



Alberta Assessors' Association



The Modernized Municipal Government Act (Bill 21) passed third reading on December 6, 2016. This heralds a new era in funding municipal governments, notably tax and assessment processes—some significant changes, some minor adjustments, but impacts on every municipality in Alberta.

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*Promoting
quality
through
membership
excellence.*

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2017 Conference ... [Click Here](#) and Check “Book Rooms” Off Your List!

Stakeholder Advisory Committee

Read the update from the Association’s representatives on **pages 2-4**.

Continuing the Conversation on **page 3**.

Conference Update on **page 7**

2016-17 COMMITTEE CHAIRS

- Executive Committee:** John Lindsay, AMAA, President
- Nominating Committee:** Wayne Kelly, AMAA
- Registration Committee:** Nathalie Thibeault, AMAA
- Practice Review Committee:** Jeff McKinnon, AMAA
- Examination Sub-Committee:** Bonnie Lantz, AMAA
- Legislative Policy Committee:** Angel Svennes, AMAA
- MC&PR Committee:** Executive Administrator, AMAA
- Discipline Committee:** Rob Ballhorn, AMAA
- 2017 Conference Committee:** Gail Butz, AMAA/Rene Boutin, AMAA

MC&PR COMMITTEE

- Marcia Barker, AMAA; Vasily Kim, AMAA; Mike Minard, AMAA;
- Amy Murphy, AMAA; Tally Quaschnick, AMAA; Melissa Zayac-Smith, AMAA;
- Denise Ziegler-Handel, AMAA; Scott Powell, AMAA

Stakeholder Advisory Committee Update

STAKEHOLDER ADVISORY COMMITTEE

Mission Statement

The processes used to prepare assessment and property tax notices in Alberta are important to all property owners. Therefore, a committee of knowledgeable individuals is necessary to ensure that Alberta is a leader in the administration of assessment and property tax. These knowledgeable individuals will provide advice and guidance on “best practices”, work towards resolving issues, and continuously improving the assessment and property tax system in Alberta.

Purpose

To provide a forum for:

- o Developing ideas and options for resolving technical issues
- o Strategic dialogue and two-way communication on issues
- o Opportunity for stakeholders to provide input on assessment policy and the administration of property taxes.

Scope

The committee will:

- Review and comment on administrative processes used by assessors and property owners in Alberta.
- Assume an advisory role to the assessment function of Municipal Affairs regarding the Minister’s Guidelines, including the Construction Cost Reporting Guide (CCRG) and Assessment Service Branch publications.
- Discuss potential policy options related to the administration of assessment and property tax where appropriate.

Committee Members

Chair: Assistant Deputy Minister of Municipal Assessments and Grants
Assessment Services Branch Executive Director and unit Directors, AAA, AAMDC, ARMAA, AUMA, LGAA, Chambers of Commerce, Federation of Agriculture, AFPA, BOMA, CAPP, CEPA, CPTA

The Stakeholder Advisory Committee met on December 14, 2016. AAA Representatives Brian Lutz and Karen Burnand attended this informative meeting. Since the September meeting many things have transpired.

MMGA

Bill 20, the Municipal Government Amendment Act (MGAA) passed on March 24, 2015 and Bill 21, the Modernized Municipal Government Act (MMGA) passed on December 6, 2016. Both Bills will be proclaimed and brought into force before municipal elections in October 2017. The amendments related to assessment and property tax will come into effect on Royal Assent, January 1, 2017, and on proclamation.

There were minor amendments in the final readings of the Bill related to Assessment and Taxation; the membership may be pleased to know that the designation of the Appointed Assessor has been reinstated, for example.

Assessors should take note of the Brownfield Tax Incentives. Municipalities can establish tax exemptions for brownfield properties that will cancel, defer or reduce the municipal property tax. Complaints relating to tax exemptions for brownfields will be heard by the CARB.

The MMGA has some Jurisdictional changes. They are:

- Complaints about a business tax notice or an improvement area tax notice will be heard by the CARB.
- Complaints relating to tax exemptions for brownfields will be heard by the CARB.
- Complaints for all designated industrial property will be heard by the MGB.

