

The 911 service allows individuals to dial one three digit number to access any emergency services including medical, fire and police. Without the 911 service, an individual would have to either know or find the applicable emergency number and dial up to eleven digits to access these services.

Newfoundland and Labrador is the only Atlantic Province without Province-wide coverage for land based 911 emergency response services. Currently, only 40% of the Province's population and less than 10% of communities on the island portion of the Province have access to this 911 service. Furthermore, there is no land based 911 service in Labrador.

The 911 services currently operating in the Province are "basic" 911 services. In contrast, the other Atlantic Provinces have "enhanced" 911 services which use the telephone number of the calling party to capture information related to the location of the emergency. This is particularly significant where the caller's ability to communicate is impaired.

Without a 911 service, individuals can experience delays in contacting the appropriate emergency service since they have to either know or find the emergency number and dial up to eleven digits to contact emergency services in their area. There is an added risk for the traveling public who may not be aware that there is no land based Province-wide 911 service.

## **2.20 Municipal Assessment Agency**

The Municipal Assessment Agency, a Crown-owned agency created in 1997, is the only source of residential and commercial property assessment services for 230 municipalities which levy property taxes. The exception is the City of St. John's, which performs its own assessments.

The Agency performs assessments on the following types of properties: approximately 122,000 residential, approximately 35,000 vacant land parcels, approximately 12,500 commercial/industrial and approximately 6,400 other properties. Mass appraisal techniques are used to assist in valuing properties. Mass appraisal provides that

properties with similar characteristics and circumstances are valued similarly. The Agency charges an annual fee to municipalities for assessment services.

The Agency is not assessing property values in a timely, complete and consistent manner. As a result, municipalities may not be receiving the most accurate and complete assessed property values to ensure they maximize their revenues.

We examined several aspects of the Agency's property assessment process, as well as its expenditures, and reached the following conclusions.

### *Property Assessment issues*

According to the Agency's database at the time of our review, nearly half of the 20,055 properties sold during the period 2002 to 2005 were never inspected. It is important that these sales inspections be completed to assist in ensuring that the three year revaluations, which rely on market information, are accurate.

Contrary to policy, approximately 74% of inspections did not include an interior inspection of the property. A contributing factor to this situation is that there is no follow-up if the property owner is not home.

Staff at the Agency indicated that, as a result of the lack of guidance provided to assessors, there are inconsistencies in the completion of assessment forms. Therefore, properties are not always valued on a consistent and uniform basis.

The *Assessment Act* requires that all properties be visited for inspection at least once every 10 years. This portion of the *Act* became effective in 1998; therefore the Agency has until 2008 to ensure that all properties have been visited in 10 years. In accordance with the Agency's Data Tracking policy, these visits are exclusive of visits required for other purposes. To satisfy the requirements of this policy, the Agency has a plan in place to inspect 10% of properties each year, starting alphabetically by street in each municipality.

However, supplementary inspections and appeals inspections take precedence over the 10 year visits.

As the Agency has approximately 176,000 properties that would require inspection, it has inspected only 6% of the properties in 2005 instead of its target of 10%. Not achieving this target in any given year increases the risk that all properties will not be inspected by 2008 as required.

In addition to the review performed by assessment staff, the Agency also uses accepted statistical measures to determine whether assessed market values are accurate. When the Agency applied these statistical measures to the 49 municipalities in the Province which had sufficient property sales to apply the measures, it was revealed that:

- 5 municipalities had poor assessment quality;
- 4 municipalities lacked good appraisal uniformity in properties with similar characteristics; and
- 29 municipalities had high value properties under-appraised.

The Agency runs annual exception reports to identify database anomalies. For example, in December 2003, 3,243 anomalies were identified while in December 2004, 7,627 anomalies were identified. There was no indication, during our review, that these anomalies were being addressed.

### *Expenditure issues*

Although the Agency has adopted Government's travel policy, we found instances of non-compliance. For example, during the period May 2003 to January 2005, we found:

- airfare and meals for spouses of Board members and employees, totalling \$1,930 was claimed;

- “business lunches” totalling \$301 were claimed when only Agency officials were present;
- expenses exceeded allowable limits by \$982 for meal per diems; and
- meal per diems totalling \$348 were claimed when meals were already provided.

In 2003, without the use of an objective means of evaluation such as the Province's *Consultant's Guidelines*, the Agency selected a consultant to design and implement a new management structure. Officials indicated that the consultant was selected as a result of previous work. This consultant received a total of \$81,000.

Other instances of expenditures which were not consistent with Government policy included:

- Golf fees for staff and Board -\$907;
- Liquor for Board conferences and staff golf functions -\$505;
- Christmas dinners for Board (including spouses) -\$3,952; and
- Christmas luncheons for staff -\$305.

## **2.21 Vacant/Surplus Properties and Unused Space**

The Department of Transportation and Works is responsible for managing and maintaining approximately 653,000 square metres of floor space in 900 Government-owned buildings and properties, including vacant/surplus properties and unused space.

The vacant/surplus properties inventory per region as at 31 March 2005 comprises 62 buildings within 27 sites. This inventory includes 5 buildings not classified as vacant but which have a significant amount of unused space. The estimated value of this space, were it to be replaced today, is over \$183 million.