



2017 ANNUAL REPORT



MUNICIPAL
PROPERTY
ASSESSMENT
CORPORATION

CONTENTS

2017 ANNUAL REPORT



MUNICIPAL
PROPERTY
ASSESSMENT
CORPORATION

ABOUT MPAC

Ontario's Property Assessment System	5
MPAC Services	7

GOVERNANCE

Message from the Board Chair	8
Board Committees	9
Board of Directors	10
2017 - 2020 Strategic Plan	11
Budget	12

OPERATIONS

Message from the President and Chief Administrative Officer	13
Year in Review	14
Strengthening Relationships	20
Business Development	21
Balanced Scorecard	22
Financial Highlights	25

CORPORATE SOCIAL RESPONSIBILITY

Giving Back to Communities	27
Environmental Responsibility	28

EXECUTIVE MANAGEMENT GROUP

CONTACT US

	30
	31

COMPLIANCE STATEMENT

In keeping with the reporting requirements under the *Municipal Property Assessment Corporation Act*, the Corporation has complied with any policies, procedures and standards established by the Minister under section 10, and with the process established regarding the development and implementation of quality service standards by the Quality Service Commissioner.

VISION, MISSION AND VALUES

OUR VISION

- ▶ Property Assessment Excellence
- ▶ Outstanding Service
- ▶ Trust

OUR MISSION

To serve Ontario property taxpayers together with provincial and municipal stakeholders through accurate and timely property assessments and a commitment to service excellence and efficiency.

OUR VALUES

Service

Teamwork

Quality

Innovation

Professionalism

Accountability

**RESPONSIBLE FOR ASSESSING
& CLASSIFYING MORE THAN**

5
**MILLION
PROPERTIES
IN ONTARIO**

REPRESENTING
\$ 2.59
TRILLION
IN PROPERTY VALUE

▶ **LEARN MORE AT MPAC.CA**

**MPAC IS AN INDEPENDENT,
NOT-FOR-PROFIT CORPORATION
FUNDED BY ALL ONTARIO
MUNICIPALITIES.**

We're accountable to the Province, municipalities and property taxpayers through a 13-member Board of Directors.

**OUR ROLE IS TO ASSESS
AND CLASSIFY ALL
PROPERTIES IN ONTARIO.**

We do this in compliance with the *Assessment Act* and regulations set by the Government of Ontario.

**MPAC'S PROVINCE-WIDE
ASSESSMENT UPDATES OF
PROPERTY VALUES HAVE
MET INTERNATIONAL
STANDARDS OF ACCURACY.**

Our assessments and data are also used by banks, insurance companies and the real estate industry.

▶ **LEARN MORE AT [MPAC.CA](https://www.mpac.ca)**

WE ARE
1,700+
EMPLOYEES
ACROSS ONTARIO

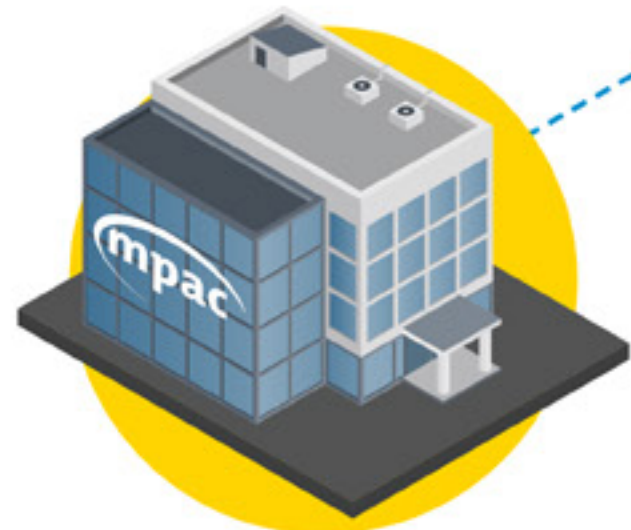
ONTARIO'S PROPERTY ASSESSMENT SYSTEM

THERE ARE SEVERAL MAIN COMPONENTS IN ONTARIO'S PROPERTY ASSESSMENT AND TAXATION SYSTEM. EACH PLAYS AN IMPORTANT ROLE:

THE ONTARIO PROPERTY TAXPAYER

MUNICIPALITIES determine revenue requirements, set municipal tax rates and collect property taxes to pay for municipal services.*

These services may include:



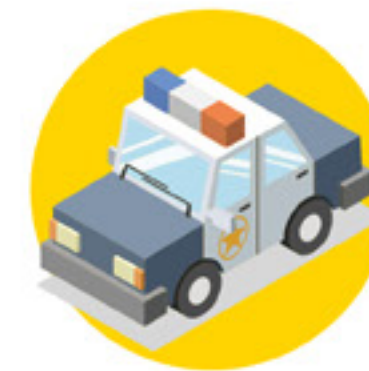
THE MUNICIPAL PROPERTY ASSESSMENT CORPORATION

determines Current Value Assessments and classifications for all properties in Ontario.



THE PROVINCIAL GOVERNMENT

passes legislation, sets assessment policies and determines education tax rates. The Province also operates an independent assessment appeal tribunal – the Assessment Review Board.



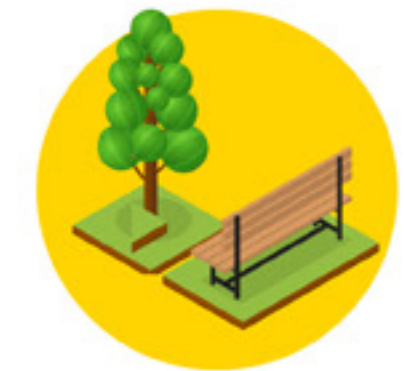
Police and fire protection



Roads, sidewalks and public transit



Waste management



Municipal parks and recreational facilities



School boards

Education taxes are also collected for school boards.

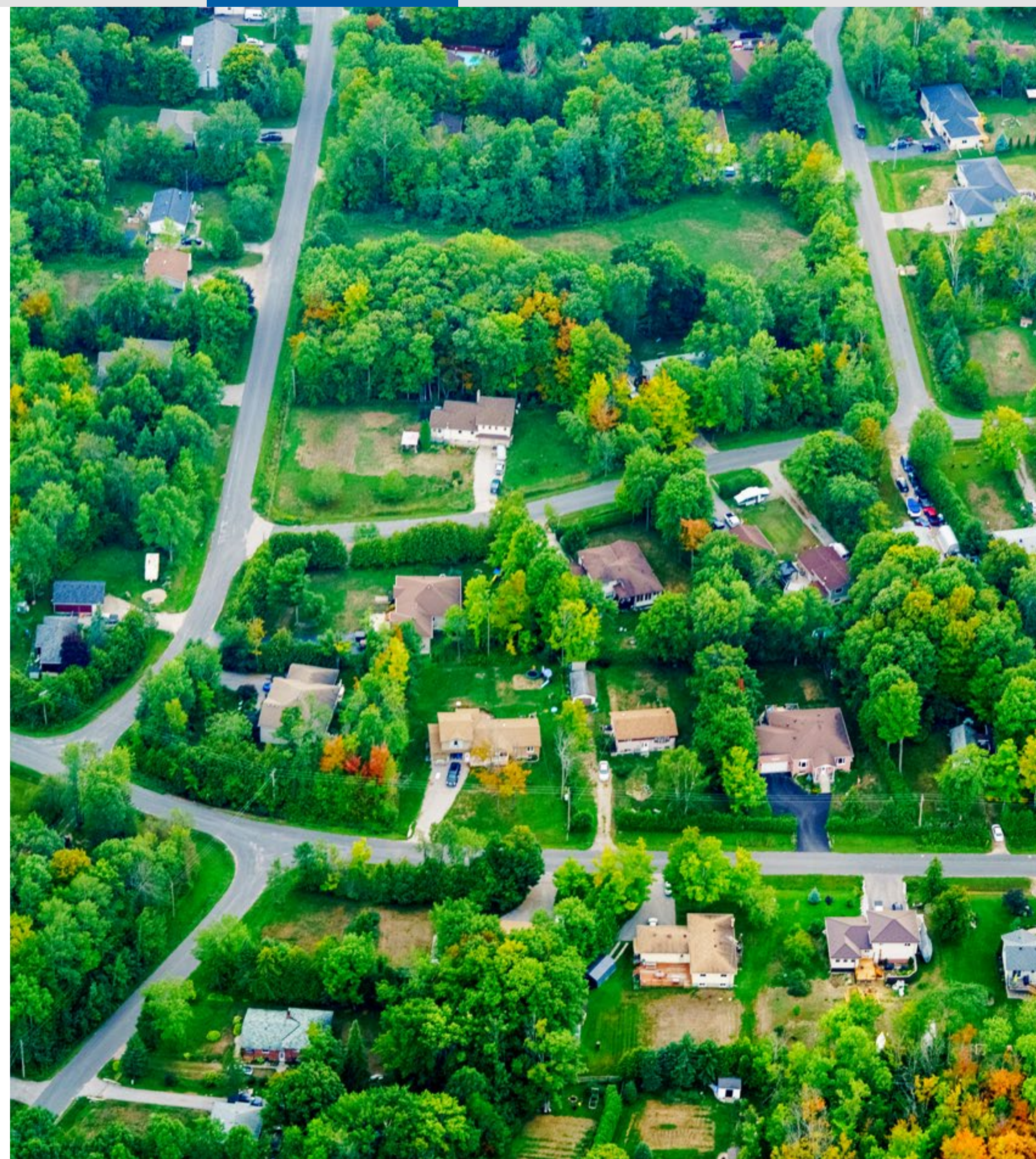
LEARN ABOUT THE RELATIONSHIP BETWEEN PROPERTY ASSESSMENT AND TAXATION.

* Provincial Land Tax and levies by local boards are collected in unincorporated areas and contribute toward important services.

ONTARIO'S PROPERTY ASSESSMENT SYSTEM

PROPERTY ASSESSMENT UPDATE CYCLE

Every four years, property owners receive a Property Assessment Notice when MPAC completes a province-wide Assessment Update based on the legislated valuation date.



Under the phase-in provisions in the *Assessment Act*, an increase in assessed value is introduced gradually over four years. A decrease in assessed value is introduced immediately.

- ▶ In 2016, MPAC updated the assessed value of every property in Ontario based on a legislated valuation date of January 1, 2016. These values will be used by municipalities as the basis for calculating property taxes for the 2017-2020 property tax years.
- ▶ We continue to review properties during non-Assessment Update years as new homes are built, owners renovate, structures are demolished and properties change use. MPAC also mails Notices to property owners to reflect changes in ownership, value, classification or school support.

MPAC SERVICES

MPAC'S BUSINESS ACTIVITIES CAN
BE CATEGORIZED INTO **THREE KEY AREAS:****ASSESSMENT SERVICES**

- ▶ We prepare annual Assessment Rolls for use by municipalities and the Province of Ontario to calculate property and education taxes.
- ▶ Our province-wide Assessment Updates of property values have met international standards of accuracy.
- ▶ We estimate fair market values using property sales, cost of construction and income information. Our data quality is an integral part of our business and one that we take seriously.
- ▶ MPAC's property assessors are trained experts in the field of property valuation and apply appraisal industry standards and best practices.
- ▶ More than 300 of our valuation staff hold one or more designations from recognized accrediting bodies including the Institute of Municipal Assessors, the Appraisal Institute of Canada, the Royal Institution of Chartered Surveyors and/or the International Association of Assessing Officers.

