

Saskatchewan Assessment Management Agency
Rural/Urban Advisory Committee
Meeting Minutes for March 26, 2025
Ramada Hotel – Oak Room 1818 Victoria Avenue, Regina; or
Virtual Meeting Microsoft Teams

Urban Advisory Committee

Members Present:

Randy Goulden, Committee Chair, SAMA Board Member, Urban Sector
Audrey Trombley, SAMA Board Member
Myron Knafelc (ex officio), SAMA Board Chair
Kevin Tooley, SUMA Cities
Lisa Grudnizki, Saskatchewan School Boards Association
Danielle Longtin, Saskatchewan Assessment Appraisers' Association

Members Absent

Dawn Luhning, SAMA Board Member, City Sector
Walter Streelasky, SUMA Cities
Bruce Fidler, SUMA Towns
Vacant, SUMA Towns
Jamie Brandrick, SUMA Villages
Vacant, SUMA Villages
April Phillips, SUMA, Board Member
Doug Allan, Provincial Association of Resort Communities of Saskatchewan

Rural Advisory Committee

Members Present:

John Wagner, Committee Chair, SAMA Board Member, Rural Sector
Rod Quintin, SAMA Board Member, Rural Sector
Myron Knafelc (ex officio), SAMA Board Chair
Jim Angus, SAMA Board Member
Ray Allen, SARM Division 2
Shawn Kramer, SARM Division 3
Norm Hall, SARM Division 4
Maurice Werezak, SARM Division 5
Kim Herbst, SARM Division 6
Garry Dixon, Provincial Association of Resort Communities of Saskatchewan
Kate Kading, Saskatchewan School Boards Association
Jeff Sedor, Saskatchewan Assessment Appraisers' Association

Members Absent:

Vacant, SARM Division 1
Blair Cummins, Saskatchewan Association of Rural Municipalities

Observers Present:

Abayomi Akintola, Ministry of Government Relations
Kelly Munce, Ministry of Government Relations
Tamara Knight, Urban Municipal Administrators Association of Saskatchewan
Christa-Ann Willems, Saskatchewan School Boards Association
Betty Rogers, SAMA CEO

Observers Absent:

Jean-Marc Nadeau, Saskatchewan Urban Municipalities Association

SAMA Administration Present:

Rebecca Schultz, Committee Secretary, SAMA
Shaun Cooney, SAMA TS&P
Karlo Simonson, SAMA QAD
Darwin Kanius, SAMA TS&P
Garry Hammett, SAMA TS&P

Observers Present:

Dami Ogundiwin, Ministry of Government Relations
Vaneisha Thompson, Ministry of Government Relations
Kathy Bank, Saskatchewan School Boards Association
Betty Rogers, SAMA CEO

Observers Absent:

Becky Carr, Rural Municipal Administrators Association of Saskatchewan
Myron Kopec, Saskatchewan Association of Rural Municipalities

Guests Present:

Patrick Chastel, Ministry of Agriculture

SAMA Administration Present:

Kim Hardy, Committee Secretary, SAMA
Kevin Groat, SAMA ASD
Andrew Workman, SAMA TS&P
Karlo Simonson, SAMA QAD

Agenda Item	Decision/Resolution:
1. Call to Order	John Wagner, Chair of the Rural Advisory Committee, called the meeting to order at 10:00 am.
2. Opening Remarks	Myron Knafelc, SAMA Board Member, welcomed attendees to the Rural/Urban Advisory Committee.
3. Introductions	In-person and virtual attendees introduced themselves.
4. Approval of the Meeting Agenda	MOTION by Audrey Trombley that the agenda be approved. Carried
5. Minutes from the Previous Business Meeting held November 27, 2024	MOTION by Ray Allen that the minutes of the November 27, 2024, joint Rural and Urban 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 November 27, 2024.
7. <u>SAMA Update</u>	
Item 7a: CEO Report	PowerPoint presentation by Betty Rogers, SAMA's CEO.

Committee Comments

Rural Member: I have a comment regarding SAMA having the lowest fees in Canada. I have ties to two RMs where the mill rates are some of the lowest in the province. Both RMs face challenges as the infrastructure is deteriorating and there is not enough money there to address the issues. The RMs do not want to raise taxes ten percent. If SAMA needs to increase their fees and funding to do their job properly and determine accurate assessed values, then I think there is some support from municipalities for that. I understand that you also need to retain staff, and it is not always easy to find qualified replacements. I support fee increases to ensure staff are supported and taken care of.

