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# **A N N U A L**

# **R E P O R T**



Partners in Advocacy & Business





*Our*



*Members*



*Matter*





Partners in Advocacy & Business

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# President's Message

Bob Barss

It has been a year of significant change, promising relationships, and trying times.

The floods that devastated our province in June are not only responsible for creating record-breaking damage in Alberta's largest communities, but also tearing through rural municipalities where homes, businesses, and significant infrastructure were demolished. Many residents are displaced and local governments challenged to guide the overwhelming task of picking up the pieces.

The Government of Alberta's pledge to support all areas affected by this natural disaster has been welcomed, and we are encouraged that recovering municipalities will continue to see progress in terms of provincial funding for new infrastructure in the future.

Premier Redford's commitment to provide financial backing for major repairs from the floods is a promise that we celebrate. The 2013-14 budget cut funding for programs that are heavily subscribed by rural municipalities, such as the Local Road Bridge Program. However, AAMDC is confident that keeping lines of communication open between the province and rural municipalities is vital to ensure our needs are met and we will continue to advocate for the reinstatement of such programs.

The Water Conversation community meetings hosted in February and March exemplified the value in the province hearing directly from rural residents. Input regarding water management, hydraulic fracturing, and drinking water systems were top of mind for municipalities as they participated in these discussions. With a number of active resolutions focusing on water-related issues, AAMDC appreciated this opportunity to engage with government.

On the federal front, I am very pleased that the 2013 budget has committed to new long-term federal infrastructure funding with the Building Canada Fund and continuation of the Gas Tax Program. These wins followed a significant negotiation process that I was proud to be part of through my role on the FCM board, along with Lorne Olsvik, who serves as a member-at-large.

An area that we are also proud to be involved in and we hope is ready for feedback in the coming year is the highly anticipated MGA

review. It's a fundamental and enabling piece of legislation and the AAMDC has a vested interest in ensuring any updates or changes to it effectively address our members' concerns. We look forward to coordinating further discussions with our members as the review unfolds.

Alberta is growing and municipalities of all shapes and sizes are challenged to find revenues to meet the expectations and needs of citizens. In rural Alberta, we continue to deal with an infrastructure deficit and yet we know how important those assets are to both citizens and the industrial activity that sustains Alberta's prosperity. As a result, the AAMDC has commissioned a study of rural municipal finances to demonstrate how critical taxation revenue is to fulfilling these obligations.

In closing, I would like to thank AAMDC staff and the Board of Directors for their consistent efforts to advocate and service the needs of rural Alberta. I am honoured to have the opportunity to continue my role as President and look forward to connect with members in the coming year.



President, AAMDC Board of Directors





# Exec. Director's Message

Gerald Rhodes

The 2012-13 year was very busy for the AAMDC. The board and staff pursued the strategic plan's four priorities, with the goal of fulfilling the association's mission— assisting rural municipalities to achieve strong and effective local government.

Under the strategic plan priority of Relationships and Relationship-Building, the association continued cultivating and confirming relationships with MLAs, Deputy Ministers and Ministers who share your concerns. Ensuring their participation in your conventions is an opportunity for them to speak with you directly. Relationship building also meant continued interaction with members through member visits and district meetings throughout the year. AAMDC also continued mutually beneficial partnerships on the business side with other associations around the country and our business partners, to facilitate membership services with better products and enhanced pricing discounts.

Advocacy Efforts, the second strategic plan priority, was similarly pursued with vigor. Even though the province had to pause for a few months to deal with the devastation of the 2013 floods, we were still able to advocate on a number of fronts including working with the province to assist our members with flood relief and planning flood mitigation. In our Advocacy & Communications department report, Director Kim Heyman highlights numerous efforts undertaken to represent your interests and keep you informed, including major reports and initiatives, consultations and successful resolutions.

On the service delivery side, Aggregated Business Services (ABS) was also a strategic plan priority. In the ABS report, Director Duane Gladden summarizes key department highlights and introduces his business managers' reports that identify each business units' highlights for the year. An organizational milestone for 2013 was the completion of a new fuel tender of Prairie Fuel Advisors (PFA) using the aggregated volume of the program's fuel sales in 5 provinces that were previously managed and bid upon as separate entities. The result is our Alberta members have benefited from combining all volumes and we now offer the best public sector fuel discount available in Canada. In addition, bringing the management and administration of the association's self-insurance reciprocals in-house was a big operational change this year. It allows the association to better plan, sustain and grow the

insurance program. We experienced our first sustainability audit by the superintendent of insurance and are on track to improve long-term

benefits for subscribers. As part of this change, please note that the financial statements for the two reciprocals have been added to this annual report for the first time.

Lastly, none of these priorities could have been accomplished without attention to the association's Internal Support Systems, the strategic plan's fourth priority. In the final report, Corporate Services Director Janet Tomalty speaks to the backroom activities her department managed to support our organization's service delivery. This year, our organization was required to adopt new accounting standards for many of its entities, complete the transfer of financial administration of the insurance reciprocals, participate in a sustainability audit by the superintendent of insurance, complete upgrades of our IT platform, upgrade a content management system to protect against website security threats, and deal with a misunderstanding by the Canadian Revenue Agency regarding your Trade program. Lastly, the association achieved its budget targets and is proud to issue a patronage dividend to its members as a result.

In conclusion, operationally it was a positive year for the association with much completed in Advocacy and a positive year financially. I thank the board for its support and vision and look forward to next year and its challenges.



A handwritten signature of Gerald Rhodes in black ink.

Executive Director, CAE, MBA, CLGM

# AAMDC

Since 1909

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## MISSION

Through advocacy, communication, education and the provision of aggregated business services, the AAMDC assists rural municipalities in achieving strong and effective local government.

## VISION

The AAMDC is a progressive association of elected rural councils, representing the interests of rural Albertans, and committed to excellence in meeting the diverse and changing needs of its membership.

## VALUES

### Member Directed

Based on direction from the membership, the work of the AAMDC reflects the interests and priorities of its members. The primary source of this direction is from resolutions that are passed at conventions.

### Accountable

The AAMDC preserves member direction in its business and advocacy efforts.

### Transparent

The AAMDC conducts its business through open, honest, and ethical practices.

### Responsive

The AAMDC is flexible and adaptive to the ever-changing interests and priorities of its members. The AAMDC provides members with innovative, value-added services.

### Informed

The AAMDC endeavors to be aware of and involved in issues impacting its members.

### Credible

The AAMDC maintains a strong reputation with its external stakeholders through effective, long-standing and collaborative relationships.

## MEMBERSHIP

The AAMDC membership includes all of the province's rural municipalities: 64 incorporated municipal districts and counties, four incorporated specialized municipalities and the Special Areas Board. The AAMDC has also granted associate membership status to over 870 other local authorities, including cities, towns, villages, and other local authorities like school divisions and health authorities. Associate members may access services offered through the Aggregated Business Services divisions: Trade Division, Jubilee Insurance Agencies, and PFA. Associate members are not formally represented by the AAMDC and do not participate in its governance.





# AAMDC

Since 1909

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The AAMDC released Mapping Success, its strategic plan, in 2010. This strategic plan reaffirms and updates the AAMDC's mandate, vision, mission and values. Further, it guides the development of corporate-level operational planning and ensures that on-the-ground activities of the organization contribute to the overall achievement of our mission and fulfillment of our mandate. With a clear picture of organizational expectations in serving its members and clients, Mapping Success identified four strategic priorities and 18 objectives.

## **RELATIONSHIPS AND RELATIONSHIP-BUILDING**

### **OBJECTIVES**

- Communicate effectively with clients
- Proactively solicit and respond to client needs
- Aim to operate functions on cost-neutral basis
- Protect current revenue streams
- Update written organizational policies and procedures
- Recruit and retain skilled workforce
- Develop corporate education program
- Undertake regular organizational team building

## **ADVOCACY EFFORTS**

### **OBJECTIVES**

- Communicate effectively with clients
- Proactively solicit and respond to client needs
- Aim to operate functions on cost-neutral basis
- Investigate new revenue streams
- Reduce advocacy scope creep
- Recruit and retain skilled workforce

## **AGGREGATED BUSINESS SERVICES**

### **OBJECTIVES**

- Proactively solicit and respond to client needs
- Communicate effectively with clients
- Deliver business services at competitive prices
- Investigate new revenue streams
- Improve cash flow management
- Aim to operate functions on cost-neutral basis
- Protect current revenue streams
- Recruit and retain skilled workforce

## **INTERNAL SUPPORT SYSTEMS**

### **OBJECTIVES**

- Improve cash-flow management
- Investigate banking and investing services
- Improve technology cost-effectiveness
- Create process efficiencies in Trade/PFA billing
- Update electronic systems and software
- Improve internal reporting systems
- Update written organizational policies and procedures
- Achieve best use of human resources/contractors
- Recruit and retain skilled workforce
- Develop corporate education program
- Undertake regular organizational team building



# Board of Directors

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## BOB BARSS, PRESIDENT

Bob served as AAMDC Director of District 5 from 2001– 2010. In the fall of 2010 he was elected as President and re-elected in Fall 2012. Bob represents the AAMDC on the Board of Directors of the Federation of Canadian Municipalities (FCM) and Alberta Recycling Management Authority (ARMA); is Co-Chair of the Alberta Drought and Excessive Moisture Advisory Group (DEMAG), and serves as a member on many committees and advisory councils.

Bob is also a Councillor for Division 7 in the MD of Wainwright. He was first elected in October of 1995, became Reeve of the municipality in 1997, and has continued to serve since this time. Reeve Barss sits on the following Boards and Committees for his M.D: Insurance & Bylaws & Agreements & Regulations, a member of the Wainwright Seed plant, M.D. Safety Committee, Municipal Property Committee, Policy Committee and Public Relations to Camp Wainwright. His passion for rural Alberta is evident in his tireless advocacy efforts.

