



Municipal
Assessment
Agency Inc.



Municipal Assessment Agency Inc.

2025 – 2026 Annual Report



Inside Front Cover

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Message from the Chair



On behalf of the Municipal Assessment Agency (the “Agency”), I am pleased to present the Agency’s Annual Performance Report for the fiscal year April 1, 2025, to March 31, 2026.

As a Category Two entity under the **Transparency and Accountability Act**, the Board of Directors is responsible for ensuring accountability for the Agency’s performance and the results outlined in this report. We remain committed to conducting our business with openness, transparency, and a steadfast dedication to the principle that forms the foundation of a fair and equitable property assessment system.

As a not-for-profit organization, all revenues generated by the Agency are reinvested to enhance service delivery and support continuous improvement initiatives. As the legislated provider of property assessment services for more than 240 municipalities throughout Newfoundland and Labrador under the **Assessment Act, 2006**, the Agency continues to play an important role in supporting local governments and delivering a valuable service to the people of Newfoundland and Labrador.

Throughout last year, the Agency has focused on strengthening operational effectiveness, advancing technological innovation, and enhancing stakeholder engagement. Significant efforts have also been made to improve communication with municipalities, property owners, and other stakeholders, ensuring our services remain responsive, accessible, and transparent.

As we move forward, we remain committed to building on these achievements and working collaboratively with our municipal partners and stakeholders to ensure Newfoundland and Labrador’s property assessment system continues to deliver fair, accurate, and reliable results for all.

Sincerely,

A handwritten signature in blue ink that reads "Dean Ball". The signature is fluid and cursive.

**Mayor Dean Ball, Chairperson
Municipal Assessment Agency**

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Entity Overview

The Municipal Assessment Agency provides ethical and equitable property assessment services within Newfoundland and Labrador. As a crown corporation, the Agency is responsible for both residential and commercial property assessments.

Vision

The vision of the Municipal Assessment Agency is an organization applying the highest standards of fairness and equity in all operations and processes, thereby meeting the valuation needs and professional expectations of those we serve.

Mandate

The Municipal Assessment Agency is required to provide municipalities with real property values (or assessments) in accordance with the terms and conditions of the Government of Newfoundland and Labrador's **Assessment Act, 2006**.

The Municipal Assessment Agency is limited by the conditions of its incorporation to do only the following:

- ▶ Provide assessment activities as per the **Assessment Act, 2006**,
- ▶ Provide and charge fees for:
 - Data and other related assessment information
 - Property inspections
 - Valuation services to all levels of the Crown, including municipalities as outlined in the **Assessment Act, 2006**
 - Consultation services

The Municipal Assessment Agency is a “not-for-profit” entity whose returns are to be used solely to support or enhance the activities of the Agency on behalf of those we serve.

The Agency's website www.maa.ca provides further overview of the services provided.

Lines of Business

The Agency's line of business is a reflection of the requirements outlined in the **Assessment Act, 2006**.

Property Assessments

On behalf of municipalities, the Agency provides residents and commercial property owners with their real property values annually. This is achieved by collecting market information and other property data to calculate market value for each property.

Supporting Client Municipalities

Working closely with municipalities, the Agency ensures residents are informed about their property assessment and the processes used to determine these property values.



Consultation Services

The Agency provides consultation services relating to property assessment practices.

Primary Clients

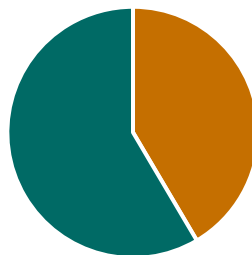
The primary clients of the Municipal Assessment Agency include:

- Approximately 240 municipalities and one Inuit Community Government
- Residents of client municipalities

Number of Employees

Division	# of Employees
Valuation Services	31
Corporate Services	19
Executive Team Members	3
Total Staff	53
Staff Per Office Location:	
Clareville Sub Office	2
Corner Brook Regional Office	12
Gander Regional Office	10
Grand Falls-Windsor Sub Office	3
Marystown Sub Office	1
St. John's Eastern Regional Office	25

Gender Ratio



■ Women = 22 ■ Men = 31

Board of Directors

The Agency is governed by a ten-member Board of Directors including six municipal representatives, one director appointed by Municipalities Newfoundland and Labrador (MNL), and one by the Professional Municipal Administrators (PMA). The remaining two positions are appointed by the Minister of Municipal and Community Affairs and represent the interest of taxpayers.

The Board of Directors is responsible for directing the business and affairs of the Agency, advising the Minister on matters relating to the **Assessment Act, 2006**, approving all by-laws, and ensuring governance within the Corporation.

The membership of the Board of Directors is listed below.

