

Saskatchewan Assessment Management Agency

City/Commercial Advisory Committees

Meeting Minutes for November 30, 2023

Sandman Hotel – Great Room 1800 Victoria Avenue East, Regina; or

Virtual Microsoft Teams Meeting

Commercial Advisory Committee

Members Present:

Audrey Trombley – Committee Chair, SAMA Board Member
Richard Marleau, SAMA Board Member
Jim Angus (non-voting), SAMA Board Member
Myron Knafelc (ex officio), SAMA Board Chair
Ed Bobiash, Saskatchewan REALTORS® Association
Brianna Soberg, Canadian Federation of Independent Business
Ian Magdiak, Canadian Property Tax Association
David Roberts, Western Grain Elevator Association Tax Committee
Kirk Wasyluk, Pipeline Property Tax Group
Mark Pinney, Canadian Association of Petroleum Producers
Darwin Collins, Saskatchewan Mining Association
Corinne Li, Railway Association of Canada
Melissa Barr, Saskatchewan Assessment Appraisers' Association
Sohaib Ansari, Saskatchewan Association of the Appraisal Institute of Canada
Ken Patsula, Public Works and Government Services Canada

Members Absent:

Randy Goulden, SAMA Board Member, Urban Sector
Anna Gardikiotis, Reginal Downtown Business Improvement District
Noel Geremia, Saskatchewan REALTORS® Association
Darren Bird, Saskatchewan Chamber of Commerce
Tony Playter, Regina & District Chamber of Commerce
Wendy Kopeck, Building Owners and Managers Association
Jim Bence, Saskatchewan Hotel & Hospitality Association
Cameron Johnson, National Golf Course Owners Association, Saskatchewan Chapter
Monty Reich, Inland Terminal Association of Canada
Grace Muzyka, Saskatchewan Association of the Appraisal Institute of Canada

City Advisory Committee

Members Present:

Myron Knafelc (ex officio), SAMA Board Chair
Maryse Carmichael, City of Moose Jaw
Vanessa Vaughan, City of Prince Albert
Dawn Kilmer, City of Prince Albert
Colinda Johnson, City of Regina
Julianne Rempel, City of Swift Current
Melissa Barr, Saskatchewan Assessment Appraisers' Association

Members Absent:

Dawn Luhnning, Committee Chair, SAMA Board Member
John Wagner, (voting), SAMA Board Member
Clive Tolley, City of Moose Jaw
Jason Mancinelli, City of Regina
Bev Dubois, City of Saskatoon
Darren Hill, City of Saskatoon
Al Bridal, City of Swift Current
Jean-Marc Nadeau, Saskatchewan Urban Municipalities Association
Suzanne Zwarych, Saskatchewan School Boards Association

Observers Present:

Abayomi Akintola, Ministry of Government Relations
Chad Boyko, Saskatchewan Municipal Board
Amy McInnis, Tourism Saskatchewan
Colinda Johnson, City of Regina
Bryce Trew, City of Saskatoon
Vanessa Vaughan, City of Prince Albert
Julianne Rempel, City of Swift Current

Observers Absent:

Kareen Holtby, Ministry of Trade and Export Development
Suzanne Clark, Public Works and Government Services Canada
Sian Pascoe, Canadian Association of Petroleum Producers
Brenda Hendrickson, City of Moose Jaw
Darwin Whitfield, Saskatchewan Association of Rural Municipalities
Betty Rogers, SAMA CEO

Guests Present:

Erwin Heuck, Canadian Renewable Energy Association
Danielle Sorenson, Saskatchewan Assessment Appraisers Association
Mason Stott, SUMA Advocacy and Legal Services Advisor

Guests Absent:

Cole Zawislak, Saskatchewan REALTORS® Association

Administration Present:

Darwin Kanius, Committee Secretary, SAMA
Todd Treslan, SAMA ASD
Rebecca Schultz, SAMA ASD, Industrial Unit
Andrew Workman, SAMA TS&P
Garry Pauls, SAMA TS&P
Susan Quiring, SAMA TS&P

Administration Absent:

Danny Zatylny, SAMA QAD

Observers Present:

Rod Nasewich, Ministry of Government Relations
Tanya Mills, City of Regina
Bryce Trew, City of Saskatoon

