



**RMA**  
RURAL MUNICIPALITIES  
*of* ALBERTA

**2017**

**2018**

**ANNUAL REPORT**





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# WELCOME TO THE NEW RMA!

A big part of rural Alberta is its history. The Rural Municipalities of Alberta takes its members' strong connections to the growth of Alberta seriously, and reflects that connection in its advocacy and business efforts. However, an effective organization must also look forward and evolve to meet the changing needs of its members, associate members, and partners.

That's why, in March 2018, your association moved on from being known as the Alberta Association of Municipal Districts and Counties to become the Rural Municipalities of Alberta. Our re-brand to become RMA was a decision rooted in a 110-year history of supporting Alberta's rural municipalities under a variety of names. RMA's commitment to the past and focus on the future is reflected in our new logo. In addition to featuring the association's traditional yellow and navy blue, the logo incorporates new colours that reflect Alberta's vivid blue sky and green prairie landscape.







**As RMA, our support for rural Alberta will not waver, and we look forward to continuing to serve you for another 100 years!**





**STRENGTH. STABILITY. SERVICE.**

# ABOUT THE RMA

The Rural Municipalities of Alberta is an independent association comprised of Alberta's sixty-four 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 by providing our members with advocacy and business services including RMA Trade, RMA Fuel, and RMA Insurance.

In 2018, the Rural Municipalities of Alberta changed its name from the Alberta Association of Municipal Districts and Counties; the legal name change will take place in 2019 following a legislative process. Although our name and brand have changed, we continue to work together with our members to ensure that the rural municipal voice is heard throughout the province.

## OUR MISSION

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

## OUR VISION

Strong, vibrant, and resilient rural communities.

# PRESIDENT'S MESSAGE

## Al Kemmere President

As we look back on the past year, we have seen a number of initiatives that have changed the look of our association. The 2017 municipal election resulted in many new councillors joining us at the Fall convention, where we began a process of getting to know you and you getting to know your association. Part of that process was the introduction of education programs that helped in your orientation to your councillor role but also attempted to bring you up to speed as quickly as possible on some of the technical aspects of being a councillor.

As we are all well aware, one of the most significant changes that occurred last year is the rebranding of our organization. In the spring, we rolled out the new brand that changed the organization from AAMDC, Jubilee Insurance, AAMDC Trade and PFA to the new brand of **Rural Municipalities of Alberta (RMA), RMA Insurance, RMA Trade and RMA Fuel**. The intended result of this effort is to identify to our members and the public who we represent and the services that are provided. I believe the change has been well accepted and the board is confident that we have strong support to continue with this.

As a result of the work of the 2016 Board Governance Review Committee, your board worked on implementing the nine recommendations as approved by the membership. The summary of some of those recommendations was to enhance the communications and engagement with the members, which hopefully results in a higher level of accountability. Regular Contact newsletters and Member Bulletins on current issues, enhanced reporting on Committee involvement by board members, the monthly President's letter, and an increase in member involvement on special issues



committees are just a few examples of these efforts.

On the advocacy front, issues like the upcoming cannabis legalization, the future of the Municipal Sustainability Initiative (MSI), the challenges related to freezing Assessment Year Modifiers, rural crime, the lack of broadband connectivity, Local Authorities Pension Plan (LAPP), and species at risk are a sample of the many items that RMA has been engaged in.

RMA is also actively involved from a federal perspective through representation on the board of the Federation of Canadian Municipalities (FCM). We have actively advocated for a stronger rural presence in the FCM advocacy efforts and enhanced rural content in the annual conference. This past summer RMA sponsored a resolution at the annual FCM conference in Halifax which called for the federal government to implement a "Rural Lens" when developing policy and funding programs for municipalities. The hope is that future federal programs will address rural concerns and challenges so that rural communities can work to sustainability much the same as the larger urban communities.





Your RMA board is also actively involved in providing governance for the Insurance, Trade, and Fuel programs in an effort to provide the most cost-effective tools available to municipalities and other not for profit organizations. RMA Business Services continues to provide value to our members through access to bulk pricing on goods and services. Revenues generated through RMA's Business Services support our advocacy efforts and we would like to thank our members for their continued support of these beneficial programs.

The past year has been an interesting one with three new board members, bringing new ideas and learnings that have strengthened

the diverse perspectives on the RMA board.

I am hoping members continue to gain value from your association and I look forward to chatting with as many as possible at the Fall Convention.

# EXECUTIVE DIRECTOR'S REPORT

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

Welcome to the RMA annual report that is based on the association's fiscal year – August 1, 2017 to July 31, 2018. This time frame is important to note because, for our members, the big event of this period was the municipal elections in October 2017. The previous councils completed the first ever four-year term from being changed from three years before that.

Municipal elections meant new councillors and new councillors meant new councillor education. New councillors got to learn about the RMA, then called the AAMDC, at the November 2017 fall convention within weeks of being elected. The Fall 2017 convention was geared to helping councils learn the important issues, the provincial government, and how it supports and regulate what you do, and, of course, meeting fellow councillors at the socials and hospitality rooms!

In addition to the opportunities to absorb and learn at the convention, the association also had the unique opportunity to formally orient all municipal councils through the Munis 101 councillor education program from November to January. With support from Alberta Municipal Affairs, this was the first ever province wide delivery of this course through the Elected Officials Education Program (EOEP) that the RMA and the Alberta Urban Municipalities Association (AUMA) operate together. As the 2017 municipal election was the start date of the new Municipal Government Act, the department had faith that the EOEP could train old and new. Over 1,000 officials took the course representing several Alberta municipalities – a huge success that helped many council start their term off on the right foot.



With many changes happening with municipal council elections, we also saw many changes with our board. Three board members retired – VP Carolyn Kolebaba, and Directors John Whaley and Earl Graham. John and Earl retired from local government and Carolyn became Reeve of her municipality. I enjoyed my time working with these wise and dedicated individuals who represented rural Alberta with passion. In their place, three new and enthusiastic board members were elected – VP Kara Westerlund and Directors Kathy Rooyackers and Paul McLauchlin. Having not had a substantial change to the board for a few years, we got busy orienting these three and putting them to work.

With new faces on the board came the opportunity to put a new face on the organization. Completing the work initiated by the previous board, the new board chose a new name for the association. At the Spring 2018 convention the Alberta Association of Municipal Districts and Counties (AAMDC) became the Rural Municipalities of Alberta (RMA). A lot of thought went into the name change and it feels right to have the word RURAL in all our communications. A celebration



of the name change is contained in this report.

Our External Relations & Advocacy department had a big change with the departure of Director Kim Heyman mid year and the promotion of long time Policy Analyst Tasha Blumenthal to replace her. Tasha had barely completed her MBA before taking on the job but immediately got to work. Read Tasha's External Relations & Advocacy report for a summary of the many issues her department has worked on.

The RMA Business Services division had an amazing year. New staff were added improve our processes and member outreach. Newer programs saw dramatic uptake, including the new capital purchasing program – Sourcewell RMA Contract Purchasing. Records were broken in all divisions while insurance rates, for example, were held flat. Our value approach to our business offerings has been validated by your patronage. This drives our team to continue our partnerships and to find value

for those that we serve. Read Business Services Director Duane Gladden's report for more details.

Lastly, our Corporate Services Department continued to provide the support need for our departments to deliver their services. This included an internal office renovation and a brand new website to provide valuable information to our members and promote the importance of rural Alberta. Read Corporate Services Director Olly Morrison's report on her department's activities and view our financial statements.

In conclusion, I encourage you read the reports within. Enjoy the first ever "Year Book" of the new RMA.



# BOARD OF DIRECTORS



**Al Kemmere**  
President

Al was elected as a member of the Board of Directors in 2010 and as President in 2014. Since 2004, he has been a Councillor for Mountain View County.



**Kara Westerlund**  
Vice President

Kara was elected as the RMA Vice-President in 2017 and she is currently a councillor with Brazeau County where she has served for eight years.



**Randy Taylor**  
District 1 Director

Randy was elected to the RMA Board of Directors at the Fall 2016 Convention and has also served the past 14 years as a Councillor with Warner County.



**Paul McLaughlin**  
District 2 Director

Paul was elected as the RMA's District 2 Director in 2017 and is also the Reeve of Ponoka County where he has served as either Reeve or Councillor since 2007.



**Kathy Rooyackers**  
District 3 Director

Kathy was elected to the RMA board from District in 2017. Kathy has also been on the County of Wetaskiwin's Council for nine years, five of which she served as Reeve.



**Tom Burton**  
District 4 Director

Tom has served as an RMA Director since 2008 and has been a Councillor in the MD of Greenview since 2001.



**Soren Odegard**  
District 5 Director

Soren has served as an RMA Director since 2010. He was elected Councillor in the County of Two Hills in 2007.

# EXECUTIVE INVOLVEMENT

Committee participation is a huge part of each RMA board member's responsibilities. The RMA is regularly invited to sit on province-wide committees because we are seen as a credible voice for the rural municipal perspective. The RMA uses our role on committees as a key component of how we advocate on behalf of our members to government and to other stakeholders.

