The Alberta Association of Architects (AAA) is a self-governing professional body charged under the Architects Act, R.S.A. 2000, c. A-44 and General Regulation with the registration, licensure and practice of registered architects and licensed interior designers for the protection of the public in the province of Alberta.

**Vision**

To regulate and advance the professions of architecture and interior design in Alberta.

**Mission**

The AAA is a community of architects and interior designers that represent the public interest in the administration of the Alberta Architects Act.

**Mandate**

The association fulfills its mission by regulating, advising, promoting and supporting our professions.
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PAST PRESIDENTS OF THE AAA

1906 – 08  F. Deggendorfer
1908 – 09  James Wize
1909 – 10  R. Percy Barnes
1910 – 11  E. C. Hopkins
1911 – 13  George MacDonald Lang
1913 – 14  Roland W. Lines
1914 – 15  James Henderson
1915 – 16  J. J. O’Gara
1916 – 21  Richard P. Blakey
1921 – 22  Alfred M. Calderon
1922 – 24  Cecil S. Burgess
1924 – 26  William George Blakey
1926 – 28  James McIntyre Stevenson
1928 – 30  Edward Underwood
1930 – 32  George Heath MacDonald
1932 – 35  Robert McDowal Symonds
1935 – 38  Richard P. Blakey
1938 – 45  John Martland
1945 – 48  Maxwell Cameron Dewar
1948 – 50  Gordon Kenneth Wynn
1950 – 52  T. Gordon Aberdeen
1952 – 53  George Willington Lord
1953 – 56  Kelvin Crawford Stanley
1956 – 58  Howard Bouey
1958 – 60  James Brock Bell
1960 – 61  Gordon McAdam
1961 – 62  Thomas Groves
1962 – 63  John Cawston
1963 – 64  D. Gordon Forbes
1964 – 65  Hugh Seton
1965 – 66  Robert Bouey
1966 – 68  Kenneth Bond
1968 – 69  Donald Sinclair
1969 – 70  Edwin Raines
1970 – 71  John McIntosh
1971 – 72  Bernard Wood
1972 – 73  G. Douglas Menzies
1973 – 74  Hugh W. R. McMillan
1974 – 75  Freda O’Connor
1975 – 76  Michael Evamy
1976 – 77  Joe Naito
1977 – 78  Gilbert Beatson
1978 – 79  Jack Jamieson
1979 – 80  Morley Workun
1980 – 81  Norman Croll
1981 – 82  Barry Graham
1982 – 83  Peter Hemingway
1983 – 84  Ken Hutchison
1984 – 85  Gerald Forseth
1985 – 86  A. Michael Holland
1986 – 87  Brian Eldred
1987 – 88  Dale Taylor
1988 – 89  John Rockiff
1989 – 91  Paul Hugh Polsen
1991 – 93  Elizabeth Dechert
1993 – 94  Doug Craig
1994 – 95  Gordon Thorkelsson
1995 – 96  Peter Burgener
1996 – 97  Fraser Brinsmead
1997 – 98  Richard Lindseth
1998 – 99  Douglas Sollows
1999 – 00  Brian Oakley
2000 – 01  Lynn Webster
2001 – 02  Barbara Shipman
2002 – 03  Leonard Rodrigues
2003 – 04  David Down
2004 – 05  Jane Pendergast
2005 – 06  Arthur Ferrari
2006 – 07  Doug Campbell
2007 – 08  Katherine Wagner
2008 – 09  Daryl Procinsky
2009 – 10  Craig Webber
2010 – 11  Doug Ramsey
2011 – 12  Scott Pickles
2012 – 13  Peter Streith
2013 – 14  Mark Chambers
2014 – 15  Donald Wm. A. Davidson
2015 – 16  Peter Osborne
2016 – 17  Patti Swanson
2017 – 18  Elizabeth Songer

“Continuity gives us roots; change gives us branches, letting us stretch and grow and reach new heights.”

—Pauline R. Kezer
The AAA is governed by a Council of architects and licensed interior designers who have been elected by the membership. The Minister of Human Resources and Employment also appoints a public representative to enrich Council discussions, particularly those with public implications, and opens the workings of the association to the public.

Additionally, Council has ex-officio representatives from the architecture program at the University of Calgary, the interior design program at Mount Royal University’s Faculty of Applied Interior Design, student representatives from both universities, and an additional Licensed Interior Designer. Their presence ensures a continual flow of information between the professions and Alberta’s educational institutions and student bodies.
The current strategic plan is designed to guide the activities and priorities of the AAA through the end of 2020. Council reviews the plan and annually makes adjustments as required.

The vision that Council has for the AAA is one where our organization will be widely recognized by our membership, business, media and government as the relevant authority for issues related to the regulation of the professions of architecture and interior design. The AAA will be seen as an effective, responsive, self-regulatory organization with an engaged membership base that provides first-rate support to the practitioners of architecture and interior design in Alberta.

1) To strengthen the professions

Enhance support to interns and new professionals

3) To enhance member engagement

Enhance member communications

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IT’S A DATE

1906 1910 1913 1951

» Franz Xavier Deggendorfer serves as first President of the AAA for two years before moving back to Oregon.

» Alice Charlotte Ross, the first known Canadian woman to graduate from an architecture program, begins working in Alberta.

» University of Alberta begins offering school of Architecture (until 1939).

» First Canadian architectural partnership of two women is established in Alberta by Jean Wallbridge and Mary Imrie.
First Cecil S. Burgess Scholarship is awarded. The scholarship was established to honour and remember the important contributions of Cecil Scott Burgess, the University of Alberta’s first architect.

A School of Architecture is established at the University of Calgary, bringing an architecture program back to Alberta after more than three decades.

Freda O’Connor is elected as the first female President of the AAA. Upon setting her first meeting at the Calgary Ranchman’s Club, she is forced to enter through the back door as policy prevented women from being seen entering the building.

Practice Bulletins are introduced to offer practical guidance and legislation interpretations to the AAA membership.

2) To continually strive towards organizational excellence

- Legislation review
- Re-affirm focus on our core regulatory responsibility
- Council development strategy

4) To foster a wider understanding of the role and value of the professions in Alberta

Define and execute our advocacy role
THANK YOU VOLUNTEERS!

Suzanne Allard
Donna Assaly
Jon Astolfi
Christopher Babits
Darrel Babuk
Anna Batebe
Dennis Bathory
Gregory Beck
Robert Bennett
Adrian Benoit
Darrel Boles
Adele Bonetti
Jay Boyce
Len Brown
Christina Budnick
Heather Cameron
Ken Cantor
Tom Cerkvenac
Mark Chambers
Roland Charpentier
Coben Christiansen
Stephanie Clancy
Shawna Cochrane
Grace Coulter
Jason Curtis
Eugene Dejneka
Marvin DeJong
David Edmunds
Alexis Finlay
Gerald Forseth
Colin Friesen
Genevieve Giguere
Crystal Graham
Chris Greene

Lyle Hallett
Kelvin Hamilton
Rohit Handa
Terry Hartwig
Daniel Heaton

Practice Review Board
Interior Design Legislation Task Force
Registration Committee
Nominating Committee, CExAC Committee
Registration Committee
Banff Session Committee
Complaint Review Committee
Legislation Committee, Safety Codes Council - Building Sub-Council
Registrar, Practice Entities Task Force
Prairie Design Awards Committee
Complaint Review Committee
Interior Design Legislation Task Force, Joint Board of Practice
Communications Advisory Committee, EVDS Representative
Complaint Review Committee
Communications Advisory Committee
Advocacy Committee
Prairie Design Awards Committee
Practice Entities Task Force
Practice Entities Task Force
Banff Heritage Corporation
Executive Committee, Advocacy Committee
Registration Committee
Advocacy Committee, Joint Board of Practice
Practice Entities Task Force
Complaint Review Committee
Complaint Review Committee
Banff Session Committee
Complaint Review Committee
Nominating Committee
Complaint Review Committee
Calgary Planning Commission, Calgary Urban Design Review Panel
Complaint Review Committee
Registration Committee
Interior Design Advisory Committee, Interior Design Legislation Task Force,
Registration Committee
Complaint Review Committee
Practice Review Board
Registration Committee
Complaint Review Committee
Practice Review Board
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<thead>
<tr>
<th>Name</th>
<th>Committees</th>
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<tr>
<td>Marty Hodgson</td>
<td>Complaint Review Committee</td>
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<td>Amelia Hollingshurst</td>
<td>Calgary Urban Design Review Panel</td>
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<td>Henry Howard</td>
<td>Registration Committee</td>
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<td>Keesa Hutchinson</td>
<td>Registration Committee, Reinstatement Committee</td>
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<td>Salvador Ibarra</td>
<td>Practice Review Board, CACB BEFA Evaluation Panel</td>
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<td>Stewart Inglis</td>
<td>CACB BEFA Evaluation Panel</td>
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<td>John Iwanski</td>
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<td>Natasha Jaibert</td>
<td>Interior Design Advisory Committee, Interior Design Legislation Task Force</td>
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<tr>
<td>Martin Jones</td>
<td>Registration Committee</td>
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<td>Jennifer Jordan</td>
<td>Interior Design Advisory Committee, Practice Review Board</td>
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<td>Svetlana Kaznacheeva</td>
<td>Edmonton Design Committee</td>
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<td>Brad Kennedy</td>
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<td>Josh Kjenner</td>
<td>Advocacy Committee</td>
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<td>Ben Klumper</td>
<td>Advocacy Committee, CAA Board Representative</td>
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<td>Randy Krebes</td>
<td>Advocacy Committee, Legislation Committee, Practice Advisory Committee, Practice Review Board</td>
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<td>Robert Labonte</td>
<td>Edmonton Design Committee</td>
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<td>David Lachappelle</td>
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<td>L. Scott Lambert</td>
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<td>Krista Lauridsen</td>
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<td>Robert LeBlond</td>
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<td>Janice Liebe</td>
<td>Calgary Urban Design Review Panel</td>
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<td>Neil Mackenzie</td>
<td>Practice Review Board</td>
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<td>Stephen Mahler</td>
<td>Advocacy Committee</td>
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<td>Isaac Martinez</td>
<td>Complaint Review Committee</td>
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<td>Asim Mazhar</td>
<td>CACB BEFA Evaluation Panel</td>
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<td>Barry McCallum</td>
<td>Safety Codes Council - Barrier Free Sub-Council</td>
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<td>Bruce McKenzie</td>
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<td>Walker McKinley</td>
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<td>Robert Merchant</td>
<td>CACB BEFA Evaluation Panel</td>
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<td>Salim Merchant</td>
<td>PD Advisory Committee, Safety Codes Council - Elevators Sub-Council</td>
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<tr>
<td>Naomi Minja</td>
<td>Practice Entities Task Force</td>
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<tr>
<td>Tina Mitchell</td>
<td>Prairie Design Awards Committee</td>
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<td>Ian Morgan</td>
<td>Complaint Review Committee</td>
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<td>Patrick Moskwa</td>
<td>Banff Session 2018 Committee</td>
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<td>Gary Mundy</td>
<td>Calgary Urban Design Review Panel</td>
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<td>Linus Murphy</td>
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<td>Gordon Murray</td>
<td>PD Advisory Committee</td>
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<td>David Murray</td>
<td>Interior Design Advisory Committee, Joint Board of Practice, Registration Committee</td>
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<td>Gary Norbom</td>
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THANK YOU VOLUNTEERS!