Bob was born and raised in the Irma area and has lived there his entire life. He and his wife Susan have two children. Together with his wife, Bob operates a grain farm.



## CAROLYN KOLEBABA, VICE PRESIDENT

Carolyn served as AAMDC's first female Vice President from 2005-2008. She was re-elected to the same position at the association's Fall 2010 Convention.

Carolyn has served as reeve of Northern Sunrise County since 2000. She first entered municipal politics in 1998. In her role as a municipal Councillor and Reeve, Carolyn is the Chair of the North West Corridor Development Committee (NCDL) with membership comprised of industry and governments in British Columbia, North West Territories and Alberta. She is also on the executive of the Peace Regional Library System, Mackenzie Municipal Planning Association and Peace Synergy Group.



In 2012, Carolyn was awarded the Queen Elizabeth Diamond Jubilee Medal for her dedication of service to her peers, community and to Canada.

Her love for making the community a better place to live has her on a journey that she is very grateful for and very much enjoys.

# Board of Directors

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## **BOB JONES, DIRECTOR, DISTRICT 1**

Bob was elected to the AAMDC Board in November 2007. He has been on council in the County of Warner since 1992, where he has served as agriculture services chairman, Reeve and Deputy Reeve.

Bob farmed for most of his life and has worked in the fertilizer and chemical industry. Bob continues to be an active volunteer firefighter with 46 years of service. He has served on the local hospital board, school board, FCSS, Chamber of Commerce, Lethbridge Community Foundation and the flying club.

Bob and his wife have a daughter, a son and two grandchildren.



## **AL KEMMERE, DIRECTOR, DISTRICT 2**

Al Kemmere was elected to his first term on the AAMDC Board as Director of District 2 in the fall of 2010.

He was elected Councillor and Reeve of Mountain View County in 2004 and has since been re-elected as Councillor for a third term in 2010. In his six years on council, Al has been involved in numerous committees, such as the Central Alberta Economic Partnership (CAEP), Municipal Area Partnership (founding member), Mountain View Waste Commission, Vice Chair of the AAMDC Mayor/Reeves committee, and a member of the AAMDC Standing Issues Committee on Social Issues.

Al has a strong background in agriculture with experience running a purebred dairy farm along with a combination of mixed and custom farming and trucking. He and his wife Kathy have raised their three children on their farm north of Olds.



## **JOHN WHALEY, DIRECTOR, DISTRICT 3**

John Whaley was first elected to the AAMDC Board of Directors in November 2007. He is serving his fourth term as a Leduc County Councillor. He served three years as Reeve from 2004-07 and in 2010 he was re-elected as mayor.

He is actively involved with a variety of community organizations such as the Nisku-Leduc Rotary Club and volunteers with community groups including Leduc # 1 Energy Discovery Centre, the Leduc West Antique Society, and the Leduc Alberta Legacy Development Society, among others.

John is an agricultural producer and ran a mixed farming operation in England for more than 20 years. He resides in Leduc County with his wife of 30 years. They have two daughters and a grandson.



# Board of Directors

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## **TOM BURTON, DIRECTOR, DISTRICT 4**

At the AAMDC Fall 2008 Centennial convention, Tom was elected as Director of District 4. Since then, he has been active on many committees as a representative of the AAMDC, including the Forest Protection Advisory Committee, Fire Services Advisory Committee, Firesmart: Partners in Protection, and Endangered Species Conservation.

Tom was first elected to the MD of Greenview council in 2001. He became a member of the DeBolt Fire & Rescue in 1993, and has held the position of Chief for the past 15 years. He has been a registered EMR since 2001 and a director of the Grande Prairie Rural Crime Watch since 1993.

Tom has had several different occupations which include surveyor, owner/operator of a trucking company, owner/operator of a service station & restaurant, general manager for the local Agricultural Society (Golf Course, Curling Rink & Community Hall).

Tom and his wife Alisa reside in the hamlet of DeBolt. They have two grown children, Brendon and Rhandi.



## **SOREN ODEGARD, DIRECTOR, DISTRICT 5**

Soren Odegard was elected to the AAMDC Board of Directors in 2010 representing District 5. He was first elected in 2007 as Councillor for the County of Two Hills. Soren presently sits as the chairman of the Agriculture Service Board, Chairman of the Alberta HUB and REDA, located in the northeast section of Alberta.

In 1997 Soren moved to the Two Hills area, where he started farming commercial beef cattle and mixed grains until 2007. Soren is extensively involved in the community through local organizations such as the Willingdon Agriculture Society, the Hairy Hill Elks 304, and the Willingdon and District Recreational Center.

Soren was born in the Town of Cold Lake and raised in the City of Edmonton. He has two daughters.





# Committees

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- AAMDC Resolutions Committee
- AAMDC R.W. Hay Award Committee
- AAMDC Standing Issues Committees (SICs):
  - Social Issues & Concerns
  - Infrastructure, Transportation & Municipal Affairs
  - Intergovernmental Relations, Finance & Justice
  - Resources, Agriculture & the Environment
- Agricultural Operation Practices Act (AOPA)
- Agri-Environmental Partnership (AEP) Board
- Alberta Fire Chiefs Task Force on Retention and Recruitment
- Alberta Fusarium Graminearum Action Committee
- Alberta Game Management Advisory Group (AGMAG)
- Alberta Municipal Health and Safety Association Board (AMHSA)
- Alberta Recycling Management Authority (ARMA)
- Alberta Rural Utilities Association (ARUA)
- Alberta Utilities Commission Act Stakeholder Advisory Committee
- Alberta Water Council (AWC) Board
- Alberta Urban Municipalities Association (AUMA) and AAMDC Joint Operating Committee
- Clean Air Strategic Alliance Board (CASA)
- Clean Air Strategic Alliance (CASA) Electricity Framework Review (EFR)
- Drought and Excessive Moisture Advisory Group
- Endangered Species Conservation Committee (ESCC)
- Energy Resource Conservation Board (ERCB) Chairman's Advisory Committee
- Federation of Canadian Municipalities (FCM) National Board of Directors
- Fire Services Advisory Committee (FSAC)
- Firesmart: Partners in Protection
- Foreign Animal Disease Emergency Support (FADES)
- Forest Protection Advisory Committee
- Government/Industry Joint Geophysical Steering Committee
- Great West Life Councillor Pension Plan Board of Trustees
- Justice Policy Advisory Committee (JPAC)
- Land Agent Program, Industry Advisory Committee
- Local Authorities Pension Plan (LAPP) Board
- Local Authorities Pension Plan (LAPP) Stakeholder Consultation Group
- Medical First Responder Advisory Panel
- Municipal Excellence Awards Review Committee
- NAIT Emergency Management Program Advisory Committee
- Provincial Agriculture Service Board (ASB)
- Resource Roads Application Committee
- Rural Integrated Community Clerkship (ICC) Stakeholders Committee
- Safety Codes Council–Coordinating Committee
- Septage and Onsite Wastewaters Strategic Advisory Committee
- Spatial Data Warehouse
- Strategic Transportation Advisory Committee
- Transportation Routing and Vehicle Information System (TRAVIS)
- Used Oil Management Association (UOMA)
- Utilities Consumer Advocate (UCA) Advisory Board
- Western Canada Municipal Associations



