

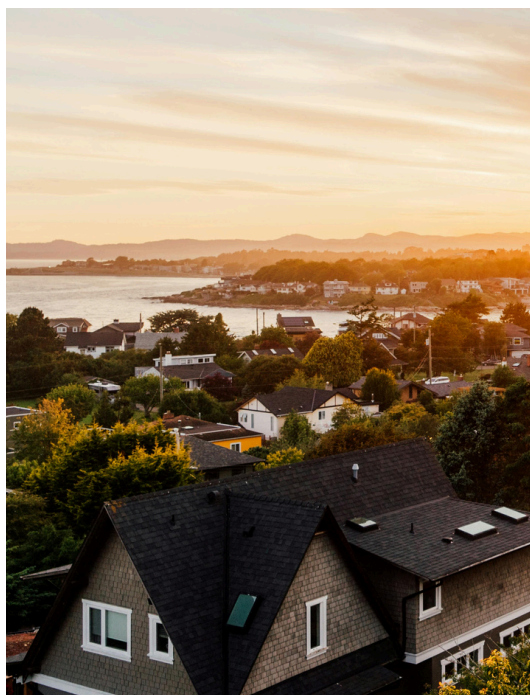
ANNUAL 2025 REPORT 2026

Trusted Work. Meaningful Impact.



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ABOUT PVSC

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

We employ approximately 135 people who live and work in over 60 communities across the province. Property assessments are determined in accordance with the *Nova Scotia Assessment Act* and meet internationally accepted standards for mass appraisal. Our assessors hold a variety of professional assessment and appraisal designations.

Local governments use our annual property assessments to establish their municipal property tax rates, which fund important local services and infrastructure, and build communities.

Our work is funded by Nova Scotia's 49 municipalities. Each municipality pays a proportional share of the budget according to the funding formula in the *Property Valuation Services Corporation Act*.

We assess over 650,000 residential, resource, and commercial properties each year in Nova Scotia, representing over \$206 billion in assessment value.

NOVA SCOTIA'S PROPERTY ASSESSMENT AND TAXATION SYSTEM



The Nova Scotia government establishes assessment and taxation legislation and regulations.



PVSC assesses the value of properties each year and shares it with municipalities and property owners.



Municipalities determine their budget requirements, set municipal tax rates, and collect property taxes to pay for municipal services.



Property owners pay municipal property taxes.

MESSAGE FROM THE BOARD CHAIR



Joe Feeney

Board Chair

On behalf of the Board of Directors, I am pleased to present the annual report for Property Valuation Services Corporation.

Across industries and the public service, organizations are operating in a more complex, interconnected, and continuously evolving environment. In this context, disciplined financial management and effective oversight are essential to ensuring PVSC delivers reliable, transparent, and consistent products and services that municipalities depend on and property owners trust.

The Board remains committed to strong governance, fiscal responsibility, and prudent stewardship of public resources. These principles guide our oversight of PVSC and support the Corporation's ability to meet its mandate with consistency and accountability.

In 2025, the Board approved PVSC's Strategy Map to ensure continued focus on delivering value to municipalities and property owners. Built around four pillars — financial and stewardship, people and culture, core processes, and client service — it provides clear direction for strengthening performance, building organizational capacity, and enhancing service delivery.

The Board is also focused on preparing PVSC for the future. This includes leveraging data more effectively, advancing digital capabilities, and strengthening cybersecurity. These investments support a more resilient organization that can respond to change, maintain service reliability, and continue to meet the evolving expectations of stakeholders across Nova Scotia.

I would like to thank my fellow Board members for their dedication and diligence, and the PVSC team for their professionalism and commitment to service. With strong leadership and clear strategic direction, the Board is confident PVSC will continue to deliver dependable, trusted, and cost-effective services that support municipalities and the communities they serve.

"Trusted work enables confident municipal decision-making and meaningful impact for communities across Nova Scotia."

MESSAGE FROM THE CEO



Scott Farmer

Chief Executive Officer

At PVSC, trust is earned through consistent, objective work and reliable data, supported by strong relationships with municipalities and property owners across Nova Scotia. Our team delivers this every day through intentional and agile planning, efficient processes, and a commitment to accountability.

Over the past year, our focus has been clear: delivering objective, high-quality data products and services through an engaged team. Guided by our Strategy Map, we continue to advance our priorities in a disciplined, measurable way.

In 2025–26, PVSC delivered a strong year of results, anchored by the successful delivery of the 2026 Assessment Roll. This work reflects our continued focus on accuracy, consistency, and service reliability, supported by strengthened quality assurance practices and collaborative operational planning.

We also advanced key modernization priorities, including data and analytics, process innovation, and cybersecurity. Our data and analytics work is strengthening the quality, governance, and usability of our data—supporting better decisions today and future analytics capabilities.

In parallel, our artificial intelligence roadmap focuses on responsible adoption, building staff capability, and identifying practical use cases that improve productivity. Cybersecurity continues to be a priority, with ongoing investments to strengthen risk management and organizational resilience.

PVSC also continued to strengthen its people and culture, financial stewardship, and service delivery. Employee engagement remained strong, reflecting our ongoing investment in learning, development, and employee well-being.

The organization maintained disciplined financial management, aligning resources to strategic priorities. At the same time, we delivered responsive, high-quality service to municipalities and property owners, supported by strong inquiry performance, proactive municipal engagement, and positive client satisfaction results.

Together, these efforts reinforce PVSC's role as a trusted provider of property data and services, delivering measurable value to Nova Scotians. I would like to thank the Board of Directors for their guidance, oversight, and continued support as we advance PVSC's mandate.

