



RURAL ALBERTA WHERE IT ALL STARTS

AAMDC 2014/15 ANNUAL REPORT

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SINCE 1909

PRESIDENT'S MESSAGE



This has been a year of political change for our Province. In the last 12 months, we have seen the end of long-standing party rule and the election of a new majority government, one with a new way of doing business.

To get the rural perspective in front of the new government, we sent a series of “issue briefings” to all MLAs and ministers. These briefings were one page summaries on issues such as bridge funding, linear taxation, and water/wastewater funding. Our intent was to bring rural issues to the attention of decision makers and deal with details through later one on one meetings. Not only did we receive thank-you notes from several MLAs and ministers, but at later meetings, ministers understood our issues, so we know our briefings hit the mark.

The MGA review slowed down after the election as our new government came up to speed on the discussions to that point. Despite this, the process is moving along, and

I will outline recent developments in my speech at the annual general meeting. Even though Bill 20 (the MGA Amendment Act) made it through the government this past spring, only the following sections have come into effect: a section allowing for the development of city charters, a section expanding the ability of municipalities to collect off-site levies, and clarification of when a municipality can require a developer to install and/or pay for a utility. The remaining Bill 20 amendments will likely come into effect later in the process.

Drought was a major issue this summer, causing some members to declare a drought disaster. In many cases, drought stricken pockets were scattered amongst areas that had moderate success with their crops. Late summer moisture has reduced pressure on cattle farmers for winter feed, and also created a new level of optimism for grain and cereal producers.

This past year our advocacy department has updated toolkits and developed reports for you to use in your local advocacy efforts. We collaborated with the AUMA to update the Citizen Engagement Toolkit and we produced reports on both asset management and the different structures of municipal government, all of which can be found on our website.

I am happy to report that our Aggregated Business Services had a solid year with both PFA and Jubilee showing a strong bottom line. PFA showed growth not only within Alberta but in other areas of Canada as well.

My first year as AAMDC President has been one of learning, new relationships and a continued commitment to rural Alberta. I want to thank Vice-President Carolyn Kolebaba and Directors Bob Jones, Earl Graham, John Whaley, Tom Burton and Soren Odegard. I am proud to be part of a dedicated team of Albertans with the purpose of promoting and strengthening rural municipalities. I look forward to another successful year and thank all of you for your devotion and hard work on behalf of your communities. See you all at convention!

A handwritten signature in black ink, appearing to read 'Al Kemmere'.

Al Kemmere

President

EXECUTIVE DIRECTOR'S MESSAGE



Much change happened for the AAMDC and its members in 2014-15. During the year, we worked with three Ministers and two Deputy Ministers of Municipal Affairs. Add this to the year before when we had two different Ministers of Municipal Affairs, and we have been in what seems like a non-stop transition. These changes have presented challenges for our advocacy dialogue but we have moved forward on all fronts to provide stability to our members and the association.

Also on the advocacy front, we have had an extensive year of in-depth MGA review discussions. In conjunction with the President of AUMA, as well as the Mayors of the Cities of Calgary and Edmonton, we signed off on the review phase of the Act. We also worked with the AUMA Board of Directors to identify areas within the MGA that both associations could agree to. The rewrite of the MGA is now in the Government's hands and we look forward to draft legislation coming forward in 2016. For

further detail please read the update provided by Kim Heyman, Director of Advocacy & Communications and the Advocacy & Communications Department highlights.

Our Aggregated Business Services (ABS) Division continued to grow our business offerings and improve on the services we provide. Please read ABS Director Duane Gladden's report along with those of his managers. Lastly, our Corporate Services Department continued to provide the support needed for all departments to deliver their services; Olly Morrison, Director of Corporate Services, also provides a report within.

An important undertaking this year was the review of the AAMDC's Strategic Direction. Our vision was confirmed as "strong, vibrant, and resilient rural communities" with a mission to "empower members through proactive leadership, strategic partnerships, effective advocacy and collective business services." New this time, the membership also adopted a statement on the roles of the association and on strategic priorities for our members for the upcoming four years. The AAMDC Board of Directors and staff have taken this direction to heart and are using it to update all organizational plans. Please see the AAMDC's Strategic Direction posted on our website, AAMDC.com.

In conclusion I encourage you again to read the reports from all of our departments to learn more about the AAMDC. Enjoy our "year book."

A handwritten signature in black ink that reads "Gerald Rhodes". The signature is fluid and cursive.

Gerald Rhodes

Executive Director, CAE, MBA, CLGM

RURAL ROOTS

Since 1909, our passion has been helping Alberta's rural municipalities achieve strong, effective local government.



WHO WE ARE

The **Alberta Association of Municipal Districts and Counties** is an independent association comprised of Alberta's 64 incorporated municipal districts and counties, four incorporated specialized municipalities, and the Special Areas Board. Since 1909, we have helped rural municipalities achieve strong, effective local government. The AAMDC provides our members with advocacy and aggregated business services including Trade, PFA, and Jubilee Insurance.

OUR MISSION

Empowering our members through proactive leadership, strategic partnerships, effective advocacy and collective business services.

OUR VISION

Strong, vibrant and resilient rural communities.

PARTNERS

The AAMDC knows that in order to be Alberta's rural municipal advocate, we need to understand the **needs, challenges, and triumphs experienced in rural Alberta**. Through member visits, resolution sessions, district meetings, conventions, phone calls, and emails, we strive to work with our members in order to make rural municipal issues become provincial issues.



BOARD OF DIRECTORS



Al Kemmere, President

Al was elected as an AAMDC Director in 2010 and as President in 2014. Since 2004, he has been a Councillor for Mountain View County. Al is involved in numerous committees including the Federation of Canadian Municipalities National Board of Directors, Strategic Transportation Advisory Committee, Alberta Water Council, and Alberta Energy Regulator Multi-Stakeholder Advisory Committee.



Carolyn Kolebaba, Vice President

Carolyn has served as AAMDC Vice-President since 2010 and previously held this role from 2005 - 2008. She currently serves as the Deputy Reeve of Northern Sunrise County and has served as a Councillor since 1998. Carolyn represents the AAMDC on a number of committees including the Clean Air Strategic Alliance, the Alberta Recycling Management Authority, and the Alberta Municipal Health and Safety Association Board of Directors.



Bob Jones, Director District 1 (Foothills-Little Bow)

Bob has been an AAMDC Director representing the southern part of Alberta since 2007. He is a Councillor in the County of Warner and serves on numerous boards and committees including the Used Oil Management Association, Medical First Responder Advisory Panel, Drought and Excessive Moisture Advisory Group, and the Alberta Fire Chiefs Task Force.



Earl Graham, Director District 2 (Central)

Earl was elected to the AAMDC Board of Directors in 2014. He currently serves as Deputy Reeve of Clearwater County, and has been a member of council since 2004. Earl represents the AAMDC on a number of boards and committees, including the Alberta Recreational Trails Partnership, the Endangered Species Conservation Committee, and the Alberta Data Partnership.

BOARD OF DIRECTORS



John Whaley, Director District 3 (Pembina)

John has served as an AAMDC Director since 2007. He served three consecutive terms as Reeve of Leduc County from 2004 to 2007 and was re-elected as Mayor in 2010 and currently holds that position. John represents the AAMDC on several boards and committees including the Local Authorities Pension Plan, the Safety Codes Council, and the Septage and Onsite Wastewater Initiatives Strategic Advisory Committee.



Tom Burton, Director District 4 (Northern)

Tom has served as an AAMDC Director since 2008 and has been a Councillor in the MD of Greenview since 2001. Tom represents the AAMDC on committees across the province including the Justice Policy Advisory Committee, Firesmart - Partners in Protection, and the Peer Network for Municipal Dispute Resolution.

Our executive consists of a president and vice president, along with five district directors elected to staggered two-year terms. The directors are elected by the municipalities within the district they represent, while the president and vice president are elected at large.



Soren Odegard, Director District 5 (Edmonton East)

Soren has served as an AAMDC Director since 2010. He was elected Councillor in the County of Two Hills in 2007. Soren represents that AAMDC on several committees, including the Utilities Consumer Advocate Advisory Board, the Agri-Environmental Partnership, and the Provincial Agricultural Service Board.



FINDING SOLUTIONS

Sometimes strength is in numbers. That's why the AAMDC strives to partner with other organizations that share a common position on key issues. Whether it is through collaborative committees, regular sit-downs with other organizations in the municipal and rural sectors, or our ongoing efforts to form strong and lasting partnerships with the provincial government, the AAMDC believes that working together is often the best way to get things done.





EASY ACCESS

Our new online features bring the pricing information you need to your computer. Access this member service at pfacanada.com which now offers 24/7 access to price forecasts, price changes, invoices, volume reports, and much more.

OUR TEAM

Executive

Gerald Rhodes, *Executive Director*

Susan Valentine, *Executive Administrative Coordinator*

Corporate Services

Olly Morrison, *Director of Corporate Services*

Kelsy Propp, *Project Management Coordinator*

Kaala Brown, *Corporate Services Administrative Coordinator*

Julie Thibeault, *Financial Analyst*

Susan Wolfe, *Financial Analyst*

Barb Brazel, *Accounts Receivable*

Leona Munro, *Accounts Payable*

Katia Hunt, *Receptionist*

Gary Williams, *IT Administrator*

Advocacy and Communications

Kim Heyman, *Director of Advocacy & Communications*

Cindy Carstairs, *Administrative & Convention Coordinator*

Courtenay McKay, *Communications & Design Coordinator*

Tasha Blumenthal, *Policy Analyst*

Matt Dow, *Policy Analyst*

Wyatt Skovron, *Policy Analyst*

Jubilee Insurance Agencies

Craig Pettigrew, *Manager of Insurance*

John Hackwell, *Risk Management Advisor*

Darcy Hale, *Risk Management Advisor*

Dayna Johnson, *Risk Management Advisor*

Lindsay Mickanuck, *Claims Manager*

Tom Hirst, *Senior Claims Examiner*

Debbie DePeel, *Insurance & Risk Advisor*

Holly Neill, *Insurance & Risk Advisor*

Kerry Dutton, *Insurance & Risk Advisor*

Karen Ankerstein, *Administrative Support*

Aggregated Business Services (ABS)

Duane Gladden, *Director of ABS*

Miranda Andersen, *Administrative Coordinator*

Victor Tabamo, *Manager of Client Relations*

Carolyn Boyle, *Manager of Client Relations & Trade*

PFA

Mash Huq, *Manager of PFA*

Lorraine Boake, *Member Services Representative*

Kayla Mason, *Member Services & Invoicing*



We said goodbye to the following staff in 2014-2015:
Jasmine Rasuli, Jamie Olson, Brenda Rutko, Shaun Nystrom, and Janet Tomalty.