# Staff

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## EXECUTIVE

**Gerald Rhodes**, Executive Director

**Susan Valentine**, Executive Administrative Coordinator

## CORPORATE SERVICES

**Janet Tomalty**, Director of Corporate Services

**Kaala Brown**, Corporate Services Administrative Coordinator

**Julie Thibeault**, Financial Analyst

**Susan Wolfe**, Financial Analyst

**Barb Brazel**, Financial Analyst

**Leona Munro**, Accounting Clerk–Accounts Payable

**Katia Hunt**, Receptionist

## ADVOCACY & COMMUNICATIONS

**Kim Heyman**, Director of Advocacy & Communications

**Cindy Carstairs**, Advocacy & Convention Coordinator

**Isha Thompson**, Communications & Web Coordinator

**Michelle Hay**, Policy Analyst

**Tasha Blumenthal**, Policy Analyst

**Darren Reedy**, Policy Analyst

## AGGREGATED BUSINESS SERVICES

**Duane Gladden**, Director of ABS

**Stephen Tamayo**, Manager of Client Relations & Trade

**Denise Giles**, Manager of Client Relations

**Miranda Marcinkoski**, ABS Administrative Coordinator

## JUBILEE INSURANCE AGENCY

**Tony Wadsworth**, Manager of Insurance

**Josie Saruk**, Risk Management Advisor

**John Hackwell**, Risk Management Advisor

**Lindsay Mickanuck**, Claims Manager

**Tom Hirst**, Claims Examiner

**Brenda Rutko**, Insurance & Risk Advisor

**Debbie Depeel**, Insurance & Risk Advisor

**Holly Neill**, Insurance & Risk Advisor

## PRAIRIE FUEL ADVISORS (PFA)

**Lorraine Boake**, Operations Coordinator

**Jamie Olson**, Member Services & Invoicing

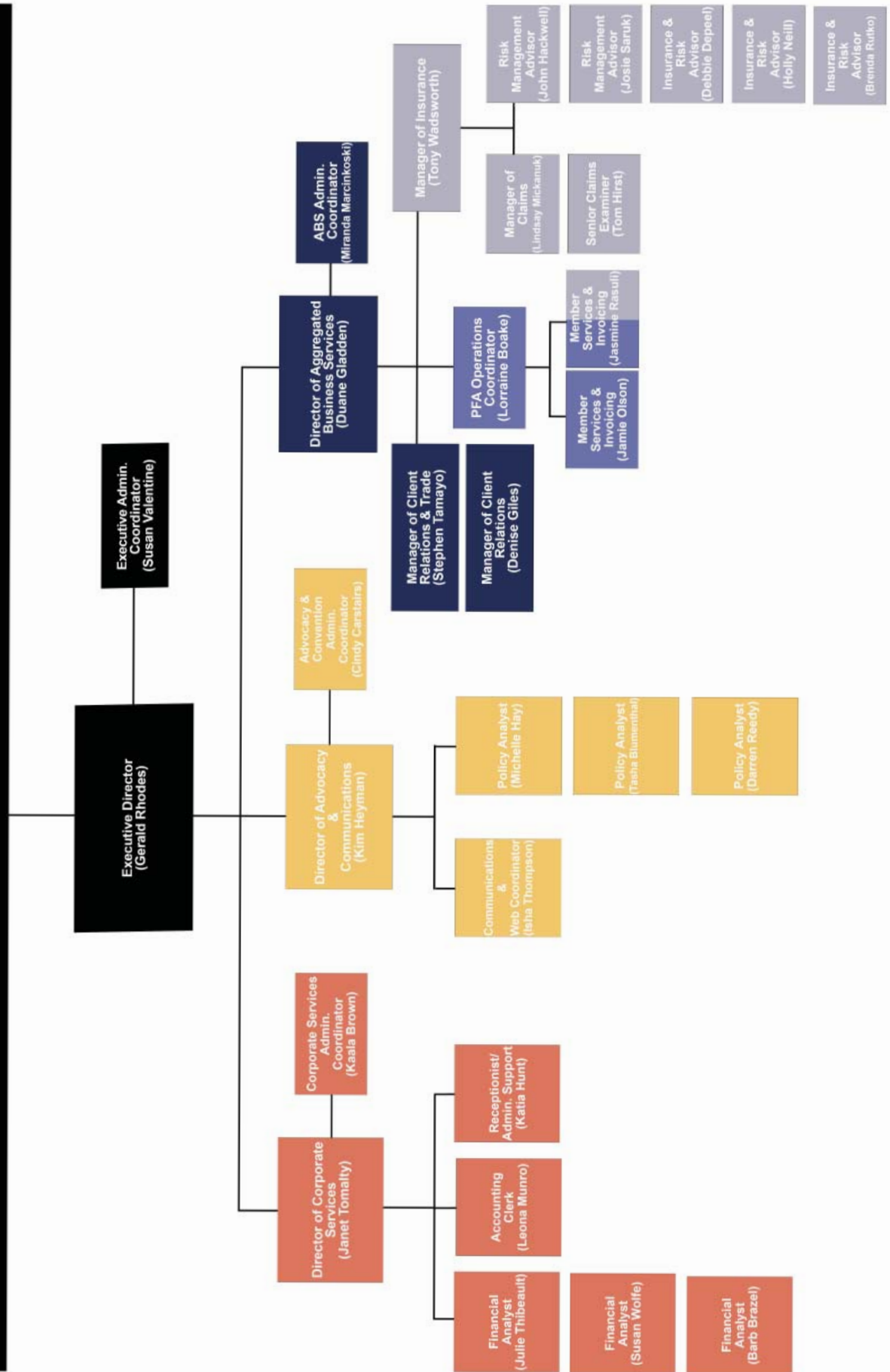
**Jasmine Rasuli**, Member Services & Invoicing

We said goodbye to the following staff in 2012–13:  
Stephanie Williston, Loreto Nuñez and Christina Caskey.



# AAMDC Board of Directors

## (Jubilee Insurance Agencies Ltd. & PFA Ltd. Boards)



# Advocacy Update

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This fiscal year started nine months after the election of Premier Redford and nine months before a provincial election. Consequently, this has been an extremely busy year of changes in leadership, new directions and new priorities.

With the new provincial government finally settling in, AAMDC Board and staff have been asked to take part in several province led committees, including the MGA Review, Seniors' Lodge Committees, MSS Advisory Committee, the Local Road Bridge Committee, the Development Symposium (or off-site levy) and Well Drilling Equipment Tax, among others. We are always very grateful for the opportunity to sit on these committees and bring the rural perspective to the table.

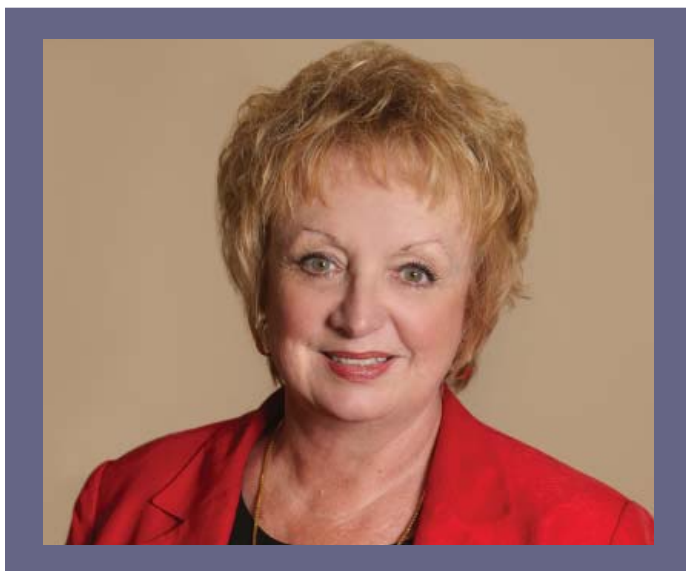
We have also started a few projects of our own. We are anxiously awaiting the release of our Rural Municipal Finance Report. We expect it will put to rest the ongoing debate around linear taxation revenue. A consultant has been hired to review the gravel (aggregate) situation in our province. We want to know what is stockpiled and what undeveloped aggregate resources for our members are out there. We also want to see what existing legislation dictates our members use of this resource, any policies that may exist and policies that should exist but currently don't.

In the meantime, our department has been very busy with the MGA review. Staff have been supporting our Executive Director in his capacity on the MGA Advisory Committee as well as developing our own MGA Review consultation process. It is our plan that you will see this come to fruition by way of consultation meetings in the late summer, early fall.

Going forward into this next fiscal year, we are looking at ways, other than surveys, to gather your thoughts and opinions. We have heard loud and clear how much you don't have time for them. Based on that feedback, we want to explore the possibility of incorporating click-a-pads, that we use at convention, at our district meetings to collect your perspective. We will be looking at costs and implementation as soon as time and funds allow.

In closing, I would like to thank my staff—Michelle, Stephanie, Tasha, Darren, Cindy and Isha—whose hard work and creativity are the backbone of what we do here in the Advocacy and Communication department.

**Kim Heyman**  
**Director of Advocacy and Communications**





# Major Initiatives

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## **Rural Connects**

Rural Connects is an informative newsletter delivered directly to MLAs to educate provincial leaders about key issues affecting municipalities. 2012-13 saw continued delivery of the AAMDC's newest communication tool. Articles covered topics such as the distribution of tax dollars between all levels of government, the deficit in rural bridges, changes to the Navigable Waters Protection Act, impacts of the 2013 provincial budget and other emerging issues.

## **Federal Long Term Infrastructure Plan**

With the expiration of the Government of Canada's seven-year Building Canada Plan, the AAMDC was focused on advocating with FCM for the renewal of long-term funding dedicated to municipal infrastructure needs. In the 2013 budget, the federal government announced the indexation and permanency of the Gas Tax Fund as well as a commitment to a new Building Canada Fund with \$10 billion for national, provincial and local projects.

## **Rural Municipal Finances Study**

Over the previous year, the AAMDC learned of a variety of conversations being held about rural municipal finances, some of which were misinformed. Recognizing the importance some of these discussions may have in the MGA review, the AAMDC wanted to ensure the facts were clear when it came to rural finance issues. As such, the association has undertaken a comprehensive fact-based report that compares rural and urban financial trends which will serve as an essential education tool for all stakeholders.

## **Aggregate Study**

The AAMDC membership passed resolution 15-10F, which encouraged the Government to develop a provincial strategy for the management of aggregate resources. After meeting with multiple government ministries, it was apparent that this is not an area of focus at this time and as a result, the AAMDC made it a priority for 2013. The project will involve the development of a comprehensive report that will include a review of existing legislation and policies, clarify existing allocation practices, and map where resources are physically located in Alberta. The study will also include what should be considered to ensure adequate resources are available to meet the long-term infrastructure needs for municipalities, the provincial government and industry.

## **Local Road Bridge Program Review**

The AAMDC partnered with Alberta Transportation to undertake a collaborative review of how the Local Road Bridge Program could be improved. The review committee developed a series of recommendations seeking changes to existing program restrictions and changes as to how grant funding was distributed. The AAMDC held a comprehensive consultation with members until the province announced it had zero-funded the program for 2013-14.

## **Well Drilling Equipment Tax**

In early 2013, the province called upon representatives from the oil and gas industry, rural municipalities, the AUMA and the AAMDC to undertake a review of the Well Drilling Equipment Tax regulation. The AAMDC took a lead role in coordinating efforts of the rural municipal representatives resulting in a series of recommendations made in a report to the Minister of Municipal Affairs. The AAMDC has recently been informed that the WDET has been extended for an additional five years.

# Major Initiatives

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## **Water Conversations**

The AAMDC was pleased to see the Government of Alberta facilitate the much anticipated Water Conversations in early 2013 which provided an opportunity for members to provide input regarding water management, hydraulic fracturing, drinking water and wastewater systems and healthy lakes. The association has a number of active resolutions which focus on water-related issues and valued the opportunity to engage with government. The AAMDC understands a “What We Heard” document will be developed based on the results of these conversations and that content gathered will be used to guide additional provincial regional planning strategies as the Land-use Framework progresses.