Observers Absent:

Crystal Froese, Saskatchewan School Boards Association, Trustee
Brenda Hendrickson, City of Moose Jaw
Dale Braitenbach, City of Prince Albert
Vacant, City of Swift Current
Betty Rogers, CEO, SAMA

Administration Present:

Dallas Pitt, Committee Secretary, SAMA
Shaun Cooney, SAMA TS&P
Kevin Groat, SAMA ASD
Garry Hammett, SAMA TS&P

Administration Absent:

Danny Zatylny, SAMA QAD

Agenda Item:

Decision/Resolution:

1. Call to Order
Audrey Trombley, Chair of the Commercial Advisory Committee, called the meeting to order at 10:00 a.m.
2. Opening Remarks
Myron Knafelc, SAMA Board Member, welcomed attendees to the City/Commercial Advisory Committee.
3. Introductions
Audrey Trombley opened the floor for in-person attendees to introduce themselves to remote attendees.
Virtual attendees
4. Approval of the Meeting Agenda
Audrey Trombley introduced the agenda.

MOTION by Ken Patsula, Public Works and Government Services Canada, to approve the agenda.

Carried
5. Minutes from the Previous Business Meeting held March 22, 2023
Audrey Trombley provided a forum for members to provide feedback on the previous City/Commercial Advisory Committees joint meeting minutes.

No comments or corrections were provided on the meeting minutes.

MOTION by Jim Angus, SAMA Board Member, that the joint minutes for the March 22, 2023 City and Commercial Advisory Committee’s business meeting be adopted as circulated.

Carried
6. Business Arising from the Minutes of each respective Committee
No issues arising from the previous meeting on March 22, 2023.
7. SAMA Update
- 7a. CEO Report
PowerPoint presentation by Shaun Cooney, SAMA TS&P, and Todd Treslan, SAMA ASD.

Note: PowerPoint presentations and reports will be made available to committee members in SAMACloud.

Comments/Questions
No comments or questions.

MOTION by Bryce Trew, City of Saskatoon, to receive the CEO report.

Carried
- 7b. Assessment Services Division (ASD) Report
SAMA Update: PowerPoint presentation by Todd Treslan, SAMA ASD

Comments/Questions
Canadian Property Tax Association: How much of SAMA’s budget, on average, is spent on assessment appeals?

SAMA Administration: Previously in 2021, SAMA's budget was around \$20 million and legal fees for appeals were at an all time high of roughly \$750,000. Before that time, SAMA historically had annual legal fees around \$250,000. Note: these fees do not include SAMA staff time handling appeals.

Canadian Property Tax Association: The CPTA appreciates that SAMA continues to maintain simplicity on the assessment side. Compared to Alberta, this appears to have reduced legal fees and simplified appeals.

Saskatchewan Urban Municipalities Association: What is the difference between maintenance and reinspection?

SAMA Administration: Maintenance inspections are driven by the municipalities supplying lists of properties for SAMA to inspect. These can include new construction, demolition, or other property updates. Only the supplied properties within that municipality will be inspected.

Reinspection involves SAMA forwarding letters to all property owners within the municipality and inspecting each individual property.

SAMA Board Member: Could SAMA Administration comment on the 12 year reinspection cycle and how it can vary amongst the different service providers in Saskatchewan?

SAMA Administration: The reinspection cycle was previously legislated that there would be a 12 year cycle for urban municipalities and 16 years for rural municipalities. Following its removal from legislation, SAMA determined an in-house reinspection goal of 12 years for all property types within SAMA municipalities.

However, the other Assessment Service Providers in the province, such as the City of Regina, have their own reinspection goals.

MOTION by Ian Magdiak, Canadian Property Tax Association, to the receive the SAMA ASD report.

Carried

7c. Other Assessment Service Provider (ASP) Updates (Saskatoon / Regina / Prince Albert / Swift Current)

City of Saskatoon Update: Verbal presentation by Bryce Trew.

2023 Assessment Roll: For 2023, Saskatoon's roll increased by 671 and added 677 new houses. Additionally, there was an increase in new commercial property assessment of approximately \$68.6 million.

2024 Assessment Roll: The City of Saskatoon's assessment roll is scheduled to open on January 2, 2024 and close on February 5, 2024. The roll will be advertised following the budget in December.