OUR YEAR AT A GLANCE

<h2>QUARTER I</h2> <p>AUGUST - OCTOBER</p>	<h2>QUARTER II</h2> <p>NOVEMBER - JANUARY</p>
<ul style="list-style-type: none">■ PFA and UFA Member Appreciation BBQ Series■ AAMDC Post-Secondary Scholarship■ Jubilee Insurance Additional Named Insured (ANI) Seminars■ 2014 Risk Pro Insurance Training Sessions■ Premier Leadership Forum■ AAMDC Member Visits	<ul style="list-style-type: none">■ AAMDC Fall 2014 Convention■ R.W. Hay Award for Rural Administrative Excellence■ Jubilee Insurance Specialty Workshops■ AAMDC Long Service Awards■ AAMDC <i>Advocacy Report Card</i>■ Began monthly <i>President's Update</i>

KEY PROGRAM:

THE PEER NETWORK FOR MUNICIPAL DISPUTE RESOLUTION

The Peer Network is a joint initiative of the AAMDC, the Alberta Urban Municipalities Association, the Alberta Rural Municipal Administrators Association, the Local Government Administrators Association, and Alberta Municipal Affairs. The four municipal associations involved in the Peer Network each have two volunteer mentors who are available to provide advice to municipal councillors and administrators facing local challenges. Access to the Peer Network is free and confidential, and provides an opportunity to interact with one of eight experienced municipal leaders. To learn more about the Peer Network or access mentoring services, visit peernetwork.ca.

The AAMDC holds conventions, workshops, and seminars throughout the year to provide our members with the information and tools they need. Here are some of the highlights from the past fiscal year, **August 1, 2014 to July 31, 2015**.

<h2 style="text-align: center;">QUARTER III</h2> <p style="text-align: center;">FEBRUARY - APRIL</p>	<h2 style="text-align: center;">QUARTER IV</h2> <p style="text-align: center;">MAY - JULY</p>
<ul style="list-style-type: none"> ■ AAMDC Spring 2015 Convention ■ 2015 AAMDC Trade Show ■ AAMDC Provincial Budget Analysis ■ Completed <i>Examining Municipal Government Models from the Alberta Perspective</i> report ■ Commenced Pre-election “Where it all Starts” Campaign ■ NJPA Information Series ■ JRIE/GRIE AGM 	<ul style="list-style-type: none"> ■ 2015 AAMDC Aggregated Business Services Golf Tournament in support of the Stollery Children’s Hospital ■ AAMDC Trade Division Michelin Tire Member Training ■ Jubilee Insurance Additional Named Insured (ANI) Seminars ■ Jubilee Insurance Specialty Workshops ■ PFA/Trade Member Appreciation BBQ ■ AAMDC <i>Advocacy Report Card</i> ■ Commenced Post-election Campaign to Build Relationship with New Provincial Government ■ Completed <i>Navigating the Asset Management Journey</i> Report ■ AAMDC Member Visits ■ PFA Presentation Tour (Man/Sask)

KEY EVENT: AAMDC SPRING & FALL CONVENTION

The AAMDC Spring and Fall Conventions took place at the Shaw Conference Centre in Edmonton, Alberta. Delegates from around Alberta came together to hear plenary speakers, participate in breakout sessions, and vote on the resolutions that guide the AAMDC’s advocacy efforts.

ADVOCACY & COMMUNICATIONS

ADVOCACY UPDATE

Well this has certainly been a year that will go down in the annals of Alberta's political history. On May 5th, for the first time in forty-four years, Albertans voted for a new party—the Alberta New Democratic Party.

The change in government created a variety of opportunities and challenges for your association. A new government and cabinet with new protocols, priorities, and a new political agenda means that while relationships must be formed, we are hopeful it also means fresh ears ready to listen and work with the AAMDC on addressing rural challenges. In fact, a number of the incoming government's policy priorities align well with the AAMDC's goals for strengthening Alberta's rural municipalities.

Following the change in government, the AAMDC developed a post-election strategy to help inform newly elected MLAs about the association and to emphasize our willingness to work in partnership to strengthen rural communities and the province as a whole. We are learning to understand the government's priorities and they are learning about rural Alberta's priorities—with assistance from the AAMDC.

In the meantime, the Advocacy and Communications Department has been busy developing a revised advocacy strategy as well as providing the government with information briefings on key rural issues as identified by our members. Following the appointment of the Cabinet, we sent these briefings to each minister to introduce them to the AAMDC and help them become familiar with the issues that you deal with every day.

To ensure that our efforts in connecting with the new government are as effective as possible, the AAMDC has been collaborating with a government relations consultant to ensure that our messaging reflects both your priorities and the government's. At the upcoming fall convention, we will be sharing our learnings with you, our members, through two workshops focused on working with the government. These workshops will be jointly facilitated by IMPACT Consulting and AAMDC staff. The purpose of these sessions will be to have you consider government relations strategies through a different lens and to provide you with an understanding of the advocacy strategy that AAMDC is using to convey your message to government.

Besides building relationships with our incoming government, the Advocacy and Communications Department have developed several research and position papers in the past year. These include a collaborative effort with the AUMA to develop an updated, cutting-edge Citizen Engagement Toolkit, complete with a social media component. We have also worked with the Institute of Public Administration of Canada (IPAC) on a research paper that assesses the different models of municipal governance. This was an objective look at municipal governance models used throughout North America with no recommendations, just the pros and cons of each. With the help of KPMG, we completed a report on asset management for use by Alberta's municipalities. This report will assist municipalities in integrating asset management practices into existing strategic plans and in securing buy-in from council, senior administration, and front-line staff.

In closing I want to thank my creative hardworking staff: policy analysts Tasha, Wyatt and Matt; Convention Coordinator Cindy and our new Communications and Design Coordinator, Courtenay. We are all looking forward to working with you in the coming year.



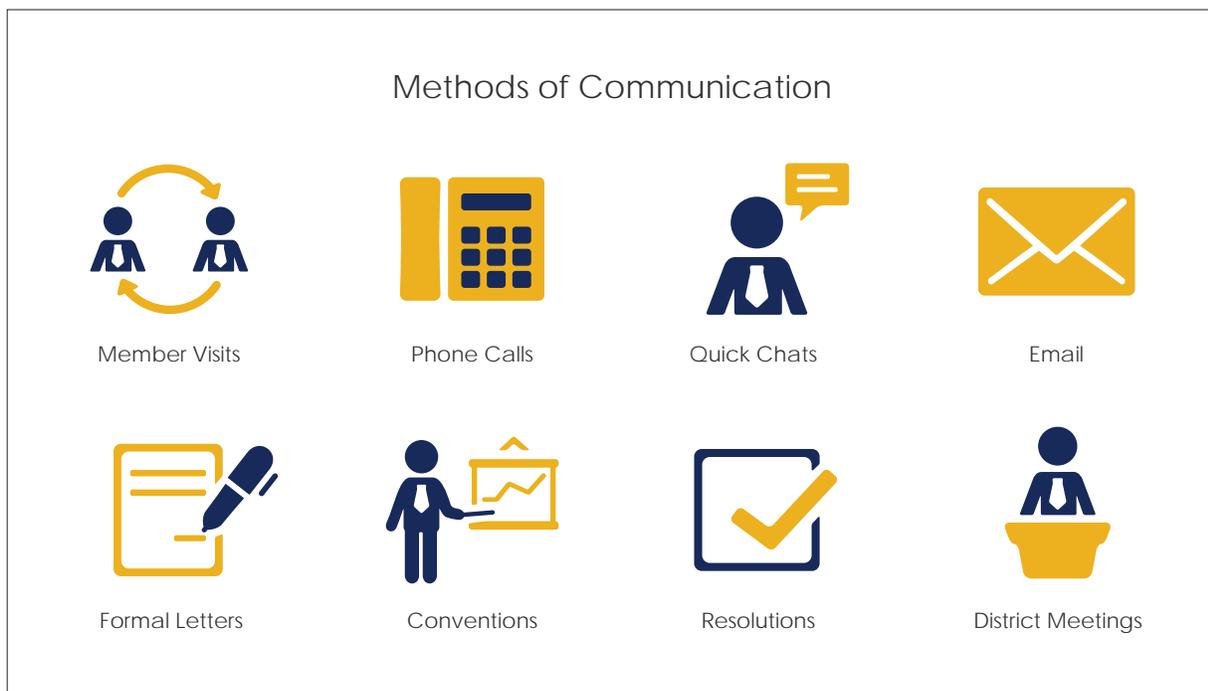
Kim Heyman

Director of Advocacy and Communications

HOW WE ADVOCATE

One of the AAMDC's core functions is to represent the views and priorities of our members to other levels of government, industry, and stakeholder groups. But representation is just the first step. The AAMDC's goal is to engage with decision-makers from all levels of government to not only improve rural Alberta, but to improve the province as a whole. To develop cohesive, robust positions that truly speak for the needs of Alberta's rural municipalities, the AAMDC constantly engages in a two-way conversation with members.

We rely on everything from resolutions and members visits to phone calls and quick chats to stay apprised of our members' priority issues. The chart below shows some of the ways that the AAMDC communicates with our members, the government, and other stakeholders (including every method of communication would have required a much larger chart!).



