Agenda – Executive Policy Committee – March 16, 2022

REPORTS

Item No. 15 Board of Revision – Implementation of Audit Recommendations

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the updated Board of Revision Practices and Procedures Manual, included as Attachment A, with the changes outlined in red, be approved.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: Board of Revision – Implementation of Audit Recommendations

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
V. Hutter	M. Lemoine	N/A	M. Jack

EXECUTIVE SUMMARY

In accordance with the Board of Revision Audit submitted to Council on September 29, 2021, this report is recommending the approval of amendments to the Board of Revision Practices and Procedures Manual, to address recommendations 1, 2, 3, 4, 5, 6, and 14 of the of the Audit which will better support Council oversight, clarify key roles and responsibilities, enhance performance management and communication. Recommendation 7 to appoint a Deputy Chair was implemented on May 27, 2021.

An additional report to address the implementation of the remaining 9 recommendations under the purview of the Board of Revision will be submitted to Council by the end of the second quarter of 2022.

RECOMMENDATIONS

1. That the updated Board of Revision Practices and Procedures Manual, included as Attachment A, with the changes outlined in red, be approved.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

On July 19, 2017 Council adopted the Board of Revision Practices and Procedures Manual and directed a review of the Manual to be undertaken five years after implementation.

On September 29, 2021 Council received as information the Board of Revision Audit which contained 17 recommendations for the City Clerk's Department to address to improve the Board of Revision processes.

Amendments to the Board of Revision Practices and Procedures Manual require Council approval.

IMPLICATIONS OF THE RECOMMENDATIONS

The Board of Revision Practices and Procedures Manual will be updated in accordance with recommendations 1, 2, 3, 4, 5, 6, and 14 of the of the Board of Revision Audit submitted to Council on September 29, 2021.

The implementation of the recommendations will also satisfy the requirement for review of the Manual five years after its adoption, as directed by Council on July 19, 2017.

HISTORY/DISCUSSION

The Municipal Assessment Act of Manitoba requires Council to appoint a Board of Revision to hear applications for revision (appeals) of property and business assessments. In a typical general reassessment year, which occurs every two years, the Board of Revision will hear over 5,000 appeals in a period of approximately six months, representing a total assessed value in excess of $16 billion.

The Municipal Assessment Act further provides that:

> "A board may determine the rules of practice and procedure to govern the conduct of business before the board or a panel of the board, but the rules do not come into force until approved by the council of the municipality."

On July 19, 2017 Council adopted the Board of Revision Practices and Procedures Manual which formalized key processes, procedures, roles and responsibilities and performance management functions for the Board of Revision. Council further directed that a review of the Manual be undertaken five years after its adoption.

The 2019 - 2020 Strategic and Audit Plan submitted to Council on April 25, 2019, indicated that a performance audit of the Board of Revision would be undertaken in 2019 to review the property assessment appeal process by evaluating the quality of information and support provided to the Board, adherence to governing authorities, and communication and consistency of rendered decisions. The findings of the Audit submitted to Council on September 29, 2021, contained 17 recommendations for improvements to the Board of Revision practices and procedures and one recommendation for the Assessment and Taxation Department to enhance its communication to residents with the Assessment Notices. The majority of the recommendations regarding the Board of Revision require amendments to the Board of Revision Practices and Procedures Manual.

This report is recommending that the updated Board of Revision Practices and Procedures Manual (Attachment A) with the changes noted in red be adopted to address recommendations 1, 2, 3, 4, 5, 6, and 14 of the of the Audit. Recommendation 7 to appoint a Deputy Chair, was implemented on May 27, 2021. An additional report to address the implementation of the remaining 9 recommendations under the purview of the City Clerk's Department will be submitted to Council by the end of the second quarter of 2022.

The following is a summary of the amendments to the Board of Revision Practices and Procedures Manual to satisfy the intent of the audit recommendations.

Recommendation 1:
We recommend City Clerk's update the Board of Revision Practices and Procedures Manual to include a responsibility for the Appeals Manager to report to Council, at the time of Board member appointment, on the status of key responsibilities performed by the Chair of the Board over the past year.

- Section 2.10 regarding the Duties and authority of the Appeals Manager will be amended to include the following:

  M. Report to Council, at the time of board member appointments, on the status of key responsibilities performed by the Chair of the Board over the past year

Recommendation 2:
We recommend City Clerk's and the Chair of the Board revise the roles and responsibilities of the Appeals Manager and the Chair of the Board in the Board of Revision Practices and Procedures Manual to clearly distinguish their responsibilities and align with leading practices.

- Section 2.8 regarding the Duties and authority of the Chair will be amended by deleting subsections A. I. and J. and replacing with the following:

  A. Be responsible for creation of annual / ongoing training of Board of Revision members and ensuring that training is undertaken.

