

| 2021 Annual Report

We are Ontario's Property Market Experts



MUNICIPAL
PROPERTY
ASSESSMENT
CORPORATION

CONTENTS

Introduction	3
Who We Are	8
People & Culture	12
Innovation & Modernization	16
Adding Value	20
Leadership	26
Additional Reporting	29
Financial Highlights	30
Connect	31



| Introduction

Governments, property owners and businesses rely on us for impartial, expert data and insights on Ontario's property market. In times of uncertainty and change, we are here to help you make informed decisions for today, and the future.

Overcoming obstacles and evolving who we are



Alan Spacek
Chair, MPAC Board of Directors

Who are we, and what is our role in Ontario and around the globe? How can we do more to help communities weather the storm?

Those are the questions we asked ourselves during a year where the Municipal Property Assessment Corporation (MPAC) overcame countless obstacles to become stronger than ever.

Traditionally, our identity centred around the province-wide update of property values we complete every four years. With that update on continued pause due to the pandemic, we have had an opportunity to step back and reflect on the other ways we provide value to governments, property owners and businesses and how we can provide even greater value.

During 2021, fiscal responsibility remained top of mind. By controlling costs, we were able to maintain a 0% increase to the total municipal levy for the second year in a row. At a time when municipalities are focusing their resources on pandemic management

and recovery, we were able to do our part to help them limit new spending.

We also worked diligently to capture new assessment that provides a critical stream of new revenue for municipalities. We assessed \$38 billion in new construction, additions, and renovations in 2021, made possible by working closely with our municipal partners on the exchange of electronic building plans and other innovations.

While carrying out our essential assessment work, we also charted our future with a new [2021-2025 Strategic Plan](#).

The plan has four elements:

1. Putting our people and culture first by implementing an Equity, Diversity, Inclusion and Anti-Racism strategy and considering how we can adapt to the future of work.
2. Delivering continuous operational excellence with technology and data quality improvements that will enable us to provide more value to our stakeholders.
3. Elevating the property owner, municipal and stakeholder experience through data insights and value-added services.
4. Unlocking opportunities to drive value and additional revenue by exploring commercial opportunities for our data and technologies.

This plan is supporting us in being the MPAC we want to be — innovative and inclusive, providing more and more value to governments, property owners and businesses.

As our role evolves, it is important to ensure we keep property owners and our partners informed. We are focused on reaching out to Ontarians, because it is especially important that the public understands our role in the property tax system. There is a widespread misconception that MPAC sets your property taxes when they assess your property. We want to debunk that misconception and make it clear that our assessments determine how taxes are distributed, but do not have any bearing on tax levels. To say that in a different way, just because the value of your property has increased it does not mean that your property taxes will increase, too.

As a public sector organization, transparency is a major priority for us. We are pleased to introduce an annual [Corporate Performance Report](#) that provides a wealth of statistics on how well we are meeting our goals on areas such as capturing new assessment, the proportion of property assessments accepted without going to appeal, customer contact centre satisfaction and many more.

So, to answer the question I opened with: Who are we? We are Ontario's property market experts. In 2021, we pushed ahead to elevate the value we provide to governments, property owners and businesses. There is much more to come in the years ahead, and I hope you are as excited as I am.

Transforming to thrive in a new era



Nicole McNeill
MPAC President and Chief Administrative Officer

In a world that is changing at lightning speed, we are working day after day to stay ahead.

With the continued postponement of the province-wide update of property values, some might see 2021 as more of the same. But not us. We took the year to put ourselves on a new path that reflects evolving expectations from our customers and the employees that make it all happen.

We are committed to our journey as Ontario's property market experts — an organization that provides data and insights that governments, property owners and businesses can use to make smart decisions.

[Our 2021-2025 Strategic Plan](#) breaks down how we will get there. During uncertain times, planning five years ahead was a big challenge. But the MPAC of today is not the same organization we were pre-pandemic. We have become nimbler and more adaptable, and we are ready and willing to course correct on the way to success.

