
Meeting Minutes

Board of Directors

November 23, 2018

Time: 9:00 am – 12:00 pm

Attendees

Jimmy MacAlpine, Darren Bruckschwaiger, Clifford Hood, Mike Dolter, Jane Fraser, Connie Nolan, Alex Morrison

Regrets

Greg Keefe

Betty MacDonald

Staff Attendees

Kathy Gillis, Meredith Buchanan, Russ Adams, Kim Ashizawa, Ashley Wu, Dion Regular, Tracy Williams

1. **Review of Agenda**

The draft agenda was reviewed. There were no additions/deletions.

2. **Review of Minutes**

The draft minutes of September 28, 2018 were reviewed.

Moved by Alex Morrison, seconded by Jane Fraser the draft minutes of September 28, 2018 be accepted. Motion carried.

3. **Committee Meetings Update**

Governance and Human Resources Committee

Jimmy MacAlpine (on behalf of Greg Keefe, Governance & HR Chair) provided the Board with an update from the October 25, 2018 meeting.

PVSC People Strategy and Remote Workplace

- The Committee received an overview of the 2018-20 People Strategy created to support/move forward with PVSC's 2018-20 strategic plan & vision, including the Work from Home (WFH) initiative. It focuses on the people side of our business and the four core areas of building teams, leveraging technology, leading change, and running it like you own it (having an entrepreneurial mindset).
- To support the remote work environment, a WFH Effectiveness Project is underway to support the transition, and a PVSC Guide for Effective Remote Work has been created for staff. In addition, Team Charters will be created on how staff can/should communicate and engage.

Strategic Plan Update

- Following the AI presentation and discussion at the International Association of Assessing Officers (IAAO) conference in Minneapolis that Kathy and staff attended, Bob Gloudemans (sub-contracted through IPTI) may conduct an audit to review, verify, and clarify the work PVSC has done on MRA (Multiple Regression Analysis), etc. against the IAAO standard.
- The Lincoln Land Institute is interested in the work PVSC is doing on AI. Staff are looking at perhaps having a symposium with the Institute possibly during the January timeframe.
- Staff are looking at conducting a survey internationally on what other jurisdictions know about/are doing with AI to see what the market is for this type of business and determine interest, and maybe present the survey results at the conference next June in Slovenia.
- BC Assessment is interested in the CDA Centre of Excellence National Collaboration Initiative (and have available funding), and as well are interested in PVSC's work on AI. BC has been advised PVSC is looking for a proof of concept (on quality & valuation) and a draft proposal has been created for BC's review.

Org Review

- An organization review was last conducted seven or eight years ago. Michael DeVenney is conducting a review looking at the core and other business functions.

Board Recruitment

- The Board Self-Assessment was (100%) completed. Current Board strengths and required competencies have been identified.

- The Board of Director posting has been reviewed by the Recruitment and Appointment Committee and will be sent to the ICD (Institute of Corporate Directors) for posting, and posted on the PVSC website and LinkedIn, and will go to the NSFM and AMA.
- The applicant submissions will be reviewed by the Recruitment and Appointment Committee (November 22). In addition, Connie Nolan has advised she is interested in staying on the Board for a second term.

Board Evaluation

- An article was sent to the Board regarding board renewal/evaluation. The Governance Committee discussed various evaluation options and asked staff to prepare an evaluation framework strategy for the Board's discussion.

Board Orientation/Planning

- An orientation session will be held early January for new Board members, and during the March/April timeframe a Board orientation/retreat will be held.

Moved by Jimmy MacAlpine, seconded by Alex Morrison the Governance and Human Resources Committee updated be accepted. Motion carried.

Recruitment and Appointment Committee

Jimmy MacAlpine, Chair of the Recruitment and Appointment Committee provided an update.

- The Committee met on the November 22, 2018, attended by Greg Keefe, Mike Dolter (AMA), Geoff Stewart (NSFM), and Jimmy MacAlpine. The Committee reviewed applicant submissions, two were received late and the Committee determined not to accept them. The Committee agreed that diversity needs to be considered when determining the most qualified candidates. Five municipal applicants applied and three independent applicants. The Committee approved Connie Nolan's second term appointment. It was noted that Interviews were going to be scheduled for December 5th but will possibly be December 4th due to a conflict for the NSFM.

Moved by Jimmy MacAlpine, seconded by Jane Fraser the Recruitment and Appointment Committee update be accepted. Motion carried.

Audit, Risk and Finance Committee

Mike Dolter, ARF Committee Chair provided an update from the November 22, 2018 meeting.

