

Central Alberta

Regional Assessment Review Board

CARB 0194 1108 2018

Complaint ID 1108

Roll No. 070014130

LOCAL ASSESSMENT REVIEW BOARD DECISION

HEARING DATE: July 19, 2018

PRESIDING OFFICER: M Chilibeck

BOARD MEMBER: V. Keeler

BOARD MEMBER: A. Knight

BETWEEN:

ROBERT WALMSLEY

Complainant

-and-

CITY OF LACOMBE

Respondent

This decision pertains to a complaint submitted to the Central Alberta Regional Assessment Review Board in respect of a property assessment prepared by an Assessor of The City of Lacombe as follows:

ROLL NUMBER: 070014130

MUNICIPAL ADDRESS: 4826 58 Street

ASSESSMENT AMOUNT: \$ 380,000

The complaint was heard by the Local Assessment Review Board on the 19th day of July, 2018, at The City of Lacombe, in the province of Alberta.

Appeared on behalf of the Complainant:

Robert Walmsley

Appeared on behalf of the Respondent:

Warren Powers, Property Assessor for the City of Lacombe

DECISION: The assessed value of the subject property is confirmed.

JURISDICTION

- [1] The Central Alberta Regional Assessment Review Board [“the Board”] has been established in accordance with section 455 of the *Municipal Government Act*, RSA 2000, c M-26 [“MGA”], and The City of Lacombe, Bylaw No. 375, *Regional Assessment Review Board Bylaw*.

PROPERTY DESCRIPTION AND BACKGROUND

- [2] The subject property is a single family detached bungalow located at 4826 56 Street in the City of Lacombe within the province of Alberta. It is classified as residential.
- [3] The Complainant submitted a property assessment complaint to the Central Alberta Regional Assessment Review Board on April 27, 2018. Notice of Hearing was sent to the parties on June 25, 2018.

PRELIMINARY MATTERS

- [4] The Board Chair confirmed that no Board Member raised any conflicts of interest with regard to matters before them.
- [5] Neither party raised any objection to the panel hearing the complaint.
- [6] The Notice of Hearing required the Complainant to file initial disclosure on or before June 27, 2018. Disclosure was not filed by the Complainant on June 27, 2018. The Complainant stated the initial filing April 27, 2018 included the disclosure documents. The Complainant went on to say the initial filing documents minus the Complaint Form were submitted to the Clerk again July 12, 2018. The Complainant confirmed the July 12, 2018 submission did not contain new information. The Respondent stated that he did not have any objection to that. No additional preliminary or procedural matters were raised by any party. Both parties indicated that they were prepared to proceed with the complaint.
- [7] The Board confirmed the submissions of the parties and entered the following Exhibits into the record:
- C.1 – Hearing Materials provided by the Clerk, including Agenda, Notice of Hearing, Complaint Form and Complainant’s Initial Filing Submission (15 pages)
 - R.1 - Respondent Disclosure Submissions (16 pages)
- [8] The Chair confirmed the issue before the board is the assessment amount, and that the Complainant’s requested value is \$318,000 as identified on the complaint form.

ISSUES

- [9] The Board considered the parties’ positions and determined the following question is to be addressed within this decision:

What is the appropriate assessment amount based on the evidence presented?

POSITION OF THE PARTIES

Position of the Complainant

- [10] The Complainant stated that he was unable to speak with the Assessor after he received the assessment notice. His goal is to understand what the assessment is comprised of versus the appraisal and that it is a learning process. He further stated that he was unaware of the process to withdraw his complaint prior to the hearing.
- [11] The Complainant argued that the assessed value of the Subject Property (\$380,000) is significantly higher than the appraised value (\$318,000). He finds it difficult to understand how the difference of \$62,000 would represent a fair market value.
- [12] The Complainant referred to the appraisal report dated March 28, 2018, which was submitted with the complaint form.
- [13] In summary the Complainant requested that the assessment amount be reduced to \$318,000.