Title	Board of Directors
Board Chair Western Director	Mayor Dean Ball Town of Deer Lake
Board Vice Chair Central Director	Mayor Tony R. Keats Town of Dover
Avalon Director	Councillor Eric A. Snow Town of South River
Eastern Director	Councillor Keith Keating Town of Marystown
Labrador Director	Mayor Eric Paul Town of Red Bay
Urban Director	Deputy Mayor Kimberley Street Town of Paradise
Taxpayer Representative	Mr. Roger Barrett Winterton
Taxpayer Representative	Mr. Dan Noseworthy Conception Bay South

Representative of MNL	Deputy Mayor Nicole Kieley City of Mount Pearl
Representative of PMA	Ms. Connie Reid, Town Clerk/Manager PMA President Town of Reidville

Locations

Western and Labrador Region

Corner Brook

24 Brook Street
Corner Brook, NL
A2H 7J5

Central Region

Gander

165 Roe Avenue
P.O. Box 570
Gander, NL
A1V 2E1

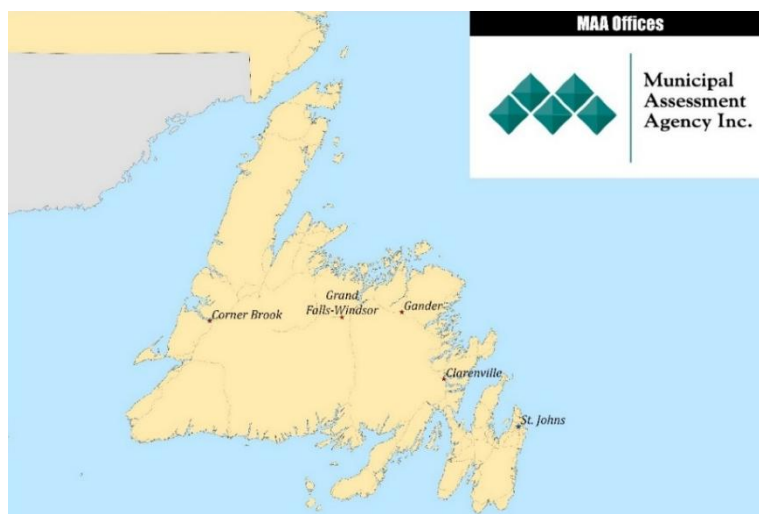
Eastern Region / Headquarters

St. John's

75 O'Leary Avenue
St. John's, NL
A1B 2C9

Satellite Offices

- Clarenville
- Grand Falls-Windsor

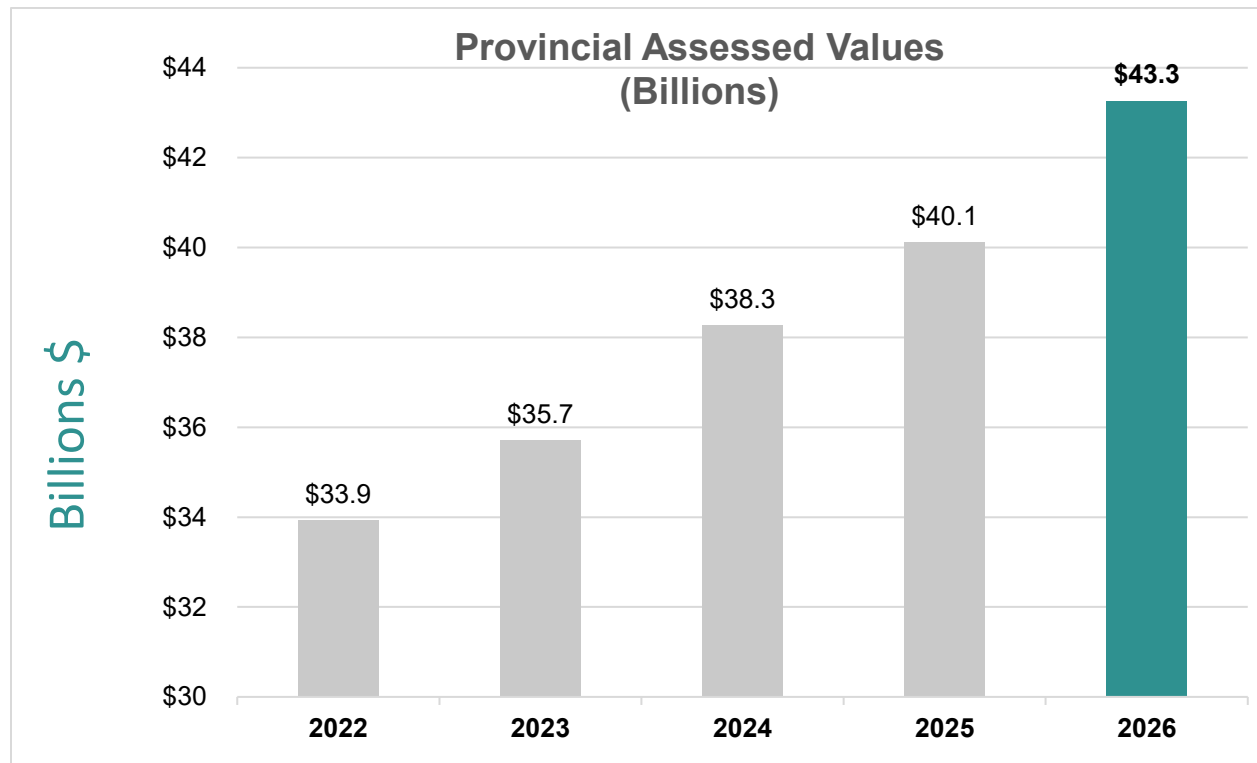


Revenues and Expenditures

The Agency's gross expenditure for 2025-26 was \$6,020,484 with a revenue of \$5,814,034. Please refer to financial information (p.21) for a summary of expenditures and related revenue. The Agency's main source of revenue is derived from service fees to municipalities for assessment services. If a shortfall occurs in a fiscal year, unrestricted funds are available. If funds were unavailable, an increase in service fees would result. There are no changes to service fees for this reporting period.

