

2015

ANNUAL REPORT



Association
of Manitoba
Municipalities

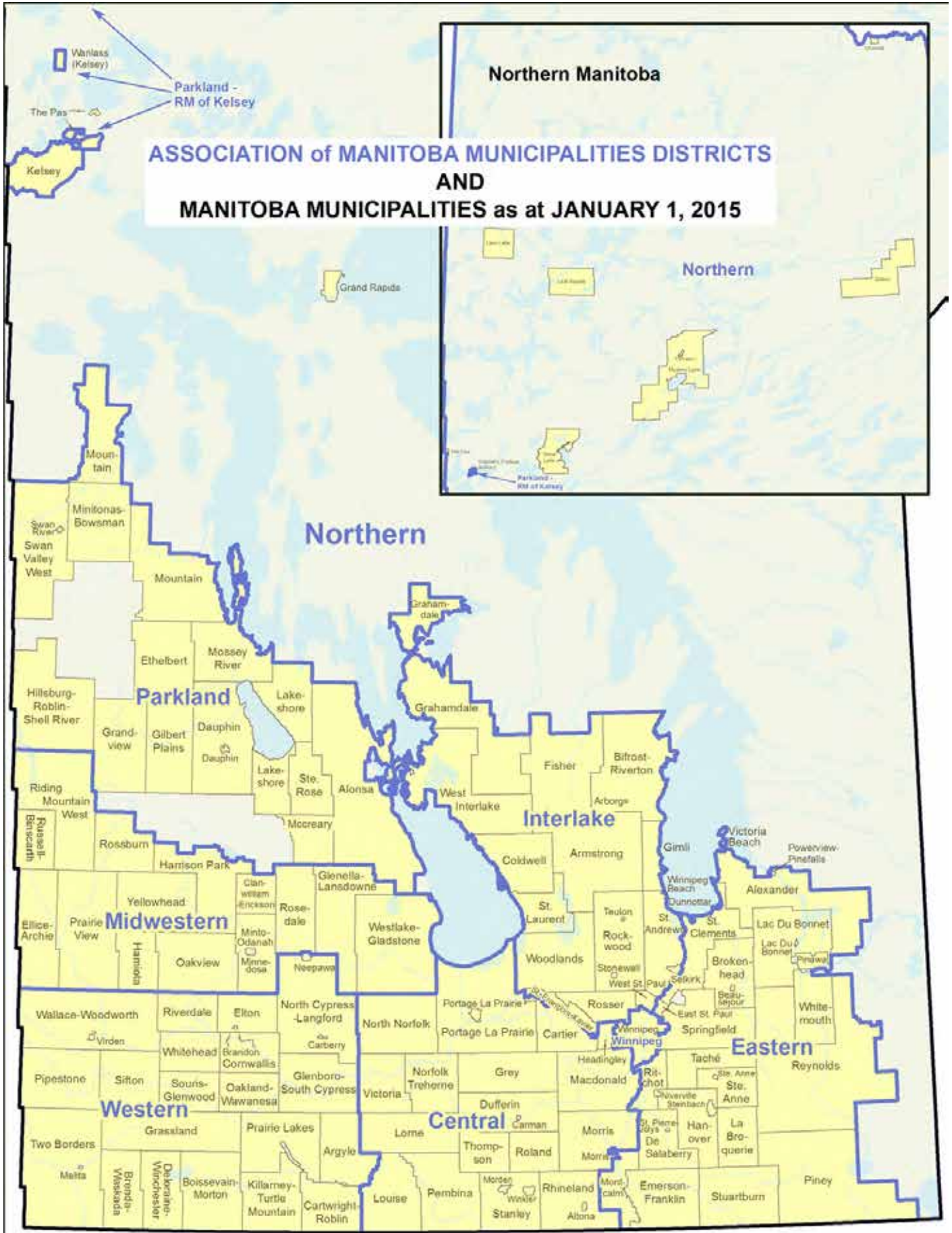


Cover photo: Hartney, Manitoba, 1916

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MAP OF MUNICIPALITIES



AMM MEMBERS

Alexander, RM
Alonsa, RM
Altona, Town
Arborg, Town
Argyle, RM
Armstrong, RM
Beausejour, Town
Bifrost-Riverton, Municipality
Boissevain-Morton, Municipality
Brandon, City
Brenda-Waskada, Municipality
Brokenhead, RM
Carberry, Town
Carman, Town
Cartier, RM
Cartwright-Roblin, Municipality
Churchill, Town
Clanwilliam-Erickson, Municipality
Coldwell, RM
Cornwallis, RM
Dauphin, City
Dauphin, RM
De Salaberry, RM
Deloraine-Winchester, Municipality
Dufferin, RM
Dunnottar, Village
East St. Paul, RM
Ellice-Archie, RM
Elton, RM
Emerson-Franklin, Municipality
Ethelbert, Municipality
Fisher, RM
Flin Flon, City
Gilbert Plains, Municipality
Gillam, Town
Gimli, RM
Glenboro-South Cypress, Municipality
Glenella-Lansdowne, Municipality
Grahamdale, RM
Grand Rapids, Town
Grandview, Municipality
Grassland, Municipality
Grey, RM
Hamiota, Municipality
Hanover, RM
Harrison Park, Municipality

Headingley, RM
Kelsey, RM
Killarney-Turtle Mountain, Municipality
La Broquerie, RM
Lac du Bonnet, RM
Lac du Bonnet, Town
Lakeshore, RM
Leaf Rapids, Town
Lorne, Municipality
Louise, Municipality
Lynn Lake, Town
Macdonald, RM
McCreary, Municipality
Melita, Town
Minitonas-Bowsman, Municipality
Minnedosa, Town
Minto-Odanah, RM
Montcalm, RM
Morden, City
Morris, RM
Morris, Town
Mossey River, Municipality
Mountain, RM
Mystery Lake, LGD
Neepawa, Town
Niverville, Town
Norfolk Treherne, Municipality
North Cypress-Langford, Municipality
North Norfolk, Municipality
Oakland-Wawanesa, Municipality
Oakview, RM
Pembina, Municipality
Pinawa, LGD
Piney, RM
Pipestone, RM
Portage la Prairie, RM
Portage la Prairie, City
Powerview-Pine Falls, Town
Prairie Lakes, RM
Prairie View, Municipality
Reynolds, RM
Rhineland, Municipality
Riding Mountain West, RM
Ritchot, RM
Riverdale, Municipality

Roblin, Municipality
Rockwood, RM
Roland, RM
Rosedale, RM
Rossburn, Municipality
Rosser, RM
Russell-Binscarth, Municipality
Selkirk, City
Sifton, RM
Snow Lake, Town
Souris-Glenwood, Municipality
Springfield, RM
St. Andrews, RM
St. Clements, RM
St. François Xavier, RM
St. Laurent, RM
St. Pierre-Jolys, Village
Ste. Anne, RM
Ste. Anne, Town
Ste. Rose, Municipality
Stanley, RM
Steinbach, City
Stonewall, Town
Stuartburn, RM
Swan River, Town
Swan Valley West, Municipality
Taché, RM
Teulon, Town
The Pas, Town
Thompson, City
Thompson, RM
Two Borders, Municipality
Victoria, RM
Victoria Beach, RM
Virden, Town
Wallace-Woodworth, RM
West Interlake, RM
West St. Paul, RM
Westlake-Gladstone, Municipality
Whitehead, RM
Whitemouth, RM
Winkler, City
Winnipeg, City
Winnipeg Beach, Town
Woodlands, RM
Yellowhead, RM

MESSAGE FROM THE PRESIDENT



On behalf of the Board of Directors of the Association of Manitoba Municipalities (AMM), it is my pleasure to submit the 2015 Annual Report. As you peruse its pages, you will likely be, as I am, struck by both the successes Manitoba municipalities enjoyed in 2015, and the amount of work ahead of us in the coming year.

First, the New Building Canada Plan Small Communities Fund (SCF) announced dozens of infrastructure projects across Manitoba, and the provincial budget included increases in funding for municipal roads and bridges. The AMM sits on selection committees tasked with making recommendations for both the SCF and municipal road and bridge programs, as well as the Manitoba Water Services Board, so not only are our members the beneficiaries of these funds, we have a say in how they are distributed.

We also made headway with regard to the Cosmetic Pesticide Ban. The AMM was very engaged in lobbying Manitoba Conservation and Water Stewardship against this ban, which comes with a

heavy price tag for municipalities. The resulting regulatory changes and clarification are positive and an excellent example of how sustained pressure can indeed make a difference.

We enjoyed other successes as well, and highlights are sprinkled throughout the pages of this report. But the reality is most successes—particularly in terms of infrastructure increases—represent just a fraction of what is needed. They also come with strings attached. For this reason, alternate revenue continued to be a primary focus for the AMM this past year, particularly the need for a rebate of the more than \$25 million in PST municipalities pay annually. The need for a predictable, long-term source of alternate revenue has never been greater, and a rebate would help municipal governments chip away at Manitoba's \$11-billion municipal infrastructure deficit.

Also becoming very apparent this year was the need to have a discussion about regulation. Often governments propose sweeping mandates without accompanying funding. Although well-intentioned, inviting municipal input on proposed changes and providing funding to pay for them would certainly smooth the process.

This year was also historic on a variety of fronts. Back in January, history was made with the amalgamation of 107 municipalities into 47. Throughout the year, many AMM members continued to work through the challenges created by their forced amalgamation, and some continue to struggle. However, the AMM also continued to lobby for support throughout the process and our members have benefited from additional resources that will help them complete this process.

Also noteworthy was the signing of a partnership agreement between the AMM, Treaty Relations Commission

“April’s provincial election is shaping up to be historic, and the AMM will be a vocal participant, launching a campaign of its own in early 2016.”

of Manitoba (TRCM), and Treaty Land Entitlement Committee of Manitoba (TLEC). This relationship was already working well, but the signing of this agreement further strengthens it and opens the door to enhanced future negotiations.

The past year has been exciting for me personally, having been elected to Vice-President at last November’s Annual Convention, and then being appointed President in July. Former President Doug Dobrowolski did an outstanding job during his tenure, and this transition has really highlighted what a strong, vibrant and professional association the AMM truly is.

We will certainly need a strong association in the coming year. April’s provincial election is shaping up to be historic, and the AMM will be a vocal participant, launching a campaign of its own in early 2016.

With the support of the Board of Directors, my two Vice-Presidents Ralph Groening and Mel Klassen, Executive Director Joe Masi and his excellent staff, and of course you, our members, I assure you the AMM will make its voice heard.

Chris Goertzen, President

A handwritten signature in black ink that reads "Chris Goertzen". The signature is stylized and cursive.

MESSAGE FROM THE EXECUTIVE DIRECTOR



I am pleased to provide the Executive Director's message for the 2015 Annual Report of the AMM. We have had a successful year that has not been without its challenges, but the end result is to me an indication of our strength as an association.

First and foremost, the Municipalities Trading Company of Manitoba Limited (MTCML) enjoyed a profitable year, with sales of approximately \$33 million. Due to the continued participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate \$1,000,000 to our members based on their sales. This brings the cumulative rebate over the past 14 years to \$9 million.

Our membership events continued to enjoy excellent attendance this year, despite a departure from our typical offerings in some cases. Our Annual Convention, held one month after the municipal election, welcomed both new and outgoing elected officials due to the amalgamation transition process, and this made for a special gath-

ering to be sure. Our Mayors, Reeves and CAOs meetings also changed, taking place over one day to coincide with the Municipal Officials Seminar which in turn began its new alternating schedule between Winnipeg and Brandon.

The ability to adjust such significant events to meet our membership's changing needs really speaks to not only the experience and professionalism of our staff, but to members' willingness to adapt to an ever-shifting municipal landscape. We constantly strive to improve and enhance our events to bring you the greatest value, and I assure you we will continue to raise the bar in this area.

In terms of communications, our new website was well-received by members and visitors alike, seeing a significant jump in engagement. The AMM's social media presence continued to grow with both Twitter and Facebook followers increasing in numbers. The Municipal Leader magazine received plenty of excellent reader feedback, and in keeping with the theme of change, our bi-weekly news bulletin was revamped—due to requests from members—into a new digital format.

In my opinion, our Board of Directors deserves extra recognition given that it operated at 50 percent capacity for much of the year following the municipal election. It then seamlessly returned to a full complement following District Meetings, appointed a new President in Chris Goertzen, and elected a new Vice-President in Mel Klassen.

This level of upheaval—and the Board's reaction to it—truly illustrates why our association is a leader across Canada. We respond to the changes and challenges in our environment and come out even stronger and more united.

"This level of upheaval—and the Board's reaction to it—truly illustrates why our association is a leader across Canada."

It also goes without saying that 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. Their hard work also ensured the success of the Board through this period of transition, and I sincerely appreciate it.

I would also like to recognize the partnership we enjoy with the Manitoba Municipal Administrators' Association. President Daryl Hrehirchuk sits as an ex-officio member and made a significant contribution at our Board table in 2015. 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. Although we are fewer in numbers, if 2015 is any indication, our foundation is stronger than ever, and will support us well through the coming year.

