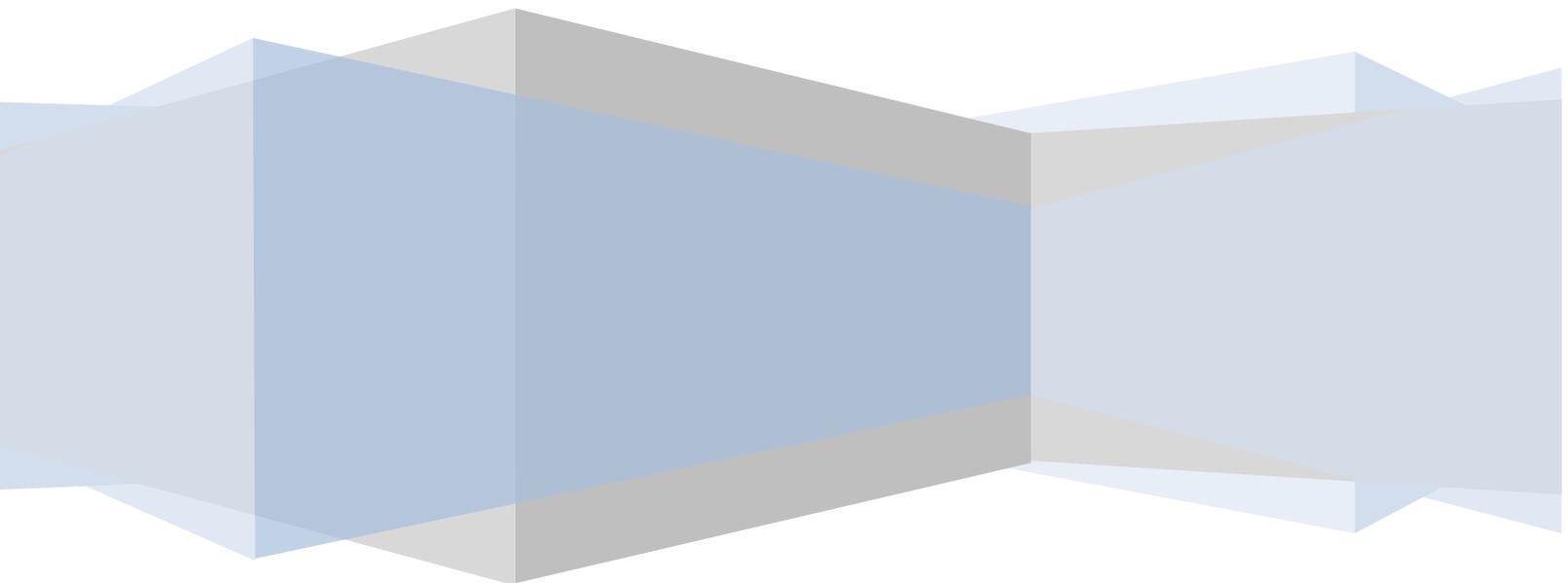




**Municipal Assessment Agency**

# **Business Plan**

**April 1, 2011 to March 31, 2014**



## Message from the Chairperson

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On behalf of the Municipal Assessment Agency's (the Agency) Board of Directors, I am pleased to present the Agency's Business Plan for the period April 1, 2011 to March 31, 2014. This plan outlines the Agency's direction and priorities for the coming three years, as well as the criteria by which the organization's results will be measured.

The Agency has long been committed to the process of developing (and implementing) a detailed plan in conjunction with the Board of Directors to guide and direct the actions and decisions of the Agency. These plans have served our interests well in the past, and have provided a clear template to prioritize actions and to guide our professional staff in dealing with issues and challenges that affect our clients.

The Municipal Assessment Agency is categorized as a category 2 entity under the *Transparency and Accountability Act*, and this provides very clear directions and expectations to both the Board of Directors and to the staff of the Agency as to how we must conduct our business in order to comply with the legislation.

Throughout the planning process we have considered:

- The strategic directions provided by the Minister of Municipal Affairs
- The requirements for Business Plan development provided for Category 2 entities under the *Transparency and Accountability Act*
- The Agency's articles of incorporation
- The *Assessment Act, 2006*
- Financial (and other) resources available to the Agency during the planning period
- The specific issues and challenges that face the Agency in the immediate future

The Board of Directors, in its review of the Strategic Directions, acknowledges that the Municipal Assessment Agency is a crown corporation that receives no government funding and was established to accomplish a very specific purpose; the Agency contributes only marginally toward the fulfillment of the Strategic Directions. The Strategic Directions are not applicable at this time.

