

Property Valuation
Services Corporation

CORPORATE GOVERNANCE

MANUAL

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1 Introduction

1.1 Background

The Property Valuation Services Corporation (PVSC) of Nova Scotia is incorporated under the *Property Valuation Services Corporation Act* (the *Act*) as of April 1, 2007. The purpose of the Corporation is to provide assessment and related property information services for municipalities and the Province. It is independent of the provincial government as it is not a crown corporation. Every municipality in the province is a member, i.e. shareholder, of the Corporation. The *Act* (Section yet to be proclaimed) designates responsibility to the PVSC for the assessment of all properties and other such duties required under the *Assessment Act* and the *Municipal Government Act*.

The Corporation is governed by a shareholder representative Board of Directors comprised of municipal council members, employees of municipal councils, the Executive Director of the Union of Nova Scotia Municipalities (UNSM) and the Deputy Minister of Service Nova Scotia and Municipal Relations (non-voting member). Members of the Board are appointed by the UNSM. The Board elects a Chair and Vice Chair from its municipal council and municipal employee members. As of December 1, 2008 the Board may appoint two independent members.

The Assessment Services Transitional Board preceded the Board of the Corporation. The Transitional Board was empowered under the *Act* to establish the first budget of the Corporation, the operating policies and plans, and the initial Board policies and by-laws in order to prepare the Corporation for the transfer of responsibility for assessment services from the Province. The Corporation is bound to the decisions of the Transitional Board.

The *Act* delineates the obligations of the Board. It outlines the appointment and terms of the Board of Directors of the Corporation and grants it the governance authority to manage and control the affairs of the Corporation and exercise the powers of the Corporation, including the acquisition and disposal of real and personal property. The Board may make by-laws consistent with the *Act* to define the manner in which it will exercise its powers, including:

- calling and conduct of meetings
- the procedures to adopt by-laws;
- appoint or remove, and designate the duties and functions of a CEO;
- delegate its authority to the CEO as it deems necessary;
- create committees; and
- change the distribution formula for the budget costs to the municipalities.

1.2 Corporate Governance Manual

The roles and responsibilities of the Board of Directors of the Property Valuation Services Corporation are derived from the *Property Valuation Services Corporation Act*, common law standards of fiduciary responsibility, and the Board's own decisions related to the manner in which it chooses to meet those responsibilities.

This document describes those responsibilities and identifies the governance principles the Board of Directors has chosen to govern the Corporation.

The purpose of the Corporate Governance Manual is to ensure the PVSC has an effective corporate governance system to guide the organization in achieving its corporate objectives. It delineates and describes the roles and responsibilities within this governance system. The Corporate Governance Manual is an addition to, and not a substitution for, the *Act* or any common law principles of directorial duties, responsibilities and standards of care.

1.3 Approval of the Corporate Governance Manual

The Board of Directors approves the Corporate Governance Manual. Annually or from time to time, as determined by the Board of Directors, the Governance Manual will be reviewed.

Approved by the Board of Directors:

April 27, 2007

Lloyd P. Hines
Chair

2 Vision, Mission, Strategic Goals and Objectives for Governance and Accountability

2.1 Vision

We are experts in property related information management, research and analysis. We are known for:

- The unmatched quality of our products and services;
- The standard setting completeness, currency and accuracy of the data upon which they are based;
- The efficiency with which they are delivered;
- The ease and convenience with which they are accessed; and
- The results they enable our clients to produce.

Our clients trust us to optimize their capacity to make informed, effective and defensible property related investment and policy decisions.

2.2 Mission

We exist to enable Nova Scotia's municipalities to make sound property related decisions.

2.3 Values

We are guided by our commitment to...

- be **accountable** for results;
- provide **quality** in resources, services and products;
- be **progressive** in management and execution;
- **our stakeholders'** diversity, input and contribution.

2.4 Objectives for Governance and Accountability

- To ensure that the Board of Directors of the PVSC is truly representative of the stakeholders.
- To ensure that the values of consultation, openness and transparency are reflected in the governance and accountability of the Corporation.

3 Roles and Responsibilities

3.1 Legislative Authority

The Property Valuation Services Corporation of Nova Scotia (the Corporation) is a body corporate created under section 9 of the *PVSC Act* for the purpose of providing assessment and related property information services for municipalities and the Provinces, as required by the *Assessment Act* and the *Municipal Government Act*.

3.2 Appointment and Membership of the Board of Directors

The Assessment Services Transitional Board preceded the PVSC Board. The UNSM and the Minister agreed on the membership as part of the terms of reference for the Transitional Board. Under section 7 of the *Act* the members of the Transitional Board became directors of the Corporation as of April 1, 2007.

The terms of municipal employees and the former presidents of the UNSM and the Association of Municipal Administrators (AMA) expire on December 1, 2007. The terms of members of municipal councils expire December 1, 2008. Members that were part of the Transitional Board may be re-appointed for one additional term after December 1, 2007.

If a member ceases to hold office or be employed by a municipality, they cease to be a member of the Board. A vacancy on the Board does not impair the Board's ability to act.