Work is already underway on some of the most important goals. In 2021, we started building the capability to deliver real-time values for every property in Ontario. Our team is ready to provide Ontarians with current, unbiased and trusted market analysis, property inventory insights and a reassessment of all properties whenever a decision about future reassessment timing is made.

We are also working to expand commercialization efforts to sell our world-leading data and technology in domestic and international markets. This will generate revenue that offsets funding we require from municipalities, which is especially important at a time when municipal budgets are constrained.

These are big goals. To get where we want to go, we need to support our people so they can deliver their best. Our organizational culture will be the foundation that supports our effort.

During the year, our three guiding principles helped us make tough decisions on short timelines. We always kept these principles at the forefront: the health, safety and wellness of employees is our top priority; we need to keep the business operating; and we need to do our part to slow the spread of COVID-19.

These principles served as our north star for all pandemic-related decision making. In particular, in support of the Ontario government's efforts to promote vaccination across the province, our vaccination policy ensured we could provide a safe workplace, while doing our part to reduce transmission of COVID-19 in our communities.

In addition, by nurturing a culture of transparency, openness and collaboration, we are setting ourselves up for success. Providing a healthy, positive work environment

where employees can be their full, authentic selves increases employee satisfaction and leads to better results — and it is simply the right thing to do.

Our Equity, Diversity, Inclusion and Anti-Racism Committee is taking important steps to ensure that all voices are respected, valued and heard. It is an employee-led initiative that has been embraced by team members from across the province and the organization.

The future may be unpredictable and there are many challenges ahead. One thing I am sure of is our ability to work together to accomplish great things.

| Who we are



We are Ontario's property market experts. Our job is to assess the value of the more than five million properties across the province and provide an accurate and impartial property inventory.

Property owners can visit mpac.ca and log in to AboutMyProperty™ to learn more about how we assessed their property, see the information we have on file and compare it to others in their neighbourhood.

Our assessments are used by municipalities to distribute property taxes. Assessments alone do not determine property taxes. The work we do is a vital input for government programs, business decisions and property transactions. Our data also helps identify changes and trends in property uses in Ontario.

Ontario's Property Assessment and Taxation System



Government of Ontario

Establishes the province's assessment and taxation laws and determines education tax rates.



MPAC

Determines property assessments for all properties in Ontario.



Municipalities

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



Property owners

Pay property taxes which pay for services in the community. [You also pay education taxes](#) that help fund elementary and secondary schools in Ontario.