Icons designed by Freepik.

KEY PROJECTS

Building Relationships with the New Government

The change in provincial government has led to optimism among the AAMDC and other stakeholders, but also challenges in building relationship with new ministers and MLAs.

The 2015 provincial election resulted in a historical change in Alberta's provincial government. With this change has come new ideas and priorities. This transition has provided the AAMDC with optimism that issues overlooked by the previous government will fall on fresh ears, but also challenges in developing new relationships from the ground up. The AAMDC has worked hard to build these relationships, and has seen it pay dividends in recent months. Through meetings with several ministers, participation on the Strategic Transportation Advisory Committee and in invite-only stakeholder consultation sessions on Alberta's energy royalty review and the Climate Leadership Discussion, and the opportunity to present at the NDP Rural Caucus's Rural MLA Information Day, the AAMDC is forming relationships with the provincial government that will ensure rural municipal priorities continue to be considered in provincial policy decisions.

MGA Review

The AAMDC continues to be an active partner in the MGA review process, including participating on the MGA Review Advisory Committee.

Over the past year, the AAMDC has represented the priorities of our members to the Government of Alberta during the MGA review process. This has included extensive participation in the MGA Review Advisory Committee, which also includes representatives from Alberta Municipal Affairs, the AUMA, and the cities of Edmonton and Calgary. The committee meets frequently to discuss municipal priorities on a wide range of MGA-related issues, from farmland assessment to the council-CAO relationship to the appropriate process for amalgamations and annexations. The AAMDC has consistently provided the rural perspective on these issues, and will continue to do so until new MGA is proclaimed.

Examining Municipal Government Models from the Alberta Perspective

In April 2015, the AAMDC and the Institute of Public Administration of Canada partnered to complete a study comparing Alberta's municipal district and specialized municipality models to a variety of municipal governance models used across North America.

In recent years, discussions on the need to regionalize Alberta's municipal government structures have taken place with growing frequency. This study provides AAMDC members and government decisions-makers with an objective look at Alberta's current municipal structures, along with nine others from elsewhere in North America, to inform these discussions and allow for a comparison of different municipal structures across a broad range of criteria. The study shows that while Alberta's municipal structures are not perfect, neither are anyone else's, and the municipal district and specialized municipality structures meet Alberta's needs effectively.

Asset Management for Municipalities in Alberta: Navigating the Asset Management Journey

This report looks at asset management from the perspective of an elected official. It explains its purpose, its benefits, and how to embed it into the culture of a municipality.

Municipal asset management is rapidly increasing in importance. Not only is it being linked to grant funding through the federal Gas Tax Fund, but more and more municipalities are realizing the benefits of asset management, as it improves efficiency, accountability, and ultimately lengthens the lifespan of municipal assets. While many resources are available on the technical details of asset management planning, the AAMDC noticed that few resources focused on how to integrate asset management into a municipality's culture. As the up-front costs and resources needed to properly develop an asset management plan are large, the AAMDC believes that council and senior administration must buy into asset management for a municipality to see its benefits. This report provides a guide as to how this buy-in can be achieved, and how asset management can be integrated into a municipality's existing practices.

Citizen Engagement Toolkit

The AAMDC collaborated with the AUMA to develop a cutting-edge Citizen Engagement Toolkit and accompanying Social Media Resource Guide to provide municipalities with the tools needed to connect with citizens.

Effectively engaging citizens is vital to building a sustainable and innovative municipality. This toolkit, which was jointly developed by the AAMDC and AUMA, provides municipalities with strategies to meaningfully interact and engage with citizens. The toolkit and accompanying Social Media Resource Guide provide municipalities with customizable directions to implement an engagement strategy that will not only improve relationships with citizens, but allow municipalities to gather useful information from their citizens for a variety of projects and plans.

STAKEHOLDER/ COMMITTEE PARTICIPATION

A major part of the AAMDC's advocacy efforts are representing our members on committees or in consultations that address province-wide issues. This participation allows the AAMDC to bring the rural municipal perspective, driven by member direction, to the forefront.

AAMDC-AUMA Joint Operating Committee

Board members and staff from the AAMDC and AUMA meet several times each year to discuss municipal issues that impact members of both associations. The meetings are intended to identify areas where joint advocacy initiatives may be able to strengthen the municipal voice.

Administrative Working Group on Marijuana Production

The AAMDC collaborated with the AUMA and representatives from a number of rural and urban municipalities to develop a municipal position on how to address emerging issues related to both illegal marijuana grow operations and legal commercial medical marijuana facilities.

Alberta Land Institute Community Advisory Board

The Alberta Land Institute (ALI) is a multi-disciplinary institute that conducts research to support the development of practical policy options that contribute to integrated land-use systems and consider environmental, economic and social objectives. The ALI community advisory board provides input and advice regarding the Institute's mission, strategic direction, project priorities and public communication requirements.

Alberta's Opposition Parties

The AAMDC consulted leaders of Alberta's opposition parties on rural municipal issues that were also discussed at the opposition party leaders' panel at the Fall 2014 AAMDC Convention.

Alberta Water Council – Conservation, Efficiency and Productivity Project (CEP) Team

As follow-up to a previous project team tasked with developing conservation, efficiency and productivity (CEP) plans for Alberta's water using sectors, the AAMDC is engaged with the Alberta Water Council sectors to evaluate and report on the contributions of the water-using sectors' implemented CEP opportunities. In coming months, the team will also evaluate the process undertaken by the AWC to achieve CEP objectives and will make recommendations for potential future enhancements to sector planning, implementation and reporting.

Alberta Water Council – Lakes Management Working Group & Project Team

As part of a multi-stakeholder project team under the Alberta Water Council, AAMDC is working alongside other water using sectors to provide recommendations for improved lake management in Alberta to support the achievement of Water for Life goals.

Alberta Water Council – Water Literacy Project Team

As part of a multi-stakeholder team, the AAMDC is working to provide recommendations to the Government of Alberta that will enhance knowledge for improved water literacy in Alberta.

Alternative Transportation for Seniors Advisory Committee

The AAMDC, along with several other stakeholders, has provided feedback on a joint initiative between Alberta Seniors and the University of Alberta's Medically At-Risk Drivers Centre to develop a toolkit for the development of local alternative transportation systems for seniors.

Community Emergency Management Program

The AAMDC has continued to work with Alberta Municipal Affairs and the Community Emergency Management Program (CEMP) which assists municipalities in developing, implementing and/or revising emergency management plans. The program is currently being updated and the AAMDC will continue to work with CEMA to ensure the program continues to meet the needs of rural municipalities.

Drought and Excessive Moisture Advisory Group

Led by the Government of Alberta, the Drought and Excessive Moisture Advisory Group (DEMAG) is a group of environment and agriculture professionals which monitors moisture levels across the province. AAMDC involvement has been a continued priority in communicating the challenges resulting from the dry conditions experienced in the 2015 growing season.

Elected Officials Education Program (EOEP)

The AAMDC and AUMA are co-owners and operators of the EOEP, which provides professional development to municipal elected officials and others in municipal government. The EOEP is in the process of updating their course roster to provide cutting edge training.

FCM Ad Hoc Working Group on Rail Safety

The AAMDC participates in this working group, along with municipal representative from across Canada, in order to provide the Federation of Canadian Municipalities (FCM) with provincial perspectives on key policy and program issues related to rail safety.

Family and Community Support Services Association of Alberta (FCSSAA) Advisory Working Group

The FCSSAA Advisory Working Group involves representative from the FCSSAA, AAMDC, AUMA, and the Inter-City Forum on Social Policy. The working group's goal is to strengthen the relationship between the Government of Alberta and the over 200 FCSS programs in Alberta.

Infrastructure and Asset Management Alberta

The purpose of Infrastructure and Asset Management Alberta (IAMA) is to promote the benefits of asset management and assist municipalities in familiarizing themselves with asset management planning. The AAMDC sits on the IAMA Organizing Committee.

Local Authorities Pension Plan Stakeholder Consultation

The Local Authorities Pension Plan (LAPP) governance model was under review prior to the provincial election in May 2015. AAMDC staff participated in a series of sessions that outlined the province's proposed direction for the LAPP.

Minister's Awards for Transportation Innovation Review Committee

The AAMDC, with representatives from Alberta Transportation, the AUMA, and the Consulting Engineers of Alberta, selects recipients of the Minister's Award for Transportation Innovation, which recognizes innovation in transportation infrastructure management and construction. In 2015, AAMDC members Lethbridge County and Parkland County received awards.

Municipal Climate Change Action Centre Steering Committee

The Municipal Climate Change Action Centre (MCCAC) is a partnership between the AAMDC, AUMA and Government of Alberta that provides technical assistance, expertise, and funding programs to support Alberta municipalities in reducing their greenhouse gas emissions and improving energy efficiency. AAMDC's role on the steering committee includes providing input into the programs offered and to identify opportunities for increased engagement with rural municipalities.

Municipal Dispute Resolution Advisory Committee

The AAMDC participates in Alberta Municipal Affairs' Municipal Dispute Resolution Advisory Committee. The purpose of this committee is to provide feedback on ways to improve municipal dispute resolution mechanisms such as mediation and the Peer Network program.

Municipal Government Act (MGA) Review

The AAMDC has been an active participant on multiple committees related to the review of the MGA; including separate focus groups for elected officials and administrative officials, and technical groups related to assessment and taxation, planning and development, and intensive agriculture operations. AAMDC efforts have focused on ensuring that positions developed are reflective of member priorities and concerns.

Municipal Sustainability Strategy Advisory Committee

The Municipal Sustainability Strategy (MSS) is a collaborative process between municipalities and the Government of Alberta that seeks to ensure the long term viability of Alberta's municipalities. The MSS Advisory Committee provides input and guidance in this process to ensure it continues to meet its stated objectives.