Preliminary conversations with property owners and tax agents have begun to preview their upcoming values for the 2025 revaluation and provide the opportunity to request information. This is a new process for the City of Saskatoon.

Appeal Update: Saskatoon received 601 appeals on the 2023 assessment roll. There were 340 commercial, 198 condos, 33 multi-residential and 29 residential appeals. There are two supplementary residential appeals that are outstanding.

At the Court of Appeal, Saskatoon has five appeals. Additionally, Saskatoon has several appeals at the Saskatchewan Municipal Board level.

2025 Revaluation: From experience with the previous revaluation, an information report was developed for Saskatoon's City Council. This report focused on improvements for 2025 which included potential phase-in options, community engagement, and updating internal processes.

Some of these changes include consulting with experts on commercial sales, leasing, and appraisal. This process began in June 2023 and will be an ongoing initiative throughout the revaluation. In 2024, Saskatoon will begin engaging with the public on phase-in options and what types of media releases they would like to see for 2025.

Saskatoon has verified most sales information. Additionally, roughly 99% of commercial income and expense data has been entered in the computer system, and the years of 2019-2021 have been vetted and are ready for analysis. Residential modeling will now be the focus with other year end processes completed.

Residential models are anticipated to be finished ahead of the April 1st deadline for preliminary values. However, Saskatoon expects commercial property values will need to be trended for the deadline.

For Saskatoon, appeal decisions and staffing are key revaluation risks that are being monitored. Staffing poses a risk as experience has been lost due to retirements; Saskatoon is trying to mitigate this through internal and external training with staff. Appeals remain a risk as it is unknown how many appeals will be filed in 2024. Additionally, decisions from the Saskatchewan Municipal Board or Court of Appeal may impact the modeling process for 2025.

Staffing: Saskatoon is looking to hire two entry level temporary positions. Currently, the assessment department has 13 licensed staff, which is roughly 43% of total staff. Additionally, 12 staff members are within two years of receiving their license.

Staff continuing their education and training is key due to losing experience over the past several years from retirements.

Comments/Questions

SAMA Board Member: Does the City of Saskatoon provide reimbursement and time off for staff training?

City of Saskatoon: Saskatoon does reimburse staff on their course expenses. However, Saskatoon does not provide time off for training or exams.

City of Regina Update: Verbal presentation by Colinda Johnson.

Staffing: The City of Regina have undergone some staff turnover this year. For key assessment positions, there are two management roles that have been difficult to fill; the postings for these positions closed on November 30th.

There has also been turnover with assessment modelers in Regina. There is one experienced modeler and a few new employees that were hired over the previous month.

Regina is trying to build up the assessment department from within and is focusing on supporting them through internal and external training by reimbursing their classes.

2023 Assessment Roll: Opened on January 3, 2023 and closed February 3, 2023. Regina had a relatively small volume of 89 appeals and 18 appeal hearings this year. However, there were challenges at the Board of Revision level due to the Southland Mall 2022 Court of Appeal decision surrounding disclosure of information.

This caused numerous delays for decisions with Board Orders to provide additional information. Typically, Board decisions are received within 180 days, but this year the Board required an additional three month extension.

SMB and CoA Appeal Update: From 2023 appeals, 49 were brought forward to the Saskatchewan Municipal Board. The first set of appeal hearings are scheduled for February 2024.

Regina has received notable decisions from the Court of Appeal on previous roll years. These include the 2019 Southland Mall and 2019 Boardwalk decisions. Both were remitted by the Court of Appeal to the Saskatchewan Municipal Board for *de novo* hearings. Regina has provided an updated assessment for Southland to the SMB and just recently finished the Boardwalk hearing on November 20th and 21st.

At the Court of Appeal, for 2020 Regina has 3 outstanding appeals (10 properties), and for 2021, 2 outstanding appeals (93 properties).

2025 Revaluation: Regina has roughly 12,000 residential sales that are being reviewed within six valuation models for the upcoming revaluation. The preliminary models are scheduled to be complete by the end of December.

For condos, there are around 3,000 sales that are being reviewed and analysis for their six models is scheduled to be complete in January 2024. For industrial and commercial, there are roughly 530 verified sales and preliminary models are anticipated to be complete in January 2024. Vacant land models have been completed.