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

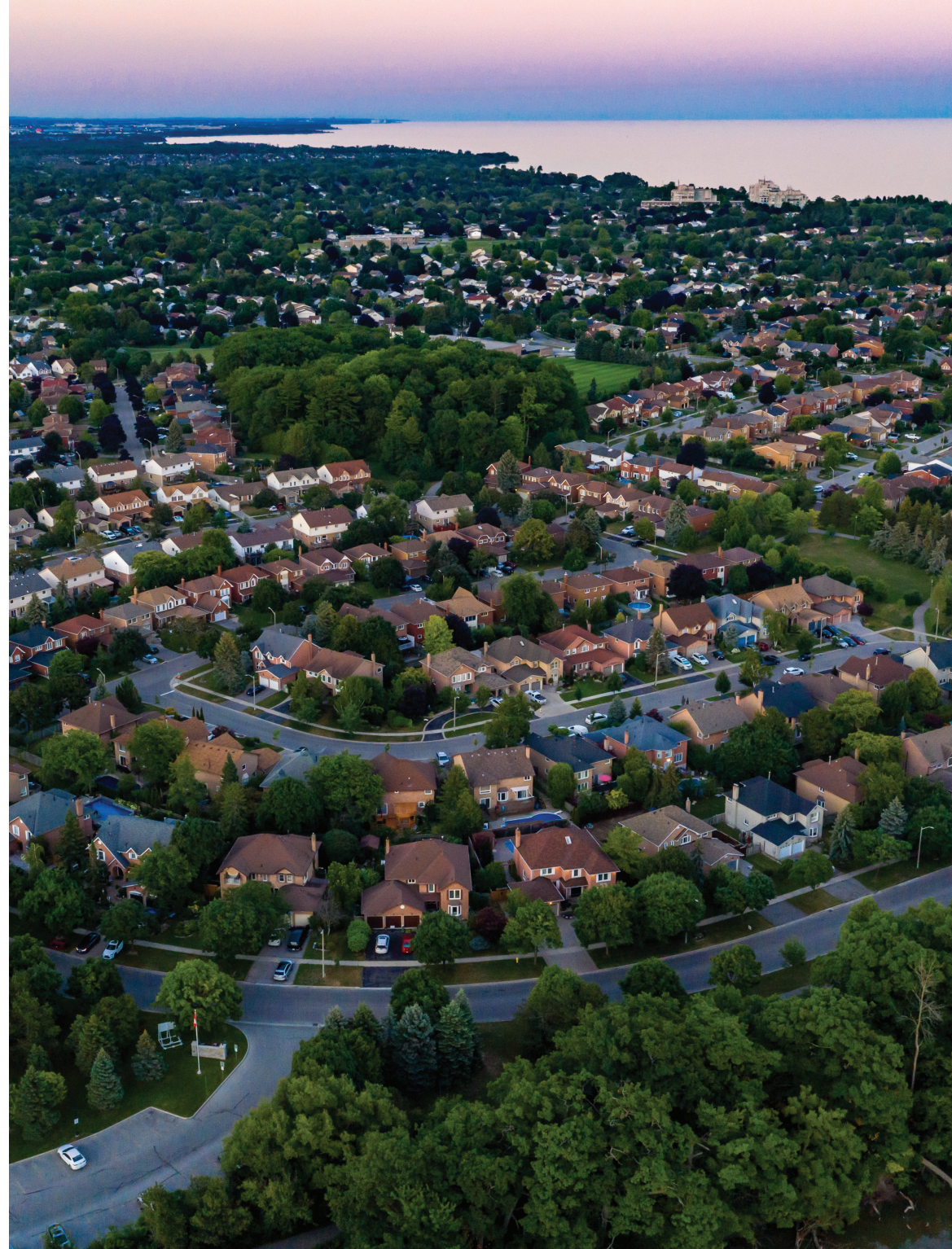
Maintaining Ontario's Property Database

We continuously update records for over 5.4 million properties. We do this by analyzing the market, inspecting properties, supporting property owners, and responding to Requests for Reconsideration and assessment appeals.

In Ontario, if a property owner disagrees with their assessment, they have the right to file a Request for Reconsideration. In 2021, we resolved over 27,800 Requests for Reconsideration, and resolved appeals on over 10,000 properties.

[For more detail, please see page 12 of our Corporate Performance Report.](#)

We also support property owners in understanding their assessments and by providing information about our role in Ontario's property tax and assessment system. In 2021, our Customer Contact Centre responded to 200,000 inquiries.



Did you receive a Property Assessment Notice from us?

We review properties every day. Whenever we make a change to a property's details, we notify the property owner by mailing a [Property Assessment Notice](#). Some of the most common changes we reflect are to ownership, assessed value or classification.



| Putting our people and culture first

We put our people first by nurturing a safe, healthy work environment and a culture of transparency, openness and collaboration.



We launched an Equity, Diversity, Inclusion and Anti-Racism initiative, working alongside our consultants. By the end of 2021, we completed the first of three phases of the initiative: assessment and capacity building. During the first phase we conducted an Intercultural Competence and Capacity Assessment, Diversity and Inclusion Climate Survey, Internal and External Consultations and Policy and Procedure Gap Analysis.

As part of this work, the Equity, Diversity, Inclusion and Anti-Racism committee held weekly Coffee Chats – a safe space where members formed small groups to have brave conversations about difficult topics. We also hosted Equity, Diversity, Inclusion and Anti-Racism themed Virtual Leader Chats throughout the year for all our employees, which created opportunities for meaningful discussions on a variety of issues.

We acknowledged Canada's first National Day for Truth and Reconciliation and supported employees with a paid day off to allow for time to reflect.

We also joined the Canadian Centre for Diversity and Inclusion as an Employer Partner, granting employees free access to resources that will help us on our journey.



