Minutes – Executive Policy Committee - April 18, 2007

REPORTS

Minute No. 275 Board of Revision – 2006 Annual Report
File GK-11

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee received as information the Board of Revision 2006 Annual Report.

DECISION MAKING HISTORY:

Moved by Councillor O'Shaughnessy,
That the Board of Revision 2006 Annual Report be received as information.

Carried

City of Winnipeg

Board of Revision



Annual Report 2006

City Clerk's Department
March, 2007

Board of Revision
2006 Annual Report



Board of Revision Mission Statement

The Board of Revision is independently established to hear appeals respecting assessment issues in a fair, efficient and judicious manner with consideration given to the City of Winnipeg's fiscal time frame.

The goal of the Board of Revision is to ensure that all parties to an appeal, irrespective of the decision rendered, leave the hearing and appeal process with the perception that they have been treated fairly, professionally and without bias.

January 31, 2007

His Worship Mayor Sam Katz
2nd Floor
Council Building
510 Main Street
Winnipeg, MB
R3B 1B9

Your Worship:

Section 54(6) of *The Municipal Assessment Act* states:

"54(6) BOARD REPORT TO COUNCIL
Upon completion of the revision process in respect of a year, the Board shall report to Council that the revision process for the year is completed."

I am therefore pleased to submit the Annual Report of The City of Winnipeg Board of Revision for the year ending December 31, 2006.

Yours respectfully,



Phil Sheegl
Chairperson
Board of Revision

Chairperson's Message



I am pleased to present the Annual Report of the City of Winnipeg Board of Revision, reporting on activities of the Board for the fiscal year 2006.

Since my appointment as Chair in January 2006, I have had the opportunity to become more familiar with Board of Revision operations, appointed members and staff. It is clear that this independent tribunal takes its core business of treating people fairly, professionally and without bias very seriously.

The Board of Revision, as the first level of appeal, gives all taxpayers a relatively informal, non-intimidating environment for questioning the validity of their individual assessment without a fee charged.

In 2006, the Board convened more than 250 meetings, completing all of the appeals for the 2006 realty roll (previously filed in June of 2005), and hearing all of the appeals for the 2006 business assessment and the 2007 realty roll.

A number of efficiencies have been implemented in the last year. The first to be put into place was the separation of commercial and residential panels, with residential panels designated to hear all appeals related to single family dwellings and duplexes, and commercial panels hearing commercial appeals and other more complex appeals.

Another major change implemented at the Board of Revision was to provide, upon request, written reasons for its decisions. Previously, the notification simply indicated what assessed value had been arrived at without providing any explanation. Providing a reason for a decision assists applicants in understanding the decision, and helps them to determine if it is worthwhile to pursue further appeals.

I am grateful to all Board Members and staff for their expertise and dedication to the work of the Board.

Phil Sheegl,
Chair

Appeal Manager's Message



During the year 2006, the Board of Revision met many challenges including the completion of the 2006 general reassessment. In addition to our base of six employees, seven additional staff were recruited to deal with the increased volume of appeals. We were able to meet all of our goals in a timely matter and the 2006 Realty appeals were dealt with well before the established deadline.

The most significant change at the Board of Revision during this period has been the implementation of a new version of our Appeals Application Control System (AACS). The new system is now able to provide the City with timely, accurate reports of its financial exposure due to pending appeal decisions.

As we move into 2007 the Board is already looking ahead at how we can service our clients in an even better fashion. In consultation with the Chair, the Board has been challenged to look at the following areas: new member orientation; continuing education; training opportunities; code of conduct; performance measures; and remuneration. The Board will research other jurisdictions for best practices and look for innovative ideas from within the department.

The Board of Revision will also explore structural change from within the Department. The opportunity to amalgamate with the Board of Adjustment could provide cost savings and improve service delivery.

Our strongest resources are our people, with dedicated staff members and experienced board members from all walks of life. My appreciation goes out to all staff and Board members for meeting all goals and objectives over the last year.



Brent Olynyk,
Appeals Manager

Purpose of the Board

The Board of Revision is an independent tribunal established to hear applications for revision (commonly referred to as "appeals") respecting assessment issues on liability and value in a fair, efficient and judicious manner with consideration given to the City of Winnipeg's fiscal time frame. Members of the Board of Revision for the City of Winnipeg are appointed by City Council. The Board of Revision reports to the City Clerk's Department.

Property owners who disagree with the assessed value attributed to their property by the Property Assessment Department are entitled to apply for revision of the assessment roll with respect to the amount of an assessed value.

The Board of Revision is also empowered to hear applications for revision with respect to liability to taxation, classification of property or the refusal by an assessor to amend the assessment roll in such particular circumstances as are described in the Act.

Members of the Board

At the end of 2006, there were 42 appointees to the Board of Revision. Members have expertise in various professions and all reside in the City of Winnipeg.

Remuneration is provided on a per diem basis. The cost for each hearing at the current remuneration rate is $75.00 per 2 hours (or portion thereof) for the Chairperson and $50.00 per 2 hours (or portion thereof) for the other two sitting members. The Board conducts hearings in English and in French, where required. Members of the board are listed on the final page of this report.