## **Seniors’ Lodge Study**

In spring 2012, members passed resolution 4-12S directing the AAMDC to study services, governance, and requisitions of lodge management bodies in Alberta. Prior to starting, the AAMDC learned that Alberta Municipal Affairs had similar plans for its own review and as such, a joint review was formed with the ministry, the AUMA and the Alberta Senior Citizens’ Housing Association (ASCHA). The review, which is still on-going, involves a tour of facilities across Alberta to better understand the variety of models being used to allow for a more informed set of recommendations.

## **Off-Site Levies**

Off-site levies became a hot topic in 2012 following a precedent setting court case that closed in late 2011. In September 2012, the Ministry of Municipal Affairs hosted a workshop to discuss opportunities for how to best deal with the costs of new development. This meeting involved representatives from the major cities, the AUMA, the AAMDC, and a variety of developers. This meeting then resulted in a smaller working group that is responsible for developing recommendations that will be debated by the full group in the future. The smaller working group, of which AAMDC is a member, continues to meet on a regular basis and expects to have recommendations ready for discussion for the MGA review.

## **Rural Assessor Development Committee**

Following the direction of resolution 3-11S, the AAMDC partnered with the Alberta Assessors Association (AAA) and Alberta Municipal Affairs to develop a committee focused on strategies to improve the recruitment and retention of qualified rural assessors. Following several meetings and a survey of the Alberta Rural Municipal Administrators’ Association (ARMAA) membership, the committee identified a number of opportunities for improvement. Meetings are scheduled to continue in the future as each stakeholder makes progress on individual goals.

## **Water Conservation, Efficiency and Productivity Planning**

The AAMDC has been a member of the Alberta Water Council’s (AWC) Conservation, Efficiency and Productivity (CEP) Sector Planning Team since 2009 and completed its final report in early 2013. The final report provides advice on sector-planning activities and includes recommendations that address the timing and content of progress report updates from the sectors to the Alberta Water Council. The report also recommends that a new project team be formed in 2014 to develop a metric to aggregate the improvements in conservation, efficiency and productivity as a result of the plans being implemented.



# Major Initiatives

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## **Municipal Climate Change Action Centre (MCCAC)**

The Municipal Climate Change Action Centre (MCCAC) is a partnership between the AAMDC, the AUMA, and the ministries of Municipal Affairs and Environment and Sustainable Resource Development. The MCCAC has a number of programs that offer financial incentives to municipalities helping them move towards greater sustainability through understanding energy benchmarks of municipally-owned facilities and reducing greenhouse gas emissions for long-term benefit. More information on the MCCAC is available at [www.mccac.ca](http://www.mccac.ca).

## **Infrastructure Asset Management Alberta (IAMA)**

The AAMDC became an active member of the information-sharing group known as Infrastructure Asset Management Alberta. IAMA is a volunteer-based group that meets quarterly to advance knowledge about best practices in asset management. The AAMDC also participates as a member of the organizing committee. <http://www.assetmanagementab.ca/>

## **Funding Options for Law Enforcement Services in Alberta**

In 2010, the province approved a new Law Enforcement Framework. One of the province's key strategies was to develop a new funding model to distribute the costs of local policing. In the meantime the provincial funding model was delayed so AAMDC took that time to explore to what extent rural municipalities already contribute to law enforcement as well as alternate funding models. In the summer AAMDC sent a copy of its' paper, Funding Options for Law Enforcement Services in Alberta, to the membership with reassurance that the Board of Directors continues to support the status quo funding model.

## **Municipal Government Act (MGA) Review**

The AAMDC is a member of the MGA Review Advisory Committee which is responsible for acting as a guide to Municipal Affairs as it plans the MGA review process. The desired outcome is a fair and accessible process for engaging municipalities and citizens and to ensure a variety of tools are available to allow people to have both public and private means to articulate their views in the three broad themes of governance, taxation and assessment as well as planning and development.

## **Navigation Protection Act**

In December 2012, changes were introduced to the Navigable Waters Protection Act (NWPA). Renamed to the Navigation Protection Act, this legislation clearly lists the major waterways that require federal regulatory approval regarding navigability. For Alberta, this means five rivers and one lake will still remain under Transport Canada's oversight. The scheduled list of waters includes the Bow River, Peace River, Athabasca River, North and South Saskatchewan Rivers and Lake Athabasca. Transport Canada has yet to set a date for implementation. The AAMDC is supportive of these changes as it will mean reduced regulatory delays for municipalities managing projects on water crossings.

# Resolution Wins

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One of the AAMDC's key values is to be 'member-directed'. The primary source by which members express their needs is through our bi-annual resolution process. Resolutions comprise a significant portion of our advocacy strategy. The following list represents resolutions whereby the association found specific success in 2012-13 as a result of its advocacy efforts.

## **7-12F: Physician Licensing & Privileges**

There is evidence that Alberta Health has been working to recruit more physicians to rural Alberta by offering programs such as the Alberta Rural Physician Action Plan, the Rural Remote Northern Program, a Clinical Stabilization Initiative, a Rural Integrated Community Clerkship program and several others. The AAMDC is still waiting on a response from the College of Physicians and Surgeons of Alberta (CPSA) regarding the resolution's request for changes to the physician assessment process.

## **9-12F: Provincial Single Energy Regulator Accountability for Quality of Air and Water**

The Government of Alberta clarified that it will still continue to set provincial air and water quality standards and that the Alberta Energy Regulator (AER) will be responsible for monitoring and enforcing those standards for all energy resource activity. The standards are found in legislation such as the *Environment Protection and Enhancement Act*, the *Water Act* and the *Public Lands Act*.

## **13-12F: Recruitment of Registered Nurses**

This resolution flagged a potential issue in that practices being used by College and Association of Registered Nurses of Alberta (CARNA) may be considered a contravention to the Agreement on Internal Trade. The ministries of Health and Enterprise and Advanced Education committed to look into the issue to resolve any negligence as it relates to acceptance of foreign trained nurses.

## **23-12F: Quality of Food Served in Rural Continuing Care Homes**

In July 2012, the Minister of Health directed Alberta Health Services (AHS) to bring back on-site meal preparation in AHS-operated long-term care facilities. In December 2012, AHS had implemented its new Closer to Home Action Plan which involved menu changes and more on-site food preparation as well as tools for residents to provide input on food services in the future.



# Resolution Wins

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## **21-11F: Cellular 911 Call Answer Fees**

In spring of 2013, the province passed legislation to add 44 cents to each cellular phone bill that will support Alberta's 911 call centres. The legislation is expected to be implemented later in 2013.

## **18-11F: Fish and Wildlife – Reduction in Services**

The responsibility of Fish and Wildlife Enforcement was transferred to Alberta Justice and Solicitor General in 2011. Since this transition, the Ministry has been training additional officers and reviewing options for more efficient deployment of services in the province. In addition, the Government of Alberta has continued to increase funding for fish and wildlife enforcement over the past three budget cycles demonstrating commitment in addressing the need for continued fish and wildlife enforcement.

## **2-11S: Local Authorities Election Act – Election Term**

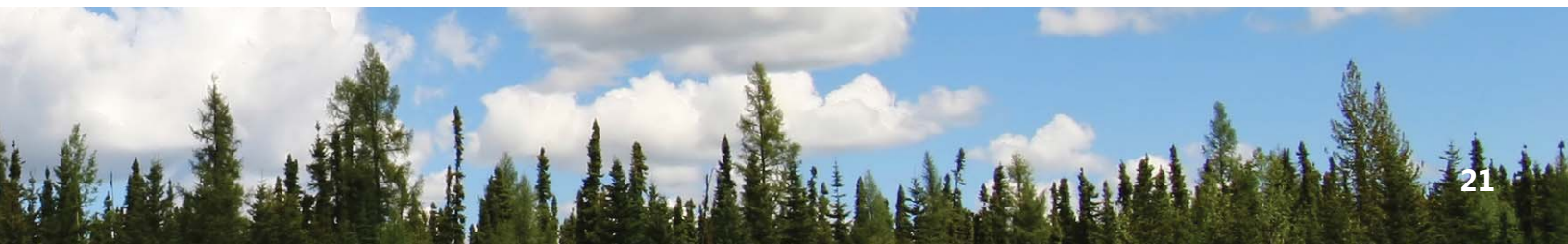
In July 2012, Municipal Affairs hosted an online consultation survey on proposed amendments to the Local Authorities Election Act (LAEA). In the fall, the province amended the LAEA to implement 4-year terms for municipal elected officials.

## **3-11S: Development of Assessors in Rural Alberta**

The AAMDC created a joint committee with the Alberta Assessors Association (AAA) and Alberta Municipal Affairs to identify opportunities to increase recruitment, retention and training of rural assessors. Work is still on-going; however, the intent of this resolution has been met.

## **10-10F: Projects Eligible for Funding Under the Water Management Program Area of the Canada-Alberta Growing Forward Initiative**

Growing Forward 2 was launched April 1, 2013, marking an additional five-year term of the program. Growing Forward 2 includes a new regional water supply program that will assess and develop water supplies in regions where traditional on-farm water supplies are not reliable. If appropriate, this will provide the opportunity to develop multi-user water supply systems so that a lack of on-farm water supply is not a barrier to production or sustainability. This change is promising and the AAMDC will monitor the progress of the new regional water supply program.



# Consultations

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## **Alberta Energy Regulator**

The AAMDC participated in stakeholder meetings hosted by Alberta Energy regarding its plans for the new Alberta Energy Regulator.

## **Who Pays for Highway Improvement Caused by New Development?**

In September 2012, the AAMDC participated in a session hosted by Alberta Transportation to discuss the municipal standpoint on issues related to highway improvements as a result of new development.

