

*Association of
Manitoba Municipalities*

2012

ANNUAL

REPORT

September 1, 2011 to August 31, 2012



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

Pictured on cover:

Top left: Pembina Hills Art Gallery and Gift Shop, City of Morden. Photo by Steve Hiebert - Personal Expressions.

Top right: Disraeli Freeway, City of Winnipeg, photo courtesy PCL Constructors Canada Inc.

Bottom left: City of Brandon's 18th Street, photo courtesy City of Brandon

Bottom right: Lorette Spray Park, photo courtesy RM of Taché

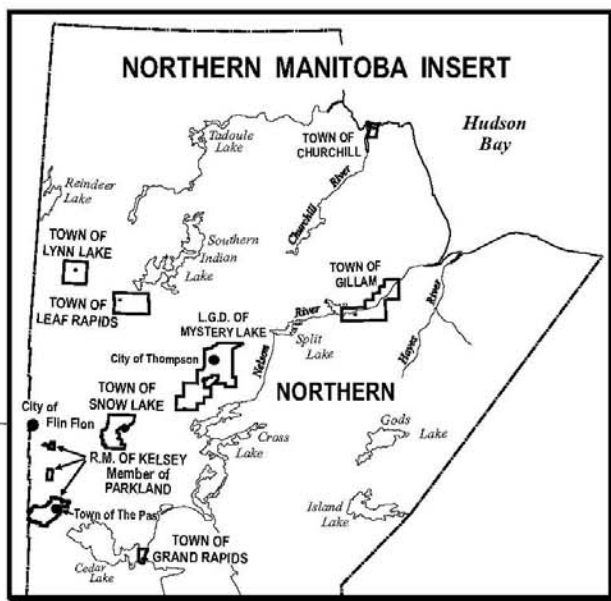
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The map illustrates the administrative divisions of Manitoba, Canada. The regions are labeled as follows:

- NORTHERN:** Includes municipalities like Dawson Bay, Red Deer Lake, Westgate, Barrows, Pownall, Badger, Pelican Rapids, Easterville, Grand Rapids, City of Thompson, TOWN OF SNOW LAKE, City of Flin Flon, R.M. OF KELSEY Member of PARKLAND, Town of The Pas, TOWN OF GRAND RAPIDS, Cedar Lake, Mystery Lake, Split Lake, Gods Lake, Island Lake, Berens River, Little Grand Rapids, and Bissett.
- PARKLAND:** Includes municipalities like Bowman, Swan River, Minotons, Minotons, Duck Bay, Camperville, SHELL RIVER, Roblin, HILLSBURG, Grandview, SHELLMOUTH-BOULTON, SILVER CREEK, ROSSBURN, Rossburn, PARK, ELICE, BIRTLÉ, SHOAL LAKE, STRATHCLAIR, HARRISON, CLAW, WILLIAM, Eridson, ROSEDALE, GLENELLA, LANS-DOWNE, LAKEVIEW, LAKE MANITOBA, ALONSA, STE. ROSE, OCHRE RIVER, LAWRENCE, MOSSEY RIVER, Ethelbert, Ethelbert, Grandview, GILBERT PLAINS, DAUPHIN, Dauphin, OCHRE RIVER, STE. ROSE, ALONSA, ERIKSDALE, ARMSTRONG, VICTORIA BEACH, Aghaming, Seymourville, Manigotagan, Bissett, and Powerview-Pine Falls.
- INTERLAKE:** Includes municipalities like GRAHAMDALE, Homebrook, Dauphin, Salt Point, Mailand, Rock Ridge, Waterhen, Crane River, SIGLUNES, FISHER, BIFROST, RIVERFON, Arborg, COLDWELL, ST. LAURENT, WOODLANDS, ROCKWOOD, ST. ANDREWS, ST. CLEMENTS, LAC DU BONNET, BROKENHEAD, BAUSEAUJOUR, WHITE MOUTH, PINAWA, and REYNOLDS.
- EASTERN:** Includes municipalities like VICTORIA BEACH, WINNIPEG BEACH, DUNNOTAR, ALEXANDER, LAC DU BONNET, BROKENHEAD, BAUSEAUJOUR, WHITE MOUTH, PINAWA, and REYNOLDS.
- CENTRAL:** Includes municipalities like PORTAGE LA PRAIRIE, PORTAGE LA PRAIRIE, WEST ST. PAUL, ROSSE, CARTIER, WINNIPEG, EAST ST. PAUL, SPRINGFIELD, TACHE, STE. ANNE, LA BROQUERIE, MORRIS, ROLAND, THOMPSON, DUFFERIN, MORRIS, DE SALABERRY, FRANKLIN, STUARTBURN, and PINEY.
- WESTERN:** Includes municipalities like ARCHIE, MINOTA, HANLOTT, BLANSHARD, SASKATCHEWAN, RIVERDALE, ODAHA, NORTH CYPRESS, NORTH NORFOLK, SOUTH CYPRESS, SOUTH NORFOLK, VICTORIA, LORNE, SOMERSET, ARGYLE, ALBERT, CAMERON, WHITEWATER, RIVER-SIDE, STRATHCONA, KILLARNEY, TURTLE MOUNTAIN, ROBLIN, LOUISE, PEMBERA, MORDAN, WINKLER, STANLEY, PLUM COULES, RHINELAND, ALTONA, GRETNA, MONT CALM, FRANKLIN, STUARTBURN, and PINEY.
- MIDWESTERN:** Includes municipalities like ARCHIE, MINOTA, HANLOTT, BLANSHARD, SASKATCHEWAN, RIVERDALE, ODAHA, NORTH CYPRESS, NORTH NORFOLK, SOUTH CYPRESS, SOUTH NORFOLK, VICTORIA, LORNE, SOMERSET, ARGYLE, ALBERT, CAMERON, WHITEWATER, RIVER-SIDE, STRATHCONA, KILLARNEY, TURTLE MOUNTAIN, ROBLIN, LOUISE, PEMBERA, MORDAN, WINKLER, STANLEY, PLUM COULES, RHINELAND, ALTONA, GRETNA, MONT CALM, FRANKLIN, STUARTBURN, and PINEY.



URBAN CENTRES

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

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

RURAL MUNICIPALITIES

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

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

Odanah
 Park
 Pembina
 Piney
 Pipestone
 Portage la Prairie
 Reynolds
 Rhineland
 Ritchot
 Riverside
 Roblin
 Rockwood
 Roland
 Rosedale
 Rosburn
 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 2011/12 Annual Report.

This past year was the 14th in AMM history and, perhaps more than any other, reflects our growth as an organi-

zation and that of the municipalities we represent. Our successes in 2012 were numerous and reflect our lobbying efforts at both the provincial and federal level. We met with the Provincial Cabinet Ministers individually and with the Premier and Cabinet as a whole. We impacted, through presentations and written submissions, no less than nine pieces of provincial legislation. And we brought together Manitoba's almost 1,200 elected mayors, reeves, and councillors on many occasions to raise the profile of the most critical issues facing municipalities.

This year, the most critical of those issues continued to be the growing infrastructure deficit and the need for alternate sources of revenue. Our "Putting Communities First" campaign of 2011 resulted in 151 municipalities carrying resolutions calling on all parties running in last year's provincial election to dedicate some of the revenue the government collects to fixing and upgrading our community infrastructure. We carried on these discussions with the Province throughout 2012 and backed our argument with polling numbers that clearly show Manitobans would support a Municipal Infrastructure Tax dedicated to infrastructure.

On the federal level, throughout the year, we consulted with our members during Mayors, Reeves and CAOs and June District Meetings prior to drafting and submitting a comprehensive list of priorities to the Government of Canada on a new Long-Term Infrastructure Plan (LTIP). As the LTIP will replace the Building Canada Plan, knowing what worked – and what did not – within Building Canada will go a very long way to ensuring the new plan works for all municipalities in Manitoba and across the country. We look forward to seeing a new LTIP come to fruition over the coming year.

I would also like to note that this year marks the first year in history that Manitoba municipalities have 100 per cent

representation in the Federation of Canadian Municipalities (FCM). FCM is a strong voice for municipalities on a national level and our members 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. FCM has offered guidance and insight to the AMM throughout the LTIP consultation process and their leadership is greatly appreciated.

I owe a huge thank you to my executive team for their work over the past year. The ongoing support of Vice-Presidents Roger Wilson and Eileen Clarke and Executive Director Joe Masi is truly immeasurable. I'd also like to thank the AMM Board of Directors for their support and encouragement over the past year.

I would be remiss if I did not also acknowledge the good working relationship the AMM has with the Province of Manitoba. Premier Greg Selinger and his team have been open to meeting with us and our discussions have resulted in action on numerous files over the past year. Not all associations enjoy a high level of rapport with their provincial representatives and it is certainly appreciated.

I welcome the new Leader of the Official Opposition, Brian Pallister, and his caucus to the Manitoba Legislature. The AMM looks forward to meeting with Mr. Pallister and sharing municipal priorities with them throughout the coming year.

I would also like to thank Dr. Jon Gerrard, leader of the Manitoba Liberal Party, for his efforts on municipal issues.

As you flip through the pages of this report you will see several areas where we celebrate accomplishments over the past year. However, as with any issue where we ultimately achieve success, the common denominator is the input of our membership and we certainly relied on that input once again over the past year. We simply could not do the work that we do—or achieve the success that we achieve—without the driving force of our membership. Your support, your feedback, and your collaboration is without parallel and for that I thank you.

A handwritten signature in black ink, appearing to read "Doug Dobrowolski".

Doug Dobrowolski
President

EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to provide the Executive Director's message for the 2011/12 Annual Report of the Association of Manitoba Municipalities. It has been an exciting year and I look forward to sharing some highlights with you.

First and foremost, the Municipalities Trading Company of Manitoba Limited (MTCML) enjoyed another exceptionally strong year, with sales growing to \$31.5 million. Due to the excellent participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$1 million to our members based on their sales, bringing the cumulative rebate over the past 11 years to \$6.5 million.

Also in 2012, the AMM was able to distribute a refund in the amount of \$485,267 from the Self-Insurance Loss Pool. This refund is the fifth in the AMM's history and brings the cumulative total since 2004 to close to \$5.4 million. Refunds from the loss pool are made possible due to our program's unique structure as well as favourable claims experience this past year. Congratulations once again for practicing excellent risk management!

Recognizing that training is a vital component of a good safety program, this year the AMM arranged for Manitoba municipalities to have access to and use of over 70 safety training videos at no cost until April, 2013. These Montie Safety Videos provided consistent and reliable safety training to help staff meet Workplace Health & Safety requirements.

Our membership events, including Mayors, Reeves and CAOs meetings, the Municipal Officials Seminar and Trade Show (MOS), June District Meetings, and the Annual Convention, enjoyed excellent attendance this past year. In fact, the 2011 Annual Convention attendance of 1,080 delegates was one of the highest turnouts in recent history, and both MOS and June District Meetings received more than 600 delegates. I attribute this to the value our members see in our events, the quality of speakers we offer, and the networking opportunities provided for our members. As President Dobrowolski notes, it is your input that ensures our success and these events allow us to not only offer valuable benefits to our members but receive valuable feedback from you at the same time.

Our communications efforts continued to evolve throughout 2012 as well with our social media presence growing on an almost daily basis. At the same time, our traditional

communications offerings, including our website, Municipal Leader magazine, and bi-weekly news bulletin continue to ensure our members and others are always up-to-date on AMM activities and municipal issues. The media found our activities newsworthy on well over 400 occasions throughout the year, ensuring our priorities and issues enjoyed even further reach.

