
Meeting Minutes

Board of Directors

January 27, 2023

Time: 9:00 am – 12:00 pm

Location: PVSC Dartmouth Office

Attendees

Joe Feeney, Doug Boyd, Bobby McNeil, Chuck Faulkner, Connie Nolan, Tara Maguire, Laurie Murley (virtual)

Regrets

Juanita Spencer, Rachel Jones, Darren Bruckschwaiger (on leave)

Staff Attendees

Kathy Gillis, Russ Adams, Rebecca Vorstermans, Ashley Wu, Laura MacLean, Femi Shodunke, Jamie Murphy, Tracy Williams (regrets from Rob Tremblay)

1. Review of Agenda

The draft agenda was reviewed.

Moved by Bobby McNeil, seconded by Connie Nolan the agenda be accepted. Motion carried.

2. Review of Minutes

The draft minutes of November 25, 2022 were reviewed.

Moved by Chuck Faulkner, seconded by Connie Nolan the minutes of November 25, 2022 be accepted. Motion carried.

3. Committee Meetings Update

Audit Risk & Finance Committee (ARF) Update

Doug Boyd, Committee Chair, provided an update from the January 19, 2023 Audit, Risk and Finance (ARF) meeting.

(a) Quarter 3 (Q3) Financials (October - December 2022)

Staff reviewed with the Committee the Q3 operational expenditures and year end variance to budget forecast as per the following:

- Salaries and benefits are tracking close to budget and projected to be slightly over, includes salaries for the Assessor Candidate Training (ACT) program. It has not been necessary as yet to draw down from the Special Operating Reserve (SOR) for the ACT program as the costs have been managed via vacancies/retirements to date.
- Over expenditures such as postage and printing and implementation of additional cybersecurity measures in IT are balanced out in other areas such as travel savings and lease savings.
- Overall, the forecast for the end of Q3 is a small positive variance at year end versus budget. The final variance will be determined at the end of Q4 when the actuarial assumptions review is conducted and final year end investment returns are known.
- As noted there has not been a drawdown on the SOR so there is a buffer available within the current authorized expenditure envelope.

In keeping with the Board's Budget Variance Policy, the Audit, Risk & Finance Committee is recommending the Board approve a tentative transfer to the Special Operating Reserve at fiscal year-end, with final confirmation following the completion of financial year results.

Moved by Bobby McNeil, seconded by Tara Maguire as recommended by the Audit, Risk and Finance Committee the Board approve a tentative transfer to the Special Operating Reserve at fiscal year-end, with final confirmation of transfer following the completion of the financial year results be accepted. Motion carried.

(b) Q3 Investment Report (October – December 2022)

Michael Iuliani is the new Jarislowsky Fraser investment manager for PVSC (Guillaume Brouillette has left the firm). Eric Desbiens will also assist in the PVSC account. Michael reviewed the recent returns with the Committee, noting:

- The Non-Pension Benefits Fund position at December 31, 2022 was a 4.15% return over the quarter. The year-to-date performance is -13.12%.

- The Tech Fund performance was 2.82% for the quarter, increasing slightly from September 30, 2022 to December 31, 2022. This Fund had a year-to-date return of -13.12%.

The market continues to be volatile. The Committee looks forward to working with the new investment manager and will monitor developments in the marketplace.

(c) Investment Account for Scholarship Fund

A custodian is required to hold investments in trust on behalf of the investment manager. RBC is the custodian for the two existing funds. A motion of the Board is required to appoint RBC for the scholarship fund (pertaining to the PVSC Memorial Community Award), see Schedule 'A' provided with the Board meeting material.

Moved by Tara Maguire, seconded by Bobby McNeil that RBC be appointed and accepted as the custodian for the Scholarship Fund. Motion carried, with one abstention (possible conflict of interest).

(d) Q3 Risk Report

Staff reviewed the Risk Registry as of January 2023.

(e) Fiscal 2022-23 Audit Plan – Grant Thornton

Leah Doumakis and Jon Guance from Grant Thornton provided the audit strategy for the financial audit for fiscal 2022-23, ending March 31, 2023. Overall, the approach is in keeping with prior years. Materiality is somewhat lower this year. They noted there is an updated Canadian Auditing Standard (CAS 315) that will be implemented this audit. Main changes include additional questions concerning cybersecurity. It will be an additional \$1,500 one-time fee to integrate the new standard into the audit.

Moved by Connie Nolan, seconded by Chuck Faulkner the Audit, Risk and Finance Committee update be accepted. Motion carried.

Governance and HR Com. Update

The Committee met January 27, 2023.

- Bobby McNeil, Committee Chair, shared they received an update from Judi Sullivan Corney on Equity, Diversity, Inclusion and Accessibility (EDIA), and as well an overview on Board compensation for assessment and similar organizations. He advised that staff will be moving forward with building out a plan/options on next steps.

- The Committee recommended the Board accept the Terms of Reference for the re-established Stakeholder Relations Committee.

Moved by Connie Nolan, seconded by Doug Boyd the Terms of Reference for the Stakeholder Relations Committee be accepted. Motion carried.

- Connie Nolan's term on the PVSC Board expires as of January 31, 2023. For Board continuity and in keeping with the bylaws, the Committee requested Connie to remain on the Board, timeline to be determined, while member recruitment commences.

4. CoVA Update

Rebecca Vorstermans provided an update on the Conference of Valuation Agencies held in early December 2002. She indicated it was a great networking opportunity and there was interest in collaboration. Follow-up is being made on land registry integration in Dublin, hydrogen energy development valuation in Wales, and PVSC has continued to connect with the VOA (Valuation Office Agency) on their CAMA (computer assisted mass appraisal) system, and on multiple models with the Netherlands. PVSC assessment staff who attended CoVA, namely Laura MacLean (Senior Commercial Assessor) shared with the board opportunities on collaboration; Jamie Murphy (Director of Assessment Standards & Operations) provided an overview on his connections and networking; Ashley Wu (Chief Data Scientist), provided an overview of the City of Oxford; and, Femi Shondunke (Residential Assessor) who worked as a professional appraiser in Nigeria shared education on the property tax system and process or lack thereof in Nigeria. All staff thanked the Board for the opportunity to attend.

Rebecca also shared the polling results, as part of the PVSC's presentation, of collaboration opportunities and what collaboration looks like. Kathy noted she will be meeting Jerry Grad of IPTI (International Property Tax Institute) and other colleagues from assessment jurisdictions to follow-up on collaboration initiatives.

5. Q3 CEO Report

A record high number of inquiries were received during the first several days of the appeal period following the release of the 2023 property assessment notices on January 9, 2023. The increase was expected and staff have been trained well. To date, appeals are higher than in past years and staff are developing strategies to process the anticipated additional workload.

6. In Camera

Board members held an in-camera session.

Meeting Adjourned