



Alberta Assessors' Association

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St. Albert Place



St. Albert Place, in St. Albert, is a Douglas J. Cardinal building that, in its curvilinear design evokes the path of the Sturgeon River upon whose bank it sits. Photo courtesy timosborne.ca

Executive Approves LPC's Recommendations on Bill 21

On July 14, the Executive Committee approved the recommendations put forward by the Legislative Policy Committee (LPC), after considerable thought and deliberation, for changes to the proposed legislation amending the Municipal Government Act.

LPC dealt with areas other than the move to centralize industrial assessment. Progress was made in "fixing" some issues, but some more clarity and practical changes would improve the proposed legislation. The Executive Summary is included in the newsletter in its entirety on page 2. To view the full package and all material prepared for the Minister and the Association's partners, please visit the AAA's website. On the homepage, there is a link directly to Position Papers.

The centralization of industrial assessment remains the most compelling and possibly contentious policy change and the Association has reiterated its concerns and objection to a move to centralize industrial assessments.

Promoting **QUALITY**
through membership excellence

EXECUTIVE SUMMARY (to AAA Position Paper on Bill 21)

On May 31, 2016, *Bill 21, Modernized Municipal Government Act (MMGA)* was given first reading in the Alberta Legislature. Honourable Minister Larivee also committed to a review process that would "...engage Albertans and get this important piece of legislation right." The Alberta Assessors' Association is equally devoted to this mandate. To that end we are providing a formal response that will assist in developing legislation that further promotes clarity, accountability, equity, consistency, and transparency in the Assessment function.

The Alberta Assessors' Association recommendations are summarized below with more complete and explanatory information provided on the subsequent pages. The Association's major concerns are:

Authority to collect information to prepare and defend an assessment (s. 295(1))

This portion of the proposed Bill 21 has endeavored to expand the type of information an assessor can request from a property owner and we support this policy change but recommend additional clarification:

- That "and" be removed as the inclusion of this word means that an assessed person must fail in both areas for a complaint to be dismissed;
- That information be gathered "for assessment purposes which includes preparing, testing or defending an assessment";
- That mass appraisal be incorporated as a definition;
- That the Provincial Assessor be required to copy the Municipality when sending a request for information;
- and,
- That any reference to s.295 be removed from complaints regulations (*Matters Relating to Assessment Complaints* s.5(3) and 9(3)).

Ability of an assessed person to request information from a municipality, or the Province, to understand how the assessment was prepared (s.299, 300)

There needs to be clear distinction between the information for an assessed person to understand their assessment and the disclosure of evidence for an appeal before a tribunal.

- That the regulations specify the type of information and the extent of "any other" information with distinctions based on the valuation standards;
- That the information required to be disclosed be limited to the assessed person's property;
- That any reference to s.299 be removed from complaints regulation (*Matters Relating to Assessment Complaints* s.5(4) and 9(4))

Ability of a municipality to request information from the Provincial Assessor, to understand how the assessment was prepared (s.299.1, 300.1)

The Provincial Assessor and the assessment of "designated industrial properties" is a significant policy change and a matter of ongoing dissent. The Association recommends:

- That the current process for property tax assessment remain within the purview of the most affected municipalities; and,
- That definitions and the *Construction Cost Reporting Guide* be clarified and standardized models be incorporated; failing this,
- That municipalities receive information for designated industrial properties within their jurisdiction; and,
- That the assessments prepared by the Provincial Assessor are audited.

Ability to correct the assessment roll (s.305)

The Association appreciates the amendments allowing corrections while a property is under complaint; however, ambiguity remains. The Association recommends

- That the legislation identify the type of errors that may be corrected, including an increase in the assessment.

The review process for assessment complaints (s. 470)

Streamlining and simplifying the appeal process may be the intent of this amendment but the actual outcome may produce a more expensive and less efficient review of Board decisions by allowing questions of law, questions of fact and mixed questions of law and fact. The Association recommends, among other things,

- That judicial reviews be limited to interpretation or jurisdiction with deference to tribunals.

It is hoped that the Ministry will use this report in reconsidering some of the amendments so as to improve the application of the proposed legislation regarding the assessment of property for municipal tax purposes.