As Chair of the Board, my signature below indicates the Board's accountability for the preparation of this plan and for the achievement of the goals and objectives within it.

We trust that you will find all aspects of our Business Plan 2011-2014 to be in full compliance, and we look forward to maintaining this same level of transparency and accountability in the ongoing implementation of our plan.

*Fred Best*

April 1, 2011



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# 1. OVERVIEW

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## Municipality

Any municipality, excluding the City of St. John's, which levies a real property tax.

In accordance with the Assessment Act, the Municipal Assessment Agency provides professional, independent property assessments throughout Newfoundland and Labrador. Property assessment in Newfoundland and Labrador is an elective tax at the municipal level. At present, 226 municipalities have imposed a real property tax and the Agency provides these municipalities with the assessed real property values, including valuations of commercial tenants, where they exist.

The Agency is financially self-sustaining based on its fee for services.

## Assess / Assessment

To value real property for taxation purposes in accordance with the *Assessment Act, 2006*.

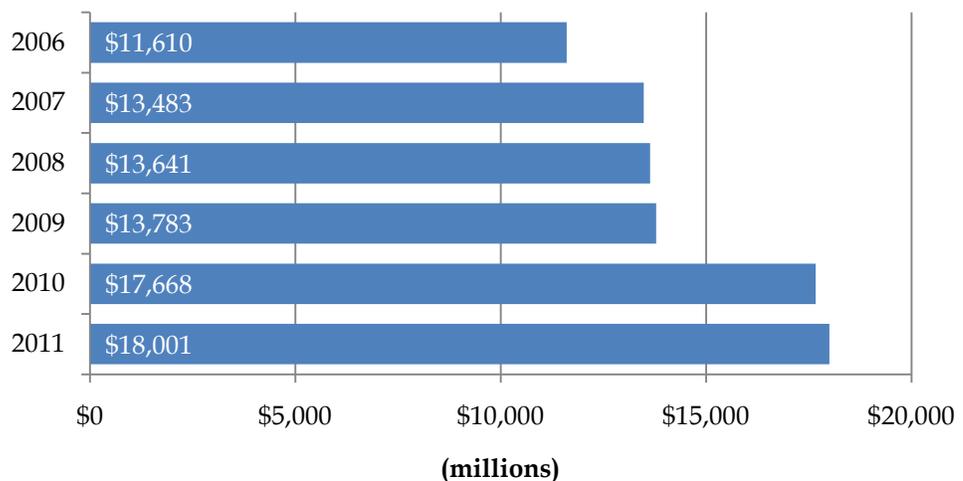
### *Key Numbers*

Municipalities assessed	226
Parcels	178,312
Average value per parcel	\$103,109
Number of Staff	62(43 male and 19 female)
Office locations	11

## Base Date

Means January 1, 2008. This is the date used to determine property values. This date will change to January 1, 2011 for the 2013 assessment.

### Provincial Assessed Values



## Board of Directors – 2011

### Board of Directors

Elected and appointed individuals who are responsible for the Agency.

The Agency is a crown owned corporation with the Minister of Municipal Affairs as its sole shareholder and is governed by a representative board of directors. The board is representative of the agency's stakeholders with six municipal representatives, two taxpayer representatives, and a representative from each of Municipalities Newfoundland and Labrador and the Professional Municipal Administrators. Client municipalities elect the six municipal representatives, while the province appoints the taxpayer representatives. The remaining representatives are appointed by their respective associations.

Municipal representatives are elected in accordance with the Agency's by-laws. The by-laws provide for an election following the municipal elections. The elections were held in the fall of 2009, with the directors elected for a four year term, from January 2010 until December 2013. The present board has as members:

### Chair

Mayor Fred Best

### Vice-chair

Mayor Dean Ball

### Board

#### Committees

- Finance & Audit
- PR & Policy
- Assessment Services
- Executive

- six municipal representatives:
  - **Avalon – Mayor Betty Moore, Clarke's Beach**
  - **Central – Mayor Randy White, Comfort Cove-Newstead**
  - **Eastern – Mayor Fred Best, Clarenville (Chair)**
  - **Labrador – Deputy Mayor Terry Hancock, Forteau**
  - **Urban – Councillor Peggy Roche, Torbay**
  - **Western – Mayor Dean Ball, Deer Lake**
- two taxpayer representatives:
  - **Mr. Bruce Borden, Corner Brook**
  - **Mr. David Manning, Torbay**
- representative of Municipalities Newfoundland Labrador (MNL):
  - **Councillor Lucy Stoyles, Mount Pearl**
- representative of the Professional Municipal Administrators (PMA):
  - **Ms. Blanche Bennett, Central Director, PMA**