SAMA CEO: I appreciate your comment. We cannot operate without people. Even with all kinds of technology, we need the people to run the technology. With the experience we are losing, we do have great staff that are able to learn these roles. We have to be able to not only attract staff but retain them as well. We also want some overlap so staff can learn roles before they move into them and have a smooth transition. We do have a low cost for assessment services. It has always been a goal of SAMAs to keep the costs low to the province and municipalities. It is hard to maintain that. We must have some sources of revenue. It is disappointing when we do not get increases from our major funding partners. We will be in a deficit this year because of it which means we are potentially dipping into our reserves. We still

have to accomplish our services. What we will end up seeing is our services are going to suffer and the first thing that comes off the table, generally speaking, is property inspections. We have a lot of work to do as it is, and we are able to hire summer students that help with property inspections and data collection but that's not always possible. So, I do appreciate your comments.

SAMA Board Member: I have been on the SAMA board for many years and have been involved in a number of organizations. SAMA is run extremely lean. I believe they are extremely frugal and there is never anything spent that should not be.

SAMA Board Member: I think it is always easier to keep the mill rate the same but what happens in the long run is the municipality hits a wall, and they have to make changes. It is not always a popular change. That is where we are coming from. We need to create a four-year plan to account for SAMAs funding needs, so we do not hit a wall and need to make major changes.

SAMA Board Member: You can build capacity or buy capacity. SAMA has done a good job with building capacity, but you need a little slack in the rope to build the capacity. You cannot keep running lean every year with no resources to build the capacity. Buying capacity is not as easy as it sounds as it costs a lot of money to bring people up to speed. The strategy we have at this time is to build capacity, but we need to consider whether we can build the capacity with the resources we have.

Urban Member: What is the difference between the Moose Jaw contract and other larger municipalities?

SAMA CEO: Back in the day, the cities of Regina, Saskatoon, Prince Albert, and Moose Jaw opted to remain independent for their assessment services. Except for Swift Current who voluntarily opted out of SAMA's services, the other municipalities in Saskatchewan are under SAMA's umbrella so they come under SAMA's requisition formula for valuation services. The City of Moose Jaw opted to be independent with the ability to have their own assessment department or hire their own assessment service provider. They have hired SAMA to provide assessment services for them under agreement since 2005.

SAMA Administration: It is set out in legislation that those four cities (Regina, Saskatoon, Prince Albert, Moose Jaw) remain independent and provide their own assessment services. That is a right they specifically asked to have in legislation.

SAMA Board Member: If you look at it on a per capita basis, Moose Jaw does pay higher fees compared to other large centers that are under legislation for SAMA's assessment services. I also wanted to address a previous comment. Back in 1987, when SAMA was created, there was funding direction written in legislation. There was a ratio of 65 to 35 where 65% of SAMA's costs were

funded by the provincial government and 35% was funded by municipalities. A few years later, it was negotiated to a 60 to 40 ratio. Today we are sitting at about 54% funded by the provincial government and 46% funded by municipalities. The funding ratio for SAMA is not in legislation anymore.

MOTION by Norm Hall that the Committees receive the CEO report.

Carried

Item 7b: Assessment Services Division Report

PowerPoint presentation by Kevin Groat, ASD.

Committee Comments

SAMA Board Member: SAMA doubled inspection counts in 2018. It was not necessarily that we doubled inspections, it was that we invested in technology. Data entry was slow before that and technology increased efficiency with that task.

Rural Member: Our RM was reinspected for residential properties last year and there was a substantial increase in the overall assessed value. That is money going back to the RM and to SAMA.

MOTION by Kevin Tooley that the Committees receive the SAMA ASD report.

Carried

Item 7c: Assessment Governance Report

PowerPoint presentation by Shaun Cooney, TS&P.

Committee Comments

SAMA Board Member: The City Assessor meetings in the past had some municipalities being quite guarded with their information. There is now more open communication at these meetings where a lot of issues are discussed.

SAMA Administration: We realized that we have a lot of issues in common, so it is a great platform to work together on them.