Assessed Values for Newfoundland and Labrador

The total assessed property value increased by 7.9 percent compared to 2025. The 2026 assessed value is used by municipalities to calculate their 2027 tax revenue.



Highlights and Partnerships

Highlights



207,367

2026 Parcel Count in NL

\$43.3 Billion

Total 2026 Assessed Value

Residential Assessments



\$33.8 Billion

191,856 parcels

Commercial Assessments



\$9.5 Billion

15,511 parcels

* The highlights below reflect the Agency's activities in 2025 to produce the total provincial assessed value for 2026. Assessments are based on the calendar year.



25,173

Property Changes
Reported



811

Assessment
Appeals



32,287

Property
Inspections
(Field/Desktop)

Partnerships

Collaborative Initiative Fund

The Agency partnered with multiple municipalities using its ongoing Collaborative Initiative Fund to support municipal projects (e.g., Geographic information systems and aerial imagery), enhancing the property assessment service. This grant provides funding up to a maximum of \$2 per assessed parcel of land to municipalities per project.

Municipalities Newfoundland and Labrador (MNL)

We partner with MNL to enhance overall engagement in the municipal sector. This partnership provides the Agency with increased opportunities to collaborate and communicate with municipalities each year. The Agency is working with MNL to develop training for municipal representatives.

Professional Municipal Administrators (PMA)

We partner with PMA to strengthen engagement directly with municipal personnel. This collaboration provides the Agency with opportunities to communicate important information to municipal members of this association, as required.

Report on Performance

A three-year business plan for the Municipal Assessment Agency commenced in 2023.

The Agency's business plan identifies three issues of focus for 2023-26. The issues include:

- Increased collaboration with its stakeholders will contribute to improved services to current and future client municipalities of the Agency.
- The Municipal Assessment Agency will improve awareness and transparency of the assessment processes to municipalities.
- Improved property data practices will ensure assessments are accurate.

Issue 1: Increased collaboration with its stakeholders will contribute to improved services to current and future client municipalities of the Agency.

The Agency is committed to servicing its clients professionally and efficiently. Collaboration with its stakeholders will ensure legislation requirements are met and resources are available to support municipalities.

Goal

By March 31, 2026, the Municipal Assessment Agency will have participated in municipal governance and service delivery initiatives with our key stakeholders.

The Agency engaged with the Department of Municipal and Community Affairs on matters affecting municipalities, the Agency, and new legislative changes, with a focus on strengthening municipal governance and enhancing service delivery. The Agency collaborated with the Department, contributing to their overall support for effective governance and improved outcomes for municipalities.

Goal Indicators

Increased opportunities to collaborate with the Department of Municipal and Community Affairs.

The Agency experienced increased opportunities to collaborate with the Department of Municipal and Community Affairs throughout the reporting period. This increased collaboration was reflected through 12 departmental meetings held during the reporting period, including two meetings directly with the Minister, as well as four public meetings co-chaired with the Department of Municipal and Community Affairs concerning initial assessments. This enhanced engagement included regular dialogue on emerging issues and shared priorities affecting municipalities. Through these interactions, the Agency applied its property assessment expertise to support the planning and implementation of

municipalities' transition to a property taxation framework. The legislative changes are aimed at strengthening municipal governance, improving accountability, and enhancing service delivery to citizens. As a result of this collaboration, there was greater alignment between departmental and Agency priorities, and improved support to municipalities. These outcomes have contributed to more effective decision-making, strengthened governance practices, and better service delivery outcomes at the municipal level, in line with the Agency's mandate.

Contributed to the overall success of the Department of Municipal and Community Affairs' strategic plan.

Through strengthened collaboration with the Department of Municipal and Community Affairs, the Agency supported the successful advancement of the Department's strategic plan and key priorities related to municipal governance and service delivery. Key achievements included advancing the implementation of legislative changes related to property taxation, contributing to the successful implementation of the **Towns and Local Service Districts Act (TLSDA)**, which replaced the **Municipalities Act, 1999**, and fostering greater participation in joint initiatives with the Department of Municipal and Community Affairs. Success was demonstrated through increased participation in collaborative working groups and consultations, as well as the Agency's engagement in forty-six separate discussions with the Department on matters affecting municipalities, the Agency, and proposed legislative changes. These efforts strengthened interdepartmental collaboration and supported the advancement of shared municipal governance and service delivery priorities.

2025-26 Objective:

By March 31, 2026, the Municipal Assessment Agency will have contributed to the Department of Municipal and Community Affairs' goal to improve local governance and service sharing initiatives.

2025-26 Indicators

The Agency attended and collaborated in regular meetings to build and enhance services for municipalities.

The Agency actively participated in and contributed to regular meetings with the Department, fostering ongoing collaboration to build and enhance services for municipalities. In 2025-26, the Agency engaged with the Department on twelve occasions. These engagements resulted in improved coordination of service delivery and the identification and prioritization of emerging municipal needs.

As a result, municipalities benefited from more timely support, clearer guidance, and enhanced consistency in service delivery. This was demonstrated through the Agency's contributions to discussions on proposed legislative changes, property taxation matters, and other issues affecting municipalities, which supported informed decision-making and a more coordinated approach to municipal service delivery.

