipalities to add new transit and handi-transit vehicles, bus stops and shelters, as well as other improvements including active transportation infrastructure. A total of \$1 million in cost-shared federal gas tax funding is available over four years.

PROBLEM BEAVER MANAGEMENT PROGRAM

While at first glance beavers might not make sense as an infrastructure issue, this is at the heart of the beaver control program. Beavers pose a real threat to municipal infrastructure, and prevention initiatives like the Problem Beaver Management Program offer a real cost savings for municipalities. We all know the damage beavers can do to municipal infrastructure, and more importantly we all know

the rising cost of fixing our infrastructure. The AMM has been lobbying for years to get an increase in the removal fee and was very pleased with the commitment to increase the removal fee to \$50 from the previous \$15. This increase is part of almost \$400,000 of new funding this year for beaver management.

WATER AND WASTEWATER OPERATOR TRAINING

Another issue where the AMM had success this year was getting a proper program in place to train water and wastewater operators in Manitoba. Municipalities know the challenge it has been to get certified operators in place to meet the provincial regulations imposed on municipalities a number of years ago. Conditional licenses are starting to expire and the need is growing for a pool of adequately trained operators. The AMM has worked closely with other key stakeholders including the Manitoba Water and Wastewater Association to develop the program delivered through Red River College.

The Apprenticeship Branch of the province was instrumental in moving this initiative along and provides a number of incentives for employers to hire and help train apprentices.

The first classes are starting in September 2011.

BRANDON MEDICAL SCHOOL

Access to acceptable health care in our province has become a real concern, and many have wondered whether a dedicated medical school in a rural setting like Brandon would help with the recruitment and retention of physicians in Manitoba. This is something the AMM has been discussing with the province for a number of years and we were pleased to see the province move forward with the Brandon Medical Education Study. The study will focus on how enhancing medical education in Brandon can help increase the number of doctors in our province. Since the announcement the AMM has been in contact with the steering committee and will be meeting with them throughout the process.



Beavers pose a real threat to municipal infrastructure, and prevention initiatives like the Problem Beaver Management Program offer a real cost savings for municipalities.

LOBBYING HIGHLIGHTS - PROVINCIAL

CULTURE, HERITAGE AND TOURISM

The AMM's January 18 meeting with Minister Flor Marcelino began with a discussion of funding for libraries, an important part of every community's infrastructure. The AMM emphasized the importance of appropriately allocating funding to ensure that all libraries can benefit from provincial assistance. The AMM pointed out that the new province-wide library card system in Saskatchewan has seen increased material borrowing and greater interest in library services. The Minister indicated that a universal library card is under consideration, and increasing access to library services is a goal of the department. A less expensive option that is available to increase access is reciprocal borrowing.

Tourism is another opportunity for economic development, and many communities would benefit from improved promotion of their events on a regional basis. The AMM stressed that greater financial support from the province would allow communities to showcase local attractions and develop new and unique attractions such as eco-tourism. The Minister indicated that the province would like to provide greater assistance to communities to improve tourism in the future and would appreciate input from the AMM. The province has also received federal support for international marketing of tourist attractions.

Local community museums are an excellent example of a potential tourist attraction. They also play an important role in developing a sense of community and keeping the history of an area alive for future generations. The AMM indicated it would be beneficial for many museums to have computers, and the Minister was interested in finding out which communities were in need.

Finally, the Minister raised the issue of Freedom of Information Requests to municipalities. The Freedom of Information Act is continuously undergoing reviews, which are required every five years, and the department was planning to make manuals and other resources available on its website. The AMM indicated it would be beneficial for municipalities to have a session or additional information available at the Municipal Officials Seminar (MOS). The AMM also stated that different interpretations of the legislation, sometimes from the same department, had caused significant confusion. The Minister

indicated that municipalities should consult the provincial help-desk first, however the department cannot guarantee that the information or direction provided will be upheld in the courts.

Update: The Freedom of Information manual can now be found on the Manitoba Culture, Heritage and Tourism website, and department representatives also presented a seminar at MOS.

HEALTHY LIVING, YOUTH AND SENIORS

Recreation was the first topic discussed on January 18 when the AMM met with Minister Jim Rondeau. The AMM opened the meeting by stressing the need to increase funding for those working in the recreation field. Recreation practitioners guide decisions on programming and help local recreation centres provide opportunities for residents to maintain an

active healthy lifestyle. The Minister indicated the province is trying to improve funding of this kind, while linking together the ideas of wellness and health in order to encourage people to be more active. The Minister stressed this would require multiple partners to work together, and that support from the AMM on future initiatives would be appreciated.

Recreation centres also require funding assistance to offset their increasing operating costs in order to keep their fees affordable, and the AMM encouraged the Minister to consider a program to help cover

operating costs for recreation centres. The Minister noted the same people who are already active will be the ones who benefit from more programs or lower fees. The more challenging problem is how to engage the people who are not currently active in wellness activities. Minister Rondeau also indicated that some Regional Health Authorities (RHAs) in Manitoba were considering funding for wellness activities.

The AMM also raised the issue of seniors' housing, an issue of growing concern for municipalities. The increased population of seniors across the province has increased demand for various types of housing, including community living and supportive housing. The AMM suggested a role for RHAs in expanding supportive housing, and also hoped to see increased investment from both levels of government. The Minister was aware of the need to improve housing options for seniors throughout the province, and indicated he would like to see stakeholders raise the issue with the

The AMM stressed that greater financial support from the province would allow communities to showcase local attractions and develop new and unique attractions such as eco-tourism.

LOBBYING HIGHLIGHTS - PROVINCIAL

federal government. The province had plans to promote co-op housing as one model for seniors housing, but the Minister was also hopeful the Canada Mortgage and Housing Corporation would become more involved with supportive housing initiatives.

Update: Budget 2011-2012 extended the Fitness Tax Credit to young adults up to the age of 24.

There are now 72 communities participating in the Age-Friendly Initiative, and another invitation to participate in the next round was sent to communities in July.

ENTREPRENEURSHIP, TRAINING AND TRADE

On February 16, the AMM met with Minister Peter Bjornson and began by raising the need to ensure the new apprenticeship program for water and wastewater operators meets the regulatory requirements. Minister Bjornson indicated he had been in contact with the Minister of Conservation to ensure the program will meet the requirements of the regulation. The AMM and the Minister were both optimistic that the new program would help attract more people to this profession to offset current shortages.

The AMM also discussed the need for a strong pool of skilled workers and entrepreneurs to ensure businesses remain viable and have the opportunity to grow. The 4,000 new apprenticeship placements were a positive step, and the AMM encouraged the Minister to make these placements available all across Manitoba.

The Minister elaborated on the provincial initiative to explore alternative models for education and the increased focus on skills training to support the new requirement for adolescents to stay in school until the age of 18. The department has also noticed there has been greater interest in apprenticeship training in rural areas in the last five years and is hoping to better accommodate this. The Minister discussed initiatives for entrepreneurship development in Manitoba, which included sites for video conferencing, workshops and plans to expand BizPal. The Minister encouraged municipalities to maximize existing opportunities in their communities. The AMM raised concerns about Rural Economic Development Initiative (REDI) loans being recalled and the department committed to look into this issue.

Next, the AMM discussed economic opportunities from wind energy and biodiesel, and encouraged the province to invest in a locally trained workforce with the necessary technical expertise to further support these emerging technologies. The AMM indicated that a lack of qualified labour in Arborg is threatening the viability of the local biodiesel facility. Minister Bjornson stated this was a priority of the Innovative Council and he would discuss Arborg's situation with the Minister of Innovation, Energy and Mines. The Minister also highlighted the provincial investment of \$20 million in bio-industry development.

Finally, the AMM emphasized the impact of trade agreements on municipalities and the need to keep them informed of important developments or negotiations. The Minister committed to keeping the AMM informed on emerging issues that would affect municipalities.

There are now 72 communities participating in the Age-Friendly initiative, and another invitation to participate in the next round was sent to communities in July.

Update: The apprenticeship program for Water and Wastewater Operators will begin its first year of classes in September 2011. The AMM contacted the departments of Conservation and Entrepreneurship, Training and Trade to encourage them to incorporate the Conservation certification examinations into the apprenticeship program.

CONSERVATION

The AMM began its February 16 meeting with Minister Bill Blaikie by discussing issues related to recycling and the industry-led group Multi-Material Stewardship Manitoba

(MMSM). The AMM informed the Minister of some difficulties with the development of the new contract with the MMSM. The Minister appreciated the update and indicated that a fair agreement for all parties was required.

On the topic of household hazardous waste and electronic waste recycling, Minister Blaikie indicated these programs would be expanded to increase the number of disposal sites. Plans from each industry group were to be approved by April as set out in the regulation, and the implementation of each plan would take place throughout the following year. The department expressed concern that the relationship between municipalities and the MMSM could affect the implementation process.