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

The programs and services we offer our members would not be possible without the excellent efforts of our staff, who truly go above and beyond to ensure our member benefits are of the highest quality. This year, we also welcomed a new Director of Policy and Communications, Denys Volkov. Denys has been a valuable addition to our team.

I would also like to recognize the partnership we enjoy with the Manitoba Municipal Administrators' Association. President Margie Bonekamp, Executive Director Mel Nott and the MMAA's members make a valuable contribution to the AMM throughout the year.

Finally, thank you to our members for their continued advice, support and encouragement. If our association is only as strong as its membership I feel we are very strong indeed. I hope you enjoy this annual report, and I look forward to continuing to work on your behalf in 2013.



Joe Masi
Executive Director



BOARD OF DIRECTORS

Interlake District



Trevor King
Councillor
RM of Woodlands
Interlake Rural Director



Randy Sigurdson
Mayor
Town of Arborg
Interlake Urban Director

Central District



Mel Klassen
Mayor
Town of Altona
Central Urban Director



Ralph Groening
Reeve
RM of Morris
Central Rural Director

Eastern District



Robert Stefaniuk
Mayor
RM of Ritchot
Eastern Rural Director



Chris Goertzen
Mayor
City of Steinbach
Eastern Urban Director

Western District



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



Stuart Olmstead
Councillor
Town of Carberry
Western Urban Director

Northern District



Angela Enright
Councillor
Town of Snow Lake
Northern Director



Jim Goymer
Mayor
Town of Gillam
Northern Director

Midwestern District



Shirley Kalyniuk
Mayor
Town of Rosburn
Midwestern Urban Director



Randy Lints
Reeve
RM of Hamiota
Midwestern Rural Director

BOARD OF DIRECTORS

Parkland District



Lyle Smith
Mayor
Town of Gilbert Plains
Parkland Urban Director



Vacant
Parkland Rural Director

City of Winnipeg



Russ Wyatt
Councillor
City of Winnipeg
City of Winnipeg Director



MMAA

Margie Bonekamp
President
Manitoba Municipal
Administrators' Association





Executive:

Joe Masi, Executive Director
Mayor Eileen Clarke, Urban Vice-President
Councillor Doug Dobrowolski, President
Reeve Roger Wilson, Rural Vice-President



Back Row, L to R:

Joe Masi, Executive Director
Linda Hargest, Director of Administration and Marketing
Erika Rempel, Administrative Assistant, Policy and Communications
Donna Belbin, Events Coordinator
Lynne Bereza, Communications Coordinator
Denys Volkov, Director of Policy and Communications

Front Row, L to R:

Lindsay Thomson, Senior Policy Analyst
Patti DeBaets, Finance Coordinator
Julia Green, Administrative Assistant, Board and Administration



Top issue for *2011/12*

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.

Provincial Election

Throughout 2011, the AMM's top issue was its advocacy campaign leading up to the October 4, 2011 provincial election, called "Putting Communities First". With 151 municipalities carrying resolutions calling on the provincial government to reallocate some of the tax revenue it collects to repairing and upgrading local infrastructure, this campaign set the stage for the AMM's activities throughout 2012. Strong lobbying of both the provincial and federal governments have been the major focus this year with a number of activities continuing to highlight the need for movement in this area.

AMM Polling

The AMM conducted a poll in November 2011 to find out what Manitobans thought the priorities of the new provincial government should be over the next four years. When asked which of five areas should benefit if the provincial government were to dedicate additional revenues from the Provincial Sales Tax (PST) to a specific purpose, 44 per cent of respondents indicated they would dedicate these funds to community infrastructure improvement—well ahead of the numbers recorded in favour of health care (27 per cent) and education (11 per cent).

Respondents were further asked if they would support a one-cent Municipal Sales Tax on the condition that these funds would be used only for infrastructure renewal projects. 64 per cent of Manitobans supported this idea—an increase of 10 per cent from 2008 when the same question was asked in a similar poll.

Overall, 9 in 10 respondents agreed with the statement "our communities need help".

What these numbers really illustrate is that people understand the connection between infrastructure funding and a healthy, prosperous community. They also show that citizens understand the increasing demands they are putting on their local governments. All governments - federal, provincial and municipal - must work together, and with the private sector, to address the infrastructure deficit.

Manitobans Back Infrastructure Tax

President Doug Dobrowolski wrote an opinion editorial and submitted it to Manitoba's daily and weekly newspapers in late January 2012 to highlight the AMM's research. The piece ran in the Winnipeg Free Press, the Brandon Sun and numerous other media outlets. An excerpt can be viewed in the Communications section.

Provincial Budget

On April 17, 2012 President Dobrowolski attended the reading of the 2012 Provincial Budget at the Manitoba Legislature. The AMM met with Finance Minister Stan Struthers in February and presented a pre-budget list of almost four dozen items. However, President Dobrowolski stressed the most urgent problem facing Manitoba municipalities continued to revolve around the need for new alternate revenue sources to fund infrastructure, and he continued to call for movement in this area in the days leading up to the budget.

Unfortunately, the budget did not deliver. The previous year, the Province recognized municipalities needed access to growth revenues by changing the legislated annual revenue-sharing formula. This repackaging of existing programs and tying them to the PST began a trend that continued in Budget 2012. However, without a significant investment over and above existing levels, municipalities will continue to struggle to address the infrastructure deficit in their communities.

Budget 2012 also announced an additional 2.5 cents of provincial gas tax would be earmarked for provincial, not municipal, infrastructure.

Overall, the AMM was disappointed in the Province of Manitoba's failure to make a long-term commitment to a sustainable funding solution for municipalities.

Western Canadian Municipal Association

The provincial urban and rural municipal associations from Alberta, Saskatchewan and Manitoba meet annually to discuss issues of common interest in Western Canada. This year's meeting was held on April 27, 2012 in Regina.

Because the need for greater investment in municipal infrastructure by the federal and provincial governments is an issue of significance for all associations, the group issued a joint news release calling for any new infrastructure program to be long term, sustainable and funding should be substantial to make a considerable impact on the infrastructure deficit.

City of Winnipeg Motion

On May 30, 2012 President Dobrowolski made a presentation to the City of Winnipeg Council pledging the AMM's support of a motion calling for the Province of Manitoba to transfer the revenue generated from the 2.5 cent per litre increase in the gasoline tax directly to municipalities. The money would generate an additional \$30 million for the City of Winnipeg, or an additional \$55 million for AMM members province-wide.

The motion received unanimous approval from Council.

Long-Term Infrastructure Plan

In November 2011, the federal government announced its plans for consultations on a new Long Term Infrastructure Plan (LTIP) to replace the Building Canada Plan. Close to \$2 billion in federal funding is set to expire in 2014, so the new LTIP is important for all municipalities in Manitoba and across the country.

To ensure Manitoba municipalities will benefit as much as possible from the new plan, the AMM consulted with members throughout the year to gather information based on current programs such as the Gas Tax Agreement and past programs, such as the federal stimulus funding.

First, during the Mayors, Reeves and CAOs meetings in March, 2012 the AMM engaged members in an in-depth question and answer session. Questions were designed to identify the need for infrastructure investment and whether "hard" or "soft" infrastructure was a priority. Members were also asked to share their experiences dealing with past programs.

June District Meetings presented another opportunity for consultation, this time with the Minister of Local Government, the Honourable Ron Lemieux, facilitating the discussion. The Minister attended 6 out of 7 District Meetings and, with the help of the Canada-Manitoba Infrastructure Secretariat, explained that the new long-term infrastructure plan consultation process included a three-phased approach:

- taking stock and celebrating past successes,
- identifying priorities through municipal consultations, and
- informing the next agenda via roundtables.

Below: President Doug Dobrowolski makes a presentation to Winnipeg City Council, May 30, 2012.





Federal Government Roundtable - July 18, 2012

The final and most important consultative event of the year was a federal government roundtable in Winnipeg to discuss the new Long-Term Infrastructure Program (LTIP). The roundtables took place across Canada and participants included provincial, territorial and municipal leaders, and other infrastructure stakeholders from the business, industry and non-governmental organization sectors. President Dobrowolski noted “municipalities are partners in funding of the new program, along with the provincial and federal governments, so it is important that we all work together with other stakeholders on its design.”

The roundtable was hosted by the Honourable Steven Fletcher, Minister of State (Transport), and Minister Lemieux.

The AMM also submitted its priorities in writing to the Honourable Denis Lebel, Minister of Transport, Infrastructure and Communities.



Top:

President Dobrowolski answers questions following the reading of Budget 2012, April 17, 2012.

Middle:

L to R: President Dobrowolski, Karlene Debance, Executive Director, Canada-Manitoba Infrastructure Secretariat, and The Honourable Ron Lemieux, Minister of Local Government, during the Central District Meeting in Austin, Manitoba, June 14, 2012.

Bottom:

Minister Lemieux and President Dobrowolski with The Honourable Steven Fletcher, Minister of State (Transport), during the Federal Government Roundtable in Winnipeg on July 18, 2012.

Meeting with Provincial *CABINET*

Leadership and good working relationships are essential to help Manitoba meet new challenges and continue growing.

Each year the AMM meets with the Premier and Cabinet to discuss the top issues facing municipalities in Manitoba. On November 24, the last day of the 2011 AMM Convention, the AMM met with Premier Selinger and the Provincial Cabinet, and presented each Cabinet member with a briefing document outlining the AMM's main priorities.

The first topic on the agenda was the infrastructure deficit, and President Dobrowolski emphasized the need to work together to secure a renewed federal commitment to infrastructure funding. Premier Selinger indicated his government also wants to build infrastructure more efficiently and make better use of technology to improve affordability. Infrastructure repair and replacement can also be considered an opportunity for job creation and training opportunities.

As well, the AMM emphasized that municipalities need effective revenue collection mechanisms; however, the government was not open to any major change due to their commitment not to raise taxes during the election campaign.

Another key issue the AMM raised was the need for sufficient housing to sustain growth across the province. The Premier indicated this is a concern for the government as well and it will be important to better prepare for growth as Manitoba's population continues to increase. Housing development is another potential source of economic prosperity and jobs, but local leadership will be critical in order to overcome the challenges and make the most of these opportunities.

Water management and drainage are long-standing issues with the AMM membership, especially after several years of increased water levels. The AMM expressed appreciation for the hard work of provincial staff to address water-related challenges in 2011. The Province hoped the AMM's participation on the inter-departmental committee reviewing the Minor Works Policy would help reduce delays and restore confidence in the drainage regulatory system.

The AMM then discussed the negotiations for a new Provincial Policing Services Agreement between the provincial and federal government for RCMP service. The Province of Manitoba had concerns about the increase in costs to both the province and municipalities in the contract, and agreed to assist municipalities in interpreting the new contract.

Finally, President Dobrowolski raised the issue of internet and cell service throughout Manitoba and the associated safety concerns for communities who lack reliable cell service. Some municipalities had approached MTS but were told cell service could not be expanded in their areas because it was not profitable for MTS. The government was looking into different options and had met with the Honourable Vic Toews, Minister of Public Safety Canada, to discuss what could be done. The Premier concluded the meeting by restating his commitment to work with municipalities to resolve their issues. Leadership and good working relationships are essential to help Manitoba meet new challenges and continue growing.

