



# sama

SASKATCHEWAN ASSESSMENT  
MANAGEMENT AGENCY

## 2020 Performance Report

*Delivering Results in Challenging Times*

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# Agency Profile

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**Governing Legislation:** Established by *The Assessment Management Agency Act* in 1987 to manage Saskatchewan's property assessment system for the Province, municipalities and the education sector.

**Corporate Structure:** Corporation with Board of Directors appointed by Order in Council. Board of directors has seven members: the chair and two members representing the Province, two members representing the Saskatchewan Association of Rural Municipalities and two members representing the Saskatchewan Urban Municipalities Association.

**Services Provided to the Province:** Property assessment research and policy development, central database of assessment information, assessment information for programs administered by the provincial government, and assessment quality assurance.

**Services Provided to Client Municipalities and the Education Sector:** Property assessment valuation services – annual maintenance property inspections, property reinspections, revaluations every four years, support of value (management of property assessment appeals) and public education.

**Accountable to:** Minister of Government Relations, Saskatchewan Association of Rural Municipalities, Saskatchewan Urban Municipalities Association, client municipalities, the education sector and the public.

**Annual operating budget:** \$21.542 million for fiscal year ending December 31, 2020.

**Permanent staff:** 163.25 Full Time Equivalents (FTE's).

## Client Municipalities and Property Counts

	Urban	Rural	Total	Change from 2019	
	Municipalities	Municipalities		Accounts	%
<b>No. of Client Municipalities</b>	<b>463</b>	<b>296</b>	<b>759</b>	1	0.1%
<b>No. of Land Accounts:</b>					
Agricultural Land - Arable	1,888	311,805	313,693	37	0.0%
Agricultural Land - Non-Arable	1,118	119,756	120,874	172	0.1%
Agricultural Land - Improved	177	45,837	46,014	62	0.1%
Residential - Improved	143,103	19,625	162,728	114	0.1%
Residential - Vacant	30,203	16,709	46,912	-128	-0.3%
Seasonal - Improved	10,214	12,052	22,266	-10	0.0%
Seasonal - Vacant	3,300	6,534	9,834	-85	-0.9%
Commercial & Industrial	32,933	15,253	48,186	25	0.1%
Resource Property	343	97,879	98,222	53	0.1%
<b>Total Land Accounts</b>	<b>223,279</b>	<b>645,450</b>	<b>868,729</b>	<b>240</b>	<b>0.03%</b>

### Stable Service During Challenging Times

2020 was a year that presented unexpected adversity due to operational adjustments necessary at the onset of the COVID-19 pandemic, but SAMA was able to continue providing the assessment services required by stakeholders. COVID-19 required the agency to adopt new methods of gathering data and certainly made property valuation and support of values more challenging. Due to the resiliency of staff, use of technology and an effective pandemic policy that had been created years before SAMA was able to conduct over 110,000 property reviews during 2020, a new record high number for the agency. It marked the third consecutive year of achieving over 100,000 reviews and kept SAMA on track to conduct a full reinspection of municipal clients over twelve years (2018-2029). During 2020, due to both COVID-19 and economic conditions, fewer new property improvements were constructed and demand for property maintenance on new builds was lower. On the other hand, SAMA clients registered a slightly higher number of property assessment appeals than were filed during previous revaluation cycles, continuing a trend that has been occurring for several years.

2020 presented the challenges of the COVID-19 pandemic. By having a pandemic plan in place before 2020 and by having a dynamic technology structure, SAMA was able to transition almost all staff to working from home in March of 2020. By keeping lines of communication open, being flexible with staff arrangements, and by leveraging technology, SAMA was able to continue doing property reviews, supporting values during appeals, and prepare for the 2021 revaluation. Due to the nature of the agency's funding, SAMA did not experience a change in revenue and therefore wanted to make sure stakeholders were still receiving the service expected for those funds. Thanks to effective planning and implementation, SAMA still met nearly all its targets and had very high output levels during the year.



Although 2020 did not have as many technological additions to the agency, there were still many improvements made. Late in 2020 SAMA implemented a major initiative: revaluation report automation. These advancements will speed up the revaluation preparation process and will improve both consistency and accuracy.

One of the ongoing challenges for SAMA continues to be property appeals. Not only due to the number of appeals, but also because of the complexity and comprehensive nature of many cases, support of value functions use a large portion of SAMA’s labor and financial resources. Commercial and industrial assessment appeals continue to be a high-risk area for both SAMA and its stakeholders. Having a highly trained staff and partnering with external legal counsel when necessary are essential when supporting values on behalf of municipal clients.

Support of value during the appeals process is an activity that uses appraisal resources rather than having them concentrate on property inspections or evaluation related activities. 2020 was a year of property market values holding relatively steady but there were also major changes in the economic conditions of some commercial sectors. Although the 2,095 appeals (1,741 in 2019) was only slightly more than expected, appeals continue to be of an increasing complexity and risk due to their high assessment values and the increasing number of professional tax agents operating in Saskatchewan. More and more appeals are progressing to the Court of Appeal, greatly increasing SAMA time on each appeal and SAMA’s costs for external legal counsel.

2020 was also the fourth year in the current assessment cycle. While heading towards 2021 the staff gathered data, conducted extensive analysis and kept lines of communication with the Province and municipalities open to ensure that the 2021 revaluation would be delivered on-time, would be accurate and would be accepted by stakeholders. Preliminary values for the 2021 revaluation were provided to the Province in 2020 and final values will be delivered in 2021.

