

Meeting Notes

Taxing Jurisdiction Advisory Committee

June 6, 2011

8:30 a.m. to 2:30 p.m.

Attendees	Art Chambers Barb Nunes D J Bridgewood Garry Jackson Marty Radakovich George King Sally Bhullar-Gill (B-G) Mike Veenbaas Patrick Hinds Sandra Stibrany Al-Karim Kara Connie Fair Harry Mercer (chair) Jason Grant Laura Schwagele Karen Diederichs	Ministry of Finance District of Sparwood Capital Regional District City of Coquitlam City of Vancouver City of Kelowna City of Surrey City of Abbotsford Northern Rockies Regional Municipality City of Prince George LTSA BC Assessment BC Assessment BC Assessment BC Assessment BC Assessment
Regrets	Diane Hiscock Rosalyn Tanner Sheila Thiessen Mark Katz Sally Barton (B)	Regional District of Fraser Fort George District of Central Saanich Thompson – Nicola Regional District BC Assessment BC Assessment

Welcome & Introductions

Membership changes:

- New member – Patrick Hinds, Director of Finance for Northern Rockies Regional Municipality.
- Rosalyn Tanner, District of Central Saanich has tendered her resignation from TJAC due to workload commitments.
- Sue-Lin Tarnowski, Director of Finance at the District of Sooke has agreed to join TJAC as one of our Vancouver Island representatives.

*Many thanks to Rosalyn for your contributions since the inception of TJAC!
Welcome to Pat and Sue-Lin!*

Action Register Review

TJAC members gave final approval to the revised Terms of Reference document.

Discussion on the terms of reference sparked discussion on TJAC's profile within the local government community. As many people do not have a good idea about what TJAC does, TJAC members liked the idea of approaching the Government Finance Officers Association (GFOA) to have a TJAC communication forum or some other mode of getting the TJAC message out. Another idea was to

create a web-based forum for tax collectors to exchange ideas. Connie Fair asked for a volunteer to follow up on this initiative, so George King and Sandy Stibrany offered to work on a communication strategy to get the word out to local governments on the benefits of TJAC.

The Outstanding Action items list was reviewed with comments added. No issues identified with any of the items on the list. An updated list will accompany the June 6 minutes.

Specific discussion took place on the following items:

	Action Item	Discussion from June 6
1	Communicate the benefits of using BCA addresses to receive Canada Post mailing discount to taxing jurisdictions Add instructions for Canada Post mailing address discount – address accuracy statement – post on website	George King reported that the discount (2 cents) applies only to Victoria/Vancouver area sorting houses; therefore, probably not useful for Interior/Northern jurisdictions.
7	Re-examine Assessment LinkBC (ALBC) licensing model and options	TJAC members reported that their individual usage of Assessment LinkBC is mixed. There may be an opportunity to rationalize license allocation.
17	Look into education for appraisers to separate exemption codes – are the codes still valid?	BCA staff need training on applying exemptions. In situations where the net effect of applying two exemption codes is zero taxable, the local government is still required to report out both codes. Local governments rely on BCA data to prepare exemption reports for their council. Is there an audit of exemption code application conducted centrally? Are PILT ¹ properties a higher priority? Will forward for discussion to BCA's Senior Leadership Team (SLT); otherwise, will be ad hoc fixes.
18	Investigate BCA template for permissive and revitalization exemptions. Does someone have a good template? BCA does not have templates for drafting exemption bylaws as it is not part of our mandate.	Sally B-G clarified that this action item was meant to assist BCA staff in understanding how municipal bylaws are written by providing a sample/template annotated document.

ACTION ITEMS:

- Post revised Terms of Reference document on TJAC web page. (Karen) - completed
- Review list of Completed Items and notify Karen if any should be reopened. (All)
- Begin work on communications plan. (George, Sandy, Karen)
- Include updates Action Item list with June 6th meeting minutes. (Karen)
- Forward to BCA SLT the topic of conducting an audit for exemption code application. (Karen/Sally)