L to R: Ministers Stan Struthers, Kerri Irvin-Ross, Steve Ashton, President Dobrowolski, Premier Selinger, and Ministers Andrew Swan, Christine Melnick, Gord Mackintosh, Ron Lemieux and Eric Robinson.





Lobbying Highlights

FEDERAL

Federal Budget

The AMM met with several Manitoba Members of Parliament (MPs) on January 5, 2012 before the federal budget was released. The AMM discussed a number of municipal priorities which require action from the federal government including infrastructure funding, policing, rural water pipelines, Disaster Financial Assistance and housing. The AMM also highlighted how addressing municipal priorities will increase efficiency in government and strengthen the economy.

The AMM met with the Honourable Jason Kenney, Minister of Citizenship, Immigration and Multiculturalism, following the federal government's announcement of its plans to take control of settlement services. Previously, the federal government provided settlement services funding to the Province of Manitoba, who then allocated this funding to settlement service providers in communities across the province.

Citizenship, Immigration and Multiculturalism

Since the Manitoba Provincial Nominee Program (PNP) has been one of the most successful in Canada, the Province of Manitoba and the AMM were concerned about what effect these changes might have. Minister Kenney indicated

the PNP will not be affected by the proposed changes, and newcomers in Manitoba will continue to receive access to language training and other settlement services. As well, the federal Settlement Program has modernized many terms and conditions in order to enable innovative programming tailored to local circumstances, both urban and rural.

Minister Kenney also indicated Citizenship and Immigration Canada (CIC) is in the process of modernizing its grants and contributions procurement processes, and officials from CIC and the Province of Manitoba were working on a transition process to ensure that services continue to be provided to newcomers.

Federation of Canadian Municipalities (FCM) Advocacy Days

FCM's Manitoba Caucus met with Manitoba MPs on November 28, 2011 to discuss opportunities for federal-municipal partnerships. The FCM holds Advocacy Days annually, which allow more than 100 municipal officials from every province and territory to meet with their federal counterparts in Ottawa.

The President of the AMM and the City of Winnipeg automatically receive a seat in the Manitoba Caucus, and the other three representatives are elected. Members of the Manitoba Caucus serve several of the FCM's standing committees, and have received recognition from their peers across the country for their commitment to municipal issues. In August 2012, Councillor Erin Hogan was appointed chair of the FCM standing committee on increasing women's participation in municipal government.

In addition, due to the hard work of Reeve Don Forfar, RM of St. Andrews, there is now 100 per cent membership in FCM amongst Manitoba municipalities.

FCM Manitoba Caucus:

- Doug Dobrowolski, President, AMM
- Jenny Gerbasi, Councillor, City of Winnipeg
- Don Forfar, Reeve, RM of St. Andrews
- Erin Hogan, Councillor, City of Thompson
- Marvin Plett, Councillor, City of Winkler

President Doug Dobrowolski met with the Honourable Jason Kenney, Minister of Citizenship, Immigration and Multiculturalism, on April 16, 2012.



Lobbying Highlights

SUCCESSES

Although advocacy work is sometimes difficult to quantify, the AMM did achieve some clear successes during 2011/2012.



Courtesy saferoutestoschool.ca

Speed Limits in School Zones

The AMM was pleased when the Province of Manitoba indicated it would be reviewing its policy regarding reduced speed limits in school zones. The result was an amendment to The Highway Traffic Act which will allow municipalities to establish reduced speed limits by by-law on all roadways within their community boundaries. The implementation of any municipal speed limit by-laws may be subject to certain conditions and rules to be established by regulation.

Drainage and Water Management

The AMM was pleased to have participated on an inter-departmental committee to improve the Minor Works Drainage Policy for municipalities. The new and simplified process was in place in time for spring 2012. The AMM anticipates working with the Province to build on the success of this committee and initiate further improvements in the drainage licencing process.

As a result of the widespread flooding issues in 2011 and the AMM's resolution from the 2011 Annual Convention calling for the Province of Manitoba to create a comprehensive surface water management strategy, the Department of Conservation and Water Stewardship began consultations to establish such a strategy. A breakout session was held at the AMM Municipal Officials Seminar to collect municipal feedback on a variety of water management issues. The AMM is pleased this process is underway, and will remain involved as the development of the strategy moves into the next phase.

2011 Flood Review and Flood Mitigation Investment

The AMM was pleased when the Province announced the establishment of an independent review of the 2011 flooding. The 2011 Flood Review Task Force will examine topics including flood preparedness and response, flood forecasting, public communication, operation of flood control infrastructure and flood protection. Another group, the Lake Manitoba and Lake St. Martin Regulation Review Committee, will advise the Province on interim regulatory ranges for the lakes and complementary operating guidelines for the Fairford River Water Control Structure and Lake St. Martin channel, and will become a permanent advisory group regarding the ongoing operation of these water control works. Both the Task Force and the Review Committee have municipal representatives and plan to conduct consultations from summer to early fall of 2012. As well, a flood mitigation study will be completed for the Lake Manitoba watershed and the Assiniboine River basin.

In addition, on August 14, 2012 the federal government announced details of the Financial Support to Provinces and Territories for 2011 Flood Mitigation Investments. The 3-year, \$99.2 million program was originally announced in the 2012-13 federal budget for the purpose of providing support to provinces for the cost of permanent flood mitigation measures taken in 2011. Permanent flood measures not covered under Disaster Financial Assistance in affected provinces will be cost-shared with the federal government on a 50-50 basis.



The Honourable Vic Toews, Minister of Public Safety, announced federal funding under the Disaster Financial Assistance Arrangements (DFAA) program for response and recovery costs incurred by the Province of Manitoba related to the 2011 spring flood.

Also pictured are President Doug Dobrowolski and the Honourable Steve Ashton, Manitoba Minister of Infrastructure and Transportation.

Fisheries Act Reform

The Government of Canada introduced several proposed changes to The Fisheries Act in Bill C-38. The AMM is pleased with the proposed amendments as they will reduce duplication, streamline processes for small low-risk projects, and remove unnecessary and costly administrative burdens on municipalities. It will also improve the ability of officials to enforce environmental protections.

From an environmental perspective there are some concerns the Federation of Canadian Municipalities (FCM) will raise with the Government of Canada. As well, a new policy defining habitat objectives will need to be developed to guide the implementation of the revised Act, including the regulatory powers of the Minister. FCM will work to ensure municipal perspectives are included in the development of these new policies.

Municipal Police Service Agreement (RCMP Contract) Renewal

Although municipalities were not at the table for the negotiations, the AMM was pleased with the communication and cooperation from Manitoba Justice throughout the process. The contract negotiations were mainly between Public Safety Canada and their provincial counterparts. As of April 2012, 22 municipalities signed MPSA contracts directly with the RCMP, and another 18 municipalities either have an Extension Police Services Agreement or a Municipal Sub-Contract with the Province of Manitoba.

As well, the AMM lobbied to have municipal representation on the contract committee which is now in place.

Brandon Medical School

The AMM Executive met with the Steering Committee of the Brandon Medical Education Study on several occasions in

2011 and 2012. The completed report was released July 25, 2012. Although it does not recommend the establishment of a stand-alone medical school at Brandon University due to the realities such as high costs and Manitoba's relatively small population, it made 10 recommendations to improve training and retention of physicians in rural, remote and northern locations. The study recommends enhancing post-graduate medical training in Brandon and increasing the number of rural residencies.

The study also recommended the establishment of community campuses with clinical teaching facilities in various rural locations in Manitoba. The study states further assessment of the need for additional medical school seats is required, and the potential for these seats to form a satellite medical campus in Brandon and possibly other rural communities should also be examined.

The AMM will continue to monitor the implementation of the recommendations to ensure more rural and northern physicians are retained in Manitoba.

Navigable Waters Protection Act Amendments

In May 2012 the AMM, along with the Saskatchewan Association of Rural Municipalities (SARM) and the Alberta Association of Municipal Districts and Counties (AAMDC), sent a joint letter to Transport Canada calling for amendments to the Navigable Waters Protection Act. On October 18, 2012 the Government of Canada announced amendments to the Act, acknowledging it was outdated and held up simple municipal infrastructure projects that did not actually interfere with navigation.

The changes will allow local governments to spend less time processing paperwork for small low-risk public works projects by removing redundancies, red tape and project delays that result in higher costs for property taxpayers.

LOBBYING HIGHLIGHTS - SUCCESSES

Household Hazardous Waste Program and Electronic Waste Program Launch

Product Care, the industry steward association responsible for Household Hazardous Waste (HHW), launched the first phase of its HHW recycling program on May 1, 2012. Consumers can now drop off unwanted residential-use paint and fluorescent lights at collection sites located throughout Manitoba at no charge. Many of these locations are simply the neighbourhood hardware, paint or home improvement store.

The second phase is scheduled for launch in the fall of 2012, and will include additional product categories such as flammable liquids, pesticides and corrosives.

The Electronic Products Recycling Association Manitoba is the industry steward for electronic products, which took over e-waste recycling from the Green Manitoba program on August 1, 2012. Currently there is a collection network of over 30 sites which the Association plans to expand.

“Manitoba municipalities have been lobbying for many years for a permanent program to recycle household hazardous waste. To see this program finally come to fruition is extremely gratifying.”

*President Doug Dobrowolski,
Manitoba Household
Hazardous Waste
Program launch,
April 23, 2012*



L to R: the Honourable Gord Mackintosh, Minister of Conservation and Water Stewardship, President Dobrowolski, and Mark Kurschner, President, Product Care Association, launching Phase 1 of the Manitoba Household Hazardous Waste Program.



Lobbying Highlights

PROVINCIAL

The AMM meets annually with all Provincial Cabinet Ministers to bring forward important municipal issues.

Manitoba Housing and Community Development

The AMM met with Minister Kerri Irvin-Ross on February 2. The first topic the AMM raised was the importance of affordable housing, especially in areas with high economic growth and increasing populations. The AMM urged the Province to provide tax incentives to the private sector. The Minister stated that housing is a priority for the government and indicated she would like to encourage co-op development. Her department also emphasized that federal funding for housing has remained the same for several years. As well, Minister Irvin-Ross highlighted 160 units recently built by the government outside of Winnipeg, and the government's intention to allocate more funding towards new housing initiatives.

The AMM was pleased with the progress made in the Rental Supply Roundtable and the Minister agreed to allow the AMM an opportunity to review the final report before releasing it.

The AMM also emphasized the need for increased funding for the Community Places Program. The Minister indicated the government promised to increase the maximum funding available under this program for northern Manitoba to \$75,000.

Manitoba Local Government

The AMM also met with Minister Ron Lemieux on February 2 to discuss infrastructure funding, alternate revenue for municipalities, issues with The Municipal Act, provincial planning and assessment staff throughout the province, and immunity for elected officials.

The AMM thanked the Province of Manitoba for publicly announcing its support for the Long Term National Infrastructure Plan (LTIP) being developed by Infrastructure Canada. The Minister agreed that municipalities should be involved at the application review stage. As well, the AMM emphasized the importance of long term predictable funding, and reasonable application and construction timelines to help municipalities satisfy provincial requirements imposed through the Municipal Board. The Minister and the AMM both agreed municipalities should be consulted on whether they would like funding for "hard" or "soft" infrastructure in their communities.

The AMM also highlighted the lack of tools available to municipalities to address the infrastructure deficit in their communities. The Minister acknowledged that finding funding can be a challenge, especially in a year of financial constraints.