Rural Health Services Review

In 2014, the Government of Alberta launched the Rural Health Services Review which provided numerous recommendations on how health care delivery and programming in rural Alberta can be improved. The AAMDC presented to this committee and will continue to use the final report published by the committee as an advocacy tool to improve rural health care.

Strategic Transportation Advisory Committee

The AAMDC participates on the Minister of Transportation's Strategic Transportation Advisory Committee, which is intended to directly advise the Minister on key transportation issues. Participation on this committee is a great way for the AAMDC to emphasize the importance of rural transportation networks.

Well Drilling Equipment Tax Review

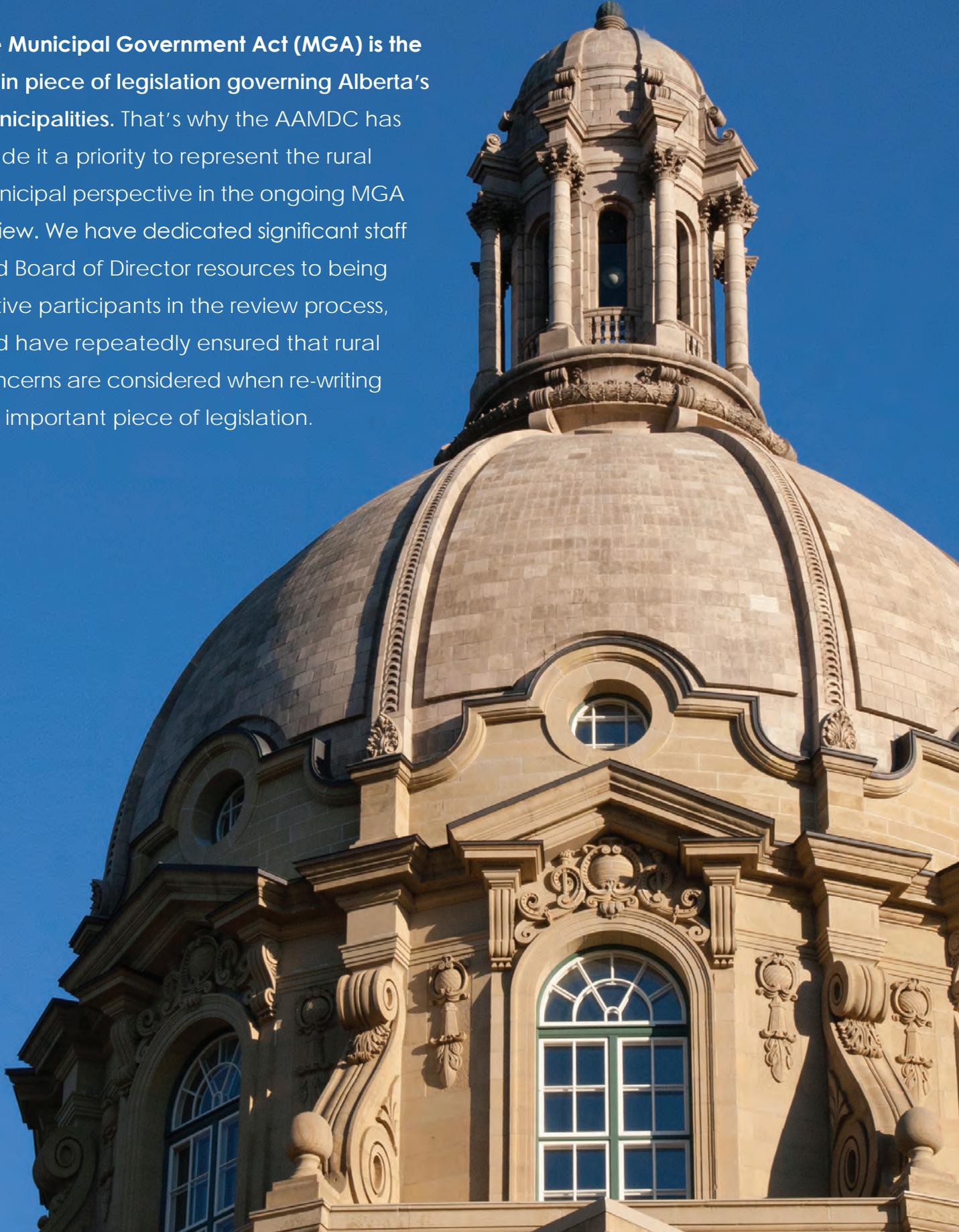
The Well Drilling Equipment Tax (WDET) was updated in 2014 and the AAMDC has continued to work with the Government of Alberta and industry stakeholders to identify how the WDET will be reported to ensure consistency and transparency for ratepayers.

Watershed Resiliency and Restoration Program (WRRP) Advisory Team

Through the WRRP, Alberta Environment and Parks aims to improve natural watershed functions in order to build greater long-term resiliency to droughts and floods through the provision of grant funding focused on restoration, conservation, education and stewardship, and research and data. As an advisory team member, the AAMDC provided input into the development of the program.

LOOKING TO THE FUTURE

The Municipal Government Act (MGA) is the main piece of legislation governing Alberta's municipalities. That's why the AAMDC has made it a priority to represent the rural municipal perspective in the ongoing MGA review. We have dedicated significant staff and Board of Director resources to being active participants in the review process, and have repeatedly ensured that rural concerns are considered when re-writing this important piece of legislation.



RESOLUTIONS

Resolutions form the backbone of how the AAMDC advocates. We take the direction of our members seriously, and strive to prioritize that direction through resolutions. Below you will find a summary of resolution “wins” from the 2014-15 year, as well as an overview of how we’ve improved our resolution ranking and reporting process.

Resolution Wins

Defining resolution “wins” is always tricky, as it typically relies on changes to legislation or how government programs operate. In many cases, the AAMDC makes significant progress on issues identified with resolutions, but not quite enough to declare them as “wins.”

1-13F: Basic Infrastructure Funding as a Result of Dissolution

Announced in the Budget 2014 was the Alberta Community Partnership (ACP) program which replaced the Regional Collaboration Program (RCP), and is designed to improve the long-term viability of municipalities by providing support for regional collaboration. Included in the ACP is additional funding for Viability Review Support which includes funding towards an infrastructure audit for a municipality undergoing a viability review, a transitional stream to address immediate resource needs resulting from restructuring, and an infrastructure stream for the receiving municipality or amalgamated municipality, after infrastructure and debt servicing needs are known and prioritized following restructuring. The new ACP meets the intent of the resolution and receives a status of Accepted in Principle. The AAMDC will continue to monitor the implementation of the ACP, with a specific focus on its impact on water and wastewater infrastructure.

The AAMDC will monitor funding amounts provided under the ACP to ensure that the needs of absorbing municipalities are being met.

26-12F: Access to Health Care and Economic Development

The Rural Health Services Review Final Report released in the Spring of 2015 acknowledges the economic impact of healthcare in rural communities and has two specific recommendations for the government:

- Acknowledge that health care services and facilities have a vital impact on rural communities and that cost analysis of rural health care delivery must include value to the region and not be restricted to cost-per patient.
- Mandate that all decisions made to significantly alter services or facilities undergo a comprehensive community consultation process. This process is to include full assessment of the economic and social impact on the community as well as an estimate of expenses borne by residents forced to travel elsewhere to access services.

The AAMDC will monitor the recommendations of the Rural Health Services Review Final Report for implementation and has assigned this resolution a status of Accepted in Principle.

12-13F: Regional Governance of Municipal Water Systems

Stemming from the Water Conversations held in 2013, the Government of Alberta released Our Water, Our Future: A Plan for Action in fall 2014. An item identified in the Action Plan includes the Government of Alberta working with municipalities to identify opportunities for enhancing the sustainability of municipal water systems, which includes helping municipalities identify and implement possible solutions to address regional challenges.

As this is not intended to be a mandated move to forced regionalization for management control over municipally owned utilities, the AAMDC deems this resolution to be Accepted in Principle and will continue to monitor developments.

Resolution Process Changes

In an effort to improve the clarity and effectiveness of our resolution ranking process, we have made some changes to status titles and how they are displayed in our *Advocacy Report Card*.

OLD	NEW
Accepted	Accepted
Accepted in Principle	Accepted in Principle
	<i>Accepted in Part</i>
Unsatisfactory	<i>Intent Not Met</i>
Incomplete Information	Incomplete Information

Two changes were made to how we rank resolutions. First, the “unsatisfactory” ranking has been replaced by “intent not met.” This is to clarify that the ranking is referring to whether the government response to the resolution has met the intent of the resolution itself. The AAMDC received feedback that the term “unsatisfactory” was too vague, with some thinking it referred to the AAMDC’s advocacy efforts or the quality of the resolution itself. Using “intent not met” will help convey that the purpose of ranking resolutions is not to evaluate the resolutions themselves, but the government’s response.

Secondly, we added a new ranking category called “accepted in part.” Its purpose is to categorize resolutions that include multiple asks of government in which the intent of some asks are met, but the intent of others are not. The AAMDC noticed that several of these resolutions had to previously be categorized as “unsatisfactory,” despite the fact that progress had been made on them. Using “accepted in part” will allow the AAMDC to credit the government in areas where progress has been made, while reminding them that there is still work left to do.

The AAMDC will be adding a visual accompaniment to each resolution ranking in the next edition of the *Advocacy Report Card*. A traffic light graphic will be used to provide a quick visual on where the government response stands in meeting the intent of each resolution. A green light will be assigned to “accepted” resolutions, a yellow light to “accepted in principle” and “accepted in part,” and a red light to “intent not met” and “incomplete information.” The AAMDC hopes that including this visual will make the *Advocacy Report Card* more user-friendly.



DRIVING ALBERTA

Rural roads and bridges are vital to Alberta's economic growth and community development. The AAMDC has made the need for stable and adequate road and bridge funding a top priority. AAMDC members manage approximately 75% of Alberta's roads and 60% of Alberta's bridges. This infrastructure is not a luxury; it supports rural communities and drives Alberta's economy.