As of December 1, 2007 the membership of the Board consists of

- the former chair of the Transitional Board (term till Dec. 1/08);
- three council members from the Transitional Board representing Halifax Regional Municipality (HRM), a rural municipality, and a town council;
- three council members appointed by the UNSM representing Cape Breton Regional Municipality (CBRM), a rural municipality, and a town council;
- three members of the AMA that are employees of municipalities each representing a regional, rural, and town municipality;
- the Executive Director of UNSM; and
- the Deputy Minister of SNSMR, as a non-voting member.

Upon expiry of the term of any director, the UNSM shall re-appoint the director or appoint another person representing the same group and type

of municipality for a term of three years. No person may serve as a director for more than two consecutive terms.

As of December 1, 2008 the Board may appoint two independent members for a term of three years and they may be re-appointed for a second three year term.

3.3 Role and Responsibilities of the Board of Directors

In accordance with the *Act* and regulations, and in accordance with governance principles of leadership and stewardship, the Board of Directors:

3.3.1 Policy Stewardship – Board of Directors

- determine and approve by-laws and policies of the Corporation;
- consult with, and make recommendations to the Minister in regards to creation of regulations in accordance with section 52 of the *Act*;
- may propose legislative changes to government;
- delegate to the CEO/Director of Assessment of the Corporation and other persons and committees such powers and duties the Board deems necessary;
- adopt a Memo of Understanding (MOU) with the Minister respecting the transition and continuation of assessment services, including performance measures and information exchange.

3.3.2 Organizational Direction and Performance – Board of Directors

- approve corporate vision, mission and values;
- approve strategic direction of the Corporation, including a three year operating plan and a five year capital plan;
- approve corporate performance measures and set objectives pursuant to the strategic direction; and monitor results through a performance measurement system; and
- perform oversight of the management of Corporation in keeping with the approved strategic plan, annual budget and performance measures.

3.3.3 Human Resources Management and Performance – Board of Directors

- appoint and fix duties and remuneration of a Chief Executive Officer in accordance with section 25 of the *Act*. The CEO is the Director of Assessment unless the Board appoints an employee of the Corporation to be the Director.
- delegate authority to the CEO and set executive limitations of the CEO;

- monitor and annually evaluate CEO performance in relation to performance expectations agreed upon by the Board of Directors and CEO.

3.3.4 Financial Management – Board of Directors

- consider and approve annual comprehensive budget and plan of the Corporation by January 31st for the forthcoming year;
- appoint an external auditor to audit Corporation's financial statements;
- approve annual audited financial statements;
- provide stewardship of the Corporation's resources; and
- may appoint an internal auditor and approve internal audit plan.

3.3.5 Corporate Communications – Board of Directors

- approve corporate communication strategy;
- approve annual report;
- oversee communications with the shareholders and stakeholders, focusing on strategic issues and policies;
- promote the principles of open and transparent dialogue and discussion in stakeholder communications.

3.3.6 Board of Director Operations – Board of Directors

- establish Board of Directors' agenda in consultation with the Chair and CEO;
- approve structure and terms of reference of Board of Directors' Committees;
- approve the governance policy of the Board of Directors

3.4 Role and Responsibilities of the Chair

The Chair of the Transitional Board becomes the Chair of the Board as of April 1, 2007 for a term expiring December 1, 2008. The Board shall then elect a new chair from its members. However the Deputy Minister and the Executive Director of the UNSM are not eligible to serve as chair or vice chair.

Where the Chair is absent, or is unable to act as Chair, or there is a vacancy in the office of the Chair, the Vice Chair shall exercise the powers and discharge the duties of the Chair.

In accordance with the *Act* and governance principles of leadership and stewardship, the Chair of the Board of Directors:

3.4.1 Board of Directors' Operations - Chair

- will call and preside over Board of Directors' meetings and shall exercise all powers associated with that position;
- shall strive to maintain communications with Board members outside of formal Board or committee meetings; and
- will determine appropriate action to resolve a breach of the Code of Conduct identified by a Board member or the Chair (outlined in Section 4.3 of this document);

3.4.2 Corporate Communications - Chair

- represents the Board of Directors in communicating Board of Director decisions to the Minister responsible for the *Act*;
- shall sign all regulations, order and other documents pertaining to the decisions of the Board of Directors;
- along with the CEO, the Chair may act as the spokesperson for the Corporation (see 3.8.4)

3.4.3 Human Resources Management and Performance- Chair

- provides guidance and direction to the CEO on behalf of the Board of Directors;
- presents the Board of Directors' CEO evaluation to the CEO;

3.5 Role and Responsibilities of the Vice Chair

The Vice Chair of the Transitional Board becomes the Vice Chair of the Board as of April 1, 2007 for a term expiring December 1, 2008. The Board shall then elect a new vice chair from its members (except the Deputy Minister and the Executive Director of the UNSM).

In accordance with the *Act* and governance principles of leadership and stewardship, the Vice Chair of the Board of Directors:

- shall exercise the powers and the duties of the Chair during an absence or vacancy in the office of Chair; and
- shall be familiar with the ongoing work of the Board of Directors and the Corporation to assume the duties of the Chair if the need arises.

3.6 Role and Responsibilities of Committee Chairs

The Board may create committees of its members to execute its responsibilities. In accordance with the Terms of Reference for the standing committees, the Committee Chairs:

- will call and preside over Committee meetings and shall exercise all powers associated with that position;
- establish the Committee agenda in conjunction with the Board Chair and in consultation with the CEO;
- may request another Director to sit in for an absent member so the committee may continue its work;
- on a regular basis report on the activities, decisions and recommendations of the Committee to the Board of Directors.

