



2016 ANNUAL REPORT



The Alberta Association of Architects
Architects and Licensed Interior Designers



Mission

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

Vision

The AAA is a community of architects and licenced 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.

Table of Contents

About the AAA	3
Strategic Plan	3
AAA Administration	4
Life Members	4
AAA Council	5
Honorary Members	5
Past Presidents	6
Volunteer Recognition	8
President's Report	16
Vice President's Report	18
Registrar's Report	19
National Initiatives	20
Committee of the Examination for Architects in Canada	20
Canadian Architectural Certification Board Standing Committee	21
International Relations Committee	21
Registration Committee Report	22
Membership	23
Legislation Committee Report	25
Practice Advisory Report	26
Complaint Review Committee Report	27
Professional Development Advisory Committee Report	28
Licensed Interior Designer Representative Report	29
Intern Interior Designer Report	30
Intern Architect Representative Report	31
University of Calgary Ex-Officio Report	32
Mount Royal University Ex-Officio Member Report	33
Treasurer's Report	34
Budget	35
Financial Statements	37



“Architecture
aims at eternity.”

Christopher Wren



About the AAA

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

Strategic Plan

Goals and 12 Month Strategic Imperatives

Strive towards organization excellence

1. Legislation Review
2. Administrative Support
3. Council Development Strategy

Strengthen the professions

4. Member Growth/Sustainability of the Professions
5. Define our Advocacy Role
6. Engage with Allied Organizations

Enhance member engagement

7. Enhance Member Support
8. Enhance Member Communications
9. Enhance Succession Planning

Foster a wider understanding of the role and value of the professions in Alberta

10. Educate Authorities Re: Scope of Practice



Left to right: Kathy Saunderson, Barbara Bruce, Penny Stiles, Barry Johns, Yasmin Tejpar, Nishika Kalupahana, Sheila Nitti, Jenine Cerny, Wendy Cooper, Heather Pack

AAA Administration

Executive Director | Barbara Bruce
Acting Communications Manager | Wendy Cooper
Communications Sr. Manager | Jenine Cerny
Director of Practice | Barry Johns
Registration Administrator | Nishika Kalupahana
Executive Assistant | Sheila Nitti
Communications & Graphics Coordinator | Heather Pack
Professional Development Coordinator | Kathy Saunderson
Administrative Assistant | Penny Stiles
Intern Administrator | Yasmin Tejpar
Accountant | Helen Wong

Life Members

J.B. "Jock" Bell
William Boucock
Howard Bouey
Allan Burrows
Normal Croll
George Gerencser
Barry Graham
Amir Hemani
Ken Hutchinson

Norbert Lermeyer
Conrad Loban
Rudy Mangold
Ian McDougall
William Milne
John Murray
C. Ben Pond
George Robins
John Rockliff

Casey Skakun
Walter Spotowski
Julie Tarjan
Dale Taylor
Jan Tereszchenko
L. Frederick Valentine
Ronald Waterfield
Morley Workun



Standing, left to right: Patti Swanson, Erin Chartrand, Coben Christiansen, Elizabeth Songer, Dean Russell, Barbara Bruce, Greg Beck;
Seated, left to right: Logan Armstrong, Keesa Hutchinson, Peter Osborne, Jane Lawson, Fontaine Schaerer, Robert Spaetgens

AAA Council

Logan Armstrong
Patti Swanson
Erin Chartrand
Coben Christiansen
Elizabeth Songer
Dean Russell
Barbara Bruce

Henry Howard
Keesa Hutchinson
Peter Osborne
Patti Swanson
Fontaine Schaerer
Robert Spaetgens

Honorary Members

Mac Bourassa
Kenneth Cantor
Fred Colborne
James Dow
Justice Robert A. Graesser

Denis Herard
Peter Oldinga
William Perks
Michael Ross
Gerald Tersmette



Past Presidents

1906-08	F. Deggendorfer	1952-53	George Willington Lord
1908-09	James Wize	1953-56	Kelvin Crawford Stanley
1909-10	R. Percy Barnes	1956-58	Howard L. Bouey
1910-11	E. C. Hopkins	1958-60	James Brock Bell
1911-13	George MacDonald Lang	1960-61	Gordon M. McAdam
1913-14	Roland W. Lines	1961-62	Thomas A. Groves
1914-15	James Henderson	1962-63	John A. Cawston
1915-16	J. J. O'Gara	1963-64	D. Gordon Forbes
1916-21	Richard P. Blakey	1964-65	Hugh W. Seton
1921-22	Alfred M. Calderon	1965-66	Robert I. Bouey
1922-24	Cecil S. Burgess	1966-68	Kenneth L. Bond
1924-26	William George Blakey	1968-69	Donald L. Sinclair
1926-28	James McIntyre Stevenson	1969-70	Edwin Raines
1928-30	Edward Underwood	1970-71	John McIntosh
1930-32	George Heath MacDonald	1971-72	Bernard Wood
1932-35	Robert McDowal Symonds	1972-73	G. Douglas Menzies
1935-38	Richard P. Blakey	1973-74	Hugh W. R. McMillan
1938-45	John Martland	1974-75	Freda M. O'Connor
1945-48	Maxwell Cameron Dewar	1975-76	Michael E. Evamy
1950-52	T. Gordon Aberdeen	1976-77	Joe Naito

1977-78	Gilbert R. Beatson	1999-00	Brian C. Oakley
1978-79	Jack B. Jamieson	2000-01	Lynn L. Webster
1979 -80	Morley K. Workun	2001-02	Barbara L. Shipman
1980-81	Norman H. Croll	2002-03	Leonard O. Rodrigues
1981-82	Barry W. Graham	2003-04	David A. Down
1982-83	Peter G. Hemingway	2004-05	Jane Pendergast
1983-84	Ken H. Hutchinson	2005-06	Arthur J. Ferrari
1984-85	Gerald L. Forseth	2006-07	Doug J. Campbell
1985-86	A. Michael Holland	2007-08	Katherine Wagner
1986 -87	Brian E. Eldred	2008-09	Daryl Procinsky
1987-88	Dale M. Taylor	2009-10	Craig Webber
1988-89	John Rockliff	2010-11	Doug Ramsey
1989-91	Paul Hugh Polsen	2011-12	Scott Pickles
1991-93	Elizabeth M. Dechert	2012-13	Peter Streith
1993-94	Doug D. Craig	2013-14	Mark Chambers
1994-95	Gordon B. Thorkelsson	2014-15	Donald Wm. A Davidson
1995-96	Peter G. Burgener	2015-16	Peter Osborne
1996-97	Fraser C. Brinsmead		
1997-98	Richard R. Lindseth		
1998-99	Douglas L. Sollows		

Thank You to our Volunteers

Volunteer Recognition

Logan Armstrong

Donna Assaly

Christopher Babits

Anna Batebe

Denis Bathory

Gregory Beck

Robert Bennett

Joy Boyce

Christina Budnick

Doug Campbell

Tom Cerkenac

Mark Chambers

Roland Charpetier

Erin Chartrand

Coben Christiansen

Stephanie Clancy

Grace Coulter

Don Davidson

Eugene Dejneka

David Edmunds

Patricia Evans

Gerald Forseth

Council

Licensed Interior Design Task Force, Nominating Committee

Nominating Committee, CExAC Committee

Banff Session Committee

Complaint Review Committee

Council, Communications Advisory Committee, Legislation Committee, Safety Codes Council

Registrar

Communications Advisory Committee

Communications Advisory Committee

Legislation Committee

Practice Entities Task Force

Practice Entities Task Force

Banff Heritage Corp

Council

Council, Executive Committee, Treasurer, Professional Development Advisory Committee, Advocacy Committee