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Another concern was the Waste Reduction and Recycling Support (WRARS) Levy, which has been a source of frustration to many municipalities. The Minister indicated his department was willing to discuss the levy with any municipality to provide clarification, and they had received fewer complaints as more municipalities registered and began to better understand the process. A remaining issue for the AMM was that the province should provide incentives to promote recycling without punishing municipalities with less developed recycling programs.

Crown land was discussed also, as provincial policies have at times worked against municipal plans for sustainable development. Minister Blaikie indicated he was aware of the concerns, and provided assurances that the province attempts to mirror the obligations under The Planning Act and listens to comments from municipalities on Crown land. The Minister asked that specific issues brought to the AMM's attention be shared with the province so they could be addressed.



President Dobrowolski
Budget Day, April 12, 2011

2011 PROVINCIAL BUDGET

Seldom has a provincial budget generated as much attention for municipalities as the one announced on April 12, 2011. Headlines like “Municipalities get one per cent of PST in provincial budget” quickly turned into “Mayor, municipalities accuse province of numbers game” as details became clearer in the days to follow. Provincial news releases and comments by Finance Minister Rosann Wowchuk to AMM delegates at the Municipal Officials Seminar in Brandon on April 13 only served to confuse the issue.

Immediately following the budget, President Dobrowolski pronounced it a good first step and immediately entered into discussions with the province to try to fully understand how it would impact AMM members, particularly with respect to the announcement of new growth revenue dedicated to municipal infrastructure.

The fact is, Budget 2011 did create a source of growth revenue—Provincial Sales Tax (PST)—that municipalities have long been asking for, and makes the Province of Manitoba the first in Canada to make a commitment to sharing revenue with municipalities in legislation.

However, Budget 2011 did not fulfill the AMM's request for a one cent share of the existing PST to be dedicated to municipal infrastructure on top of the existing funding municipalities currently receive. In reality, provincial funding from general revenue will now come from the PST, effectively repackaging money under a new name but coming from the same pot of money.

Update: On April 19, 2011 the AMM and Winnipeg Mayor Sam Katz called on the Province of Manitoba to provide one point of the existing PST over and above funds that are already received, to be dedicated annually as a stable, reliable source of funding for municipal infrastructure. This call was repeated on September 27, 2011.

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The next issue raised was the need for sufficient funding for the remediation of contaminated sites. The AMM continued to encourage the government to legislate a timeline for private companies to complete remediation work.

Lastly, the AMM raised concerns with the amount of funding for the Beaver Management Program due to the severity of damage beavers cause to municipal infrastructure. The Minister indicated the province was reviewing the rates, as well as several different options to maximize the effectiveness of the program in the long term. The province recognized that while funding is important to ensure the program is effective, more trappers are required as well.

Update: In April the beaver rate was increased to \$50 and funding for two pilots projects was announced.

WATER STEWARDSHIP

The AMM also met with Minister Christine Melnick on February 16, and the meeting began with a general discussion of water issues facing municipalities. In a constructive step, the Province of Manitoba had recently met with Saskatchewan to discuss a strategy to deal with water bodies that impact both provinces. The Minister indicated a water management plan for the province was in progress and would likely explore new approaches to deal with water. The department provided clarification on the research studies on water management by the RM of Bifrost in the Interlake, and indicated that improvements were being developed.

The AMM inquired about the possibility of providing municipalities with an exemption from the drainage permit process, similar to Manitoba Infrastructure and Transportation (MIT). Another crucial issue was illegal drainage, which exacerbates problems when water levels are high. The AMM and the province agreed that new approaches were needed for both water management and drainage, although Minister Melnick indicated her department was pleased with the improvements made by MIT.

Next, the AMM raised the need for increased funding to Conservation Districts. The AMM and the Conservation Districts themselves were encouraged to put a priority on seeking non-government sources of funding for water

initiatives. The province will continue to support Conservation Districts but would like to see additional funding options explored.

Rural water pipelines are another infrastructure cost that is becoming overwhelming for municipalities. The Minister indicated she would like to see the federal government play

a greater role, focusing on longer term funding. The province committed to providing one-third of the required funding if the federal government agreed to re-establish a program similar to the National Water Expansion Supply Program (NWSEP).

Finally, the AMM urged the province to continue making drainage application permits a priority to avoid building up an unmanageable backlog of applications. The Minister indicated the province has been actively enforcing the rules and the effects are beginning to show. However, it is nearly impossible for the department to act on drainage complaints that are 10 to 20 years old. In general, drainage complaints were already taking up about 75 per cent of staff time.



AMM emphasized the need for a coordinated approach to weed control in the province and the need to review The Noxious Weeds Act.

Update: The province announced several new programs for 2011 flood victims, with former AMM President Ron Bell appointed Flood Commissioner to oversee compensation appeals by residents and cottage owners around Lake Manitoba.

AGRICULTURE, FOOD AND RURAL INITIATIVES

On February 25, the AMM opened its meeting with Minister Stan Struthers by raising the need to fund rural water pipelines. The National Water Supply Expansion Program was cancelled by the federal government in 2009, despite many projects receiving early funding being incomplete. The federal government indicated to the AMM that funding for these projects should currently be part of the provincial Growing Forward program. However, Minister Struthers maintained separate funding must be made available because Growing Forward does not have sufficient funding to support these projects. The AMM and the Minister agreed this constitutes a download from the federal government, and support from other provinces would be helpful. Minister Struthers made a commitment to discuss this issue with the Saskatchewan Minister of Agriculture, while the AMM committed to raise the issue with other provincial municipal associations.

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AMM President Doug Dobrowolski with Shannon Bunkowsky of Manitoba Housing and Community Development. Parkland District Meeting, June 13, 2011.

The Minister also discussed economic development and the different levels of success of Regional Development Corporations in the province. The AMM supports reinstating community profiles which were used to attract business and development before they were discontinued, and the Minister indicated he would raise this issue with the Minister of Entrepreneurship, Training and Trade.

Additionally, the AMM stressed the importance of developing a provincial Ecological Goods and Services (EG&S) policy with incentives for landowners to encourage ecologically beneficial practices. An EG&S policy would be an important step towards the restoration and preservation of wetlands, which play an important role in water management and storage. The Minister was pleased that the AMM will be playing a greater role in the development and direction of this policy.

There were a number of issues regarding noxious weeds, including the nine active resolutions relating to noxious weeds and weed control. In particular, the AMM emphasized the need for a coordinated approach to weed control in the province and the need to review The Noxious Weeds Act. The review was still underway, and the department was working to reduce the number of weeds included in the Act in order to prioritize them for better management.

Another ongoing issue for municipalities was the difficulty in securing approval from the department for subdivision

applications. Minister Struthers indicated the department only objected to 3 per cent of subdivision applications received last year, and he has pushed the department to make improvements. The AMM noted municipal planning has the interests of the community in mind, and a strong rural Manitoba would benefit agriculture as well. The Minister maintained that the department has a responsibility to view these projects through an agriculture lens, and anticipated that revisions to the Provincial Land Use Policies should provide some clarification.

Update: Throughout the summer the AMM met with several Manitoba Members of Parliament about re-establishing funding for rural water pipelines, including the federal Minister of Public Safety, the Honourable Vic Toews.

The AMM also met with department officials in February regarding the review of The Noxious Weeds Act, where several AMM concerns were discussed in more detail.

The updated Provincial Land Use Regulation was adopted in June.



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HOUSING AND COMMUNITY DEVELOPMENT

The AMM met with Minister Kerri Irvin-Ross on February 25 to discuss solutions to housing shortages in many Manitoba municipalities. Housing is extremely important to all communities because it impacts so many other aspects of the community. For many municipalities, a lack of sufficient affordable housing impedes economic development. The Premier has committed to work with other provinces and to urge the federal government to invest more. The Minister indicated the province is looking into methods of maximizing available housing stock and the possibility of capping salary limits for support. There has been a high amount of interest in low-income and seniors' housing, and the Province has been in contact with employers about building housing when they hire employees who are new to the community. The Minister also outlined some of the programs that exist to help people buy entry-level housing. The AMM encouraged the province to hold a housing conference, although there was uncertainty over how to proceed due to the upcoming election in October. The department agreed to make a presentation at the AMM June District meetings.

The AMM and the Minister agreed the Community Places Program is a valuable program to municipalities, although it has made less of an impact as construction costs have risen considerably in recent years. The AMM urged the department to improve the program through an overall increase in funding to allow increases in both the maximum grant and the number of grants given out.

Update: Minister Irvin-Ross established two housing roundtables in May to discuss Rental Housing Supply and Seniors' Housing. Mayor Eileen Clarke, AMM Urban Vice-President, has been attending on behalf of the AMM.

The province issued a Request for Proposals in August for the development of affordable seniors' housing, which will provide a total of \$150 million in financial assistance to successful applicants.