“Our weekly Equity, Diversity, Inclusion and Anti-Racism Coffee Chats are a safe space for us to bring our full, authentic selves to the table to share our lived experiences. We learn about each other and our different perspectives. We encourage each other to have uncomfortable conversations about the need for systemic change, and how to be champions of that change.”

Gillian Hamilton-Boswell, Team Champion, Equity, Diversity, Inclusion and Anti-Racism Initiative

- Our commitment to supporting employee wellness was put into action with two new events: a Virtual Wellness Day and a Virtual Wellness Week. Hundreds of employees from all corners of the province joined sessions that taught ways to focus on physical and mental well-being through nutrition, physical activity, mindfulness practices and even laughter.
- Our employee-led Gratitude Collective helped us infuse more gratitude into our lives with daily inspiring emails and weekly opportunities to connect with colleagues across Ontario to learn about the benefits of developing a daily gratitude practice.
- We launched a new employee development program, known as What Counts. The program empowers staff to build development goals centred around a set of values and behaviours that guide our interactions with each other and our customers, including respect, empathy, collaboration, and championing change.





- Our 2021 employee survey, which had a response rate of 78%, showed that 84% of employees agreed that the health, safety and wellness of employees is a priority at MPAC and the same number would recommend MPAC as an employer. Survey results showed that overall employee satisfaction exceeds the benchmark for comparable organizations in Canada.
- Our employee-led Corporate Social Responsibility committees at offices across Ontario worked together, while working apart, to raise more than \$75,000 for the communities we live and work in. We planted more than 2,200 trees in Ontario, supported animal welfare organizations across the province and raised \$61,000 for Feed Ontario, providing 183,000 meals to people in need.
- In keeping with our long-standing tradition of supporting children of our employees, we awarded seven [Continuing Academic Excellence Awards](#) to outstanding students who demonstrated commitment and leadership within their community.
- For the third consecutive year, we were named one of [Greater Toronto's Top Employers](#).



“

“Our employees determine impartial and accurate assessments by following internationally recognized assessment and appraisal standards. We have more than 900 valuation employees who are experts in their field with more than half holding professional accreditations, including all our valuation managers.”

| **Greg Martino**, Vice-President and Chief Valuation and Standards Officer

| Innovation & Modernization

The pandemic has driven us to be more efficient, innovative and forward-thinking than ever.

In 2021 we focused on supporting the municipal sector by:

Accelerating the development of an enhanced property data-sharing platform for municipalities. Our new version of Municipal Connect, built by our IT team and subject matter experts in just six months, puts the tools municipal users requested at their fingertips. The new platform lays the groundwork for elements of our 2021-2025 Strategic Plan, including expanded use of our data to support municipal operations and planning. It also creates further collaboration tools to support municipalities and other public and private sector partners in using our data to find solutions and make even smarter decisions.

Developing the new Municipal Connect internally allowed us to bring together all the security, cost effective and modern architecture practices that we have been focused on, fully taking advantage of building on a cloud platform and adhering to ISO 27001/27017 security standards.





Contributing to the modernization and digitization of building permit collection and exchange in Ontario. We worked with municipalities to digitize their permitting process and collaborated with sector associations, like the Association of Municipalities of Ontario’s (AMO) business services arm, Local Authority Services (LAS), to further advance the consideration and adoption of e-permitting in the municipal sector.

Exploring options for the digital delivery of the annual assessment roll to municipalities. Currently, assessment rolls are delivered to municipalities each year in paper format. The pandemic has made it difficult for municipalities to uphold their requirement to make it available for public viewing. In response to this challenge and requests from our municipal partners, we have established a Municipal Working Group to explore opportunities to modernize and rethink the delivery of the assessment roll for public access.



“We have never worked more closely with our municipal partners. It is helping us drive technological innovation to provide municipalities with the best possible products and more efficient services. We are also proud to be a partner in collaborative projects to modernize the municipal sector in Ontario.”

Carmelo Lipsi, Vice-President, Valuation and Customer Relations and Chief Operating Officer

We also continued to keep Ontario's property data safe:

For the third year in row, we earned the ISO/IEC 27001 certification – one of the most respected information security standards in the world that is recognized globally as a benchmark for good data security practices. We also earned our ISO/IEC 27017 certification for the second year in a row. Our ongoing certifications demonstrate that we have put in place the systems, policies and procedures that help us protect property assessment data and increases our resilience against cyber-attacks.