COMMUNICATIONS

In 2014-15, the AAMDC continued to focus on strengthening communications with our members and government. We are embracing digital communications and social media, which has been successful based on the continued growth of our website visits and social media followers. After expanding our communications offerings in 2013-14, this year was focused more on improving and updating existing offerings. With that being said, we introduced a monthly President's Update to keep members in the loop on important rural municipal issues identified by AAMDC President Al Kemmere.

AAMDC Advocacy Position Statements

The AAMDC's position statements are a one-stop shop for government and stakeholders to gather a quick overview of the rural municipal perspective on major issues. Position statements were also designed with our members in mind: they provide concise, customizable positions on the issues most prominent in rural Alberta, from transportation to municipal funding to water and wastewater infrastructure. Position statements are the first step in learning about the AAMDC's policy priorities. For further information, check out our publications, resolutions, or contact the AAMDC's Advocacy and Communications department or a member of the Board of Directors.

Contact

The AAMDC has continued to publish *Contact*, our weekly newsletter intended to keep members and others interested in rural Alberta apprised of the latest issues, events, and opportunities. In addition to member bulletins, *Contact* is a place to see announcements, reminders, and news related to Alberta's rural municipalities and the AAMDC.

Rural Connects

Several times each year, the AAMDC produces an issue of *Rural Connects*, a newsletter intended to provide MLAs with information on an emerging rural municipal issues. The AAMDC anticipates *Rural Connects* to be a great way to engage with the government in the coming year.

AAMDC on Social Media

The AAMDC has worked hard in the past year to expand our social media presence. We have focused on Twitter and LinkedIn. Twitter is a great way to get key AAMDC messages and news out to our membership and others interested in rural municipal issues. It was especially useful during the 2015 provincial election, when we regularly tweeted rural municipal priorities to our followers. The AAMDC's LinkedIn page is an effective way to direct users of LinkedIn to the AAMDC website and to provide an overview of our purpose and mission. The AAMDC hopes to continue to grow a dynamic social media presence in the coming year.

AAMDC President's Update

This year, AAMDC President Al Kemmere drafted a monthly update to all members. The purpose of the update was to keep members apprised of the actions that the AAMDC Board of Directors is taking to advocate on behalf of members. The update is also a great way to inform members of some of the AAMDC's committee participation, and for members to be informed of important issues, such as the MGA review, from the perspective of the AAMDC President.

AAMDC Provincial Election Awareness Campaign

During an election, every issue is on the table. Each candidate is looking for a way to separate themselves from their opposition. This presented a great opportunity for the AAMDC to highlight the importance of rural municipalities to Alberta's economy and social fabric. The AAMDC's "Where it all Starts" campaign did just that, spurring discussion province-wide and locally through social media and other means. The biggest highlight of the campaign was the AAMDC's "Rural-AB" licence plates, which have since been sighted in all corners of the province.

AAMDC Issue Briefings

After May's change in provincial government, the AAMDC's top priority was to provide new ministers and MLAs with all of the information they needed to understand rural Alberta's priority issues. To do this, the AAMDC developed forty-five one-page issue briefings on topics ranging from rural road funding to aquatic invasive species to rural healthcare professional recruitment and retention. Relevant issue briefings were sent to each minister, and made available on the AAMDC website for use by the new government, AAMDC members, and the public.

This year, the
AAMDC published:

47 issues of *Contact*

12 issues of *Advantage*

4 issues of *Rural Connects*

8 issues of the *President's Update*

AGGREGATED BUSINESS SERVICES

ABS UPDATE

The AAMDC's Aggregated Business Services (ABS), which is comprised of Jubilee Insurance Agencies Ltd, PFA Canada and the Trade Division, experienced a very positive and stable year. ABS focused on improving its core business offerings through increased customer service staffing, technical improvements, and improved vendor relationships.

- Jubilee Insurance experienced another year of growth. Aside from its premium growth Jubilee added two additional positions, held an open competition for adjusting services, and is offering new technology. Jubilee hired a third Risk Management Advisor who has a strong focus on mid-sized and new member engagement. Jubilee also added an Administrative Support role to assist with renewals and providing a superior level of customer service to our members. Jubilee also held an open competition for its adjusting services with the aim of improving that offering. As a result the incumbent Priddle Gibbs was awarded the new contract resulting in a great number of service enhancements that will benefit the Jubilee membership at no additional cost. Finally, Jubilee offers two new technology offerings. First, is access to member's claims data through a portal into the Priddle Gibbs software, and the second is a mobile site that allows members to geo-locate all of their properties.
- PFA Canada continued its steady revenue growth within Alberta and across Canada with particular success penetrating the Ontario market. This growth has allowed PFA Canada to again reduce the costs of fuels and lubricants.
- The Trade Division had a very steady year for revenue from its traditional programs, posting numbers that are nearly on par with the previous year. The Trade Division did see substantial growth in its affinity programs, particularly with the AAMDC group benefits offering. The Trade Division continues to diversify its revenue streams and as such the AAMDC has partnered with a US based association, the National Joint Powers Alliance (NJPA), to provide our members access to heavy equipment purchasing.

The AAMDC Aggregated Business Services area is very fortunate to have in place an exceptional management team, and dedicated complement of staff. Our service levels continue to improve and our business scope continues to expand. With our internal activities and our loyal and supportive membership base, the AAMDC's ABS division is poised for another great year.

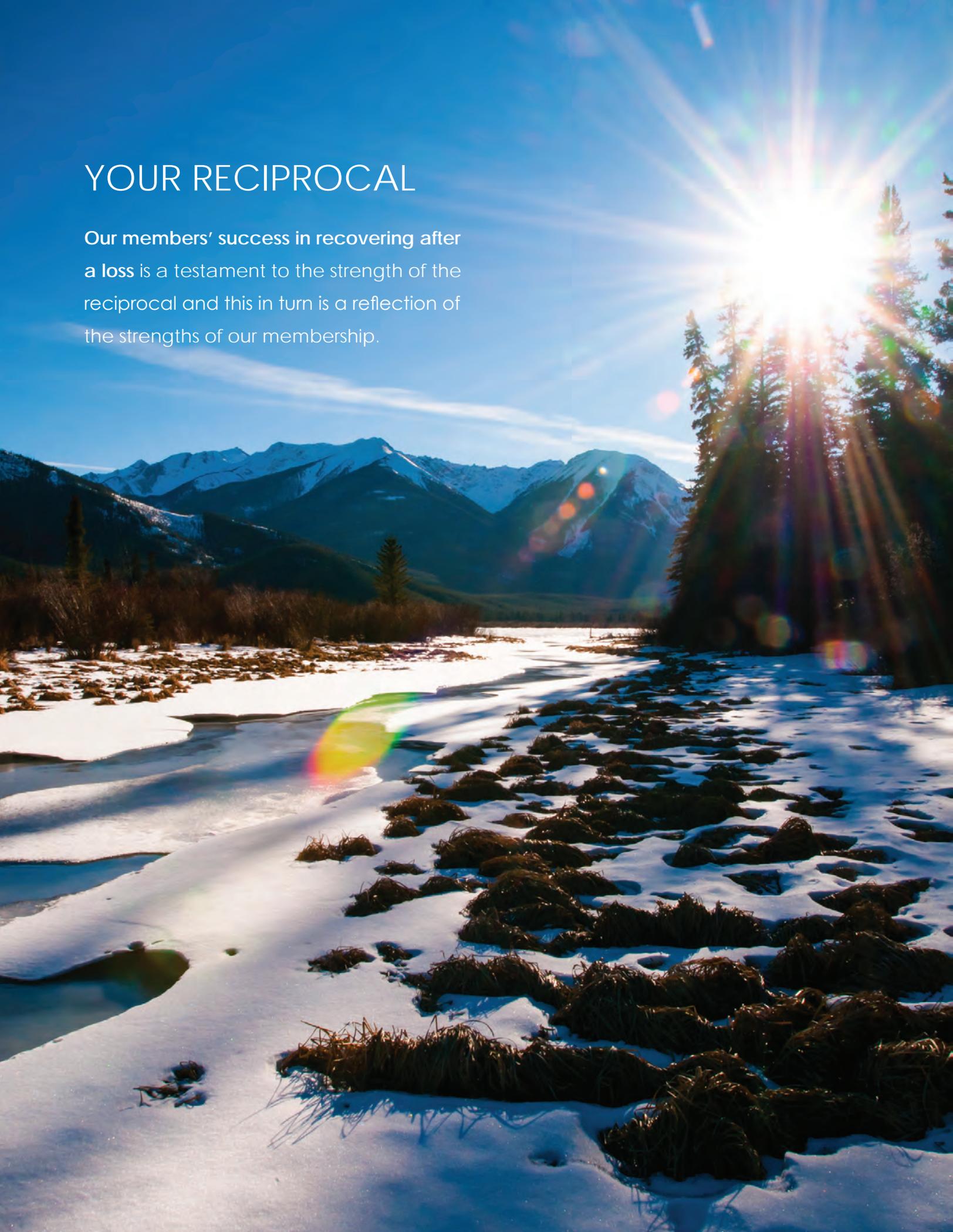


Duane Gladden, MBA

Director of Aggregated Business Services

YOUR RECIPROCAL

Our members' success in recovering after a loss is a testament to the strength of the reciprocal and this in turn is a reflection of the strengths of our membership.



TRADE DIVISION UPDATE

The 2014/2015 fiscal was a dynamic year for the Trade Division. Following a year of tremendous growth, combined with record low snowfall and economic uncertainty, a natural decrease in annual volume was expected. However, despite these conditions, we are happy to report that the Trade Division exceeded our budgeted forecasts for 2014/2015 and are in an encouraging position as we look forward to the new fiscal year.