***Our work is grounded in trust -
earned through objective data,
strong relationships, and an
engaged team delivering
consistent, high-quality results
for Nova Scotians.***

GOVERNANCE

2025-26 BOARD OF DIRECTORS



Joseph Feeney
Chair, Councillor,
Town of Mahone Bay



Bobby McNeil
Vice Chair
Independent Director



Tara Maguire
CAO,
Municipality of Chester



Cathie O'Toole
Municipal Experience



Glenn Horne
CAO, Town of Wolfville



Anita Bezeau
Independent Director



Owen Sagness
Independent Director



Lynn Chisholm
Deputy Warden,
Municipality of Inverness County



Walter Tingley
Councillor,
Municipality of East Hants



Doug Boyd
Independent Director



Juanita Spencer
CEO, Nova Scotia
Federation of Municipalities
(non-voting member)

GOVERNANCE

BOARD RESPONSIBILITIES

The PVSC Board and its committees are responsible for:

- Establishing a long-term strategic plan
- Creating multi-year operating and capital budgets
- Appointing a CEO
- Maintaining relationships and encouraging partnership opportunities
- Filing an annual report
- Establishing a memorandum of understanding with municipal clients
- Reporting to the Nova Scotia Federation of Municipalities (NSFM) at its annual meeting
- Ensuring the completion of external financial and quality audits

VISION, MISSION AND PVSC PLAYBOOK

Vision: PVSC unites real property data and expertise to create relevant and valued products and services that enable well-informed decisions.

Mission: PVSC provides objective and valued data products and services for Nova Scotia's municipalities, real property owners, and other data users developed by an engaged team that combines exceptional skill, passion, and know-how.

Values: PVSC's values guide our behaviours, actions, and relationships. Focused on service responsibility, built-in quality, innovation, collective accountability, and fiscal prudence, they reinforce how we earn trust, deliver value, and work together. We refer to this as our **PVSC Playbook**.

PVSC PLAYBOOK

We Earn Trust Through Follow-Through

We Build Quality Into Everything We Do

We Test, Learn and Apply What Works

We Own Outcomes and Grow, Together

We Manage Resources Responsibly

CORPORATE STRATEGIC PLAN

STRATEGY MAP & BALANCED SCORECARD

PVSC's Strategy Map provides a clear and consistent framework that links our daily work to the outcomes that matter most: valued products and services and strong, trusted relationships with stakeholders across Nova Scotia. It ensures alignment between our mandate, business priorities, and long-term direction.

Our Balanced Scorecard supports this approach by tracking performance across four integrated focus areas: financial and stewardship, people and culture, core processes, and client services. Together, these measures help us monitor progress, manage risk, and make informed decisions.

At the centre of PVSC's Strategy Map are **two outcomes** that guide everything we do:

Valued Products & Services and **Quality Relationships**.

These outcomes are achieved through four interconnected focus areas:

Financial & Stewardship

Responsible management of public resources, supporting sustainability, risk management, and long-term value.

People & Culture

A skilled and engaged workforce enabled by effective leadership, continuous learning, and a strong workplace culture.

Core Processes

Reliable, high-quality property data and information delivered through efficient processes, innovative approaches, and secure systems.

Client Services

Clear communication, meaningful engagement, and reliable services shaped by client feedback and insight.

2024-30 STRATEGY MAP

Outcomes

Valued Products & Services

Quality Relationships

Client Service

Enhanced Client & Stakeholder Engagement to Ensure Strong Relationships and Accountability

Core Processes

Excellence in Operations

Data Mastery

Secure and Effective Systems

Continuous Improvement

People & Culture

Great Place to Work

Celebrate and Invest in our People

Create an Innovation and Performance Culture

Build and Maintain our Expertise

Financial & Stewardship

Cost Effective Delivery Services

Effective Risk Management

Sound Governance Practices



OPERATIONS

2026 ASSESSMENT ROLL

2026 assessment rolls were delivered to municipalities on December 15, 2025, and 2026 assessment notices were mailed to property owners on January 12, 2026.

2026 property assessments reflect a market value of January 1, 2025, based on sales and financial data, along with the physical state of properties as of December 1, 2025, including new construction, renovations, and demolitions.

Province of Nova Scotia
\$206.3B total assessed value
654,600 property accounts



Residential Property Assessment
\$174.0B total assessed value
620,200 accounts

Adjusted Residential *with CAP applied* = \$125.6B
Residential accounts *with CAP applied* = 416,850

Commercial Property Assessment
\$32.2B total assessed value
34,400 accounts



14,750
building
permits



39,100
property
transactions



9,050
appeals
in 2025



36,950
inquiries
in 2025



ROLL QUALITY ASSURANCE FRAMEWORK

QUALITY ASSURANCE MEASURES THROUGHOUT THE ASSESSMENT CYCLE

This year, we established our Roll Quality Assurance Framework (RQAF) which defines, manages, and demonstrates quality across the property assessment process.

The framework brings together PVSC's existing quality practices into a single, integrated approach with clear standards, consistent processes, and measurable outcomes across the full assessment lifecycle—from data collection and analysis to valuation, review, and communication.

This ensures that information is accurate, reliable, and ready at each stage before it moves forward.

The RQAF embeds quality into everyday work rather than treating quality as a separate activity. This creates a shared, organization-wide view of quality and reinforces collective accountability for delivering consistent, high-quality results.



INDICATORS OF ASSESSMENT QUALITY

APPEALS AND ADJUSTMENTS

In 2025, we received **9,056 appeals** with a total account value of **\$13.7 billion**.

PVSC successfully defended **\$13.2 billion** of assessment value under the first level of appeal resulting in an adjustment of **\$531.9 million** which represents **0.28%** of the 2025 Assessment Roll.

QUALITY STANDARD MEASURES

PVSC reports the General Level of Assessment (GLA) to measure the extent to which assessments reflect the market value standard for each municipality as per section 42 of the *Nova Scotia Assessment Act*.

PVSC calculates and reports the GLA on the median analysis of assessment-to-sales ratios (ASRs), a measure of central tendency. The International Association of Assessing Officers (IAAO) standard sets out that a GLA between 90% and 110% is considered acceptable for any class of property.

It is PVSC's opinion, based on a series of statistical tests, that the 2026 Assessment Roll values meet and comply with our legislative mandate and industry standards.

