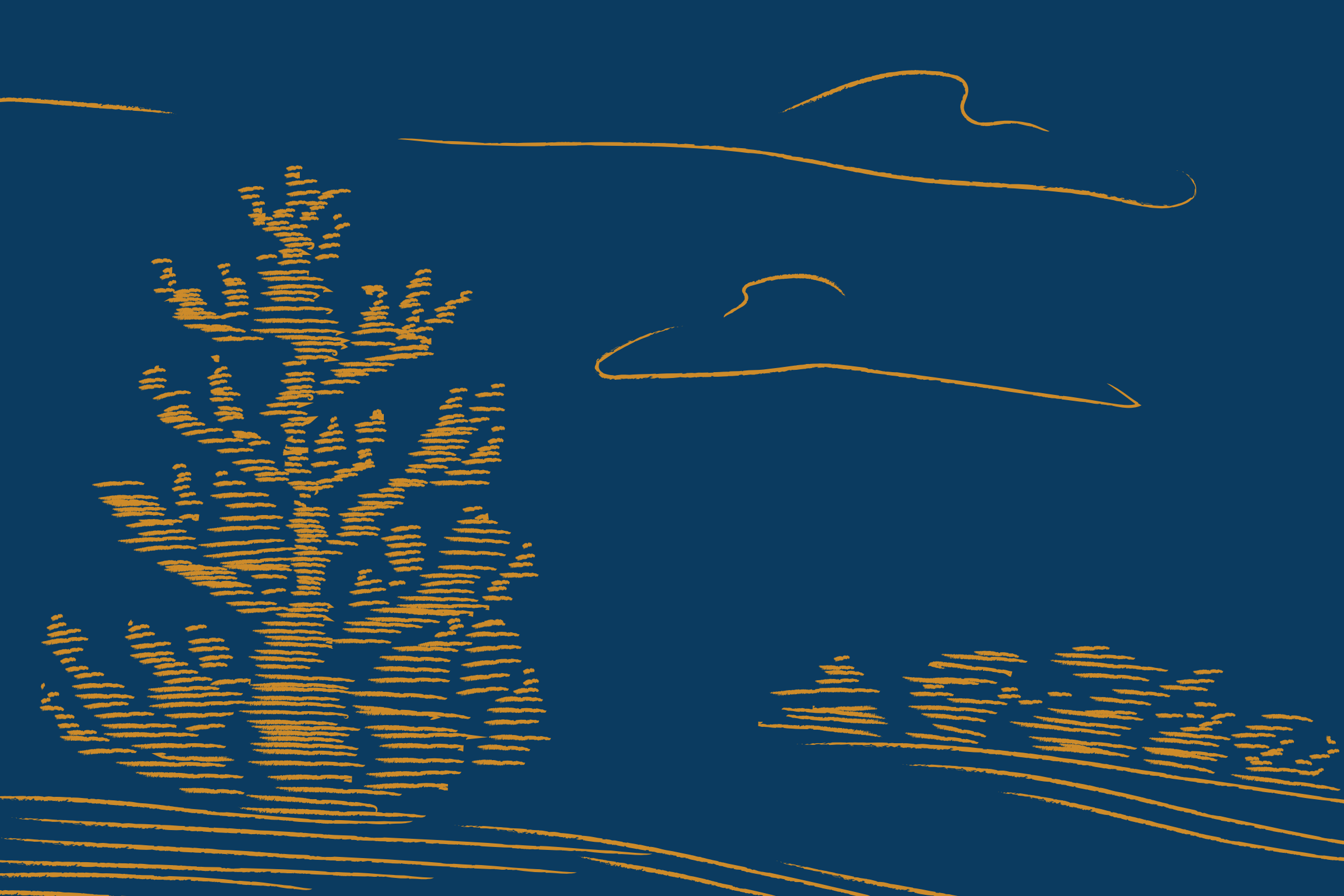


RMA
RURAL MUNICIPALITIES
of ALBERTA

annual report

2022-2023





CONTENTS

INTRODUCTION

4

The Team / 6

Year at a Glance / 9

Message from the Executive Director / 12

Message from the President / 14

Executive Involvement / 16

EXTERNAL RELATIONS & ADVOCACY

25

Message from the Director of External Relations & Advocacy
/ 27

Uniquely Rural / 28

Advocacy Highlights / 29

Studies & Reports / 32

Asset Management Training / 33

Looking Ahead / 33

RMA Conventions / 34

Partner Organizations / 35

BUSINESS SERVICES

37

Message from the CEO of the RMA Group of Companies / 42

Canoe Update / 44

Genesis Update / 45

CORPORATE SERVICES

46

Message from the Director of Corporate Services / 48

Financial Overview / 49

Management's Responsibility / 51

Report of the Independent Auditor on the Summary of Financial
Statements / 52

INTRODUCTION

The Rural Municipalities of Alberta (RMA) is an independent association comprised of Alberta’s 63 incorporated municipal districts and counties, five incorporated specialized municipalities, and the Special Areas Board. Since 1909, the RMA has helped rural municipalities achieve strong, effective local government by providing its members with advocacy and business services.

VISION

Strong, uniquely rural communities and resilient rural lands that support and drive Alberta.

MISSION

Strengthening rural Alberta through effective advocacy and valued services.

VALUES

The RMA is committed to the following values:

- ♦ Leading in a proactive, solutions-focused, and accountable manner.
- ♦ Being relationship-focused and foster collaboration.
- ♦ Interacting with civility as a non-partisan and respectful organization.
- ♦ Communicating with intention and integrity.
- ♦ Continuously improving as an innovative organization.
- ♦ Engaging openly and transparently.

ROLES & STRATEGIC PRIORITIES



1. Effectively Leading the RMA Through Insightful Leadership and Effective Internal Operations

- ♦ Developing the RMA leadership and governance
- ♦ Investing in technology to enhance efficiency
- ♦ Offering professional development opportunities to support learning and growth
- ♦ Continuing to invest in the organization’s culture



2. Championing and Advocating on Municipal and Rural Issues

- ♦ Elevating the rural profile
- ♦ Engaging members to identify emerging issues and needs
- ♦ Applying a rural lens to protect the landscape
- ♦ Advocating on the role rural municipalities play in managing the majority of Alberta’s road and bridge network



3. Facilitating Networking and Educational Opportunities

- ♦ Providing avenues for members education
- ♦ Encouraging member networking opportunities to support capacity building

ROLES & STRATEGIC PRIORITIES (CONT'D)



4. Being a Resource of Credible Knowledge

- ♦ Conducting research to understand issues and support evidence-based decision making
- ♦ Sharing best practices
- ♦ Fostering good governance



5. Delivering Competitive Business Services Including Insurance, Risk Management, and Procurement Expertise

- ♦ Providing procurement expertise and risk management solutions valued by our members to meet their needs
- ♦ Ensuring legislative compliance
- ♦ Providing sustainable service delivery
- ♦ Providing unique alternative risk transfer options
- ♦ Providing services to support rural non-profit organizations



6. Cultivating Strategic and Collaborative Partnerships

- ♦ Fostering strategic partnerships to meet shared goals
- ♦ Continuing to enhance the RMA brand and value proposition to strengthen the organization
- ♦ Identifying opportunity to advance issues through collaboration

THE TEAM

EXECUTIVE

Gerald Rhodes, Executive Director

Susan Valentine, Executive Administrative Coordinator

EXTERNAL RELATIONS & ADVOCACY

Tasha Blumenthal, Director of External Relations & Advocacy

Cindy Carstairs, Administrative & Convention Coordinator

Policy & Advocacy

Wyatt Skovron, Manager of Policy & Advocacy

Karrina Jung, Policy Advisor

Kallie Wischoff, Policy Advisor

CORPORATE SERVICES

Olly Morrison, Director of Corporate Services, Chief Financial Officer

Shannan McAuley, Finance & HR Analyst

Zeeshan Arain, Senior Systems Architect

Vani Gill, Help Desk Support Analyst

Bonnie Michaels, Office Administration / Receptionist

Project Management

Kelsy Propp, Project Manager

Jaldeep Patel, Business System Analyst

Finance

Susan Wolfe, General Manager of Finance

Amrita Kalirao, Financial Analyst

Pam Therens, Financial Analyst

Leona Munro, Accounting Clerk

Sarah Wong, Accounting Clerk

Lien Gomez, Accounting Clerk



BUSINESS SERVICES

Duane Gladden, CEO of the RMA Group of Companies,
Genesis Principal Attorney

Miranda Andersen, Senior Business Services
Coordinator

Legal

Raman Khabra, General Counsel

William Peachman, Acting General Counsel

Hayley Vokey, Legal Counsel

Michele Carroll, Legal Assistant

Marketing & Communications

Brandon Low, Manager of Marketing &
Communications

Bianca Ho, Senior Communications Designer

Hilary Darrah, Digital Communications Specialist

Seun Oloruntegbe, Marketing Content Specialist

Alyssa Soqueña, Visual Communications Designer

Canoe Procurement Group of Canada

Sheila Ashton, Administrative Coordinator

National Partnerships

Dave Dextraze, Manager of National Partnerships

Carolyn Caldwell, Client Relations Manager

Supplier Relations

Tyler Hannemann, Manager of Supplier Relations

Alicia Cormier, Member Services Representative

Kayla Mason, Member Services Representative

Stéphanie Dion, Procurement Manager

Tony De Sciscio, Contract Manager

Fred Krause, Contract Manager

Business Development

Jesse Patenaude, Manager of Business Development

Simon McLinden, Strategic Account Manager

Sarah Hubble, Client Relations Manager

Ainsley Murdock, Client Relations Manager

Kim Thiessen, Client Relations Manager

Ryan Yavis, Client Relations Manager

Andy Saxby, Member Outreach Representative

RMA Insurance

Craig Pettigrew, General Manager of Insurance

Kelsie Leonhardt, Administrative Coordinator

Temí Alao, Risk Advisor

Vay Diep, Risk Advisor

Chris Dyer, Risk Advisor

Mark Sosnowski, Risk Advisor

Member Services

Mallory Gray, Manager of Member Services

Debora Depeel, Member Services Representative

Kerry Dutton, Member Services Representative

Christine Morris, Member Services Representative

Ulan Sango, Member Services Representative

Funmi Omole, Client Relations Manager

Claims

Cameron Vierboom, Manager of Claims

Liz Cook, Senior Claims Examiner

Vanessa Thompson, Senior Claims Examiner

Jennie Woolcock, Claims Examiner

Jim Johnson, Senior Claims Adjuster

Kurt Acham, Claims Adjuster

Victoria Eisener, Claims Adjuster

Melissa Ilmer, Claims Adjuster

Kristen Lewchuk, Claims Adjuster

Sadia Saba, Claims Adjuster

Jamie Sabid, Claims Adjuster



YEAR AT A GLANCE

Q1 AUG - OCT 2022

- ♦ RMA Member Visits
- ♦ Strategic Partners Summit
- ♦ Room to Grow
- ♦ Canoe & RMA Charity Golf Tournament

Q1

Q2

Q2 NOV 2022 - JAN 2023

- ♦ RMA Fall Convention
- ♦ R.W. Hay Award for Rural Administrative Excellence
- ♦ RMA Long Service Awards
- ♦ RMA Advocacy Report Card

Q4

Q3

Q4 MAY - JUL 2023

- ♦ RMA Member Visits
- ♦ RiskPro Communities
- ♦ Canoe & RMA Charity Golf Tournament
- ♦ Canoe University

Q3 FEB - APR 2023

- ♦ RMA Member Visits
- ♦ RiskPro Schools
- ♦ 2023 RMA Spring Convention







GERALD RHODES

MESSAGE FROM THE EXECUTIVE DIRECTOR

Welcome to the RMA Annual Report based on the association's fiscal year – August 1, 2022, to July 31, 2023. This last year was a busy year with so many new things undertaken to conquer the challenges before us and improve as an organization.

