

Saskatchewan Assessment Management Agency
City/Commercial Advisory Committees
Meeting Minutes for March 24, 2021
Virtual Meeting held through Microsoft Teams

Commercial Advisory Committee

Members

Myron Knafelc, Meeting Chairman, SAMA Board Chair
Audrey Trombley, Committee Chair, SAMA Board Member
Randy Goulden, SAMA Board Member, Urban Sector
Jim Angus (non-voting), SAMA Board Member
Ian Magdiak, Canadian Property Tax Association
Kirk Wasyluk, Canadian Energy Pipeline Association
Mark Pinney, Canadian Association of Petroleum Producers
Darwin Collins, Saskatchewan Mining Association
Grace Muzyka, Saskatchewan Association of the Appraisal Institute of Canada
Ken Patsula, Public Works and Government Services Canada
Corinne Li, Railway Association of Canada
Kevin Johnson, Saskatchewan Realtors Association
Noel Geremia, Saskatchewan Realtors Association
Wendy Kopeck, Building Owners and Managers Association
Monty Reich, Inland Terminal Association of Canada
Reg Hinz, Western Grain Elevator Association Tax Committee
Richard Marleau, Saskatchewan Association of Rural Municipalities
Rebecca Shultz, Saskatchewan Assessment Appraisers' Association
David Hopkins, Railway Association of Canada

Members Absent

Vacant (non-voting), SAMA Board Member, Rural Sector
Anna Gardikiotis, Regina Downtown Business Improvement District
Darren Bird, Saskatchewan Chamber of Commerce
Jennifer Henshaw, Canadian Federation of Independent Business
Vacant, Regina & District Chamber of Commerce
Vacant, Saskatchewan Home Builders' Association
Barry Wiebe, National Golf Course Owners Association, Saskatchewan Chapter
Jim Bence, Saskatchewan Hotel & Hospitality Association

Observers

Bryce Trew, City of Saskatoon
Steve Ward (interim), City of Regina
Michael Kehler, City of Swift Current
Vanessa Vaughn, City of Prince Albert
Abayomi Akintola, Ministry of Government Relations
Suzanne Clarke, Public Works and Government Services Canada
Irwin Blank, SAMA CEO

Observers Absent

Chad Boyko, Saskatchewan Municipal Board
Kareen Holtby, Ministry of Economy
Ken Dueck, Tourism Saskatchewan
Sian Pascoe, Canadian Association of Petroleum Producers
Brenda Hendrickson, City of Moose Jaw

Guests

Alisha Bhura, Canadian Energy Pipeline Association

Administration

Darwin Kanius, Committee Secretary, SAMA
Todd Treslan, SAMA ASD
Andrew Workman, SAMA TSP

City Advisory Committee

Members

Dawn Luhning, Committee Chair, SAMA Board Member
Myron Knafelc (ex officio), SAMA Board Chair
John Wagner, (voting), SAMA Board Member
Steve Ward, City of Regina
Jason Mancinelli, City of Regina
Bev Dubois, City of Saskatoon
Bryce Trew, City of Saskatoon
Michael Kehler, City of Swift Current
Vanessa Vaughan, City of Prince Albert
Rebecca Shultz, Saskatchewan Assessment Appraisers' Association

Members Absent

Jim Puffalt, City of Moose Jaw
Frazer Tolmie, City of Moose Jaw
Greg Dionne, City of Prince Albert
Eric Bloch-Hansen, Saskatchewan School Boards Association
Roger Hayward (interim), Saskatchewan Urban Municipalities Association, Administration

Observers

Elissa Aitken, Ministry of Government Relations (10:58 am)
Ron Boechler, Saskatchewan School Boards Association, Trustee
Dale Braitenbach, City of Prince Albert
Irwin Blank, CEO, SAMA

Observes Absent

Brenda Hendrickson, City of Moose Jaw
Vacant, City of Prince Albert
Mike Voth, City of Saskatoon
Jean-Marc Nadeau, Saskatchewan Urban Municipalities Association, Administration
Deborah Bryden, City of Regina

Guests:

Omotooke Odeniyi, Ministry of Trade and Export Development

Administration

Shaun Cooney, Committee Secretary, SAMA
Betty Rogers, SAMA ADMIN
Garry Hammett, SAMA TSP
Karlo Simonson, SAMA QAD
Corrinne Charko, SAMA ADM

Agenda Item:

1. Call to Order

2. Opening remarks

3. Introductions

4. Approval of meeting agenda

5. Minutes from the previous meeting held November 25, 2020

6. Business Arising from the Joint Minutes November 25th, 2020

7. SAMA Update

Item 7a. CEO Report

7b. ASD Report

Decision/Resolution:

Myron Knafelc, Chair of the Commercial Advisory Committee, called the meeting to order at 9:04 a.m.