¹ PILT = Property in Lieu of Taxes

Roundtable

	Comments & Discussion	Action Items
Sandy Stibrany	<p>Concerned that no advance notice was given to her office by BCA about the loss of value for rail lines in her area. Prince George lost approximately \$8m in value on 2010 Completed Roll.</p> <p>The local office and the service provided by staff are great!</p>	<p>Review and adjust, if necessary, the procedures for risk to roll notification regarding property types that are assessed centrally by BCA Head Office. (Mark)</p>
Art Chambers	<p>Property Taxation Branch mailed 396,000 property tax notices one week early in anticipation of the strike by Canada Post staff. His staff is working with BCA to correct a problem identified with coding a service area. Art's staff is willing to speak to BCA staff about the impact of service area coding errors.</p> <p>Discussed a recent issue where Canada Post changed mailing addresses without warning e.g. Dawson Creek addresses changed to Peace River Regional District addresses. Caused a lot of returned mail. Will this practice become widespread?</p>	<p>Seek appropriate BCA venue (e.g. next on-site Office Supervisors meeting) for an education session by Property Taxation Branch staff. (Karen)</p> <p>Invite Canada Post representative to September 2011 meeting. (Karen/Sally B)</p>
Barbara Nunes	<p>Sparwood staff has concerns about the LGA Section 353 revenue reported by utility companies. Additional revenue should have been reported related to a boundary extension 2 years ago, Sparwood staff has concerns that the utilities are not picking up the additional revenue related to the areas as the new areas are not yet shown on Ministry of Community, Sport and Cultural Development maps.</p> <p>Who can confirm that the new boundaries have been picked up? How does the local government know that all revenue has been reported?</p> <p>Does the Ministry of Finance have some method of auditing this tax?</p>	<p>Art advised that the Province does not receive such a tax from utility companies other than BC Hydro and offered to follow-up with his contacts about confirming hydro revenue (Art)</p>
Mike Veenbaas	<p>This is the first year to bill on the two merged jurisdictions. Things were much easier this year!</p> <p>Asked for clarification on whether address changes flowed from BCA to Land Title Survey Authority (LTSA).</p> <p><i>Al-Karim Kara</i> (LTSA) responded that LTSA:</p> <ul style="list-style-type: none"> ○ uses the property identifier (PID) as key data ○ accepts address changes from property owner ○ is working on address verification at source ○ has no plans for review/cleanup of existing addresses ○ systems do not validate addresses when they are initially entered – the 	<p>At a future TJAC meeting, hold a facilitated workshop for process mapping of mailing addresses including the inter-dependencies and interactions between organizations and systems. (Karen)</p>

	Comments & Discussion	Action Items
	<p>onus is on the person keying the information to ensure it is correct.</p> <p><i>Art Chambers</i> suggested that the upcoming redesign of property transfer tax return form (FIN579G) is a great opportunity to engage LTSA in dialogue to apply address validation.</p> <p><i>Connie Fair</i> asked whether TJAC would have input to the FIN 579G form redesign.</p> <p><i>Art</i> – yes.</p>	
Sally Bhullar-Gill	<p>Surrey still struggles with ‘change of address’ forms. They are mailed out as an insert to the property tax notice. The forms are completed and returned to Surrey, who forwards them to the local BCA office. Nothing goes through.</p> <p>Can we do something differently? Perhaps create a standard form for universal processes such as change of address?</p>	<p>Change of address received for a Surrey property – does it also apply to property owned elsewhere? (Refer to Carol Lance & office supervisors – how do we do this today?)</p>
George King	<p>BCA’s Desktop Review display at recent Government Finance Officers Association conference was really good!</p> <p>(1) The top issue at the concurrent Property Tax Collectors forum was manufactured homes (MH) especially the process for valuation and reassessment of MHs. For some local governments, MHs are a nuisance and for others, they are a real headache as the impact to their roll can be quite significant.</p> <p>How often does BCA conduct on-site inspections?</p> <p>Connie Fair explained that there are up to 70,000 MHs across the province. BCA has adopted a centralized valuation model to provide consistency across the province.</p> <p>A major challenge is that MHs are often moved without permits, so the local government has no record of the move.</p> <p>There would be great benefit to understanding the MH valuation process and how it touches municipalities, LTSA and BCA. A potential topic for a future GFOA newsletter article.</p> <p>Need to discuss if it is possible for BCA to undergo a review of those municipalities which have a greater risk to the roll.</p> <p>(2) Update on the postage discount available through use of BCA’s address accuracy statement. The discount is available only to those municipalities in the Vancouver and Victoria area who utilize Canada Posts automated plants.</p>	<p>(1a) BCA to develop a fact sheet on the manufactured home valuation process. (Karen/Mark)</p> <p>(1b) BCA to confirm whether it is possible to have a review of MH in those municipalities which have a greater risk to roll. (Mark)</p> <p>(2) BCA to develop a fact sheet to describe the potential advantages to a local government in using BCA’s address accuracy statement.(Karen)</p>
Al-Karim Kara	<p>Thank you for the invitation to attend TJAC. He has heard the message regarding the issues with mailing addresses and sees the collective costs for local governments due to this issue. He looks forward to finding a solution.</p>	

