

2013 Annual Report

September 1, 2012 to August 31, 2013





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



TABLE OF CONTENTS

Map of Municipalities	4
AMM Members	5
President's Message	6
Executive Director's Message	7
Board of Directors	8
Executive	9
Staff	9
Top Issues for 2012/13	10
Working with Cities	13
Lobbying Highlights – Federal	14
Lobbying Highlights – Successes	15
Lobbying Highlights – Provincial	18
Legislative Update	26
Meeting with Provincial Cabinet	28
Communications	30
Special Events	32
Membership Events	34
MTCML	36
Financial Statements	38

Cover photo courtesy Travel Manitoba.

The map illustrates the R.M. of Kelsey, a member of Parkland, situated in the northern part of Manitoba. The map shows the R.M. of Kelsey's boundaries in relation to the City of Thompson, the Town of Snow Lake, and the Town of The Pas. The R.M. of Kelsey is a member of Parkland. The map also shows the R.M. of Kelsey's proximity to the City of Thompson, the Town of Snow Lake, and the Town of The Pas. The map includes an inset showing the R.M. of Kelsey's location within the larger context of Manitoba and the surrounding provinces of Saskatchewan, Alberta, and the Northwest Territories. The map shows the R.M. of Kelsey's boundaries in relation to the City of Thompson, the Town of Snow Lake, and the Town of The Pas. The R.M. of Kelsey is a member of Parkland. The map also shows the R.M. of Kelsey's proximity to the City of Thompson, the Town of Snow Lake, and the Town of The Pas.



AMM MEMBERS

URBAN CENTRES

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

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

RURAL MUNICIPALITIES

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

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

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

PRESIDENT'S MESSAGE

On behalf of the Board of Directors of the Association of Manitoba Municipalities, I am pleased to submit the 2013 Annual Report.

This past year was the 15th in AMM history, and was somewhat of an anomaly in that our top issues were not of our choosing. The most critical issue facing municipalities Manitoba-wide and indeed across Canada continues to be the growing infrastructure deficit and the need for alternate revenue. However, the issues we found ourselves lobbying against were forced amalgamation of municipalities and an unexpected increase to the Provincial Sales Tax. Our efforts on both files are detailed thoroughly within this report, but the unfortunate outcome is that the real hot-button issues did not receive as much attention as they deserved.

That is not to say the year was without its successes; in fact, there were several of note. First and foremost is at the federal level, where the government's decision to index the gas tax transfer at two per cent annually will add another \$9 million to the permanent gas tax fund over 20 years. With the extension of the Building Canada funding for 10 years, this budget helps to address the need for long-term sustainable infrastructure for Manitoba municipalities. We hope details on both of these programs will be announced in 2014.

Provincially, the AMM did see some positive investments, including the three-year, \$21 million Municipal Road Improvement Program (MRIP), another \$1 million in funding for the Municipal Bridge Renewal Program, and a funding increase for the Manitoba Water Services Board of \$4 million per year for three years.

Other successes for municipalities included the power to now establish speed limits in school zones; a new investment in rural economic development through the Partner 4 Growth program; the release of the long-awaited Emergency Medical Services Review; and a small yet significant increase in traffic control compensation for municipal fire departments. Our association also had an impact, through presentations and written submissions, on almost a dozen pieces of provincial legislation.

These successes speak to our overall good working relationship with our provincial counterparts. Throughout the year, the AMM met with both Cabinet Ministers and the Premier individually, and with the Premier and Cabinet as a whole. These meetings are invaluable in order to build relationships and to ensure the AMM's issues are communicated and understood. While some of these relationships have been tested this year, I do thank Premier Greg Selinger and his team for always being open to meeting with us.

We also partnered with the City of Winnipeg on several occasions this past year. Our staff consulted with Winnipeg

staff on various pieces of legislation and I had numerous discussions with Mayor Sam Katz around the rising infrastructure deficit and other major issues. This relationship, along with the creation of the AMM Cities Caucus, helped further our lobbying activities by raising the profile of some important issues that affect all municipalities, large and small.

The AMM also had the opportunity to meet with the Leader of the Official Opposition, Brian Pallister, and his team on a number of occasions throughout the year, and we bid farewell to longtime leader of the Manitoba Liberal Party, Dr. Jon Gerrard. I look forward to meeting with newly-elected leader Rana Bokhari in the coming months.

Throughout the year, my executive team works alongside me, and I owe a huge debt to Vice-Presidents Ralph Groening and Eileen Clarke and Executive Director Joe Masi – your support is truly immeasurable. I'd also like to thank the AMM Board of Directors for their hard work throughout 2013, and bid farewell to four outgoing members - Reeve Roger Wilson, Mayor Bob Stefaniuk, Mayor Rick Pauls, and Mayor Jim Goymer.

While the relationships we have with other orders of government and with the parties both in power and in opposition are important to our success, the AMM's greatest success is due to the support of its membership. Manitoba has almost 1,200 elected mayors, reeves and councillors who come together on many occasions throughout the year to raise the profile of the most critical issues facing municipalities.

This year in particular, I have been impressed and in many cases moved by our members as they took to podiums from all corners of the province right to the Manitoba Legislature to make their case against forced amalgamation. Your presentations were articulate, powerful and really illustrated the true meaning of community.

Thank you for your ongoing support.



Doug Dobrowolski
President



EXECUTIVE DIRECTOR'S MESSAGE



I am pleased to provide the Executive Director's message for the 2013 Annual Report of the Association of Manitoba Municipalities. It has been an exciting and challenging year and I look forward to sharing some highlights with you.

First and foremost, the Municipalities Trading Company of Manitoba Limited (MTCML) enjoyed another strong year, with sales of approximately \$29.5 million. Due to the

continued participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was pleased to rebate \$800,000 to our members based on their sales. This brings the cumulative rebate over the past 12 years to \$7.3 million.

Also in 2013, the AMM was able to distribute a refund in the amount of \$2.4 million from the Self-Insurance Loss Pool. This refund is the sixth in the AMM's history and brings the cumulative total since 2004 to almost \$7.8 million. Refunds from the loss pool are made possible due to our program's unique structure, along with favourable claims experience this past year. Congratulations once again for practicing excellent risk management!

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 14th Annual Convention boasted attendance in excess of 1,000 delegates for the second year in a row, with 1,052 members taking in this event. MOS attendance saw excellent participation as well, with over 600 delegates taking part. I attribute this to the value our members see in our events, the quality of speakers we offer, and the networking opportunities provided for members. I assure you we will continue to raise the bar in this area.

With communications – particularly social media – changing on an almost daily basis, so too do our communications efforts continue to evolve. The AMM's social media presence – particularly Twitter – is growing constantly, with close to 800 followers. This year, we also recognized the ever-increasing popularity of smartphone usage amongst our membership and introduced a new mobile website. The mobile site allows users to access our most popular website pages easily and quickly on their smartphones.

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 500 occasions throughout the year, ensuring our priorities and issues enjoyed even further reach.

Additionally, we made some internal changes by upgrading the way we send emails and register members for our events. We also made some small but significant changes to our website at www.amm.mb.ca. These improvements will ensure an even more positive and user-friendly experience for our membership when accessing AMM information.

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 simply not be possible without the excellent efforts of our staff, as they truly go above and beyond to ensure our member benefits are of the highest quality. To Linda, Denys, Donna, Patti, Julia, Lynne and Lindsay – thank you for your support throughout the year. Your hard work and dedication to our association does not go unnoticed.

I would also like to recognize the partnership we enjoy with the Manitoba Municipal Administrators' Association. President Margie Bonekamp made a significant contribution at our board table earlier in the year, and Daryl Hrehirchuk is filling in admirably in her absence. We also appreciate the efforts of Executive Director Mel Nott and all of the MMAA's members throughout the year.

Finally, thank you to our members for their continued advice, support and encouragement. Some years are more challenging than others and 2013 has been trying for all of us. But our association has remained focused and that is a testament to your strength and support.

I hope you enjoy this annual report, and I look forward to continuing to work on your behalf in 2014.

Joe Masi
Executive Director

BOARD OF DIRECTORS



INTERLAKE DISTRICT



L to R:
Councillor Trevor King
RM of Woodlands
Interlake Rural Director

Mayor Randy Sigurdson
Town of Arborg
Interlake Urban Director

Reeve Neil Christoffersen
RM of North Norfolk
Central Rural Director

Mayor Mel Klassen
Town of Altona
Central Urban Director



CENTRAL DISTRICT



EASTERN DISTRICT



Reeve Claude Lussier
RM of La Broquerie
Eastern Rural Director

Mayor Chris Goertzen
City of Steinbach
Eastern Urban Director

Reeve Rick Plaisier
RM of Sifton
Western Rural Director

Councillor Stuart Olmstead
Town of Carberry
Western Urban Director



WESTERN DISTRICT



MIDWESTERN DISTRICT



Reeve Randy Lints
RM of Hamiota
Midwestern Rural Director

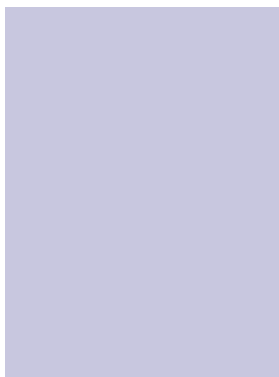
Mayor Shirley Kalyniuk
Town of Rossburn
Midwestern Urban Director

Reeve Cliff Kutzan
RM of Grandview
Parkland Rural Director

Mayor Lyle Smith
Town of Gilbert Plains
Parkland Urban Director



PARKLAND DISTRICT



NORTHERN DISTRICT



Vacant
Northern Director

Councillor Angela Enright
Town of Snow Lake
Northern Director

Councillor Russ Wyatt
City of Winnipeg
Director

President Margie Bonekamp
Manitoba Municipal
Administrators' Association



CITY OF WINNIPEG



MMAA

EXECUTIVE & STAFF

L to R:

Joe Masi
Executive Director

Reeve Ralph Groening
Vice-President, Rural

Councillor Doug Dobrowolski
President

Mayor Eileen Clarke
Vice-President, Rural



Front Row, L to R:

Denys Volkov, Director of Policy and Communications
Linda Hargest, Director of Administration and Marketing
Joe Masi, Executive Director

Back Row, L to R:

Lynne Bereza, Communications Coordinator
Patti De Baets, Finance Coordinator
Donna Belbin, Events Coordinator
Lindsay Thomson, Senior Policy Analyst
Julia Green, Executive Assistant



Below: AMM Board of Directors, August 29, 2013



Municipal Amalgamation

On November 19, 2012, the 2nd Session of the 40th Legislature opened with the Speech from the Throne. The AMM had called on the Province of Manitoba to address three priorities in the Throne Speech: alternate revenue for infrastructure, improved cellular phone service and economic development.

However, the main issue for municipalities arising from the speech was this unexpected announcement: *"In the year ahead, we will work with municipalities to begin a process of municipal amalgamations to ensure communities are able to meet the challenges of the next century."*

The AMM quickly formed its position on this announcement:

1. Municipalities are an independent order of government. The AMM is not opposed to amalgamation as long as it is a community-driven decision.
2. The Province should address the more pressing issues municipalities are facing. These include the need for alternative revenue for infrastructure, improved cellular service and economic development. Amalgamation will neither resolve these outstanding issues nor improve quality of life for residents of smaller communities.
3. Amalgamation is simply one "tool in the toolbox" that can be used to maximize efficiency. Many municipalities have already joined forces on regional capital projects such as recreation centres and water and wastewater treatment plants. These options save money while allowing communities to maintain their identities and remain viable.

Over the year, the AMM met with Ron Lemieux, Minister of Local Government, provincial staff, and Premier Greg Selinger on numerous occasions to discuss this issue. The AMM also invited Minister Lemieux to participate in the 2013 Mayors, Reeves and CAOs meetings and June District Meetings. He also addressed delegates at April's Municipal Officials Seminar.

The AMM made amalgamation a focus of its presentation to both the NDP and the Official Opposition during its Lobby Day on April 24, 2013.

At every possible opportunity, the AMM reiterated the concerns voiced by our membership, which included the unreasonable timelines; the artificial number of under 1,000 citizens used to determine communities that must amalgamate; a lack of reasons why the government was proceeding with its plan; the elimination of public input through the Municipal Board; the cost implications such as policing for those who amalgamate; and many other concerns.