Myron welcomed the attendees.

Irwin Blank, SAMA CEO, explained the meeting ground rules and introduced the virtual attendees.

MOTION by John Wagner to approve the Agenda.

Carried

MOTION by Dawn Lunning that the minutes for the November 25, 2020 joint City and Commercial Advisory Committee’s business meeting be adopted as circulated.

Carried

Irwin Blank: Regarding the amendments to the various Acts, there was a comment by Allan Laird that most of the amendments were to come into effect January 1st, 2020. That should read, January 1st, 2021.

Irwin Blank provided a PowerPoint on the CEO's Report.

MOTION by Jim Angus that the Committees receive the CEO presentation.

Carried

PowerPoint presentation by Todd Treslan, SAMA ASD.

Committee Comments

Jason Mancinelli, City of Regina: What happens to a well that is capped or an orphan well? How is this assessed?

Andrew Workman, SAMA TS&P: There are three things that could happen:

- Shut-in Well: These wells receive a shut-in allowance for less than 30 production days. This is “a nominal” value as set by legislation and the Manual which is a well head value.
- Abandoned Well: Once the pre-disturbed state has been achieved on the surface the assessment will be removed.
- Orphaned Well: Typically, a bankrupt company walks away from the well. Legislation still requires an assessment on the roll, however the municipality can override its tax roll with a zero value. That is the current direction.

Agenda Item:

Decision/Resolution:

Noel Geremia, Saskatchewan Realtors Association: Given the burden and cost spikes of appeals after each revaluation year, has SAMA done modelling to determine if a faster assessment cycle (two years versus four years) would be beneficial?

SAMA Administration:

- This issue has been discussed in the past and there are additional costs associated with the reduced time frame, estimated to be about 15%. This is a very significant cost for a shorter cycle.
- SAMA has compared appeal levels other assessment jurisdictions. Even with 7,200 appeals for SAMA in 2017, which was the first year of reassessment, it represented less than 1% of total inventory or properties. Jurisdictions that have annual reassessment have appeal rates at 1% or higher. Based on this information there is no advantage from an appeals perspective.
- Previous reviews of the revaluation cycle were not supported by the rural sector and smaller urban centers who were not in favour of a shorter cycle.

MOTION by Dawn Luning to the receive the report.

Carried

7c. Updates by the other Assessment
Service Providers

City of Saskatoon Update: Verbal report by Bryce Trew

- Discussed re-organization of the office due to the retirement of the City Assessor and the loss of other staff members.
- All 2020 appeals are done. Currently waiting on one decision from the Court, which was heard in early March 2021.
- Seeking leave to the SCC on a decision rendered in January from the Saskatchewan CoA.
- 2020 assessment roll confirmed; working on completing the 2020 supplementary roll.
- 2021 assessment roll closes March 29.
- 45 appeals filed so far, expect an influx before the appeal window closes.
- Call volume is low compared to other reassessments.
- Requests for information similar to past reassessments.
- Positive feedback on social media and website. Video views were at 3,000 per week with positive feedback from viewers.

Break for coffee at 10:26 a.m., resumed at 10:36 a.m.

City of Regina Update: Verbal report by Steve Ward

- 2021 reassessment complete, roll opened January 12 and closed March 15.

Agenda Item:**Decision/Resolution:**

- Decrease in overall property value of 6%. Residential decreasing 9%. Residential Condos decreasing 15%. Commercial/Industrial increasing 3.2%.
- 2021 Budget in final phases. Proposing a three-year tax phase in for increases and decreases for non-residential properties.
- Call volumes down in general. Increase in enquires and information requests from professional tax agents.
- 566 appeals, a 50% increase from the previous reassessment.
- 33 residential appeals; 7 condo appeals; 62 multi residential appeals; 464 commercial appeals.
- 2021 property tax notices will be issued on May 28.
- Communication strategy by social media and videos posted on the City's website.
- Theme based communication which explained that a decrease in assessment does not necessarily mean a decrease in property taxes.
- SMB outstanding appeals consist of 8 commercial and 3 multi-family.
- CoA outstanding 2019 appeal consist of one commercial property receiving leave to appeal and 32 multi-family properties waiting a leave decision.

