



BRITISH  
COLUMBIA

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## **SHAREHOLDER'S LETTER OF EXPECTATIONS**

**BETWEEN**

**THE MINISTER OF SMALL BUSINESS AND REVENUE  
(AS REPRESENTATIVE OF THE SHAREHOLDER,  
THE GOVERNMENT OF BRITISH COLUMBIA)**

**AND**

**THE CHAIR OF THE BRITISH COLUMBIA ASSESSMENT AUTHORITY  
(AS REPRESENTATIVE OF THE CORPORATION)**

### **PURPOSE**

This Shareholder's Letter of Expectations between the Shareholder and the Corporation is an agreement on the respective roles and responsibilities of each and serves as the basis of agreement between the Shareholder and the Corporation on the corporate mandate, including high-level performance expectations, public policy issues and strategic priorities<sup>1</sup>. It will be reviewed annually and updated as required. The Shareholder's Letter of Expectations is the basis for the development of the Corporation's Service Plans and Annual Service Plan Reports. The Letter applies to the Shareholder and the Corporation. This Letter does not create any legal or binding obligations on the part of the Shareholder or the Corporation but, rather, is intended to define and promote a positive and co-operative working relationship.

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<sup>1</sup> The Province of British Columbia's Crown Agency Accountability System (CAS) ([http://www.gov.bc.ca/cas/down/shareholder's\\_expectations\\_manual\\_\(version%208\)\\_june\\_2\\_06.pdf](http://www.gov.bc.ca/cas/down/shareholder's_expectations_manual_(version%208)_june_2_06.pdf)) establishes guiding principles for the governance of Crown corporations. CAS also identifies roles and responsibilities for the Shareholder and Crown corporations and provides for a Shareholder's Letter of Expectations (Letter) to be jointly developed.

## CORPORATION ACCOUNTABILITIES

Government has provided the following mandate direction to the British Columbia Assessment Authority (BC Assessment):

- establish and maintain property assessments that are uniform in the whole of British Columbia in accordance with the *Assessment Act*;
- provide support and input for government's changes to the property assessment system by implementing the amendments contained in the *Assessment Statutes Amendment Act, 2007* (also known as Bill 32, 2007); and
- support the government's five Great Goals for a Golden Decade and government's Strategic Plan (<http://www.bcbudget.gov.bc.ca/2006/stplan/>).

In responding to government's performance expectations and the general and specific frameworks and direction of the Shareholder, BC Assessment will:

- conduct its affairs to achieve its mandate and the performance expectations and objectives of the Shareholder, including establishing and implementing corporate strategies, policies, programs, plans and financial outcomes that are consistent with the Shareholder's general direction and consistent with principles of efficiency, effectiveness and customer service;
- prepare Service Plans with clearly articulated goals, objectives, strategies and performance measures and targets and Annual Reports that detail progress toward achieving those goals and post both documents on its website;
- display all annual Statement of Financial Information schedules prepared under the *Financial Information Act* in an easily accessible location on its website (some of this information is included in annual reports and does not need to be otherwise displayed);
- conduct its operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by the Shareholder;
- develop and implement strategies to manage the Corporation's principal risks;
- encourage staff involvement in developing ideas and new solutions to meet government's environmental and climate change objectives, including recycling and energy conservation programs and fleet and traffic management initiatives and report on results achieved;
- provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities;
- meet the requirements established in the Corporation's 2007-2009 Service Plan and develop and implement strategies to manage risks identified in the Service Plan; and
- provide information to the Shareholder immediately if the Corporation is unable to meet the targets identified in its Service Plan.

In addition, the Shareholder directs BC Assessment to take the following specific actions.