## AL KEMMERE, PRESIDENT

- Agricultural Operation Practices Act (AOPA) Working Group
- Agriculture Plastics Working Group
- Alberta Common Ground Alliance Task Force
- Alberta Recycling Management Authority and Assessment Board
- Drought and Excessive Moisture Advisory Group (DEMAG)
- FCM Board of Directors
- Genesis Reciprocal Insurance Exchange Board
- Great West Life Councillor Pension Plan Board of Trustees
- Rural Health Professions Action Plan (RhPAP)
- Western Canada Municipal Associations

## KARA WESTERLUND, VICE PRESIDENT

- RMA RW Hay Evaluation Committee
- RMA Resolutions Committee Chair
- ALERT Civilian Advisory Committee
- RMA-AUMA Joint Operating Committee (JOC)
- Genesis Reciprocal Insurance Exchange Board
- Great West Life Councillor Pension Plan Board of Trustees
- TRAVIS
- Western Canada Municipal Associations





## RANDY TAYLOR, DISTRICT 1 DIRECTOR

- RMA Charitable Gaming Committee
- Alberta Game Policy Advisory Committee (AGPAC)
- Alberta Municipal Health and Safety Association Board (AMHSA)
- Alberta Water Council-Multi-year Drought Working Group
- Drought and Excessive Moisture Advisory Group (DEMAG)
- Endangered Species Conservation Committee (ESCC)
- Genesis Reciprocal Insurance Exchange Board
- Mayors & Reeves - Southern District
- Municipal Excellence Awards Review Committee
- Provincial Agriculture Service Board (ASB)
- Viability Review - Village of Champion

## PAUL MCLAUHLIN, DISTRICT 2 DIRECTOR

- Agri-Environmental Partnership (AEP)
- Agri-Environmental Partnership (AEP) LUF
- Alberta Water Council Board
- Community Conservice Advisory Committee
- Foothills Research Institute
- Genesis Reciprocal Insurance Exchange Board
- Government-Industry Joint Geophysical Steering Committee
- Mayors & Reeves - Central District
- Provincial Affordable Housing Strategy Steering Committee
- Viability Review - Village of Hussar
- Wildfire Management Advisory Committee (WMAC)

## KATHY ROOYAKKERS, DISTRICT 3 DIRECTOR

- Agricultural Operation Practices Act Policy Advisory Group
- Cancer SCN Core Committee
- Clean Air Strategic Alliance Board (CASA)
- Genesis Reciprocal Insurance Exchange Board
- Local Authorities Pension Plan Stakeholder Consultation Group
- Mayors & Reeves - Central District
- Municipal Excellence Awards Review Committee
- Safety Codes Council Technical Committee

## TOM BURTON, DISTRICT 4 DIRECTOR


- Alberta First Responder Radio Communications System (AFRRCS)
- Alberta Blue Cross Nominating Committee
- Alberta Fire Chiefs Recruit & Retention
- Forest Products Association of Canada (FPAC)
- Forest Resource Improvement Association - FireSmart Advisory Committee (FRIAA)
- Genesis Reciprocal Insurance Exchange Board
- Mayors & Reeves - Northern Alberta
- AER Multi Stakeholder Engagement Advisory Committee (MSEAC)
- Peer Network
- Power & Natural Gas Consumers' Panel
- Safety Codes Council Board
- Water North Coalition (WNC)

## SOREN ODEGARD, DISTRICT 5 DIRECTOR

- Alberta Data Partnership (ADP)
- Alberta Water Council-Source Water Protection Working Group
- RMA-AUMA Strategic Alliance-Joint Operating Committee (JOC)
- Government-Industry Joint Geophysical Steering Committee
- Genesis Reciprocal Insurance Exchange Board
- Local Authorities Pension Plan Board (LAPP)
- Viability Review - Village of Ferintosh
- Viability Review - Village of Innisfree

## GERALD RHODES, EXECUTIVE DIRECTOR

- Alberta Elected Officials Education Program (EOEP) Board of Directors
- Alberta Centre for Sustainable Rural Communities Advisory Committee
- Alberta Local Authorities Reciprocal Insurance Exchange (Ended in 2018)
- Alberta Land Institute Community Advisory Board
- Alberta Recreation & Parks Association Rural Recreation Committee
- Federation of Canadian Municipalities (FCM) Provincial & Territorial Municipal Associations Executive Directors Group
- Municipal Climate Change Action Center (MCCAC) Executive Committee



aamdc  
trade • jubilee



# RMA TEAM

AS OF OCTOBER 2018

## EXECUTIVE

**Gerald Rhodes**, Executive Director

**Susan Valentine**, Executive Administrative Coordinator

## CORPORATE SERVICES

**Olly Morrison**, Director of Corporate Services

**Kelsy Propp**, Project Management Coordinator

**Monica An**, Finance & HR Analyst

**Julie Thibeault**, Financial Analyst

**Susan Wolfe**, Financial Analyst

**Leona Munro**, Accounts Receivable

**Katia Hunt**, Accounts Payable

**Sarah Wong**, Receptionist

**Zeeshan Arain**, IT Administrator

## EXTERNAL RELATIONS & ADVOCACY

**Tasha Blumenthal**, Director of  
External Relations & Advocacy

**Cindy Carstairs**, Administrative &  
Convention Coordinator

**Brandon Low**, Marketing &  
Communications Manager

**Matt Dow**, Policy Analyst

**Allison Hansen**, Policy Analyst

**Wyatt Skovron**, Policy Analyst

## BUSINESS SERVICES

**Duane Gladden**, Director of Business Services

**Miranda Andersen**, Administrative Coordinator

## RMA TRADE

**Dave Dextraze**, Manager of Trade

**Carolyn Caldwell**, Client Relations Manager

**Ryan Yavis**, Client Relations Manager

**Jared Uytterhagen**, Client Relations Manager



## RMA INSURANCE

**Craig Pettigrew**, Manager of Insurance  
**John Hackwell**, Risk Advisor  
**Darcy Hale**, Risk Advisor  
**Dayna Johnson**, Client Relations Manager  
**Lindsay Mickanuck**, Manager of Claims  
**Tom Hirst**, Senior Claims Examiner

**Lacey Barnhard**, Junior Claims Examiner  
**Raymond Boulette**, Claims Adjuster  
**Debbie Depeel**, Member Services Representative  
**Holly Neill**, Member Services Representative  
**Kerry Dutton**, Member Services Representative  
**Karen Ankerstein**, Administrative Support

## RMA FUEL

**Tyler Hannemann**, Manager of Fuel  
**Lorraine Boake**, Member Services Representative  
**Kayla Mason**, Member Services Representative

## LEGAL

**Raman Khabra**, Legal Counsel  
**Michele Carroll**, Legal Assistant

## IN 2018, WE SAID GOODBYE TO

**Kim Heyman**, Director of Advocacy & Communications  
**Barb Brazel**, Accounts Receivable

**Chelsea Parent**, Policy Analyst  
**Courtenay McKay**, Communications & Design Coordinator

# YEAR AT A GLANCE



## QUARTER 1 AUGUST - OCTOBER 2017

- RMA Benefits Record first quarter
- PFA / RMA Member Appreciation BBQ Series
- RMA Member Visits
- Alberta's Municipal Elections 2017
- RMA Insurance Risk Pro sessions – 250 delegates across Alberta



## QUARTER 2 NOVEMBER 2017 - JANUARY 2018

- RMA Fall 2017 Convention
- Elections for Board Vice President and Board Members for Districts 2, 3, and 5
- R.W. Hay Award for Rural Administrative Excellence
- RMA Long Service Awards
- RMA Advocacy Report Card
- Delivery of Munis 101 Course along with release of other MGA Change Management Resources
- Largest renewal in RMA Insurance history





## QUARTER 3

FEBRUARY - APRIL 2018

- Rebrand of the Alberta Association of Municipal Districts and Counties (AAMDC) to the Rural Municipalities of Alberta (RMA)
- 2018 RMA Trade Show
- RMA Spring 2018 Convention
- Municipal Asset Management Course Delivery
- Western Canada Municipal Association (WCMA) Meeting



## QUARTER 4

MAY - JULY 2018

- RMA/AUMA Joint Board Meeting
- 2018 RMA Business Golf Tournament in support of the Alberta Children's Hospital Foundation
- RMA Member Visits
- Municipal Asset Management Course Delivery



**RESOURCEFUL. RESPONSIVE. RESILIENT.**

# EXTERNAL RELATIONS & ADVOCACY

## Tasha Blumenthal, MBA

Director of External Relations & Advocacy

The 2017-18 fiscal year was an exciting one for the RMA's External Relations & Advocacy department. The rebrand of the organization from AAMDC to RMA was a highlight, creating the opportunity for the association to refresh our image and bring rural to the forefront. Launching the new name and brand at our Spring 2018 Convention provided a chance for RMA to engage our members and inform government and stakeholders that we are the voice of rural municipalities, and plan on continuing to serve in this role for years to come.



The External Relations & Advocacy team continued to work with Alberta Municipal Affairs and the Alberta Urban Municipalities Association (AUMA) to develop tools and resources to support change management in alignment with the *Municipal Government Act* (MGA) and the accompanying regulations. This collaborative effort has resulted in the completion of an Intermunicipal Collaboration Framework workbook, a Councillor Code of Conduct guide, and a guide to support public participation policies and public notification. Projects slated for the next fiscal year include the provision of Subdivision Development and Appeal Board training, the development of a guide focused on off-site levies, and the provision of blanket exercises for municipalities to work through reconciliation priorities that will enhance Indigenous relations and support collaboration.

Asset management continued to be a priority for our department and we were pleased to receive funding from the Federation of Canadian Municipalities (FCM) to support a tri-partite effort between RMA, the AUMA, and Infrastructure Asset Management Alberta (IAMA) to develop a series of asset management training courses that were offered across Alberta. These sessions were well-attended and the resources are available on our website for continued reference.

In addition to the MGA and asset management projects, there have been several other advocacy priorities that we have focused on this year, including strategies to combat the recent increases in rural crime and its impacts on our members, the need for long-term predictable municipal funding, and preparing for the legalization of cannabis. We have been strong advocates to bring the rural municipal perspective to the table on these issues and will continue to develop resources and engage key stakeholders as these issues evolve.

On a final note, I would like to thank my dedicated team for the great work they do to support our members and advance our advocacy efforts. The opportunity to engage with our members strengthens our advocacy efforts to bring forward the RMA's voice as resilient, responsive, and responsive organization.

A handwritten signature in black ink that reads "T Blumenthal".



# WORKING TOGETHER

For RMA, part of being the voice of rural Alberta is knowing that on some issues, there is power in numbers. That's why RMA's External Relations and Advocacy department works closely with many organizations with common concerns to strengthen our advocacy efforts. In some cases, these relationships are formalized through participation on committees or working groups, but in many others, RMA staff share information and exchange ideas with colleagues at other organizations, or the RMA Board of Directors endorses a joint letter, position or statement with one or more partner organizations. RMA prides itself on being a strong and independent organization, but we respect the work that others do, and leverage that respect to form great relationships with others working in the rural or municipal world.