The draft Regulations associated with the MMGA will likely be circulated in two components and we can expect that most regulations will be released by March 2017.

Centralization of Industrial Properties

Designated Industrial Property (DIP) includes:

- Linear property which includes Electric Power Systems, Street Lighting Systems, Telecommunication Systems, Pipelines, Wells, Railways.
- Facilities regulated by the Alberta Energy Regulator (AER), Alberta Utility Commission (AUC), or the National Energy Board (NEB) including well site machinery and equipment and buildings, oil and gas facilities such as batteries, compressor stations, gas plants, etc.
- Properties named by the Ministry through a regulation which will be approximately 193 facilities, including in-situ oil sands extraction facilities, forest products, oil and gas refineries, electric power generation facilities and petrochemical plants.

It is anticipated that there will be approximately 35,723 AER properties located within 157 municipalities. Major Industrial Plants will consist of approximately 193 properties located in 47 municipalities.

Continued on P. 3

SAC Update *continued*

CONTINUING THE CONVERSATION

The summer MMGA consultation process brought forward some issues that the Government wishes to consider and seek input on. The “Continuing the Conversation” document outlines some areas that are still being considered. The major Assessment and Taxation issues in the Continuing the Conversation document are:

- * Compliance with the Linked Tax Rate
- * Taxation of Intensive Agricultural Operations
- * Access to Assessment Information for Designated Industrial Property (DIP)
- * Clarifying the 60-day Complaint Period
- * Tax Exemptions for Provincial Agencies
- * Changes to Assessments under Complaint.
- * Extension of Linear Property Regulation
- * Electric Energy Exemption Regulation Elevation
- * Right to enter on and inspect a property (s.294)
- * Assessment information
- * Sub-classes for non-residential property
- * Remove liability codes from the roll
- * Tax receipts

This document is found on the Municipal Affairs MGA Review “Get Involved” page or [click here](#).

The deadline for submitting a survey response is January 31, 2017. The survey is available on the Municipal Affairs MGA Review - Continuing the Conversation page or [click here](#). Each member should complete a survey. The Legislative Policy Committee has prepared a response to the document and members are encouraged to refer to the LPC document titled “LPC Response to Continuing the Conversation” found on the “[Documents](#)” page of the Members’ Secure site (login, choose Documents and then from the list that appears, click on “ASB Stakeholder Advisory Group on Assessment and Taxation” and you will be directed to the SAC section.)

Properties that are **not** considered DIP are:

- Any property not included in the definition
- Industrial plants not named in the regulation
- Other industrial-type property; i.e. warehouses
- Machinery and equipment not included with a DIP
- Agricultural properties

Responsibility for the assessment of DIP will transfer from the municipalities where they are physically located to the Provincial Assessor (PA) within Municipal Affairs for the 2017 Assessment year.

The transition will be implemented in a phased approach over three years. An implementation plan has been developed identifying the transition phases, actions and the internal and external resources required.

Transition Plan - Phase 1: January 2017 – Municipal Affairs assumes responsibility of the DIPs

- collaborating with municipalities and tax payers to access DIP data
 - ⇒ first requests for information will be made in May 2017, however some initial collection has begun
 - ⇒ municipalities will be required to submit finalized assessments mid-December 2017
- provincial assessor will oversee municipal assessors in the preparation of the assessments for 2017 assessment year, 2018 taxation year
 - ⇒ Municipal Affairs will send the first DIP assessment roll and notices to municipalities and assessed property owners by February 28, 2018
 - ⇒ an assessment for land at well sites will be required
 - ⇒ all assessments will be prepared based on current regulations
- planning within the department to accommodate the new business area
- planning for the review of the regulated valuation models
- hiring new staff and plan for acquisition or development of a long term IT solution

Transitional Plan - Phase 2: January 2018 – Municipal Affairs business integration of the DIPs

- internal staff/contract resources assist the PA to prepare the assessment
- continued collaboration to acquire and verify property inventory data
- training for those being brought in to prepare assessments
- acquire a long term information technology solution
- review of the regulated assessment models

Transitional Plan - Phase 3: January 2019 – Municipal Affairs has full responsibility for the DIP assessments

- the PA will have complete control of the entire DIP inventory
- optimize the assessment process and improve efficiencies within the system
- validate the data received from the municipality
- depending on the stage of acquisition of the long term IT solution, some or all of the new regulated assessment models may be implemented.