**The International Property Tax Institute recommends that jurisdictions (i.e.: municipal units) with fewer than 11 sales for an assessment roll are considered to have insufficient data to reliably calculate a GLA.*

To meet this legislative requirement for municipalities with fewer than 11 sales, the GLA has been reported as a presumed 100% level.



RESIDENTIAL GLA BY MUNICIPALITY

Municipality	Sales	GLA	Municipality	Sales	GLA
County of Annapolis	409	94%	Town of Berwick	47	94%
Town of Annapolis Royal	15	95%	Town of Kentville	80	96%
District of Digby	162	90%	Town of Wolfville	74	95%
Town of Digby	31	97%	District of Chester	258	94%
Town of Middleton	34	97%	District of Lunenburg	583	92%
County of Antigonish	183	96%	Town of Bridgewater	152	95%
Town of Antigonish	45	98%	Town of Lunenburg	38	97%
District of Guysborough	105	97%	Town of Mahone Bay	35	100%
Town of Mulgrave	7	100%	County of Pictou	394	94%
District of St. Mary's	80	97%	Town of New Glasgow	101	98%
Cape Breton Regional Municipality	1,085	95%	Town of Pictou	57	98%
County of Colchester	699	94%	Town of Stellarton	56	98%
Town of Truro	152	96%	Town of Trenton	46	91%
Town of Stewiacke	47	98%	Town of Westville	53	95%
County of Cumberland	468	94%	District of Barrington	92	97%
Town of Amherst	116	96%	Town of Clark's Harbour	11	97%
Town of Oxford	19	97%	Region of Queens	304	92%
Halifax Regional Municipality	4,948	98%	Town of Lockeport	3	100%
District of East Hants	493	97%	District of Shelburne	101	94%
West Hants Regional Municipality	351	97%	Town of Shelburne	32	96%
County of Inverness	268	92%	District of Argyle	140	96%
Town of Port Hawkesbury	36	91%	District of Clare	185	99%
County of Richmond	190	96%	District of Yarmouth	170	94%
County of Victoria	132	91%	Town of Yarmouth	98	95%
County of Kings	613	95%			

COMMERCIAL GLA BY MUNICIPALITY

Municipality	Sales	GLA	Municipality	Sales	GLA
County of Annapolis	7	100%	Town of Berwick	3	100%
Town of Annapolis Royal	1	100%	Town of Kentville	3	100%
District of Digby	7	100%	Town of Wolfville	2	100%
Town of Digby	3	100%	District of Chester	3	100%
Town of Middleton	4	100%	District of Lunenburg	9	100%
County of Antigonish	5	100%	Town of Bridgewater	7	100%
Town of Antigonish	3	100%	Town of Lunenburg	3	100%
District of Guysborough	0	100%	Town of Mahone Bay	1	100%
Town of Mulgrave	0	100%	County of Pictou	4	100%
District of St. Mary's	2	100%	Town of New Glasgow	10	100%
Cape Breton Regional Municipality	46	92%	Town of Pictou	3	100%
County of Colchester	19	91%	Town of Stellarton	3	100%
Town of Truro	14	96%	Town of Trenton	3	100%
Town of Stewiacke	0	100%	Town of Westville	2	100%
County of Cumberland	7	100%	District of Barrington	3	100%
Town of Amherst	14	96%	Town of Clark's Harbour	2	100%
Town of Oxford	1	100%	Region of Queens	3	100%
Halifax Regional Municipality	98	95%	Town of Lockeport	0	100%
District of East Hants	16	92%	District of Shelburne	1	100%
West Hants Regional Municipality	9	100%	Town of Shelburne	4	100%
County of Inverness	8	100%	District of Argyle	6	100%
Town of Port Hawkesbury	6	100%	District of Clare	4	100%
County of Richmond	2	100%	District of Yarmouth	6	100%
County of Victoria	7	100%	Town of Yarmouth	9	100%
County of Kings	19	92%			

STAKEHOLDER RELATIONS

SERVICE COMMITMENTS

We are committed to delivering quality services and an accurate, reliable assessment roll for the municipalities and residents of Nova Scotia.

Our Commitment	2025-26 Performance
Deliver an annual assessment roll and addendum file to each municipality every year by December 31 st .	We posted the 2026 Assessment Roll on our secure FTP (File Transfer Protocol) site on December 15, 2025.
Complete a comprehensive ratio study to assess the quality of the assessment roll in accordance with standards established by the IAAO.	We submitted the 2026 Roll Quality Report to the Department of Municipal Affairs on December 16, 2025.
Publish an annual report outlining our performance and activities, the findings of the roll quality report, and audited financial statements.	In accordance with the <i>PVSC Act</i> , our annual report is published in July of each year, following approval by our Board of Directors.
Keep all parties informed throughout the appeal process and inform municipalities of assessment account changes that affect property owners.	We posted the following reports, including all changes to assessment accounts, on the secure FTP site: • Filed Roll changes and confirmations (daily) • Name and address changes and inactive accounts (weekly) • SAI reconciliation reports (bi-weekly) • Appeal reports (monthly) • Provincial appeal totals (annually)
Provide municipalities with accurate and timely invoicing and payment processing.	Distributed quarterly invoices with notification emails to each municipality's Chief Administrative Officer.
PVSC has established, administers, and maintains value-added shared services for municipalities, each with its own service level agreement.	Value-added services were delivered according to their service level agreements. Value added services include: • Permit Data eXchange (PDX) • Single Address Initiative • dataZONE

STAKEHOLDER OUTREACH

A LOOK AT 2025-26

Having meaningful, multiple touchpoints with our clients, stakeholders, and industry partners is an important part of our annual planning and activities. Below are some highlights.

Municipalities

- Bi-annual, proactive check-ins with key staff at all **49 municipalities**.
- Offered tailored presentations on **assessment roll insights** to all 49 municipalities.
- Resolved **2,595** municipal client inquiries and requests.
- Hosted **18** training and information sessions for municipal staff covering a variety of topics.
- Sent three **email newsletters** to municipalities with relevant updates and timely activities.
- Hosted a **media briefing** with key contacts and distributed a comprehensive **media kit**.
- Launched a **municipal workshop series** with Doane Grant Thornton.
- Met with the boards of both the **Association of Municipal Administrators of Nova Scotia** and **Nova Scotia Federation of Municipalities** to discuss key assessment topics.