Joe Masi, Executive Director

AMM BOARD OF DIRECTORS

Reeve Trevor King
INTERLAKE
Mayor Randy Sigurdson
INTERLAKE
Mayor Gavin Van der Linde
EASTERN
Reeve Brad Saluk
EASTERN



Councillor Karen MacKinnon
NORTHERN
Councillor Duncan Wong
NORTHERN
Reeve Rick Plaisier
WESTERN
Mayor Stuart Olmstead
WESTERN



Councillor Merv Starzyk
MIDWESTERN
Councillor Roger Wilson
MIDWESTERN
Reeve Marvin Kovachik
PARKLAND
Councillor Jack Bremner
PARKLAND



Mayor Neil Christoffersen
CENTRAL
Councillor Jeff Browaty
CITY OF WINNIPEG
CAO Daryl Hrehirchuk
MANITOBA MUNICIPAL
ADMINISTRATORS'
ASSOCIATION





L to R: Reeve Ralph Groening
VICE-PRESIDENT

Mayor Chris Goertzen
PRESIDENT

Mayor Melvin Klassen
VICE-PRESIDENT

Joe Masi
EXECUTIVE DIRECTOR

AMM STAFF



Back, L to R:

Patti De Baets, FINANCE COORDINATOR

Nick Krawetz, SENIOR POLICY ANALYST

Donna Belbin, EVENTS COORDINATOR

Front, L to R:

Julia Green, EXECUTIVE ASSISTANT

Linda Hargest, DIRECTOR OF MARKETING AND ADMINISTRATION

Joe Masi, EXECUTIVE DIRECTOR

Denys Volkov, DIRECTOR OF ADVOCACY AND COMMUNICATIONS

Lynne Bereza, COMMUNICATIONS COORDINATOR



Top Issues

Although the AMM has well over 100 active resolutions it actively lobbies on, some issues are especially serious, timely or simply affect the greatest number of AMM members. In 2015 several issues share the title of “top” issue for the year.

AMALGAMATION

The Province of Manitoba announced its intention to begin a process of amalgamations of all municipalities with a population under 1,000 in the 2012 Throne Speech. On September 13, 2013, the Municipal Amalgamations Act received Royal Assent, and on January 1, 2015 amalgamated municipalities became legal entities in Manitoba.

The AMM's role throughout this process has been to support its members where possible. It became clear throughout the process that amalgamations in Manitoba would come with challenges as well as hard costs to complete the integration of two or more municipalities. These costs include, but are not limited to, audits, data and software conversions, human resources and legal issues. Since this was a provincial initiative, the AMM felt it was important for the Province to provide the support and resources needed to complete the amalgamation process.

On November 25, 2014, during the AMM Annual Convention, the heads of several municipal councils gathered to highlight the first resolution up for debate, “Additional Funding to Assist with Amalgamation Costs.” Reeve Debbie McMechan of the Municipality of Two Borders and Reeve Don Wiebe of the Municipality of Rhineland shared some of the costs – both tangible and intangible – municipalities are now struggling with due to the Province of Manitoba's amalgamation mandate. Both argued that the Manitoba government has a responsibility to help municipalities recover expenses incurred during amalgamation.

The resolution was carried and in early 2015, the AMM surveyed affected municipalities to determine the total cost of amalgamation. This information was shared with Manitoba Municipal Government and Minister Drew Caldwell has since indicated some of the costs may be reimbursed.

ALTERNATE REVENUE

From 2010 onward, the AMM has lobbied for a long-term sustainable form of alternate revenue to fund municipal infrastructure – preferably in the form of a one percent share of the existing Provincial Sales Tax (PST). This position is well documented in AMM position papers, annual reports and cabinet briefs.

More recently, the AMM has taken the further position that the Province of Manitoba should either exempt municipalities from, or offer a rebate on, the PST municipal governments pay, which currently represents over \$25 million annually. This request became more urgent with the increase of the PST to 8 percent in 2013, and the AMM increased pressure with regard to this request over the past year.

The AMM strongly feels that one order of government should not tax another, as it is in effect double taxation. The federal government provides a rebate on GST paid, and the Province should follow this precedent.

More importantly, this money would be better spent on infrastructure in local communities. Having a long-term source of guaranteed funding would not only allow municipalities to

TOP ISSUES

put money into infrastructure (and other) needs more quickly, it would help chip away at Manitoba's estimated \$11 billion infrastructure deficit. It would also give municipalities a larger share to contribute to tripartite infrastructure projects, such as Building Canada.

PROVINCIAL ELECTION

Although the next provincial election does not occur until April 19, 2016, the AMM began its preparation in spring, 2015.

First, during the Mayors, Reeves and CAOs meetings on March 16, Executive Director Joe Masi led attendees in a discussion around the AMM's lobbying strategy with respect to the upcoming provincial election. A review of the AMM's 2011 campaign strategy, "Putting Communities First," was followed by a recap of 2013's "Everything is Local" poll. Then members were asked to offer their ideas and suggestions for the upcoming campaign, including their opinion as to top issues to focus on, campaign tactics and level of member involvement.

During the AMM's Lobby Day on April 22, AMM Directors asked all three political parties a series of questions to gauge where each stood on issues important to municipalities. The questions focused on infrastructure, alternate revenue, economic development, affordable housing, recruitment and retainment of doctors in rural, remote and northern communities, and disaster financial assistance. Subsequently "Q and A with Manitoba's Political Parties" was published in the summer 2015 issue of The Municipal Leader magazine.

Then on August 24, President Chris Goertzen's op-ed, "Municipalities watching both campaigns", appeared in the Winnipeg Free Press in the midst of the federal election campaign. The article referenced both the federal and provincial elections, and called on parties to address a number of municipal priorities.

Top: Reeve Don Wiebe, Municipality of Rhineland, and Debbie McMechan, Municipality of Two Borders, prepare to address the media regarding amalgamation costs.

Middle: Winnipeg Mayor Brian Bowman and President Chris Goertzen. Both the AMM and the City of Winnipeg have argued for a greater share of the PST for municipalities.

Bottom: This year's Mayors, Reeves and CAOs agenda discussion focused on the AMM's provincial election strategy.



OP-ED: MUNICIPALITIES WATCHING BOTH CAMPAIGNS

By: Chris Goertzen

With a federal election campaign underway and a provincial election to follow next spring, it seems a good time to remind people their decisions at the ballot box will ultimately affect their municipal government. Municipalities—arguably the most important order of government—deliver the services citizens use every day, as well as build and maintain the infrastructure needed to deliver those services. But we can't do it alone.

The Association of Manitoba Municipalities will be watching closely for a number of municipal priorities to be addressed throughout the upcoming election campaigns.

We will be looking for more partnerships, which are essential for municipalities that mostly rely on property taxes to pay for larger projects. Communities receive only 8 cents out of every tax dollar, with the rest going into provincial and federal coffers. We count on partnerships to create and maintain the communities our citizens want to live in.

Partnerships fill a valuable need and create goodwill between governments. Last month, 23 projects across Manitoba were announced under the \$1 billion New Building Canada Plan Small Communities Fund. The AMM is the only association in Canada working alongside the federal and provincial governments to help select the important public infrastructure projects financed under this program. Municipal roads and bridges also benefit from cost-sharing programs with the Manitoba government.

Yet more partnerships are just one part of the funding puzzle. For every dollar in infrastructure funding awarded, many more are needed to address Canada's \$123 billion infrastructure deficit. The good news is each dollar invested also generates up to 17 cents in cost savings for the private sector. Good roads reduce fuel costs and haul times, and adequate water reduces input costs. Businesses locate where there is access to these amenities, and the resulting job creation fuels the local economy.



What Manitoba's municipalities need is a source of funding dedicated to their infrastructure, and the logical source would be the provincial sales tax. The AMM, the Manitoba Heavy Construction Association and others have argued for a greater share of the PST for years, and Winnipeg Mayor Brian Bowman reiterated this call shortly after being elected. Our lobbying efforts on this issue will certainly continue to be a priority.

But what we also need—and a quicker and easier fix, to be sure—is a rebate of the more than \$25 million communities pay to the province through the PST. One order of government should not tax another, and this burden became greater with the PST increase. A rebate would help municipal governments chip away at Manitoba's \$11 billion municipal infrastructure deficit by redirecting these funds toward fixing our roads and bridges more quickly.

Another priority for municipalities is the need for a comprehensive, long-term economic development plan for the province, including Northern Manitoba, which has been without a strategy in this area for far too long.

TOP ISSUES

Economic development is the lifeblood of municipalities, and the return on investment is indisputable. However, the piecemeal approach to economic development in Manitoba hinders the growth of our communities. The AMM lobbied for, and received, increased funding in recent years through the successful Partner 4 Growth program, but this followed funding cuts to regional economic development corporations in 2011 that municipalities are still recovering from.

Finally, we need to have a discussion about regulation. Often governments propose sweeping mandates without accompanying funding. Forcing amalgamation on municipalities, banning cosmetic pesticides and downloading Dutch elm disease management all come to mind (although Municipal Government Minister Drew Caldwell has since committed to review some of the costs associated with amalgamation). Even though some of these regulations may be created with the best of intentions, in each case inviting municipal input on the proposed changes (and providing funding to pay for them) would have gone a long way to smooth the process.

“Finding ways to successfully work together for our citizens should be a priority of all governments, before, during and after election day.”

If there is a common thread among these priorities, it is really about three orders of government working together for one taxpayer. Municipalities are open to partnerships. In fact, we embrace them. We are also in the best position to know what our communities need the most. Municipal government is closest to the people in that we live and work in the communities we represent. Finding ways to successfully work together for our citizens should be a priority of all governments, before, during and after election day.

THINK-TANK
IDEAS • ISSUES • INSIGHTS

A7
Winnipeg Free Press
Monday, August 24, 2016

Municipalities watching both campaigns

WITH a federal election campaign underway and a provincial election to follow next spring, it seems a good time to remind people their decisions at the ballot box will ultimately affect their municipal government. Municipalities — arguably the most important order of government — deliver the services citizens use every day, as well as build and maintain the infrastructure needed to deliver those services. But we can't do it alone.

The Association of Manitoba Municipalities will be watching closely for a number of municipal priorities to be addressed throughout the upcoming election campaigns. We will be looking for more partnerships, which are essential for municipalities that mostly rely on property taxes to pay for larger projects. Communities receive only eight cents out of every tax dollar, with the rest going into provincial and federal coffers. We count on partnerships to create and maintain the communities our citizens want to live in. Partnerships fill a valuable need and create goodwill between governments. Last month, 23 projects across Manitoba were announced under the \$1-billion New Building Canada Plan's small communities fund. The AMM is the only association in Canada working alongside the federal and provincial governments to help select the important public infrastructure projects financed under this program. Municipal roads and bridges also benefit from cost-sharing programs with the Manitoba government.

Yet, more partnerships are just one part of the funding puzzle. For every dollar in infrastructure funding awarded, many more are needed to address Canada's \$123-billion infrastructure deficit. The good news is each dollar invested also generates up to 17 cents in cost savings for the private sector: Good roads reduce fuel costs and haul times, and adequate water reduces input costs. Businesses locate where there is access to these amenities, and the resulting job creation fuels the local economy.

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But what we also need — and a quicker and easier fix, to be sure — is a rebate of the more than \$25 million communities pay to the province through the PST. One order of government should not tax another, and this burden became greater with the PST increase. A rebate would help municipal governments chip away at Manitoba's \$11-billion municipal infrastructure deficit by redirecting these funds toward fixing our roads and bridges more quickly.

Another priority for municipalities is the need for a comprehensive, long-term economic development plan for the province, including Northern Manitoba, which has been without a strategy in this area for far too long. Economic development is the lifeblood of municipalities, and the return on investment is undisputable. However, the piecemeal approach to economic development in Manitoba hinders the growth of our communities. The AMM lobbied for, and received, increased funding in recent years through the successful Partner 4 Growth program, but this followed funding cuts to regional economic development corporations in 2011 that municipalities are still recovering from. Finally, we need to have a discussion about regulation. Often, governments propose sweeping mandates without accompanying funding. Forcing amalgamation on municipalities, banning cosmetic pesticides and downloading Dutch elm disease management all come to mind (although Municipal Government Minister Drew Caldwell has since committed to review some of the costs associated with amalgamation). Even though some of these regulations may be created with the best of intentions, in each case, inviting municipal input on the proposed changes (and providing funding to pay for them) would have gone a long way to smooth the process.

If there is a common thread among these priorities, it is really about three orders of government working together for one taxpayer. Municipalities are open to partnerships. In fact, we embrace them. We are also in the best position to know what our communities need the most. Municipal government is closest to the people in that we live and work in the communities we represent. Finding ways to successfully work together for our citizens should be a priority of all governments, before, during and after election day.

Chris Goertzen is the president of the Association of Manitoba Municipalities. He has been mayor of Steinbach since 2006.

2015

Lobbying Highlights

- + *Provincial*
- + *Federal*
- + *Cities*
- + *Lobby Day*
- + *Meeting w/Cabinet*
- + *TLE Partnership*
- + *Legislative Update*



Provincial

The AMM awaited the tabling of Budget 2015 with great interest since the AMM's Executive and staff have consistently and proactively urged the Province of Manitoba to consider several recommendations on a number of important municipal issues.