The Agency provided support to the Department of Municipal and Community Affairs to implement new legislation and programs for municipalities.

The Agency provided support to the Department of Municipal and Community Affairs in implementing new legislation and programs for municipalities. This included assisting newly incorporated municipalities by establishing clear timelines, outlining reporting requirements, and delivering educational opportunities to enhance understanding of the real property assessment process. During 2025-26, the Agency successfully completed the collection, analysis, and determination of assessed property values for the new municipalities included in the first year of the established three-year implementation plan.

Issue 2: The Municipal Assessment Agency will improve awareness and transparency of the assessment processes to municipalities.

Municipalities rely on the Agency for accurate property assessments to assist with the collection of property tax. The Agency's mandate guides the assessment process, and municipalities benefit from a clear understanding of both the process and resulting assessment values. The Agency remains focused on increasing awareness, transparency, and stakeholder understanding of assessment methodologies and outcomes. By enhancing communication and engagement with municipalities, the Agency supports informed decision-making and reinforces confidence in the fairness and integrity of the property assessment system.

Goal

By March 31, 2026, the Municipal Assessment Agency's processes and information are clearer and have increased accessibility to all that we serve.

Goal Indicators

Municipalities have increased access to information and understanding of the Agency's processes.

During the 2023-26 business planning period, the Agency introduced enhanced written materials, expanded access to training, and increased engagement opportunities with municipalities. These initiatives improved awareness and understanding of assessment processes and results, supported transparency objectives, and strengthened relationships between the Agency and municipal stakeholders. Success was demonstrated through an 80% increase in participation in training and engagement activities, from 190 participants in the previous year to 342 participants during the reporting period, creating greater opportunities for dialogue, collaboration, and knowledge sharing on assessment-related matters.

Communication practices provide consistent, sustainable, and responsive services.

Success was measured through increased municipal participation in training and engagement activities, the number of consultations and discussions held with stakeholders, timely responses to inquiries, utilization of communication resources, and positive feedback regarding the clarity, accessibility, and effectiveness of information provided by the Agency. During the peak inquiry period from June to August 2025, the Agency responded to 90.5% of 800 inquiries within its established service standard of two business days, an improvement from 80.4% in 2024. Enhancements to internal processes, combined with improved staffing resources, contributed to the organization's overall improvement.

Participation in training and engagement activities increased by 80%, from 190 participants in the previous year to 342 participants during the reporting period. In addition, feedback received through consultations, training evaluations, surveys, stakeholder meetings, and direct communication indicated that municipalities valued the clarity, accessibility, and timeliness of information provided by the Agency. These results demonstrate the Agency's commitment to delivering consistent, sustainable, and responsive services to municipalities and the public.

Stakeholder feedback is collected through municipal consultations, training and workshop evaluations, surveys, stakeholder meetings, direct communication with municipal representatives, and participation in advisory groups and working committees. Feedback received through these channels helps the Agency assess the effectiveness of its communication practices, identify opportunities for improvement, and ensure services remain responsive to municipal needs.

2025-26 Objective:

By March 31, 2026, the Municipal Assessment Agency will have established and evaluated new communication strategies. Clients and residents will have had opportunity to provide feedback.

2025-26 Indicators:

Communication strategies are evaluated by municipalities to confirm each communication channel provided increased transparency and accessibility.

The implementation of a client portal in 2024-25 provided municipalities with access to timely information from the Agency and a standardized mechanism to report property changes accurately and in a timely manner.

In 2025-26, the Agency evaluated the effectiveness of its key communication strategies through stakeholder surveys and analysis of usage metrics, including website traffic, resource downloads, and municipal engagement with Agency communications. Municipal engagement was measured through participation in surveys, attendance at information sessions and consultations, use of Agency resources and online services, and the volume of municipal inquiries and feedback received.

Results from the 2025 municipal survey indicated that 85% of respondents agreed that the information provided through seminars and conferences was informative and meaningful, compared to 63% in 2024. Overall satisfaction with training provided to municipal staff increased by 10% over the previous year. In addition, 80% of respondents indicated that training related to the Agency's client portal was effective. Survey results also demonstrated strong confidence in the Agency's communication practices, with 92.1% of respondents indicating that the Agency provides adequate information regarding the work it performs for municipalities, 85.4% agreeing that information is communicated at convenient times, and 92.1% indicating that information is easily accessible.

These results demonstrate that the Agency's enhanced communication and training efforts improved municipal understanding of property assessment processes and services. Increased satisfaction levels and positive feedback indicate that information was delivered in a clear, accessible, and relevant manner, strengthening trust in Agency processes and supporting more effective engagement with municipalities.

Municipalities have access to different methods of providing feedback to the Agency and response rates have improved.

Municipalities were provided with multiple channels to provide feedback to the Agency, supporting open and responsive engagement. During 2025-26, the Agency enhanced its feedback mechanisms by increasing opportunities for municipal participation through surveys, online training sessions, seminars, and interactive conference presentations. These channels enabled municipalities to ask questions, share concerns, and provide input on Agency programs, services, and communications. The Agency provided eight opportunities for municipal representatives to participate in training and information sessions to effectively learn how to utilize the client portal and ask questions related to the property assessment process. 94% of municipalities participated in these sessions. Additional support and guidance were available and continue on an individual basis.

