

# Grateful & Resilient

Property Valuation Services Corporation (PVSC)  
Annual Report

April 1, 2020 - March 31, 2021

# Property Valuation Services Corporation

## **Property Valuation Services**

**Corporation** (PVSC) is an award-winning, independent, not-for-profit organization that provides property assessment services and information to Nova Scotia municipalities and property owners.

Local governments fund the organization and use our assessed values to establish their municipal tax rates which fund important local services and infrastructure and build communities.

Our work makes a difference.

*This year, we focused on finding and sharing gratitude, in spite of - or perhaps because of - difficult circumstances.*

*We demonstrated our resilience and our commitment to caring for ourselves and others through a million moments and heartfelt actions.*

*The images and quotes you'll see throughout this report are snapshots of our lives and our collective story over the past year.*

# Table of Contents

- 04 PVSC Leadership
- 06 PVSC Board of Directors
- 08 Year in Review
- 12 Strategic Direction
- 13 Business Plan
- 14 Services
- 16 Stakeholder Outreach
- 18 Performance
- 29 Community Involvement
- 30 PVSC Awards
- 31 Health, Safety & Wellness
- 33 Management Discussion & Analysis
- 41 Audited Financial Statements

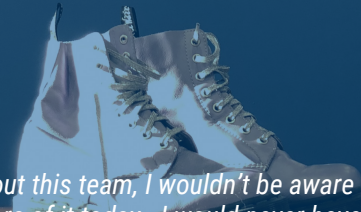


thanks!

*"With these crazy uncertain times we are going through, it is refreshing to see and hear the positive side of things, and that our company, PVSC, cares. And not just about the company and ourselves, but care about our communities as a whole and, in particular our, most isolated and vulnerable." ~ Melvin*



Property Valuation Services  
Corporation



*"I am grateful because without this team, I wouldn't be aware of gratitude the way I am aware of it today. I would never have practiced meditation, mindfulness nor Yoga. I am proud to belong to the PVSC team." ~ Debbie*

# PVSC Leadership

On behalf of the Board of Directors, it gives me great pleasure to present the 2020-21 Annual Report for Property Valuation Services Corporation (PVSC).

The past year has been without precedent in our lifetimes. Around the world, across the country, and here in Nova Scotia, the pandemic forced us to change the way we live and the way we work. PVSC's team embraced those challenges wholeheartedly.

The organization's existing work from home model provided a seamless transition when COVID-19 forced the provincial government to lock down the economy. The PVSC team was able to continue its work virtually, while also addressing the new obstacles, threats, and complications of a pandemic.

Despite these challenges, the PVSC team connected more than ever with customers and other key stakeholders during the assessment process. There were meetings, analyses, and collaborations with local, national, and international partners.

Rather than doing things as they have always been done, PVSC once again proved its worth through innovative thinking, professional expertise and analysis, and a commitment to delivering the best possible mass appraisal for the municipalities and property owners of Nova Scotia. At the same time, PVSC remained committed to minimizing annual increases to municipal funding. For 2020-21, there was a one percent increase, after seven consecutive years with no rise.

As Chair, I want to thank my Board colleagues for their dedication and insight this past year and acknowledge the work and vision of our municipal governments across this province for their role in guiding Nova Scotians through this historically trying year.

Greg Keefe  
Chair, PVSC Board of Directors





# PVSC Leadership



As a society, the past year has been one we would all like to forget – long months filled with suffering, anxiety, and hardship. We are all looking forward to the better days ahead. And yet, as an organization, this past year has been one we should all remember.

We should remember how – as a team – we chose to face COVID with resilience, humanity, and professionalism. As this annual report shows, the PVSC team put our corporate virtues into action every day of the year.

Despite lockdowns and uncertainty, we did whatever we had to do to build an assessment roll that was accurate, open, and stable. We used our established work from home model to carry on our work without a hitch. And for much of the year, despite not being able to meet in person, we connected more than ever before with our key stakeholders, with new audiences, and with each other.

We were able to use our advances in technology, our organizational strengths and systems, and our team culture to work together in delivering the assessment roll for the people we serve. It was heartening, as well, to have other organizations and jurisdictions reach out to us for our insights and our guidebook for working from home.

We also should remember this year as a time when we were there for each other as an organization, recognizing the strains on our mental and physical health, and doing our very best to help our colleagues and our communities. This annual report has all kinds of examples of that spirit in action and I encourage you to take the time to read a bit about them.

On behalf of everyone at PVSC, I want to thank our municipal customers who rely on us and support us in the important work we do for Nova Scotia's property owners. Our team and our province have persevered this past year, despite the challenges. We can all remember those shared values of good will and community as we look ahead to brighter days and new challenges.

Kathy Gillis  
PVSC Chief Executive Officer

# PVSC Board of Directors

PVSC was created by the *Property Valuation Services Corporation Act* on April 1, 2007.

We are governed by a Board of Directors and led by CEO Kathy Gillis.

A strong, strategic Board is critical to achieving our goals and guiding the direction of the organization.



**Greg Keefe**, Board Chair  
Independent Director



**Joseph Feeney**, Vice Chair  
Councillor, Town of Mahone Bay



**Doug Boyd**  
Independent Director



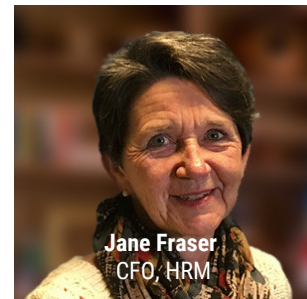
**Darren Bruckschwaiger**  
Councillor, CBRM



**Mike Dolter**  
CAO, Town of Truro



**Chuck Faulkner**  
Independent Director



**Jane Fraser**  
CFO, HRM



**Clifford Hood**  
Councillor, Town of Yarmouth



**Jimmy McAlpine**  
Warden, District of Digby



**Bobby McNeil**  
Independent Director



**Connie Nolan**  
(Past) CAO, East Hants



**Juanita Spencer**  
CEO, NSFM



# PVSC Board of Directors

## Board Composition:

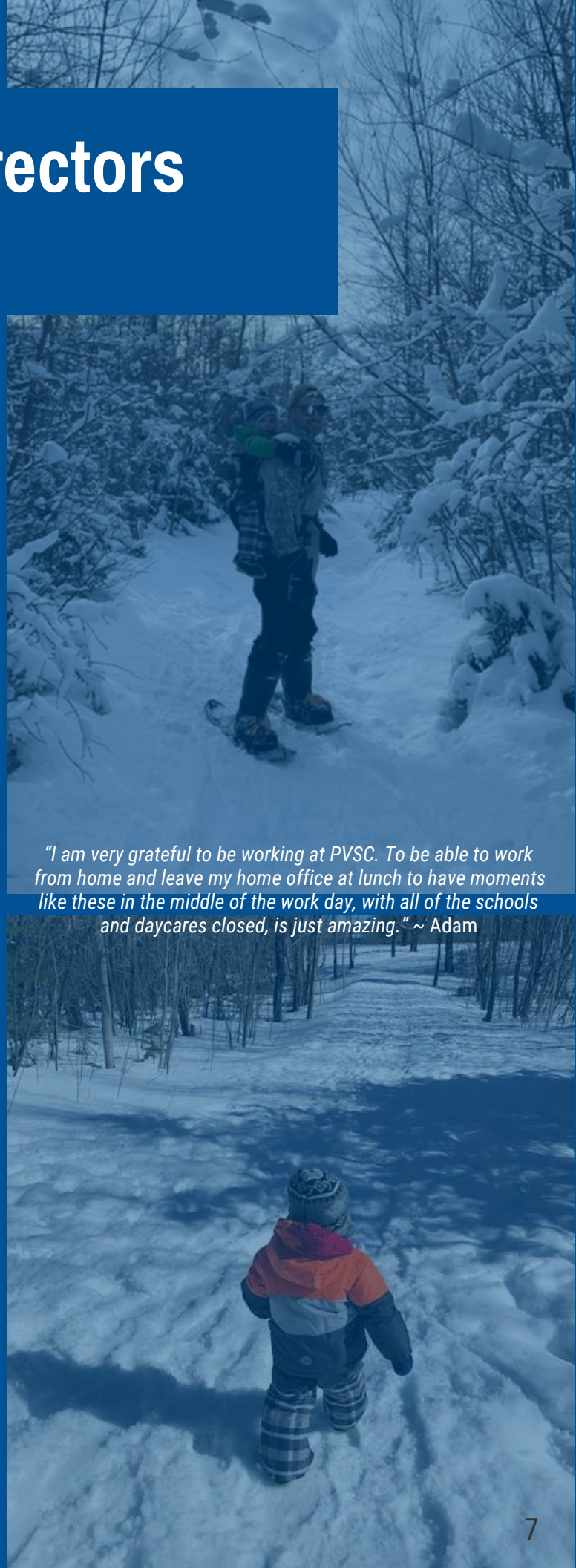
- Three municipal councillors
- At least two, not more than three members with municipal experience
- At least four, not more than five independent members
- The CEO of the Nova Scotia Federation of Municipalities (NSFM) as a non-voting member

## Board Committees:

- Governance and Human Resources
- Audit, Risk and Finance
- Strategy and Stakeholder Relations

## Board Responsibilities:

- Establish a long-term strategic plan
- Create multi-year operational and capital budgets
- Appoint a CEO
- Maintain relationships
- Encourage partnership opportunities
- Report to the NSFM at its annual meeting
- Ensure the completion of external financial and quality audits
- File an annual report, and
- Establish a memorandum of understanding with municipal clients



*"I am very grateful to be working at PVSC. To be able to work from home and leave my home office at lunch to have moments like these in the middle of the work day, with all of the schools and daycares closed, is just amazing." ~ Adam*

# Year in Review Highlights

This year brought new uncertainties and challenges, driving us to find new ways to serve our clients and stakeholders in an unprecedented time.

We also focused on our team's health and wellness, our families, our communities, and our commitment to excellence for our clients. By reaching out to help others, we learned, adapted, and grew even more resilient and connected as a corporate team, and as a trusted, professional organization for our clients.

## ***We have an unwavering commitment of service to our clients:***

We acted quickly and decisively to protect the health and safety of our staff, clients and communities while maintaining our core operations and services.

We continued to work while respecting public health guidelines by switching to no-contact curbside inspections when necessary and installing secure drop boxes outside our offices. We adjusted our reassessment timeline to prepare for potential delays or disruptions due to COVID-19.

We connected and collaborated with our stakeholders to identify and discuss challenges and worked with the International Property Tax Institute (IPTI) to investigate approaches and best practices from across Canada and around the world.

We continued to share information on common issues, including COVID-19 impacts, with other Canadian assessment jurisdictions through the Canadian Assessment Centre of Excellence (CACE).

We increased our municipal funding requirement by **one percent** for 2020-21, after **seven consecutive years** with no increases.



# Year in Review: Highlights

## *We are focused on results and confident in the quality of our product, people and methods:*

We received the International Association of Assessing Officers (IAAO) 2020 **Distinguished Assessment Jurisdiction Award** for our innovative work with machine learning.

Our machine learning experience was featured in the Winter 2021 issue of the University of Toronto's Rotman School of Management Magazine, and although in-person conferences were a casualty of the pandemic, we spoke about machine learning's prospects for property assessment at the virtual GIS/Val-Tech conference in March 2021.

We helped the Department of Municipal Affairs (DMA) provide orientations for new and returning municipal Councillors, Mayors and Wardens.

In the early days of the pandemic, we shared our "Guide to Effective Remote Work" with the New Brunswick government, Nova Scotia Federation of Municipalities (NSFM), EfficiencyOne and Nova Scotia municipalities.

We used our data science expertise to analyze COVID-19 market impacts in real time, comparing monthly residential sales volumes and prices against what we expected from past trends.

We led an international pilot project to explore the applicability of using machine learning to predict property assessment in the Netherlands. We built ten machine learning models to test different inputs and determine an optimal model. The results showed that machine learning is a viable tool for mass appraisal in the Netherlands, predicting values that reflect the market and meet all industry standards.

# Year in Review Highlights

## GET OFFLINE & enjoy summer

This is it - the 20th & last issue of PVSC Together, Apart for this summer

"Being able to work from home is not only helping to keep people safe from COVID-19, it is also providing a daily stability for people to carry on." ~ Mike



"This whole experience of working from home and reducing outside contact has in fact had a positive, reverse effect... our team is having daily Skype coffee breaks now – sharing what's going on in people's lives, how they're feeling, what's going on in the world, and... a lot of laughter." ~ Sheila

## PVSC Together, Apart

March 2021

"I am proud to belong to an organization that respects the importance of our team... that respect enables us to effectively perform our duties with pride and professionalism. Even though we are now all physically separated, I believe our team has grown stronger." ~ Chris

### *PVSC supports us and we support each other:*

Our Joint Health, Safety and Wellness Committee reviewed and approved COVID-19 protocols for our offices, property inspections and appeal hearings.

