

MPAC Board of Directors Mandate

Purpose

The *Municipal Property Assessment Corporation Act (MPAC Act)* is the foundation of the governance model that establishes the Municipal Property Assessment Corporation (MPAC). The *MPAC Act* sets out the rules governing MPAC's mandate and roles and responsibilities as they relate to MPAC's external stakeholders (the Government of Ontario and Municipalities), including its customers (the property taxpayers of Ontario).

The Corporate By-law and MPAC's constating documents set out other operating requirements and the processes by which the MPAC Board of Directors (Board) functions. This Board Mandate and each Board Committee's Terms of Reference set out the collective duties and responsibilities of the Board and each Committee, respectively, along with the Board-approved Position Descriptions for the Board Chair, Vice Chair, Committee Chairs and individual Directors.

The Board provides stewardship through strategic planning, risk assessment and governance of MPAC's business and affairs. The Board has oversight responsibility over the affairs and performance of MPAC, including setting and approving the following, which are scheduled and addressed annually through a work plan:

- Strategic direction;
- Performance framework;
- Risk appetite framework;
- Financial, risk and fiscal policies; and
- Succession planning.

The Board receives recommendations for approval from Board Committees, subject to the Executive Committee having approval authority over certain activities conducted by the Commercial and Client Solutions department.

Collectively, Directors oversee the direction and performance of MPAC and the President and Chief Administrative Officer (President) is accountable to the Board as a whole and to the Minister. Management has responsibility over the day-to-day leadership, direction and operational oversight for MPAC, including ensuring the necessary financial and human resources are in place to achieve the Strategic Plan and other Board objectives.

Composition

The Board consists of 13 Directors:

- Seven Directors from municipalities (current/former elected officials or officers/employees of a municipality, provided that at least one Director must be a current or former municipal elected official);
- Four Directors representing property taxpayers; and
- Two Directors representing the Province of Ontario.

Appointments and Term

The Board is appointed by the Minister of Finance (Minister) in accordance with the *MPAC Act*.

Directors hold office at the pleasure of the Minister for a term not exceeding three years and may be reappointed for up to two further terms for a total of nine years on the Board.

The Board shall elect a Board Chair who is a current or former municipal elected official at the meeting of the Board immediately following the Annual Meeting. In the absence of a Chair, the Vice-Chair shall act as Board Chair until the Board elects a new Board Chair.

Meetings

The Board shall meet at least four times annually.

Key Board Responsibilities

Ethics and Integrity

Directors shall:

1. Discharge the Board's duties and responsibilities.
2. Act in the best interests of MPAC at all times with honesty and integrity.
3. Annually sign, and comply with, the Board Code of Conduct and Conflict of Interest Declaration.
4. Disclose to the Board Chair and the Governance and Human Resources Committee Chair all relevant information related to any real or perceived conflict of interest; and recuse themselves from the discussion, review or decision, and influencing the discussion, review or decision, as the case may be.
5. Ensure a culture of integrity throughout MPAC.
6. Foster ethical decision-making by the Board, EMG and other employees.
7. Monitor compliance with the MPAC Employee Code of Conduct.

Governance

Directors shall:

8. Attend all scheduled meetings to the fullest extent possible (in person or virtual); be fully prepared to participate; listen to the opinions of others with respect; encourage robust discussion and constructive dissent; and share the workload.
9. Participate in competency and skills analyses as recommended by the Governance and Human Resources Committee to identify any critical gaps in the competencies, skills and other attributes necessary to complement MPAC's strategic direction and the balance of the overall composition of the Board.

10. Acquire or maintain a reasonable level of understanding of the regulatory, legislative, business, risk and political environments within which MPAC and its stakeholders operate.

