



Assessment Review Board

Annual Report 2003-2004

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Chair's Message

I am pleased to present this report as the current Chair of the Assessment Review Board (ARB). 2003-2004 was a productive period for the Board. All properties in Ontario were reassessed for tax purposes for the second consecutive taxation year, which meant the Board received over 80,000 complaints – a substantial increase from the previous year.

By all accounts, the ARB complaint intake for 2004 was one of the smoothest and most efficient in recent history. The success of the intake was the result of a proactive campaign to provide Ontarians with the proper information about the property assessment complaint process and the refinement of the Board's complaint intake strategy.

In advance of the filing deadline, the ARB distributed revised information pamphlets, which served to better clarify the proper steps of appeal, as well as improving the annual complaint form and instructions, thereby lessening confusion about the complaint process and deterring erroneous filings.

2003-2004 also saw the implementation of the recommendations provided to the Board by its Stakeholder Advisory Committee (SAC). This committee, which submitted a full report to the ARB in late March 2003, offered fourteen recommendations to improve the Board's service and clarify its *Rules of Practice and Procedure*. These recommendations and changes to the *Rules* were implemented in October 2003.

As in past years, the Board took steps to improve its accessibility to stakeholders throughout the province. In November 2003, the ARB launched “E-Calendar,” a service on its Web site that allows complainants to view the dates and locations of all current Board hearings. Also, the Board’s Web site and audio text has been updated to provide more information about ARB processes, including filing fee refunds and adjournment requests.

As the adjudicative tribunal Ontarians look to when contesting property assessments, our employees and Members are honoured to provide access to natural justice in a fair, open, and efficient manner.



Richard Stephenson
Chair

February, 2005

Section I: Assessment Review Board Overview

Purpose of the Board

The Assessment Review Board (ARB) is an independent adjudicative tribunal established under statute by the Province of Ontario that hears complaints filed by property owners who believe there is an error in the assessed value or classification of a property. The Board, which operates under a number of legislative authorities, also deals with complaints on matters such as school support designation and property tax appeals.

The Board's primary mandate is to ensure that properties are appropriately assessed in accordance with provisions of the *Assessment Act*. The ARB holds hearings throughout the province where persons, or their representatives, who have filed a complaint with the ARB have the opportunity to present to the Board, through the hearing process, a case as to why they believe the assessment or classification of a property is incorrect.

Along with other regulatory and adjudicative agencies, the ARB helps form the core of the administrative justice sector in Ontario. These core agencies provide justice that is less expensive, less complex, and less formal than the courts. Possessing specialized knowledge of relevant legislation and matters in their particular field, agencies and their Members are integral components of Ontario's social and legal infrastructure.

History and Jurisdiction

Property assessment has been conducted in what is now Ontario since 1793. In 1970, the province assumed the role of assessing property from municipalities and replaced the Courts of Revision with the Assessment Review Court (ARC). In 1983, the ARC was renamed the Assessment Review Board.

With the enactment of the *Fair Municipal Finance Act, 1997*, the ARB became the province's sole adjudicative tribunal for property assessment complaints. The legislation reduced duplication and ensured that the Board was the final tribunal of appeal for such complaints. Prior to 1998, ARB decisions could be appealed to the Ontario Municipal Board (OMB).

In 1998, an amendment to the *Assessment Review Board Act* gave the ARB the capacity to dismiss frivolous complaints. Decisions by the Board are final and binding, subject only to appeal to Divisional Court on questions of law when the Court grants leave to appeal. The Board also exercises the power to review its decisions.

The Board's jurisdiction and its authority are defined by the *Assessment Review Board Act*, the *Assessment Act*, the *Municipal Act, 2001*, the *Education Act*, and the *Statutory Powers Procedure Act*.

Current Value Assessment

With the long-term objective of fairness, timeliness and consistency, the *Fair Municipal Finance Act, 1997* ushered in the Current Value Assessment (CVA) system. Prior to the new legislation, assessments lacked a common methodology and in many municipalities property assessments had not been updated in decades.

Assessments for the 2003 taxation year were based on the property value as of June 30, 2001 and assessments for the 2004 taxation year were based on the property value as of June 30, 2003.