In accordance with past years, the AMM requested and held annual meetings with individual Cabinet Ministers to discuss priority municipal issues relevant to each respective portfolio. The summaries of those meetings are as follows.

PROVINCIAL

MANITOBA FINANCE

MEETING WITH THE HONOURABLE GREG DEWAR

DECEMBER 18, 2014

The 2014 Throne Speech indicated “Manitoba’s municipal road budget will be increased and funding for municipal bridges will be doubled”. President Doug Dobrowolski opened the meeting by asking Minister Dewar to elaborate on this commitment. The Minister confirmed the Municipal Bridge Program would double from \$1 million to \$2 million, and explained he was unable to provide a concrete figure regarding the Municipal Road Improvement Program because it is tied to the PST increase.

On the PST increase, President Dobrowolski stressed the AMM’s opposition to one order of government taxing another. The AMM also asked for a full refund of the PST paid by municipalities to the provincial government, and strongly cautioned the provincial government against downloading more responsibilities and costs to municipalities in the upcoming budget.

Next, the significant costs municipalities are incurring as a result of amalgamation were discussed. These costs are restricting the ability of local governments to provide and maintain services and programs, and the Province of Manitoba must provide additional resources to ensure municipalities are able to successfully transition while not suffering undue financial burdens.

The AMM also asked for a full refund of the PST paid by municipalities to the provincial government, and strongly cautioned the provincial government against downloading more responsibilities and costs to municipalities in the upcoming budget.

2015 SUCCESSES

AMM advocacy efforts over the past year successfully helped leverage funding commitments and positively influenced the development of a number of provincial regulations while reducing bureaucratic red tape. Throughout this section are some highlights of these efforts.

Other items discussed with Minister Dewar were the need for additional resources for the highly successful Community Places Program; the need for funding to fill vacancies in planning and assessment services since municipalities rely on them to grow; and compensation for flooding that occurred in 2011 and 2014.

MANITOBA HOUSING AND COMMUNITY DEVELOPMENT, MANITOBA FAMILY SERVICES

MEETING WITH THE HONOURABLE KERRI IRVIN-ROSS

FEBRUARY 2, 2015

The AMM began by raising the issue of affordable housing and requesting an update on the implementation of the Housing Advisory Roundtable report. The Minister noted the government would continue to increase affordable and social housing stocks in the province, particularly in areas outside of Winnipeg.

The AMM then asked the Minister for an update on the Community Places Program. While the Minister and the Deputy Minister reassured the AMM the program would not be cut, they also noted it would not be increased either. The 50/50 formula with the exception of a few northern communities (75/25) will not be revised.

In regard to the Family Choices Program, the Minister’s Office has since provided AMM staff with statistics related to the number of child care spaces within the province. In total, there are 33,340 spaces in Manitoba from which 23,628 are located in Winnipeg and Brandon, while 9,712 are situated within other communities.

MANITOBA LABOUR AND IMMIGRATION

MEETING WITH THE HONOURABLE ERNA BRAUN

FEBRUARY 5, 2015

The AMM began by raising the 2015-2018 Provincial Fire Strategy and requesting the Minister dedicate appropriate funding to implement the Provincial Fire Protection Plan. Since there are a number of competing priorities in the Plan, the AMM advised the Office of the Fire Commissioner (OFC) to identify priority areas. The AMM also expressed its willingness to help facilitate effective communication among stakeholders to improve fire protection services in Manitoba. Vice-President Groening and AMM staff are actively participating in a consultative working group that is reviewing operating guidelines, policies and procedures, as well as recruitment and retention efforts along with the effects of amalgamation on mutual aid.

In relation to immigration and settlement services in Manitoba, President Dobrowolski thanked the Minister and her staff for holding an Immigration Summit in November 2014. The Assistant Deputy Minister noted the Province of Manitoba has made progress on recognizing credentials for some professions; however, more work is required on the recognition of many health professions. The department has since provided additional materials to the AMM that identify how settlement services can be promoted within the province.

MANITOBA TOURISM, CULTURE, HERITAGE, SPORT AND CONSUMER PROTECTION

MEETING WITH THE HONOURABLE RON LEMIEUX

FEBRUARY 5, 2015

As museums help attract visitors to local communities and provincial funding has remained static for years, President Dobrowolski asked Minister Lemieux to consider increasing funding for tourism and community museums. The Minister indicated municipalities could help the department by quantifying how much economic activity tourism and museums bring to their communities.

*Former President Doug Dobrowolski
and Brian Pallister, Leader of the
Official Opposition*

MEETING WITH BRIAN PALLISTER LEADER OF THE OPPOSITION

FEBRUARY 11, 2015

In regard to the recent changes made by the federal government to Disaster Financial Assistance Arrangements (DFAA), President Dobrowolski outlined the AMM's concerns and asked the PC Leader for his party to support the AMM's position. Additionally, President Dobrowolski provided copies of the FCM's letter to the Minister of Public Safety as well as FCM analysis of the issue and the AMM's letter to Shelly Glover, Senior Federal Minister for Manitoba. Mr. Pallister committed to reviewing the documents and asked for more analysis of the AMM's position on the issue. Additionally, PC Leader Pallister stated the Province of Manitoba should be investing more in flood mitigation infrastructure.

Lastly, PC Leader Pallister indicated he was interested in exploring effective ways to invest in infrastructure and address the infrastructure deficit. Upon PC Leader Pallister's request for the AMM to provide him with a list outlining AMM's top priority issues that weren't discussed in the meeting, AMM staff provided his office with an official response in mid-February.



PROVINCIAL

2015 SUCCESSES

NEW BUILDING CANADA PLAN SMALL COMMUNITIES FUND

Between July 30 and August 4, the Government of Canada and Province of Manitoba announced funding for 23 projects across the province under the New Building Canada Plan Small Communities Fund. The Small Communities Fund is part of the \$10 billion Provincial-Territorial Infrastructure Component of the New Building Canada Fund. It will provide \$1 billion to municipalities with fewer than 100,000 residents for priority public infrastructure projects that deliver on local needs.

An additional 26 projects were announced earlier this year. The AMM is the only provincial association in Canada to be at the table with our federal and provincial partners and is recommending projects for funding consideration.

For more information on the Small Communities Fund, visit: <http://www.infrastructure.gc.ca/plan/sc-cp-eng.html>.



Minister Lemieux also noted he would like communities to be more vocal about the importance of tourism and museums in order to leverage additional funding.

In addition, Minister Lemieux stressed that even though he did not anticipate decreased funding for libraries in Budget 2015, an increase was unlikely given the province's fiscal constraints.

Regulations for the New Home Warranty legislation have also entered the final stages. The intention behind the new regulations is to refine administrative processes for municipalities, and the Province of Manitoba will provide training to municipal officials. Additional background materials are available on the AMM website.

MANITOBA CHILDREN AND YOUTH OPPORTUNITIES MEETING WITH THE HONOURABLE MELANIE WIGHT

FEBRUARY 18, 2015

Vice-President Goertzen began by requesting additional support for the Hometown Green Team Program and inquiring about how the program might be impacted in Budget 2015. The Minister assured the AMM that newly amalgamated municipalities would not be negatively affected and funding for their Green Teams should remain the same.

The AMM also asked the Minister for an update on the recreation policy review. The Minister responded by indicating the policy review would be released shortly and information about how municipalities might be affected would be shared in a timely manner. The Deputy Minister also confirmed the policy review was not intended to negatively impact municipalities, as it would be focused on building partnerships and networks.

The AMM is the only provincial association in Canada to be at the table with our federal and provincial partners and recommending projects for consideration.

MANITOBA HEALTHY LIVING AND SENIORS

MEETING WITH THE HONOURABLE DEANNE CROTHERS

FEBRUARY 18, 2015

First on the agenda was the AMM's request for an increase to the supply of seniors' housing and better interdepartmental coordination. Next, the AMM requested Minister Crothers to review the Housing Advisory Roundtable report and implement its recommendations, as they are geared toward increasing the supply of seniors' housing. The Minister reaffirmed her commitment to seniors' housing and committed to reviewing the recommendations and then consult with the AMM.

In addition, the AMM raised the issue of seniors' mobility and asked the Province of Manitoba to financially support Transportation Options Networks for Seniors (TONS), which conducts vital research for municipalities on transportation issues. The need for a review of the guidelines for Handi-van services in order to enhance the use of the program throughout Manitoba was also noted, and the Minister agreed to discuss the guidelines with Minister Caldwell.

MANITOBA AGRICULTURE, FOOD AND RURAL DEVELOPMENT

MEETING WITH THE HONOURABLE RON KOSTYSHYN

FEBRUARY 24, 2015

Under the auspices of the federal-provincial initiative Growing Forward 2 (GF2), the Rural Water Development Program, funded through the Manitoba Water Services Board, is not working well for municipalities. Minister Kostyshyn stated he was aware of the problems and was consulting industry stakeholders while working with the federal government to make adjustments. Changes to the program are anticipated and will likely be geared toward the expansion of private industries.

The AMM acknowledged the success of the Ecological Goods and Services (EG&S) and Farmland Beaver Damage Control Programs, and thanked the Minister for the recent increase in funding to the Partners 4 Growth Program. The Minister said the Partners 4 Growth Program is important to him and the Premier, and he does not anticipate any decreases in funding in Budget 2015.

Finally, the AMM appealed for a comprehensive economic development strategy for rural Manitoba, along with an update on funding for Rural Veterinary Boards. Minister Kostyshyn confirmed that a review of veterinary services would be taking place this year and the task force's goal is to present a report by the end of the year or early 2016.

MANITOBA MULTICULTURALISM AND LITERACY

MEETING WITH THE HONOURABLE FLOR MARCELINO

FEBRUARY 24, 2015

The AMM asked Minister Marcelino to provide an update on the grants for multicultural programs administered by her department.

The Minister confirmed that the intake for grants is twice a year, and encouraged communities outside of Winnipeg to apply with letters of support from local councils.

MANITOBA INFRASTRUCTURE AND TRANSPORTATION, EMERGENCY MEASURES

MEETING WITH THE HONOURABLE RON KOSTYSHYN

FEBRUARY 24, 2015

In relation to Minister Kostyshyn's other portfolio at the time, the AMM thanked the Minister for the recently announced funding increases to the Municipal Road Improvement and Bridge Programs, while also urging the Minister to consider looking into providing greater assistance for rural and northern airports.

The AMM then informed the Minister about the federal government's changes to the cost-sharing formula for DFAA. According to the Minister, the Province of Manitoba does not intend to download any costs to municipalities as a result of these changes. The 2011 Flood Review recommendations are also being implemented and the provincial forecast centre is currently being developed.

Lastly, both sides agreed on the value of the LiDAR technology, and the Deputy Minister would like to see better coordination through GeoManitoba in the future.

PROVINCIAL



MANITOBA EDUCATION AND ADVANCED LEARNING

MEETING WITH THE HONOURABLE PETER BJORNSON

FEBRUARY 24, 2015

The meeting began with a discussion about how education is funded in Manitoba. The AMM's long-held position is that the Province of Manitoba should remove education tax from property. The cap placed on the farmland tax and the introduction of the seniors' tax credit was also discussed. Minister Bjornson responded that in the difficult fiscal year for the Province of Manitoba, there is unlikely to be any major changes to the current taxation system. However, the Minister expressed his willingness to review how the system works in coordination with the AMM and the Manitoba School Boards Association (MSBA).

The AMM also requested an update on the implementation of the Brandon Medical School Study and certification of foreign-trained doctors. The Minister indicated the department is implementing the study while focusing on providing additional spots for students from rural areas in the Medical School at the University of Manitoba. Minister Bjornson noted he would like to discuss housing options for medical professionals and would bring the issue forward with Minister Irvin-Ross.

MANITOBA CONSERVATION AND WATER STEWARDSHIP

MEETING WITH THE HONOURABLE GORD MACKINTOSH

MARCH 2, 2015

The AMM began by informing the Minister about the lack of funding for the Conservation District Program and appealing for a reevaluation of the funding formula. Many Conservation Districts are struggling to fulfill their current mandates, particularly since the 2013 budget cuts. The Minister mentioned additional funds may be available under Growing Forward 2 (GF2), and noted current funding levels would not be cut in the upcoming budget.

President Dobrowolski then reminded the Minister about the AMM's official submission on the new drainage regulation. He underscored the need for sufficient funding in order to achieve the goals outlined in the Surface Water Management Strategy. Overall, the Minister responded favourably to the AMM President's comments and expressed interest in reconvening a consultative working group to discuss water management and drainage issues within the province.

2015 SUCCESSES

COSMETIC PESTICIDE BAN

As a result of continued AMM engagement with Manitoba Conservation and Water Stewardship, the Province of Manitoba has clarified the circumstances in which municipal sidewalks, ditches, and centre median boulevards are exempt from the applicability of the Non-Essential Pesticide Use Regulation – more commonly known as the Cosmetic Pesticide Ban.