Property Owners

- **74%** of visitors to the PVSC website during the 31-day inquiry period found it easy to navigate.
- Achieved an average wait time of **18 seconds** for property owners calling to speak with a representative during the 2026 inquiry period.



Industry Partners

- **78** staff attended and participated in **14** regional, national and international conferences and symposiums, both in person and virtually.
- Attended three **Canadian Directors of Assessment** collaboration meetings.
- Co-hosted the **2025 Property Tax Conference** in Halifax in collaboration with the International Property Tax Institute.
- **Four staff** participated in an international research project producing **two industry-distributed papers**.
- Hosted three staff from the **United Kingdom's (UK) Valuation Office Agency** in September as part of a research project comparing the UK property tax system with those in select Canadian provinces.



INVESTING IN OUR COMMUNITIES

CORPORATE CHARITY

Through our corporate staff donation fund, **Pitch for a Purpose**, PVSC selects three Nova Scotia charities to support each year.

This initiative encourages staff to submit and present charitable pitches that are important to them and help raise awareness amongst the rest of our organization.

In 2025/26, we supported:

- **Three Brothers Project**
- **Autism Nova Scotia**
- **Cobequid Wildlife Rehabilitation Centre**

In total, staff raised over \$8,000 to help fund the important programs and services these organizations provide in our local communities.



PVSC SCHOLARSHIP PROGRAM

In partnership with Nova Scotia Community College (NSCC), the **PVSC Memorial Community Award** continues to honour the memory of our colleagues who passed away while serving at PVSC.

Congratulations to NSCC students Kristen and Ceilidh, each awarded a \$2,500 bursary to help ease financial pressures as they pursue their education and work to make a meaningful impact in their communities.



"As I enter my first year at NSCC, I am also starting a new chapter of my life where I will be living completely on my own."

"Receiving this Award means the world to me because it allows me more time to focus on my education and pursue the greatness that I know I can achieve in this career."

-Kristen, Medical Laboratory Technology, NSCC Ivany Campus

ADDITIONAL PERFORMANCE INDICATORS

ORGANIZATIONAL LEARNING

Investing in staff learning and development enables our team to meet the expectations of today and positions us for ongoing success in the future.

In the 2025-26 fiscal year, **0.5%** of our operating expenses were spent on staff training and development.

122 staff members participated in professional development, including in-house and external training/programs, industry events and conferences.

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 why PVSC is a leader in our industry.

13 assessment staff are currently working towards a designation, with **four** staff achieving a designation this year.

Congratulations to our staff achieving a designation this year:

Patrick Mitchell, AACI
Colin Curry, CRA
Chudi Ngwuluka, AACI
Vivienne Begbie, AACI



ADDITIONAL PERFORMANCE INDICATORS

FINANCIAL INDICATORS

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

Cost per Account: The average estimated cost to assess a single property account is calculated by dividing our total organizational costs by the total number of property accounts in Nova Scotia. We aim to keep our costs below the national average for assessment jurisdictions.

2025 national average cost
per account: **\$50.46**

2026 PVSC cost
per account: **\$32.26**

*Most recent figure at the time of publishing.

Municipal Cost per Million of Total Assessment: Reflects the cost of PVSC services relative to the total assessed value of properties in Nova Scotia. It illustrates the efficiency of service delivery by showing the cost required to support each \$1 million of assessed property value provided to municipalities.

Total Assessment Roll 2026	\$	206,285,621,700
Total Municipal Revenue	\$	18,419,371
Cost per \$M of Assessment	\$	89.29

MANAGEMENT DISCUSSION AND ANALYSIS

PVSC is a not-for-profit corporation funded by Nova Scotia's municipalities. Guided by our legislative mandate and commitment to fiscal responsibility, we strive to deliver strong 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, 2026.

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 which are in Part III of the Chartered Professional Accountants of 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.

The municipal funding requirement for the financial year-ended March 31, 2026, was \$18,419,371, a 3% increase over 2025. The corporation also had non-municipal revenue sources that include cost recovery on data exchange agreements, other service agreements, interest, and investment income. A \$2.08 million transfer from the Special Operating Reserve ensured the operating fund was balanced at zero by the end of the fiscal year. Management remains attentive to the challenges that future fiscal years may present, particularly the necessity to align municipal and other revenues with rising operational costs driven by inflation.

For upcoming budgets, careful judgment will be exercised to sustain reasonable increases in municipal costs, while also meeting operational requirements and supporting reserve funding. This balanced approach is intended to safeguard the financial stability of the organization. Thoughtful financial planning and responsiveness to economic conditions will remain priorities, ensuring that both essential services and reserves are adequately funded in the years ahead.

RESTRICTED RESERVES AND FUND BALANCES

The corporation's strategic plan guides the priorities reflected in its annual operating plans and budgets. These financial, operational, and capital plans help ensure PVSC has the people, resources, and capacity needed to achieve its strategic objectives while remaining responsive to changes in the operating environment. In developing these plans, PVSC is committed to financial prudence, fiscal responsibility, and the effective stewardship of 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 advancements, cyber security, data management and maintaining existing capital infrastructure.
- Maintaining an adequate contingency reserve to meet unforeseen budgetary requirements.

The corporation maintains the Technology Advancement Reserve, Contingency Reserve, Special Operating Reserve, Scholarship 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, 2026, the net book value of capital assets was \$391 thousand (2025 \$456 thousand).

Technology Advancement Reserve:

- Established to finance technology enhancements, innovation, large-scale renewal of the corporation's existing IT infrastructure, cyber security and organizational development in support of the strategic plan.
- Balance of \$2.38 million as at March 31, 2026.