We were ready and equipped to continue working in lockdown, and we provided additional support with enhanced internal communication and flexibility for staff with children home from school and other family needs.

We continued to hold team meetings by video to keep us feeling connected, and scheduled video coffee breaks to relax, chat and relieve stress together. Our CEO connected regularly with us via email and virtual team meetings.

We published **26 editions** of the "PVSC Together, Apart" newsletter to share our stories and strategies for coping with pandemic restrictions and stress.

We hosted virtual "Gratitude at Work" sessions with leadership mentor Steve Foran and provided free, online mental fitness training courses for staff.

We hosted a virtual staff event in June, and virtual team get-togethers in December, and we sent holiday care packages to each staff member. Our Service Centre Team created and shared a PVSC Christmas Book of recipes, memories and traditions.

# Year in Review Highlights

## *We are part of something bigger:*

We organized a “PVSC Cares” network of volunteers across the province willing to help deliver groceries, medication, and other essential items to those who needed help.

We sold **72 surplus laptops** to PVSC staff and donated the proceeds from those sales, along with **98 laptops, 20 monitors** and **20 desktop computers** to Computers for Schools NS.

We raised **\$17,000** for Shelter Nova Scotia through staff and corporate donations, and many PVSC staff members independently purchased items from the Shelter NS Christmas Care and Comfort Wish List as gifts for those in need.

PVSC staff participated, on their own time, in three local hackathons, expanding their skills, and contributing important ideas and innovations.

A team of PVSC and EfficiencyOne staff won the 2021 HalifACT Climate Action Hackathon with an interactive **“ECOMmunity” game app** designed to reward individual climate action, create friendly competition, and spur investment while collecting important data for further climate action and incentives.



*Geoff delivering our donation of laptops, desktops and monitors to Computers for School Nova Scotia.*



*“Even with the pandemic, we’re continuing to knit for the homeless with donated yarn.” ~ Serena*



# 2017 - 2020 Strategic Direction

From 2017-2020, we focused on continuing to improve our core functions while exploring new opportunities to provide high quality property assessment and information services. We continue to plan for the future and set our sights on excellence – for our clients and our organization.

**Vision:** To be a leading provider of property assessment services, delivering trusted information and expertise that helps strengthen local governments and communities worldwide.

**Mission:** We provide essential, world-class property assessment services that enable our clients to make sound decisions.

## **Virtues:**

**Working with you – we understand it's a privilege.** That means we have an unwavering commitment of service to our clients. We listen to and act on their needs and we take nothing for granted. We are not entitled to our clients' trust; we earn it.

**There is only one chance.** Every impression counts at PVSC. We are proven experts in the field of mass appraisal, and we are confident in the quality of our product, our people and our methods. We are focused on results and getting the job done right the first time. We are the best at what we do.

**We all move our business forward.** We are talented and we are doing the work we love. PVSC supports us and we support each other by engaging, challenging and inspiring. We never stop learning and we are passionate about improving ourselves, and our product, every day.

**Proud to do our part.** We are part of something bigger. With gratitude, we look for opportunities to give back to the neighbourhoods and communities we live in and those we don't. Because the world is full of neighbours we just haven't met yet.

**The power of one.** Leadership is not a position; it is about one life influencing another. At PVSC, we believe in discovering the finest in ourselves and sharing it with others, using our influence to inspire, regardless of the title we hold in the company. We enjoy working with great people, who happen to share a passion for this business.



# 2020-21 Business Plan

Through the stress and uncertainty of this year, we focused on providing even better service and more certainty to our clients. We rooted ourselves in what we do best – providing high quality, accurate property assessments – and worked to anticipate, adapt to and manage the unknowns.

## **Operational Effectiveness and Efficiency:**

Deliver a high quality, accurate and timely 2021 Assessment Roll, supported by processes that reflect this unparalleled time and follow PVSC's legislated mandate and valuation principles.

Continue to leverage our existing technologies such as MobileAssessor and machine learning to create efficiencies within the core property assessment processes.

## **People:**

Maintain effective occupational health, safety and wellness practices to ensure the health and safety of PVSC employees are paramount.

Continue activities in workforce development, succession planning and organizational design to support current and future organizational priorities and impacts.

## **Systems:**

Implement cyber security improvements in areas that depend on IT systems and services.

Monitor and be prepared for emerging issues and external factors that could disrupt critical systems (iasWorld, ADP, Sage) that impact business continuity and core operational processes.

## **Fiscal Duty:**

As part of our prudent financial management, continue to generate revenue by offering services through CACE and machine learning expertise.

# PVSC Services: Assessment Roll

Each year we deliver an Assessment Roll to every municipality in Nova Scotia and over 630,000 Property Assessment Notices to property owners.

We fulfill our legislative mandate and service level agreements and seek opportunities to consistently add value for our clients.

Total Assessment Value:

**\$114.6 Billion**

NS Property Accounts:

**634,350**

2021 Assessment Roll Activity:

14,000 Permits

41,000 Sales

6,500  
Appeals in 2020

29,500 Inquiries  
in 2020

Residential Assessment Value



**\$89.9 Billion (Up 3.59%)**

600,056 accounts

**\$82.5 Billion with CAP**

Commercial Assessment Value



**\$24.8 Billion (Up 0.75%)**

34,294 accounts

# PVSC Services: Shared Services

## PDX (Permit Data Exchange)

**13,650**  
permits sent to PVSC

**47/49**  
municipalities connected



## SAI (Single Address Initiative)



**86%**

## datazONE (Open Data Portal)

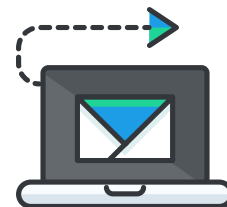


Most popular dataset accessed

**3,619**  
times

## eDelivery Service

**16**  
users  
**24,608**  
subscribers



**PDX (Permit Data Exchange)** is an online permit and inspection data repository and permit tracking system for municipalities and PVSC, with a mobile app that allows building officials to capture permit and inspection data in real time on handheld devices.

**datazONE** is a single source open data portal for municipal and assessment data used to inform planning and decision-making and reduce the need for manually compiled reports.

**SAI (Single Address Initiative)** is an address validation and sharing service that uses Canada Post verification software to validate mailing addresses in real time and reduce undeliverable assessments and tax bills.

**epost™** is a Canada Post service that gives customers the option to receive property assessment notices, municipal tax bills and utility bills online.

# Stakeholder Outreach

When the pandemic hit, we challenged our assumptions and usual roadmap for valuation. It wasn't enough to simply say "*that's how we've always done it*", so we deliberately connected, collaborated, communicated and built capacity with our stakeholders.

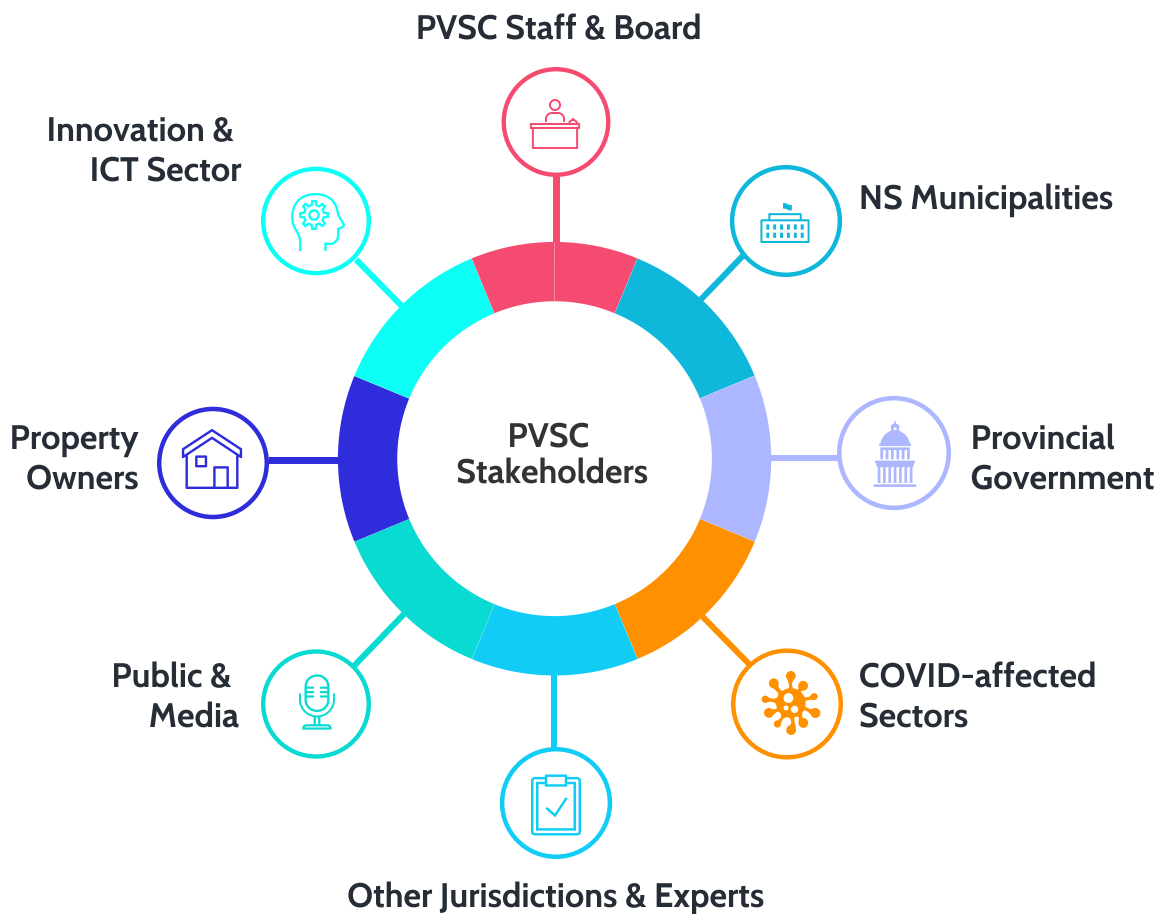
- We considered all approaches before charting our course for 2021 Assessment, and we worked with the International Property Tax Institute (IPTI) and consulted with other assessment jurisdictions through the Canadian Assessment Centre of Excellence (CACE) to identify and discuss best practices.
- We reached out to hard-hit sectors, like tourism and accommodations operators, to understand their challenges and maintain an open dialogue. We met with our municipal and provincial government partners, including the Association of Municipal Administrators NS (AMA), the NS Federation of Municipalities (NSFM), the Department of Municipal Affairs, the Department of Business and the Province's Tourism Stabilization and Revitalization Committee.
- We contacted every municipality prior to releasing the 2021 Assessment Roll and presented to **13 municipal councils** after the Roll release to explain and discuss assessments and trends in their area. We reminded property owners to check their assessment notices and contact us with questions through a social media kit shared by **21 municipalities** through **38 posts** on their websites and social media feeds.

We evaluated and adapted to developing situations and risks daily. We prepared contingency plans for disruptions to our 'normal' operations and used our data scientists to monitor markets in real time, predicting market activity based on past trends and evaluating actual sales as they occurred.

In the end, we held firm to the stability and defensibility of our legislative mandate. We based our decisions on data, evidence, experience, and best practices to avoid the unintended consequences of arbitrary or rushed measures.



# Stakeholder Outreach



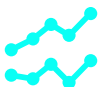
Presented to AMA Board & contacted all 49 NS municipalities



Presented to 13 municipal Councils, NSFMB Board & provincial departments



Collaborated with IPTI & other jurisdictions to share information & best practices



Monitored COVID-19 market impacts in real time with our data science expertise



Reminded property owners to check their notices with 38 social media posts shared by 21 municipalities



Reached out to hard-hit sectors to understand their challenges and maintain an open dialogue



# Performance

*"I have always appreciated quilts but I have been too intimidated to make them. With COVID I had the time to try something new and I am so glad I did." ~ Charlene*

Despite the stresses and strains of the COVID-19 pandemic, we remained focused on leading our industry and delivering critical stability and value for our clients.