For income and expense requests, Regina sent out roughly 2,000 requests for information and had a return rate of 78% from multi-family, commercial and industrial property owners.

For preliminary trends, residential land is remaining steady, vacant commercial and industrial land is seeing a slight 3% increase. For single family residential, overall there is a 1% increase across the city, but this is skewed between differing neighbourhoods (e.g. older areas are seeing a roughly 15-20% decrease, whereas newer areas are seeing a 6-8% increase). Condominiums are seeing an overall decrease around 2%, but these also vary across Regina. Multi-family is seeing the largest preliminary decrease around 15%. Finally, commercial and industrial properties are remaining steady at around a 1-2% increase.

Other Projects: Regina is updating their CAMA system from an Oracle based platform to a Microsoft.net program.

Comments/Questions

SAMA Board Member: For staffing in the province, where are modelers going?

City of Regina: In Regina's case, most modelers have left due to retirement. It has also been difficult to manage the work load between the revaluation and appeals this year.

SAMA Administration: Are the disclosure appeals a risk for Regina completing models for the upcoming revaluation?

City of Regina: This is a risk area for Regina. Additionally, there may be issues posed by the Southland Mall remittal decision regarding using lease start dates for income properties (e.g. rent start dates vs. lease dates). Regina will be taking this appeal forward to the Court of Appeal to attempt to maintain the status quo of using rent start dates as they were well supported in previous roll years.

City of Prince Albert Update: Verbal presentation by councillor Dawn Kilmer (on behalf of Vanessa Vaughan).

2023 Appeal Update: 72 appeals were filed to the Board of Revision. From these appeals, 12 were completed through an agreement to adjust, 2 appeals were denied, 23 were withdrawn and 35 appeals went to an appeal hearing. Appeal decisions were received in early July.

For the SMB, there were 20 appeals for the 2023 roll. However, seven appeals have recently been withdrawn; the remaining appeals are on commercial properties with hearings scheduled for January to June 2024.

For Prince Albert, a supplementary roll was completed during July and no appeals were received. An additional supplemental roll was completed in October and was delivered on November 14th.

2025 Revaluation: For the upcoming revaluation, inspections and verifications are being performed on sales to use within the assessment models. There are a few commercial properties and roughly 22% of residential sales left to inspect.

Prince Albert sent out registered mail requests for income and expense information to commercial and multi-residential property owners. This has increased the rate of return for this essential information.

Revaluation work has been delayed due to the ongoing CUPE 882 union strike. Priority for staff, once they return to work, will be assessment modeling for the revaluation.

Staffing: Prince Albert has a full assessment staff once they return to work from their strike action.

Comments/Questions

SAMA Administration: Does Prince Albert anticipate that preliminary values will be based upon actual or trended values?

City of Prince Albert: At this point, we are hoping to be able to use actual values for the April 1st deadline. However, this will depend on when the CUPE 882 strike is settled.

City of Swift Current Update: Verbal presentation by Julianne Rempel.

Staffing: Swift Current has recently hired an admin assistant for the assessment department. They will begin working in February 2024.

2023 Appeal Update: There were 26 appeals for 2023. From these appeals, four were withdrawn, two went to a Board of Revision and 20 had an agreement to adjust. The Board of Revision appeals were heard on November 7th and Swift Current has recently received the decision.

2025 Revaluation: Swift Current is continuing to collect and verify information for the upcoming revaluation. The tentative plan is to move forward with the existing model framework and to update the models with new, verified information.

Comments/Questions

SAMA Board Member: What is the reinspection cycle for the City of Swift Current?

City of Swift Current: Currently, the cycle is three years for residential properties and five years for commercial.

MOTION by Richard Marleau, SAMA Board Member, to receive the verbal ASP reports.

Carried

7d. Assessment Governance Report

PowerPoint presentation by Shaun Cooney, SAMA TS&P

Comments/Questions

No comments or questions.

MOTION by Richard Marleau, SAMA Board Member, to receive the Assessment Governance report.

Carried

8. Assessment Appeals Update

8a. Assessment Appeals and Court of Appeal Update

PowerPoint presentation by Darwin Kanius, SAMA TS&P.