The AMM proposed a number of compromises, including:

1. Asking the Province to assess the viability and sustainability of communities at the current funding levels. The AMM offered to participate in this assessment.
2. Requesting the elimination of the 1,000 threshold requirement, as this is an artificial number that does not reflect the reality of municipalities in Manitoba.
3. Suggesting that the Province provide all the support necessary to those ready to amalgamate before the next municipal election. Monitoring the progress of these early mergers, highlighting their successes, and allowing these municipalities to lead by example would lighten the load on everyone while at the same time encouraging those who may be hesitant.
4. Recommending the Province work with those municipalities that are struggling to be sustainable on acceptable timelines that will result in better service in their communities. Again, the AMM would be willing to participate in a joint committee with the Province to achieve this.

Throughout the discussions, the AMM remained concerned that the Government of Manitoba was choosing a path that would destroy the relationship and respect our two orders of government have long enjoyed. The top-down, one-size-fits-all province-wide approach shows disrespect by the Province and was described as "bullying" by more than one AMM member at the various meetings during which this issue was discussed.

The AMM reiterated its position, concerns and compromises during committee hearings on Bill 33, as did many AMM members. In total, 87 presentations were heard by the committee, the vast majority speaking in opposition to the Bill.

Several minor amendments were introduced. However, the AMM was disappointed as they failed to address its fundamental concerns with this legislation:

- The current deadline of December 1, 2013 to submit a plan has not changed;
- There is no change on the 1,000 threshold number; and
- The actual viability of a municipality is still not taken into consideration.

The AMM was pleased that a small number of resort communities were exempt from forced amalgamation.

However, we still believe the decision to amalgamate should rest with the municipality and its residents.

TOP ISSUES FOR 2012/13

PST Increase

The Provincial Budget of April 16, 2013 took municipalities by surprise with its increase of one percent to the Provincial Sales Tax (PST). Unfortunately, the increase was not dedicated to addressing the over \$11 billion municipal infrastructure deficit in Manitoba. Instead, it appeared money that should go to municipalities to address crumbling roads, bridges and community centres was to be spent mainly on provincial infrastructure priorities.

The tax increase will generate another \$277 million. Although funding to municipalities through the Building Manitoba Fund grew by a total of \$31 million, municipalities outside Winnipeg will only receive a fraction - \$9.5 million - of this amount to tackle the multi-billion dollar deficit.

The AMM has been asking for a predictable and long-term source of revenue to fix crumbling municipal infrastructure for years. However, the budget resulted in municipalities facing the need to pay more while receiving less.

The Province of Manitoba has repeatedly refused requests from the AMM to provide a greater share of the PST over and above existing levels. And the increase means the Province will collect even more PST from municipalities on any of their purchases or infrastructure projects – from an extra \$67,000 from the RM of Macdonald to \$1.4 million more from the City of Winnipeg. The AMM believes it is inappropriate for one order of government to tax another, as it essentially amounts to double taxation, and has asked the Province to exempt municipalities from paying PST or provide a full rebate to municipalities as the federal government does with the GST.

Pictured, top to bottom:

Mayor Rick Gamble, Village of Dunnottar, during a community protest against amalgamation.

President Doug Dobrowolski concludes the AMM's presentation during the Bill 33 Committee hearing.

Reeve Wayne Drummond, RM of Cameron, addresses Minister Lemieux during the Municipal Officials Seminar.

Reeve Richard Funk, RM of Lansdowne, presents Minister Lemieux with a petition opposing forced amalgamation during a Mayors, Reeves and CAOs meeting.

Leader of the Official Opposition, Brian Pallister, addresses the AMM Board of Directors during the AMM Lobby Day.



TOP ISSUES FOR 2012/13



Top, L to R: Mayor Chris Goertzen, City of Steinbach; Mayor Martin Harder, City of Winkler; President Doug Dobrowolski; and Mayor Sam Katz, City of Winnipeg during the April 25 news conference rejecting the provincial budget.

On April 25, 2013, the AMM joined forces with a coalition of Manitoba mayors and rejected the provincial budget for failing to provide a dedicated source of funding for municipal infrastructure.

“Our citizens are looking for long-term solutions, not patchwork fixes,” said Winnipeg Mayor Sam Katz. “Manitoba communities require a stable, long-term infrastructure funding solution. All across Manitoba, people pay taxes with an expectation they will be able to drive on well-maintained streets and roads, but this budget will not help.”

The mayors and the AMM sent a letter to Premier Selinger, repeating the call for his government to dedicate one percent of existing PST, over and above what municipalities already receive, to municipal infrastructure. This revenue would be shared among the municipalities on a per capita basis.

The AMM also made the PST increase a focus of its presentation to both the NDP and the Official Opposition during Lobby Day on April 24, 2013.

Right:

The editorial in the June 29th, 2013 edition of the Winnipeg Free Press was the second of two focusing on amalgamation. The first, “Forced amalgamation of municipalities arrogant” ran on May 4, 2013.

PST hike taketh and taketh from RMs

THIS year's provincial budget announcement of an increase to the PST came out of left field. Municipalities have been lobbying for a share of the PST for years, on the condition it be dedicated to municipal infrastructure. An Association of Manitoba Municipalities poll conducted in 2011 showed 60 per cent of Manitobans would actually support paying one more cent on the dollar if the increase was totally dedicated to fixing municipal roads, sidewalks and recreation centres — the infrastructure we use every day.

Premier Greg Selinger told us his government was not elected to raise taxes. Now he has done just that. Yet municipalities will see only a fraction — \$31 million — of the additional \$277 million raised annually. The rest — money municipalities needed to tackle our enormous infrastructure deficit — will now be spent on other provincial priorities. This will not address the more than \$11-billion municipal infrastructure deficit we have repeatedly asked the province to address.

The increase also means the province will collect even more PST from municipalities on their purchases or infrastructure projects — from an extra \$67,000 from the RM of Macdonald to \$1.4 million more from the City of Winnipeg. We believe one order of government taxing another is inappropriate as it amounts to double taxation.



DOUG DOBROWOLSKI

Another very troubling piece of legislation is Bill 33 — the Municipal Modernization Act. The AMM has been busy dealing with the amalgamation issue since it was announced — again, without warning — in last fall's throne speech, and our position has not wavered: The AMM is not against amalgamations if the decision has been made by municipalities and supported by residents. What we oppose is a top-down approach to amalgamation by the province.

Neither provincial nor municipal leaders ran in the last election on the campaign promise to amalgamate municipalities.

It is any municipality's right to choose this course of action, and the municipality is best equipped to make this choice. There should also be enough time and support to make sure the process is done right. Amalgamations are complicated, and there are some serious implications, such as policing if two municipalities have different police forces. There is uncertainty as to how this will work until the full costs are determined and communicated.

The province has suggested amalgamations will make municipalities more efficient and save money. The truth is municipalities are already required to balance their budgets each year, and smaller jurisdictions can often deliver services to residents at lower cost.

There are currently 74 people registered to speak on Bill 33, and the AMM will be first in line to present on this bill when the time comes. We have strongly encouraged Manitobans affected by this prescriptive piece of legislation to speak out on the bill as well. We know there are many municipalities steadfast in their belief amalgamation is not right for them, and their

voices should be heard.

Despite the heavy-handed approach by the NDP government, we do live in a democracy.

Or do we? Minister of Local Government Ron Lemieux recently attended six of the AMM's district meetings. At each meeting, he told the municipal officials in the room the same thing: It doesn't matter whether this legislation passes in July, or in August, or in September, this majority government will pass Bill 33 and there will be amalgamations.

Bill 33 requires municipalities to consult with their citizens on amalgamation, yet Lemieux also made it clear opposition from citizens within their own communities would not impact or delay the legislation.

Municipal leaders were understandably discouraged upon hearing these statements. Obviously, a majority government has the right to pass laws. They have the ability to push through legislation despite opposing parties' hoist motions, filibusters and other stalling tactics. To believe otherwise would be naive. Bill 33 is only one of several bills that will be pushed through regardless of the number of presenters that appear before committees.

However, to openly admit before arguments are even heard that you have stopped listening is simply arrogant.

And that is the most troubling aspect of the entire amalgamation issue: the complete lack of respect demonstrated by the Selinger government toward Manitoba's local order of government.

Doug Dobrowolski is president of the Association of Manitoba Municipalities.

WORKING WITH CITIES

The members of the AMM Cities Caucus are:

- *Brandon*
- *Dauphin*
- *Flin Flon*
- *Morden*
- *Portage la Prairie*
- *Selkirk*
- *Steinbach*
- *Thompson*
- *Winkler*
- *Winnipeg*

AMM Cities Caucus

The AMM Cities Caucus was created in early 2013. According to the Chair of the Cities Caucus, City of Steinbach Mayor Chris Goertzen, the need for an organized group to work within the auspices of the AMM has been evident for some time. "Cities share similar issues and we felt collectively we could all benefit from an organized forum to share our specific concerns and find ways to lobby for the things our cities need," he said.

The Cities Caucus has no official powers or voting abilities. Rather, through discussion and networking, issues are raised that are deemed particularly challenging. This year, there was little argument that infrastructure continues to be the most difficult issue facing cities today. Public safety was seen as a close second, with a handful of additional issues receiving attention.

The AMM is one of the only municipal associations in Canada representing all municipalities, and speaking with one united voice is a winning formula, according to President Doug Dobrowolski. But "we also recognize there can be great benefit for communities that share common ground to join forces. That is what the AMM Cities Caucus is all about."

Working closely with the City of Winnipeg

The AMM worked with the City of Winnipeg on many issues over the past year. Winnipeg is the largest municipality in Manitoba in terms of the number of residents it represents - over 660,000 people. The AMM liaises with the Mayor and Council as well as the CAO's Office and staff in various departments. Winnipeg Council also appoints a director to the AMM Board of Directors. In 2012/13 Winnipeg was represented by Councillor Russ Wyatt of Transcona.

President Doug Dobrowolski and Winnipeg Mayor Sam Katz held discussions around the rising infrastructure deficit and the need for a PST rebate by the Province of Manitoba to municipalities. The AMM supported the City of Winnipeg and other Manitoba cities during a news conference to highlight the shortcomings of the 2013 Provincial Budget regarding municipal infrastructure.

While Manitoba municipalities are governed by The Municipal Act, the authority and mandate of the City of Winnipeg is established by "The City of Winnipeg Charter". This Charter is a provincial statute that came into force on January 1, 2003 as a result of a request by the City of Winnipeg to provide for charter legislation similar to that of other Canadian municipalities. The Charter enables the city to make critical decisions regarding development independent of the province, and better fits the needs of a large city by providing greater autonomy and financial flexibility.

In 2012 and 2013 AMM staff consulted with various City of Winnipeg departments on the following matters:

- Speed limits in School Zones - Public Works
- The Municipal By-Law Enforcement Act (Bill 38) - Winnipeg Parking Authority
- The Accessibility Legislation - Planning, Property and Development
- The Sustainability Act - Planning, Property and Development
- Environmentally Friendly Vehicles Working Group - Planning, Property and Development, Public Works and the Winnipeg Police Service
- Affordable Housing (Bill 7) - Planning, Property and Development
- Municipal election rules - City Clerk's Office



"Cities share similar issues and we felt collectively we could all benefit from an organized forum to share our specific concerns and find ways to lobby for the things our cities need."

LOBBYING HIGHLIGHTS - FEDERAL

THE AMM'S WORK WITH THE FEDERATION OF CANADIAN MUNICIPALITIES (FCM)

Along with the AMM's work with FCM on infrastructure funding, AMM and Manitoba representatives attend FCM events and Board meetings throughout the year. The AMM has also participated in the FCM National Municipal Rail Safety Working Group which was formed following rail accidents in Calgary, Alberta and Lac-Mégantic, Québec. Three priority areas were identified requiring action from the federal government. The Working Group met with the new Minister of Transport, the Honourable Lisa Raitt, on several occasions to discuss the need for Transport Canada to equip and support municipal first responders to rail emergencies, ensure federal and industry policies and regulations address the rail safety concerns of municipalities, and prevent downloading of rail safety and emergency response costs to municipalities.

Federal Budget Delivers for Manitoba

The AMM participated in a federal pre-budget roundtable hosted by the Honourable Vic Toews, Minister of Public Safety Canada. The AMM raised funding needs from our budget submission for infrastructure, emergency and cellular communications coverage, rural water pipelines, policing, flood mitigation and housing.

As well, during consultations in 2012 for new national infrastructure programming to be rolled out in 2014, the AMM submitted a list of eight points produced from AMM members' feedback at the 2012 June District Meetings.

On March 21, 2013, President Doug Dobrowolski called the federal budget an "important step forward for Manitoba, noting the AMM appreciates the Government of Canada for choosing to continue moving our communities ahead even as it meets its immediate fiscal challenges."

