

## Terms of Reference Board of Directors

### 1. Introduction

BC Assessment is a Crown Corporation established in 1974 and governed by the *Assessment Authority Act*. BC Assessment is accountable to the Provincial Government, its sole shareholder. BC Assessment was created for the purpose of establishing and maintaining an independent and uniform property assessment system throughout British Columbia. BC Assessment operates in accordance with the *Assessment Authority Act* and the *Assessment Act* to fulfill its mandate and, as a public body, has a responsibility to maximize its value to the shareholder and the citizens of British Columbia.

The BC Assessment Board of Directors (**Board**) has the general duty to guide the BC Assessment's strategic direction and oversee Management in the conduct of the business of the corporation. In carrying out these duties, the Board plays a role in policy making, guidance of the strategic planning process and performance monitoring.

These Terms of Reference are part of the Board's governance framework and set out Board duties and responsibilities in fulfilling its oversight role in the public interest for the benefit of citizens of British Columbia.

### 2. Board Membership

The Directors and Chair are appointed by, and are accountable to, the Provincial Government. All Board members must be independent of the Management of BC Assessment and have no material interest in the organization.

BC Assessment's Board has a responsibility to provide government, through the Crown Agencies and Board Resourcing Office (CABRO), with advice regarding the needs of BC Assessment and the criteria the government should consider when making appointments.

Although Directors are appointed by the government to bring special skills and experience to Board deliberations, the best interests of BC Assessment must be paramount at all times. Directors are bound by the *Charter of Expectations for Directors*.

### 3. Board Committees

The Board creates and maintains a Committee structure, as appropriate, to assist it in fulfilling its role. The Committee structure is established and modified by approval of the Board of Directors.

The Terms of Reference for each Committee are approved by the Board. The mechanism for appointment to Committees is set out in the Terms of Reference for each of the Committees.

#### 4. The Board Chair and Vice Chair

The Board Chair provides leadership in managing the Board's affairs, including ensuring that the Board is organized properly, functions effectively and meets its obligations and responsibilities. The role and responsibilities of the Board Chair are set out in the Board Chair Position Description. The Vice Chair will be appointed and removed by the Board Chair. The Vice Chair may act on behalf of the Board Chair if the Board Chair is not available.

Both the Chair and the Vice Chair are *ex officio* members of all Board Committees, entitling them to attend and vote at any Committee meeting (though not to be included in a determination of quorum for the Committee unless a regular member of that Committee).

#### 5. President and Chief Executive Officer

The Board delegates responsibility for the day-to-day leadership and management of BC Assessment to the Chief Executive Officer (CEO) and the Executive in accordance with the *Delegation of Authority*. The CEO leads BC Assessment in achieving Board-approved directions, sets standards for organizational conduct and recommends new initiatives to the Board.

The Board is responsible for the appointment and replacement of the CEO and monitors and evaluates the CEO's performance. The Board is responsible for approving the CEO's compensation. The Board provides advice and counsel to the CEO in the execution of his or her duties.

#### 6. Corporate Secretary

The Corporate Secretary is responsible for providing strategic and operational support to the Board in carrying out its responsibilities. The Corporate Secretary works with the Board Chair to establish and administer BC Assessment's governance framework.

The Board has the responsibility to approve the appointment of the Corporate Secretary on recommendation by the CEO. However, the Corporate Secretary is an employee of BC Assessment and may only be terminated by the CEO. The roles and responsibilities of the Corporate Secretary are set out in the *Terms of Reference of the Corporate Secretary*, which is approved by the Board.

#### 7. Corporate Governance

The Board has responsibility for the corporation's governance practices and for ensuring that those practices meet the needs of government, the corporation and the public.

The Board ensures that governance practices, Committee operations and Board education and training programs are consistent with BC Assessment's mandate and legislation.

## **8. Corporate Strategy**

The Board has responsibility to develop and articulate a corporate strategy for BC Assessment to deliver high quality products and services in an ever-changing environment. The strategy must ensure that BC Assessment meets its mandate and the performance expectations of its shareholder and all other stakeholders including Local Governments, First Nations and Residential and Non-Residential customers.

## **9. Corporate Performance**

The Board has responsibility to ensure that BC Assessment meets its mandate and the performance expectations of government. The Board:

- Monitors and reports on BC Assessment's performance under its Service Plans, including improving efficiencies, client satisfaction, risk management and service delivery;
- Is responsible for the annual review with Management and approval of, the Budget, taking into consideration the public policy responsibilities of the corporation; and
- Is responsible for monitoring BC Assessment's progress towards the objectives set out its Integrated Business Plan, operating and capital plans and to revise and alter its direction through the CEO in light of changing circumstances.