These collaborative relationships are most common with other municipal organizations. For example, RMA regularly works with the Alberta Urban Municipalities Association to develop resources and training opportunities that will benefit members of both associations. RMA also collaborates with similar organizations across Canada through the Western Canadian Municipal Association and the Federation of Canadian Municipalities. RMA also works with other organizations in a variety of areas such as agriculture, healthcare, broadband and connectivity, and many others. These relationships not only strengthen our advocacy efforts, but increase our knowledge base and understanding on technical topics.

## ALBERTA'S RURAL MUNICIPAL VOICE

While the RMA advocates using a variety of methods, both with and on behalf of members, one of the most common and most effective ways is through relationship-building with government. Through years of developing credible positions and providing constructive input, the RMA is a trusted source of information for the Government of Alberta. Similarly, through collaboration with the Federation of Canadian Municipalities (FCM) or independently, the RMA regularly provides the Government of Canada with feedback on proposed legislative and policy changes. For the RMA, the key to success in this area is acting proactively, credibly, and respectfully.

In 2017/18, the RMA attended meetings with the Minister of Municipal Affairs, Minister of Indigenous Relations, Minister of Transportation, Minister of Infrastructure, Minister of Service Alberta,

Minister of Finance and President of Treasury Board, Minister of Health, Minister of Agriculture and Forestry, Minister of Energy, and Minister of Justice and Solicitor General, all of which presented excellent opportunities to discuss the rural municipal perspective on issues under the responsibility of each ministry. In addition to meetings, the RMA has provided submissions to both the provincial and federal governments on a wide range of issues including the *Municipal Government Act*, city charters, the Investing in Canada Infrastructure Plan, the Alberta Cannabis Framework, off-site levies, caribou range planning, proposed changes to the *Fisheries Act* and *Navigation Protection Act*, the reclamation of renewable energy sites, the *Local Authorities Election Act*, and many others.



## MEMBER-DRIVEN

RMA is Alberta's rural municipal advocate, but the only reason we can play this role effectively is due to the ongoing communication with members across the province. Whether it is hearing about local concerns with proposed changes to a provincial program or grant, or ideas about how we can make information more accessible to members, receiving ideas and support from those we represent is at the heart of what makes us member-driven. We realize that while we are the voice of rural Alberta, our members are the rural municipal experts.

While we appreciate receiving direction from members, a big part of our job is to make sure that we share information with them. We regularly communicate information on policy and legislative changes, opportunities for input to government, upcoming events, and anything else that will support strong rural governance. Whatever the method, two-way communication is at the heart of what we do!

## REPRESENTING RURAL

Advocating for Alberta's rural municipalities is about more than just focusing on "municipal" issues. Supporting strong and vibrant rural communities means moving beyond tax rates, bylaws and service delivery, and also supporting our members in advocating on other issues that may be beyond a municipality's control, but still impact rural Alberta. Make no mistake, RMA works hard to support member positions on core municipal issues, but understands that our members concerns are much broader.

Over the past year, RMA has worked on issues such as the inequities in Alberta's charitable gaming model, improving internet service provider access to the Alberta SuperNet, and advocating for other levels of government to take a socio-economic approach to the protection of species at risk. While these issues may not be directly within the jurisdiction of municipalities, all of them impact the sustainability of RMA members and rural Alberta.

# SUPPORTING PROFESSIONAL DEVELOPMENT

RMA members are knowledgeable and passionate about their communities. They serve in municipal office because they are proud of where they live, and they want to make a difference. RMA believes that a big part of advocating for our members is providing them with professional development opportunities and resources so that they can improve their skills and knowledge and serve their communities more effectively.

In 2017-18, RMA undertook two major projects to support professional development. The first project was redeveloping the Elected Officials Education Program (EOEP) to feature seven brand new courses, highlighted by Munis 101: The Essentials of Municipal Governance. Since 2007, the EOEP has been jointly operated by RMA and the Alberta Urban Municipalities Association (AUMA) and has been the go-to source of professional development for elected officials. This program redevelopment ensured that EOEP courses would continue to provide elected officials with the skills and knowledge they need to succeed.

Munis 101 also served an important role in allowing elected officials to meet mandatory training requirements following the municipal election in October 2017. The EOEP offered this two-day course fifteen times in locations throughout the province in late 2017 and early 2018, with approximately 1000 elected officials participating, as well as several hundred municipal employees. Offering a course this frequently was new territory for the EOEP, but its availability was critical to supporting RMA members and all municipal elected officials in accessing training within the 90-day mandatory training period.

To learn more about the EOEP, including future course offerings, visit [EOEP.ca](http://EOEP.ca).

RMA also partnered with AUMA and Infrastructure Asset Management Alberta (IAMA) to develop and deliver asset management training to municipal elected officials and staff across Alberta in spring 2018. The training, funded through the Federation of Canadian Municipalities (FCM) Municipal Asset Management Program (MAMP), was targeted towards rural and urban municipalities in Alberta with little or no progress made in implementing asset management.

The courses designed for elected officials focused on building an understanding of asset management, its importance to informed decision-making, and how councils can serve as asset management leaders in their municipality. Staff courses focused on the basics of implementing asset management, including integrating it into policy and strategy development, gathering baseline data, and developing an initial asset management plan using information most municipalities already have available.

Fifteen courses were offered to elected officials and staff in areas across Alberta, with total attendance of approximately 500.

To learn more about the courses and access the course materials, visit [RMAAlberta.com](http://RMAAlberta.com).







# COMMITTEE PARTICIPATION

Committee participation is at the heart of how RMA advocates. The Government of Alberta and other stakeholders know that if they need the rural municipal perspective on a committee, RMA is the go-to source. As a result, we have highlighted a few of our key committees this year, along with a complete list of all committee participation.

## INFRASTRUCTURE ASSET MANAGEMENT ALBERTA

As asset management grows in importance across Canada, a community of asset management practitioners has emerged in Alberta with the mission of building asset management knowledge and capacity across the province. Several years ago, this community came together to form Infrastructure Asset Management Alberta (IAMA) to provide leadership and support for the management of community infrastructure assets in Alberta.

IAMA's main focus is hosting several workshops each year where those interested in building asset management capacity in their municipality can come together to share information and best practices. IAMA also worked closely with RMA and AUMA to develop and deliver asset management capacity-building workshops across Alberta in early 2018. RMA participates on both the IAMA working group and Board of Directors.

## AGRICULTURE PLASTICS RECYCLING GROUP

This past year, the RMA has taken an active role in the promotion and development of a provincial agricultural plastics recycling program. Plastic use among agriculture producers is increasing as producers have learned of certain advantages that they provide. However, for a number of different reasons, an end of life management plan for these plastics has not previously existed except

for a small number of areas in the province. In collaboration with the Government of Alberta, agriculture producers and retailers, agriculture services boards, recycling organizations, and municipalities, the RMA has supported efforts of the Agriculture Plastics Recycling Group to ensure that agriculture plastics are disposed in a manner that protects environmental and community health.

## RMA CHARITABLE GAMING COMMITTEE

At the Fall 2017 RMA Convention, RMA members asked, through resolution, that the RMA establish a Charitable Gaming Committee that would develop and recommend changes to Alberta's current gaming model. Charitable and voluntary organizations play an important role in all communities in Alberta and these organizations rely, to a certain degree, on revenue generated through charitable gaming.

However, the current gaming model does not equitably distribute revenues to all community organizations and those in rural and remote areas are at a disadvantage. The Charitable Gaming Committee is in the process of identifying a number of recommendation which will be submitted to the Government of Alberta. Thank you to the RMA members that assisted in this important process.

# COMMITTEE LIST

External Relations & Advocacy staff participate actively in the committees listed below:

- Alberta Land Institute Community Advisory Board
- Alberta Municipalities and Cannabis Legalization Roundtable
- Alberta Water Council – Conservation, Efficiency and Productivity Project (CEP) Team
- Alberta Water Council – Lakes Management Working Group & Project Team
- Alberta Water Council – Water Literacy Project Team
- Alternative Transportation for Seniors Advisory Committee
- Cannabis Regulation and Supply Chain Roundtable
- Clean Air Strategic Alliance Non-Point Source Project Team
- Community Emergency Management Program
- Drought and Excessive Moisture Advisory Group
- Elected Officials Education Program (EOEP) Management Team
- EOEP Marketing and Branding Working Group
- FCM Ad Hoc Working Group on Cannabis Legalization
- FCM Municipal Asset Management Program Technical Working Group
- FCM Asset Management Working Group
- Infrastructure and Asset Management Alberta
- Intensive Agricultural Operations Working Group
- Inter-Ministry Tax Recovery Working Group
- Minister’s Awards for Transportation Innovation Review Committee
- Municipal Climate Change Action Centre Steering Committee
- Municipal Dispute Resolution Service Advisory Committee
- Municipal Government Act (MGA) Review
- Municipal Legislation Change Management Partnership Committee (MLCMP)
- Municipal Sustainability Strategy Advisory Committee
- North American Waterfowl Management Partnership (NAWMP) Wetland Education Network Working Group
- North American Waterfowl Management Partnership (NAWMP) Wetland Municipal Engagement Working Group
- North American Waterfowl Management Partnership (NAWMP) Wetland Stewardship and Agriculture Working Group
- RMA/AUMA Joint Operating Committee
- RMA Charitable Gaming Committee
- RMA Resolutions Committee
- Strategic Transportation Advisory Committee
- Technical Working Group for the Proposed Changes to the Remediation Certificate Regulation (Brownfields)
- Multi-Jurisdictional Transportation Routing and Vehicle Information System Advisory Committee
- Watershed Resiliency and Restoration Program Advisory Team





# RMA CONVENTIONS



The Fall 2017 Convention featured six workshops on cannabis, council rules and procedures, asset management, conflict management, economic development, cyber liability, and planning under the revised MGA. RMA members also endorsed eighteen resolutions at the convention, on a wide variety of issues such as farm workplace safety, caribou habitat planning, centralized assessment for industrial properties, and cannabis legalization. The convention was highlighted by addresses from the Ministers of Municipal Affairs, Service Alberta, Seniors and Housing, and the Premier of Alberta, Rachel Notley.