Legislative Changes

Regulations

Ontario Regulation 282/98, the General Regulation under the *Assessment Act*, was amended by the following eight regulations filed from July 7, 2003 to November 20, 2003:

1. Ontario Regulation 285/03 (filed July 7, 2003) – addition of Part IV.1 Exceptions – Alternative or Renewable Sources of Energy;
2. Ontario Regulation 347/03 (filed August 25, 2003) – expansion of subclass for vacant land for industrial property class (ss 20(3)) and the addition of section 43.1 mine tailings management area;
3. Ontario Regulation 348/03 (filed August 25, 2003) – expansion of definition of hotel;
4. Ontario Regulation 349/03 (filed August 25, 2003) – clarification of railyard in parking lots and vacant land property class and vacant land subclass;
5. Ontario Regulation 362/03 (filed September 2, 2003) – addition of land that is a municipally-licensed rooming house to the residential property class;
6. Ontario Regulation 363/03 (filed September 2, 2003) – change from residential/farm property class to the residential property class and from the farmlands property class to the farm property class;
7. Ontario Regulation 370/03 (filed September 2, 2003) – current value of hotels section added; and
8. Ontario Regulation 397/03 (filed November 20, 2003) – addition of assessed value of pipe lines for 2004.

Omitted Assessments for Trailer Parks

Ontario Regulation 390/03 regarding omitted assessments for trailers for the 2003 taxation year was filed on October 30, 2003 directing the Municipal Property Assessment Corporation (MPAC) to issue omitted assessment notices for 2003 to trailer park owners and occupants. On March 10, 2004, Ontario Regulation 55/04 was filed, amending Ontario Regulation 390/03, cancelling the omitted assessments for the 2003 taxation year.

New Rules of Practice and Procedure

The Assessment Review Board's new *Rules of Practice and Procedure* came into effect on October 1, 2003 and were made pursuant to section 25.1 of the *Statutory Powers Procedure Act*.

The new rules and current forms are available free of charge on the Board's Web site www.arb.gov.on.ca or a printed copy can be purchased for a minimal charge by calling 416-314-6900 or 1-800-263-3237.

Section II: Operations 2003-2004

2003-2004 Caseload

At the beginning of the 2003-2004 fiscal year, the ARB had a total of 93,800 complaints on file. During the 2003-2004 fiscal year, the Board received over 80,000 complaints. The majority of these were received in March of 2004. By the end of the fiscal year 47,400 complaints before the Board had been resolved. Of the new complaints received, approximately 60 per cent were residential and 40 per cent were non-residential. In most instances, residential complaints required less hearing time and staff resources, and were resolved sooner than the non-residential complaints. The bulk of the outstanding caseload at the end of the fiscal year consisted mostly of complex, non-residential properties. The process of adjudication and resolution of these types of disputes can take several months, and in some cases, a year or more to complete and often require expert testimony and information.

Table 1: Caseload 2001-2002 to 2003-2004

Year		2001-2002	2002-2003	2003-2004
Opening caseload balance		150,000	62,000	93,800
Caseload received	+	12,300	82,900	80,200
Total caseload for year	=	162,300	144,900	174,000
Resolved caseload	-	100,300	51,100	47,400
Balance at the end of the fiscal period	=	62,000	93,800	126,600

Note: The municipal tax year begins January 1 and ends December 31. The deadline for annual assessment complaints to the ARB is March 31 of the tax year, corresponding to the end of the provincial fiscal year. In the chart above, the annual complaints for the 2004 taxation year are recorded in fiscal 2003-2004. "Caseload Received" includes all types of complaints and appeals dealt with by the Board, including annual assessment complaints, supplementary and omitted assessment complaints and tax appeals.

Pre-hearings

Many of the complaints concerning complex non-residential properties require extensive hearing time before the Board and are often presided over by a panel of Members. These complaints are screened, based on established criteria such as property classification, size and assessed value, and may be directed into pre-hearings. During the pre-hearing process, the Board works with the parties to establish a schedule for proceeding and may issue procedural orders to direct exchanges of information and pre-filings.

Pre-hearings have the potential not only to expedite the hearing process but also to allow parties to come to a settlement before a hearing begins.