## OFFICES

### **CORPORATE & EASTERN OFFICES**

75 O'Leary Avenue, St. John's NL A1B 2C9  
Tel: (709) 724-1532 Fax: (709) 724-1531

### **CENTRAL REGIONAL OFFICE**

165 Roe Avenue  
P.O. Box 570, Gander NL A1V 2E1  
Tel: (709) 651-4460 Fax: (709) 651-4473

### **WESTERN REGIONAL OFFICE**

24 Brook Street  
P.O. Box 143, Stn Main  
Corner Brook NL A2H 6C7  
Tel: (709) 637-7150 Fax: (709) 637-7162

## FIELD OFFICES

### **Happy Valley-Goose Bay**

Tel: (709) 896-5393 Fax: (709) 896-8847

### **Conception Bay South**

Tel: (709) 682-9668 Fax: (709) 834-7540

### **Carbonear**

Tel: (709) 682-9696 Fax: (709) 596-3046

### **Stephenville**

Tel: (709) 649-3330 Fax: (709) 643-8571

### **Marystown**

Tel: (709) 277-4088 Fax: (709) 279-3578

### **Clareville**

Tel: (709) 427-56446 Fax: (709) 466-5121

### **Grand Falls-Windsor**

Tel: (709) 486-8065 Fax: (709) 292-1171

### **Deer Lake**

Tel: (709) 636-1021 Fax: (709) 635-1173

## 2. MANDATE

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### Mandate

An official or authoritative command; an order or injunction; a commission; a judicial precept.

### The Assessment Act, 2006

The Province is responsible for the legislation governing the assessment process.

A copy of the legislation can be found from the Office of the Queen's printer or online at

[http://assembly.nl.ca/Legislation/sr/statutes/a18-1.htm#3\\_](http://assembly.nl.ca/Legislation/sr/statutes/a18-1.htm#3_)

*The Assessment Act, 2006* establishes the Municipal Assessment Agency as the entity which provides municipalities their real property assessment service.

2. (a.1) "assessment agency" means the corporation incorporated under the *Corporations Act* to conduct assessments under this Act.

Municipalities in Newfoundland and Labrador which impose a real property tax or a business tax based on property values, use the services of the Agency. The Agency does not serve the City of St. John's which provides its own assessment service.

The Agency is limited by its incorporating documents, (see Appendix B) to the following:

1. Assessment activities as per the revised *Assessment Act, 2006*.
2. Providing and selling
  - a. Information, data and assessment information
  - b. Property inspections
  - c. Valuation services to all levels of the Crown, including municipalities
  - d. Consultation and taxation services

The Municipal Assessment Agency is a "not for profit" entity, with returns used only to further the activities of the Agency on behalf of its clients.

### 3. VALUES

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#### Values

Values are the fundamental principles, which can be described as actions that guide behaviour and decision making.

The Agency has, as its primary focus, the maintenance of positive relations with its clients and the provision of high quality assessment services. With this in mind, we recognize and support the role of the Board of Directors, our senior staff, and our employees in ensuring that the values identified in this Business Plan are fully implemented.

#### **VALUES:**

##### **Unbiased**

We will provide opinions of value without prejudice

##### **Transparent**

We will be responsible for our actions and accountable to the public

##### **Competent**

We will encourage participation in continuing professional development and training at all levels within the Agency

##### **Cooperative**

We will actively seek alternate (client) opinions on our activities and report these opinions to direct our change process

##### **Integrity**

Employees and members of the board will seek appropriate guidance to ensure they perform their duties in an ethical and responsible manner

## 4. LINES of BUSINESS

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### Lines of Business

Lines of business are discrete and coherent sets of programs, services and/or products that represent what the entity delivers to its external clients.

### Property Assessment and Valuation

The Agency has a single line of business - property assessment and valuation, and it is not anticipated that this will change throughout the identified planning cycle. The Agency's line of business is a reflection of our incorporating documents and is summarized as follows:

- Assessment of real property (land, buildings, and other improvements) provided to municipalities that levy a real property tax. This service is provided under the *Assessment Act 2006*, and is provided for a fee which reflects the cost of the service. This activity generates 98% of the Agency's revenues.
- Sale of assessments and assessment related information, primarily through electronic means and within the limitations set by law. The primary clients for this service are realty or financial service providers, as well as private interests. This activity generates the remaining 2% of the Agency's revenues.