Brian Oakley  Registration Committee
Peter Ordyne  Complaint Review Committee
Peter Osborne  Interior Design Legislation Task Force, Joint Board of Practice
Alan Partridge  Legislation Committee
Kerri Peyton  Interior Design Advisory Committee, Nominating Committee
Michael Pickett  Banff Session Committee
Jan Pierczak  Executive Committee, Complaint Review Committee, Practice Entities Task Force
Sergio Poles  Practice Review Board
Ben Pond  Advocacy Committee
Ronald Poon  Complaint Review Committee
Kevin Porter  Registration Committee
Darryl Rewniak  Joint Board of Practice
Cory Riley  Interior Design Legislation Task Force
Michele Roach  Complaint Review Committee
Leonard Rodrigues  Practice Advisory Committee
William Ross  Complaint Review Committee
Dean Russell  Executive Committee, Professional Development Advisory Committee
Chad Russill  Calgary Urban Design Review Panel
Claudia Schaaf  CACB BEFA Evaluation Panel
Jodi Schumacher  Banff Session Committee
Wesley Sims  Edmonton Design Committee
Georgi-Anna Sizeland  Interior Design Legislation Task Force
Leanne Soligo  Registration Committee
Elizabeth Songer  Executive Committee, Nominating Committee
Robert Spaetgens  Complaint Review Committee
Peter Streith  CACB BEFA Evaluation Panel, CALA International Relations Committee
Stephen Suen  Safety Codes Council - Fire Sub-Council
Patti Swanson  Complaint Review Committee, Legislation Committee
Robert Swart  Practice Review Board
Avery Temofychuk  Registration Committee
Joylyn Teskey  Practice Review Board
Eric Toker  Calgary Urban Design Review Panel (Heritage Conservation)
Sandra Valens  PD Advisory Committee
Amanda VanderZee  Council, Prairie Design Awards Committee
Shelley Van Tamelen  PD Advisory Committee
John Webster  Registration Committee
John Wheatley  Registration Committee
Beverly Wilson  Interior Design Legislation Task Force, Registration Committee
Amy Wowk  Prairie Design Awards Committee
Luisa Zilla  PD Advisory Committee

THANK YOU VOLUNTEERS!
I enjoy the sense of camaraderie working with a group of peers who all have a common goal which is for the betterment of our association and to pave a path of change for future generations.

Chris Greene

The association is essentially a collection of its members; therefore, its effectiveness and well-being are a direct outcome of the efforts of the membership.

Randy Krebes

When volunteering you are exposed to many things and colleagues that you would not be during day-to-day practice and this also makes volunteering rewarding.

Avery Temofychuk

Volunteering keeps me in touch with my colleagues and up to date on association matters.

David Murray

So often our profession has us competing against each other. It is rewarding to be on the same side and working together.

Patti Swanson

When volunteering you are exposed to many things and colleagues that you would not be during day-to-day practice and this also makes volunteering rewarding.

Avery Temofychuk

I enjoy solving issues and making both members and the public aware of the vital role the professions play in Alberta.

Len Rodrigues

The association is essentially a collection of its members; therefore, its effectiveness and well-being are a direct outcome of the efforts of the membership.

Randy Krebes
As I complete my term as the 80th President of the AAA, I wish to say that it has been an honour to carry on the legacy of previous Councils and Past Presidents. I have grown to better understand the AAA’s vital role as the provincial regulator, and our responsibility to the public and our members.

I would like to thank all the members of Council that I have had the pleasure of serving with this past year. Their commitment, expertise and enthusiasm are of tremendous value.

Our ability to be entrusted with a defined scope and title must never be taken for granted and we must protect it with diligence, competence and respect.

Strategic Governance
The AAA Council ensures that the association develops and implements a long-term vision and strategic plan that is consistent with the regulatory obligations, values and mission of the organization. The goals in our strategic plan are:

1. To continually strive towards organizational excellence
   - Council terms of reference - With a goal of continuous improvement in mind, Council developed and adopted a formal terms-of-reference for Council itself that provides clarity for all Council members on the expectations of behavior and the role for both individuals and the Council as a whole.
   - Governance training - At the 2018 Think Tank, a governance specialist worked with the councillors to increase their understanding and confidence in their roles and responsibilities.
   - Competency-based recruitment – A new approach to Council recruitment was implemented for the 2019 election cycle to encourage leaders within the profession to bring their skills to Council.
   - Self-Assessment – Council created and implemented a tool for a sense of how they are performing against stated values and goals.

2. To strengthen the professions
   - Expanded role for Registrar – To re-affirm our focus on core regulatory responsibilities the position of Registrar was expanded from a casual position to a contract position of two days per week.

To this end, the AAA Council has provided policy direction, guidance and fiduciary oversight of the many activities of the association in the past year.
Grant Moore joined the Duggan House team late in 2018 and is providing enhanced support to our members, allowing for more timely processing of applications, and more support for a variety of registration-related projects.

- **Practice bulletins** – Various practice bulletins were reviewed and/or developed and delivered to the membership in support of the ongoing practice needs of our membership.
- **Illegal practice monitoring** – We made good use of a summer student to help us catch up on a backlog of illegal practice complaints. While this is a never-ending task, we continue to respond when instances of illegal practice are brought to our attention.

3. To enhance member engagement
- **New AAA website** – a significant amount of work went into the development and roll out of a more modern website. The new website offers a robust tool for both members and the public. The underlying content management system is easier for our staff to use and consequently we look forward to seeing this dynamic online presence grow in the coming year.

4. To foster a wider understanding of the role and value of the professions in Alberta
- The Advocacy Committee developed an over-arching strategy for external relations and promotion of the professions. Work has begun with three task forces focused on the key areas of government/external relations, authorities having jurisdiction, and public education.

**Committees**
I would like to say how appreciative I am of the many volunteers that give their time and talents to the various committees and task forces to ensure we meet our core responsibilities. There are too many people to thank in this small space but I do wish to list the active AAA committees here:

- Advocacy Committee; Complaint Review Committee; Interior Design Advisory Committee; Interior Design Legislation Task Force; Practice Entities Task Force; Nominating Committee; Practice Advisory Committee; Practice Review Board; Professional Development Advisory Committee; Registration Committee; and the Banff Session Committee.

Many volunteer hours are given and the dedication and expertise of our members is much appreciated.

I would also like to thank the numerous volunteers also representing the AAA on external committees, ensuring our professions are represented in the greater community in a meaningful way.

**Administration**
Finally, I want to thank the AAA’s administration on behalf of Council and our membership for their work over the past year as they continue to strive towards organizational excellence. We commend our Executive Director Barbara Bruce and her team for increasing the effectiveness of our operations, which allows the AAA to provide ongoing support to our members.

“Our ability to be entrusted with a defined scope and title must never be taken for granted and we must protect it with diligence, competence, and respect.”
The AAA actively engages with regulators in Canada and the Canadian Architectural Licensing Authorities (CALA) on several initiatives. In 2018 Alberta was represented at the biannual CALA meetings by the AAA’s representative from Council and the Executive Director.

Operating as an informal organization, CALA works collectively to develop and adopt nationally recognized standards and programs to meet their regulatory responsibilities as well as the needs of the architectural profession. Several committees manage the work that impacts the profession as a whole.

CHOP Manual Update Project
Since 2017 a project has been underway for a significant update to the Canadian Handbook of Practice (CHOP). Each of the regulatory bodies across Canada has provided financial support for this project being done under contract between CALA and the RAIC. Several AAA members (joined by colleagues from across Canada) are serving as subject matter experts by contributing to the writing and editing. As your Executive Director, I am serving on the project Steering Committee. The updated CHOP will be available online in 2020 and access will be free to all AAA members.

Committee of the Examination for Architects in Canada (CExAC)
Chris Babits, Architect, AAA, continues to serve as an AAA representative on this committee.