Teleconferences

The Board has also made extensive use of telephone conferencing, or “electronic hearings.” With parties in some cases having to travel across the province, it can be difficult and time consuming to coordinate a physical meeting. Teleconferencing is a practical way to provide status updates and determine next steps toward issuing procedural or on consent orders, resolving contentious matters and, in some instances, resolving complaints. This service saves time and money by reducing travel for all parties involved with ARB hearings.

Electronic Service Delivery (ESD)

In 2003-2004, the Board continued to provide efficient ESD. In November 2003, E-Calendar was launched. This allows the public to view hearings scheduled for a municipality by month, and the hearing docket for a specific hearing. Throughout the year, the Board’s Web site, E-Status and E-File options were updated and improved upon, with a focus on user-friendliness and clear language.

Web site

The Board’s Web site, www.arb.gov.on.ca, continues to be an important information and communication resource. Information available on the Web site includes: an introduction to property assessment and the assessment appeal process; complaint forms; complete versions of the ARB’s *Rules of Practice and Procedure* and relevant legislation; information about ARB hearings and proceedings; as well as the Board’s annual reports.

E-File

E-File is a tool that allows the public to submit annual assessment complaints via the Internet. All required information and the appropriate filing fee are collected and verified electronically online, and E-Filed complaints are accepted immediately into ARBIS, the ARB’s electronic case management system. E-Filed complaints do not require manual data entry, reducing the time required to intake complaints.

During the 2004 complaint intake period, 23,960 complaints were filed via the ARB’s E-File option. This is a 37 per cent increase from 2003. The Board received an additional 1,600 complaints through forms that were completed online, then printed and mailed with payment. This is a seven per cent increase from 2003.

E-Status

E-Status allows complainants to check the status of complaints before the Board by simply visiting the ARB Web site and entering the 19-digit roll number associated with the property of interest. E-Status displays information about complaints, hearings (once scheduled) and decisions (once issued). In 2003-2004, E-Status received approximately 2,000 to 4,000 inquiries monthly.

E-Calendar

In November 2003, the ARB launched a new information technology service called E-Calendar. This service provides complainants, representatives and other interested parties current information about ARB hearings throughout Ontario. Hearing information can be obtained either by searching for the location of a property or the location of a hearing. The various E-Services initiatives offered by the Board will continue to significantly benefit the public and stakeholders by enhancing the accessibility, transparency and efficiency of the Board.

Public Information and Outreach

The Board has maintained its commitment to effective, multi-faceted and timely communication with stakeholders and the public. To communicate more effectively, the Board has undertaken projects to:

- Revise and re-design its *Filing a Complaint* and *Preparing for a Hearing* pamphlets. Both pamphlets are available on the Board's Web site in fully downloadable formats.
- Improve its audio text to provide complainants with more options to obtain information, such as how to withdraw a complaint or request a postponement, automatically. The after-hours message has also been updated to include more information about the Board and the complaint and hearing process.
- Expand upon correspondence with complainants via e-mail. The Board answered over 1,900 e-mails. Complainants used this medium as a means of informing the Board about a variety of issues, including absences, withdrawals and requests for written reasons.
- The complaint forms and instructions for annual assessments and supplementary and omitted assessments were revised to include more information and clearer instructions.

Stakeholders' Advisory Committee (SAC)

In its ongoing efforts to address the changing needs and concerns of its stakeholders, the ARB organized a committee of stakeholders that was charged with providing the Board with a collection of recommendations for improvement to its services. This committee began consultations in Spring 2002, and on March 19, 2003 presented the ARB Chair with a final report of its recommendations and conclusions.

The Committee's recommendations and rule changes were implemented in October 2003. The fourteen recommendations offered by the Committee pertained to issues such as the streaming of ARB hearings; the complaint process for large, complex commercial properties; pre-hearing communications; municipality complaint participation; alternative dispute resolution; access to Duty Vice-Chairs during urgent hearing circumstances; certificates of readiness; Member assignment; costs; and an effort to encourage parties to correspond with each other to potentially reach an agreement.

Member Training

Ongoing Member training remains a priority at the ARB. Newly-appointed Members have the benefit of an in-house introductory session, in-hearing mentoring by senior Members, and courses that are tailored to the issues Members confront in the various types of ARB hearings. Also, all Members are encouraged to attend the educational courses available through the Society of Adjudicators and Regulators.