3.7 Role and Responsibilities of Directors

In accordance with governance principles of leadership and stewardship, individual Directors shall:

- act honestly and in good faith exercise the care, diligence and skill of a reasonably prudent person and act in the best interest of the Corporation;
- act as an agent and trustee of the Corporation in the execution of its mandate and the protection of the Corporation's assets;
- present the views and concerns of the stakeholder group they represent and consider the views and concerns of all stakeholders in an open manner;
- promptly report the existence of, or the possibility of, an actual or perceived conflict of interest to the Chair in keeping with the Conflict of Interest policy (section 4.5 of this document);
- participate in the deliberations of the Board of Directors (except in identified conflict of interest) and be supportive of the final decision adopted by the Board of Directors;
- endeavour to attend all Board of Director meetings called by the Chair and the meetings of Committees to which they have been appointed, or provide notification of absence to the Chair or the Corporate Secretariat as soon as possible;
- be familiar with meeting briefing material sent out prior to Board of Director and Committee meetings and have consulted with stakeholders on the major policy changes under consideration;
- adhere to confidentiality of corporate information;
- participate in conferences and seminars relevant to assessment services and governance issues as deemed appropriate by the Board.

3.8 Role and Responsibilities of the CEO

Under section 25 of the *Act* the Board of Directors shall appoint a person to be the Chief Executive Officer of the Corporation that is responsible for the operation of the Corporation. The CEO is the Director of Assessments pursuant to the *Assessment Act*, unless the Board appoints another employee of the Corporation to that role. The CEO is also the secretary to the Board. The Board of Directors has sole authority to change the CEO responsibilities.

In accordance with the *Act* and regulations, and in accordance with governance principles of leadership and stewardship, the Chief Executive Officer:

3.8.1 Policy Stewardship - CEO

- recommends programs and policies for the consideration of the Board of Directors;
- advises the Board of Directors on issues arising from regulations and legislation;
- ensures legal, regulatory and environmental compliance, including all legislative responsibilities of the CEO pursuant to the *Act*.

3.8.2 Organizational Direction, Financial Management and Performance - CEO

- is responsible for all of the Corporation's operations;
- carries out specific duties and general responsibilities as assigned and within executive limitations as described in section 3.8;
- recommends an annual plan and budget; and the strategic plan including a three year operations and five year capital plan to the Board of Directors;
- ensures that administrative activity takes place within the approved level of expenditures;
- recommends corporate performance measures to the Board of Directors as part of the corporate plan;
- ensures that the Corporation achieves its corporate plan through strategic leadership;
- takes all necessary legal and ethical means to manage corporate performance;
- ensures that the Corporation's activities conform with prudent management practices and that payroll, accounts payable and any legislated obligation are met in a timely fashion;
- Informs the Board of any perception of conflict of interest in the role of CEO and Director of Assessments.

3.8.3 Board of Directors' Operations - CEO

- attends Board of Directors and Board Committee meetings in an *ex officio* capacity;
- maintains open, honest and effective communications with the Chair and the Board of Directors. The CEO shall communicate with the Board of Directors as a whole. When the Board of Directors is not meeting it shall be sufficient for the CEO to consult with the Chair of the Board, Vice Chair or appropriate Board Committee Chair;
- adheres to practices of good corporate governance as identified in corporate governance policies;
- informs the Chair and the Board of Directors in a timely manner about issues, events or pending matters that may effect the Board's relationship with its customers and business partners, or which places at risk the Corporation's resources, reputation, or achievement of the goals and objectives;
- informs the Board of Directors of significant external and internal changes and any significant actual or anticipated non-compliance with any policy of the Board;
- acts as liaison for effective communications and information flow between the Board of Directors and all personnel.

3.8.4 Corporate Communications - CEO

- recommends corporate communication strategy to the Board of Directors;
- subject to applicable communication strategy, represents the Corporation to outside parties and organizations to promote a credible corporate image and foster relationships with stakeholders;
- reports to the Board of Directors on issues arising from communications and consultation with stakeholders;
- in conjunction with the Chair (see 3.4.2) acts as the official spokesperson of the organization or designates a senior staff person on the CEO's behalf.

3.8.5 Human Resources Management and Performance - CEO

- establishes organizational and management structure to implement the corporate plan approved by the Board of Directors;
- ensures the Corporation has appropriate human resources policies to foster a positive, productive and innovative work environment within the Corporation;
- appoints staff of the Corporation within approved plans and budget and delegates authority to such staff;
- provides leadership to all personnel in terms of teamwork, ethical conduct, honesty, integrity of performance and commitment to performance excellence;

- annually discusses succession planning process with the Governance Committee;
- monitors and evaluates members of executive management, and informs the Board of Directors promptly if there is any disciplinary action or severance of the employment relationship of executive management staff.

3.9 Delegation of Authority to the CEO

The CEO is conferred full authority, scope and executive powers by the Board of Directors and is responsible for the administration of the day to day operations of the Corporation.

The CEO is accountable to the Board of Directors for the exercising of this authority and shall be evaluated in accordance with the CEO evaluation process approved by the Board of Directors.

