

**Property Valuation Services Corporation
Board of Directors Meeting
Minutes
June 23, 2011**

Board Attendees

Jimmy MacAlpine
Carroll Publicover
Darren Bruckschwaiger
Lloyd Hines
Kevin Malloy

Russell Walker
Billy Joe MacLean
Doug Sabean
Amanda Whitewood

Regrets

Lloyd Hines
Sandy Hudson

Staff Attendees

Kathy Gillis
Russ Adams
David Chipp

Joe McEvoy
Shannon Veinotte
Tracy Williams

Others

Michael Kelly

1. Review of Agenda

The draft agenda was reviewed – no additions or deletions.

2. Review of the Minutes

The draft minutes of April 1, 2011 were reviewed.

Moved by C. Publicover, seconded by R. Walker that the minutes be accepted. Motion carried.

Action: Staff to provide an “interview exit sheet” to the Chair and Vice Chair to conduct exit interviews with departing Board members.

3. Reports from Committees

Audit & Finance Committee

a) Auditor’s Report

The Audit & Finance Committee met on June 22, 2011 with the external auditors, Grant Thornton, to review the *Report to the Audit Committee - Communication of Audit Results* for the 2010/11 financial audit (for the year ended March 31, 2011). The Committee is recommending acceptance of the Auditor’s Report.

Moved by R. Walker, seconded by D. Bruckschwaiger that the Report to the Audit Committee – Communication of Audit Results (for the year ended March 31, 2011) be accepted. Motion carried.

Action: Management to review including Section 5970 (use of another service organization) of the Auditing and Assurance Standards Board (AASB) in future reporting.

b) Contingency Reserve Fund - Policy

Audit & Finance Committee is recommending a revision to the PVSC Contingency Reserve Fund Policy (previously titled Internally Restricted Fund) to increase the maximum allowed in the fund to the equivalent of 30 days operating expense.

Moved by R. Walker, seconded by D. Sabean that the revised PVSC Contingency Reserve Fund Policy be accepted. Motion carried.

c) 2010/11 Financial Statements

R. Adams presented the draft 2010/11 Financial Statements. A correction is required to the term "shareholder" in Note 11 to "members" to be consistent with the terminology of the PVSC Act and other financial notes. It was suggested and agreed that, given the consolidated statement format, management should include a Management Discussion & Analysis (MD&A) note as an introduction to the financial statements in the annual report.

Moved by R. Walker, seconded by B. J. MacLean that the 2010/11 Financial Statements be accepted. Motion carried.

Staff will be reviewing the budget presentation process for the future to align with consolidated financial statement presentation.

Quality and Client Service Committee

a) CAP Review - Update

The Chair and PVSC staff, along with Dr. Enid Slack, a recognized authority on property taxation systems, met with the Minister of SNSMR on May 3/11. Dr. Slack reviewed principles and usage of property tax and the importance of market value systems, and her opinions on a CAP type system. The Minister was engaged in the discussion and was grateful for the opportunity to meet with Dr. Slack.

The UNSM has released its CAP report with the recommendation that the CAP be removed. K. Malloy indicated the Province received the UNSM's report the end of May and that it could be early August 2011 before the Province is able to review and/or respond.

b) Business Process Improvements - Update

K. Gillis provided the Business Process Improvement update, reporting on the objectives, accomplishments and next steps of three key business improvement activities: IT/Ops business improvement, Leadership development, and In-house employee training.

c) Nova Scotia Utility and Review Board (NSURB) – Process & Cost - Update

Staff reported on a preliminary meeting held with the URAB concerning possible cost recovery from the PVSC.

A meeting was held on June 22, 2011 with Minister MacDonell of Service Nova Scotia and Municipal Relations (SNSMR) and the Chair and CEO of PVSC to discuss the government notification.

PVSC provided an overview of the current appeal process, noting that the PVSC would be the only adjudicative board of its nature required to pay for the URAB service. It was also pointed out that under the *Nova Scotia Assessment Act* there is a provision for Alternative Dispute Resolution (ADR).

The meeting concluded with agreement that SNSMR and PVSC will work collaboratively to look at forms of ADR that may be used to reduce formal appeals requiring NSURB services.

K. Malloy noted that work on an alternative process needs to happen and he is hopeful the costs can be reduced.

It was agreed that when the URAB cost recovery amounts are more concretely determined this issue should be communicated to the municipalities, hopefully by the fall UNSM conference.

Action: Staff to prepare a follow-up letter from the Chair to the Minister seeking a better understanding of the rationale for the cost recovery decision by the provincial government, and asking that the decision be revisited.

d) External Quality Audit - Update

Deloitte recently provided the final quality audit report. Management is currently reviewing and responding to the report. This will be presented to the Quality and Client Services Committee at the next meeting and then to the Board.

4. New Business

Property Innovation Council – Single Address Initiative Project - Update

M. Kelly, Project Manager for the Single Address Initiative (SAI) provided an update on the status of the project and municipal visits currently being conducted, the implementation planning / stage 1 revised approach, and the next key steps.

Annual Report

S. Veinotte gave an outline for the 2010/11 annual report. The theme will be *Quality Measures for Success*. New for the report this year are the three areas of strategic focus – Legislative Requirements, Financial and Service Delivery Scorecard, and Quality Standard Measures. The Board provided feedback on the design and structure. A Board meeting (via conference call) will be arranged for some time in July to approve the final report.

5. CEO Report

A new format of quarterly reporting was introduced to highlight key budget, operational and project information.

A settlement regarding NSPI with Queens has been reached, while the Annapolis Royal appeal is still outstanding and may proceed to the NSURB.

**Meeting Adjourned
Next Meeting – July 15, 2011
(via conference call)**