The 2018 sitting of the Examination for Architects in Canada (ExAC) had many more interns writing, compared to 2017. The national “clean pass rate” (successfully passing all four exams in the first sitting) was only marginally lower than last year, and essentially constant since ExAC first began a decade ago. The number of Alberta writers was a little lower from the previous year, and the pass rate continues to be lower than the national average. Nevertheless, the exam remains a reliable way to test Canadian architectural interns. In fact, the reliability metric has been improving year over year, through the past five years. There is continued detailed review of results by consultants working for CExAC, ensuring proper professional oversight with a focus to keep improving the exam.

CExAC has refined the objectives to ensure it is an up-to-date reflection of the internship program. These objectives are now updated in the exam and on the website. Improvements continue to be made to the website and to streamlining the online registration process. The CExAC thanks its volunteers for helping to make this year’s sitting of the exam another success. Without the continued support of professional members, the exam would not be possible.

Canadian Architectural Certification Board (CACB)
Standing Committee
David Edwards, Architect, AAA continues to serve on this committee.

The committee has been busy this year on several fronts. They recently finished a survey of the Broadly Experienced Foreign Architect (BEFA) program, which has been operating for six years, and are following through with some changes to the application process as well as updating the required competencies. They are also undertaking a review of the Intern Architect Program and are working with the Council of Canadian University Schools of Architecture (CCUSA) on a potential integration program.

Work is under way with IRCC (Immigration Canada) to have the CACB recognized as the only organization recognized by the profession to certify degrees. This year is the first full year that the new “Conditions and Procedures for Accreditation” has been in place and the committee will undertake a review in the coming year.

Architecture Policy for Canada
The AAA continues to support CALA’s initiative related to the development of an Architecture Policy for Canada. This initiative has been moving forward steadily over the past couple of years with the support of CCUSA and the Royal Architectural Institute of Canada (RAIC). The project is entering a key phase of consultation with members of the profession and the general public. This phase will take place throughout the remainder of 2019 and into 2020 leading to a finalized set of principles and recommendations to be validated in late 2020.

International Relations Committee (IRC)
Peter Streith, Architect, AAA continues to serve on this committee.

Canada – Europe (ACE MRA)
In 2018 representatives from the Canada and European Union architectural regulatory authorities,
International agreements open doors to qualified architects as the world and architectural practices become more globally interconnected.

signed a mutual recognition agreement (MRA) giving architects opportunities to work across the Atlantic. CALA, in conjunction with the Architects’ Council of Europe (ACE), announced the completion of the ACE-CALA Mutual Recognition Agreement for the Practice of Architecture among member states in the European Union and Canada.

The agreement represents a decade of negotiations, bringing trans-Atlantic recognition of professional credentials under the auspices of the Comprehensive Economic and Trade Agreement (CETA), a free-trade agreement between Canada, the EU and its member states. Qualified architects from each country who satisfy the requirements of the agreement, will be granted a credential that will lead to a license to practice architecture in the host country. The agreement opens doors to qualified architects as the world and architectural practices become more globally interconnected.

With the financial support of Employment & Social Development Canada the IRC was able to finalize the MRA with ACE and begin work on the development of the Domain Specific Assessment (online course) for prospective European architects applying to practice in Canada. The development of the course is proceeding well and is going through its final review and testing stages.

Global Affairs is continuing to work with the European Governments to annex the ACE-CALA MRA under the CETA agreement. Once the MRA is annexed under the CETA agreement, ACE and CALA can implement the agreements. The tentative implementation date has been shifted to late 2019 or early 2020.

Canada – USA
Forty states remain signatory to the Canada/United States MRA. The National Council of Architectural Registration Boards (NCARB) has continued to work with their lawyers to remove legal impediments for some of the remaining states that are not currently signatory to the agreement. The IRC has attended various meetings with Global Affairs to discuss the implications of a renegotiation of NAFTA and any potential affects on the MRA.

Canada – Mexico – USA (Tri-National MRA)
FCARM (Mexico), NCARB (USA), and IRC (Canada) met in November of 2018 to review the Tri-National Agreement and the number of American states that remain signatory to the agreement. All three architectural committees restated their support for the agreement in light of the current NAFTA negotiations.

APEC
At the Asia-Pacific Economic Cooperation (APEC) Central Council meeting in China in October 2018, the IRC conducted additional discussions with the Japanese delegation regarding their understanding of the domain specific assessment requirements. Negotiations with the Japanese will continue in the coming years to see if an MRA under the APEC agreement is possible.

Under the tri-national agreement with Australia, New Zealand and Canada, an Australian architect was granted licensure in Alberta in the summer of 2018. A Canadian architect applied for APEC designation with the intent of applying for registration in Australia. The current tri-national agreement with Australia, New Zealand and Canada requires the submission of a dossier and an in-person interview. The IRC is reviewing the option with Australia and New Zealand to utilize the online domain specific assessment course developed for the ACE MRA in lieu of the dossier and interview process. Further negotiations with Australia and New Zealand will occur at the next APEC Central Council Meeting in 2020.
It has been a pleasure to serve as vice-president of Council for this last year. I feel we have made great headway under the leadership of our president Coben Christiansen.

The Council year began with a two-day retreat at “Think Tank.” This is a gathering of Council in the quiet retreat of Ghost River. This provided our group an opportunity to get to know each other better and to delve into deeper topics. This year was a review of governance issues. For those new to Council it was a dive into the role of Council and our responsibilities. For those experienced in Council it was a chance to revisit the AAA’s governance principles. The best part was getting to know the team.

One of the projects that I was able to work on with Dean Russell (Council member) was a move towards a competency-based selection process for Council. This is a trend we have identified for self-governing bodies. The intent is to attract our best and brightest to Council. It is self-serving in that we are trying to raise the quality of our governance model. There is a danger in this approach in that it may deter some from participating. This is the first year we have deployed this process and we will watch the results and review outcomes.

I recently attended the ASAE (American Society of Association Executives) CEO Symposium with our President and Executive Director. There was great information presented by national leaders in the field. My biggest takeaway from this two-day event was that the AAA is very well run and that our governance model is robust and in keeping with what other associations in North America are doing. This type of external validation is always rewarding.

Through my term as vice-president, I have been invited to participate in more of the work between the President and Executive Director. This early involvement has given me a chance to become familiar with the issues that the President faces, and has prepared me to move into that role.

As I move into the role of President in the coming year, I would like to focus on our volunteers. Our organization is lead by volunteers and we need to reinvigorate the membership to participate in our committees. I ask each of you to consider what you can do for our organization. It is only through your support and involvement that our self-governing organization will continue to thrive.

I ask each of you to consider what you can do for our organization. It is only though your support and involvement that our self-governing organization will continue to thrive.
We can all agree that a year goes by way too fast! Our first Interior Design Advisory Committee (IDAC) meeting was June 21, 2018 at which a priority task list was developed. The list included large and small tasks on matters that are important to our profession, incoming professionals, and clarity on regulation and understanding for the public of the work and scope of licensed interior designers.

- **Interior Design Legislation Task Force** - The task force has reviewed the *Architects Act* and the *General Regulation* and a draft recommendation is underway with an eye to how the profession of interior design is represented and supported by the legislation. The task force has also begun the review process with key organizations in Alberta both at the association level and the university level to ensure that the review process is inclusive of the interior design community at large. We look forward to concluding the review by the end of summer 2019.

- **Appropriate terminology** - We have developed language standards regarding the use of the words “licensed interior design,” “interior design,” and the “practice of interior design” so that public and internal communications correspondence has consistent and appropriate language around the profession of interior design.

- **Clarification of terms** - An article defining the difference between a licensed interior designer, interior designer, and a decorator has been developed for your use. The text can be found on the AAA website and may be a useful tool for both the profession and the public. We hope that this information along with Practice Bulletin 26 can be used to help educate the public on why we have the word “licensed” in front of interior designer.

- **Road map to registration** - We now have a visual road map for interior design interns to use and follow for the path to become licensed. We all love a colored visual, and this road map, available online, is helpful in explaining the steps to licensure.

- **Ongoing work** - The IDAC continues to work on reviewing the intern interview process with a view to how we can better prepare interns to be successful. We are also looking at how we can provide more support for the next generation of professionals.

Thank you to all who give their valuable time on all the committees and task forces for our association. We cannot do it without you!

“The Interior Design Advisory Committee continues to work on reviewing the intern interview process with a view to how we can better prepare interns to be successful.”
Awards

The AAA recognized several of its members at Banff Session 2018. L. Frederick Valentine, Architect, AAA, RCA, FRAIC (pictured above left with AAA President Elizabeth Songer) was awarded the Tom Sutherland Award. Logan Armstrong (pictured top right) and Katrina Walker (pictured bottom right) were each awarded the Presidents Medal.

The Tom Sutherland Award was created in honor of its namesake, the late Tom Sutherland, to recognize those who exhibit the same exceptional leadership, excellence in design and extraordinary service to their community.

Mr. Valentine was nominated for this prestigious honour by William Chomik, Architect, AAA and Jeremy Sturgess, Architect, AAA. Among the many distinctions and positive qualities included in their nomination letter, the pair noted “Fred’s contributions at the community level have been an inspiration to countless young aspiring and developing architects and, while interfacing with the broader public body of societal movers and shakers including planners, politicians, activists and more, have unequivocally impacted the larger urban fabric of their communities.”

“Fred Valentine is the ideal candidate to become the recipient of the Tom Sutherland Award, the ideal standard to set for this remarkable honour,” said Elizabeth Songer.