Membership Survey Results

Following are results of the survey on Bill 21 that closed on June 30:

Ques 1: *Splitting the Non-Residential Tax Rates*

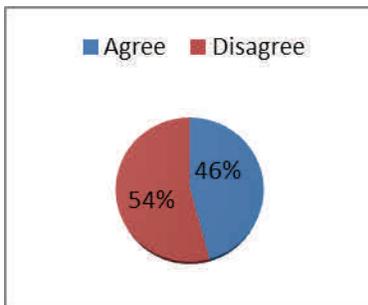
Bill 21 will allow municipalities to split non-residential tax rates according to classes defined in Regulations, rather than “vacant” or “improved.” This may improve economic competitiveness and allows municipalities some latitude to distinguish between high “net” users and low “net” users of municipal services for instance. Assessors must assess non-residential properties according to the sub-classes. What are some sub-classes and definitions you think should be considered in the Regulations?

113 members responded to and commented on this question. Some respondents considered the question to be Tax Policy – which was acknowledged when the survey was drafted – and reiterated the Association’s guiding principle, the separation of assessment and tax policy. Some respondents felt that the creation of subclasses (too many?) would diminish fairness and equity and risks stated as creating confusion. The following comments denote concern or objections :

- * Splitting non-residential tax rates will only create more problems and potentially reduce investment in our municipality for those who again will pay more. Limit to a small sub-class range (i.e. light and heavy DIP’s) so as to not create too much inequity. I must note, this is more of a political question that should be separate from the valuator/assessor function.
- * Tax Rate should not be split any further. Market value assessments inherently place higher values on higher net uses.

Ques 2: *Centralized Industrial Assessment*

Do you agree or disagree with the creation of “designated industrial property”

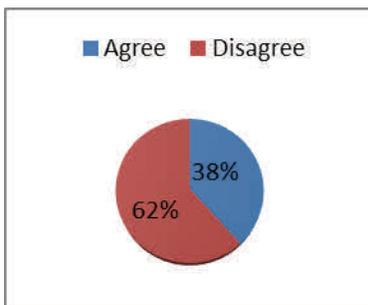


155 responses

Of those who agreed, many felt the change would lead to consistency, even accuracy but even while agreeing, expressed uneasiness.

Of those who disagreed felt the same outcome could be achieved by improving the audit process, updating regulations and standardizing models.

Ques 3: *Do you agree or disagree with the Province as the central assessment authority for DIP?*



151 responses

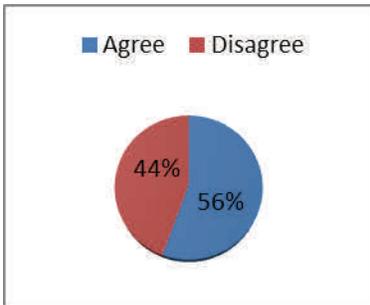
Among those who agreed, comments can be summarized as “ who else” but many commented on a lack of capacity within the provincial Assessment Services Branch

Among those who disagreed, alternatives were Contractors, arm’s length third party (eg BC), leave at present

Questions 4 and 5 dealt with risks/opportunities and alternate models. 129 and 114 members respectively responded to these questions. A complete list of the comments is available upon request.

Ques 6: *Farm Buildings*

Urban-sited agriculture buildings will be treated the same as similar (or same) structures/improvements in a rural municipality. Do you agree or disagree with this change?



153 Responses

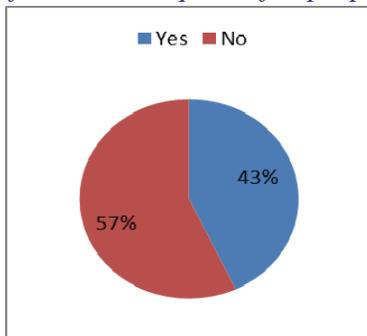
Respondents were clear that consistency across municipal boundaries is an important outcome of any legislative change. Additionally, “farming” is a term that requires further consideration. Exemptions for various property types will always be controversial as illustrated below:

- * Exemption shifts tax burden. Exemption of farming buildings was to promote farm family in theory, but farming has evolved significantly, in some cases even to the point of being big business...
- * I think that all agricultural property/ buildings should be assessed at market value with legislation created to set a cap on the tax rates of this property type...