BC Assessment will:

- Work closely with the Ministry of Small Business and Revenue (Ministry) to oversee the implementation of the changes contained in the *Assessment Statutes Amendment Act, 2007* (Bill 32, 2007). Specifically, the Corporation will provide the Minister with a detailed implementation plan for the new short term overnight accommodation property (STOCAP) legislation that focuses on customer service and support for the new policy change.
  - Timeline: September 2007
- Work closely with the ministry and other ministries on 2007-2008 projects, as approved by the Minister.
  - Timeline: Ongoing
- Continue to enhance the customer service focus of the property assessment system, focusing on streamlining and simplifying processes for taxpayers. Specifically, the Corporation will focus on taxpayer fairness and equity, and ensure timely and meaningful customer service.
  - Timeline: Ongoing
- Improve the property assessment complaint scheduling process to ensure that there is sufficient flexibility in scheduling to allow the timing of hearings to be convenient, that sufficient time is provided for hearings and that information provided to the public is timely and accessible.
  - Timeline: December 2007
- Continue to review the methodology used to determine the assessed value and classification of properties and determine if there are other, more appropriate options. Specifically, the Corporation will continue to enhance its working relationship and undertake timely, meaningful consultation with stakeholder groups who have properties affected by annual update factors and rates prescribed by BC Assessment.
  - Timeline: Ongoing
- Continue to report out to the Shareholder on the progress and improvements provided by the performance measurement system implemented to benchmark the Corporation's operations against those of other North American assessment jurisdictions. These measurements should include benchmarks that measure service quality to taxpayers.
  - Timeline: December 2007
- Ensure property assessment services provided by BC Assessment throughout the province will be fair, equitable and uniform, while providing a level of service that is of the highest quality and meets their customers' and the ministry's expectations through continuous improvement in its Service Commitment and Service Standards.
  - Timeline: Ongoing

- Develop and implement programs to attract, develop and retain qualified and motivated staff.
  - Timeline: Ongoing
- Continue to seek new proactive solutions and opportunities to improve operational efficiencies while meeting service delivery targets.
  - Timeline: Ongoing
- Take action on climate change and make a contribution in meeting British Columbia's total greenhouse gases and environmental targets (33 per cent reduction by 2020). Specifically, the Corporation will develop strategies and take action to reduce the Corporation's environmental footprint and recommend options for assessment legislative or regulatory change that would promote environmentally friendly real estate improvements and development.
  - Timeline: November 2007
- Develop a strategy to address the Corporation's unappropriated equity over two years.
  - Timeline: October 2007

## **SHAREHOLDER'S RESPONSIBILITIES**

The Shareholder is responsible for the legislative, regulatory and public policy framework in which Crown corporations operate. In order to meet these responsibilities and support the achievement of government's performance expectations, the Shareholder will:

- establish, review, revise and communicate Crown corporations' mandates;
- establish the overall and Crown-specific financial frameworks under which Crown corporations operate (borrowing, investment and payment to the Shareholder);
- issue performance management guidelines, including guidelines for service planning and annual reports (<http://www.gov.bc.ca/cas/rpts/>);
- provide strategic input and advice to Crown corporations in the development of their Service Plans and Annual Reports;
- provide broad policy direction and confirmation of general frameworks/principles to Crown corporations, within which the Crown corporations may establish and apply specific policies/processes;
- advise Crown corporations of government's priorities, strategic decisions and public policy and performance objectives and expectations that may impact the Crown corporations; and
- issue directives or orders, or sponsor submissions on behalf of Crown corporations, that may be required to seek decisions or policy direction by the Executive Council or its committees, in order to facilitate Crown corporations fulfilling their mandates and achieving the performance targets outlined in Crown corporations' Service Plans;

The Shareholder has developed policies for ministries and Crown corporations for Capital Asset Management (<http://www.fin.gov.bc.ca/tbs/camf.htm>) and Board remuneration policies for Crown agencies. The Shareholder has also issued Best Practice Guidelines for Board governance and disclosure (<http://www.fin.gov.bc.ca/ooop/brdo/corporateguidelines.pdf>). During the term of this Letter, the Shareholder may provide policy direction to the Crown agency sector and will communicate any such direction, including implementation expectations, to Crown corporations as decisions are made.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives and targets identified in Crown corporations' Service Plans.