Court of Appeal and Court of King's Bench decisions discussed during this presentation can be accessed at www.canlii.org/en/sk.

Comments/Questions

SAMA Administration: Are we aware how often the provision within legislation, for the property owner or tax agent to discuss the appeal with the appraiser, is being utilized?

SAMA Administration: Do not have an exact estimate on how often this is utilized. This is a practice in place, but it is more voluntary within legislation for the property owner or agent.

SAMA Board Member: This could be an area to reinforce on the appeal form.

MOTION by Jim Angus, SAMA Board Member, to receive the Assessment Appeals report.

Carried

8b. Saskatchewan Municipal Board Update

Verbal presentation by Chad Boyko, Saskatchewan Municipal Board.

Comments/Questions

City of Saskatoon: It is important to note that Court of Appeal decisions can not only impact future revaluations, but also impact assessments within the current cycle. For example, due to Court of Appeal decisions, Saskatoon needed to update several models for 2022 and these updated models were subject to roughly 900 appeals.

Saskatchewan Municipal Board: For the Court of Appeal, there is a new Chief Justice, so it will be interesting to observe whether their appeal volume increases or decreases.

MOTION by Jim Angus, SAMA Board Member, to receive the Saskatchewan Municipal Board Update report.

Carried

Lunch Break

12:01 pm to 12:51 pm

9. Revaluation and Policy Developments

9a. Oil and Gas Site Land Valuation Issue PowerPoint presentation by Andrew Workman, SAMA TS&P

Comments/Questions

Canadian Association of Petroleum Producers: CAPP appreciates how SAMA conducts stakeholder meetings and puts an emphasis on receiving feedback from stakeholder groups.

9b. 2025 Revaluation

PowerPoint presentation by Andrew Workman, SAMA TS&P

1. Publications and Policy Considerations
2. Assessment Trends

Comments/Questions

City of Saskatoon: From the presentation, the timeline provided an area for percentages of value being available by October 2024. Is that an estimate from SAMA?

SAMA Administration: This is a tentative date from SAMA based on when percentages of value were received in prior revaluations.

Ministry of Government Relations: That has typically been the timeline for Government Relations. However, the final decision will not be made until preliminary values can be fully analyzed by the Ministry and presented to cabinet.

MOTION by Colinda Johnson, City of Regina, to receive the Oil and Gas Site Land Valuation Issue and 2025 Revaluation reports.

Carried

3. Quality Coordination Program

PowerPoint presentation by Darwin Kanius, SAMA TS&P

Comments/Questions

No comments or questions.

MOTION by Bryce Trew, City of Saskatoon, to receive the Quality Coordination report.

Carried

10. Future Developments

10a. Provincial Assessment System Review by International Property Tax Institute (IPTI)

PowerPoint presentation by Shaun Cooney, SAMA TS&P

Comments/Questions

SAMA Board Member: Based upon the SMB's report should some of the recommendations, such as going direct to SMB beyond a certain value

threshold, be implemented, it appears the SMB may also require additional resources.

Additionally, have the other Assessment Service Providers provided analysis on their anticipated expenses with IPTI's options for change?

SAMA Administration: Additional resources to the SMB likely should be considered. However, at this stage, these ideas are only conceptual.

For anticipated expenses, this will not be reviewed until the final recommendations are brought forward by SUMA.

An area to consider in the future will be the anticipated ability for SAMA and other service providers to find enough assessment staff to implement potential recommendations from SUMA such as shortening the revaluation cycle.

Canadian Property Tax Association: From the perspective of industry, the IPTI options for change are concerning as industry stakeholders will likely also need to increase budgeting and staffing.

CPTA appreciates the consultative approach that has been undertaken to ensure that the impacts are thoroughly investigated.

MOTION by Richard Marleau, SAMA Board Member, to receive the IPTI Update report.

Carried

11. Other Business

11a. Next City and Commercial Advisory Committee Meeting

The next City and Commercial Advisory Committee meeting is currently scheduled for March 21, 2023.

MOTION by Jim Angus, SAMA Board Member, to adjourn the meeting at 1:54 pm.

Carried



Darwin Kanius
Commercial Advisory Committee, Secretary



Dallas Pitt
City Advisory Committee, Secretary