## **A Continued Focus on Delivering 100,000 Property Reviews Annually**

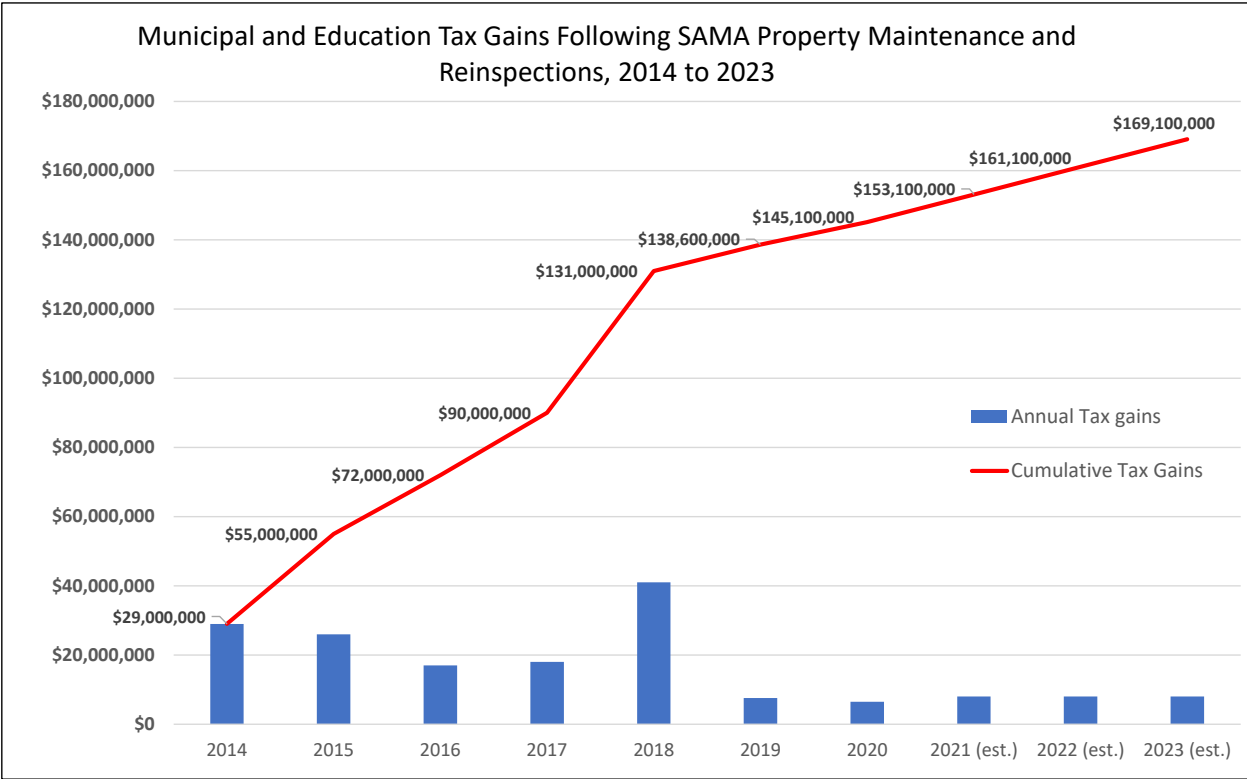
SAMA's made the commitment in 2014 to deliver 100,000 property reviews annually to client municipalities (upon implementation of the Technology Infrastructure Program). The TI Program was substantially completed by 2018 and SAMA has delivered on its commitment since then. SAMA, working with its funding stakeholders, has made investments in technology, valuation model simplification and process improvement over the last seven years to increase appraiser efficiency and effectiveness. The agency has now met this target for three consecutive years and is on pace to complete a full provincial reinspection within the next nine years.

Economic growth for Saskatchewan slowed greatly in 2020, resulting in almost no net change in the number of property assets within Saskatchewan municipalities. Total property counts for SAMA clients grew by 240 properties or 0.03% to 868,729.

Although few net properties were added, maintenance and reinspection activities still lead to increasing taxable assessments that generate new revenue for municipalities and the education sector. The assessments conducted in the prior year and implemented on 2020 tax rolls provided an additional estimated \$6.48 million in annually recurring tax revenues for the agency's municipal clients and the education sector. Of the \$6.48 million, municipalities received approximately \$4.41 million and the education sector received approximately \$2.07 million (approximately \$496M was added to municipal taxable assessments in 2020). It is important to note that this is annually recurring revenue (i.e. the \$6.48M annual revenue translates to \$64.8M over a ten-year span). The following chart uses actual results from 2014-2020 and an estimated increase of \$10M for each of the next five years. By the end of 2023, SAMA property reviews are estimated to result in almost \$1.1B in additional revenue for municipalities and the education sector and to have generated approximately \$169M in annual revenues that will continue in perpetuity.

SAMA is now on pace to achieve a 12-year re-inspection cycle and has begun to capture the annual revenue that was being left on the table for municipalities and the education sector. Prior to the start of the TI Program, SAMA estimated that there would be \$300M return after the first full ten years following completion and that estimate appears to low. The estimated additional tax revenues received to date after the first seven years of measurement are more than \$600M.