Feedback received through these engagement activities was used to identify information gaps, address recurring questions, and improve communication materials and service delivery. As a result of improvements to the Agency's feedback mechanisms, municipal survey results indicated a 44% increase in satisfaction with the timeliness of communications in 2025. These enhancements supported stronger stakeholder relationships and fostered more effective and responsive two-way communication with municipalities.

Messaging is tailored to assist municipalities to understand property assessment processes and practices.

During 2025-26, the Agency revised and reissued its property assessment handbook, incorporating plain-language principles and expanding content to address recurring questions and areas of concern identified through stakeholder feedback. The handbook was complemented by additional communication resources, including seminars, fact sheets, and newsletters, all of which were made available to municipalities through the Agency's online portal.

Municipal engagement was measured through the use of these resources, which were accessed 5,700 times through the Agency's website during the reporting year. Feedback on the effectiveness of the Agency's communications was gathered through a municipal survey. Survey results indicated that 91% of respondents found the information useful, an increase from 75% in the previous year when the expanded resources were not available.

These results demonstrate that stakeholder feedback was used to refine messaging by addressing identified information gaps, improving clarity through plain-language communication, and providing additional resources tailored to municipal information needs.

Issue 3: Improved property data practices will ensure assessments are accurate.

Traditional methods of data collection are becoming increasingly costly and less efficient. The adoption of new technologies will provide the Agency with opportunities to enhance operational efficiency, improve data accuracy and reliability, and strengthen its ability to collect and analyze information required to support its mandate.

Goal

By March 31, 2026, the Municipal Assessment Agency will have improved how data is collected while overcoming geographic and resource obstacles. Aerial data and the use of technology will improve data quality overall. Geographic areas where fieldwork is difficult to access will have improved.

Goal Indicators:

Increased data reliability and organizational effectiveness through standardized quality improvement practices.

Standardized data quality improvement practices continued to strengthen the reliability and accuracy of data across the Agency's operations. Increased use of aerial imagery enhanced property data review processes by enabling more efficient verification of property characteristics, improving the identification of property changes, and supporting more accurate, consistent, and current assessment data. Aerial imagery improved consistency by providing a standardized source of information for property reviews, allowing assessors to verify property characteristics using the same methodology and reducing variations in data collection and assessment practices. Over the 2023–2026 period, aerial imagery was used to inspect an additional 36,687 properties, increasing the total number of properties inspected from 40,389 to 77,076, a 90.8% increase. The technology also supported the identification and verification of property improvements and changes, contributing to more accurate, consistent, and up-to-date assessment data.

Improved data quality and property uniformity will be accomplished by utilizing geographic information systems.

Geographic information systems (GIS) enhance property uniformity by standardizing spatial data and providing a consistent geographic framework for analysis. By integrating property boundaries, land use classifications, and location-based attributes into a single system, GIS ensures that similar properties are identified and assessed using the same criteria. This reduces inconsistencies caused by fragmented or outdated data sources and supports the application of uniform assessment methodologies across municipalities. The use of GIS has also supported more efficient analysis and validation of assessment data, improved the ability to identify and resolve discrepancies, and enhanced decision-making by providing assessors with a more comprehensive and consistent view of property information.

2025-26 Objective:

By March 31, 2026, the use of geographical data and advanced geographical technology supports the Agency in achieving its mandate.

2025-26 Indicators

Improved property assessment practices through the use of new technology advances the Agency's ability to meet legislative requirements.

Advancements in geospatial technology enhanced property assessment practices. In 2025, assessors used aerial imagery to view and analyze more than 41,053 properties, improving assessment accuracy and supporting continuous improvement in the property assessment process. The use of aerial imagery provided assessors with timely access to current property information, supported the identification and verification of property characteristics, and enhanced the Agency's capacity to review a large volume of properties in a consistent and efficient manner. These improvements strengthened the Agency's ability to maintain current assessment information and support compliance with legislative requirements.

Improved processes will lead to increased revenue for municipalities. Higher quality of data improves the overall accuracy of property assessments within municipalities.

Improved processes and higher-quality data strengthened the accuracy and reliability of property assessments, contributing to a more stable and equitable tax base for municipalities. Standardized data quality improvement practices, including the increased use of aerial imagery enhanced the Agency's ability to identify and verify property characteristics and changes. As a result, municipalities reviewed through the use of aerial imagery received an average of \$7.28 million in additional property value, while assessment appeals decreased by 37% in 2025-26 from the previous year. These outcomes support increased and more stable municipal revenues, greater confidence in assessment results, and improved efficiency in the assessment and appeal process.

Opportunities and Challenges

During 2025-26, the Agency's primary challenge was implementing the assessment of additional municipalities resulting from legislative changes under the **Towns and Local Service Districts Act**. Successfully meeting this expanded mandate will require continued investment in operational capacity, technology, and workforce development, as well as ongoing engagement with municipalities and stakeholders. The Agency also faced challenges associated with increasing service demands while maintaining existing staffing levels and managing ongoing cost pressures. The inability to increase staffing resources and fully offset rising operating expenses required the Agency to identify efficiencies and prioritize investments to ensure continued delivery of services and fulfillment of its legislative responsibilities.

