

SALERNO LAKE SENTINEL

WINTER 2006

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If I had actually run for this office, I would have campaigned on a platform of consistency. As in – I will be consistently late with the newsletter. My apologies to the membership and the executive but the life of a freelancer is by definition unpredictable. I have to take the work when it's there. At any rate, it's early enough in the year that I want to wish us all the best in 2006.

There are some major challenges looming ahead and I'd like to mention a couple. One is the inevitable increase in property taxes. To that end we are reprinting in this issue two documents from the folks at WRAFT, (Waterfront Ratepayers After Fair Taxation). This is an umbrella group to which the SDLCA belongs. WRAFT lobbies various levels of government quite tenaciously to correct the growing imbalance in our tax

assessments. (The organization began in Muskoka, which is not surprising given the incredible cost of cottages in that region.) The rapid increase in the property values of waterfront real estate has only exacerbated the existing inequalities in the tax structure.

Quite simply, what strikes me as most unjust is that property taxes have no relation to our ability to pay. It's bad enough that cottage properties are now too pricey for most average - income families but I also worry that long-time family cottages will become unaffordable due to the precipitous rise in assessments and people will be forced to sell.

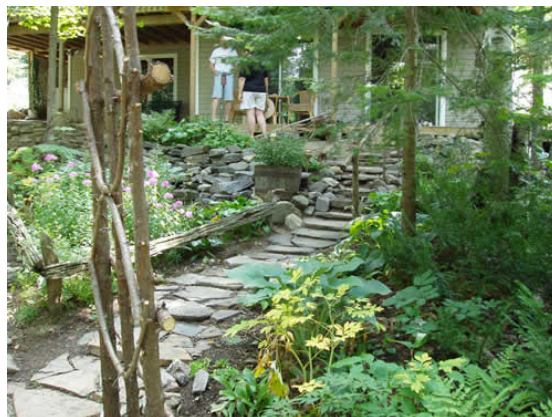
The other issue that concerns me is the plethora of Official Plans. There are two such documents that affect Salerno Lake,

one for Highlands East and one for Minden Hills. They have gone through a long political process and are now confirmed by both Municipal and Provincial authorities. There is nothing intrinsically wrong with the principles expounded in these documents. In fact they seem to be quite enlightened in their overview and they are the product of a lot of work and study. The catch is however, that a Committee of Adjustment can simply override the Official Plan, or seemingly even ignore them. Our lake like most others is almost completely developed now. These well meant principles have no power to affect what has already been done. If they are not now going to be applied in a meaningful fashion then they are simply window dressing, a sop to our genuine concerns about the long-term future of our lake communities.

More photographs inside...



Canoe Race



Garden Tour

MESSAGE FROM WRAFT—DECEMBER 2005

YOU HAVE NOW RECEIVED YOUR 2005 PROPERTY ASSESSMENT? ARE YOU IN SHOCK?

If you would like to know what you can do about this NOW annual event.....READ ON!

First step is to ask yourself is....does the assessed value reasonably represent the amount you might have expected your property to sell for as of January 1, 2005. If the answer is **YES**, it could be difficult to achieve any change either by talking to the assessor or making a formal appeal.

If the answer is **NO** or you feel your property has been overvalued relative to properties you think are comparable to yours, this is what you can do. A great deal of the following information is available on-line at www.mpac.ca or at 1 866 296 6722.

PROPERTY PROFILE

Phone an MPAC assessor at 1-866-296-6722. Identify your property by its roll number shown on the Property Assessment Notice. Verify the physical characteristics of your property with the assessor....i.e. shoreline, lot size, number and size of buildings, and so on. Be sure that any negative characteristics of your property are included. You have a right to this information, and will not be charged for it. If you find errors, ask if the error would have any impact on the assessed value of your property. If yes, ask for a new assessment to be mailed to you. If you choose to, you can register with MPAC by phone and obtain a USERID and password that can be used to access your "Property Profile" on-line.