The CEO is empowered to delegate authority to other members of executive management and PVSC staff.

3.10 CEO Limitations

The CEO shall exercise his/her authority with transparency, integrity straight-forwardness and in a manner consistent with the *Act* and related legislation and regulations, and Board of Directors approved policies.

The CEO shall not cause or allow any practices, activity, decision or organizational circumstances which are either unlawful, imprudent or in violation of commonly acceptable business or professional ethics.

Within the annual budget, the CEO has the discretion to utilize the approved budget within the categories of operations and capital, including adjusting staff positions and numbers in order to achieve corporate plan objectives. The CEO may not transfer funds between the operations and capital categories without Board of Directors' approval.

3.11 CEO Succession Planning

The CEO shall present an annual succession plan to the Board of Directors through the Governance Committee and provide timely updates, should the succession plan change at any time prior to the next annual report of succession.

The CEO shall annually advise the Governance Committee the designated Executive, familiar with the Board's and CEO's issues and priorities, who may act as CEO in the event of unanticipated absences of the CEO. The CEO shall ensure the Chair has access to confidential documentation of the succession designation in case of the absence of the CEO. With the approval of the Board of Directors the designate shall act in the capacity of CEO until the Board of Directors meets expeditiously to determine a process of CEO selection.

The CEO shall inform the Board of Directors immediately if there is a change in executive personnel.

3.12 CEO Terms of Employment

Appointment of the CEO is the responsibility of the Board of Directors.

The Chair, pursuant to instructions from the Governance Committee, negotiates the terms of employment and remuneration of the CEO for review by the Governance Committee to recommend to the Board of Directors.

The CEO appointment, compensation and benefits may only be adjusted by approval of the Board of Directors.

The Governance Committee shall review the CEO's terms of employment each year in conjunction with the CEO evaluation. All Board members shall be made aware of the CEO's terms of employment and the annual evaluation.

3.13 Role and Responsibilities of the Corporate Secretariat

The Corporate Secretariat is a member of executive management, reporting to the Chair and Committee Chairs on matters relating to the Board of Directors or Committees and to the CEO for day-to-day operational responsibilities.

Accordingly, the Corporate Secretariat:

3.13.1 Responsibilities to the Board of Directors – Corporate Secretariat

- provides notification to all Board members of meetings and communications as directed by the Chair or the Committee Chairs;
- attends all Board of Directors' and Board Committee meetings, *ex officio*;
- provides advice on governance or other issues to the Board of Directors, Board committees, and Chair as may be requested from time to time;
- records and maintains all official results of the Board of Directors and Committees including policy decisions and minutes of all official meetings;
- distributes all agenda material and documents as directed by the Chair or the Committee Chairs;
- organizes logistical support for Board of Directors and Committee meetings, Board member travel to meetings and conference events;
- acts as a point of contact for Board member inquiries;
- provides other support functions as required from time to time by the Chair and the Board of Directors;

3.13.2 Responsibilities to the CEO – Corporate Secretariat

- is a member of all senior management committees;
- provides logistical support by maintaining agendas and records of management committees as designated by the CEO;
- provides other support functions as required from time to time by the CEO.

3.14 Terms of Reference of the Committees:

The Board may establish standing or ad hoc committees as required to fulfill its responsibilities.

3.14.1 Audit & Finance Committee

Terms of Reference

STATUS: Standing Committee, advisory to the Board of Directors.

MEMBERSHIP: The Audit & Finance Committee shall consist of the following:

1. Committee Chair, who shall be appointed by motion of the Board from the members of the Board.
2. Members appointed by motion of the Board of the Board consisting of the following:
 - a. one elected official representative
 - b. one administrator representative
 - c. Chair of the Committee (can be the Chair of the Board)

Staff support for the Committee:

- d. Chief Executive Officer – *ex officio*
- e. Director of Finance – *ex officio*
- f. Corporate Secretariat – *ex officio*

MEETINGS: Meetings will be at the call of the Committee Chair, or as directed by the Board of Directors. The Committee should meet at least four times per year.

If the Committee Chair is not able to attend a meeting she/he will inform the Chair of the Board of Directors who will then chair the committee or designate another Board member to chair.

APPOINTMENT: The Board of Directors shall elect members of the committee for a term of one year. Once a year the Chair of the Board will review Committee membership with the Board of Directors to determine an appropriate membership rotation, if required.

MANDATE: The Audit & Finance Committee is responsible for reviewing, and where appropriate, reporting and making recommendations to the Board of Directors on the following:

- The linkage of the annual budget and plan to the strategic plan including three year operating plan and five year capital plan;
- annual plan including administrative and capital budget;
- budget for upcoming year, in the quarter prior to the commencement of that budget, including any revision or budget carry forward from previous year's budget;
- quarterly reports on administrative budget to plan and financial performance measures;
- quarterly reports on goods and services procurement, and statutory employer remittances;
- financial policies of material affect, such as cash handling, debt management, etc.;
- appointment of external auditors on a periodic basis;
- annual external auditor engagement letter and schedule of fees;
- in consultation with management staff, review and consider internal audit requirements;
- any matter of financial policy or procedure directed to the Committee by either the Board of Directors, Chief Executive Officer, or the External Auditor; and
- any other matter that the Committee may wish to consider related to audit and finance.