Of particular significance is the government's decision to index the gas tax transfer at 2 percent annually beginning in 2014-2015. This measure alone — the first indexing of a municipal transfer — will ensure the fund keeps pace with inflation and will add another \$9 billion to the permanent gas tax fund over 20 years.

"We often talk about the gas tax model being the 'gold standard' because it works for all communities — large and small," said President Dobrowolski. "By protecting the purchasing power of the gas tax transfer and by extending program funding for ten years, this budget goes a long way to provide what our members need - long-term sustainable infrastructure funding for Manitoba municipalities."

The budget went further by renewing critical housing programs and reaffirming the federal role in addressing the challenges of housing affordability and homelessness. This adds up to about \$1.8 billion over five years.

Although the budget did not contain a definitive roadmap to erasing the infrastructure deficit, it did lay the foundation for continued intergovernmental collaboration as economic conditions improve to meet the challenges that need to be addressed in Manitoba. "Whether it is wastewater upgrades, roads and bridges, or transit and transportation, we all need to work together to meet our residents' needs," said Dobrowolski.

"By protecting the purchasing power of the gas tax transfer and by extending program funding for ten years, this budget goes a long way to provide what our members need - long-term sustainable infrastructure funding for Manitoba municipalities."

The Honourable Steven Fletcher, Minister of State (Transport) and President Dobrowolski.



LOBBYING HIGHLIGHTS - SUCCESSES

Although lobbying accomplishments can be difficult to measure, the AMM has achieved some notable successes in 2012-2013. The AMM was also pleased to work with staff of several departments to update and resolve outstanding resolutions.

Infrastructure Funding

Municipalities continue to face significant infrastructure repair and renewal challenges; however, the AMM was pleased to see some positive investments in Provincial Budget 2013-14 to help address the multi-billion dollar infrastructure deficit.

The Municipal Road Improvement Program (MRIP) awarded almost \$7 million for road repairs to municipalities outside of Winnipeg in 2013. The provincial government made a commitment to provide an additional \$7 million per year for the next two years. The MRIP provides up to 50 percent of the total engineering and construction costs of municipal road projects, with maximum grants based on population. The Province of Manitoba also renewed \$1 million in funding support for the Municipal Bridge Renewal Program, which will provide up to 50 percent of eligible costs.

The Manitoba Water Services Board received a funding increase through a new three-year Municipal Water Infrastructure Fund, after several years of having its funding frozen. The additional \$4 million per year will result in over \$14 million in provincial funding for water and wastewater projects. Although demand exceeds this amount, the AMM appreciated the new funding to support more communities with water and wastewater project design and development work.

Handi-Transit

The Regional Incentive Grant was expanded in 2012 to include additional communities based on revised eligibility criteria. This grant provides additional operating support to eligible regional handi-transit services. The Regional Incentive Grant was introduced in 2011 to address the challenges municipalities face in delivering handi-transit services to multiple communities, and to support municipalities with the potential to expand their regional handi-transit service to other communities that are not currently served by any handi-transit service.

Active Transportation Fund

Funding was introduced to help municipalities and northern communities with populations of fewer than 50,000 residents start projects and improve local infrastructure designed to encourage people to use alternatives to motor vehicle transportation. The Active Transportation Fund, made possible by a \$1-million investment from the federal Gas Tax Fund, provides 50 percent cost-shared funding for eligible projects up to a maximum of \$50,000 per project. Eligible projects include bike racks/lockers, bike paths, sidewalks and other pathways for pedestrian use, lighting and signage on trails, sidewalks and bike paths, and active transportation design/project plans that lead to future active transportation development.



Local Government Minister Ron Lemieux and President Dobrowolski announce the Active Transportation Fund.

LOBBYING HIGHLIGHTS

Partner 4 Growth

The Partner 4 Growth program awarded a total of \$130,000 in funding to 16 projects in 2013. These projects received 50-50 cost-shared grants and were required to include more than one geographical area and have a regional impact. Eligible applicants included municipalities, First Nations communities, non-profit organizations, chambers of commerce and other Manitoba communities, and not-for-profit organizations. Although the AMM was very disappointed with the termination of \$400,000 in operating grants for Regional Development Corporations in 2012 and has lobbied for their reinstatement, Partner 4 Growth represents a recognition of the importance of investment in rural economic development. The AMM hopes the success of the Partner 4 Growth program will help to leverage additional resources to take advantage of new economic opportunities.

Review Process for Single-Lot Subdivisions

Following the success of the pilot Technical Advisory Committee to improve the Minor Works Drainage Policy for municipalities, the AMM was pleased to co-chair another committee to explore improvements to the review process for rural single-lot subdivisions. A streamlined process was developed with the participation of all departments normally involved in subdivision review, and enabling legislation was introduced in the spring of 2013. The AMM believes this was a very positive process, and could lead to additional improvements to subdivision application review in the future, just as the new Minor Works Policy for municipalities led to further efforts to improve drainage regulation and enforcement overall.

Rental Housing and RentAid Increase

The AMM lobbied over the past year for measures to increase the supply of affordable housing through participation in the Rental Housing Supply Roundtable. Some of the recommendations made by this roundtable were introduced in Budget 2013-14, including a tax credit and new provincial investments for the construction of new rental units.

The new Rental Housing Tax Credit will provide an eight percent credit towards capital construction costs to build new rental housing with affordable units up to a maximum of \$12,000 per eligible unit. The tax credit is available for profit, non-profit and non-profit cooperative housing. The Province will also make new investments to build 1,000 new rental housing units over the next three years. This will include 500 affordable housing units and 500 social housing units. The AMM remains concerned about high rental prices due

to extremely low vacancy rates which present challenges to low-income renters. As a result, the AMM was pleased with the increase to RentAid in the 2013-14 Budget. RentAid recipients will receive an additional \$20 per month, or \$240 per year. As well, more people will now qualify for RentAid due to simpler income and rent thresholds for RentAid.

Emergency Medical Services Review

As a result of the AMM's lobbying on rural emergency medical services (EMS), the Province of Manitoba commissioned an independent province-wide review of EMS. The report of the Manitoba EMS System Review was released in April 2013 with 54 recommendations. It sets out a ten-year plan to improve dispatch, medical accountability, performance indicators, community engagement, education and governance. The AMM was pleased the government's response was positive, and will monitor the implementation of recommendations to improve response times and the quality of care in both rural and urban areas. The Province of Manitoba has already begun to move forward with several key recommendations. These include the establishment of a new provincial Office of the Medical Director to provide leadership; the creation of an implementation task force; and the development of new legislation to enable paramedics to provide better care to patients. The AMM is also pleased the Province has promised to consult further with municipalities and other stakeholders.

Speed Limits in School Zones

The AMM was pleased to participate in consultations to develop regulations outlining how municipalities can use their new powers to establish speed limits in school zones. The Province of Manitoba announced the regulations and the legislation took effect September 16, 2013. Local governments now have the authority to set lower speed limits in school zones as low as 30 km/h where the regular posted speed is less than 80 km/h, or 50 km/h where the regular posted speed is 80 km/h or above. Reduced-speed school zones are limited to streets and highways next to the school property and the designated zone must be within 150 metres of the boundary of that property.

Any local government wishing to reduce the speed limit in school zones must pass a bylaw that provides the detail required in the new Reduced-Speed School Zone Regulation. The regulation also contains provisions for the type and size of signage to put in place to inform drivers. Local governments can set the reduced speed limits at all times or designate specific dates and hours when they are in effect.

SUCCESSES

Coal Ban Extension

In July 2013, the Province announced plans to phase in North America's first ban on coal heating. Although the original ban date of January 1, 2014 remains in place, there will be a grace period up to July 1, 2017 as long as an approved conversion plan is filed by June 30, 2014. The AMM was pleased the enforcement of the coal heating ban will not take place until 2017, leaving extra time to help coal users convert to biomass. To support these conversions from coal to biomass energy, the Province will invest \$500,000 from coal and petroleum coke tax revenues. The Province has also begun promoting an online Biomass Energy Network to connect new biomass energy customers and suppliers.

Changes to Land Titles Witnessing Requirements

As a result of an amendment to The Real Property Regulation passed in July 2013, transfers of land and mortgages prepared on behalf of municipalities are no longer required to have a lawyer as a witness to the document. The AMM was pleased to learn that our request to change these requirements was addressed. Many AMM members have indicated this will save travel time and costs for their municipalities.

Protection for Municipal Officials

For several years, the AMM lobbied for a suitable solution to protect municipal officials from civil action. The Province of Manitoba hired a consultant to speak to municipal officials and other experts and to review appropriate options to protect municipal officials from civil liability. The consultant also researched how parliamentary privilege could be applied in a municipal setting, and found that the costs would likely outweigh the benefits. The report found civil liability cases

against municipal officials were very infrequent, although additional supports could be helpful to municipal officials to understand what rules and defenses apply to them. After reviewing the report's recommendations, the AMM requested assistance from Manitoba Local Government to better inform municipal officials about existing protection.

Traffic Control Compensation for Municipal Fire Departments

The AMM has long lobbied for better compensation to recognize the services municipal fire departments provide at motor accident scenes. Last year the AMM was able to finalize negotiations with Manitoba Public Insurance (MPI) to allow municipal fire departments to claim up to \$60 for ancillary services provided at basic calls. The Manitoba Association of Fire Chiefs (MAFC) supported this proposal to provide some recognition to fire departments for securing the site. The AMM and MAFC plan to continue to lobby for increased rates for special equipment.

Building Standards

For the safety of firefighters, the AMM has lobbied for a process to identify buildings with silent floor construction, as the construction methods and materials result in a structure that burns quicker than normal. The Province of Manitoba has indicated firefighters are now taught how to deal with silent floors as part of their training. As well, the AMM and the Office of the Fire Commissioner collaborated in the fall of 2012 to produce a document of frequently asked questions on fire inspections and municipal responsibilities.

Local governments now have the authority to set lower speed limits in school zones as low as 30 km/h where the regular posted speed is less than 80 km/h, or 50 km/h where the regular posted speed is 80 km/h or above.





LOBBYING HIGHLIGHTS

The AMM meets with each provincial Cabinet Minister annually to raise important municipal issues. As well, the AMM stated our position on forced amalgamation at the beginning of every minister meeting in 2013.

Manitoba Agriculture, Food and Rural Initiatives

On January 22, the AMM met with the Honourable Ron Kostyshyn. President Dobrowolski began by urging the Minister to fund rural water pipelines through Growing Forward 2 as federal representatives confirmed the Province could identify them as a funding priority. Minister Kostyshyn indicated the Building Canada Fund may be a more appropriate source of funding.

Also discussed were the department's plans for a new program to provide funding for economic development to replace the discontinued Regional Development Corporation grants. The AMM was disappointed the program was not announced sooner.

The AMM asked the Minister to provide better incentives to promote ecological goods and services. The Minister indicated there was no additional funding available; however, he would like more involvement of non-governmental organizations. The AMM also discussed updates to the Noxious Weeds Act, and Minister Kostyshyn committed to work with the AMM regarding the key changes.

On veterinary board funding, the Minister promised to refer the AMM's recommendations to the Veterinary Commission.

The AMM emphasized the importance of flexibility with plans to ban coal and the Minister indicated he will continue to work with the Minister of Innovation, Energy and Mines and the Minister of Conservation and Water Stewardship.

The meeting concluded with Minister Kostyshyn indicating his department will support the work of the committee formed to improve the single-lot subdivision review process.

Update: Partner 4 Growth grants were awarded in the summer of 2013 (see Lobbying Successes).

Manitoba Immigration and Multiculturalism

On January 22, the AMM met with the Honourable Christine Melnick. The AMM discussed the importance of recruitment and retention of health practitioners in rural areas. Immigration is one tool to help fill these needs, but only if these skilled immigrants remain in rural communities. There are a number of challenges including culture and language differences to retention, and the Minister is willing to work with both the Minister of Health and the individual communities to address these issues.

The AMM also discussed issues related to immigration including settlement services, credential recognition and housing shortages. Minister Melnick provided an update after the federal government indicated it would take over administration of immigrant settlement services funding. The Minister indicated an agreement was reached whereby the federal government will be responsible for funding in larger urban centres while her department would continue to work in smaller communities.

The Minister indicated she was actively working with communities on recruitment of new skilled immigrants to the Province. She recently launched a new partnership with Italian, Portuguese, Spanish and Greek communities to bring more skilled newcomers from Europe. The department also continues to work with industry and through the provincial START program to assist newcomers with foreign credential recognition. The AMM requested that Minister Melnick work with the Minister of Housing to implement recommendations of the Rental Housing Roundtable to assist with affordable housing for immigrants.

Update: President Dobrowolski had a follow-up meeting with Minister Melnick on April 2 to discuss immigrant physician retention.