**PEOPLE SERVICES**

- ▶ MPAC is legislatively responsible for collecting occupant information (name, date of birth, citizenship and school support) for municipal, District Social Services Administration Boards and school board elections.
- ▶ MPAC uses this information to create a Preliminary List of Electors, which is provided to municipalities, school boards and District Social Services Administration Boards to help these organizations create the final Voters' Lists for municipal and school board elections.

The next enumeration cycle will take place in 2018 in support of the next municipal and school board elections.

VALUE-ADDED SERVICES

- ▶ MPAC has one of the most detailed datasets in the world. Our rich, comprehensive database is kept accurate and current with new data added daily.
- ▶ MPAC delivers innovative products and value-added services to banks, insurance companies, the real estate industry and a number of other assessment jurisdictions across Canada.
- ▶ The surplus derived from this stream of MPAC's operations is used to offset the funding paid by municipalities to support the organization.

propertyline™
we value real estate

About **My**
Property.ca

MESSAGE FROM THE BOARD CHAIR



Following a productive period of transformation under our last four-year Strategic Plan, the Board of Directors has set a new course for MPAC through the development of our 2017-2020 Strategic Plan.

Our new plan contains five key focus areas: our core business of assessment; building customer and stakeholder relationships; driving quality, traceable assessments; investing in our people, and expanding business development opportunities.

The strategy was approved by the Board this year and reflects feedback we received from municipalities, property owners, industry groups, provincial stakeholders and employees from across Ontario.

Through our new strategy, we remain committed to building stakeholder relationships. In particular, we have done a great deal of work over the past year in developing collaborative working relationships with municipalities that are rooted in clear agreements, mutual understanding and respect.

Guided by a responsive and customer service focus, MPAC is working with stakeholders to deliver valuable assessment products and services across the province that support Assessment Roll predictability and stability.

This includes the delivery of \$37.4 billion in new assessment and support of the Assessment Review

Board's work to implement their new appeals strategy. 2017 was also a year in which we planned for a leadership transition. Rose McLean transitioned from her role as Chief Operating Officer to Interim President and Chief Administrative Officer. Throughout her career in assessment, Rose has demonstrated outstanding leadership to the organization and on behalf of the entire Board, I would like to thank Rose for her guidance through this transition.

In late 2017, the Board appointed Nicole McNeill as MPAC's new President and Chief Administrative Officer, effective April 1, 2018.

In her role as Chief Financial Officer and Vice-President of Corporate and Information Services, Nicole has gained valuable insight into MPAC's operations and played a significant role in revamping our Information Technology systems and facilities in recent years. This, along with her extensive experience with the organization, make her uniquely qualified to lead the organization as we execute our Strategic Plan.

I would also like to thank our employees for their professionalism and contributions over the past year. We remain committed to delivering on what matters most to our customers, stakeholders and employees across Ontario and look forward to 2018.

Dan Mathieson



The Board remains committed to continuing to build stakeholder relationships. In particular, we have done a great deal of work in developing collaborative working relationships with Ontario municipalities that are rooted in clear agreements, mutual understanding and respect.



BOARD OF DIRECTORS

BOARD
COMMITTEES

The MPAC Board of Directors provide governance and oversight to the organization to ensure overall direction, effectiveness, supervision and accountability through quarterly meetings as well as regular meetings of the committees of the Board, including – Audit, Governance and Human Resources, and Quality Assurance.

AUDIT COMMITTEE

The Audit Committee oversees the Corporation's financial statements and financial reporting processes. The committee also oversees the effectiveness of management's internal control framework and information systems; performance of internal and external auditors; management's assessment and stewardship of enterprise risks; and critical legal and litigation activity facing the organization.

CHAIR:

David P. Settingington | Vice-Chair

MEMBERS:

Alf Chaiton

Lesley Gallinger

Ken Hughes

Dan Mathieson | Chair

Rob Rossini

Walter Sendzik

GOVERNANCE AND
HUMAN RESOURCES COMMITTEE

The purpose of the Governance and Human Resources Committee is to assist with Board oversight of governance issues affecting the Corporation to ensure that appropriate governance processes, Board and Committee structures and information necessary for effective direction and oversight are in place.

CHAIR:

Bill Rayburn

MEMBERS:

Alf Chaiton

Keith Hobbs

Bev Hodgson

Dan Mathieson | Chair

David P. Settingington | Vice-Chair

Mary Smith

QUALITY ASSURANCE
COMMITTEE

The Quality Assurance Committee oversees MPAC's operations from a quality standpoint, to promote a quality culture in the organization. The committee advises the Board of Directors of any concerns or issues related to MPAC's core business of assessment, quality related risks and internal controls and provides oversight of the Quality Service Commissioner.

CHAIR:

Bev Hodgson

MEMBERS:

Lesley Gallinger

Dan Mathieson | Chair

Don Redmond

David P. Settingington | Vice-Chair

Walter Sendzik

Mary Smith

▶ [LEARN MORE ABOUT MPAC'S BOARD COMMITTEES](#)

The Board of Directors thanks Bill Rayburn whose term ended in 2017.

BOARD OF DIRECTORS

MPAC is directly accountable to the public through its 13-member Board of Directors.

MUNICIPAL REPRESENTATIVES



Ken Hughes
Auditor General,
City of Ottawa



Dan Mathieson
(Chair) Mayor,
City of Stratford



Robert Rossini
(Retired) Deputy City
Manager & Chief
Financial Officer,
City of Toronto



Walter Sendzik
Mayor,
City of St. Catharines



Mary Smith
Mayor,
Township of Selwyn
and Deputy Warden
County of
Peterborough



Keith Hobbs
Mayor,
City of Thunder Bay



Bill Rayburn
Chief Administrative
Officer,
Middlesex County

TAXPAYER REPRESENTATIVES



Alf Chaiton
President,
Tweedsmuir Green
Power Group



Bev Hodgson
Barrister and Solicitor,
Owner,
Bev Hodgson Law



Lesley Gallinger
Vice-President of
Corporate Services and
Chief Financial Officer,
Electrical Safety Authority



Don Redmond
Sales Representative,
Royal LePage
In Touch Realty Inc.

PROVINCIAL REPRESENTATIVES



David P. Settington
(Vice-Chair)
Member of Chartered
Professional Accountants,
(CPA) Ontario and
CPA Canada



Roozbeh Farhadi
Project Manager,
Design and
Implementation
Scotiabank

▶ [LEARN MORE ABOUT MPAC'S BOARD MEMBERS](#)

All Board members are appointed by the Minister of Finance.

2017-2020 STRATEGIC PLAN

MPAC'S 2017-2020 STRATEGIC PLAN

was approved by MPAC's Board of Directors in summer of 2017. The plan outlines five strategic outcomes that build on the success of the 2016 Assessment Update and the transformative change the organization made over the last four years.

The plan also reflects feedback from property owners, municipal partners, industry groups and employees.

5

STRATEGIC OUTCOMES

Our goal is clear—ensure the continued delivery of property assessment excellence to all Ontarians.

THE 2017-2020 STRATEGIC PLAN WILL HELP US GET THERE.

1 INVEST IN OUR PEOPLE

2 FOCUS ON OUR CORE BUSINESS AND OPERATIONS

3 BUILD OUR CUSTOMER AND STAKEHOLDER RELATIONSHIPS

4 DELIVER QUALITY, TRACEABLE ASSESSMENTS

5 EXPAND BUSINESS DEVELOPMENT

2017 BUDGET

To help deliver on the 2017-2020 strategic outcomes, the Board of Directors approved a municipal levy increase of 2.65% in 2017.

The levy increase ensures we continue to provide excellent product and service delivery to our municipal partners and property owners of Ontario.

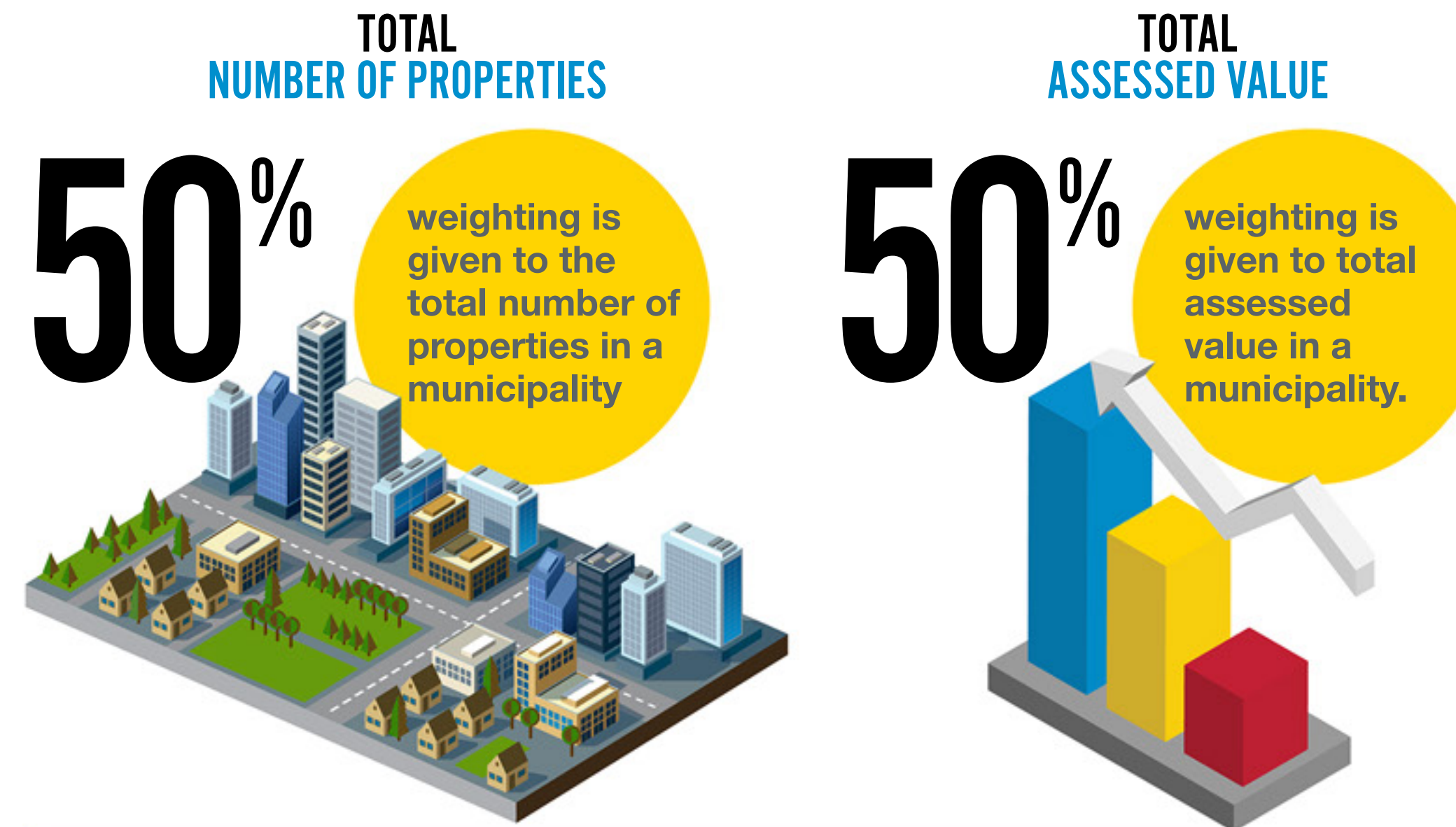
KEY AREAS OF INVESTMENT:

- ▶ Supporting the Assessment Review Board's commitment to improving the appeals process in Ontario.
- ▶ Formalizing Service Level Agreements with 444 municipalities across the province.
- ▶ Developing and implementing new products and services to improve the quality and consistency of our data.
- ▶ Increased commitment to disclosure, pre-roll discussions and extensive outreach in support of the 2020 Assessment Update.
- ▶ Supporting learning and development initiatives to increase the number of accredited valuation professionals.