The Agency views these challenges as opportunities to enhance service delivery and strengthen assessment practices. Continued investment in geographic information systems, aerial imagery, and database capabilities will improve efficiency, support data quality, and increase the Agency's capacity to meet growing service demands. Recent technology initiatives have already demonstrated measurable benefits through improved data accuracy, reduced assessment appeals, and a stronger municipal assessment base.

The Agency remains committed to continuous improvement in communication, transparency, and accessibility. Planned website enhancements, including the development of a municipal information portal, will continue to improve information sharing and provide municipalities and property owners with greater access to assessment resources.

Municipalities play an important role in promoting public understanding of property assessment and taxation. The Agency will continue to provide training, communication resources, and stakeholder support to help municipalities address local needs and maintain confidence in the assessment system.

Financial Information

Please see our financial report on the next page.

MUNICIPAL ASSESSMENT AGENCY INC.
Financial Statements
Year Ended March 31, 2026

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MUNICIPAL ASSESSMENT AGENCY INC. Index to Financial Statements Year Ended March 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Municipal Assessment Agency Inc.

Opinion

We have audited the financial statements of Municipal Assessment Agency Inc. (the Agency), which comprise the statement of financial position as at March 31, 2026, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2026, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

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 Financial Statements* section of our report. We are independent of the Agency in accordance with ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency'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 Agency or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

(continues)

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Independent Auditor's Report to the Board of Directors of Municipal Assessment Agency Inc. *(continued)*

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 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 Agency'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 Agency'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 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 Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.



St. John's, Newfoundland and Labrador
June 5, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

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MUNICIPAL ASSESSMENT AGENCY INC.

Statement of Financial Position

March 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	\$ 1,019,816	\$ 1,284,261
Accounts receivable (Note 3)	404,153	223,587
Prepaid expenses	315,928	311,734
	<u>1,739,897</u>	<u>1,819,582</u>
RESTRICTED RESERVE CASH (Note 4)	1,698,559	1,904,308
TANGIBLE CAPITAL ASSETS (Note 5)	<u>1,419,331</u>	<u>1,447,701</u>
	<u>\$ 4,857,787</u>	<u>\$ 5,171,591</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 159,954	\$ 128,075
Accrued vacation pay (Note 7)	309,154	275,412
Deferred income	-	575
	<u>469,108</u>	<u>404,062</u>
NET ASSETS		
SHARE CAPITAL	1	1
RESTRICTED RESERVE FUNDS (Note 8)	3,117,891	3,259,051
UNRESTRICTED FUND	<u>1,270,787</u>	<u>1,508,477</u>
	<u>4,388,679</u>	<u>4,767,529</u>
	<u>\$ 4,857,787</u>	<u>\$ 5,171,591</u>
COMMITMENTS (Note 9)		
CONTINGENCIES (Note 10)		

ON BEHALF OF THE BOARD

	Member
Jun-08-2026 06:32:57 PM	
	Member
Jun-08-2026 06:33:52 PM	

ANNUAL REPORT 2025-2026

MUNICIPAL ASSESSMENT AGENCY INC. Statement of Revenues and Expenditures Year Ended March 31, 2026

	2026	2025
REVENUES		
Assessment services	\$ 5,520,838	\$ 5,472,458
Interest revenue	111,191	196,210
Valuation revenue	100,240	69,502
Other	79,819	3,860
Interest revenue on overdue accounts	1,946	279
	<u>5,814,034</u>	<u>5,742,309</u>
EXPENSES		
Salaries	3,669,670	3,366,788
Benefits	769,246	722,274
Information technology	527,233	448,606
Office and administration (Schedule 1)	477,983	568,651
Printing and postage	328,190	287,533
Travel	248,162	242,242
Municipal Collaborative Initiative	-	11,660
	<u>6,020,484</u>	<u>5,647,754</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING	<u>(206,450)</u>	<u>94,555</u>
Amortization of tangible capital assets	138,660	131,580
Provision for vacation pay	33,742	14,808
	<u>172,402</u>	<u>146,388</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (378,852)</u>	<u>\$ (51,833)</u>

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MUNICIPAL ASSESSMENT AGENCY INC.

Statement of Changes in Net Assets

Year Ended March 31, 2026

	Balance, beginning of year April 1, 2025	Excess (deficiency) of revenues over expenses	Transfers	Balance, end of year March 31, 2026
Collaborative Initiative Fund <i>(Note 4)</i>	\$ 200,000	\$ -	\$ -	\$ 200,000
Operating Fund <i>(Note 4)</i>	1,300,000	-	-	1,300,000
Special Operating Fund <i>(Note 4)</i>	311,351	(112,792)	-	198,559
Tangible Capital Assets <i>(Note 4)</i>	1,447,700	(138,660)	110,292	1,419,332
Unrestricted Fund	1,508,478	(127,399)	(110,292)	1,270,787
	<u>\$ 4,767,529</u>	<u>\$ (378,851)</u>	<u>\$ -</u>	<u>\$ 4,388,678</u>

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MUNICIPAL ASSESSMENT AGENCY INC.