Besides just focusing on total output, the agency also strives to improve the quality of assessments. Municipalities want a stable and predictable revenue source that is delivered inexpensively. Additionally, SAMA's clients want a system that is up-to-date, and ratepayers need to be treated fairly and equitably. SAMA is working on continuing to maintain a high level of quality control that will help the agency deliver accurate, understandable and fair assessments while also being transparent and accountable.



**SAMA's Funding and Workforce**

In 2020 the agency had a budgeted and actual workforce of 163.25 full-time equivalent (FTE) permanent staff. The majority of staff are in the assessment services division (118.5) while the technical standards and policy division accounts for 13 FTEs. There are 5.75 FTEs in the quality assurance division (who report directly to SAMA's board of directors). The balance of staff (26) are in support divisions such as information services, human resources, communications and finance, with the remaining two staff being in the executive office. SAMA's workforce has remained relatively the same over the past few years. SAMA's contract collective bargaining agreement with its in-scope staff runs from 2017 through 2021.

The total budget (capital and operational) increased \$1.245M (6.13%) to \$21.542 million. The budget increased due to extra funding received from the Province in 2019 that was higher than the 2019 budget set in mid 2018. The 2020 increase over 2019 actual revenues represents an equal increase to both SAMA's provincial budget request and to the base municipal requisition and is in-line with SAMA's four-year plan, which pledged to keep operational costs to within 2% annual increases.

In terms of actual results, revenues increased by \$404K (1.92%) in 2020 relative to 2019. The actual funding party shares, excluding other revenue, for 2020 were 56.0% provincial and 44.0% municipal (56.7% and 43.3% in 2019). Salaries and benefits make up the majority of SAMA's operating costs (75.1%).

<b>2020 Operating Budget</b>	<b>2020 Budget</b>	<b>2020 Actual</b>	<b>Variance</b>	
			<b>Amount</b>	<b>%</b>
<b>REVENUES (000s)</b>				
Provincial - Operating	\$11,616	\$11,388	-\$228	-2.0%
Municipal Requisition	8,886	8,958	72	0.8%
Other Revenue	1,040	1,133	93	8.9%
<b>Total Operating Revenues</b>	<b>\$21,542</b>	<b>\$21,479</b>	<b>-\$63</b>	<b>-0.3%</b>
<b>EXPENDITURES (000s)</b>				
Salaries and Benefits	\$15,575	\$15,608 *	\$33	0.2%
Other Expenses	5,567	5,155	-\$412	-7.4%
<b>Total Operating Expenditures</b>	<b>\$21,142</b>	<b>\$20,763</b>	<b>-\$379</b>	<b>-1.8%</b>
<b>Surplus (Deficit)</b>	<b>\$400</b>	<b>\$716</b>		
Inter-fund Transfers to Capital Fund	-\$400	-\$148		
Reserves (Net)	0	-487		
Beginning Surplus	0	148		
<b>Ending Surplus (Deficit)</b>	<b>\$0</b>	<b>\$229</b>		
<b>Staffing (FTEs)</b>				
Permanent Employees	163.25	163.25		
Managed Employee Vacancies	0.0	0.0		
<b>Staff Complement</b>	<b>163.25</b>	<b>163.25</b>		



# Key Performance Measures

## Delivery of Property Assessment Services

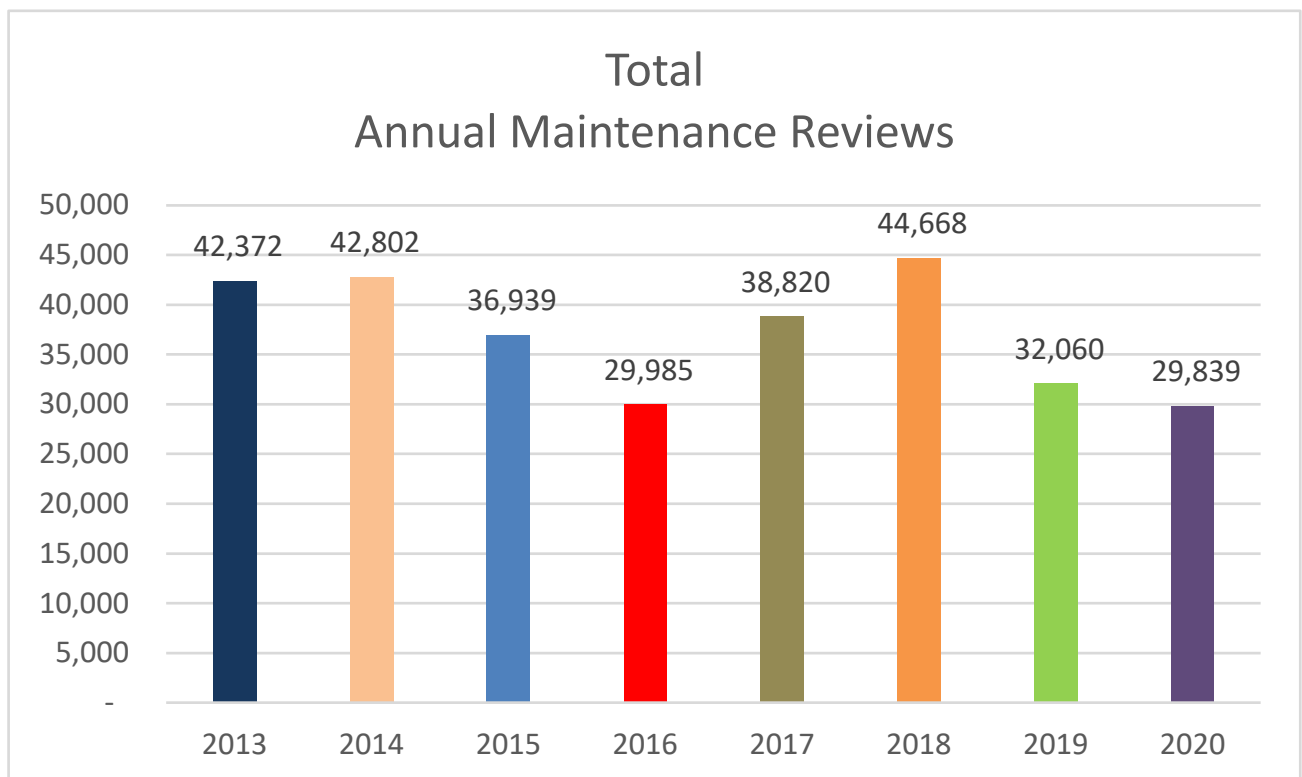
### KPM #1: Properties assessed for client municipalities