Registration Committee

Practice Entities Task Force

Nominating Committee

Complaint Review Committee

Complaint Review Committee

Licensed Interior Design Task Force

Complaint Review Committee



Colin Friesen	City of Calgary – Planning Committee
Kari Anne Gaume	Licensed Interior Design Task Force
Janette Gescher	Council
Crystal Graham	Registration Committee
Chris Greene	Licensed Interior Design Task Force, Registration Committee
Lyle Hallett	Complaint Review Committee
Rohit Handa	Registration Committee
Terry Hartwig	Complaint Review Committee
Amir Hemani	Registration Committee
Bob Hlavacek	Registration Committee
Marty Hodgson	Complaint Review Committee
Henry Howard	Registration Committee
Keesa Hutchinson	Council, Registration Committee, Reinstatement Committee
Martin Jones	Registration Committee
Jade Kanevski	City of Calgary – Urban Design Review Panel
Svetlana Kaznacheeva	Edm Design Committee
Brad Kennedy	Complaint Review Committee
Josh Kjenner	Banff Session Committee
Chris Kourouniotis	Licensed Interior Design Task Force, Practice Advisory Committee
Randy Krebs	Practice Advisory Committee
Robert Labonte	Edmonton Design Committee
David Lachappelle	Complaint Review Committee
Krista Lauridsen	Communications Advisory Committee
C. Jane Lawson	Council, Licensed Interior Design Task Force
Robert Labonte	Edm Design Committee



Volunteer Recognition *cont.*

Robert LeBlond	Complaint Review Committee, City of Calgary – Urban Design Review Panel
Janice Liebe	City of Calgary – Urban Design Review Panel
Judith MacDougall	Title, Scope & Allied Professions, City of Calgary – Urban Design Review Panel
Barry McCallum	Safety Codes Council
Bruce McKenzie	Registration Committee
Walker McKinley	Registration Committee
Robert Merchant	Registration Committee
Naomi Minja	Practice Entities Task Force
Grant Moore	Registration Committee
Ian Morgan	Complaint Review Committee
Gordon Murray	Professional Development Advisory Committee
David Murray	Registration Committee
Gary Norbom	Registration Committee
Brian Oakley	Registration Committee
Cara Oakley	Banff Session Committee
Peter Ordynec	Complaint Review Committee
Peter Osborne	Council, Executive Committee, Licensed Interior Design Task Force, Nominating Committee
Alan Partridge	Legislation Committee
Kerri Peyton	Communications Advisory Committee
Jan Pierzchajlo	Complaint Review Committee, Practice Entities Task Force
Ronald Poon	Complaint Review Committee



“Alone we can do so little;
together we can do so much.”

Helen Keller

Darryl Rewniak
Michele Roach
Leonard Rodriguez
William Ross
Dean Russell
Chad Russill
Fontaine Schaerer
Erin Scott
Ulrik Seward
Wesley Sims
Leanne Soligo
Elizabeth Songer
Robert Spaetgens
Peter Streith
Patti Swanson
Jaime Taggart
Dale Taylor
Avery Temofychuk
Sandra Valens
Philip Vandermey
Shelley Van Tamelen
John Webster
John Wheatley
Beverly Wilson
Mandy Wong
Luisa Zilla

Council
Complaint Review Committee
Practice Advisory Committee
Complaint Review Committee
Council, CAC
City of Calgary - Urban Design Review Panel
Council
Council
Safety Codes Council
Edmonton Design Committee
Registration Committee
Council, Executive Committee
Council, Complaint Review Committee
CALA International Relations Committee
Council, Executive Committee, Legislation Committee
Banff Session Committee
Title, Scope & Allied Professions
Registration Committee
Professional Development Advisory Committee
City of Calgary – Urban Design Review Panel
Professional Development Advisory Committee
Registration Committee
Registration Committee
Licensed Interior Design Task Force
Banff Session Committee
Professional Development Advisory Committee



“Space is the
breath of art.”

Frank Lloyd Wright









President's Report

Patti Swanson

Architect, AAA

As I look back on the past year, I am humbled by how fortunate I have been to work with such a dedicated group of people with the common goal of strengthening the professions of architecture and interior design. It has been my honour to serve our membership and better understand the association's vital role as the provincial regulator.

It has been a busy year for Council, our administration, volunteers and committees. The AAA has continued to work towards its goals while focusing on regulating, supporting and advancing the professions of architecture and interior design.

Council

In addition to addressing regulatory issues at both a provincial and national level, your Council has spent a great deal of energy tackling many issues:

- The theme for the 2016 Think Tank was advocacy. Council spent our entire time together discussing how and why the AAA should advocate for our members. Many concrete decisions came out of these discussions including the establishment of an Advocacy Committee. Terms of reference were prepared and a request for committee members has gone out. We anticipate the Advocacy Committee will be fully operational soon!
- We met with both the Minister and the Deputy Minister of Alberta Infrastructure (AI) with the goal of introducing our association and affirming the importance of ongoing dialogue between AI and the AAA. Given that AI is one of the biggest clients

in Alberta for our membership, we stressed the need for our involvement in issues that affect our professions.

- Council has prepared a proposal for revamping the Life Membership category and has created a new award of merit. These changes were made to better reflect current trends and our changing demographics. Changes to the Life Membership status will be voted on by the membership at our upcoming AGM.
- Council is proposing changes to the composition of future Councils by adding an additional Licensed Interior Designer (LID) as a Council member. This change helps to strengthen the profile of our LIDs and supports proposed future changes to our membership, which includes a merger with the Interior Designers of Alberta (IDA).

This list showcases just a small part of what your Council has been up to over the last year. I would like to acknowledge all the members of Council for their commitment and ability to analyze and thoroughly evaluate issues as they arise. The culture among your Council is one of respect and it has been a pleasure to serve with them.

Administration

Many positive changes have occurred at Duggan House under the careful watch and leadership of Barbara Bruce. Below is just a snapshot of what our administration team has been up to over the past year:

- A member survey was conducted to determine the needs and desires of our membership going forward.
- Online PD reporting has been launched.
- Online electronic voting has been launched.
- The mentor's guidelines for the Internship in Architecture Program (IAP) have been updated.



- An updated logbook template for Intern interior designers has been implemented.
- Work is underway to completely revamp the AAA website.
- A complaints training course has been developed to assist our complaints review investigators and hearing panel members with their duties.
- The development of the building envelope course is nearing completion.
- The cease and desist process that addresses instances of illegal practice has been streamlined for efficiency and effectiveness.
- Numerous policies have been developed to ensure decisions are made rationally and methodically.
- Complaints Review Committee - this committee continues to monitor our professions to ensure work of the highest standard is maintained.
- Legislation Review Committee - for their perseverance and determination to rework our *Act* in a way that reflects current methodologies and future trends.
- Registration Committee – this committee continues to strive to keep our membership relevant and ensures new members are well equipped to meet the future needs of our professions.
- Registrar – for keeping a watchful eye on our professions as a whole.
- Numerous external committees - for ensuring our association is represented in the greater community in a meaningful way.

I owe a huge debt of gratitude to everyone at Duggan House for their work over the past year towards organizational excellence. They have made Council's job much easier and the work they do on behalf of our membership should be applauded.

Thank you all!

Volunteer / Committee Members

Finally, I would be remiss if I did not acknowledge the commitment and hard work of our committees and volunteers. Our association relies on the support and strength of our members and it is through these contributions that we will ensure our sustainability and shape the future of our professions. Special recognition must go out to the following:

- Practice Advisory Committee (PAC) - for diligently preparing practice bulletins as issues arise and providing ongoing practice support for our members. Of particular note is the development of a LID standard contract, championed by PAC, for our LID members.
- Practice Review Board (PRB) - while this committee has been dormant for years, new Terms of Reference have been developed and we hope to have this committee up and running soon.



Vice President's Report

Elizabeth Songer

Architect, AAA

2016 saw an assortment of Council and staff effort focused on initiatives to develop and improve membership support. I would like to thank the Executive Director and the hard working administrative team at Duggan House for their ongoing commitment to the Alberta Association of Architects. This year we initiated studio visits to local firms for staff members, so that those in Duggan House are more connected to the work our members do on a day-to-day basis.

One very important initiative beginning to take shape is that of consolidating the AAA and IDA to create one self-governing body that will regulate both architects and interior designers in the province. As you can imagine there is a lot of thoughtful work that needs to go into this amalgamation to ensure the standard of care both organizations provide is not diminished in our service to the public.

As much as the AAA does for its members, one area that has been recognized as needing improvement is the website and our virtual experience. The communications team has been working on addressing the deficiencies and although it is still a work in progress, the ability to report professional development online is a welcome milestone.

One event I was honoured to attend was the Induction Ceremony. Although it may seem like an event only for the individuals being inducted, it is, in reality, a milestone for the profession in our province. As our collective membership ages, we will soon be facing a decrease in architecture and interior design

professionals in the province. The event is very moving to see the struggle and dedication of work and pride of success for those who walk across the stage and into their professional status.