## **Alberta's Opposition Parties**

The AAMDC consulted members on the types of issues and topics that should be presented during the moderated panel of opposition party leaders during the fall 2012 convention.

## **Surface Water & Air Quality Management Framework for the South Saskatchewan Regional Plan**

Consultations began in late November regarding the South Saskatchewan Regional Plan (SSRP), which will be the second plan to be completed under the Land-use Framework. AAMDC participated in a workshop that focused on the content of the surface water and air quality management frameworks that will be developed as part of the SSRP.

## **Wetland Policy Development**

The Government of Alberta assembled a multi-stakeholder working group in fall 2012 that was tasked with establishing and reviewing principles and criteria that would help guide efforts to establish operational components of a new wetland policy. AAMDC has been involved in the working group which has provided their final report to government. The new wetland policy will build on the interim policy and improve the conservation, protection and management of Alberta's wetlands in order to sustain the environmental, societal and economic benefits they provide for the province.

## **Social Policy Framework and Integrated Service Delivery**

The AAMDC participated in a multi-stakeholder meeting facilitated by Alberta Human Services regarding their review to determine the governance structure that will provide integrated service delivery based on Alberta's Social Policy Framework that was adopted earlier this year.

## **Landfill Setbacks**

The AAMDC has member representation on a working group that was established by Alberta Environment and Sustainable Resource Development and Alberta Municipal Affairs to review landfill setbacks and setback variances that are indicated in the Subdivision Development Regulations. The working group will prepare a final report that will include recommendations and be provided to government.





# Consultations

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## **Proposed Changes to the Local Road Bridge Program**

In early 2013, the AAMDC presented at four district meetings and hosted an online survey to gain feedback on the proposed changes to the Local Road Bridge Program that was developed by an AAMDC and Alberta Transportation review committee.

## **Rural Assessor Services**

On behalf of the Rural Assessor Development Committee, the AAMDC surveyed the Alberta Rural Municipal Administrators' Association (ARMAA) membership for input about recruitment and retention of rural assessors.

## **Well Drilling Equipment Tax Regulation**

With the impending expiration of the Well Drilling Equipment Tax regulation, the AAMDC participated in Municipal Affairs' review of the regulation along with a variety of rural municipalities, the AUMA, and oil and gas industry representatives.

## **Municipal Government Act (MGA) Review Advisory Committee**

The AAMDC is a member of the MGA Review Advisory Committee, which is responsible for acting as a guide to Municipal Affairs as it plans the MGA review process.

## **Water Conversations**

Starting in February 2013, the Government of Alberta hosted a number of sessions across the province labeled as a "water conversation". AAMDC participated in various stakeholder sessions across Alberta and encouraged members to attend sessions where possible. Discussion was focused on four priority areas: healthy lakes, hydraulic fracturing, drinking water and wastewater systems, and water management.

## **First Nations Consultation Policy**

Aboriginal Relations released the draft Consultation Policy and Corporate Guidelines in April 2013. AAMDC attended meetings hosted by Aboriginal Relations where policy changes were discussed and provided formal feedback to the Ministry.

## **EMS Dispatch Consolidation**

Through the spring and summer of 2013, the AAMDC participated in a variety of consultation sessions where Alberta Municipal Affairs sought input on its consolidation of Emergency Medical Services (EMS) dispatch services.

## **Grow Op Free Alberta**

The AAMDC participated in the Ministry of Justice and Solicitor General's consultations on how to reduce the number of marijuana grow operations in Alberta.

## **School Site Planning**

The AAMDC partnered with other stakeholders to guide the Ministry of Education in its consultation of municipalities on how to improve processes for the planning of future school sites in communities.





# Services & Supports

## AAMDC Scholarship Program

The AAMDC awarded five \$1,000 scholarships to outstanding students in rural communities to help offset their costs of higher education.

## Conventions

The AAMDC continued to deliver two well attended and successful conventions. The spring and fall conventions provide a great medium for education, networking, and information exchange for members.

## Municipal Dispute Resolution Services

The AAMDC is a member of the Municipal Dispute Resolution Services (MDRS) Advisory Committee, which offers advice for the operations of the Peer Network and the education and mediation services offered by the MDRS department of Alberta Municipal Affairs. Further, the AAMDC continues to manage the finances for the “Let’s Resolve” courses.

## Elected Officials Education Program (EOEP)

The EOEP – a joint service between the AAMDC and AUMA – continued to offer professional development opportunities for elected officials and municipal staff across the province. The 2012-13 year featured the unveiling of all 21 courses available for online learning.

## Peer Network

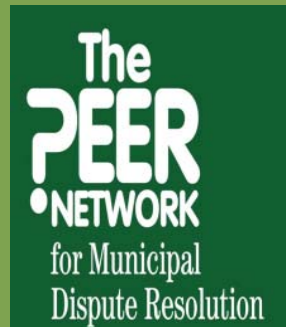
The AAMDC continued to offer two members as part of the select group of elected officials and administrators from across Alberta who are available to provide advice and support in resolving local conflicts. The AAMDC thanks Phyllis Kobasiuk and Tom Burton for their continued service to their peers as part of the program. The AAMDC also continues to manage the program’s grant funds on behalf of the other partnering municipal associations.

## Provincial Budget Analysis

As per previous years, the AAMDC continued to deliver a comprehensive summary of how the Government of Alberta’s annual budget impacted rural municipalities.

## R.W. Hay Award

The R.W. Hay Award is an annual award offered in partnership with the Society of Local Government Managers (SLGM) which recognizes excellence in rural administration. For 2012, the AAMDC was pleased to recognize the contributions of Allan Winarski, CAO for the Municipal District of Lesser Slave River.



# Communications

Keeping a clear and open line of communication to our members, along with external audiences, is an initiative the AAMDC strives to uphold year after year. The Communications department distributes regular highlights outlining various district meetings, discussions with provincial ministers and AAMDC Board meetings.

In an effort to distribute news in a timely manner, AAMDC continues to distribute three electronic newsletters: **Contact**—sent weekly to AAMDC member municipalities, **The Advantage**—a monthly electronic newsletter that announces promotions and program offerings to Trade members, and finally, **Rural Connects**—a concise news brief sent to MLAs to update them on issues and topics with a provincial scope.

## By the Numbers...

**48** issues of **Contact**      **4** issues of **Rural Connects**  
**7** issues of **The Advantage**      **120** member bulletins published

## AAMDC Convention Mobile App

With the help of Pure Logic, an Edmonton-based web development agency, AAMDC launched a new way for delegates to get up-to-date details on convention news. The AAMDC mobile app is an easy-to-use tool that enables guests of the biannual event to retrieve information on speakers, workshops and resolutions on their smartphone or tablet.

## Sharing Member Stories

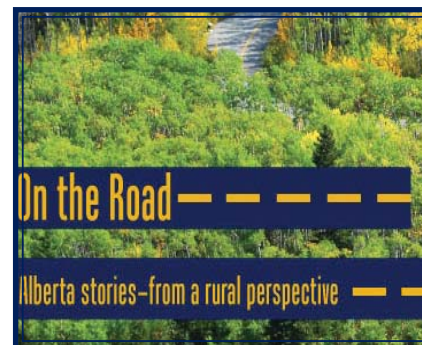
It is no secret that within the 69 rural municipalities that AAMDC represents, there are countless issues, community perspectives and interesting projects that are constantly in motion. In an effort to share these rural stories, AAMDC created **On the Road**, a series of web articles that profile our member municipalities and reports on topics that are important to rural residents. Members are encouraged to send us their own story ideas through Twitter using #OnTheRoad.

## Website Relaunch

AAMDC makes a consistent effort to continually update software and programs to maintain steady communication with members. In February 2013, **www.aamdc.com** was relaunched with a cleaner design, added features, and an updated content management system that will help improve our online security and stability.

## Prairie Fuel Advisors=PFA

PFA (formerly Prairie Fuel Advisors) has been rebranded as PFA. A new website and logo were designed to coincide with the new name. All of the same services are provided, such as fuel and lubricant supplies. We encourage to check out the PFA's new look at **www.pfacanada.com**.



# Events

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## AAMDC Fall '12 & Spring '13 Conventions

The AAMDC conventions remain a consistent tradition for 600 plus delegates in attendance, along with AAMDC Board and staff members. The biannual event takes place in November (fall) and in March (spring). Both are an opportunity for rural councillors and administrative staff to hear from various speakers, members of provincial and federal governments, and make formal decisions on resolutions and other relevant business. The following will breakdown a few of the highlights from convention over the past year.