#### 1. Annual Maintenance Program

The annual maintenance program reviews and updates all properties identified by municipal administrators with developments or changes that may affect the property's assessed value. The municipality submits a list of the properties affected, and the agency reviews each identified property and provides the municipality with an updated assessed value for their assessment roll. Maintenance reviews may also be initiated during the sales verification process if the need for an assessment change is identified.

#### The Agency's Performance

In 2020, the agency reviewed 29,839 properties (32,060 in 2019). These represent 18,170 inspections that were for use on 2020 municipal assessment rolls and 11,669 that were for use on 2021 municipal assessment rolls.



The agency continues to level out the annual maintenance workload by advancing some maintenance to the preceding year in order to spread the work more evenly over the last months of the calendar year. This helps the agency to provide more timely delivery of the service to client municipalities.

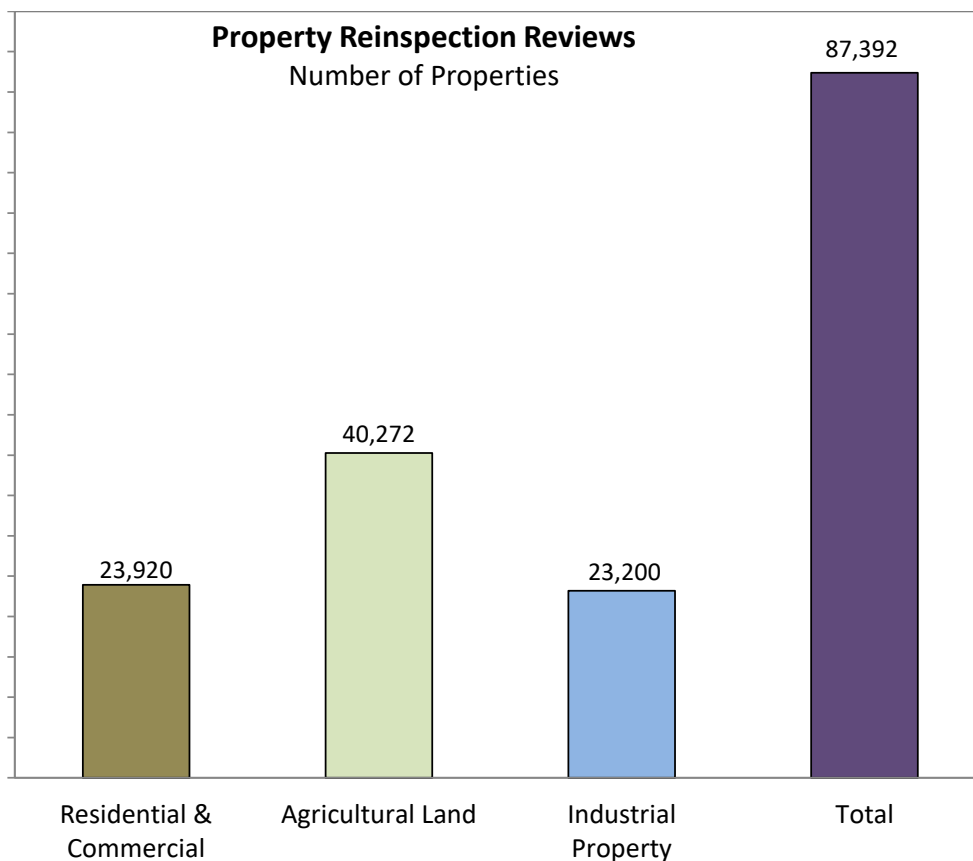
In terms of SAMA's maintenance fee-for-service initiative, the agency invoiced for 23,495 residential, commercial, industrial and agricultural maintenance requests (this was work done in 2019/2020 but invoiced for 2020). This was an increase from the chargeable reviews invoiced in the past three years (20,606 in 2019, 24,190 in 2018, 24,700 in 2017 and 25,812 in 2016). This fee came into effect in 2016.

The volume of standardized oil and gas annual maintenance (94,904 properties) tends to overshadow the volume of other industrial property assessments. In 2020, the agency also received and started processing 21,000 properties via renditions received from resource companies and conducted a flow line and tank review of 21,089 properties.