We were successful in a competitive bidding process to deliver our cloud-based assessment technology to an international property assessment jurisdiction.

We have formed a partnership to support the Valuation Office of Ireland. This is our first international venture to unlock additional revenue that will offset the levy for Ontario's municipalities. It will produce benefits for our assessment service delivery in Ontario at no cost, including by driving innovative data collection by mapping out the use of new tools like field collection devices and digital measuring.



Finally, we committed to developing the capacity to deliver real-time market values for every property in Ontario.

Currently, we are legislatively required to deliver a province-wide reassessment of property values every four years. We are evolving our processes and technology to deliver real-time property values, related market information and products to enhance our ability to deliver on our legislative mandate while creating opportunities to provide value-added insights to governments, property owners and other stakeholders.



“Vigilance in cyber security is an ever-evolving practice. It is critical that we stay agile as new threats emerge and technology expands. Our ISO 27001 certification drives us to adhere to the highest standards of information security practices for areas across the organization, including information security policies, HR security, access control, physical and environmental security, and communications security.”

Sujit Jagdev, Vice-President and Chief Information and Technology Officer



| Adding Value

Much like the census tells us about our population, our property data is a window into where we live and work – and how those patterns change.

In 2021, Ontario continued to see strong growth. We valued more than 86,000 new properties and improvements to existing properties, including 36,800 new residential homes and more than 11,300 residential condominium units. We also saw substantial growth in the warehousing and logistics sector, with 109 new warehouses and eight new distribution centres added to municipal assessment rolls. The total value of all properties in Ontario is now estimated to be more than \$3.04 trillion, with \$38 billion of that added in 2021.

Assessment roll

5M
Residential



222K
Farm



164K
Commercial



80K
Industrial



49K
Special Exempt



17K
Multi res.