Barbara Bruce, Patti Swanson and I attended the Canadian Society of Association Executives Symposium for "Chief Elected and Chief Executive Officers". The emphasis of this two day workshop was on how to maintain continuity and engagement on and with Council. The intent is to ensure the work Council does is effective and focused in a way that is executable by the Executive Director and administrative staff at Duggan House.

I look forward to serving you as AAA President in the coming year. I'm honoured to be entrusted to carry forward the tireless efforts of my predecessors. Through open discussion and steady action Council continues to support and strengthen our professions enabling each of us to do our part to improve the built environment we share.



Registrar's Report

Robert Bennett

Architect, AAA

I am pleased to report modest growth in the number of practitioners registered by the Alberta Association of Architects during 2016, despite the recent economic challenges faced by our province. The association experienced an increase of 2.8% in the number of registered architects to 1166. The number of licensed interior designers remained essentially the same as last year, numbering 69 at year end.

In contrast, we experienced a decrease of almost 12% in the number of Intern Architects and a decrease of almost 15% in the number of intern interior designers. This is perhaps in part, a reflection of the economy, as some of our former interns have sought work elsewhere; but also due to the unusually large number of our intern architects who proceeded through to registration in 2016. However, compared to the number of registered and licensed practitioners, the number of intern architects and intern interior designers registered with the AAA is still substantial, numbering 330 and 35 respectively.

In a reflection of the demographic changes occurring in the working public at large, the number of retired members continues to increase, now standing at 85 at year end. When all categories of membership are considered, the number of those on record with the AAA has decreased marginally by approximately 3% to 1761, during the year 2016.

The detail figures for newly registered members in Alberta during 2016 are as follows:

- 54 through completion of internship (first registration)
- 43 through reciprocity (Canadian professionals)
- 12 through Inter-Recognition (U.S. professionals)
- Two through the Broadly Experienced Foreign-trained Architect Program
- Two through reinstatement (previously registered with AAA)

We continue to review and approve new architecture and interior design practices as well as revisions to ownership in existing practices, maintaining compliance with the *Architects Act* and *General Regulation*. Our records at year end reflected a total of 630 firms and corporations, of which 261 (41.4%) are located outside Alberta.

We continue in efforts to standardize and simplify the registration process for architects and licensed interior designers and their practices. In conjunction with the ongoing legislation review, some small but useful changes governing the process of registering firms and corporations have been proposed, holding the promise of reduced complexity if implemented. Conformity with mandatory continuing education requirements is also carefully monitored, to ensure that all members are meeting the established standards.

As Registrar, I have confidence in the thorough management procedures and record keeping for the registration of registered architects, licensed interior designers and their practices at the AAA. I express my gratitude to the staff at Duggan House, who continue to be on top of the considerable administrative challenges posed by the registration processes. Their contribution is important to the regulation of the practice of architecture and interior design within our mandate to protect the Alberta public.



National Initiatives

Barbara Bruce

CAE, Executive Director

The mentor's guidelines for the Internship in Architecture Program (IAP) have been updated. Operating as an informal organization, CALA members work collectively to develop and adopt nationally recognized standards and programs to meet their regulatory responsibilities as well as the needs of the architectural profession. Topics discussed in 2016 included:

- Progress towards harmonization of national professional development reporting periods and criteria
- National approach to syllabus program students across CALA jurisdictions; variation in requirements for registration prior to responding to RFPs
- Status of the Broadly Experienced Foreign Architect (BEFA) program managed by the Canadian Architectural Certification Board
- Planned updates to the RAIC Canadian Handbook of Practice (CHOP Manual)
- Trends related to interns writing the national exams (ExAC)
- Updates from the CACB Standing Committee
- Work being done by the International Relations Committee
- Potential for a national approach to certain types of illegal practice activities
- Accreditation of schools of architecture

The administration of CALA continues to be handled in a decentralized fashion. In 2016 it was agreed that the time has come to seek a part-time administrator to ease the burden on the various CALA regulators. In 2017 a pilot project will commence to facilitate enhanced

communications, centralize corporate documentation and accounting, and provide much needed support to the planning and implementation of CALA meetings. There are currently three active committees within CALA:

Committee of the Examination for Architects in Canada (CExAC)

Christopher Babits

Architect, AAA

The 2016 sitting of the Examination for Architects in Canada (ExAC) had about the same number of interns writing compared with the previous year. The clean pass rate is slightly lower but essentially stable since the exam's inception in 2008. Interestingly the number of Alberta writers rivalled those in BC. Alberta's pass rate was lower than most other jurisdictions however. The continued consistent detailed review of results ensures the exam remains a reliable means for testing Canadian architectural interns.

As part of ongoing efforts to improve the administration of the exam, CExAC has refined the objectives to ensure it thoroughly reflects the internship program. These objectives are anticipated to be updated in exam and on the website for the 2017-2018 cycle. Improvements continue to be made to the website and to streamlining the online registration process. The chairperson for the CExAC is Don Sterritt. The exam for 2017 will be in early November, and registration will again open the first week of June 2017.

The CExAC thanks 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. The CExAC is always looking for volunteers to become involved in question writing in the early spring, question vetting in the fall and marking in December. Participation from Alberta is always greatly appreciated.



“I call architecture frozen music”

Johann Wolfgang von Goethe

Canadian Architectural Certification Board (CACB) Standing Committee

David Edwards

Architect, SAA

This is an ongoing committee that is currently working with both the Canadian Schools of Architecture (CCUSA) and the board of CACB to complete the review of the validation conference held in Saint-Sauveur. Since the validation conference work has continued on the upgrading of the Terms and Conditions for Accreditation and the Procedures for Accreditation documents. All 11 jurisdictions have provisionally approved the Terms and Conditions and they will be issued in the fall of 2017 with school visits using them in 2019 when making accreditation visits under the new document. Once these two documents come into effect the Standing Committee will work with the Intern Program and CCUSA to study the further integration of the education process.

The CACB undertook a financial review process which resulted in a new funding formula. This formula was accepted by the regulators but has yet to be accepted by CCUSA which until accepted has financial implications for CACB. The Standing Committee is currently working with CCUSA to resolve the issue.

The BEFA program has been operational for two years with approximately 216 applicants with 26 being licensed in various jurisdictions across Canada. At the start of the program we had committed to undertaking a review of the program which will be started later this year.

Future of Architecture - This is a special committee developed under the standing committee on CACB to establish a process to engage the profession and all stakeholders in developing a national architectural policy. More details will be available later this summer when we hope to engage a broad cross section of the profession in the discussion.

International Relations Committee (IRC)

Peter Streith

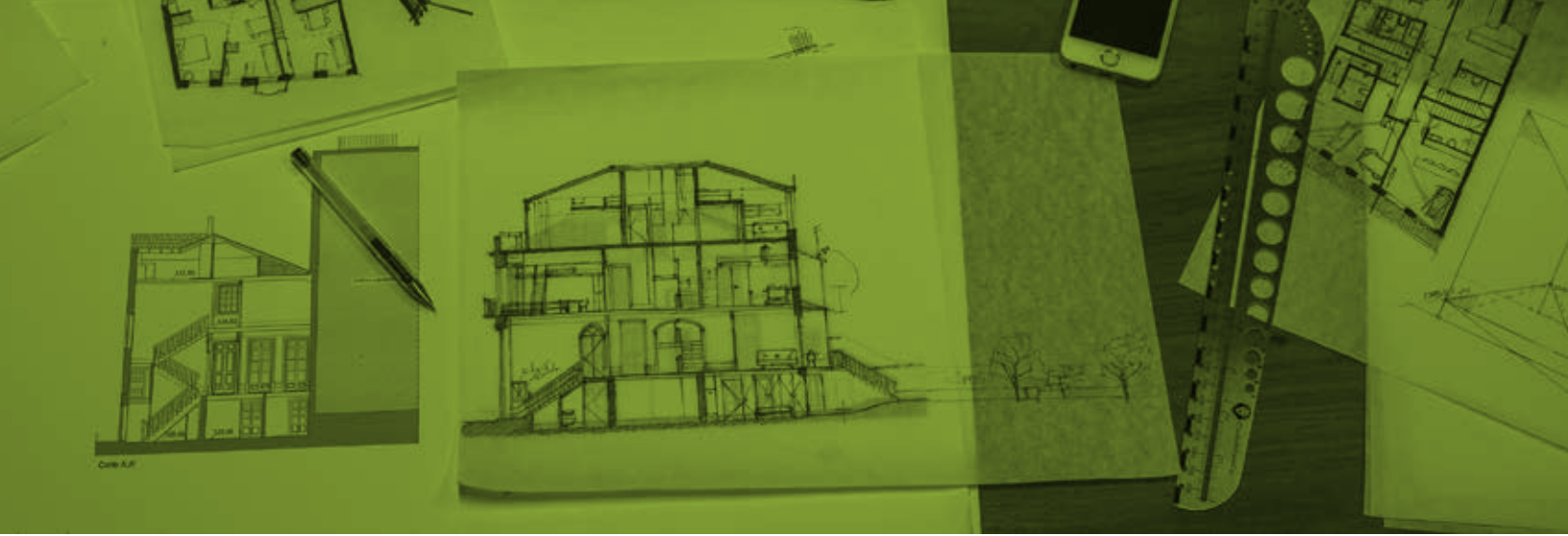
Architect, AAA

In the past year, the IRC has continued to move forward on its international files.