## 2. Reinspection Program

Over time, property assessments become dated because of the cumulative effect of physical attribute and condition changes that are not identified for an annual maintenance review. There is also the risk of assessable properties being absent from a municipality's assessment roll. The general reinspection program undertakes to review each property to re-establish a uniform base of up-to-date property records for the municipality.

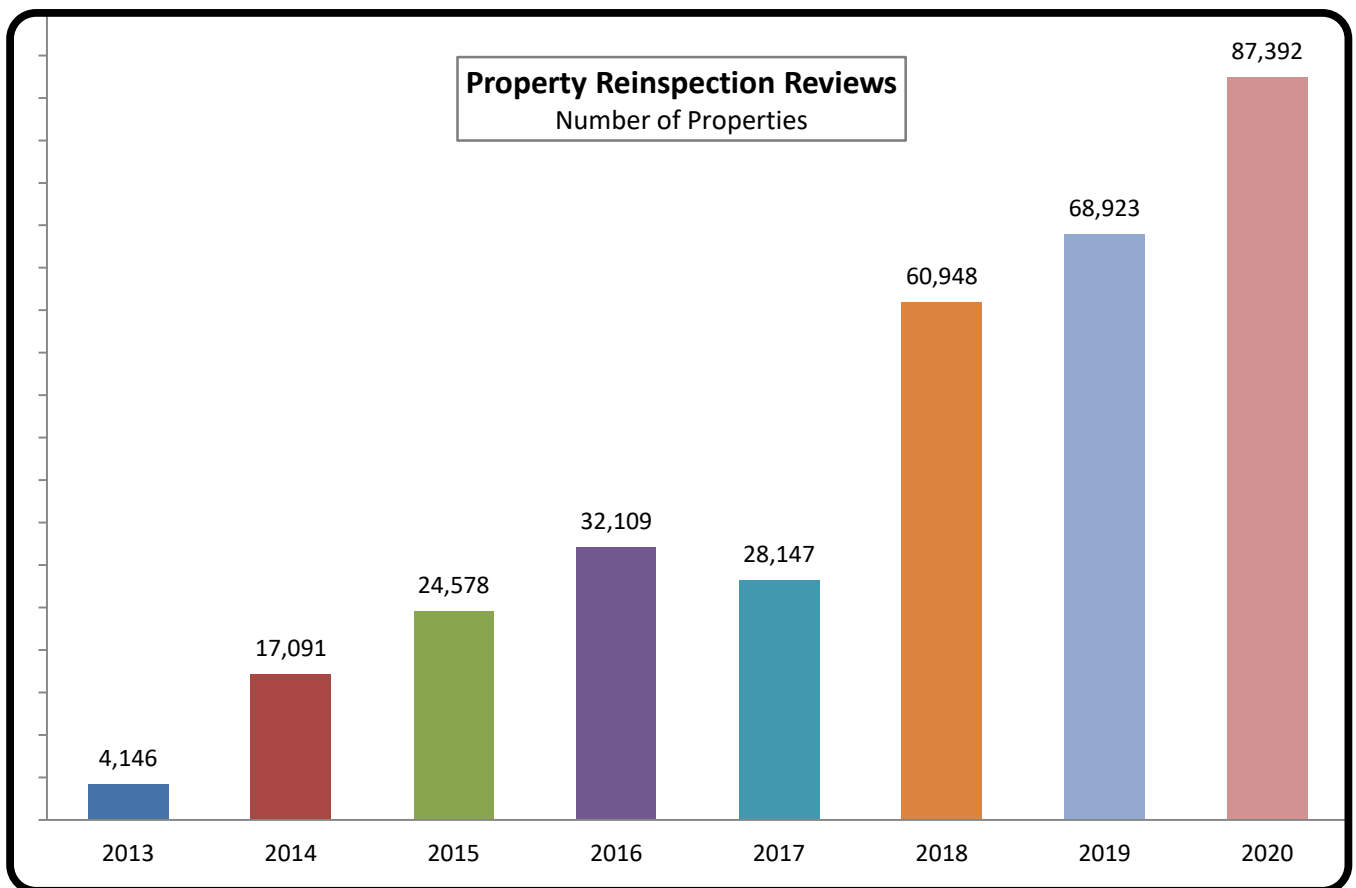
In the most recent three years SAMA has begun to make progress towards the goal of a 12-year reinspection cycle. By conducting reinspections, municipalities may see increases in the taxable assessment base and SAMA estimates that 2-5% of assessable property may be currently left off of assessment rolls. SAMA is now one quarter of the way through this full reinspection.



## The Agency's Performance

The agency reinspected 87,392 properties in 2020 (68,923 in 2019, 60,498 in 2018, 28,147 in 2017, 32,109 in 2016 and 24,578 in 2015). The agency reinspected 40,272 agricultural properties (24 rural municipalities), 21,981 residential properties and 25,139 commercial and industrial properties. Reinspections were targeted at areas and municipalities where the assessments were estimated to be the furthest out-of-date.

SAMA has reached a level of reinspection that, if maintained, will allow the agency to meet its goal of reaching a 12-year re-inspection cycle. 2018 was a turning point for SAMA and the agency was able to conduct a record number of reinspections for a third consecutive year in 2020. The agency is now conducting more than three times as many annual reinspections when compared to five years ago.