MOTION by Rod Quintin that the Committees receive the Assessment Governance report.

Carried

8. Assessment Appeal Update:
Item 8a: Assessment Appeals and Court of Appeal Update

Power point presentation by Darwin Kanius, TS&P.

Committee Comments

SAMA CEO: Related to the income approach, a question comes to me quite regularly asking whether we are collecting people's personal income information. Can you comment on this?

SAMA Administration: We are gathering rental income derived for a property, not personal income information. For an apartment, it is the apartment generated income from renting that property. We do not collect other information related to the owner's income. Once we have the income information, we are building the model from the ground up using sales to derive a rental income approach based assessed value for all similar properties.

SAMA Board Member: How has the compilation of the case law impacted legal fees going forward and at the present?

SAMA Administration: We have engaged law firms that traditionally did not work with assessment. They have trained junior associates to work with us which is at a lower rate than working with senior associates. We are primarily working with two law firms, and the case load is almost split evenly.

SAMA Administration: Are we getting more decisions that are making it more efficient for us? We have had several good decisions that clarify legislation and assessment. However, it has not reduced the number of appeals. That could be a characteristic of the market value system. The income approach is more complex and hence more prone to appeal. This is a similar experience in other provinces. This relates to the recommendations we have made to the Ministry of Government Relations on handling appeals. We believe there are some efficiencies to be made there. Another note is the province of Ontario has a freeze on assessment values so this may be driving tax agents to engage in appeal work in other provinces. The efficient management of SAMA's legal fees is helping us and maybe with some legislative changes it could improve things further.

SAMA Administration: The out of province tax agents are not familiar with Saskatchewan legislation which is another hurdle. We have to be cognisant of that at the boards. We have to make sure that we are clear and well articulated at the board level.

SAMA Board Member: SAMA does a good job of tracking costs. They are very frugal and manage the legal costs budget very well. The rule of thumb seems to be if they bring a lawyer, then you bring a lawyer as well.

MOTION by Jim Angus that the Committees receive the Assessment Appeals and Court of Appeal Update report.

Carried

Item 8b: Saskatchewan Municipal Board Update

Verbal presentation by Chad Boyko at the City Commercial Advisory Meeting on March 27. Presentation notes are below for the Rural Urban Advisory Committee to review.

For the SMB, all appeals that have currently been filed have hearings scheduled. This is positive leading into the 2025

revaluation where appeals are usually heaviest in the first two years.

For the 2021 revaluation, there have been approximately 2,500 assessment appeals with 2,254 from the major cities and 146 from rural municipalities. It is noteworthy that the most appeals occurred in the third year of the cycle. Most appeals have been on commercial property types with 2,026 appeals. Following commercial properties are multi-residential with 328 appeals and residential with 33 appeals. Also, we have seen over a 50 percent increase in appeals for every revaluation from the one before. This has led to the current large case load.

From a staffing perspective, the SMB has been able to supplement our staff and fill longstanding vacancies. One of the recent hires is an assessment manager that will be working on quarterly reports for stakeholders to update the status of SMB appeals. If you wish to receive the quarterly report, please contact the SMB.

There are two vacancies at the SMB remaining for a vice chair and a board member. The SMB is planning to add two fulltime board members in the future to focus on assessment appeals.

The SMB will be providing a presentation at SAMA's education session ahead of the Annual General Meeting.

9. Revaluation and Policy
Developments:

Item 9a: 2025 Revaluation – Policy Update PowerPoint presentation by Andrew Workman, TS&P.

Committee Comments

Ministry of Government Relations: The Ministry of Government Relations would like to provide an update on the status of oil and gas non-well land assessment. The Ministry appreciates the work that SAMA performed on reviewing the land issue and for their consultation with stakeholder groups.

Following SAMA supplying their recommended Manual amendments, the Ministry has continued to review and consult with external stakeholders and other Ministries in the province. Based upon our review, the Ministry is looking to maintain the status quo through updating municipal regulations. The Ministry will provide more updates on these regulations towards the summer of 2025.

SAMA Administration: To provide some additional clarity, the status quo assessment for 2025 as it relates to oil and gas land is if it is leased, the assessment will stay with the owner of the land, typically a farmer, and it will be valued at agricultural rates. Where the oil and gas company owns the land for a non-well site, the valuation will be done in accordance with the manual at the industrial rates.