- **National Joint Powers Alliance (NJPA):** The Trade Division welcomed a partnership with the NJPA. This allows AAMDC members to access NJPA's capital purchasing programs, including heavy and medium sized equipment. These contracts are tendered regularly by the NJPA on the member's behalf. AAMDC is delighted to partner with the NJPA as it presents an additional procurement tool to our membership. The Trade Division will also be using this model to develop and enhance particular trade programs. Creating standing offers through an RFP process will offer contract solutions that are fully compliant with trade agreements.
- **National Tire Program:** Our national tire program is stronger than ever before. Recognized as one of the largest governmental national accounts in North America, we have been able to secure extremely competitive pricing and service standards with our tire manufacturers and dealer partners. Our second annual Municipal Tire Training Seminar, hosted by Lacombe County and Michelin, was a great success and we look forward to bringing this educational opportunity to more of our membership in the upcoming year.
- **Affinity Programs:** The Trade Division's affinity programs maintained momentum in the 2014/2015 fiscal year. Lane Quinn Benefit Consultants, 8760 Energy and NAPA Auto Parts have all added new AAMDC members to their portfolio and provided them with significant discounts on essential services while delivering exceptional service and implementation.
- **Commitment to the Member Experience:** As we move into the new fiscal year, the Trade Division will continue to remain active with the membership. In the 2014/2015 year we conducted over 200 visits to our members and attended over 30 trade shows and conventions in support of partnering organizations. We will continue our commitment to education and help in the advancement of our members' procurement processes. We will continue to offer training seminars, host appreciation events, maintain member visits and support local events. Building on these relationships keeps the Trade Division informed of member needs while also providing members with a strong understanding of the value and service that the Trade Division offers.

Looking forward, the 2015/2016 strategy will remain dedicated to securing competitive prices for the membership. In addition to price, the Trade Division will be focusing on adding another level of value for members. Consistency, transparency and partnership will be the expectation of all supplier programs. As we continue to strengthen partnerships with our vendors we will aim to receive consistent and transparent pricing models across the membership.

We would like to thank you for your continued support of the AAMDC and the Trade Division. We remain devoted to strengthening our programs and look forward to continuously working with our loyal members in the upcoming year.



Carolyn Boyle

Manager of Client Relations & Trade

JUBILEE INSURANCE UPDATE

This past year Jubilee Insurance Agencies had set some robust strategic goals that carried a substantial impact on the program as a whole.

- **Product Strategy:** Jubilee has focused on the addition of new products to meet the changing needs of the membership. New product integration is ongoing, we have completed the addition of cyber liability insurance, and will soon have a legal expense insurance offering to complement our general liability offering as well. As exposure trends continue to evolve, Jubilee will continue to research and enhance our product offerings to address new exposures to our membership.
- The implementation of our Claims Rated Premium Distribution Model will have many positive effects on our program. Primarily we expect it to incentivise the membership to improve their risk management initiatives that would improve loss ratios that would directly affect the amount of claims paid out. Additionally this change shows the level of sophistication of our program which improves the excess premium calculated, which quickly impacts the premium passed on to the membership.
- **Adoption of the Owned Risk Solvency Assessment to meet our regulatory requirements:** The adoption of our ORSA does meet the regulatory requirements, but also it ensures our financial strength is at or above the necessary thresholds to maintain a strong position.

Outside of the Strategic Goals we made several improvements to the Jubilee program, improving both coverage as well as improving the value we bring to the membership. Upon completion of the appraisal program there was enough confidence to remove the margin clause from our wording thus ensuring we maintain a true replacement cost coverage. We also increased our staffing level by 1.5 in order to bring added value to our membership. The addition of a third Risk Manager improves the level of member engagement we are able to provide, while the increased role of our administrative support improves the efficiency of the entire Jubilee team.

These successes combined with the positive loss experience by the membership has resulted in favourable renewal terms that we will present in November 2015. With this in mind we will continue to build on our achievements in 2014/2015 to further enhance our program for the future.



Craig Pettigrew

Manager of Insurance

A photograph of a field of yellow wildflowers with dark brown centers, growing in tall green grass. In the foreground, a wire fence with a wooden post is visible, slightly out of focus. The background shows a vast green field leading to a range of blue mountains under a bright, cloudy sky.

RISK MANAGEMENT

Jubilee's Risk Management program is proud to have **provided more than two million dollars to its members in RiskPro credits to date.**

JRIE & GRIE UPDATE

The 2014/2015 year for the Jubilee Reciprocal Insurance Exchange (JRIE) and the Genesis Reciprocal Insurance Exchange (GRIE), have been focused on implementation and planning. JRIE/GRIE management and their associated advisory boards engaged in the time consuming processes of mapping out the strategic plans for the reciprocals. Specifically, the reciprocals are proud to have completed a series of objectives that enhance the short and long term success of the programs. The highlights of those items are below:

- JRIE/GRIE developed and implemented an Own Risk and Solvency Assessment (ORSA). This process involved the allocation of capital to risks that are specific to JRIE and GRIE. This is directly tied to the development of the JRIE/GRIE Enterprise Risk Management tool.
- The reciprocals reviewed all risk financing options to develop the best possible outcome for the membership from a pricing and coverage aspect. These options included aggregate growth, reinsurance, aggregate buy downs, and enhanced usage of excess insurance. As a result a plan to best serve the membership was developed and put in place. Members will see the positive impacts of that in the November 1, 2015 renewal.
- JRIE strives to focus on risk management reinvestment. JRIE continues to progress in stage 2 of the property appraisal program. Both GRIE and JRIE members have continued to have risk inspections done by third party specialists
- JRIE has developed and implemented a Claims Rated Distribution Model, which will provide credits and surcharges to members based on individual loss ratios compared to the program average.
- Funding reviews were conducted for both JRIE and GRIE, to assess the optimal aggregate levels and are establishing strategic plans to achieve adequate aggregate levels for our growing risk.
- Maintained above stated goal minimum capital test (MCT) levels and reserve and guarantee levels. This indicates a continued strong financial position.
- Both JRIE and GRIE continue to meet and exceed the requirements of the Office of the Superintendent of Insurance. Our Reciprocal Advisory boards continue with their commitment to education taking part in several educational opportunities throughout the year.

JRIE and GRIE are in very strong positions both from a financial aspect and in terms of its management of risks, allowing both to maintain stable and very competitive rates into the foreseeable future. The reciprocals and Jubilee Insurance Agencies Ltd. have collectively invested in improving our technology platforms and internal staff capacity. As such, reciprocal subscribers and vendor partners have access to better information, and an overall better offering. The reciprocals continue to expand in both membership and scope, but this expansion is being conducted in a controlled manner and always with the goal of membership advantage.

Overall we are very proud of the improvements that we have achieved but there are more improvements that can be made and are planned. So while JRIE and GRIE currently provide excellent offerings and value, our members can expect a continually better offering in the coming years.



Duane Gladden, MBA
Principal Attorney, JRIE



Gerald Rhodes, CLGM, MBA, CAE
Principal Attorney, GRIE

PFA UPDATE

For PFA Canada, the fiscal year of 2014 – 2015 was very positive; with a few new team members in place, we find ourselves at a positive position within the AAMDC/ABS family. PFA is pleased to report the following:

- **Business Acquisition and Development:** Since spring 2015, PFA has successfully acquired several new memberships for the fuel program, and are in the process of adopting several more members in multiple provinces; the PFA Canada team is working diligently to ensure that these opportunities are converted to long-term members of our business unit. The recent growth has benefitted all members as we have recently crossed volume thresholds that have improved our overall pricing.
- **Volume Increase:** In the last year, we facilitated over 57 million litres of fuel transactions across the country. This is a 3.3% increase from the previous fiscal year.
- **Increased Marketing/Service Capacity:** We have increased our capacity on the marketing side by the addition of one extra staff. Going forward, there will be a focus on low-cost marketing efforts. Our planned marketing will be hyper-targeted and outreach-focused, which will help in accessing potential new customers. We will see the fruition of these efforts in the coming months.
- **Continual System Improvements:** In order to streamline our web activity and its nuances, coupled with the increased threat of cyber attacks, we have decided to change the PFA Canada server to a local company based out of Edmonton. This transition will improve web speed, security, and functionality.

Our growth remains strong and steady. PFA Canada has indeed come a long way from its infancy. With our new approach to marketing, increased member retention visits, enhanced conference and tradeshow attendance across the nation, and the tried-and-tested method of word-of-mouth endorsements, we believe that the future is ours to mould, and quite favourably.



Duane Gladden, MBA

Director of Aggregated Business Services

CORPORATE SERVICES

CORPORATE SERVICES UPDATE

The Corporate Services department provides a wide variety of administrative and financial services to all entities within AAMDC including the two subsidiaries, PFA Canada and Jubilee Insurance Agencies Ltd (JIAL) and the two insurance reciprocals, Jubilee Reciprocal Insurance Exchange (JRIE) and Genesis Reciprocal Insurance Exchange (GRIE). On behalf of the Corporate Services department team, I am pleased to present some of the successful undertakings over the last year.

Strategic Planning and Policy

Our planning policy was amended to incorporate the AAMDC “Strategic Direction” approved by the members and the “Strategic Plan” approved by the Board of Directors. The Strategic Direction was approved by the members at the Spring 2015 Convention. The Strategic Plan is currently being developed. The association is currently doing an excellent job of developing critical statements (vision, mission, values), gathering supportive information (SWOT), establishing a willed future (objective, success factors), and generating, evaluating and selecting strategies.

Human Resources and Administration

To achieve strategic outcomes, AAMDC’s priority is to have a high performing and effective workforce. Education and professional development of staff, board of directors and members is emphasized. We continue to provide advice, research, guidance, and administer day to day payroll and employee benefit plans.

Information Technology

This year saw many upgrades to IT infrastructure with the aim of integrating and unifying many of the main data and communications technologies. One of the largest initiatives was the introduction of automated scanning and order entry software. This created a highly cohesive and virtually paperless system to process payables and receivables, and allowed us to improve our responsiveness to member purchases including automatic distribution of trade invoices.