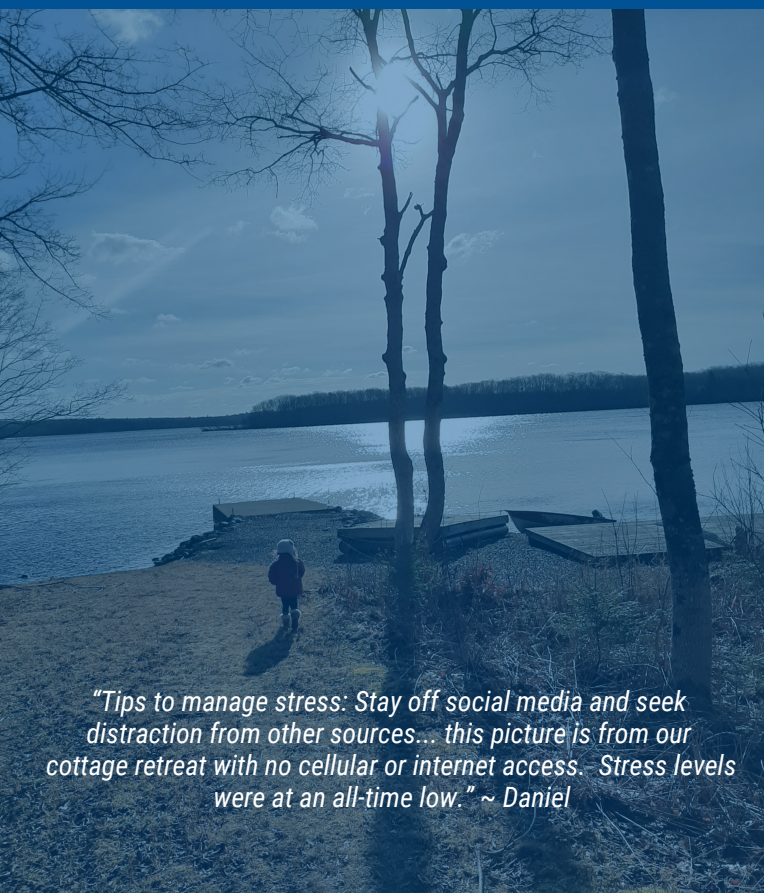
Our memorandum of understanding (MOU) with the Province of Nova Scotia requires that we report quality standards by municipality and audited financial statements of the corporation on an annual basis.

In addition to our legislative requirements, and as part of our desire to provide meaningful performance measurements to our stakeholders, our internal performance scorecard also includes customer measures, organizational learning measures and financial measures.

## Appeals and Adjustments

In 2020, we received **6,640 appeals** accounting for approximately **\$5.6 billion** of assessment.

After the appeal process concluded, the Assessment Roll was adjusted downward by **\$171,680,400** which represents **0.15%** of the total Assessment Roll value.



*"Tips to manage stress: Stay off social media and seek distraction from other sources... this picture is from our cottage retreat with no cellular or internet access. Stress levels were at an all-time low." ~ Daniel*



# Performance: Quality Standard Measures

## Quality Standard Measures

Our annual Ratio Study statistically measures market value assessment accuracy, uniformity and fairness in compliance with Section 42 of the *Nova Scotia Assessment Act* and mass appraisal acceptance criteria set by the International Association of Assessing Officers (IAAO).

A set of statistics called a Ratio Study are used to evaluate the quality of mass appraisal values on the Assessment Roll. The ratio study measures both the accuracy and fairness of the Roll by calculating and analyzing the assessment to sale price ratios.

Ratio Study results are published in the PVSC Roll Quality Report prepared for the Nova Scotia Department of Municipal Affairs (DMA).


## Market Value Accuracy

Market value accuracy is measured by mean assessment to sale ratio (Mean ASR), weighted mean assessment to sale ratio (W Mean ASR) and median assessment to sale ratio (Median ASR).

The IAAO standard acceptance criteria for Median ASR is between 90% and 110%. **The 2021 Assessment Roll achieved an overall Median ASR of 97% for the province as a whole.**

## Market Value Uniformity

Market value uniformity is measured by coefficient of dispersion (COD), price related differential (PRD) and price related bias (PRB).



*"I feel incredibly fortunate to have had a lunch time walk today. Little wind and late March sun gave reason to pause and remember the good things in life. We have so much to be thankful for. Take care, everyone, as we navigate through these difficult times." ~ Elaine*

## **Nova Scotia Assessment Act 42(1)**

*All property shall be assessed at its market value, such value being the amount which in the opinion of the assessor would be paid if it were sold on a date prescribed by the Director in the open market by a willing seller to a willing buyer, but in forming his opinion the assessor shall have regard to the assessment of other properties in the municipality so as to ensure that, subject to Section 45A, taxation falls in a uniform manner upon all residential and resource property and in a uniform manner on all commercial property in the municipality.*

# Performance: Quality Standard Measures

The IAAO standard acceptance criteria is less than 20% for COD, between 98% and 103% for PRD and between -10% and 10% for PRB. **The 2021 Assessment Roll achieved an overall COD of 8%, an overall PRD of 1.01 and an overall PRB of 0.0% for the province as a whole.**

## General Level of Assessment

The IAAO recommends the median ASR be used to report the General Level of Assessment (GLA). The GLA measures the extent to which assessments meet the market value standard. PVSC reports the GLA by municipality for both residential/resource and commercial properties.

**Based on the results of the Ratio Study, it is PVSC's opinion that the 2021 Assessment Roll values meet and comply with our legislative mandate and industry standards.**

For the 2021 Ratio Study, a commercial GLA has been calculated for seven municipalities. The remaining 42 municipalities have fewer than 11 sales. As recommended by the International Property Tax Institute (IPTI) the GLA for these municipalities is deemed to be 100% as municipalities with fewer than 11 sales have insufficient information to reliably calculate a GLA.

*\* In the appeal setting, the uniformity measure within the valuation standard set out in the Nova Scotia Assessment Act is established, pursuant to the Act and case law from Nova Scotia courts, to be the General Level of Assessment (GLA). Accordingly, PVSC annual reports the Residential/Resource and Commercial GLA for each municipality. PRB and COD are not calculated at the municipal level in areas where there is not a statistically sufficient number of sales.*

*\* The International Property Tax Institute (IPTI) recommends that in cases where there are fewer than 11 qualified sales for use in analysis for either the residential/resource or commercial assessment roll in a municipality for a given year, there is insufficient data to reliably calculate General Level Statistics. For the purpose of GLA reporting herein, for municipalities with fewer than 11 qualified sales respecting either the Residential/Resource or Commercial assessment rolls, the General Level Statistics are reported as deemed 100%, the practice of which has previously been accepted before the Nova Scotia Utility and Review Board (NSUARB) in the appeal setting.*



# Performance: Residential GLA by Municipality

Municipality	Sales	COD	PRB	GLA	Municipality	Sales	COD	PRB	GLA
County of Annapolis	443	12%	0.0%	96%	Town of Berwick	43	6%	3.0%	97%
Town of Annapolis Royal	22	7%	3.0%	95%	Town of Kentville	117	4%	0.0%	96%
District of Digby	179	8%	0.0%	96%	Town of Wolfville	86	6%	0.0%	97%
Town of Digby	37	5%	-1.0%	100%	District of Chester	270	12%	1.0%	97%
Town of Middleton	33	7%	-6.0%	100%	District of Lunenburg	569	7%	-1.0%	98%
County of Antigonish	239	12%	-2.0%	97%	Town of Bridgewater	198	4%	-1.0%	100%
Town of Antigonish	57	4%	-2.0%	98%	Town of Lunenburg	48	8%	-2.0%	96%
District of Guysborough	66	5%	-2.0%	100%	Town of Mahone Bay	34	5%	0.0%	98%
Town of Mulgrave	0			100%	County of Pictou	416	10%	1.0%	96%
District of St. Mary's	50	5%	0.0%	100%	Town of New Glasgow	162	11%	-1.0%	100%
CBRM	1,058	6%	0.0%	98%	Town of Pictou	49	4%	0.0%	97%
County of Colchester	639	11%	1.0%	96%	Town of Stellarton	62	3%	0.0%	98%
Town of Truro	204	6%	0.0%	98%	Town of Trenton	44	7%	-1.0%	99%
Town of Stewiacke	39	13%	-1.0%	100%	Town of Westville	59	12%	-2.0%	100%
County of Cumberland	413	18%	1.0%	96%	District of Barrington	104	7%	-1.0%	98%
Town of Amherst	142	8%	-1.0%	98%	Town of Clark's Harbour	13	7%	1.0%	99%
Town of Oxford	20	8%	-7.0%	100%	Region of Queens	276	13%	-1.0%	101%
HRM	7,412	5%	0.0%	97%	Town of Lockeport	10			100%
District of East Hants	430	10%	0.0%	97%	District of Shelburne	114	12%	-3.0%	100%
District of West Hants	360	8%	-1.0%	99%	Town of Shelburne	24	3%	0.0%	100%
County of Inverness	221	8%	-1.0%	97%	District of Argyle	117	10%	-2.0%	99%
Town of Port Hawkesbury	42	3%	0.0%	100%	District of Clare	206	19%	-3.0%	100%
County of Richmond	201	7%	0.0%	98%	District of Yarmouth	159	8%	0.0%	98%
County of Victoria	125	12%	-1.0%	96%	Town of Yarmouth	83	5%	-2.0%	100%
County of Kings	893	7%	0.0%	96%					

# Performance: Commercial GLA by Municipality

Municipality	Sales	COD	PRB	GLA	Municipality	Sales	COD	PRB	GLA
County of Annapolis	7			100%	Town of Berwick	3			100%
Town of Annapolis Royal	2			100%	Town of Kentville	9			100%
District of Digby	3			100%	Town of Wolfville	1			100%
Town of Digby	5			100%	District of Chester	6			100%
Town of Middleton	4			100%	District of Lunenburg	6			100%
County of Antigonish	7			100%	Town of Bridgewater	9			100%
Town of Antigonish	5			100%	Town of Lunenburg	2			100%
District of Guysborough	2			100%	Town of Mahone Bay	1			100%
Town of Mulgrave	0			100%	County of Pictou	7			100%
District of St. Mary's	1			100%	Town of New Glasgow	9			100%
CBRM	46	9%	2.0%	99%	Town of Pictou	2			100%
County of Colchester	12	7%	-2.0%	100%	Town of Stellarton	8			100%
Town of Truro	13	5%	-1.0%	100%	Town of Trenton	1			100%
Town of Stewiacke	2			100%	Town of Westville	2			100%
County of Cumberland	5			100%	District of Barrington	2			100%
Town of Amherst	4			100%	Town of Clark's Harbour	0			100%
Town of Oxford	0			100%	Region of Queens	8			100%
HRM	127	11%	0.0%	93%	Town of Lockeport	0			100%
District of East Hants	7			100%	District of Shelburne	3			100%
District of West Hants	15	13%	2.0%	100%	Town of Shelburne	6			100%
County of Inverness	5			100%	District of Argyle	1			100%
Town of Port Hawkesbury	3			100%	District of Clare	8			100%
County of Richmond	5			100%	District of Yarmouth	5			100%
County of Victoria	6			100%	Town of Yarmouth	13	12%	-9.0%	102%
County of Kings	15	8%	-3.0%	98%					

# Performance: Service Level Agreements

In 2018, we developed a Service Level Agreement (SLA) with Nova Scotia municipalities to clarify the services we administer and deliver, demonstrate our commitment to quality service and facilitate open communication.

**Delivery of Annual Assessment Roll:** We committed to provide a copy of the annual Assessment Roll and addendum file to each municipality every year, and to receive acknowledgement of delivery via signed Certificates of Director.

We posted the 2020-21 Assessment Roll on our secure FTP (file transfer protocol) site on **December 30, 2021**. We received signed Certificates of Director from **all 49 municipalities**.

**Assessment Roll Quality:** We committed to complete a comprehensive ratio study to assess the quality of the Assessment Roll in accordance with standards established by the IAAO.

The 2020-21 Roll Quality Report was submitted to the Department of Municipal Affairs (DMA) on **December 22, 2020** and key statistics are included on pages 19 to 22 of this Report.

*The dandelion season may be over but I wanted to share my recipe. Have to say the jelly is very tasty. Similar taste to honey but is sweet and tart at the same time. Makes for a delicious piece of toast" ~ Mona*



# Performance: Service Level Agreements

**Annual Report Delivery:** We committed to publish an Annual Report outlining our performance, activities, and the findings of our Roll Quality Report and audited financial statements.

This Annual Report will be sent to municipalities in July 2021, following approval by our Board of Directors, and posted on our website at [www.pvsc.ca](http://www.pvsc.ca).

**Assessment Appeal Management and Notification of Assessment Account Changes:** We committed to provide a mechanism for property owners and municipalities to appeal for wrongful insertion on the Roll, omission from the Roll, valuation or classification, to keep all parties informed through the appeal process and to inform municipalities of assessment account changes that affect property owners.

We posted 2020-21 reports, including all changes to assessment accounts, on our secure FTP site:

- Daily (filed Roll changes and confirmation)
- Monthly (appeal reports)
- Quarterly (Roll summary with in-year changes)
- Annually (Provincial appeal totals)

**Financial Notification and Payment Processing:** We committed to provide municipalities with accurate and timely invoicing and payment processing.

We distributed invoices to municipalities, sent notification emails to each Chief Administrative Officer, and received payment for the 2020-21 fiscal year from all municipalities.