MOTION by Norm Hall that the Committees receive the 2025 Revaluation Policy Update report.

Carried

Item 9b: 2025 Revaluation –Assessment Trends

PowerPoint presentation by Andrew Workman, TS&P.

Committee Comments

Rural Member: Urban municipalities have more categories they can assess properties with when compared to rural municipalities. Is SAMA or the Provincial Government looking at changes to increase the categories for rural municipalities to help deal with different properties in their jurisdictions?

SAMA Board Member: You are talking about adding different sub-classes to deal with properties. I know this had high support from SARM members. I think the resolution at SARM was targeted at commercial properties. You have oil and gas properties grouped in with local commercial businesses and no way to differentiate them. I am not sure the government's position on this, but it is certainly something we can continue advocating for.

SAMA Board Member: This resolution came to the SUMA AGM because Villages, Resort Villages, and Towns do not have the option to use sub-classes. It is something that SUMA has been advocating for over the last couple of years.

SAMA Board Member: Regarding the status quo for non-well oil and gas properties, I was wondering if this has then been defined more thoroughly so we will potentially see less appeals related to this issue.

SAMA Administration: No legislation changes have been passed at this point. If there are changes to legislation that dictates that leased land is to be treated a certain way and owned land is to be treated a certain way, then that will eliminate the current group of appeals based on the assessment of land. It is not possible to say if it will stop appeals moving forward as there may be other issues that lead to an appeal.

Ministry of Government Relations: The government has received several requests on sub-class authority. At this point in time, there are no significant changes to sub-class authority. There is a need for further consultations to get a balanced review from all stakeholders. We will continue to work on this to eventually provide options and recommendations.

MOTION by Kim Herbst that the Committees receive the 2025 Revaluation Policy Update report.

Carried

Break from 11:55 am to 12:45 pm

Item 9c: 2029 Revaluation Preparation –
Quality Coordination Program

PowerPoint presentation by Darwin Kanius TS&P.

Committee Comments

SAMA Board Member: The Quality Assurance Division reports directly to SAMA’s Board of Directors.

MOTION by Kevin Tooley that the 2025 Revaluation Quality Coordination Program report.

Carried

10. 2029 Revaluation Preparations:
Item 10: 2029 Revaluation Preparations –
Publications and Policy Considerations

PowerPoint presentation by Andrew Workman, TS&P.

Committee Comments

Rural Member: How are Airbnb vacation rentals assessed? Are they on the income approach?

SAMA Administration: If it is a house, it would be valued the same as other houses in the marketplace. We are not valuing that business interest.

Rural Member: What is SAMAs definition of a tiny home?

SAMA Administration: It is something we are working on right now. Generally, they are moveable and below a certain size threshold. We are reviewing them in more detail to provide a clearer definition. They will be assessed in the same manner as other structures similar to them. Container homes would be another improvement that would potentially qualify under this definition.

MOTION by Audrey Trombley that the Committees receive the 2029 Revaluation Preparations Publications and Policy Considerations report.

Carried

11. Future Developments:
Item 11a: Provincial Assessment System
Review by International Property Tax
Institute (IPTI)

PowerPoint presentation by Shaun Cooney, TS&P.

Committee Comments

Rural Member: Are the cities running a parallel process in trying to estimate the costs associated with moving to a shorter revaluation cycle? What compelling information came out of the report that supports a shorter cycle?

SAMA Administration: From what we understand, they are not undertaking a budgetary process right now. They are working on revaluation work and addressing their CAMA systems. Certainly,

that is something they would need to do if they are in support of a shorter cycle. This would allow us to get a full sense of what the cost is at a provincial level.

The compelling information is that values would be more current and updated more frequently. The one-year lag means that values will be one year old at the time of revaluation implementation instead of two.

Another thing to consider is that using four years of data allows for some market correction as it is a longer time period included for analysis. We have seen years where residential values doubled within a given revaluation cycle. Once the market settled over a longer period, that was not really the case anymore.

All of this needs to be considered in terms of the cost and resource requirements versus the benefits gained from any changes. With a shorter cycle, there would also be items that SAMA no longer has time or resources for which may include our current extensive stakeholder consultation model.