In most cases, ditches and centre median boulevards do not fall under this regulation. Restrictions on pesticide use only apply if these types of routes have active transportation or recreational infrastructure. In the case of sidewalks, the regulation is more prescriptive. Hard-surface sidewalks not associated with a lawn are exempt.

The AMM believes these regulatory changes and clarification from the provincial government are positive, as they should significantly help municipalities manage financial costs in complying with this regulation. The AMM will continue to lobby the Province of Manitoba to consider rescinding this regulation all together.

In regard to recycling issues, Vice-President Groening asked Minister Mackintosh to ensure his department consults with municipalities about new and expanded recycling programs and with the AMM on any new initiatives emanating from Recycling and Waste Reduction: A Discussion Paper, including any changes to the WRARS levy. He also informed the Minister about the AMM's opposition to the Province of Manitoba's newly proposed Waste Management Facilities Regulation. The Minister committed to not enacting any new regulations without the AMM's support, and instructed his staff to consult with the AMM and its members.

The AMM then informed Minister Mackintosh about its continued opposition to the cosmetic pesticide ban and asked the Minister to consider exempting hard-surface and non-pedestrian areas from the ban. Minister Mackintosh indicated he would take the AMM's proposals under consideration. Departmental representatives have since provided clarification to the AMM that explains the circumstances in which municipal sidewalks, ditches and

centre median boulevards are exempt from the regulation. The AMM believes this is a positive step, but remains committed to urging the Province of Manitoba to consider rescinding this regulation altogether.

The need for long-term funding for Dutch Elm Disease management was also raised, with the AMM emphasizing the price differences between the provincial reimbursement level (\$181.32) and actual costs incurred by municipalities (up to \$1,000+) per tree. The Minister instructed his staff to meet with AMM staff to discuss ways to improve the DED program and possibly a reallocation of funding (currently \$1.05 million). These meetings are ongoing, and AMM staff will communicate any changes to funding in a timely manner.

Mosquito control buffer zones were also on the agenda, and Minister Mackintosh acknowledged the City of Winnipeg's study that determined a 90-metre buffer zone was the scientifically proven acceptable range. The Minister suggested reducing the 100-metre zone for municipalities by instituting a 90-metre range across the province. This proposed change is now in effect.

Dignitaries pose for a ground breaking ceremony in front of the Dead Horse Creek Bridge on October 15, 2015. L-R: Deputy Reeve Peter Froese, RM of Stanley; The Honourable Drew Caldwell, Minister of Municipal Government; Reeve Morris Olafson, RM of Stanley; and President Chris Goertzen



2015 SUCCESSES

FUNDING FOR MUNICIPAL INFRASTRUCTURE PROGRAMS

In Budget 2015, the Province of Manitoba doubled funding for municipal bridges from \$1 million to \$2 million, and combined the Municipal Road Improvement Program with the Grant-in-Aid program to increase funding from \$11.5 million to \$14 million. The Manitoba Water Services Board received an increase of \$2 million as well.

The AMM certainly welcomes these commitments, as increased funding should help municipalities with the costs of bridge renewal, replacement and major rehabilitation projects.

However, the AMM understands these increases in absolute dollar terms represent a fraction of what local communities need to ensure new opportunities for growth in the future. Therefore the AMM continues to participate on selection committees and actively urge the Province of Manitoba to revise the eligibility thresholds to better suit our members.

PROVINCIAL



The AMM Executive meets with the Honourable Eric Robinson

MANITOBA JOBS AND THE ECONOMY **MEETING WITH THE HONOURABLE KEVIN CHIEF**

MARCH 3, 2015

President Dobrowolski began the meeting by stressing the need for the Province to develop an economic development strategy for rural Manitoba and streamline the process for administering provincial economic grants, as many departments are currently involved in the application process. Training and certifying water and wastewater technicians was also noted, along with the need for an update on the proposed Red River College six-month training program which the AMM was consulted on over a year ago. Minister Chief indicated the AMM's recommendations would be taken into consideration while the Assistant Deputy Minister committed to inviting the AMM to a joint meeting with Apprenticeship Manitoba and CWS to review the program.

On cell service and broadband Internet access issues, the AMM urged the Province of Manitoba to develop partnerships with other orders of government and the

private sector to improve communication networks in rural, remote and northern communities. Minister Chief gave an extensive overview of the problem and reassured the AMM that this issue remains a top priority for the Premier. Local municipalities located in southeastern Manitoba have presented a plan on how to improve cell service in the area, and the Minister hopes to achieve more concrete actions in the near future.

The AMM then asked Minister Chief for an update on CentrePort Canada, the Port of Churchill, the Canada-EU free trade agreement (CETA) and the inter-provincial trade agreement with western provinces. The Minister noted he would instruct CentrePort to meet with the AMM to discuss economic opportunities for municipalities outside of Winnipeg. Minister Chief also indicated he did not see any issues with the CETA agreement in Manitoba so far, and explained he was currently working on the national inter-provincial trade agreement with all provinces and the federal government instead of the proposed joint agreement between the western provinces.

2015 SUCCESSES

MTS EXPANDING CELLULAR SERVICES TO PINEY

The AMM has lobbied on the need for improved communication networks in rural, remote and northern communities since 2012, when several life-threatening emergencies, including wildfires and a snowstorm, crippled communications in Southeastern Manitoba. The seriousness of the situation prompted an emergency resolution at the AMM Convention and the issue has been deemed “critical” in the AMM’s discussions with the province ever since, including during this year’s meeting with Minister of Jobs and the Economy, Kevin Chief.

This pressure has had an impact, as MTS announced on August 10 it will soon expand HSPA and LTE wireless service to Piney and Manitoba travelers along Highway 12. The expansion adds to MTS’s coverage of 98 percent of the province’s population, and is expected to be in place in early 2016.

MANITOBA JUSTICE

MEETING WITH THE HONOURABLE JAMES ALLUM

MARCH 3, 2015

Rapidly increasing, unsustainable policing costs and staffing issues were raised numerous times throughout this meeting. The AMM also asked Minister Allum to continue working with municipalities wishing to establish Community Safety Officer (CSO) Programs, and consult with the AMM in regards to the Strategic Operational Review of the Royal Canadian Mounted Police (RCMP). Minister Allum indicated he would like to see more uptake in connection to the CSO Program, and reassured the AMM he would share the findings of the Strategic Operational Review.

In addition, President Dobrowolski requested an update on how funding arrangements for policing services would be potentially affected by amalgamations. Issues associated with police-escorted patient transfers under

The Mental Health Act (MHA) were also raised. The AMM reiterated it would like to see reduced officer time spent on MHA patient transfers and additional precautions taken to ensure municipalities are able to provide police service coverage and maintain response times during these instances. Minister Allum stated he was open to suggestion on how to address these issues, and both parties agreed to discuss these matters further at the AMM Cities Caucus meeting with the Minister in April.

Lastly, the AMM requested an update on the Municipal By-law Enforcement Act and also asked for training costs for municipal staff to be covered by the Province of Manitoba as a result of the changes.

MANITOBA MINERAL RESOURCES

MEETING WITH THE HONOURABLE DAVE CHOMIAK

MARCH 23, 2015

President Dobrowolski asked Minister Chomiak to ensure adequate staffing levels were provided for the joint Oil Production Working Group, which involves municipalities and other stakeholders in the industry. Due to turnover from the municipal elections, many municipal representatives no longer participate on the committee. The committee structure has also undergone significant changes due to retirements and rapidly changing economic conditions, particularly the falling of oil prices. Both sides agreed to reconvene meetings of the group as soon as possible.

The AMM urged the Province of Manitoba to develop partnerships with other orders of government and the private sector to improve communication networks in rural, remote and northern communities.

PROVINCIAL



As well, the AMM inquired about the Energy East pipeline project. The Province of Manitoba indicated it has been kept up to date on development plans and is generally supportive of the initiative. The Province of Manitoba is also registered as an 'intervener' in the project to ensure environmental and safety concerns are addressed.

The Mining Community Reserve Fund (MCRF) was also raised, as the AMM would like to see additional support for resource-based communities. Minister Chomiak stated the fund is kept at no less than \$10 million and any additional funding is spent on auxiliary mining assistance programs. Assistant Deputy Minister Fox also noted the Province of Manitoba has the ability to transfer additional funds into general revenues, but it has never done so.

MANITOBA HEALTH

MEETING WITH THE HONOURABLE SHARON BLADY

APRIL 15, 2015

As emergency services are essential to public health and safety, President Dobrowolski began by requesting an update on the EMS review. Minister Blady informed the AMM Executive of major staff changes, and reassured the AMM that the EMS review is a top priority.

In relation to the links between health and policing, Vice-President Goertzen suggested the Minister work together with the Minister of Justice to help resolve the issues associated with police-escorted patient transfers under The Mental Health Act. The Minister agreed to connect with the Justice Minister, and noted her focus is on community engagement, transportation times and familiarity.

In regard to the reduction of community capital contributions for health facilities, the AMM suggested lowering capital contributions to health facilities from 10 percent to 5 percent as a compromise. The Minister responded that in other provinces these types of contributions are higher, and in a tough budget year any changes are unlikely.

As the shortage of doctors in local communities is a top priority for municipalities, the AMM requested an update on the implementation of the Brandon Medical School Study. Minister Blady stated the study's implementation is going according to the plan and she welcomes ideas to attract doctors in rural areas.

2015 SUCCESSES

MOSQUITO BUFFER ZONES

During the March 2 meeting with the Honourable Gord Mackintosh, Minister of Conservation and Water Stewardship, the Minister acknowledged the City of Winnipeg's study that determined a 90-metre buffer zone was the scientifically proven acceptable range. The Minister suggested reducing the 100-metre zone for municipalities by instituting a 90-metre range across the province. This proposed change is now in effect.



L to R: AMM Vice-President Ralph Groening, President Chris Goertzen, Minister of Health Sharon Blady, and Former President Doug Dobrowolski

In closing, the AMM requested palliative care to be a separate budget line in Regional Health Authority budgets. Minister Blady appreciated the idea and advised that she would take it under consideration. It was also suggested the Minister direct RHAs to improve consistency of communication with municipal councils.

MANITOBA ABORIGINAL AND NORTHERN AFFAIRS MEETING WITH THE HONOURABLE ERIC ROBINSON

MAY 7, 2015

President Dobrowolski began by highlighting the recently-signed Memorandum of Understanding between the AMM, Treaty Land Entitlement Committee of Manitoba and Treaty Relations Commission of Manitoba. He also thanked the Minister for assigning departmental staff to attend the meetings on the TLE process.

Next, the AMM requested an update on the Northern Development Strategy and asked for timelines and better consultations with affected municipalities about this initiative. The Minister promised to speed up the consultation process with municipalities, but was unable to provide timelines.

Also discussed were issues related to the Bipole III Community Development Initiative, which currently excludes cities. AMM Resolution #28-2014 urges the Province of Manitoba to treat all communities fairly and equally under this program. Minister Robinson requested his Special Assistant to look into this matter and report back to the AMM, and also promised to send a letter to Manitoba Hydro requesting an update on this issue.

Lastly, the AMM asked for an update on the Public Utilities Board's decision to make structural changes to Manitoba Hydro's Power Smart Division. At the time, the Minister's Special Assistant reported the government is still reviewing the PUB's recommendation.

If all recommendations are implemented, the TAC anticipates the subdivision approval process could be potentially decreased from two years to one as inefficiencies and opportunities were identified.

2015 SUCCESSES

SUBDIVISION APPROVAL TECHNICAL ADVISORY COMMITTEE

In partnership with Manitoba Municipal Government, AMM President Chris Goertzen co-Chaired the Subdivision Review Technical Advisory Committee (TAC). The purpose of this joint TAC was to identify and recommend strategies to improve the efficiency, effectiveness and transparency of common conditions of subdivision approval.

Both the AMM and MMAA were at the table to ensure municipal needs and concerns were truly being heard and considered. The TAC's final report was endorsed by the AMM Board of Directors at their October 1 meeting, and 44 recommendations have since been forwarded to the Interdepartmental Planning Board of Deputy Ministers.

If all recommendations are fully implemented, the TAC anticipates the subdivision approval process could be potentially decreased from two years to one as inefficiencies and opportunities were identified.

Communication will be improved between staff, approving authorities, and other departments and agencies. A subdivision guidebook will also be developed by Manitoba Municipal Government that details the subdivision process, answers common questions and provides tips for applicants to complete the subdivision more quickly.

MANITOBA MUNICIPAL GOVERNMENT

The AMM Executive and staff continue to hold frequent meetings with Manitoba Municipal Government officials and Minister of Municipal Government, Drew Caldwell.

In every meeting with provincial government officials, the AMM encourages the Province of Manitoba to consider municipal concerns as well as the effect of funding decisions on communities throughout the budget process.

Lobbying Highlights



FEDERAL

MEETING WITH THE HONOURABLE SHELLY GLOVER, MP FOR SAINT BONIFACE MINISTER OF CANADIAN HERITAGE AND OFFICIAL LANGUAGES

FEBRUARY 20, 2015

Minister Shelly Glover requested a meeting with the AMM regarding the January 28th letter from the AMM to Minister Glover regarding Disaster Financial Assistance Arrangement (DFAA) changes.