PROVINCIAL

Manitoba Healthy Living, Seniors and Consumer Affairs

The AMM began its February 11 meeting with Minister Jim Rondeau by requesting additional resources for seniors housing. Interdepartmental cooperation will also be important to implement the recommendations from the Housing Roundtables. The Minister outlined existing federal tools through the Canada Mortgage and Housing Corporation to fund affordable housing.

Additionally, the AMM discussed support for both Age-Friendly and Accessibility initiatives. The Minister agreed to discuss links between Age-Friendly Manitoba and accessibility initiatives with Minister Howard. The AMM also asked what effect the privatization of the Property Registry would have on the Survey Monument Restoration Program, and the Minister indicated funding for the program will not be cut. While the Property Registry will be privately run, the government will maintain control of data.

The AMM raised the proposed new home warranty legislation, expressing concern that municipalities might be liable. The Minister promised a simplified process for municipalities and indicated his department would provide more information to the AMM. Issues were also discussed relating to the Land Titles Office. The Minister was aware of these issues and indicated changes were under review.

The AMM updated the Minister on positive progress with the new Chair of the Public Utilities Board (PUB).

Manitoba Housing and Community Development

The AMM met with Minister Kerri Irvin-Ross on February 11, and outlined the urgent need to provide incentives to increase the amount of affordable housing, particularly for seniors and growing immigrant populations. The AMM requested the Province establish a long-term, province-wide plan to address housing shortages. Additional assistance was also requested for municipalities to help them to make use of existing policy tools where appropriate, such as Tax Increment Financing, to increase housing in their communities.

AMM Urban Vice-President Eileen Clarke was pleased to have participated in the Housing Roundtables, and the AMM thanked the Minister for her participation as well. The AMM urged the Province to implement the recommendations made by these roundtable groups. Minister Irvin-Ross indicated her department was reviewing the implications of the report.

Both the Minister of Housing and the Minister of Immigration would like to see more partnerships and are interested in finding municipalities that are willing to partner with the Province. The Province had plans to issue a Request for Proposals (RFP) for Winnipeg, and the AMM requested flexibility in RFPs for rural areas. All agreed to continue lobbying the federal government for a more significant role in housing.

Finally, the AMM asked the Minister to build on the success of the Community Places Program by increasing its funding.

Pictured: Representatives of ten communities that received Age-Friendly Milestone Awards on June 25.
(Photo by Tracey Goncalves, Manitoba Government Photographer)



LOBBYING HIGHLIGHTS

Although the AMM appreciates the increase in maximum funding to \$75,000 for northern and remote communities (excluding Thompson, The Pas and Flin Flon), the current funding maximum remains the same for all other applicants. The Minister indicated Treasury Board was reviewing the funding.

Update: On May 8, 2013, AMM VP Clarke attended a briefing on the Rental Housing recommendations implemented in Budget 2013 with Minister Irvin-Ross and other roundtable participants.

Unfortunately, there was \$450,000 less funding available under the Community Places Program in the 2013 Budget.

Manitoba Children and Youth Opportunities

The AMM began its February 11 meeting with Minister Kevin Chief by urging the Province to fulfill its commitment to fund 6,500 child care spaces by 2013 and increase the number of spaces across Manitoba. Although Minister Chief is not the lead Minister on this issue, he is focused on early childhood development and pre-school resources for families. The Minister was pleased with the AMM's support and hopes to continue working with the Minister of Family Services.

The AMM also discussed the challenges that operating costs create for recreation centres, and asked the Minister to develop new incentive programs and work with Manitoba Hydro to look into establishing a new rate structure. The AMM met with both Minister Chomiak and Manitoba Hydro as well; however, Minister Chief is the lead Minister on recreation. The Minister suggested working together to start with a pilot project to assist the least efficient centres.

Additionally, the AMM supports summer employment programs for youth in rural areas, and asked the Minister to increase funding for the Hometown Green Team Program to allow the approval of more applications. The Minister indicated a long-term plan for this program would be developed in the next two years.

Finally, the AMM raised the importance of measures to prevent criminal youth activity such as anti-drug programming in Manitoba's school curriculum. Minister Chief had recently traveled extensively across the province to learn about the needs in Manitoba communities. He was encouraged by partnerships with the private sector, such as the Winnipeg Jets Foundation which provides millions of dollars to various programs. The Minister is also interested in after-school and mentorship programs to help with crime prevention.

Update: The AMM's discussions with Manitoba Hydro regarding a potential pilot project for recreation centres are ongoing.

As well, Minister Chief announced in August that a review of provincial recreation policies is slated for the fall of 2013.

Manitoba Health

The AMM's final February 11 meeting with Minister Theresa Oswald focused on the importance of dedicating adequate resources to the provincial strategy to recruit, train and retain health professionals in rural and northern Manitoba. The AMM also urged the Province to develop an implementation plan for the Brandon Medical Education Study recommendations to address the severe shortage of medical professionals in rural and northern Manitoba. The Minister and her staff agreed the new study should address the shortage of rural doctors, but will continue to take other measures to increase the supply of doctors through aggressive recruitment.

The AMM also raised the issue of community contributions for health facilities and requested full provincial funding for these facilities. Minister Oswald indicated greater contributions are required from municipalities in other provinces. However, her department does allow in-kind contributions. The Minister is not prepared to remove this requirement as it shows ownership on behalf of the community, although she agreed to revisit the formula to ensure municipalities do not end up paying more than ten percent.

The AMM asked the Minister to ensure emergency response services are located at a reasonable distance from every community in order for ambulance response times to remain comparable in all communities. The AMM also requested the results of the external review of emergency medical services. The Minister indicated the review was not completed but promised to provide a briefing to the AMM on this report prior to its release.

The AMM raised the need for additional funding for local palliative care services, including funding for a full-time Palliative Care Coordinator for communities that require one. The Minister confirmed there is a palliative care coordinator in every region of the Province.

On the subject of Regional Health Authorities (RHAs), the AMM asked the Minister to allow elected representatives to serve on RHA Boards. The AMM supported the new requirement for RHAs to form Local Health Involvement Groups to advise the RHA. The Minister indicated RHA Board appointments are based on skill sets, not on regional representation. The AMM raised concerns from municipal officials about RHA Board reporting, and Minister Oswald indicated a report on RHAs would soon be released that would address this issue.

Lastly, the Minister was asked to have her department consult with the AMM on the development of guidelines for

PROVINCIAL

community events to ensure the health and safety of participants. According to the Minister, no directive exists to shut down community dinners, but was aware of these complaints and was looking into the situation.

Update: Emergency Medical Services Director Gerry Delorme attended the AMM's Municipal Officials Seminar and all seven June District Meetings to outline the recommendations in the EMS Review.

Manitoba Innovation, Energy and Mines

At the AMM's February 20 meeting with Minister Dave Chomiak, the AMM raised the ongoing issues with lack of cell service, emergency communications and internet access. The AMM called for the Province to develop partnerships with other orders of government and the private sector to improve communication networks. As well, the AMM encouraged the Province to support suggestions made by the Federation of Canadian Municipalities (FCM) to Industry Canada regarding the broadband spectrum auction licensing framework. President Dobrowolski also asked the Minister to comment on the recent letter from MTS on this issue.

The Minister promised to put this issue on the agenda with the federal government for potential investment through the new Building Canada Fund. Minister Chomiak provided details about recent discussions with Manitoba Hydro about partnerships with cellular service providers. The Province currently offers loans to broadband providers to enhance services. The Minister supports the efforts for emergency cell service to be a part of licensing framework by the federal regulators.

The AMM also discussed biomass energy investments and the provincial ban of coal use for heating. The Minister is working with municipalities who lack transition plans and promised to offer maximum flexibility.

The AMM then thanked the Minister for initiating the working group to address municipal concerns regarding Oil Production in Manitoba. The AMM requested an expedited timeline to develop a regional economic development plan for communities with rising oil production. The Minister was pleased with how the oil industry is thriving in Manitoba and is committed to working with municipalities to resolve the ongoing issues. An information session was held in Virden in March 2013 on this issue. The Minister pointed out Manitoba is competing with North Dakota and Saskatchewan for oil revenues.

The AMM asked the Minister to support the long-term strategy for resource-based communities, especially in Northern Manitoba, especially mining. Minister Chomiak emphasized low worldwide commodity prices create many challenges for

mining exploration, but is pleased with recent developments in Manitoba, including the situation with Vale in Thompson.

The need for increased funding for the operation of recreation centres was also discussed, along with Minister Chief's suggestion of a pilot project with community centres in need of upgrades. The Minister was interested in a pilot project aimed at energy conservation and efficiency, and requested more information from the AMM about the condition of older community centres.

Note: See Lobbying Successes for details about the enforcement extension of the ban on coal heating.

Manitoba Advanced Education and Literacy

The AMM met with Minister Erin Selby on February 27 to discuss the implementation of the Brandon Medical Education Study recommendations and training opportunities. The Minister indicated there has been a net gain of 500 doctors since the current government took office. Minister Selby's department has endorsed all the recommendations in the study, which she believes outlines the best methods to attract and retain rural doctors. The Province already provides incentives for students of several other health professions to stay in the province, and is preparing innovative new training options for rural areas. The Minister also indicated the government is on target to ensure that every Manitoban has a family doctor by 2015.

Reg Toews, Lead Consultant on the Manitoba EMS Review, joined EMS Director Gerry Delorme at the AMM's Central June District Meeting.



LOBBYING HIGHLIGHTS

Lack of cell service and public safety in spotlight

Lack of cell service and public safety were in the spotlight during the AMM's 14th Annual Convention. President Doug Dobrowolski and Eastern Urban Director Mayor Chris Goertzen, City of Steinbach, held a news conference to discuss the late resolution "Improve Emergency and Cellular Service".

The RM of Stuartburn sponsored this resolution. It stemmed from a devastating wildfire that raged through the community of Vita on October 2, followed by a snowstorm on October 4, which crippled communications in the area and resulted in a life-threatening situation for residents.

Over the past year, the RM of Stuartburn and the neighbouring municipalities of Franklin, Piney and La Broquerie have had four emergencies - three wildfires and a power outage due to a severe winter storm. In all four emergencies, communications were inadequate, with cellular service that was spotty to non-existent.

Mayor Goertzen spoke on behalf of the Eastern District municipalities he represents. "Although the City of Steinbach, being an urban centre, is not lacking in this area we are greatly concerned about the communities around us - this affects our neighbours."

"This is about public safety and the safety of our emergency personnel while they are trying to protect the public. It is about doing something about this situation before a life is lost," said Dobrowolski. "We have called on the provincial and federal governments to come together with the cell service carriers and municipalities to work out a plan to move this issue forward."

The resolution "Improve Emergency and Cellular Service" was carried by Convention delegates.

Right: A resolution calling on improvements to emergency and cellular service stemmed from a series of disasters that occurred in the eastern part of the province in late 2012, including wildfires.

Manitoba Entrepreneurship, Training and Trade

The AMM met with Minister Peter Bjornson on February 27. The AMM thanked the Minister for the ongoing development of CentrePort and for his department's work keeping the AMM informed about the Canada-EU Free Trade Agreement. The AMM mentioned communication from CUPE indicated it is against this free trade agreement. Minister Bjornson stated there is some misinformation being circulated about this agreement, but assured the AMM he believes it is in the best interests of the Province.

The AMM also discussed business development and retention, and pointed out that recent cuts to Regional Development Corporation funding by Manitoba Agriculture, Food and Rural Initiatives were harmful to municipalities trying to encourage economic development. However, the AMM encouraged Minister Bjornson to take the lead on economic development by offering business support to communities. The Minister indicated he would discuss this idea with his colleagues in the rural caucus and outlined a number of business support programs his department offers.

The AMM thanked the Minister's department for making progress on the Water and Wastewater Apprenticeship program. The AMM encouraged Minister Bjornson to sign off on changes to the program as soon as possible to allow the AMM and Apprenticeship Manitoba to continue promoting the program.

The AMM requested an update about RentAid support as well as tools to connect more employees to jobs in Manitoba. The Minister mentioned recent changes to Employment Insurance by the federal government led to additional pressure on his department. Minister Bjornson was working towards an approach to provide more job opportunities to people on assistance in order to help them join the workforce.



Manitoba Culture, Heritage and Tourism

The AMM met with Minister Flor Marcelino on March 26 to discuss several ongoing issues. The AMM requested the Minister move forward to establish universal library access and increased funding for libraries; however the Minister said there are logistical and financial issues. She indicated there would not be any increase for libraries in the upcoming budget.