## 5. PRIMARY CLIENTS

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The Municipal Assessment Agency identifies its primary clients as those individuals, groups, or organizations who are the principal users and/or beneficiaries of the Agency's line of business, and include the following:

- Municipalities

Municipality is defined in Section 2.(k) of the *Assessment Act, 2006* as follows:

2. (k) "*municipality*" means a town, community or region established or continued under the *Municipalities Act* and includes the City of Corner Brook and the City of Mount Pearl;

Municipalities rely on the Agency to provide independent and accurate assessed values in accordance with the *Assessment Act, 2006*; these values are used by municipalities to distribute the tax burden within the community.

- Ratepayers

Ratepayer refers to those persons or corporations that are assessed by the Agency for property in a client municipality.

Ratepayers expect the Agency to provide values in accordance with the legislation and to support those values. Ratepayers expect the Agency to be responsive to individual circumstances, where such circumstances affect property values.

- Fee for service clients (i.e. mortgage companies, banks, lawyers)

These clients rely on the Agency as a source of assessment information and are expected to pay for the service.

## 6. VISION

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### Vision

A short statement describing the ideal state the Agency is striving to achieve for its clients.

### VISION:

**The vision of the Municipal Assessment Agency is that of a professional organization meeting the property assessment and valuation needs of our clients in an effective and cost-efficient manner.**

Meeting the assessment and valuation needs of our clients is at the core of our vision statement. We understand the importance of constraining the vision statement to be within our means. That is, it should be achievable. At the same time, we understand the importance of having the assessment service we provide tailored to fit the means (and meet the needs) of the municipalities we serve.

## 7. MISSION STATEMENT

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### Mission

An outcome oriented statement which diagrams the vision by answering the questions who, what and why. It is realistic and achievable in six years.

A critical component of any business plan is the mission statement. As part of the development of our plan, the board has been presented with a thorough analysis of the Agency; its strengths and opportunities, its limitations and challenges. We have examined the challenges faced by the Agency in the past and the opportunities we anticipate in the near future. The Agency relies on its fee for service (primarily the fee per parcel) for funding and is aware of the need to control potential increases to keep the costs to our clients as low as possible. The best practices of other assessment jurisdictions have been reviewed and carefully considered to determine where we could achieve improvements to our procedures or outputs. Within our mission, we will seek to improve the understanding of the property tax system, with particular focus on ratepayers, and, through the use of technology, improve our integration with municipalities and contain costs.

### MISSION:

By March 31, 2017, the Municipal Assessment Agency has improved its service delivery to be better able to meet the assessment and valuation needs of its clients.

### Indicator

A particular value or characteristic used to measure activities, outputs or outcomes.

**Measure:** Improved service delivery

### **Indicators:**

- Improved integration with municipalities
- Increased use of technology
- Increased public understanding of the property assessment process
- Controlled the cost per parcel

## 8. ISSUES

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In consideration of the mandate and financial resources of the Agency, we have identified the following areas as the key priorities of the Agency for the next three years. The goals identified for each issue reflect the results expected at the end of the three-year timeframe, while the objectives provide annual benchmarks. Measures and indicators are provided for the goal and first year's objective to assist both the Agency and the public in monitoring and evaluating success. Measures and indicators for years two and three will be identified in subsequent annual reports.

Issue	Description
Use of technology in property assessments	Many new technologies are being utilized in property assessment. New technologies can provide avenues for increased accuracy and efficiency in conducting property assessments. Technology can improve the level of integration between municipalities and the Agency. While many technologies are being used in various assessment jurisdictions around the world, the Agency must carefully consider the cost-benefits of specific technologies to carry out its property assessment and valuation service in our province.
Education and Public Relations	The education of stakeholders, and in particular ratepayers, is critical in achieving the public understanding of the role of the Municipal Assessment Agency in the property assessment and valuation process.

We considered key questions such as how these issues affected our primary clients, and whether or not resolving these issues would provide us with the desired "output", as well as identifying the benefit that addressing these issues would provide to our programs and services. These are all critical questions that get to the very core of what we identified as our mission as an Agency.

## 9. GOALS and OBJECTIVES for 2011 -2014

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### Goal

A goal is a specific statement of the desired results to be achieved over a three-year time frame.

### Objective

A measurable statement or incremental milestone which specifies a change or benefit that the entity hopes to achieve within a one-year time frame as it strives to achieve a specific goal.

### Issue 1: Use of technology in property assessments

#### **Goal:**

**By March 31, 2014, the Municipal Assessment Agency will have increased its use of technology to control the cost per parcel of assessments.**

Measure: increased the use of technology

#### **Indicators:**

- Jurisdictional review completed
- Analyzed technologies
- Selected technologies
- Developed sites/web / support materials
- Acquired technology
- Staff trained

#### **Objective 1:**

By 2012, the Municipal Assessment Agency has conducted a review of the property assessment and support technologies that are in use in other jurisdictions.