Position of the Respondent

- [14] The Respondent explained that he prepared the subject property assessment based on market value as of July 1 of the assessment year using mass appraisal techniques. Specifically s.5 of the *Matters Relating to Assessment and Taxation Regulation, Alberta Regulation 203/2017* ["MRAT"] that provides the following standards of assessment:

Mass appraisal

5 An assessment of property based on market value

- (a) must be prepared using mass appraisal,
- (b) must be an estimate of the value of the fee simple estate in the property, and
- (c) must reflect typical market conditions for properties similar to that property.

Valuation date

6 Any assessment prepared in accordance with the Act must be an estimate of the value of a property on July 1 of the assessment year.

- [15] The Respondent confirmed that 60 comparable sales with an average assessed value of \$379,397, were used in preparing the assessment for the subject property, although no evidence was provided to the Board in support of this statement.
- [16] The Respondent stated that the onus of proving the incorrectness of an assessment is on the Complainant and as such had not met the burden of proof. The Complainant must establish that it is more probable than not that the assessed value is incorrect or inequitable.

- [17] The Respondent argued that the appraisal submitted by the Complainant is post facto as it was prepared March 27, 2018, therefore after the July 1, 2017 valuation date.
- [18] The Respondent explained that the appraisal submitted by the Complainant was prepared for financing purposes only, and that permission to use the appraisal for any other purpose is restricted. Nationwide Appraisal Service Inc. denied the Respondents request to use the appraisal in his argument.
- [19] In summary, the Respondent argued the appraisal should be given no weight for this assessment year, therefore requesting the Board confirm the subject property assessment of \$380,000.

BOARD FINDINGS and DECISION

ISSUE

Is the subject property assessment fair and equitable based on the evidence submitted?

- [20] The Board finds that legislation relevant to assessment and valuation of property provides clear guidance for this Complaint in the Municipal Government Act, RSA 2000, c M-26 ["MGA"], and in Regulations passed pursuant to this Act, specifically Matters Relating to Assessment and Taxation Regulation ["MRAT"]. This legislation governs the assessor in completing assessments, and the Board must make decisions based on the same legislation.
- [21] The Board accepts that the Respondent has prepared the assessment utilizing the sales comparison approach pursuant to all legislation using mass appraisal and market value techniques.

293(1) In preparing an assessment, an assessor must, in a fair and equitable manner,

- (a) apply the valuation and other standards set out in the regulations, and
- (b) follow the procedures set out in the regulations.

(2) If there are no procedures set out in the regulations for preparing assessments, the assessor must take into consideration assessments of similar property in the same municipality in which the property that is being assessed is located.

- [22] The Board recognizes that the Complainant's submission includes an appraisal (C-1 pages 4-13) prepared for bank purposes only that it is post facto with all the comparable sales after the July 1, 2017 valuation date.
- [23] MRAT section 6 defines valuation date as: "*Any assessment prepared in accordance of the Act must be an estimate of the value of a property on July 1st of the assessment year.*" The Board finds that the April 27, 2018 appraisal has no relevance since it was outside the assessment valuation period and could not be included in the current year valuation process. For these reasons, the Board does not place any weight on the appraisal in making its decision.

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- [24] In summary, the Board finds the Complainant has failed to provide convincing evidence to establish that the Respondent's recommended assessed value is not reflective of the subject property's market value and is supportable, fair, and equitable.

DECISION SUMMARY

- [25] For the reasons identified above, The Board confirms the property assessment of \$380,000 as presented by the Respondent.
- [26] Dated at the Central Alberta Regional Assessment Review Board, in the city of Red Deer, in the Province of Alberta this 10th day of August, 2018 and signed by the Presiding Officer on behalf of all the panel members who agree that the content of this document adequately reflects the hearing, deliberations and decision of the Board.



Myron Chilibeck
Presiding Officer

This decision can be appealed to the Court of Queen's Bench. If you wish to appeal this decision you must follow the procedure found in section 470 of the MGA which requires an application for judicial review to be filed and served within 60 days of being notified of the decision. Additional information may also be found at www.albertacourts.ab.ca.

APPENDIX

Documents presented at the Hearing and considered by the Board.

NO.

ITEM

1. C.1 Hearing Materials provided by Clerk
2. R.1 Respondent submission(s)