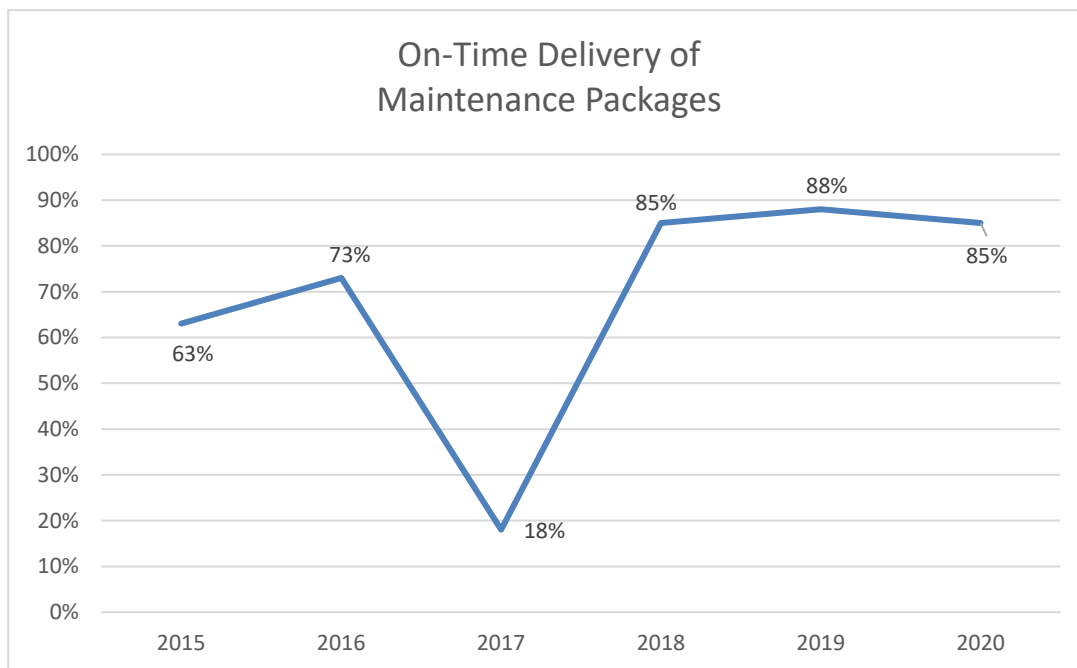


## **#2: On-time delivery of client services**

The agency has undertaken to improve the on-time delivery of annual maintenance services to its client municipalities. Since 2008, the objective has been to advance the delivery of annual maintenance in an effort to ensure client municipalities receive their maintenance packages when they want them so they can complete their assessment roll by the May 1<sup>st</sup> legislated deadline (April 1<sup>st</sup> for cities). Advancing maintenance deliveries to clients also carries the benefit of improving program efficiency by balancing out the agency's workload. The agency has also become more responsive to the needs of clients, implementing a system to deliver maintenance lists when desired by municipalities, rather than when convenient for the agency.

### **The Agency's Performance**

The agency's goal for 2020 was to deliver 85% of maintenance packages to municipalities by their specified date. SAMA delivered on-time to 85% of municipalities who requested their 2020 maintenance packages by a specific date and by May 1 for municipalities who do not have a preferred delivery date (on-time delivery was 88% in 2019, 85% in 2018, 18% in 2017, 73% in 2016 and 63% in 2015). 95% of municipalities received their maintenance within three weeks of the requested date.



### **KPM #3: Client satisfaction**

The agency strives to provide reliable, timely and complete assessment information services to client municipalities, the education sector, the provincial government, commercial clients and property owners. As part of the measurement of the agency's performance, SAMA has contracted Tanka Resource Group Inc. to carry out an anonymous biannual survey of SAMA municipal clients. The feedback received in the survey is used by the agency to identify strengths and areas for improvement. The planning process will then assign resources to areas of weakness. The maintenance of reliable service, positive communications and relationships with clients is essential to the agency's ongoing success.

#### **The Agency's Performance**

The agency's biannual survey of client municipalities focuses on determining their level of satisfaction with the assessment services received. The results of the 2019 survey were very positive for SAMA, exceeding the already favourable scores received in both 2017 and 2015.

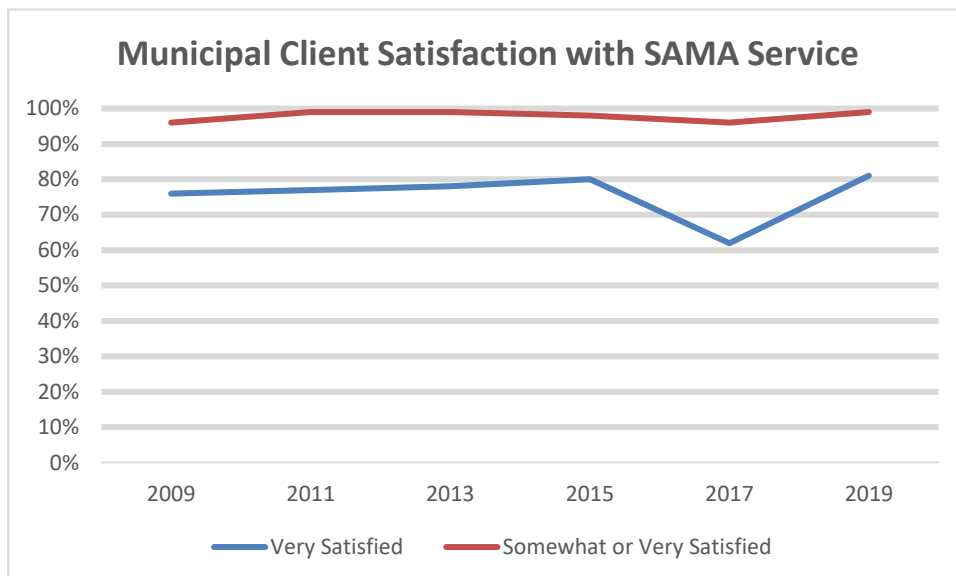
The agency maintained high rating levels from its client municipalities for customer service, annual maintenance services and overall satisfaction with the agency. The agency also maintained a high recommendation rating from its clients.