GUIDELINES: The Committee:

- may require staff members to attend meetings to provide information on audit and finance issues and may request information from staff at any time; and
- may retain the services of external advisors on matters related to audit and finance, as required.

The agenda and background material for consideration by the Committee shall be delivered to members at least five days prior to the Committee meeting.

If any Committee member wishes a matter discussed at a Committee meeting, the member should advise the Chair of the Committee.

The Committee may defer consideration of any matter until the next Committee meeting or refer the matter directly to the Board without a recommendation.

The Chair of the Committee shall present a report of the Committee's activities, decisions and recommendations to the Board of Directors at their next scheduled meeting, if time permits, or at a subsequent meeting.

The secretary to the Committee shall be the Corporate Secretariat and is responsible for:

- ensuring that minutes are prepared recording decisions, recommendations and comments of the Committee;
- ensuring that decisions and recommendations of the Committee are forwarded to the Board for its next meeting;
- compiling and distributing the meeting agenda and information on items to be discussed at least five days prior to the Committee meetings; and
- ensuring that action points identified are carried out.

3.14.2 Governance Committee

Terms of Reference

- STATUS: Standing Committee, advisory to the Board of Directors.
- MEMBERSHIP: The Governance Committee shall consist of the following:
2. Committee Chair, who shall be appointed by motion of the Board.
 3. Members appointed by motion of the Board, consisting of the following:
 - a. one elected official representative
 - b. one administrator representative
 - c. Chair of the Committee (can be the Chair of the Board)
- Staff support for the Committee:
- d. Chief Executive Officer – *ex officio*
 - e. Corporate Secretariat – *ex officio*
- MEETINGS: Meetings will be at the call of the Committee Chair, or as directed by the Board of Directors. The Committee should meet at least four times per year.
- If the Committee Chair is not able to attend a meeting she/he will inform the Chair of the Board of Directors who will then chair the committee or designate another Board member to chair.
- APPOINTMENT: The Board of Directors shall elect members of the committee for a term of one year. Once a year the Chair of the Board will review Committee membership with the Board of Directors to determine an appropriate membership rotation, if required.
- MANDATE: The Governance Committee is responsible for reviewing, and where appropriate, reporting and making recommendations to the Board of Directors on governance responsibilities, structures and process.

Specifically:

Board of Directors

- Review and make recommendations on issues defining the role, structure, responsibilities and accountabilities of the Board of Directors.
- Review and make recommendations on the allocation of responsibilities and accountabilities and the relationship structures with management.
- Review annually, or as needed, for Board of Directors' approval, the Corporate Governance Manual outlining the policies and procedures by which the Board of Directors will operate.

CEO

- Review and make recommendations on terms of employment and remuneration of the CEO.
- Annually review and recommend CEO responsibilities and yearly objectives to the Board of Directors.
- Review CEO succession plan.
- Review and make recommendations on any other matter relevant to the Board's governance responsibilities.

GUIDELINES:

The Committee:

- may, as directed by the Board of Directors, conduct or supervise reviews of governance structure and policy;
- may require staff members to attend meetings to provide information on governance and human resource issues.

The agenda and background material for consideration by the Committee shall be delivered to members at least five days prior to the Committee meeting.

If any Committee member wishes a matter discussed at a Committee meeting, the member should advise the Chair of the Committee.

The Committee may defer consideration of any matter until the next Committee meeting or refer the matter directly to the Board without a recommendation.

The Chair of the Committee shall present a report of the Committee's activities, decisions and recommendations to the Board of Directors at their next scheduled meeting, if time permits, or at a subsequent meeting.

The secretary to the Committee shall be the Corporate Secretariat and is responsible for:

- ensuring that minutes are prepared recording decisions, recommendations and comments of the Committee;
- ensuring that decisions and recommendations of the Committee are forwarded to the Board for its next meeting;
- compiling and distributing the meeting agenda and information on items to be discussed at least five days prior to the Committee meetings; and
- ensuring that action points identified are carried out.

3.14.3 Quality and Client Service Committee

Terms of Reference

STATUS: Standing Committee, advisory to the Board of Directors.

MEMBERSHIP: The Quality and Client Service Committee shall consist of the following:

3. Committee Chair, who shall be appointed by motion of the Board from the members of the Board.
4. Members appointed by motion of the Board of the Board consisting of the following:
 - f. two elected official representative
 - g. one administrator representative
 - h. Chair of the Committee (can be the Chair of the Board)

Staff support for the Committee:

- i. Chief Executive Officer – *ex officio*
 - j. Director of Quality – *ex officio*
 - k. Director of Client Services – *ex officio*
 - l. Corporate Secretariat – *ex officio*
5. The Deputy Minister of SNSMR shall serve as a non-voting member of the Committee.

MEETINGS: Meetings will be at the call of the Committee Chair, or as directed by the Board of Directors. The Committee should meet at least four times per year.

If the Committee Chair is not able to attend a meeting she/he will inform the Chair of the Board of Directors who will then chair the committee or designate another Board member to chair.

APPOINTMENT: The Board of Directors shall elect members of the committee for a term of one year. Once a year the Chair of the Board will review Committee membership with the Board of Directors to determine an appropriate membership rotation, if required.