SAC Update *continued*

NEXT MEETING OF SAC

The next SAC meeting is scheduled for April 12, 2017.

THANK YOU FROM MINISTER LARIVEE

You have [also] been an important part of the *MGA* review and I want to thank you for your input and advice on how to make the act even stronger and more effective. You were key players in our province wide summer tour and I really appreciated your participation and input on what matters to you and your organizations. I was tremendously proud when the *Modernized Municipal Government Act* passed unanimously on December 6, and I greatly appreciate your continued involvement in the regulations.

I am pleased to see that Municipal Affairs will be in very capable hands with Minister Anderson. As co-sponsor of the *Modernized Municipal Government Act*, he played an important part in shepherding this bill through the Legislature and he understands the complexities that are faced by municipalities. I look forward to working with him on the *MGA* spring bill and regulations as we will both serve as members of the Municipal Governance Cabinet Policy Committee. Minister Anderson is dedicated, thoughtful, approachable, and practical. Municipal Affairs is a key priority for our government, and Minister Anderson will be an excellent Minister serving all of the communities in this great province.

I've said this before, but you truly are our government's partners and it's been a privilege to work so closely with you. I appreciate the support you've given me and the relationships we've built over the past year and a half and I look forward to having our paths cross again in the future.

Hon. Danielle Larivee
Minister of Children's Services

Managing the Transition

Municipal Affairs has established three transitional committees in order to provide expert advice, assist with transitional activities, and provide technical advice and assistance with stakeholder relationships. The Committees are:

Executive Advisory Committee
Technical Advisory Committee
Municipal Affairs Internal Implementation Team

Nine assessors from various backgrounds are serving on the Technical Advisory Committee. Municipal CAOs have been contacted and have been asked to complete an online survey inquiring about the computer system used, any assessment contracts, costs to prepare DIP assessments and a couple of other details.

In the next couple of months Municipal Affairs will be contacting CAOs and appointed assessors individually, at regional engagement sessions and by phone.

Karen Burnand, AMAA and Brian Lutz, AMAA

In and Out: Minister Larivee moves out of Municipal Affairs and Minister Anderson moves in

To my new partners,

It was truly an honour to be sworn in this afternoon as the new Minister of Municipal Affairs. I'm proud to take on this important role and am looking forward to building relationship and working in partnership with all of you.

For the past year and a half I have served as the MLA for Leduc-Beaumont and prior to that, I worked for over ten years as a telecommunications technician. I have called Beaumont home for the last 11 years, and am raising my two children there. Like you, I am committed to building strong communities and a more resilient and diversified future for my family and all families.

I know over the past few years you have seen a number of new faces in this role and I want to assure you that I am committed to finishing the work Minister Larivee and our government has started. As one of the co-sponsors for the *Modernized Municipal Government Act*, I am already deeply involved in the work of this ministry and am humbled to take on a portfolio that impacts the lives of every single person in our province.

I am also pleased to tell you that Deputy Minister Brad Pickering and all of the staff in the Minister's office will be staying in their current positions to help ensure continuity as we move forward.

We have many major milestones ahead of us, but I am confident that by working together we will meet these goals, chart new ones and mark our collective achievements.

I look forward to meeting with many of you in the coming days and to our new relationship and partnership.

Hon. Shaye Anderson, Minister of Municipal Affairs

Leadership in a non-profit

2017 EXECUTIVE ELECTIONS

- The President-Elect shall
- ⇒ exercise all the powers and duties of the President during the President's absence, and
 - ⇒ perform such duties as may be assigned to the President-Elect by the Executive Committee.
 - ⇒ be *Ex officio* of either the Practice Review Committee or Registration Committee position not filled by the President.
 - ⇒ For clarification, whenever these by-laws, or the Regulation specify that the President shall perform some duty, task or obligation, the President-Elect shall, in the absence of the President, perform that duty, task, or obligation as if the President-Elect were the President.