Tourism funding was also discussed. The Minister and her staff are working on a plan to better coordinate existing funding and develop new marketing tools. Local tourism agencies would be consulted. The Minister also committed to look into why the star attraction designation was taken away from the Elkhorn auto museum. The AMM also raised the issue of funding for community museums and SOCAN tariffs. The Minister was committed to visiting museums this year but indicated the budget was frozen.

Manitoba Infrastructure and Transportation

The AMM met with Minister Steve Ashton on March 26 and requested more support for municipal infrastructure, including a new capital program for airports. Next, Minister Ashton indicated the 2011 Flood Review would soon be released. The Minister also stated a 2013 flood was possible, but its extent would most likely be similar to the 2009 flood. Minister Ashton and the AMM discussed the Minister's meeting with the Southwest Flood Strategy Committee. The AMM emphasized the need for solutions on drainage in the Surface Water Management Strategy which is being developed.

The AMM asked for an update on intercity bus service. According to the Minister, there are various private operators who are building a new network, which will include better use of charter buses. The AMM also raised the issue of Crown lands. The Minister recognized that the process is lengthy, but insisted on due diligence. Finally, the AMM asked the Minister to take responsibility for railway abandonment in Manitoba. The Minister acknowledged municipalities should be partners in resolving this issue.

Update: The Lake Manitoba and Lake St. Martin Regulation Review was released in February 2013, and the 2011 Flood Review Task Force Report was released in April 2013. Both reports involved extensive consultations and issued wide-ranging recommendations dealing with specific water bodies as well as with flood management on a province-wide basis.

Manitoba Justice

The AMM's met on March 26 with Minister Andrew Swan. The AMM began the discussion with amalgamation and policing costs. The Minister stated policing costs will not be down-loaded to municipalities who are forced to amalgamate. The AMM thanked the Minister and his department for setting up the Contract Advisory Committee for communities who have contracts for RCMP policing service. However, municipalities remain concerned about the rising cost of policing.

The AMM requested assistance from the Minister to assist in obtaining more funding for policing from the federal government. Minister Swan supported efforts to convince the federal government to renew the Police Officer Recruitment Fund after it expires in 2014, and urged the AMM to lobby for this fund as well.

The AMM requested an update on the provincial government's promise to set up a special police cadet program in rural and northern Manitoba. The Minister indicated this was an outstanding commitment; however, there would be no money in the upcoming budget. On Mandatory Policy Boards, the Minister indicated there was no change to this policy. As previously indicated, the investigative unit will be paid by the Province.

By-law enforcement has been an issue for many years, and the AMM discussed upcoming legislation to specifically help municipalities deal with parking tickets. The AMM asked for a similar process to apply to the enforcement of other municipal by-laws.

Finally, the AMM raised concerns that amendments to The Highway Traffic Act would result in an increased workload for firefighters to perform traffic control at accident scenes. The Minister committed to follow up with Manitoba Public Insurance (MPI) on its education campaign for false 911 calls.

Note: See Legislative Update for information on by-law enforcement legislation (Bill 38) and The Highway Traffic Amendment Act affecting fire departments (Bill 2).

Manitoba Education

On April 2 the AMM met with Minister Nancy Allan, raising the need for the removal of education taxes from property. The Minister indicated the Province offsets this tax through a variety of measures, including the education support levy and tax credits for seniors and others.

LOBBYING HIGHLIGHTS

The AMM also raised concerns about the future of The Planning and Land Dedication for School Sites Act. The City of Winnipeg, the Capital Region, and many other municipalities have also expressed concerns about the Act. The Minister stated that new schools require a larger footprint to include daycares and outdoor fields. Minister Allan indicated she would like to find a compromise that would work for all parties. The Deputy Minister of Education was planning to discuss the lack of participation at public consultations with school divisions, as this would help flag issues with planning sooner in the process.

The AMM also acknowledged the success of the PAX pilot program and supported more funding for anti-drug programs. The Minister was pleased with the recognition for the PAX Good Behaviour Game in classrooms and committed to continuing this type of instruction. Regarding the school closure moratorium, the Minister indicated closures would be reviewed on a case-by-case basis.

Manitoba Conservation and Water Stewardship

Also on April 2, the AMM met with Minister Gord Mackintosh. The AMM thanked the Minister for beginning the process of improving drainage regulation through an interdepartmental steering committee on drainage. The Minister committed to another meeting of the committee in the near future. Minister Mackintosh also indicated the Surface Water Management Strategy would be released soon, and mentioned it would include Crown lands, as well as implications from the 2011 flood reviews. The AMM raised the importance of considering implications for Conservation Districts, LiDAR and water quality. As well, the AMM raised the importance of continuous improvement to recycling programs in Manitoba.

The AMM raised concerns about a proposed cosmetic pesticide ban. The Minister reiterated it has only been the media using the word “ban.” The Minister was still looking for feedback on how to reduce exposure to pesticides and effective replacement products.

The AMM requested that funding for dutch elm disease management continue to be available to communities who request assistance. The Minister agreed elms are important for Manitoba. Regarding Crown lands and municipal concerns over delays to development, the Minister indicated these delays can be discussed on a case-by-case basis with municipalities. The AMM also raised issues with contaminated sites and indicated it had been notified of a review of the Waste Disposal Ground Regulation. Minister Mackintosh was looking into a multi-year approach to contaminated sites.

Finally, the AMM informed the Minister the Problem Beaver Management Program was available later than usual. Minister Mackintosh indicated it may be a difficult year for this program, and he wanted to put together a working group with MIT and Hydro.

Update: In June Minister Mackintosh announced plans to phase in a ban on pesticides for lawn care starting in 2014.

As well, funding for the Problem Beaver Management Program and the last two years of a three-year beaver management pilot project involving municipalities was not renewed in Budget 2013. The AMM has followed up with the department to urge the Province to support these programs.

Manitoba Aboriginal and Northern Affairs

The AMM met with Minister Eric Robinson on April 3. The Minister was pleased to hear about recent progress achieved with the help of the Treaty Commission of Manitoba on the Treaty Land Entitlement (TLE) process.

The Minister updated the AMM on transportation and northern issues following his meeting with the new federal minister. Minister Robinson is committed to supporting the Port of Churchill, but the federal government’s support is also essential. The North has seen recent opportunities in mining and plans for a winter road were recently announced by Minister Toews and Minister Chomiak. Finally, Minister Robinson provided the AMM with an update on some challenges he was working through with specific First Nations communities.

The Lake Manitoba and Lake St. Martin Regulation Review was released in February 2013, and the 2011 Flood Review Task Force Report was released in April 2013. Both reports involved extensive consultations and issued wide-ranging recommendations dealing with specific water bodies as well as with flood management on a province-wide basis.

PROVINCIAL

Update: The AMM has developed a positive relationship with Treaty Commissioner James Wilson and plans to continue working with him on many issues, including new ways to improve the TLE process.

Manitoba Family Services and Labour

On April 4 the AMM met with Minister Jennifer Howard. The AMM raised concerns about upcoming accessibility legislation, particularly regarding the difficulty of upgrading old and historic buildings. The Minister emphasized legislation is necessary to improve accessibility, but where possible she would like to use existing processes such as the Building Code. Also, Minister Howard indicated that while new buildings will be required to comply with the new legislation, it will only apply to old buildings under renovation. The Minister indicated she would like to consult with municipalities as new accessibility standards are developed. She was also in favour of using existing Age-Friendly committees with additional members from local accessibility groups to develop local plans.

On the availability of childcare, the Minister was in favour of involving the AMM to develop a new plan for childcare spaces that will expand to cover private daycares, as well as trying to use alternative ways to create childcare spaces.

The AMM was pleased to be working with the Province on a provincial fire strategy, and the Minister was also pleased with the progress to date. Regarding municipal emergency services, the AMM requested improved screening of 911 calls to reduce false alarms, and supports improved public education. The AMM raised also concerns about new legislation

that may lead to firefighters conducting much more traffic control even though police are responsible for it.

Note: See Legislative Update for information on Bill 26: The Accessibility for Manitobans Act.

Manitoba Local Government

The AMM met with Minister Ron Lemieux on several occasions throughout the year, including meetings to discuss amalgamation on January 29, March 4, April 8, as well as a number of informal meetings. The AMM met with both Minister Lemieux and the Honourable Greg Selinger, Premier of Manitoba, to discuss the issue on August 8.

The AMM also met with Local Government staff to discuss ongoing issues, such as funding for handi-van services, the Municipal Bridge Renewal Program, the Municipal Roads Improvement Program, and funding for the Manitoba Water Services Board.

Note: Amalgamation is covered on page 10 (Top Issues for 2013).

Pictured L to R: Executive Director Joe Masi, President Doug Dobrowolski, Treaty Commissioner James Wilson, Urban Vice-President Eileen Clarke, TRCM Executive Director Jennefer Nepinak, and former Rural Vice-President Roger Wilson on October 11, 2012.



The AMM had a busy year monitoring a great deal of legislation with the potential to impact municipalities.

*The AMM's complete submission on each bill is available on our website:
www.amm.mb.ca/pol_leg.html.*

The Legislature adjourned on December 6, 2012 and resumed on April 16, 2013, just before the provincial budget was released. This spring session was Manitoba's longest on record, continuing all summer until September 13, 2013.

The following is a summary of the most important bills for municipalities and the AMM's position. The government indicated all outstanding bills would pass in the next sitting of the Legislature, beginning with a speech from the throne on November 12, 2013.

Bills that passed by September 13, 2013:

Bill 2: The Highway Traffic Amendment Act (Respect for the Safety of Emergency and Enforcement Personnel)

This Bill was introduced on December 4, 2012 and received Royal Assent on September 13, 2013. Part of Bill 2 is currently in effect and will designate authority to firefighters to direct traffic at the request of a police officer or if no police officer is present. The AMM expressed concern this would result in a higher workload for municipal firefighters. Section 3 of Bill 2 will not go into effect until it is proclaimed at a later date. The AMM was supportive of this section, which contains provisions for maximum speed limits and other safety-based restrictions to protect emergency personnel.

Bill 33: The Municipal Modernization Act (Municipal Amalgamations)

President Doug Dobrowolski, many municipal representatives and private citizens made presentations to the legislative committee. Although amendments to the Bill were introduced by both the government and the opposition, fundamentally the Bill did not change, nor did the AMM's position, noted on page 10 (Top Issues for 2013). Bill 33 is now in effect.

Bill 37: The Emergency Measures Amendment Act

Bill 37 makes several changes to emergency procedures that affect municipalities. Municipalities no longer have the power to issue an emergency prevention order, and a local state of

emergency can now remain in effect for 30 days instead of only 14 days. As well, an amendment to section 312 of The Municipal Act will allow municipalities to levy for emergency management services. Existing provisions to special service levies will continue to apply, but this adds another taxation tool for municipalities to fund ongoing emergency management service expenditures. The AMM supports these changes as they will benefit municipalities.

This Bill also clarifies powers for issuing mandatory evacuation orders, including the powers of peace officers in situations where people choose not to abide by the evacuation order. The AMM has encouraged caution in using this option and stressed the importance of always including the municipality on emergency decisions as they are the local authority. Bill 37 was introduced on May 1, 2013, received Royal Assent on September 13, 2013, and will come into force at a later date when it is proclaimed.

Outstanding Bills that have received second reading, scheduled to go to committee in October 2013 include:

Bill 5: The New Home Warranty Act

The AMM supports the requirement for warranties for new homes as a measure to protect consumers. However, there is concern about the effect these requirements would have on smaller builders and the potential for administrative downloading. As well, since municipalities would be required to deny building permits to builders without a proof of warranty provider, the AMM is concerned about liability affecting municipalities.

Bill 6: The Highway Traffic Amendment Act (Flexible Short-Term Regulation of Vehicle Weights and Dimensions)

Bill 6 was introduced to support rural economic development by allowing for seasonal flexibility in weight restrictions on the provincial transportation system. The AMM is supportive of these changes.

Bill 22: The Planning Amendment Act (Subdivision Approval)

Bill 22 introduces enabling provisions in The Planning Act to allow for a streamlined subdivision approval process for rural single-lot subdivisions. The AMM co-chaired an interdepartmental Technical Advisory Committee with Manitoba Local Government to develop recommendations for a more efficient subdivision review process.

Bill 26: The Accessibility for Manitobans Act

Bill 26 will allow the creation of different standards in regulation to set out measures, policies or practices to remove barriers and prevent future barriers to accessibility. The AMM is a member of the Accessibility Advisory Council, and expects to be involved in the standard-making process. The AMM supports improved accessibility for Manitobans, providing the implementation process is reasonable. Accessibility standards have the potential to add to already increasing municipal responsibilities, and the AMM is against downloads without accompanying resources.