A foundational part of the year was strategic planning with the members setting our 2023 – 2027 strategic direction at the 2023 Spring Convention. A noted change was a strong new vision: "Strong, uniquely rural communities and resilient lands that support and drive Alberta". Rural Alberta's unique qualities and contributions are celebrated with this vision, along with highlighting rural municipalities' privilege of fostering and protecting Alberta's lands and landscapes. The members confirmed the RMA's roles as an association and priorities were set. This summer, the RMA board set goals for the new fiscal year and plans were laid. Stay tuned for more!

Governance-wise, we had one new board director, Karen Rosvold from District 4, join the board who hit the ground running. The board as a whole, gelled and worked hard with a busy calendar representing rural Alberta. President McLauchlin, I, and the District Directors took the opportunity to have member visits with member municipalities in all corners of the province this spring and summer. Having missed many of these visits the year before due to COVID we had the opportunity to play catch-up and visit with half the members — the biggest outreach effort in our history! These member visits were a highlight for all of us with incredible learning of local issues, successes, and what makes all our members unique.

The staff side of the organization was very busy with many exciting changes. Continued growth in our Business Services meant new staff in the Canoe Procurement Group of Canada,

RMA Insurance, and Corporate Services to support the work at hand. The walls and roof went up on our Nisku office expansion to house our team and we are looking forward to moving into the building in the new year. We are pleased to report, therefore, that the association is strong both in the advocacy and business services it provides, as well as operationally as our leadership team will speak to.

In this annual report, Director of External Relations & Advocacy Tasha Blumenthal speaks to our advocacy efforts that highlighted the year to meet our role of "Championing and Advocating on Municipal and Rural Issues". After five years of concerted effort by both our members and our staff validating the enormity of the problem, a win was achieved on the unpaid oil and gas property tax issue with work then done to implement the AER and MGA remedies. Important discussions were held around an allocation model for the new Local Government Fiscal Framework funding program. And of course, there was advocacy pertaining to the 2023 provincial election with our Uniquely Rural campaign, election guides, and videos.

Focusing on the association's role of being a "Resource of Credible Knowledge", research and reports were undertaken. This included the report *Municipal Structures – An Alternative Dialogue for Municipalities in Alberta*, the completion of the *RMA Internet Speed Testing Summary Report*, and a provision of resources to members on our RMA Resources for Provincial Police Transition micro website for the provincial engagement on that topic. This and regular bulletins and advocacy updates kept our members informed and knowledgeable.

Facilitating the association's role of "Delivering Competitive Business Services including Insurance, Risk Management, and

Procurement Expertise”, Director of Business Services Duane Gladden talks about how Canoe and RMA Insurance served our members and partners to provide stability to the organization. Our insurance program saw significant growth and initiated many changes to again improve service levels. The Genesis Reciprocal Insurance Exchange continues to grow to stabilize insurance provision to the subscribers being truly the foundation to our amazing RMA Insurance program. Canoe also grew both in Alberta and across Canada, securing our position as one of the top GPOs in Canada — we now have the buying mass of all provinces and territories, excluding Quebec. I am proud of our organization’s partnerships with like-minded organizations across Canada — our clients now include provincial administrations, the smallest community and community group, and the largest city in Canada. From the smallest to the largest, our aggregated buying power for the MASH sector is now second to none, benefiting all users.

Corporate Services Director Olly Morrison shares our financial status and report on how her team supported the organization as it must organize to support the organization’s growth and service improvements. Implementing the role “Effectively Leading the RMA through Effective Internal Operations”, this team works tirelessly in the background with multiple service improvements happening at the same time as it relates to IT, software implementation, and processes. Likewise, our amazing Marketing & Communications department had much to do supporting the organization’s growth and partnerships.

Lastly, to fulfil the role “Facilitate Networking and Educational Opportunities”, all departments within the organization excelled with highlights being member council and staff visits, district meetings, two successful conventions, a RiskPro symposium, supplier education events, and delivery of numerous modules of the Elected Officials Education Program. We facilitated connections, connected, and learned much!

In conclusion, please accept the following pages as the RMA’s yearbook of the year that was. The organization was busy and achieved much. We look forward to reporting this to you.





PAUL MCLAUCHLIN

MESSAGE FROM THE PRESIDENT

First some stats; you have heard it before but, I want to start by putting out the key statistic that tells our story. Rural Alberta represents 15% of the population, 41% of the public and private investment, and 26% of the provincial GDP (2023 numbers still to be confirmed, but it is closer to 28%). Based upon Government of Alberta data from 2022, agriculture contributes \$10.2 billion in GDP and employs 69,000 Albertans, with Alberta being the third largest exporter of agrifood products in Canada. Against this backdrop, we have (as of October 4, 2023) a third of the province with three-year precipitation accumulations subsoil in a drought relative to long-term normal (at a once in 50-year level). This trend is a very serious threat to our rural communities and our agricultural producers. For the rest of the province, 783,000 hectares were burned in the High Level forest area, Slave Lake 429,000 hectares, with Fort McMurray and Edson forest areas of 364,000 hectares and 234,000 hectares respectively. “Alberta just suffered one of its largest wildfire seasons a ‘new reality’: Officials” was a headline in the Edmonton Journal on October 28, 2019. Yes, 2019, after 890,000 hectares burned. As an FYI, the previous record year was in 1981 with 1.4 million hectares burned, which this year has already exceeded (by a million hectares in 2023). Data from Alberta Wildfire shows six of the 10 worst seasons, in terms of area burned, have occurred in the past 10 years. Drought, fire, flood, and plague (crime, addiction, grasshoppers, and the worst plague of all: downloading, has made 2023 is a rough year for rural municipalities.

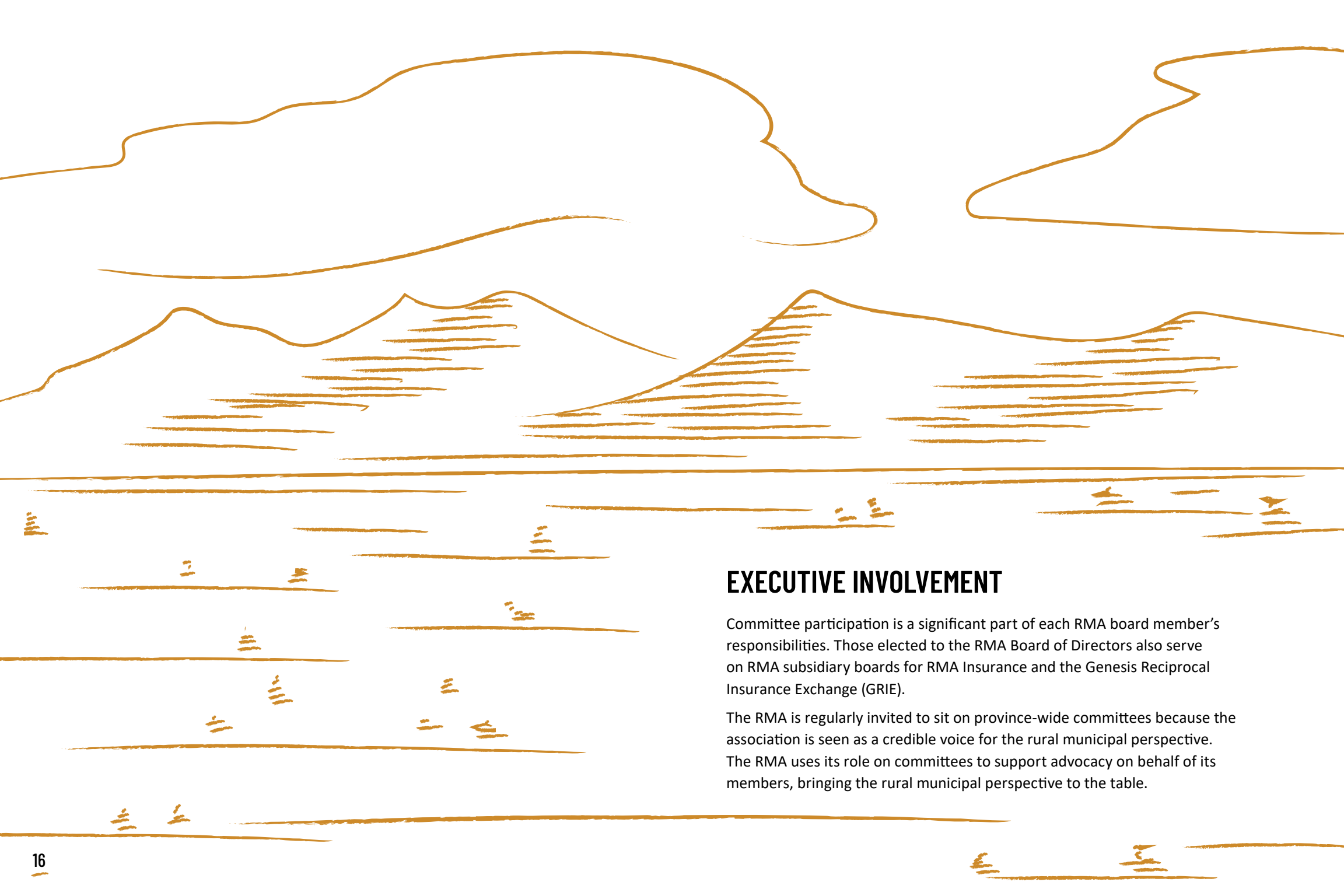
What this information tells us, is that we need local leadership now more than ever. We have seen rural Albertans help one another, and to fight for their communities and their homes. We have also witnessed the quiet resilience and strength that is rural Alberta. Your association, our board, and our team have been inspired by what your communities have done and how you have taken on the other challenges of not only natural disaster, but of supply chain, inflation, continual downloading, and budget squeezes. The RMA will continue to fight the good fight and ensure that we come forth with reasonable solutions and actions that assist others in understanding our issues and our story. We continue to manage with access to only 10% of tax dollars while simultaneously managing 89% of the land base of the province of Alberta. With an average rural municipality equal to approximately 8,000 square kilometers, we carry significant burden in capital and operation infrastructure responsibility. We are constantly asked to do more with less, and we have more responsibilities than any other rural municipalities in Canada. We need the resources to succeed on behalf of all Albertans.