The AMM mentioned several resolutions call for amendments to The Municipal Act. The department reviews these resolutions regularly but did not foresee a review of the Act. Issues with provincial and assessment staffing levels were also raised, and the department indicated they are looking at different options to address the needs across the province. Finally, the AMM raised the need for protection against civil action for elected municipal officials, and was pleased to hear the Province was looking to engage a third party to research this issue.

In addition to the February 2 meeting, the AMM met with Minister Lemieux and his department on several occasions throughout the year to discuss ongoing municipal issues, including the Municipal Bridge Renewal Program.

Updates: Discussion sessions for municipal officials were held at Mayors, Reeves and CAOs Meetings and at June District Meetings. The AMM and Minister Lemieux communicated this feedback to Infrastructure Canada at a roundtable meeting on July 18 with the Honourable Steven Fletcher, Minister of State for Transport.

A consultant was hired by Local Government in the summer of 2012 to study different options, including parliamentary privilege, to protect municipal officials from civil action.

The criteria for the Municipal Bridge Renewal Program were sent to municipalities in June, with an application deadline of July 1, 2012.

Manitoba Finance

The AMM met with Minister Stan Struthers on February 17 to discuss budget priorities identified in its 2012 budget submission. In particular the AMM emphasized the need for long-term, sustainable infrastructure funding and alternate revenues for municipalities. The AMM also stressed the need for provincial support for housing, flood prevention, rural water pipelines, policing and sufficient levels of provincial staff in regional offices.

Manitoba Conservation and Water Stewardship

The AMM began its February 28 meeting with Minister Gord Mackintosh by expressing support for the recent merger of

the departments of Conservation and Water Stewardship. The AMM then discussed drainage issues, and asked the Minister to make improvements to provincial drain maintenance and drainage licencing. Minister Mackintosh agreed that the committee formed to review the Minor Works Policy had worked well, and hoped to build on its success.

Regarding recycling, the Minister indicated there would be several announcements made throughout the year. The AMM mentioned the high transportation costs for recycling, and Minister Mackintosh agreed to look into this issue. The AMM also emphasized its opposition to a cosmetic pesticide ban. The Minister assured the AMM that his department was only working on a review of pesticide use.

The AMM raised issues with Crown lands and municipal development, and Minister Mackintosh informed the AMM of some changes in responsibilities due to the Cabinet shuffle. Manitoba Local Government will now be responsible for industrial Crown lands.

Next, the AMM emphasized the need for more funding for Conservation Districts. The Minister promised province-wide consultations on the proposed surface water management strategy, including discussions with Conservation Districts. The AMM raised concerns over recent cuts to Dutch Elm Disease Program funding, and while the Minister indicated some funding was cut due to low intake, he committed to reviewing the program.

L to R: Rural Vice-President Roger Wilson, the Honourable Ron Lemieux, Minister of Local Government, President Doug Dobrowolski, and Urban Vice-President Eileen Clarke.



LOBBYING HIGHLIGHTS - PROVINCIAL

The AMM emphasized the importance of contaminated site remediation, and suggested a three-year deadline in legislation for completing clean up on these sites. Minister Mackintosh was interested in reviewing this proposal further.

Finally, the AMM thanked the Minister for the rate increase in the Problem Beaver Management Program to \$50 per beaver in 2011, but indicated the number of tags and their allocation should be reviewed. The Minister was aware of the issues and was interested in maximizing available funds in the program.

Manitoba Healthy Living, Seniors and Consumer Affairs

The AMM met with Minister Jim Rondeau on February 28 and began with a discussion of the shortage of seniors' housing. The Minister indicated he would like to see housing promoted through incentives and tax breaks for the private sector.

The AMM highlighted updates to the Survey Monument Restoration Program, and the importance of maintaining sufficient provincial funding for the Program. The AMM also requested more long-term planning to help address high municipal costs due to monument replacement.

As well, the AMM requested a review of the Public Utilities Board (PUB) mandate, and Minister Rondeau committed to facilitating a meeting between the AMM and PUB. The new chair of the PUB was to be appointed in March.

The AMM thanked the Minister for considering municipal concerns regarding proposed new home warranty legislation. Municipalities do not want to see any downloading of

new responsibilities or "red tape" at the implementation stage for new home warranty requirements. The Minister indicated the new home warranty legislation would likely be introduced this year.

Update: The AMM met with the new PUB Chair, Régis Gosselin, and PUB staff on August 7 to outline municipal concerns about recent dealings with the PUB. The Chair acknowledged the PUB had dealt with staff shortages in the past and indicated he was looking at how to better address delays and duplications. The PUB was willing to work with municipalities to meet their timelines, and suggested that municipalities indicate on their applications if requests are time sensitive.

Manitoba Innovation, Energy and Mines

The AMM's last meeting on February 28 was with Minister Dave Chomiak. First, the AMM discussed biodiesel and ethanol initiatives in the province as well as the new ban on coal use. The Minister indicated the government is using incentives to phase out the use of coal, but will take a flexible approach to avoid harming businesses. The Minister was open to discussing issues with the ban directly with any affected municipalities.

The AMM then raised the importance of mining in northern Manitoba, and the implications in a community if there is a change in their main industry or employer. The Minister indicated the government was working with Vale to resolve all outstanding issues with their plan to close part of their operations in Thompson. The AMM highlighted the infrastructure challenges facing certain municipalities who are experiencing an oil boom. The Minister was aware of some of these challenges and suggested setting up a working group to develop a province-wide plan to deal with oil production and any associated issues in Manitoba.

The AMM discussed wind power generation initiatives, and Minister Chomiak indicated his department intended to pursue more initiatives in the future when economic conditions became more favourable. Finally, the AMM asked the Minister for assistance with Manitoba Hydro to help community and recreation centres in Manitoba deal with rising operating costs.

Update: The AMM and a group of oil-producing municipalities met with Minister Chomiak and Minister Lemieux on July 26 to discuss the formation of a working group.

Minister Chomiak is also responsible for Manitoba Hydro. On July 11, the AMM met with Hydro to discuss rising operating costs for recreation centres, Bipole III, sponsorship and district offices.

Below: Rural Vice-President Roger Wilson, Urban Vice-President Eileen Clarke, and President Doug Dobrowolski at the Northern District Mayors, Reeves and CAOs meeting in The Pas, Manitoba on March 27, 2012.



LOBBYING HIGHLIGHTS - PROVINCIAL

Minister Chomiak provided the AMM with an update in August on his department's work to improve internet and cell service. It included brokering discussions with the federal government and MTS, as well as helping to support a Manitoba-based telecommunications company called Net-Set. The AMM received an update from MTS as well when it met with company representatives on July 11.

Manitoba Agriculture, Food and Rural Initiatives

The AMM met with Minister Ron Kostyshyn on March 1, and congratulated the former AMM Board Member on his appointment to Cabinet. The AMM began with a discussion of rural water pipeline funding. The Minister indicated the Province did not receive enough federal funding under Growing Forward to allocate any towards rural water pipelines. The AMM planned to organize a meeting with provincial and federal representatives to discuss this issue further.

The AMM emphasized the need for improved economic development in rural Manitoba and the positive impact an ecological goods and services policy would have. Minister Kostyshyn was supportive of both ideas. The AMM also reviewed concerns from the members due to his department's involvement in land use planning. The Minister indicated that his department could examine the initial process to ensure applications are dealt with in a timely manner.

The AMM urged consideration of noxious weeds issues and the Minister was supportive. As well, the AMM stated its opposition to a cosmetic use pesticide ban, and the Minister indicated the government was only planning a review.

Finally, the AMM requested an increase in Rural Veterinary Board funding. The Minister outlined existing tax incentives to bring in more students and recognized there were retention challenges. The possibility of mobile vet clinics was also discussed.

Update: Following the meeting, the AMM contacted the Honourable Gerry Ritz, Minister of Agriculture and Agri-Food Canada, and was able to meet with representatives

from his department, Manitoba Finance and Manitoba Agriculture, Food and Rural Initiatives regarding rural water pipelines. The AMM also submitted a recommendation that rural water pipeline funding be included in Growing Forward 2.

Manitoba Labour and Family Services

The AMM met with Minister Jennifer Howard and the Office of the Fire Commissioner (OFC) on March 1. The AMM

urged the Minister to improve emergency response throughout Manitoba by implementing mandatory 911 and mile-markers to assist in locating emergency incidents. Mile-markers had been installed on PTH 1 east of Winnipeg, and were being installed on PTH 1 west of Winnipeg.

Regarding the cost of traffic control by fire personnel at accident scenes, the AMM provided an update on discussions with Manitoba Public Insurance (MPI) to provide some compensation for ancillary services provided by municipal fire departments at accident scenes.

The AMM asked for assistance providing clarification to municipalities on their responsibilities related to fire inspections and the OFC offered to

work with the AMM to distribute the important information to municipalities. The AMM also asked the Minister to ensure the safety of firefighters by requiring clear identification of buildings with silent floor construction, and the Minister indicated that firefighters receive training on how to deal with silent floors.

The AMM expressed appreciation to Minister Howard for the progress made towards improving accessibility in Manitoba, but emphasized that new accessibility requirements should be fully funded by the Province. As well, the AMM raised the need for more childcare spaces, and the Minister indicated the government would continue to implement its campaign commitment for more childcare spaces over the next several years.

Update: "Fire Code Frequently Asked Questions" was sent to municipalities on behalf of the AMM and the OFC.

The AMM stated its opposition to a cosmetic use pesticide ban, and the Minister indicated the government was only planning a review.

LOBBYING HIGHLIGHTS - PROVINCIAL

Manitoba Immigration and Multiculturalism

The AMM began its March 6 meeting with Minister Christine Melnick with a discussion of the success of the Provincial Nominee Program (PNP), and raised concerns about the additional pressure on municipal infrastructure due to immigration. The Minister indicated the Province plans to continue promoting immigration through the PNP and would like to see the Government of Canada remove the immigration cap for Manitoba.

The AMM mentioned the valuable work by the Office of the Manitoba Fairness Commissioner and by various other organizations to recognize foreign credentials. The Minister proposed that the AMM be involved in a roundtable on the future of immigration and labour needs in Manitoba, which the AMM supported.

The AMM also emphasized support for more affordable housing for immigrants. Minister Melnick supported working with the Minister of Housing and Community Development to provide more housing options and suggested developing a pilot project to provide both housing and settlement services. The Minister indicated her support for more partnerships between all stakeholders to help communities integrate foreign medical professionals into rural Manitoba.

Update: The AMM also discussed immigration concerns with Minister Jason Kenney. See Lobbying Highlights – Federal.



President Doug Dobrowolski and Executive Director Joe Masi survey flood damage during Western District Municipal Visits in February 2012.

Manitoba Entrepreneurship, Training and Trade

The AMM also met with Minister Peter Bjornson on March 6. The AMM began by thanking the Minister and his department for sharing information regarding the Canada-European Union Trade Agreement. The AMM also advocated additional initiatives to promote business development in Manitoban communities, including opportunities with CentrePort Canada. The Minister indicated the development of CentrePort was going well, and he anticipated that it would create more opportunities for Manitoba companies in the coming years. Trade opportunities with the US and the BRIC (Brazil, Russia, India and China) countries are also growing.

The AMM then requested an update regarding the Water and Wastewater Technician apprenticeship program. The de-

partment indicated they were working to identify obstacles in order to address low participation rates for the past year.

