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# Meeting Minutes

**Meeting: Board of Directors**

**Date: February 5, 2016**

## Attendees

Jimmy MacAlpine, Russell Walker, Michele McKenzie (phone), Doug Sabeen, Betty MacDonald, Kevin Saccary, Alex Morrison, Amanda Whitewood, Mike Dolter

## Regrets

Robert Bird, Greg Keefe,

(New Board members, Madeleine Daues & Connie Nolan, will attend beginning the next scheduled meeting in April)

## Staff Attendees

Kathy Gillis, Meredith Buchanan, Chris Doucette, Aseneth McGrath, Tracy Williams

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The Chair, Jimmy MacAlpine, called the meeting to order.

### 1. **Review of Agenda**

The draft agenda was reviewed. The IT Security Risk Update will be given by the Governance Committee (v. the information being presented by staff).

**Moved by Russell Walker, seconded by Betty MacDonald that the agenda, with the noted change, be accepted. Motion carried.**

### 2. **Review of the Minutes**

The draft minutes of the November 27, 2015 meeting were reviewed.

**Moved by Russell Walker, seconded by Kevin Saccary that the November 27, 2015 Minutes be accepted. Motion carried.**

### 3. **Committee Updates**

#### Governance Committee

The Chair of the Governance Committee, Jimmy MacAlpine, provided an update on the February 4, 2016 meeting.

#### (a) Board Recruitment Review

After one year, the Board recruitment process was reviewed – the Board application will be revised to include:

Availability to attend Board/Committee meetings, Work/ Committee Experience, the opportunity to provide supporting documents (i.e. resume, certificates, etc), and there was also a suggestion & discussion to include a verbal interview component for (short listed) applicants – it will need to be determined how this could be integrated into the process and then put forth as a recommendation to the UNSM.

The timing for the 2016 “calls for interest” was reviewed - the first will take place in June, and the other is currently being determined in light of this being an election year. Three (municipal) Board members’ terms will end this fall. Given the timing of our vacancies our approach could be to request extensions for the Board members finishing their 1<sup>st</sup> term. This approach would require input & support from the UNSM.

(b) Board Evaluation

The Board Skills Inventory will be renewed to include information pertaining to the new Board members. Board members who participated in the first self-assessment will be asked to validate whether any changes have occurred over the past year.

(c) IT Security Risk

Staff from PVSC’s IT Team provided a presentation to the Governance Committee on IT Security and its importance. Jimmy MacAlpine indicated that he and Russell Walker recently attended an IT security session with a few staff from PVSC, and he’s recommending that a session be held for the Board.

Kathy Gillis gave an overview on the IT Security Risk presentation and indicated that security processes are being set-up and audits will be conducted in terms of mitigation strategies. Kathy also noted, as the Chair indicated, the Governance Committee is in agreement to move forward with a training session for the Board (overview and board oversight). A copy of the presentation that was presented to the Governance Committee will be sent to the Board.

**Action: Staff to follow-up on an IT security awareness training session for the Board, and as well send a copy of the IT Security Risk presentation to the Board.**

(d) Directors & Officers Claims

Nothing was identified as per the annual polling process for the Directors & Officers Claims reporting to the insurer.

(e) Review of Board Committees

A vacancy currently exists on the Governance Committee and the Quality Committee. The Governance Committee recommended to the Board that Connie Nolan join the Governance Committee and Madeleine Daues join the Quality and Client Service Committee.

**Moved by Alex Morrison, seconded by Mike Dolter that Connie Nolan join the Governance Committee and Madeleine Daues join the Quality and Client Services Committee be accepted as recommended by the Governance Committee. Motion carried.**

(f) Organizational Growth Strategy

The Governance Committee received an update from Mildred Royer, Royer Thompson Human Resources Consulting, on an Organization Grown Strategy. Kathy noted that through the Enterprise Risk Management (ERM) program, 3 of the 15 risks - Succession Planning, Leadership Development, & Organizational Performance have been brought together under one umbrella and is being referred to as an Organizational Growth Strategy. The Governance Committee received an in depth update on what has taken place, what's currently happening and the go forward plan on organizational performance, the development strategy for employees & senior recruitment, and CEO succession planning. The Governance Committee has endorsed the development program and the ongoing work on the HR governance framework. Kathy will provide the Governance Committee and the Board with updates twice yearly.

(g) Capped Assessment Program (CAP)

Jimmy MacAlpine noted that Kathy Gillis provided the Governance Committee with an update on CAP and that she will provide an update to the Board, and as well go through the presentation provided to the Minister of Municipal Affairs.

**Moved by Jimmy MacAlpine, seconded by Alex Morrison that the Governance Committee meeting update be accepted. Motion carried.**

**Audit, Risk and Finance Committee**

The Chair, Russell Walker, of the Audit, Risk and Finance Committee provided an update on the meeting of February 4, 2016.