The RMA and our members need to right the ship and to assert that we are the most fiscally efficient form of government. There is no telling what the future holds, but it is no secret that the mid-size cities and the metros are banging their drum very loud. Together, we will ensure that our collective voice is heard and respected. You all work hard for your communities and the RMA board is proud to serve you all. As a professional government relations contact said to me: “The RMA is the most powerful and influential organization in the Province of Alberta and, most respectably, your association does not abuse that power”.

A stylized, handwritten signature in dark ink, appearing to be the initials 'P' followed by a long, sweeping horizontal line.



BOARD OF DIRECTORS



EXECUTIVE INVOLVEMENT

Committee participation is a significant part of each RMA board member's responsibilities. Those elected to the RMA Board of Directors also serve on RMA subsidiary boards for RMA Insurance and the Genesis Reciprocal Insurance Exchange (GRIE).

The RMA is regularly invited to sit on province-wide committees because the association is seen as a credible voice for the rural municipal perspective. The RMA uses its role on committees to support advocacy on behalf of its members, bringing the rural municipal perspective to the table.

Board of Directors



Back (left to right): Jason Schneider, Kevin Wirsta, Kara Westerlund, John Burrows

Front (left to right): Amber Link, Paul McLauchlin, Karen Rosvold



PAUL MCLAUCHLIN

PRESIDENT

Paul was elected as a member of the RMA Board of Directors in 2017 and as President in 2020. Paul is currently the Reeve of Ponoka County, and has served on council since 2007. Paul is involved in numerous committees on behalf of the RMA, including the Federation of Canadian Municipalities National Board of Directors, the Safety Codes Council Board, and the Executive Advisory Group on Designated Industrial Property Assessment.

- ♦ Alberta Emergency Services Advisory Committee
- ♦ Alberta Interim Police Advisory Board
- ♦ Alberta Veterinary Medical Association Working Group
- ♦ Alberta Water Council – Future of Water Management Working Group
- ♦ Alberta Water Council – Source Water Protection
- ♦ Alberta Water Council – Ten-year Water for Life Action Plan
- ♦ Endangered Species Conservation Committee
- ♦ Executive Advisory Group – Designated Industrial Property Assessment
- ♦ Federation of Canadian Municipalities – National Board of Directors
- ♦ Minister’s Advisory Committee on Housing
- ♦ Search and Rescue Alberta Advisory Committee
- ♦ Safety Codes Council Board of Directors
- ♦ Western Canada Municipal Associations

COMMITTEE HIGHLIGHT

Federation of Canadian Municipalities – National Board of Directors

The FCM’s National Board of Directors consists of municipal leaders from across Canada. The Board of Directors sets policy priorities and positions on a range of municipal issues with impacts across Canada.

President McLauchlin’s membership on the Board of Directors is crucial to ensuring Alberta’s rural municipalities have a strong and consistent voice at the federal table. President McLauchlin often collaborates with other board members from Alberta and those representing rural municipalities from other Western Canadian provinces to ensure that the rural lens is applied to FCM position development on a range of issues.



KARA WESTERLUND

VICE PRESIDENT

Kara was elected as the RMA Vice President in 2017 and is currently a councillor with Brazeau County where she has served for nine years. Kara represents the RMA on several committees including the Alberta Recycling Management Authority and Assessment Board, the ALERT Civilian Advisory Committee, and as Chair of the RMA Resolutions Committee.

- ♦ ABmunis-RMA Joint Operating Committee
- ♦ ALERT Civilian Advisory Committee
- ♦ Alberta Police Interim Advisory Board
- ♦ Alberta Recycling Management Authority and Assessment Board
- ♦ RCMP Division Executive Committee
- ♦ Growth Management Board Rural Caucus
- ♦ RMA Resolutions Committee
- ♦ R.W. Hay Evaluation Committee
- ♦ Rural Sustainability Primary Care Task Force
- ♦ Western Canada Municipal Associations

COMMITTEE HIGHLIGHT

ALERT Civilian Advisory Committee

The ALERT Civilian Advisory Committee allows the Alberta Law Enforcement Response Team (ALERT) to ensure its strategies, priorities, and practices are guided by input from key stakeholders, including police commissions, Indigenous communities, elected officials, and community appointments. The committee reviews business plans, budgets, and strategic plans, and receives ongoing progress reports from ALERT.

Vice President Westerlund serves an important role on the committee by voicing rural municipal policing priorities and challenges. Her involvement is crucial to ensuring ALERT approaches organized and serious crime through a rural lens and understands that even criminals based in urban areas often target rural communities.



JASON SCHNEIDER

DISTRICT 1 DIRECTOR

Jason Schneider was elected to the RMA Board of Directors in 2020 and has served as Reeve or councillor at Vulcan County since 2013. Jason represents the RMA on the Provincial Agriculture Service Board Committee, Alberta Riparian Habitat Management Society, Alberta Game Policy Advisory Committee, and chaired the RMA Quasi-Judicial Agencies Member Committee.

- ♦ Agricultural Operation Practices Act Policy Advisory Group
- ♦ Alberta Data Partnership
- ♦ Alberta Interim Police Advisory Board
- ♦ Alberta Riparian Habitat Management Society
- ♦ Alberta Water Council – Improving Drought Resilience in Alberta Through a Simulation
- ♦ ABmunis-RMA Joint Operating Committee
- ♦ Drought and Excessive Moisture Advisory Group
- ♦ Intensive Livestock Working Group Public Trust Project
- ♦ International St. Mary and Milk Rivers Study Board
- ♦ Local Authorities Pension Plan Sponsor Board
- ♦ Mayors and Reeves South District
- ♦ Municipal Excellence Awards Review Committee
- ♦ Provincial Agriculture Service Board
- ♦ RMA Quasi-Judicial Agencies Member Committee (Chair)

COMMITTEE HIGHLIGHT

Alberta Riparian Habitat Management Society

The Alberta Riparian Habitat Management Society (better known as “Cows and Fish”) is an organization that supports a broad-based partnership among industry, environmental, municipal, and other stakeholders to understanding and addressing the impacts of landscape change on watershed health.

Director Schneider serves an important role on Cows and Fish by providing the rural municipal perspective on the local impacts of development on watershed quality and how municipalities make planning and development decisions to support watershed health.



AMBER LINK

DISTRICT 2 DIRECTOR

Amber Link was elected to the RMA Board of Directors in 2020 and has served as Reeve or councillor at Wheatland County since 2017. Amber represents the RMA on the Advanced Care Planning Advisory Committee, Clean Air Strategic Alliance Board of Directors, and the Rural Health Professions Action Plan (RhPAP) Board of Directors.

- ♦ Advanced Care Planning Advisory Committee
- ♦ Alberta Energy Regulator Multi-Stakeholder Engagement Advisory Committee
- ♦ Alberta Water Council Board of Directors
- ♦ Alberta Water Council – Lake Stewardship Ad Hoc Committee
- ♦ Clean Air Strategic Alliance Board of Directors
- ♦ Clean Air Strategic Alliance Dust Management Working Group
- ♦ Mayors and Reeves Central District
- ♦ Municipal Excellence Awards Review Committee
- ♦ Rural Health Professions Action Plan Board of Directors

COMMITTEE HIGHLIGHT

Alberta Energy Regulator Multi-Stakeholder Engagement Advisory Committee

The Alberta Energy Regulator Multi-Stakeholder Engagement Advisory Committee (MSEAC) is intended to allow the AER to engage with stakeholders on issues within its mandate. MSEAC is intended to allow the AER to incorporate the views of stakeholders into its planning and implementation processes.

Director Link's role on MSEAC is to ensure that the AER is aware of rural municipal concerns and perspectives related to the energy project approval process and energy-related issues.



JOHN BURROWS

DISTRICT 3 DIRECTOR

John Burrows was elected to the RMA Board as District 3 Director at the 2021 Fall Convention. He is currently serving in his second term on Woodlands County council, where he was first elected in 2017. John represents the RMA in a range of issues through his committee work on the Agri-Environmental Partnership, the Alberta Municipal Health and Safety Association Board of Directors, and on the Local Authorities Pension Plan Stakeholder Consultation Group. He also plays an active role in the Northwest Caribou Sub-Regional Taskforce for the Chinchaga Planning Area.

- ♦ Agri-Environmental Partnership Board of Directors
- ♦ Agri-Environment Partnership Land Use Framework Working Group
- ♦ Agri-Environment Partnership Water Working Group
- ♦ Alberta Interim Police Advisory Committee
- ♦ Alberta Municipal Health and Safety Association Board of Directors
- ♦ Cancer Strategic Clinical Network Core Committee
- ♦ Forest Resource Improvement Association – FireSmart Advisory Committee
- ♦ Local Authorities Pension Plan Stakeholder Consultation Group
- ♦ Northwest Caribou Sub-Regional Task Force – Chinchaga Planning Area
- ♦ Plastics Alliance of Alberta

COMMITTEE HIGHLIGHT

Alberta Municipal Health and Safety Association Board of Directors

The Alberta Municipal Health and Safety Association (AMHSA) consists of over 300 member municipalities. AMHSA designs and delivers a range of training programs and education campaigns to support safe municipal workplaces.

Director Burrows' role on the AMHSA Board of Directors is to ensure that program and education design takes into consideration the unique safety challenges and considerations found in rural municipal workplaces.



KAREN ROSVOLD

DISTRICT 4 DIRECTOR

Karen Rosvold was elected to the RMA Board of Directors in 2022 and has served on the County of Grande Prairie council since 2016. Karen represents the RMA on committees such as the ASCHA Affordable Housing Taskforce, the Foothills Research Institute, and the Power and Natural Gas Consumers Panel.

- ♦ Alberta First Responders Radio Communication System (AFRRCS) Interoperability and Standards Council
- ♦ Alberta Seniors and Community Housing Association Affordable Housing Taskforce
- ♦ Alberta Blue Cross Nominating Committee
- ♦ Caribou – Berland Task Force
- ♦ FCSS Accountability Framework Steering Committee
- ♦ Foothills Research Institute Board of Directors
- ♦ Northern Alberta Elected Leaders
- ♦ Power and Natural Gas Consumers Panel

COMMITTEE HIGHLIGHT

FCSS Accountability Framework Steering Committee

The FCSS Accountability Framework Steering Committee is intended to foster increased collaboration between the Government of Alberta and FCSS stakeholders by providing input on provincial trends and emerging needs impacting FCSS services, the implementation of a provincewide FCSS Accountability Framework, and other aspects of FCSS service delivery and outcomes.

Director Rosvold provides an important rural voice on the Steering Committee by sharing with senior public service staff from a number of ministries the unique challenges faced by rural FCSS organizations related to resourcing challenges and filling gaps in provincial social services that exist in many rural communities.



KEVIN WIRSTA

DISTRICT 5 DIRECTOR

Kevin Wirsta was elected to the RMA Board of Directors at the 2021 Fall Convention and has served as a councillor at the County of St. Paul since 2017. Kevin represents RMA on several committees, including the Agricultural Plastics Recycling Group, the Drought and Excessive Moisture Advisory Group, and the Agricultural Operations Practices Act Program Advisory Committee.