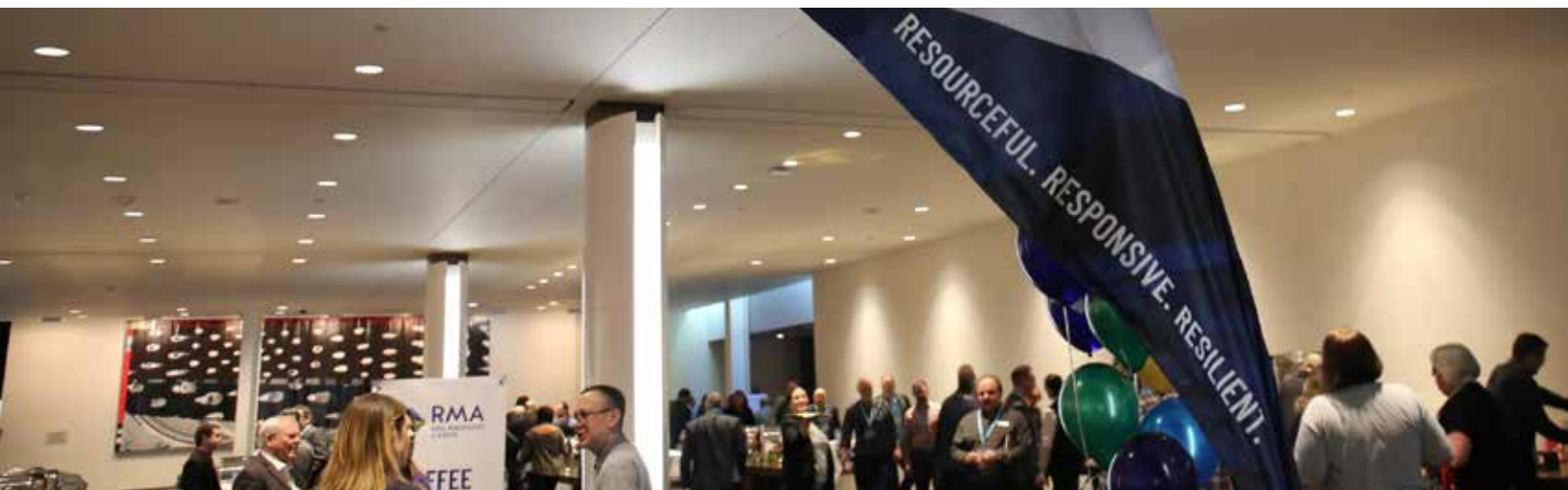




The Spring 2018 Convention featured our annual trade show and was the launch of our new name and brand – the Rural Municipalities of Alberta. The convention also featured addresses from the Minister of Municipal Affairs, the Second Vice-President of the Federation of Canadian Municipalities, and Lauren Sergey. The RMA held workshops on the intermunicipal collaboration toolkit developed by the RMA, cannabis, and an RMA information session. Members endorsed twelve resolutions on topics such as rural crime, recycling, wind energy, and assessment year modifiers for well and pipeline assessments.



Our conventions are excellent opportunities for our members to work with each other, network and learn about how they can improve their communities. We always look forward to bringing rural Alberta's leaders together and we look forward to another great year of conventions. We hope to see you there!



# PRIORITY ISSUES

RMA advocates on a wide variety of issues on behalf of rural municipalities. Since RMA members are responsible for providing a wide range of services and infrastructure, RMA is involved in providing input or collaborating with government on issues in nearly every government ministry. The list below provides some examples of the key issues or projects that RMA has been involved in over the past year. It is by no means exhaustive, but speaks to the diversity of rural municipalities.

## MUNICIPAL FUNDING

As municipalities have limited tools for collecting the revenues they require to provide service and maintain infrastructure, consistent sources of funding from other levels of government are critical to supporting sustainable communities. For the past several years, the Government of Alberta has provided relatively stable funding to municipalities through the Municipal Sustainability Initiative (MSI). However, with MSI scheduled to conclude in the 2020-2021 budget year, RMA has been advocating to the Government of Alberta on

the need to begin discussions on how municipal funding will look in Alberta following MSI's conclusion. In their 2018 budget, the Government of Alberta shared encouraging news about legislating consistent municipal funding that is linked to overall provincial revenues. RMA looks forward to building on these initial plans in the coming year, and will continue to advocate for a collaborative approach to developing an effective municipal funding regime following the conclusion of MSI.

## MGA CHANGE MANAGEMENT

As the MGA review process was completed with the introduction of the revised legislation in 2017, RMA's focus shifted away from providing input into the review and turned to equipping members with the tools and information they needed to adapt to new MGA requirements. Through the use of funding support from Alberta Municipal Affairs, RMA teamed up with AUMA to develop several change management resources for members, including an Intermunicipal Collaboration Framework workbook,

a Guide to Municipal Public Participation and Notification, a Guide to Municipal Council Codes of Conduct, and an updated Citizen Engagement Toolkit. RMA continues to work with AUMA to develop additional resources related to off-site levies, subdivision and development appeal board training, and joint use and planning agreements.





## CANNABIS LEGALIZATION

For the past several years, RMA has been working hard to support its members in preparing for cannabis legalization while providing the rural municipal perspective to both provincial and federal levels of government.

In 2017/18, RMA's work on this issue increased as legalization continued to near. RMA participated on multiple provincially-led roundtables related to how Alberta's legalized cannabis system should

be structured, as well as a Federation of Canadian Municipalities working group tasked with providing oversight for the development of a Canada-wide municipal guide to cannabis legalization. Additionally, RMA continued to advocate to both the provincial and federal governments for the fair distribution of cannabis excise taxes to support municipalities in adapting to legalization, as well as the ability for municipalities to assess cannabis production facilities at levels that reflect their potential impacts on municipal services and infrastructure.

## RURAL CRIME

Property crime has become a major issue in many rural areas of the province, often to the point where it is impacting rural residents' sense of community safety. RMA undertook significant advocacy work on this issue, which in part motivated the Government of Alberta's release of a \$10 million rural crime action plan in March

2018. At this point, it is still too early to determine whether the plan is a success, but early results are promising. RMA also interacted with the Royal Canadian Mounted Police, the Alberta Association of Community Peace Officers, and municipal associations in Saskatchewan and Manitoba to share challenges and strategies to address rural crime.

# RESOLUTIONS

Resolutions form the backbone of how RMA advocates. We take the direction of our members seriously, and strive to prioritize that direction through resolutions. In the following few pages you will find a summary of resolution “wins” from the 2017/18 fiscal year.

## RESOLUTION WINS

Defining resolution “wins” is always tricky, as it typically relies on changes to legislation or how government programs operate. In many cases, RMA makes significant progress on issues identified with resolutions, but not quite enough to declare them as “wins.” Typically, we consider wins to be resolutions in which we are able to define the status based on the government’s response as one of the following:

- ★ Accepted: Government response addresses intent of resolution.
- ☆ Accepted in Principle: Government response indicates progress is being made towards addressing intent of resolution.
- ☆ Accepted in Part: Government response addresses intent of one or more parts of a resolution with multiple requests.

The following resolutions were considered “wins” in 2017/18:



### 4-17S: COLLECTION OF OUTSTANDING TAXES FOR EDUCATION REQUISITIONS FROM THE PROVINCE OF ALBERTA

In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund’s net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued.

This resolution is assigned a status of **ACCEPTED**, and the RMA will continue to work with the Government of Alberta to support the long-term viability of the PERC program and develop other mechanisms to address unpaid linear property taxes.



## 3-16S: RECOVERY OF LINEAR PROPERTY, COMMERCIAL PROPERTY, AND EDUCATION REQUISITION TAX ARREARS

In 2016, Alberta Municipal Affairs had convened an inter-ministry working group consisting of representatives from Municipal Affairs, Energy, Treasury Board and Finance, Education, and the AER. The purpose of this working group was to address the concerns identified in resolution 3-16S and resolution 5-15F. More specifically, the working group explored how the suite of tools available to municipalities to recover unpaid linear property taxes could be expanded, as well as possible legislative or regulatory solutions to relieve or exempt municipalities from paying provincial education property tax requisitions on linear properties in which the municipality has not been able to gather tax revenues from the property owner.

Early in 2017, the working group completed their research and Government of Alberta staff internally developed options for the Minister of Municipal Affairs based on the working group's findings. In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties, may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued. The creation of PERC meets the request in the third operative clause of this resolution.

The Government of Alberta has not amended the Municipal Government Act (MGA) to broaden the tax recovery powers of municipalities, and municipal powers to seize assets to account for unpaid linear property taxes continues to rank lower in priority than that of the AER and other organizations.

Similarly, RMA has received no indication from the Government of Canada of a willingness to amend the federal Bankruptcy and Insolvency Act to place municipal interests above other non-secured interests.

RMA assigns this resolution a status of **ACCEPTED IN PART** and will continue to advocate on all aspects of this resolution.



## 17-15F: COMMUNITY AGGREGATE PAYMENT LEVY RATE AMENDMENT

The Government of Alberta underwent a review of the Community Aggregate Payment Levy (CAPL) regulation alongside other regulations as part of the Municipal Government Act Review process in 2016. The CAPL maximum rate was increased to \$0.40 per tonne of sand and gravel. Though this increased rate may not fully reflect the cost of infrastructure upgrading and maintenance, and inflation, this resolution is assigned a status of **ACCEPTED IN PRINCIPLE** to recognize the rate increase.





## 15-16F: SPECIES AT RISK AND THE NEED FOR AN OVERALL SOCIO-ECONOMIC IMPACT ASSESSMENT

The Government of Alberta response summarizes the work done to date to develop strategies to comply with the *Species at Risk Act* (SARA) as it impacts Alberta's caribou population, and acknowledges that socio-economic impacts of habitat protection formed a component of the recovery planning process. In March 2018, the Government of Alberta delayed the development of caribou range plans to further understand the socio-economic implications of such plans. Though it is unclear if this is emblematic of broader change within the province's processes, it is a recognition of the importance of understanding the impacts of SARA policies on local communities. A socio-economic study of caribou recovery plans is currently underway. Therefore, this resolution is assigned a status of **ACCEPTED IN PRINCIPLE**, and the RMA will continue to monitor the development of the socio-economic study.