President Dobrowolski raised concerns about the changes to the program made by the federal government. Since the federal-provincial thresholds have been increased, Manitoba will pay more for small and medium-size disasters.

The AMM was concerned that the Province of Manitoba may pass any additional costs to municipalities. Minister Glover defended the changes to the program as the 90/10 formula is still in place, the applied indexation to the program since the 1970s is capped at 50 percent and the national mitigation program is available to offset some of the losses to the DFAA program.

The AMM pointed out that no details of the national mitigation program, which is not geared directly towards municipalities, had been released. According to Minister Glover, Manitoba MPs lobbied to have the mitigation program to be application-based vs. population-based, and the New Building Canada Fund has money for mitigation also.

President Dobrowolski requested Minister Glover to be consulted on the possible changes to the DFAA guidelines that are being reviewed by the federal government.

The AMM and Minister Glover agreed to have regular quarterly meetings and the promotion of the Community Dikes Initiative through the Canada-Manitoba Infrastructure Secretariat and the AMM's input on the DFAA guidelines.

L to R: Former Minister of Canadian Heritage and Official Languages Shelly Glover and Former President Doug Dobrowolski



Since the federal-provincial thresholds have been increased, Manitoba will pay more for small and medium-size disasters.

CANADA TRANSPORTATION ACT REVIEW

In January 2015 the AMM provided comments regarding the Canada Transportation Act Review. The AMM acknowledged the work completed by the Federation of Canadian Municipalities (FCM) and Transport Canada on rail safety issues and the transportation of dangerous goods, particularly since the tragedy in Lac-Mégantic. The AMM, however, stressed additional measures are required, including the implementation of the recommendations made by the Transportation Safety Board in its final report, and the need for risk assessments on rail safety that take municipal concerns into account. The AMM also supported the FCM's position to support the need for increased railway capacity to meet the growing demands for exporting goods as well as the domestic movement of commodities.

The AMM believes current legislation and regulations do not require railways to fully explore all available options before resorting to rail line abandonment. The consequences of rail line abandonment can be very serious for local communities and shippers, as there are both economic and environmental challenges. The AMM would support changes to empower the Canadian Transportation Agency to investigate abandonment activities of rail carriers that preclude reasonable opportunities for stakeholders to preserve infrastructure, and to compel a railway to undertake any steps necessary to ensure a reasonable opportunity is provided.

In regard to the viability of rural airports, the AMM would also like to see a review of the restricted eligibility criteria for the Airport Capital Assistance Program (ACAP) to allow small airports without scheduled passenger service to make critically needed infrastructure investments. Additional funding is needed to address the airport infrastructure deficit in Manitoba's northern and remote airports.

WORKING WITH CITIES

The AMM had a productive year working with Manitoba cities under the leadership of Mayor Chris Goertzen (City of Steinbach), who is stepping down as Chair at the 2015 Annual Convention after becoming President of the AMM in July.

The top issues for the AMM Cities Caucus in 2014-15 were the municipal infrastructure deficit, identifying alternate revenues, and costs associated with policing and public safety.

The City of Selkirk hosted a special meeting of the AMM Cities Caucus to discuss a number of policing-related issues, including the renewal of federal funding for the Police Officer Recruitment Fund, overtime demands on police officers in courts, and patient transfers under The Mental Health Act. Furthermore, the members learned about density in urban planning from a representative of the Planning, Property and Development department with the City of Winnipeg.

The AMM Cities Caucus also met to discuss the role of cities in the AMM's provincial election campaign. As well, the group discussed the rebate of the Provincial Sales Tax (PST) paid to the provincial government by its members. As a result of members' efforts, the AMM conducted a survey, which included all 137 AMM members, to determine how much municipalities pay in PST on an annual basis.

In April 2015, AMM Cities Caucus members met with former Minister of Justice and Attorney General James Allum to discuss public safety and policing. The Minister updated the members on the government efforts to reduce police officer time spent in courts and asked members for suggestions on how to address the complex

issue of the increasing time spent by police officers transferring patients under The Mental Health Act. AMM staff conducted the survey and submitted the suggestions to the new Minister for an official response.

The AMM and the City of Winnipeg also had a successful year of working together on issues important to all municipalities. The AMM Executive and the City of Winnipeg's representative Councillor Jeff Browaty met with Mayor Brian Bowman to discuss a variety of issues while focusing on infrastructure, alternate revenues and the Treaty Land Entitlement process. Moreover, the AMM and City of Winnipeg staff consulted throughout the year on reduced speed limits in school zones, the cosmetic pesticide ban, accessibility legislation, and the New Home Warranty Act as well as the Municipal By-law Enforcement Act.

AMM Cities Caucus members met with Justice Minister James Allum in April 2015. L to R: Mayor Rick Chrest, City of Brandon; President Chris Goertzen; Minister Allum; Councillor Marvin Plett, City of Winkler; Councillor Heather Francis, City of Morden; Councillor Kelly Cook, City of Selkirk; Councillor John Buffie, City of Selkirk; and Councillor Brent Froese, City of Portage la Prairie



LOBBY DAY



On April 22 the AMM held its annual Lobby Day event to provide an opportunity for provincial political parties to share their perspectives on the myriad of challenges facing municipalities.

The morning kicked off with a meeting between the AMM and Liberal Leader Rana Bokhari. Given Manitoba's \$11.4 billion (est. as of 2011) municipal infrastructure deficit, the AMM was very pleased to learn that the Manitoba Liberal Party would dedicate a true one percent of the PST toward municipal infrastructure.

The AMM then met with the Progressive Conservative Party of Manitoba, where Leader Brian Pallister underscored that a Progressive Conservative government would focus on sound fiscal management, strategic infrastructure investments, tax relief and reviewing regulations on a sector-by-sector basis.

The event concluded by meeting with the NDP caucus led by Minister of Municipal Government Drew Caldwell, who fielded questions from the AMM Executive and Board of Directors. The Minister stated investing in municipal infrastructure would be a top priority for the NDP in the upcoming election. However, the notion of a PST rebate for municipalities found a less favourable response as the Minister stressed overall support is far more important.

As the AMM is committed to serving its members, leading up to and beyond the next provincial election the AMM will be continuing to actively encourage political parties to incorporate municipal issues into their electoral platforms and ensure municipal priorities are addressed by the Province of Manitoba.



Pictured from top, L to R:

The Honourable Ron Lemieux, Former President Doug Dobrowolski, the Honourable Drew Caldwell, Central District Director Neil Christoffersen, President Chris Goertzen

Central Director Mel Klassen, MLA for Spruce Woods Cliff Cullen, Interlake Director Randy Sigurdson

Leader of the Manitoba Liberal Party Rana Bokhari (image courtesy CBC news)

MEETING WITH CABINET

On November 26, 2014, the last day of the AMM's 16th Annual Convention, the AMM Board of Directors met with Premier Greg Selinger and members of the provincial Cabinet to discuss municipal priorities.

President Doug Dobrowolski began the meeting by acknowledging infrastructure successes in Manitoba over the past year, such as the rollout of the New Building Canada Fund which was much quicker and smoother than in any other province. In fact, the AMM is the only association in Canada working alongside the federal and provincial governments to help select important public infrastructure projects financed under this program. The Municipal Roads Improvement Program, Municipal Bridge Program, Manitoba Water Services Board, and Partner 4 Growth Program all benefited from increased funding as well.

Regarding other critical issues facing municipalities, the AMM appealed for additional provincial support for costs associated with municipal amalgamations. Many communities continue to face significant challenges and unresolved issues pertaining to legal and auditing costs, software conversions, human resources and office-related expenses.

Premier Selinger thanked municipalities for their efforts related to amalgamation, while stressing the Province of Manitoba wanted communities to be able to grow and be in a stronger position. Minister of Municipal Government Drew Caldwell committed to reviewing hard costs, and the AMM is hopeful the Province of Manitoba will provide funding support.

President Dobrowolski also raised the issue of ever-increasing municipal responsibilities and the need for alternate revenue sources. The AMM reiterated its long-held belief that one order of government taxing another is unjust, and municipalities should not have to pay Provincial Sales Tax (PST). A rebate or exemption from the PST would certainly help municipalities deal with their infrastructure challenges and address Manitoba's estimated \$11 billion municipal infrastructure deficit. Municipalities pay more than \$25 million in PST each year.

The need for alternative revenue sources was also underscored by President Dobrowolski as he argued the model for education funding needs to be modernized and required capital contributions for health facilities should be reduced.

The AMM appealed for additional provincial support for costs associated with municipal amalgamations.

As local governments and the Province of Manitoba share an interest in creating a solid and diverse economic base for Manitobans, the AMM expressed its willingness once again to work with the provincial government to help develop a comprehensive, province-wide economic development strategy to build on local efforts and enhance growth of communities. Premier Selinger indicated his government would be pleased to work with the AMM on an economic development strategy, although he noted the focus may be on the regional level. The Premier noted the main priority for

his government is to focus on growing and diversifying Manitoba's economy while helping people acquire the skills they need to succeed in all sectors.

In order to foster rural economic development and ensure public safety, the AMM highlighted the need for the Province of Manitoba to facilitate discussions with cell carriers and other stakeholders to explore options to expand cellular coverage and broadband Internet access across Manitoba. Undoubtedly, improved wireless communications encourage economic development by building local capacity for job creation and business growth in rural, remote and northern communities. Economic development also requires complementary provincial planning and assessment services, and President Dobrowolski expressed concerns about continued staff shortages that undermine municipal assessment efforts.

Flood mitigation is another challenge, which was clearly illustrated by the devastating 2014 floods that occurred in various parts of Manitoba, particularly in the southwest region. President Dobrowolski indicated the AMM has had good discussions regarding upgrades to flood mitigation with Minister of Manitoba Infrastructure and Transportation, and Emergency Measures, Steve Ashton.

Although the southwest region had a difficult few years, the Premier indicated there were some improvements in response to concerns in previous years. For instance, Disaster Financial Assistance offices were set up quickly, and Manitoba Infrastructure and Transportation was able to repair several bridges more quickly due to their importance in the region. Premier Selinger also noted construction projects associated with the Lake Manitoba outlet channel to Lake St. Martin will occur over the next six to seven years at a cost of almost \$500 million.

MEETING WITH CABINET

The AMM also thanked Premier Selinger for the province's support to the Assiniboine River Basin Initiative, and commended Manitoba Conservation and Water Stewardship for its work in developing the Surface Water Management Strategy. President Dobrowolski also acknowledged efforts between the Federation of Canadian Municipalities and the Government of Canada on the National Disaster Mitigation Program.

In relation to affordable housing, President Dobrowolski highlighted the value provided by the Community Places Program and urged the Province of Manitoba to allocate additional funding for this successful program. While the AMM is pleased to see the government putting resources into rehabilitating existing social housing units, there remains a substantial need for more units in areas outside of Winnipeg.

Premier Selinger expressed his appreciation for the partnerships between the AMM and the provincial government on various initiatives despite challenges that have arisen.

On policing issues, despite the expiration of federal funding to the Police Officer Recruitment Fund, the AMM appreciated provincial support for the renewal of this funding. President Dobrowolski noted that Manitoba Justice has been an excellent resource for municipalities, and the RCMP Contract Management Committee has helped develop a better understanding of local policing costs and strains on the delivery of emergency services.

The AMM then reiterated its concerns about provincial plans to ban the use of synthetic pesticides for cosmetic purposes, indicating these regulatory changes would significantly negatively impact municipalities due to the significant cost increases for organic products and financial pressure on municipal budgets. The AMM also communicated its hopes that upcoming changes to the Municipal By-law Enforcement Act would result in a much simpler and more effective enforcement process for municipalities.

In closing, Premier Selinger expressed his appreciation for the partnerships between the AMM and the provincial government on various initiatives despite challenges that have arisen. Both the AMM and the Premier noted it is essential to meet and share concerns as well as continue to work together to help municipalities achieve continued growth and success.

L to R: Ministers James Allum, Kevin Chief, Melanie Wight, Eric Robinson, Sharon Blady, Peter Bjornson, former President Doug Dobrowolski, Premier Greg Selinger, Ministers Kerri Irvin-Ross, Drew Caldwell, Greg Dewar, Steve Ashton, Erna Braun, Ron Kostyshyn and Gord Mackintosh



TLE PARTNERSHIP AGREEMENT



L to R: Treaty Commissioner James Wilson and Chief Nelson Genaille, President of the TLEC, joined former President Doug Dobrowolski to sign a Memorandum of Understanding on March 17.

A partnership agreement was signed on March 17 between the Association of Manitoba Municipalities (AMM), the Treaty Relations Commission of Manitoba (TRCM) and the Treaty Land Entitlement Committee of Manitoba (TLEC). The agreement is part of an ongoing dialogue aimed at establishing a more open and effective Treaty Land Entitlement (TLE) process in Manitoba.

The agreement further solidifies a relationship that is already working well. The AMM meets regularly with the TRCM and TLEC and the groups have collaborated on a number of initiatives. The TLE claim process is complicated, and open communication is absolutely essential to keep these agreements moving along.