On the Canada/United States Mutual Recognition Agreement (MRA), 41 states are still signatory to the agreement with the potential, of one of the states to back out of the agreement. The National Council of Architectural Registration Boards (NCARB) has continued to work with their lawyers to remove the remaining legal impediments for the six remaining states that are not currently signatory to the agreement. The IRC committee will be meeting with NCARB in the fall to review their understanding of the current political climate in the states.

Negotiations are still ongoing with the Architects' Council of Europe (ACE). The IRC presented a draft MRA text to the Canadian Architectural Licensing Authorities (CALA) in October of 2016. The draft MRA includes a domain-specific online assessment for European Union applicants. The IRC has requested that ACE confirm if any of the European Union member states will be implementing a domain specific assessment for Canadian applicants prior to signing any agreement. The Committee has made additional funding application to the federal government to support the development of the online course and to finalize the negotiations with ACE.

At the Asia-Pacific Economic Cooperation (APEC) Central Council meeting in Malaysia in October of 2016, the IRC conducted exploratory discussions with China, Korea, Singapore, Malaysia, Hong Kong and Japan. Under the Canada / Australia / New Zealand MRA, one Australian architect has been licensed in BC.



Registration Committee Report

Henry Howard

Architect, AAA

The AAA Registration Committee is mandated to complete a detailed screening and interview of applicants to the professions of architecture and interior design in the process of registration and licensure. Additionally, the committee reviews all intern architect and intern interior designer log books, ably assisted by the staff at Duggan House.

The past year has continued to be an interesting year; one of change and transition. Along with the existing registration work, the committee has been working with Duggan House administration and Council to add clarity and a better sense of definition to the registration process. Our goal has been to ensure fairness and consistent evaluation standards for all applications. This has meant making some difficult decisions regarding applicants to the AAA who are not following the well worn path to registration. We hope to create clarity for applicants and for administration at Duggan House with regards to the registration process, and also to ensure that any equivalency for any special considerations to registration are as rigorous and fair as the national program.

Along with these initiatives, there is a push to improve IID logbooks and reporting to ensure that IIDs are getting the best experience that enables them to meet the benchmark standards set by the AAA.

Support for the Registration Committee has been steadfastly provided by all of Duggan House staff, in particular Barbara Bruce and Yasmin Tejpar, whose experience and knowledge has made the program a success.

On top of this regular work, two intern architect information sessions were again hosted this year. These sessions provide a forum to communicate intern specific information and an arena for the next generation of architects to ask detailed questions. Keesa Hutchinson, Council Member and Committee Vice Chair and Erin Chartrand, Intern Architect Representative on Council provided excellent leadership at these sessions. These meetings are also interesting for the committee as they show the current concerns of interns moving through the program.


Going forward, we plan to streamline the committee's work so that expectations and results are clear and consistent. In the past year, we have made excellent headway in this regard and we are striving to continue this work into 2017-2018.

“Design creates culture.
Culture shapes values.
Values determines the future.”

Robert L. Peters

Membership

Affiliate Member	5
Associate Member	13
Honorary Member	4
Intern Architect	262
Intern Architect 5	18
Intern Architect 7	50
Total IA	330
Intern Interior Designer	26
Intern Interior Designer 5	5
Intern Interior Designer 7	4
Total IID	35
Lic Interior Designer	69
Life Member	18
Life Member - Active	8
Registered Architect	1166
Retired Member	85
Restrict Practitioner	4
Student Member	43
VPA	3



“Design is
so simple,
that’s why its
so complicated.”

Paul Rand



Legislation Committee Report

Patti Swanson

Architect, AAA

The AAA Legislation Committee has been active since 2012 when the AAA was requested by the Government of Alberta (GOA) to update the *Architects Act* and *General Regulation*. Numerous task forces were established to review the various components of the *Act* that needed to be revisited. After our membership voted on the 13 Guiding Principles in the spring of 2014, the committee has been developing these principles into a concrete framework to present to the government.

The original request that we revisit our *Act* came from the previous PC government. Since the spring of 2015, we have been working with a new government, with new priorities to consider. The change in government has certainly slowed down the review of our *Act*. We no longer have an identified date for when our proposed *Act* will go before the Legislative Assembly although we continue to work towards a spring 2018 review with the Professional Governance Branch.

While the process has slowed, we continue to address some key issues that our membership voted on and that will affect changes to our *Act* going forward. Those issues include the following:

Guiding Principle #2 - Various exclusions from the Alberta Building Code

We have been meeting with the Association of Professional Engineers and Geoscientists of Alberta (APEGA) to discuss proposed exclusions from both our *Act* and the *Alberta Building Code*.

Guiding Principle #4 and #5 - Creation of categories of membership which may include allied professions and determine registration requirements for those allied professions.

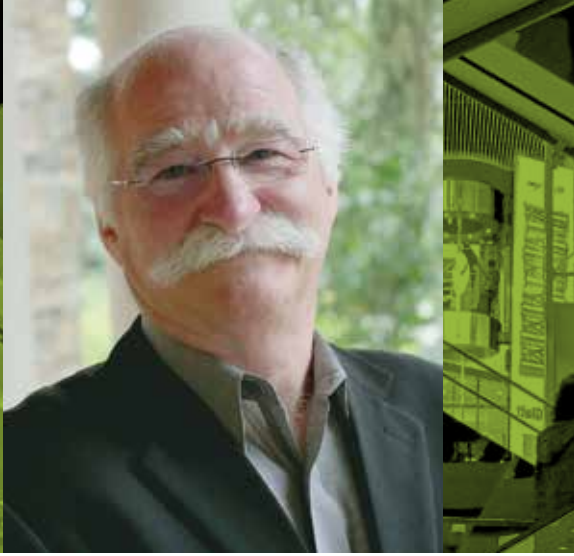
Negotiations have been ongoing with the Interior Designers of Alberta (IDA) regarding the merger of its organization within the AAA membership. A working group has been established to prepare a Memorandum of Understanding (MOU) between the two Alberta organizations. In addition to the MOU, the following issues are being identified and reviewed:

- academic qualifications
- affiliated members
- training requirements
- title protection
- registration requirements

Additionally, we have been meeting with the Association of Science & Engineering Technology Professionals of Alberta (ASET) to establish membership categories within the AAA to include architectural technologists.

Continuing work on updating and refining the government requirements ensures that once we receive the green light from the GOA, we will be well prepared to negotiate the proposed changes to our *Act* and *Regulation*.

In closing, I wish to once again acknowledge and thank those members who have invested time and energy into this project and who continue to work on the Legislation update. I would also like to thank the Duggan House administration and consultants for their continued effort to move this project forward.



Practice Advisory Report

Barry Johns

Architect, AAA FRAIC FAIA (HON) RIBA RCA LEED AP

The Practice Advisory Committee (PAC) team advises on professional practice related inquiries received from AAA membership, clients, building authorities and the general public. Upon request, the team has also provided similar advice to Council. We issue and update practice bulletins and notices, as well as actively liaise with the authorities having jurisdiction (AHJ) in our quest to curb unauthorized practice in Alberta and to regulate and promote the integrity of our self-governing profession.