Statement of Cash Flows

Year Ended March 31, 2026

	2026	2025
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (378,852)	\$ (51,833)
Item not affecting cash:		
Amortization of tangible capital assets	138,660	131,580
	<u>(240,192)</u>	<u>79,747</u>
Changes in non-cash working capital:		
Accounts receivable	(180,566)	(111,371)
Accounts payable and accrued liabilities	31,882	21,446
Deferred income	(575)	75
Prepaid expenses	(4,193)	(10,611)
Accrued vacation pay	33,742	10,621
	<u>(119,710)</u>	<u>(89,840)</u>
Cash flow used by operating activities	<u>(359,902)</u>	<u>(10,093)</u>
INVESTING ACTIVITY		
Purchase of tangible capital assets	<u>(110,292)</u>	<u>(511,264)</u>
DECREASE IN CASH FLOW	<u>(470,194)</u>	<u>(521,357)</u>
Cash - beginning of year	<u>3,188,569</u>	<u>3,709,926</u>
CASH - END OF YEAR	<u>\$ 2,718,375</u>	<u>\$ 3,188,569</u>
CASH CONSISTS OF:		
Cash	\$ 1,019,816	\$ 1,284,261
Restricted reserve cash	1,698,559	1,904,308
	<u>\$ 2,718,375</u>	<u>\$ 3,188,569</u>

MUNICIPAL ASSESSMENT AGENCY INC.

Notes to Financial Statements

Year Ended March 31, 2026

NATURE OF OPERATIONS

The Municipal Assessment Agency Inc. (the "Agency") was incorporated April 2, 1997, under the laws of the Province of Newfoundland and Labrador to carry out assessment services for various municipalities throughout the Province of Newfoundland and Labrador pursuant to the Assessment Act. Prior to this date, these services were performed by the Municipal & Community Affairs Department, Government of Newfoundland and Labrador (the "Department").

The Agency has one common share with a par value of \$1.00 issued to the Minister of Municipal & Community Affairs, Government of Newfoundland and Labrador.

The Agency is a crown corporation and, accordingly is exempt from income taxes under Subsection 149(1)(d) of the Income Tax Act.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements are prepared within the framework of Canadian Public Sector Accounting Standards (PSAS) which require the use of estimates and assumptions that affect the amounts reported and disclosed in these statements and related notes. Any variations between these estimates and actual amounts are not expected to materially affect reported results. The more significant accounting policies of the Agency are as follows:

Cash

Cash includes cash on hand and balances with the bank.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates:

Furniture and equipment	20%
Computer hardware and software	30%
Integrated assessment system	30%
Buildings	4%
Mobile assessor	20%
Mobile assessor - licenses	5 years (straight line)

Revenue recognition

Revenue for the provision of assessment and valuation services is recognized when the services are rendered.

Interest revenue is recognized as it is earned.

Accrued vacation pay

Vacation is accrued for employees as entitlement is earned.

Financial instruments

Financial instruments, including cash, accounts receivable and accounts payable and accrued liabilities, are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

MUNICIPAL ASSESSMENT AGENCY INC.

Notes to Financial Statements

Year Ended March 31, 2026

2. FINANCIAL INSTRUMENTS

The Agency is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Agency's risk exposure and concentration as of March 31, 2026.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Agency is exposed to credit risk in connection with its accounts receivable. The Agency manages its credit risk through ongoing management review of all accounts receivable past due. The Agency reviews its credit risk regularly and it is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Agency will encounter difficulty in meeting obligations associated with financial liabilities. The Agency is exposed to this risk in respect of its accounts payable and accrued liabilities, accrued vacation pay and operating lease commitments. The risk is mitigated through the Agency's level of current assets exceeding current liabilities.

Market risk

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

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Agency is exposed to foreign currency exchange risk on cash held in U.S. dollars. The Agency does not use derivative instruments to reduce its exposure to foreign currency risk. As at March 31, 2026, cash balances of \$18,813 (2025 - \$12,964) are shown in US dollars in the company's account and converted into Canadian dollars as at that date for financial statement purposes.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Agency manages exposure through its normal operating and financing activities.

3. ACCOUNTS RECEIVABLE

	2026	2025
Trade receivables	\$ 371,628	\$ 136,973
HST recoverable	32,525	86,614
	<u>\$ 404,153</u>	<u>\$ 223,587</u>

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MUNICIPAL ASSESSMENT AGENCY INC.

Notes to Financial Statements

Year Ended March 31, 2026

4. RESTRICTED RESERVE CASH

The Agency has internally restricted funds for the following purposes. Restricted cash is held in the Agency's interest-bearing operating bank account.

Operating Reserve Fund

Board Restricted Operating Reserve Fund was designated at the February 8, 2019 board meeting. The general purpose of the fund is to help ensure the long-term financial stability of the Agency. The fund will be used to offset future budget increases in operating expenses, position the Agency to respond to carrying charges and economic conditions affecting the Agency's financial position, and to meet specific financial requirements in accordance with the Agency's strategic vision and values. During the year, the Agency transferred nil (2025 - \$563,482) from the unrestricted fund for approved projects. Amount of reserved cash as at March 31, 2026 is \$1,300,000 (2025 - \$1,300,000).

Collaborative Initiative Reserve Fund

Board Restricted Collaborative Initiative Reserve Fund was designated at the February 8, 2019 board meeting. The general purpose of the fund is to foster and encourage collaborative partnerships to develop and implement best practices in providing fair and effective property assessment and valuation. The fund will be used to encourage partnerships with municipalities that support innovation in property assessments and valuations and to work with other partners in projects that will further the Agency's objectives. During the year, the Agency transferred nil (2025 - \$11,660) from the unrestricted fund for approved projects. Amount of reserved cash as at March 31, 2026 is \$200,000 (2025 - \$200,000).