Over the past two years, the organizations have opened the lines of communication by attending each other's events, speaking to each other's members, and sharing their perspectives.

"The original intent of the treaties was to create shared prosperity for everyone in Manitoba through cooperation and respect," said James Wilson, Treaty Commissioner. "Today's agreement is signed in that same spirit and reminds us resolving outstanding treaty land entitlements will mean a stronger province for our children and grandchildren."

"With the heightened interest in TLE, the Kapyong Barracks and the recent economic development ventures on urban reserves in Winnipeg and Swan River, the signing of this agreement is timely," said Sapotaweyak Cree Nation Chief Nelson Genaille, President of the TLEC. "We want to demystify the misconceptions of 'Indian Reserves' and the TLE process and pave the way for more urban reserves throughout Manitoba. And the only way to achieve these goals is through on-going dialogue and working together."

President Dobrowolski says the agreement goes beyond simply encouraging further dialogue amongst the parties. "It's true that we need to work together—in many cases the First Nation is the municipality's closest neighbour, and both benefit from a cooperative working relationship. But we also WANT to work together," he explained.

"Manitoba municipalities understand the importance of working with their neighbours, and they know that working cooperatively with First Nations benefits their whole region.

At the end of the day, we all want the same thing: for municipalities and First Nations to build stronger, more cooperative working relationships."

LEGISLATIVE UPDATE

Before adjourning for the summer, the Legislative Assembly considered a number of bills of particular relevance to municipalities. The following is a summary of the AMM's legislative submissions over the past year.

PROVINCIAL:

BILL 5: REGULATION TO THE NEW HOME WARRANTY ACT

While the AMM understands warranty coverage provided by a registered third-party will reflect a market-based model, we are cautious about regulatory changes that may result in excessive cost increases that hinder community development efforts. High warranty costs may discourage homeowners from building and potentially push smaller builders out of the market.

The AMM also believes the secure, online public registry will be a useful tool for municipalities as it should simplify the administration process for municipal officials. Moreover, the AMM was pleased to learn that the Province of Manitoba will cover all training costs to municipalities as may be required.

In accordance with section (7)3 of the Act concerning the liability exposure of permit issuers, the AMM welcomes the stipulation that the authority issuing a building permit for a proposed new home is not liable, either directly or vicariously, for any damages or other loss sustained by any person because the new home is not covered by a home warranty or because the home builder is not registered, authorized or exempt.

BILL 31: THE REGISTERED PROFESSIONAL PLANNERS ACT

The AMM was supportive of elements of Bill 31 that aim to establish the Manitoba Professional Planners Institute (MPPI) as the profession's regulatory body as well as the use of the title Registered Professional Planner (RPP) by qualified professional planners. Planners are critical to a number of municipal activities, and the AMM welcomed the RPP designation in order to protect the public interest.



The AMM also expressed its concern about potential higher financial costs involved with hiring RPPs, while underscoring the importance of allowing municipalities to make the decision of whether to hire a RPP.

BILL 32: THE NOXIOUS WEEDS AMENDMENT ACT

Prior to the introduction of Bill 32, the AMM held consultative meetings with Manitoba Agriculture, Food and Rural Development. The AMM expressed appreciation to the Province of Manitoba for sharing the common goal of reviewing and modernizing The Noxious Weeds Act.

While the AMM supports amendments that enhance coordination and allow municipalities to recoup costs of controlling noxious weeds, the AMM also understands this Act is also an important regulatory tool available to help municipalities comply with other pieces of legislation, namely the Non-Essential Pesticide Use Regulation under The Environment Act. Ensuring regulatory consistency and compatibility between these pieces of legislation is of the utmost importance.

LEGISLATIVE UPDATE

OTHER PROVINCIAL SUBMISSIONS:

SURFACE WATER MANAGEMENT STRATEGY

The AMM recognized the broad scope of the Surface Water Management Strategy, as AMM members support a comprehensive approach with the Province of Manitoba taking on a leadership role. The AMM was also pleased that the Surface Water Management Strategy is meant to complement many of the recommendations from the 2011 Flood Review and the Lake Manitoba–Lake St. Martin Regulation Review Committee Final Reports.

The AMM believes Conservation Districts are essential partners in implementing the Surface Water Management Strategy's action items, and any new roles and responsibilities must be appropriately supported by provincial funding. As well, input from Conservation Districts must be carefully considered as they have significant knowledge about their own local watersheds.

The value of geospatial data, particularly LiDAR (Light Detection and Ranging) data, is well understood by many municipalities, particularly for planning purposes. However, with ever-increasing responsibilities, most municipalities require funding partners to collect this kind of local data. The AMM has urged the Province of Manitoba to partner with local communities to support the acquisition of LiDAR coverage.

TOWARDS SUSTAINABLE DRAINAGE – A PROPOSED NEW REGULATORY APPROACH

The AMM feels the proposed risk-based approach will help address delays in obtaining licenses as well as the need for increased enforcement. It is essential that new drainage regulations and licensing processes be clear, responsive, better enforced, and fit within the context of the provincial Surface Water Management Strategy, all of which are goals outlined in the Towards Sustainable Drainage document.

RECYCLING AND WASTE REDUCTION: A DISCUSSION PAPER

The AMM is a strong supporter of recycling initiatives in Manitoba. However, the AMM expressed concerns about some options outlined in the Discussion Paper, such as

The AMM has actively worked with Green Manitoba to ensure fairness and transparency in the WRARS levy, and dedicated significant staff time to recycling initiatives in order to help find the best options that will have minimal impacts for our members.

possible changes to the Waste Reduction and Recycling Support (WRARS) levy that could potentially result in higher recycling or waste disposal costs for municipalities.

The AMM has actively worked with Green Manitoba to ensure fairness and transparency in the WRARS levy, and dedicated significant staff time to recycling initiatives in order to help find the best options that will have minimal impacts for our members.

WASTE MANAGEMENT FACILITIES REGULATION

In March 2013, the AMM provided official comments on the Province of Manitoba's newly-proposed Waste Management Facilities (WMF) Regulation that affects all solid waste management facilities, including landfills, transfer stations and composting facilities in Manitoba.

While the AMM supports waste minimization and environmental sustainability goals, the AMM conveyed its strong opposition to any regulatory changes that negatively affect municipalities.

Subsequently, the AMM has voiced its concerns to two Ministers of Conservation of Water Stewardship as well as with departmental staff on numerous occasions in order to reduce the foreseeable financial and administrative impacts of this regulation. The AMM was very pleased to hear both Ministers commit to not proceeding without the AMM's full support.

2015

Communications and Events

- + *Communications*
- + *Member Events*
- + *Special Events*



The AMM's strength lies in the diverse group of Mayors, Reeves, Heads of Council, Councillors, Chief Administrative Officers and staff that make up Manitoba's 137 incorporated municipal governments. Communicating with our members as well as presenting many opportunities for them to meet, network and enhance their knowledge of municipal government is an important priority for the AMM.

It is through these activities we truly meet our mandate of achieving "strong and efficient municipal government".

COMMUNICATIONS

THE AMM IN THE MEDIA

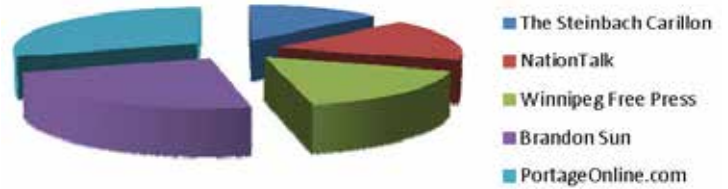
During the 2015 fiscal year, the AMM was mentioned in Manitoba media 315 times. Throughout the fall and winter, municipal amalgamation, the Building Canada Small Communities Fund and the municipal election dominated news stories. Infrastructure funding stories carried on into the spring and summer, along with coverage of the historic partnership agreement signed on March 17 between the AMM, Treaty Relations Commission of Manitoba (TRCM) and Treaty Land Entitlement Committee of Manitoba (TLEC).

AMM events also contributed to many news stories throughout the year, with the Annual Convention, June District Meetings, Municipal Officials Seminar, and Mayors, Reeves and CAOs meetings all generating media attention.

The top five news outlets reporting on AMM issues over the year were, in order of frequency, Portage Online, Brandon Sun, Winnipeg Free Press, Nation Talk and Steinbach Carillon.

COMMENTARY

The AMM also made its views known by submitting President Chris Goertzen's op-ed on municipal priorities, titled "Municipalities watching both campaigns" to the Winnipeg Free Press on August 24. Letters to the editor regarding the Cosmetic Pesticide Ban and Dutch Elm Disease funding were also printed by the Winnipeg Free Press and Winnipeg Sun respectively.



SOCIAL MEDIA

The AMM's social media channels continued to gain popularity in 2015. The Twitter feed broke 1,000 followers, gaining 276 for a total of 1,256. The AMM Facebook page also continues to build a following, with 441 "likes". The AMM is also part of the LinkedIn network and uses the photo sharing site Flickr to share images of AMM events.



The AMM's social media channels continued to gain popularity in 2015. The Twitter feed broke 1,000 followers, gaining 276 for a total of 1,256. The AMM Facebook page also continued to build a following, with 441 "likes".

COMMUNICATIONS

THE AMM WEBSITE

The AMM website is a valuable tool for members and others seeking AMM news, policies, lobbying highlights and event information. A new website launched in October, 2014 focuses entirely on the user and their diverse information needs. The site features a well-planned and user-friendly navigation at the top to quickly orient any visitor to where they want to go.

The new website also generated an additional 27,278 visits this year over the previous year. This 40 percent increase, from 37,561 in 2014 to 64,839 in 2015, is partly the result of October's municipal election. In that month alone, an additional 18,053 visitors were recorded over the year before. The rest of the increase, however, can be attributed to the improved visitor experience and new features on the website.

THE MUNICIPAL LEADER

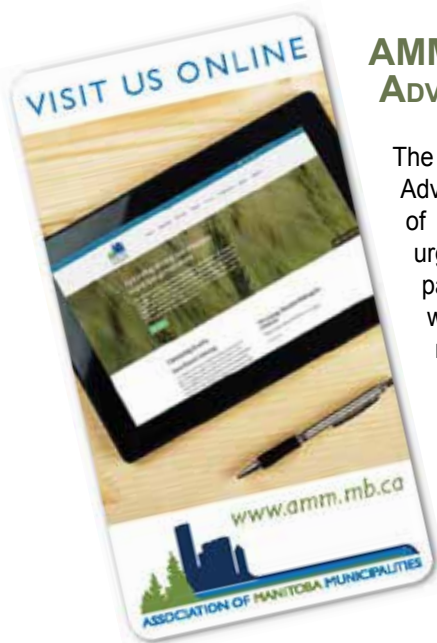
The AMM's quarterly magazine, the Municipal Leader, has a controlled circulation of 1,800 and is read by mayors, reeves, councillors, CAOs, purchasers, suppliers, MLAs, MPs and others interested in the business of municipal government. It is available in hard copy or electronic format.

Special reports featured over the past year included Infrastructure and Tourism in Manitoba. Each issue also featured regular sections such as Municipal Ideas, Municipal Profile, Education, Legal Corner, Insurance, MTCML and Candid Camera. We welcomed regular columns from the RCMP and Office of the Fire Commissioner as well.



AMM MEMBER ADVISORIES

The AMM often distributes Member Advisories to communicate issues of immediate importance or urgency to its members. Over the past year a total of 13 advisories were distributed, with the majority focused on the AMM's top issues - amalgamation and vacancies on the AMM Board of Directors due to October's municipal election.



BI-WEEKLY NEWS BULLETIN

The AMM news bulletin reports on the latest AMM activities and events. In 2015 the AMM responded to requests from members and other subscribers to produce a digital newsletter rather than a PDF. This new format has been well received as it is fresh, links to the AMM website and is easier to read on tablets or mobile devices.

The bulletin currently has 714 subscribers, including all municipal Chief Administrative Officers, who in turn distribute it to elected officials in Manitoba.



MEMBER EVENTS

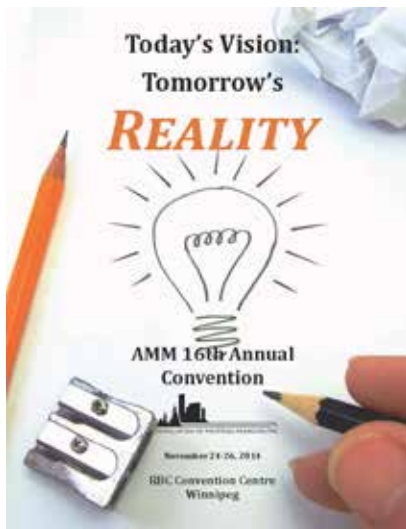
AMM 16TH ANNUAL CONVENTION

NOVEMBER 24-26, 2014

For the fourth year in a row the AMM convention attendance exceeded the 1,000 mark, with 1,011 delegates attending. This year was historic in that many amalgamating municipalities were in transition during the convention. Because municipal councils in amalgamated municipalities were not officially sworn in until January 1, 2015, amalgamated municipalities were given the choice to register either previous council members, newly-elected council members, or both at their discretion.