Section III: Financials

Expenditures

Table 2: Expenditures 2001-2002 to 2003-2004

ACCOUNT ITEMS	2001 – 2002 (\$)	2002-2003 (\$)	2003-2004 (\$)
Salary and Wages	4,889,289	4,170,456	4,306,190
Employee Benefits	822,876	856,500	537,499
Transportation and Communications	1,258,830	849,338	1,034,130
Services	2,739,513	1,816,394	2,075,266
Supplies & Equipment	189,356	286,975	259,390
Transfer Payment	NIL	NIL	NIL
TOTAL	9,899,864	7,979,663	8,212,475

Revenue

Under the authority of the *Assessment Review Board Act* and a regulation made under the *Interpretation Act*, complaints and appeals must be accompanied by the applicable filing fee. The filing fee, which varies depending on property type, is collected by the ARB and is immediately transferred to the Ministry of Finance.

Table 3: ARB Revenue 2001-2002 to 2003-2004

FISCAL YEAR	REVENUE COLLECTED (in \$)
2001-2002	2,840,117
2002-2003	2,102,515
2003-2004	5,411,807

Section IV: ARB MEMBERS 2003-2004

ARB Chairs and Vice-Chairs

Chairs	Date Appointed
JOHNSON, David J. ^	November 15, 2000 to November 15, 2003
HUBBARD, Marie† Vice-Chair Chair	December 10, 1997 December 10, 2000 November 15, 2003
Vice-Chairs	
BUTTERWORTH, Robert D. Vice-Chair	November 19, 1997 April 15, 2002
OWEN, Robert D.M.* Vice-Chair	February 1, 1998 February 1, 1998
SEABORN, Jan de P.* Vice-Chair	March 23, 1998 March 23, 1998

Note: ^ Indicates Chair of the Assessment Review Board (ARB), Board of Negotiation (BON), and the Ontario Municipal Board (OMB) who is no longer with the Boards.

†Indicates Chair was cross-appointed to the ARB, BON and OMB as of March 31, 2004.

*Indicates Vice-Chairs who were cross-appointed to the OMB as of March 31, 2004.

Robert D. Butterworth was appointed a Vice-Chair of the ARB on April 15, 2002, having served as a Member since November 19, 1997. He was called to the Bar in 1972 and appointed a Queen's Counsel in 1984. Mr. Butterworth practised law in the Town of Perth from 1972 until 2002 and is a past councillor of the Township of North Elmsley, past member and chair of the Town of Perth planning board, and past chair of the committee of adjustment for the Township of North Elmsley. Mr. Butterworth is also a past governor and chair of the board of governors of Algonquin College and past chair of the Rideau Valley district health council. He received a bachelor of commerce degree from St. Patrick's College and an L.L.B from the University of British Columbia.

Marie Hubbard was appointed to the OMB on December 10, 1997 and as a Vice-Chair on December 10, 2000, at which time she was also appointed as a Vice-Chair of the ARB. On November 15, 2003, Ms. Hubbard was appointed Chair of the OMB, ARB and BON. She is a former mayor of the Town of Newcastle and was also chair of the planning committee, Region of Durham.

David J. Johnson was appointed Chair of the ARB, BON and OMB on November 15, 2000. Prior to joining the Boards, he was president and CEO of the Toronto General and Western Hospital Foundation. Mr. Johnson has been a member of provincial parliament for the Don Mills riding, the minister of education and training, government house leader, minister of health, chair of the Management Board of Cabinet, finance opposition critic, and municipal affairs opposition critic. He was also the mayor of East York for ten years. Mr. Johnson holds a bachelor of science degree from McMaster University and a master's of mathematics degree from the University of Waterloo.

Robert D. M. Owen was appointed to the OMB in 1983. He became a Vice-Chair of the OMB in 1992 and was cross-appointed as a Vice Chair of the ARB on February 1, 1998. Prior to joining the Boards, he practised law in Orillia and Toronto. Mr. Owen is a member of the Society of Ontario Adjudicators and Regulators and a member of the board of directors of the Council of Canadian Administrative Tribunals. A graduate of Queen's University Faculty of Law, he was called to the Ontario Bar in 1970.