### Fall 2012

- The Honourable Steven Fletcher, Minister of State (Transport) spoke on critical activities in his work towards a new long-term infrastructure plan for Canada.
- The Honourable Alison Redford, Premier of Alberta, closed convention with an address that promised positive changes to the status quo of pressing issues in rural Alberta. She singled out infrastructure as an area that will require all levels of government to work together in order to see results.
- Hon. Diana McQueen, Minister of Environment and Sustainable Resource Development; Hon. Doug Griffiths, Minister of Municipal Affairs; Hon. Ric McIver, Minister of Transportation; and Hon. Ken Hughes, Minister of Energy, were also featured as plenary speakers. Each presented updates on their ministries.
- The Fall 2012 Convention welcomed motivational speaker Linda Edgecombe, who presented on the value of an individual's energy and how it impacts each experience.
- Workshops:
  - Striking a Balance: Water Allocation, Access & Issues
  - Have Your Say: Municipal Affairs and the MGA
  - What is Black, White and Grey All Over?
  - Jubilee Insurance plus RFPs and Tenders
  - Too Many Assets...Not Enough Time—Maintenance vs. Management



### Spring 2013

- Nineteen provincial Ministers and Associate Ministers participated in a ministerial forum that served as a platform to discuss bridges, rural doctors, the seniors tax deferral program, and more.
- Two keynote speakers were featured at the Spring 2013 Convention. Donna Tona told engaging stories of her life growing up on a farm in rural Alberta. Richard Worzel, leading futurist, provided an equally entertaining address that centred around forecasts of future trends and how demographics of Alberta's populations will ultimately affect rural communities.
- Premier Alison Redford; Hon. Doug Griffiths, Minister of Municipal Affairs; Hon. Fred Horne, Minister of Health; Hon. Robin Campbell, Minister of Aboriginal Relations; and Hon. Verlyn Olson, Minister of Agriculture and Rural Development were also featured speakers.
- Workshops:
  - A Balancing Act – Fragmenting & Converting Alberta's Agricultural Land
  - Emergency Management Planning – When Disaster Strikes
  - Green Acreages Guide – Rural Living with Urban Expectations





# Events

## AAMDC Trade Show

The AAMDC welcomed over 130 vendors at the 2013 Trade Show. Exhibitors mingled with delegates as everyone enjoyed food, drink and information sharing. AAMDC's Aggregated Business Services was well represented with booths hosted by Jubilee Insurance Agencies, PFA and the Trade Division. The Advocacy booth theme was a fun spin on the classic game Plinko! Delegates were challenged to answer trivia questions about the Advocacy department. Participants not only walked away with a handy AAMDC cow bell, but also slightly wiser to the activities and general focus that is rooted in Advocacy.



## 2013 ABS Golf Tournament

The 5th annual ABS golf tournament was hosted in Wetaskiwin on June 27 and was a great success! This is the first year that the event raised money for the Stollery Children's Hospital Foundation. Through the generosity of our members and sponsors, AAMDC was proud to present the reputable charity with a cheque for \$15,000.



## RiskPro 6

RiskPro 6 – Roads to Success was offered at five locations in Alberta. These sessions provided members with valuable information, ranging from identifying liability risks associated with their road liability issues, to the importance of regular property inspections and maintenance for municipal facilities and those owned by ANI's. This year's response to the workshop was overwhelmingly positive and attendance was excellent with 134 attendees representing 64 members.



## PFA BBQs

Every year, PFA collaborates with UFA and organizes BBQ lunches held in various municipalities across the province. This modest event is an opportunity for PFA to thank members for their participation in the program. Municipal staff and elected officials are all invited to enjoy a meal and get to know the names and faces of the individuals that comprise the fuel and lubricant organization. The 2012 BBQs took place in the Special Areas Board and Vulcan County at the end of September.



# ABS Update

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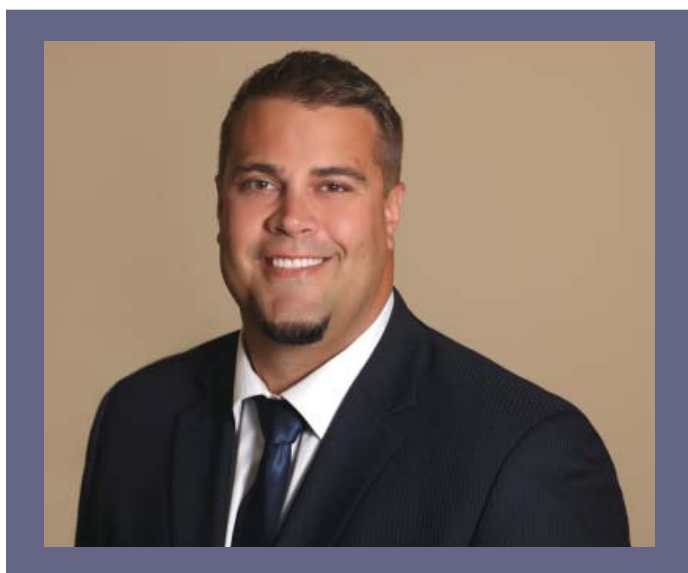
During the 2012-13 fiscal year, AAMDC business units reaped the rewards of the effort put forward to upgrade our operating strategies. This includes, modernized processes and redeveloped programs throughout the Aggregated Business Services division (ABS). The Trade Division saw a record high total volume, as did PFA, while Jubilee Insurance Agencies kept its promise to unite policy expiry dates. As a result, the ABS division is happy to report on a very successful year.

These changes allowed the ABS division to improve and expand program offerings. These new offerings include the full implementation of the energy program, which has successfully conducted its first two tenders. The AAMDC cellular program continues to grow and provide members with reduced mobile costs. The final new program introduced by the AAMDC is the benefits program—offered through Lane Quinn. This benefits option is a change of pace in the Alberta municipal marketplace. It focuses on an individual brokering and plan design approach, while leveraging the larger book of business. The uptake on this program has been fantastic and looks to continue in this direction into the future.

The ABS division understands that municipal and non-profit budgets are tightening and, as such, we have focused pricing arrangements and procurement education. Over the year, PFA completed its RFP that will show an excess of \$420,000 in Alberta fuel cost reductions to PFA members. We have also negotiated additional manufacturer discounts from Michelin, Goodyear, and Staples. Lastly, we have worked hard with our excess insurers to mitigate the effect of the southern Alberta flooding on property insurance rates.

Overall, the ABS division of the AAMDC is very well positioned to continue to provide excellent member services at very attractive prices. We thank all municipalities for their patronage to our programs and look forward to continuing to foster our operating relationships.

**Duane Gladden, MBA**  
**Director of Aggregated Business Services**





# JRIE & GRIE Update

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This past year has been a very productive and successful one for both Jubilee Reciprocal Insurance Exchange (JRIE) and Genesis Reciprocal Insurance Exchange (GRIE). When the Principal Attorney roles were brought in-house by Gerald Rhodes, Principal Attorney for GRIE, and Duane Gladden, Principal Attorney for JRIE, we committed to complete several goals. They included:

- Improving stakeholder communication
- Reviewing a unified renewal date
- Increasing excess surplus
- Stabilizing rates

We are very proud to report that we have made significant progress on all accounts. To improve stakeholder communication, JRIE and GRIE held an AGM in March 2013. At this meeting, members provided input on the reciprocals financial positions and a modified subscriber agreement. A survey on the timing of reciprocal renewals was also distributed to members and after an overwhelming response in favour of a unified renewal date for both reciprocals, we set in place a process by which both policy terms will be unified on November 1, 2014. GRIE was able to increase its excess reserve by over \$3.7 million and increased its aggregate retention to \$4.25 million, while JRIE increased its excess reserve by \$1.86 million.

Finally, we faced an unprecedented flood that affected 10 per cent of the members in JRIE/GRIE. This was the type of event that can have drastic impacts on a property reciprocal program, but through our strong risk management programs and distribution of risks, our members only experienced a slight increase. While our rate stability is a source of great pride for us, we are far more impressed by our program response. The broad coverage ensured our members received the coverage that they needed. We must also recognize the efforts from our adjusters and excess insurers, who responded very quickly and effectively to assist our membership during this difficult time.

Overall, we are exceptionally proud of the improvements and advancements that have been made over the past year and are confident that JRIE and GRIE are positioned to continue to provide excellent coverage at a very competitive rate.

**Duane Gladden, Principal Attorney**  
**Jubilee Reciprocal Insurance Exchange**

**Gerald Rhodes, Principal Attorney**  
**Genesis Reciprocal Insurance Exchange**

# Jubilee Insurance Update

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Overall, each component of the JIAL Insurance Program has performed extremely well. I can report that premium rates and insurance coverage remain as competitive and broad, respectively, as they have been throughout the past five-year period. This means that our JIAL Program remains unparalleled throughout the province in being able to offer outstanding features such as:

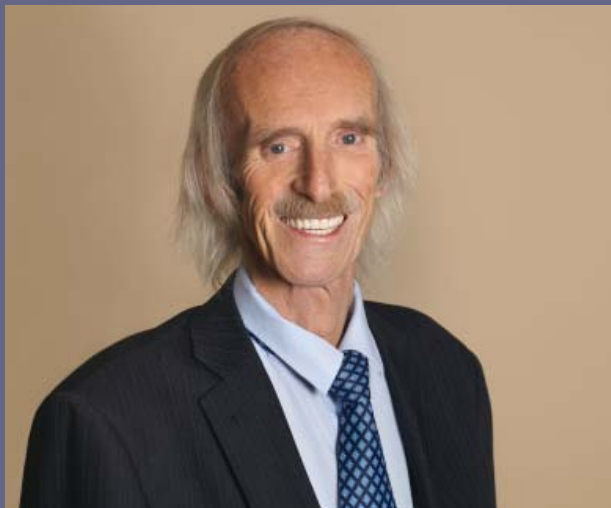
- The lowest automobile insurance premium rates of any program in Alberta;
- The most comprehensive package of insurance coverage available;
- The most competitive insurance program available.

Recently, we have begun the process of streamlining all of our policies to fall due for renewal on the same common expiry date, namely November 1st annually. In addition, our new program software has enabled us to simplify the issuance of the required documentation to our members thus simplifying their understanding of their own insurance policies.

Finally, I must report on the tremendous success we have enjoyed in the past few years in working with our members in reviewing the scope and wording of their contractual agreement documents. In these cases we have found that we can save our members literally tens of thousands of dollars in avoiding unnecessary wasted insurance premium expense and amending the wordings of contracts to ensure that members are not left accepting responsibility for onerous risk areas that their contracting parties have passed along to them through complex contract wordings and terms.

The Jubilee team of insurance professionals is very cognizant of our role to members. I invite all of our members to contact us on any issue of concern that might arise and in which they feel we might help. I must also add my gratitude for our members' continued loyalty, support and belief in their insurance program, which serves to motivate all of us at Jubilee to work even harder for you!