ADVANCED EDUCATION AND LITERACY

The AMM began its March 9 meeting with Minister Diane McGifford with a discussion of the new apprenticeship model for water and wastewater operators. The Minister indicated the program was now completely managed by Manitoba Entrepreneurship, Training and Trade.

The AMM also raised the need to invest in training opportunities in emerging technologies. The Minister indicated that Red River College and other colleges adapt to the needs of industry, which often raises any needs for new programs directly with the colleges. The AMM also raised the need to provide the necessary training when required by regulatory changes. Coordination would ensure the training is available to implement any new regulation.

Another topic that has earned considerable attention from municipalities was the proposed feasibility study for the establishment of a medical school at Brandon University. The Minister indicated that the department was working with Brandon University to set up the study.

Survey monument restoration was another ongoing concern that can unexpectedly create substantial costs to a municipality.

Update: On March 28, 2011 the Honourable Erin Selby was appointed the new Minister of Advanced Education and Literacy.

Details of the Brandon medical school feasibility study were announced in April. The study will review what enhancements to medical education in the province will increase the numbers of doctors, specifically those in rural and northern Manitoba. It will also consider how to improve medical care in rural and northern areas more generally.

HEALTH

On March 9 the AMM met with Minister Theresa Oswald to discuss concerns about health practitioner recruitment, training and retention. Municipalities are increasingly finding they must provide incentives for doctors to move to their community even though health care is a provincial responsibility. The Minister highlighted provincial initiatives such as a new repatriation coordinator to facilitate the process of allowing internationally educated Canadian medical students to practice in Manitoba. The strategy is to saturate the market in major centres to reduce the ability of doctors to move around rural areas. The Minister also indicated there has been good progress towards the government's commitment for every Manitoban to have a family doctor by 2015. Currently 85 per cent of Manitoba's population has a family doctor.

On the possibility of a medical school in Brandon, Minister Oswald indicated that the difficulty involved in obtaining and maintaining accreditation, along with the cost of building the school, will be important issues to consider. The University

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of Manitoba has also recently increased the number of rural students accepted to its medical program, and the Minister indicated there have been questions as to whether students from Winnipeg would be permitted to attend a Brandon medical school.

Another ongoing concern was over the 10 per cent capital contribution requirement for municipalities when health capital projects are constructed in their community. Ambulance service centralization was also discussed, and the Minister indicated her department has met with many municipalities for discussions as well. Emergency medical services in the province were still under review; the goal was to look beyond RHA boundaries to focus on locations, response times and staffing. The intent is to have fire and paramedics work together in order to provide better service.

Minister Oswald also provided an update on the Regional Health Authority Review, and indicated action had been taken on almost all of the 35 recommendations. The department had already begun working to improve communication, which was the main theme of the report.

The AMM began its meeting with Minister Gord Mackintosh on March 24 with a discussion about childcare funding.

FAMILY SERVICES AND CONSUMER AFFAIRS

The AMM began its meeting with Minister Gord Mackintosh on March 24 with a discussion about childcare funding. The Minister indicated the province has achieved significant progress towards its commitment of 6,500 new spaces by 2013, with funding committed for 3,500 spaces. Funding was also allocated or already disbursed for 29 new or expanded childcare centres. The department has put some centres in schools where possible, which allowed some of these schools to stay open. Another upcoming initiative was the province-wide online childcare registry.

The province has also implemented initiatives to improve working conditions to address labour shortages in this sector. The AMM welcomed the wage increases and the new pension plan for childcare workers, but emphasized that shortages in rural areas were still a problem, making it difficult for parents wishing to return to the workforce. Minister Mackintosh indicated his department was aware of the challenges faced by small rural centres and was looking at models that would allow funding based on spaces.

Survey monument restoration was another ongoing concern that can unexpectedly create substantial costs to a municipality. The Minister committed to have his department consider using technology to reduce the need for surveys and associated costs for survey monument replacement.

The Minister supported the AMM's suggestion that it would be beneficial to streamline the Public Utility Board (PUB) and Municipal Board processes. He also committed to discussing



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the communication approach of the PUB as it has not produced a cooperative relationship with municipalities.

Finally, the Minister commented on the proposed new home warranty legislation and its impacts on municipalities. The department will continue to consult with the AMM as the legislation is being developed. The intent is to make the process as simple as possible for municipalities while ensuring consumers are protected.

Update: The online childcare registry now covers all of Manitoba. It allows families to find information about childcare providers in their area, enter information about their child and their care requirements, and add their name to the wait list of any provider who meets their needs.

The province has since opened the new home warranty issue to public discussion in order to receive feedback about specific details of the legislation.

INNOVATION, ENERGY AND MINES

The AMM began its March 24 meeting with Minister Dave Chomiak with a review of provincial biodiesel and ethanol initiatives. The plants in Arborg, Beausejour and Winnipeg were in the process of finding markets, and the province was working on amendments to The Biofuels Act to assist remote areas. The province has also been examining cellulosic ethanol: the next generation of ethanol.

The AMM encouraged the province to invest in more wind power initiatives, and Minister Chomiak indicated there were plans to expand eco-energy. Although the recession slowed progress, the province is still working towards their commitment of providing 1000 megawatts of wind energy.

There was also a discussion of mining issues in northern Manitoba, particularly in Snow Lake and Thompson. The Minister emphasized the importance of the planning done by Snow Lake, stating as many as five projects were expected soon. Efforts to manage Vale's plans to close smelting operations in Thompson were still ongoing. The Minister indicated low taxes and a lack of royalties make Manitoba an attractive place for mining in the long term. The Minister and his department were conscious of the importance of the north

to the provincial economy, and were prepared to help develop secondary industries in resource-based communities. The department also highlighted the work they were doing towards improvement of the Bay Line.

Update: The Thompson Nickel Belt Sustainability Act was passed in June to promote and stimulate economic development and stability in the area.

EDUCATION

On March 28 the AMM met with Minister Nancy Allen to discuss the reduction of education tax from property, a long-standing issue for AMM members. The Minister indicated that Manitoba has one of the most aggressive tax mitigation strategies in Canada, which has unfortunately slowed due to the recession. However, there were plans to further increase the Education Property Tax Credit. The Minister also highlighted the reduction of education taxes on farmland and changes to the school funding formula. The province was pleased with the Tax Incentive Grant (TIG) and its recent expansion meant 30 out of 37 school divisions would not be increasing taxes.

On the topic of anti-drug programs in schools, several programs are already in place, including strategies targeting tobacco. The Minister also pointed out the new legislation

requiring children to stay in school until the age of 18 was working well and had increased graduation rates to over 80 per cent.

Update: The Education Property Tax Credit was increased from \$650 to \$700, and the Farmland School Tax Rebate was increased to 80 per cent in the 2011-2012 provincial budget.

LABOUR AND IMMIGRATION

The AMM opened its March 28 meeting with Minister Jennifer Howard with a discussion of issues with 911 calls, from false alarms to the safety of emergency services personnel. The Minister indicated MPI is reluctant to allow the use of yellow tape to show a vehicle has been attended to because it reveals the vehicle is vulnerable. However, most police



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departments who respond to calls on the major highways are using yellow tape, and 911 dispatchers have begun asking people if there is yellow tape around a vehicle when they call before sending responders to the scene.

The AMM also raised concerns about the cost to municipalities for performing fire inspections and agreed to consult with the Office of the Fire Commissioner for clarification on which inspections municipalities are responsible for.

The Minister provided an update on efforts to require identification for homes with silent floor construction to ensure the safety of firefighters is not put at risk. The Building Standards Board was looking to include appropriate safety measures in the updated Building Standards Code.

On the subject of traffic control, the Minister indicated the OFC would provide training when required, but issues associated with traffic control at accident scenes should be raised with the Minister of Justice.

Finally, there was discussion on the progress made by the Advisory Committee for Accessibility Legislation. The intent was for the legislation to provide a framework for a long-term approach to improving accessibility. The AMM noted the potential cost implications for municipalities.

Update: The Accessibility Advisory Council Act, passed in June, established an Accessibility Advisory Council to advise the Minister. AMM Urban Vice-President Eileen Clarke was appointed by the Board of Directors to represent the AMM on this Council.

JUSTICE

On March 28 the AMM met with Minister Andrew Swan and began by raising issues with by-law enforcement. The Minister acknowledged that issues training and designating peace officers can affect the ability of municipalities to enforce by-laws, and encouraged them to raise their concerns with their local detachment. The Minister was pleased that a stakeholder working group had been established to look at possible solutions. On a related issue to be reviewed by the stakeholder group, the Minister was disappointed that a practical, cost-effective solution was not found to collect unpaid traffic or parking fines, as linking them to driver's licence renewals was not feasible.