Facilities

Sustained growth of our services has required some creative utilization of the existing office space. The north end of the building now includes four new offices and realignment of storage spaces and meeting rooms. We continue building maintenance schedules to keep our facility up to date so it can be fully utilized by staff, members, the Board of Directors, and committees.

Finance and Accounting

The financial position of all five entities remains strong and the membership was well served with an AAMDC dividend declaration of \$250,000. Please contact us for a copy of the detailed financial statements and notes.

Credit for these achievements goes directly to the talented and resilient Corporate Services team and to Gerald Rhodes for his strong leadership throughout the year. My tenure has just begun and I look forward to working with this fantastic group of people.



Olly Morrison, CPA, CMA

Director of Corporate Services

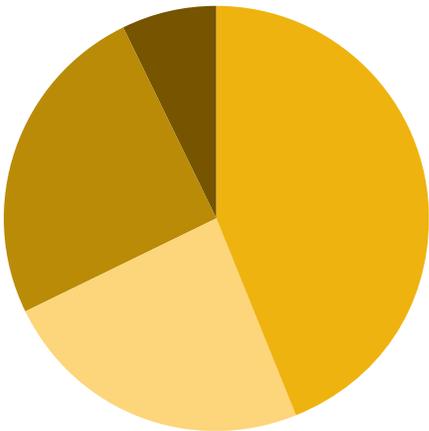
FINANCIAL OVERVIEW

ALBERTA ASSOCIATION OF MUNICIPAL DISTRICTS AND COUNTIES

AAMDC Fiscal Year Ending July 31, 2015

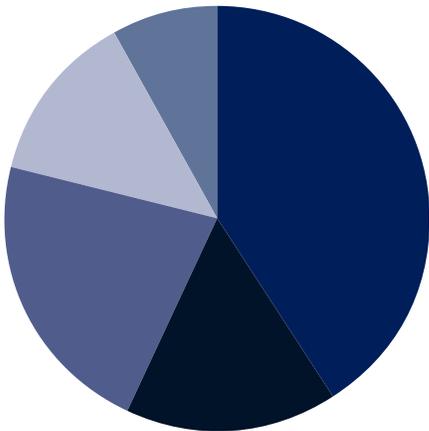
AAMDC generates income from the Trade program, conventions, and membership fees paid by our members. The financial statements show an increase in revenues of 6% in the Trade programs, a 2% increase in the number of members, and a stable revenue from the conventions. As always, AAMDC is member-driven and focused on service.

REVENUE



- 44% Commissions
- 24% Memberships
- 25% Conventions
- 7% Other

EXPENSES



- 41% Salaries & Benefits
- 16% General & Administrative Expenses
- 22% Conventions
- 13% Board & Ad hoc Committees
- 8% Amortization

AAMDC is committed to improving both the quantity and quality of financial information available to our members. This annual report has been presented in a concise manner. For further detailed information or to share your thoughts on the information provided, please contact Olly Morrison, Director of Corporate Services.

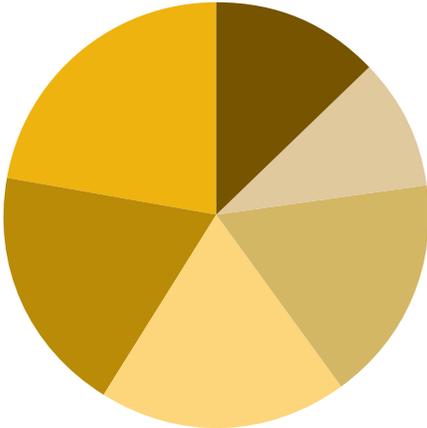
FINANCIAL OVERVIEW

JUBILEE INSURANCE AGENCIES LTD.

JIAL Fiscal Year Ending July 31, 2015

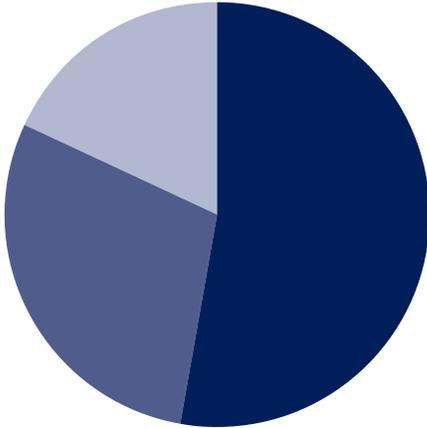
Jubilee generates income from commissions and administration fees on all premiums paid by our members. We continually strive to find efficiencies and ensure solid business practices are in place to safeguard the value of Jubilee to our members.

REVENUE



- 13% ● Property (JRIE)
- 10% ● Liability (GRIE)
- 17% ● CGL and Umbrella
- 19% ● Automobile
- 19% ● Other
- 22% ● Administration Fee

EXPENSES



- 53% ● Salaries & Benefits
- 29% ● Insurance Expenses
- 18% ● General & Administrative Expenses

From a finance and accounting perspective, Alberta Association of Municipal Districts and Counties, Jubilee Insurance Agencies Ltd., and Prairie Fuel Advisors are continuously increasing capabilities and prospering under the solid leadership of the Board of Directors as well as the Executive Director, Director of Advocacy and Communications, Director of Aggregated Business Services, and Director of Corporate Services.

FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY

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

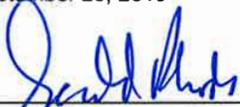
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the 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 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.

September 28, 2015



Gerald Rhodes, CLGM, MBA, CAE
Executive Director



Olly Morrison, CMA CPA
Director of Corporate Services

FINANCIAL STATEMENTS

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, 2015 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, 2015 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, 2014 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 28, 2015 (AAMD&C, Jubilee, and PFA) and February 26, 2015 (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, 2015 and December 31, 2014 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.

October 9, 2015
Edmonton, AB


Chartered Accountants



FINANCIAL STATEMENTS

ALBERTA ASSOCIATION OF MUNICIPAL DISTRICTS AND COUNTIES

ALBERTA ASSOCIATION OF MUNICIPAL DISTRICTS & COUNTIES

Audited Statement of Financial Position

As at July 31, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 581,912	\$ 489,105
Cash - restricted	8,674	135,191
Accounts Receivable	4,752,425	4,934,034
Prepaid Expenses	91,439	98,455
	5,434,450	5,656,785
Property and Equipment	2,956,712	2,855,743
Investment in Prairie Fuel Advisors (2008) Ltd.	366,543	-
Investment in Jubilee Insurance Agencies Ltd.	1,886,472	1,430,085
	\$ 10,644,177	\$ 9,942,613
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 3,560,454	\$ 3,651,095
Deferred Grant Revenue	63,546	153,621
Deficiency in Alberta Elected Officials Education Program Corp.	16,831	12,316
	3,640,831	3,817,032
Deficiency in Prairie Fuel Advisors (2008) Ltd.	-	69,769
	3,640,831	3,886,801
NET ASSETS		
Net assets invested in property and equipment	2,956,712	2,855,743
Net assets internally restricted for dividend reserve	73,949	155,225
Unrestricted net assets	3,972,685	3,044,844
	7,003,346	6,055,812
	\$ 10,644,177	\$ 9,942,613

ALBERTA ASSOCIATION OF MUNICIPAL DISTRICTS & COUNTIES
 Audited Statement of Operations
 For the year ended July 31, 2015

	2015	2014
REVENUE		
Commissions	\$ 1,829,891	\$ 1,732,570
Convention registration and tickets	1,056,230	1,056,882
Memberships	1,022,470	1,007,349
Grants	135,393	179,978
Rental income	166,000	166,000
Sundry income	19,001	38,949
Service charges	- 13,188	24,812
Interest	10,110	6,523
	4,225,907	4,213,063
EXPENSES		
Salaries and Benefits	1,568,762	1,410,947
Convention	833,883	809,475
Board and Ad hoc Committees	515,849	535,827
Amortization	294,729	236,199
Grant expenses	135,393	179,978
Building operations	105,451	130,485
Professional fees	100,556	103,657
Advertising and promotion	69,954	57,853
Automotive	48,319	46,562
Computer	47,178	46,114
Insurance	35,860	37,391
Office Supplies	20,860	28,269
Telephone	13,582	12,693
Memberships & subscriptions	9,995	11,031
Interest	4,145	9,530
Postage	5,956	5,143
	3,810,472	3,661,154
Surplus from operations	415,435	551,909
OTHER INCOME (EXPENSE)		
Dividends	125,000	235,941
Increase in equity in Jubilee Insurance Agencies Ltd.	464,951	(14,838)
Increase in equity in Prairie Fuel Advisors (2008) Ltd.	182,726	188,515
Increase (decrease) in equity in Alberta Elected Officials Education Program Corporation	- 4,515	9,033
	768,162	418,651
Excess of Revenue over Expenses	\$ 1,183,597	\$ 970,560

FINANCIAL STATEMENTS

JUBILEE INSURANCE AGENCIES LTD.