The AAA’s President’s Medal is awarded to a graduating interior design student from Mount Royal University and a graduating architecture student from the University of Calgary. The chosen students are recognized annually for achieving the highest level of academic excellence or completing the most outstanding final design thesis for that academic year.

Katrina Walker began her interior design education at the University of Manitoba and finished at Mount Royal University, graduating with a Bachelor of Applied Interior Design.

Logan Armstrong holds a Diploma in Architectural Technologies with Honours from the Southern Alberta Institute of Technology, a Bachelor of Urban Studies with Distinction, and a Master of Architecture Degree with RAIC Honours from the University of Calgary.

Prairie Design Awards

Presented by the AAA, the Saskatchewan Association of Architects and the Manitoba Association of Architects, the Prairie Design Awards celebrate those setting new standards of creativity and skill in architecture and interior design. The 2018 Awards were hosted by the AAA and presented in Banff with many Alberta entries winning in their categories (opposite):

1. Royal Alberta Museum Gift Shop | Edmonton
   Nyhoff Architecture

2. Canadian Natural Resources Limited Engineering Complex | Calgary
   Gibbs Gage Architects/Diamond Schmitt Architects

3. C-Square | Calgary
   Marc Boutin (Architecture) and Deron Miller (Landscape Architecture)

4. Castle Downs Park Pavilion | Edmonton
   gh3

5. Shane Homes YMCA at Rocky Ridge | Calgary
   GEC Architecture

6. The Armature | Edmonton
   ISL Engineering and Landscape Ltd with Marshall Tittemore Architects
2.

Award of Excellence
Small Project

4.

Award of Excellence
Interior Design

3.

Award of Merit
Landscape Architecture

6.

Award of Merit
Landscape Architecture

5.

Award of Merit
Interior Design
As you all well know, the AAA has been working on updating the Architects Act since 2012. The 13 guiding principles, voted on by our membership in 2014, have formed the basis for the Legislation Task Force going forward with the development/refinement of our proposed change and update of our Act. Additionally, they have been used as a guide for negotiations with the Professional Governance Unit of the Government of Alberta (GOA) on how best to update our legislation.

While the process has been a slow one, I am cautiously optimistic to report that we have finally made it further ahead in the queue and feel some forward momentum. Again, I must caution our membership that with the recent provincial election this could mean a change in GOA priorities and policies. Nevertheless, we have had some interesting suggestions from the Professional Governance Unit and with Council’s approval will be moving forward with the strategies identified below.

The Professional Governance Unit has advised us that our best chances of moving our legislation forward in a timely manner are to:

- Minimize scope change and approach any clarification of same with great caution.
- Target core regulatory functions and update those.
- Enable the inclusion of allied professions in the future. Add regulatory-making-authority within the Act to give inclusion and definition of the allied professions in the future. Keeping allied professions in the regulation also keeps the door open for the inevitable evolution of these professions and the ability of the AAA to adapt accordingly. It will be much easier to update our General Regulation when the scope and extent of allied professions within the AAA is more clearly defined.

To clarify, the elements we consider to be core regulatory functions, which we intend to press forward on are:

- Mandatory insurance
- Modernization of the discipline process to reflect modern legislation
- A practice review program that is supportive and not punitive
- Updated practice entities, definitions and clarification on stamps/seals
- Updated naming requirements for practice entities

Additionally, we are relatively confident that we could push through the following consequential changes as they are not particularly controversial:

- Name change of the association
- Authority over interns
- Elimination of the Joint Board of Practice
- Updated governance framework to reflect modern legislation
- Registration streamlining to reflect modern legislation
- Language updates to reflect modern terminology
- Updated information collection use and disclosure to reflect modern legislation

It is important to note that the one area, voted on by our membership, which remains unclear, is Guiding Principle #2. This Guiding Principle related to the removal from both the Architects Act and the Alberta Building Code some of the exclusions for architects’ seal requirements. We have asked the government if we could put enabling language within our Act to have this issue addressed within our General Regulation but have not received clarification. This is a complicated issue as it would mean an increase to architects’ scope and must be negotiated with both APEGA and Municipal Affairs.

In the coming months we will be publishing, on our website, proposed changes to our Act for review and comment by our membership. Please look for this information as it is important that you all understand the elements for our proposed new legislation.

Finally, I must acknowledge and thank all the people who continue to make our updated legislation a priority. Administration, our legal team and most importantly our volunteer membership. Without your continued dedication none of this would be possible.
Following several years of inactivity due to the focus on Legislation Review tasks, the Practice Review Board (PRB) was reinstated in 2018 under the guidance of an updated terms of reference set by Council. The PRB terms of reference highlights its mandate to: a) maintain the public interest by serving as the designated practice competency review, education and support body for all membership firms, and b) to consciously move away from any form of investigative or punitive function in anticipation of updates to the Architects Act.

The PRB is a statutory body having the responsibility to advise member firms and Council on relevant practice matters through the establishment of practice policies and acceptable standards of practice to guide the public and member firms as referenced through various sections of the AAA website and Practice Bulletins. The board works closely with and is supported by the Director of Practice, AAA administration, and the Practice Advisory Committee to identify emerging practice issues, develop new practice bulletins and to implement new practice programs.

The PRB is responsible to initiate and conduct general reviews of membership practices. It also maintains the authority for making practice competency rulings and directing practice improvements of individual authorized entities if requested in writing by an authorized entity, Council or the Complaints Review Committee. Consistent with Alberta Court of Appeal rulings and pending legislation updates, the PRB has no complaint review or discipline authority.

Over the past year, the PRB advised on new practice bulletins and kicked off the development of a high-level practice survey and a documented standard of practice which are targeted for issue next year. We focused on establishing a strong and reliable board membership including a new public member and confirmed our relationship with Council and other administrative bodies.

I am extremely appreciative to Council, the Director of Practice, the Practice Advisory Committee, administration and my fellow PRB members for their support over the past year. The board is pleased to be supported by two licensed interior designers and a new government-appointed public member, Ms. Sandy Umpherville. Over the upcoming year, we look forward to strengthening board processes to sustain its standing as a statutory body and to continue to support the needs of the membership.
The Registration Committee’s purpose is to ensure all logbooks and hours and applications to practice in Alberta are reviewed as per the current regulations; all submissions are accurate; and that all interns are getting relevant experience. We also review applications to Alberta from other Canadian and international jurisdictions to ensure that everyone who wants to practice in Alberta meets both the provincial and national standards.

Along with the existing registration work, the committee continues to work with Duggan House and Council to add clarity and a better sense of definition to the registration process. Our goal continues to be to ensure fairness and the evaluation of all applications to the same standards. This does mean making some difficult decisions regarding applicants to the AAA who are not meeting the standards set by Council. Overall the process of registration goes smoothly. Where interns’ paths are different from the prescribed path, we try as much as possible to assist and recommend solutions.

Support for the Registration Committee has been steadfastly provided by all of Duggan House, in particular Barbara Bruce, Yasmin Tejpar, Nishika Kalupahana, Rashida Dhariwalla, and Grant Moore whose experience and knowledge have made the program a success.

In addition to Duggan House staff, the committee is indebted to all the registered architects and licensed interior designers who volunteer countless hours for the committee for logbook reviews, interviews, and meetings.

Membership By Year*

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<tr>
<th>Year</th>
<th>2014</th>
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* Combined annual totals for registered architects (including practicing life members), licensed interior designers, intern architects, intern interior designers, non-practicing life members, retired members, restricted practitioners, associate members, student members, syllabus students, affiliate members and honorary members as of December 31, 2018.
I am pleased to submit my first Registrar’s report since stepping into the role in October 2018. The membership statistics outlined below indicate some interesting trends that we will be following for the upcoming year.

While we experienced a very slight increase in overall membership, within the main membership categories, there were various increases/decreases in numbers. We experienced slight increases in the number of licensed interior designers and intern interior designers, and slight decreases in registered architects and intern architects in 2018. The one category that saw significant change was our retired members with a large double-digit increase.

We had 118 new registered architects (RA) join during 2018. A breakdown of their origins is as follows:
- 26 through completion of internship (first registration)
- 78 through reciprocity (Canadian professionals)
- 8 through inter-recognition (U.S. professionals)
- 5 through the Broadly Experienced Foreign Architect certification program
- 1 through reinstatement (previously registered with AAA)

We continue to review and approve the registration of new architecture and interior design practices as well as revisions to ownership in existing practices, maintaining compliance with the Architects Act and General Regulation. At year-end there were a total of 599 practicing firms and corporations registered with 263 (44%) located outside Alberta. Also, there were 124 non-practicing corporations registered in 2018.

For 2019, we are planning to address the following registration items:
- Update the register for RA members who are missing practice arrangement information
- Update the restricted practitioners’ certificates to reflect the current Alberta Building Code
- Update the branch office policy
- Review and update the intern interview process

As Registrar, I commend the consistent registration management and record-keeping procedures at the AAA and express my gratitude to the Duggan House staff who continue to be on top of the administrative challenges posed by the registration processes. They are wonderful to work with and their contribution to the regulation of the practice of architecture and interior design is important within our mandate to protect the public.

Membership Trends (%)
From December 31, 2017 to December 31, 2018.
Having only taken over the role as Chair in November 2018, I have quickly had to come up-to-speed on the complexities of the Complaint Review Committee (CRC). I owe a huge debt of gratitude to Past Chair, Robert Spaetgens, for making the transition a smooth one. His wisdom and guidance assisted me in taking over his role and carrying on without disruptions to the process.

We had seven new complaints in 2018, and a carryover of six from previous years. Of these files, two have been before a discipline hearing and two have been appealed to Council. While the severity for complaints varies, the importance of a rigorous review and resolution remains the same. The committee’s role is to evaluate each complaint on its own merits and ensure a level of fairness for both complainants and members. To the membership, I suggest an office policy of annual review of the AAA practice bulletins. These documents address most of the issues the CRC is seeing and could prevent a future complaint.