Contingency Reserve:

- Internally restricted reserve set aside by the Board in the event of unforeseen expenditures and/or revenue interruptions.
- During fiscal 2026 \$2.35 million was transferred from the Contingency Reserve to the Special Operating Reserve to ensure adequate unrestricted funds for operations and to align with the updated Contingency Fund policy (reserve balance of approximately 10% of annual operating expenses).
- Balance of \$2.18 million as at March 31, 2026.

Special Operating Reserve:

- Accumulated operating surpluses or budget savings that the Board of Directors has internally restricted to stabilize budget costs and meet future financial needs aligned with the corporation's strategic priorities and operating requirements.
- During the fiscal year there was a transfer of \$2.08 million to the Operating Fund to balance that fund at zero at fiscal year end.
- The SOR balance at March 31, 2026 was \$1.96 million.

Scholarship Reserve:

- The investment returns generated by the Scholarship Reserve fund the annual Property Valuation Services Corporation Memorial Community Award.
- Balance of \$188 thousand as at March 31, 2026.

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.
- Balance of \$611 thousand as at March 31, 2026.

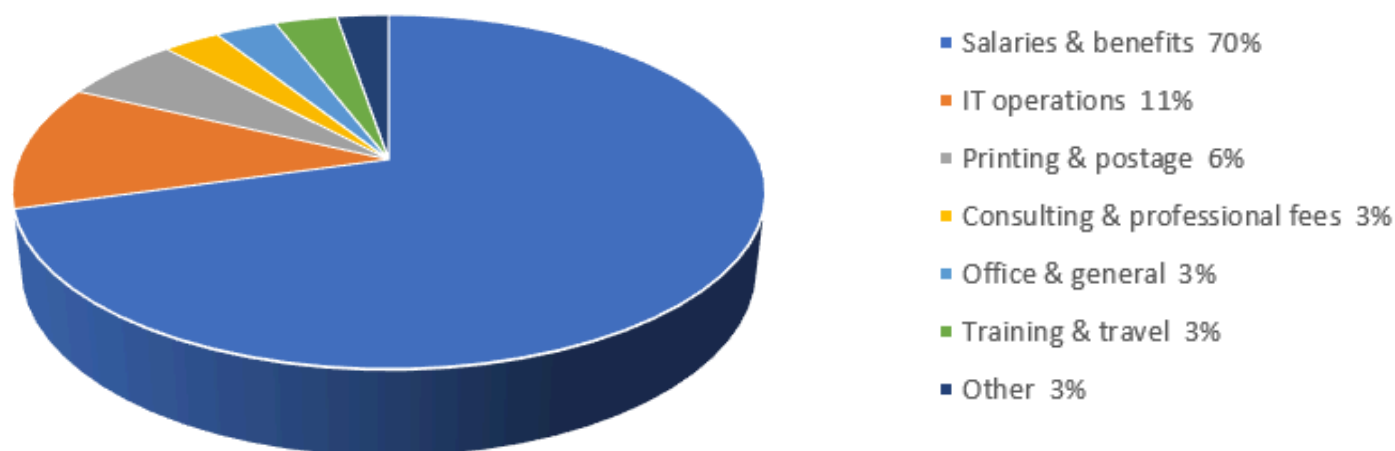
ANALYSIS OF THE OPERATING FUND

Municipal revenues of \$18,419,371 for the year ended March 31, 2026, represent the Board approved amount billed to municipal members for their share of assessment and related service costs. The budget included a planned transfer from the Special Operating Reserve to balance the Operating Fund at year-end. 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. This includes revenues for aerial Pictometry contracts on a cost recovery basis based on contracts with municipal partners.

PVSC's actual total expenses on the Operating Fund for 2026 were **\$21,120,239** (2025: \$20,134,551).

A summary of the major expense categories follows:



The corporation had a net transfer of \$2.08 million from the Special Operating Reserve to the Operating Fund.

In 2026 PVSC maintained an ongoing budget strategy of minimizing the municipal funding required to finance its operations despite inflationary pressures on some operating costs. The drawdown from the Special Operating Reserve was primarily driven by a budgeted \$1.51 million deficit to limit the cost increases to municipalities (capped at 3% for 2026).

Significant impacts on the deficit, above the planned amounts, were as follows:

SALARIES AND BENEFITS

Actual salaries and benefits for the financial year ended March 31, 2026, were **\$14,816,422** (2025 \$14,421,624) compared to budget of \$14,413,615. Expenditures for the year were higher than budget due to increases in health and dental premiums, and salary increments and lump sum payments per PVSC's collective agreement.

Salaries and benefits include pension costs for employees covered by the Nova Scotia Public Service Superannuation Plan (PSSP), which is administered by the Province of Nova Scotia. PVSC reimburses the Province for its share of these costs and recognizes the expense as employees provide services.

IT OPERATIONS

IT Operations costs were **\$2,413,571** (\$2,060,805 in 2025) compared to budget of \$2,193,536 in fiscal 2026. IT projects to strengthen cyber security and transform data management, along with increases in managed services costs drove the increases. Board approved project costs will be funded from the Technology Advancement Fund upon substantial completion in fiscal 2027.

PRINTING AND POSTAGE

Printing and postage costs in 2026 were **\$1,266,209** (2025 \$1,103,395) compared to budget of \$1,152,838. Canada Post increases for letter mail significantly impacted PVSC's postage costs in 2026.

EXTERNAL ADMINISTRATIVE, CONSULTING AND PROFESSIONAL FEES

Management successfully contained costs for external administrative services, consulting and professional fees which totaled **\$612,600** in 2026 (2025 \$816,420) compared to budget of \$777,642.

CONCLUSION

PVSC closed the financial year-ended March 31, 2026, with a transfer of **\$2,084,400** from the Special Operating Reserve.

Inflationary pressures on salaries and benefits, IT operations, and printing and postage contributed to PVSC's operating deficit. In future budgets, PVSC will consider reserve balances and operational needs when setting municipal funding requirements, with the goal of rebuilding reserves to sustainable levels.