**Tony Wadsworth, ACII, ACIB**  
**Manager of Jubilee Insurance Agencies**



# Trade Division Update

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We at the Trade Division are very happy with the activity of this fiscal year. Together with our members in Alberta and across Canada, we have been able to command the respect of the biggest suppliers in the industry, and as such, we secured the best for both our members and associate members. This is evident in the successful execution of our newest trade offerings: the Aggregate Energy Program, Group Benefits Program, National Tire Program, Auto Parts Program and Cellular Program. With the addition of these programs, we have increased both our centralized and decentralized buying group volume to over \$80 million. On a side note, the AAMDC decentralized programs are new offerings that have been pre-negotiated to provide significantly reduced products and services that are offered directly by the vendor.

During the fiscal year, the Trade Division committed to customer service. We conducted over 200 member visits, released the second edition of the Trade Directory, attended over 35 tradeshow and conventions, and participated in five educational trips. The dialogue between the Trade Division and the membership through these activities has developed a better understanding of our overall framework. We have seen increased participation levels because member organizations and Approved Suppliers are better informed and empowered to voice their feedback. As a result, there is unity amongst participating members that is growing stronger by the year.

In 2013-14 we will continue our momentum and continue to focus on customer service. Specifically, we will implement technologies that will allow participating members to access information effortlessly, which includes Trade program details, pricing information, and more. Lastly, we will continue to grow participation levels in Alberta and across Canada in an effort to increase Trade volumes – this, of course, is aimed strictly at securing the best prices. We are excited to see what the 2013-14 year holds and we look forward to another fantastic year!

**Stephen Tamayo**  
**Manager of Client Relations & Trade**



# PFA Update

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The 2012 -13 year was a successful one for PFA. Our overall national volume was 54.6 million litres of fuel, oil and lubricants, with AAMDC members accounting for 41.7 million litres. AAMDC member volumes experienced an increase of 9.7per cent over the 2011-12 fiscal year. The major growth areas were bulk deliveries and retail sales.

PFA continues to cultivate positive relationships with seven provincial associations that extend from the Union of British Columbia Municipalities (UBCM) in the west to Municipalities Newfoundland and Labrador (MNL) in the east. PFA gained 10 new members this year from these associations and their purchases are reflected in the volumes. Since we truly serve members from coast to coast, a decision was made to change our name and logo to PFA.

Our increase in volume was noted in the July 2013 RFP supplier tender. Our major suppliers responded with favorable pricing that translated to approximately \$420,000 reduction this past year for AAMDC members. In July 2013, PFA finalized the upgrade of the proprietary software system with more automation and an upgraded operating platform. This will ensure more efficient price changes and invoicing to our loyal members.

We are excited to showcase our new website – [www.pfacanada.com](http://www.pfacanada.com). As we continue to add features to the site, members will be able to access invoices, view pricing trends and price changes, and receive up-to-date fuel news. Potential members are currently able to request a free no obligation cost analysis to see if PFA can save you money!

PFA's efforts for the upcoming year will focus on member retention and promoting the revised supplier pricing and benefits of the program to our existing and potential members across Canada. This will be accomplished by PFA attending supplier sponsored Fall BBQs, participating at trade shows and member visits throughout the province. With the assistance of our qualified and enthusiastic staff, we are confident we will obtain our objective of increasing volumes and retaining our favourable member satisfaction survey results.

**Lorraine Boake**  
**Operations Coordinator, PFA**





# Corporate Services Update

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Corporate Services is responsible for the preparation and presentation of the accompanying financial statements, including significant accounting judgments and estimates in accordance with Canadian Generally Accepted Accounting Principles (GAAP). Presented to you are the financial statements for the Alberta Association of Municipal Districts and Counties (AAMDC), which, for the first time, are required to adopt the accounting standards for not-for-profit organizations. Prairie Fuel Advisors (2008) Ltd (PFA) and Jubilee Insurance Agencies Ltd (JIAL) are prepared in accordance with the Canadian Accounting Standards for Private Enterprises (ASPE). Jubilee Reciprocal Insurance Exchange (JRIE) and Genesis Reciprocal Insurance Exchange are prepared in accordance with the International Financial Reporting Standards (IFRS). The financial position of all five entities remains strong and the membership was well served with an AAMDC dividend declaration of \$250,000.

We continue to proudly maintain past practices and integrity of the trade program, certifying that all necessary information—as established under subsection 169(4) and the related regulations of the Excise Tax Act—assure recovery of input tax credits for our members, even through extensive examination of Canada Revenue Agency. Continued strengthening of documentation and enhancement of technologies will assure clarity and expedite interpretation of the Act.

Our relationship with the team from the Superintendent of Insurance office is excellent. Their assistance to us in our new role has been invaluable as we compile the accounting documents, practices, reports and policies relating to the *Insurance Act* in our financial management of the insurance reciprocals.

In discharging our responsibilities for the integrity of the financial statements, we design and maintain the necessary accounting/business systems, along with the related internal controls, policies and asset administration. This past year saw the final stages of the association-wide financial software system upgrade. Future enhancements and connectivity will create further efficiencies and reporting capabilities. We were subject to numerous web attacks this past year. Unfortunately, due to the complexity of the hacker attack methods, the number of target attacks increases yearly and the need for continuous upgrading and strengthening of technologies challenges us all. We are proud to say that maintaining cutting edge technology continues to be a priority for us.

Thank you to our Executive Director, Gerald Rhodes for his outstanding leadership and belief in continued professional development. He leads by example and from all of us in corporate services, congratulations to him on obtaining his CAE designation upon the completion of the Certified Association Executive program. With his continued encouragement, corporate

services staff members have also actively pursued professional development this past year. Julie Thibeault, Susan Wolfe and Leona Munro have completed accounting courses, Kaala Brown has begun a human resources program and I completed the third course toward the Certified Association Executive program. The Association continues to evolve to meet the ever changing needs of its members through a strong and capable staff that the corporate services team is proud to be part of.

**Janet Tomalty, CMA**  
**Director of Corporate Services**



# Financial Statements

## Management's Responsibility

To the Members of the Alberta Association of Municipal Districts & Counties:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Association. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Association's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.



**Gerald Rhodes, MBA, CLGM, CAE**  
Executive Director



**Janet Tomalty, CMA**  
Director of Corporate Services

## Report of the Independent Auditor on the Summary Financial Statements

To the Members of the Alberta Association of Municipal Districts & Counties:

The accompanying summary financial statements are comprised of the following:

- The summary statement of financial position as at July 31, 2013 and the summary statement of operations for the year ended for Alberta Association of Municipal Districts & Counties (AAMD&C).
- The summary balance sheet as at July 31, 2013 and the summary statement of earnings for the year then ended for Jubilee Insurance Agencies Ltd. (Jubilee) and Prairie Fuel Advisors (2008) Ltd. (PFA).
- The summary statement of financial position as at December 31, 2012 and the summary statement of comprehensive income (loss) for the year then ended for Jubilee Reciprocal Insurance Exchange (JRIE) and Genesis Reciprocal Insurance Exchange (GRIE).

The summary financial statements noted above are derived from the audited financial statements of the respective entities. We expressed an unmodified audit opinion on those financial statements in our reports dated September 27, 2013 (AAMD&C, Jubilee, and PFA) and February 21, 2013 (GRIE and JRIE). Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not include the statements of changes in net assets, retained earnings, subscribers' surplus, and cash flows as required by the applicable accounting frameworks; Canadian accounting standards for not-for-profit organizations for AAMD&C, Canadian accounting standards for private enterprises for Jubilee and PFA, and International Financial Reporting Standards for both the Jubilee and Genesis Reciprocal Insurance Exchange. The summary financial statements also do not contain any note disclosures as required by the applicable accounting frameworks. Reading the summary financial information, therefore, is not a substitute for reading the audited financial statements of the entities.

### *Management's Responsibility for the Summary Financial Statements*

Management is responsible for the preparation of the summary financial statements from the audited financial statements in accordance with Canadian accounting standards for not-for-profit organizations, Canadian accounting standards for private enterprises, International Financial Reporting Standards, and for such internal control as management determines necessary to enable the preparation of summary financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the summary financial information based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, "Engagements to Report on Summary Financial Statements."

### *Opinion*

In our opinion, the summary financial statements derived from the audited financial statements of the Alberta Association of Municipal Districts & Counties, Jubilee Insurance Agency Ltd., Prairie Fuel Advisors (2008) Ltd., Jubilee Reciprocal Insurance Exchange and Genesis Reciprocal Insurance Exchange for the years ended July 31, 2013 and December 31, 2012 are a fair summary of those financial statements, in accordance with Canadian accounting standards for not-for-profit organizations, Canadian accounting standards for private enterprises, and International Financial Reporting Standards.