An ongoing issue for this committee is having enough qualified investigators to review complaints as they come forward. As a self-regulating profession, it is imperative that we ensure each complaint be handled expeditiously and professionally by our committee. In early 2019, the AAA administration reached out to our retired members, encouraging them to volunteer their expertise as CRC investigators. We had a few retired members come forward, and I would like to personally thank them for continuing to be involved in our profession. I would also like to encourage all of our members to volunteer as potential investigators. The time commitment does not need to be onerous and the more names we have on our investigators list the less frequently we have to go back to the same volunteers.

I certainly must thank all of our volunteer members of the CRC, particularly those who are currently serving on the various hearings and investigations. Our association must not lose sight of the importance of our self-regulating role and our underlying duty for protecting the public interest and assuring our standard of care. We rely on volunteer commitment for this very important endeavour.

A special thanks must go out to our Executive Director, Barbara Bruce, legal counsel, Paula Hale and Annabritt Chrisholm, Executive Assistant, Sheila Nitti, and Policy & Compliance Officer, Nishika Kalupahana. This committee would be ineffective without their guidance, assistance, and unwavering dedication.

“We must not lose sight of the importance of our self-regulating role and our underlying duty for protecting the public interest and assuring our standard of care.”
The past year included many highlights for the Professional Development (PD) program. In May, we hosted a very successful Banff Session event that featured several milestones. We saw our highest attendance ever for this two-day event, with 16 different PD sessions and a record total of 27 PD presenters. Planning has already started for Banff Session 2020.

Another highlight of 2018 was our annual October PD Day in Calgary. The theme for the day was “Building Business” and again we saw one of the highest attendance levels ever for this event. As the theme suggests, the PD sessions related to topics relevant to the business side of architecture and interior design. We were very fortunate to be able to present Craig Dykers of Snohetta as the keynote speaker. Craig’s talk showcased the new Calgary Central Library which Snohetta designed in collaboration with DIALOG. His presentation was a highlight for many in attendance at the event.

Our online PD reporting system was launched in 2017 and on June 30, 2018 we successfully completed the first two-year reporting period using this online system. We look forward to continued use of this online system to facilitate members’ reporting of their learning activities.

Over the past few years a considerable amount of work has gone into the development of an online Building Envelope Course, and in 2018 we put the final touches on the course and were able to launch to the membership in early 2019.

I wish to thank the members of the Professional Development Advisory Committee for their time and input during the testing phase of this course, and especially Kathy Saunderson, Professional Development Officer, for her determination in getting this project across the finish line.

Thank you to all the AAA staff who do so much to develop and deliver professional development programs and services to the AAA membership.

In May, we hosted a very successful Banff Session event that featured several milestones. We saw our highest attendance ever for this two-day event, with 16 different PD sessions and a record total of 27 PD presenters.
AAA Events

The AAA proudly hosts several member events throughout the year. In 2018 the association presented Banff Session 2018 and the Prairie Design Awards in addition to our annual Induction ceremony, Intern Info Sessions in Edmonton and Calgary, October PD Day, and the Holiday Socials in Edmonton and Calgary.

Join us at an AAA event in 2019 to grow as a professional and connect with your colleagues.
I greatly appreciate the opportunity to participate on Council and act as a representative to my peers within the Intern Interior Designer (IID) program. It’s been a busy year, but as Council has taught me, change and growth takes immense work and a lot of time before the fruits of one’s labour (or a group’s) come to fruition. Being on Council has provided me with the opportunity to learn about the complex process of policy creation, the legal implications of said policies, and how this work can become our ever-evolving legislation. Overarching, each decision is powerful and influential – requiring multiple layers of review before being implemented. To be a regulating body that also aims to provide advocacy is a large and complex undertaking.

The ideas for advocacy amongst the Authorities Having Jurisdiction (AHJ) and the professional community and general public has been a long-term conversation that predated my role on Council, but deeply resonated with me. I believe the perception of licensed interior designers (LIDs) and registered architects will be greatly impacted by our outreach to the general public and the AHJ. In addition, this perception is linked with the engagement and participation of current and potential members. Council has initiated a sub-committee for each of these audiences, which is an exciting development that members can look forward to in the future. In support of Council’s initiative for greater advocacy, I sought avenues to connect with and inform my peers as a contribution to this larger goal.

Two major successes, planned by Jenine Cerny, were the Calgary and Edmonton Intern Information Sessions. These were AAA organized events that provided me with a platform to discuss the process and importance of becoming an LID, some of the challenges IIDs and LIDs face, and how we can combat these barriers. As the IID representative, my aim was to start a dialogue about the profession of interior designers in Alberta with the hope of generating greater awareness and engagement. They were well-organized events that provided those who attended with great general information about the IID program and closed with the opportunity to ask more individualized questions regarding their professional pathways.

It was exciting to see the launch of the new AAA website – this use of technology will be an impactful bridge to all our audiences. Beautiful work!

Outside of general participation on Council, I also attended IIDEX in Toronto to learn and share about emerging trends in the fields of interior design, architecture and construction, which was summarized in a separate report to Council.

As an active and vocal member of the interior design and architecture community, I hoped my time as IID representative has been received as a proactive liaison between Council, interns and potential interns. As an aspiring licensed professional, it was a true honour to be surrounded by my fellow Council members. Thank you kindly for your mentorship and I look forward to seeing the results of your persistence and hard work in the years to come.

“...as Council has taught me, change and growth takes immense work and a lot of time before the fruits of one’s labour (or a group’s) come to fruition.”
As the Intern Architect (IA) representative on Council, my role within Council has proved both challenging and fulfilling over these past months. The first official Council activity was the Think Tank retreat in June 2018 which focused on governance. For me, this was a crash course in understanding how Council functions and the responsibilities inherent to running a self-regulating body. In addition to governance issues, this was a time to discuss visioning for the AAA, how we would like to ideally allocate funds, and which initiatives we would like to investigate for the future.

The fall brought the annual Intern Information Sessions in Calgary and Edmonton. Historically, attendance to these events has been low. This year we discussed how we might make the event more engaging and the first Lego and Learn Intern Information Sessions were born! Taking place at a local coffee shop in both cities these events featured an icebreaking Lego-building competition and were a great opportunity to talk about the internship program with fellow peers in a more informal environment. We discussed topics like professional development and CERB hours, the ExAC, as well as issues like changes of employment. Another difference from previous years was that this event featured subject matter experts in many aspects of internship, from mentors and interviewers to employment recruiters. The Edmonton Intern Information Session was especially well-attended this year and provided a great connection point between the AAA and interns.

The Holiday Socials in both Edmonton and Calgary were well-attended this year, with a particularly high number of interns in attendance at the Calgary event. The Holiday Socials, as well as the aforementioned Intern Information Sessions, provided ample opportunity for me to answer intern questions regarding ExAC study groups, to direct interns to online groups, as well as to just answer other various questions that interns find pressing.

My role as the IA representative requires attendance and participation in Council meetings as well as representation of the AAA in the RAIC Emerging Professionals group. In these meetings, we discussed ideas about how to help prepare interns for the ExAC exams such as the ExAC Information Session that we are busy scheduling for this May, as well as a National Building Code Trivia night that is going to occur during the RAIC Festival of Architecture coming up this October. The IA representative is supported by the AAA Council each year to attend and report on the activities at the RAIC Festival. So, in addition to representing the AAA, I will also be busy helping organize various activities at the festival.

The internship program prepares you to become an architect, but I applied to the AAA Council to understand how our profession impacts the public. My time on Council has made me more mindful of what I design, how I design, and how my actions affect my client, my firm, and the public.

My time on Council has made me more mindful of what I design, how I design, and how my actions affect my client, my firm, and the public.
The Faculty of Environmental Design (EVDS) will be known as the School of Architecture, Planning and Landscape (SAPL). The name change reflects our commitment to educating future leaders in these disciplines and increases the visibility of these professions to the broader community. It acknowledges our three accredited programs (Architecture, Planning and Landscape Architecture) as the core focus of our teaching and research efforts. We will continue to provide strong research-based, post-professional programs of study including our soon to be launched Doctorate of Design program. This will supplement our existing Masters of Environmental Design and PhD programs.

New Digs
In February 2019, we moved our research studios to our new space in the Castell Building, long the home to Calgary’s Central Library. This new space will host studios, public lectures, events and the City Building Design Laboratory (CBDL). The CDBL will focus on development of research into the built environment across scales and disciplines. It is being outfitted with digital fabrication technology including large format laser cutters, collaborative robots and a small army of 3D printers including a large multi-material 3D printer.

Collaborative Research
Over the last two years, the faculty has been developing a number of ways for student and faculty researchers to collaborate with architects, fabricators and allied disciplines in applied research. These projects have included research into pre-fabrication techniques, robotic construction processes, digital optimization of building facades, and simulation and other research and development initiatives that firms and industry groups see as critical to preparing for a more digitally integrated and sustainable future for the construction industry.

Future Opportunities
The architecture program continues to attract strong students from around the world. In 2018, we broke our past records for applications including high numbers of applications from students outside of Canada. We have also developed new courses for undergraduate students that will introduce them to what architects do and the design processes they undertake in the production of buildings, landscapes and cities. We hope that this will not only increase the interest in students to join the architecture program, but also educate students who may become your future clients. In support of these initiatives, we anticipate we will be bringing in world leaders in the areas of robotics, artificial intelligence, evidence-based design, and building science to increase our capacity to educate the design leaders of tomorrow.