The Director of Practice, supported by a continuation of the previously appointed PAC continued its quest to provide professional advisory services to the membership through 2016. On behalf of the membership and Council, we have extended our outreach to assist our allied professions (APEGA, CEA), our colleagues (CAA) and the AHJ across the province.

The increased activity and awareness of PAC by the membership has resulted in an increase in services to all areas of professional practice since 2015. We closed 156 files in 2016 and at this time of writing in 2017, we are projecting another volume increase year over year. Members should continue to be on the lookout for eBulletins and other notices that announce the posting of important new material on the AAA website. These practice resources are provided for the benefit of all members and are intended to assist you in addressing pressing and current practice or regulatory issues.

Some of our notable achievements in 2016 include:

- The release of the first Standard Form of Agreement between Client and Licensed Interior Designer, Document 10. This was a huge effort and it is extremely gratifying to have completed this important work on behalf of the LID community in Alberta.
- The first joint presentation about practice issues in Alberta between the AAA and the Consulting Architects of Alberta at the 2016 Banff Session.
- The release of several practice bulletins, including the much needed PB-26 *When is an Architect or a Licensed Interior Designer Needed on a Project?* This particular bulletin describes the requirements for professional involvement of an architect or a licensed interior designer and is generating plenty of inquiries from AHJ and the real estate community since it clearly debunks the previously understood but unacceptable “5000 square foot rule” for project interiors. It is becoming better understood that buildings below the 500 square metre threshold cannot be partitioned in order to avoid professional involvement. As such, it is assisting AHJ across the province in addressing instances of unauthorized practice and we are seeing positive progress in this regard.
- The continued addressing of onerous contract issues and client written agreements that increase the duty of care to, at times, uninsurable standards.
- Addressing general practice management issues related to contracts and document management, use of seal, copyright, moral rights, contract administration, communications and marketing.
- Assessments of either discovered or reported unauthorized practice or misrepresentation have also resulted in a very successful cease and desist campaign against unauthorized practice. Members are reminded of their duty under the *Act* to report any suspected occurrence of unauthorized practice to the AAA for follow-up investigation and, if needed, action.

Together we are indeed making a difference.

I wish to personally thank my PAC team members for their wisdom and advice over the past year, as well as a hearty thank you to our Executive Director, Barbara Bruce, who brings a thoughtful and measured perspective to everything we do. To the AAA staff who consistently show a commitment to each other and to the membership above all within the challenging context of a changing profession, thanks is likely not enough. Finally, on behalf of my PAC team, I express our gratitude to our members for your loyalty and patience with this office. We try to respond to you as quickly as we can, despite the complexities of some of the requests that we receive.

We look forward to continuing our various practice advisor initiatives through 2017.



Complaint Review Committee Report

Robert Spaetgens

Architect, AAA

The complaint review process for most of 2016 was relatively calm with only a few new files opened. However, in the last few months that quiescence has turned into activity. The number of new complaints has risen significantly. Currently, we have 10 active files with some additional complaints on the horizon. The number of complaints filed has increased from previous years; the trending is up at the moment and may be coincidental or possibly a situation that arises in a weaker economy where there is pressure on fees and service provision.

As in previous years, the underlying cause of most complaints is the general lack of respect between parties, resulting in unfulfilled or false expectations. Poor communication, poor recordkeeping, absence of proper contracts and an inability to maintain positive relations with clients and associates are some other consistent reasons for complaints to originate. The delivery of architectural services without a proper agreement, contract or clear definition of scope and service-principles ultimately leads to disputes. Very few complaints arise due to “design” deficiencies. Clients and the public rarely complain about building form, massing, functionality, esthetics, etc. The majority of complaints arise during the construction documentation and construction administration phase of a project.

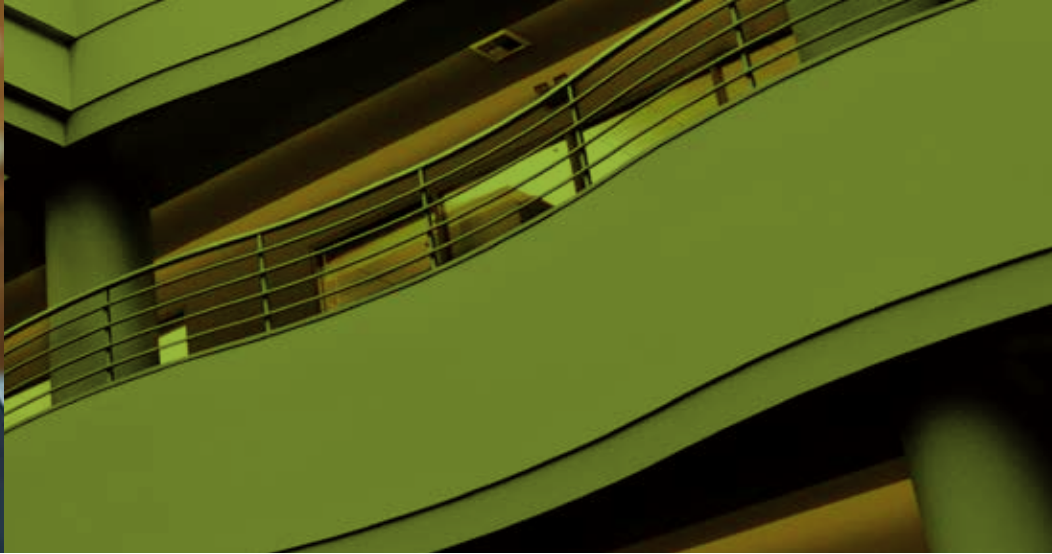
A surprising trend was the number of complaints involving the issuance of the C schedules. Some of our members inappropriately use the schedules as leverage for payment of fees that may be owed. Another theme that is prevalent in many complaints is the lack of professionalism and recognition by registered

members when sealing or stamping documents. Those documents must have been prepared by, or under the personal supervision, direction and control of the authenticating individual.

A big thank you goes to our legal counsel, Paula Hale from Shores Jardine LLP, who has been very helpful and insightful into the legal compliance and nuances of practice which is governed by the *Architects Act*, the *General Regulation* and the *Code of Ethics*. Also, good news for the Complaint Review Committee (CRC) was the creation of a new administrative position; Manager of Policy, Compliance and Strategic Initiatives. This new position will be assisting the CRC and Paula on the growing number of files, offering broader support to the CRC and bringing much-needed discipline to the complaint review process.

I would also like to give thanks to our complaint review volunteer membership. Particularly to those who served on the various hearings and investigations and to those who are always willing and ready to help out. As mentioned last year, there is an ever-increasing importance and emphasis on the complaint review process. Present day litigation and due diligence requirements of the courts and legal system is putting pressure on self-regulating bodies, such as the AAA, to be highly comprehensive and thorough in their investigations and handling of complaints. Protecting the public interest and assuring our standard of care underscores most of what we do as a professional association. The AAA relies on volunteer commitment for the many hours of work that is expected of this very important endeavour. If you are not on the list of CRC volunteers and wish to be involved, please contact us and we will be very pleased to add you to the list of members.

Thank you to the membership for their ongoing support as well as a special thank you to the members on Council; our Executive Director, Barbara Bruce; Executive Assistant, Sheila Nitti and Director of Practice, Barry Johns. Barry offers a wealth of practice experience and valuable insights to the practice of architecture. This resource is very beneficial in sorting out the standard of care and the fiduciary obligations we, as registered architects and licenced interior designers, owe our clients and the public. Finally, we couldn't do what we do without all the staff at Duggan House. Thank you for your commitment and guidance that helps fulfill my role as Chair of the Complaints Review Committee.



Professional Development Advisory Committee Report

Dean Russell

Architect, AAA, MAIBC, MRAIC, LEED AP

It has been an incredibly productive year for the Professional Development (PD) program! We launched the much-anticipated online PD reporting system earlier this year. This new system allows members to quickly self-report their learning activities, complete their primary jurisdiction declaration and view their transcript at any time.

The AAA officially moved to a two-year PD reporting period, effective July 1, 2016. This change was implemented to permit the AAA to align its PD reporting period with that of other provincial jurisdictions. The change represents the final stage of the national harmonization initiative regarding PD.

We can also happily report that the highly-anticipated Building Envelope course is in the late stages of its development and we look forward to launching it later in 2017.