- ♦ Agricultural Operations Practices Act Policy Advisory Group
- ♦ Agriculture Plastics Recycling Group Advisory Committee
- ♦ Alberta Environmental Farm Plan Advisory Committee
- ♦ Alberta Wastewater Innovation Task Force
- ♦ Drought and Excessive Moisture Advisory Group
- ♦ Intensive Livestock Working Group Public Trust Project
- ♦ Water North Coalition

COMMITTEE HIGHLIGHT

Alberta Environmental Farm Plan Advisory Committee

The Alberta Environmental Farm Plan (EFP) Advisory Committee provides guidance and advice to the Alberta EFP to grow the current system into a non-commodity-specific sustainability designation. This process includes reviewing and recommending changes to the EFP workbook to align with international standards.

Director Wirsta brings his agricultural and municipal experiences to the EFP Advisory Committee to ensure that any changes to the workbook or broader program will support the continued growth and sustainability of the agriculture industry across Alberta.

A series of horizontal orange brushstrokes of varying lengths, creating a textured, painterly effect that tapers to the right.

EXTERNAL

A series of horizontal orange brushstrokes of varying lengths, creating a textured, painterly effect that tapers to the right.

RELATIONS &

A series of horizontal orange brushstrokes of varying lengths, creating a textured, painterly effect that tapers to the right.

ADVOCACY

External Relations & Advocacy Team



Back (left to right): Bianca Ho, Brandon Low, Seun Oloruntogbe, Wyatt Skovron, Kallie Wischoff

Front (left to right): Alyssa Soqueña, Cindy Carstairs, Hilary Darrah, Karrina Jung, Emmannuel Chukwuma, Tasha Blumenthal



TASHA BLUMENTHAL

MESSAGE FROM THE DIRECTOR OF EXTERNAL RELATIONS & ADVOCACY

Our members do incredible things and were at the core of efforts undertaken by the External Relations & Advocacy team in 2022 – 2023.

The advocacy team prioritized the provincial election as an opportunity to advance understanding about the important role rural municipalities play in Alberta. In advance of the election, we were pleased to launch our Uniquely Rural campaign, which provided a great opportunity to tell the story about rural Alberta while highlighting members and their innovative approaches to advance opportunities in their communities. Municipal features were key to the campaign's success, and we truly appreciate our members taking the time to share the amazing things they do to support rural residents and industry.

Continued investment in evidence-based research is an ongoing priority, and this year we released several resources that were developed by the advocacy team to inform our members on a range of issues, including reports on municipal governance structures and a resource to leverage special liens under the MGA. Our members have continued to struggle with challenges related to unpaid taxes from oil and gas operations, and we were pleased to see a policy solution through the AER and MGA amendments to work to address this issue. The last fiscal also included extensive work in developing a proposed allocation formula that would benefit municipalities who need funding most as Local Government Fiscal Framework negotiations commenced. Finally, the advocacy team worked to improve reporting on resolutions to enable members to continue to have access to timely, relevant information on issues that have been identified by the membership.

Our marketing and communications team had a busy year supporting the growth of the Canoe Procurement Group of Canada, and a continued effort to develop materials and resources for RMA Insurance. We are proud of the great work the marketing and communications team has done to support continued success of these business entities that support our advocacy efforts. On the advocacy front, the team enjoyed hitting the road with cameras in hand to meet with members and help tell the story of why our membership is Uniquely Rural.

The RMA is truly a remarkable organization with a respected voice and clear brand. I am incredibly proud to be a part of this team, and of the dedication our staff and board have to support our members.

A handwritten signature in black ink that reads "T. Blumenthal". The signature is written in a cursive, flowing style.



UNIQUELY RURAL

The RMA's External Relations & Advocacy (ERA) department is responsible for undertaking research and analysis and developing positions on a wide range of provincial and federal policy issues with impacts on rural municipalities.

In 2022 – 2023, the RMA team has focused on integrating the "Uniquely Rural" story into its advocacy efforts. RMA members manage large land masses with dispersed populations and high level of industrial activity. These unique responsibilities result in different challenges and opportunities for rural municipalities, as well as different impacts of provincial and federal policy, funding, and program decisions.

While the RMA has always emphasized these differences and their links to the impacts of government decisions, the Uniquely Rural campaign created an over-arching theme that informed all of the RMA's policy work, as well as advocacy campaigns related to the provincial election and other important topics. It emphasized that a one-size-fits-all approach simply doesn't work for municipalities in Alberta and that rural municipalities have unique responsibilities that must be considered by provincial and federal decision-makers.

ADVOCACY HIGHLIGHTS

The RMA advocates in many ways. While official submissions, committee work, and formal meetings with government and other stakeholders are often most visible, the RMA undertakes many different types of projects to support members through education, capacity-building, and other means. The highlights below give a glimpse into some of the many advocacy issues that the RMA has focused on in the past year.

UNPAID OIL & GAS PROPERTY TAXES

The RMA continued to advocate on behalf of rural municipalities for payment of delinquent property taxes from oil and gas companies. An [RMA member survey](#) showed that, as of December 2022, oil and gas companies owed rural municipalities \$268 million in unpaid taxes, which was a 231.5% increase since the RMA issued its first survey in 2018. Since 2018, the RMA has been advocating to the Government of Alberta to provide municipalities with legislative tools to enforce payment of taxes, and to the Alberta Energy Regulator (AER) to not allow companies with outstanding taxes to operate.

In spring 2023, the Government of Alberta issued a ministerial order to the AER. The order issued the AER to require proof of full payment of municipal property taxes prior to issuing a new licence to a company or allowing a company to sell or purchase existing licences. The RMA was pleased with this action after advocating for such a resolution, however the municipal impacts of this order remain unknown. The RMA plans to re-survey members in the coming year to determine how effective the change has been.

LOCAL GOVERNMENT FISCAL FRAMEWORK

The RMA spent much of 2022 – 2023 engaging with the Government of Alberta and ABmunis on the development of an allocation formula for the Local Government Fiscal Framework (LGFF), which will replace the Municipal Sustainability Initiative (MSI) as Alberta's main municipal capital grant program beginning in the 2024 – 2025 fiscal year.

The RMA approached the formula development process with an understanding that, regardless of the formula, the \$340 million in LGFF funding that would be available to all municipalities (aside from Edmonton and Calgary) in 2024 – 2025 was inadequate to support the diverse capital needs of Alberta's municipalities. In fact, both the RMA and ABmunis have called on the Government of Alberta to provide at least \$1.75 billion in annual LGFF funding, which would keep pace with the original MSI commitment made by the province in 2010.

Despite concerns with the overall funding level, the RMA dedicated significant time and effort to proposing a formula that supports both rural and urban municipalities, and considers diverse needs in the province, ranging from municipalities dealing with rapid growth to those with limited capacity to maintain the assets they already have. The RMA's formula was based on factors reflecting the following allocation categories:

- ♦ **Capital stock:** The more capital assets a municipality has, the greater allocation of grant funding should be apportioned.
- ♦ **Capital maintenance:** The more investment that is required to maintain a municipality's capital stock, the greater allocation of grant funding should be apportioned.
- ♦ **Growth pressure:** The greater the relative impact of growth factors external to the municipality's ability to control, the greater allocation of funding should be apportioned.
- ♦ **Fiscal capacity:** The lower a municipality's ability to generate revenue to invest in capital projects relative to other municipalities, the greater allocation of grant funding should be apportioned.

As 2022 – 2023 drew to a close, the Government of Alberta was in the process of developing a formula that would include components proposed by both the RMA and ABmunis. The final formula is expected to be released in fall 2023.



ELECTION ADVOCACY

The provincial election was the RMA's opportunity to kickstart the "Uniquely Rural" campaign. Elections are a rare opportunity to share rural municipal priorities with both new and incumbent candidates from all parties. While the RMA worked hard to build relationships and emphasize key issues with party leaders, the most effective election advocacy often happens locally between member municipalities and local MLA candidates.

The RMA provided members with a local advocacy toolkit consisting of an overview of the RMA's election themes, fillable key message templates to support members in educating candidates on what makes their municipality unique, and suggested approaches to relationship-building with candidates, including formal meetings and letters.

The RMA also sent a Uniquely Rural election package to all candidates. The package included information on the RMA's election themes, including why they are important to rural Alberta and suggested solutions or collaborative opportunities. The package also included an overview of the RMA, including its structure, mandate, membership, and contact information for board members.

The RMA's election themes were:

- ♦ Adoption of a rural lens
- ♦ Municipal funding
- ♦ Municipal access to property tax revenues
- ♦ Municipal autonomy
- ♦ Rural healthcare and social services
- ♦ Rural internet

FEDERAL ADVOCACY

Federal advocacy has become an increasing priority for the RMA, both in terms of increased collaboration with the Federation of Canadian Municipalities and in direct federal advocacy efforts. In November 2022, RMA board members and staff travelled to Ottawa to develop federal connections and enhance the rural portfolio on a national scale. The trip included dozens of meetings with key ministers, MPs, and federal staff.

The RMA has developed several strong connections with federal politicians and staff including Minister of Rural Economic Development, Hon. Gudie Hutchings and Minister of Employment, Workforce Development and Official Languages, Hon. Randy Boissonnault. Further, the RMA presented to the House of Commons and Senate on Bill C-325, *Building a Green Prairie Economy Act*.



The RMA is looking forward to continuing its federal advocacy this upcoming year, with an annual trip to Ottawa and requests for standing on Bill C-325 and Bill C-21, related to possible changes to the federal *Firearms Act*. Staff continues to monitor any opportunity to engage with the federal government and address all federal RMA resolutions.

RESOLUTION ACTION PLAN

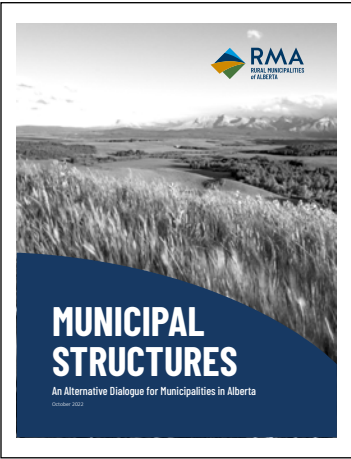
In 2022 – 2023, the RMA prioritized improving its approach to resolution follow-up, management, and reporting. The integration of member and board feedback led to the creation of the Resolution Response Action Plan, which is intended to elevate resolution advocacy processes and reporting.