Finally, the AMM asked for an increase to the shelter allowance provided under RentAid, and the Minister expressed his support for more affordable housing and training to help more Manitobans enter the labour force.

Update: A consultation document from the Water and Wastewater Technician Provincial Advisory Committee was sent to water and wastewater technician employers and employees in August, outlining a proposal to divide the existing trade into four subcomponent trades: Water Treatment Operator, Water Distribution Operator, Wastewater Treatment Operator and Wastewater Collection Operator.

LOBBYING HIGHLIGHTS - PROVINCIAL

RentAid funding increased from \$11,967 million in 2011-12 to \$13,214 million in 2012-13 to accommodate a \$10 monthly increase in shelter allowance for adult Employment Income Assistance clients with no dependents renting private accommodation.

Manitoba Culture, Heritage and Tourism

The AMM met with Minister Flor Marcelino on April 4 and started with a discussion about libraries. The AMM asked the Minister to consider allowing municipalities to join the closest regional library and to establish a single library card system in Manitoba, similar to the one in Saskatchewan. The Minister indicated her department would review Saskatchewan's card system.

The AMM also requested additional funding for libraries and a review of the existing funding formula. The Minister indicated there would be no additional funding for her department due to financial constraints, although existing funding levels would be maintained. However, the Minister felt a working group should examine the library funding formula.

Next the AMM requested additional funding for tourism and community museums. The department indicated Travel Manitoba would be focusing on new marketing tools and was in the process of meeting with municipalities to create new messaging for the Province.

Finally, the AMM requested assistance from the Minister with SOCAN (Society of Composers, Authors and Music Publishers of Canada) tariffs. The department indicated the Province is not involved with this issue directly, but it could be raised at the next national meeting of Deputy Ministers.

Manitoba Infrastructure and Transportation, Manitoba Emergency Measures

The AMM began the April 4 meeting with Minister Steve Ashton by thanking him and his department for their continued efforts to address the damage from the 2011 flood. However, the AMM emphasized the need for more flood prevention measures and more information about the flood review process.

The Minister indicated that he would like the federal government to be more involved in flood mitigation and the schedule for the flood review would soon be released. The AMM asked the Minister to speed up reconstruction of provincial bridges and roads, and raised the need to improve maintenance of provincial drains.

When the AMM asked for an update regarding the review of speed limits in school zones, the Minister indicated it would be completed soon. Regarding the proposed changes to

inter-city bus service, the Minister indicated amendments would reduce restrictions to allow more carriers to enter the market, while safety requirements would be maintained.

On the topics of Crown lands and rail line abandonment, the Minister outlined his department's openness to different proposals regarding the future of Crown lands, although other departments would need to be involved as well. The Minister also mentioned that the rail line to Churchill provides opportunities to use the port of Churchill for new markets, especially in the BRIC countries.

Although retention is improving for both doctors and nurses, there are still communities that are spending high amounts on health services.

Manitoba Health

The AMM began its April 16 meeting with Minister Theresa Oswald with a discussion of health practitioner recruitment, training and retention. Although retention is improving for both doctors and nurses, there are still communities that are spending high amounts on health services. The Minister acknowledged the work done to date through cooperation between her department and the AMM, such as the Physician Recruitment Resource Guide, a useful tool for municipalities. The Minister also highlighted some existing initiatives, such as the tuition rebate for doctors who agree to work in remote communities, and the \$100 million Nurses Recruitment and Retention Fund.

In addition, the Minister mentioned the University of Manitoba medical school admissions uses a rurality index, which increases the proportion of rural students accepted. The Province is working on repatriating doctors educated

LOBBYING HIGHLIGHTS - PROVINCIAL

abroad, and is seeing increases in the number of Manitobans returning to the Province. Residencies are being increased to accommodate both Manitoba students and international students. Because it is so expensive, increases in residencies are on a case by case basis. The Province is also working to transform primary care to make better use of doctor time.

The AMM then asked about the status of the Brandon Medical Education Study. The Minister indicated this report would be public and expected it would be completed by late summer. The study was expected to consider several options to deal with doctor shortages in rural and northern Manitoba, including the resources required to maintain medical school accreditation.

The AMM requested that the requirement for community capital contributions for health facilities be removed. The Minister indicated the Province is trying to be as flexible as possible in terms of where the contributions can come from. The AMM also discussed concerns regarding rural ambulance services, and Minister Oswald indicated a review of Manitoba's Emergency Medical Services was underway.

The AMM emphasized the value of a health ombudsman and requested that Regional Health Authority (RHA) Boards be elected. The Minister indicated the current ombudsman has the capacity to address health concerns, and she would rather dedicate any funding to more health practitioners. As well, the Minister indicated upcoming amendments to

The AMM reiterated its opposition to mandatory police boards required under the new Police Services Act.

The Regional Health Authority Act would help RHAs resolve concerns in a timely fashion. Regarding elected RHA Boards, Minister Oswald had met with several groups who indicated geographic representation was most important, and the Minister indicated she makes diversity a priority in her appointments to the Boards.

Update: The Brandon Medical Education Study was released on July 25, 2012. It made 10 recommendations, which were all accepted by Minister Oswald and Minister Selby, but did not recommend the establishment of a stand-alone medical school at Brandon University.

Manitoba Children and Youth Opportunities

The AMM's next meeting on April 16 was with new Cabinet Minister Kevin Chief. The first issue was the lack of rural childcare spaces and the need for more childcare workers. Minister Chief indicated Minister Howard is also involved with this issue. There have been recent improvements in terms of more interest in childcare as a career. Minister Chief's department believed this was a result of the Family Choices Plan because there are better working hours, and the model makes it easier for workers to upgrade their training. As well, the pay scale for the Early Childhood Educator levels is an important incentive for people to take the training.

The AMM also requested support for municipal recreation facilities to help them deal with operating costs. The Minister indicated his department is focusing on increasing recreation opportunities in rural and northern areas. They are also looking to provide opportunities for recreation leaders to network and build sustainability.

The AMM highlighted the success of the Hometown Green Team Program, and requested increased funding for this program. The Minister indicated he would like to increase funding to this program, and was pleased to hear about the positive effects of the program for both the communities and the youth involved. Minister Chief also supports anti-drug programs such as the DARE program in schools in addition to using recreation as a preventative measure to keep youth away from drugs and crime.

AMM Executive Director Joe Masi during a meeting with municipalities and Manitoba Justice on February 21, 2012.



Manitoba Justice

The AMM met with Minister Andrew Swan on April 16, and started by thanking his department for helping to keep municipalities informed throughout the negotiations with the Government of Canada for new policing agreements. The AMM highlighted the government's election promise to station more police in rural and northern Manitoba. Minister Swan committed to increasing the number of police officers, and indicated more information would be included in the budget.

The AMM reiterated its opposition to mandatory police boards required under the new Police Services Act. Minister Swan indicated arrangements were being made to implement the new requirements, and his department would work with the AMM to create guidelines for the Police Boards and to clarify their roles and responsibilities. He reassured the AMM that local councils will make final decisions regarding the police budget and there will be local representatives on the Boards.

The AMM also thanked the Minister and his department for collaborating with the AMM to address by-law enforcement issues through a working group including representatives from the Manitoba Municipal Administrators Association (MMAA) and Manitoba Local Government. The Minister indicated he would like to meet with the AMM once the working group makes its recommendations.

The AMM informed the Minister about recent discussions with MPI to provide compensation for ancillary services provided by municipal fire departments at accident scenes. However, more collaboration is needed regarding responses to false alarms. The AMM discussed false alarms in meetings with MPI and the RCMP, and the Minister supported continuing discussions on this issue.

Manitoba Advanced Education and Literacy

The AMM met with Minister Erin Selby on April 16, and reviewed the discussion with Minister Oswald about the Brandon Medical Education Study. The AMM requested an update on training initiatives for health care professionals. The Minister indicated the University of Manitoba medical school has designated seats for rural applicants, but it is important to remember the time involved in training doctors. International medical graduates continue to be important, and Minister Selby also highlighted recent increases to the rural and northern residency program.

As well, the department was looking to expand nurse training in rural areas, as there has been good uptake to date. The number of training seats for each health profession is based on availability of jobs.

Manitoba Education

The AMM's final meeting on April 16 was with Minister Nancy Allan. First, the AMM discussed the appropriateness of funding education from property taxes. The AMM also highlighted the pressure recently put on property taxes due to the provincial decision to discontinue the Tax Incentive Grants.

The AMM asked about the government's future plans to reduce school taxes on farmland and for seniors. The Minister indicated the school tax for farmland would remain at 80 per cent for the near future, as the next budget would focus on seniors. As well, Minister Allan mentioned the basic education tax credit available to all Manitobans. The Minister highlighted findings by Statistics Canada, which indicated Manitoba was the province with the lowest property tax changes from 2000 to 2011.

The AMM also emphasized the increasing presence of drugs and the consequences for the youth and communities affected by them. The Province asked about municipal relationships with the RCMP and encouraged regular dialogue as RCMP programs are designed for crime prevention and community outreach. The AMM would like to see more anti-drug programs in schools.

The Minister reviewed a pilot program that was implemented in some Manitoba Grade 1 classes. This low-cost program has been able to reduce addictions as children grow older, as well as other problems including bullying, violence and crime. Minister Allan recognized recreation as another tool for prevention of youth involvement in drugs and crime. As well, her department was working to encourage community use of schools and legislation to reduce class sizes.

Finally, the AMM asked about the moratorium on school closures and the Minister indicated the moratorium would remain in place, although the department will consider closures on a case by case basis if there were serious issues with costs or enrolment.

Manitoba Aboriginal and Northern Affairs

The AMM was unsuccessful in scheduling a meeting with Minister Eric Robinson during 2012.



Legislative *UPDATE*

The AMM tracks and analyzes proposed legislation with the potential to impact municipalities in each session of the Legislature.

This past year, the AMM presented or provided comments at the Committee stage of review on 9 Bills, and also submitted comments prior to some Bills being introduced.

Bill 3: The Highway Traffic Amendment Act (Speed Limits in School Zones)

President Dobrowolski presented the AMM's comments on June 6, 2012. The AMM stated support for Bill 3, as the introduction of reduced speed limits in school zones is an important step to improving the safety of schools for children. The AMM emphasized the importance of having the opportunity to provide input on the regulations to be developed, and stated its support for the creation of a working group to look at other measures to improve school zone safety.

Bill 5: The Highway Traffic Amendment Act (Inter-City Bus Service)

The AMM made a presentation on Bill 5 on June 6, 2012. President Dobrowolski emphasized the importance of bus service for passengers and freight, and expressed concerns that deregulation would affect the safety of any passenger bus service. The AMM also encouraged the Province to allocate financial support for community-sponsored passenger service to provide transportation options to communities left without economically viable private-sector inter-city bus service.

Bill 6: The Regional Health Authorities Amendment Act (Improved Fiscal Responsibility and Community Involvement)

The AMM stressed the importance of maintaining the level of health care and responsiveness as well as enhancing efficiency and accountability. However, the AMM expressed concerns over the larger size of the proposed amalgamated RHAs due to its members' concerns that they would be less responsive to local needs. The AMM also emphasized the need for geographic representation on RHA Boards.

Bill 9: The Public Schools Amendment Act (Community Use of Schools)

The AMM supported Bill 9, as it will make it easier for external organizations to make use of school facilities. This will provide more recreational opportunities as well as new opportunities for schools to collect more revenue.