Measure: Conducted a jurisdictional review of assessment and assessment support technologies

#### **Indicators:**

- Established criteria for jurisdictional review
- Jurisdictional review report completed
- Analysis of technologies completed

#### **Objective 2:**

By March 31, 2013, the Municipal Assessment Agency has completed a benefit analysis on the technologies applicable to the Agency.

**Objective 3:**

By March 31, 2014, the Municipal Assessment Agency has selected / piloted/implemented preferred technology.

**Issue 2: Education and Public Relations**

**Goal:**

**By March 31, 2014, the Municipal Assessment Agency will have increased stakeholder understanding of the Agency's property assessment process.**

Measure: increased stakeholder understanding of the property assessment process

**Indicators:**

- Established baselines of current levels of understanding
- Identified information gaps and issues
- Developed stakeholder-specific materials
- Developed implementation strategy
- Implemented strategy
- Measured results of strategy

**Objective 1:**

By March 31, 2012, the Municipal Assessment Agency has established baselines of stakeholder(s) understanding.

Measure: Established baseline of stakeholders understanding

**Indicators:**

- Identified stakeholder groupings
- Developed survey methodology to target specific stakeholders
- Surveyed stakeholders to establish baselines
- Identified information gaps/needs



**Objective 2:**

By March 31, 2013, the Municipal Assessment Agency has implemented a strategy to improve stakeholder understanding.

**Objective 3:**

By March 31, 2014, the Municipal Assessment Agency has evaluated its strategy for improved stakeholder understanding of the Agency's role in the property assessment process.

## APPENDIX A: Mandate

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### *Assessment Act, 2006*

#### **Definitions**

2. In this Act

(b) "agency" means the corporation incorporated under the Corporations Act to conduct, in municipalities, assessments under this Act;

(c) "assess" means to value real property for tax purposes, and "assessment" has a corresponding meaning;

#### **Assessment of property**

3. (1) Where a tax is imposed on real property by the city or a council, all the real property in the city or a municipality, whether or not it is subject to taxation, shall be assessed in accordance with this Act, but if the real property is not assessed the failure to assess that real property does not affect the validity of the assessment of the remaining real property in the city or a municipality.

(2) Real property shall be assessed as either

a) commercial property;

b) residential property; or

c) partly residential and partly commercial property.

(3) Where a building is erected on land under lease, licence or permit that building may for the purpose of this Act be assessed as real property separate from the land.

## APPENDIX B: Corporate Schedules

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### SCHEDULE "A"

#### RESTRICTIONS ON ACTIVITIES OF MUNICIPAL ASSESSMENT AGENCY INC.

The Corporation is established for the following purposes and shall restrict itself to such activities as in its opinion, directly or indirectly, furthers such purposes:

1. The primary role of the Corporation is to carry out assessment activities pursuant to the *Assessment Act*, RSN 2006, c. A-18.
2. The Corporation may also engage in:
  - (1) providing and selling information, data and assessment valuation information;
  - (2) providing property inspection services;
  - (3) providing assessment and valuation services to provincial and federal government departments, Crown agencies, corporations and municipal corporations as defined by the *City of St. John's Act*, RSN 1990 c. C-17, the *City of Mount Pearl Act*, RSN 1990 c. C-16, the *City of Corner Brook Act*, RSN 1990 c. C-15 and the *Municipalities Act*; RSN 1990 c. M-23.
  - (4) providing assessment related taxation services to provincial and federal government departments, Crown agencies, Crown corporations and municipal corporations as defined by the said *City of St. John's Act*, the *City of Mount Pearl Act*, the *City of Corner Brook Act* and the *Municipalities Act*; and
  - (5) providing consulting and or taxation related assessment services.

## **SCHEDULE "B"**

### **SHARE CAPITAL AND DISTRIBUTION OF CORPORATE PROPERTY OF MUNICIPAL ASSESSMENT AGENCY**

1. The Corporation is authorized to issue a single common share with a par value of \$1.00 to the person occupying the office of the Minister of Municipal Affairs, Government of Newfoundland and Labrador at the date of incorporation.
2. The share held by the aforesaid Minister shall be transferred to his successor and thereafter to successor incumbents.
3. The share shall bear upon its face a restriction stating that such share is held for the incumbent the Honourable the Minister.
4. The Corporation is not authorized to issue any other shares.
5. Any profits or other accretions to the Corporation are to be used only in furthering its undertaking.

## APPENDIX C: Financial

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