Questions 7 and 8 dealt with triggers that would indicate when land moved from “farmland” to another use. 116 and 98 members commented. A complete list of the comments is available upon request.

Ques 9: *Access to Information*

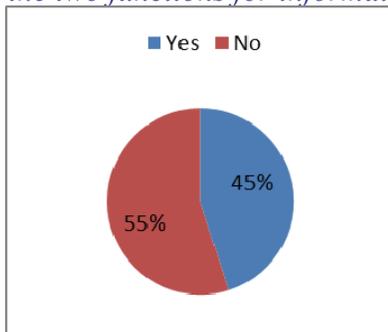
Assessors have long identified problems with the collection of sufficient information to prepare an assessment and ratepayers have complained that assessors want different information for the same property or improvement. As well, concerns have been raised that the information collected to prepare assessments should be different from the information required to appeal an assessment. Do the changes set out in Bill 21 assist in standardizing the information required for preparing an assessment?



121 Responses

Responses clearly indicate uncertainty and discomfort respecting 294/295 and 299/300 and that the changes will not effect clarity with respect to the information required to prepare and/or defend an assessment.

Ques 10: *Do the changes set out in Bill 21 assist in separating the two functions for information access?*

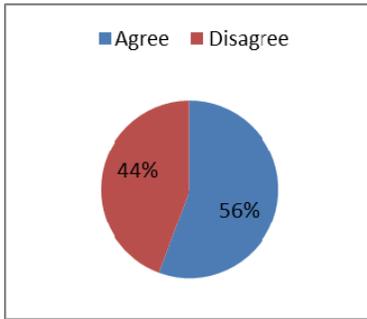


113 Responses

The majority of respondents were disinclined to agree that the changes made it clear. Unease is clear in the responses as to what changes will be made to the regulations. Many comments refer to Court review, suggesting that the legislation and regulations may never be sufficient. Standardized request forms is a desired outcome of the regulatory review.

Ques 11: *Appeals and Judicial Reviews*

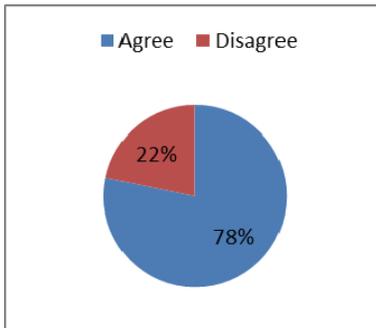
Bill 21 proposes that a property owner appealing an assessment would have to fail to comply with (new) s.295(1) (a) and s.295(1)(b) for that appeal to be dismissed. Do you agree or disagree with this change?



124 Responses

No comments were permitted for this section

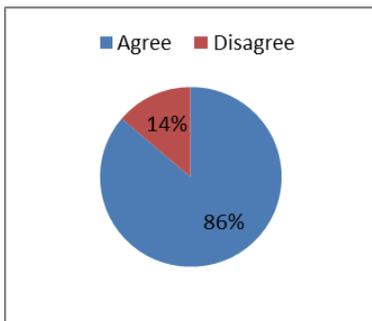
Ques 12: *Bill 21 proposes amendments to s.299 that would restrict disclosure to information in the assessor's possession at the time of the request. Do you agree or disagree that this change provides clarity or efficiency to the appeal process?*



124 Responses

No comments were permitted for this section

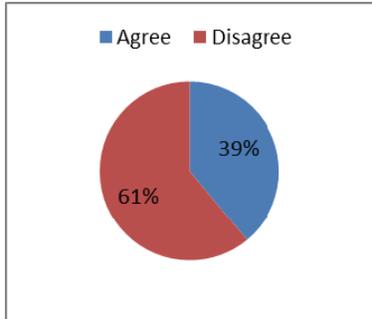
Ques 13: *There are no provisions in Bill 21 that compel the Province (provincial assessor) to provide access to assessment information to a municipality on designated industrial property within its boundaries. Should municipalities have the ability to submit "299 Requests" to the Provincial Assessor for information about the assessment of designated industrial properties?*