Bill 23: The Local Government Statutes Amendment Act

President Dobrowolski made a presentation on behalf of the AMM on June 11, 2012. The AMM supported measures to make local government more transparent and accountable to ratepayers by requiring an official procurement policy and expanding existing legislation to reduce the potential for conflict of interest situations. However, the AMM also called on Manitoba Local Government to provide sufficient guidance to implement the new requirements to avoid overburdening municipal staff or creating new costs or delays.

Bill 29: The Contaminated Sites Remediation Amendment Act

The AMM provided comments in support of the additional measures to ensure contaminated sites in Manitoba are dealt with appropriately, providing it does not unnecessarily impede development. The AMM also repeated its request that the Province enshrine in legislation a maximum time frame of three years for those responsible to complete remediation on a contaminated site. The AMM expressed the importance of completing remediation within a reasonable amount of time in order to allow redevelopment of the land.

Bill 32: The Highway Traffic Amendment Act (Powers of Traffic Authorities over Cycling Traffic)

The AMM expressed support for these changes to allow municipalities to pass by-laws regulating bicycle traffic in their communities. Hopefully this will help municipalities to encourage active lifestyles while maintaining safety for all road users.

Bill 34: The Public Private Partnerships Transparency and Accountability Act

Comments were submitted to the Committee where the AMM expressed concern about the potential effects Bill 34 could have on public-private partnerships (P3s), particularly smaller projects. Bill 34 could also affect the ability of Manitoba municipalities to access the P3 Canada Fund. The P3 is an important tool for municipalities for infrastructure projects; however the new requirements could discourage the use of P3s, especially by smaller municipalities.

Bill 35: The Retail Businesses Holiday Closing Amendment Act

The AMM supported the extension of shopping hours, providing municipalities retained the authority to determine if longer shopping hours were appropriate for their community.

All of the AMM's submissions and presentations can be found on our website:

http://www.amm.mb.ca/pol_leg.html

All of the above Bills received Royal Assent on June 14, 2012.

President Doug Dobrowolski making a presentation at the Manitoba Legislature.





Special *EVENTS*

There is a need for more youth on our councils, more visible minorities, more people with disabilities...many groups are under-represented, not only in municipal government, but in all levels of our political system.

Women in Government Lunch and Learn

Brandon University was the setting for a groundbreaking event on February 22 – the first AMM Women in Municipal Government “Lunch & Learn” session. The event attracted 30 participants who heard about the AMM’s work in trying to attract more good people to municipal government.

AMM Urban Vice-President Eileen Clarke, Mayor of Gladstone, opened the session by illustrating why there exists a “democratic deficit” in public office. “Across Canada, only 23 per cent of municipal councils are made up of women, and here in Manitoba, that number is even lower – 14 per cent at last count,” explained Clarke. “This means that women are very under-represented on municipal councils. The United Nations has defined 30 per cent as the minimal percentage of women required for government to reflect women’s concerns.”



After laying the groundwork for the session, Clarke turned the chair over to keynote speaker, City of Brandon Mayor Shari Decter Hirst who noted, “We need to start thinking about politics as a noble profession. When you are on the outside looking in, it is mystifying – why would anyone do this? But it’s a fabulous job. If you know good women – ask them to run. And if you are thinking of running – run. And if you don’t succeed the first time – run again. If you can be a leader, you need to be involved. That is your responsibility.”

Participants in the Lunch & Learn session ranged from elected officials, business owners, non-profits, citizens and university representatives. It was the first time the AMM has reached outside its membership – the 1,200 municipal elected officials in Manitoba – and also its first time hosting an event in a university setting.

According to AMM President Doug Dobrowolski, that is because there is a need not only for more women in politics. “There is also a need for more youth on our councils, more visible minorities, more people with disabilities...many groups are under-represented, not only in municipal government, but in all levels of our political system.”

The Lunch & Learn is part of the AMM’s action plan identified in the 2010 report “Ballot Box Barriers: an action plan for engaging more women in the municipal democratic process”. It was the first in a series of sessions the AMM plans to hold leading up to the next municipal election in 2014. The next event will be planned for fall of 2012 in Winnipeg.

L to R: Urban Vice-President Eileen Clarke, President Dobrowolski and Mayor Shari Decter Hirst, City of Brandon.

2012 Municipal Excellence Award

On April 12, 2012, President Doug Dobrowolski presented the 8th Annual Municipal Excellence Award during the Municipal Officials Seminar in Brandon. This year's recipient was the City of Steinbach's Class 1 Waste Disposal Ground. Mayor Chris Goertzen was on hand to receive the award.

A panel consisting of three AMM directors judged the submissions using criteria including creativity, cost-effectiveness, sustainability and overall benefit to the municipality. The Steinbach facility is a state-of-the-art operation that provides the community with a place to dispose of their waste materials in an environmentally responsible manner.

An even greater accomplishment is that the site is being managed to such high environmental standards that, once full, it will be suitable for recreation purposes, which will blend in with nearby residential development.

The community has embraced the city's mandate to encourage waste reduction. As a result, even though Steinbach and area is one of the fastest growing areas in Manitoba, there continues to be a drop in tonnage entering the facility five years in a row.

*It is important that
we recognize and
encourage their
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because today's
youth are tomorrow's
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and builders.*

Young Community Leader Award

On March 15, 2012 during the Manitoba School Boards Association Celebration of Success Evening, President Doug Dobrowolski presented the 2012 Young Community Leader Award to Cie-Kay Lam.

Cie-Kay, a student in the accelerated academic program at Sisler High School in the Winnipeg School Division, is an honour roll student and talented musician who has assumed many leadership roles within her school. She also epitomizes community leadership by volunteering with organizations including the United Way, the Institute of Chinese Language and Arts, Seven Oaks General Hospital, and the Winnipeg Public Library. "Students like Cie-Kay play a vital role in our communities, and that role will grow as they become adults," said President Dobrowolski. "It is important that we recognize and encourage their contributions, because today's youth are tomorrow's community leaders and builders."

The AMM established the Young Community Leader Award in 2009 in conjunction with the Manitoba School Board Association Citizenship Awards.



President Doug Dobrowolski presents the 8th Annual Municipal Excellence Award to Mayor Chris Goertzen, City of Steinbach.



President Dobrowolski presents the Young Community Leader Award to Cie-Kay Lam.



Membership *EVENTS*

The AMM's membership events and meetings each year provide numerous opportunities for networking, education and decision-making.

AMM Annual Convention November 21-24, 2011

With 1080 delegates attending the AMM's 13th Annual Convention at the Keystone Centre in Brandon, Manitoba, it was one of the largest turnouts in recent history.

The theme was "Gaining our Momentum", and President Doug Dobrowolski gave a powerful address, recapping the AMM's successes and struggles over the past year and acknowledging the difficult challenges municipalities faced given the flood of 2011. He asked delegates to give themselves a round of applause for their exceptionally hard work and dedication to their citizens over the year. He also reminded delegates that the provincial election date was not the end of the Putting Communities First campaign, but really the beginning, and urged them to continue to gain momentum in the coming year.

Speakers included Bill Carr; "Skid Row CEO" Joe Roberts; General Rick Hillier (Ret.); federal Minister of Public Safety, Vic Toews; Minister of Local Government Ron Lemieux; Leader of the Manitoba Official Opposition Hugh McFadyen; Leader of the Manitoba Liberal Party Dr. Jon Gerrard; President of the Federation of Canadian Municipalities Berry Vrbancovic; and President of Probe Research, Chris Adams. 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.

Ministers joining Premier Greg Selinger at the annual Ministerial Forum included Ron Lemieux (Local Government), Eric Robinson (Aboriginal and Northern Affairs), Gord Mackintosh (Family Services and Consumer Affairs), Steve Ashton (Infrastructure and Transportation), Dave Chomiak (Innovation, Energy and Mines, Conservation), Stan Struthers (Agriculture, Food and Rural Initiatives, Finance), Christine Melnick (Water Stewardship), Kerri Irvin-Ross (Housing and Community Development) and Andrew Swan (Justice).

The entire executive team of AMM President Doug Dobrowolski, Urban Vice-President Eileen Clarke, and Rural Vice-President Roger Wilson were acclaimed to serve their positions for another term.

Three Honourary Life Memberships were awarded during the annual Gala. This year's recipients were Margaret Hodgson, Peter Heide and George Harbottle.

Several very busy resolutions sessions took place throughout the convention during which 66 resolutions were debated, 1 was withdrawn, 12 were defeated and 54 were carried.



L to R: Ministers Andrew Swan, Kerri Irvin-Ross, Christine Melnick; Premier Greg Selinger; and Minister Ron Lemieux during the annual Ministerial Forum on November 24, 2012.



Mayors, Reeves and CAOs Meetings March 19–27, 2012

The annual series of Mayors, Reeves and CAOs meetings was held between March 19 and 27, 2012. During the meetings, the AMM Executive, including President Doug Dobrowolski, Urban Vice-President Eileen Clarke and Rural Vice-President Roger Wilson, updated the membership on a number of the most pressing issues facing Manitoba municipalities.

Finding ways to address the \$11 billion infrastructure deficit in Manitoba took up a large portion of each meeting, with the community leaders spending the afternoon taking part in a discussion aimed at identifying alternative sources of revenue.

Other issues brought forward included the new RCMP contract, planning and assessment, equal rights for municipal officials, housing, recycling, by-law enforcement, flooding issues, drainage and the Provincial Surface Water Management Strategy.

Hosts for 2012 were the RM of Lawrence (Parkland); RM of Langford, RM of Lansdowne and RM of Rosedale (Midwestern); Town of Boissevain and RM of Morton (Western); Town of Carman and RM of Dufferin (Central); Village of Dunnottar (Interlake); Town of Beausejour (Eastern); and Town of The Pas (Northern).

Municipal Officials Seminar and MTCML Trade Show April 11-12, 2012

Over 600 delegates took part in this year's Municipal Officials Seminar and MTCML Trade Show at Brandon's Keystone Centre.

Speakers included the Honourable Ron Lemieux, Minister of Local Government; President of the Local Government Leadership Institute, Gordon McIntosh; and stress expert Sylvia Yaeger. CEO of the Federation of Canadian Municipalities (FCM), Brock Carlton, provided an update on the FCM's work with Infrastructure Canada in developing the next generation of federal infrastructure funding programs. A series of policy and professional development breakout sessions was also offered.

Municipal Visits

Each year the AMM travels extensively throughout the province, meeting with local councils to hear firsthand about the issues facing these communities. The AMM's goal is to meet with each municipal council at least once during its four-year term. In 2012 the AMM visited a total of 57 municipalities.

June District Meetings June 11-21, 2012

A total of 660 delegates representing 167 municipalities attended the 2012 District Meetings. They heard presentations from President Dobrowolski, Vice-Presidents Eileen Clarke and Roger Wilson, and Western Financial Group. A presentation on future infrastructure funding in Manitoba also took place, with Minister of Local Government Ron Lemieux attending the meetings to facilitate a discussion on this topic. A total of 77 resolutions were brought forward for debate.

The 2012 meetings were hosted by the RM of McCreary and Village of McCreary (Parkland); RM of Harrison (Midwestern); RM of Sifton (Western); Town of MacGregor and RM of North Norfolk (Central); RM of St. Andrews (Interlake); Town of Gillam (Northern); and Town of Emerson (Eastern.)