Rural Member: How would a shorter revaluation cycle impact appeal costs?

SAMA Administration: We spoke to assessment providers in other jurisdictions who value on a one- or two-year cycle and found that updating assessment values more frequently typically increases appeal activity. One city in Alberta indicated that they had to setup a separate dedicated appeals unit to handle the appeal workload. Currently at SAMA, we are able to shift resources around to handle the priority item of the day. There would be less flexibility for using resources to multi-task on a shorter cycle.

SAMA Board Member: There have been some articles in the media suggesting that Saskatchewan's assessment system is antiquated. However, when we talk to other jurisdictions, they tell us there are a lot of things we are doing right. There are things that we do, that they would like to do.

I would like to know what this is going to cost and where the funding is going to come from? We also need to consider where additional staff resources are going to come from. We already have issues recruiting qualified people. These questions are part of the practical side of implementing a shorter cycle. The IPTI report was important and a good idea. I have concerns about the two-year cycle however. The last time we surveyed the province, RMs and small municipalities were not in support of a shorter cycle. It was primarily cities. We would like the cities to review the costs associated with moving to a shorter cycle to help them decide if they want to move forward on this. Ultimately, it is up to the provincial government to provide direction on this.

SAMA Administration: If you recall back to the appeals slide I showed earlier, years one and two of the four-year cycle have the highest number of appeals. If we drop years three and four, we would be constantly working in years one and two with a higher volume of appeals.

Rural Member: As a rural representative, I would like to know how much of the cost RMs would be responsible for. There will be a need for new computer systems and additional appraisers. The provincial government is slowly cutting back funding support for SAMA. How much of the funding responsibility gets put on the municipalities? We need to know this before changes are made so we have time to consider and respond to this.

SAMA Board Member: This is something we are concerned about. There is a big cost associated with this. When we consult with other cities on a one- or two-year revaluation cycle, they have twice the amount of people working on the same number of properties as Saskatoon does. As mentioned before, it is also a matter of finding qualified people.

The cities that are included in SAMAs funding model are being provided assessment services at a reasonable rate. The rates are to some degree being subsidized by rural municipalities, and we are fine with that. However, if the cost of assessment substantially increases due to going to a shorter revaluation cycle, the cities should be prepared to cover those costs.

The recommendations from the IPTI committee were not unanimous. However, there were four recommendations related to appeals that were unanimous. They were one appeal per property per cycle, the major industrial appeals go straight to the SMB, inclusion of trending values, and limiting a decision to the property being appealed (not applied to all similar property types). These recommendations are aimed at increasing the appeal system efficiency.

SAMA Administration: The IPTI report was beneficial and some of the legislative recommendations that came out of that will be covered in the next presentation. There was a History of Assessment education piece provided to the Advisory Committees and at SAMAs AGM that is available on our website. If anyone is new to this, the presentation provides some great information on the history of how our assessment system came to be.

SAMA Board Member: The advisory committees are important to us, and we find many groups in various sectors are appreciative of being consulted on assessment policies. We appreciate your feedback at these meetings.

MOTION by Ray Allen that the Committees receive the Provincial Assessment System Review by IPTI report.

Carried

Item 11b: City Assessor/SAMA Committee
– Legislation Recommendations for
Municipal Acts

PowerPoint presentation by Shaun Cooney, ASD.

Committee Comments

Rural Member: How are gravel pits assessed? We have ten active pits in our RM. They have various uses including RM use, highway use, and strictly commercial use.

SAMA Administration: Gravel pits are excluded from legislation as a mineral. The gravel is considered a chattel and is not assessable. It is just the land value that is assessed for gravel pits. It would require legislative changes to alter how these are valued.

MOTION by Rod Quintin that the Committees receive the City Assessor/SAMA Committee – Legislation Recommendations for Municipal Acts report.

Carried

12. Other Business

Item 12a: Next Urban and Rural Advisory
Committees Meeting

The next Rural and Urban Advisory Committee Meeting is currently scheduled for November 19, 2025. Location to be determined.

Item 12b: SAMA's Annual General
Meeting

Scheduled for April 9, 2025, in Regina at the Conexus Arts Centre. April 8th is a half-day training session specifically geared to administrators.

MOTION by Kim Herbst to adjourn the meeting at 1:46 pm.

Carried