FUNDING FORMULA

Under the *Municipal Property Assessment Corporation Act*, MPAC's funding requirements are apportioned to each municipality using a formula that reflects the proportionate relationship of an individual municipality's or taxing authority's total assessed values and total property counts as compared to all of Ontario. These two indicators are averaged to reflect a 50% weighting for total assessed value and a 50% weighting for total number of properties.

TWO INDICATORS ARE AVERAGED TO DETERMINE THE LEVY FOR EACH MUNICIPALITY/TAXING AUTHORITY:



▶ **LEARN MORE ABOUT HOW THE MUNICIPAL LEVY IS CALCULATED**

HOW IS THE MUNICIPAL LEVY DETERMINED?

To determine the required payment for services, MPAC considers the cost of operations, capital spending and reserve requirements.

These costs are offset by other sources of funding such as revenue from business development and investment. The net amount is the municipal levy.



MESSAGE FROM THE PRESIDENT & CHIEF ADMINISTRATIVE OFFICER



As part of our efforts in 2017 to ensure assessment accuracy and further support Assessment Roll stability, we delivered Assessment Rolls in December for more than 5.2 million properties, worth a total of \$2.59 trillion – an increase of \$180 billion since last year.

This past year, we launched our new 2017-2020 Strategic Plan. The plan centers on core assessment services, building relationships, driving quality and traceable assessments and investing in our people.

Our 1700+ employees work across the province to deliver property assessment excellence and outstanding service. Their property valuation expertise, professionalism and commitment to customer service plays a critical role in our success as an organization.

For MPAC, delivering what matters most means providing quality assessment products and services to Ontarians and supporting a stable and predictable assessment base while ensuring that we continue to enhance our service delivery model.

In 2016, we delivered a province-wide Assessment Update of all of the province's 5.1 million properties. As part of our efforts in 2017 to ensure assessment accuracy and further support Assessment Roll stability, we delivered Assessment Rolls in December for more than 5.2 million properties, worth a total of \$2.59 trillion – an increase of \$180 billion since last year.

In delivering our core assessment services, we also captured \$37.4 billion in new assessment, processed severances and consolidations, subdivision plans

and responded to Requests for Reconsideration. In 2017, we also supported the Assessment Review Board's new appeals strategy – an important part of supporting Assessment Roll stability and predictability.

Throughout the year, MPAC has also actively engaged with municipalities and began delivery of our first service level through our new Service Level Agreement. Our support of municipalities extended to outreach and engagement as well as improved services through products such as Municipal Connect.

On behalf of the executive management team, I would like to thank our employees for their unwavering professionalism and support over the course of my 36 years at MPAC. This year presented me with the unique opportunity to take on the role of Interim President and Chief Administrative Officer and I was honoured to lead the organization through this period of transition and I am proud of our accomplishments.

I look forward to working closely with Nicole McNeill as she transitions to her new role as MPAC's President and Chief Administrative Officer in spring 2018.

Rose McLean



Rose McLean and Nicole McNeill

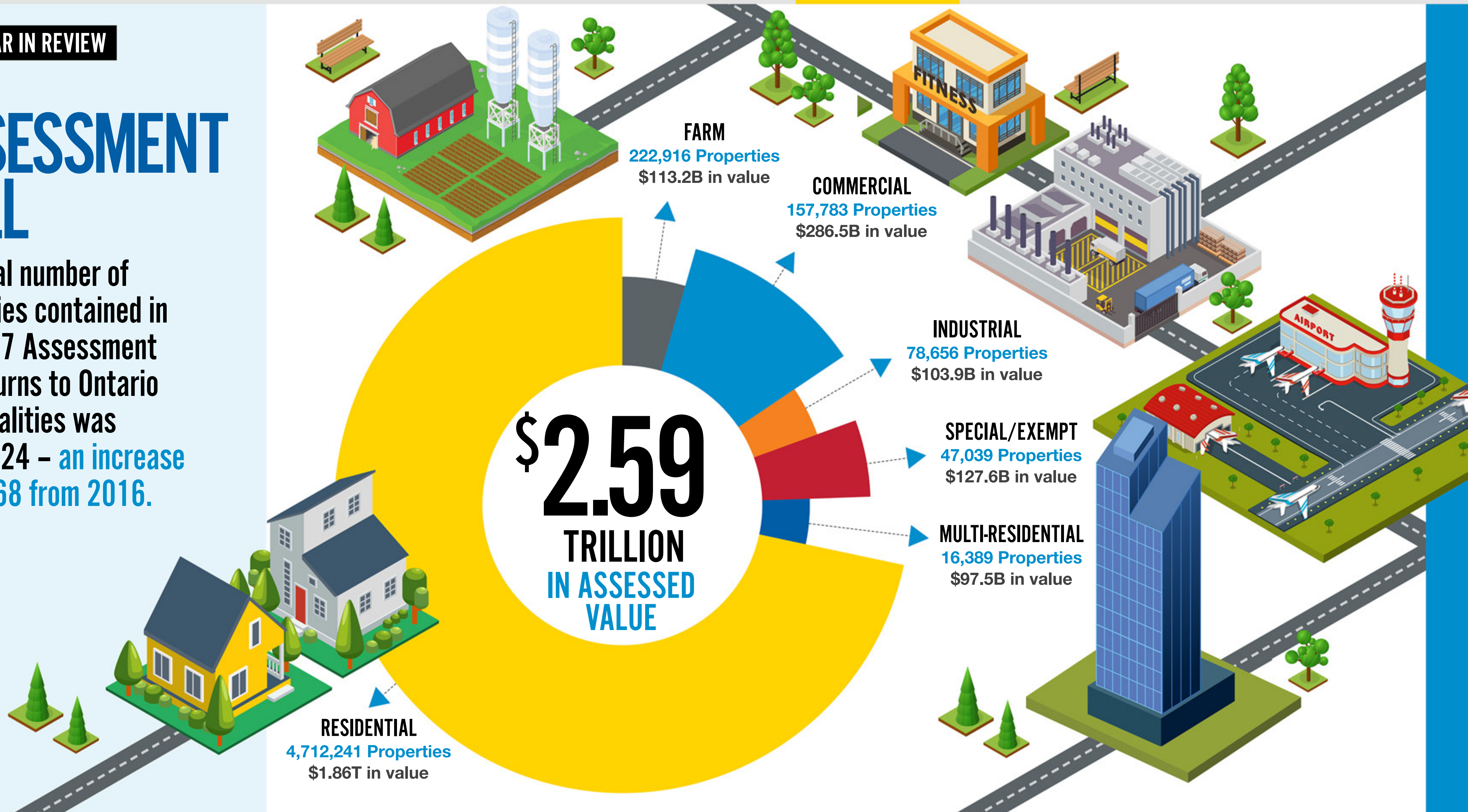
I look forward to working closely with Nicole McNeill as she transitions to her new role as MPAC's President and Chief Administrative Officer in spring 2018.



2017 YEAR IN REVIEW

ASSESSMENT ROLL

The total number of properties contained in the 2017 Assessment Roll returns to Ontario municipalities was 5,235,024 – an increase of 63,468 from 2016.



2017 YEAR IN REVIEW

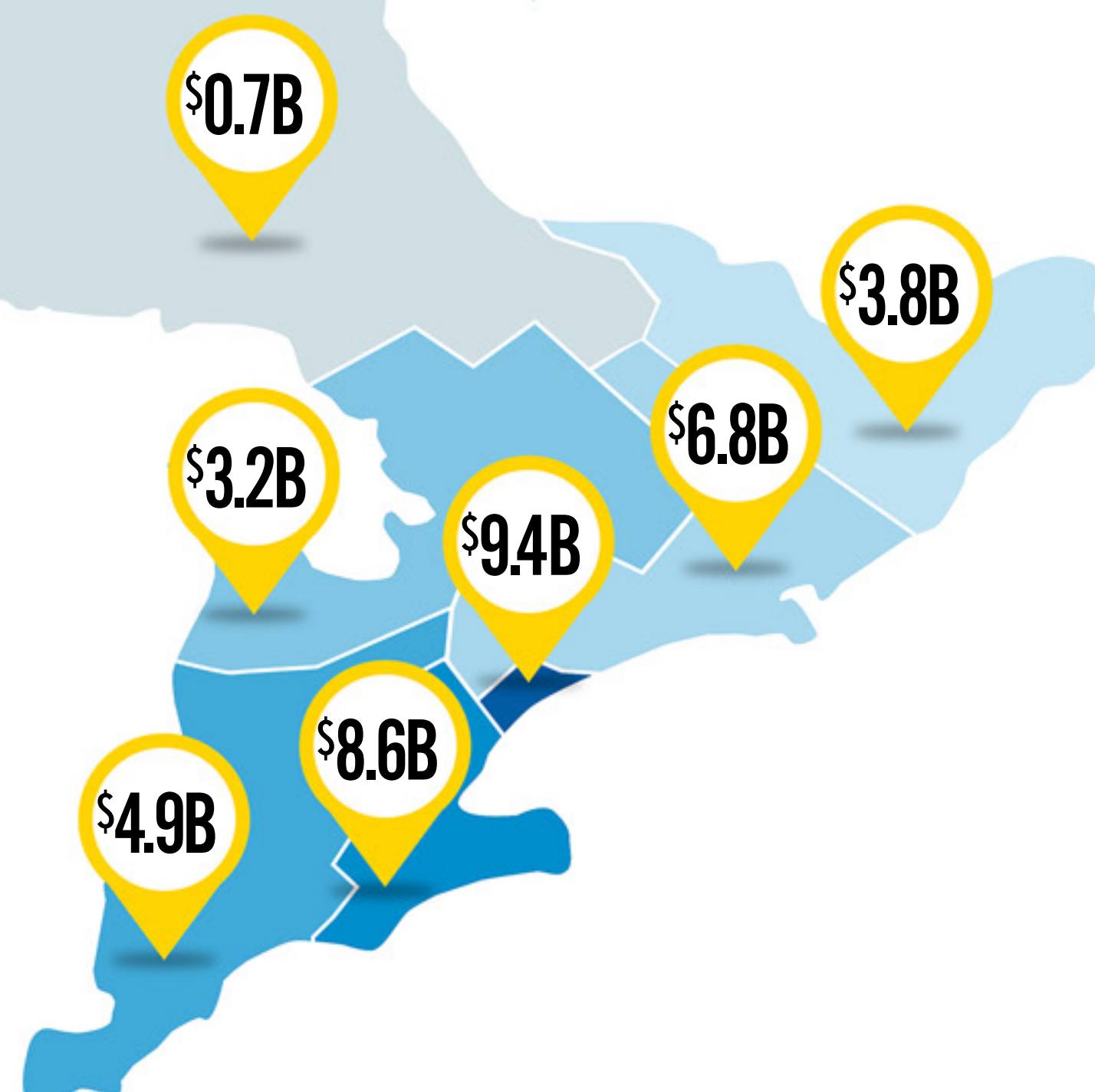
2017 NEW ASSESSMENT

MPAC is legislatively responsible for updating property information even in a year when a province-wide Assessment Update is not taking place.