- The Vice-President shall
- ⇒ exercise the powers and duties of the President-Elect, when the President-Elect is absent;
 - ⇒ exercise the powers and duties of the President and the President-Elect, when both the President and the President-Elect are absent; and
 - ⇒ perform such duties as may be assigned to the Vice-President by the Executive Committee.

- Directors shall
- ⇒ take part in the governing of the Association and shall perform such other duties as may be assigned by the Executive Committee
 - ⇒ will specifically represent regulated members who are employed by or contracted to self-governing rural municipalities



In November, the Executive Committee and Chairs of statutory committees took part in a planning session to draft a plan that will guide the organization's activities for the coming years

As the Nominating Committee works to present a slate of officers for elections at the Annual General Meeting, I am often called with questions such as what's involved, how much time is involved, what issues are at the forefront, etc. These questions are not unusual, in fact, they are typical of the questions asked by willing, capable and committed volunteers considering more active involvement in their organization. Generally, the answers vary depending on the role being considered by the caller.

The officers of the AAA's governing committee, the Executive Committee, were carefully considered and chosen many years ago and the process for succession likewise was carefully considered before becoming entrenched in practice. Some positions change annually, some bi-annually. In 2017, the assembly of members will choose from among a slate of candidates a President-Elect, a Vice President and a Rural Director.

The role of each member of the Executive is defined in the bylaws; fairly dry explanations of what each must and may do. Missing from this is the actual practice, skills and understanding that define good governance, along with the personal knowledge and attributes that define leaders, because that is what the Executive is.

The best boards govern with intention, first embracing responsibility for the success of their organization and then ensuring that each governance activity is carried out in a purposeful and proactive way to support that success. Engaged board members understand the organizational context, focus their efforts on the right issues, carry out their work with intention and engage constructively (among themselves and with staff) through dialogue that is challenging, persuasive and inspiring. (from "An Engaged Board is a Powerful Board, by Elizabeth Watson, QC, CSAE Resources, Articles)

What's involved

The Executive Committee is responsible for the governance of the Association. It is intended to be a cohesive unit under legislation and, while each member is obligated to make up his or her own mind on issues *in the interest of the Association*, once an issue is decided, each member is likewise obligated to speak for the whole. In order to do so, each member must prepare for meetings and be engaged during meetings, make decisions or request additional time or information in order to make decisions.

How much time

The Executive Committee meets monthly. At least twice yearly, it meets for 2-days in person at the Association offices. Depending on issues, driven both by external and internal forces, Executive members should expect to spend about 5% of time (over a month) to the Association. The President, as Chair, and the Financial Director have additional responsibilities with respect to communication with the senior staff officer.

What issues

For the best perspective on what issues are at the board table or on the radar, current Executive members have the best knowledge. From an Administrative perspective, the current re-made legislative framework for tax and assessment, reviews of the regulatory body legislative framework, and external partners are among current issues, along with a well-defined strategic plan and the best use of operational and administrative resources.

Still interested? The [Nominating Committee](#) looks forward to hearing from you.

Laurie Hodge, Executive Administrator

Annual Credit Audit Results

POLICY 60-3, MANDATORY RE-CERTIFICATION

Access Policy 60-3 via the Members' portal in "[Bylaws.](#)"



INTERESTING LINKS

<http://www.cbc.ca/news/canada/british-columbia/property-assessment-preview-1.3883751>

<http://www.cbc.ca/news/canada/edmonton/slowing-economy-blamed-for-decline-in-edmonton-property-values-1.3919460>

<http://calgary.ctvnews.ca/city-sends-out-2017-property-and-business-tax-assessments-1.3229054>

<http://creastats.crea.ca/area/>

<http://www.finance.alberta.ca/aboutalberta/osi/demographics/Population-Estimates/Quarterly-2016-2017/2016-3rdQuarter.pdf>

At its January meeting, the Practice Review Committee received a report prepared by the Executive Administrator/Registrar on member-reported professional development credits (learning and general).