City of Prince Albert Update: Verbal report by Vanessa Vaughan

- Roll closed March 30.
- The multi-family income model was redone resulting in its closing extended to April 9.
- 16 appeals filed, mostly residential. Will most likely be addressed through an agreement to adjust.
- Five 2017 outstanding SMB appeals held due to CoA, which has resulted in 18 (2019) and 3 (2020) appeals being held by the SMB.
- Communication on website included model summaries and videos.
- Working on annual reinspection, mostly residential with about 980 properties done in 2020.
- For 2021 will review condo properties to identify additional variables for future model development; do more residential reinspection neighbourhoods; and collect more data on the multi-family properties for future model enhancements.

City of Swift Current Update: Verbal presentation by Mike Kehler

- Roll opens March 26 to May 25.
- Communication on website videos.
- No information shared until roll is open.
- 2020 assessment wrapped and all rolls confirmed.
- Two outstanding grain elevator appeals.

Agenda Item:

Decision/Resolution:

- Swift Current budget set by City on March 22, no phase included.
- Overall assessment increase 7%; Commercial/Industrial increase 15% (includes exempt property); Residential increase 2%.
- Commercial taxable property increased 3.9%; Residential taxable property increased 1.5%; Multi Family residential increased 15% as a result of growth and the removal on tax incentives.

MOTION by Audrey Trombley to receive all the verbal reports.

Carried

8: Current Developments

8a. 2021 Revaluation Implementation

PowerPoint presentation by Shaun Cooney, SAMA TS&P.

8a.i. 2021-2024 Oil & Gas Tank
Proposed Policy Review

PowerPoint presentation by Andrew Workman, SAMA TS&P.

Committee Comments

Irwin Blank, SAMA: Acknowledged the CPTA letter and offered an invitation to Ian Magdiak, to expand on the letter.

Ian Magdiak, CPTA: Overall, CPTA is pleased that with the approach SAMA is taking. Further open discussion with key representation from the CPTA that allows our voice to be heard is a positive development.

Mark Kinney, CAPP: Would SAMA be setting a separate process outside of the 2025 discussion? Also, due to the continuing COVID problem, with the issue that staff could have difficulty getting to the well site, do you see the special 2021 COVID related relief extending to 2022?

Irwin Blank, SAMA: It would be a good idea consider extending the 2021 policy to 2022, if the COVID problem persists, but we will defer to the subcommittee for formulating a final policy.

Andrew Workman, SAMA: In response to the first question, the earlier policy discussion is a lead up to the 2025 review. The focus was to keep the larger 2025 group moving in a forward direction and not get bogged down with current cycle policy discussion that could be resolved with a sunset approach. The best approach is to have these discussions now to be responsive to industry concerns quickly without losing focus on the bigger picture, which is the 2025 review. Two separate streams evolving to address the issues.

MOTION by Jim Angus to receive the report.

Carried

Agenda Item:

Decision/Resolution:

Irwin Blank, SAMA: The objective would be to set up the subcommittee in short order to address the 2021-2024 policy issues, which would include CPTA, industry representatives and municipalities. These policy issues need to be resolved within the next two to three months. The plan is to report back to the Advisory Committees at the November meetings with a three year solution to carry us to 2025.

8b: 2025 Revaluation
Preparations – Publications and Policy
Considerations

PowerPoint presentations by Andrew Workman, SAMA TS&P.

i. 2025-Reval. U of S Ag Arable Land
Model Review

Shaun Cooney, SAMA

- U of S review of the arable land model.
- Ensure productivity model is up to date for mass appraisal – review weighting of model components.
- Explore areas of simplification.
- Consider use of new technology to improve efficiency of future inspections.
- Basic arable productivity model structure is retained.
- Interim report delivered to SAMA December 15, 2020.
- Final report was received March 15, 2021.
- Model recommendations will be shared with the Advisory Committee by November 2021.