MANDATE: The Quality & Client Service Committee is responsible for reviewing, and where appropriate, reporting and making recommendations to the Board of Directors on the following:

- Board policy on process, client service and quality standards;
- annual plans for quality assurance and control including internal audit plans;
- stakeholder consultation and input regarding quality and client service issues;
- stakeholder survey plans and related survey outcomes;
- performance measures relating to the strategic plan;
- periodic performance measure reports;
- any matter of quality or client service policy or procedure directed to the Committee by either the Board of Directors, Chief Executive Officer, or the External Auditor; and
- any other matter that the Committee may wish to consider related to quality and client service.

GUIDELINES: The Committee:

- may require staff members to attend meetings to provide information on audit and finance issues and may request information from staff at any time; and
- may retain the services of external advisors on matters related to audit and finance, as required.

The agenda and background material for consideration by the Committee shall be delivered to members at least five days prior to the Committee meeting.

If any Committee member wishes a matter discussed at a Committee meeting, the member should advise the Chair of the Committee.

The Committee may defer consideration of any matter until the next Committee meeting or refer the matter directly to the Board without a recommendation.

The Chair of the Committee shall present a report of the Committee's activities, decisions and recommendations to the Board of Directors at their next scheduled meeting, if time permits, or at a subsequent meeting.

The secretary to the Committee shall be the Corporate Secretariat and is responsible for:

- ensuring that minutes are prepared recording decisions, recommendations and comments of the Committee;
- ensuring that decisions and recommendations of the Committee are forwarded to the Board for its next meeting;
- compiling and distributing the meeting agenda and information on items to be discussed at least five days prior to the Committee meetings; and
- ensuring that action points identified are carried out.

4 Governance Responsibilities

4.1 Governance Style

The Board of Directors will govern in accordance with its Code of Conduct and specific accountabilities. Subject to the Code of Conduct and section 4.4, there should be openness and transparency regarding all matters considered by the Board of Directors, other than for:

- b) acquiring or selling property;
- c) personnel matters;
- d) labour relations issues;
- e) specific case files;
- f) contract negotiations;
- g) litigation and potential litigation;
- h) legal advice;
- i) security; and
- j) other confidential matters designated by the Board of Directors.

The Corporation will promote a high degree of openness and transparency to maintain the confidence of stakeholders.

4.2 Accountability

The Board of Directors is responsible to stakeholders for providing competent, conscientious, and effective delivery of the responsibilities entrusted to it by legislation, and as defined in the Vision, Mission, Strategic Goals and Objectives for Governance and Accountability. The Corporation shall develop a communication strategy to facilitate ongoing communication and consultation with stakeholders and reporting of corporate performance relative to strategic plans.

4.3 Code of Conduct

The purpose of this Code is to set out standards of conduct for the Assessment Services Transitional Board of Directors to ensure that:

- a) the business activities of the Board provide the strategic oversight needed to enable the Corporation to achieve its mission; and
- b) the public, member municipalities, taxpayers and provincial government have confidence and trust in the integrity and impartiality of the decisions made by the Board.

PRINCIPLE

The Board of Directors expects ethical and businesslike conduct of its members and of itself as a whole. Members of the Board of Directors are accountable for exercising the powers and discharging their duties honestly, in good faith, in the best interests of the Corporation. This accountability supercedes the personal interest of any board member.

RULES OF CONDUCT

The Board of Directors shall observe the following Code of Conduct. Board members shall:

- a) Act honestly in their representation on behalf of stakeholders to the Board of Directors and in the fiduciary role of governing the management of assets of the Corporation;
- b) Conduct their deliberations in duly convened meetings under the direction of the Chair where all members have an equal opportunity to present their views on matters brought before the meeting. Dissenting opinions and perspectives of members shall be expressed in a manner that respects the rights and privileges of fellow Board members. Once a matter is decided, the Board is committed to the decision and all Board members shall respect the decision. Directors shall not publicly express views that are inconsistent with the decisions of the Board of Directors;
- c) Disclose any conflict of interest and absent themselves from discussion in accordance with Section 28 and 29 of the *Property Valuation Services Limited Act*;
- d) Exercise due diligence in the execution of their duties and to reasonably determine the validity of recommendations or actions of other directors, management and external parties. Board members are not expected to be experts in all fields and are expected to reasonably rely on the advice of hired experts for those fields in which professional training is required;
- e) Maintain confidential corporate information, both during and after a member's term;
- f) Attend meetings on a punctual and regular basis and be fully prepared to participate. If possible members will inform the Chair in advance of absences;
- g) Be familiar with the *Property Valuation Services Limited Act* and related legislation and regulations, the Board of Director approved policies, rules of procedures and proper conduct of a meeting so that Board business may be conducted in an efficient, knowledgeable and expeditious manner;
- h) All voting members shall vote on all motions put before the Board unless a conflict of interest has been declared;

- i) Regularly participate in educational activities provided or arranged by the Corporation that will assist them in carrying out their responsibilities;
- j) Deal exclusively with the CEO on all matters relating to staff or operational inquiries so as to remove any perception of direct authority over staff of the Corporation other than the CEO;
- k) Act with professional integrity and honesty in charging of expenses, honorariums and any other use of the Corporation's resources; and
- l) Ensure that unethical activities not covered or specifically prohibited by this document or any other legislation are neither encouraged nor condoned.