September 27, 2013  
Edmonton, AB

**MNP** LLP  
Chartered Accountants

# Financial Statements

## Audited Statement of Financial Position

As at July 31, 2013

	2013	2012
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 227,990	\$ 165,931
Cash - restricted	191,986	368,791
Accounts Receivable	6,040,502	5,685,041
Prepaid Expenses	90,046	151,053
	6,550,524	6,370,816
Property and Equipment	2,865,793	2,998,122
Investment in Jubilee Insurance Agencies Ltd.	1,560,672	1,569,971
Investment in Prairie Fuel Advisors (2008) Ltd.	-	179,673
	\$ 10,976,989	\$ 11,118,582
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Operating Loan	\$ -	\$ 1,454,437
Accounts Payable and Accrued Liabilities	4,211,428	3,743,712
Deferred Income	1,010,373	840,221
Deferred Grant Revenue	311,614	391,323
Deficiency in Alberta Elected Officials Education Program Corp.	21,348	23,901
	5,554,763	6,453,594
Deficiency in Prairie Fuel Advisors (2008) Ltd.	101,033	-
	5,655,796	6,453,594
<b>NET ASSETS</b>		
Net assets invested in property and equipment	2,865,793	2,998,122
Net assets internally restricted for dividend reserve	245,718	326,760
Unrestricted net assets	2,209,682	1,340,106
	5,321,193	4,664,988
	\$ 10,976,989	\$ 11,118,582



## Audited Statement of Operations For the year ended July 31, 2013

	2013	2012
<b>REVENUE</b>		
Commissions	\$ 1,585,960	\$ 1,414,982
Memberships	997,294	868,519
Convention registration and tickets	959,336	912,126
Grants	137,715	172,287
Rental income	126,000	93,000
Sundry income	29,941	34,879
Interest	21,653	4,311
Service charges	-	26,239
	3,857,899	3,526,343
<b>EXPENSES</b>		
Salaries and Benefits	1,368,422	1,359,054
Convention	779,268	841,123
Board and Ad hoc Committees	511,295	518,636
Amortization	221,635	116,644
Grant expenses	137,715	227,287
Professional fees	128,665	72,562
Building operations	104,541	88,976
Computer	61,774	45,519
Advertising and promotion	47,735	78,222
Insurance	41,580	48,012
Automotive	36,749	13,752
Office Supplies	20,256	23,103
Interest	17,097	5,819
Postage	13,714	11,439
Telephone	12,048	12,540
Memberships & subscriptions	8,589	4,342
	3,511,083	3,467,030
Excess of Revenue over Expenses before other items	346,816	59,313
<b>OTHER INCOME (EXPENSE)</b>		
Dividends	211,893	202,617
Increase in equity in Jubilee Insurance Agencies Ltd.	159,475	197,345
Increase in equity in Prairie Fuel Advisors (2008) Ltd.	147,366	22,801
Increase (decrease) in equity in Alberta Elected Officials Education Program Corporation	2,548	-21,935
	521,282	400,828
<b>Excess of Revenue over Expenses</b>	<b>\$ 868,098</b>	<b>\$ 460,141</b>

# Financial Statements

## Jubilee Insurance Agencies Ltd.

### Audited Balance Sheet

As at July 31, 2013

	2013	2012
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Bank and Cash on Hand	\$ 359,924	\$ 756,298
Term Deposits	498,561	487,543
Accounts Receivable	13,204,785	8,920,869
	<b>\$ 14,063,270</b>	<b>\$ 10,164,710</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 12,252,238	\$ 8,594,743
Deferred Revenue	250,360	-
Due To The Alberta Association of Municipal Districts & Counties	27,733	196,503
	<b>12,530,331</b>	<b>8,791,246</b>
<b>SHAREHOLDER'S EQUITY</b>		
Common Shares	600	600
Retained Earnings	1,532,339	1,372,864
	<b>1,532,939</b>	<b>1,373,464</b>
	<b>\$ 14,063,270</b>	<b>\$ 10,164,710</b>

**Jubilee Insurance Agencies Ltd.**  
**Audited Statement of Earnings**  
**For the year ended July 31, 2013**

	2013	2012
<b>REVENUE</b>		
Commissions	\$ 2,372,703	\$ 2,354,194
Administration Fee	717,979	677,708
Interest Income	36,103	29,910
	3,126,785	3,061,812
<b>EXPENSES</b>		
Salaries & Benefits	1,294,861	1,181,808
Service Fees	650,000	700,000
Risk Pro Premium Credit	256,981	280,336
Risk Pro Program & Seminars	150,571	100,205
Computer & Equipment	129,138	94,526
Insurance	62,628	100,282
Rent	54,600	43,260
Professional Fees (legal, audit, dues, and banking)	38,259	23,861
Travel - Automobile & Meals/Entertainment	36,158	53,360
Office Supplies	22,875	27,133
Executive (AAMDC Board allocation)	20,000	20,746
Staff Education & Training	13,215	7,402
Telephone	11,709	12,155
Courier & Postage	11,488	11,173
Advertising & Promotion	2,934	-
Amortization	-	1,352
Loss Prevention Officer	-	4,253
	2,755,417	2,661,852
<b>NET EARNINGS</b>	<b>\$ 371,368</b>	<b>\$ 399,960</b>

# Financial Statements

**Prairie Fuel Advisors (2008) Ltd.**

**Audited Balance Sheet**

**As at July 31, 2013**

	2013	2012
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 703,751	\$ 1,111,865
Accounts Receivable	3,788,879	3,126,366
Prepaid Expenses	496	496
	4,493,126	4,238,727
Property and Equipment	-	3,430
Goodwill	732,688	732,688
Due from the Alberta Association of Municipal Districts and Counties	409,266	-
	\$ 5,635,080	\$ 4,974,845
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 5,010,324	\$ 4,398,717
Due to the Alberta Association of Municipal Districts & Counties		18,806
	5,010,324	4,417,523
Demand Installment Loan	316,523	396,455
	5,326,847	4,813,978
<b>SHAREHOLDER'S EQUITY</b>		
Common Shares	100	100
Retained Earnings	308,133	160,767
	308,233	160,867
	\$ 5,635,080	\$ 4,974,845



**Prairie Fuel Advisors (2008) Ltd.**  
**Audited Statement of Earnings**  
**For the year ended July 31, 2013**

	2013	2012
<b>REVENUE</b>		
Commissions	\$ 562,742	\$ 484,972
<b>EXPENSES</b>		
Salaries and Benefits	279,039	332,632
Computer	58,239	38,363
Office	18,187	26,046
Rent	14,000	7,800
Professional Fees	13,916	13,932
Interest & Bank Charges	13,719	16,283
Insurance	6,500	6,500
Travel	5,624	14,036
Amortization	3,430	3,985
Advertising & Promotion	2,722	2,594
	415,376	462,171
Net Earnings	\$ 147,366	\$ 22,801

# Financial Statements

## JUBILEE RECIPROCAL INSURANCE EXCHANGE

### Audited Statement of Financial Position

December 31, 2012

	2012	2011
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,504,293	\$ 4,929,683
Marketable securities	11,797,587	5,762,548
Insurance balances receivable	151,153	988,320
Accrued interest receivable	-	23,086
Deferred reinsurance costs	-	475,000
Prepaid expenses	-	34,265
Reinsurers' share of unpaid claims and adjustment expenses	305,461	950,462
	<b>\$ 13,758,494</b>	<b>\$ 13,163,364</b>
<b>LIABILITIES</b>		
Insurance balances payable	\$ 167,349	\$ 476,964
Claims payable reserve	4,849,918	4,178,547
Incurred but not reported (IBNR)	844,411	1,136,033
Premium taxes payable	153,233	134,937
Unearned premium liability	2,538,157	2,250,083
Premium deficiency reserve	70,000	264,917
	<b>\$ 8,623,068</b>	<b>\$ 8,441,481</b>
<b>EQUITY</b>		
Retained earnings	5,135,426	4,721,883
	<b>\$ 13,758,494</b>	<b>\$ 13,163,364</b>

## JUBILEE RECIPROCAL INSURANCE EXCHANGE

### Audited Statement of Comprehensive Income

Year ended December 31, 2012

	2012	2011
<b>INCOME</b>		
Premiums written	\$ 5,107,771	\$ 4,497,933
Reinsurance premiums recovered (ceded )	250,000	(810,000)
Net premiums written	5,357,771	3,687,933
Change in unearned premiums		
Gross amount	(288,074)	164,461
Reinsurers' share	(475,000)	125,000
Premiums earned	4,594,697	3,977,394
Net investment income	266,072	130,779
	4,860,769	4,108,173
<b>EXPENSES</b>		
Losses incurred	4,330,921	5,549,118
Premium deficiency reserve (recovered)	(194,917)	264,917
Premium tax	153,233	134,939
Amortization of deferred acquisition costs	-	72,436
General and administrative	157,989	97,356
	4,447,226	6,118,766
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>\$ 413,543</b>	<b>\$ (2,010,593)</b>

# Financial Statements

## GENESIS RECIPROCAL INSURANCE EXCHANGE

### Audited Statement of Financial Position

December 31, 2012

	2012	2011
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,231,627	\$ 5,189,753
Marketable securities	25,047,801	20,038,026
Insurance balances receivable	4,000,000	4,187,125
Deferred acquisition costs	109,938	86,448
	<b>\$ 30,389,366</b>	<b>\$ 29,501,352</b>
<b>LIABILITIES</b>		
Insurance balances payable	\$ 35,952	\$ 169,412
Claims payable reserve	12,439,846	14,342,996
Incurred but not reported (IBNR)	3,924,359	4,689,627
Premium taxes payable	131,925	125,467
Unearned premium liability	3,664,593	3,486,448
	<b>20,196,675</b>	<b>22,813,950</b>
<b>SUBSCRIBERS' SURPLUS</b>		
Retained earnings	10,192,691	6,687,402
	<b>\$ 30,389,366</b>	<b>\$ 29,501,352</b>



**GENESIS RECIPROCAL INSURANCE EXCHANGE**  
**Audited Statement of Comprehensive Income**  
**Year ended December 31, 2012**

	2012	2011
<b>INCOME</b>		
Gross premiums written	\$ 4,397,511	\$ 4,182,226
Increase in unearned premiums	(178,145)	(7,623)
Premiums earned	4,219,366	4,174,603
Net investment income	442,992	916,061
	<b>4,662,358</b>	<b>5,090,664</b>
<b>EXPENSES</b>		
Losses incurred	872,915	3,087,504
Premium tax	108,435	144,034
General and administrative	175,719	160,475
	<b>1,157,069</b>	<b>3,392,013</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>\$ 3,505,289</b>	<b>\$ 1,698,651</b>