There is some flexibility to allow for requirements in the standards to be tailored to the size and capacity of an organization or municipality, but it will still be important for the AMM to be involved on behalf of municipalities. The AMM also continues to push for coordination with the Age-Friendly Manitoba Initiative, which has many of the same goals.

Bill 27: The Highway Traffic Amendment Act (Charter Bus Service)

Bill 27 removes some of the restrictive regulations that currently prevent more charter bus operators from entering the market. The AMM supports these measures to allow companies more flexibility to change their schedules and routes, and to provide opportunities for local operators. Ongoing regulation for charter bus service will continue to focus on vehicle and operational safety. The AMM has also suggested the Province of Manitoba consider incentives for local companies to meet local needs where there are no other options for intercity bus travel.

Bill 43: The Liquor and Lotteries Corporation Act and Liquor and Gaming Act

Bill 43 makes a number of changes to simplify liquor and gaming regulation. For instance, the number of liquor licenses will be reduced from 12 to three, making it much simpler for multi-use facilities to obtain a license. As well, there will be a single license for liquor and gaming, and a single inspection and enforcement process for both.

The AMM supports changes to reduce red tape for businesses and communities, providing municipalities can continue to respond to community lifestyle preferences. The AMM also supports the provisions in section 48 that will require the Manitoba Liquor and Lotteries Corporation to allocate two

percent of annual net revenue to conduct or fund initiatives that promote responsible gaming and responsible liquor consumption, including research and treatment programs.

Outstanding Bills that have gone to committee, but have not been passed include:

Bill 20: The Manitoba Building and Renewal Funding and Fiscal Management Act

This Bill introduces financial measures, including the one percent increase to the Provincial Sales Tax (PST) announced in the Budget. The PST increase will be effective for ten years, ending in 2023, to maximize the potential of the new Building Canada Fund announced in this year's federal budget. The \$277 million raised from the PST increase will go into the Manitoba Building and Renewal Fund and reporting on infrastructure expenditures will be required.

The AMM has expressed concern this funding will not address the over \$11 billion municipal infrastructure deficit in Manitoba as it appears this funding will be largely spent on provincial infrastructure. As well, the AMM was disappointed with this increase since the Province has repeatedly refused municipalities' requests to increase funding for municipal infrastructure by one percent of the PST over existing levels. This increase will also cost municipalities more because they are required to pay PST. The Committee reported back to the House on July 8, 2013, but this bill has not received third reading and is not yet in force.

Bill 38: The Provincial Offences Act and Municipal By-law Enforcement Act

The proposed changes under Bill 38 would speed up and simplify the municipal by-law enforcement process for by-law violations with small fines. This new process will be an administrative penalty scheme, and it will be mandatory for municipalities who wish to enforce their parking by-laws. Bill 38 is designed to reduce the amount of time municipalities have to spend on parking by-law violations, and improve the ability of municipalities to enforce their parking by-laws through a by-law officer. Municipal by-law officers will be able to issue tickets under this new scheme without having to be peace officers.

The AMM supports a simplified process for by-law enforcement, although there is uncertainty about the costs involved. The AMM also hopes the process will be easily applicable to types of by-laws other than parking. Bill 38 went to committee in August, where the AMM and several municipalities made presentations. Amendments were introduced by the government, including one to give Planning Districts a role in the enforcement of certain by-laws. The Bill has not received third reading and is not yet in force.



MEETING WITH PROVINCIAL CABINET

On November 29, 2012, the last day of the 2012 AMM Annual Convention, the AMM Board of Directors met with Premier Greg Selinger and the Provincial Cabinet to discuss municipal priorities. The AMM also presented each Minister with a briefing document outlining some of the successes of 2012, the critical issues requiring immediate attention, and the other important issues still unresolved with some progress achieved.

Municipal Priorities

President Doug Dobrowolski began the meeting by thanking the Premier and his Cabinet for the progress achieved on several key issues over the past year. For instance, changes to The Highway Traffic Act established the basis for municipalities to reduce speed limits in school zones. This was an important issue for many AMM members, and the AMM was pleased with this change.

As well, the AMM acknowledged the support from the Province through the Department of Justice throughout the negotiations for new federal-provincial policing agreements for RCMP services. Manitoba Justice provided support to municipalities who only had a short time to interpret and sign the new contract, and the Department was committed to providing continued support to a new Manitoba Contract Management Committee for those municipalities with Municipal Police Services Agreements.

Some of the ongoing important priorities included improvements to drainage licensing under The Water Rights Act, the proposed cosmetic pesticide ban, and proposed legislation for accessibility standards. President Dobrowolski also touched on preliminary discussions the AMM had with the Province regarding amalgamation, a subject on many municipal officials' minds this Convention.

Some of the critical issues the AMM identified included the need for alternate revenue sources for municipalities, and the importance of reinstating the operating grants for Regional Development Corporations (RDCs). President Dobrowolski also highlighted the need for real progress to improve cell service and there have been success stories in other jurisdictions which could serve as models for Manitoba. Housing is another issue in urgent need of provincial attention, and this applies to both urban and rural Manitoba. One of the major problems is how to encourage contractors to build more. Other critical issues were the requirement for community contributions to health facilities, rural water pipeline funding and support to deal with rising recreation centre operating costs.

Facing page, L to R: Ministers Dave Chomiak, Nancy Allen, Jennifer Howard, Ron Kostyshyn, Christine Melnick, Ron Lemieux, Andrew Swan, Premier Greg Selinger, Minister Steve Ashton, President Doug Dobrowolski, Ministers Gord Mackintosh, Kerri Irvin-Ross, Jim Rondeau, Eric Robinson, Theresa Oswald and Stan Struthers.

MEETING WITH PROVINCIAL CABINET

Provincial Response

Premier Selinger began with a reminder of the reality of the deficit and the difficult decisions to come in Budget 2013. As a result, every department would have to stay within their own budgets. Some of the funding decisions for 2012 were made directly by the responsible department, and the Premier appreciated the briefing from the AMM on the effects of some of the funding cuts.

The Premier supported better cell and emergency services, and was optimistic about the upcoming availability of new bandwidth for telecommunications companies. The Premier wanted to see a national solution; however, there is also work to do provincially, such as upgrading the FleetNet system.

Amalgamation of municipalities was something the Premier wanted to see progress on, but there was no goal in terms of a desired number of municipalities. Premier Selinger noted it was important to work with the 2014 municipal election in mind to keep efforts focused.

The Premier emphasized the importance of economic development to the Province, and mentioned a number of additional tools made available for rural economic development since RDCs were created. Housing is also a top priority as it supports economic development, and the Premier mentioned recently introduced legislation to enable municipalities to increase housing density. Premier Selinger would also like to see workshops for municipalities on other tools such as Tax Incentive Financing.

Furthermore, as an indication of budget constraints, the Premier stated the largest provincial expenditure is health care, and the ten percent capital contribution for facilities is unlikely to change. However, the Premier was willing to look into rural water pipeline funding and veterinary board funding. In addition, the Premier highlighted tools to help recreation centres finance the adoption of green technology. Finally, Premier Selinger outlined goals for continued growth in Manitoba and continued partnerships to properly manage this growth.



COMMUNICATIONS



AMM in the Media

During the 2013 fiscal year, the AMM was mentioned in Manitoba media 539 times, an increase of 74 over 2012. Of these, a full 40 percent – or 217 hits – were on the topic of municipal amalgamation. This polarizing issue dominated the rural media but also made it into the Winnipeg Free Press on numerous occasions.

AMM Commentary

President Dobrowolski also submitted two op-ed pieces to the Winnipeg Free Press on the issue: “Forced amalgamation of municipalities arrogant” on May 4, 2013, followed by “PST hike taketh and taketh from RMs” on June 29.

The AMM was also mentioned in 47 media stories around the Province of Manitoba’s plan to increase the Provincial Sales Tax by one percent.



Forced amalgamations of rural municipalities arrogant

Deadline pressures smaller centres
Amalgamation plans issued by province

PST hike taketh and taketh from RMs

Municipalities, towns and villages not impressed with
Provincial government’s plans to force amalgamations

**Local Government minister
sets stage for amalgamation**

Change is an opportunity – Lemieux

Small municipalities kept from gas-tax
revenue should amalgamate: Lemieux

Provincial plan won't produce benefits

Cyanide-laced Tylenol have been handled better

Province’s communication strategy on amalgamations a blatant attempt to soft-shoe

**Forced amalgamation of
municipalities became
a polarizing issue,
dominating the rural
media and also
making it into
the Winnipeg
Free Press on
numerous
occasions.**



Pictured, top to bottom: President Doug Dobrowolski responding to media inquiries:

- with CJOB’s Hal Anderson during the 14th Annual Convention
- at the Manitoba Legislature for the provincial budget on April 16
- during a media scrum at Winnipeg City Hall, and
- during the Municipal Officials Seminar in Brandon.

COMMUNICATIONS

Social Media

The AMM's social media channels continued to gain popularity in 2013. The Twitter feed has 730 followers, an increase of 263 over 2012, and the AMM Facebook page continues to build a following. The AMM is also part of the LinkedIn network, has a blog, and uses the photo sharing site Flickr to share images of AMM events.



AMM Website - www.amm.mb.ca

The AMM website is a valuable tool for members and others seeking AMM news, policies, lobbying highlights, and event information. This past year the site underwent some minor updates but the main focus was on creating a "mobile website" to ensure smartphone users would have access.

Bi-Weekly News Bulletin

The AMM news bulletin reports on the latest AMM activities and events. It has 690 subscribers. This includes 197 municipal Chief Administrative Officers, who in turn distribute it to the approximately 1,200 elected officials in Manitoba.

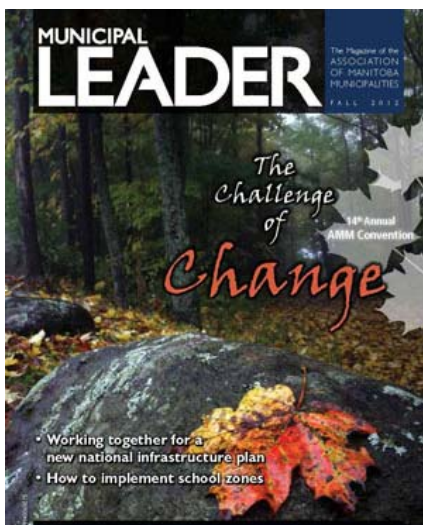
AMM Member Advisories

The AMM distributes Member Advisories to communicate issues of immediate importance or urgency to its members. Over the past year a total of 18 advisories were distributed, with the majority focused on the municipal amalgamation issue.

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 International Trade and Development, Injury Prevention, and Greening of Municipalities. Each issue also featured regular sections such as Municipal Ideas, Municipal Profile, Education, Legal Corner, Insurance, MTCML and Candid Camera. We welcomed a regular column from the RCMP this year as well, and focused numerous stories on the amalgamation topic.



SPECIAL EVENTS



Women in Municipal Government Panel Discussion

Approximately 30 people attended the University of Winnipeg for a Women in Municipal Government networking event on November 29, 2012. Hosted by Marcy Markusa of CBC's Information Radio, the panel discussion was a further step in the AMM's strategy to increase the number of women running for municipal councils in the next election of 2014.

Dr. Shannon Sampert, Assistant Professor of the Department of Politics, brought greetings from The U of W, followed by Deputy Mayor Erin Hogan, City of Thompson, who brought greetings on behalf of the Federation of Canadian Municipalities (FCM) Standing Committee on Increasing Women's Participation in Municipal Government. Following opening remarks, four guest speakers told their personal stories about their experience in running for municipal office: Councillor Devi Sharma, Old Kildonan Ward, City of Winnipeg; Councillor Jenny Gerbasi, Fort Rouge-East Fort Garry Ward, City of Winnipeg; Reeve Frances Smee, RM of Rosser; and Councillor Paula Havixbeck, Charleswood-Tuxedo Ward, City of Winnipeg.

For more information about the AMM's Women in Municipal Government initiative, visit www.amm.mb.ca/res_women.html.

Municipal Leaders receive Diamond Jubilee Medals

On January 15, 2013 four individuals were presented with a Queen Elizabeth II Diamond Jubilee Medal in recognition of their outstanding contribution to the Association of Manitoba Municipalities and municipal government in Manitoba. The medal presentation took place at Government House, with the Honourable Philip S. Lee, Lieutenant Governor of Manitoba, presiding over the event.

The recipients were Jack Nicol, Past President, Union of Manitoba Municipalities; Ed Peltz, Former Interlake Rural Director, Union of Manitoba Municipalities; Stuart Briese, Past President, Association of Manitoba Municipalities, MLA for Agassiz; and Ron Bell, Past President, Association of Manitoba Municipalities, Building and Recovery Action Plan Appeals Commissioner, Province of Manitoba.