Client municipalities scored the agency an average of 3.79 out of 4 for customer service (contact satisfaction), an increase from 2017 (3.57). In terms of customer service, clients were most satisfied with the manner in which they were treated by SAMA staff (fairly and with respect) and were least satisfied with being dealt with in a timely manner.

77% of client municipalities scored the agency positively for the 2017 revaluation (94% in 2013). Of the 77%, 22% rated SAMA as excellent and 55% as good.

In the 2017 survey, 97% of the survey respondents indicated that they would recommend SAMA's services to other clients (95% in 2017 and 100% in 2015). 23% of municipalities reported having a problem in their dealings with SAMA, an increase of 5% from the previous survey.

The feedback was an endorsement of the service that SAMA is providing but also a signal that the agency has room to improve in certain areas. Respondents were most happy with the quality of SAMA service and the manner in which the services are delivered. The most common suggestions for improvement were improving staff levels/continuity, improving maintenance accuracy, improving revaluation errors, improving communication and improving maintenance turnaround time.

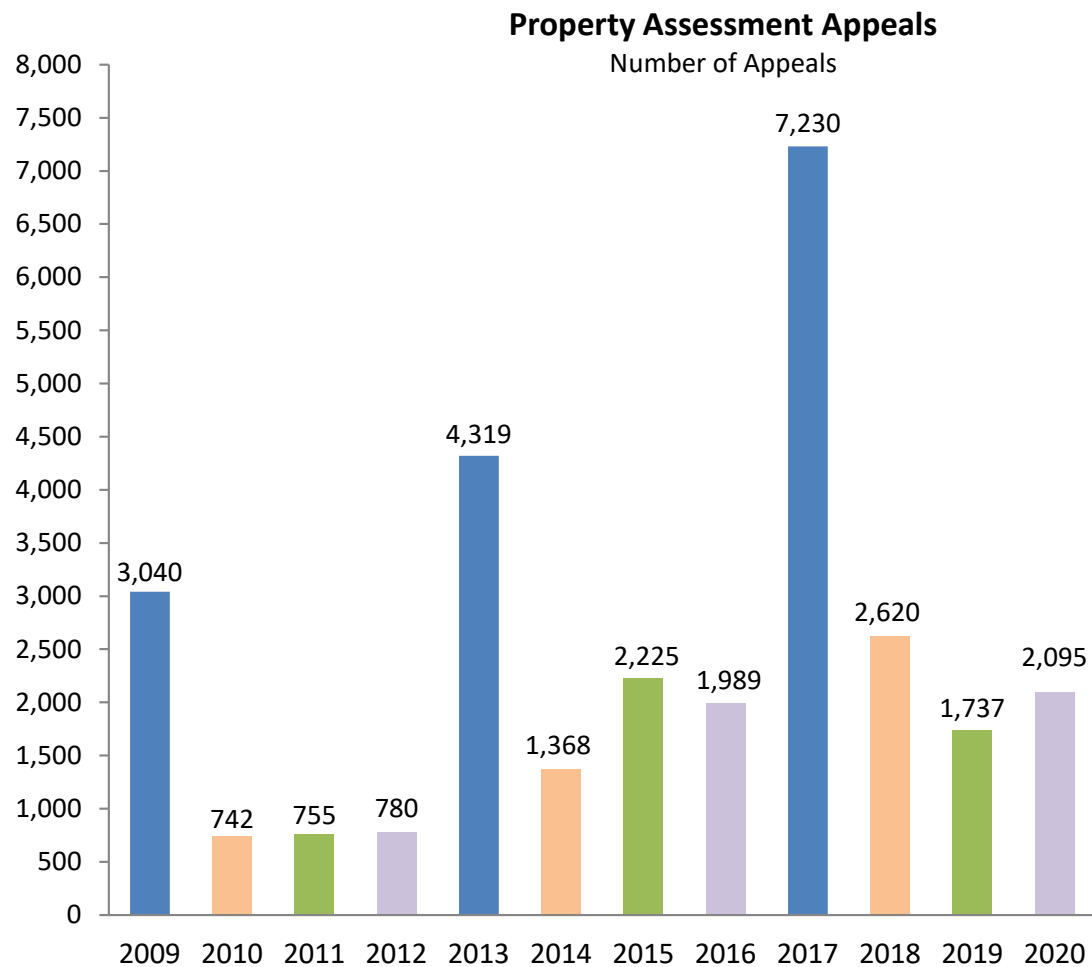


# Quality of Property Assessment Services

## **KPM #4: Amount of assessment at risk through appeals**

Property owners who believe that their property’s assessed value is not accurate may appeal the assessment to the local board of revision, and subsequently to the Saskatchewan Municipal Board (SMB) and the Court of Appeal (COA). Court of Appeal challenges are limited to points of law. SAMA will also appeal assessment rulings of appeal tribunals to ensure precedent setting assessment policies and legislation are dealt with appropriately and to protect the assessment base for municipalities and the education sector in the face of perceived erroneous decisions from local boards of revision.