THE FIVE-STEP ACTION PLAN

1. **Monthly Touchpoints for Active Resolutions:** Select three active resolutions per month for follow-up. Resolutions selected are typically those in which government action has not taken place. Follow-up could take the form of additional research; meetings with the resolution sponsor, government staff, or other stakeholders; or other activities.
2. **Updates Through Monthly Bulletins:** The RMA introduced a monthly resolution update bulletin to keep members consistently informed. The monthly bulletins provided updates on the progress of three active resolutions under focused review.
3. **The Resolution Management Document:** In 2022 – 2023, the team crafted a detailed internal guide to resolution management. This document has since served as an actionable framework, ensuring that both current and successive RMA teams approach resolutions with greater precision and clarity.
4. **Improved Reporting to RMA Board of Directors:** The advocacy team focused on improving resolution progress updates to the RMA Board of Directors to ensure they are regularly informed of actions being undertaken on resolutions.
5. **Proactive Plans for New Resolutions:** Over the past year, the team crafted a strategic action plan specifically designed for newly-adopted resolutions (those endorsed at the most recent convention). This initiative has empowered the to undertake timely research and execute targeted follow-up activities immediately after resolutions are endorsed.

STUDIES & REPORTS

Each year, the RMA produces several studies and reports on issues of particular importance to members or requiring in-depth research and analysis.



MUNICIPAL STRUCTURES: AN ALTERNATIVE DIALOGUE FOR MUNICIPALITIES IN ALBERTA

Municipalities in Alberta have several tools to address fiscal and service delivery challenges, as well as to collaborate with municipal neighbours. One option is to pursue amalgamation, annexation, or dissolution. While these processes can be valuable in certain circumstances, they bring with them substantial impacts as they alter municipal structures and boundaries.

In 2022, the RMA released *Municipal Structures: An Alternative Dialogue for Municipalities in Alberta*. The study examines various municipal structural changes through the lens of municipal challenges and problemsolving. The report provides an overview of how Alberta’s municipal roles and structures have changed over the years, and how municipalities can consider whether structural change is a viable solution to present problems or challenges. The study is accompanied by a [self-assessment tool](#) that municipalities are encouraged to use, either individually or with their municipal neighbours, to identify emerging challenges, the factors influencing them, and the development of solutions.



THE MGA SPECIAL LIEN: WHAT IT IS AND HOW TO USE IT

In 2021, the Government of Alberta amended the *Municipal Government Act* to clarify that municipalities could apply a special lien to unpaid property taxes on linear and machinery and equipment property. While the province promoted this amendment as a major step towards empowering municipalities to enforce payment of oil and gas property taxes, rural municipalities were typically unsure if and how they could use this new legislative tool.

In response to municipal requests for clarity on how to implement special liens, the province provided the RMA with a grant to develop a guide and associated training on the special lien. The RMA partnered with Brownlee LLP to develop *The MGA Special Lien: What it is and how to use it*, which explains what a special lien is, its potential benefits in supporting municipal tax recovery, how it can be used in conjunction with other tax recovery tools, and various scenarios in which it may or may not be effective. The guide’s development was informed by input from three rural municipalities that were dealing with unpaid tax challenges, which ensured the information provided was based on actual municipal experiences. Following the release of the guide, the RMA and Brownlee held two webinars to walk members through the guide and answer any questions about special liens and unpaid taxes.

ASSET MANAGEMENT TRAINING

The Federation of Canadian Municipalities administers the Municipal Asset Management Program (MAMP) on behalf of the Government of Canada. MAMP has provided funding to municipalities and associations across Canada to build asset management capacity for nearly a decade, but the program is coming to a close in October 2023.

The RMA received MAMP funding in partnership with ABmunis and Infrastructure Asset Management Alberta (IAMA) to offer four different asset management capacity-building activities to municipal elected officials and staff across the province. All four activities were successful in improving participant understanding of asset management and contributing to increased asset management capacity. The training offered in 2022 – 2023 builds on three previous offerings co-delivered by the association over the past several years.

Although these activities are coming to a close, the resources developed will remain available for all municipalities to access. The RMA will continue to support asset management practices in Alberta as these are vital to the sustainability of rural communities.

LOOKING AHEAD

The RMA's External Relations & Advocacy team have many projects underway that will be wrapping up in the coming months, including the following:

- ♦ The RMA partnered with the University of Alberta's Centre for Sustainable Resources to develop a report that outlines the issues faced in local rural Family and Community Support Services (FCSS) programs and recommendations for what can be done to alleviate these concerns.
- ♦ The RMA formed the Quasi-Judicial Agencies Member Committee to gather information on several quasi-judicial agencies in Alberta, particularly how their approval processes impact rural municipal land use planning. The committee is using this information to create an outline for the final report that will be released leading up to the 2023 RMA Fall Convention.
- ♦ As rural municipalities continue to face challenges in absorbing dissolved small urban municipalities, the RMA has undertaken a study to better understand the actual financial and non-financial impacts of the post-dissolution process. This includes costs related to inherited infrastructure deficits as well as less visible impacts related to governance, service delivery, liability, and other areas not currently tracked in a consistent manner, but with very real impacts on rural municipalities.
- ♦ The RMA is developing a study examining the impacts of the federal carbon tax on rural municipalities and rural Alberta households. The study, actioned through Resolution 2-22S, examines whether the sparseness and large geography of rural Alberta results in disproportionate carbon tax costs linked to both municipal operations and the day-to-day realities of rural life.

The RMA continues to monitor and analyze key policy developments. In the coming months, the RMA expects to see movement in the implementation of changes to the *Police Act*, details on municipal requirements and timelines for Extended Producer Responsibility (EPR), the commencement of the assessment model review, and many others.

RMA CONVENTIONS

Twice a year, the RMA brings together rural municipal councillors, administrative officials, stakeholder representatives, and government partners to share ideas and build relationships. As always, the 2022 Fall and 2023 Spring Conventions featured great speakers, engaging workshops, and fun networking opportunities.

The 2022 Fall Convention featured a tradeshow with over 100 vendors offering a wide range of municipal services and products. On the same day, the RMA hosted its first ever Women in Local Leadership Networking lunch, providing municipal leaders and chance to discuss some of the challenges women face in participating in municipal government and how they can be addressed.

2022 Fall Convention speakers included the Alberta Energy Regulator, Rural Development Network, Nurse Practitioners Association of Alberta, RCMP, and many others. Workshops focused on diverse topics such as collaboration in rural healthcare, tax recovery tools, municipal restructuring, public relations strategies, and more. A whopping 22 resolutions were endorsed at the convention on issues such as impacts of renewable energy projects on agricultural land, rural school sustainability, rural mental health issues, gravel pit reclamation, and many more.

The 2023 Spring Convention featured workshops on intermunicipal collaboration frameworks, renewable energy project approvals, cyber security, and rural veterinarian shortages. The excellent roster of plenary speakers included the Economic Developers of Alberta, Canadian Association of Petroleum Producers, and Alberta Centre for Sustainable Rural Communities.

RMA members endorsed 18 resolutions on issues such as bail system reform, victims services delivery, rural cellular service, and funding for municipal infrastructure projects.



PARTNER ORGANIZATIONS

In addition to its core advocacy function, the RMA is directly involved in the operation of the [Elected Officials Education Program \(EOEP\)](#) and the [Municipal Climate Change Action Centre \(MCCAC\)](#). While the purposes of these organizations are very different from one another, both demonstrate how the RMA supports its members in collaboration with key partners.

EOEP

The Elected Officials Education Program (EOEP) is a joint initiative between the RMA and Alberta Municipalities (ABmunis) that provides municipal elected officials in Alberta with high quality educational opportunities. In the 2022 – 2023 fiscal year, EOEP offered courses on topics such as strategic planning and regional partnerships and collaboration.

By completing all seven EOEP courses, participants will earn a [Municipal Elected Leaders Certificate \(MELC\)](#) which is offered in partnership between EOEP and the University of Alberta's Augustana Extended Education program. The MELC will recognize an elected leader's commitment to ongoing education in pursuit of high-quality service to their community.

A new EOEP course focused on effective meetings has also been in the works throughout 2022 – 2023. This course will debut at both the ABmunis and RMA conventions in fall 2023.

MCCAC

The Municipal Climate Change Action Centre is a partnership of Rural Municipalities of Alberta, Alberta Municipalities, and the Government of Alberta. The Action Centre provides funding, technical assistance, and education to municipalities and community organizations, helping lower energy costs, reduce greenhouse gas emissions, and improve climate resilience.

In 2022 – 2023, the Action Centre successfully subscribed every open program and secured \$28 million in new funding through the Government of Alberta's TIER Fund to continue the Action Centre's vital support for energy efficiency, renewable energy, and climate resilience.

Fully subscribed programs included the \$3.4 million Electric Vehicle Charging Program and the Electric Vehicles for Municipalities Program. Red Deer County took advantage of both, purchasing a Kia Niro EV and level 2 charging stations that will serve the county's fleet well into the future.

Other municipalities secured funding to prepare for the impacts of climate change through the \$4.5 million Climate Resilience Capacity Building Program. The Town of Coaldale and Lethbridge County collaborated to commission a Climate Change Resilience Assessment and Stormwater Master Plan.

The Action Centre also launched its first program for elected officials: The Alberta Municipal Climate Leadership Council, a network of peers who share an interest and commitment to climate action at the local level. Council members began to meet quarterly in 2023 to share resources, learn from peers, and gain tactical support aimed at accelerating climate action.





BUSINESS



SERVICES

Business Services Management Team



Left to Right: Dave Dextraze, Jesse Patenaude, Raman Khabra, Mallory Gray, Duane Gladden, Craig Pettigrew, Cameron Vierboom, Tyler Hannemann, Brandon Low

Canoe Team



Back (left to right): Jesse Patenaude, Tony De Sciscio, Ryan Yavis, Simon McLinden, Andy Saxby, Duane Gladden, Brandon Low, Stéphanie Dion, Seun Oloruntegbe, Carolyn Caldwell, Fred Krause

Front (left to right): Ainsley Murdock, Sarah Hubble, Sheila Ashton, Kim Thiessen, Tyler Hannemann, Dave Dextraze, Kayla Mason, Alicia Cormier, Bianca Ho, Miranda Andersen, Jordon Felker, Jeff Nichol, Kelly Clarke

Insurance Team



Back (left to right): Kurt Acham, Kristen Lewchuk, Cameron Vierboom, Mark Sosnowski, Victoria Eisener, Jamie Sabid, Duane Gladden, Craig Pettigrew, Susan Wolfe, Michele Carroll, Kelsie Leonhardt, Raman Khabra, Hayley Vokey, Jim Johnson

Front (left to right): Miranda Andersen, Debora Depeel, Temi Alao, Chris Dyer, Sadia Saba, Vay Diep, Jennie Woolcock, Funmi Omole, Christine Morris, Melissa Ilmer, Amrita Kalirao, Mallory Gray, Kerry Dutton, Ulan Sango



Left to Right: William Peachman, Hayley Vokey, Raman Khabra, Michele Carroll



DUANE GLADDEN

MESSAGE FROM THE CEO OF THE RMA GROUP OF COMPANIES

As we mark the end of another remarkable fiscal year, I want to express my deepest gratitude to our members, subscribers, suppliers, contract partners, and all other stakeholders who have played an integral role in making the 2022 – 2023 fiscal year a resounding success for RMA Business Services. Your unwavering support and commitment to cooperative procurement and pooling insurance risks have been instrumental to our achievements. I'll provide brief updates on RMA Business Services' three divisions – Canoe, RMA Insurance, and Genesis – along with the Canoe Benefits Program.