COMPARABLES REPORT

In order to determine the market value of your property, you will need to know the selling prices of similar properties in your area. Look around your lake and try to find a property that has recently sold and compares to yours. Look through the real estate listings to find a similar property. This is the hard part for owners. It is also difficult for MPAC assessors, without an on site appraisal to evaluate the significant differences in waterfront properties. To assist you in determining whether your assessment is correct, MPAC will provide you, at no cost, with assessment information on up to 12 properties. MPAC will select 6 and you may select 6. Each additional assessment to which you wish to be compared will cost you \$14.00. (In either case, when you specify which properties you want assessment information about, you must provide the address of that property.) To obtain this Comparables Report on your own property, you must provide your roll number, address and owner's name and contact MPAC by one of the following methods:

- a) www.mpac.ca and follow AboutMyProperty

email: enquiry@mpac.ca

FAX: 1 866 297 6703

Mail: The Municipal Property Assessment Corporation

Attention GRAD Program

P.O. Box 9808

Toronto, ON M1S 5T9

DO NOT PHONE~ VERBAL REQUESTS ARE NOT ACCEPTED
ASSESSMENT APPEAL

Every owner has the right to appeal. There are two appeal processes available.

FIRST ~ Request for Reconsideration:

If you believe that your assessed value is inaccurate, you can request a review at any time before December 31, 2006. There are two ways to do this. Complete a Request for Reconsideration form which you can download from the web site, request by phone or mail.....see numbers above. OR you can write to MPAC requesting a review. In any communication, include your roll number, address and the owner's name. Include ANY information such as some unusual aspect of your property, which might help your appeal.

SECOND ~ Notice of Complaint with the Assessment Review Board (ARB)

The ARB is an independent tribunal of the Ontario Ministry of the Attorney General. There are specific forms and a \$75.00 charge to do this. The forms are available on line at www.arb.gov.on.ca or by calling 1 800 263 3237 or 416 314 6900. This Notice of Complaint must be filed by March 31, 2006. A well documented appeal with appropriate comparables might well win your appeal!

If your appeal is successful, MPAC will mail Minutes of Settlement to you showing the revised value. If you agree with the revised value, sign the Minutes and return them to MPAC. MPAC will then notify your municipality and they will make the necessary assessment adjustments.

In a rural setting, there are some additional factors to consider. Such as, but not limited to, age and condition of buildings, condition and length of access road, winter usability, road access, and of course, the accuracy of your property profile.

It is your decision to appeal or not. However, there are other things you can do to help: (see next page)

MESSAGE FROM WRAFT, CONT'D.

It is your decision to appeal or not. However, there are other things you can do to help:

Email the Ontario Ombudsman at www.ombudsman.on.ca and share the details of your unfair assessment.

(copy any letters to wraft@sympatico.ca)

Write, email or phone your MPP asking that he/she have the 2005 assessment shelved pending review of the system. For more information on the arguments, and MPP contact information go to www.wraft.com. If you have

already written, WRITE AGAIN!! Send copy to wraft@sympatico.ca and your local newspaper.

Letters to the editor of your local newspapers are also enormous help.

GOOD LUCK and PLEASE keep wraft@sympatico.ca informed of any assessment horror stories.

Note regarding your Property Taxes

Please review our fall newsletter at www.wraft.com which provided a

guide to how to calculate your tax increase based on your assessment increase. Your assessment notice tells you your average municipal increase. The provincial average residential increase was 13%. In a single tier municipality with these two numbers you can roughly calculate the amount of your increase due to assessment. If you also have an upper tier municipality you need to know the upper tier average increase to complete the calculation. Ask your municipality to provide that information.