Financial Statements

Property Valuation Services Corporation

March 31, 2026

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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, 2026, 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, 2026, 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 organizations.

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 Organization 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 organizations, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

Doane Grant Thornton LLP

Chartered Professional Accountants

Halifax, Canada
June 10, 2026

Property Valuation Services Corporation

Statement of operations

Year ended March 31	Budget 2026 (Unaudited)	Actual 2026	Actual 2025
Revenues			
Municipal	\$ 18,419,371	\$ 18,419,371	\$ 17,882,884
Interest	275,000	147,183	330,761
Cost recovery	50,000	131,299	105,205
Investment income	185,000	478,699	483,879
Unrealized (loss) gain on investments	-	(316,926)	210,390
Amortization of deferred capital contributions	-	-	74,662
	<u>18,929,371</u>	<u>18,859,626</u>	<u>19,087,781</u>
Expenses			
Salaries and benefits	14,413,615	14,816,422	14,421,624
IT operations	2,193,536	2,413,571	2,060,805
Rentals and leases	269,345	256,936	257,684
Amortization	-	135,332	290,886
Printing and postage	1,152,838	1,266,029	1,103,395
External administrative services	397,205	308,227	365,226
Professional fees	170,830	75,194	130,133
Consulting services	209,607	229,179	321,061
Employee future benefits	175,000	286,174	174,634
Travel	440,401	440,344	435,351
NS energy and regulatory boards tribunal	200,000	270,334	158,477
Staff training and development	104,803	106,547	97,062
Telecommunications	246,288	255,819	263,651
Office and general services	185,502	180,602	137,263
Membership dues and fees	110,044	122,548	107,358
Office meeting	26,201	20,687	15,307
Board expenses	67,400	71,627	85,519
	<u>20,362,615</u>	<u>21,255,572</u>	<u>20,425,436</u>
Shortfall of revenues over expenses	<u>\$ (1,433,244)</u>	<u>\$ (2,395,946)</u>	<u>\$ (1,337,655)</u>

See accompanying notes to the financial statements.

Property Valuation Services Corporation

Statement of financial position

March 31

2026

2025

Assets

Current

Cash and cash equivalents (Note 3)	\$ 2,720,388	\$ 6,108,603
Receivables (Note 6)	376,947	308,627
Prepays	<u>494,854</u>	<u>251,266</u>
	3,592,189	6,668,496

Internally restricted investments	2,528,190	2,499,026
Employee future benefits (Note 5)	2,448,225	2,374,466
Capital assets (Note 8)	113,047	131,082
Intangibles (Note 9)	<u>277,675</u>	<u>325,257</u>
	<u>\$ 8,959,326</u>	<u>\$ 11,998,327</u>

Liabilities

Current

Payables and accruals (Note 7)	\$ 1,246,460	\$ 1,922,377
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Net assets (Page 5)

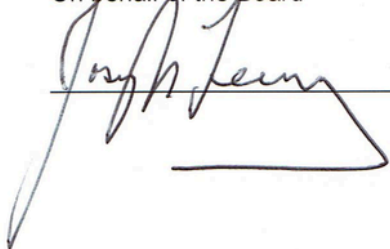
Restricted Capital Asset Fund (Note 4)	390,722	456,339
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Internally restricted reserve funds

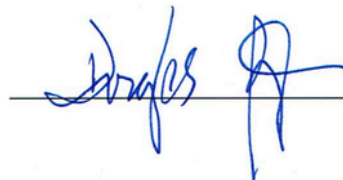
Scholarship Reserve (Note 4)	187,815	185,652
Technology Advancement Reserve (Note 4)	2,379,798	2,352,797
Special Operating Reserve (Note 4)	1,963,197	1,696,597
Contingency Reserve (Note 4)	2,180,000	4,531,000
Unrealized Post Retirement Gains Reserve (Note 4)	<u>611,334</u>	<u>853,565</u>
	7,712,866	10,075,950
	<u>\$ 8,959,326</u>	<u>\$ 11,998,327</u>

Commitments (Note 10)

On behalf of the Board



Director



Director

See accompanying notes to the financial statements.

Property Valuation Services Corporation

Statement of changes in net assets

Year ended March 31, 2026

	Operating <u>Fund</u>	Scholarship <u>Reserve</u>	Technology Advancement <u>Reserve</u>	Special Operating <u>Reserve</u>	Contingency <u>Reserve</u>	Unrealized Post Retirement Gains <u>Reserve</u>	Restricted Capital <u>Asset Fund</u>	2026 <u>Total</u>	2025 <u>Total</u>
Balance, beginning of year	\$ -	\$ 185,652	\$ 2,352,797	\$ 1,696,597	\$ 4,531,000	\$ 853,565	\$ 456,339	\$ 10,075,950	\$ 12,045,129
(Shortfall) excess of revenues over expenses	(2,289,778)	2,163	27,001	-	-	-	(135,332)	(2,395,946)	(1,337,655)
Actuarial valuation adjustments	32,862	-	-	-	-	-	-	32,862	(631,524)
Inter-fund transfers (Note 4)									
Investment in capital assets and intangibles	(69,715)	-	-	-	-	-	69,715	-	-
Special Operating Reserve	2,084,400	-	-	(2,084,400)	-	-	-	-	-
Contingency Reserve	-	-	-	2,351,000	(2,351,000)	-	-	-	-
Unrealized Post Retirement Gains Reserve	242,231	-	-	-	-	(242,231)	-	-	-
Balance, end of year	\$ -	\$ 187,815	\$ 2,379,798	\$ 1,963,197	\$ 2,180,000	\$ 611,334	\$ 390,722	\$ 7,712,866	\$ 10,075,950

See accompanying notes to the financial statements.