Strategy and Performance Framework

The Board is responsible for the overall stewardship of MPAC, including:

11. Overseeing the development of MPAC's mission, vision, values, objectives and brand.
12. Adopting a strategic planning process and approving MPAC's strategic direction that achieves its mandate in a reliable, quality and ethical manner.
13. Providing leadership in support of MPAC's commitment to environmental, social and governance (ESG) objectives.
14. Ensuring that MPAC's financial and operational plans align with the strategic framework.
15. Annually approving performance measures and targets that are realistic and challenging, measure the implementation of the Strategic Plan and are aligned with incentive compensation.
16. Monitoring performance quarterly.
17. Reporting annually on MPAC's activities and Strategic Plan achievements to its stakeholders.

President and Chief Administrative Officer

The Board shall:

18. Provide direction to the President on various policy, risk, and administrative matters.
It is the President's responsibility to implement the Board's decisions. It is the Board's responsibility to monitor and evaluate this implementation.
19. Approve and delegate authority levels pursuant to MPAC's Delegation of Authority Policy.
20. Approve financial commitments or other actions in excess of delegated approval authorities.

21. Select, retain, compensate, and evaluate the President, and, if required, dismiss the President.
22. Approve annual temporary succession plans for the President.
23. Approve and annually evaluate the President's performance.
24. With the advice of the Governance and Human Resources Committee, review MPAC's overall organization compensation program, including bargaining unit, non-bargaining unit and executive compensation; goals, key performance indicators and compensation, including any short-and long-term incentives, in alignment with the Strategic Plan. The Board shall have the sole authority to determine the President's compensation.
25. Receive reports from President on current matters relevant to MPAC at each regularly scheduled Board meeting.

Committees

The Board shall:

26. Establish an Audit Committee and establish or disband any additional Board Committee at any time and oversee such Board Committees.
27. Delegate to such Board Committee(s) any appropriate powers of the Board as is deemed necessary for the effective governance oversight and discharge of responsibilities.
28. Every two years, review Board Committee composition, and appoint Board Committees that promote a knowledgeable and informed Board that demonstrates an understanding of relevant matters, as recommended by the Governance and Human Resources Committee.
29. Review all reports transmitted from Committees and consider for approval any matters recommended by a Committee.

Financial Oversight and Stewardship

The Board shall:

30. Ensure effective internal controls over financial reporting.

31. Approve the appointment of the external auditors (including the external auditors' audit fees) and the internal auditor.
32. Review and approve MPAC's annual audited financial statements, budget, municipal levy and reserve strategy.
33. Annually approve MPAC's Investment Policy and review the fund portfolio's performance and compliance with the Investment Policy at least quarterly.

Risk Management

The Board shall:

34. Approve MPAC's Enterprise Risk Management Policy, including the identification and mitigation of MPAC's principal financial and non-financial risks (including cyber security) and associated mitigation activities.
35. Ensure policies and procedures are in place to manage risks.

Quality Service Commissioner

36. The Board is responsible for appointing the Quality Service Commissioner (QSC) pursuant to Section 4.1 of the *MPAC Act* who shall be an employee of MPAC and reviewing the QSC's mandate, performance, and compensation.

Board Operations

The Board shall:

37. Evaluate this Mandate at least every three years.
38. Annually prepare a Board work plan to ensure that the responsibilities and priorities of this Mandate are scheduled and fully addressed.
39. Annually review its compliance with the Mandate.

Procedures

The Board shall:

40. Meet in separate, Closed sessions with internal personnel and/or outside advisors at each regularly scheduled Board meeting.
41. Retain, oversee, compensate and terminate independent advisors, as required to assist the Board in its activities.
42. Review and approve all Board Minutes at the subsequent Board meeting.

To honour the spirit and intent of applicable law as it evolves, the authority to make minor technical amendments to this Mandate is delegated to the Manager, Board Administration, who shall summarize and report any minor amendments to the Governance and Human Resources Committee annually for information. The Governance and Human Resources Committee shall review any material change(s) to this Mandate at its next regularly scheduled meeting and recommend such change(s) to the Board for consideration and approval.

History

Amendments:	N/A
Board Received Date:	September 24, 2025
Committee Review Date:	September 17, 2025
Board Approval Dates:	September 24, 2025 June 11, 2015