*"COVID self isolation update. One of my painting projects is complete. This is the view from Lockeport Beach to Gull Island.  
~ Paul*



*"Happy Friday everyone, from Thelma." ~ Rod*

# Performance: Customer Measures

We typically conduct two surveys each year to give us insight into our customers' experiences and inform our client service and communications decisions.

## 2020 Appeal Process Survey

Each fall, we survey property owners who appealed their property assessment.

In 2020, we surveyed **426 appellants**, representing 376 residential appeals, 28 commercial appeals and 22 appeals involving both a residential and commercial property.

### Survey Respondents

77%

First time filing an appeal on this property

52%

Contacted PVSC before appealing

96%

Instructions for filing appeal were clear & easy to follow

### Website Ratings



44% Visited [www.pvsc.ca](http://www.pvsc.ca)



74% Viewed "My Property Report"



64% "My Property Report" was useful

### Assessor Ratings

89%



Professional & friendly

81%



Willing to listen

78%



Answered questions

74%



Fair & objective

72%



Explained property value



# Performance: Customer Measures

## 2021 Inquiry and Appeal Period Survey

Each spring, we survey property owners who contacted PVSC during the 31-day Inquiry and Appeal Period after Assessment Notices are mailed.

In 2021, we surveyed **399** property owners that contacted PVSC between January 11 and February 11, 2021.

### Survey Responses & Website Ratings

75%

First time contacting PVSC

48%

Satisfied with info on PVSC website

62%

Visited

[www.pvsc.ca](http://www.pvsc.ca)

### Service Centre Ratings

94%



Professional & friendly

95%



Willing to listen

96%



Treated call as important

96%



Answered questions

### Assessor Ratings

92%



Professional & friendly

88%



Willing to listen

84%



Treated call as important

81%



Answered questions

81%



Fair & objective



# Performance: Learning Measures

## **Staff Training and Certification**

Investing in staff professional development and growth enables our team to meet and exceed our stakeholders' needs and positions PVSC for ongoing success.

Training and development opportunities were limited by the COVID-19 pandemic, so we re-directed those funds to provide Gratitude at Work training for all staff and group grief counselling sessions with our Employee and Family Assistance Program (EFAP) provider in the wake of the mass shooting in April 2020.

## **Assessor Designations**

We are proud to support the professional certification of our employees. Their achievements are a testament to years of hard work, dedication and professionalism, and the reason that PVSC is a leader in our industry.

Congratulations to **Daniel Belliveau** for achieving his AACI (Accredited Appraiser Canadian Institute) designation this year.

*"They say there are no gardening mistakes, only experiments., and that's how I approach my garden... have fun and don't be afraid to try new things. The worst that can happen is it won't grow." ~ Jeff*



# Performance: Financial Measures

In addition to our audited financial statements, we also evaluate other financial indicators for a clearer understanding of our operations.

## Cost per Account

This standard measure, calculated by dividing our total organizational costs by the total number of accounts in Nova Scotia, provides an average estimated cost to assess a single property account. We compare our cost per account to the national average for assessment jurisdictions and strive to be below the national average.

The national average for 2020 was \$38.98 per account and our cost was **\$27.16 per account** for 2020 and **\$27.57 per account** for 2021.

## Defensive Interval

This measure reflects how long PVSC could operate if no additional funds were received. Our target is to be able to operate for 1 - 3 months.

In 2020 we had a defensive interval of **3.9 months** and in 2021 we had a defensive interval of **5.18 months**.

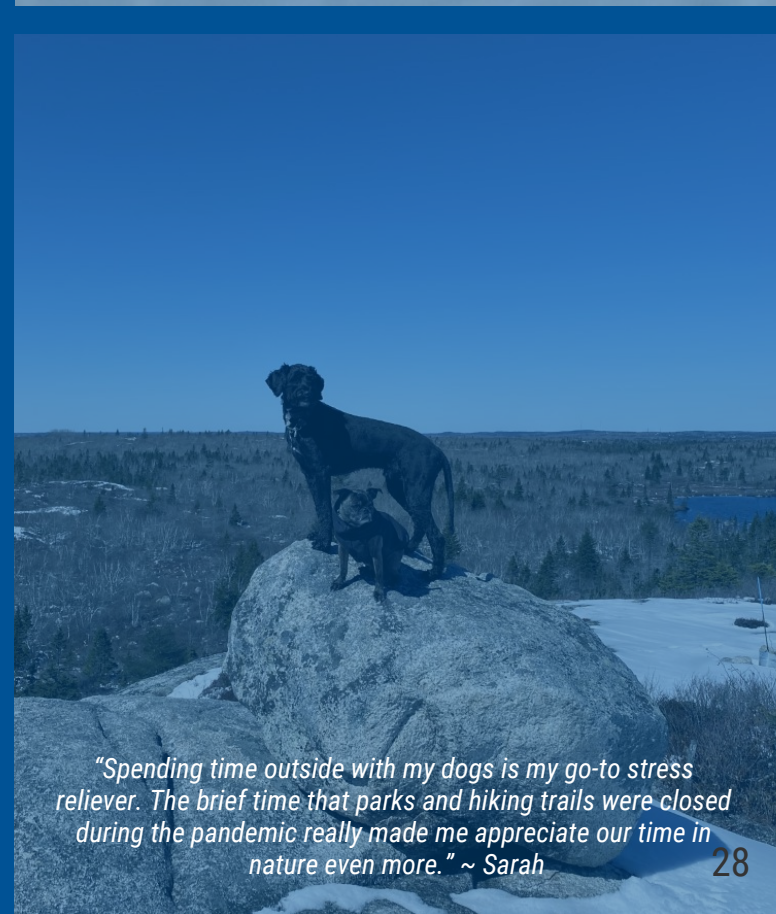
## Liquidity Ratio

This measure reflects PVSC's current assets compared to its current liabilities.

Our 2020 liquidity ratio was **2.62** and our 2021 liquidity ratio was **3.87**, with the value of our short-term assets exceeding our short-term liabilities.



*"This puzzle was a 2019 Christmas gift that I couldn't find the time to start. Well I guess I have the time now." ~ Trudy*



*"Spending time outside with my dogs is my go-to stress reliever. The brief time that parks and hiking trails were closed during the pandemic really made me appreciate our time in nature even more." ~ Sarah*

# Community Involvement

We believe that supporting, engaging with and giving back to our communities is essential, during both good times and bad. Each year, we select a non-profit and gather donations through payroll deductions, casual dress days, fundraising events and corporate contributions.

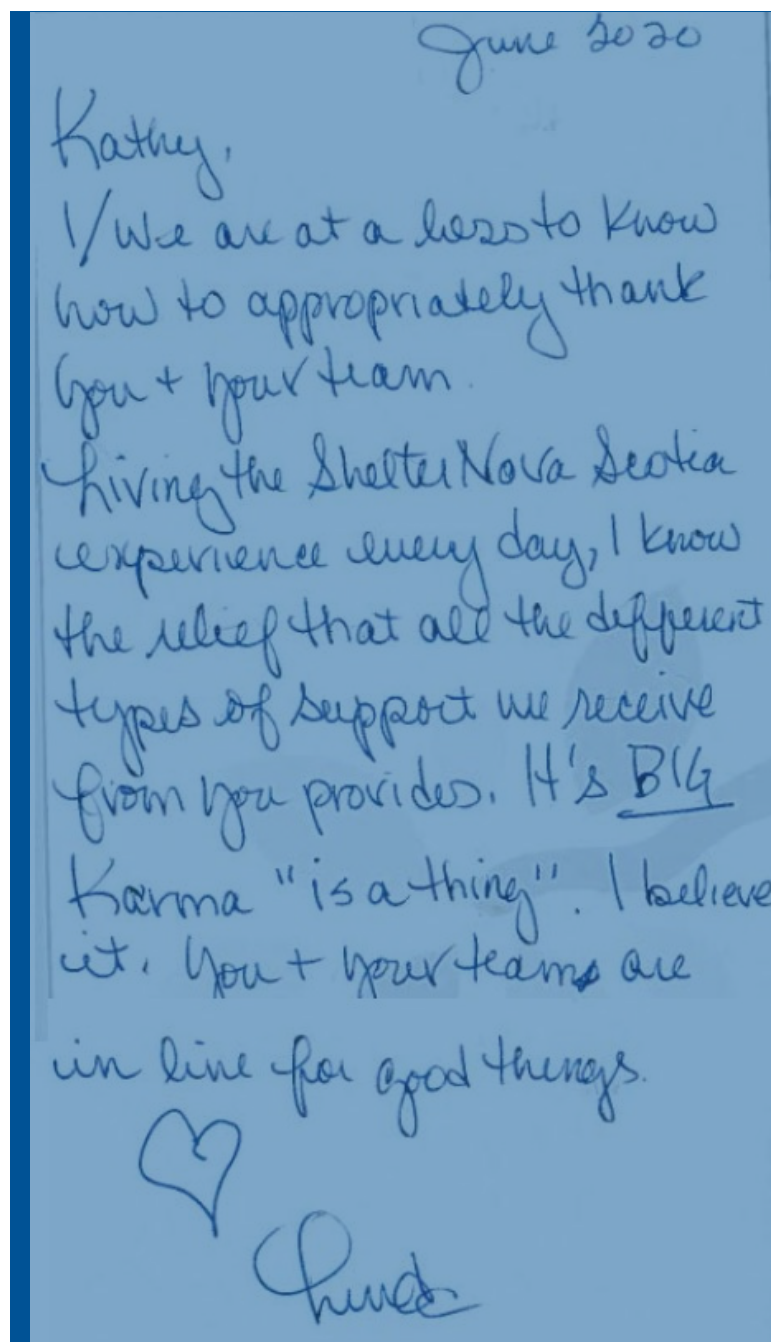
This year, we donated **\$17,000** to Shelter Nova Scotia.

Shelter Nova Scotia supports people in times of crisis and transition through residential, trustee and outreach programs. They operate six facilities in HRM, providing a night of rest to **106 people each night** and support to a hundred more, 365 days a year.

They also offer far more than shelter. Their client and housing support workers collaborate with mental health and addiction services to support **1,300 people annually**.

Shelter Nova Scotia's facilities and community support programs include:

- Two emergency shelters, two community residential facilities, an affordable, supportive apartment complex and living environment,
- A Community Trust Program providing financial literacy and support to over 200 people, and
- A Housing Support Program providing one-on-one support for people moving from shelter to the community.



Note from Linda Wilson, Shelter NS CEO



# PVSC Awards

PVSC is staffed by approximately 120 employees across Nova Scotia, governed by a Board of Directors and led by CEO Kathy Gillis and a corporate executive team.

We are proud to work with passionate, dedicated teammates who bring creativity and caring to all aspects of our business.

## **PVSC Awards**

PVSC Awards recognize and celebrate the employees who make our corporation stronger by exemplifying our virtues each and every day. Nominations are submitted each year by staff and managers, and winners are selected by staff, managers, the corporate executive team, our CEO and/or our Board of Directors.

The **Our Privilege Award** was presented to **Aseneth McGrath** for building purposeful and strategic relationships, creating opportunities that further our business, understanding the importance of our clients and seeking ways to improve our relationships with them every day.

The **One Chance Award** was presented to **Shannon Peterson** for exemplary commitment to quality, problem-solving, productivity, communication, innovation, sustainability, and collaboration.

The **Proud to Do Our Part Award** was presented to **all PVSC staff** for exhibiting leadership in global awareness, understanding, and collaboration with individuals/groups of diverse cultures, religions, lifestyles and economic and social realities in a spirit of mutual respect and open dialogue.

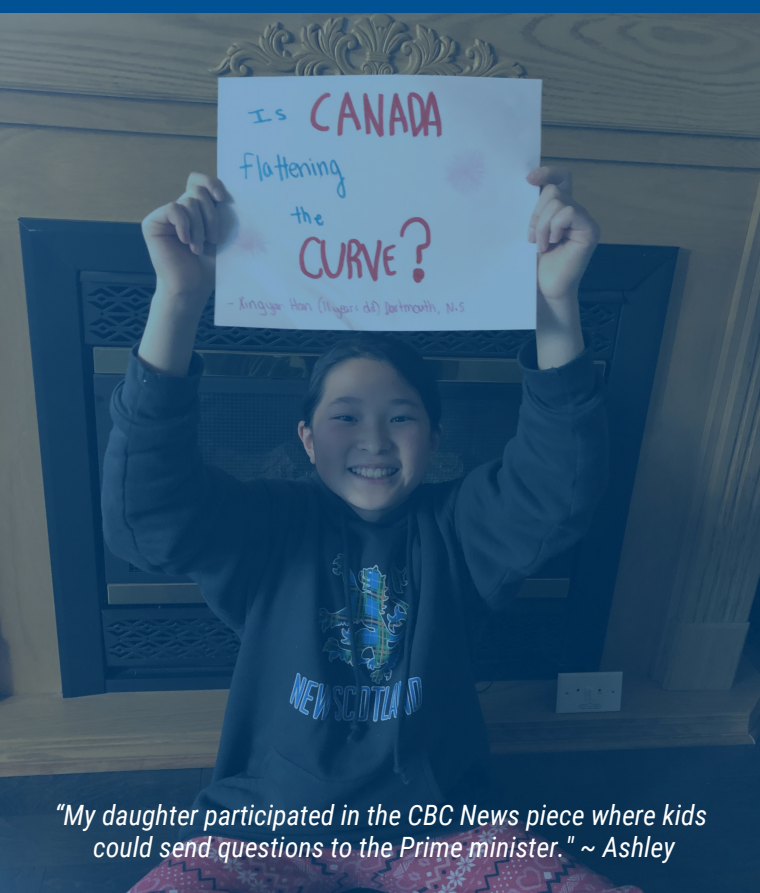
The **Power of One Award** was presented to **Josh Smith** for demonstrating leadership regarding of role or position, positively influencing others, and displaying genuine intentions, active mindfulness and understanding of their impact.