Specific to BC Assessment, the Shareholder:

- approves BC Assessment's mandate to produce and maintain assessments that are fair, equitable, and uniform throughout British Columbia in accordance with the *Assessment Act*;
- confirms that the Board of Directors will be fully responsible and accountable for the mandate of BC Assessment, which must be carried out in accordance with the *Assessment Act*, the *Assessment Authority Act* and in compliance with policy directives which may be issued through Cabinet regulations;
- confirms the role of the Minister of Finance as fiscal agent to BC Assessment, providing BC Assessment with access to government financing and banking services;
- will review any assessment policy recommendations from BC Assessment and will sponsor any related legislative and regulatory proposals; and
- will consult with BC Assessment on any legislative, regulatory or policy changes proposed by the Ministry, Cabinet or the Shareholder that may impact on BC Assessment or its activities.

## **AREAS OF SHARED ACCOUNTABILITY**

### **Communications**

It is agreed by both the Shareholder and BC Assessment that, to ensure effective and efficient day-to-day communications and relationship building, officials representing both parties will be tasked with implementing the contents of this Letter and keeping the Minister responsible and the Board of Directors informed of progress in a timely fashion.

## Reporting

The Shareholder and BC Assessment are committed to enhanced transparency and accountability to the public. The Shareholder has put in place a public reporting structure set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act* and the *Financial Information Act*. The Shareholder has provided the Corporation with a reporting calendar which sets out financial and performance reporting requirements (<http://www.gov.bc.ca/cas>). BC Assessment agrees that it will meet these financial and performance reporting requirements. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to BC Assessment.

It is agreed by both the Shareholder and BC Assessment that there will be advance discussion and review of key strategic documents such as Service Plans, Quarterly Financial Reports and Annual Reports. These discussions will be completed sufficiently in advance of deadlines, to ensure effective and timely input by the Shareholder.

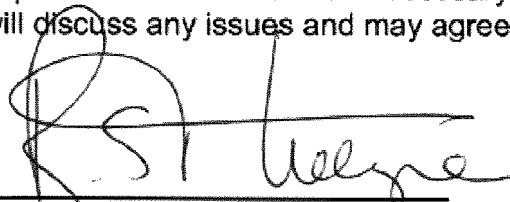
In addition to these financial and performance reporting requirements, BC Assessment agrees to provide information to the Shareholder related to risks and opportunities anticipated in achieving financial forecasts.

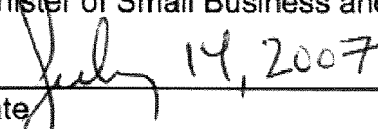
The Shareholder and BC Assessment agree that, as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of BC Assessment or the interests of the Shareholder.

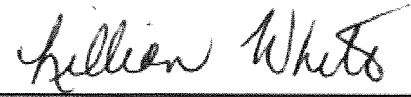
It is agreed that BC Assessment will post the most recent signed copy of the Shareholder's Letter of Expectations on its website. Crown Agencies Secretariat will also post a signed copy of the Letter on its website.

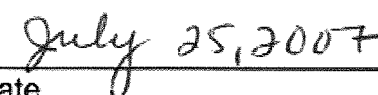
## Review and Revision of this Letter

The Minister of Small Business and Revenue is accountable for undertaking reviews of this Letter and monitoring its implementation. The Crown Agencies Secretariat is responsible for co-ordinating the overall process for preparing Shareholders' Letters of Expectation and may assist the Minister in undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Shareholder and BC Assessment will discuss any issues and may agree to amend this Letter.

  
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Honourable Rick Thorpe  
Minister of Small Business and Revenue

  
\_\_\_\_\_  
Date

  
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Lillian White  
Chair, BC Assessment

  
\_\_\_\_\_  
Date

cc: Honorable Gordon Campbell  
Premier

Jessica McDonald  
Deputy Minister to the Premier and Cabinet Secretary

Chris Trumpy  
Deputy Minister and Secretary to Treasury Board  
Ministry of Finance

Molly Harrington  
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