The theme for the 16th annual event, held at the RBC Convention Centre Winnipeg, was “Today’s Vision, Tomorrow’s Reality”. As always during an election year, the AMM offered a pre-conference seminar for newly-elected officials. Well-known governance expert George Cuff led the session along with a plenary highlighting “The Importance of the Council-CAO Relationship”.

Keynote speakers included Meg Soper, Linda Tarrant and Amanda Lang. Other speakers included the Honourable Shelly Glover, MP for St. Boniface and Minister of Canadian Heritage and Official Languages, the Honourable Drew Caldwell, MLA for Brandon East and Minister of Municipal Government, Brian Pallister, MLA for Fort Whyte and Leader of the Official Opposition, and Rana Bokhari, Leader of the



Liberal Party of Manitoba. A number of Ministers joined Premier Greg Selinger for the annual Ministerial Forum as well.

Honourary Life Member recipients this year were Alice Bourgoquin and Rick Martel.

President Doug Dobrowolski was acclaimed to serve another two-year term, Ralph Groening was re-elected to serve a second term as Vice-President, and Chris Goertzen was elected to his first-term as Vice-President. *(Update: Chris Goertzen was appointed President following the resignation of Doug Dobrowolski in July, and Mel Klassen was elected Vice-President.)*

Two resolutions sessions took place and 29 resolutions were carried.

MAYORS, REEVES AND CAOs MEETINGS

MARCH 16, 2015

The AMM combined two of its major annual events into one this year at the RBC Convention Centre in Winnipeg.

The Mayors, Reeves and CAOs meetings was broken into two groups—Central, Eastern and Interlake Districts met in the morning, and Western, Parkland, Northern and Midwestern Districts met in the afternoon.

President Doug Dobrowolski and Vice-Presidents Ralph Groening and Chris Goertzen updated the membership





on a number of the most pressing issues facing Manitoba municipalities, while Executive Director Joe Masi led the groups in a discussion around the AMM's lobbying strategy for next year's provincial election.

The new format was well received and will occur on an alternating schedule every second year when the Municipal Officials Seminar occurs in March in Winnipeg.

MUNICIPAL OFFICIALS SEMINAR (MOS) AND MTCML TRADE SHOW

MARCH 17-18, 2015

Over 500 delegates took part in this year's Municipal Officials Seminar and MTCML Trade Show at the RBC Convention Centre Winnipeg.

The Honourable Drew Caldwell, Minister of Municipal Government, opened Tuesday's session, while on Wednesday Greg Tramley of McCandless Tramley presented "Defamation and the Defence of Qualified Privilege". A number of professional development and policy sessions rounded out the agenda.

JUNE DISTRICT MEETINGS

JUNE 10-19, 2015

During this year's District Meetings, delegates heard presentations from President Doug Dobrowolski, Vice-Presidents Chris Goertzen and Ralph Groening, Executive Director Joe Masi, Western Financial Group and the Minister of Municipal Government, Drew Caldwell. Attendees also heard a presentation on the Municipal By-law Enforcement Act, and elected District Directors for a two-year term.

The 2015 meetings were hosted by the RM of Woodlands (Interlake), Municipality of Lorne (Central), City of Brandon (Western), Municipality of Glenella-Lansdowne (Midwestern), RM of Lakeshore (Parkland), Town of Morris (Eastern) and Town of The Pas (Northern).

AMM EDUCATION PROGRAM

The AMM entered its first year of a four-year Education Program in 2015. This series of workshops is designed specifically for Manitoba municipal officials with the goal of providing the training and tools necessary for effective and ethical leadership.

Sessions included:

- April 2, 2015 – Navigating Change in the Community
- October 9, 2015 – Decision-Making for Councils
- November 23, 2015 – Say What? Enhancing your Interpersonal Communications

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. With October's municipal election and the amalgamation of many municipalities resulting in many new councils this year, municipal visits were especially important.

In 2015 the AMM visited a total of 55 municipalities.

SPECIAL EVENTS

AMM AWARDS YOUTH LEADERSHIP

The AMM presented the 2015 George Harbottle Memorial Young Community Leader Award to Joyce Ayo during the Manitoba School Boards Association Celebration of Success evening on March 19.

Joyce, a student at St. James Collegiate in the St. James-Assiniboia School Division, moved to Canada in 2011 and quickly became involved in her community and school. She is involved in her Student Council, TADD (Teens Against Drunk Drivers), Peer Tutoring, Best Buddies program and UNESCO/Social Justice, along with many activities outside of school.

The AMM established the Young Community Leader Award in 2009, in conjunction with the Manitoba School Board Association Citizenship Awards. The Award was renamed in 2012 to honour the memory of AMM Honourary Life Member George Harbottle.

COMMUNITY LEADERSHIP RECOGNIZED

This year the AMM designated a new award to recognize community volunteerism in conjunction with Volunteer Manitoba. President Doug Dobrowolski presented the Association of Manitoba Municipalities Community Leadership Award during the 32nd Annual Volunteer Awards on April 14.

Former President Doug Dobrowolski presents the 2015 Goerge Harbottle Memorial Young Community Leader Award to Joyce Ayo (left), and the First Annual AMM Community Leadership Award to Wendy Lorrain (right)



Recipient Wendy Lorrain started the Wardrobe, Dauphin's community clothing bank. In addition to her full-time job, she works five days a week in the Wardrobe, managing, sorting, cleaning, and marking the thousands of pounds of clothing that is donated each year. She also manages the volunteers who provide an additional 2,000 hours of service to the Wardrobe.

WESTERN CANADIAN MUNICIPAL ASSOCIATION

On April 24 the AMM, along with representatives from municipal associations in Alberta and Saskatchewan, met in Regina to discuss issues of common interest. The associations represent urban and rural municipalities across the Prairie provinces:

- Saskatchewan Urban Municipalities Association (SUMA)
- Saskatchewan Association of Rural Municipalities (SARM)
- Alberta Association Municipal Counties and Districts (AAMDC)
- Alberta Urban Municipalities Association (AUMA)
- Association of Manitoba Municipalities (AMM)

During the full-day meeting, the group covered a variety of topics, such as Disaster Financial Assistance Arrangements, federal investment in infrastructure, alternative revenue sources, National Disaster Mitigation Program and asset management. They will meet again in Alberta in 2016.



2015

MTCML



Municipalities Trading Company of Manitoba Ltd.

The Municipalities Trading Company of Manitoba Limited (MTCML) allows AMM members to purchase products and services at lower prices through the power of bulk buying. The MTCML provides a major source of revenue for the AMM and allows AMM membership dues to remain one of the lowest in Canada.



MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.

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

In 2015, sales increased and MTCML Official Suppliers continued to provide AMM members with excellent service and pricing. Product sales were approximately \$33,000,000 this year. The MTCML provides a major source of revenue for the AMM and allows AMM membership dues to remain one of the lowest in Canada.

Due to the great participation of our members and discount pricing from MTCML Official Suppliers, the MTCML was able to rebate another \$1,000,000 to our members based on their MTCML sales. This brings the cumulative rebate over the past 14 years to \$9 million dollars.

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

FUEL SUPPLY PROGRAM

PFA Canada (PFA) Fuel and Lubricant Program is an innovative national program specializing in the distribution of fuel and lubricants. Through strategic supplier partnerships, PFA offers a simple alternative to managing fuel and lubricant purchases. PFA ensures its member municipalities are purchasing fuel at a fair cost. Visit their website at www.pfacanada.com.

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

INSURANCE PROGRAM

All 136 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.

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 116 municipalities, plus 229 other policyholders such as conservation districts and other entities, and retirees. Just over 1,600 employees plus their families are provided protection.

Facing Page top to bottom:

Lorraine Boake, PFA Canada

*L to R: Grant Ostir, Bert Walker and Ken Fingler,
Western Financial Group Insurance Services*

MTCML Official Supplier Guardian Traffic Services

MTCML Official Supplier MTS

MTCML OFFICIAL SUPPLIERS

ACKLANDS GRAINGER
AIRMASTER SALES LTD.
ALCOM ELECTRONIC COMMUNICATIONS
ARMTEC LIMITED
BRIDGESTONE (TIRES)
CANADA CULVERT
CD AWARDS
DENRAY TIRE
DUST FREE ROAD MAINTENANCE
EVEREST SUPPLY & SERVICES INC.
EVERGRO CANADA INC.
FORT DISTRIBUTORS LTD.
GFI SYSTEMS
GRAND & TOY
GUARDIAN TRAFFIC SERVICES
KAL TIRE (BRIDGESTONE)
MICHELIN
MTS
ORKIN
PFA CANADA
SCREEN DOOR
SHIPPAM & ASSOCIATES
SUPREME BASICS
THE FLAG SHOP
WESTERN FINANCIAL GROUP

AMM CORPORATE MEMBERS

ALMITRA CONSULTING
BARNES & DUNCAN SURVEYING, GEOMATICS & ENGINEERING
BORLAND CONSTRUCTION
CANAD INN / RADISSON
CANSUSTAIN
CAPITAL I INDUSTRIES
CBCRA
COMMISSIONAIRES MANITOBA
CUBEX
DILLON CONSULTING
GROENEVELD CPL SYSTEMS
J.R. COUSIN CONSULTANTS LTD.
KPMG LLP
MANITOBA ABORIGINAL & NORTHERN AFFAIRS
MANITOBA HEAVY CONSTRUCTION ASSOC.
MANITOBA HYDRO
MAZERGROUP
MHPM PROJECT LEADERS
MILLER ENVIRONMENTAL
ONSITE WASTEWATER SYSTEMS INSTALLERS OF MANITOBA INC
OPERATING ENGINEERS of MANITOBA LOCAL UNION NO. 987
Q COLLABORATIONS
ST. JOHN AMBULANCE
TRI-CORE PROJECTS MANITOBA LTD.
WESTCON
WESTERN FINANCIAL GROUP
WESTERN RECREATION & DEVELOPMENT
WSP



2015

Financial Statement



ASSOCIATION OF MANITOBA MUNICIPALITIES

Financial Statements

Year Ended August 31, 2015

FINANCIAL STATEMENT



INDEPENDENT AUDITORS' REPORT

To the Members of Association of Manitoba Municipalities

We have audited the accompanying combined financial statements of Association of Manitoba Municipalities and Municipalities Trading Company of Manitoba Ltd., which comprise the statement of financial position as at August 31, 2015 and the statements of income, changes in net assets and combined cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The statement of income for the General Account does not include revenues and expenses relating to special projects for which the Association has received funds to distribute on behalf of third party funders.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Association of Manitoba Municipalities and Municipalities Trading Company of Manitoba Ltd. as at August 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

The Exchange

chartered accountants, LLP
Winnipeg, Manitoba
October 1, 2015

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

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

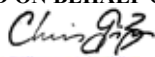
General Account

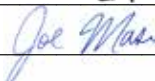
Statement of Financial Position

August 31, 2015

	2015	2014
ASSETS		
CURRENT		
Cash and short term deposits <i>(Note 8)</i>	\$ 108,626	\$ 43,979
Accounts receivable	419,156	395,469
Due from Trading Account	20,453	250,000
Prepaid expenses	47,127	75,752
Restricted cash <i>(Note 8)</i>	95,403	65,134
	<u>690,765</u>	<u>830,334</u>
SEGREGATED FUNDS		
Building Reserve <i>(Note 4)</i>	216,504	315,647
Communications Reserve <i>(Note 5)</i>	389,276	211,048
Employee Benefits Reserve <i>(Note 6)</i>	137,410	131,052
Legal Fund <i>(Note 7)</i>	94,413	93,946
	<u>837,603</u>	<u>751,693</u>
PROPERTY AND EQUIPMENT <i>(Notes 2, 9)</i>	343,744	369,825
INVESTMENT IN MUNICIPALITIES TRADING COMPANY OF MANITOBA LTD.	10	10
	<u>\$ 1,872,122</u>	<u>\$ 1,951,862</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 14,514	\$ 12,808
Goods and services tax payable	15,066	17,177
Deferred income	476,756	520,913
Due to Building Reserve	-	195,000
Due to Communications Reserve	200,000	200,000
Due to Legal Fund	-	50,000
Funds held in trust <i>(Note 8)</i>	95,403	65,134
	<u>801,739</u>	<u>1,061,032</u>
NET ASSETS		
Unrestricted	(73,554)	(199,635)
Invested in property and equipment	343,744	369,825
Restricted <i>(Note 12)</i>	800,193	720,640
	<u>1,070,383</u>	<u>890,830</u>
	<u>\$ 1,872,122</u>	<u>\$ 1,951,862</u>
LEASE COMMITMENTS <i>(Note 10)</i>		