The Canoe Procurement Group of Canada once again proved its mettle as a leader in the procurement landscape. We proudly welcomed a new partner association: the Nunavut Association of Municipalities (NAM), further expanding our national reach. Our total revenue for the 2022 – 2023 fiscal year exceeded \$535 million, with a remarkable 9.96% growth in our trade program and a 22% increase in affinity programs, such as the Energy, Benefits, and Capital Purchasing programs. We saw substantial growth in key markets like Ontario, British Columbia, and New Brunswick, allowing Canoe's net income to grow 10.65% over budget and 7.33% over the previous fiscal year. We've expanded our Canoe team, led by dedicated individuals like Tyler Hannemann, Dave Dextraze, and Jesse Patenaude, who have all contributed to these milestones.

Similarly, our Canoe Benefits Program also experienced substantial growth in the 2022 – 2023 fiscal year. With a total premium of \$51 million, 102 clients, and 7,200 lives covered, we've solidified our role as a trusted partner in safeguarding our members' well-being. We've attracted new clients in the

large market segment and continue to emphasize our role as an invaluable education resource for members.

RMA Insurance also experienced significant growth during the 2022 – 2023 fiscal year. We now provide 28 different policy types to 3,600 members. Our team has grown in expertise and experience, with our primary claims adjusting team now in-house, ensuring localized service excellence. Our member services and risk advising teams are also now fully staffed. I want to acknowledge Craig Pettigrew's work in building this team and for his dedication to growing RMA Insurance. We added three school boards to our portfolio this policy year, with all three selected for their effective risk management, positive loss history, and data quality. As a result, we saw a revenue growth of 15.9% over the previous year, with the total premium written exceeding \$40.6 million. As part of our risk management efforts, we distributed \$579,789 in RiskPro credits, bringing the total amount distributed in the last eleven years to over \$3.9 million. We have also obtained approval to expand into Atlantic Canada.

The Genesis Reciprocal Insurance Exchange grew in the 2023 fiscal year, with a total premium volume exceeding \$25.8 million and a 2.7% yield on the investment portfolio's required capital. Despite an initial unrealized loss in the portfolio, the market rebounded in 2023, putting us in an unrealized gain position. Genesis experienced a 73% combined operating ratio outside the investment environment due to lower claims and administrative costs. The reciprocal achieved a positive Minimum Capital Test (MCT) rate of 361%, ensuring program stability. The 2022 comprehensive net income of \$2.6 million includes the increase in claims reserves estimates and the unrealized loss of the investment portfolio. Removing those factors, the net


operating income was \$13.4 million available to administer the growth in the programs and increased value-added services to Genesis subscribers. Genesis also established an Environmental, Social, and Governance (ESG) committee, reaffirming our commitment to sustainability and community support. Genesis assisted in wildfire relief efforts by contributing food and sweat equity to select food banks in the province to combat growing food insecurity.

Once again, I want to emphasize how important the continued support of our members and partners is to the Business Services team. It is a privilege to serve you, and we are dedicated to earning your ongoing trust. Together, we form a collaborative unit stronger than the sum of its parts. In the coming year, we plan to explore options for wildfire defence, further improve our service benefits, and emphasize social procurement initiatives. We are excited about the year ahead and look forward to building closer relationships with all our stakeholders.



CANOE UPDATE

Canoe Energy Program




6 new fuel members




56,653,641.72 litres sold


Canoe Benefits Program



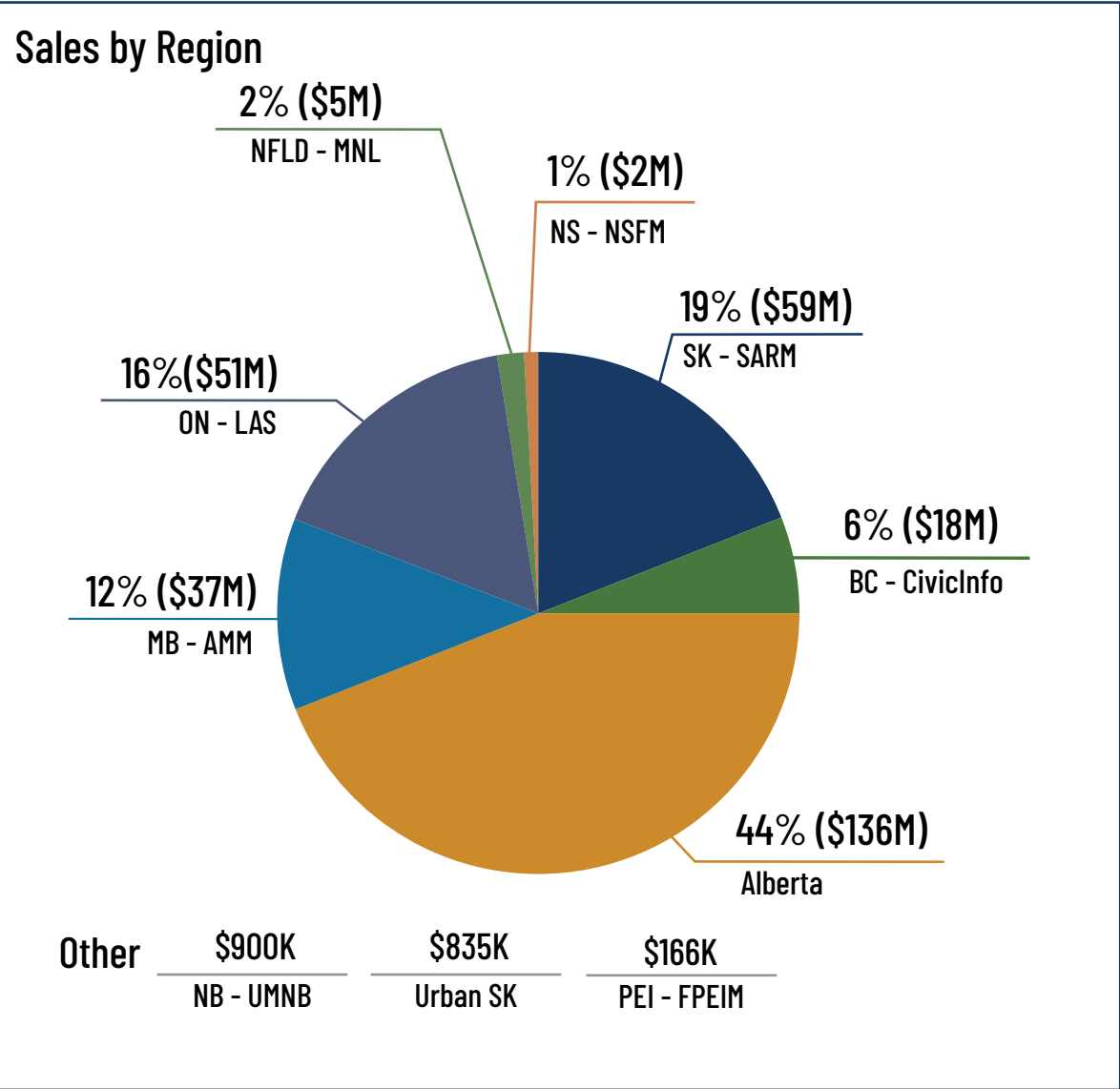
Estimated Total Premium / Premium Equivalent (ASO)
\$51 million



Aggregate Cost Savings
Prospect marketings (1st Quote): 12% average on first quote
Current client renewals: 5 to 7% off proposed average on first quote



Lives in Program
7,200 lives in program
4,102 clients

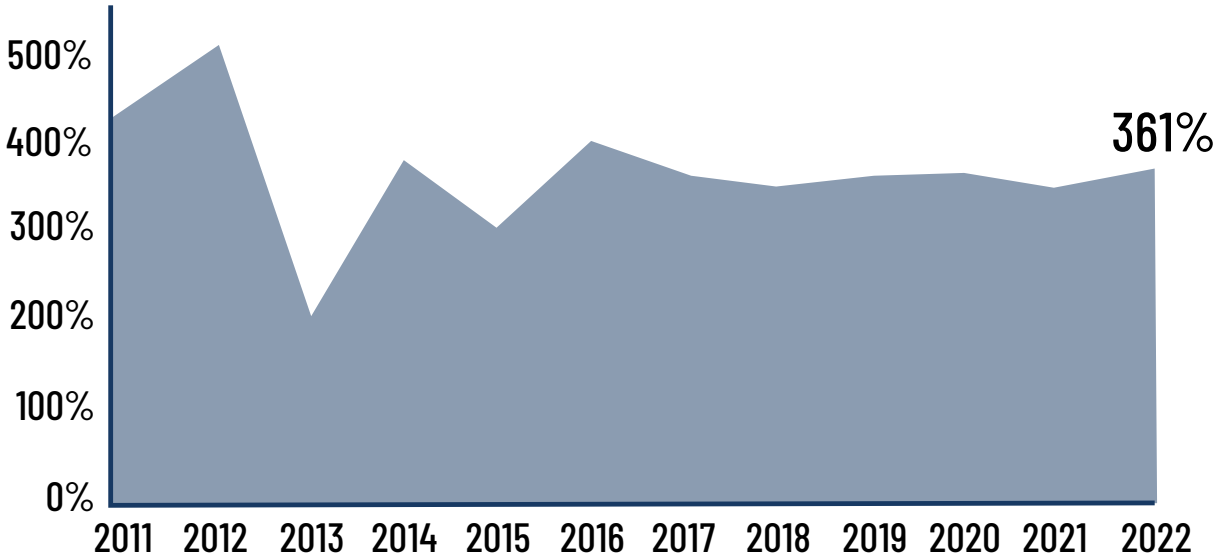


GENESIS UPDATE

- ◆ Genesis loss ratio per P&C-1:
 - ◇ 87.35% property
 - ◇ 80.14% liability
 - ◇ 88.71% auto
- ◆ Total Premium \$28,184,171
- ◆ 11,765 vehicles
- ◆ % growth in TIV = 15.59% (\$2.131M)

MCT TRENDING

as at December 31, 2022



A horizontal orange brushstroke graphic with multiple overlapping strokes, positioned behind the word 'CORPORATE'.

CORPORATE

A horizontal orange brushstroke graphic with multiple overlapping strokes, positioned behind the word 'SERVICES'.

SERVICES

Corporate Services Team



From left to right: Sarah Wong, Amrito Kalirao, Bonnie Michaels, Muhammad Rashid, Kelsy Propp, Zeeshan Arain, Olly Morrison, Susan Wolfe, Shannan McAuley, Pam Therens, Lien Gomez, Vani Gill, Leona Munro, Jaldeep Patel



OLLY MORRISON

MESSAGE FROM THE DIRECTOR OF CORPORATE SERVICES

The RMA Corporate Services team has had another fantastic year. The team takes care of all the core services to support this exciting and growing organization. Human resources, information technology, and finance eagerly adjust to the demands of this vibrant group.