The **Business Forward Award** was presented to **Ken McKinnon** for actively seeking opportunities to develop himself and support others by engaging, challenging, and inspiring; for never ceasing to learn and for being passionate about continuously improving himself and our products.

# Health, Safety and Wellness



*"The kids are loving it and it's how I am coping with crazy COVID... my grandkids keep me young and laughing!" ~ Debbie*



*"My daughter participated in the CBC News piece where kids could send questions to the Prime minister." ~ Ashley*

Our Joint Occupational Health, Safety and Wellness Committee is committed to moving our business forward through action, engagement and advocacy to lead and influence a culture committed to health, safety and wellness in the workplace.

## 2020-21 Committee Goals:

Proactively prepare for and respond to COVID-19 impacts by:

- Monitoring public health guidance and considering business impacts,
- Implementing protocols to protect the health and safety of PVSC staff, clients and communities, and
- Responding quickly to the emerging needs of PVSC staff.

Continue to build a culture committed to health and wellness by:

- Encouraging and practicing mindfulness and gratitude, and
- Connecting and supporting staff through the stress of COVID-19 and other events.

Continue to build the committee framework by:

- Attracting caring, hard-working staff to represent the employer and employees,
- Utilizing technology to enhance our product for staff, and
- Providing training for new committee members.



# Health, Safety & Wellness

## 2020-21 Committee Achievements:

- Elected new co-chairs and welcomed a new committee member,
- Met at least once per quarter,
- Addressed five workplace incidents,
- Reviewed and approved phased “Reopening Our Doors” COVID-19 protocols for: Curbside Inspections (Phase 1), Returning to the Office (Phase 2), Property Inspections (Phase 3) and In-Person NSAAT Hearings (Phase 4),
- Completed comprehensive risk assessments and provided recommendations for each of the five PVSC offices,
- Sent safety kits to each PVSC office and all field staff with disposable and reusable masks, hand sanitizer and disinfecting spray,
- Provided online training for committee members through Safety Nova Scotia, and
- Received 100% compliance for fire extinguisher and office safety inspections each month and quarter.



*"We started a garden this year and are super excited. We're putting it in the ground this weekend." ~ Ashley L.*



# Management Discussion & Analysis

PVSC is a not-for-profit corporation funded by Nova Scotia's municipalities.

We take our legislative mandate and our commitment to fiscal prudence and financial responsibility seriously, and we work hard to deliver the highest possible value to our clients.

## **Management Discussion and Analysis**

The following Management Discussion and Analysis should be read in conjunction with PVSC's audited financial statements and accompanying notes for the financial year that ended March 31, 2021.

The financial statements have received an unqualified opinion from PVSC's external auditors. The financial information that is provided in this discussion and analysis was prepared in accordance with current Canadian Generally Accepted Accounting Principles as recommended by the Chartered Professional Accountants of Canada (CPA Canada).

## **Financial Reporting Framework**

PVSC's financial reporting framework is in accordance with the Accounting Standards for not-for profit organizations (ASNPO) which are in Part III of the Chartered Professional Accountants of Canada (CPA Canada) Handbook. Not-for-profit organizations who report under Part III of the CPA Canada Handbook are also required to follow Part II of the CPA Handbook – Accounting Standards for Private Enterprises, for those areas that are not addressed in Part III of the Handbook.

PVSC's financial statements are a consolidation of the corporation's operating fund and restricted reserve funds established by the Board of Directors.

## **Funding Requirements**

The corporation's funding requirements for the provision of assessment services are apportioned to each municipality using a funding formula specified by the *Property Valuation Services Corporation Act* (Section 35(4)). The formula reflects the proportionate relationship of the average of an individual municipality's total assessed values and total property counts as compared to all of Nova Scotia.



# Management Discussion & Analysis

The municipal funding requirement for the financial year-ended March 31, 2021 was **one percent** higher than the previous year. Prior to this, the corporation spent **seven consecutive years** with no increase in municipal funding, keeping in line with PVSC's budget strategy and commitment to minimize annual increases to municipal funding.

The corporation also has non-municipal revenue sources that include cost recovery on data exchange agreements, other service agreements, interest, and investment income.

## Restricted Reserves and Fund Balances

The corporation's strategic plan determines the priorities set in the annual operational plans and budgets. The financial budgets, operational plans and capital plans are focused on equipping the corporation with the people, resources and productive capacity needed to achieve the organization's strategy, and on being responsive and flexible to changes in the operating environment. PVSC develops its operational plans and budgets with the objective of achieving key strategic objectives, while being financially prudent and fiscally responsible in managing its resources.

PVSC's main financial commitments relate to the following:

- Funding ongoing operations to meet PVSC's legislated mandate: to provide assessment and related property information services for municipalities and the province
- Funding liabilities for future employee benefits for non-pension and post-retirement plans
- Funding technology advancement requirements and maintaining existing capital infrastructure
- Maintaining an adequate contingency reserve to meet unforeseen budgetary requirements

The corporation maintains the the Technology Advancement Reserve, Contingency Reserve, Special Operating Reserve, and Unrealized Post Retirement Gains Reserve to meet the above financial commitments.

The corporation's net assets include its Restricted Capital Asset Fund which accounts for the acquisitions, revenues and amortization related to capital assets. The Corporation's main capital assets include the Computer Assisted Mass Appraisal (CAMA) system, internally developed capitalized strategic projects such as the Permit Data Exchange, IT hardware, and other tangible assets. As of March 31, 2021, the net book value of capital assets was **\$1.10 million** (2020: **\$1.68 million**).

# Management Discussion & Analysis



*"This is a simple quarantine project we did for our fur babies, Stryker and Oscar. Brackets and shelves from Ikea, Velcro to keep the carpet on and make it removable to replace or clean."*

*~ Abigail*

## **Technology Advancement Reserve:**

- Established to finance technology enhancements, innovation, large-scale renewal of the corporation's existing IT infrastructure and organizational development in support of the strategic plan.
- Balance of **\$2.27 million** as at March 31, 2021.

## **Contingency Reserve:**

- Internally restricted reserve set aside by the Board in the event of unforeseen expenditures and/ or revenue interruptions.
- Capped at a level adequate to fund **30 days** operating expenses.

## **Special Operating Reserve:**

- Accumulates operating surpluses or budget savings that have been internally restricted by the Board of Directors to be used for budget cost stabilization and to meet specific financial requirements in accordance with the corporation's strategic priorities, operating expenses or specific financial requirements in future years.

## **Unrealized Post Retirement Gains Reserve:**

- Internally restricted reserve relating to unrealized gains on restricted post retirement funds due to fluctuations in the market value of financial instruments held in the post retirement investment portfolio.

# Management Discussion & Analysis

## Analysis of the Operating Fund

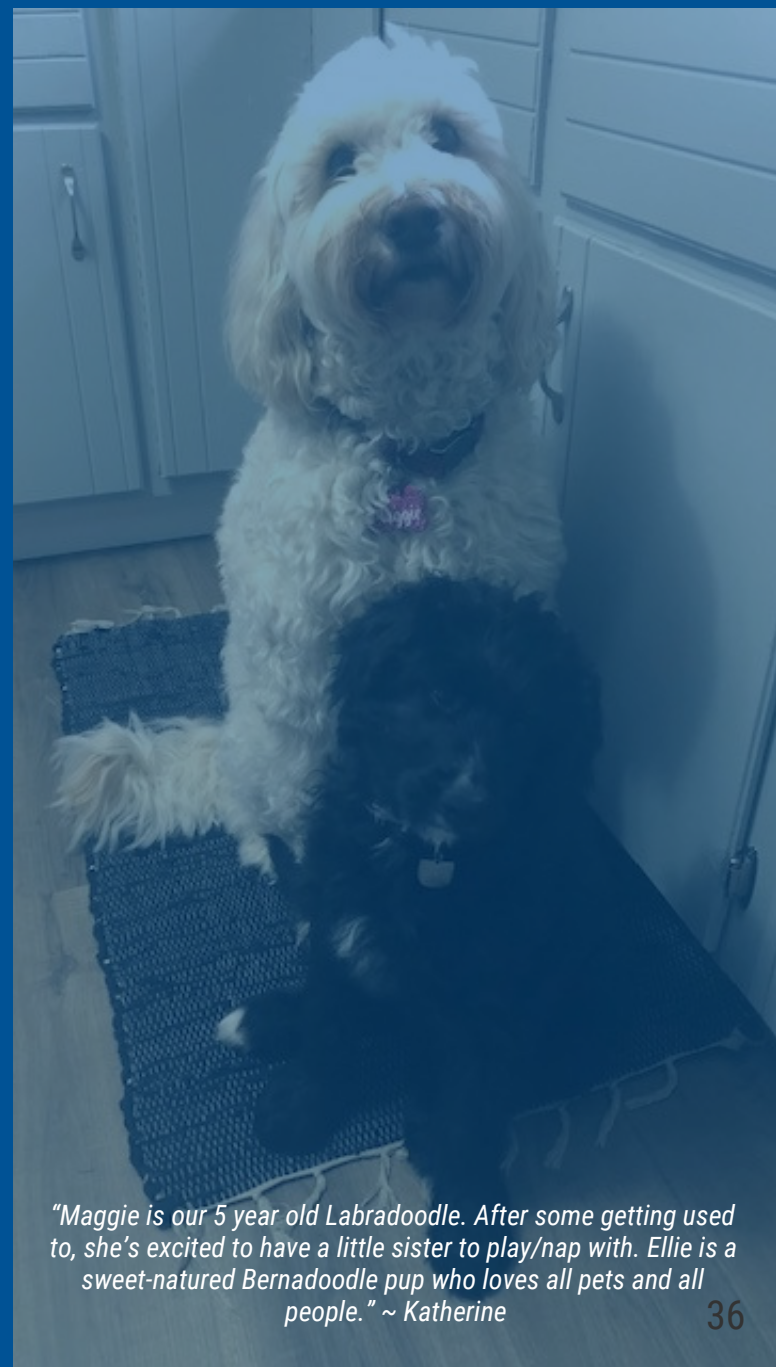
The municipal revenues for the financial year ended March 31, 2021 of **\$17,872,336** represent the budget approved for billing to municipal members for their respective portion of costs for the provision of assessment and related services. The billed budget was developed and approved by the Board on a break-even basis for the Operating Fund.

Budgeted expenses that relate to the provision of assessment and related property information services to municipalities were billed using the cost recovery formula stated in the *Property Valuation Services Corporation Act*. The billed budget includes amounts transferred to the Capital Asset Fund for acquisition of new assets but does not include amortization on capital assets.

The Operating Fund includes cost recovery revenues and expenses relating to contracts outside delivery of assessment services to the municipalities of Nova Scotia. During the financial year, PVSC realized higher cost recovery revenues than budgeted, due to the provision of assessment-related services to clients who are not members of the corporation. The corporation has maintained an ongoing budget strategy of minimizing the municipal funding required to finance its operations by leveraging operational efficiencies, technology, and other process improvements.