## **10. Risk Management**

The Board has overall responsibility for overseeing risk management at BC Assessment. It has delegated to the Audit & Risk Management Committee the responsibility for overseeing BC Assessment's Enterprise Risk Management Framework.

The Audit & Risk Management Committee has also been delegated specific responsibility for financial regulatory compliance and risks.

The Human Resource & Compensation Committee has been delegated responsibility for overseeing risks associated with the delivery of BC Assessment's People Strategy.

The Board retains responsibility for overseeing risks associated with the use of Information Technology and for ensuring that BC Assessment's reputation remains in good standing.

## **11. Financial Oversight**

The Board is responsible for safeguarding BC Assessment's resources by ensuring there is effective financial oversight. The Board:

- Approves annual operating and capital budgets to ensure that they support the corporation in achieving its mandate and strategic direction;
- Reviews and approves quarterly and annual financial statements and ensures that financial results are reported fairly and in accordance with generally accepted accounting principles;



- Ensures that the financial performance of BC Assessment is reported accurately and in a timely way to government and the public;
- Directs Management to ensure that the appropriate systems are in place to maintain the integrity of BC Assessments' internal financial controls and management information systems; and
- Appoints external auditors to report on BC Assessment's financial position, controls and results on an annual basis.

## **12. Human Resources & Compensation**

The Board is responsible for overseeing BC Assessment's long-term People Strategy, which aims to attract and retain the right staff to enable BC Assessment to continue to meet its mandate and the expectations of its customers.

Subject to government direction, the Board approves BC Assessment's compensation philosophy and guidelines for the CEO and Executive and Management, including salary, incentive awards, perquisites, benefits and other remuneration.

The Board approves the general terms upon which Management will be authorized to negotiate collective agreements and ensures that those terms support BC Assessment's vision, mission, values and strategic direction.

## **13. Unique Assessment related Responsibilities**

The legislative framework for BC Assessment means that the Board is responsible for a number of unique assessment-related responsibilities. The Board is responsible for proposing to Cabinet and following the prior approval by the Lieutenant Governor in Council and Cabinet, levying a tax at a rate necessary to maintain BC Assessment's annual operating fund.

The Board is responsible, subject to the prior approval of the Lieutenant Governor in Council, for:

- Establishing or adopting reference manuals to calculate the value of Major Industrial Properties; and
- Establishing or adopting reference manuals to calculate the value of Electrical Power Generation improvements.

The Board is responsible for:

- Prescribing rates to value linear structures (for example, pipelines, communications cables, railways and rights of way for those structures);
- Prescribing land value schedules for the valuation of farm land;
- Prescribing schedules for the valuation of managed forest land and cut timber; and
- Filing requests for the review of assessment rolls.

All bylaws adopted by the Board will be endorsed with the date of adoption, the board resolution number and shall be signed by the Board Chair.

#### 14. Policies

The Board ensures that appropriate corporate policies are established and implemented to effectively govern BC Assessment and mitigate risk to the organization and that these policies are consistent with the legislation and government's direction.

The Board will approve and monitor, through Management and the appropriate Board Committees, compliance with all significant policies that govern BC Assessment's operations.

#### 15. Corporate Values and Behavior

The Board acknowledges that it plays a critical role in setting the tone of appropriate behavior for BC Assessment. The Board directs Management to implement systems designed to ensure that BC Assessment operates at all times within applicable laws and regulations and to the highest ethical and moral standards.

The Board approves and acts as the guardian of BC Assessment's corporate values and ***Standards of Conduct Policy*** which governs the conduct and behavior of all employees at BC Assessment.

The Board appoints an Ethics Advisor to assist the Board in maintaining the highest ethical standards of conduct and the reputation of BC Assessment. The Ethics Advisor is bound by the ***Terms of Reference for the Ethics Advisor***.

#### 16. Board Evaluation

The Board is responsible for implementing an appropriate annual process for assessing the effectiveness of the Board, its Committees and the contribution of individual directors. The objective of the evaluation process is to contribute to a process of continuous improvement in the Board's execution of its responsibilities.

The Governance Committee annually reviews the skills, experience, background and diversity of the Board, taking into account the strategic direction of BC Assessment. Recommendations resulting from that review regarding Board Composition and Succession Planning will be discussed with the full Board and the CEO and communicated to government through the Board Chair.