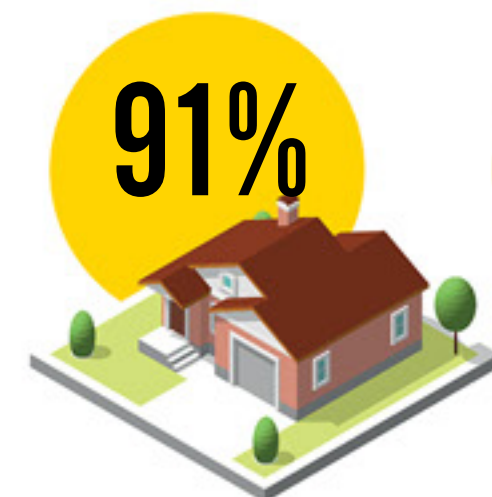
▶ New assessment refers to new construction or additions to existing property that have not yet been assessed.

▶ New assessment is a key source of revenue for municipalities and MPAC strives to deliver value to stakeholders through forecasting and timely processing of new assessment.

IN 2017 \$37.4 BILLION added in new assessment to municipal tax rolls



IN 2017
85% of new construction added within 12 months of commencement of use



RESIDENTIAL



CONDOMINIUMS



NON-RESIDENTIAL

2017 HIGHLIGHTS

MPAC PROCESSED:

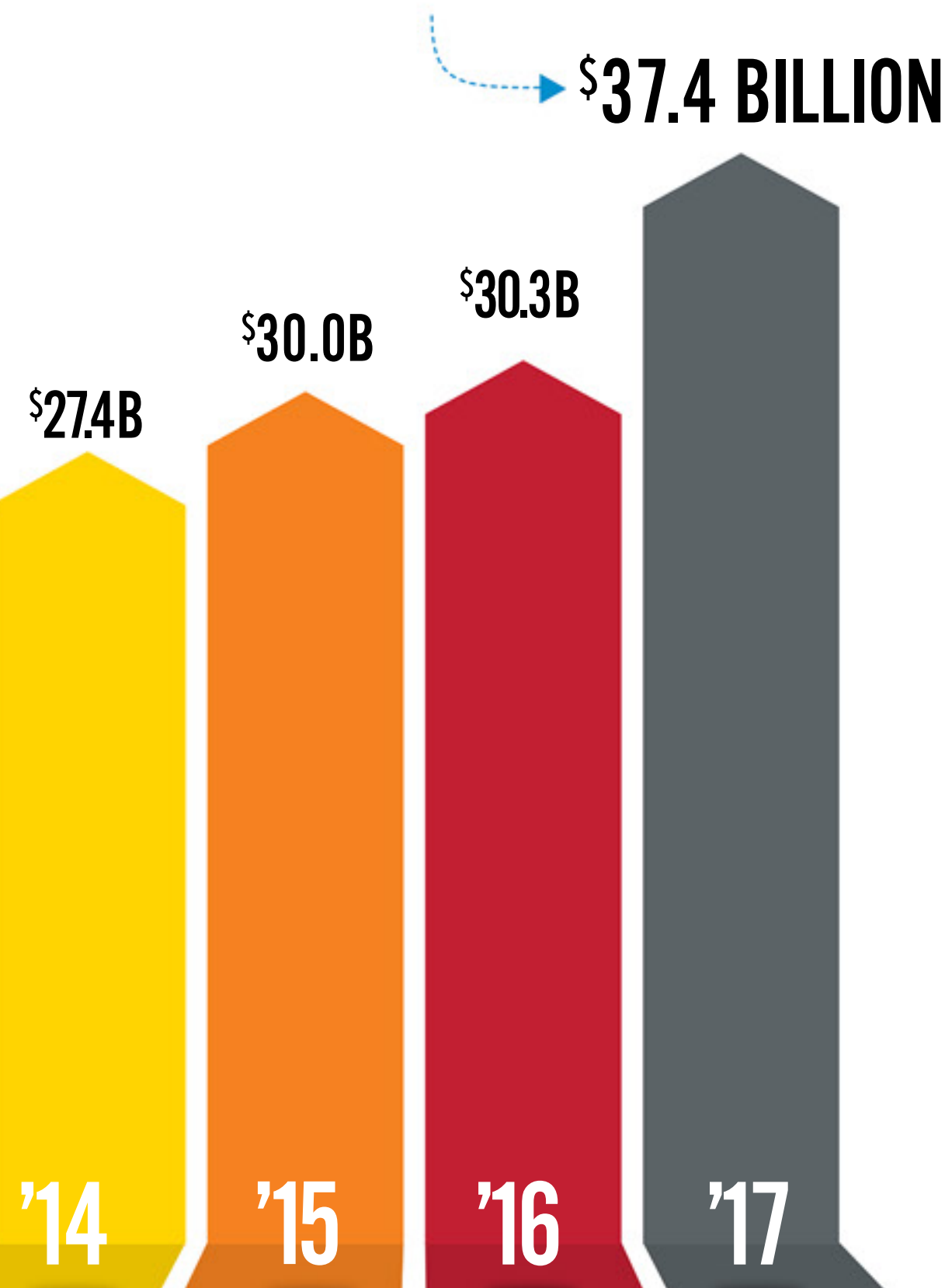
- ▶ More than **\$19.7 BILLION** in new assessment for residential and farm properties
- ▶ More than **\$9.5 BILLION** in new assessment for condominium properties
- ▶ More than **\$6.7 BILLION** in new assessment for business properties



2017 YEAR IN REVIEW

NEW ASSESSMENT

THE ASSESSMENT BASE FOR MUNICIPALITIES CONTINUES TO GROW YEAR-AFTER-YEAR.



HOW LONG DOES IT TAKE TO ADD A NEW PROPERTY TO THE ASSESSMENT ROLL ON AVERAGE?

LOOKING AHEAD

As part of the Service Level Agreement with municipalities, MPAC has committed to delivering preliminary and quarterly forecasting reports predicting new assessment to support municipalities in their budget planning and to ensure greater Assessment Roll predictability.

12 MONTHS
NEW BUSINESS PROPERTY



6 MONTHS
NEW HOUSE



9 MONTHS
NEW CONDOMINIUM



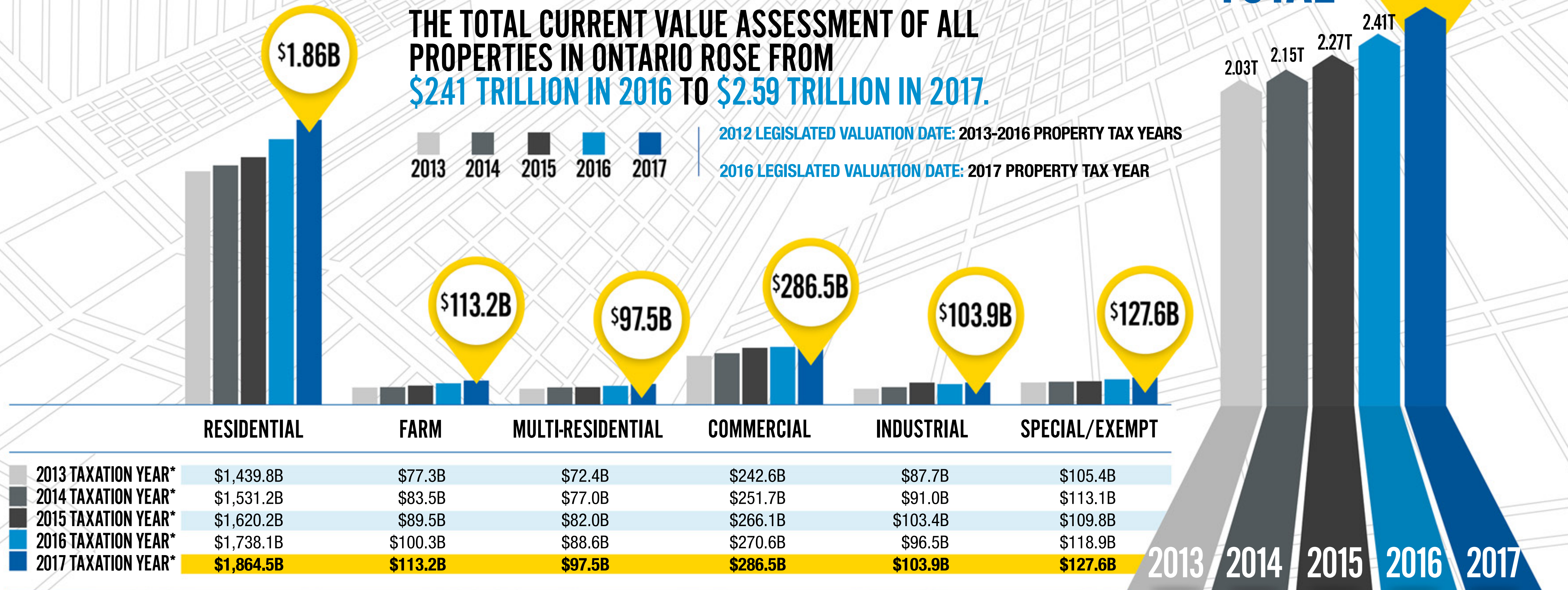
2017 YEAR IN REVIEW

CURRENT VALUE ASSESSMENTS OF PROPERTIES

THE TOTAL CURRENT VALUE ASSESSMENT OF ALL PROPERTIES IN ONTARIO ROSE FROM **\$2.41 TRILLION IN 2016** TO **\$2.59 TRILLION IN 2017**.

TOTAL

\$2.59 TRILLION



	2013 TAXATION YEAR*	2014 TAXATION YEAR*	2015 TAXATION YEAR*	2016 TAXATION YEAR*	2017 TAXATION YEAR*
RESIDENTIAL	\$1,439.8B	\$1,531.2B	\$1,620.2B	\$1,738.1B	\$1,864.5B
FARM	\$77.3B	\$83.5B	\$89.5B	\$100.3B	\$113.2B
MULTI-RESIDENTIAL	\$72.4B	\$77.0B	\$82.0B	\$88.6B	\$97.5B
COMMERCIAL	\$242.6B	\$251.7B	\$266.1B	\$270.6B	\$286.5B
INDUSTRIAL	\$87.7B	\$91.0B	\$103.4B	\$96.5B	\$103.9B
SPECIAL/EXEMPT	\$105.4B	\$113.1B	\$109.8B	\$118.9B	\$127.6B

*Total values reflect the phase-in assessment used for taxation purposes.

\$ BILLIONS

2017 YEAR IN REVIEW

REQUESTS FOR RECONSIDERATION AND APPEALS

Requests for Reconsideration (RfR) and appeals filed with the Assessment Review Board (ARB) are key indicators of assessment quality and property owners' acceptance of their assessment.

Property owners may file a RfR with MPAC and/or appeal with the ARB if they disagree with their property's assessed value and/or classification.

