

The Honourable Joseph T. Robertson, Q.C.
PO Box 310, Station A
Fredericton, NB E3B 4Y9

May 29, 2017

HAND DELIVERED

Executive Council Office
Chancery Place
675 King Street
PO Box 6000
Fredericton, NB E3B 5H1

Attention: Judy Wagner, Clerk of the Executive Council

Dear Ms. Wagner:

RE: Real Property Tax Assessment Review

Following my meeting with the Auditor General, Kim MacPherson, on May 23, 2017, I met with you in regard to my decision to discontinue the Real Property Tax Assessment Review which I had undertaken on behalf of the Government of New Brunswick. I wish to confirm that decision and my underlying reasons.

On May 19, 2017, I received an email from the Auditor General asking me to meet with her on the basis of an "audit" initiated by her office and conducted in regard to Service New Brunswick. In her email, the Auditor General indicated the audit touched on "property tax revenue which is derived from Property Tax Assessments" and, therefore there would be a possibility of overlap between her audit and my review. A copy of that email is enclosed. I agreed to the meeting and met with the Auditor General on May 23, 2017. However, as the meeting unfolded it became apparent that, in fact, the audit also embraces the very issues that were at the core of my review as set out in the "Terms of Reference".

During my meeting with the Auditor General, she stated that my review lacked the "independence" which she possessed as a statutory officer of the Legislature and, accordingly, her office was best suited to undertake the review (audit). Criticisms of my review process were also offered. Nonetheless, the Auditor General asked whether I would collaborate in the sense of my providing her audit team with "information" which I had already gathered and would be gathering. She noted that both her audit and my review had a fixed deadline of mid-August, hence, the need for the unilateral exchange.

In these circumstances, I concluded that I had no alternative but to discontinue my review. I did so for several reasons. The most salient are as follows.

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First, as you are aware, I was engaged to perform an independent review; not a collaborative one. The Auditor's General proposal, if accepted, would compromise my mandate and hence our agreement.

Second, the Auditor's General collaboration proposal would give rise to a possible conflict with my undertaking to those within SNB to preserve, as much as possible, their anonymity and the confidentiality of matters arising from the free exchange of information.

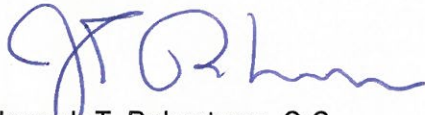
Third, a continuation of the review could lead to conflicting findings and recommendations as between myself and the Auditor General.

Fourth, I was not aware of the audit until receiving the enclosed email. Had I known of the audit and its ambit, I would not have undertaken the review.

I can assure you that I did not make my decision to discontinue the review lightly and without due regard to the public interest. In that vein, I did consider the possibility of releasing a "preliminary" report, having regard to the amount of work already expended in regard to the review. Regrettably, I am not in a position to do so as my review was still in progress and it would be premature to offer any findings or recommendations.

In closing, I have every confidence that in the coming days you will inform the public of my decision to terminate the review and of the full contents of this letter.

Yours truly,

A handwritten signature in blue ink, appearing to read 'JTR', with a long, wavy horizontal line extending to the right.

Joseph T. Robertson, Q.C.

From: "MacPherson, Kim (AGNB/VGNB)" <Kim.MacPherson@gnb.ca>

Date: May 19, 2017 at 11:00:55 AM ADT

To: [REDACTED]

Cc: [REDACTED]

Subject: Independent review of property tax assessments

Good day, Mr. Robertson

I am aware you have been engaged by the Province of NB to conduct an independent review of property tax assessments. As part of my audit of the Province's financial statements, I will be auditing property tax revenue which is derived from property tax assessments. From my discussions with Judy Wagner, she is concerned we will be asking SNB staff for the same information resulting in a significant burden on SNB staff. As the independent auditor for the Province, I am also interested in learning what you plan to review and your timelines, as your results could impact my audit on the Province's financial statements.

I would like to meet with you within the next two weeks if possible to discuss your review to determine if there will be any overlap in our procedures and if your review could impact my audit.

Sincerely,
Kim MacPherson