This was also a busy year for PD events. The AAA hosted another successful Banff Session in May, marking the conference's 60th Anniversary. The occasion was celebrated with a special Gala that had some truly unforgettable moments. We're excitedly anticipating what the 2018 event has in store.

This year's theme for the annual October PD Day was 'Building Connections' and helped members to learn more about collaborative work with related disciplines. The 2017 AGM is back in Edmonton for the first time since 2013. The theme for the accompanying PD Symposium is 'Energy Matters', which will allow

members to enhance their knowledge on a variety of energy-related topics.

Thank you to the members of the PD Advisory Committee for sharing their valuable time and expertise!



Licensed Interior Designer Representative Report

Jane Lawson

Licensed Interior Designer, AAA

It has been an exciting year for the interior design profession in Alberta as the AAA and IDA have continued to meet and work sort out the specifics of how our two associations can come together to create better clarity regarding our profession to the public, enhance public safety, work on member sustainability and provide a supportive unified organization for the next generation of interior designers. The AAA and IDA agreed, in principle, on a new framework for the profession, with details being currently addressed and worked through by the LID Task Force and a sub-committee with representation from both organizations. After many years of developing two strong independent associations for interior designers, this is no small task, but all involved are committed to an end result that supports and sustains the interior design profession and provides much greater clarity to the public to whom we provide services.

Early in 2017, it was agreed that we would focus on the key issues that both organizations identified including the assimilation of membership categories, membership titles and alternate paths to registration. We then brought together a group of stakeholders at a focused facilitated meeting in Edmonton to explore these key issues and talk about the impacts. The stakeholders included Licensed Interior Designers (LIDs); Registered Architects (RAs); IDA President, Cory Riley and Interior Designers of Canada (IDC) CEO, Tony Brenders and was facilitated by Bea Bohm-Meyer. The meeting was lively, positive and productive and from this meeting, a working subcommittee was created to work through the mechanics of these issues and report back to the LID Task Force and ultimately the AAA Council by second

quarter of 2017. Our goal is to have these issues defined well before the current target date for the review of the *Architects Act* to come before the provincial legislature in the spring of 2018.

Through a lot of hard work and dedication to listening to the member feedback regarding clarity to enhance public safety and awareness, and as a natural progression for the association as the profession of interior design in Alberta becomes consolidated within one strong organization, Council also agreed to a name change from AAA (Alberta Association of Architects) to AAAID (Alberta Association of Architects and Interior Designers). The name change to AAAID will be submitted to the Ministry of Labour as part of the desired legislation updates.

Lastly, Council reviewed the addition of another LID representative on Council and agreed to put the recommendation before the membership as a bylaw change. This will increase the number from one to two LIDs on Council and provide a second interior design voice.

As this is my last year of four on Council, it has truly been a pleasure to work with so many dedicated individuals, including four Presidents, our dedicated Executive Director, Barbara Bruce and all the staff at Duggan House. As a 30+ year member of the AAA, I have seen more change for our Interior Design membership over the last years than ever before, due to the passionate voices of both our architect and LID members who recognize the power and clarity of a single voice for the interior design profession. We need to continue this hard work together to make this a better association for all those professionals who follow in our footsteps as well as the public to whom we are accountable. We look forward to keeping all members of AAA informed and engaged as we move forward with these exciting new initiatives.



Intern Interior Designer Representative Report

Fontaine Schaerer

Licensed Interior Designer, AAA

Inducted in 2016 as the voice for the Intern Interior Design body, I am grateful for the rewarding experience that holding this position presented. It was enlightening to see how valuable every member of the association is; whether students, interns or registered professionals. The opinions, knowledge and input from the AAA membership are necessary for the growth and sustainability of the profession of architecture and interior design in Alberta. It is both encouraging and exciting to see how such a diverse membership can come together to help shape the future of our professions.

Over the term, I actively engaged my fellow interns, in addition to drawing on my own experience, to identify areas within the program which have the potential to be further developed or re-evaluated to ensure interns are not experiencing unnecessary obstacles on the road to registration. One of the recurring topics of discussion was that of the AAA website and how to improve its ease of use. I had the opportunity to take part in a discussion with other AAA members and staff and was able to share the concerns I had heard from many of my peers, as well as make suggestions about navigation and content. Some of the particular areas identified included providing more information about the role of interns, mentors, and supervisors, increasing content about professional development opportunities for interior designers and an online resource for logbooks. With the redevelopment of the website underway, I am eager to see it become more accessible to interns, mentors and supervisors to glean the information they need so that the intern program can function at its full potential.

As in years previous, the AAA once again held an information session at Mount Royal University for students currently enrolled in the Bachelor of Interior Design program. It was a successful event with high student turnout, and a much more interactive audience than experienced in previous years. Often, interior design students or new graduates find it difficult to decipher the difference between the multiple organizations that exist for the profession of interior design and this session helps provide clarity on what the AAA is and the role it plays in the journey to becoming a licensed professional.

With an increased focus on advocacy, the AAA is working to develop a number of initiatives over the next year to help sustain our professions and the association. As a member of the younger demographic, I am eager to be involved in creating and implementing programs to bridge the gap between our young and more seasoned professionals in order to glean the knowledge necessary to maintain the steady progression and improvement of the association and the professions.

I would like to express my sincere appreciation for the opportunity to serve on Council as Intern Interior Design Representative. It was a pleasure working alongside so many truly admirable professionals, and I look forward to applying my experience through continued involvement with the Alberta Association of Architects.



Intern Architect Representative Report

Erin Chartrand

Intern Architect, AAA

Serving on Council as the intern representative over the past term has been a positive and rewarding experience. Being in close company with architectural leaders while participating in the governance of the professions has not only been an inspiration, it has allowed me to give back by assisting in communication with the Council and my peers. The position has put me in a leadership role with recent graduates and fellow interns as I have had the opportunity to share the knowledge and insight that comes from Council encouraging interns down the path to registration.

The AAA hosts annual Intern Information sessions, which are a backdrop to reflect enthusiasm among interns regarding the IAP process and the importance of using our mentors and supervisors in our professional development. The goals for the sessions are to generate thoughtful conversation, boost intern participation in events and to educate interns on the admission to the profession to ensure their success. The sessions held this year, in Edmonton and Calgary, were filled with energetic discussions and positivity from interns regarding their professional future.

New this term, intern representatives on Council received an invitation to participate in the 2016 Think Tank workshop. The workshop encouraged all voices and opinions to contribute to the debates and exercises that serve to guide Council on how to best represent and grow our association. Given the opportunity to partake in this event echoes the association's desire to ensure its intern members are included and heard.

Communication among intern architect representatives across the country has increased due to the RAIC Emerging Practitioners program. This gateway for communication across intern representatives has led a dialogue on how we, as representatives, can begin to further influence engagement among interns and our peers nationally. It has been a way to share successful intern activities in each of our associations, speak to issues arising for interns and a way to spread important updates and initiatives. The determination and excitement from other intern representatives has certainly had a positive impact on the local discussions among intern members.

It has been an honour spending the last year on Council as the intern architect representative. I would like to acknowledge both my fellow Council members and the association staff for their expertise and commitment. This engagement and responsibility has afforded an invaluable learning experience. It has motivated professional growth, provided opportunity to engage with other interns and professionals and paved a broader understanding of the profession as a whole.



University of Calgary Ex-Officio Members' Report

Jason Johnson
EVDS Representative

Logan Armstrong
*Student Member, AAA
U of C Student Representative*

The past year in the MArch (Master of Architecture) Program of the Faculty of Environmental Design (EVDS) has been highlighted by continued excellence in teaching and research by faculty, opportunities for community engagement and preparations for the accreditation visit that was completed in mid-March.

Teaching and Research

Over the last year architecture faculty have won awards for design, published a number of books, and exhibited work across a number of venues. We continue to draw academics and professionals from around the world for reviews and block week courses and engage a growing number of local professionals as sessional instructors throughout the curriculum. This approach to engaging the profession at various scales and across international boundaries was recognized by the members of the recent accreditation team as deserving of special recognition in their forthcoming report. Last summer we recognized Jeremy Sturgess with our second annual Distinguished Contribution award

Community Engagement/Experiential Learning

The faculty has continued to engage the community through a number of vehicles including the lecture series, symposia and community based design and making projects. Of note are a public art project for the Emerald Hills Sports Pavilion, the fifth annual Sukkah Design/Build Competition project and the Aging in Place Laneway House. Each of these projects involved faculty, students and the community in the production of projects from

start to finish and provided invaluable experiences in applied design research for the future architects and designers of this province. Also of note was student and faculty involvement in the preliminary design phases of the RB Miller Director's Cabin for the University of Calgary. Our continued commitment to exposing our students to opportunities to learn through doing will be further supported by the acquisition and installation of two new robotic fabrication arms secured through SSHRC funding and ongoing relationships with several local groups and the City of Calgary to produce urban furniture and other small scale design challenges.