	Comments & Discussion	Action Items
Karen Diederichs	<p>Asked all TJAC members to provide feedback on:</p> <ul style="list-style-type: none"> • Completed action items list • Topics for Ken Scopick of the FNTC to discuss at the September meeting. • Topics for a Canada Post representative to discuss at a future meeting (tentatively September.) 	Provide feedback on these topics by June 30 (All)

ACTION ITEMS:

- Review and adjust, if necessary, the procedures for risk to roll notification regarding property types that are assessed centrally at BCA Head Office. (Mark)
- Seek appropriate BCA venues (e.g. next on-site Office Supervisors meeting) for an education session by Property Taxation Branch staff. (Karen)
- Invite Canada Post representative to September 2011 meeting. (Karen/Sally B)
- Art offered to follow-up with his contacts about confirming hydro revenue. (Art)
- At a future TJAC meeting, hold a facilitated workshop for process mapping of mailing addresses including the interdependencies and interactions between organizations and systems. (Karen)
- BCA to develop a fact sheet on the manufactured home valuation process. (Karen/Mark)
- BCA to confirm whether it is possible to have a review of MH in those municipalities which have a greater risk to roll. (Mark)
- BCA to develop a fact sheet to describe the potential advantages to a local government in using BCA's address accuracy statement. (Karen)
- Add to list of future GFOA newsletter topics – valuation of manufactured homes (Karen)
- Provide feedback on these topics by June 30 (All)

Keeping LGs Informed

Harry Mercer shared highlights of BCA's 2011 Local Government Customer Satisfaction Survey:

Metric	2011	2009	Trend
Satisfaction with the Assessment Roll overall quality	96%	93%	↑
Satisfaction with Other Products and Services:			
Grant Rolls	92%	87%	↑
Data Advice	97%	90%	↑
The amount of contact with BCA is sufficient to meet their needs	98%	97%	↑
Method of contact:			
Telephone	57%	62%	↓
Email	42%	34%	↑
Respondents who prefer email as method of contact	49%	35%	↑
Satisfied with the quality of service received by BCA staff	98%	96%	↑
Services provided by BCA met their needs	98%	97%	↑
Satisfied with the risk to roll communication information provided by BCA	92%	88%	↑
Interested in developing a shared database of residential property addresses	90%	n/a	n/a

These results will assist BCA with future planning for products, services and technology for local governments.

ICIS initiatives (Harry)	<p>2011 is the 10th anniversary of the Integrated Cadastral Information Society (ICIS). Two key initiatives are:</p> <ul style="list-style-type: none"> • BC Spatial – to establish integration services for and one-stop access to the best available cadastral data for British Columbia. • AddressBC – to provide a central authoritative, accurate and accessible point-based civic address registry for British Columbia. <p>To support this project, funding is available through ICIS to update local government cadastre. For more information, go to: http://www.icisociety.ca</p>
Data-sharing agreements (Harry)	See this afternoon's agenda item.
NextGen valueBC (Harry)	<p>Implemented in 2005, ValueBC is the core assessment and valuation system at BCA. NextGen valueBC represents the modernization and streamlining of processes and interfaces to remove as much manual work as possible. The target date for completion of this project is 2015.</p> <p><i>Connie Fair</i> added that this modernization project will lay the foundation for greater 2-way data exchange between BCA and local governments and that it will establish a self-serve portal environment. More electronic exchange of data will allow for faster, more accurate processing for BCA which means that local governments will see changes to their tax roll sooner.</p> <p>A description of NextGen valueBC would be a good topic for a future GFOA newsletter article.</p>
LG portfolio approach (Karen) <ul style="list-style-type: none"> ○ Data Advice replacement ○ Service Area Coding ○ ALBC updates 	Karen provided an overview of the projects and core work comprising BCA's local government portfolio.