Jan de P. Seaborn was appointed to the ARB as a Vice Chair on March 23, 1998. On May 31, 2000, she was cross-appointed to the OMB. Prior to joining the Board, Ms. Seaborn was a partner in the regulatory, planning and environmental department of a Toronto law firm. Her practice has also included many appearances as counsel before the Environmental Assessment Board, Joint Board, OMB and federal regulatory tribunals. Ms. Seaborn was called to the Ontario Bar in 1983.

ARB Members

At the end of the 2003-2004 fiscal year, the ARB was composed of 76 active Members. Three ARB Members were cross-appointed to the OMB.

Member	Original ARB Appointment
BACHLY, David	November 26, 1970
BELANGER, Mignonne	January 11, 1984
BIRNIE, Ian	June 15, 1999
BIRTCH, Tom	October 15, 1970
BRICK, Doris	May 27, 1998
BROWN, Douglas C.	June 20, 2000
BROWNLIE, John D.	May 27, 1998
BRYANT, Lance R.	December 30, 1999
CALDWELL, John S.A.	March 31, 2000
CAMPBELL, Susan B.	May 27, 1998
CARPENETO, James J.	May 17, 1999
CASE, Jeanette V.	May 17, 1999
CASTEL, André	November 19, 1997
COWAN, Bernard A.	December 19, 1997
CRAWFORD, John E.	May 27, 1998
CROSSLAND, Ernest	June 21, 2000
CUPIDO, Charles	October 1, 1980
DATE, Dennis J.	May 27, 1998
DOUGAN, Hugh S.	December 19, 1997
DOWLING, Thomas	November 17, 1970
DRIESEL, Sandra	March 16, 2000
EMERSON, Judi	June 30, 2000
FLANNERY, Timothy C.	May 27, 1998
GRANDMAITRE, Bernard	October 8, 1997
GRANGER, Donald R.*	November 3, 1999
GRIFFITH, E.J.W.	November 12, 1970
HETTMANN, Alexander S.	May 17, 1999
HOPE, Ying	June 30, 2000
HOPPER, Ronald B.	May 27, 1998
INGLIS, Vern	May 27, 1998
JUSTIN, Edith	November 17, 1970
KELLY, Jim Sr.	May 17, 1999
LAWRENCE, R.G.R.	May 27, 1998

Member	Original ARB Appointment
LECH, Ted	October 29, 1970
LUPTON, Bruce S.	May 27, 1998
MACKEY, Brian R.	May 2, 2001
MACLEOD, Walter J.	May 27, 1998
MATHER, Susan F.	November 19, 1997
MCCORMICK, William J.	May 27, 1998
MCKINNON, Joan	April 18, 2001
MCLEAN, Allan	October 8, 1999
MICHIE, Harry	October 15, 1970
MIDDLEBRO', John H.E.	May 17, 1999
MILLER, Margaret	November 19, 1997
MILNE, John E.^	March 31, 2000
MITCHELL, Doug	December 30, 1999
NAPPER, William (Bill)	March 31, 2000
NORTHCOTT, William G.J.	December 19, 1997
NOVAK, Wayne S.	December 19, 1997
OLIVEIRA, Ivan	May 17, 1999
RECKER, Marvin	February 25, 1998
RICHENBACK, David A.	May 27, 1998
ROBERTSON, Luanne H.	June 30, 2000
ROHRER, Michael C.	July 21, 2000
ROGERS, F.N.	October 1, 1970
ROLLAND, Charles L.	March 31, 2000
SCHERER, Paul J.	May 17, 1999
SIGSWORTH, Oscar	October 1, 1970
SMITH, Barry A.	November 26, 1970
STEPHENSON, Richard F.	April 7, 1993
STILLMAN, Paul M.	March 26, 1975
STONE, Carl A.	October 1, 1970
TATSIU, William	May 27, 1998
TENNANT, Bryan R.	March 31, 2000
TERSIGNI, Joe	May 30, 2001
THOMPSON, Edmund (Ted)	May 17, 1999
WEST, Roger D.	December 19, 1997
WHITNALL, Raymond A.	May 17, 1999
WRIGHT, Gregory R.	November 19, 1997
WYGER, Joseph M.	May 27, 1998
YOUNG, Ronald R.	May 27, 1998

Note: ^Indicates those Members who were cross-appointed to the BON as of March 31, 2004.

*Indicates those Members who were cross-appointed to the OMB as of March 31, 2004.