LEGISLATED VALUATION DATE**	JANUARY 1, 2012								JANUARY 1, 2016	
	2013		2014		2015		2016		2017*	
PROPERTY TAX YEAR	PROPERTIES	REDUCTION	PROPERTIES	REDUCTION	PROPERTIES	REDUCTION	PROPERTIES	REDUCTION	PROPERTIES	REDUCTION
REQUESTS FOR RECONSIDERATION	122,136	\$5.56B	33,867	\$2.02B	29,331	\$1.4B	41,003	\$1.93B	78,293	\$4.28B
ASSESSMENT REVIEW BOARD APPEALS	25,412	\$10.39B	23,038	\$6.97B	38,532	\$12.1B	45,960	\$17.89B	24,106	\$17.74B
TOTAL	147,548	\$15.96B	56,905	\$8.99B	51,212	\$13.5B	86,963	\$19.83B	102,399	\$22.02B
PERCENTAGE OF ALL PROPERTIES	2.99%		1.14%		1.0%		1.70%		1.98%	
PERCENTAGE OF TOTAL ASSESSMENT		0.73%		0.41%		0.60%		0.87%		0.91%

The chart shows the number of RfRs and appeals that were completed in each taxation year, regardless of the Assessment Roll(s) in question. In many cases when an appeal is completed, it addresses multiple tax years.

* Does not include RfRs received after December 31, 2017 for properties with RfR submission deadlines in 2018.

** Every property taxpayer in the province received an updated Property Assessment Notice from MPAC in the fall of 2012 and 2016.

The subsequent RfRs and ARB appeals for the 2013 and 2017 property tax years were submitted based on the province-wide Assessment Update of Ontario's more than five million properties. In between province-wide updates, MPAC sends Notices to property taxpayers to reflect in-cycle changes.

▶ **LEARN MORE ABOUT THE
RFR/APPEALS PROCESS AT MPAC.CA**

2017 YEAR IN REVIEW

STRENGTHENING RELATIONSHIPS

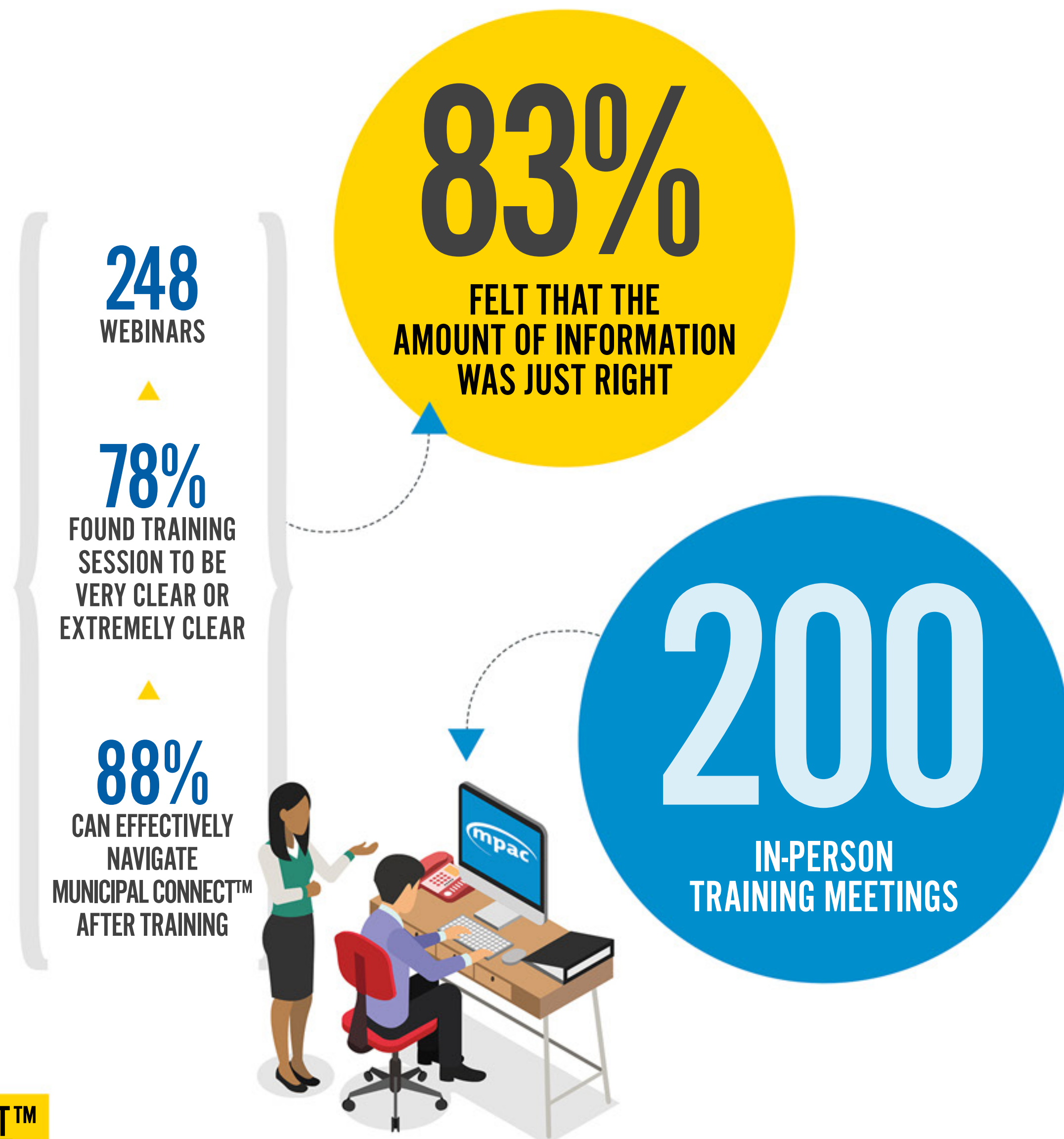
In 2017, we continued to collaborate with our municipal partners and stakeholders to foster and strengthen relationships through enhancing the municipal experience and focused engagement.

ENHANCING THE MUNICIPAL EXPERIENCE

Municipal Connect™ has become the primary source of assessment-related information for all Ontario municipalities. With added functionality and access to assessment information, products and people data, Municipal Connect™ is supporting greater Assessment Roll stability and predictability.



▶ TO LEARN MORE VISIT [MUNICIPAL CONNECT™](#)



SERVICE LEVEL AGREEMENT

In 2017, we reached an important milestone with the province-wide launch of our **Service Level Agreement (SLA)**. Developed in partnership with municipalities, the SLA formalizes our commitment to deliver timely, accurate and measurable products and services to our municipal stakeholders in key service areas.

The SLA also establishes fair, meaningful and achievable performance standards for assessment services that municipalities and taxpayers rely on most.



▶ LEARN MORE ABOUT OUR [SERVICE LEVEL AGREEMENT](#)

2017 YEAR IN REVIEW

2017 HIGHLIGHTS

OVER 200

MUNICIPAL STAKEHOLDERS PARTICIPATED IN A MPAC-HOSTED INTERACTIVE SESSION ON THE EVOLVING RETAIL LANDSCAPE IN CANADA.



The session outlined the work MPAC has undertaken to ensure quality and consistency in how retail sector properties are assessed. To support the Assessment Review Board's (ARB) [New Rules of Practice and Procedures](#), MPAC is pleased

to be working with the ARB and various municipal associations to collaboratively develop and deliver information and education materials that will help define the roles and responsibilities of municipalities under the new ARB rules.

FOCUSED ENGAGEMENT

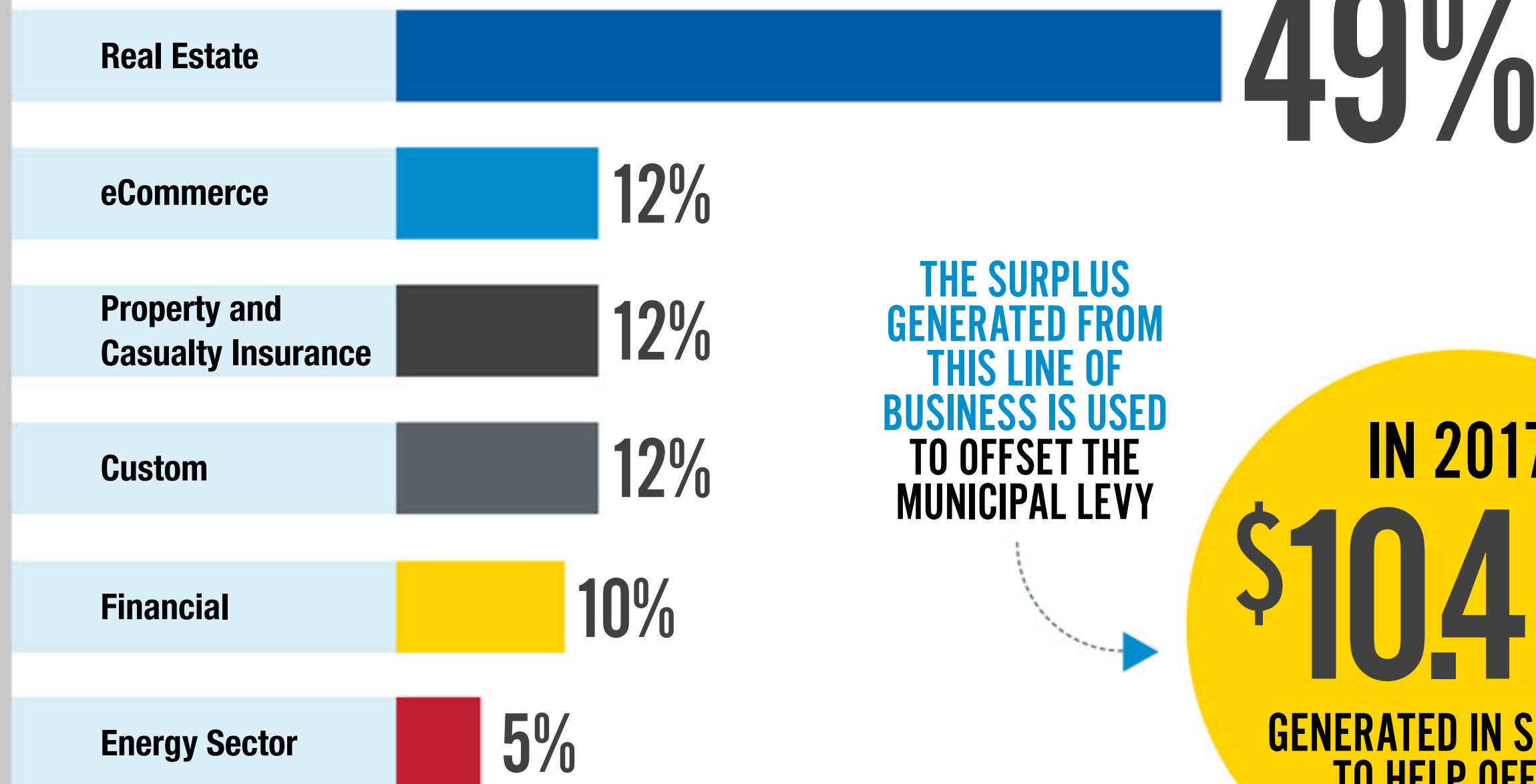
The property landscape in Ontario is ever-changing and the need for open, regular and ongoing discussion and exchange of information between our municipal and industry partners is of utmost importance.

MPAC established the industry liaison group and municipal liaison group to bring together diverse and engaged stakeholder representatives to discuss a broad spectrum of industry and municipal related issues and interests. Feedback received from members helps to inform changes and improvements to our products and service delivery.

BUSINESS DEVELOPMENT

DELIVERING VALUE WITH LEADING-EDGE SOLUTIONS FOR COMMERCIAL CLIENTS AND ASSESSMENT JURISDICTIONS ACROSS CANADA.