The four recipients were selected for the award by the AMM Board of Directors. All are Honourary Life Members of the AMM, having previously been recognized for their outstanding and exemplary service to the Association and the community.

"All are true community champions who have left their mark on municipal government as we know it today," said President Doug Dobrowolski. "Receiving the Diamond Jubilee Medal is well-deserved recognition for their dedication and leadership."

Young Community Leader Award

The AMM presented Shania Sveinson with the 2013 George Harbottle Memorial Young Community Leader Award award at the Manitoba School Boards Association Celebration of Success evening on March 14, 2013. Sveinson is a Grade 12 student at Gimli High School in the Evergreen School Division. She has taken on active roles in a variety of clubs and organizations within her school community.

The AMM established the Young Community Leader Award in 2009, in conjunction with the Manitoba School Board Association Citizenship Awards. The Citizenship Awards are given annually to Manitoba students who have demonstrated their commitment to the values of citizenship in both their school and their broader communities. One student from each of the association's geographic regions is selected, and those students become finalists for the AMM award.

9th Annual Municipal Excellence Award

President Doug Dobrowolski presented the 9th Annual Municipal Excellence Award on April 12, 2013 during the Municipal Officials Seminar at Brandon's Keystone Centre. The City of Selkirk's Transit system – Selkirk Transit - is this year's recipient. Councillor Duane Nicol and Mayor Larry Johannson were on hand to accept the award. "Selkirk Transit has made a huge impact on this community," said President Dobrowolski, "not only by creating more economic opportunity, but by enhancing the lives of the citizens – including some of the most vulnerable – who live and work there."

SPECIAL EVENTS

L to R: Women in Municipal Government panelists Councillor Paula Havixbeck, Reeve Frances Smee, Councillor Jenny Gerbasi, Councillor Devi Sharma, Deputy Mayor Erin Hogan (bringing greetings on behalf of FCM) and moderator Marcy Markusa, CBC.



L to R: President Doug Dobrowolski, former Interlake Rural Director Ed Peltz, Past-President Ron Bell, The Honourable Philip S. Lee, Lieutenant Governor of Manitoba, Past President Stuart Brieze, Past President Jack Nicol and Executive Director Joe Masi.



President Doug Dobrowolski presenting the 2013 George Harbottle Memorial Young Community Leader Award to Shania Sveinson.



L to R: Councillor Duane Nicol and Mayor Larry Johannson accepting the 9th Annual Municipal Excellence Award for the City of Selkirk's Transit system.



MEMBERSHIP EVENTS

AMM Annual Convention November 26-29, 2012

For the second year running the AMM convention attendance exceeded the 1,000 mark, with 1052 delegates taking in the 14th annual event at the Winnipeg Convention Centre. The theme was "The Challenge of Change."

Keynote Speakers included Gord Hume, one of Canada's leading voices on municipal government; Peter Mansbridge, Chief Correspondent of CBC News; and Mark Tewksbury, chef de mission for the 2012 Canadian Olympic Team.

Other speakers included federal Minister of Public Safety, Vic Toews; Minister of Local Government, Ron Lemieux; Leader of the Manitoba Official Opposition, Brian Pallister; Leader of the Manitoba Liberal Party, Dr. Jon Gerrard; President of the Federation of Canadian Municipalities (FCM), Karen Leibovici; Senior Policy Analyst for the Canada West Foundation, Casey Vander Ploeg; and CEO of FCM, Brock Carlton. Premier Greg Selinger presented his annual address to delegates, and also had the opportunity to attend several workshops and plenary sessions.

The Ministerial Forum enjoyed a high turnout of Ministers joining Premier Greg Selinger, with 17 taking part.

AMM President Doug Dobrowolski was elected to serve his fifth term as President, defeating Reeve Roger Wilson, while Urban Vice-President Eileen Clarke and Rural Vice-President Ralph Groening were both acclaimed to serve their positions for another term.

Two Honourary Life Memberships were awarded during the annual Gala. This year's recipients were Steve Lupky and Art Rempel.

Several resolutions sessions took place during which 56 resolutions were debated, one was withdrawn, seven were defeated and 48 were carried.

This year also marked the first time delegates used electronic voting devices.



*The
Challenge
of
Change*



Mayors, Reeves and CAOs Meetings March 14-22, 2013

The annual series of Mayors, Reeves and CAOs meetings was held between March 14 and 22, 2013. During the meetings, the AMM Executive - President Doug Dobrowolski, Urban Vice-President Eileen Clarke and Rural Vice-President Ralph Groening updated the membership on a number of the most pressing issues facing Manitoba municipalities, including infrastructure funding, economic development, housing and others.

Municipal amalgamation was also on the agenda. In all districts except the Northern District, President Dobrowolski outlined the AMM's position in the morning session, followed by an afternoon Q & A session with Minister of Local Government, the Honourable Ron Lemieux.

Hosts for 2013 were the RM of Bifrost (Interlake), Town of Ste. Anne (Eastern), City of Flin Flon (Northern), Village of Crystal City and RM of Louise (Central), Village of Waskada (Western), RM of Minto (Midwestern), and City of Dauphin and RM of Dauphin (Parkland).

Municipal Officials Seminar and MTCML Trade Show April 10-11, 2013

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

The Honourable Ron Lemieux, Minister of Local Government, opened Wednesday's session and focused his address on municipal amalgamation. On Thursday, the Honourable Steven Fletcher, federal Minister of State for Transport, addressed delegates and shared details about the federal budget and the new Building Canada Plan.

MEMBERSHIP EVENTS

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 2013 the AMM visited a total of 73 municipalities.

June District Meetings

June 10-18, 2013

June District Meetings took place from June 10-18, 2013. Delegates heard presentations from President Doug Dobrowolski, Vice-Presidents Eileen Clarke and Ralph Groening, and Western Financial Group. At each district, Gerry Delorme presented the Manitoba EMS Review. The Minister of Local Government, Ron Lemieux also attended most meetings to discuss municipal amalgamation.

The 2013 meetings were hosted by the RM of Rosser (Interlake), City of Winkler (Central), RM of Daly and Town of Rivers (Western), Town of Rossburn (Midwestern), RM of Roblin and Town of Shell River (Parkland), City of Thompson (Northern), and the RM of La Broquerie (Eastern).

AMM Education Program

The AMM entered the third year of its four-year Education Program in 2013. 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 8, 2013: Employment Related Records in Manitoba: How to Best Manage and Protect the Municipal Employer
- April 9, 2013: The Respectful Workplace
- October 11, 2013: Communications: Advanced and The Buddy or the Boss: Balancing Support and Accountability
- November 25, 2013: Succession Planning

Opposite page, top to bottom:

- Mayor George Fontaine, City of Flin Flon, and Reeve Denis Carter, RM of Woodworth, during a resolutions session of the 14th Annual Convention.
- FCM President Karen Leibovici, President Doug Dobrowolski and Keynote Speaker Peter Mansbridge.
- 14th Annual Convention theme, The Challenge of Change.
- Keynote Speaker Mark Tewksbury.
- Urban Vice-President Eileen Clarke, President Doug Dobrowolski and Rural Vice-President Ralph Groening arrive at the Village of Waskada for the Western District Mayors, Reeves and CAOs meeting.

Below:

- Delegates attend a breakout session during the 14th Annual Convention.





Year	MTCML Rebate
2002	\$250,000
2003	\$300,000
2004	\$350,000
2005	\$350,000
2006	\$500,000
2007	\$750,000
2008	\$1,300,000
2009	\$500,000
2010	\$500,000
2011	\$700,000
2012	\$1,000,000
2013	\$800,000
TOTAL	\$7,300,000

Both the fall Convention Display Area and the spring MTCML Trade Show are popular events for delegates.

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 \$29,500,000 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 \$800,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past 12 years to \$7,300,000.

Fuel Supply Program

Prairie Fuel Advisors manages the AMM's Fuel Supply Program by helping municipalities in Alberta, Saskatchewan, Manitoba, British Columbia and Ontario reduce their overall cost of fuels, oils, greases and lubricants. They negotiate 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 \$2,405,151. This refund is the sixth in the AMM's history and brings the cumulative total since 2004 to \$7,792,090.

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 208 other policyholders such as conservation districts and other entities, and retirees. Just over 1,800 employees plus their families are provided protection.



Group Insurance Solutions



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.

MTCML OFFICIAL SUPPLIERS

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



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.

AMM CORPORATE MEMBERS

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

A photograph of a city skyline at sunset. The sky is a mix of orange, pink, and blue. Several skyscrapers are visible, some with lights on. The text 'FINANCIAL STATEMENTS' is overlaid in white, serif, all-caps font.

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

**Combined Financial Statements
Year Ended August 31, 2013**

FINANCIAL STATEMENTS



THE EXCHANGE

chartered accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Association of Manitoba Municipalities

We have audited the combined statements of financial position of the Association of Manitoba Municipalities, General and Trading Accounts, as at August 31, 2013, August 31, 2012 and September 1, 2011, and the statements of income, General and Trading Accounts, changes in net assets and combined statement of cash flows for the years ended August 31, 2013 and August 31, 2012, and a summary of significant accounting policies and other explanatory information. The statement of income for the General Account does not include revenues and expenses relating to special projects for which the Association has received funds to distribute on behalf of third party funders.

Management's Responsibility for the Combined Financial Statements

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained in our audits 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, 2013, August 31, 2012 and September 1, 2011, and the results of its operations and its cash flows for the years ended August 31, 2013 and August 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

The Exchange

chartered accountants, LLP
Winnipeg, Manitoba
October 3, 2013

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account



Statement of Financial Position

August 31, 2013

	August 31, 2013	August 31, 2012	September 1, 2011
ASSETS			
CURRENT			
Cash and short term deposits (Note 11)	\$ 19,309	\$ 230,292	\$ 134,758
Accounts receivable	442,078	297,870	285,590
Due from Building Reserve	-	-	180,000
Prepaid expenses	28,833	58,971	39,897
	<u>490,220</u>	<u>587,133</u>	<u>640,245</u>
SEGREGATED FUNDS			
Building Reserve (Note 5)	208,836	207,924	206,304
Communications Reserve (Note 6)	138,786	137,982	87,600
Employee Benefits Reserve (Note 7)	119,856	117,371	110,829
Legal Fund (Note 8)	52,764	53,486	28,202
	<u>520,242</u>	<u>516,763</u>	<u>432,935</u>
PROPERTY AND EQUIPMENT (Notes 3, 12)	390,765	377,221	393,149
INVESTMENT IN MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.	10	10	10
	<u>\$ 1,401,237</u>	<u>\$ 1,481,127</u>	<u>\$ 1,466,339</u>
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	\$ 12,362	\$ 21,629	\$ 9,262
Goods and services tax payable	18,836	17,015	12,678
Deferred income	483,306	478,324	382,084
Due to Communications Reserve	100,000	100,000	50,000
Due to Legal Fund	-	25,000	-
Due to Trading Account	50,000	55,000	150,000
Funds held in trust (Note 11)	7,499	7,499	7,499
	<u>672,003</u>	<u>704,467</u>	<u>611,523</u>
NET ASSETS			
Unrestricted	(161,917)	(99,953)	39,561
Invested in property and equipment	390,765	377,221	393,149
Restricted (Note 15)	500,386	499,392	422,106
	<u>729,234</u>	<u>776,660</u>	<u>854,816</u>
	<u>\$ 1,401,237</u>	<u>\$ 1,481,127</u>	<u>\$ 1,466,339</u>

LEASE COMMITMENTS (Note 13)

APPROVED ON BEHALF OF THE BOARD

 Director
 Director

See notes to financial statements



FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Statement of Income

Year Ended August 31, 2013

	2013	2012
REVENUE		
Membership dues	\$ 383,125	\$ 364,534
Convention	355,173	343,478
Seminar	87,300	81,800
Trade show	58,768	58,963
Rental	32,000	32,000
FCM dues	30,576	-
Education	27,053	34,630
Miscellaneous	15,015	982
Corporate membership	11,542	10,208
Associate membership	8,050	7,500
Magazine	6,425	8,603
Investment income	6,262	6,742
Merx	800	650
Advertising - bulletin	750	1,025
	<u>1,022,839</u>	<u>951,115</u>
EXPENSES		
Functions <i>(Page 15)</i>	446,267	371,709
Executive <i>(Page 15)</i>	372,356	360,681
Other <i>(Page 15)</i>	223,690	232,195
Staffing <i>(Page 15)</i>	781,431	772,722
	<u>1,823,744</u>	<u>1,737,307</u>
OPERATING LOSS	<u>(800,905)</u>	<u>(786,192)</u>
OTHER INCOME (EXPENSES)		
Management fees	750,000	760,000
Unrealized gains <i>(Note 3)</i>	2,485	6,542
	<u>752,485</u>	<u>766,542</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (48,420)</u>	<u>\$ (19,650)</u>