Technology is a key foundation to every area. The continued growth in the Business Services areas requires adjusting our information technology approach and support. Some key areas of development relate to robust reporting, streamlining processes, and enhancing our fuel invoicing. Whether it be ensuring our hardware is up to date or determining how to harness the power of artificial intelligence, the team is always excited to find innovative ways to support the operations.

The Canoe Procurement Group of Canada continues to extend its reach across the country. The team takes pride in working with both members and suppliers to provide this valuable service. The growth does put pressure on our resources to handle the increasing volume of invoices. Boosting our efficiencies and systems prepare us for continued growth.

Our human resources area has been extremely busy. There have been significant recruitment efforts to find the right people whose first thoughts are how to best serve our members. We have been delighted to employ highly skilled professionals who can foster collaborative partnerships. The joy of the RMA family is to work together to find the very best solutions possible.

This was another excellent year for the RMA, its subsidiary RMA Insurance, as well as the Genesis Reciprocal Insurance Exchange (GRIE). The financial position of all entities remains strong. 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.

I am blessed to work with a dedicated and nimble Corporate Services team who support the dynamic and diverse departments. The team responds to every challenge with knowledge and integrity. We look forward to another outstanding year.

A handwritten signature in black ink, appearing to read 'Olly Morrison'.

FINANCIAL OVERVIEW

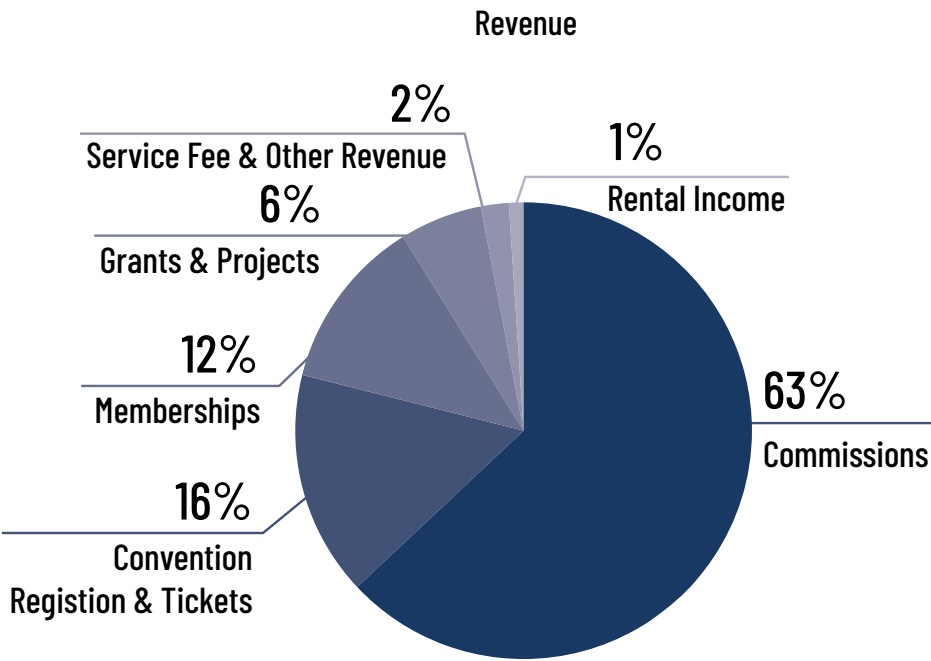
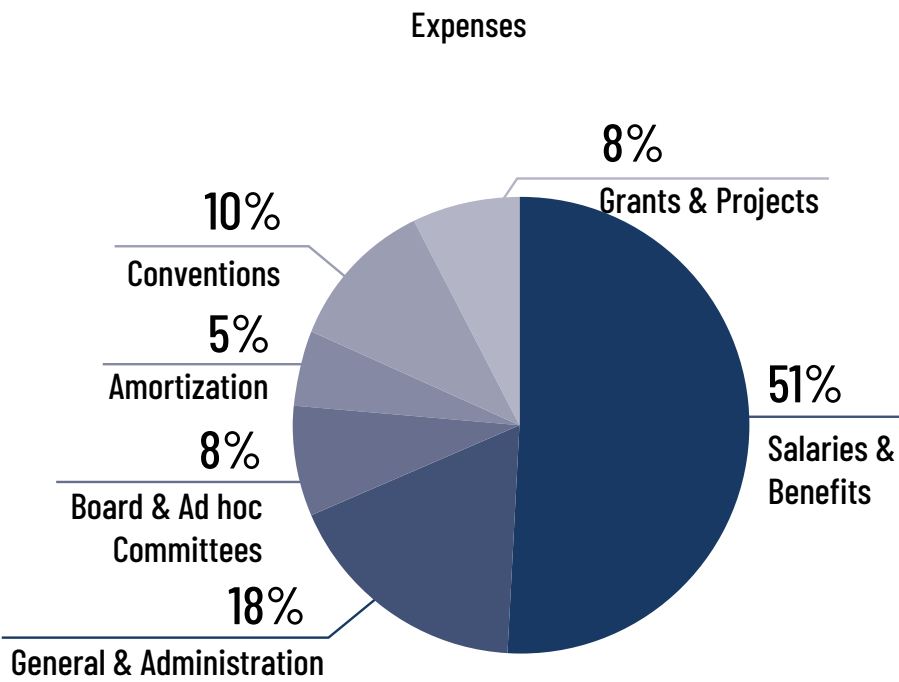
RURAL MUNICIPALITIES OF ALBERTA

The Rural Municipalities of Alberta generates income from Canoe procurement programs, fall and spring conventions, and membership fees paid by its members. The RMA also receives funding from Alberta Municipal Affairs to assist municipalities in different projects throughout the year. As always, the RMA is member-driven and focused on improving services to its members.

The Rural Municipalities of Alberta management team is 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 Corporate Services, and the CEO of the RMA Group of Companies.

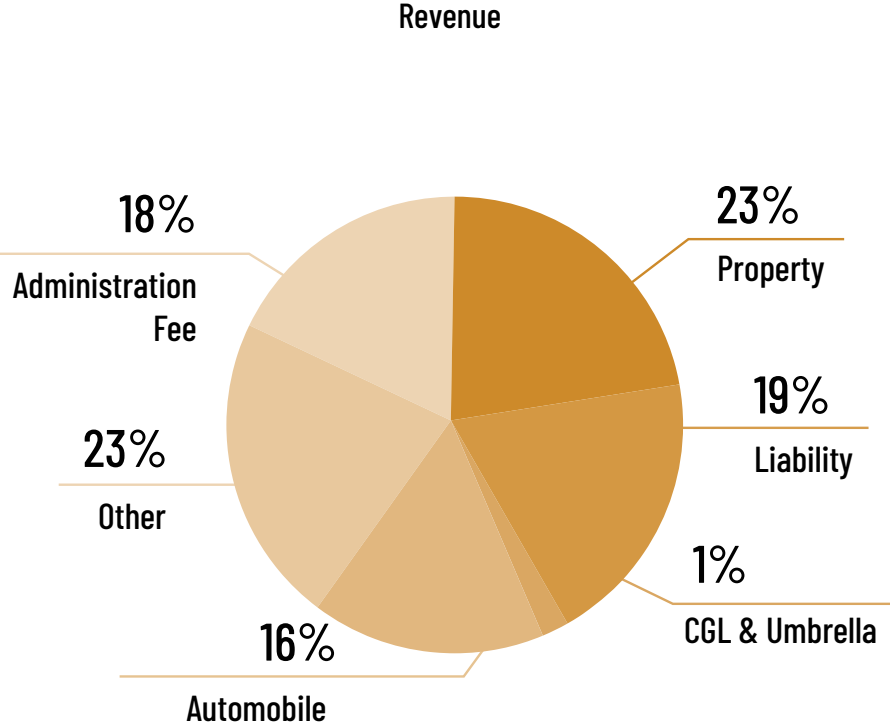
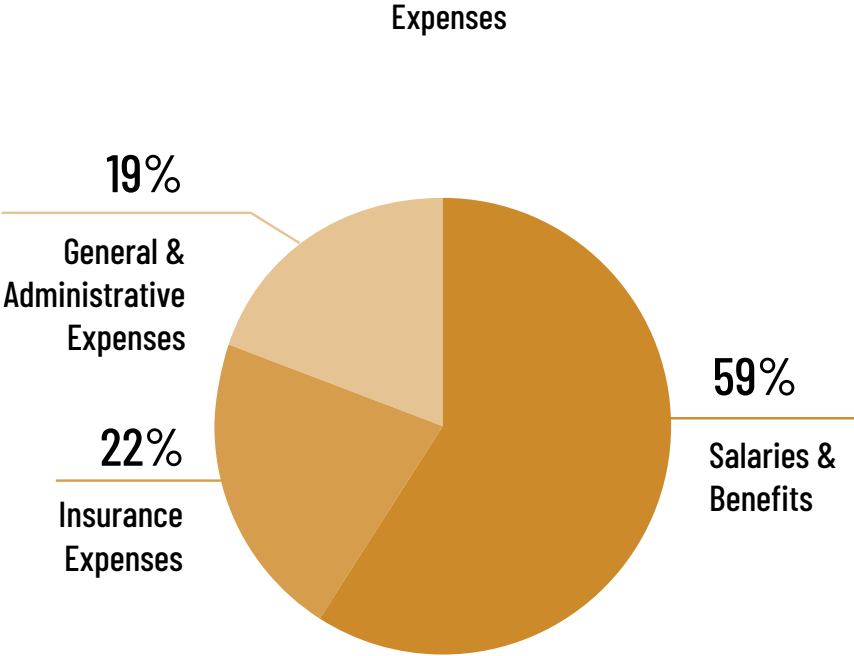
The RMA is committed to improving both the quantity and quality of financial information available to its members. This annual report has been presented in a concise manner. For further detailed information or to share your thoughts on the information provided, please contact Olly Morrison, Director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



FINANCIAL OVERVIEW (CONT'D)

RMA INSURANCE

RMA Insurance Ltd. markets the insurance needs of its members to find the best possible protection at the best value. RMA staff continually strive to ensure solid business practices are in place to safeguard the value of RMA Insurance Ltd. to its members, especially in times of high inflationary costs. From a financial perspective, RMA Insurance Ltd. is meeting or exceeding all goals under the solid leadership of the Board of Directors and the RMA management team.



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 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 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 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 Organization’s external auditors.

MNP LLP is appointed by the members 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.

October 12, 2023



Gerald Rhodes, CLGM, MBA, CAE
Executive Director



Olly Morrison, CPA, CMA
Director of Corporate Services



REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY OF FINANCIAL STATEMENTS

To the Members of Rural Municipalities of Alberta:

Opinion

The summary financial statements are comprised of the following:

- The summary statement of financial position as at July 31, 2023 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, 2023 and the summary statement of earnings for the year then ended for RMA Insurance Ltd. (“RMA Insurance”).

The summary financial statements are derived from the audited financial statements of the respective entities for the year ended July 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the disclosed criteria in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations for RMA and Canadian accounting standards for private enterprises for RMA Insurance. Reading the summary financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor’s report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated October 12, 2023.

