

ESTABLISHMENT OF 2021-2024 QUALITY ASSURANCE STANDARDS RELATING TO  
THE MARKET VALUATION STANDARD

Whereas:

- 1 Clause 12(1)(d) of *The Assessment Management Agency Act* (the “Act”) provides that the agency shall:  
“(d) subject to section 12.1, prepare and establish, by order, any assessment manuals, guidelines, handbooks and other materials required for the valuation of property that:
  - (i) in the opinion of the agency, are appropriate; or
  - (ii) are required by a municipal Act;and make orders governing the use of such manuals and materials”.
- 2 Subsection 12.1(1) of the Act requires ministerial approval of orders of the Board of Directors of the Saskatchewan Assessment Management Agency (the “Board”) relating to the establishment of any assessment manuals, guidelines, handbooks, and other materials pursuant to clause 12(1)(d) of the Act.
- 3 The Board has made an order dated December 10, 2021 (the “Board Order”) to amend the quality assurance standards, which will be applied as a test by assessment service providers against non-regulated property assessments in Saskatchewan for the years 2021-2024.
- 4 The Board Order will amend the quality assurance standards for the years 2021-2024 as follows:
  - (a) the acceptable range for the median assessed value to adjusted sale price ratio for all residential property in a municipality shall be 0.950-1.050, although the municipality shall strive to achieve a median assessed value to adjust sale price ratio of 1.000; and
  - (b) the acceptable range for the median assessed value to adjusted sale price ratio for all other property valued using the market valuation standard in a municipality shall be 0.950-1.050, although the municipality shall strive to achieve a median assessed value to adjusted sale price ratio of 1.000.
  - (c) The median assessed value to adjusted sale price ratio for a property group for a municipality shall be calculated as follows:
    - (i) identify all vacant and improved sales used to develop the assessed value for vacant and improved properties in the property group in the municipality;
    - (ii) determine for each sale in (i) the assessed value of the property which reflects the property characteristics on the sale date and the adjusted sale price;
    - (iii) for each sale in (i), divide the assessed value by the adjusted sale price to calculate the assessed value to sale price ratio;
    - (iv) array the sale price ratios from lowest to highest; and
    - (v) select the median sale price ratio of the sales in (i).

For certainty, where sales from outside a municipality are used to develop the assessed value for property in the municipality, such sales shall be used in determining the median assessed value to adjusted sale price ratio for the relevant property group.

The Quality Assurance Standards Order dated December 15, 2017, is repealed.

**5** The Board has applied to the minister to have the Board Order approved and provided a report on the order, including an analysis of the expected effect of the order.

**6** It is in the public interest to approve the Board Order.

Therefore, pursuant to subsection 12.1(4) of *The Assessment Management Agency Act*, I hereby approve the Order of the Saskatchewan Assessment Management Agency dated December 10, 2021 (a copy of which is attached) which approves the establishment of quality assurance standards relating to the market valuation standard which will be applied as a test against non-regulated residential and commercial property assessments in Saskatchewan for the years 2021-2024.