Jubilee Insurance Agencies Ltd.
 Audited Balance Sheet
 As at July 31, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Bank and Cash on Hand	\$ 1,300,221	\$ 1,495,508
Marketable Securities	125,108	-
Prepaid Expenses	7,194	-
Due from AAMDC	96,585	88,021
Accounts Receivable	206,329	157,798
	\$ 1,735,437	\$ 1,741,327
Investments	358,242	-
	2,093,679	1,741,327
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 105,618	\$ 164,210
Deferred Revenue	5,004	59,011
	110,622	223,221
SHAREHOLDER'S EQUITY		
Common Shares	600	600
Retained Earnings	1,982,457	1,517,506
	1,983,057	1,518,106
	\$ 2,093,679	\$ 1,741,327

Jubilee Insurance Agencies Ltd.
Audited Statement of Earnings
For the year ended July 31, 2015

	2015	2014
REVENUE		
Commissions	\$ 2,648,748	\$ 2,233,448
Administration Fee	782,244	526,416
Interest Income	57,102	60,578
Other Income (Risk Module, Gain of Disposal)	6,265	7,850
	3,494,359	2,828,292
EXPENSES		
Salaries & Benefits	1,537,084	1,387,719
Service Fees	405,000	572,840
Insurance	233,511	58,174
Computer & Equipment	212,887	214,143
Risk Pro Premium Credit	210,726	92,197
Rent	54,600	54,600
Staff Education & Training	51,681	25,857
Risk Pro Program & Seminars	39,788	36,445
Executive (AAMDC Board allocation)	36,000	36,000
Professional Fees (legal, audit, dues, and banking)	35,405	54,558
Travel - Automobile & Meals/Entertainment	30,996	26,688
Office Supplies	21,477	22,587
Telephone	15,662	12,855
Advertising & Promotion	12,002	4,155
Courier & Postage	7,589	8,368
	2,904,408	2,607,186
NET EARNINGS	\$ 589,951	\$ 221,106

FINANCIAL STATEMENTS

PRAIRIE FUEL ADVISORS (2008) LTD. (PFA)

Prairie Fuel Advisors (2008) Ltd.
Audited Balance Sheet
As at July 31, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 873,068	\$ 118,388
Accounts Receivable	3,325,067	3,928,508
Prepaid Expenses	8,634	578
	4,206,769	4,047,474
Goodwill	732,688	732,688
Due from the Alberta Association of Municipal Districts and Counties	312,933	566,519
	\$ 5,252,390	\$ 5,346,681
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accruals	\$ 4,425,973	\$ 4,616,756
Current portion of term loan due on demand	89,279	86,097
	4,515,252	4,702,853
Term loan due on demand	57,662	147,080
	4,572,914	4,849,933
SHAREHOLDER'S EQUITY		
Common Shares	100	100
Retained Earnings	679,376	496,648
	679,476	496,748
	\$ 5,252,390	\$ 5,346,681

Prairie Fuel Advisors (2008) Ltd.
 Audited Statement of Earnings
 For the year ended July 31, 2015

	2015	2014
REVENUE		
Commissions	\$ 603,666	\$ 584,209
EXPENSES		
Salaries, wages and Benefits	306,179	293,099
Computer	27,798	26,615
Office	16,479	19,680
Advertising & Promotion	15,468	4,494
Professional Fees	14,788	14,852
Rent	14,000	14,000
Travel	13,035	6,475
Interest & Bank Charges	6,693	9,979
Insurance	6,500	6,500
	420,940	395,694
NET EARNINGS	\$ 182,726	\$ 188,515

FINANCIAL STATEMENTS

JUBILEE RECIPROCAL INSURANCE EXCHANGE (JRIE)

JUBILEE RECIPROCAL INSURANCE EXCHANGE

Statement of Financial Position

December 31, 2014

	2014	2013
ASSETS		
Cash and cash equivalents	\$ 4,598,258	\$ 4,903,347
Marketable securities	8,754,381	8,584,035
Insurance balances receivable	3,084,578	2,026,493
Prepaid expenses	-	7,081
Deferred acquisition costs	548,000	
	\$ 16,985,217	\$ 15,520,956
LIABILITIES		
Insurance balances payable	\$ 33,748	\$ 157,153
Claims payable reserve	5,055,818	5,076,709
ANI Deductible Buydown Fund	54,780	35,213
Premium taxes payable	-	229,742
Unearned premium liability	6,450,503	4,786,295
Premium deficiency reserve	-	226,000
	\$ 11,594,849	\$ 10,511,112
EQUITY		
Retained earnings	5,390,368	5,009,844
	\$ 16,985,217	\$ 15,520,956

JUBILEE RECIPROCAL INSURANCE EXCHANGE

Statement of Comprehensive Income

Year ended December 31, 2014

	2014	2013
INCOME		
Premiums written	\$ 7,740,603	\$ 7,658,073
Change in unearned premiums		
Gross amount	(1,664,208)	(2,248,138)
Premiums earned	6,076,395	5,409,935
Net investment income	321,756	70,154
	\$ 6,398,151	\$ 5,480,089
EXPENSES		
Losses incurred	\$ 5,709,933	\$ 5,070,968
Premium deficiency reserve (recovered)	(225,971)	156,000
Change in deferred acquisition costs	(548,000)	-
Premium tax	232,218	229,742
General and administrative	849,447	148,961
	6,017,627	5,605,671
TOTAL COMPREHENSIVE INCOME	\$ 380,524	\$ (125,582)

FINANCIAL STATEMENTS

GENESIS RECIPROCAL INSURANCE EXCHANGE (GRIE)

GENESIS RECIPROCAL INSURANCE EXCHANGE

Statement of Financial Position

December 31, 2014

	2014	2013
ASSETS		
Cash and cash equivalents	\$ 817,849	\$ 2,644,534
Marketable securities	29,375,622	24,666,408
Insurance balances receivable	4,000,000	4,449,904
Deferred acquisition costs	192,564	68,180
Prepaid Expenses	-	7,081
	\$ 34,386,035	\$ 31,836,107
LIABILITIES		
Insurance balances payable	\$ 32,472	\$ 36,221
Claims payable reserve	17,685,395	16,736,225
Premium taxes payable	-	133,589
Unearned premium liability	4,031,549	3,710,797
	21,749,416	20,616,832
SUBSCRIBERS' SURPLUS		
Retained earnings	12,636,619	11,219,275
	\$ 34,386,035	\$ 31,836,107

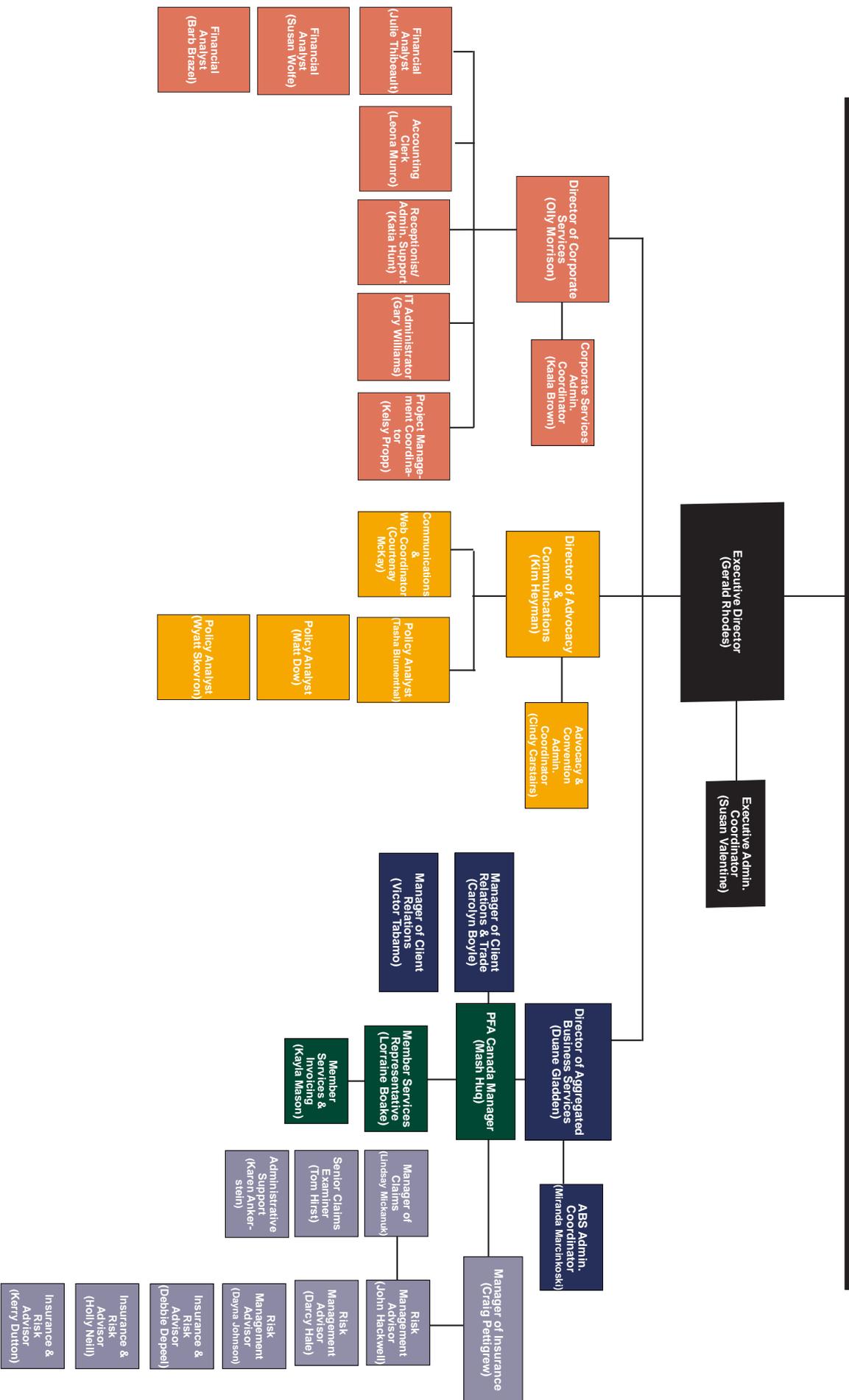
GENESIS RECIPROCAL INSURANCE EXCHANGE

Statement of Comprehensive Income

Year ended December 31, 2014

	2014	2013
INCOME		
Gross premiums written	\$ 4,847,920	\$ 4,452,956
Increase in unearned premiums	(320,752)	(46,204)
Premiums earned	4,527,168	4,406,752
Net investment income	986,130	195,467
	\$ 5,513,298	\$ 4,602,219
EXPENSES		
Losses incurred	3,754,996	3,216,683
Premium tax	145,438	133,589
General and administrative	319,904	183,605
Change in deferred acquisition costs	(124,384)	41,758
	4,095,954	3,575,635
TOTAL COMPREHENSIVE INCOME	\$ 1,417,344	\$ 1,026,584

AAMDC Board of Directors (Jubilee Insurance Agencies Ltd. & PFA Ltd. Boards)





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