The AMM raised concerns about policing costs and the new Police Services Act, including objections to the mandatory police boards established in the Act. The Minister indicated the province still intends to move forward on this issue, and there will be a commission set up to train the boards. The

Minister agreed that some small communities can deliver high level policing, and stated that the new Act was designed to facilitate models for regional policing. As well, staffing issues have affected municipalities with their own forces as well as the RCMP. The Minister indicated the new mental health trauma centre should help with patient transfers and free up more police officer time.

The AMM requested an update on negotiations with the federal government for the 2012 RCMP contract. The AMM shared the Minister's concern with the federal government's intention of downloading more responsibilities and costs in the new contract, particularly because it has received different reactions from different provinces. A critical issue for the province is not having input into salaries, which is also a concern for municipalities.

Finally, the AMM raised the issue of traffic control at accident scenes and the Minister suggested his department would appreciate data from the AMM on the costs they create for municipalities. The Minister committed to maintain an open dialogue to try to resolve issues resulting from false alarms and traffic control costs.

Update: Since the AMM's meeting with Minister Swan, Alberta and Saskatchewan have signed contracts with the federal government to continue RCMP policing services in their provinces. Manitoba, British Columbia and 7 other provinces have not signed contracts yet. The AMM and the Province of Manitoba have been in contact with the federal government to meet with the 22 Manitoba municipalities who have direct contracts with the RCMP in order to update them on the negotiations. This issue is still ongoing.

INFRASTRUCTURE AND TRANSPORTATION EMERGENCY MEASURES ORGANIZATION

Unfortunately due to the flooding this spring and summer, the AMM did not meet with Minister Steve Ashton, Minister of Infrastructure and Transportation and Minister responsible for Emergency Measures. However, the AMM did remain in contact with the department and Emergency Measures staff during the flood to keep track of ongoing issues with the flood fight and recovery.

MANITOBA LOCAL GOVERNMENT

The AMM met regularly throughout the year with Minister of Local Government, Ron Lemieux.

As well, the AMM presented its pre-budget submission to Minister of Finance, Rosann Wowchuk, on November 1, 2010.

MEETING WITH CABINET

Each year the AMM meets with the Premier and Cabinet to discuss the top issues facing municipalities in our province. This year the AMM met with the Premier and Cabinet on November 25, 2010, on the last day of the AMM Annual Convention.

The AMM opened the meeting by raising the issue of the core challenges for municipalities and the need for increased infrastructure funding. Premier Selinger indicated the province supports recreation funding through the Building Manitoba Fund and recognizes the ongoing need. The province is facing fiscal challenges, but recognizes investment should not be neglected since this will magnify the problem. The province hopes to focus on key priorities and believes the federal government should assist since they collect two-thirds of all taxes.

A number of issues specific to local government were raised with the Premier, including equal rights for municipal officials and the need for councils to be afforded the same protection as provincial elected officials. On the topic of the Public Utilities Board, the province supports the concept of an impartial process and appreciates the need for PUB to work cooperatively with municipalities. The impending wet spring and its associated challenges were discussed

at length with a focus on the need to plan for drainage now since prevention is the key to managing flooding. The AMM also raised the issues of overland flooding combined with sewer backup and the need to treat 2010 events as linked, rather than separate. Premier Selinger expressed support for the AMM's positions, but indicated the federal government is not on board. The province wants more federal support for prevention efforts, but they tend to focus more on repairing after the disaster.

Other topics discussed with the Premier and Cabinet included funding for conservation districts, the 10 per cent community contribution to health capital projects, traffic control at accident scenes and the 2012 policing contract.

The province is facing fiscal challenges, but recognizes investment should not be neglected since this will magnify the problem.



LEGISLATIVE UPDATE

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

The AMM was pleased to be involved with the development of accessibility legislation, and to be invited to participate as a member of the recently formed Accessibility Advisory Council.

After participating in the Advisory Committee for Accessibility Legislation and collecting comments from affected municipalities, the AMM provided a submission to the Standing Committee on Human Resources on Bill 47: The Accessibility Advisory Council Act and Amendments to the Government Purchases Act.

The AMM expressed support for Bill 47 and appreciation that the legislation was less prescriptive than initially planned. Essentially the Bill established an Accessibility Advisory Council to provide advice to the Minister on how to improve accessibility throughout the province.

Moving forward, the AMM encouraged the province to incorporate provincial accessibility initiatives into the Age-Friendly Initiative where possible to reduce redundancies. Improving accessibility and creating an Age-Friendly community are complimentary objectives; therefore combining them would increase efficiencies. The AMM also felt it was important to emphasize that municipal councils should be allowed input into how accessibility initiatives or standards are administered in order to be sensitive to local needs.

Above all the AMM stressed that any new standards imposed on municipalities must also include provisions for the extra resources municipalities will require. Without resources to accompany new standards, implementation will be a very difficult challenge for municipalities who are constantly dealing with new downloaded responsibilities and unfunded mandates.

The AMM's Urban Vice-President, Mayor Eileen Clarke, will be serving as the AMM representative on the Accessibility Advisory Council.



Opposite page L to R:

Taking part in this year's meeting with Cabinet were Christine Melnick, Minister of Water Stewardship; Ron Lemieux, Minister of Local Government; Flor Marcelino, Minister of Culture, Heritage and Tourism; Theresa Oswald, Minister of Health; Jennifer Howard, Minister of Labour and Immigration; Kerri Irvin-Ross, Minister of Housing and Community Development; President Doug Dobrowolski; Andrew Swan, Minister of Justice; Greg Selinger, Premier; Jim Rondeau, Minister of Healthy Living, Youth and Seniors; Peter Bjornson, Minister of Entrepreneurship, Training and Trade; Rosann Wowchuk, Minister of Finance; and Stan Struthers, Minister of Agriculture, Food and Rural Initiatives.

Above all, the AMM stressed that any new standards imposed on municipalities must also include provisions for the extra resources municipalities will require.

SPECIAL EVENTS

2010 MUNICIPAL ELECTION

Electing mayors, reeves and councillors are some of the most important decisions community citizens make, yet civic elections often suffer from voter apathy. In order to stimulate interest in the election and encourage stronger voter turnout, it is important to have information available to a broad audience.

That is why, for the first time, the AMM offered our members, the media and the public a “one-stop shop” for election night results on the AMM website. With 195 municipalities holding municipal elections on October 27, 2010, having a central location where results could be accessed was an added convenience for anyone interested in obtaining the results not only from their own community, but from across Manitoba.

The AMM posted candidates soon after the September 21 nomination deadline, and election results from 8:00 p.m. onward on election night. Complete 2010 election results are available on the AMM website at www.amm.mb.ca/election_2010.html.

NEWLY ELECTED MUNICIPAL OFFICIAL TRAINING SEMINARS

Manitoba Local Government, Municipal Finance and Advisory Services, in cooperation with the AMM, presented Newly Elected Municipal Officials Training seminars in nine communities throughout Manitoba from January through March 2011. The AMM and Manitoba Local Government also joined forces in the production of the Council Members Guide “Once Elected...What is Expected?”

ASSOCIATION OF MUNICIPALITIES OF NICARAGUA (AMUNIC) PARTNERSHIP

In November, 2010, Executive Director Joe Masi was invited to fly to Nicaragua to work with the Association of Municipalities of Nicaragua (AMUNIC) on various issues. Joe’s participation as part of a larger delegation was at the invitation of the Federation of Canadian Municipalities (FCM). AMUNIC is interested in growing their lobbying efforts and visiting groups like FCM and AMM provide technical experience. The trip also gave the AMM an opportunity to showcase our own work to an international audience.

For the first time, the AMM offered its members, the media and the public a “one-stop shop” for election night results.

WOMEN IN GOVERNMENT NETWORKING EVENT

The AMM hosted its first “Women in Municipal Government

Networking Opportunity” on Tuesday, November 23 at the Winnipeg Convention Centre. This was the first quasi-official event stemming from the AMM’s report of June 2010, *Ballot Box Barriers: An action plan for engaging more women in the municipal democratic process*. It was planned to address one of the solutions suggested in Ballot Box Barriers, to “promote role models, success stories and connect women with mentors.”

In total, 57 people gathered for refreshments and conversation. While the majority of participants were indeed women, both of the newly elected and veteran variety, several men participated as well (including the Honourable Ron Lemieux, Minister of Local Government).

Below, clockwise from left: Rosa Montano, translator; Joe Masi, Executive Director; Nubia Luna, Executive Director, AMUNIC; and Roberto Garcia, Coordinator of Environmental Unit, AMUNIC



YOUNG COMMUNITY LEADER AWARD

President Doug Dobrowolski presented the 2011 Young Community Leader Award to Samantha Hunter-Garrioch during the Manitoba School Boards Association Celebration of Success evening on March 17.

Samantha, a student in the French Immersion program at Vincent Massey Collegiate, is a Peer Ambassador, co-chair of the school's Youth in Philanthropy Committee, and an enthusiastic community volunteer.