## 23-15F: ALBERTA TRANSPORTATION HIGHWAY SIGNAGE

The Government of Alberta response to this resolution indicates that there is limited interest in addressing municipal concerns with unlicensed third-party signage within development zones. RMA hopes that the Government of Alberta reviews these regulations to ensure they properly balance the interests of businesses, municipalities and road users and would look forward to participating in such a process. At a recent meeting with RMA, the Minister of Transportation committed to examining the issue in more detail and following up with RMA on possible solutions.

In April 2018, RMA and Alberta Transportation staff met to discuss the highway signage issue further. RMA and Alberta Transportation plan to collaborate in developing solutions to this issue in the spring of 2018. Based on this commitment from Alberta Transportation, this resolution is assigned a status of **ACCEPTED IN PRINCIPLE**, and the RMA looks forward to collaborating on the issue with Alberta Transportation.



## ER1-17F: SUPPORT FOR TRANS MOUNTAIN EXPANSION PROCESS

The Government of Alberta has been a strong supporter of the Trans Mountain Expansion Project, and has worked to ensure Alberta's natural resources meet tidewater. Based on both the Government of Alberta's response to this resolution and recent comments from the Premier of Alberta and other provincial ministers, RMA is satisfied that the Government of Alberta is sufficiently supportive of this project.

The National Energy Board (NEB) response indicates that because the matters referenced in the resolution are currently before the NEB for decision, the NEB is unable to provide comment. Additionally, RMA has not yet received a response to this resolution from Natural Resources Canada.

The National Energy Board (NEB) response indicates that because the matters referenced in the resolution are currently before the NEB for decision, the NEB is unable to provide comment.

Additionally, RMA is awaiting a response from Natural Resources Canada.

Given that the Government of Alberta's support of the Trans Mountain Expansion Project meets the intent of the first operative clause of the resolution, this resolution is assigned a status of **ACCEPTED IN PART**, and RMA will continue to advocate on this issue at the federal level.



## 5-15F: RECOVERY OF LINEAR PROPERTY TAX ARREARS

In 2016, Alberta Municipal Affairs had convened an inter-ministry working group consisting of representatives from Municipal Affairs, Energy, Treasury Board and Finance, Education, and the AER. The purpose of this working group was to address the concerns identified in resolution 3-16S and resolution 5-15F. More specifically, the working group explored how the suite of tools available to municipalities to recover unpaid linear property taxes could be expanded, as well as possible legislative or regulatory solutions to relieve or exempt municipalities from paying provincial education property tax requisitions on linear properties in which the municipality has not been able to gather tax revenues from the property owner.

Early in 2017, the working group completed their research and Government of Alberta staff internally developed options for the Minister of Municipal Affairs based on the working group's findings. In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties, may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued. The creation of PERC meets the request in the third operative clause of this resolution.

The Government of Alberta has not amended the *Municipal Government Act* (MGA) to broaden the tax recovery powers of municipalities, and municipal powers to seize assets to account for unpaid linear property taxes continues to rank lower in priority than that of the AER and other organizations.

Similarly, RMA has received no indication from the Government of Canada of a willingness to amend the federal *Bankruptcy and Insolvency Act* to place municipal interests above other non-secured interests.

RMA assigns this resolution a status of **ACCEPTED IN PART** and will continue to advocate on all aspects of this resolution.





# COMMUNICATIONS

Communication is at the heart of RMA's advocacy efforts. No matter the positions we develop or the resources we create, if they cannot reach their intended audience, they will not be effective. Not only is communication critical to RMA, it is also complex. RMA communicates with members, stakeholders, and government, all of whom have varying levels of understanding of rural municipal issues. For this reason, we strive to create communication tools that ensure that those that require detailed analysis receive it, while those that only need a quick overview of issues can access that as well. Below are some of the primary communications tools we use and how they support our advocacy efforts:



## POSITION STATEMENTS

RMA'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.



## CONTACT NEWSLETTER

In addition to the member bulletins that provide important information on current issues, Contact also features announcements, reminders, municipal job postings, rural news, and more.



## PRESIDENT'S UPDATE

The President's Update keeps members informed about the work that the RMA Board of Directors is undertaking, and the advocacy issues that are being pursued.



## RURAL CONNECTS

Rural Connects is RMA's issue focused newsletter that is sent directly to the Members of Alberta's Legislature (MLA).



## SOCIAL MEDIA

For the RMA, social media is a great way to communicate important news and events to members, the public, and the media.





**STRENGTH. STABILITY. SERVICE.**

# BUSINESS SERVICES

**Dane Gladden, MBA**

Director of Business Services



The latter part of the 2017/18 fiscal year was defined by the name change to Rural Municipalities of Alberta (RMA). This branding change also gave RMA a branded house in changing Jubilee Insurance to RMA Insurance, PFA Canada to RMA Fuel, and the Trade Division to RMA Trade. These business units are collectively grouped together as RMA Business Services. And while the year was defined by the name change I am going to focus on the program performance. Quite simply RMA Business Services had its strongest year in its 82 year history. This is no small feat, but it is really the strength of the membership's patronage and the RMA team that made this possible. A few of the highlights are below.

- RMA Insurance achieved a record total premium written of \$27 Million while rates remained flat.
- RMA Insurance has provided nearly \$2 Million in RiskPro credits back to members over the last eight years.
- Genesis recorded its largest Total Insured Value at over \$10 Billion.
- The RMA benefits program moved beyond \$18 Million in total premium written.

- RMA Fuel achieved its highest ever fuel volume at over \$62 Million litres.
- RMA Trade moved into Saskatchewan and Manitoba through partnerships with partner associations. Despite beginning mid fiscal year these programs accounted for nearly 5% of total volume.
- RMA Trade achieved a record in traditional volume. While bringing several new programs to the market within the compliance of the CFTA and NWTPA. One such program is the Enterprise fleet program.

It cannot be understated that the true value of the RMA Business Service offerings are the exceptional people. The RMA staff and the truly excellent vendors that we partner with create a winning proposition. This proposition is increasing our value, increasing our volume, allowing us to expand, and in so doing providing a better program for all members.

# RMA TRADE

**Dave Dextraze, CET**  
Manager of Trade

RMA Trade continues to be your trusted procurement partner as we venture into exciting new opportunities and partnerships that promise to provide outstanding value to our members. RMA Trade is proud to credit our success to the members we serve and to the vendors that support the efforts of our members.

In 2017/18, RMA Trade continued to build momentum with easy to use, cost effective purchasing alternatives. This is demonstrated by the increased use of trade programs by our members making 2017/18 the strongest year in RMA Trade's history. RMA Trade has a strong team of dedicated individuals that meet with our members on a regular basis to assist in their procurement needs. Our response to member feedback and the hard work of your Trade Advisory Committee helped to create the basis for unprecedented growth. The Trade Advisory Committee provides guidance on vendor applications, program development, and RMA Trade activities and processes.

RMA Trade's relationship with the Saskatchewan Association of Rural Municipalities (SARM) and the Association of Manitoba Municipalities (AMM) has proven to be beneficial in strengthening trade programs and opening discussions for greater discounts for our members. Thanks to our reputation for keeping pace with growing customer needs and maintaining a competitive advantage, RMA Trade programs are being sought out by associations from other provinces to join in our trade programs.

In 2017/18 the amendment to the Canadian Free Trade Agreement (CFTA) was approved, impacting how RMA Trade operates and requiring new

guidelines for our members. New terms such as "Notice of Planned Procurement" and "Notice of Planned Participation" have become commonplace as our members are required to advertise their intention to purchase from a buying group. These are positive changes that are strengthening RMA's reputation for transparency and accountability.

RMA Trade is excited about our new fleet leasing / management program with Enterprise Fleet Management. This program provides options to renew your fleet through a cost-effective program. RMA Trade continues to work with Sourcewell (formally NJPA) to bring our members a capital purchase program. New additions include fire trucks, medium trucks, distributor trucks, street sweepers, auction services, snow and ice removal equipment and the list keeps growing.

Member interaction continues to be a prime focus for RMA Trade. We appreciated the opportunity to attend various association zone meetings, trade shows, and training sessions co-sponsored by RMA and our vendors. Most importantly, we appreciated your welcoming of our Managers of Client Relations into your offices and shops.

Looking forward to 2018/19, RMA Trade will continue to provide strength, stability, and service for our members. We will provide more trade-compliant programs to enhance value and ease the burden on our members' procurement departments. Communication will improve with development of a new website with a secure member portal and we will always be available to answer any questions or concerns our members and vendor partners may have.









# RMA FUEL

**Tyler Hannemann, BSc**  
Manager of Fuel

2017-18 was successful for RMA Fuel, which was renamed from Prairie Fuel Advisors (PFA) in alignment with the RMA rebrand. With increased marketing efforts and member outreach, we have reached record volumes through the program. As we look forward to the new fiscal year, we will be evaluating the end of our supply contracts which expire July 31, 2019. We do have the option to extend our contracts for one year or to go to market in the spring of 2019. With our continued volume growth, we look to provide fuel and lubricants at a competitive price. RMA Fuel is pleased to report:

- **Business Acquisition and Development:** With the launch the Rural Municipalities of Alberta brand at our spring convention in March, the PFA Canada name and website have been changed to RMA Fuel and RMAFuel.com respectively. With increased collaboration with our partner associations in Saskatchewan and Manitoba, we have seen increased member outreach and exposure to the RMA programs. Eighty per cent of RMA Fuel's volume is from our Alberta membership with the largest growth opportunities coming from our out of province markets.
- **Volume Increases:** For 2017-2018 RMA Fuel facilitated over 62.3 million litres of fuel and lubricant transactions across Canada. This was a 2.0% increase from our previous year's volumes.
- **Increased Marketing / Service Capacity:** We have seen an overall increase in the number of fuel cost analysis completed as well as the ability to respond to more requests for proposals and tenders. In March 2017 we produced our first ever annual report which included an overview of the year along with a forecast for the upcoming year. This report will be coming out in January 2019.
- **Continual System Improvements:** With the rebrand, RMA Fuel looks to improve our website and increase the login functionality for our membership. We hope to allow our members to have access to their invoices and reporting functions.