Total Properties – 5.5M

Total Assessment – \$3T



\$2.2T
Residential



\$319.6B
Commercial



\$151.2B
Special Exempt



\$140.6B
Farm

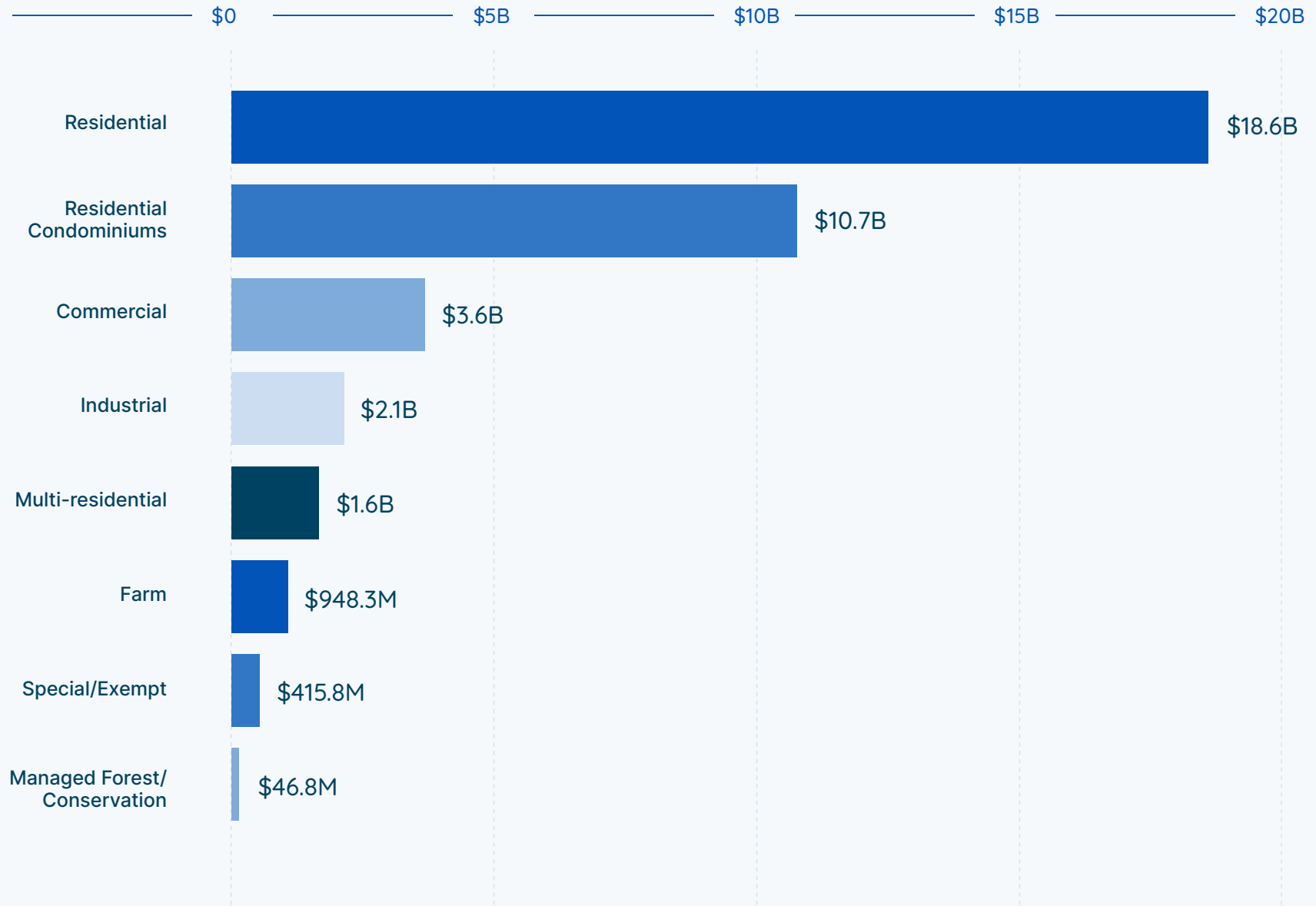


\$122.3B
Multi res.