Timing and Results

The Board has a duty to hear appeals in a fair, efficient and judicious manner with consideration given to the City of Winnipeg's fiscal time frame. The time frame is such that Realty Assessment appeals for 2006 were filed in June 2005 and the hearings were completed in time to meet the tax roll deadline of March 2006. The Board then received Realty applications for the 2007 roll with a closing date of June 26, 2006, and with a completion date of December 31, 2006 well in advance of the March 2007 tax roll deadline. Business Assessment appeals for the year 2006 were filed and heard within the same year.

As Table 1 illustrates, the Board heard 981 Business appeals (2006) valued at $222,709,680 and the cumulative result of the hearings was to reduce the assessment by 9.71 per cent.

Table 1

2006 Business	Total Heard	Assessment	Revised Assessment	Reduction In Assessment	%
	981	$222,709,680	201,086,514	21,623,166	-9.71%

Also in the year 2006 the Board of Revision accepted 2007 Realty applications with a closing date of June 26, 2006, and completed hearing them all by December 31, 2006, well in advance of the March 2007 tax roll cut-off.

Table 2 illustrates that the Board of Revision heard 665 Realty appeals for the year 2007, originally valued at $1,020,087,540, and the cumulative result of the hearings was to reduce the assessment by 4.70 per cent.

Table 2

2007 Realty	Total Heard	Assessment	Revised Assessment	Reduction In Assessment	%
	665	$1,020,087,540	972,131,370	47,956,170	-4.70%
Breakdown					
Residential 1	223	$33,673,700	31,493,150	-2,180,550	-6.48%
Residential 2	27	49,497,450	50,296,600	799,150	1.61%
Farm	4	1,942,150	1,942,150	0	0%
Institutional	22	105,979,700	102,212,400	-3,767,300	-3.55%
Commercial	367	816,462,090	775,167,020	41,295,070	-5.06%
Golf Course	2	8,718,900	7,583,900	-1,135,000	-13.02%
Residential 3	20	3,813,550	3,436,150	-377,400	-9.90%

Long-Term Perspective

As Table 3 illustrates, the Board of Revision, over the last five-year period, (2002-2006), has dealt with 21,964 realty and business appeals. These appeals have been heard within 1,312 hearings, averaging 16.7 appeals per hearing.

The total remuneration paid to appointed panel members during this period was $441,193, averaging out to $336 per hearing. In the year 2006 our average hearing remuneration cost was $316. In 2006 the Board of Revision had 251 hearings and a total of 5,920 appeals were filed for the year 2006. Of that number, a further 1,029 were appealed further to the Municipal Board.

Table 3

	2002	2003	2004	2005	2006	TOTALS
Number of realty appeals filed	10,664	1681	1232	636	4911	19,124
Number of business appeals filed	1075	417	193	146	1009	2,840
Total appeals filed	11739	2098	1425	782	5920	21,964
Number of Withdrawals	2457	508	349	145	964	4,423
Number of Hearings	338	204	103	416	251	1,312
Total Remuneration for all Board Members	$123,475	$77,450	$52,937	$107,856	$79,475	$441,193
Average Remuneration per Hearing	$365	$379	$513	$259	$316	$336

2007 and Beyond

Following Council's direction, a new process has been put in place which requires written submissions for appeals by commercial properties by all parties, at least fourteen (14) days prior to a scheduled commercial hearing, and that this information be exchanged between parties. The implementation of this process will commence with the next cycle of hearings, in the year 2007.

A move to a two-year cycle has been proposed and is currently under political consideration. This would likely be more relevant to current market values, as the current four-year cycle, created in the mid-1990s, does not keep pace with the current market conditions and can be far removed from the current year.

In 2007, the Board will explore cost savings and improved efficiencies with structural changes, and possible alignment with the Board of Adjustment. The two branches provide similar services in terms of overseeing decisions made by independent boards made up of citizens. The two branches could potentially be merged and delivered from one branch.

Board Goals and Development

The goal of the Board is to retain and attract competent, credible, trained individuals. Therefore we will undergo a review of:

- √ New Member Orientation and Continuing Education
- √ Training opportunities
- √ Culture of accountability: Code of conduct
- √ Performance measures
- √ Remuneration

2006

BOARD OF REVISION MEMBERS

Spence Allison
James Barrie
Barry Chodirker
Darryl Draeger
Randy Gibbons
Bud Halkewycz
Mark Kaye
Gordon Lanoie
Gordon McGarva
Ron Merritt
Mel Neuman
Gilbert St. Amant
Gordon Strong
Robert Upton
Malli Aulakh
Sheila Billinghurst
Ivan Derlago
Robert English
Gordon Gillies
Keith Heming
Marcel Laurendeau
Hart Mallin
Hugh McMorrow
Norm Mitchel
Bud Newton
Gerry Simard
Sophie Szczygiel
Nick Zajic
Gary Bachman
Darleen Bodanski
Gerald Dorge
John Ford
Max Goldack
Rod Jagger
Victoria Lehman
George Marion
Gordon Mears
Don Mitchelson
Nancy-Ann Parkhill
Ron Stenning
MauriceTherrien

Phil Sheegl, Presiding Officer/Chairperson

BOARD OF REVISION STAFF

Jeremy Hanson
Paulette Lapointe
Val Marques
Michelle Neepin
Kirby Saunders
Vera Szczepanski
Ginette Janz
Karen Mak
Lea-Ann Miller
Sherry Richardson
Peggy Smith
Korenna Thorunson

Brent Olynyk, Appeals Manager