Students
The most significant event for the student body in the previous year was the opening of our new downtown library campus as noted above. This new space has also created exciting event and exhibition opportunities, and thus far has been more successful at attracting guests due to its location. We are also proud to announce our ULTRA student journal will be continuing this year with its third edition, with a showcase of work from all of our studios.
Kristen Brodeur,
MRU Student Representative

There are increasing numbers of Alberta Interior Design Technology diploma graduates applying for transfer to the BID program with Advanced Standing. We are pleased to welcome these new students to the degree program.

During the year, students had many opportunities to partake in extracurricular projects and events.

Table Talk is an annual tradeshow event that provides students with an opportunity to be introduced to trade products and materials while meeting professional representatives of the architecture and design community.

Design Cubed is another unique annual event involving a student-organized speaker panel and luncheon with professional participants. The event provides an engaging experience as the spectrum of speakers is diverse and their presentations are punctuated with sage advice to students and motivating stories on a breadth of spatial practices.

The annual Calgary Chapter of Construction Specifications Canada Competition and Gala Awards event brought MRU and SAIT students together in mixed teams to compete on a women’s shelter project.

The Interior Design Department celebrated our last Primarily It’s a Party in 2018. Subsequently, a vigorous group of MRU graduates picked up the event, raised sustaining funds, and are relaunching this mainstay party in the Calgary design community calendar in 2019.

During the year, students had many opportunities to partake in extracurricular projects and events.

Table Talk for students was hosted on behalf of the Department of Interior Design and is an annual event that functions as an opportunity for students to meet professional representatives of companies that produce industry-grade products and materials. This event is often one of the first instances in which first-year students engage directly with people working in industry, and a time for students in second to fourth year to reacquaint themselves with such contacts. It is, quite simply, a great way to remain current with material innovations within A&D, while taking a productive break from the studio space.

Design Cubed, an event named in the spirit of garnering a deeper perspective of the many routes to interior design practice, was another event hosted by the Interior Design Student Society (IDSS). The event entails a luncheon and a speaker panel sourced by IDSS’ External Co-President and Events Team Lead. This year’s speakers included an architect who has designed with NASA and a dynamic team of young women who have successfully opened their own interior design firm.

In addition to our inspiring events, all students have been busy with their final projects. Topics range from typology of residential design for first-years to the development of a multi-use, multi-level downtown commercial space for fourth-years.

Paula Dozois,
MRU Representative

“...
The Practice Advisory Committee (PAC) responds to practice-related inquiries from the membership, clients, building authorities and the general public; and provides advice to Council. PAC authors and updates practice bulletins; issues notices and liaises with authorities having jurisdiction regarding unauthorized practice; monitoring and maintenance of the integrity of our profession.

The Director of Practice and PAC continue to provide professional advisory services to the membership. We were fortunate to present a summary of this important work at the 2018 Banff Session. Our outreach also extends to our allied professions (APEGA, CEA), our colleagues (CAA) and to public agencies across the province.

Members should continue to be on the lookout for new Practice Bulletins and other important notices under the “Professional Resources” tab on the AAA website, as well as in monthly eBulletins.

2018 activities include:

- Ongoing member advice - Delivery of advice in all areas of professional practice has yielded a comprehensive record of inquiries and responses. This system has become a valuable resource that enables consistent reporting. General practice issues related to document management, use of seal, copyright, moral rights, succession, contract administration, and marketing and communications remain the subjects of many inquiries.

- FAQs - PAC has developed a list of the most frequently asked practice questions and published them on the website as a useful segue to other published resources. Many answers to simple FAQs can be found here and members are encouraged to be familiar with these documents and to use the website as an ongoing resource.

- Practice Bulletins - New and/or revised for 2018 were PB-05, PB-06, PB-15, Guide to Notarius and its Use, PB-27 and PB-29.

- PAC continues to work with Alberta Municipal Affairs towards harmonizing the Alberta Building Code and the Safety Codes Act, following the release of PB-26 last year.

- Procurement Issues - We continue to address RFPs, procurement issues, onerous contracts and client-written agreements on a case-by-case basis that increase the duty of care to, at times, uninsurable standards. This initiative is ongoing.

- Unauthorized practice - Reports of unauthorized practice or mis-representation continue to result in a very successful cease and desist campaign. Members are reminded of their duty under the Architects Act to report any suspected occurrence of unauthorized practice to the AAA for follow-up investigation and action, if needed. This active reporting is making a big difference.

I wish to personally thank my PAC team members, Randy Krebes and Len Rodrigues, and new team members Tom Tittemore and Natasha Jalbert, for their individual dedication. Barbara Bruce remains a valuable leader and resource.

To the AAA staff, especially Sheila Nitti, PAC is indebted to their consistent and loyal commitment to us, as part-time constituents we invariably must rely on their day-to-day work.

I am proud on behalf of PAC that our collective services are helping to better inform the practice of architecture in Alberta. We also express gratitude to our members for your reporting, loyalty and patience with this office. We will continue to respond to you as quickly as we can, regardless of how simple or complex your concerns may be.

“...our collective services are helping to better inform the practice of architecture in Alberta.”
The AAA continues to be in a very stable financial position and is well-placed to remain so into the future. The auditor’s report by RSM Canada, which provides the requisite third-party oversight for our internal financial management for our members, confirms the positive state of our finances.

In 2018 operational revenues exceeded expenses by over $179,000. A significant factor in this figure is the continuous growth in membership despite the soft economy. Further, a well-received October Professional Development Day and prudent management of expenses allowed us to end the year in a good financial position.

The balance of the unrestricted funds (as of December 31, 2018) was approximately $1,108,000. Anticipated 2019 projects have been budgeted at $429,111 from the unrestricted funds and includes legislation review, advocacy initiatives, complaints-review training, administration for the complaints process, database enhancement, the basement improvement project including workstation/office space reconfiguration, and education campaign for the authorities having jurisdiction.

Our cash position remained strong at the end of 2018, and we continue to build up our cash reserves in our restricted funds:

- The Legal Contingency Fund was increased by $30,400 to grow to a balance of $1,630,400 in order to provide for legal and other costs arising from challenges to the profession and professional conduct disciplinary matters.
- The Financial Stabilization Fund was topped up by $14,630 to a balance of $784,630 to safeguard the association against uncertainty and to provide for unexpected expenditures and new programs.
- The Duggan House Maintenance and Historical Fund was increased by $6,000 to a balance of $212,000 to provide for any additional restoration and maintenance expenses.
- AAA Office Space Relocation Fund was topped up with $10,000 to a balance of $110,000 to support anticipated expenses related to a future administration office move due to projected increases in staffing and growth in membership. Although such a move is several years away, we have started to build a fund to give us maximum flexibility when the time comes.

As presented in this annual report, our “Statement of Financial Position” remains strong, allowing us to continue to weather the current economic climate, and continue to provide quality services to our members in 2019 and beyond.

I would like to take this opportunity on behalf of Council to thank the administrative team at Duggan House for the meticulous management of AAA finances.

It has been an honour to serve as your Treasurer for the past year.

"Our cash position remained strong at the end of 2018, and we continue to build up our cash reserves in our restricted funds."
### 2019 Budget

#### Revenue

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#### Expenses

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</tr>
<tr>
<td>Duggan House Operations</td>
<td>$302,750</td>
</tr>
<tr>
<td>Amortization</td>
<td>$100,000</td>
</tr>
<tr>
<td>National Levy</td>
<td>$50,250</td>
</tr>
<tr>
<td>Legislation Review</td>
<td>$30,800</td>
</tr>
<tr>
<td><strong>Total Operations Expenditures</strong></td>
<td><strong>$1,836,710</strong></td>
</tr>
</tbody>
</table>

#### Programs Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration</td>
<td>$62,500</td>
</tr>
<tr>
<td>Practice Resources</td>
<td>0</td>
</tr>
<tr>
<td>Complaints</td>
<td>0</td>
</tr>
<tr>
<td>Professional Development</td>
<td>$117,050</td>
</tr>
<tr>
<td>Communications</td>
<td>$76,470</td>
</tr>
<tr>
<td><strong>Total Program Revenue</strong></td>
<td><strong>$256,020</strong></td>
</tr>
</tbody>
</table>

#### Programs Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration</td>
<td>$34,850</td>
</tr>
<tr>
<td>Practice Resources</td>
<td>$75,800</td>
</tr>
<tr>
<td>Complaints</td>
<td>$66,650</td>
</tr>
<tr>
<td>Professional Development</td>
<td>$32,175</td>
</tr>
<tr>
<td>Communications</td>
<td>$98,650</td>
</tr>
<tr>
<td><strong>Total Program Expenditures</strong></td>
<td><strong>$308,125</strong></td>
</tr>
</tbody>
</table>

#### Total Revenue

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$2,141,020</strong></td>
</tr>
</tbody>
</table>

#### Total Expenses

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$2,144,835</strong></td>
</tr>
</tbody>
</table>

#### Operations Surplus

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>-3,815</strong></td>
</tr>
</tbody>
</table>

#### Budget by Expenditure Area

<table>
<thead>
<tr>
<th>Area</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council &amp; Committees</td>
<td>$95,910</td>
</tr>
<tr>
<td>Operations</td>
<td>$1,740,800</td>
</tr>
<tr>
<td>Programs</td>
<td>$308,125</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td><strong>$2,144,835</strong></td>
</tr>
</tbody>
</table>
Audited Financial Statements