IMPLEMENTATION

This Code of Conduct will be reviewed and signed by each Director following his/her appointment or re-appointment to the Board.

The Chair will discuss with the Board member any allegations about, or perceived breaches of, this Code. At his/her discretion, the Chair will report the discussion to the Board, in camera.

4.4 Confidentiality of Information

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The Board has developed these guidelines with the intention of

- (a) permitting the development of public education and awareness, and
- (b) protecting information the confidentiality of which is essential to effective decision-making by the Board.

The Freedom of Information and Protection of Privacy Act legally governs confidentiality. Although part-time Board members are representatives of the municipalities, their primary role is to act as a cohesive, deliberate body for the management and government of the Corporation.

Board members are encouraged to participate in communications that assist in educating the municipalities and property owners about the role of the Board and the Corporation, and the general administration of the *Act*.

Board members may find the following guiding principles to be of assistance:

- (a) The content of a specific property assessment file should never be disclosed.
- (b) The substance of the Board's oral deliberations should not be disclosed.
- (c) Agenda items for future Board meetings may be disclosed to facilitate general consultations with constituents regarding

such agenda items. Specific options or recommendations advanced by Corporation staff for discussion at future Board meetings should not be disclosed.

Written materials received by Board members that analyze and review general issues may be disclosed. Such disclosure should be limited to such individuals as are necessary to assist Board members in effectively carrying out their functions as Board members. Written materials identifying a specific property owner should not be disclosed.

4.5 Conflict of Interest

When there is a conflict of interest, the member's ability to discharge his/her responsibilities to the Board is inhibited. For that reason, where a conflict of interest is declared to exist by a member or the Chair, the member must refrain from voting on or participating in any way in any matter in which the conflict exists, and must refrain from any attempt to influence decision-making on any such matter.

Under sections 28 and 29 of the *Act* the Board is deemed to be a local board for the purpose of the *Municipal Conflict of Interest Act* and Directors shall declare interests in the same manner and the Board shall follow the same procedures as outlined in that legislation in regards to declaration of conflict.

4.6 Board of Directors Agenda

The Board of Directors is responsible for its agenda. Issues will be considered that are within the Board of Directors governance role and responsibilities.

- The Governance Committee shall review for recommendation to the Board of Directors the annual agenda outline and meeting schedule constructed by the Chair in consultation with the CEO.
- Agenda items will be scheduled for discussion or decision in keeping with the Corporate Plan.
- The Board of Directors approves the meeting agenda at the commencement of each meeting. The minutes of the previous meeting are reviewed and approved. Items requested by members may be added to the agenda with the approval of the Board of Directors; such items may be discussed at the meeting introduced or referred to staff for research and/or recommendation.
- The Chair may refer matters to a standing committee of the Board, if the nature of the agenda item warrants such.

- All supporting materials provided by staff shall, where appropriate, be accompanied by a brief executive summary, which generally should not exceed two typewritten pages.
- A record of any Board *in camera* sessions shall be kept separate from published Board minutes.

At each Board of Director meeting the following standing items will appear on the agenda:

- Report of the Chair – highlights any communications, meetings held or actions taken by the Chair between Board meetings; outlines the agenda items for the Board of Director's consideration at the meeting.
- CEO Report – provides Monthly Performance Report of significant operational measures and informs the Board of significant issues or developments, internal or external, which affect the Corporation.
- Business Arising items – information requested by the Board of Directors at previous meetings; the Corporate Secretariat shall track outstanding requests.
- Reports from Committees – the Chairs or designates of each standing Committee shall report on activities of the Committee since the previous Board of Directors meeting and bring forward recommendations and any other items for Board of Directors' decision.

5 Governance Operations

5.1 Board Meetings

Board meetings shall be held to conduct the business of the Board of Directors at the discretion of the Chair.

5.2 Authority to Preside

The Chair presides at all Board of Directors meetings and in the Chair's absence the Vice Chair shall preside.

5.3 Quorum

The quorum of the Board of Directors is the Chair or Vice Chair, and sufficient number of Directors as forms a majority of sitting members (section 22 of the *Act*). This shall be interpreted to require a majority of sitting *voting* members for quorum.

5.4 Attendance

All Board members are expected to attend all meetings. Attendance at meetings by non-Board members is by invitation only. A member participating via conference call is deemed present at the meeting. If the Chair requests a member be present at a meeting then expenses, as per expense guidelines, will be reimbursed for attendance at the meeting.

Should a member be unable to attend, the member shall endeavour to give prior notice to either the Chair or the Corporate Secretariat. Any member who is absent from a regularly scheduled Board of Directors' meeting without due cause or has failed to give prior notice shall meet with the Chair to explain the reason for the absence.

5.5 Meeting Conduct

The Board shall use Robert's Rules of Order to conduct its proceedings. Sufficient time shall be allocated for the meeting as a whole and for individual agenda items to enable all views to be heard and considered before a decision is taken.

Board members, including non-voting members, shall participate as equals in the discussion and dissenting points of view shall be encouraged for full exploration of an issue. Members shall participate productively in the discussion within the boundaries of conduct identified within Section 4.3 of this Corporate Governance Manual.

5.6 Motions and Voting

Motions require a mover and a seconder from the voting members of the Board. It is preferred, but not required, that the mover and seconder represent both elected and administrative representatives.