  I. Develop strategies, policies, plans and materials that support the Board's activities.

- Section 2.9 regarding the Duties and authority of the Deputy Chair will be amended by deleting subsection J. and replacing with the following:

  J. Assist the Chair with the development of policies, plans and materials that support the Board's activities."

- Section 2.10 regarding the Duties and authority of the Appeals Manager will be amended by deleting subsections A., B. and F. and replacing with the following:

  A. In conjunction with the Chair and Deputy Chair, assist with annual / ongoing training to the Board Members.
  B. Ensure the Staff of the Board of Revision are familiar with procedural responsibilities under Legislation and Practices and Procedures Manual

  F. Develop operational procedures for staff and board members regarding hearings and day to day operations of the board.

  and by adding the following new subsection L:
  L. Assist and consult with the Chair and Deputy Chair to develop strategies, policies, plans and materials that support the Board's activities and conduct

Recommendations 3 and 4:

3. We recommend the Annual Report be revised to include at a minimum: the number of appeals heard and value of appeals submitted to the Board of Revision by residential, non-residential and business, decisions made by the Board (decrease, increase or no change), the number of applications withdrawn and the number of appeals resolved through a settlement by agreement.

   The Chair of the Board and the Appeals Manager, in consultation with Council, identify any additional performance measures or information to include in the Annual Report to ensure the Board is meeting its goal. City Clerk's should update the Board of Revision Practices and Procedures Manual to include all the performance measures to be reported on in the Annual Report.

4. We recommend the Chair of the Board and the Appeals Manager establish and document, in the Board of Revision Practices and Procedures Manual, the timeframe within which the Chair of the Board shall present the Annual Report to Council.

   - Section 2.15 regarding the Annual Report to Council will be deleted and replaced with the following:

     2.15 Annual Board Report to Council

     The Chair must provide an annual report to Council. The report should be presented annually for submission to Executive Policy Committee and Council along with the annual appointments for the Board of Revision. The report should contain a summary of the number of appeals heard by classification by value and any particulars the Chair sees fit to include, but at minimum must include:

     - *The number of appeals heard and value of those appeals submitted to the Board of Revision in the previous year, broken down residential, non-residential and business appeals.*
     - *The number of decisions made by the Board of Revision in the previous year and the percentage of those decisions broken down by decrease, increase or no change to the assessment value in each of the three categories above (residential, non-residential and business appeals).*
     - *The number of appeals withdrawn by applicants.*
     - *The number of appeals resolved through a settlement by agreement with the City of Winnipeg.*

Recommendation 5:

We recommend the Chair of the Board and the Appeals Manager, in consultation with Council, define the information the Chair of the Board should document and obtain related to their duties of monitoring hearings and evaluating the performance of the Board. This process should be formalized and documented in the Board of Revision Practices and Procedures Manual.

- Add the following new Section 2.16 regarding the Evaluation of Board Members:

  2.16 Evaluation of Board Members

The Chair, with the assistance of the Vice Chair must undertake an annual evaluation of Board Member performance prior to annual appointment process

The evaluation shall be shared with the Appeals Manager, who shall provide a summary of observations made by the Chair on Board Member performance to the Executive Policy Committee as part of the package of information on the annual appointment of Board Members

The Chair shall undertake the evaluation using methodologies as they see fit including:

- *Annual self-evaluation by Board Members*
- *Peer evaluation*
- *One on one meetings between the Chair or Deputy Chair and members*
- *Observation of actual meeting performance*
- *Review of decisions made via review of data in the Assessment Appeals Application System*

Recommendation 6:
We recommend the Appeals Manager provide a summary of the observations made by the Chair of the Board on board member performance, to the Executive Policy Committee as part of the board member re-appointment process. This responsibility should be formalized and documented in the Board of Revision Practices and Procedures Manual.

- Section 2.10 regarding the Duties and authority of the Appeals Manager will be amended to include the following:

  N. Provide a summary of the observations made by the Chair of the Board on board member performance, to the Executive Policy Committee as part of information submitted in conjunction with the annual appointments for the Board of Revision.

Recommendation 14:
We recommend the Appeals Manager include the retention of the Board member training material with City Clerk's as a responsibility of the Appeals Manager in the Board of Revision Practices and Procedures Manual.

- Section 2.10 regarding the Duties and authority of the Appeals Manager will be amended to include the following:

  O. Retain all board member training material and establish retention / destruction processes through the City of Winnipeg Records Committee, ensuring that training material is available to future Board Chairs.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 8, 2022

Project Name:

Board of Revision – Implementation of Audit Recommendations

COMMENTS:

There are no financial implications associated with the recommendations in this report.

"electronically approved by J. Peters"
Jocelyn Peters, CPA, CGA
Manager of Finance & Administration (Campus)

CONSULTATION

This Report has been prepared in consultation with:

Chair and Vice Chair of the Board of Revision

OURWINNIPEG POLICY ALIGNMENT

The recommendations contained in this report align with OurWinnipeg Direction 1: Provide efficient and focused civic administration and governance.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: City Clerk's Department
Division: Board of Revision
Prepared by: V. Hutter, Appeals Manager
Date: Feb. 8, 2022

Attachments:

ATTACHMENT A: Board of Revision – Practices and Procedures Manual