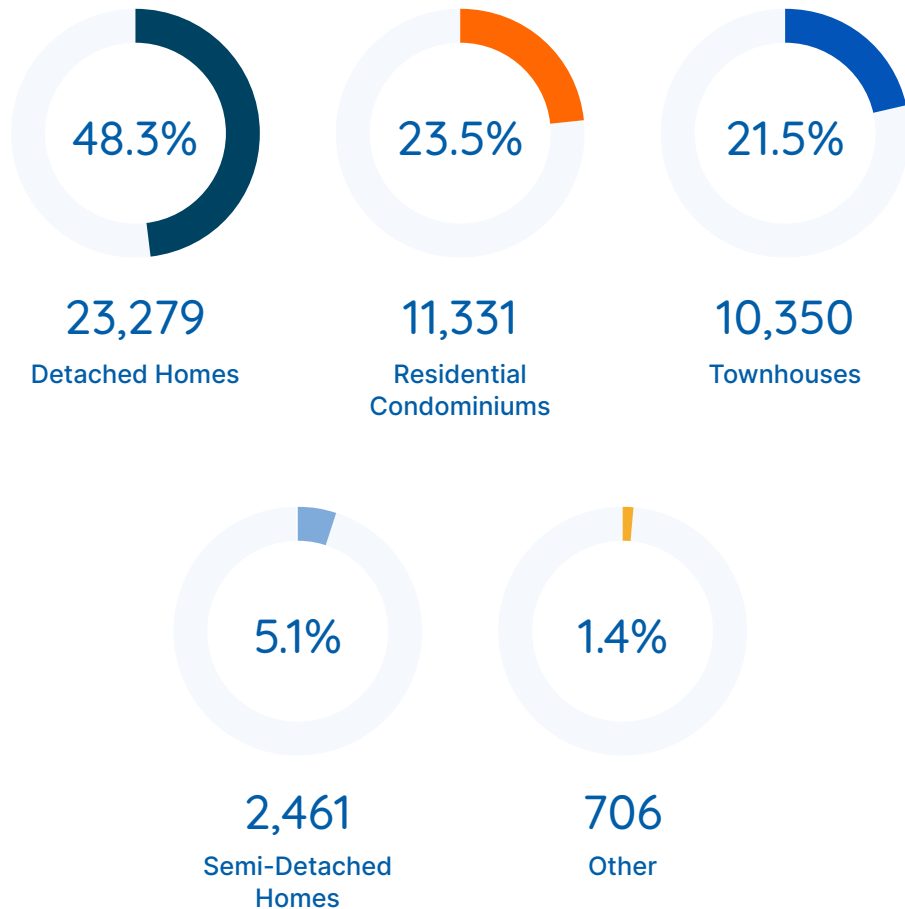


\$116.8B
Industrial

New Assessment by Property Type



New Residential Homes



Our trusted property data and real-time values are used by public and private sector organizations, utilities, property and casualty insurers, lenders, mortgage insurers, underwriters and REALTORS®.

At times when public health measures made traditional home visits difficult, we provided the real estate and financial services industries with virtual access to property details as a trusted, instantly accessible alternative to support their decision making.

In 2021, we held a free special event for Ontario REALTORS®, which included education on property assessment in Ontario, market reports from economists at the Canadian Real Estate Association and Toronto Regional Real Estate Board and an overview of our Automated Valuation Model (AVM) and available reports. More than 800 real estate professionals attended the virtual event.

When it comes to housing affordability and availability, we are ready to support innovative solutions with our property database and valuation expertise.

This year, we contributed to a [Housing Supply Challenge](#) project led by Family Services Windsor Essex, the City of Windsor and interested organizations. The project team built a data-driven proof of concept with two goals: identify the legal and financial feasibility of developing detached Additional Dwelling Units (ADUs) from the perspective of a homeowner and assist municipal planners in identifying areas in the city where this type of development could have the greatest impact.

We contributed valuation expertise on the assessment and classification of proposed ADUs. Assessment data was then combined with open data, including zoning details, setbacks and road allowances, and analyzed with a GIS mapping tool, incorporating neighbourhood demographics, socio-economic data and specific requirements.

The team's prototype was one of 14 selected for additional funding and will share a pool of \$22.5 million to implement their data-driven solution.



This year marks the 20th anniversary of MPAC's Automated Valuation Model (AVM). MPAC's AVM provides instant real-time estimates of market value for close to 10 million residential properties in the provinces of Ontario, British Columbia, Quebec, New Brunswick, Newfoundland and Labrador, Nova Scotia, and the cities of Calgary, Edmonton and Winnipeg. Over the past two decades, many sectors and businesses have come to rely on our AVM to make smart business decisions, from banks to mortgage insurers, to REALTORS®, and other private and public sector organizations.

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“Our Business Development team continues to build strong relationships with our customers, so we can anticipate needs and stay one step ahead of the competition for continued growth. In 2021, our products and services generated more than \$23 million in revenue to offset the levy paid by Ontario’s municipalities. In partnership with our leading-edge IT team, we will continue to innovate and unlock new opportunities to drive value and additional revenue.”

| Lee Taylor, Vice-President, Business Development

| Leadership

2021 Executive Management Group



Nicole McNeill
President and Chief
Administrative Officer



Jamie Bishop
Vice-President, Corporate
and Government Relations



Michael Bowman
General Counsel, Legal,
Policy and Compliance



Edward Broderick
Executive Director,
Human Resources



Chris Devadason
Vice-President, Innovation



Carla Hipolito
Culture and
Engagement Advisor



Sujit Jagdev
Vice-President and
Chief Information and
Technology Officer



Matthew Kanter
Executive Director,
Associate General
Counsel – Litigation



Don Leblond
Vice-President and Chief
Strategy Officer



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



Greg Martino, M.I.M.A.
Vice-President and Chief
Valuation and Standards Officer



Mary Meffe
Vice-President, Corporate and
Information Services and Chief
Financial Officer



Lee Taylor
Vice-President,
Business Development

2021 Board of Directors

We are accountable to the people of Ontario through our [Board of Directors](#) appointed by the Minister of Finance. The Board provides governance and oversight to ensure our organization’s overall direction, effectiveness, supervision and accountability.