(a) Financial Results for Quarter 3

The financial results for the 3<sup>rd</sup> Quarter reflect that overall spending is within the approved budget for 2015/16. The projected savings is \$350K for the Operating Fund (mainly due to staff retirements and vacancies). Highlights for Quarter 3 ended December 31, 2015 include:

- Losses in the market value of investments due to poor market performance. However, Investment income was received in the form of dividends and interest offset by the total unrealized losses for declining market values on investments.
- Additional professional services were incurred regarding the Land Bid in response to the Provincial outsourcing plan for the Land Registry. Professional services will also be obtained for a commercial audit to be conducted by IPTI (International Property Tax Institute) to provide an opinion on the accuracy and validity of Commercial properties' assessed values.
- Employee travel is expected to be within budget.

- A full actuary valuation is done every three years and one is due by March 31, 2016 on Employee Future Benefits relating to Post-Retirement Health Benefits and Service Awards.
- The Permit Data eXchange (PDX) initiative developed with Municipal partners is within budget and is being met through the Technology Advancement Fund.

(b) Investment Report

Met with Investors - there were low investment returns during the Quarter due to poor market conditions. Overall performance on PVSC's investment portfolio was above market benchmark.

(c) Risk Update

The Committee received an update on the 15 identified risks and the progress that has been made on the mitigation strategies and timelines.

(d) Audit Planning

Met with the Auditors regarding the year-end audit, there have been no new Audit or Accounting standards identified for the upcoming financial year. The audit will be conducted the week of May 9, 2016.

**Moved by Russell Walker, seconded by Mike Dolter that the Audit, Risk, and Finance Committee meeting update be accepted. Motion carried.**

4. **2016 Notification Period Update**

Aseneth McGrath, Manager, Shared Services, provided an update and overview on the 2016 Notification Period.

- Property owners have 31 days to file an appeal as per the Assessment Act.
- The Notification Period timeframe is a major point of contact with property owners and on average 10,000 phone inquiries are received, 250 web inquiries, and there are also in person inquiries.
- Since moving (in 2015) to an internal contact management solution some of the accomplishments include clients now being able to speak with either a Service Centre Representative or an Assessor on first point of contact, menu options that allow for clients to direct their inquiries, and staff having the ability to use the system from home, the office, or in the field.
- Over the last couple of years, we have seen a slight decrease in inquiries and appeals, and for 2016, at this point in time, inquiries have decreased and appeals are approximately the same. Forecasting for 2016 has shown that adequate resourcing was available to support inquiries.
- As per usual, a Client Satisfaction Survey will be launched in February after the Notification Period.

**Action: Staff to follow-up on how many calls received during the Notification Period were CAP related.**

## 5. Business Plan Update

Chris Doucette reviewed the planning approach & timelines for strategic, business, project, and operational/divisional planning, and individual performance plans. He also indicated Enterprise Risk Management is a new piece to the model – in a more formalized approach that will help to support the planning. PVSC's strategic environment (SWOT) was reviewed and changes to PVSC's environment this year. It was suggested by the Board that it may be an "opportunity" for PVSC to issue something to the municipal units with regard to commercial valuation information (i.e. trending). It was also noted that perhaps a risk strategy should be prepared with regard to commercial/appeals.

**Action: PVSC staff to follow-up with the Municipal Advisory Committee to get their input and suggestions on what Municipal Units may want to receive regarding commercial valuation information and how this process can and should be added.**

The 2015/16 business priorities were reviewed - the initiatives that will be carried forward to 2016/17, and the completed initiatives that need to be transitioned to operational mode but still require work and support to be really integrated into the organization. In addition, the proposed approach for 2016/17 and the next steps were reviewed. The Business Plan will be presented to the Board for approval at the April 8, 2016 meeting.

## 6. CAP Update

As background, Kathy Gillis advised that she (and other PVSC staff) met with the Minister of Municipal Affairs in January to brief him on the 2016 Assessment Roll. Through conversation following the briefing PVSC was given the opportunity to provide their thoughts to the Minister on the CAP. In addition, PVSC indicated they had a strategy document on how to exit the CAP at which time the Minister asked to have a meeting with PVSC to see the CAP exit strategy document. PVSC's Communication Team was consulting with Hugh Fraser at the time with regard to media preparation for the release of the 2016 Assessment Roll and he was asked to help prepare for the CAP meeting with the Minister. The strategy and approach, with the assistance of H. Fraser, was reviewed with the Governance Committee, and as well presented to the UNSM and support was received. The presentation was presented to the Minister on January 26/2016 but there was no indication of next steps, if any. An overview of the presentation provided to the Minister was given to the Board.

Jimmy MacAlpine noted that PVSC has requested quarterly meetings (the Board Chair and CEO) with the Minister of Municipal Affairs and a meeting is scheduled for March 15, 2016.

The Board discussed what PVSC's role should be with regard to CAP, and the Board agreed that PVSC's role will be to support the UNSM.

It was indicated that the UNSM Board is in support of the parties – HRM/CBRM/ UNSM/ AMA meeting at a staff level on the CAP initiative.

7. **Land Registry Outsourcing Update**

PVSC presented and answered a few questions at a RFSQ (Request for Supplier Qualifications) Clarification meeting held in December 2015 with the Evaluation Committee. Have not heard anything since that time.

8. **In Camera**

An *in camera* session was held – there were no issues or initiatives to note.

**Meeting adjourned**