Significant emphasis is placed on reaching decisions by consensus, however motions are carried by majority vote. Members present may only abstain from a vote in a case of a conflict of interest recognized by the Chair regarding the matter before the Board.

5.7 Meeting Material

The Corporate Secretariat shall distribute available material relevant to the meeting agenda to all Board members five business days prior to the meeting. Material prepared by Corporation staff should generally include, where applicable:

- an executive summary no more than two pages;
- background information which may be attached as appendices;
- statistical information including graphical representation where possible;
- jurisdictional comparisons;
- current legislation, regulation and/or policy;
- options for course of action where appropriate;
- staff recommendation including draft policy where appropriate.

5.8 Meeting Frequency and Location

Board meetings shall generally be the last Friday of each month unless the Chair calls for a special meeting or otherwise agreed to by the Board members. If warranted by the items on the agenda, the meeting may commence on Thursday to provide sufficient time for deliberations.

Meetings are held at the head offices of the corporation in Halifax. At least once a year the Board of Directors will hold a meeting year outside of Halifax. This meeting is held in a different location each year in order that the Board may reach other areas of the Province and use the opportunity to consult with stakeholders.

5.9 Meeting Notification

Board members shall receive a schedule of Board and Committee meeting dates for the upcoming year for review before the start of the fiscal year (April 1).

The Chair has the discretion to call a meeting if circumstances arise requiring attention of the Board of Directors before the next scheduled meeting. The Chair will instruct the Corporate Secretariat to send written notification to Board members regarding such meetings endeavoring to give as much notice as possible.

Where possible, committee meetings should be scheduled the day prior to Board of Directors meetings to minimize travel. Each Committee shall meet a minimum of four times per year. If additional meetings are required for the business of the Committee, the Chair of the Committee shall instruct the Corporate Secretariat to send written notification to Committee members a minimum of five business days prior to the meeting.

5.10 Minutes of Meetings

The Corporate Secretariat or staff designate shall record minutes of all duly constituted Board of Directors and Board Committee meetings. The minutes are not intended to be a verbatim transcript of all proceedings but a high level summary to provide the context for Board of Directors' decisions.

The minutes shall record:

- date and location of meeting;
- Board of Directors member and staff attendance;
- presenters during the meeting;
- all items of decision including approval of agenda, previous minutes and motions;
- a summary of the discussions noting relevant background information and key points;
- any specific reference, comment or discussion point requested for inclusion by a Board member;
- action items for follow up.

The Chair will inform the Corporate Secretariat to record any decisions made by the Board or follow up items requested during any *in camera* sessions. Committee Chairs shall advise the Executive Corporate Secretary of any decisions made during committee *in camera* meetings.

5.11 Board Directors Orientation

Each new Board member shall receive, as soon as practical upon appointment, an orientation to the Board of Directors and the PVSC. In some instances a Board of Directors meeting is scheduled before a member's official appointment date in which case the member may attend as an observer.

The orientation shall cover:

- the *Property Valuation Services Corporation Act* and the *Assessments Act* and other relevant legislation and regulations;
- an overview of the work of the Corporation;
- Policies approved by the Board of Directors;
- the Corporate Governance Manual;
- introduction to the Chair and other members of the Board of Directors;
- introduction of the CEO and executive management with an overview of their roles and responsibilities;
- an overview of the CEO evaluation process and CEO remuneration;
- an overview of the Corporation structure and process including relevant financial, statistical and operational information;
- other material as may be deemed appropriate.

Following completion of the orientation Board members shall sign the Code of Conduct.

5.12 Ongoing Board of Directors Education

The Board of Directors recognizes the importance of providing ongoing development and education for its members on property assessment issues as well as governance roles and responsibilities. The first component is an orientation of new Board of Directors members as noted in section 5.11 of this manual.

To facilitate ongoing education, the PVSC will from time to time retain membership in relevant professional organizations. Such organizations may provide educational venues in the form of colleges or conferences that will further develop the knowledge and expertise of the Board, both individually and collectively. Therefore, Board members are encouraged to participate in such opportunities as identified by staff and the Chair, and discussed by the Board of Directors as relevant to the work of the Board.

5.13 Remuneration and Expenses

Elected officials on the Board of Directors are entitled to receive a *per diem* for work on behalf of the Board. This includes Board and Committee meetings, in person or via telephone, that exceed two hours in length, as well as days attending external conference and educational sessions while representing the Board.

The *per diem* rate shall be reviewed annually in November, based on a comparison group of similar boards as appropriate. The review process

and the *per diem* rate will be determined by the Board and approved by the Executive of the UNSM (section 24 (1) of the *Act*).

Administrative representatives, including the Executive Director of the UNSM and the Deputy Minister, are not entitled to a *per diem* as they receive compensation directly from their respective municipalities and department while conducting Board business.

All Board members shall be reimbursed by the Corporation for reasonable expenses incurred on Board business at the same rates prescribed by the UNSM for the members of its Executive (section 24 (2) of the *Act*).

The Chair designates the Corporate Secretariat for authorization of Board of Directors *per diems* and expenses in accordance with this policy. The Chair of the Audit and Finance Committee shall authorize expenses of the Chair, or the Vice Chair if acting in the capacity as Chair.