RMA Fuel's goal as always, is to provide value to our member's through price, administrative ease, and support. We will be in communication with all our members as we move into 2019 and make our way through the RFP process. Thank you for supporting RMA Fuel and we look forward to a new year.





# RMA INSURANCE

**Craig Pettigrew, FCIP, CRM**  
Manager of Insurance

RMA Insurance spent much of 2017/18 refining our insurance program. The focus has been not only to improve our coverage that is offered to our membership, but also to strengthen the program through addressing identified risks, and infrastructure development. Combined, these will each pay dividends in the future, but also can be built upon to ensure continued success.

This past year, RMA Insurance had set some ambitious strategic goals which carried a substantial impact on the program. These goals included:

- Complete Phase 1 of planned Water Asset Appraisal Program

Management recognized that the specialized nature of our member's water assets such as water treatment plants and waste water treatment facilities presented a unique risk to our program. The rapidly evolving technology within these types of infrastructure combined with bylaws changing to tighten standards means that, if a loss were to occur, there are circumstances where a water asset could easily be under-insured. This appraisal program's purpose was to ensure these assets are insured to their actual replacement cost, strengthening the program

- Addition of Cyber Insurance coverage to Genesis Reciprocal offering

Cyber threats are an emerging risk in our society. It appears no industry or group is immune to this exposure. Whether it be as simple as a ransomware attack on an individual laptop or hacking of a groups system, our members are exposed to this threat. In response to this, RMA Insurance added Cyber Insurance to Genesis Liability's program. This was done at no cost to the membership as a value-added benefit for participating in the program.

- Complete Phase 1 & 2 of Agency Insurance Software Implementation

Internally, we chose to adopt a new agency software (FigTree) to manage our insurance policies. We are now taking advantage of the suite of added features that improves efficiencies for both staff and members. This year we completed Phase 1 and 2 of the planned implementation and several product lines of RMA Insurance will be renewed within the system improving our renewal process.

- Develop deductible options for Genesis Liability to create flexibility for members to manage their risks.

Feedback from our membership gave us the direction





that members wanted flexibility within the RMA Insurance program. One way of doing this was to offer the option of choosing larger deductibles to accept more risk, with a subsequent premium reduction. This was completed with the property coverage in 2017 and was added to Liability coverage in 2018. Members taking advantage of this option would see substantial savings in premiums.

- Complete rebrand of Jubilee Insurance Agencies

In line with the rebrand of Alberta Association of Municipal Districts and Counties (AAMDC) to the Rural Municipalities of Alberta (RMA), it was identified that often, stakeholders were not aware of the link between AAMDC and Jubilee Insurance Agencies Ltd (JIAL). The solution was to move to a branded house model to insure the insurance agency was naturally linked to the association. Upon deciding on RMA, RMA Insurance was chosen to replace JIAL. We have now completed the rebrand process.

- Develop a member retention strategy to ensure the long-term strength of

the RMA Insurance program.

Within the public-sector insurance space both within Canada and Alberta, there are several options of insurance available to organizations. This includes both old and new players in the market space, with varying levels of aggressiveness to obtain new business. It is because of this that management chose to develop a retention strategy to ensure our current membership remain stable. This was done through a combination of price benchmarking as well as refining product offerings. It is with this strategy RMA Insurance was able to retain it's largest member in a RFP process, the first reciprocal in Alberta to win an RFP in the last five years.

Going forward RMA Insurance will continue to enhance our program to ensure we are the best in class option for our membership.

# GENESIS RECIPROCAL INSURANCE EXCHANGE

**Duane Gladden, MBA**  
Principal Attorney

The 2017/2018 year was marked by the incredible losses experienced by the insurance industry as a whole. There were hurricanes in the Caribbean, earthquakes in Mexico, and wildfires in BC and California. The losses were enough to alter the soft market that had been yielding low rates, but it is at times like these that a reciprocal like Genesis shows its value. Genesis, building upon years of positive performance, was able to hold the line and ensure that its subscribers felt no impact from these outside forces. Not only were subscribers not impacted on the rate side, but we are also extremely proud that our municipal subscribers were able to receive cyber coverage. This coverage came at no cost to subscribers, included broad wording, and comfortable limits.

To continue its strong trend in performance, Genesis / RMA Insurance continued to host RiskPro events in multiple locations across Alberta. The strength of the Genesis program was once again on display as nearly 85% of values were represented at those sessions. It is through that level of program commitment and buy-in that Genesis will remain strong.

Through the efforts of subscribers and strong internal processes, Genesis has several key achievements.

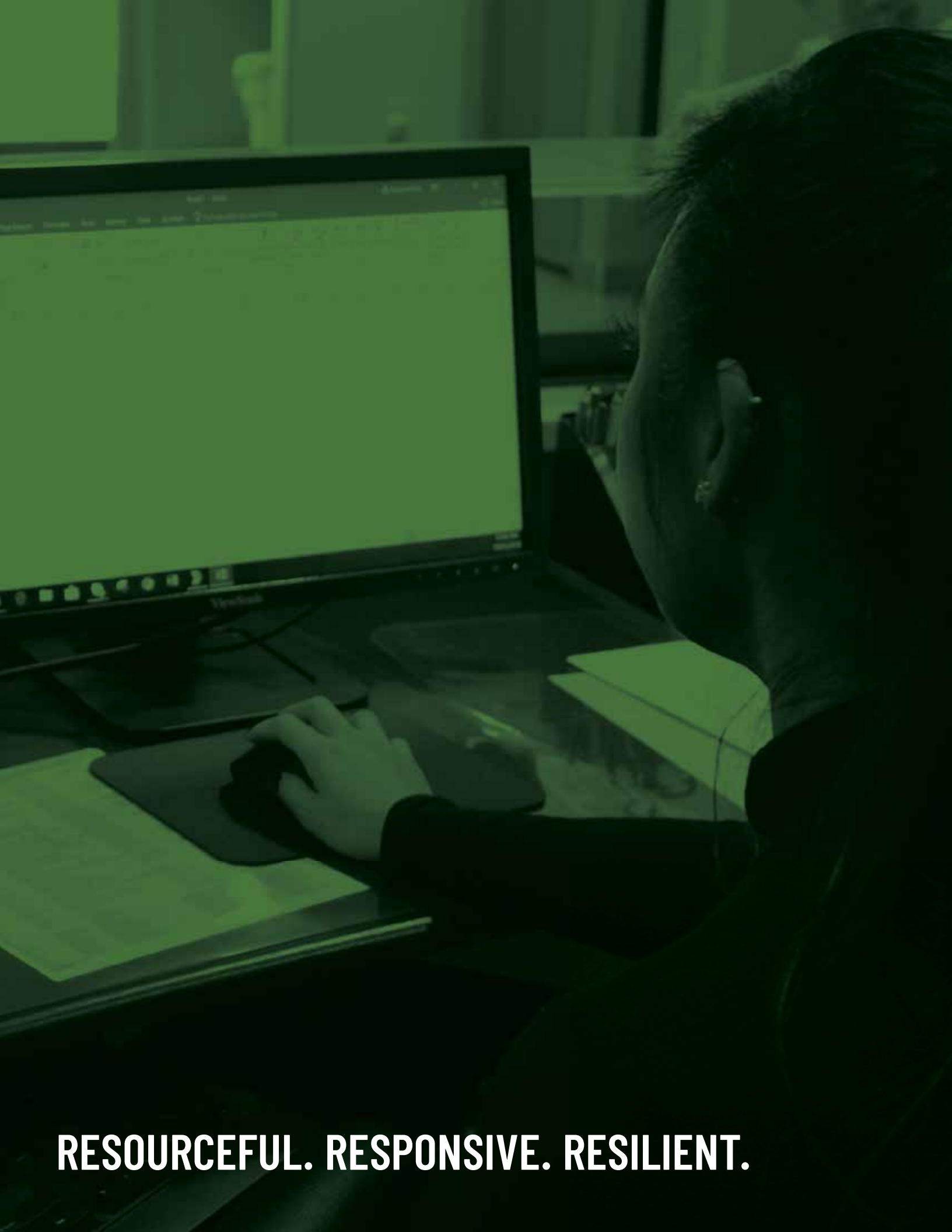
- Genesis continued to outstrip the regulatory and internal targets for capital. Our Minimum Capital Test (MCT) score was 358% for the 2017 year, well above the 210% supervisory target.

- Genesis experienced strong growth in its investment income in 2017 nearly \$1.6M and as a result was able to continue with the program enhancements such as Cyber and its appraisal program.
- Both the property and liability posted strong net incomes, adding to a combined \$3,246,398 net income for Genesis.
- Genesis continues to meet and exceed the requirements of the Office of the Superintendent of Insurance. We continue to be in close dialogue with the Superintendent's office as well to ensure that subscribers are confident in the transparency and regulation.
- The reciprocal continues to experience positive claims development as a result of the strong work of our internal claims team.

Genesis is committed to having very strong property and liability programs that compliment what our subscriber base needs. We are the stewards of a very strong program that is built for and owned by its subscribers, and we feel that all subscribers should see the value of Genesis when compared to the open market. We always want to hear from our subscribers as we truly are in this together.







**RESOURCEFUL. RESPONSIVE. RESILIENT.**

# CORPORATE SERVICES

**Olly Morrison, CPA, CMA**

Director of Corporate Services

The Corporate Services department provides a wide variety of administrative and financial services to all entities within the organization. On behalf of the Corporate Services department team, I am pleased to present some of the successful undertakings over the last year.

The most exciting achievement this year was launched at spring convention. After many months of discussions, consultation, and reflection, our new name was unveiled. The Rural Municipalities of Alberta (RMA) reflects the heart of our association and the pride we have serving rural municipalities in our great province. I want to thank those members who took the time to complete the survey to give us feedback plus everyone in the organization who worked so hard to make this change a resounding success!