See notes to financial statements

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Financial Position

August 31, 2013

	August 31, 2013	August 31, 2012	September 1, 2011
ASSETS			
CURRENT			
Cash	\$ 271,201	\$ -	\$ -
Accounts receivable	1,594,028	1,745,028	2,209,160
Inventory (Note 3)	21,039	25,879	21,638
Due from General Account	50,000	55,000	150,000
	1,936,268	1,825,907	2,380,798
SEGREGATED FUNDS			
Insurance Reserve (Note 9)	-	619,492	1,013,813
Public Sector Accounting Reserve (Note 10)	29,824	135,704	35,348
Self-insurance Loss Pool (Note 14)	13,551,926	14,901,107	11,709,814
	13,581,750	15,656,303	12,758,975
	\$ 15,518,018	\$ 17,482,210	\$ 15,139,773
LIABILITIES			
CURRENT			
Bank indebtedness	\$ -	\$ 526,104	\$ 619,219
Accounts payable and accrued liabilities	840,148	1,086,974	765,303
Due to Insurance Reserve	-	-	400,000
Due to Public Sector Accounting Reserve	-	100,000	-
Goods and services tax payable	977	42,264	84
	841,125	1,755,342	1,784,606
SELF-INSURANCE LOSS POOL (Note 14)	12,140,841	13,571,350	11,332,449
NET ASSETS			
Capital Stock	10	10	10
Unrestricted	2,506,218	1,400,312	973,547
Restricted (Note 16)	29,824	755,196	1,049,161
	2,536,052	2,155,518	2,022,718
	\$ 15,518,018	\$ 17,482,210	\$ 15,139,773

See notes to financial statements

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Income

Year Ended August 31, 2013

	2013	2012
SALES	\$ 15,970,140	\$ 16,039,822
COST OF SALES	15,694,369	15,754,543
GROSS PROFIT (2013 - 1.7%, 2012 - 1.8%)	275,771	285,279
INSURANCE ADMINISTRATION FEES	883,765	781,695
INVESTMENT INCOME	561,510	407,028
	1,721,046	1,474,002
EXPENSES		
Advertising and promotion	3,375	7,326
Interest and bank charges	110	28
Membership rebate	800,000	1,000,000
Inventory write-off	160	-
	803,645	1,007,354
OPERATING INCOME	917,401	466,648
OTHER INCOME (EXPENSES)		
Management fees	(750,000)	(760,000)
Unrealized gains (losses) <i>(Note 3)</i>	219,013	420,117
EXCESS OF REVENUE OVER EXPENSES	\$ 386,414	\$ 126,765

See notes to financial statements

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Statement of Changes in Net Assets

Year Ended August 31, 2013

	Unrestricted	Invested in Property and Equipment	Restricted (Notes 15 and 16)	2013	2012
GENERAL ACCOUNT					
NET ASSETS - BEGINNING OF YEAR	\$ (99,953)	\$ 377,221	\$ 499,392	\$ 776,660	\$ 854,816
Investment in property and equipment	(40,677)	40,677	-	-	-
Deficiency of revenue over expenses - General Account	(21,287)	(27,133)	-	(48,420)	(19,650)
Excess (deficiency) of revenue over expenses - Reserves	-	-	994	994	(58,506)
NET ASSETS - END OF YEAR	\$ (161,917)	\$ 390,765	\$ 500,386	\$ 729,234	\$ 776,660
TRADING ACCOUNT					
NET ASSETS - BEGINNING OF YEAR	\$ 1,400,312	\$ -	\$ 755,196	\$ 2,155,508	\$ 2,022,708
Excess of revenue over expenses - Trading Account	386,414	-	-	386,414	126,765
Excess (deficiency) of revenue over expenses - Reserves	-	-	(5,880)	(5,880)	6,035
Transfers between reserves (Note 16)	719,492	-	(719,492)	-	-
NET ASSETS - END OF YEAR	\$ 2,506,218	\$ -	\$ 29,824	\$ 2,536,042	\$ 2,155,508

See notes to financial statements

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Statement of Cash Flows

Year Ended August 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Deficiency of revenue over expenses, General Account	\$ (48,420)	\$ (19,650)
Excess of revenue over expenses, Trading Account	386,414	126,765
Excess (deficiency) of revenue over expenses, General Reserves	994	(58,506)
Excess (deficiency) of revenue over expenses, Trading Reserves	(5,880)	6,035
Items not affecting cash:		
Amortization	27,133	24,686
	<u>360,241</u>	<u>79,330</u>
Changes in non-cash working capital	(248,806)	905,331
Cash flow from operating activities	<u>111,435</u>	<u>984,661</u>
INVESTING ACTIVITIES		
Purchase of equipment	(40,677)	(8,757)
Net sales of segregated funds, General Account	(28,480)	171,172
Net sales (purchases) of segregated funds, Trading Account	<u>1,974,553</u>	<u>(3,197,328)</u>
Cash flow from (used by) investing activities	<u>1,905,396</u>	<u>(3,034,913)</u>
FINANCING ACTIVITY		
Net contributions to self insurance loss pool, Trading Account	<u>(1,430,509)</u>	<u>2,238,901</u>
Cash flow from (used by) financing activity	<u>(1,430,509)</u>	<u>2,238,901</u>
INCREASE IN CASH FLOWS	586,322	188,649
DEFICIENCY - BEGINNING OF YEAR	(295,812)	(484,461)
CASH (BANK INDEBTEDNESS) - END OF YEAR	\$ 290,510	\$ (295,812)
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ (120)	\$ (242)
CASH (BANK INDEBTEDNESS) CONSISTS OF:		
General Account	\$ 19,309	\$ 230,292
Trading Account	<u>271,201</u>	<u>(526,104)</u>
	<u>\$ 290,510</u>	<u>\$ (295,812)</u>

See notes to financial statements

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

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. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the Association adopted accounting standards for not-for-profit organizations. These financial statements are the first prepared in accordance with these standards. The changes have not resulted in any changes to previously reported amounts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of combination

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

Financial instruments policy

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

(continues)



FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

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

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

Property and equipment

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

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

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

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

(continues)

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

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

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.

4. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure as of August 31, 2013.

Credit Risk

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

Interest Rate

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

5. BUILDING RESERVE

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

6. COMMUNICATIONS RESERVE

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

7. EMPLOYEE BENEFITS RESERVE

This reserve was originally established to 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.



FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

8. LEGAL FUND

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

9. INSURANCE RESERVE

This reserve was established to fund potential cost increases for municipal insurance in years where there are high claims. During the year, due to low claims and minor insurance cost increases, the Board passed a motion to close this reserve and transfer the \$619,492 surplus to unrestricted net assets.

10. PUBLIC SECTOR ACCOUNTING RESERVE

This reserve has been established to fund the cost of consulting fees required to determine the needs, costs and procedures for municipalities to be compliant with the Public Sector Accounting Board's required reporting standards.

11. CASH AND SHORT TERM DEPOSITS

Included in cash and short term deposits is \$7,499 (2012 - \$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.

12. PROPERTY AND EQUIPMENT

	2013		2012	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Buildings	\$ 378,676	\$ 141,741	\$ 378,676	\$ 134,167
Computer equipment	155,450	147,197	150,739	138,412
Computer software	9,163	9,163	9,163	9,163
Land	90,000	-	90,000	-
Office equipment	65,563	60,834	65,563	60,186
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	5,919	10,762	4,843
Motor vehicles	63,237	17,232	27,270	8,181
	\$ 790,756	\$ 399,991	\$ 750,078	\$ 372,857
Net book value	\$ 390,765		\$ 377,221	

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

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:

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

14. SELF-INSURANCE LOSS POOL

	2011/2012 and Prior Pool	2012/2013 Pool	2013	2012
Balance, beginning of year	\$ 6,085,773	\$ 7,485,577	\$ 13,571,350	\$ 11,332,449
Current year loss pool additions	-	6,146,842	6,146,842	6,165,842
	6,085,773	13,632,419	19,718,192	17,498,291
Insurance claims paid	(3,526,517)	(1,645,683)	(5,172,200)	(3,441,674)
Loss pool rebates paid	-	(2,405,151)	(2,405,151)	(485,267)
Balance, end of year	\$ 2,559,256	\$ 9,581,585	\$ 12,140,841	\$ 13,571,350

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 (2012 - \$1,000,000) per claim for certain types of claims, up to a maximum of \$6,100,000 (2012 - \$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:

	2013	2012
Bank	\$ 40,470	\$ 39,604
Great West Life - Loss Pool Fund	13,511,456	14,861,503
	\$ 13,551,926	\$ 14,901,107



FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

15. RESERVES - GENERAL ACCOUNT

	2013	2012
<u>Building Reserve (Note 5)</u>		
Opening balance	\$ 207,924	\$ 206,304
Interest received	912	1,620
	<u>\$ 208,836</u>	<u>\$ 207,924</u>
<u>Communications Reserve (Note 6)</u>		
Opening balance	\$ 137,982	\$ 87,600
Interest received	804	382
Expenses	-	(60,792)
Transfer from Unrestricted Net Assets	-	110,792
	<u>\$ 138,786</u>	<u>\$ 137,982</u>
<u>Employee Benefits Reserve (Note 7)</u>		
Opening balance	<u>\$ 100,000</u>	<u>\$ 100,000</u>
<u>Legal Fund (Note 8)</u>		
Opening balance	\$ 53,486	\$ 28,202
Interest received	398	284
Expenses	(1,120)	-
Transfer from Unrestricted Net Assets	-	25,000
	<u>\$ 52,764</u>	<u>\$ 53,486</u>
Total Restricted Reserves	<u>\$ 500,386</u>	<u>\$ 499,392</u>

FINANCIAL STATEMENTS



ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Combined Financial Statements

Year Ended August 31, 2013

16. RESERVES - TRADING ACCOUNT

	2012	2011
<u>Insurance Reserve (Note 9)</u>		
Opening balance	\$ 619,492	\$ 1,013,813
Interest received	-	5,679
Transfer to Unrestricted Net Assets	<u>(619,492)</u>	<u>(400,000)</u>
	<u>\$ -</u>	<u>\$ 619,492</u>
 <u>Public Sector Accounting Reserve (Note 10)</u>		
Opening balance	\$ 135,704	\$ 35,348
Interest received	326	356
Expenses	(6,206)	-
Transfer from (to) Unrestricted Net Assets	<u>(100,000)</u>	<u>100,000</u>
	<u>\$ 29,824</u>	<u>\$ 135,704</u>
 Total Trading Reserves	<u>\$ 29,824</u>	<u>\$ 755,196</u>

17. COMPARATIVE FIGURES

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

FINANCIAL STATEMENTS

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Combined Schedule of Expenses

Year Ended August 31, 2013

	2013	2012
Functions		
Convention	\$ 339,082	\$ 256,811
Education	18,605	23,118
Municipal seminar	48,605	53,615
Resolutions committee	4,151	2,486
Trade show	35,824	35,679
	<u>\$ 446,267</u>	<u>\$ 371,709</u>
Executive		
Communication allowance	\$ 2,400	\$ 2,400
Board - stipend	27,016	25,968
Board - sundry	1,549	(2,009)
Meeting expenses	281,895	277,105
President's salary	59,496	57,217
	<u>\$ 372,356</u>	<u>\$ 360,681</u>
Other		
Amortization	\$ 27,133	\$ 24,686
Association fees	2,450	2,995
Audit fees	10,135	26,367
Bank charges	120	242
Building repairs and maintenance	21,214	21,853
Donations and gifts	13,020	22,390
FCM expenses	16,253	-
Insurance	5,797	5,575
Legal	11,959	7,402
Office	48,131	51,701
Postage and stationery	24,794	21,941
Promotion materials	1,383	5,107
Property taxes	19,095	18,775
Telephone	13,820	15,249
Vehicle expenses	8,386	7,912
	<u>\$ 223,690</u>	<u>\$ 232,195</u>
Staffing		
Management expenses	\$ 32,797	\$ 36,591
Staff expenses	12,460	16,172
Salaries	622,424	608,276
Employee benefits	112,800	102,537
Workers compensation	840	836
Staff training and recruitment	110	8,310
	<u>\$ 781,431</u>	<u>\$ 772,722</u>

See notes to financial statements



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