Independent Auditors’ Report..........................Page 36
Statement of Financial Position.......................38
Statement of Operations ................................39
Statement of Changes in Net Assets .................39
Statement of Cash Flows.................................40
Notes to Financial Statements.........................41
Schedule of Operating Expenses ....................47
Schedule of Programs ...................................47
INDEPENDENT AUDITORS’ REPORT

To the Members of
The Alberta Association of Architects

Opinion

We have audited the financial statements of The Alberta Association of Architects (the “Association”), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements for the year ended December 31, 2017 were audited by another firm of chartered professional accountants who expressed an unmodified opinion on those financial statements on March 21, 2018.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association’s financial reporting process.
**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Edmonton, Alberta
March 25, 2019

RSM Alberta LLP
Chartered Professional Accountants
THE ALBERTA ASSOCIATION OF ARCHITECTS
Statement of Financial Position
December 31, 2018

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$667,747</td>
<td>$1,356,705</td>
</tr>
<tr>
<td>Short-term investments (Note 3)</td>
<td>1,681,633</td>
<td>59,845</td>
</tr>
<tr>
<td>Accounts receivable (Note 4)</td>
<td>62,994</td>
<td>38,928</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>56,968</td>
<td>75,876</td>
</tr>
<tr>
<td>REstricted CASH (Note 5)</td>
<td>2,469,342</td>
<td>1,531,354</td>
</tr>
<tr>
<td>Long-term investments (Note 3)</td>
<td>2,737,030</td>
<td>2,676,000</td>
</tr>
<tr>
<td>Tangible Capital Assets (Note 6)</td>
<td>461,527</td>
<td>1,322,719</td>
</tr>
<tr>
<td>Intangible Capital Assets (Note 7)</td>
<td>1,191,901</td>
<td>1,231,529</td>
</tr>
<tr>
<td></td>
<td>122,308</td>
<td>115,212</td>
</tr>
<tr>
<td></td>
<td>$6,982,168</td>
<td>$6,876,814</td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET ASSETS                   |           |           |
| CURRENT                                     |           |           |
| Accounts payable and accrued liabilities (Note 8) | $255,352 | $263,872 |
| Deferred contributions (Note 9)             | 1,567,056 | 1,632,423 |
|                                             | 1,822,408 | 1,896,295 |

| NET ASSETS                                   |           |           |
| Unrestricted (Note 10)                       |           |           |
| Invested in tangible and intangible capital assets | 1,108,461 | 957,778 |
| Internally restricted (Note 10)              | 1,314,209 | 1,346,741 |
|                                             | 2,737,030 | 2,576,000 |
|                                             | 5,169,700 | 4,980,519 |
|                                             | $6,982,108| $6,876,814|

APPROVED BY THE COUNCIL

President - Coben Christiansen, Architect AAA, M.Arch., B.Sc., MRAIC

Treasurer - Dean Russell, Architect AAA, M.Arch, MRAIC, AAA, LEED AP
THE ALBERTA ASSOCIATION OF ARCHITECTS

Statement of Operations
For the Year Ended December 31, 2018

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations (Schedule 1)</td>
<td>$1,853,334</td>
<td>$1,782,423</td>
</tr>
<tr>
<td>Programs (Schedule 2)</td>
<td>783,762</td>
<td>274,617</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,637,096</strong></td>
<td><strong>2,057,040</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations (Schedule 1)</td>
<td>1,880,650</td>
<td>1,568,702</td>
</tr>
<tr>
<td>Programs (Schedule 2)</td>
<td>577,265</td>
<td>261,370</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,457,915</strong></td>
<td><strong>1,830,072</strong></td>
</tr>
</tbody>
</table>

EXCESS OF REVENUES OVER EXPENSES

$179,181 | $226,968

THE ALBERTA ASSOCIATION OF ARCHITECTS

Statement of Changes in Net Assets
Year Ended December 31, 2018

<table>
<thead>
<tr>
<th>Internally Restricted (Note 10)</th>
<th>Unrestricted</th>
<th>Invested in tangible and intangible capital assets</th>
<th>Duggan House Maintenance and Historical Fund</th>
<th>Legal Contingency Fund</th>
<th>Financial Stabilization Fund</th>
<th>Office Space Relocation Fund</th>
<th>Total Internally Restricted Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET ASSETS - BEGINNING OF YEAR</td>
<td>$957,778</td>
<td>$1,340,741</td>
<td>$208,000</td>
<td>$1,600,000</td>
<td>$770,000</td>
<td>$100,000</td>
<td>$2,676,000</td>
</tr>
<tr>
<td>Excess (Deficiency) of revenues over expenses</td>
<td>258,503</td>
<td>(70,322)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Invested in tangible and intangible capital assets</td>
<td>(46,790)</td>
<td>46,790</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers</td>
<td>(61,030)</td>
<td>-</td>
<td>6,000</td>
<td>30,400</td>
<td>14,630</td>
<td>10,000</td>
<td>61,030</td>
</tr>
<tr>
<td>NET ASSETS - END OF YEAR</td>
<td>$1,108,461</td>
<td>$1,314,209</td>
<td>$212,000</td>
<td>$1,630,400</td>
<td>$784,630</td>
<td>$110,000</td>
<td>$2,737,030</td>
</tr>
</tbody>
</table>
## THE ALBERTA ASSOCIATION OF ARCHITECTS

**Statement of Cash Flows**

Year Ended December 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH PROVIDED BY (USED IN):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess of revenues over expenses</td>
<td>179,181</td>
<td>226,968</td>
</tr>
<tr>
<td>Items not affecting cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of intangible capital assets</td>
<td>15,469</td>
<td>15,469</td>
</tr>
<tr>
<td>Amortization of tangible capital assets</td>
<td>63,853</td>
<td>50,152</td>
</tr>
<tr>
<td></td>
<td>258,503</td>
<td>292,589</td>
</tr>
<tr>
<td>Changes in non-cash working capital <em>(Note 11)</em></td>
<td>(79,045)</td>
<td>106,766</td>
</tr>
<tr>
<td></td>
<td>179,458</td>
<td>399,355</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in restricted cash</td>
<td>(61,030)</td>
<td>(256,000)</td>
</tr>
<tr>
<td>Purchase of tangible capital assets</td>
<td>(24,225)</td>
<td>(54,097)</td>
</tr>
<tr>
<td>Purchase of intangible capital assets</td>
<td>(22,565)</td>
<td>(3,040)</td>
</tr>
<tr>
<td>Purchase of short-term and long-term investments</td>
<td>(2,485,000)</td>
<td>(2,616,593)</td>
</tr>
<tr>
<td>Proceeds from redemption of short-term and long-term investments</td>
<td>1,724,404</td>
<td>2,569,794</td>
</tr>
<tr>
<td></td>
<td>(868,416)</td>
<td>(359,936)</td>
</tr>
<tr>
<td><strong>(DECREASE) INCREASE IN CASH</strong></td>
<td>(688,958)</td>
<td>39,419</td>
</tr>
<tr>
<td>Cash - beginning of year</td>
<td>1,356,705</td>
<td>1,317,286</td>
</tr>
<tr>
<td><strong>CASH - END OF YEAR</strong></td>
<td>$ 667,747</td>
<td>$ 1,356,705</td>
</tr>
</tbody>
</table>
1. NATURE OF OPERATIONS

The Alberta Association of Architects (the "Association") is a not-for-profit, self-governing professional organization which regulates architects and licensed interior designers in the province of Alberta, in accordance with the provisions of the Architects Act, RSA 2000, c.A-44. As a non-profit organization under the Income Tax Act (Canada), the Association is not subject to income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

Short-term investments

Short-term investments are comprised of guaranteed investment certificates with maturity dates of less than one year.

Restricted cash

Restricted cash is comprised of guaranteed investment certificates that have been restricted by management for specific programs.

Long-term investments

Long-term investments are comprised of guaranteed investment certificates with maturity dates in excess of one year.

Tangible and intangible capital assets

Tangible and intangible capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following annual rates:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Amortization Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and improvements</td>
<td>40 years</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>10 years</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>3 years</td>
</tr>
<tr>
<td>Professional development program</td>
<td>3 years</td>
</tr>
</tbody>
</table>

The course software under development is not amortized until they are put into use.

When tangible and intangible capital assets no longer contribute to the Association’s ability to provide services, their carrying value are written down to its residual value.

Professional conduct matters

Costs arising from professional conduct matters are expensed as incurred. Recoveries of these costs are recognized when collection is certain.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated services

The work of the Association is largely dependent on volunteer services contributed by many members. The services are not normally purchased by the Association and because of the difficulty in determining their fair value, donated services are not recognized in the financial statements.

Revenue recognition

The Association follows the deferral method of accounting for contributions. Contributions are included in revenue in the year in which they are received or receivable, with the exception that externally restricted contributions to fund a specific future period’s expenses are included in revenue in the later period in which the expense is incurred.

Deferred contributions are comprised of membership dues collected in advance, special levies for programs to be completed in the subsequent year and amounts received with respect to discipline matters still unresolved at year end.

Administration fees, professional development, registration, practice and complaint and communication revenue are recognized as the services are provided and collectability is reasonably assured.

Interest income is comprised of interest from guaranteed investment certificates and is recognized on an accrual basis.

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates included in the financial statements are the allowance for doubtful accounts, amortization and accrued liabilities. Actual results could differ from these estimates.

Financial instruments

Measurement of financial instruments

Financial instruments are financial assets or financial liabilities of the Association where, in general, the Association has the right to receive cash or another financial asset from another party or the Association has the obligation to pay another party cash or other financial assets.

The Association initially measures its financial assets and financial liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, short-term investments, restricted cash and long-term investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.
THE ALBERTA ASSOCIATION OF ARCHITECTS
Notes to Financial Statements
Year Ended December 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in operations.