#### 17. Board Orientation and Professional Development

The Board is responsible for ensuring that new Directors receive a thorough orientation program when they are appointed to enable those Directors to quickly gain a thorough understanding of BC Assessment and to be able to discharge their responsibilities.

The Board is responsible for ensuring its ongoing professional development through the implementation of the *Board Education Policy* and *Annual Board Education Plan*.

## 18. Board Meetings

Regular Board meetings will be held at the call of the Board Chair in accordance with the *Board Timetable* that appears in **Appendix A** and as otherwise needed to discharge the Board's responsibilities. Notice of a meeting may be given verbally or in writing (including electronically). Attendance at meetings is permitted either in-person (when offered) and remotely (digitally as available).

An extraordinary meeting is any meeting that is called to address an issue on an urgent basis or is outside the normal program of Board meetings (**Extraordinary Meeting**). Extraordinary Meetings will have a limited agenda and will not be called for the purpose of discharging regular Board work.

The Board Chair shall call either a Regular Meeting or Extraordinary Meeting of the Directors if requested, in writing, to do so by a majority of the Directors. The CEO or Corporate Secretary is responsible for advising the Board Chair if they consider an Extraordinary Meeting is required for any reason.

A quorum for any meeting of the Board will be the majority of the members of the Board. The CEO and Corporate Secretary may attend all meetings of the Board. However, the Board may at any time move In-Camera.

There will be a recording secretary for all Board meetings.

Meetings may be held in any location the Board considers appropriate for the dispatch of business. However, the majority of meetings will be held in BC Assessment Offices throughout British Columbia. Meetings may also be held by way of telephone or video conferencing.

At least five days' notice in writing, which includes notice by email, of a Regular Meeting must be given to each Director. The notice must contain sufficient information to permit Directors to identify the issues pertinent to the decisions to be taken.

Notice for an Extraordinary Meeting must be given in writing, which includes email, to each Director. All reasonable effort will be taken to ensure that all Directors are informed of the extraordinary meeting and that the timing of that meeting enables maximum participation. At the commencement of the Extraordinary Meeting, the Board Chair will confirm the steps taken to give notice.

Attendance at a meeting constitutes waiver of notice, unless that attendance is for the express purpose of objecting to the transaction of business on the grounds that a meeting was not lawfully called. If all Directors waive notice and a quorum of Directors is present, the requirement to deliver notice need to be met.

Meetings will be conducted in accordance with *Roberts Rules of Order Newly Revised* as adapted for small boards.

#### **19. Conflict of Interest**

The Board is guided by general obligations at law and BC Assessment's *Standards of Conduct Policy and Procedures* with respect to conflicts of interest.

When the Board is considering any matter that a Director has a real or perceived conflict of interest in, that Director may be counted in the quorum for the meeting. The Director must disclose the nature of the conflict of interest to the Board Chair, recuse themselves from any discussions on the matter and may not vote with respect to that matter.

#### **20. Independent Advice**

The Board, or any individual director, may at any time, through the Corporate Secretary and following approval of the Board Chair, engage independent consultants to assist the Board or the individual with the performance of their duties.

#### **21. Board Remuneration**

The Board ensures that Directors are compensated in accordance with *Treasury Board Directives* or other government direction.

## Appendix A

### Board Timetable

The below timetable reflects key items for consideration by the Board that arise on an annual basis. Actual meeting dates and agendas may vary as isolated matters arise. The actual Board work plan is reviewed and determined on an annual basis.

AREA OF RESPONSIBILITY		B/C/I	Q1	Q2	Q3	Q4
<b>Section 5 – Board Chair and Vice Chair</b>						
	Reviews CEO and Executive annual Compliance Statements	I			Feb	
	On recommendation of the Human Resource & Compensation Committee, approves material changes to the CEO Succession Plan (if any).	B	May			
<b>Section 7 – Corporate Governance</b>						
	On recommendation of the Governance Committee, approves any changes to the Terms of Reference for the Corporate Secretary and CEO (biennially)	B	May			