ii. 2025 Reval. Oil & Gas Well Model
Review

Andrew Workman, SAMA

- The 2025 Oil and Gas consultations are being conducted with stakeholders using two main committees.
- The Assessment Review Committee is comprised of representatives from Industry, municipal and provincial government, other stakeholders and SAMA.
- The Technical Review Committee is comprised of technical members from oil and gas companies and SAMA.
- Final recommendations are due June 2021.
- The final report is due by November 2021. First oil and gas report was delivered November 2020.
- Areas of emerging agreement related to:
 - Standardization: Overall adjustments acceptable; (PAF, CAF, Downtime under consideration); continue to use Ministry information.
 - Depreciation: Lifetime more suited to mass appraisal and physical age life. Reviewing production based depreciation as an alternative before deciding on depreciation recommendations.
- Current items - 2025 treatment of tanks currently being reviewed; tanks at wells; well pads; non-well locations will need to be defined and clarified.
- Future items - Clarify differences between well and non-well sites; use of Marshall and Swift cost service to value buildings

Agenda Item:

iii. 2025 Reval. Pipeline Model Review

Decision/Resolution:

at oil and gas properties; consolidation of model(s) in Manual; new and obsolete technologies.

Andrew Workman, SAMA

- Calls for participants has been sent with responses expected by the end of March 2021.
- Small group of industry specialists.
- Expected recommendations November 2021.

Committee Comments

John Wagner, SAMA Board Member: Found that there are several government agencies that use SAMA's agricultural land data, so it's important to maintain certain standards.

MOTION by Ian Magdiak to receive the reports.

Carried

9: Government Relations Update – Boards of Revision Renewal

PowerPoint presentation by Abayomi Akintola, Government Relations.

- Current first level of appeal system is complex.
- Creates inconsistencies and impacts quality of service received by property owners.
- Stakeholder consultations began in 2019, which lead to conceptual model.
- Steering committee established.
- New model implementation targeted for 2023.
- Components of New Model
 - Certification and Training: available for all board members with all boards of revision being certified.
 - Provincial Board of Revision: municipalities can choose not to appoint or are unable to appoint its own certified board.
 - Provincial Registrar: centralized point of contact for all assessment appeals to ensure property owners receive the same messaging.
 - Maintenance and Standards/Oversight: a system to establish and maintain standards and provide oversight to the first level of appeals.
- Training
 - Short term: GR has partnered with the Dispute Resolution Office to deliver essential training, December 2020.
 - Recorded webinars available at: Saskatchewan.ca
 - Long term: SUMA on behalf of BoR Steering Committee in process of procuring an online training program.
 - Developed by Johnson Shoyama Graduate School of Public Policy (JSGS) University of Regina. Sample training module rolled out January 2021. Planned training launched fall 2021.

Agenda Item:

Decision/Resolution:

- Project Update - Stakeholder Engagement
 - Guided by steering committee and government decision makers
 - Ministry consults with other stakeholders and subject experts on a regular basis
 - Nov/Dec 2020 Ministry consulted with municipalities on the structure and funding model of the provincial registrar.
 - No consensus on the scope and duties of a provincial registrar and the cost sharing expense.
- Next Steps
 - 2021: Consider stakeholder feedback on the model components; work on finalizing appeal model components; training is in place.
 - 2022: Registrar, oversight, provincial board of revision and certifications of all board members in place.
 - 2023: New model in place

MOTION by Audrey Trombley to receive the reports.

Carried

10. Quality Assurance Standards Order
– Review 2021 Order

PowerPoint presentation by Shaun Cooney, SAMA TS&P.

MOTION by Bev Dubious to accept the QAS report.

Carried

11. Next Scheduled City & Commercial
Advisory Committee Meeting

Irwin Blank, SAMA.

- A reminder that SAMA will set up the Sub Committee for the 2022 to 2024 Oil and Gas tank review.
- SAMA 2021 (Virtual) Annual Meeting is April 8, 2021 at 2:00 p.m.
- The next City and Commercial Advisory Committee meeting is scheduled for November 17th, 2021.

Adjournment

MOTION by Jim Angus to adjourn the meeting at 12:09 p.m.

Carried.



Darwin Kanius
Commercial Advisory Committee, Secretary



Shaun Cooney
City Advisory Committee, Secretary