WRAFT LETTER TO OMBUDSMAN

January 2, 2006

Mr. Andre Marin
Ontario Ombudsman
125 Queens Park
Toronto, ON
M5S 2C7

Re MPAC review

Dear Mr. Marin

Press reports indicate that you will be issuing your report on MPAC and Current Value Assessment in January. While we have been able to meet twice with your staff and express our fundamental concerns about CVA and its use as a basis for distributing property taxes, we are taking this opportunity once again to stress the need for changes to the CVA system. Since our last meeting with Mr. Jones and Mr. Addo in November, we met with Wayne Arthurs, Parliamentary Assistant to the Finance Minister, who advised us that the government will proceed as planned with the 2005 assessment as a basis for allocating 2006 property taxes. This will shift an even greater share of tax onto our constituents, waterfront property owners, creating financial hardship and imposing serious inequity on large numbers of Ontario citizens. I'm sure you have heard from many of them.

The reasons why owners of waterfront property have been particularly hard hit by CVA are two-fold. Firstly, market values have risen sharply over the past decade. Secondly, values of other residential non-waterfront rural properties have increased only moderately and with each assessment, a larger share of tax is shifting onto the waterfront. Why is this inequitable? Because the gains in value have not been realized. This means that the valuation is only an estimate. We have provided your office with many examples of 40%, 50%, 60% and even 100% increases in assessment from that carried out only a year and a half ago. More importantly, because the gains have not been realized, there is no cash flow to pay the increased taxes. Also, there is no way to predict how much taxes will increase, from one year to the next. All property owners are potential victims of this system, but those on waterfront, where the average 2005 assessment increase was double that of all other residential properties, are particularly vulnerable.

Basing taxes on assessed value of a property is clearly inequitable. The assessment system itself is flawed and hugely unpopular as I'm sure you have learned. It is secretive and formula driven. More importantly, "the value of one's property is neither a measure of income, wealth, consumption or ability to pay" to quote a Canadian tax authority. The politicians respond by telling us to sell our properties. But where is the justice in forcing us to dispose of family properties many of which have been in the same family for decades simply because of an unjust taxation system forced upon us and maintained by the same politicians? But the overhaul of the assessment/property tax system is a long term project. In the short run we need to at least modify the impact of CVA to prevent massive shifts of individual tax burden from one year to the next. There are many precedents for this in North America. Our recommendation would be to stabilize the system by capping assessment increases using the 2004 assessment as a base and limiting future increases to a rate which parallels the historic long term Ontario real estate price index. When a property changes hands on an arms length basis its assessment would be based on current market value. This methodology would eliminate the volatility inherent in the present regime, make property taxes more stable and predictable but still allow values to rise over time in line with long term trends. *(continued on last page)*

CANOE RACE 2005—RESULTS**JUNIORS** (1 canoe)

Joey Hancock & Tim Pearson 2:17:07

WOMENS (3 canoes)

Brenna & Susan Thompson 1:17:05

Julie Lock & Amanda Mason 1:19:56

Audrey Anderson & Diane Horton 1:28:38

SENIORS (3 canoes)

John Leonard & Rob Stuart 1:10:43

Ken Clark & John Thompson 1:17:12

Richard Jacobs & Bruce Lockwood 1:18:43

MIXED (4 canoes)

Katie Dick & Scott Russell 1:22:27

Ellen Kerr & Scott Kerr 1:28:38

Madeline & Tom Collieran 1:41:18

Lynn Skillings & James Morin 1:58:29

MENS (5 canoes)

Michael Kott & Michael Strogala 1:12:03

Sean Fletcher & Eric Mees 1:12:55

Shawn Silver & Mark Watson 1:16:11

Michael & Norman Orschel 1:17:45

Dave Cuddie & Steve Simone 1:19:44

OPEN (12 boats)