According to policy, 20% of accredited members have their credit profile checked annually in order that in a five-year cycle, all members will have been audited. At the end of 2016, the credit profiles of 68 members (20% of accredited members) were reviewed. Thirteen of 68, or 19%, have reported no learning or general credits in the first complete year of the current learning cycle. While in some cases, this may be a result of no activity, it can also be a result of lax recording, which, in the first year of a new cycle, is not unusual. The Practice Review Committee recommends that members review their profiles regularly, make any updates that are necessary and report any that can't be fixed to the Association.

Some minor issues were found such as too many credits reported, parts of credits reported (eg 2.5) and repeated entries. The Registrar will follow-up with members on any corrections or changes made to individual members' profiles.

Laurie Hodge, Executive Administrator/Registrar

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

- ⇒ Andrew Kim, City of Edmonton
- ⇒ Henry Sohn, City of Edmonton
- ⇒ Vincent Fung, City of Edmonton
- ⇒ Pei Pei Wang, City of Edmonton
- ⇒ K. Faith Flanagan, City of Edmonton
- ⇒ Bryce Styan, Government of NT (October 2016)

Returning Candidates

- ⇒ Kelly Larson, Equitable Assessment Group
- ⇒ Shelly Stasiw, City of Edmonton
- ⇒ Pierre Blanchette, City of Edmonton
- ⇒ Tessa Robinson, City of Edmonton
- ⇒ Victoria Kelly, City of Edmonton

Student

- ⇒ Nasrullah Hafez, Bow Valley College (October 2016)

2017 Conference Line-Up

PAST CONFERENCE MEMORIES



Karac Hendriks West Band performing for delegates at 2015 Conference Banquet



Conference Chair Wayne Kelly introduces Municipal Affairs staff at the 2016 Bearpit



Assessment All-stars of 2016



And working at networking Every Year!

The program may still be under construction, but the Practice Review Committee and the Conference planners have made some pretty solid choices for learning, for general interest and for entertainment.

For Pre-conference learning, members can choose from among the following subject options:

- ⇒ ARB Training
- ⇒ Verbal Judo[®] (Communication techniques)
- ⇒ Amended Residential Manual
- ⇒ Excel for Assessors
- ⇒ Cross-Examinations
- ⇒ Marshall and Swift Cost Approach Certification
- ⇒ Change management

We are pleased to have Ken Larson, the Champion's Coach, as our keynote speaker on Thursday to "inspire the Champion in all of us." As well, on Thursday a choice of break-out sessions including presentations by the Pembina Institute and the Fraser Institute.

Friday's options are tentative still, but include: "Income in CAMAlot"; personal protection; the regulatory process; valuing medicinal marijuana facilities; understanding assessment from a rural or urban perspective; CCRG and MRAT; and, skills-training for supervisors.

By conference time in May, many of the currently unknown regulatory amendments will have been posted. Members can address those changes at Assessor meetings on Wednesday. RMRF's hosted legal panel will give some perspective on legislative issues and legal/tribunal decisions and the Assessment Services Branch will host its bear pit session on Wednesday as well.

The MPTA program includes sessions on legislative changes, tax recovery, mobile homes, bankruptcy and "shorts" on GIS, Equalized assessment, supplemental assessment and the CRA

Watch for the registration material to be posted in the coming weeks.

Notice of Annual General Meeting

The Association Bylaws state:

A written notice stating the day, hour and place of an Annual General Meeting or Special Meeting, shall be served either personally or by sending such notice to each regulated member at the last address of that member known to the Association Registrar through the post, by facsimile or by email, at least ten days before the date of a meeting.

Additional written notice and direction to receive your packages will follow for the planned May 4, 2017 Annual General Meeting. If you have not already done so, please update your contact information. As most of our messages are sent via email, **a current email address is critical** for communications.