Accreditation and Leadership

Throughout the past year and under the leadership of Graham Livesey, the architecture program has been preparing for the accreditation visit. The visit and review by the team went well and initial comments by the team were extremely positive. We await the final report and recommendation by the committee in the coming weeks. Starting on July 1, 2017 Graham Livesey will be stepping down as the Associate Dean Academic Architecture, and Jason Johnson will be taking his place. Graham has been a steady and experienced presence in the last two years and had committed to bringing us through the accreditation process. In the next few months the program will be engaging the AAA with a few initiatives related to the integration of internship into the program curriculum and discussions about the emerging career paths of our graduates.

Student Report

EVDS students are happy to report increased collaboration with the AAA on a number of initiatives including the Year End Show and student scholarships. Our students continue to seek out opportunities for engaging professionals in mentorship and networking opportunities and have scheduled several events over the last year that bring professionals and students together to discuss our profession.



Mount Royal University Ex-Officio Members' Report

Paula Dozois
MRU Representative

Erin Scott
MRU Student Representative

The second and final phase of facility renovations took place last summer; the studios are now ready to grow with the next two years of the incoming Bachelor of Interior Design (BID) students. As the BID grows, the Bachelor of Applied Interior Design (BAID) program is phasing out. This program currently has its last class in it and the students will soon be coming back from their work terms to finish the final semester of the applied degree in the summer of 2017.

The new curriculum is proving very interesting and invigorating and all full-time faculty are now teaching in the new program. Studio projects bring the application of the 3 major content streams (Design & Precedent, Systems, and Tools) explicitly together in the studio project outcomes. There are many great opportunities emerging as the curriculum unfolds.

The BID Bridging program option is under development with the site visits to each of the Alberta Interior Design technology (IDT) diploma programs complete. The option will provide opportunities for the graduates of the two-year IDT programs to continue their interior design studies. There has also been a path created for the BAIDs to complete the BID with an additional year of study.

In this past year, students have been active in a number of community projects. Sponsored by the Calgary Chapter of Construction Specifications Canada (CSC), an inter-institutional charrette competition of mixed-student teams from SAIT and MRU vied to provide an exciting pop-up music venue for YO MAMA, the Youth Musicians of Music Mile Alliance. The students have

also embarked on a series of intimate interventions for Calgary Reads by partnering with practitioners to design child-focused reading spaces.

Our Table Talk trade show, *Primarily It's a Party* and the Design Cubed event continue to provide great opportunities for students to engage with our local community and industry partners.



Treasurer's Report

Coben Christiansen

Architect, AAA

The AAA continued its record of strong financial performance in 2016.

The auditor's report has given us a clean bill of health and provides the requisite third party oversight for our internal financial management and for our stakeholders. I would like to extend Council's gratitude to the administration team of Duggan House for their careful management of our finances and for the development of the financial statements.

In 2016 operational revenues exceeded expenses by over \$580,000 due to healthy membership, two successful PD events, Banff Session and prudent management by Council and staff. The 2017 budget was developed to be a deficit budget intentionally considering the up and down nature of the on/off Banff Session years. Council has decided to hold the line on member dues in 2017 with the expectation that we would be able to use surplus funds from 2016.

Our cash position remained strong at the end of 2016 and we were able to transfer \$270,000 to our designated funds:

- \$170,000 was used to top up the Financial Stabilization Fund to \$720,000, and;
- \$100,000 was used to increase the Duggan House Maintenance and Historic Fund to \$200,000

We also transferred \$343,250 from unrestricted funds to projects as follows:

- Legislation Review
- Website Development
- Policy Writer
- Complaint Review Training
- Database Enhancement
- Building Envelope Course
- Duggan House Work Station Upgrade
- New Filing System
- Basement Improvement Project
- Archive File Conversion

Our Balance Sheet (in the not-for-profit world called the "Statement of Financial Position") is now very strong, allowing us to not only weather the current economic climate, but look at ways of providing better services to our members in 2017.

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

This Council and the administration at Duggan House are dedicated to maintaining our goals of ensuring a long-term financial stability for the AAA in the years to come.

“Architecture is an expression of values.”

Norman Foster

Annual Budget

Revenue

Annual Dues	1,700,000
Interest	54,000
Administration Fees/Changes	42,800
Total Operations Revenue	\$ 1,796,800

Programs Revenue

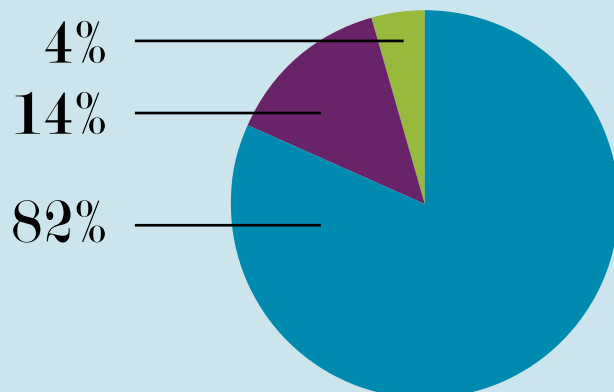
Registration	63,000
Practice	0
Professional Development	124,500
Communications	9,900
Total Programs Revenue	\$ 197,400
Total Revenue	\$ 1,994,200

Expenses

Council & Committees	92,100
Human Resources	1,182,000
Duggan House Operations	356,640
Amortization	81,000
National Levy	66,050
Legislation Review	58,000
Total Operations Expenditures	\$ 1,835,790

Program Expenses

Registration	39,500
Practice	113,550
Professional Development	47,710
Communications	92,900
Total Program Expenditures	\$ 293,660
Total Expenses	\$ 2,129,450
Operations Deficit	-135,250



2017 Budget by Expenditure Area

Operations	1,743,690
Programs	293,660
Council/Committees	92,100
Total Operating Expenditures	\$ 2,129,450







Financial Statements

The Alberta Association of Architects Year Ended December 31, 2016

Independent Auditor's Report	38
Statement of Financial Position	39
Statement of Operations	40
Statement of Changes in Net Assets	40
Statement of Cash Flows	41
Notes to Financial Statements	42
Schedule of Operating Activities - Schedule 1	47
Schedule of Programs - Schedule 2	47

Independent Auditor's Report

Collins Barrow

Edmonton LLP, Chartered Accountants

To the Members of The Alberta Association of Architects

We have audited the accompanying financial statements of The Alberta Association of Architects, which comprise the statement of financial position as at December 31, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

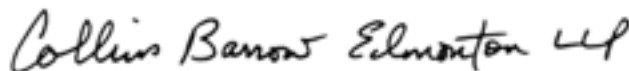
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Alberta Association of Architects as at December 31, 2016 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.