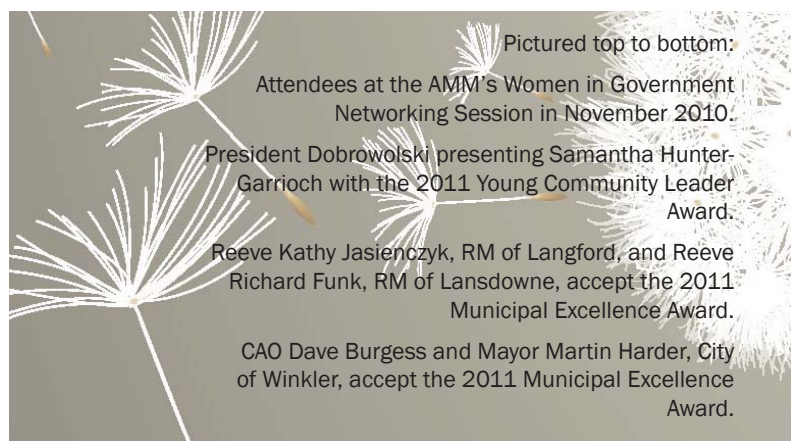
The AMM established the Young Community Leader Award in 2009 in conjunction with the Manitoba School Board Association Citizenship Awards. The Citizenship Awards are given annually to Manitoba students who have demonstrated their commitment to the values of citizenship in both their school and their broader communities.

MUNICIPAL EXCELLENCE AWARD

President Doug Dobrowolski presented the 7th Annual Municipal Excellence Award on April 14, 2011 during the Municipal Officials Seminar at Brandon's Keystone Centre. This year's recipients were co-winners - the City of Winkler for its New Potable Water Treatment Plant, and the Rural Municipalities of Langford and Lansdowne for their Community Pasture Conservation Easement Agreement Initiative.

Submissions were judged using criteria including creativity, cost-effectiveness, sustainability and benefit to the municipality.

The City of Winkler's decision to take advantage of stimulus funding to help build a facility to treat locally available water for half the price was not only cost-effective, but sustainable over the long term. The Rural Municipalities of Langford and Lansdowne signed the largest conservation easement agreement in Manitoba's history (and the 3rd largest in Canada), protecting in perpetuity 9,822 acres of municipally owned native grassland in the Langford Community Pasture.



Pictured top to bottom:

Attendees at the AMM's Women in Government Networking Session in November 2010.

President Dobrowolski presenting Samantha Hunter-Garrioch with the 2011 Young Community Leader Award.

Reeve Kathy Jasienczyk, RM of Langford, and Reeve Richard Funk, RM of Lansdowne, accept the 2011 Municipal Excellence Award.

CAO Dave Burgess and Mayor Martin Harder, City of Winkler, accept the 2011 Municipal Excellence Award.

MEMBER EVENTS

AMM ANNUAL CONVENTION NOVEMBER 22-25, 2010

A total of 967 delegates attended the AMM's 12th Annual Convention at the Winnipeg Convention Centre. This year's theme was "Time to Lead."

Since the 2010 Convention came soon after the 2010 municipal election, the first item on the agenda was a pre-conference session designed specifically for newly elected officials. Manitoba Local Government presented "Once Elected, What is Expected?" to provide newly elected council members with an overview of the roles, responsibilities and authorities of municipal governments.

Speakers included former FBI profiler Dr. James Reese; Dr. Samantha Nutt, Founder of War Child Canada; Canadian Football League Hall of Famer Michael "Pinball" Clemons; Minister of Local Government Ron Lemieux; Leader of the Manitoba Official Opposition Hugh McFadyen; Leader of the Manitoba Liberal Party Dr. Jon Gerrard; and President of the Federation of Canadian Municipalities Hans Cunningham. Premier Greg Selinger also presented his annual address to delegates at the Gala, and delegates had the opportunity to attend several workshops and plenary sessions.

The annual Ministerial Forum included Premier Selinger, 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 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, Minister of Infrastructure and Transportation Steve Ashton, Minister of Family Services and Consumer Affairs Gord Mackintosh, and Minister of Aboriginal and Northern Affairs Eric Robinson.

With only one nomination for President and AMM Rural Vice-President, both Councillor Doug Dobrowolski, RM of Macdonald and Reeve Roger Wilson, RM of Birtle were acclaimed to serve their positions for another year. An election did take place for Urban Vice-President, with Mayor Eileen Clarke, Town of Gladstone, defeating Mayor Shirley Kalyniuk, Town of Rossburn.

Several district director by-elections were held as well. Councillor Trevor King, RM of Woodlands, was elected to serve as Interlake Rural Director; Mayor Jim Goymer, Town of Gillam, was acclaimed to serve as Northern Director; Shirley Kalyniuk was acclaimed to serve as Midwestern Urban Director; Mayor Robert Stefaniuk, RM of Ritchot, was elected to serve as Eastern Rural Director; and Mayor Chris Goertzen, City of Steinbach, was elected to serve as Eastern Urban Director.

Three resolutions sessions took place throughout Convention during which 43 resolutions were debated, 1 was withdrawn, 7 were defeated and 35 were carried.

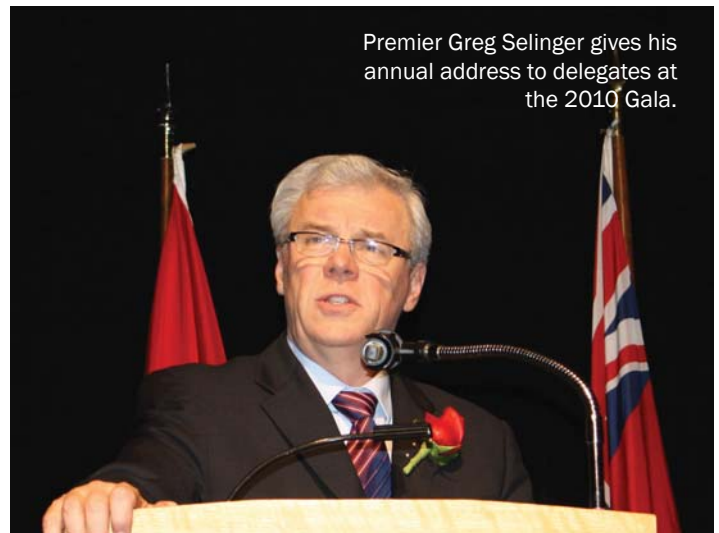


Keynote speaker Michael "Pinball" Clemons wowed the Convention crowd on Wednesday, November 24.

MEMBER EVENTS



2011 Parkland District Meeting



Premier Greg Selinger gives his annual address to delegates at the 2010 Gala.

MAYORS, REEVES AND CAOs MEETINGS MARCH 14-22, 2011

During the annual Mayors, Reeves and CAOs meetings, the AMM Executive updated members on the most pressing issues for municipalities today, including the core challenges of municipalities, infrastructure funding, provincial land use policies, 2011 flooding and many other issues. The AMM also used these meetings as an introduction to its 2011 Provincial Election Strategy.

Hosts for 2011 were the Village of Bowsman, the Municipality of Shoal Lake, the Town of Deloraine and the RM of Winchester, the RM of Headingley, the RM of Tache, the RM of Gimli, and the Town of Snow Lake.

MUNICIPAL OFFICIALS SEMINAR AND MTCML TRADE SHOW APRIL 13-14, 2011

A total of 561 municipal officials attended the 2011 Municipal Officials Seminar and Trade Show. The agenda included the Minister of Finance, Rosann Wowchuk, who spoke about the 2011 provincial budget; two sessions introducing the AMM's *Putting Communities First* campaign; several policy and professional development sessions; and the one-day Municipalities Trading Company of Manitoba Ltd. (MTCML) Trade Show, featuring over 100 displays.

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 2011 the AMM visited a total of 65 municipalities.

JUNE DISTRICT MEETINGS JUNE 9-17, 2011

During this year's June District Meetings 583 delegates heard presentations from President Dobrowolski, Vice-Presidents Eileen Clarke and Roger Wilson, Manitoba Housing and Community Development, Manitoba Aboriginal and Northern Affairs (Interlake), and Western Financial Group. A presentation and training session on the AMM's *Putting Communities First* campaign was also offered. A total of 84 resolutions were debated with 77 carried, 6 defeated and 1 withdrawn.

The 2011 meetings were hosted by the RM of De Salaberry, the Town of Leaf Rapids, the RM of Mountain, the Town of Minnedosa, RM of Minto and RM of Odanah, the RM of Albert, the RM of Morris, and the Town of Teulon.