AREA OF RESPONSIBILITY		B/C/I	Q1	Q2	Q3	Q4
	On recommendation of the Governance Committee, approves any changes to BC Assessment's Ethics Framework	B	May			
	On recommendation of the Governance Committee, approves annual Committee Evaluations	B	May			
	On recommendation of the Governance Committee approves the current year Board Evaluation Process	B	May			
	Undertakes Board Evaluation as part of process facilitated by the Governance Committee	I		Jul		
	On recommendation of each Committee, approves any changes to the Terms of Reference for the Board and Committees (biennially)	B			Nov	
	Board Chair considers changes to Committee Composition	I				Feb
	On recommendation of the Governance Committee, approves the Board Education Plan	B			Nov	



AREA OF RESPONSIBILITY		B/C/I	Q1	Q2	Q3	Q4
	On recommendation of the Governance Committee, approves the following year's Board and Committee Work Plan	B			Nov	
	On recommendation of the Governance Committee, approves any changes to the Board Competency Matrix (periodically)	B				
	Board Governance Manual Updates (biennially)	B/I	Jun			
<b>Section 8 – Corporate Strategy</b>						
	On recommendation of Audit & Risk Management Committee, approves Enterprise Risk Management Program Plan for current year	B				Feb
	Strategic Planning Session with Board and Executive	I				Feb
	Reviews first draft of Future Year Strategic Plan	I	May			
	Approves Future Year Strategic Plan	B	Jun			
<b>Section 9 – Corporate Performance</b>						



AREA OF RESPONSIBILITY		B/C/I	Q1	Q2	Q3	Q4
	Approves prior years' Annual Service Plan Report	B	Jun			
	Approves Service Plan	B			Jan or Feb	
	Reviews Quarterly Integrated Business Plan Performance Report	I		Jul	Oct	Feb
	Reviews Customer Survey Results	I		Jul		
	Reviews Assessment Roll Progress Report	I		Jul		
	Reviews Year-end Market and Assessment Report	I			Nov	
	Reviews Assessment Roll Update	I				Feb



<b>Section 10 - Risk Management</b>						
	On recommendation of Audit & Risk Management Committee, approves BC Assessment's Strategic Risk Report (Spring/ Fall)	B	Jun		Nov	
	In Camera Litigation Report	I	Jun			
<b>Section 11 - Financial Oversight</b>						
	On recommendation of Audit & Risk Management Committee, approves Preliminary Year End Financial Reports	B	Apr			
	On recommendation of Audit & Risk Management Committee, approves Quarterly Financial Statements and forecasts of year-end results	B		Jul	Oct	Feb
	On recommendation of Audit & Risk Management Committee, approves Year End Audited Financial Statements and Management Letter	B	May			
	On recommendation of the Governance Committee, approves previous years' Board Remuneration Disclosure	B	Jun			



	On recommendation of the Governance Committee, approves previous year’s Board and Committee Attendance Roster	B	Jun			
	On recommendation of Audit & Risk Management Committee, approves the appointment retention or replacement of the External Auditor	B		Jul		
	On recommendation of Audit & Risk Management Committee, approves the Annual <i>Financial Information Act</i> Report	B		Sep		
	On recommendation of Audit & Risk Management Committee, approves the budget, capital expenditure program and financial plan contained in the Integrated Business Plan	B			Nov	
	On recommendation of Audit & Risk Management Committee, approves Capital Reserve Allocation (if required)	B	Apr			
<b>Section 12 – Human Resources &amp; Compensation</b>						
	On recommendation of the Human Resource & Compensation Committee, approves current year CEO Performance Development Plan	B	May			



	Through the Human Resource & Compensation Committee, receives self-evaluation of the CEO's performance against the previous years' PDP	B	Jun			
	On recommendation of the Human Resource & Compensation Committee, approves the CEO's performance evaluation	B	Jun			
	On recommendation of the Human Resource & Compensation Committee, approves current year Corporate Secretary Performance Development Plan	B	May			
	On recommendation of the Human Resource & Compensation Committee, approves the annual compensation for the CEO	B	Jun			
	Through the Human Resource & Compensation Committee, receives self-evaluation of the Corporate Secretary's Performance against the previous years' PDP					
	On recommendation of the Human Resource & Compensation Committee, approves the Corporate Secretary's performance evaluation	B	Jun			



<b>Section 13 - Unique Assessment related Responsibilities</b>						
	On recommendation of Audit & Risk Management Committee, approves Tax Levy Bylaw Rates	B				Jan
	Approves current year Tax Levy By-Law	B				Feb
	On recommendation of Audit & Risk Management Committee, approves the Major Industrial Properties, Electrical Power Generation Manual Changes and Regulated Rates	B		Sep		
	Makes the MIPs/EPGs Order				Nov	