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# Meeting Minutes

## Board of Directors

February 26, 2020

Time: 9:00 am – 12:00 pm

### Attendees

Greg Keefe, Jimmy MacAlpine, Clifford Hood, Chuck Faulkner, Bobby McNeil, Joe Feeney, Doug Boyd, Mike Dolter, Darren Bruckschwaiger, Connie Nolan, Jane Fraser, Juanita Spencer

### Staff Attendees

Kathy Gillis, Meredith Buchanan, Russ Adams, Chris Doucette, Kim Ashizawa, Tracy Williams

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

The Chair indicated agenda item 4 (revised 2020-21 budget/approval) will form part of the Audit, Risk and Finance Committee's update.

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

The draft minutes of November 22, 2019 were reviewed.

**Moved by Jimmy MacAlpine, seconded by Connie Nolan the draft minutes of November 22, 2019 be accepted. Motion carried.**

There were no issues raised regarding the 2020-21 macro agenda previously sent.

**Moved by Doug Boyd, seconded by Jimmy MacAlpine the 2020-21 macro agenda be accepted. Motion carried.**

### 3. **Committee Meetings Update**

#### Governance and Human Resources Committee

Darren Bruckschwaiger provided an update on the Committee meetings held on December 5, 2019 and January 23, 2020.

December 5, 2019

- The current committee structures were reviewed - they are working fine and have a good balance. The only changes required is a new Chair for the Governance and Human Resources Committee (Darren Bruckschwaiger was selected as the Chair) and the Strategy & Stakeholder Relations Committee.
- PVSC received a request from the All-Party Committee on CAP and as well from the NDP (through the NSF) to present at the initial meeting. As discussed with the Committee the NSF will be advised that PVSC will attend as observers and can prepare/provide data/information as requested.
- Annually a Board Evaluation is completed. A survey will be sent out to Board members in the coming weeks, and the Board Chair will meet with each Director (in-camera).
- A Board Retreat (around the strategy) is being planned for April 8 & 9, 2020.

**Moved by Darren Bruckschwaiger, seconded by Jimmy MacAlpine the Governance Committee update for December 5, 2019 be accepted. Motion carried.**

**Moved by Darren Bruckschwaiger, seconded by Jane Fraser the Governance Committee update for January 23, 2020 be accepted. Motion carried.**

#### **Strategy & Stakeholder Relations Committee**

Doug Boyd, as the recently selected Strategy & Stakeholder Relations Committee Chair, noted there is an agenda item that will speak to the business development & subsidiary update.

**Moved by Clifford Hood, seconded by Joe Feeney the Strategy & Stakeholder Relations Committee update be accepted. Motion carried.**

#### **Audit, Risk and Finance Committee**

Mike Dolter provided an update from the Committee meetings held on January 23, 2020 and February 19, 2020.

January 23, 2020

- The external auditors (of Grant Thornton) attended the Committee meeting and provided an overview of the audit strategy and plan for the audit of the financial statements for year ended March 31, 2020. The audit fieldwork will

begin on May 4<sup>th</sup> and a report will be provided the end of May. The auditors also provided information on an Ethics workshop they have created for Directors and Senior Management which the Committee agreed would be good for the Board and it will be incorporated into the Board Retreat.

- The Committee reviewed the Statement of Operations for Quarter Three (Q3). The approved budget for Municipal Billing for the current financial year is \$17.695M. There are cost savings in the areas of Salaries – vacancy savings as a result of unanticipated retirements; minor reduction in Rentals and Leases, Training and Development, and Office Expenses and General Services – the reduction is contributed to Work from Home and Mobile Assessor. There is an increase in professional fees that contribute to external legal costs, having BDO conduct a review of the financials, and in the Utility and Review Board cost. Currently the Benefits Fund is also over-funded.
- The Investment Performance for the quarter was strong for the portfolio asset-mix for the Non-Pension Post Employment Benefits and the Technology Fund.
- As presented by staff the Committee reviewed JFL’s suggested modest adjustments and staff’s recommendations, for possible stronger returns over the long term, in consideration of the Investment Policy objectives and balance of return vs. risk. The Committee will bring forward the recommended motions for approval at the next Board meeting as follow-up/redraft of the Investment Policy is required.
- The 12 enterprise level risks are continuing to be managed. The two most concerning are “Not for Profit Business Structure” and “Competition”.

February 19, 2020

- An ad hoc Committee meeting was held to review the 2020-21 budget/scenarios. Management brought forward a recommendation to reduce the approved 2020-21 budget from a 1.5% increase to a 1% increase given the revised forecasts. Forecasts for out years were provided for information purposes only and reconsideration of these will take place during the 2021-22 budget approval period. As a result, the Audit, Risk & Finance Committee is recommending to the Board a reduction of the 2020-21 budget from \$17,961,135 (1.5% increase) to \$17,872,335 (1% increase). The budget adjustment would need to be communicated to the NSFM.

**Moved by Mike Dolter, seconded by Jane Fraser the Board accept the recommendation of the Audit, Risk and Finance Committee to reduce the**

**2020-21 budget from \$17,961,135 (1.5% increase) to \$17,872,335 (1% increase).**

**Motion carried.**

**Moved by Mike Dolter, seconded by Joe Feeney the Audit, Risk and Finance update be accepted. Motion carried.**

**4. Strategic Plan – Business Development & Subsidiary Update**

- Kathy Gillis and Meredith Buchanan provided a recap and an overview of the meetings held.

**5. Quality Update/CEO Report**

Kathy Gillis highlighted the following:

- The appeal period went well and overall, we are down on appeals – 7900 last year v. 6500 this year. The appeal assessed value for residential & commercial is down and apartments is up. From a machine learning point of view (which were tracked separately) there are about 800 appeals. The advanced consultation was conducted over seven weeks focusing efforts on large property owners and tax agents – we have seen year over year decreases in agent appeals and as of this year a 46% decrease since 2017.
- The International Property Tax Institute (IPTI) has shared its White Paper with PVSC examining the potential of AI in property assessment which supports and accepts PVSC's AI work. As a further analysis, PVSC has made a request to IPTI to have an audit conducted of the use of AI in the preparation/publication of the 2020 property assessment rolls and that a presentation be held at the Mass Appraisal Valuation Symposium (MAVS) in June 2020.
- The International Association of Assessing Officers (IAAO) is doing a White Paper.
- On behalf of CACE and to establish greater collaboration amongst the Canadian jurisdictions, Kim Ashizawa has conducted a survey of the Canadian Directors of Assessment (CDA), Canadian Property Assessment Network (CPAN) and the Canadian Assessment Centre of Excellence (CACE) to review the purpose, objectives and deliverables of each, the report will be reviewed by the CDA to establish next steps and an implementation plan at the CDA AGM in July.
- Working on a client care program with regular meetings and check-ins with municipal units.

- Will be launching a Land Quality Advisory Committee to action the recommendations from the diagnostic review - waiting on a letter from the AMA.
- In terms of the cyber security project Rick Lewis will be extended, and he will come back with a proposal to look at our IT requirements.

**6. In Camera**

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

**Meeting Adjourned**