	<div style="text-align: center;"> <h2>Local Government Portfolio</h2> </div> <div style="display: flex; justify-content: space-around;"> <div style="width: 30%;"> <p>Projects: Current year (2011)</p> <ul style="list-style-type: none"> Replace the Data Advice website and streamline the administration process Apply technical update to Assessment LinkBC </div> <div style="width: 30%;"> <p>Projects: Multi-year (started in 2011)</p> <ul style="list-style-type: none"> Determine business requirements for a product to replace Data Advice Determine business requirements to resolve service area coding issues Service Catalogue Service Standards 2-way data exchange <ul style="list-style-type: none"> • Electronic building plans • Imagery, Permits, Spatial, etc. </div> <div style="width: 30%;"> <p>Core Work</p> <ul style="list-style-type: none"> Product Delivery <ul style="list-style-type: none"> • Rolls and Notices • Custom Reports • Assessment LinkBC • Data Advice Bylaw processing Relationship Mgt. <ul style="list-style-type: none"> • Local Governments • Taxing Jurisdiction Advisory Cte • First Nations Tax Commission </div> </div> <p style="font-size: small; margin-top: 10px;">Last Update: June 9, 2011</p>
	<p>Data Advice replacement – projects are underway to (1) modernize the current website with a new look and feel and a streamlined login process using BCeID; (2) determine business requirements for a new product to replace data advice.</p> <p>Service Area coding – (1) review results of the audit pilot conducted in 2010; (2) a project is underway to determine business requirements to address procedural and systems limitations with the current scheme for assigning minor tax codes.</p> <p>ALBC updates – a new version of the underlying Cognos software will be applied in June/July 2011. The impact for local government users will be slight changes in the look and feel of the site especially when using Face of the Roll cubes. A bulletin outlining these changes will be sent to local government ALBC users in the near future.</p>

ACTION ITEMS:

- Add to list of future GFOA newsletter topics – NextGen valueBC program (Karen)

Update on meetings with LTSA

Connie Fair outlined the close, historical relationship between BCA and the Land Title Survey Authority (LTSA). Formerly, LTSA was known as the Land Titles Office and was part of core government. About 6 years ago, the organization became an operating authority. This shift gave LTSA more control over the revenue it generated plus the ability to pursue revenue opportunities.

Al-Karim Kara provided background to the organization:

- LTSA reports to a board of directors and to a stakeholder’s advisory committee.
- Their fee structures are fixed and difficult to change.
- Their revenue is derived from land transactions, so they are impacted by changes in the real estate market.
- Currently engaged in a business transformation initiative to improve customer service, internal productivity, technology infrastructure and customer service standards. The target completion date is May 2012. A big challenge of this initiative is ‘renovating while living in the house’ – LTSA just implemented release 3 of their new system and have targeted a new software release each quarter through May 2012.

Connie remarked that there are opportunities for local governments, LTSA and BCA to work together to create a future state where:

- There is one integrated cadastral base for the province of British Columbia that everyone uses
- Layers of property information is added to that base
- Information about a property is accessed via maps

ACTION ITEMS:

- None.

Data Exchange

Harry outlined BCA's strategy for data exchange with local governments:

- Short term – acquire whatever data we can electronically
- Long term – an automated 2-way exchange of data

Results from BCA's recent Electronic Building Plans Survey indicate that local governments are shifting towards storing more data electronically.

Timeframe	Respondents storing building plans electronically
Today	21%
In 2 years	33%
In 5 years	44%

BCA is embarking on a proof-of-concept project with the Capital Regional District (which includes 13 diverse municipalities). Building on the work at ICIS, the project will create a model of data exchange from many perspectives (including a geospatial point-of-view).

BCA is also looking for ways to collaborate on acquiring imagery. To support using Desktop Review as a reassessment tool, BCA identified its own priorities and discussed sharing of imagery with the appropriate local government(s) on an ad hoc basis. There is a bigger opportunity to achieve significant cost savings and high-quality imagery through a provincially-coordinated program to acquire imagery. What is the best mechanism to foster such collaboration?

Comments from TJAC members: raise BCA's tax levy to create a shared imagery database; imagery is important as a tool to explain the impact of projects on properties to tax payers, property owners and council; smaller jurisdictions would have easier access to imagery through shared costs.