MPAC SERVES SIX MAJOR MARKETS:



THE SURPLUS GENERATED FROM THIS LINE OF BUSINESS IS USED TO OFFSET THE MUNICIPAL LEVY

IN 2017, **\$10.4M** GENERATED IN SURPLUS TO HELP OFFSET MUNICIPAL LEVY

QUICK FACTS:



MPAC has one of the richest datasets in the world with over two billion pieces of data.

MPAC's data is relied upon by financial institutions, the insurance industry, real estate professionals and a number of Canadian Fortune 500 companies.

MPAC has established strategic data partnerships with assessment jurisdictions across Canada.



MPAC and the Toronto Real Estate Board (TREB) have a long-standing working relationship. In 2017, both parties signed a long-term agreement to renew their commitment to exceptional product and service delivery. As the largest real estate board in Canada, TREB has more than 49,000 licensed real estate agents that rely on MPAC's assessment data to inform, educate and help homebuyers with buying and selling decisions.

"TREB propertyline is a one-stop solution that has become an integral part of our business practice. It gives our members unmatched access to market intelligence and property details that they are able to share with clients to help make informed and confident decisions."

John DiMichele,
Chief Executive Officer,
Toronto Real Estate Board

MPAC PRODUCT SUITE

MPAC's business development team collaborates with industry-leading valuation experts to create products and services to meet the ever-changing needs of our customers.

AUTOMATED VALUATION MODEL

MPAC's state-of-the-art Automated Valuation Model (AVM) was designed using advanced statistical techniques and sound appraisal methodology. The innovative technology is:

- ▶ Supported by a comprehensive database with coverage of seven million residential properties in Canada
- ▶ Capable of instantly generating accurate real-time estimates of market value, driving cost and time savings for our clients
- ▶ Easy to access via propertyline™ or through integration in our client's computer application via our Application Programming Interface (API) service

SINCE ITS CREATION IN 2001, MPAC'S BUSINESS DEVELOPMENT TEAM HAS GENERATED CUMULATIVE REVENUES OF MORE THAN \$100 MILLION HELPING TO OFFSET MUNICIPAL FUNDING REQUIREMENTS.

▶ **LEARN ABOUT OUR SUITE OF PRODUCTS AT PROPERTYLINE.CA**

2017 BALANCED SCORECARD

MPAC's Balanced Scorecard is a strategic planning and management tool that aligns our business goals and objectives with the Strategic Plan.

It provides a clear picture of our Key Performance Indicators (KPIs) in a clear, easy-to-understand and easy-to-measure framework.

MPAC's Balanced Scorecard translates strategic intentions into measurable targets across four areas: Customer, Operations, People and Financial.

OPERATIONS

2017 MILESTONES

We continue to update information in a non-Assessment Update year. The following work activities contribute to an accurate, reliable and stable Assessment Roll.

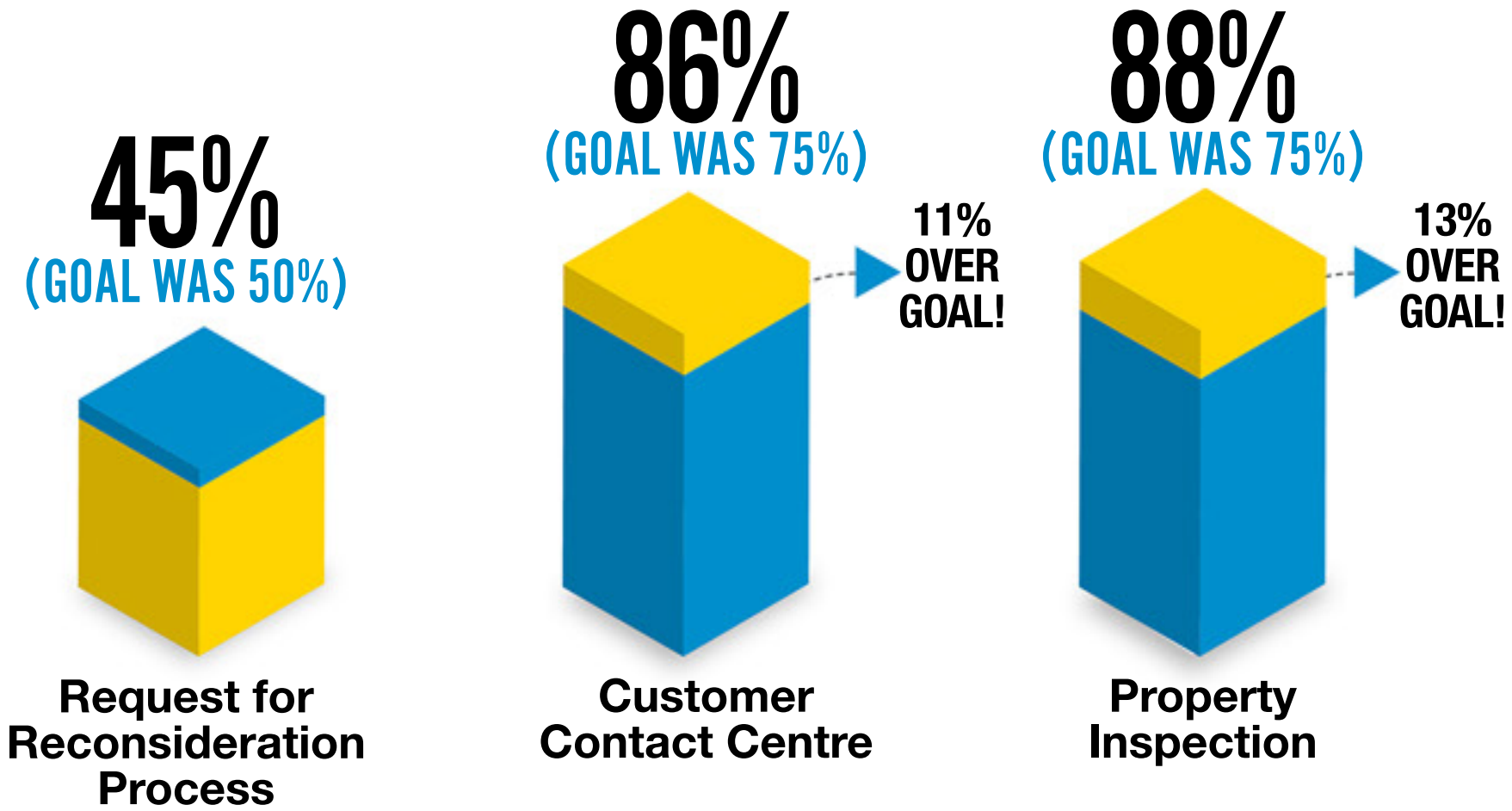
2017 MILESTONES	2017	2017 (GOAL: 100%)	OVER GOAL
REQUESTS FOR RECONSIDERATION (RfR) COMPLETED	73,570		101%
NUMBER OF APPEALS DISPOSED OF	30,675		85%
BUILDING PERMITS PROCESSED	129,425		103%
SUBDIVISION PLANS COMPLETED	440		117%
SEVERANCES COMPLETED	21,477		119%
CONDOMINIUM NEW ASSESSMENT ADDED TO MUNICIPAL ROLLS	9.46B		95%
SALES INVESTIGATIONS COMPLETED	131,000		114%
PROACTIVE PROPERTY INSPECTIONS COMPLETED	11,200		49%*
TAX APPLICATIONS PROCESSED	12,775		106%
VACANT UNIT REBATE APPLICATIONS PROCESSED	14,195		96%

* In 2017, focus was placed on core deliverables such as building permits, sales investigations and processing of RfRs.

2017 BALANCED SCORECARD

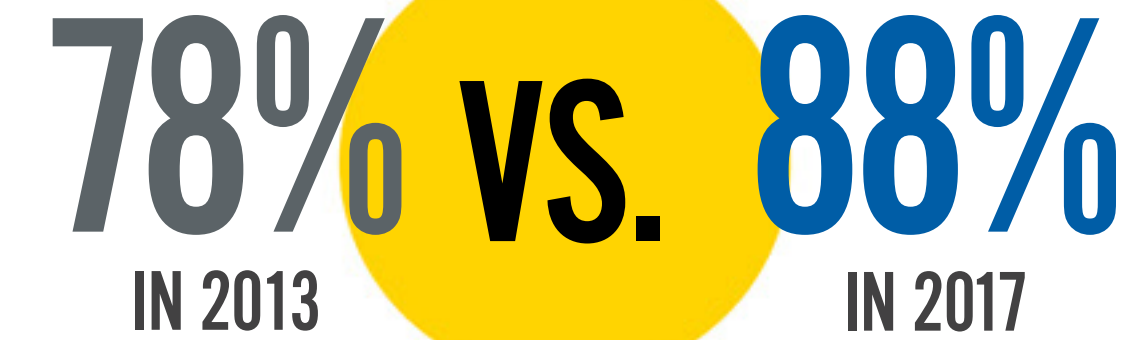
CUSTOMER

PUBLIC UNDERSTANDING AND TRUST



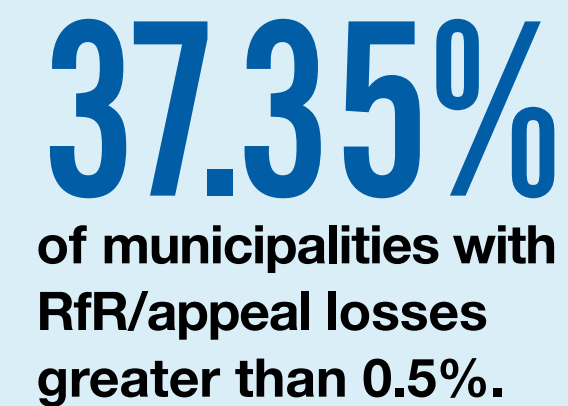
PROPERTY INSPECTION SERVICE SATISFACTION

Our valuation experts are committed to accurately capturing property information and answering assessment-related questions from property owners across Ontario.



