



**SHAREHOLDER'S LETTER OF EXPECTATIONS**

**BETWEEN**

**THE MINISTER OF SUSTAINABLE RESOURCE MANAGEMENT  
(AS REPRESENTATIVE OF THE SHAREHOLDER,  
THE GOVERNMENT OF BRITISH COLUMBIA)**

**AND**

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

**PURPOSE**

This Shareholder's Letter of Expectations between the Shareholder and the Corporation is an agreement of the respective roles and responsibilities of each, and serves as the basis of agreement between the Shareholder and the Corporation on 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 should form 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 *Governance Framework for Crown Corporations* ([http://www.gov.bc.ca/cas/down/govframe\\_redraft.pdf](http://www.gov.bc.ca/cas/down/govframe_redraft.pdf)) establishes guiding principles for the governance of Crown corporations. The Governance Framework 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.

**Government has provided the following direction to British Columbia Assessment Authority:**

Based on the results of the Corporation's Core Services Review, the Corporation was directed to take the following actions in the most cost-effective manner to ensure maximum benefit to the taxpayer:

- create significant opportunities for alternative service delivery of property inspections, data collection, research and shared services (back office functions) while ensuring its products will be of the highest quality and uniform throughout the province;
- implement E-commerce and access to property assessment information through greater electronic access to data, sharing data with partners, and enhancing the analysis of data;
- enhance links and partnerships with government, First Nations and the private sector leading to greater efficiencies;
- recommend to government changes to assessment legislation that introduces plain language legislation; and
- make recommendations to government to change the appeal system to make it a more streamlined, integrated and efficient system that protects the rights of the taxpayers to appeal their property tax assessments.

The Corporation should continue to pursue these actions.

In addition, the Shareholder directs the Corporation to take the following:

- In the next six months:
  - The Corporation and the Ministry of Sustainable Resource Management will develop a framework, consistent with current legislation, to establish clear roles and responsibilities for the CEO, Commissioner, Board and Ministry for approval by the Board of Directors and the Minister. Once that framework is completed and agreed to, this Shareholder's Letter of Expectations will be revised to ensure that the accountabilities of the BCAA Board, separate from those of the Commissioner, are further clarified; and;
  - The Board of the Corporation will review its board governance practices, committee operations and board education and training programs to ensure they are consistent with the Corporation's mandate, legislation and good governance practices.
- Over the next six months, the Board of the Corporation will develop strategic plans and direct the implementation of actions with an objective of improving, among other things, operational efficiency, client satisfaction, risk assessment and service delivery. These plans and actions should form the basis for the Corporation's 2005 - 2007 Service Plan;
- Over the next two years, the Corporation, Commissioner and the Ministry of Sustainable Resource Management will review policy and legislative issues and propose policy options and/or amendments to the *Assessment Authority Act* and the *Assessment Act and regulations* to ensure the legislation is current, relevant and meets the needs of the citizens of British Columbia and the strategic objectives of government.

**The Parties hereby specifically agree that:**

### **CORPORATION ACCOUNTABILITIES**

In responding to government's performance expectations and the general and specific frameworks and direction of the Shareholder, the Corporation 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, consumer choice, and customer service;
- Prepare Service Plans with clearly articulated goals, objectives, strategies, performance measures and targets, operational benchmarking, and annual reports that detail progress toward achieving those goals;
- 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 risks identified in the Service Plan;
- Provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities; and
- Provide information to the Shareholder if the Corporation is unable to meet the targets identified in its Service Plan.

### **SHAREHOLDER 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 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;
- Issue performance management guidelines, including guidelines for service planning and annual reports (<http://www.gov.bc.ca/cas/rpts/>);
- Provide advice to Crown corporations in the development of their Service Plans;
- Advise Crown corporations of government's priorities, strategic decisions and public policy and performance objectives and expectations that may impact the Crown corporation;
- 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; and,
- Sponsor legislative and regulatory proposals required to implement Shareholder direction as outlined above.

During the term of this Letter, the Shareholder anticipates providing policy direction in a number of areas that will affect all Crown corporations, including:

- Capital Asset Management Framework;
- CEO and executive compensation;
- Enterprise risk management;
- Zoning and land use;
- Property taxation;
- First Nations policy and treaty mandates;
- Climate change;
- Donations; and
- Environmental remediation.

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 the Corporation, the Shareholder:

- Approved the Corporation's mandate as an agent of the Shareholder, under the *Assessment Authority Act*, to establish and maintain property assessments that are uniform in the whole of British Columbia in accordance with the *Assessment Act*; and
- Confirmed the role of the Minister of Finance as fiscal agent to the Corporation.

#### **AREAS OF SHARED ACCOUNTABILITY:**

It is acknowledged by both the Shareholder and the Corporation that under the *Assessment Authority Act*, the Commissioner is appointed by the Lieutenant Governor in Council, and not by the Corporation.

#### **Communications:**

It is agreed by both the Shareholder and the Corporation 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.

#### **Reporting:**

The Shareholder and the Corporation 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 (BTAA)*, the *Financial Administration Act*, and the *Financial Information Act*. The Shareholder will provide the Corporation with a financial reporting calendar and details of performance reporting requirements as specified in the *BTAA* (<http://www.gov.bc.ca/cas>). The Corporation agrees

that it will meet these financial and performance-reporting requirements as specified in the BTAA. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to the Corporation.


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

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

**Review and Revision of this Letter:**

In addition to co-ordinating the overall process for preparing this Letter on behalf of the Shareholder, the Crown Agencies Secretariat is accountable for undertaking reviews of this Letter and monitoring its implementation. It is noted that this Letter can, if necessary, be modified if deemed necessary by one or both parties.

  
Honourable George Abbott  
Minister of Sustainable Resource Management

  
Olga Ilich, Chair of the Board  
BC Assessment

cc. Honourable Gordon Campbell  
Premier

Brenda Eaton  
Deputy Minister to the Premier  
Office of the Premier

Dana Hayden  
Deputy Minister and Chief Executive Officer  
Crown Agencies Secretariat

Doug Rundell  
Commissioner and Chief Executive Officer  
BC Assessment Authority