AMM EDUCATION PROGRAM

The AMM introduced a new four-year Education Program in 2011. This series of workshops is designed specifically for Manitoba municipal officials and will provide the training and tools necessary for effective and ethical leadership. Sessions for 2011 included:

- January-March, 2011 - Newly Elected Officials Seminars
- April 12, 2011 - High Integrity Politics for Effective Council Relations
- October 7, 2011 - Media Relations 101
- November 21, 2011 - Balancing Multiple Hats...in life and work

COMMUNICATIONS



THE MUNICIPAL LEADER MAGAZINE

The AMM's quarterly magazine, The Municipal Leader, has a controlled circulation of 1,800 and is read by mayors, reeves, councillors, CAOs, purchasers, suppliers, MLAs and MPs.

Regular departments featured each issue include reports from the President and Executive Director, In Brief, Education, MMAA Report, Municipal Profile, Municipal Ideas, Insurance, Legal Corner, MTCML and Candid Camera. Most issues also include submissions from various groups on matters of interest to municipalities.

Special reports are also featured regularly, highlighting cutting-edge municipal issues. In 2011 the Winter issue shone a spotlight on infrastructure; the Spring issue focussed on the 2011 flood situation; and the summer issue included a comprehensive report on the AMM's *Putting Communities First* campaign.

BI-WEEKLY NEWS BULLETIN

The AMM bulletin reports on the latest AMM news and events. It is e-mailed to over 600 subscribers including municipal CAOs, who in turn distribute it to their councils for a total circulation in excess of 2,000.

AMM MEMBER ADVISORIES

The AMM distributes Member Advisories to communicate issues of immediate importance to AMM members. A number of Member Advisories were distributed last year on topics including the 2011 provincial and federal budgets, the *Putting Communities First* campaign, and the Flood 2011 Building and Recovery Action Plan.

AMM WEBSITE— WWW.AMM.MB.CA

The AMM website received a total of 260,940 visitors in 2011, an average of almost 22,000 visitors each month. This increased by 49,926 since 2010.

The site is a source for member services, media releases, AMM policy, job postings and various other resources.

The creation of an election night “one-stop shop” for municipal election results resulted in 54,875 visitors in the month of October, the highest monthly number ever.

The addition of the AMM Campaign Centre, part of the *Putting Communities First* strategy, also encouraged more users to the site between June and September.

SOCIAL MEDIA

The AMM continued to build on its social media presence in 2011. In addition to our original “Ballot Box Barriers” Facebook page devoted to the women in government initiative and our blog, we launched a *Putting Communities First* Facebook page in support of our provincial election campaign. We also built up a considerable following on Twitter.



AMM COMMENTARY

One of the tools used in the AMM's *Putting Communities First* Campaign was the opinion piece. President Dobrowolski submitted the editorial "One Per Cent Solution for Infrastructure" to the Winnipeg Free Press on September 20, 2011. It has since been reprinted in dozens of daily and weekly newspapers throughout the province. The editorial helped to frame the AMM's position heading into the provincial election and reiterate our call for one cent of the P.S.T. dedicated to municipal infrastructure.

"Which party is pledging to put communities first this election?"

One per cent solution for infrastructure

HAVING spent the better part of August touring Manitoba to find out what the major municipal infrastructure issues are, I know first-hand some of the challenges our communities are facing. And it is not simply bumpy streets and broken sidewalks. While the repair and replacement of our streets and roads is the number 1 infrastructure issue facing our municipalities, it is far from the only issue.

I heard stories of 100-year-old water mains actually crumbling under the weight of the dirt they are packed in.

I heard about municipal public works staff responding to eight water main breaks in one day in a town of 5,000 people. This same town is trying to raise funds for a new recreation complex but is being weighed down by the impending cost of new water lines.

I heard some parts of Manitoba still don't have cellular phone service or high-speed Internet.

I heard about people moving to Manitoba to work and contribute to our economy, only to be unable to find adequate housing. One mayor told me in her community, there are 11 people living in less than 800 square feet.

I heard that in Manitoba, in 2011, many citizens do not have access to safe, clean drinking water.

These issues aren't just affecting remote places — they are affecting communities throughout the province. They are impacting the lives of your neighbours, your friends, and maybe yourselves.

So what is the solution? The solution is to get more money into the hands of municipalities to fix these problems. And it is a solution that all parties running in this election need to address.

Over the past few weeks, 144 Manitoba municipalities — almost 75 per cent — have passed resolutions calling on all parties to make a commitment, if elected, to dedicate one percentage point of the provincial sales tax to municipal infrastructure. This would provide municipalities with at least an additional \$239 million each year.



DOUG DOBROWOLSKI

This figure would grow with the economy, and it would be money well spent. Municipalities are not interested in saving money for a rainy day — the storm has arrived.

Infrastructure spending does not go into some black hole. In many cases, it creates tangible improvements that positively impact our everyday lives. Your drive to work is quicker and safer, your family has recreation and social opportunities, and your water is clean and safe to drink.

Not only that, infrastructure spending goes directly into our economy. The Federation of Canadian Municipalities has found that every dollar invested in infrastructure grows the economy, giving us more back. A \$1-billion investment would actually grow the economy by \$1.3 billion.

On the other hand, not making these investments has a negative effect. One chamber of commerce president explained it to me this way: "Driving around our community, you'll see many, many streets where it is obvious work needs to be done. It doesn't reflect well when we're trying to draw in business and increase our population."

After all, that is what most people want — to see their communities grow. Growth signals prosperity; it means we live in a desirable place where others want to live, too. Growth means new opportunities for us today and for our children in the future. But the infrastructure must exist to support it.

Perhaps the mayor of Brandon, Shari Decker-Hirst, said it best. The leader of Manitoba's second-largest city says "infrastructure is the investment we need to increase revenues and fuel our growth."

An investment that will increase revenues and fuel growth in our economy sounds like a good deal. The catch is, one percentage point of the PST for infrastructure is a lot of money, and there is only one taxpayer. Being in government, however, means dealing with conflicting priorities, and infrastructure is already a massive priority that is growing daily.

The alternative is grim. Not investing in municipal infrastructure today will lead to the problem becoming larger, more expensive and more devastating for our children and grandchildren. That was another common theme in the communities I visited. Concern is growing for future generations and the money they will need to sustain our infrastructure.

So when you are opening your door to your candidates this election or attending a debate, find out which party is making a firm commitment to our infrastructure and attaching dollars to their promises.

Which party is pledging to put communities first this election?

Doug Dobrowolski is a councillor for the RM of Macdonald and president of the Association of Manitoba Municipalities.

AMM IN THE MEDIA

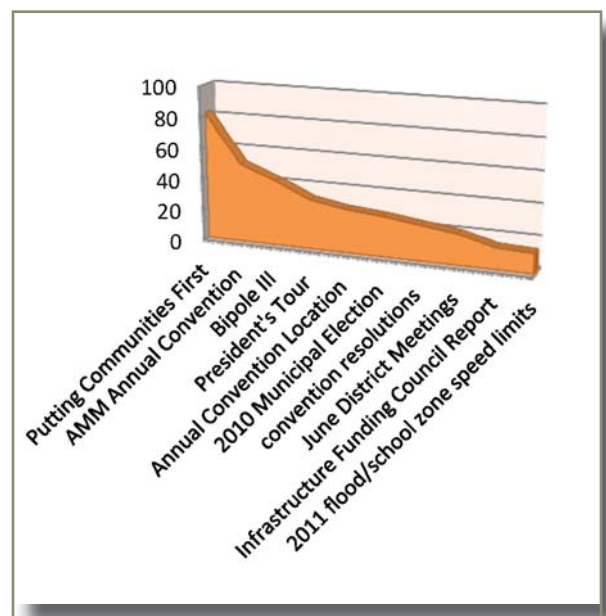
The AMM continually strives to enhance our relationship with media throughout Manitoba and beyond. In 2011 the AMM was mentioned in the media 543 times.

The primary reason for the AMM generating over 45 hits on average per month was due to one main issue - the AMM's *Putting Communities First* campaign and the President's tour. When combined, these two items made up over 20 per cent of the year's total media hits.

**PUTTING
COMMUNITIES
FIRST**

Not surprisingly, the second issue most mentioned in the media was the AMM's largest event, the Annual Convention.

TOP 10 MEDIA ISSUES - 2011



MTCML OFFICIAL SUPPLIERS

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



MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.

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 sales increased and MTCML Official Suppliers continued to provide AMM members with excellent service and pricing. Product sales were approximately \$31,000,000, a growth of 5,000,000 from the previous year.

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

Due to the high participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate \$700,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past 10 years to \$5,500,000.

MTCML OFFICIAL SUPPLIERS

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

There are also two major buying programs offered by the Trading Company: 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.

“The business community sees municipalities as a very important buying group.” Joe Masi, AMM Executive Director

FUEL SUPPLY PROGRAM

Prairie Fuel Advisors manages the AMM's Fuel Supply Program. Prairie Fuel Advisors helps municipalities in Alberta, Saskatchewan, Manitoba, British Columbia and Ontario 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.