ROLL STABILITY

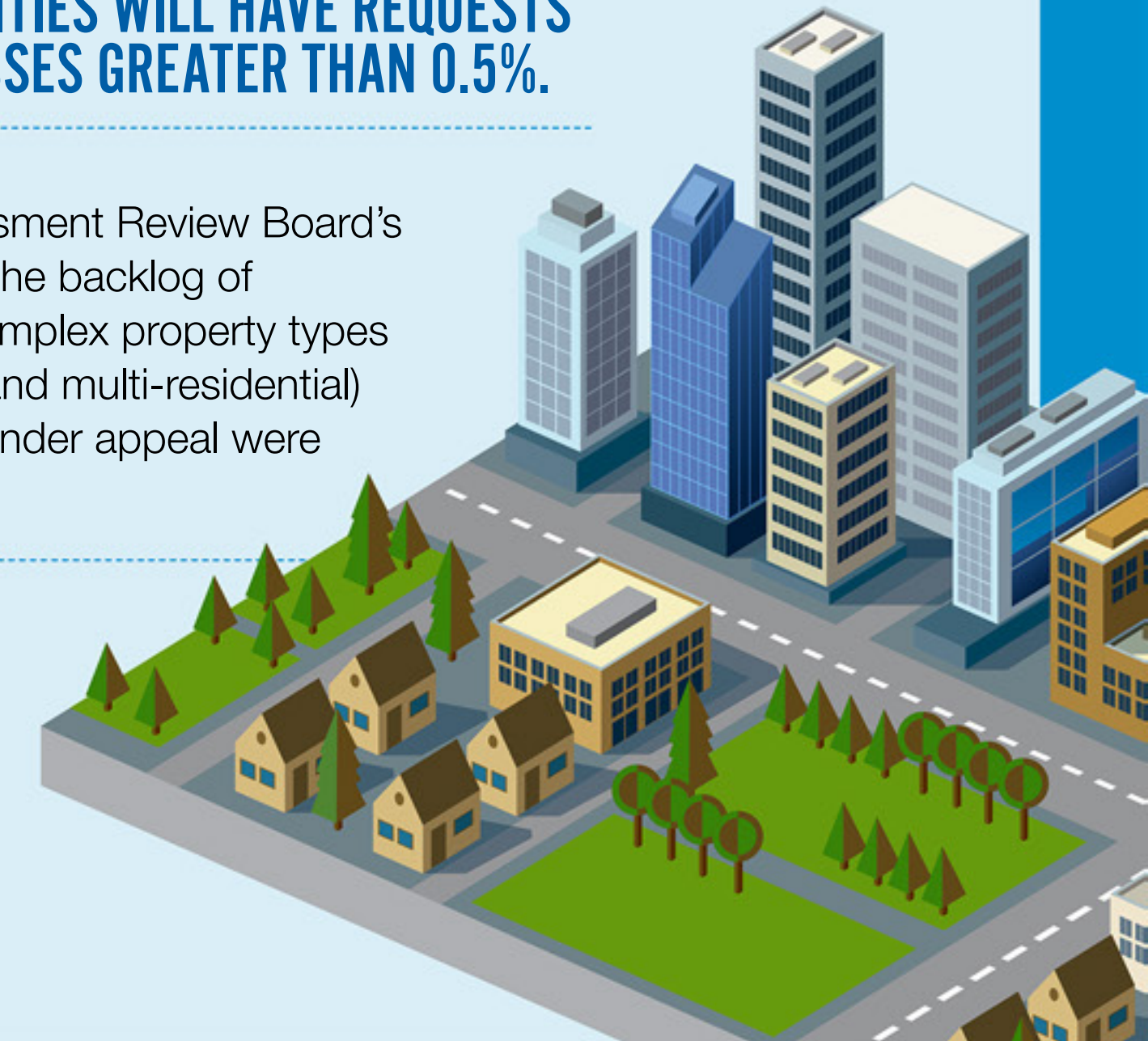
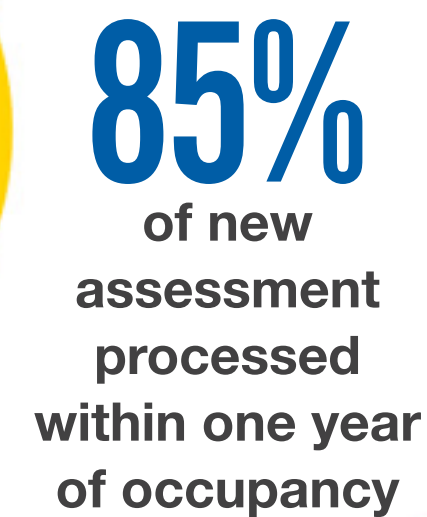
OBJECTIVE: NO MORE THAN 15% OF MUNICIPALITIES WILL HAVE REQUESTS FOR RECONSIDERATION (RFR) AND APPEAL LOSSES GREATER THAN 0.5%.



As a result of the Assessment Review Board's commitment to reduce the backlog of appeals, many large, complex property types (commercial, industrial and multi-residential) with multiple tax years under appeal were disposed of in 2017.



MUNICIPAL STAKEHOLDER SERVICE



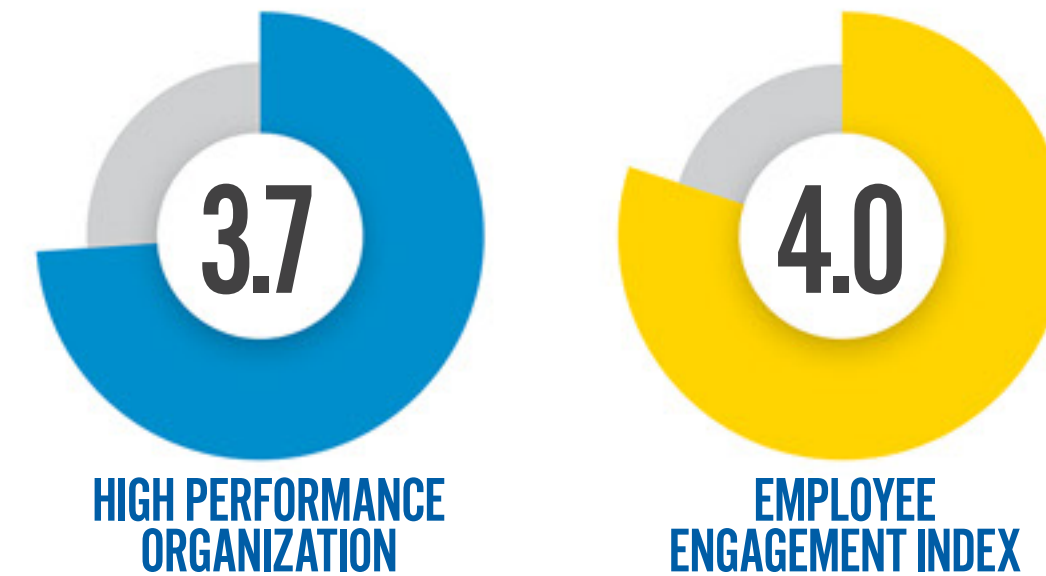
2017 BALANCED SCORECARD

PEOPLE

Number of core valuation staff who hold professional designations

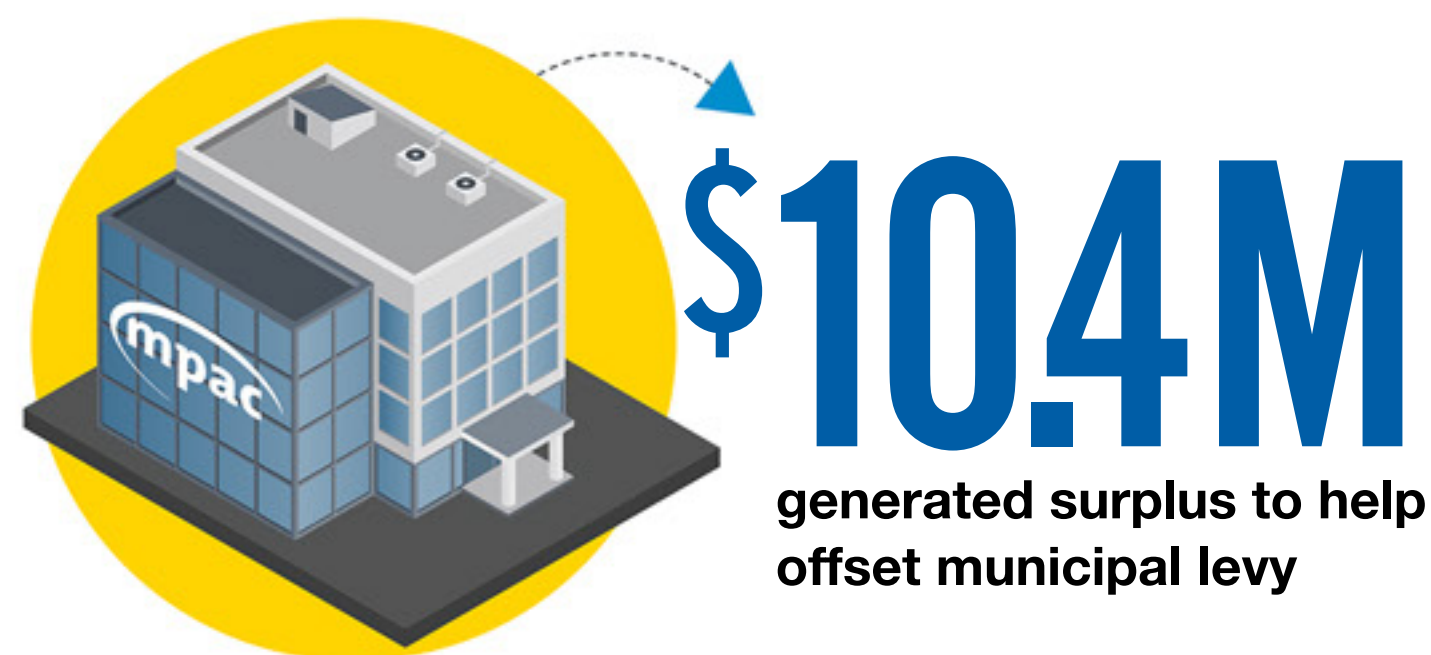


Five offices converted to Workplace 2.0 in 2017 (total of 12)



Based on employee survey, we achieved 3.7/5.0 for High Performance Organization and 4.0/5.0 on Employee Engagement Index.

FINANCIAL



SPOTLIGHT:

Robert Babin, a Data Analyst with the Assessment Standards and Mass Appraisal (ASMA) department at MPAC was selected as one of the top under-40 innovators by the International Association of Assessing Officers (IAAO) – a worldwide organization of more than 7,000 members from areas of government, business, and academia.

The U40 Leadership Lab Innovation Grant recognizes assessment professionals using creative and unique ideas to produce tangible results in their assessment jurisdictions.

Robert was chosen for his work on two exciting initiatives:

URBAN FRINGE MODEL:

As Canadian cities continue to expand, property values increase on their borders. Robert’s project distinguishes the more valuable urban fringe from rural neighbourhoods and identifies potential locations of future development for use in property classification, sales investigations, and exploratory data analysis during model development.

INSPECTION PLANNING APP:

This application leverages the routing capabilities of Google Maps to find the best route for inspectors to follow as they complete their inspections – leading to greater work efficiency.



FINANCIAL HIGHLIGHTS

STATEMENT OF FINANCIAL POSITION

(in thousands of dollars)	2017	2016
ASSETS		
Current assets	31,010	20,320
Non-current assets	81,838	82,479
TOTAL ASSETS	112,848	102,799
LIABILITIES		
Current liabilities	26,090	25,417
Non-current liabilities	38,766	32,203
TOTAL LIABILITIES	64,856	57,620
NET ASSETS		
Unrestricted funds	6,230	2,000
Reserve funds	29,773	32,457
Invested in capital and intangible assets	11,989	10,632
TOTAL NET ASSETS	47,992	45,179
TOTAL LIABILITIES AND NET ASSETS	112,848	102,799

FINANCIAL HIGHLIGHTS

STATEMENT OF OPERATIONS

(in thousands of dollars)	2017	2016
REVENUE		
Municipal	201,240	196,045
Interest	2,267	2,444
Other	20,289	21,103
TOTAL REVENUE	223,796	219,592
EXPENSES		
Salaries and wages	129,298	128,746
Benefits	33,890	33,551
Information Technology	10,168	10,590
Facilities	10,207	10,457
Legal and Supplier Services	15,181	16,092
Office and Other	13,676	20,066
Amortization	5,638	4,650
TOTAL EXPENSES	218,058	224,152
Excess of revenue over expenses for the year before changes in fair value of investments	5,738	(4,560)
Changes in fair value of investments	946	3,609
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	6,684	(951)

STATEMENT OF CHANGES IN NET ASSETS

(in thousands of dollars)	2017	2016
Net assets – beginning of year	45,179	22,083
Excess of revenue over expenses for the year	6,684	(951)
Net actuarial gain (loss) on employee future benefits	(3,871)	24,047
NET ASSETS – END OF YEAR	47,992	45,179

NOTES FOR THE FINANCIAL SUMMARY

(in thousands of dollars)

It is suggested the financial highlights be reviewed along with the 2017 Audited Financial Statements and Notes to the Statements, which have received an unqualified opinion from MPAC's external auditors. The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

RESERVE FUNDS

The Reserve Funds consist of the Board Appropriated Working Fund, Reserve for Enumeration, and the Reserve for Assessment Update.