Quarterly Financial Statement (Q2 as of Sept 30/18) & Investment Report

- Overall operations are expected to be within the approved budget for Municipal Billing for 2018/19 of \$17.434M. Current forecasts indicate a modest positive closing balance in the operating fund at the end of this fiscal year, which is largely attributable to savings on vacancies and reductions in office rents due to office space reduction strategies.
- There are no significant changes in investment returns compared to the previous quarter. Overall investment returns on the portfolios have been modest and are in line with market benchmarks; we closed the quarter with unrealized gains. However, market performance is cyclical and gains and losses on investments will fluctuate during they year.
- The level of funding of obligations for employee future benefits (Health plans, Service awards, SERP) has stayed at approximately 97% for the last two quarters. This is higher than the 96% level of funding as at March 31, 2018 and within the 90% to 110% funding threshold policy.

Risk Discussion – Stakeholders

- Staff advised of an outstanding invoice for quarter three for a municipality and also indicated the same municipality was late paying their quarter two payment. During a phone call the CAO informed PVSC staff the quarter three payment would be pending a meeting with the CEO of PVSC to discuss issues of concern to municipalities of the Strait Region. The issues were not shared in advance of the meeting. Kathy Gillis and other PVSC staff met with representatives of five municipalities on November 13, at which time PVSC stressed that municipalities should bring forward issues in a timely manner to have them addressed by PVSC. Staff are reviewing and resolving specific property concerns supplied after the meeting, however some of the issues raised do not relate to the jurisdiction of PVSC. Since the meeting, PVSC staff have reached out the municipality and sent a letter on November 20 advising if the quarter three payment is not received by November 30 monthly interest of 1% will be applied.
- Staff are reviewing the internal process to ensure more timely communication with any municipal unit with an outstanding balance. As well, staff will be revisiting the stakeholder relations initiative to strengthen the communication with municipal units. The ARF Committee will be reviewing the interest policy.

Moved by Mike Dolter, seconded by Jane Fraser the Audit, Risk and Finance Committee update be accepted. Motion carried.

4. Board Evaluation Framework

Kathy Gillis noted a board evaluation process was previously discussed a couple of years ago with Michael DeVenney – it's a process that assesses the effectiveness of PVSC's governance and sustainability of the corporation over the long-term and improves decision-making and recruitment. Kathy provided an overview of the proposed evaluation process that would consist of an Annual Evaluation (owned by the Governance & HR Committee, completed at the end of each fiscal year (corresponding with the CEO evaluation), an on-line survey, and the Board Chair meeting with each Director to debrief on the survey) and a Meeting Evaluation (held after each meeting during in-camera).

Moved by Jane Fraser, seconded by Mike Dolter the Board accept the Evaluation Framework. Motion carried.

5. Strategy Update

Jimmy MacAlpine provided a brief update on the meeting (of November 6) with Minister Chuck Porter, Department of Municipal Affairs regarding the creation of a PVSC subsidiary. It was an engaging meeting, there seems to be some concern with liability but hopeful for another meeting to keep the initiative moving forward. The Chair also noted the presentation went well at the NSFM fall conference and the Memorandum of Understanding among the NSFM, AMA, and PVSC was signed.

CDA Centre of Excellence - Kathy Gillis indicated the Canadian Directors of Assessment (CDA) National Collaboration Initiative has been confirmed and funding has been identified by two jurisdictions (and possibly a third). The current project focus will be the defence and valuation of heavy industrial and special purpose properties.

Audit – Kathy advised/confirmed that Bob Gloude-mans (sub-contracted through IPTI) will conduct an MRA and AI audit beginning in January 2019.

AI – Kathy advised PVSC will be meeting with executive, senior managers, and staff of BC Assessment in December regarding AI strategy opportunities.

Ashley Wu provided the Board with an overview of AI and the work completed internally to date. In terms of next steps, need to work with the IAAO on the establishment of a “standard”.

6. Mobile Assessor

Dion Regular provided the Board with a demo of Mobile Assessor.

It was noted that at this point, further integration is required before being able to go live with permitting.

Staff to look at the “inspection tool” to determine if non-assessed property picked up in the field can be sent electronically to municipal units.

7. Macro Agenda

The macro agenda for 2019/20 was reviewed and agreed upon.

8. Media Policy

Considering the assessment roll closing and property assessment notices that will be issued early January, Board members were provided with a copy of the media policy as a protocol reminder.

9. In Camera

There were no matters identified for recording purposes following the *in camera*.

Meeting Adjourned