This past year has been quiet for Strategic Planning activities and we are preparing for our next cycle that starts at the fall convention.

RMA's priority is to have a high performing and effective workforce. This year we supported the onboarding and placement of new employees in insurance, advocacy, and communications. We also hire summer students to support business services' many summer member activities.

There is never a shortage of updates, replacements, and security measures with our technology. The number of cyber challenges continue to grow; therefore, we continue to put enhanced precautions in place and train everyone to watch out for anything unusual. This year we focused on our website enhancements to align with our name change and implementing new software for RMA Insurance. For next year, we are



undertaking a full technology review to develop a roadmap for future technology investments.

This was an excellent year for RMA and its subsidiaries, RMA Fuel, RMA Insurance and the insurance reciprocal, Genesis Reciprocal Insurance Exchange (GRIE). The financial position of all entities remains strong. We were able to create a new capital reserve, top up our existing reserves, and declare a \$250,000 patronage rebate. A huge thanks to our members who continue to support our programs. Please contact us if you would like a copy of the detailed financial statements and notes.

This year saw significant cross departmental projects to support the association. I am proud to work within a management team and supportive board of directors that believe in making our organization the very best it can be. I am also blessed to work with a fantastic Corporate Services team who support the diverse and changing requirements of each of the departments. Great job!

A handwritten signature in black ink, appearing to read 'O. Morrison', written in a cursive style.



# FINANCIAL OVERVIEW

## RURAL MUNICIPALITIES OF ALBERTA

### FISCAL YEAR ENDING JULY 31, 2018

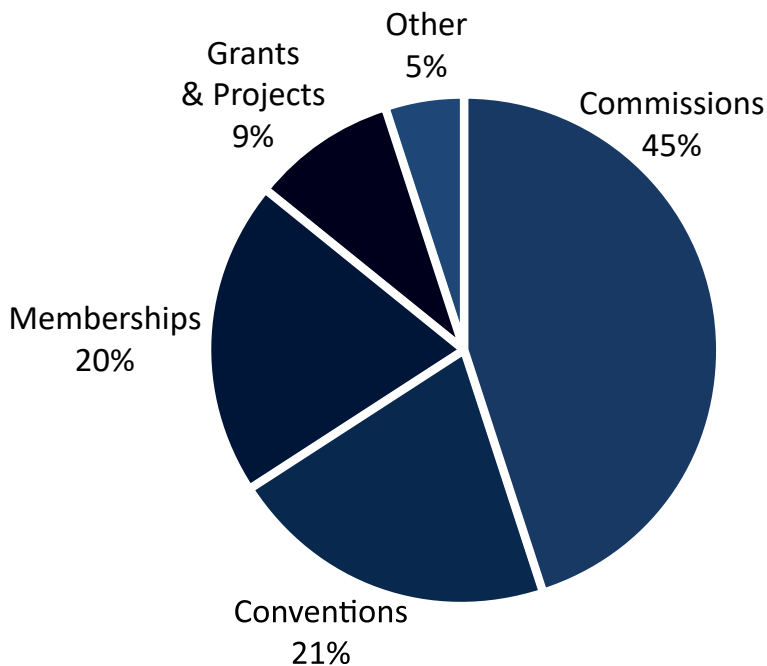
RMA generates income from the Trade program, conventions, and membership fees paid by our members. RMA also receives funding from the Ministry to assist municipalities in different projects. This year, the financial statements show an increase of 30% in the surplus from operations. As always, RMA is member-driven and focused on improving services to it's members.

From a finance and accounting perspective, the Rural Municipalities of Alberta, RMA Insurance Ltd., RMA Fuel Ltd. and the Genesis Reciprocal are

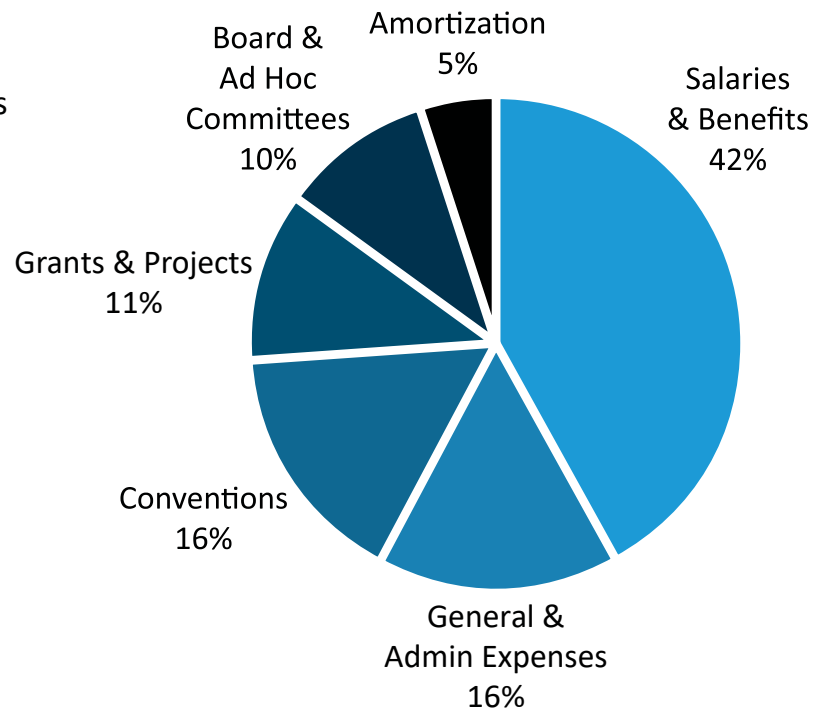
continuously increasing capabilities and prospering under the solid leadership of the Board of Directors as well as the Executive Director, Director of External Relations & Advocacy, Director of Business Services, and Director of Corporate Services.

RMA 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.

### REVENUE



### EXPENSES



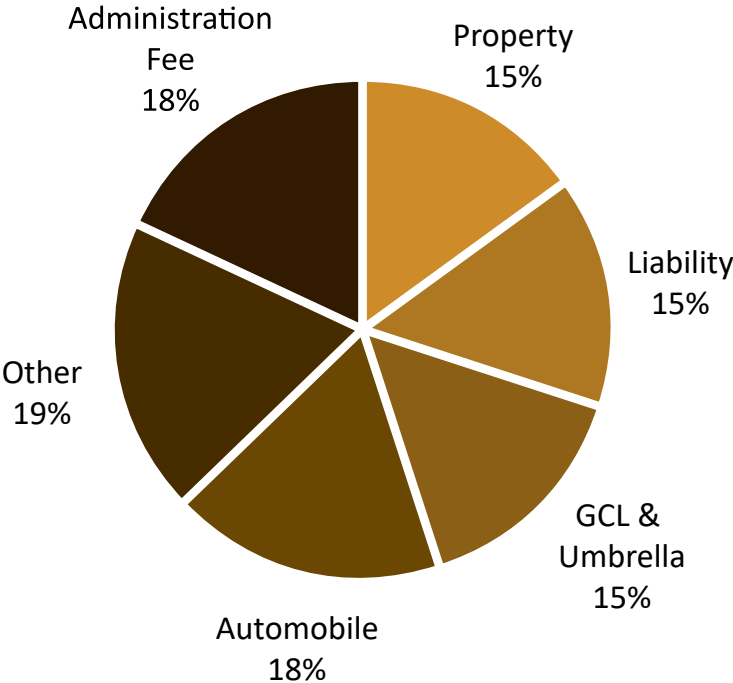
# RMA INSURANCE LTD.

## FISCAL YEAR ENDING JULY 31, 2018

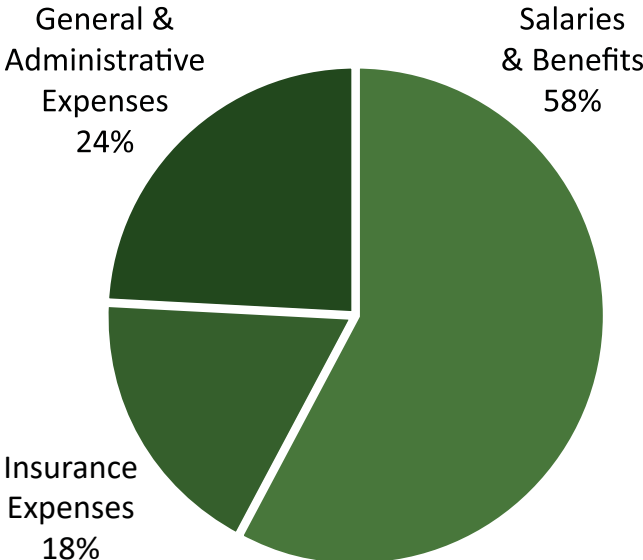
RMA Insurance Ltd. generates income from commissions and administration fees on all premiums paid by our members. We continually strive to find efficiencies and ensure solid

business practices are in place to safeguard the value of RMA Insurance Ltd. to our members. From a finance and accounting perspective, RMA Insurance Ltd. is meeting or exceeding all goals under the solid leadership of the Board of Directors and the RMA Directors.

## REVENUE



## EXPENSES



# SUMMARY FINANCIAL STATEMENTS

## MANAGEMENT'S RESPONSIBILITY

To the Members of Rural Municipalities of Alberta:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgements and estimates, 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 judgement 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 entirely of Directors who are neither management nor employees of the Organization. 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 fulfills 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 Organization'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 24, 2018



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



**Olly Morrison, CPA, CMA**  
Director of Corporate Services



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

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To the Members of Rural Municipalities of Alberta:

The accompanying summary financial statements are comprised of the following:

- The summary statement of financial position as at July 31, 2018 and the summary statement of operations for the year then ended for Rural Municipalities of Alberta (RMA).
- The summary balance sheet as at July 31, 2018 and the summary statement of earnings for the year then ended for RMA Insurance Ltd. (RMA Insurance) and RMA Fuel Ltd. (RMA Fuel).
- The summary statement of financial position as at December 31, 2017 and the summary statement of comprehensive income for the year then ended for 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 24, 2018 (RMA, RMA Insurance, and RMA Fuel) and February 23, 2018 (GRIE). 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 RMA, Canadian accounting standards for private enterprises for RMA Insurance and RMA Fuel, and International Financial Reporting Standards for GRIE. 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 a summary of the audited financial statements in accordance with the disclosed criteria in Note 1.