Jill Wagnell, Jesse Hopkins & Scott Woodard 1:09:57

Douglas Rodger 1:13:02

JP Morin 1:13:38

Morgan, Peggy & Roman Boehm 1:18:34

Cameron, Kyle & Phil Woodard 1:20:14

Diane Veary-Carlson, Sarah & Suzanne Holman 1:20:53

Michael Bartley, Blake Silver & Donny Watson 1:26:12

Laurie Bruce 1:26:20

Ella Russell 1:27:55

Amy Morin 1:32:28

Jackie & Brett Proud 1:36:50

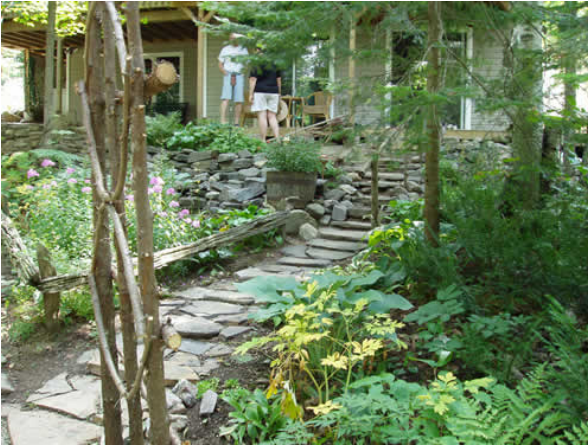
Destiny Boyd Martin, Jodi & Lisa Jackson 1:38:28



Canoe Race 2005

Garden Tour 2005

Last year when I had the idea of holding a Garden Tour, it really wasn't clear to me how it would be received. However I did feel that it was a project worth pursuing. On the occasion that we convened last August was a great success, and a heck of a lot of fun.



A lovely group of people (and your humble correspondent), gathered on a beautiful summer afternoon, setting off in a small armada (or Flotilla of Fools), bound for the eastern end of the Lake to visit Diane Jamieson and Elaine Linley. From there we came back to our place and Miro and Joanne Iskic's, with its steep hills and endless steps. Of course, you can't visit with them and not eat and drink, so we refreshed ourselves for the grueling trip down the Lake. At this point Chris Whittemore's motor decided to lose its propeller and no amount of diving could locate it so their boat had to be towed from here on.



When I raised the notion of the Garden Tour, Chris Whittemore and Leonora Mariner were the first and most enthusiastic members to come forward. Their abode was our last stop of the day. We saw a stunningly beautiful environs, house and

landscape, which the accompanying photo can barely hint at. I suppose the Garden Tour provided an additional motive for Chris to put out the effort but the amount of work that she has put in on their place has really paid off. And speaking of payoffs, they (mostly Lennora) had prepared a lovely buffet and cold beverages, and invited some other neighbours over. It was a fantastic gathering and I took the accompanying group photograph before I got too plotzed. You can see Chester our fearless canine companion at the right, as our mascot.

My strongest memories are of the range of landscapes we share on Salerno. The terrain is so varied that you feel as though you could have traveled a great distance. There are flat land, sandy soil and lovely forest glades at the east end, steep hillsides along the northern shore where we are and the more gently rolling terrain around the Marriner/Whittemore estate. The best surprise was to hear the excited conversations of people getting to know each other and discovering how much they have in common. Some of us have been on this lake for 10 years and we're just now beginning to appreciate our great fortune. You meet the most amazing people when you get off the dock. Neighbours, they make a place memorable.

So mark Saturday August the 12th in your calendar for next summer and drop me a line at elpresidente@salernolake.ca or call me at 705 447 2896. Come along with us and get to know your lake and your neighbours a lot better.



WRAFT LETTER TO OMBUDSMAN, CONT'D.

In our presentation to the Ontario government we have asked that the 2005 assessment be set aside until a full study of the present system is completed and alternative methodologies are closely examined. We urge you to consider this recommendation for inclusion in your report. The implementation of the 2005 assessment will have a devastating impact on many thousands of Ontario residents. There are four million residential properties in Ontario. According to a recent MPAC stakeholder presentation 8% of those properties had assessment increases in excess of 30%. A large percentage of those 300,000 properties are on waterfront and the owners will again experience massive tax increases in 2006 unless the 2005 assessment is set aside.

Yours truly,

Robert Topp
Executive Director