AMM Education Program

The AMM entered the second year of its four-year Education Program in 2012. This series of workshops is designed specifically for Manitoba municipal officials and will provide the training and tools necessary for effective and ethical leadership. Sessions included:

- February 17, 2012 – Understanding public engagement – A refresher
- April 10, 2012 – Governance Success: it is NO accident!
- October 5, 2012 – Manage and maximize the potential of effective conflict
- November 26, 2012 – Charging up your leadership skills



COMMUNICATIONS

The AMM website continues to be a valuable tool for members and others seeking information about AMM news, policies, lobbying and events.

AMM in the Media

During the 2012 fiscal year, the AMM was mentioned in Manitoba media 465 times, an average of 39 times per month. Typically, the AMM Annual Convention garners the most attention and 2012 was no exception, with 94 media hits for that event alone. Infrastructure funding—including consultation for the new long-term infrastructure plan, the AMM’s poll of Manitobans and funding in general—was a close second with 75 mentions. See the chart on page 35 for more details.

Since the AMM’s “Putting Communities First” campaign was third with 37 mentions, and it of course focussed on infrastructure funding also, putting those two together resulted in almost one-quarter of the year’s media stories devoted to the AMM’s top issue—infrastructure.

Social Media

The AMM’s social media sites continued to gain popularity over the year. The Twitter feed has 467 followers, and the AMM’s two Facebook pages—the general page and the “Ballot Box Barriers” page, focussing on issues around women in government—continue to build respectable followings. The AMM is also part of the LinkedIn network, and uses a Flickr account to share images of AMM events.

AMM Website

The AMM website is a valuable tool for members and others seeking AMM news, policies, lobbying, and events. Last year 210,018 unique visitors came to the site, a slight decrease from the previous year. This can be attributed to the addition of the “Putting Communities First” Campaign Centre which resided within the AMM website between June and September of 2011.

Bi-Weekly News Bulletin

The AMM news bulletin reports on the latest AMM activities and events. It has 657 subscribers. This includes 197 municipal Chief Administrative Officers, who in turn distribute it to the approximately 1,200 elected officials in Manitoba.

AMM Member Advisories

The AMM distributes Member Advisories to communicate issues of immediate importance or urgency to its members. A number of Member Advisories were distributed this past year on topics including the provincial budget, 2012 RCMP contract, long-term infrastructure plan (two advisories), cosmetic pesticide ban, and claiming firefighting/rescue costs from Manitoba Public Insurance.

Municipal Leader Magazine

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

Special reports featured over the past year included “Recreation as an Essential Service” and “Growth and Consequences”. Each issue also featured regular sections such as Municipal Ideas, Municipal Profile, Education, Legal Corner, Insurance, MTCML and Candid Camera. A new regular feature on Human Resources was added in 2012. Each issue also includes submissions from various groups on matters of interest to the municipal audience.

Manitobans Back Infrastructure Tax – Winnipeg Free Press, January 28, 2012

The following is an excerpt from President Doug Dobrowolski's editorial. It also ran in numerous regional daily and weekly newspapers.

Many Manitobans have strong opinions about public infrastructure, with good reason: they start their days using municipal streets, roads, and sidewalks to get to work or school, and end them by visiting community centres to access recreation and leisure opportunities. Much of this infrastructure is in poor condition.

Yet according to The Economist, Canadian municipalities "lack both money and powers" to address growing infrastructure needs. This leading international publication highlighted the fact that municipalities in Canada "get only eight cents out of every tax dollar" with the majority of municipal revenue coming from property taxes. With municipal budgets being squeezed tighter each year, some municipalities, like the City of Brandon, are looking at implementing significant tax increases.

The Association of Manitoba Municipalities conducted a poll recently to find out what Manitobans think the priorities of the new provincial government should be over the next four years. When asked which of five areas should benefit if the provincial government were to dedicate additional revenues from the provincial sales tax to a specific purpose, 44 per cent of respondents indicated they would dedicate these funds to community infrastructure improvement – well ahead of the numbers for health care (27 per cent) and education (11 per cent).

Respondents were further asked if they would support a one-cent "municipal sales tax" on the condition that these funds would be used only for infrastructure renewal projects. A significant majority of 64 per cent of Manitobans supported this idea – an increase of 10 per cent from 2008, when the same question was asked in a similar poll.

What these numbers really illustrate is that people understand the connection between infrastructure funding and a healthy, prosperous community. They also show that citizens understand the increasing demands they are putting on their local governments. Today, Manitobans naturally and rightfully demand not only essential services like snow clearing and garbage collection, but infrastructure like multi-use recreation facilities. These amenities are important for health, quality of life and sense of community.

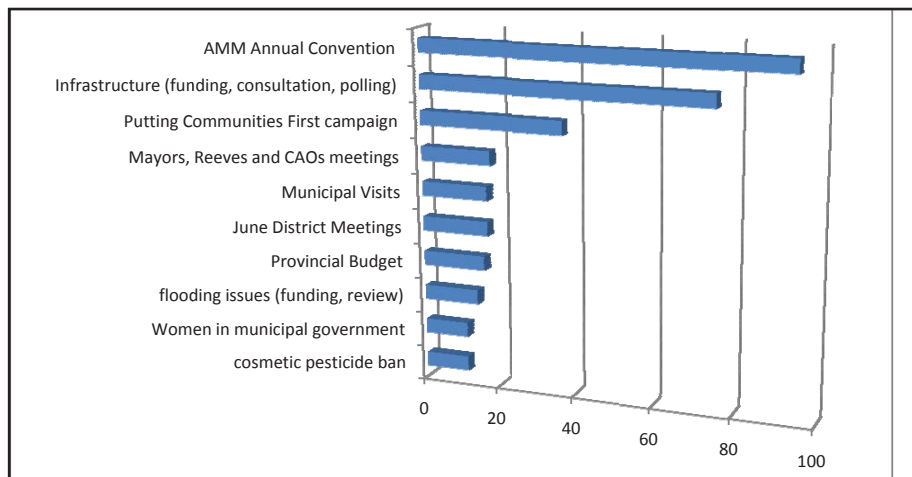
Premier Greg Selinger, whose party pledged millions of dollars to health care during last fall's provincial election campaign, told delegates at the AMM annual convention in November that he would not consider a municipal sales tax.

Yet as Winnipeg Mayor Sam Katz asked just days before the election, "What's the point of investing more money into health care if ambulances can't navigate our roads?"

More and more Manitobans show that they are in favour of dedicated funding to solve infrastructure priorities. Greater funding in this area would generate much-needed economic spin-offs, as well. The Federation of Canadian Municipalities says for every \$1 invested in local infrastructure, federal, provincial and territorial governments receive a combined 35 cents, mainly through new income and sales tax.

In other words, infrastructure spending is not a drain – it is an investment that will help communities. And according to the AMM's poll, nine out of 10 Manitobans agree that our communities need help.

Top 10 Media Issues - 2012





MTCML

Due to the great participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$1,000,000 to our members based on their MTCML sales.

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.

Sales increased and our MTCML Official Suppliers continued to provide our members with excellent service and pricing. Product sales were approximately \$31,500,000 this year.

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

Due to the great participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$1,000,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past 11 years to \$6,500,000.

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.

Manitoba municipalities spend millions of dollars each year on the products, equipment and services they need to run their operations. By working with the AMM, you position yourself to better access this market.

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.

AMM Corporate Members

Both commercial and non-profit organizations are eligible to become Corporate Members of the AMM. Corporate Members provide services to member municipalities.

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. This year, the AMM was able to distribute a refund in the amount of \$485,267. This refund is the fifth in the AMM's history and brings the cumulative total since 2004 to \$5,386,939.

The AMM also makes available a "self-insured" health and dental benefits program for employees and council members, providing flexible coverage options at very reasonable rates. Participation currently includes 148 municipalities, plus 194 other policyholders such as conservation districts and other entities, and retirees. Just over 1,700 employees plus their families are provided protection.

Montie Safety Training Videos

Recognizing that training is a vital part component of a good safety program, in 2012 the AMM arranged for all Manitoba municipalities to have access to and use of over 70 safety training videos at no cost until April 2013. These Montie Safety Videos provide consistent and reliable safety training to help staff meet Workplace Health and Safety requirements.

MTCML OFFICIAL SUPPLIERS

- Acklands Grainger
- Airmaster Sales Ltd.
- Alcom Electronic Communications
- 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.
- Grand & Toy
- Guardian Traffic Services
- HRdownloads
- Kal Tire
- MTS
- Michelin (Tires)
- Norquay Printers Ltd.
- Orkin Canada
- Prairie Fuel Advisors Inc.
- Screen Door
- Shippam & Associates
- Western Financial Group Insurance Solutions

AMM CORPORATE MEMBERS

- Barnes & Duncan
- Bobcat of Central Manitoba Ltd.
- Borland Construction
- Canad Inn/Radisson
- Capital I Industries
- Custom Truck Sales
- FAHR Group
- GENIVAR
- J.R. Cousin Consultants Ltd.
- Manitoba Aboriginal & Northern Affairs
- Manitoba Heavy Construction Assoc.
- Manitoba Hydro
- Mazergroup Construction Equipment
- Miller Environmental Corporation
- Onsite Wastewater Systems Installers of Man.
- People First HR Services Ltd.
- St. John Ambulance
- Tri Core Projects Manitoba Ltd.
- Tundra Oil & Gas Partnership
- Westcon Equipment & Rentals Ltd.
- Western Financial Group

Financial *STATEMENT*



ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Financial Statements

Year Ended August 31, 2012



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 the Association of Manitoba Municipalities, General and Trading Accounts, as at August 31, 2012, and the statements of income, General and Trading Accounts, 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.

Auditor's 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, 2012, 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 4, 2012

100-123 Bannatyne Ave., Winnipeg, MB R3B 0R3
Telephone: (204) 943-4584 Fax: (204) 957-5195
Toll Free: 1-866-EXG-4303

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES


General Account

Statement of Financial Position

August 31, 2012

	2012	2011
ASSETS		
CURRENT		
Cash and short term deposits (Note 10)	\$ 230,292	\$ 134,758
Accounts receivable	301,540	292,016
Due from Building Reserve	-	180,000
Prepaid expenses	58,971	39,897
	<u>590,803</u>	<u>646,671</u>
SEGREGATED FUNDS		
Building Reserve (Note 4)	207,924	206,304
Communications Reserve (Note 5)	137,982	87,600
Employee Benefits Reserve (Note 6)	117,371	110,829
Legal Fund (Note 7)	53,486	28,202
	<u>516,763</u>	<u>432,935</u>
PROPERTY AND EQUIPMENT (Notes 2, 11)	<u>377,221</u>	<u>393,149</u>
INVESTMENT IN MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.	<u>10</u>	<u>10</u>
	<u>\$ 1,484,797</u>	<u>\$ 1,472,765</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 42,314	\$ 28,366
Deferred income	478,324	382,084
Due to Communications Reserve	100,000	50,000
Due to Legal Fund	25,000	-
Due to Trading Account	55,000	150,000
Funds held in trust (Note 10)	7,499	7,499
	<u>708,137</u>	<u>617,949</u>
NET ASSETS		
Unrestricted	(99,953)	39,561
Invested in property and equipment	377,221	393,149
Restricted (Note 16)	499,392	422,106
	<u>776,660</u>	<u>854,816</u>
	<u>\$ 1,484,797</u>	<u>\$ 1,472,765</u>
LEASE COMMITMENTS (Note 13)		