131 Responses

No comments were permitted for this section

Ques 14: *Bill 21 s.470 amendment sets out a framework for judicial review, rather than the current appeal process. While this change will allow both appellant and respondent a “clearer path” to judicial review (avoiding the steps of leave to appeal and Court appeal), it also removes the limited scope that a leave appeal would provide. Rather than appeal on law or jurisdiction, a Court may now consider questions of law, jurisdiction, fact or a mix of any or all those elements. Do you agree or disagree with this change?*



123 Responses

Most comments were opposed to the change, supporting status quo. The positions were delineated as follows:

- * it may streamline the 2nd level appeal process,
- * we MAY get better decisions from a justice than a chair

Versus:

- * This policy change will effectively have assessment decisions move directly to judicial review which will under mind the authority of the ARBs and will place significant burden on Municipalities to hire legal counsel in order to defend assessments in the Courts.

The survey closed June 30, approximately five weeks after Bill 21 was tabled. 157 members or 25% of the membership responded to at least one question. While this response rate is fairly common for emailed surveys, it is the representative nature of the responses that suggests validity. Since 82% of respondents are accredited members, currently practicing, it can be argued the survey is valid. The for/against, yes/no, agree/disagree split across the answers is interesting. It is also worth commenting that the survey was prepared and completed in the early stages of the legislative review. Would answers change now that time has passed and Assessors have had time to consider and discuss the implications of Bill 21?

On Our Cover - Iconic Alberta Architecture

St. Albert Place, intended to be a “people place,” in downtown St. Albert was officially opened in 1984. Technology played a large part in Architect Douglas J. Cardinal's design. In a 2014 St. Albert Gazette article, he claimed it was the first building anywhere designed on a computer. He had to get the software programmed in Texas. Cardinal's hardware was a Hewlett-Packard machine “the size of a fridge” that had to be kept in an air conditioned room and had a capacity of 512 kilobytes. (<http://www.stalbertgazette.com/City-renames-boardroom-to-honour-architect-20140614>)



Besides housing various departments of the City's administration, it is also the location Council Chambers, an art gallery, craft studios, the cultural arts theatre and library. Photo courtesy: <http://bestofpicture.com/st-albert-pictures.html>

Fall Education Symposium

The Practice Review Committee and Administration are working to complete the program and registration information for Fall Symposium. Because we have been receiving queries, we are printing a nearly-complete schedule here. Items in red remain unconfirmed. As soon as all the description for workshops are complete and submitted, we will open registration. The event (meetings and sessions) will be held at Festival Place. The Park Centre Hotel is within walking distance, but it is a small hotel. A block of rooms is being held for out of town members, however we will identify some additional guest room accommodations for “overflow.” (Note: Red text indicates “tentative” or “unconfirmed.”)

Day 1 – Thursday, September 22, 2016

7:30 am – 8:30 am	Registration/Breakfast
9:00 am	Greetings Strathcona County
	Bill 21, Modernized MGA – Governance Perspectives Ministry Representation, Alberta Municipal Affairs (tentative) Alberta Urban Municipalities Association Alberta Association of Municipal Districts and Counties
10:15 am	Health Break
	Bill 21, Modernized MGA - Legal Perspectives (Panel Discussion): Comments on proposed legislative and regulatory changes Brownlee LLP on 295, 299/300, COPTER and MRAC RMRF on 299.1/300.1, 305, MRAT, CCRG Major Cities (tentative)
12:00 pm	Buffet Lunch
1:00pm	Bill 21, Modernized MGA – Assessment Practice Perspective Assessment Services Branch, Alberta Municipal Affairs Executive Committee/Legislative Policy Committee Stakeholder Advisory Committee Working Group – CCRG (tentative)
3:30 pm	Presentation: “Assessor and a Professional” <i>Is this still true in 2016?</i>
6:00 pm – 10:00 pm	Assessors’ BBQ Whitecroft Hall Hosted by: Strathcona County Assessment <i>Transportation to and from the BBQ (to the hotel) will be provided along with driving directions (at the Registration Desk) for those wishing to use their own transportation.</i>