ACTION ITEMS:

- None.

Customer Service Standards Project

Connie Fair introduced the project manager for this initiative – Jason Grant, Assessor, Vancouver Sea to Sky region, who outlined the project and elicited feedback from TJAC members.

The project is intended to identify 5 to 7 customer service standards that BCA can use to more efficiently allocate staff resources while meeting local government needs and expectations. The project builds on previous work to develop BCA's service commitments – Reliable, Accessible, Uniform, Respectful – and examines how we measure these commitments. This project is limited to assessment, administrative and valuation service standards. The project *may* result in an increase or decrease from current baseline service standards once our staff resource capacity is determined.

The project team consists of:

- Mark Katz, Assessor, South Fraser
- Mark Wooldridge, Assessor, Okanagan
- Jason Grant, Assessor, Vancouver Sea to Sky
- Karen Duch, Executive Coordinator, Field Operations (Urban)

Existing & Potential Service Standard	Discussion
Roll Stability <ul style="list-style-type: none"> • PAAB case resolution rate 	What is local government's tolerance towards refunding taxes? Risk tolerance is unique to each jurisdiction. Supp changes are generally to the property owner's advantage. How much control does BCA have over PAAB case resolution? PAAB case resolution rate can be managed aggressively, so multi-year appeals are decreased.
New Construction <ul style="list-style-type: none"> • Service thresholds across jurisdictions • Re-inventory cycle 	Be conservative. Focus on the accuracy of the 90% Non-Market Change target. Report farm properties separately due to frequent reclassification. Local governments rely on BCA non-market change data although some jurisdictions audit or track separately.
Data Advice	Which parts of data advice accuracy are most important?
Customer Survey Scores	No comments
Roll Quality <ul style="list-style-type: none"> • Supp refunds from PAAB or from error corrections • Exemptions • Classification changes 	Local governments seem less concerned with BCA internal quality measures so long as roll stability is maintained. May not be an issue to BCA or local governments but it is very important to individual property owners. When does BCA know about changes (e.g. move between property classes) and when does BCA report them to local government?
Data Accuracy	Data must be delivered in a timely fashion!
Timely Communication/Consultation	Risk to Roll meetings help eliminate surprises. Ensure that BCA local offices are informed of changes to centrally assessed properties, so these can be shared with local governments.
Transparency	BCA Fact Sheets are very valuable. How does BCA inform property owners of class changes? <ul style="list-style-type: none"> • a letter is sent with the property assessment notice • a message is printed on the property assessment notice Property owners are not making the connection between class changes and taxation impact. Need to encourage property owners to contact their local government for information on tax impacts.
Taxation Process <ul style="list-style-type: none"> • Cost per folio • Tax revenue generated/\$ of BCA cost 	Local governments do not receive much feedback on the BCA tax levy. Not of high interest to local governments.
Relationships <ul style="list-style-type: none"> • LGMA, GFOA, MISA, UBCM, TJAC, ICIS 	Would a service standard formalize these relationships and their importance?

Connie's summary of the discussion:

- Hearing that stability, accuracy and no surprises are really important
- Where does non-market change fit into service standards?
- Let's hit the top 5 to allow all BCA staff to understand, action and report out to local governments on a regular basis.

ACTION ITEMS:

- Internal BCA communication regarding the need to report out on changes to centrally assessed properties (e.g. rail, forests). (Mark)
- Elicit feedback from TJAC members on BCA information letters to property owners (especially regarding property class changes). (Karen)

Next Steps and Wrap-up

In debriefing today's meeting, TJAC members provided this feedback:

- It was a good meeting with good topics.
- The roundtable and action register review were important part of the meeting.
- Excellent! Thanks to Connie Fair for attending.
- It was a useful meeting.
- Likes the new agenda format and meeting additional people.
- Very good meeting; good learning environment.
- Would be helpful to distribute presentations in advance.
- Good meeting; liked smaller room size.
- Great meeting; Al-Karim's attendance gave an opportunity to communicate with and influence other groups.
- Good meeting; looking forward to First Nations Tax Commission guest in September.
- BCA relies on this group to represent local governments and to hold BCA accountable. It's interesting to hear about issues "near and dear" to your hearts.

Next meeting scheduled for September 2011.