



MUNICIPAL PROPERTY ASSESSMENT CORPORATION

December 5, 2017

To: Heads of Council of Municipal Billing Partners
From: Dan Mathieson, Chair, MPAC Board of Directors
Subject: Budget and Municipal Levy for 2018

On behalf of the Municipal Property Assessment Corporation (MPAC), I would like to advise you that the Board of Directors has approved the corporation's 2018 budget in support of their 2017-2020 Strategic and Financial Plan. The approved levy increase for 2018, is 2.65% which is consistent with the levy increase approved for 2017.

The Board's approval of the 2018 budget and municipal levy will allow MPAC to invest in its core operations to deliver the new Service Level Agreement (SLA). The jointly developed SLA establishes fair, meaningful and achievable performance standards for assessment services that municipalities and taxpayers rely on most. Our investment will also support the new Assessment Review Board (ARB) process and continue to build and maintain its service delivery model.

With this approval, the Board is committed to ensuring MPAC continues to best serve their municipal partners and the property owners of Ontario, while providing the support their employees need to deliver the highest standards of service and expertise.

Assessment Roll Stability & Predictability

Looking towards 2018, the requirement for MPAC to support and respond to the ARB's commitment to improve the appeals process played a critical role in the Board's review. Next year, the ARB will continue implementing a strategy to eliminate backlogs and complete appeals within the assessment cycle which will have a direct impact on MPAC's staffing and resources. We believe the work undertaken by the ARB will continue to support stability and predictability in Ontario's property assessment and taxation system.

A stable and predictable assessment base is important to the Board and the initiatives implemented for the 2016 Assessment Update, such as disclosure, pre-roll discussions and the extensive outreach activities, is a reflection of our commitment. Taking this approach forward and building on it for the 2020 Assessment Update will require the establishment of a reserve fund. This requirement is also reflected in the 2018 budget.

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In 2018, MPAC will continue to introduce the SLA to municipalities across the province. The annual budget reflects the need for the right number of senior valuation staff in field to meet the demands of our workload, programs to ensure the quality and consistency of our data, and continued growth to build our pool of accredited valuation professionals.

The levy amount for each municipality is determined by the levy formula contained within the *MPAC Act* and will be finalized following the delivery of the 2017 Assessment Roll. Municipalities can expect to receive additional details in December with final statements sent in January 2018.

Questions about MPAC's 2018 budget and municipal levy should be directed to Rose McLean, President and Chief Administrative Officer, or Carla Y. Nell, Vice-President, Municipal and Stakeholder Relations.

Yours truly,



Dan Mathieson
Chair, MPAC Board of Directors

Copy Chief Administrative Officers, Chief Financial Officers, Clerks & Treasurers of Municipal
Billing Partners
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