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Statement of Income

Year Ended August 31, 2015

	2015	2014
REVENUE		
Convention	\$ 470,164	\$ 333,125
Membership dues	386,682	385,868
Seminar	91,357	93,520
Trade show	68,644	67,750
Rental	34,800	34,333
Corporate membership	15,263	13,050
Associate membership	8,350	8,300
Magazine	7,314	6,897
Investment income	5,547	5,966
Education	5,400	22,195
Miscellaneous	1,439	1,744
Advertising - bulletin	825	1,125
Merx	650	900
	<u>1,096,435</u>	<u>974,773</u>
EXPENSES		
Functions <i>(Page 14)</i>	443,851	388,700
Executive <i>(Page 14)</i>	285,144	359,132
Other <i>(Page 14)</i>	235,255	299,815
Staffing <i>(Page 14)</i>	784,987	764,593
	<u>1,749,237</u>	<u>1,812,240</u>
OPERATING LOSS	<u>(652,802)</u>	<u>(837,467)</u>
OTHER INCOME		
Management fees <i>(Note 13)</i>	650,453	800,000
Unrealized gains <i>(Note 2)</i>	2,349	2,778
	<u>652,802</u>	<u>802,778</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ -</u>	<u>\$ (34,689)</u>

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Financial Position

Year Ended August 31, 2015

	2015	2014
ASSETS		
CURRENT		
Cash	\$ 334,629	\$ 228,160
Accounts receivable	1,850,869	1,863,413
Inventory <i>(Note 2)</i>	18,880	29,299
	<u>2,204,378</u>	<u>2,120,872</u>
SEGREGATED FUNDS		
Public Sector Accounting Reserve	-	30,124
Self-insurance Loss Pool <i>(Note 11)</i>	16,110,494	14,674,600
	<u>16,110,494</u>	<u>14,704,724</u>
	<u>\$ 18,314,872</u>	<u>\$ 16,825,596</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,037,669	\$ 767,074
Goods and services tax payable	2,056	2,215
Due to General Account	20,453	250,000
	<u>1,060,178</u>	<u>1,019,289</u>
SELF-INSURANCE LOSS POOL <i>(Note 11)</i>	<u>13,799,491</u>	<u>12,358,072</u>
NET ASSETS		
Capital Stock	10	10
Accumulated unrealized gains	1,772,841	1,876,260
Unrestricted	1,682,352	1,571,965
	<u>3,455,203</u>	<u>3,448,235</u>
	<u>\$ 18,314,872</u>	<u>\$ 16,825,596</u>

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Trading Account

Statement of Income

Year Ended August 31, 2015

	2015	2014
SALES	\$ 15,736,232	\$ 17,550,044
COST OF SALES	<u>15,422,727</u>	<u>17,248,120</u>
GROSS PROFIT (2015 - 2.0%, 2014 - 1.7%)	313,505	301,924
INSURANCE ADMINISTRATION FEES	955,687	923,419
INVESTMENT INCOME	<u>698,689</u>	<u>479,570</u>
	<u>1,967,881</u>	<u>1,704,913</u>
EXPENSES		
Advertising and promotion	6,491	13,476
Membership rebate	1,000,000	700,000
Inventory write-off	550	457
	<u>1,007,041</u>	<u>713,933</u>
OPERATING INCOME	<u>960,840</u>	<u>990,980</u>
OTHER INCOME (EXPENSES)		
Management fees (<i>Note 13</i>)	(650,453)	(800,000)
Contribution to Association of Manitoba Municipalities reserves (<i>Note 13</i>)	<u>(200,000)</u>	<u>(250,000)</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 110,387</u>	<u>\$ (59,020)</u>

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Statement of Changes in Net Assets

Year Ended August 31, 2015

	Unrestricted	Invested in Property and Equipment	Restricted (Note 15)	2015	2014
GENERAL ACCOUNT					
NET ASSETS -					
BEGINNING OF					
YEAR					
	\$ (199,635)	\$ 369,825	\$ 720,640	\$ 890,830	\$ 705,265
Deficiency of revenue over expenses - General Account	26,081	(26,081)	-	-	(34,689)
Excess of revenue over expenses - Reserves	-	-	179,553	179,553	220,254
Transfer between reserves (Note 12)	100,000	-	(100,000)	-	-
NET ASSETS - END OF					
YEAR					
	\$ (73,554)	\$ 343,744	\$ 800,193	\$ 1,070,383	\$ 890,830
TRADING ACCOUNT					
NET ASSETS -					
BEGINNING OF					
YEAR					
	\$ 1,571,965	\$ 1,876,260	\$ -	\$ 3,448,225	\$ 2,536,042
Excess of revenue over expenses - Trading Account	110,387	-	-	110,387	911,883
Excess (deficiency) of revenue over expenses - Reserves	-	-	-	-	300
Realized gains	-	(421,993)	-	(421,993)	-
Adjustment to market	-	318,574	-	318,574	-
NET ASSETS - END OF					
YEAR					
	\$ 1,682,352	\$ 1,772,841	\$ -	\$ 3,455,193	\$ 3,448,225

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Combined Statement of Cash Flows

Year Ended August 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Deficiency of revenue over expenses, General Account	\$ -	\$ (34,689)
Excess (deficiency) of revenue over expenses, Trading Account	110,387	(59,020)
Excess (deficiency) of revenue over expenses, General Reserves	179,553	220,254
Excess (deficiency) of revenue over expenses, Trading Reserves	-	300
Items not affecting cash:		
Amortization	27,052	27,159
	<u>316,992</u>	154,004
Changes in non-cash working capital	284,044	(279,731)
Cash flow from (used by) operating activities	<u>601,036</u>	(125,727)
INVESTING ACTIVITIES		
Purchase of equipment	(971)	(6,219)
Net sales (purchases) of segregated funds, General Account	(330,910)	113,549
Net sales (purchases) of segregated funds, Trading Account	(1,509,189)	(152,071)
Cash flow used by investing activities	<u>(1,841,070)</u>	(44,741)
FINANCING ACTIVITY		
Net contributions to self insurance loss pool, Trading Account	1,441,419	217,231
Cash flow from financing activity	<u>1,441,419</u>	217,231
INCREASE IN CASH FLOWS	201,385	46,763
CASH - BEGINNING OF YEAR	337,273	290,510
CASH (BANK INDEBTEDNESS) - END OF YEAR	\$ 538,658	\$ 337,273
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ (214)	\$ (137)
CASH (BANK INDEBTEDNESS) CONSISTS OF:		
General Account	\$ 108,626	\$ 43,979
Trading Account	334,629	228,160
Restricted cash	95,403	65,134
	<u>\$ 538,658</u>	<u>\$ 337,273</u>

See notes to financial statements

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2015

1. DESCRIPTION OF BUSINESS

These financial statements are composed of the Statement of Financial Position, Statement of Income and Statement of Changes in Net Assets for the Association of Manitoba Municipalities and the Municipalities Trading Company of Manitoba Ltd. (MTCML).

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. The Association is exempt from income tax on its earnings under Section 149 of the Income Tax Act.

MTCML offers member municipalities group discounts on various products and services. MTCML is represented in these financial statements by the Trading Account. MTCML is exempt from income tax on its earnings under Section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of combination

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

Financial instruments 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.

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.

(continues)

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2015

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

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.

Revenue recognition

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

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

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

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

(continues)

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2015

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

Accumulated unrealized gains

Accumulated unrealized gains consists of the accumulated adjustments to market for the Self-insurance Loss Pool Segregated Fund. Realized gains are included in investment income on the Statement of Income for the Trading Account.

3. 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, 2015.

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.

4. BUILDING RESERVE

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

5. COMMUNICATIONS RESERVE

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

6. EMPLOYEE BENEFITS RESERVE

This reserve was originally established to pay out severance packages and was augmented by the transfer of the general reserve in Manitoba Association of Urban Municipalities at December 31, 1998. Since that time, it has been used to fund superannuation. Accumulated equity in the reserve is not to exceed \$150,000.

7. LEGAL FUND

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

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2015

8. CASH AND SHORT TERM DEPOSITS

Included in cash and short term deposits is \$95,403 (2014 - \$65,134), relating to funds held in a bank account in the Association's name relating to other expenses which are not a part of the association's operations, including special projects funded by the Provincial Government, Federation of Canadian Municipalities member expenses funded by the member municipalities and other miscellaneous projects. These funds are restricted for use on these operations and are held in trust. Revenues and expenses relating to these operations have not been included in these financial statements.

9. PROPERTY AND EQUIPMENT

	2015		2014	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Buildings	\$ 378,676	\$ 156,888	\$ 378,676	\$ 149,314
Computer equipment	162,090	156,969	161,119	152,137
Computer software	9,713	9,713	9,713	9,438
Land	90,000	-	90,000	-
Office equipment	65,563	62,129	65,563	61,482
Photocopier	17,905	17,905	17,905	17,905
Sign	10,762	8,071	10,762	6,995
Motor vehicles	63,237	42,527	63,237	29,879
	\$ 797,946	\$ 454,202	\$ 796,975	\$ 427,150
Net book value	\$ 343,744		\$ 369,825	

10. 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:

2016	\$ 5,657
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FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2015

11. SELF-INSURANCE LOSS POOL

	2013/2014 and			
	Prior Pool	2014/2015 Pool	2015	2014
Balance, beginning of year	\$ 12,358,072	\$ -	\$ 12,358,072	\$ 12,140,841
Current year loss pool additions	-	6,116,183	6,116,183	6,133,184
	12,358,072	6,116,183	18,474,255	18,274,025
Insurance claims paid	(2,824,830)	(1,849,934)	(4,674,764)	(5,915,953)
Balance, end of year	\$ 9,533,242	\$ 4,266,249	\$ 13,799,491	\$ 12,358,072

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 (2014 - \$1,000,000) per claim for certain types of claims, up to a maximum of \$6,100,000 (2014 - \$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:

	2015	2014
Bank	\$ 12,743	\$ 59,564
Great West Life - Loss Pool Fund	16,097,751	14,615,036
	\$ 16,110,494	\$ 14,674,600

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

Notes to Financial Statements

Year Ended August 31, 2015

12. RESERVES - GENERAL ACCOUNT

	<u>2015</u>	<u>2014</u>
<u>Building Reserve (Note 4)</u>		
Opening balance	\$ 315,647	\$ 208,836
Interest received	857	6,811
Transfer to Communications Reserve	(100,000)	-
Contribution from MTCML (Note 13)	-	100,000
	<u>\$ 216,504</u>	<u>\$ 315,647</u>
<u>Communications Reserve (Note 5)</u>		
Opening balance	\$ 211,048	\$ 138,786
Interest received	349	390
Expenses	(22,121)	(28,128)
Transfer from Building Reserve	100,000	-
Contribution from MTCML (Note 13)	200,000	100,000
Transfer to Unrestricted Net Assets	(100,000)	-
	<u>\$ 389,276</u>	<u>\$ 211,048</u>
<u>Employee Benefits Reserve (Note 6)</u>		
Opening balance	\$ 100,000	\$ 100,000
<u>Legal Fund (Note 7)</u>		
Opening balance	\$ 93,946	\$ 52,764
Interest received	467	513
Expenses	-	(9,331)
Contribution from MTCML (Note 13)	-	50,000
	<u>\$ 94,413</u>	<u>\$ 93,946</u>
Total Restricted Reserves	<u>\$ 800,193</u>	<u>\$ 720,641</u>

13. RELATED PARTY TRANSACTIONS

The Association controls MTCML through a common board. During the year ended August 31, 2015, MTCML transferred \$200,000 (2014 - \$250,000) to the Association's reserves and paid \$650,453 (2014 - \$800,000) in management fees to the Association.

14. COMPARATIVE FIGURES

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

FINANCIAL STATEMENT

ASSOCIATION OF MANITOBA MUNICIPALITIES

General Account

Schedule of Expenses

Year Ended August 31, 2015

	2015	2014
Functions		
Convention	\$ 331,304	\$ 285,232
Education	3,585	18,107
Municipal seminar	53,948	44,990
Newly elected officials seminar	7,626	-
Pre-conference seminar	4,510	-
Resolutions committee	4,466	4,340
Trade show	38,412	36,031
	<u>\$ 443,851</u>	<u>\$ 388,700</u>
Executive		
Communication allowance	\$ 2,460	\$ 2,742
Board - stipend	27,060	27,457
Board - sundry	482	135
Meeting expenses	192,022	267,707
President's salary	63,120	61,091
	<u>\$ 285,144</u>	<u>\$ 359,132</u>
Other		
Amortization	\$ 27,052	\$ 27,159
Association fees	3,155	2,845
Audit fees	16,028	14,626
Bank charges	214	137
Building repairs and maintenance	34,366	28,545
Donations and gifts	30,547	15,908
Insurance	5,180	5,529
Legal	2,799	76,729
Office	47,277	56,452
Postage and stationery	25,126	24,631
Promotion materials	1,741	4,084
Property taxes	18,987	18,681
Telephone	15,952	16,033
Vehicle expenses	6,831	8,456
	<u>\$ 235,255</u>	<u>\$ 299,815</u>
Staffing		
Management expenses	\$ 30,965	\$ 32,828
Staff expenses	12,780	13,993
Salaries	628,165	607,133
Employee benefits	108,391	108,826
Workers compensation	1,213	558
Staff training and recruitment	3,473	1,255
	<u>\$ 784,987</u>	<u>\$ 764,593</u>

See notes to financial statements

Association of Manitoba Municipalities

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