Day 2 – Friday, September 23, 2016

7:30 am – 8:30 am	Breakfast
8:30 am – 9:30 am	Presentation: Disasters’ Impact on Assessment (Municipal Affairs)
9:30 am – 10:30 am	Workshop A – Residential Manual Draft Workshop B – Professionalism and Ethics: Regulatory Oversight and the Discipline Process Workshop C – Tribunal Training: The Evidence Package
10:45 am	Health Break
10:30 am – 12:30 pm	Workshop D – Residential Manual Draft Workshop E – Professionalism and Ethics: Regulatory Oversight and the Discipline Process Workshop F – Tribunal Training: The Evidence Package
12:30 pm	Symposium Closing

Committee News

Executive Committee (EC)

Besides approving the Legislative Policy Committee's recommendations on Bill 21, the Executive, at its July 14 meeting, received a number of reports; two are copied for members:

- ⇒ **Stakeholder Advisory Committee:** The Rural Director reported that the review of regulations is ongoing although somewhat rushed by tight timelines and intense reviews.

Matters Relating to Assessment and Taxation comments have been submitted and shared with the Executive members.

Community Organization Property Tax Exemption Act the Committee's designate has submitted comments to questions asked for the review. The Rural Director asked and was granted leave for Administration to share the COPTER responses with the Legislative Policy Committee and the Executive.

At the [coming] September meeting a discussion on Sub-Classes, split taxes and the 5:1 ratio has been promised. An issue has come up that may be worth flagging, specifically, Bill 21 has removed specific mention of municipal assessors as being identified specifically as one of a municipality's designated officers.

The Stakeholder Advisory Committee is also expecting some definitions related to "designated industrial properties" in the broader regulations discussion, but have been advised these will not be ready until 2019.

- ⇒ **Condominium Board:** The Executive Committee's representative on the Condominium Board provided a written report of activities at the Condominium Board Annual General Meeting, notably that a new manager has been hired and that electrical and lighting concerns from the previous year had been addressed.
- ⇒ **Institute of Municipal Assessors (IMA) Conference:** The President attended the IMA conference in late June and reported on the focus on Industry and Accountability, notably a workshop on expert witnessing "How to Conduct Yourself [as an Expert Witness]." The President also reported on discussions with the IMA Executive Director and representatives from Manitoba and Saskatchewan on shared services (education) towards establishing or confirming equitable processes across Canada, mainly for accreditation portability.
- ⇒ **Mayors' Caucuses (AUMA):** The President was invited to present at the spring AUMA Mayors' Caucuses over three days in June. As reported, his presentation was brief and was followed by tabletop exercises/discussion among mayors. As a subject-matter expert, he attended to questions from each table. He noted the concerns of the mayors being split tax rates, the 5:1 ratio limit and, as the size of the jurisdictions increased, the changes to the tribunal process was found to be a concern.

Practice Review Committee (PRC)

Concentrating on details for the Symposium took time on the PRC agenda, along with an updated scope document for reviewing and developing new modules for the PAAH Manual and discussion about curriculum for an Association-specific Professionalism and Ethics course.

Cover Photos

The template for eClips that the MC&PR Committee and Administration is working on includes a cover photo of iconic architecture, signature or historical buildings, or photos interest (nature, animals, landscapes) captured by members. If you have photos from a vacation or if you have photos in your inventory of an intriguing site or subject, please submit it with a description or details for publishing. And, as always, members are invited and encouraged to submit articles or 'questions for answer' by email to lhodge@assessor.ab.ca. The latter can be submitted with a request for anonymity by the person submitting the question.



The Alberta Assessors' Association Mission is to support its members by:

- Promoting professional development
- Providing leadership; and,
- Building public trust

Congratulations Newly Accredited Members

Having completed all the core education requirements, the Tools for Practicing Assessment in Alberta, a demonstration report on an income producing property and having been successfully examined by accredited members, the following members have been granted the use of the "Accredited Municipal Assessor of Alberta" (AMAA) designation with all the rights and obligations thereof:

- ⇒ Kelly Gardiner of the City of Calgary
- ⇒ Larry Lavery of the City of Lethbridge

Welcome New and Returning Candidates

Having submitted an application for membership as required by policy, including obtaining the support of an accredited member, the following individuals have been accepted as regulated Candidate members:

New Candidates

- ⇒ Hannah Phillips of the City of Calgary
- ⇒ Aric Keast of the City of Calgary
- ⇒ Zacharias Geib of the City of Calgary
- ⇒ Quian (Emma) Wang of the City of Edmonton

Returning Candidates

- ⇒ John Owsjanikow of the City of Medicine Hat
- ⇒ Brenda Thompson of the City of Calgary
- ⇒ Aram Mohtadi of the City of Calgary
- ⇒ Jason Lepine of the City of Calgary
- ⇒ Susan Bazin of the City of Calgary
- ⇒ James Greer of the City of Calgary
- ⇒ Christina Neal of the City of Calgary
- ⇒ Tyler Johnson of the City of Calgary
- ⇒ Stan Penchak of the Municipal District of Foothills
- ⇒ Irene Pau of the City of Calgary
- ⇒ Kevin Buckry of the City of Calgary
- ⇒ Raymond Luchak of the City of Calgary

**The Alberta Assessors' Association
promotes QUALITY through
membership excellence.**

EQuality
AccoUntability
EthicAl behaviour
SeLf-governance
CommItment
Trust
ObjectivitY

Welcome Municipal Property Tax Administrators

A Municipal Property Tax Administrator provides professional services in property tax administration, property tax policy or related functions. This is an unregulated category and the following individual(s) have obtained the sponsorship of an accredited member in support of their application:

- ⇒ Sharron Sinclair of the Town of Bruderheim

Welcome New Student Members

A student member is required to be studying at a secondary or post-secondary educational institution and not working full-time. The following applicants have been approved as Student members:

- ⇒ Sheldon Farrell, Lethbridge College

Q&A-Education Requirements

Accreditation Requirements - Order of Completion

Should I submit my application for accreditation before I've completed the Demo or the Tools course?

Response: Since the Application for Accreditation triggers the oral exam, it is recommended that all other steps be completed prior to submission of the application for accreditation. There are four requirements to meet before the Registration Committee will consider an application for accreditation.

First, the education requirements must be met - either a Diploma in Urban Land Economics (DULE) from UBC or a UBC-affiliated post-secondary institution (Lakeland College or Seneca College for example) offering the Diploma in Urban Land Economics, or a UBC-deemed equivalent. **Then, in no particular order**

- ◇ successful completion of the AAA Tools for Practicing Assessment in Alberta online course;
- ◇ successful completion of UBC's BUSI 499 Income Property Guided Case Study **and** submission of the report, the UBC marker's comments, the demo registration form and demo marking form to the Association for a quality review;
- ◇ one year's good standing as a Candidate member; and,
- ◇ four (4) years of assessment experience.

Once all the above has been accomplished, Candidate members may apply for accreditation. The application for accreditation triggers the Candidate's placement on the roster for Candidate Examinations (oral exam). Following successful completion of the oral exam which is a pass/fail examination of a Candidate's knowledge, the final hurdle must be met: Approval of the Candidate's application by the Registration Committee. The Registration Committee confirms that all the requirements from education to assessment experience and membership standing before approving an application for Accreditation.

Candidates are encouraged to check with their Sponsors if they have questions. Alternatively, Association staff are always available if clarification is needed.

Employment Opportunities

New postings since the last eClipboard:

- **Accredited Assessor** - Parkland County (competition extended)
- **City Assessor** - City of Medicine Hat

Check the [Current Job Postings](#) for these and other competitions.

Random Thoughts

"If we can recognize that change and uncertainty are basic principles, we can greet the future and the transformation we are undergoing with the understanding that we do not know enough to be pessimistic."

- Hazel Henderson, futurist, economist, author (b. 1933)



Really Random Thoughts

This guy gets a parrot but the parrot has a bad attitude and foul vocabulary. He tries everything to change the bird's attitude and clean up its talk but nothing works. Finally, in a moment of desperation, he puts the parrot in the freezer. For a few moments he hears the bird squawking, kicking and screaming and then, suddenly, all is quiet. He opens the freezer door - the parrot steps out and says, "I'm sorry that I offended you with my language and actions. I ask for your forgiveness." The guy's astounded at the bird's change in attitude and was about to ask what changed him when the parrot continued, "By the way, may I ask - what did the chicken do?"