### *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 Rural Municipalities of Alberta, RMA Insurance Ltd., RMA Fuel Ltd. and Genesis Reciprocal Insurance Exchange for the years ended July 31, 2018 and December 31, 2017 are a fair summary of those financial statements, in accordance with the disclosed criteria in Note 1.

October 26, 2018  
Edmonton, AB

*MNP LLP*

Chartered Professional Accountants

**SUMMARY FINANCIAL STATEMENTS:**

# RURAL MUNICIPALITIES OF ALBERTA

**Audited Statement of Financial Position  
As at July 31, 2018**

	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,274,398	\$ 2,479,343
Cash - restricted	27,934	27,540
Accounts Receivable	5,645,711	4,119,199
Prepaid Expenses	67,311	119,170
	<u>7,015,354</u>	<u>6,745,252</u>
Property and Equipment	2,349,423	2,417,149
Investment in RMA Fuel Ltd.	251,407	-
Investment in RMA Insurance Ltd.	3,589,643	2,777,333
Investment in Alberta Elected Officials Education Program Corp.	4,796	-
	<u>\$ 13,210,623</u>	<u>\$ 11,939,734</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 4,076,117	\$ 3,403,968
Deferred Revenue	354,392	528,114
Deficiency in RMA Fuel Ltd.	-	38,945
Deficiency in Alberta Elected Officials Education Program Corp.	-	6,343
	<u>4,430,509</u>	<u>3,977,370</u>
<b>NET ASSETS</b>		
Net assets invested in property and equipment	2,349,423	2,417,149
Net assets internally restricted	1,000,000	600,000
Unrestricted net assets	5,430,691	4,945,215
	<u>8,780,114</u>	<u>7,962,364</u>
	<u>\$ 13,210,623</u>	<u>\$ 11,939,734</u>

**SUMMARY FINANCIAL STATEMENTS:**

# RURAL MUNICIPALITIES OF ALBERTA

**Audited Statement of Operations  
For the year ended July 31, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>		
Commissions	\$ 2,431,112	\$ 2,156,438
Convention registration and tickets	1,110,358	1,084,079
Memberships	1,060,320	1,055,937
Grants and projects	487,207	2,926
Rental income	221,000	166,000
Sundry income	23,122	17,601
Service charges	4,145	1,607
	<b>5,337,264</b>	<b>4,484,588</b>
<b>EXPENSES</b>		
Salaries, Benefits and Training	2,193,630	2,066,218
Convention	831,904	829,770
Grant and project expenses	575,668	65,431
Board and Ad hoc Committees	537,825	485,400
Advertising and promotion	270,588	121,399
Amortization	264,063	352,695
Computer	145,319	57,020
Professional fees	142,777	176,850
Building operations	126,919	126,668
Automotive	69,009	55,377
Insurance	30,888	30,631
Office supplies	28,717	23,502
Telephone	20,567	16,634
Memberships & subscriptions	14,517	12,234
Interest	7,870	4,975
Postage	6,762	5,719
	<b>5,267,023</b>	<b>4,430,523</b>
Excess of revenue over expenses before other items	70,241	54,065
<b>OTHER INCOME (EXPENSE)</b>		
Increase in equity in RMA Insurance Ltd.	745,431	359,322
Dividends	125,000	125,000
Increase in equity in RMA Fuel Ltd.	95,015	98,186
Other Income	15,203	11,688
Increase in equity in Alberta Elected Officials Education Program Corp.	11,139	11,462
Loss on system conversion	-	(219,799)
	<b>991,788</b>	<b>385,859</b>
<b>Excess of Revenue over Expenses</b>	<b>\$ 1,062,029</b>	<b>\$ 439,924</b>



**SUMMARY FINANCIAL STATEMENTS:**  
**RMA INSURANCE LTD.**

**Audited Balance Sheet**  
**As at July 31, 2018**

	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	899,797	1,070,892
Marketable Securities	1,647,962	1,365,849
Prepaid Expenses	2,099	6,997
Due from RMA	80,909	147,788
Accounts Receivable	116,754	143,537
	<b>2,747,521</b>	<b>2,735,063</b>
Marketable Securities	1,149,228	429,640
	<b>3,896,749</b>	<b>3,164,703</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	203,789	215,645
Deferred Revenue	22,407	23,936
	<b>226,196</b>	<b>239,581</b>
<b>SHAREHOLDER'S EQUITY</b>		
Common Shares	600	600
Retained Earnings	3,669,953	2,924,522
	<b>3,670,553</b>	<b>2,925,122</b>
	<b>3,896,749</b>	<b>3,164,703</b>

**SUMMARY FINANCIAL STATEMENTS:**  
**RMA INSURANCE LTD.**

**Audited Statement of Earnings**  
**For the year ended July 31, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>		
Commissions	3,252,637	2,726,245
Administration Fee	764,046	744,852
	<b>4,016,683</b>	<b>3,471,097</b>
<b>EXPENSES</b>		
Salaries & Benefits	1,888,945	1,636,614
Service Fees	360,000	360,000
Computer & Equipment	350,988	223,082
Risk Pro Premium Credit	114,808	352,684
Risk Pro Program & Seminars	86,961	79,155
Executive (RMA Board allocation)	85,000	85,000
Staff Education & Training	74,094	58,442
Insurance	64,313	58,507
Rent	54,600	54,600
Travel - Automobile & Meals/Entertainment	45,233	40,253
Advertising & Promotion	29,860	31,672
Office Supplies	29,595	18,382
Professional Fees (legal, audit, dues, and banking)	39,595	62,535
Telephone	20,041	15,863
Courier & Postage	7,993	8,633
Bad Debts	5,289	-
	<b>3,257,315</b>	<b>3,085,422</b>
Other Income (Expense)	111,063	98,647
<b>NET EARNINGS</b>	<b>870,431</b>	<b>484,322</b>

## SUMMARY FINANCIAL STATEMENTS:

# RMA FUEL LTD.

### Audited Balance Sheet As at July 31, 2018

	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 863,859	\$ 623,124
Accounts Receivable	4,731,930	3,396,685
Prepaid Expenses	3,281	5,706
	5,599,070	4,025,515
Marketable Securities	48,195	48,867
Due from the Rural Municipalities of Alberta	697,517	892,853
Goodwill	732,688	732,688
	\$ 7,077,470	\$ 5,699,923
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accruals	\$ 6,128,549	\$ 4,846,017
<b>SHAREHOLDER'S EQUITY</b>		
Common Shares	100	100
Retained Earnings	948,821	853,806
	948,921	853,906
	\$ 7,077,470	\$ 5,699,923



## SUMMARY FINANCIAL STATEMENTS:

# RMA FUEL LTD.

### Audited Statement of Earnings For the year ended July 31, 2018

	2018	2017
<b>REVENUE</b>		
Commissions	\$ 643,063	\$ 634,798
<b>EXPENSES</b>		
Salaries, Benefits, and Training	425,861	411,040
Advertising & Promotion	31,234	31,795
Computer	23,925	29,712
Office	22,262	16,024
Rent	14,000	14,000
Professional Fees	12,333	14,579
Travel	11,400	11,890
Insurance	6,500	6,500
Interest & Bank Charges	533	1,072
	548,048	536,612
<b>NET EARNINGS</b>	\$ 95,015	\$ 98,186

**SUMMARY FINANCIAL STATEMENTS:**

# GENESIS RECIPROCAL INSURANCE EXCHANGE

**Statement of Financial Position**

**As at December 31, 2017**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 80,082	\$ 11,399,041
Marketable securities	46,246,697	40,624,075
Insurance balances receivable	11,998,964	4,519,836
Deferred acquisition costs	534,206	1,011,430
Reinsurers' share of unpaid claims	38,106	-
Ceded unearned premiums	272,188	-
	<b>\$ 59,170,243</b>	<b>\$ 57,554,382</b>
<b>LIABILITIES</b>		
Insurance balances payable	\$ 57,797	\$ 100,833
Claims payable reserve	21,885,105	21,224,189
Premium taxes payable	504,911	500,380
Unearned premium liability	10,569,019	10,497,923
	<b>33,016,832</b>	<b>32,323,325</b>
<b>SUBSCRIBERS' SURPLUS</b>		
Retained earnings	26,153,411	25,231,057
	<b>\$ 59,170,243</b>	<b>\$ 57,554,382</b>

**SUMMARY FINANCIAL STATEMENTS:****GENESIS RECIPROCAL INSURANCE EXCHANGE****Statement of Comprehensive Income****Year ended December 31, 2017**

<b>INCOME</b>	<b>2017</b>	<b>2016</b>
Gross premiums written	\$ 12,622,780	\$ 12,509,512
Ceded written premiums	\$ (326,625)	
Decrease (Increase) in unearned premiums	201,092	(6,183,770)
Premiums earned	12,497,247	6,325,742
Net investment income	1,164,780	1,921,422
	13,662,027	8,247,164
<b>EXPENSES</b>		
Losses incurred	10,451,911	4,144,134
Premium tax	474,213	500,380
General and administrative	1,336,325	677,546
Change in deferred acquisition costs	477,224	(354,635)
	12,739,673	4,967,425
<b>OTHER ITEMS</b>		
Bargain purchase upon business combination	-	8,128,512
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>\$ 922,354</b>	<b>\$ 11,408,251</b>

**NOTE 1: CRITERIA FOR SUMMARY FINANCIAL STATEMENTS**

These summary financial statements reflect, with certain lines and numbers aggregated, the main classifications of assets, liabilities, operating results and cash flows presented in the audited financial statements, but exclude all note disclosure required under Canadian accounting standards for not-for-profit organizations (for Rural Municipalities of Alberta), or Canadian accounting standards for private enterprises (for RMA Insurance and RMA Fuel).









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