The Board of Directors thanks Ken Hughes, whose term expired in May 2021, and who served as Chair of the Audit Committee since 2020. We also thank Walter Sendzik whose term ended in 2021, along with Lockie Davis and William Luke who left the Board in early 2021.

MUNICIPAL REPRESENTATIVES



Alan Spacek
(Chair) (Retired) Mayor,
Town of Kapuskasing



Janice Baker
Chief Administrative
Officer, Region of Peel



Lockie Davis
Consultant,
Town of Midland



Ken Hughes
(Retired) Auditor
General, City of Ottawa



Wendy Landry
Mayor, Municipality of Shuniah and
President, Northwestern Ontario
Municipal Association



Delia Reiche
Development Liaison, County
of Brant and (Former) Deputy
Mayor, Thames Centre



Roberto Rossini
(Retired) Deputy City Manager
and Chief Financial Officer,
City of Toronto



Ken Seiling
(Retired) Regional Chair, Region
of Waterloo and (Former)
Mayor, Woolwich Township



Walter Sendzik
Mayor,
City of St. Catharines



Patricia Vanini
(Retired) Executive
Director, Association of
Municipalities of Ontario

2021 Board of Directors

TAXPAYER REPRESENTATIVES



Paul Bernards
Finance Professional



Niels Christensen
Managing Director and
Broker, Christensen Real
Estate Group



Andrew Gassmann
President and Chief
Executive Officer, ABG
Analytika Consulting Inc.



Ray Kindiak
Lawyer and Corporate
Finance Professional



William Luke
Principal Lawyer,
Luke Law Firm

PROVINCIAL REPRESENTATIVES



Nazmin Gupta
Managing Director of
Capital Raising and
Investor Relations,
BentallGreenOak



Jon Olinski
(Vice-Chair) Professor and
Program Coordinator, Public
Administration program,
Seneca College

| Additional Reporting

2021 Municipal Partnerships Report

Our [Municipal Partnerships Report](#) showcases the ways we stayed focused on delivering the services Ontario municipalities rely on during a challenging year, while also looking toward the future.

2021 Corporate Performance Report

Our first-ever [Corporate Performance Report](#) provides insight into our strategic and operational performance. It includes measures such as new assessment growth, customer experiences, the proportion of property assessments accepted without going to appeal, financial efficiencies and levy offsets.



Financial Highlights

Statement of Operations (in thousands of dollars)		
Revenue	2021	2020
Municipal	214,919	214,919
Other	23,601	19,884
Interest and Dividend Income	3,353	3,217
Total Revenue	241,873	238,020
Expenses	2021	2020
Salaries and Benefits	186,315	182,419
Professional Services	13,320	12,741
Information Technology	11,222	10,578
Facilities	8,581	9,013
General and Administrative	6,096	6,411
Royalties	4,024	3,352
Amortization of Capital and Intangible Assets	3,601	3,883
Gain on Disposal of Capital Assets	(65)	(245)
Total Expenses	233,094	228,152
Excess of Revenue Over Expenses for the Year Before Changes in Fair Value of Investments	8,779	9,868
Changes in Fair Value of Investments	6,998	8,229
Excess of Revenue Over Expenses for the Year	15,777	18,097

Statement of changes in net assets (in thousands of dollars)	2021	2020
Net Assets – Beginning of Year	77,187	65,460
Excess of Revenue Over Expenses for the Year	15,777	18,097
Net Actuarial Gain (Loss) on Employee Future Benefits	2,828	(6,370)
Net Assets - End of Year	95,792	77,187

Excerpt from the 2021 Audited Financial Statements prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Connect With Us

MPAC has offices across Ontario to meet the needs of customers in every community.

CUSTOMER CONTACT CENTRE

Toll Free 1 866 296-6722

TTY 1 877 889-6722

mpac.ca/contact

Monday to Friday – 8 a.m. to 5 p.m.

MAIL

1340 Pickering Parkway, Suite 101 Pickering, ON L1V 0C4

ONLINE

mpac.ca





Accessible formats and communication supports are available upon request.

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.

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