INSURANCE PROGRAM

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

This unique structure allows the opportunity for significant refunds in low-claim years. Since 2004, over \$5,000,000 has been returned to AMM members.

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, plus 115 other policyholders such as conservation districts and other entities, plus retirees. Just fewer than 1,600 employees plus their families are provided protection.



AMM CORPORATE MEMBERS

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
- Mazergrupp 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

AMM Corporate Members like GENIVAR are frequent displayers at AMM events.



A LEADING GLOBAL FIRM
OF COMMUNITY-MINDED
PEOPLE TO MAKE A
DIFFERENCE

> FUTURE



ASSOCIATION OF MANITOBA MUNICIPALITIES
Combined Financial Statements
Year Ended August 31, 2011



THE EXCHANGE

chartered accountants LLP

INDEPENDENT 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, 2011, 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, and a summary of significant accounting policies and other explanatory information. The statement of income for the General Account does not include revenues and expenses relating to special projects for which the Association has received funds to distribute on behalf of third party funders.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of Association of Manitoba Municipalities as at August 31, 2011, 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
October 7, 2011

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES


General Account

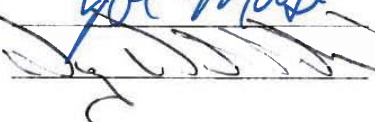
Statement of Financial Position

August 31, 2011

	2011	2010
ASSETS		
CURRENT		
Cash and short term deposits (Note 10)	\$ 134,758	\$ 264,804
Accounts receivable	292,016	353,009
Due from building reserve	180,000	-
Prepaid expenses	39,897	59,259
	<u>646,671</u>	<u>677,072</u>
SEGREGATED FUNDS		
Building Reserve (Note 4)	206,304	400,617
Communications Reserve (Note 5)	87,600	132,998
Employee Benefits Reserve (Note 6)	110,829	107,358
Legal Fund (Note 7)	28,202	32,309
	<u>432,935</u>	<u>673,282</u>
PROPERTY AND EQUIPMENT (Notes 2, 11)	<u>393,149</u>	<u>381,804</u>
INVESTMENT IN MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.	<u>10</u>	<u>10</u>
	<u>\$ 1,472,765</u>	<u>\$ 1,732,168</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 28,366	\$ 28,003
Deferred income	382,084	379,791
Due to Building Reserve	-	20,000
Due to Communications Reserve	50,000	50,000
Due to Trading Account	150,000	250,000
Funds held in trust (Note 10)	7,499	205,536
	<u>617,949</u>	<u>933,330</u>
NET ASSETS		
Unrestricted	39,561	(248,890)
Invested in property and equipment	393,149	381,804
Restricted (Note 16)	422,106	665,924
	<u>854,816</u>	<u>798,838</u>
	<u>\$ 1,472,765</u>	<u>\$ 1,732,168</u>
LEASE COMMITMENTS (Note 13)		

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Statement of Income

Year Ended August 31, 2011

	2011	2010
REVENUE		
Membership dues	\$ 362,583	\$ 323,026
Convention	358,370	275,455
Seminar	69,200	61,400
Trade show	58,240	63,598
Education	32,210	14,775
Rental	32,000	32,000
Corporate membership	10,042	8,917
Associate membership	7,333	7,250
Magazine	6,659	8,891
Investment income	7,823	5,058
Miscellaneous	1,638	572
Advertising - bulletin	700	975
Merx	560	680
History book sale	25	480
	<u>947,383</u>	<u>803,077</u>
EXPENSES		
Functions (Page 16)	431,340	359,528
Executive (Page 16)	353,701	357,557
Other (Page 16)	254,179	250,293
Staffing (Page 16)	691,838	689,946
	<u>1,731,058</u>	<u>1,657,324</u>
OPERATING LOSS	<u>(783,675)</u>	<u>(854,247)</u>
OTHER INCOME (EXPENSES)		
Management fees	880,000	880,000
Unrealized gains (Note 2)	3,471	1,371
Interest earned on reserves (Note 16)	6,684	1,681
Reserve expenses (Note 16)	(50,502)	(12,656)
	<u>839,653</u>	<u>870,396</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 55,978</u>	<u>\$ 16,149</u>

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Financial Position

Year Ended August 31, 2011

	2011	2010
ASSETS		
CURRENT		
Accounts receivable	\$ 2,209,160	\$ 1,341,789
Inventory (Note 2)	21,638	33,596
Due from General Account	150,000	250,000
	<u>2,380,798</u>	<u>1,625,385</u>
SEGREGATED FUNDS		
Insurance Reserve (Note 8)	1,013,813	1,007,870
Public Sector Accounting Reserve (Note 9)	35,348	32,512
Self-insurance Loss Pool (Note 14)	11,709,814	11,855,521
	<u>12,758,975</u>	<u>12,895,903</u>
	<u>\$ 15,139,773</u>	<u>\$ 14,521,288</u>
LIABILITIES		
CURRENT		
Bank indebtedness (Note 15)	\$ 619,219	\$ 370,654
Accounts payable and accrued liabilities	765,387	526,182
Due to Insurance Reserve	400,000	400,000
	<u>1,784,606</u>	<u>1,296,836</u>
SELF-INSURANCE LOSS POOL (Note 14)	<u>11,332,449</u>	<u>11,326,335</u>
NET ASSETS		
Capital Stock	10	10
Unrestricted	973,547	857,725
Restricted (Note 17)	1,049,161	1,040,382
	<u>2,022,718</u>	<u>1,898,117</u>
	<u>\$ 15,139,773</u>	<u>\$ 14,521,288</u>

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Income

Year Ended August 31, 2011

	2011	2010
SALES	\$ 16,378,357	\$ 11,594,154
COST OF SALES	16,082,677	11,353,812
GROSS PROFIT (2011 - 1.8%, 2010 - 2.1%)	295,680	240,342
INSURANCE ADMINISTRATION FEES	840,144	818,647
INVESTMENT INCOME	470,392	347,225
	1,606,216	1,406,214
EXPENSES		
Advertising and promotion	7,172	8,413
Interest and bank charges	60	7
Membership rebate	700,000	500,000
Inventory write-off	-	9
	707,232	508,429
OPERATING INCOME	898,984	897,785
OTHER INCOME (EXPENSES)		
Management fees	(880,000)	(880,000)
Unrealized gains (losses) <i>(Note 2)</i>	96,838	152,992
Interest earned on reserves <i>(Note 17)</i>	8,779	1,986
Reserve expenses <i>(Note 17)</i>	-	(17,496)
EXCESS OF REVENUE OVER EXPENSES	\$ 124,601	\$ 155,267

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Statement of Changes in Net Assets

Year Ended August 31, 2011

	Unrestricted	Invested in Property and Equipment	Restricted (Notes 16 and 17)	2011	2010
GENERAL ACCOUNT					
NET ASSETS - BEGINNING OF YEAR	\$ (248,890)	\$ 381,804	\$ 665,924	\$ 798,838	\$ 175,790
Prior period adjustment (Note 18)	-	-	-	-	606,899
As restated	(248,890)	381,804	665,924	798,838	782,689
Investment in property and equipment	(32,561)	32,561	-	-	-
Excess of revenue over expenses	77,194	(21,216)	-	55,978	16,149
Transfer between reserves (Note 16)	243,818	-	(243,818)	-	-
NET ASSETS - END OF YEAR	\$ 39,561	\$ 393,149	\$ 422,106	\$ 854,816	\$ 798,838
TRADING ACCOUNT					
NET ASSETS - BEGINNING OF YEAR	\$ 857,725	\$ -	\$ 1,040,382	\$ 1,898,107	\$ 686,948
Prior period adjustment (Note 18)	-	-	-	-	1,055,892
As restated	857,725	-	1,040,382	1,898,107	1,742,840
Excess of revenue over expenses	124,601	-	-	124,601	155,267
Transfers between reserves (Note 17)	(8,779)	-	8,779	-	-
NET ASSETS - END OF YEAR	\$ 973,547	\$ -	\$ 1,049,161	\$ 2,022,708	\$ 1,898,107

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Statement of Cash Flows

Year Ended August 31, 2011

	2011	2010
OPERATING ACTIVITIES		
Excess of revenue over expenses, General Account	\$ 55,978	\$ 16,149
Excess of revenue over expenses, Trading Account	124,601	155,267
Items not affecting cash:		
Amortization	21,216	16,603
	201,795	188,019
Changes in non-cash working capital	(731,232)	(45,894)
Cash flow from (used by) operating activities	(529,437)	142,125
INVESTING ACTIVITIES		
Purchase of equipment	(32,563)	(21,860)
Net sales (purchases) of segregated funds, General Account	40,347	(60,304)
Net purchases of segregated funds, Trading Account	136,928	(687,141)
Cash flow from (used by) investing activities	144,712	(769,305)
FINANCING ACTIVITY		
Net contributions to self insurance loss pool, Trading Account	6,114	456,528
Cash flow from financing activity	6,114	456,528
DECREASE IN CASH FLOWS	(378,611)	(170,652)
CASH (DEFICIENCY) - BEGINNING OF YEAR	(105,850)	64,802
CASH (BANK INDEBTEDNESS) - END OF YEAR	\$ (484,461)	\$ (105,850)
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ (126)	\$ 346,711
CASH (BANK INDEBTEDNESS) CONSISTS OF:		
General Account	\$ 134,758	\$ 264,804
Trading Account	(619,219)	(370,654)
	\$ (484,461)	\$ (105,850)