"This is what happens to me during COVID lockdowns when I can't go anywhere or travel - 6 new guitars and 2 amps acquired in a span of 14 months!" ~ Emily

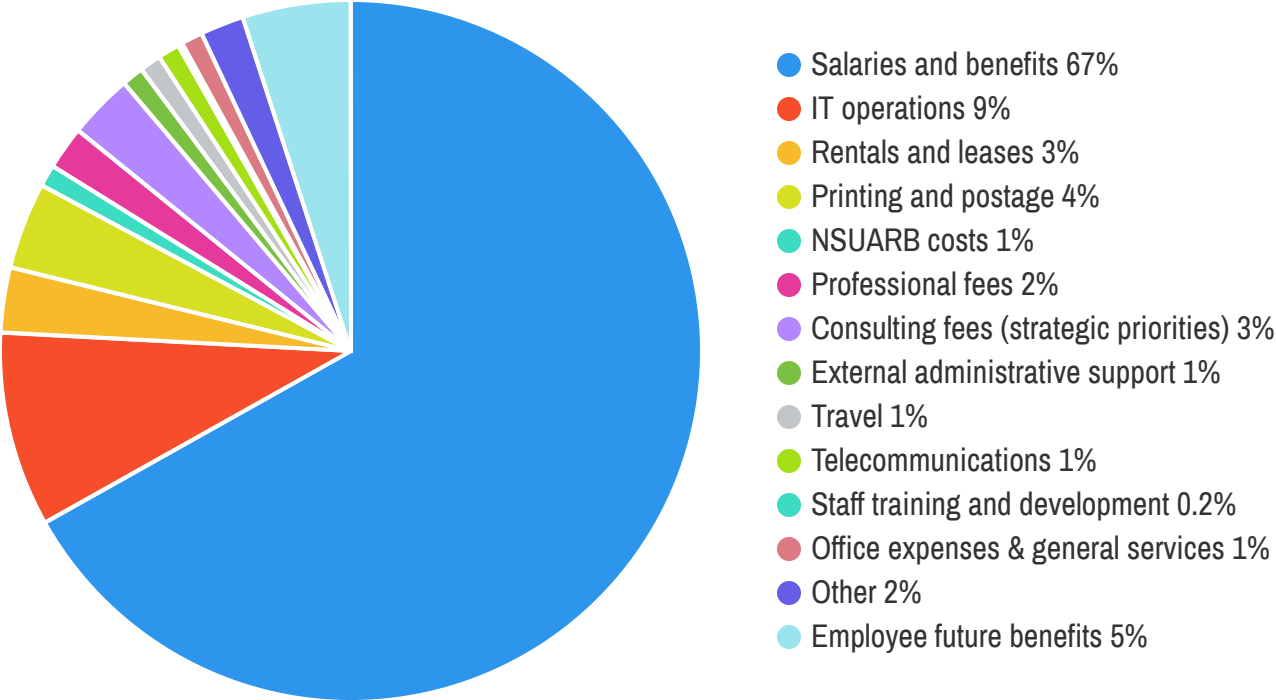


"Maggie is our 5 year old Labradoodle. After some getting used to, she's excited to have a little sister to play/nap with. Ellie is a sweet-natured Bernadoodle pup who loves all pets and all people." ~ Katherine

# Management Discussion & Analysis

The company's actual total expenses on the Operating Fund for 2021 were **\$17,259,118** (2020: **\$16,527,269**).

A summary of the major expense categories is as follows:



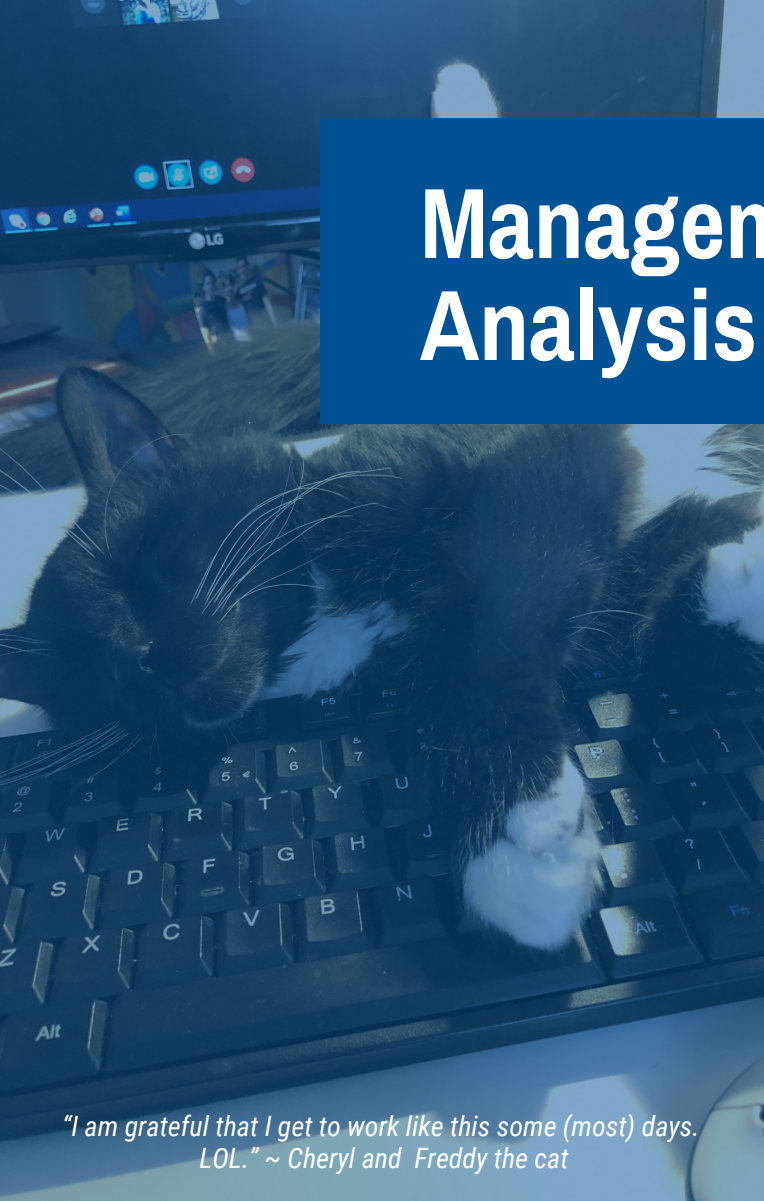


# Management Discussion & Analysis

The corporation had a net transfer of **\$1.1 million** from the Operating Fund to the Special Operating Reserve. This transfer will be utilized to reduce and stabilize future municipal billings as per the PVSC budget practices. This positive balance was driven by the following major financial impacts:

- Impacts from the COVID-19 pandemic caused the organization to revisit its plans for the fiscal year with consideration due to potential impact to municipal revenue streams and uncertainty related to municipal operations. PVSC saw significant impacts to operational categories such as travel, training, office and general expenses and meeting expense due largely to lockdowns and office closures over the year. The organization made decisions to undertake work to strengthen its ability to deliver on its mandated mission by improving IT infrastructure and engaging experts to look at potential assessment impacts due to the effects of the pandemic.
- PVSC undertook a review of its staffing requirements and revised its staffing for the fiscal year resulting in the bulk of its savings. PVSC also saw further savings in the year due to the combined impact of in-year departures and leave due to illness and retirements.
- Costs associated with maintaining Post Employment Benefits for retirees totalled **\$798,341**, exceeding budget by **\$555,341**. Total cost includes annual service cost of **\$209,138** and actuarial revaluation adjustments (losses) of **\$589,202**. Year over year volatility was driven mainly by changes in interest rate actuarial assumptions. In calculating the present value of the corporation's future financial obligations under this plan, the Actuary uses interest rates based on underlying market bond yields. As these interest rates decreased, the value of the financial obligation increased. Actuarial valuations are completed on an accounting valuation basis in compliance with Section 3462 of the CPA Canada Handbook. The corporation completes full actuarial valuations once every three years. In the years between full valuations, actuarial review and extrapolation techniques are used to estimate and update the obligation balances on an annual basis.
- Nova Scotia Utility and Review Board costs associated with assessment appeals incurred in 2021 were **\$219,110** (2020: **\$296,319**).

# Management Discussion & Analysis



*"I am grateful that I get to work like this some (most) days. LOL." ~ Cheryl and Freddy the cat*



*"I love painting – it certainly keeps me busy over this pandemic." ~ Marie*

## Salaries and Benefits

**\$11,599,660** (2020: **\$11,861,662**)

The year over year change in salaries and benefits includes required annual increases under PVSC's Collective Agreement and negotiated adjustments under the approved pay scales.

Budgeted salaries and benefits for the financial year ended March 31, 2021 were **\$12,637,800**. Expenditures for the year were **notably less than budget** due to the combined impact of unfilled staff vacancies, staff retirements, and ongoing management of staff leaves.

Salaries and benefits include employee pensions. The corporation's employees are covered under the defined benefit Nova Scotia Public Service Superannuation Plan (PSSP).

The Province of Nova Scotia administers the defined benefit pension plan and the corporation reimburses the Province for the pension costs related to the corporation's proportionate share of the employees covered under the plan.

PVSC accounts for pension expenses in the period when the corporation is obligated to make payments for services rendered by employees.



# Management Discussion & Analysis

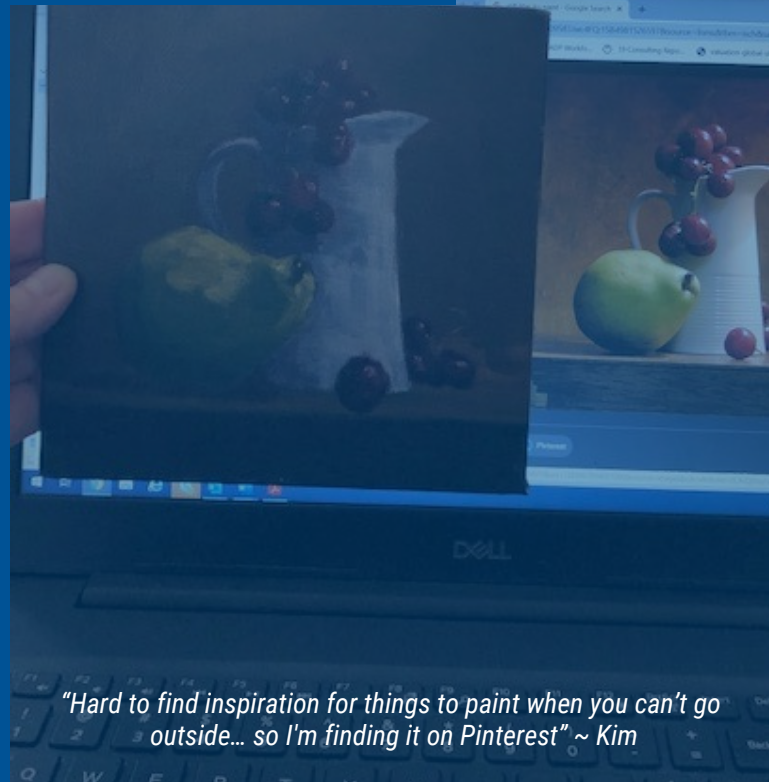
## Conclusion

It has been a challenging and uncertain year for the corporation, but PVSC successfully delivered on its mandate while maintaining fiscal responsibility and flexibility.

The 2020-2021 fiscal year saw COVID-19 significantly impact many planned activities. Fortunately, earlier investments made by PVSC with respect to moving to a work from home model, Pictometry and new technology impacts (Mobile Assessor and Machine Learning) led to cost savings.

PVSC closed the financial year-ended March 31, 2021 with a strong financial performance and a positive transfer of **\$1.1 million** to the Special Operating Reserve, which accounts for accumulated operating surpluses and budget savings. The corporation met the funding obligations to deliver its core assessment services, fund future employee obligations, and maintain restricted reserve funds.

PVSC is expecting further impacts of COVID-19 on its operations in 2022; as part of PVSC's regular budgeting process the corporation will review its reserves to help stabilize future budgets and minimize the funding requirements of municipalities.



*"Hard to find inspiration for things to paint when you can't go outside... so I'm finding it on Pinterest" ~ Kim*



*"We're all digging through our freezers and pantries trying to find something different to make in an effort to maintain sanity. I say this is a prime time to get fancy and move the "I really ought to try that" list onto the weekly meal plan." ~ Philip*





Consolidated Financial Statements

Property Valuation Services Corporation

March 31, 2021

# Contents

	<b>Page</b>
Independent auditor's report	1-2
Consolidated statement of operations	3
Consolidated statement of financial position	4
Consolidated statement of changes in net assets	5
Consolidated statement of cash flows	6
Notes to the consolidated financial statements	7-15
Statement of operations and changes in fund balance	
Operating Fund	16
Restricted Capital Asset Fund	17
Technology Advancement Reserve Fund	18

## Independent auditor's report

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To the Board of Directors of the Property Valuation Services Corporation

### Opinion

We have audited the consolidated financial statements of Property Valuation Services Corporation (the "Corporation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of Property Valuation Services Corporation as at March 31, 2021, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit Corporations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit Corporations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.



## Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Halifax, Canada  
June 25, 2021

Chartered Professional Accountants

# Property Valuation Services Corporation

## Consolidated statement of operations

Year ended March 31	Budget 2021	Actual 2021	Actual 2020
<b>Revenues</b>			
Municipal	\$ 17,872,335	<b>\$ 17,872,335</b>	\$ 17,695,392
Interest	46,371	<b>73,284</b>	137,070
Cost recovery	50,000	<b>137,382</b>	148,161
Investment income	-	<b>299,719</b>	298,711
Unrealized gain (loss) on investments	-	<b>948,377</b>	(279,774)
Amortization of deferred capital contributions	-	<b>178,733</b>	253,395
	<u>17,968,706</u>	<u><b>19,509,830</b></u>	<u>18,252,955</u>
<b>Expenses</b>			
Salaries and benefits	12,637,800	<b>11,599,660</b>	11,861,662
IT operations	1,676,390	<b>1,529,329</b>	1,505,095
Rentals and leases	592,324	<b>581,623</b>	586,132
Amortization	-	<b>712,639</b>	643,554
Printing and postage	836,595	<b>810,715</b>	781,164
External administrative services	248,565	<b>266,284</b>	182,989
Professional fees	126,927	<b>269,424</b>	207,900
Consulting services	185,101	<b>469,468</b>	136,326
Employee future benefits (recovery)	243,000	<b>798,341</b>	(59,013)
Travel	477,292	<b>228,927</b>	421,672
NS Utility and Review Board costs	270,000	<b>219,110</b>	296,319
Staff training and development	127,215	<b>44,876</b>	119,816
Telecommunications	167,758	<b>260,425</b>	171,599
Office and general services	121,638	<b>92,270</b>	145,842
Membership dues and fees	116,349	<b>69,529</b>	95,838
Office meeting	31,732	<b>2,074</b>	30,224
Board meeting	52,020	<b>17,064</b>	43,704
	<u>17,910,706</u>	<u><b>17,971,758</b></u>	<u>17,170,823</u>
<b>Excess of revenues over expenses</b>	<b>\$ 58,000</b>	<b>\$ 1,538,072</b>	<b>\$ 1,082,132</b>

See accompanying notes to the consolidated financial statements.

# Property Valuation Services Corporation

## Consolidated statement of financial position

March 31

2021

2020

### Assets

#### Current

Cash and cash equivalents (Note 3)	\$ 6,896,606	\$ 6,228,849
Receivables (Note 6)	276,907	227,772
Prepays	<u>527,492</u>	<u>288,387</u>
	<b>7,701,005</b>	<b>6,745,008</b>
Internally restricted investments	<b>2,237,447</b>	1,999,537
Employee future benefits (Note 5)	<b>1,018,749</b>	684,005
Capital assets (Note 8)	<b>15,778</b>	60,222
Intangibles (Note 9)	<u><b>1,086,235</b></u>	<u>1,621,163</u>
	<b>\$ 12,059,214</b>	<b>\$ 11,109,935</b>

### Liabilities

#### Current

Payables and accruals (Note 7)	\$ 1,477,612	\$ 1,299,845
Deferred revenue (Note 12)	<u>510,466</u>	<u>1,277,026</u>
	<b><u>1,988,078</u></b>	<b><u>2,576,871</u></b>

### Net assets (Page 5)

Restricted Capital Asset Fund (Note 4)	<b>1,102,013</b>	1,681,385
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### Internally restricted reserve funds

Technology Advancement Reserve (Note 4)	<b>2,272,709</b>	2,033,393
Special Operating Reserve (Note 4)	<b>4,356,688</b>	3,271,039
Contingency Reserve	<b>1,425,000</b>	1,425,000
Unrealized Post Retirement Gains Reserve (Note 4)	<u><b>914,726</b></u>	<u>122,247</u>
	<b><u>10,071,136</u></b>	<b><u>8,533,064</u></b>
	<b>\$ 12,059,214</b>	<b>\$ 11,109,935</b>

Commitments (Note 10)

On behalf of the Board

 Director

 Director

See accompanying notes to the consolidated financial statements.



# Property Valuation Services Corporation

## Consolidated statement of changes in net assets

Year ended March 31, 2021

	Operating Fund	Technology Advancement Reserve	Special Operating Reserve	Contingency Reserve	Unrealized Post Retirement Gains Reserve	Restricted Capital Asset Fund	<b>2021 Total</b>
Balance, beginning of year, April 1, 2020	\$ -	\$ 2,033,393	\$ 3,271,039	\$ 1,425,000	\$ 122,247	\$ 1,681,385	\$ <b>8,533,064</b>
Excess (shortfall) of revenues over expenses	1,832,662	239,316	-	-	-	(533,906)	<b>1,538,072</b>
<b>Inter-fund transfers (Note 4)</b>							
Investment in capital assets, net of deferred capital contributions	45,466	-	-	-	-	(45,466)	-
Special Operating Reserve	(1,085,649)	-	1,085,649	-	-	-	-
Unrealized Post Retirement- Gains Reserve	<u>(792,479)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>792,479</u>	<u>-</u>	<u>-</u>
Balance, end of year, March 31, 2021	<u>\$ -</u>	<u>\$ 2,272,709</u>	<u>\$ 4,356,688</u>	<u>\$ 1,425,000</u>	<u>\$ 914,726</u>	<u>\$ 1,102,013</u>	<u>\$ <b>10,071,136</b></u>

See accompanying notes to the consolidated financial statements.

# Property Valuation Services Corporation

## Consolidated statement of cash flows

Year ended March 31

2021

2020

Increase (decrease) in cash and cash equivalents

### Operating

Excess of revenues over expenses	\$ 1,538,072	\$ 1,082,132
Items not affecting cash		
Amortization	712,639	643,554
Employee future benefits valuation adjustment	670,042	(248,566)
Unrealized change in market value on internally restricted investments	(948,377)	279,774
Realized investment income on internally restricted investments	(294,319)	(298,711)
	<u>1,678,057</u>	<u>1,458,183</u>
Change in non-cash operating working capital		
Receivables	(49,135)	54,333
Prepays	(239,105)	(87,770)
Payables and accruals	177,767	156,267
Deferred revenue	(766,560)	(2,705,459)
	<u>801,024</u>	<u>(1,124,446)</u>

### Investing

Proceeds of restricted investments, net	-	5,295
Purchase of capital assets and intangibles		
IT assets	(7,570)	(202,188)
Intangible assets	(125,697)	-
Leasehold improvements	-	(3,079)
Furniture and equipment	-	(600)
	<u>(133,267)</u>	<u>(200,572)</u>

Net increase (decrease) in cash and cash equivalents	667,757	(1,325,018)
Cash and cash equivalents, beginning of year	<u>6,228,849</u>	<u>7,553,867</u>
Cash and cash equivalents, end of year	<u>\$ 6,896,606</u>	<u>\$ 6,228,849</u>

See accompanying notes to the consolidated financial statements.

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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 1. Nature of operations

Property Valuation Services Corporation (the "Corporation") was incorporated under the Property Valuation Services Corporation Act as of April 1, 2007. The purpose of the Corporation is to provide assessment and related property information services to Municipalities in the Province of Nova Scotia (the "Province"). All municipalities in Nova Scotia are members of the Corporation.

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### 2. Summary of significant accounting policies

#### Basis of presentation

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations ("ASNPO") using fund accounting.

The unrestricted Operating Fund accounts for revenues and expenses related to program delivery and administrative activities.

The Technology Advancement Reserve fund is internally restricted by the Board of Directors and consists of funds reserved for the large-scale renewal of the Corporation's existing IT infrastructure, special projects that advance the Corporation's Strategic goals and/ or acquisition of new technologies that would benefit the Corporation.

The Special Operating Reserve represents accumulated operating surpluses that have been internally restricted by the Board of Directors to offset future budget increases in operating expenses. The Special Operating Reserve is allocated by the Board for cost stabilization and to meet specific financial requirements in accordance with the Corporation's Strategic priorities.

The Contingency Reserve represents the maximum cap adequate to fund approximately 30 days operating expenses. This reserve fund has been internally restricted by the Board of Directors for any interruption in funding or unforeseen expenditures and other requirements to be determined from time to time by the Board of Directors.

The internally restricted Unrealized Post Retirement Gains Reserve reports fluctuations in the market value of financial instruments relating to the investments held for future employee benefits, and the cumulative gain/loss on investments to date.

The restricted Capital Asset Fund accounts for the acquisition and amortization of the Corporation's capital assets.

#### Use of estimates

In preparing the Corporation's consolidated financial statements in conformity with ASNPO, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Some of these estimates and assumptions include the rates used for depreciation and the valuation of the employee future benefits obligation. Actual results could differ from those reported.



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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 2. Summary of significant accounting policies (continued)

#### Revenue recognition

Income from assessment services is recognized as Municipal revenues in the year in which the related services are provided. Deferred Municipal revenues represent payments received from the Municipalities prior to April 1 that relate to the next fiscal year.

Investment income is recognized as it is earned and collection is reasonably assured.

The Corporation follows the deferral method for accounting for contributions, which includes contributions received or receivable from the Province and Municipal partners for major technology advancement projects, such as the Single Address project, eDelivery and the Permit Data Exchange Project. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.

Restricted contributions for the purchase of capital assets that will be amortized are deferred and recognized as revenue at the same rate of amortization as the related acquired capital assets. Restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in net assets in the Restricted Capital Asset Fund. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Cost recovery

The Corporation has data sharing agreements with Canada Revenue Agency, Statistics Canada and other clients. Cost recovery revenue represents the fees related to data sharing agreements and other cost recoveries from the Province and is recognized when earned and collection is reasonably assured.

#### Capital assets and intangibles

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is recorded as an expense in the restricted Capital Asset Fund. Rates and bases of depreciation applied to write off the capital assets over their estimated life are as follows:

Computerized mass appraisal	10 years, straight-line
Furniture and equipment	5 years, straight-line
Internally developed software	3-7 years, straight line
IT hardware	3 years, straight-line
IT software other	3 years, straight-line
Leasehold improvements	Term of Lease, straight-line

#### Financial instruments

Financial instruments include cash and cash equivalents, internally restricted investments, receivables, payables, and employee future benefits. Internally restricted investments include equity, bond and money market funds.

The Corporation's financial instruments are initially measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

At each reporting date, the Corporation subsequently measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. The Corporation has also irrevocably elected to measure its investments in bonds at fair value. All changes in fair value for the equities quoted in an active market and bonds are recorded in the consolidated statement of operations. The Corporation uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the consolidated statement of operations. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals.

For financial assets measured at cost or amortized cost, the Corporation regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Corporation determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the consolidated statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Corporation is mainly exposed to interest rate risk and price risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk on its fixed and floating interest rate financial instruments.

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Corporation is exposed to price risk through its investments quoted in an active market.

#### Employee benefit plans

The Corporation's defined benefit employee plans are measured using an accounting valuation, with the obligation being determined based on the last actuarial valuation and extrapolated to the fiscal year end date.

#### Pension benefit plans

The Province administers the defined benefit pension plan, and the Corporation reimburses the Province for the pension costs related to the Corporation's proportionate share of the employees covered under the plan. Due to the nature of the plan, the Corporation does not have sufficient information to account for the plan as a defined benefit plan; therefore, the multi-employer defined benefit plan is accounted for in the same manner as a defined contribution plan. An expense is recorded in the period when the Corporation is obligated to make contributions for services rendered by the employee.

The total expenses for the Corporation's share of the defined benefit pension plan for the year ended March 31, 2021 is \$831,748 (2020 - \$853,393) which is included in salaries and benefits expense.

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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 3. Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with the bank, including guaranteed investment certificates.

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 5,471,606	\$ 4,803,849
Internally restricted cash and cash equivalents	<u>1,425,000</u>	<u>1,425,000</u>
	<u>\$ 6,896,606</u>	<u>\$ 6,228,849</u>

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### 4. Inter-fund transfers

The Corporation made the following inter-fund transfers through motion and approval by the Board of Directors:

The Restricted Capital Asset Fund transferred \$45,466 (2020 - \$47,528) to the Operating Fund relating to income earned from the amortization of deferred capital contributions, net of \$133,267 (2020 - \$205,867) relating to the acquisition of capital assets.

The Operating Fund transferred \$1,085,649 (2020 - \$1,730,885) to the Special Operating Fund. The balance in the Special Operating Reserve as at March 31, 2021 consists of amounts internally restricted by the Board of Directors as follows:

- \$140,000 was reserved for an operating loan relating to the creation of a wholly owned subsidiary;
- \$4,216,688 reserved to be applied to offset future budget increases in operating expenses and strategic initiatives as required

The Operating Fund transferred \$792,479 to the Unrealized Post Retirement Gains Reserve. This transfer represents the unrealized gains due to the change in market value of the post retirement investment portfolio. The balance in the Unrealized Post Retirement Gains Reserve represents the cumulative unrealized market gains on post retirement funds to date.

Early in the year, the Board had approved a transfer of \$57,000 from the Special Operating Reserve to the Operating Fund, to fund the budgeted deficit for the 2020/21 fiscal year. Due to reduced spending related to the pandemic, the approved transfer was not required.



# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

### 5. Employee future benefits

#### Restricted investments

Restricted investments are held in a professionally managed portfolio, in accordance with the Corporation's investment policy. At the consolidated balance sheet date, the investments are carried at fair value. Any changes in fair value are recognized in income in the period in which these changes occur. The balances held in the investment portfolio as at March 31, 2021 were as follows:

	Health Plans	Service Awards	SERP	Total
Fair value plan assets, March 31, 2020	\$2,707,641	\$2,554,189	\$ 326,354	<b>\$5,588,184</b>
Net Investment Income (loss)	486,653	459,458	58,675	<b>1,004,786</b>
Fair value plan assets, March 31, 2021	\$3,194,294	\$3,013,647	\$ 385,029	<b>\$6,592,970</b>

On April 1, 2008, the Corporation acquired the employee non-pension future benefits as follows:

- (a) Post-retirement health plans are to designated employees of the Corporation. The Corporation is responsible for funding the employer portion of the premium payments and any obligations under these health benefit plans. The Corporation developed a long term investment policy with actuarial consultants.
- (b) Designated employees transferred to the Corporation who upon retirement and who are eligible to receive a pension under the Public Service Superannuation Act shall be granted a Public Service Award based on years of service. The amount of this award is based on one week's pay for each year of full-time service up to a maximum of 26 full years. The Corporation accrues its obligations related to these awards and has adopted a long term investment plan to fund these obligations.

In 2017, the Board confirmed Property Valuation Services Corporation participates in the Supplementary Employee Retirement Plan ("SERP"). Eligible employees receive the benefit upon retirement. The SERP benefit is administered by the Nova Scotia Pension Services Corporation and funded by employer and employee contributions.

An extrapolation of the actuarial valuations for the following plans were carried out by the Corporation's actuarial consultant to determine the following liabilities as at March 31, 2021:

	Health Plans	Service Awards	SERP	Total
Defined benefit obligation March 31, 2020	\$2,621,983	\$2,029,929	\$ 252,267	<b>\$4,904,179</b>
Payments	(55,257)	(54,852)	(18,188)	<b>(128,297)</b>
Actuarial Revaluations + Interest	335,452	223,480	30,270	<b>589,202</b>
Annual service cost	82,643	126,495	-	<b>209,138</b>
Defined benefit obligation March 31, 2021	\$2,984,821	\$2,325,052	\$ 264,349	<b>\$5,574,222</b>
<b>Employee future benefits, net</b>	<b>\$ 209,474</b>	<b>\$ 688,595</b>	<b>\$ 120,680</b>	<b>\$1,018,749</b>

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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 5. Employee future benefits (continued)

The Corporation completes full actuarial valuations once every three years. In the years between full valuations, actuarial annual reviews and roll-forward techniques are completed to estimate annual obligation balances. The Corporation does not amortize actuarial gains and losses on employee future benefits.

The updated actuarial assumptions for the full actuarial valuation reports for the financial year ended March 31, 2021 are as follows:

	Health <u>Plans</u>	Service <u>Awards</u>
Discount rate	3.5%	2.7%
Rate of compensation and inflation	2%	2%

#### Health care trend

Initial rate: drugs	11%
Initial rate: other health	6.5%
Ultimate rate: drugs and other health	4.5%
Year ultimate reached	(Drugs – 2026, Other health – 2027)

The Corporation recognizes that fluctuations in actuarial valuation of future employee liabilities will occur over time due to changes in actuarial assumptions and other factors such as the level of actual claims relating to these liabilities. The annual service costs and other actuarial estimates adopted by management are reviewed based on the results of the most recent actuarial valuation. However, the Corporation recognizes all actuarial gains and losses for its employee future benefits obligation for health plans and service awards through earnings.

The Corporation accrues its obligations under employees' future benefit plans and the related costs when these benefits are earned through current service.

#### Benefit Fund balance allocation

The Corporation has internally set aside \$6,592,970 (2020 - \$5,558,184) in investments to pay for the employee future benefit obligations. As of March 31, 2021, the total liabilities were overfunded by \$1,018,749 (2020 - \$684,005).

The Corporation records the employee future benefits on a net basis equal to the fair value of the plan assets less the defined benefit obligation.

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### 6. Receivables

The Canada Revenue Agency ("CRA") reimburses the Corporation's HST claims as per the ruling issued on February 13, 2009 designating the Corporation a municipality pursuant to subsection 259 (1) of the Excise Tax Act. Included in receivables is \$190,697 (2020 - \$151,217) for an outstanding HST reimbursement claim that is awaiting processing by CRA.

# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

7. Payables and accruals	<u>2021</u>	<u>2020</u>
Vacation liability	\$ 352,791	\$ 337,167
Salaries and other benefit accruals	727,713	778,084
Trade payables	<u>397,108</u>	<u>184,594</u>
	<u>\$ 1,477,612</u>	<u>\$ 1,299,845</u>

8. Capital assets	<u>2021</u>		<u>2020</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and equipment	\$ 329,384	\$ 325,166	\$ 4,218	\$ 20,574
IT hardware	814,210	804,327	9,883	37,270
Leasehold improvements	<u>229,121</u>	<u>227,444</u>	<u>1,677</u>	<u>2,378</u>
	<u>\$ 1,372,715</u>	<u>\$ 1,356,937</u>	<u>\$ 15,778</u>	<u>\$ 60,222</u>

9. Intangibles	<u>2021</u>		<u>2020</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computerized mass appraisal	\$ 4,690,750	\$ 4,596,145	\$ 94,605	\$ -
Internally developed software				
Single address	711,175	711,175	-	101,596
eDelivery	505,910	433,637	72,273	144,546
Permit Data Exchange	1,162,754	494,323	668,431	820,538
Open Data	137,305	83,364	53,941	73,556
Multiple Regression Analysis	374,662	374,662	-	124,888
Mobile Assessor	384,186	192,093	192,093	320,155
IT software other	<u>712,470</u>	<u>707,578</u>	<u>4,892</u>	<u>35,884</u>
	<u>\$ 8,679,212</u>	<u>\$ 7,592,977</u>	<u>\$ 1,086,235</u>	<u>\$ 1,621,163</u>

### 10. Commitments

- (a) The Corporation has entered into lease agreements for rental of its office premises. The minimum annual lease payments for the next three years are as follows:

2022	\$ 536,722
2023	474,059
2024	226,655

Where required the Corporation will re-negotiate its lease terms and conditions as they expire.

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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 10. Commitments (continued)

- (b) The Corporation has negotiated a two-year extension agreement, expiring March 31, 2023 with a service provider for the provision of IT Hosting and related services. The remaining minimum annual payment under this agreement is as follows:

2022	\$	297,884
2023	\$	297,884

- (c) The Corporation has a three-year agreement, expiring March 31, 2022 with a service provider for the provision of annual maintenance and support for its Mass Appraisal Computer System and licensing fees. The remaining payments under this agreement require payment in USD and CAD as follows:

2022	350,000 USD and 152,338 CAD
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The agreement includes optional additional consulting and development services which will be performed by the IT service provider when required.

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### 11. Related party transactions

The majority of revenues are received from the Municipalities throughout the Province. These Municipalities are the members of the Corporation. Transactions with Municipalities are recorded at the exchange amount.

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12. Deferred revenue	<u>2021</u>	<u>2020</u>
Municipal revenues	\$ 135,257	\$ 723,084
Single address project capital contributions	-	36,433
Single address project operating contributions	8,923	8,923
eDelivery project capital contributions	67,638	135,276
Permit Data Exchange	<u>298,648</u>	<u>373,310</u>
	<u>\$ 510,466</u>	<u>\$ 1,277,026</u>

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### 13. Impact of COVID-19

On March 11, 2020, the World Health Organization declared the global outbreak of COVID-19 a pandemic and the spread of the disease has severely impacted many local economies around the globe. The Corporation however, due to the nature of its business, has not yet realized a significant impact on its operations as a result of the outbreak. The Corporation does hold significant investments that have been set aside to pay for employee benefit obligations. While markets are expected to remain volatile for some time to come, the Corporation is not significantly invested in equity instruments, limiting their overall exposure to market risk.

The Corporation's exposure may also be further mitigated given the time horizon of expected employee benefit payouts.



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# Property Valuation Services Corporation

## Notes to the consolidated financial statements

March 31, 2021

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### 13. Impact of COVID-19 (continued)

The Corporation has determined that no events have occurred that would impact the consolidated statement of financial position or operations for the year ended March 31, 2021, and accordingly have not made any adjustments to reflect the impact of these events. The duration and impact of the COVID-19 pandemic remains unclear at this time. It is not possible to reliably estimate the duration and severity of the impact the pandemic will have on the financial position and results of the Corporation for future periods.

**Property Valuation Services Corporation**  
**Statement of operations and changes in fund balance -**  
**Operating Fund**

Year ended March 31	Budget 2021	Actual 2021	Actual 2020
<b>Revenues</b>			
Municipal	\$ 17,872,335	\$ 17,872,335	\$ 17,695,392
Interest	46,371	73,284	137,070
Cost recovery	50,000	137,382	148,161
Investment income	-	216,300	229,772
Unrealized gain (loss) on investments	-	792,479	(244,228)
	<u>17,968,706</u>	<u>19,091,780</u>	<u>17,966,167</u>
<b>Expenses</b>			
Salaries and benefits	12,637,800	11,599,660	11,861,662
IT operations	1,676,390	1,529,329	1,505,095
Rentals and leases	592,324	581,622	586,132
Printing and postage	836,595	810,715	781,164
External administrative services	248,565	266,284	182,989
Professional fees	126,927	269,424	207,900
Consulting Services	185,101	469,468	136,326
Employee future benefits (recovery)	243,000	798,341	(59,013)
Travel	477,292	228,927	421,672
NS Utility and Review Board costs	270,000	219,110	296,319
Staff training and development	127,215	44,876	119,816
Telecommunications	167,758	260,425	171,599
Office and general services	121,638	92,270	145,842
Membership dues and fees	116,349	69,529	95,838
Office meeting	31,732	2,074	30,224
Board meeting	52,020	17,064	43,704
	<u>17,910,706</u>	<u>17,259,118</u>	<u>16,527,269</u>
Excess of revenue over expenses	<u>58,000</u>	<u>1,832,662</u>	<u>1,438,898</u>
Fund balance, beginning of year	-	-	-
<b>Inter-fund transfers</b>			
Investment in capital assets	(115,000)	(133,267)	(205,867)
Amortization of Deferred Capital Contributions	-	178,733	253,395
Transfer to Special Operating Reserve	57,000	(1,085,649)	(1,730,885)
Unrealized Post Retirement Gains Reserve	-	(792,479)	244,459
	<u>(58,000)</u>	<u>(1,832,662)</u>	<u>(1,438,898)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Property Valuation Services Corporation**  
**Statement of operations and changes in fund balance -**  
**Restricted Capital Asset Fund**

Year ended March 31	Budget 2021	Actual 2021	Actual 2020
Revenues			
Amortization of deferred capital contributions	\$ -	\$ 178,733	\$ 253,395
Expenses			
Amortization of capital assets and intangibles	-	<u>712,639</u>	<u>643,554</u>
Excess of expenses over revenues	-	<u>(533,906)</u>	<u>(390,159)</u>
Fund balance, beginning of year	1,681,385	<b>1,681,385</b>	2,119,072
<b>Inter-fund transfers</b>			
Amortization of deferred capital contributions	-	<b>(178,733)</b>	(253,395)
Capital asset and intangible purchases	<u>115,000</u>	<u>133,267</u>	<u>205,867</u>
	<u>1,796,385</u>	<u><b>1,635,919</b></u>	<u>2,071,544</u>
Fund balance, end of year	<u>\$ 1,796,385</u>	<u><b>\$ 1,102,013</b></u>	<u>\$ 1,681,385</u>

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**Property Valuation Services Corporation**  
**Statement of operations and changes in fund balance -**  
**Technology Advancement Reserve Fund**

Year ended March 31	Actual 2021	Actual 2020
Revenues		
Investment income	\$ 49,416	\$ 53,244
Realized gains on investments	43,370	31,719
Unrealized gain (loss) on investments	<u>155,898</u>	<u>(35,546)</u>
	<u>248,684</u>	49,417
Expenses		
Management and custodial fees	<u>9,368</u>	<u>16,024</u>
Excess of revenues over expenses	<u>239,316</u>	<u>33,393</u>
Fund balance, beginning of year	2,033,393	2,000,000
<b>Inter-fund transfers</b>		
Transfer to Technology Advancement Reserve		
Permit Data Exchange, net	<u>-</u>	<u>-</u>
	<u>2,033,393</u>	<u>2,000,000</u>
Fund balance, end of year	<u>\$ 2,272,709</u>	<u>\$ 2,033,393</u>

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