Edmonton, Alberta
March 30, 2017

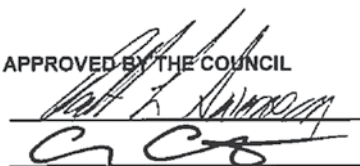
Chartered Professional Accountants

Statement of Financial Position

December 31, 2016

ASSETS	2016	2015
CURRENT		
Cash	\$ 1,317,286	\$ 941,124
Short-term investments (Note 3)	570,526	716,897
Accounts receivable (Note 4)	20,838	21,471
Prepaid expenses	29,924	45,519
	1,938,574	1,725,011
RESTRICTED CASH (Note 5)	2,420,000	2,150,000
LONG-TERM INVESTMENTS (Note 3)	765,239	719,945
PROPERTY AND EQUIPMENT (Note 6)	1,355,225	1,312,367
	\$ 6,479,038	\$ 5,907,323
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 7)	\$ 216,781	\$ 154,046
Deferred contributions (Note 8)	1,508,706	1,580,779
	\$ 1,725,487	\$ 1,734,825
NET ASSETS		
Invested in property and equipment	1,355,225	1,312,367
Internally Restricted (Note 9)	2,420,000	2,150,000
Unrestricted	978,326	710,131
	4,753,551	4,172,498
	\$ 6,479,038	\$ 5,907,323

APPROVED BY THE COUNCIL



President - Patti Swanson, Architect, AAA

Treasurer - Coben Christiansen, Architect, AAA

Statement of Operations

For the Year Ended December 31, 2016

REVENUES	2016		2015	
Operations (Schedule 1)	\$	1,772,195	\$	1,628,217
Programs (Schedule 2)		782,014		253,146
	\$	2,554,209	\$	1,881,363
EXPENSES				
Current				
Operations (Schedule 1)	\$	1,443,331	\$	1,325,320
Programs (Schedule 2)		529,825		228,331
	\$	1,973,156	\$	1,553,651
REVENUES OVER EXPENSES	\$	581,053	\$	327,712

Statement of Changes in Net Assets

Year Ended December 31, 2016

	Unrestricted	Invested in Property and Equipment	Internally Restricted (Note 9)				2016	2015
			Duggan House Maintenance & Historical Fund	Legal Contingency Fund	Financial Stabilization Fund	Total Internally Restricted Fund		
NET ASSETS - BEGINNING OF YEAR	\$ 710,131	\$1,312,367	\$ 100,000	\$ 1,500,000	\$ 550,000	\$ 2,150,000	\$ 4,172,498	\$ 3,844,786
Revenues over (under) expenses	634,053	(53,000)	-	-	-	-	581,053	327,712
Invested in property and equipment	(95,858)	95,858	-	-	-	-	-	-
Transfers	(270,000)	-	100,000	-	170,000	270,000	-	-
NET ASSETS - END OF YEAR	\$ 978,326	\$ 1,355,225	\$ 200,000	\$ 1,500,000	\$ 720,000	\$ 2,420,000	\$ 4,753,551	\$ 4,172,498

Statement of Cash Flows

Year Ended December 31, 2016

	2016	2015
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Revenues over expenses	\$ 581,053	\$ 327,712
Item not affecting cash: Amortization	53,000	40,847
	634,053	368,559
Changes in non-cash working capital (Note 10)	6,890	299,042
	640,943	667,601
INVESTING ACTIVITIES		
Increase in restricted cash	(270,000)	(478,000)
Purchase of equipment	(95,858)	(11,305)
Purchase of investments	(2,031,139)	(28,842)
Proceeds from redemption of matured investments	2,132,216	-
	(264,781)	(514,147)
INCREASE IN CASH		
	376,162	153,454
Cash - beginning of year	941,124	787,670
CASH - END OF YEAR	\$ 1,317,286	\$ 941,124

Notes to Financial Statements

Year Ended December 31, 2016

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 Alberta, in accordance with the provisions of the Architects Act, RSA 2000, c.A44. As a nonprofit organization under the Income Tax Act (Canada), the Association is exempt from 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.

(a) Cash

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

(b) Short-term investments

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

(c) Restricted cash

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

(d) Long-term investments

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

(e) Property and equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straightline basis at the following annual rates:

Building and improvements	40 years
Furniture and equipment	10 years
Computer equipment	3 years
Computer software	3 years

The course software under development and professional development program are not amortized until they are put into use.

(f) Professional conduct matters

Costs arising from professional conduct matters are expensed as incurred. Recoveries of these costs are recognized when collection is certain.

(g) 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.

(h) 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 contributions to fund a specific future period's expenses are included in revenue in that later period.

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 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.

(i) 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.

(j) 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.

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 six guaranteed investment certificates bearing interest from 1.02% to 1.65% per annum maturing from July to December 2017. As at year-end, \$2,420,000 (2015 - \$2,150,000) has been reclassified to restricted cash.

Long-term investments consists of two guaranteed investment certificates bearing interest at 2.2% and 1.8% per annum maturing December 2018 and September 2020.

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	2016		2015	
Accounts receivable	\$	87,953	\$	152,120
Allowance for doubtful accounts		(67,115)		(130,649)
	\$	20,838	\$	21,471

During the year, the Association recorded a bad debt recovery of \$428 (2015 - \$578). This amount is included in operating, professional development, practice, communications and registration expenses. The allowance for doubtful accounts includes a provision for discipline case penalties of \$39,112 (2015 - \$102,176).

5. RESTRICTED CASH

Restricted cash is comprised of \$2,420,000 (2015 - \$2,150,000) in guaranteed investment certificates outlined in Note 3, which has been internally restricted for specific programs, as described in Note 9.

6. PROPERTY AND EQUIPMENT

	Cost		Accumulated Amortization		2016		2015	
Land	\$	123,936	\$	-	\$	123,936	\$	123,936
Building and improvements		1,422,174		355,926		1,066,248		1,101,801
Furniture and equipment		161,259		115,703		45,556		41,204
Computer equipment		87,395		82,201		5,194		10,040
Computer software		145,807		145,807		-		-
Course software under development		67,885		-		67,885		35,386
Professionalism development program		46,406		-		46,406		-
	\$	2,054,862	\$	699,637	\$	1,355,225	\$	1,312,367

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in Accounts Payable and Accrued Liabilities is the following government remittance payable:

	2016		2015	
Goods and Services Tax Payable	\$	72,594	\$	80,640

8. DEFERRED CONTRIBUTIONS

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

	Balance, Beginning of Year		Contributions Received		Amounts Recognized as Revenue		Balance, End of Year	
Member Dues	\$	1,409,745	\$	1,724,718	\$	1,680,772	\$	1,453,691
Registration Fees		171,034		55,015		171,034		55,015
	\$	1,580,779	\$	1,779,733	\$	1,851,806	\$	1,508,706

9. NET ASSETS

Unrestricted

The Council has designated some 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.

Internally Restricted

Legal Contingency Fund

The Legal Contingency Fund was established to grow to a minimum balance of \$1,500,000 in order to provide for legal and other costs arising from challenges to the profession and professional conduct disciplinary matters. In the prior year, the fund was brought up to the minimum balance of \$1,500,000 and therefore, there were no transfers into this fund in the current year.

Financial Stabilization Fund

The Financial Stabilization Fund was established to safeguard the Association against uncertainty and to provide for unexpected expenditures and new program initiatives. The balance is adjusted annually to correspond, at a minimum, to changes in the consumer price index or by an amount determined by the Council, in order to provide for at least six months' operating funds. In the current year, an additional transfer of \$131,496 was approved in order to reach a balance of \$720,000.

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 and Historical Fund was set up to provide for any additional restoration and maintenance expenses. In the current year, an additional transfer of \$100,000 was approved in order to reach a balance of \$200,000.

10. CHANGES IN NON-CASH WORKING CAPITAL

	2016		2015	
Accounts receivable	\$	633	\$	102,691
Prepaid expenses		15,595		9,729
Accounts payable and accrued liabilities		62,735		(24,592)
Deferred contributions		(72,073)		211,214
	\$	6,890	\$	299,042

11. FINANCIAL INSTRUMENTS

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, 2016.

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, 2016.

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, 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.

Schedule of Operating Activities (Schedule 1)

Year Ended December 31, 2016

	2016	2015
REVENUES		
Administration fees and charges	\$ 12,625	\$ 17,074
Annual dues	1,680,772	1,564,549
Duggan House restoration grant	21,429	-
Interest	57,369	46,594
	1,772,195	1,628,217
EXPENSES		
Amortization	53,000	40,847
Bad debts (recovery)	(428)	(578)
Council and Committees	83,239	86,311
Duggan House operations	363,780	263,092
Human resources	926,264	915,042
National levy	17,476	20,606
	1,443,331	1,325,320
REVENUES OVER EXPENSES	\$ 328,864	\$ 302,897

Schedule of Operating Programs (Schedule 2)

Year Ended December 31, 2016

	2016	2015
REVENUES		
Communications and events	\$ 553,251	\$ 22,656
Practice and complaint	21,000	21,500
Professional development	93,870	100,025
Registration	113,893	108,965
	782,014	253,146
EXPENSES		
Communications and events	377,300	60,713
Practice and complaint	76,452	81,777
Professional development	28,833	29,663
Registration	47,240	56,178
	529,825	228,331
REVENUES OVER EXPENSES	\$ 252,189	\$ 24,815



**The Alberta
Association of
Architects**

Architects and Licensed Interior Designers

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