Special Operating Reserve Fund

Board Restricted Special Operating Reserve Fund was designated on November 22, 2023. The general purpose of the fund is to establish and maintain innovative data collecting practices through geographic information systems. This initiative will enhance the Municipal Assessment Agency's vision to meet the property assessment and valuation needs of clients in the most effective and cost-efficient method. During the year, the Agency spent \$112,792 (2025 - \$95,692) from the Special Operating Reserve Fund for approved projects. Amount of reserved cash as at March 31, 2026 is \$198,559 (2025 - \$311,351).

Tangible Capital Asset Reserve Fund

Board Restricted Tangible Capital Asset Reserve Fund accounts for the acquisition and amortization of the Agency's property and equipment. The Capital Asset Fund was designated by the board effective April 1, 2020. During the year, the Agency transferred the amount of \$110,292 (2025 - \$511,264) from the unrestricted fund for the purpose of acquiring capital assets. Amount of this reserve fund as at March 31, 2026 is \$1,419,332 (2025 - \$1,447,700). There is no reserved cash associated with this restricted fund.

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Computer hardware and software	\$ 49,883	\$ 42,651	\$ 7,232	\$ 7,232
Furniture and equipment	106,554	67,218	39,336	49,170
Integrated assessment system	2,241,667	2,067,829	173,838	138,048
Buildings	1,533,944	592,838	941,106	980,320
Land	208,221	-	208,221	208,221
Mobile assessor	157,982	108,384	49,598	64,710
Mobile assessor - licenses	91,825	91,825	-	-
	<u>\$ 4,390,076</u>	<u>\$ 2,970,745</u>	<u>\$ 1,419,331</u>	<u>\$ 1,447,701</u>

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MUNICIPAL ASSESSMENT AGENCY INC.

Notes to Financial Statements

Year Ended March 31, 2026

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2026	2025
Accrued wages payable	\$ 85,722	\$ 62,901
Accounts payable	40,731	43,104
Accrued professional fees	12,600	12,600
HAPSET payable	5,350	5,350
Appeal fees	9,805	3,475
Other	5,746	645
	<u>\$ 159,954</u>	<u>\$ 128,075</u>

7. ACCRUED VACATION PAY

	2026	2025
Vacation pay		
Opening balance	\$ 275,412	\$ 264,791
Vacation paid out	-	(4,187)
Current year expense	33,742	14,808
Closing balance	<u>\$ 309,154</u>	<u>\$ 275,412</u>

8. RESTRICTED RESERVE FUNDS

	2026	2025
Operating Reserve Fund	\$ 1,300,000	\$ 1,300,000
Tangible Capital Asset Reserve Fund	1,419,332	1,447,700
Special Operating Reserve Fund	198,559	311,351
Collaborative Initiative Reserve Fund	200,000	200,000
	<u>\$ 3,117,891</u>	<u>\$ 3,259,051</u>

The purposes of the various restricted funds are disclosed in Note 4.

MUNICIPAL ASSESSMENT AGENCY INC.

Notes to Financial Statements

Year Ended March 31, 2026

9. COMMITMENTS

The Agency has a lease for office space in Corner Brook, Newfoundland and Labrador. The term of the lease is 5 years, starting November 1, 2024 and ending on December 1, 2029. The monthly rental fee is \$6,142. Future minimum lease payments total \$276,404 and include the following payments over the next year: 2027 - \$73,708; 2028; \$73,708; 2029 - \$73,708; 2030 - \$55,280.

The Agency has a lease for office space in Clarenville, Newfoundland and Labrador. The term of the lease is 3 years, starting December 1, 2021 and ending on November 30, 2026. The monthly rental fee is \$475. Future minimum lease payments total \$3,800 and include the following payments over the next year: 2027 - \$3,800.

The Agency has a lease for Neopost Mail/Postage Machines. The term of the lease is 5 years starting August 21, 2021 and ending August 21, 2026. The monthly lease cost is \$480. Future minimum lease payments total \$2,400 and include the following payments over the next years: 2027 - \$2,400.

The Agency has a lease for office space in Grand Falls-Windsor, Newfoundland and Labrador. The term of the lease is 3 years, starting February 1, 2024 and ending January 31, 2027. The monthly rental cost is \$1,875. Future minimum lease payments total \$18,750 and include the following payments over the next years: 2027 - \$18,750.

10. CONTINGENCIES

The Agency has prepared valuations which are subject to litigation to which the Agency has been included as a third party defendant. These claims could be considered in the normal course of the Agency's activities, and the Agency is defending the claim which has been received. Neither the possible outcome nor the amount of possible settlement can be foreseen. Therefore, no provision has been made in the financial statements.

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MUNICIPAL ASSESSMENT AGENCY INC.

Office and Administration

Year Ended March 31, 2026

	2026	2025
EXPENSES		
Premises and equipment	\$ 107,672	\$ 101,310
Repairs and maintenance	96,447	90,415
Professional fees	65,583	54,775
Insurance	47,898	45,062
Office supplies	43,091	35,061
Purchased services	35,955	164,866
Utilities	35,045	31,803
Telephone	34,510	38,027
Interest and bank charges	6,171	5,349
Exchange loss (gain)	5,611	(1,450)
Staff development	-	3,433
	\$ 477,983	\$ 568,651