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2011

1. DESCRIPTION OF BUSINESS

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of combination

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

Financial instruments

The Association has elected to apply CICA Handbook 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 Combined Financial Statements

Year Ended August 31, 2011

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 Combined Financial Statements

Year Ended August 31, 2011

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%
Motor vehicles	20%

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

Revenue recognition

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

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

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

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

Future changes in significant accounting policies

The Accounting Standards Board will be implementing Part III of the CICA Handbook Accounting Standards for Not-for-Profit Organizations effective January 1, 2012. The Association will be assessing the impact of the new standards on its financial statements over the next year. Early adoption is permitted for the new standards.

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2011

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.

4. BUILDING RESERVE

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

5. COMMUNICATIONS RESERVE

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

6. EMPLOYEE BENEFITS RESERVE

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

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2011

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.

10. CASH AND SHORT TERM DEPOSITS

Included in cash and short term deposits is \$7,499 (2010 - \$205,536), relating to funds held in a bank account in the Association's name relating to special projects funded by the Provincial Government. These funds are restricted for use on these special projects and are held in trust. Revenues and expenses relating to these special projects have not been included in these financial statements.

11. PROPERTY AND EQUIPMENT

	2011		2010	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Buildings	\$ 378,676	\$ 126,594	\$ 378,676	\$ 119,020
Computer equipment	144,448	128,355	141,295	118,809
Computer software	9,163	9,163	9,163	9,163
Land	90,000	-	90,000	-
Office equipment	63,098	59,662	60,958	59,368
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	3,767	10,762	2,690
Motor vehicles	27,270	2,727	-	-
	\$ 741,322	\$ 348,173	\$ 708,759	\$ 326,955
Net book value	\$ 393,149		\$ 381,804	

12. 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:

2012	\$ 32,000
2013	21,333

13. LEASE COMMITMENTS

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

2012	\$ 11,314
2013	11,314
2014	11,314
2015	11,314
2016	5,657

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2011

14. SELF-INSURANCE LOSS POOL

	2009/2010 and Prior Pool	2010/2011 Pool	2011	2010
Balance, beginning of year	\$ 11,326,335	\$ -	\$ 11,326,335	\$ 10,869,807
Current year loss pool additions	-	6,159,269	6,159,269	6,122,509
	11,326,335	6,159,269	17,485,604	16,992,316
Insurance claims paid	(2,656,447)	(1,269,691)	(3,926,138)	(4,910,142)
Other	-	(2,227,017)	(2,227,017)	(755,839)
Balance, end of year	\$ 8,669,888	\$ 2,662,561	\$ 11,332,449	\$ 11,326,335

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 (2010 - \$1,000,000) per claim for certain types of claims, up to a maximum of \$6,100,000 (2010 - \$6,100,000) aggregate for the year.

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

	2011	2010
Bank	\$ (95,952)	\$ 14,227
Great West Life - Loss Pool Fund	11,805,766	11,841,294
	<u>\$ 11,709,814</u>	<u>\$ 11,855,521</u>

15. BANK INDEBTEDNESS

Municipalities Trading Company of Manitoba Ltd. does not have a line of credit. Bank indebtedness arises from a large number of outstanding cheques that will clear in the subsequent period.

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2011

16. RESERVES - GENERAL ACCOUNT

	2011	2010
<u>Building Reserve (Note 4)</u>		
Opening balance	\$ 400,617	\$ 379,284
Transfer from Unrestricted Net Assets	(194,313)	21,333
	<u>\$ 206,304</u>	<u>\$ 400,617</u>
<u>Communications Reserve (Note 5)</u>		
Opening balance	\$ 132,998	\$ 82,759
Transfer from (to) Unrestricted Net Assets	(45,398)	50,239
	<u>\$ 87,600</u>	<u>\$ 132,998</u>
<u>Employee Benefits Reserve (Note 6)</u>		
Opening balance	\$ 100,000	\$ 100,000
<u>Legal Fund (Note 7)</u>		
Opening balance	\$ 32,309	\$ 44,855
Transfer from (to) Unrestricted Net Assets	(4,107)	(12,546)
	<u>\$ 28,202</u>	<u>\$ 32,309</u>
Total Restricted Reserves	<u>\$ 422,106</u>	<u>\$ 665,924</u>

All activities related to the above funds are initially recorded as revenues and expenses in Unrestricted Net Assets. Transfers from Unrestricted Net Assets are based on interest earned on assets and transfers from the General Account segregated for each of the funds, less expenses occurring during the year related to designated fund activities as described in Note 2. During the current year, the Board of Directors also approved a transfer of \$200,000 from the building reserve fund to unrestricted net assets.

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2011

17. RESERVES - TRADING ACCOUNT

<u>Insurance Reserve</u>			
Opening balance	\$ 1,007,870	\$ 1,005,884	
Transfer from Unrestricted Net Assets	5,943	1,986	
	<u>\$ 1,013,813</u>	<u>\$ 1,007,870</u>	
 <u>Public Sector Accounting Reserve</u>			
Opening balance	\$ 32,512	\$ 50,008	
Transfer from (to) Unrestricted Net Assets	2,836	(17,496)	
	<u>\$ 35,348</u>	<u>\$ 32,512</u>	
Total Trading Reserves	<u>\$ 1,049,161</u>	<u>\$ 1,040,382</u>	

All activities related to the above funds are initially recorded as revenues and expenses in Unrestricted Net Assets. Transfers from Unrestricted Net Assets are based on interest earned on assets and transfers from the General Account segregated for each of the funds, less expenses occurring during the year related to designated fund activities as described in Note 2.

18. PRIOR PERIOD ADJUSTMENT

GENERAL ACCOUNT

A prior period adjustment has been made to the balance of Net Assets as at August 31, 2009, recording the following reserves as net assets instead of liabilities: Building Reserve - \$379,284; Communications Reserve - \$82,759; Employee Benefits Reserve - \$100,000; and Legal Fund - \$44,855. As at August 31, 2009, the Net Assets balance of \$175,790 has been adjusted to \$782,689.

As at August 31, 2010, the balance of total Net Assets is \$798,838.

TRADING ACCOUNT

A prior period adjustment has been made to the balance of Net Assets as at August 31, 2009, by recording the following reserves as net assets instead of liabilities: Insurance Reserve - \$1,005,884 and Public Sector Accounting Reserve - \$50,008. As at August 31, 2009, the Net Assets balance of \$686,948 has been adjusted to \$1,742,840.

As at August 31, 2010, the balance of total Net Assets is \$1,898,107.

19. COMPARATIVE FIGURES

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

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Combined Schedule of Expenses

Year Ended August 31, 2011

	2011	2010
Functions		
Convention	\$ 319,346	\$ 244,905
Education	16,489	20,607
Municipal seminar	54,116	51,573
Resolutions committee	2,672	4,879
Trade show	38,717	37,564
	<u>\$ 431,340</u>	<u>\$ 359,528</u>
Executive		
Communication allowance	\$ 2,400	\$ 2,400
Board - stipend	25,224	24,962
Board - sundry	1,356	(8)
Meeting expenses	269,171	292,299
President's salary	55,550	37,904
	<u>\$ 353,701</u>	<u>\$ 357,557</u>
Other		
Amortization	\$ 21,216	\$ 16,603
Association fees	3,026	2,828
Audit fees	8,195	14,035
Bad debts	-	394
Bank charges	126	5
Building repairs and maintenance	46,749	51,775
Donations and gifts	10,226	12,642
Insurance	5,404	5,409
Legal	35,171	23,733
Office	52,420	47,273
Postage and stationery	18,389	14,689
Promotion materials	5,496	8,754
Property taxes	20,224	19,615
Telephone	17,031	19,861
Vehicle expenses	10,506	12,677
	<u>\$ 254,179</u>	<u>\$ 250,293</u>
Staffing		
Management expenses	\$ 34,976	\$ 33,775
Staff expenses	13,672	6,484
Salaries	546,084	554,250
Employee benefits	93,630	89,870
Workers compensation	1,000	2,449
Staff training and recruitment	2,476	3,118
	<u>\$ 691,838</u>	<u>\$ 689,946</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.



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