3. SHORT-TERM AND LONG-TERM INVESTMENTS

Short-term investments consist of five guaranteed investment certificates bearing interest from 1.50% to 1.95% per annum maturing from January to December 2019 (2017 - June to December 2018). As at year-end, $2,737,030 (2017 - $2,676,000) has been reclassified to restricted cash.

Long-term investments consists of one (2017 - three) guaranteed investment certificates bearing interest at 1.84% (2017 - 1.50% and 1.84%) per annum maturing in September 2020 (2017 - January 2019 to September 2020).

4. ACCOUNTS RECEIVABLE

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>102,106</td>
<td>106,124</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(39,112)</td>
<td>(67,196)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62,994</strong></td>
<td><strong>38,928</strong></td>
</tr>
</tbody>
</table>

During the year, the Association recorded a bad debt expense of $665 (2017 - $87). The allowance for doubtful accounts includes a provision for discipline case penalties of $39,112 (2017 - $67,196).

5. RESTRICTED CASH

Restricted cash is comprised of guaranteed investment certificates outlined in Note 3, which has been internally restricted for specific programs, as described in Note 10.
6. TANGIBLE CAPITAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$123,936</td>
<td>$ -</td>
<td>$123,936</td>
<td>$123,936</td>
</tr>
<tr>
<td>Building and improvements</td>
<td>1,422,174</td>
<td>427,036</td>
<td>995,138</td>
<td>1,030,692</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>131,526</td>
<td>69,507</td>
<td>62,019</td>
<td>72,691</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>98,864</td>
<td>88,056</td>
<td>10,808</td>
<td>4,210</td>
</tr>
<tr>
<td></td>
<td>$1,776,500</td>
<td>$584,599</td>
<td>$1,191,901</td>
<td>$1,231,529</td>
</tr>
</tbody>
</table>

7. INTANGIBLE CAPITAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Development Online Reporting</td>
<td>$46,406</td>
<td>$30,938</td>
<td>$15,468</td>
<td>$30,938</td>
</tr>
<tr>
<td>Course software under development</td>
<td>106,840</td>
<td>-</td>
<td>106,840</td>
<td>84,274</td>
</tr>
<tr>
<td></td>
<td>$153,246</td>
<td>$30,938</td>
<td>$122,308</td>
<td>$115,212</td>
</tr>
</tbody>
</table>

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities is the following government remittance payable:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods and services tax payable</td>
<td>$76,005</td>
<td>$80,642</td>
</tr>
</tbody>
</table>

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent member dues and registration fees received in advance for the subsequent year and sponsorship.

<table>
<thead>
<tr>
<th></th>
<th>Balance, Beginning of Year</th>
<th>Contributions Received</th>
<th>Amounts Recognized as Revenue</th>
<th>Balance, End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member dues</td>
<td>$1,542,422</td>
<td>$1,734,320</td>
<td>$1,730,746</td>
<td>$1,545,996</td>
</tr>
<tr>
<td>Registration fees</td>
<td>90,001</td>
<td>29,407</td>
<td>98,348</td>
<td>21,060</td>
</tr>
<tr>
<td></td>
<td>$1,632,423</td>
<td>$1,763,727</td>
<td>$1,829,094</td>
<td>$1,567,056</td>
</tr>
</tbody>
</table>
THE ALBERTA ASSOCIATION OF ARCHITECTS
Notes to Financial Statements
Year Ended December 31, 2018

10. NET ASSETS

Unrestricted

Council has designated additional funds at the end of the year from unrestricted net assets to be used in support of projects that are either not included in the regular operating budget or that may be enhanced through additional fiscal support. The existence of such unrestricted funds allows the Association to address emerging priorities as well as unanticipated costs without having to cut back on programs or other important priorities within the current year's budget. The reallocation of funds from the unrestricted net assets to Internally Restricted funds are described below.

Internally Restricted

Duggan House Maintenance and Historical Fund

There is a need to have funds available for the maintenance and the periodic restoration of Duggan House, which was recognized by the provincial government on August 31, 1982 as a Provincial Historical Resource. The Duggan House Maintenance was set up to provide for any additional restoration and maintenance expenses and each year 10% of the original amount will be allocated to the fund to ensure that finances are available when required. In the current year, a transfer of $6,000 was approved in order to reach a balance of $212,000.

Legal Contingency Fund

The Legal Contingency Fund was established to grow to a minimum balance of $2,000,000 in order to provide for legal and other costs arising from challenges to the profession and professional conduct disciplinary matters. This balance is adjusted annually to correspond to changes in the consumer price index (CPI). In the current year, a transfer of $30,400 (inclusive of the CPI) was approved to reach a balance of $1,630,400.

Financial Stabilization Fund

The Financial Stabilization Fund was established to safeguard the Association against uncertainty and to provide for unexpected expenditures and new programs initiatives. The balance is adjusted to correspond to changes in the consumer price index or by an amount determined by Council, to provide for nine months' operating funds. In the current year, a transfer of $14,630 (inclusive of the CPI) was approved in order to reach a balance of $784,630.

AAA Office Space - Relocation Fund

In anticipation of an increase in membership, last year, Council approved steps to plan for the future of Duggan House. The anticipated growth in membership may result in the need for additional staffing and this may, in turn, result in the need for additional office space. Although no date has yet been set for this transition, a separate relocation fund of $100,000 was set up last year to assist with the finances that may be required for new office space or for renovations to Duggan House. Each year, 10% of the original amount will be added to the fund to ensure that finances are available when required. In the current year, a transfer of $10,000 was approved in order to reach a balance of $110,000.
11. CHANGES IN NON-CASH WORKING CAPITAL

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$(24,066)</td>
<td>$(18,090)</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>18,908</td>
<td>(45,952)</td>
</tr>
<tr>
<td>Accounts payable and accrued</td>
<td>(8,520)</td>
<td>47,091</td>
</tr>
<tr>
<td>liabilities</td>
<td>(65,367)</td>
<td>123,717</td>
</tr>
<tr>
<td></td>
<td>$(79,045)</td>
<td>$ 106,766</td>
</tr>
</tbody>
</table>

12. RISK MANAGEMENT

The Association’s financial instruments consist of cash, short-term investments, accounts receivable, restricted cash, long-term investments and accounts payable and accrued liabilities.

The Association is exposed to various risks through its financial instruments. The following provides information about the Association’s risk exposure and concentration as of December 31, 2018.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk through its accounts receivable. Accounts receivable are generally the result of services to its members. The Association has a large number of members which reduces the concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from its members and other related sources and accounts payable. It is management’s opinion that this risk has been reduced due to the large cash reserves on hand at December 31, 2018.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Association is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Association manages exposure through its normal operating and investing activities. The Association is exposed to interest rate risk primarily through its interest bearing assets. The Association’s cash, restricted cash, short-term investments and long-term investments include amounts held by financial institutions that earn interest at market rates. The Association manages its risk by monitoring interest being earned on excess funds.

13. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year’s presentation.
# THE ALBERTA ASSOCIATION OF ARCHITECTS

## Schedule of Operating Activities

### (Schedule 1)

Year Ended December 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration fees and charges</td>
<td>$36,725</td>
<td>$19,547</td>
</tr>
<tr>
<td>Annual dues</td>
<td>1,730,746</td>
<td>1,694,184</td>
</tr>
<tr>
<td>Bequest</td>
<td>2,030</td>
<td>-</td>
</tr>
<tr>
<td>Interest</td>
<td>83,833</td>
<td>66,692</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>1,853,334</td>
<td>1,782,423</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of intangible capital assets</td>
<td>15,469</td>
<td>15,469</td>
</tr>
<tr>
<td>Amortization of tangible capital assets</td>
<td>63,853</td>
<td>50,152</td>
</tr>
<tr>
<td>Bad debts</td>
<td>665</td>
<td>87</td>
</tr>
<tr>
<td>Council and Committees</td>
<td>97,853</td>
<td>83,377</td>
</tr>
<tr>
<td>Duggan House operations</td>
<td>361,921</td>
<td>356,504</td>
</tr>
<tr>
<td>Human resources</td>
<td>1,205,665</td>
<td>1,017,932</td>
</tr>
<tr>
<td>National levy</td>
<td>46,447</td>
<td>45,181</td>
</tr>
<tr>
<td>Website cost</td>
<td>88,777</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,880,650</td>
<td>1,568,702</td>
</tr>
<tr>
<td><strong>(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES</strong></td>
<td>$ (27,316)</td>
<td>$ 213,721</td>
</tr>
</tbody>
</table>

## Schedule of Programs

### (Schedule 2)

Year Ended December 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications and events</td>
<td>$535,004</td>
<td>$27,133</td>
</tr>
<tr>
<td>Practice and complaint</td>
<td>27,500</td>
<td>-</td>
</tr>
<tr>
<td>Professional development</td>
<td>122,910</td>
<td>140,008</td>
</tr>
<tr>
<td>Registration</td>
<td>98,348</td>
<td>107,476</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>783,762</td>
<td>274,617</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications and events</td>
<td>361,669</td>
<td>74,107</td>
</tr>
<tr>
<td>Practice and complaint</td>
<td>142,704</td>
<td>111,760</td>
</tr>
<tr>
<td>Professional development</td>
<td>31,444</td>
<td>29,682</td>
</tr>
<tr>
<td>Registration</td>
<td>41,448</td>
<td>45,821</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>577,265</td>
<td>261,370</td>
</tr>
<tr>
<td><strong>EXCESS OF REVENUES OVER EXPENSES</strong></td>
<td>$ 206,497</td>
<td>$ 13,247</td>
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</table>