The Board Appropriated Working Fund is set aside by the Board of Directors of MPAC, in accordance with MPAC's reserve strategy

for contingencies and funding for identified one-time expenditures. The Reserve for Enumeration was established to fund costs associated with the preparation of preliminary lists of electors for municipal and school board elections. The Corporation will draw down the balance as expenses are incurred.

The Reserve for Assessment Update was established to fund the costs associated with the Assessment Update. The Corporation contributes amounts to these reserves annually. The Reserve for Assessment Update will draw down on the balance as expenses are incurred. The next province-wide Assessment Update will occur in 2020.

GIVING BACK TO OUR COMMUNITIES

At MPAC, we believe in giving back – not just in Ontario but across Canada and around the world. Our employees are determined to make a positive difference and help communities thrive.



ONTARIO ASSOCIATION OF FOOD BANKS

Throughout 2017, **MPAC employees raised funds for the Ontario Association of Food Banks**, an organization dedicated to strengthening communities by providing food banks across the province with food, resources, and solutions that address both short and long-term food insecurity. By collecting donations at meetings and events throughout the year, the money raised was able to provide over **2,400 healthy meals to those in need**.

CANADIAN RED CROSS SYRIAN REFUGEE CRISIS APPEAL

Over \$3,700 raised through jeans-day collections, local office donations and more.

SPOTLIGHT:

FIGHTING HUNGER IN WINDSOR

Twenty years ago an employee from MPAC’s Windsor office started a small food drive to help those in need. Bill Market retired from MPAC in 2014, but he remains a regular part of local fundraising efforts. The “Bill Market Food Drive” has become an annual tradition for Windsor employees and in 2017, the group raised over \$5,000 and dropped off over 8,000 food items.



“Bill works tirelessly with local food producers to sell pallets of canned goods at discounted prices,” said Jennifer Taylor, Valuation and Customer Relations Manager in Windsor. “We donate the food and money collected to the Downtown Mission and Essex Food Banks, and every year the fundraiser grows beyond our expectations.”



THE “BILL MARKET FOOD DRIVE” HAS BECOME AN ANNUAL TRADITION FOR WINDSOR EMPLOYEES

ENVIRONMENTAL RESPONSIBILITY



“SUSTAINABILITY IS EMBEDDED INTO OUR BUSINESS AND PART OF EVERY DECISION WE MAKE.”

Steve Cascone, Director, Facilities Management

DID YOU KNOW? MPAC'S INCREASED USE OF CLOUD COMPUTING ALLOWS MORE EFFECTIVE USE OF DIGITAL RESOURCES AND REDUCES PAPER CONSUMPTION

REDUCING WASTE

We continued to transform our business processes to focus on waste reduction and environmental performance.*

In 2017, MPAC securely shredded and recycled 102,758 kilos of paper, saving close to 256,000 Kilowatt hours of electricity.

DIVERTING WASTE

We work with partners on environmentally responsible decommissioning projects and paper shred programs that help save landfill space and preserve valuable resources.



Employees hit the streets for a 20-minute spring cleanup in communities across the province

1,900

TREES SAVED BY SECURELY SHREDDING 103,000 KILOS OF PAPER

433

CUBIC METRES OF LANDFILL SPACE SAVED

*Based on 2016 figures as per MPAC's reporting structure

200

FUEL-EFFICIENT VEHICLES IN OUR FLEET WITH

28

HYBRID VEHICLES JOINING OUR FLEET IN 2017

DRIVING TOWARDS A CLEANER FUTURE

Our fleet of 200 vehicles now includes more fuel-efficient models and several gas-electric hybrids.

For the fifth consecutive year, MPAC received the Smart Commute Workplace Silver designation which recognizes our efforts to provide greener commuting options for employees.



LOOKING AHEAD: HYBRID VEHICLES WILL COMPRISE 50% OF OUR CORPORATE VEHICLE FLEET BY DECEMBER 2018

ENVIRONMENTAL RESPONSIBILITY



SINCE 2012
30%

OF TOTAL OFFICE SPACE HAS BEEN CONVERTED TO WORKPLACE 2.0

In 2017, four MPAC offices and several floors of our head office were converted to align with federal Workplace 2.0 standards:

- ▶ flexible workspaces
- ▶ mobile technology
- ▶ better use of space
- ▶ sustainable design principles

MPAC's Facilities Renewal Plan remains on track through ongoing review of space requirements across the province. We continue to uncover opportunities to reduce costs – while improving service delivery. The nature of work is changing, and through new space design, mobile technology and adoption of alternate work arrangements, MPAC continues to be a leader in flexible work.

- ▶ improved employee engagement
- ▶ increased productivity
- ▶ optimized real estate footprint



IN 2017 REALIZED OVER **74,000** SQUARE FEET IN SPACE SAVINGS THROUGH WORKPLACE 2.0



OFFICES CONVERTED TO WORKPLACE 2.0 IN 2017:

CORNWALL
TORONTO

SARNIA
PICKERING

MUSKOKA-PARRY SOUND

12

TOTAL NUMBER OF MPAC OFFICES ALIGNED TO WORKPLACE 2.0 STANDARDS

EXECUTIVE MANAGEMENT GROUP

Rose McLean, M.I.M.A.
President and
Chief Administrative Officer

Carmelo Lipsi, M.I.M.A.
Vice-President and
Chief Operating Officer

Carla Y. Nell, A.I.M.A.
Vice-President,
Municipal and
Stakeholder Relations

Nicole McNeill
Chief Financial Officer and
Vice-President,
Corporate Services

Don Leblond
Vice-President and
Chief Strategy Officer,
Governance and Strategy

Linda Hall
Vice-President,
Strategic Communications
and Marketing

Zahir Manek
General Counsel

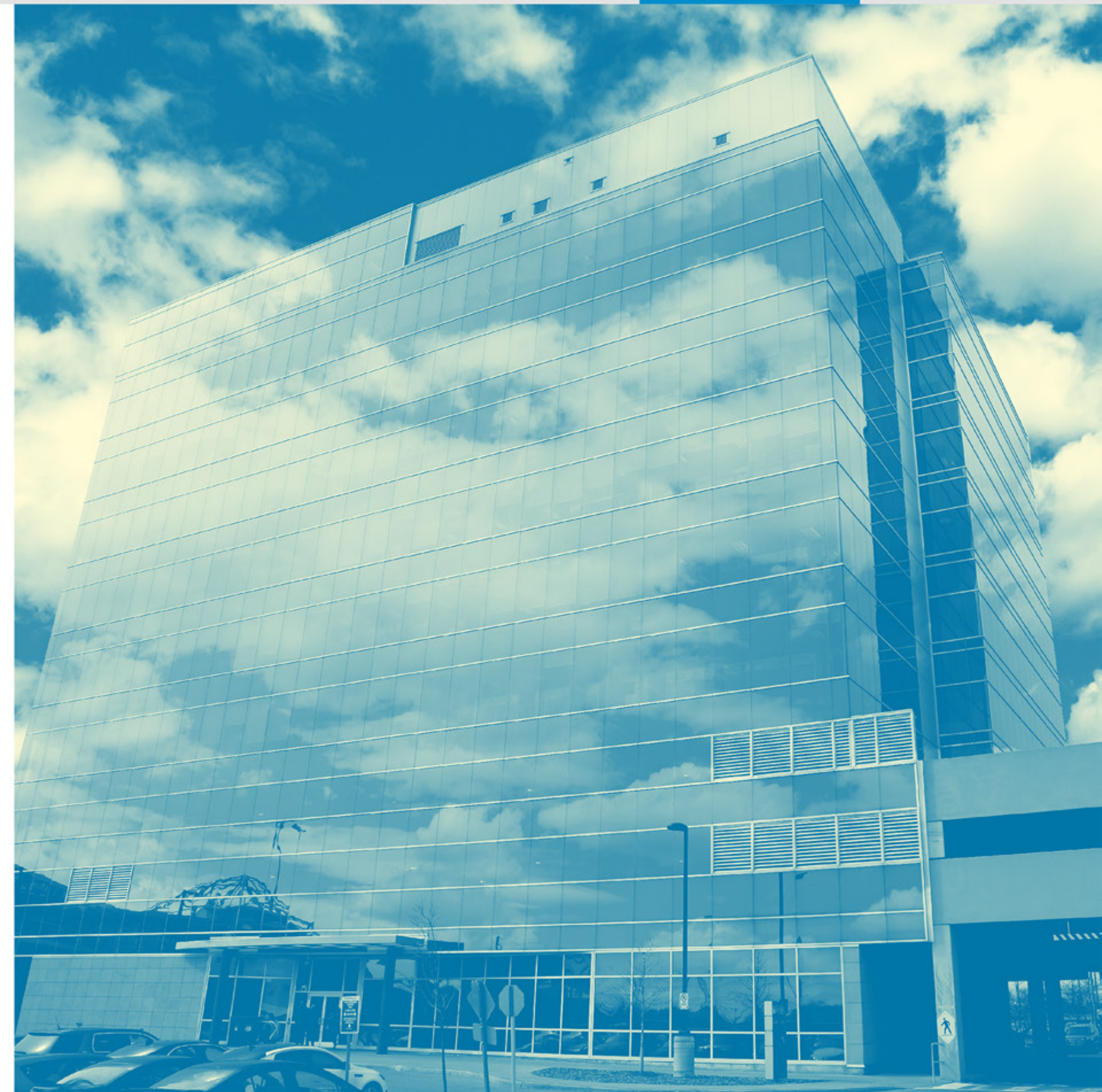
Sujit Jagdev
Vice-President
and Chief Information
and Technology Officer

Lee Taylor
Vice-President,
Business Development

Antoni Wisniowski
President,
Business Development

Kent Emerson
Associate Vice-President,
Municipal and
Stakeholder Relations

Lucy Foster
Executive Director,
Board Governance



CONTACT US

CUSTOMER CONTACT CENTRE

Toll Free **1 866 296-MPAC (6722)**
 TTY **1 877 889-MPAC (6722)**
 Monday to Friday – 8 a.m. to 5 p.m.

HEAD OFFICE

1340 Pickering Parkway, Suite 101
 Pickering, ON L1V 0C4
905 837-6200
 Toll Free **1 877 635-MPAC (6722)**

mpac.ca
aboutmyproperty.ca
propertyline.ca

If you have accessibility needs, please let our representatives know how we can assist you.



@MPAC_Ontario



MPAC OFFICES

- ZONE 1** London, Sarnia, Kitchener, Windsor
- ZONE 2** Hamilton, Mississauga
- ZONE 3** Richmond Hill, Durham, Trenton
- ZONE 4** Toronto
- ZONE 5** Muskoka-Parry Sound, Peterborough, Barrie, Owen Sound
- ZONE 6** Kingston, Brockville, Cornwall, Ottawa, Pembroke
- ZONE 7** North Bay, Timmins, Sudbury, Sault Ste. Marie, Thunder Bay, Dryden, Kenora, Fort Frances

► **FIND CONTACT INFORMATION FOR EACH OFFICE [HERE](#)**