Property Valuation Services Corporation

Statement of cash flows

Year ended March 31

2026

2025

Increase (decrease) in cash and cash equivalents

Operating

Shortfall of revenues over expenses	\$ (2,395,946)	\$ (1,337,655)
Items not affecting cash and cash equivalents		
Amortization	135,332	290,886
Employee future benefits valuation adjustment	87,095	(179,118)
Unrealized change in market value on internally restricted investments	316,926	(210,390)
Realized investment income on internally restricted investments	(474,082)	(478,104)
	<u>(2,330,675)</u>	<u>(1,914,381)</u>

Change in non-cash operating working capital

Receivables	(68,320)	21,320
Prepays	(243,588)	299,063
Payables and accruals	(675,917)	518,325
Deferred revenue	-	(288,067)
	<u>(3,318,500)</u>	<u>(1,363,740)</u>

Investing

Purchase of capital assets and intangibles

Furniture & equipment	(2,553)	-
Leaseholds	(10,080)	-
IT assets	(57,082)	(115,118)
	<u>(69,715)</u>	<u>(115,118)</u>

Net decrease in cash and cash equivalents (3,388,215) (1,478,858)

Cash and cash equivalents, beginning of year 6,108,603 7,587,461

Cash and cash equivalents, end of year \$ 2,720,388 \$ 6,108,603

See accompanying notes to the financial statements.

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

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.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles using Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Handbook.

Fund accounting

These financial statements include the financial results of Property Valuation Services Corporation and its funds (Operating Fund, Scholarship Reserve, Technology Advancement Reserve, Special Operating Reserve, Contingency Reserve, Unrealized Post Retirement Gains Reserve, and Restricted Capital Asset Fund).

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

The Scholarship Reserve is internally restricted by the Board of Directors and consists of funds reserved for the annual Property Valuation Services Corporation Memorial Community Award through the NSCC.

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 10% of annual 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 and intangibles.

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

2. Summary of significant accounting policies (continued)

Use of estimates

In preparing the Corporation's 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 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.

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 and intangibles 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 and intangibles 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 and intangibles 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

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

2. Summary of significant accounting policies (continued)

Financial instruments

Financial instruments include cash and cash equivalents, internally restricted investments, receivables, payables and accruals, 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 in arm's length transactions. 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.

Financial assets and financial liabilities obtained in non-arm's length transactions are initially measured at cost, with the exception of certain instruments such as those quoted in active markets which are initially measured at fair value. Gains and losses arising on initial measurement differences are generally recognized in the statement of operations when the transactions are in the normal course of operations and directly in net assets when the transaction is not in the normal course of operations, subject to certain exceptions.

At each reporting date, the Corporation subsequently measures its financial assets and liabilities obtained in arm's length transactions 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 statement of operations. The Corporation uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals.

Financial assets and financial liabilities obtained on non-arm's length transactions are subsequently measured based on how the Corporation initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets.

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 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.

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

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, 2026, is \$1,033,215 (2025 - \$984,410) which is included in salaries and benefits expense.

Foreign currency transactions

The Corporation uses the current rate method to translate its foreign currency transactions.

Transactions and non-monetary balances denominated in a foreign currency are translated into Canadian dollars using the exchange rate at the date of the transaction. Monetary balances are translated using the exchange rate at the balance sheet date. The resulting foreign exchange gains and losses are included in net earnings.

3. Cash and cash equivalents

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

	<u>2026</u>	<u>2025</u>
Cash and cash equivalents	\$ 540,388	\$ 1,577,603
Internally restricted cash and cash equivalents	<u>2,180,000</u>	<u>4,531,000</u>
	<u>\$ 2,720,388</u>	<u>\$ 6,108,603</u>

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

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 received \$69,715 (2025 - \$40,456) from the Operating Fund, net of \$69,715 (2025 - \$115,118) relating to the acquisition of capital assets and intangibles.

The Special Operating Reserve transferred \$2,084,400 to the Operating Fund (2025 - \$2,100,462) and \$2,351,000 was transferred from the Contingency Reserve to the Special Operating Reserve (2025 - \$Nil). The balance in the Special Operating Reserve as at March 31, 2026 of \$1,963,197 is internally restricted by the Board of Directors, to be applied to offset future budget increases in operating expenses and strategic initiatives as required.

The Unrealized Post Retirement Gains Reserve transferred \$242,231 to the Operating Fund (2025 - \$132,732 transferred to the Unrealized Post Retirement Gains Reserve from the Operating Fund). This transfer represents the unrealized losses 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.

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 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, 2026, were as follows:

	Health Plans	Service Awards	SERP	Total
Fair value plan assets, March 31, 2025	\$ 3,493,034	\$ 3,295,491	\$ 421,037	\$ 7,209,562
Net investment income	775,955	(552,713)	(95,250)	127,992
Fair value plan assets, March 31, 2026	\$ 4,268,989	\$ 2,742,778	\$ 325,787	\$ 7,337,554

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.

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

5. Employee future benefits (continued)

Restricted investments (continued)

- (b) Designated employees transferred to the Corporation, and employees hired since April 1, 2008, 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.

The defined benefit obligation as at March 31, 2026, was determined based on an actuarial valuation as at March 31, 2026, as follows:

	Health Plans	Service Awards	SERP	Total
Defined benefit obligation March 31, 2025	\$ 2,813,088	\$ 1,807,249	\$ 214,759	\$ 4,835,096
Payments	(54,194)	(130,224)	(14,661)	(199,079)
Actuarial Revaluations + Interest	(86,437)	26,993	26,582	(32,862)
Annual service cost	152,260	115,864	18,050	286,174
Defined benefit obligation March 31, 2026	2,824,717	1,819,882	244,730	4,889,329
Employee future benefits, net	\$ 1,444,272	\$ 922,896	\$ 81,057	\$ 2,448,225

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, 2026, are as follows:

	Health Plans	Service Awards	SERP
Discount rate	5.20%	4.80%	4.90%
Rate of compensation and inflation	3.50%	3.50%	Nil

Health care trend

Initial rate: drugs and other health	6.5%
Ultimate rate: drugs and other health	4.5%
Year ultimate reached	(Drugs and Other Health – 2030)

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

5. Employee future benefits (continued)

Restricted investments (continued)

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 \$7,337,554 (2025 - \$7,209,562) in investments to pay for the employee future benefit obligations. As of March 31, 2026, the total liabilities were over-funded by \$2,448,225 (2025 - \$2,374,466).