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Statement of Income

Year Ended August 31, 2012

	2012	2011
REVENUE		
Membership dues	\$ 364,534	\$ 362,583
Convention	343,478	358,370
Seminar	81,800	69,200
Trade show	58,963	58,240
Education	34,630	32,210
Rental	32,000	32,000
Corporate membership	10,208	10,042
Associate membership	7,500	7,333
Magazine	8,603	6,659
Investment income	6,742	7,823
Miscellaneous	982	1,638
Advertising - bulletin	1,025	700
Merx	650	560
History book sale	-	25
	951,115	947,383
EXPENSES		
Functions (Page 16)	371,709	431,340
Executive (Page 16)	360,681	353,701
Other (Page 16)	232,195	254,179
Staffing (Page 16)	772,722	691,838
	1,737,307	1,731,058
OPERATING LOSS	(786,192)	(783,675)
OTHER INCOME (EXPENSES)		
Management fees	760,000	880,000
Unrealized gains (Note 2)	6,542	3,471
Interest earned on reserves (Note 16)	2,286	6,684
Reserve expenses (Note 16)	(60,792)	(50,502)
	708,036	839,653
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (78,156)	\$ 55,978

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Financial Position

Year Ended August 31, 2012

	2012	2011
ASSETS		
CURRENT		
Accounts receivable	\$ 1,745,028	\$ 2,209,160
Inventory (Note 2)	25,879	21,638
Due from General Account	55,000	150,000
	<u>1,825,907</u>	<u>2,380,798</u>
SEGREGATED FUNDS		
Insurance Reserve (Note 8)	619,492	1,013,813
Public Sector Accounting Reserve (Note 9)	135,704	35,348
Self-insurance Loss Pool (Note 14)	14,901,107	11,709,814
	<u>15,656,303</u>	<u>12,758,975</u>
	<u>\$ 17,482,210</u>	<u>\$ 15,139,773</u>
LIABILITIES		
CURRENT		
Bank indebtedness (Note 15)	\$ 526,104	\$ 619,219
Accounts payable and accrued liabilities	1,129,238	765,387
Due to Insurance Reserve	-	400,000
Due to Public Sector Accounting Reserve	100,000	-
	<u>1,755,342</u>	<u>1,784,606</u>
SELF-INSURANCE LOSS POOL (Note 14)	<u>13,571,350</u>	<u>11,332,449</u>
NET ASSETS		
Capital Stock	10	10
Unrestricted	1,400,312	973,547
Restricted (Note 17)	755,196	1,049,161
	<u>2,155,518</u>	<u>2,022,718</u>
	<u>\$ 17,482,210</u>	<u>\$ 15,139,773</u>

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Income

Year Ended August 31, 2012

	2012	2011
SALES	\$ 16,039,822	\$ 16,378,357
COST OF SALES	15,754,543	16,082,677
GROSS PROFIT (2012 - 1.8%, 2011 - 1.8%)	285,279	295,680
INSURANCE ADMINISTRATION FEES	781,695	840,144
INVESTMENT INCOME	407,028	470,392
	1,474,002	1,606,216
EXPENSES		
Advertising and promotion	7,326	7,172
Interest and bank charges	28	60
Membership rebate	1,000,000	700,000
	1,007,354	707,232
OPERATING INCOME	466,648	898,984
OTHER INCOME (EXPENSES)		
Management fees	(760,000)	(880,000)
Unrealized gains (losses) <i>(Note 2)</i>	420,117	96,838
Interest earned on reserves <i>(Note 17)</i>	6,035	8,779
EXCESS OF REVENUE OVER EXPENSES	\$ 132,800	\$ 124,601

See notes to financial statements

ASSOCIATION OF MANITOBA MUNICIPALITIES

Statement of Changes in Net Assets

Year Ended August 31, 2012

	Unrestricted	Invested in Property and Equipment	Restricted (Notes 16 and 17)	2012	2011
GENERAL ACCOUNT					
NET ASSETS - BEGINNING OF YEAR	\$ 39,561	\$ 393,149	\$ 422,106	\$ 854,816	\$ 798,838
Investment in property and equipment	(8,758)	8,758	-	-	-
Excess (deficiency) of revenue over expenses	5,036	(24,686)	(58,506)	(78,156)	55,978
Transfer between reserves (Note 16)	(135,792)	-	135,792	-	-
NET ASSETS - END OF YEAR	<u>\$ (99,953)</u>	<u>\$ 377,221</u>	<u>\$ 499,392</u>	<u>\$ 776,660</u>	<u>\$ 854,816</u>
TRADING ACCOUNT					
NET ASSETS - BEGINNING OF YEAR	\$ 973,547	\$ -	\$ 1,049,161	\$ 2,022,708	\$ 1,898,107
Excess of revenue over expenses	126,765	-	6,035	132,800	124,601
Transfers between reserves (Note 17)	300,000	-	(300,000)	-	-
NET ASSETS - END OF YEAR	<u>\$ 1,400,312</u>	<u>\$ -</u>	<u>\$ 755,196</u>	<u>\$ 2,155,508</u>	<u>\$ 2,022,708</u>

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Statement of Cash Flows

Year Ended August 31, 2012

	2012	2011
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses, General Account	\$ (78,156)	\$ 55,978
Excess (deficiency) of revenue over expenses, Trading Account	132,800	124,601
Items not affecting cash:		
Amortization	24,686	21,216
	79,330	201,795
Changes in non-cash working capital	905,331	(731,232)
Cash flow from (used by) operating activities	984,661	(529,437)
INVESTING ACTIVITIES		
Purchase of equipment	(8,757)	(32,563)
Net sales of segregated funds, General Account	171,172	40,347
Net sales (purchases) of segregated funds, Trading Account	(3,197,328)	136,928
Cash flow from (used by) investing activities	(3,034,913)	144,712
FINANCING ACTIVITY		
Net contributions to self insurance loss pool, Trading Account	2,238,901	6,114
Cash flow from financing activity	2,238,901	6,114
INCREASE (DECREASE) IN CASH FLOWS	188,649	(378,611)
DEFICIENCY - BEGINNING OF YEAR	(484,461)	(105,850)
CASH (BANK INDEBTEDNESS) - END OF YEAR	\$ (295,812)	\$ (484,461)
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ (242)	\$ (126)
CASH (BANK INDEBTEDNESS) CONSISTS OF:		
General Account	\$ 230,292	\$ 134,758
Trading Account	(526,104)	(619,219)
	\$ (295,812)	\$ (484,461)

See notes to financial statements

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2012

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, 2012

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, 2012

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, 2012

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.

8. INSURANCE RESERVE

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

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2012

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 (2011 - \$7,499), 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

	2012		2011	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Buildings	\$ 378,676	\$ 134,167	\$ 378,676	\$ 126,594
Computer equipment	150,739	138,412	144,448	128,355
Computer software	9,163	9,163	9,163	9,163
Land	90,000	-	90,000	-
Office equipment	65,563	60,186	63,098	59,662
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	4,843	10,762	3,767
Motor vehicles	27,270	8,181	27,270	2,727
	\$ 750,078	\$ 372,857	\$ 741,322	\$ 348,173
Net book value	\$ 377,221		\$ 393,149	

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:

2013	\$ 21,333
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13. LEASE COMMITMENTS

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

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

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2012

14. SELF-INSURANCE LOSS POOL

	2009/2010 and Prior Pool	2011/2012 Pool	2012	2011
Balance, beginning of year	\$ 8,669,888	\$ 2,662,561	\$ 11,332,449	\$ 11,326,335
Current year loss pool additions	-	6,165,842	6,165,842	6,159,269
	8,669,888	8,828,403	17,498,291	17,485,604
Insurance claims paid	(2,584,115)	(857,559)	(3,441,674)	(3,926,138)
Other	-	(485,267)	(485,267)	(2,227,017)
Balance, end of year	\$ 6,085,773	\$ 7,485,577	\$ 13,571,350	\$ 11,332,449

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 (2011 - \$1,000,000) per claim for certain types of claims, up to a maximum of \$6,100,000 (2011 - \$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:

	2012	2011
Bank	\$ 39,604	\$ (95,952)
Great West Life - Loss Pool Fund	14,861,503	11,805,766
	\$ 14,901,107	\$ 11,709,814

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, 2012

16. RESERVES - GENERAL ACCOUNT

	2012	2011
<u>Building Reserve (Note 4)</u>		
Opening balance	\$ 206,304	\$ 400,617
Transfer from (to) Unrestricted Net Assets	1,620	(194,313)
	<u>\$ 207,924</u>	<u>\$ 206,304</u>
<u>Communications Reserve (Note 5)</u>		
Opening balance	\$ 87,600	\$ 132,998
Transfer to Unrestricted Net Assets	50,382	(45,398)
	<u>\$ 137,982</u>	<u>\$ 87,600</u>
<u>Employee Benefits Reserve (Note 6)</u>		
Opening balance	\$ 100,000	\$ 100,000
<u>Legal Fund (Note 7)</u>		
Opening balance	\$ 28,202	\$ 32,309
Transfer from (to) Unrestricted Net Assets	25,284	(4,107)
	<u>\$ 53,486</u>	<u>\$ 28,202</u>
Total Restricted Reserves	<u>\$ 499,392</u>	<u>\$ 422,106</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.

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2012

17. RESERVES - TRADING ACCOUNT

	2012	2011
<u>Insurance Reserve</u>		
Opening balance	\$ 1,013,813	\$ 1,007,870
Transfer from (to) Unrestricted Net Assets	(394,321)	5,943
	<u>\$ 619,492</u>	<u>\$ 1,013,813</u>
<u>Public Sector Accounting Reserve</u>		
Opening balance	\$ 35,348	\$ 32,512
Transfer from Unrestricted Net Assets	100,356	2,836
	<u>\$ 135,704</u>	<u>\$ 35,348</u>
Total Trading Reserves	<u>\$ 755,196</u>	<u>\$ 1,049,161</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.

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Combined Schedule of Expenses

Year Ended August 31, 2012

	2012	2011
Functions		
Convention	\$ 256,811	\$ 319,346
Education	23,118	16,489
Municipal seminar	53,615	54,116
Resolutions committee	2,486	2,672
Trade show	35,679	38,717
	<u>\$ 371,709</u>	<u>\$ 431,340</u>
Executive		
Communication allowance	\$ 2,400	\$ 2,400
Board - stipend	25,968	25,224
Board - sundry	(2,009)	1,356
Meeting expenses	277,105	269,171
President's salary	57,217	55,550
	<u>\$ 360,681</u>	<u>\$ 353,701</u>
Other		
Amortization	\$ 24,686	\$ 21,216
Association fees	2,995	3,026
Audit fees	26,367	8,195
Bank charges	242	126
Building repairs and maintenance	21,853	46,749
Donations and gifts	22,390	10,226
Insurance	5,575	5,404
Legal	7,402	35,171
Office	51,701	52,420
Postage and stationery	21,941	18,389
Promotion materials	5,107	5,496
Property taxes	18,775	20,224
Telephone	15,249	17,031
Vehicle expenses	7,912	10,506
	<u>\$ 232,195</u>	<u>\$ 254,179</u>
Staffing		
Management expenses	\$ 36,591	\$ 34,976
Staff expenses	16,172	13,672
Salaries	608,276	546,084
Employee benefits	102,537	93,630
Workers compensation	836	1,000
Staff training and recruitment	8,310	2,476
	<u>\$ 772,722</u>	<u>\$ 691,838</u>

See notes to financial statements



Association of Manitoba Municipalities

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