Management’s Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the disclosed criteria in Note 1.

Auditor’s Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Edmonton, Alberta

October 25, 2023

MNP LLP

Chartered Professional Accountants



RURAL MUNICIPALITIES OF ALBERTA

Audited Statement of Financial Position As at July 31, 2023

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,331,927	\$ 495,756
Accounts Receivable	13,762,432	14,729,815
Prepaid Expenses	123,990	175,493
Advances to Genesis Reciprocal Insurance Exchange	6,450	315
	16,224,799	15,401,379
Property and Equipment	6,307,546	3,796,193
Goodwill	732,688	732,688
Investment in RMA Insurance Ltd.	4,022,529	2,559,636
Investment in Alberta Elected Officials Education Program Corp.	6,755	6,755
	\$ 27,294,317	\$ 22,496,651

	2023	2022
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	13,666,126	9,993,193
Deferred Revenue	426,383	120,381
Current Portion of Capital Lease Obligations	65,882	67,762
	14,158,391	10,181,336
Capital Lease Obligations	38,647	122,463
	14,197,038	10,303,799
NET ASSETS		
Net assets invested in property and equipment	6,203,017	3,605,968
Net assets internally restricted	1,500,000	1,500,000
Unrestricted net assets	5,394,262	7,086,884
	13,097,279	12,192,852
	\$ 27,294,317	\$ 22,496,651

Note 1: 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 we 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).

RURAL MUNICIPALITIES OF ALBERTA

Audited Statement of Operations

For the year ended July 31, 2023

	2023	2022
REVENUE		
Commissions	\$ 5,382,798	\$ 4,397,449
Convention registration and tickets	1,385,606	1,235,201
Memberships	1,046,647	1,061,687
Grants and projects	494,371	178,086
Service fee and other revenue	196,171	83,960
Rental income	52,000	52,000
	8,557,593	7,008,383

	2023	2022
EXPENSES		
Salaries and benefits	4,622,215	3,975,926
Convention	938,275	937,416
Board and ad hoc committees	679,613	574,414
Amortization	486,121	405,533
Grant and project expenses	720,315	333,687
Computer	267,208	291,086
Advertising and promotion	446,585	255,896
Travel	261,944	177,128
Building operations	142,148	173,259
Professional fees	181,975	157,617
Insurance	71,513	76,904
Bank charges and interest	102,186	43,528
Office supplies	43,137	43,093
Memberships & subscriptions	29,778	27,410
Telephone	49,241	15,362
Postage	10,215	10,775
Interest on capital lease obligations	6,925	10,479
	9,059,394	7,509,513
Deficiency of revenue over expenses before other items	(501,801)	(501,130)
OTHER INCOME (EXPENSE)		
Increase in equity in RMA Insurance Ltd.	1,508,649	1,764,180
Gain on disposal of property and equipment	68,878	22,677
Other income	78,471	9,699
	1,655,998	1,796,556
Excess of Revenue over Expenses	\$ 1,154,197	\$ 1,295,426

RMA INSURANCE

Audited Balance Sheet As at July 31, 2023

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	2,910,374	1,266,638
Marketable Securities	1,573,396	1,503,754
Prepaid Expenses	29,451	31,681
Accounts Receivable	68,411	190,794
	4,581,632	2,992,867
Marketable Securities	212,707	266,104
	4,794,339	3,258,971
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	427,457	375,270
Due to RMA	222,978	19,735
Deferred Revenue	120,989	99,700
	771,424	494,705
SHAREHOLDER'S EQUITY		
Common Shares	600	600
Retained Earnings	4,022,315	2,763,666
	4,022,915	2,764,266
	4,794,339	3,258,971

Note 1: 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 we 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).

Audited Statement of Earnings For the year ended July 31, 2023

	2023	2022
REVENUE		
Commissions	5,346,600	4,472,358
Administration Fee	1,227,108	1,197,760
	6,573,708	5,670,118
EXPENSES		
Salaries & Benefits	3,197,279	2,389,523
RiskPro Premium Credit	579,789	143,734
Service Fees	443,750	425,000
Computer & Equipment	243,300	127,696
Communication	182,000	105,000
Travel - Automobile & Meals / Entertainment	174,764	74,481
RiskPro Program & Seminars	130,428	65,251
Insurance	87,413	93,066
Executive (RMA Board allocation)	75,000	75,000
Advertising & Promotion	68,337	54,879
Rent	54,600	54,600
Professional Fees (legal, audit, dues, and banking)	52,573	37,585
Office Supplies	29,108	23,102
Staff Education & Training	29,060	47,914
Telephone	25,247	9,295
Courier & Postage	7,708	7,048
Bad Debts	4,625	(218)
Risk Management	2,417	79,232
	5,387,398	3,812,188
Other Income (Expense)	322,339	134,182
NET EARNINGS	1,508,649	1,992,112

GENESIS RECIPROCAL INSURANCE EXCHANGE

Statement of Comprehensive Income Year ended December 31, 2022

	2022	2021
INCOME		
Gross premiums written	\$ 25,817,308	\$ 25,528,317
Ceded written premiums	-	-
Increase in unearned premiums	(179,028)	(4,035,787)
Premiums earned	25,638,280	21,492,530
Net investment income (loss)	(4,291,947)	3,475,723
Other income	123,936	42,099
	<u>\$ 21,470,269</u>	<u>\$ 25,010,352</u>
EXPENSES		
Losses incurred	\$ 14,427,974	\$ 14,364,883
Premium tax	1,022,229	993,724
General and administrative	3,577,773	2,230,971
Change in deferred acquisition costs	(164,118)	(885,515)
	<u>18,863,858</u>	<u>16,704,063</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 2,606,411</u>	<u>\$ 8,306,289</u>

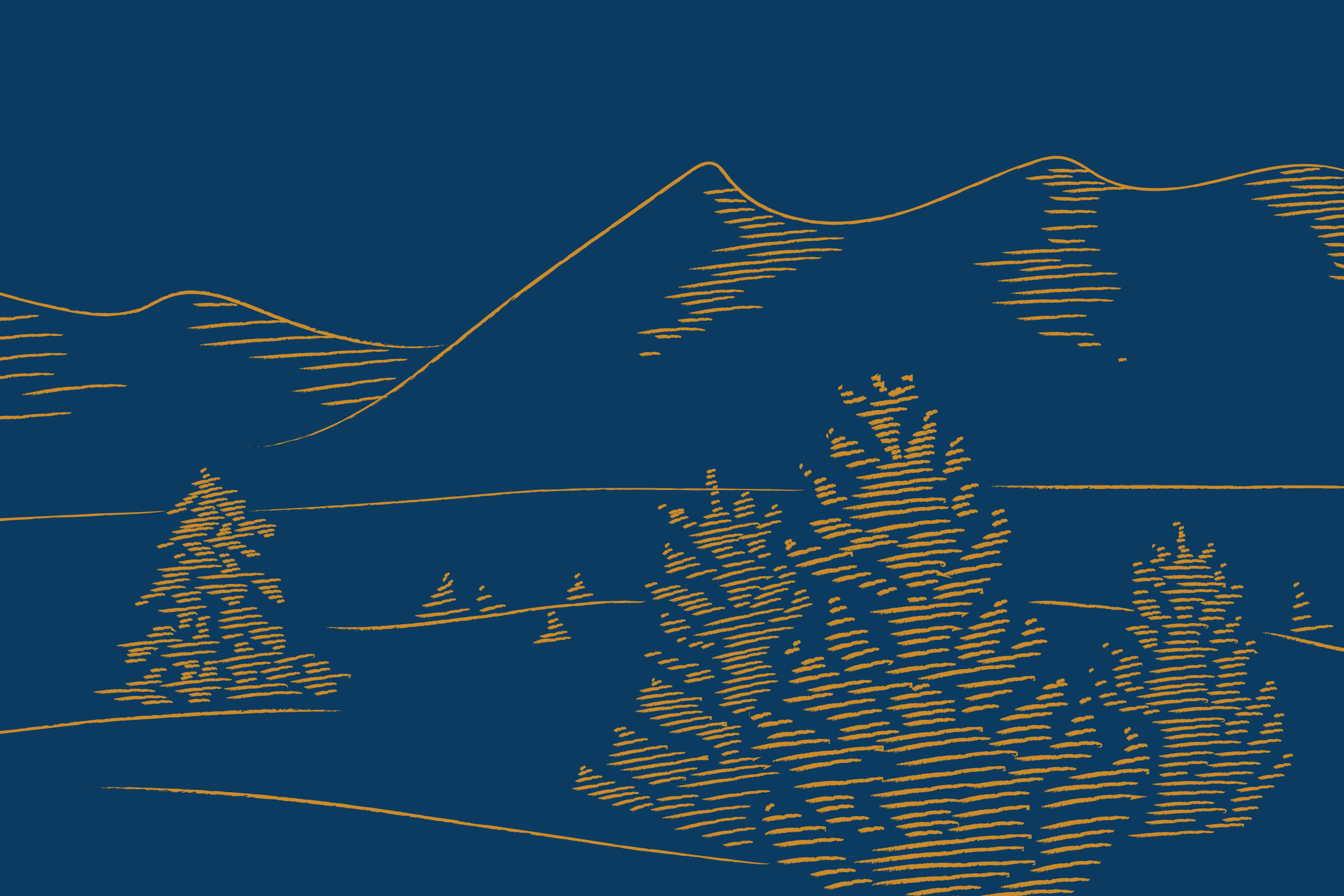
Statement of Financial Position As at December 31, 2022

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 14,408,486	\$ 21,527,026
Marketable securities	65,220,483	62,655,674
Insurance balances receivable	15,693,062	4,406,859
Deferred acquisition costs	1,611,024	1,446,906
Reinsurers' share of unpaid claims	1,214,312	2,079,501
	<u>\$ 98,147,367</u>	<u>\$ 92,115,966</u>
LIABILITIES		
Insurance balances payable	\$ 121,713	\$ 28,220
Premium taxes payable	995,452	994,356
Unearned premium liability	21,450,198	21,271,170
Claims payable reserve	33,075,878	29,924,505
	<u>55,643,241</u>	<u>52,218,251</u>
NET POSITION		
Net Position	42,504,126	39,897,715
	<u>\$ 98,147,367</u>	<u>\$ 92,115,966</u>

Note 1: Basis of Presentation

These summarized financial statements are derived from the complete annual audited financial statements of Genesis Reciprocal Insurance Exchange for the year ended December 31, 2022. The complete annual financial statements are prepared in conformity with International Financial Reporting Standards and are accompanied by an unmodified audit opinion prepared by KBH Chartered Professional Accountants on February 24, 2023. The criteria applied by management in preparing these financial statements is outlined in the paragraph below.

The figures presented in these summarized financial statements agree with or can be recalculated from the figures presented in the complete audited financial statements. Management believes that the summarized financial statements contain the necessary information and are at an appropriate level of aggregation so as to not be misleading to the users.



2510 Sparrow Drive Nisku, AB T9E 8N5