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.

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 \$182,990 (2025 - \$183,839) for an outstanding HST reimbursement claim.

7. Payables and accruals

	<u>2026</u>	<u>2025</u>
Vacation liability	\$ 470,732	\$ 407,381
Salaries and other benefit accruals	639,005	979,893
Trade payables	<u>136,723</u>	<u>535,103</u>
	<u>\$ 1,246,460</u>	<u>\$ 1,922,377</u>

8. Capital assets

8. Capital assets			<u>2026</u>	<u>2025</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and equipment	\$ 314,768	\$ 310,501	\$ 4,267	\$ 3,589
IT hardware	1,072,957	996,528	76,429	89,047
Leasehold improvements	<u>303,277</u>	<u>270,926</u>	<u>32,351</u>	<u>38,446</u>
	\$ 1,691,002	\$ 1,577,955	\$ 113,047	\$ 131,082

Property Valuation Services Corporation

Notes to the financial statements

March 31, 2026

9. Intangibles			<u>2026</u>	<u>2025</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computerized mass appraisal	\$ 4,937,012	\$ 4,661,337	\$ 275,675	\$ 319,682
Internally developed software				
Permit Data Exchange	1,162,754	1,160,754	2,000	4,000
IT software other	817,203	817,203	-	1,575
	<u>\$ 6,916,969</u>	<u>\$ 6,639,294</u>	<u>\$ 277,675</u>	<u>\$ 325,257</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:

2027	\$	206,898
2028	\$	206,898
2029	\$	120,691

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

- (b) The Corporation has entered into an agreement for data capture flights (EagleView). The remaining minimum annual payments under this agreement are as follows:

2027	\$	103,730
2028	\$	103,730

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.

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

Year ended March 31	Budget 2026 (Unaudited)	Actual 2026	Actual 2025
Revenues			
Municipal	\$ 18,419,371	\$ 18,419,371	\$ 17,882,884
Interest	275,000	147,183	330,761
Cost recovery	50,000	131,299	105,205
Investment income	185,000	374,841	387,220
Unrealized (loss) gain on investments	-	(242,233)	132,731
	<u>18,929,371</u>	<u>18,830,461</u>	<u>18,838,801</u>
Expenses			
Salaries and benefits	14,413,615	14,816,422	14,421,624
IT operations	2,193,536	2,413,571	2,060,805
Rentals and leases	269,345	256,936	257,684
Printing and postage	1,152,838	1,266,029	1,103,395
External administrative services	397,205	308,227	365,226
Professional fees	170,830	75,194	130,133
Consulting services	209,607	229,179	321,061
Employee future benefits	175,000	286,174	174,634
Travel	440,401	440,344	435,351
NS Utility and Review Board costs	200,000	270,334	158,477
Staff training and development	104,803	106,547	97,062
Telecommunications	246,288	255,819	263,651
Office and general services	185,502	180,602	137,263
Membership dues and fees	110,044	122,548	107,358
Office meeting	26,201	20,686	15,308
Board expenses	67,400	71,627	85,519
	<u>20,362,615</u>	<u>21,120,239</u>	<u>20,134,551</u>
Shortfall of revenues over expenses	<u>(1,433,244)</u>	<u>(2,289,778)</u>	<u>(1,295,750)</u>
Fund balance, beginning of year	-	-	-
Actuarial valuation adjustments	-	32,862	(631,524)
Inter-fund transfers			
Investment in capital assets and intangibles	(75,000)	(69,715)	(115,118)
Amortization of Deferred Capital Contributions	-	-	74,662
Transfer from Special Operating Reserve	1,508,244	2,084,400	2,100,462
Unrealized Post Retirement Gains Reserve	-	242,231	(132,732)
	<u>(1,433,244)</u>	<u>2,289,778</u>	<u>1,295,750</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 2026 (Unaudited)	Actual 2026	Actual 2025
Revenues			
Amortization of deferred capital contributions	\$ -	\$ -	\$ 74,662
Expenses			
Amortization of capital assets and intangibles	-	135,332	290,886
Shortfall of revenues over expenses	-	(135,332)	(216,224)
Fund balance, beginning of year	456,339	456,339	632,107
Inter-fund transfers			
Amortization of deferred capital contributions	-	-	(74,662)
Capital asset and intangible purchases	75,000	69,715	115,118
	<u>531,339</u>	<u>526,054</u>	<u>672,563</u>
Fund balance, end of year	<u>\$ 531,339</u>	<u>\$ 390,722</u>	<u>\$ 456,339</u>

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

Year ended March 31	Actual 2026	Actual 2025
Revenues		
Investment income	\$ 68,227	\$ 90,991
Realized gains on investments	42,862	13,820
Unrealized (loss) gain on investments	<u>(72,449)</u>	<u>70,555</u>
	38,640	175,366
Expenses		
Management and custodial fees	<u>11,639</u>	<u>14,030</u>
Excess of revenues over expenses	<u>27,001</u>	<u>161,336</u>
Fund balance, beginning of year	<u>2,352,797</u>	<u>2,191,461</u>
Fund balance, end of year	<u>\$ 2,379,798</u>	<u>\$ 2,352,797</u>

Property Valuation Services Corporation
Statement of operations and changes in fund balance –
Scholarship Reserve Fund

Year ended March 31	Actual 2026	Actual 2025
Revenues		
Investment income	\$ 2,555	\$ 6,413
Realized gains on investments	2,790	623
Unrealized (loss) gain on investments	<u>(2,245)</u>	<u>7,103</u>
	3,100	14,139
Expenses		
Management and custodial fees	<u>937</u>	<u>1,158</u>
Excess of revenues over expenses	<u>2,163</u>	<u>12,981</u>
Fund balance, beginning of year	<u>185,652</u>	<u>172,671</u>
Fund balance, end of year	<u>\$ 187,815</u>	<u>\$ 185,652</u>

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