



# TOWNSHIP OF NORTH HURON

# REPORT

Item No.

**REPORT TO:** Reeve Vincent and Members of Council  
**PREPARED BY:** Donna White, Director of Finance  
**DATE:** 27/03/2017  
**SUBJECT:** 2017 Assessment Update  
**ATTACHMENTS:** Appendix 1, Appendix 2, Estimated Growth Report, 2016/2017 Assessment Comparison

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## **RECOMMENDATION:**

THAT the Council of the Township of North Huron hereby receives the 2017 Assessment Update Report for Information purposes.

## **EXECUTIVE SUMMARY**

The Director of Finance provides an annual update to council on assessment changes. Ontario property assessments are updated every four years. The 2016 Assessment Update reflects a legislated valuation date of January 1, 2016, for the 2017-2020 property tax years. MPAC has introduced some of the most significant reforms to the Ontario's property system since 1998. The 2016 Assessment Update Rollout used a staggered approach where different classes of properties received their Assessment Notices in stages throughout the year, with the residential notices being mailed starting April 4, 2016. An increase in assessed value is phased in over the four year cycle, while any decreases are introduced immediately.

MPAC has undertaken a number of initiatives to improve their processes as follows:

- Greater access to information for the property owners, municipalities and stakeholders (About my Property)
- Improved valuation analysis, methods and models
- Increases assessment quality through stringent data cleansing, quality checks and testing their work through third parties

## **DISCUSSION**

The following table summarizes the average % changes in Ontario

Property Class	Annual Average Increase since 2012 (Ontario)	Total % Increase over the next four years (Ontario)
Residential	4.5%	18%
Farm	16%	64%
Multi- Residential	7%	28%
Commercial	3.1%	12.4%
Industrial	3%	12%

The following table summarizes the average % change in North Huron for the next four years.

Property Code Category	2012 Value	2016 Value	% Change – North Huron
Residential	300,137,000	318,374,600	6.08%
Farm	192,518,100	320,685,700	66.57%
Multi-Residential	10,209,000	8,933,000	-12.50%
Commercial	52,373,900	52,789,200	.79%
Industrial	22,410,700	24,587,900	9.72%
Special/Exempt	10,163,500	9,630,500	-5.24%
Total	587,812,200	735,000,000	25.04%

The following reports are attached:

Assessment Change Summary by Property Class – See Appendix 1 attached which shows the overall Percent Change from 2012 -2017 is 4.74% with residential only seeing a .8% increase and the farm increase is 17.7% for North Huron.

Assessment Base Distribution Summary by Property Class – See Appendix 2 attached which shows that Residential Assessment forms the largest portion of the assessment base at 53.1% and Farm at 29.6% (levied at 25%).

Estimated Growth Report – Attached shows that the estimated growth in assessment is 1,655,200 which equates to only a .28% overall increase.

Estimated Growth Report by Realty Tax Class – Taxable – Attached report shows that the taxable assessment increase is 1,032,200 which only equates to .19% increase which does not allow for the opportunity to mitigate budget impacts to any extent. There is still some lag in the process for adding the assessment related to completed building permits to the roll and staff are continuing to monitor the information as it is received from MPAC.

2016/2017 Assessment Comparison by Ward based on Roll as returned.

#### **FINANCIAL IMPACT**

The assessment changes will be monitored throughout the year.

#### **FUTURE CONSIDERATIONS**

The 2017 Assessment will be incorporated into the 2017 Budget and used for the calculation of tax rates.

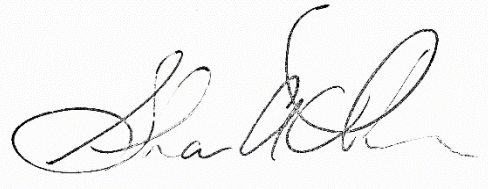
**RELATIONSHIP TO STRATEGIC PLAN**

Goal #4 – Our administration is fiscally responsible and strives for operational excellence.

A handwritten signature in cursive script that reads "Donna White".

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Donna White, Director of Finance

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Sharon Chambers, CAO