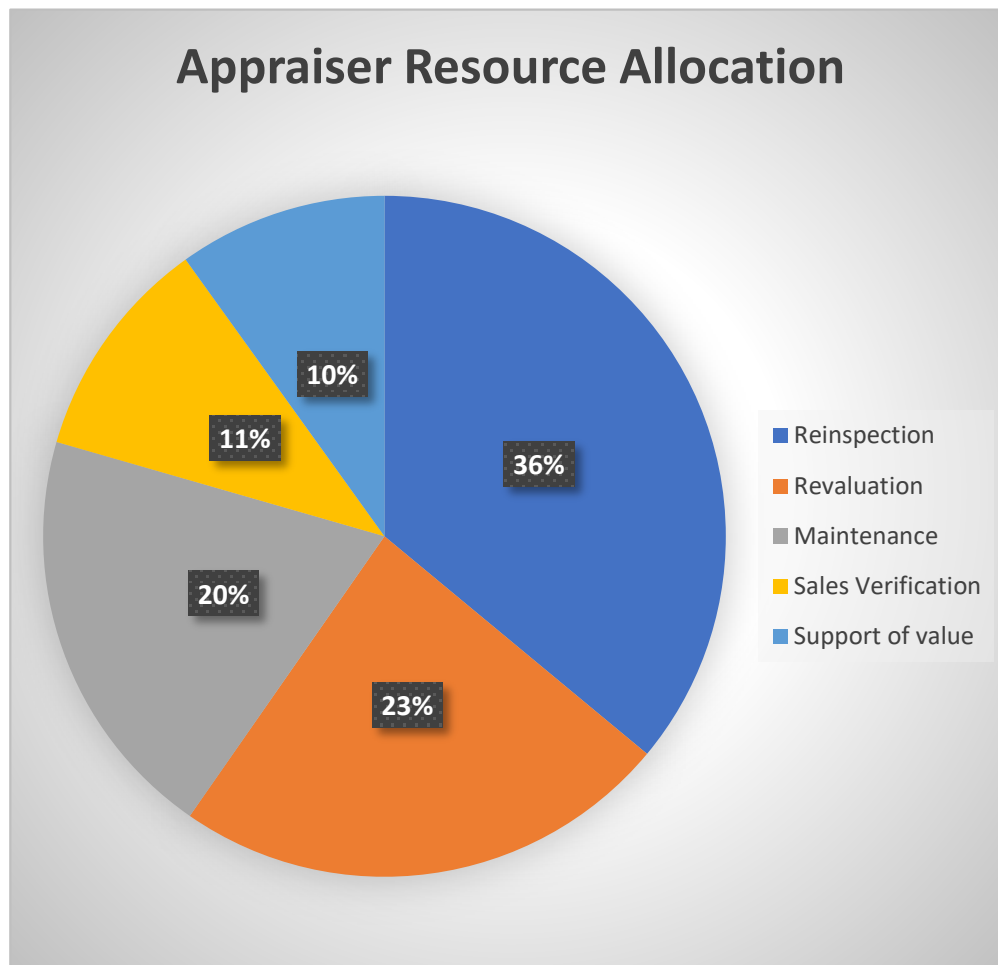
The agency’s appraisers will meet with property owners to identify and resolve any valuation errors prior to the formal appeal process. Dealing with property owners directly to swiftly correct assessment errors is a priority for the agency. Quick resolution increases stakeholder confidence in SAMA and reduces support of value costs and efforts for all parties involved. Where there is not an apparent resolution to a property owner’s concerns, the agency provides the municipality with professional appraisal and legal expertise to support the property assessment values through all levels of appeal.



## The Agency's Performance

Once every four years the agency revalues all properties in each of its client municipalities to reflect a more current valuation base date. The highest number of appeals generally occur in the first year of a revaluation, followed by a reduced level in years two, three and four. 2020 was year four of the revaluation cycle and the number of appeals was slightly higher than the year four of the last revaluation and significantly higher than year four of two revaluations ago. Appeals in 2020 were initiated on 0.24% or 2,095 properties (there were 1,989 appeals in 2016, which was year four of the previous revaluation cycle and 780 in 2012). In the previous two revaluation cycles the number of appeals were 5,342 (2009 to 2012) and 11,890 (2013 to 2016). The current four-year cycle (2017 to 2020) there were 13,682 appeals – an increase of 15% over the previous revaluation cycle.

The 2,095 appeals in 2020 were consistent to the number received in 2016 (the last year 4 of a revaluation cycle). Over the last several years SAMA had been seeing a trend of increasing appeal rates. A leveling off of non-agricultural property values in the Province, decreased levels of property sales and the economic shock of COVID-19 may be contributing factors. The number resolved by agreement to adjust or that were withdrawn was 1,511 or 72.1% (65.4% in 2019, 75.8% in 2018, 73.0% in 2017 and 82.0% in 2016). In 2020 340 appeals were heard by boards of revision, 203 are in progress at year-end and 62 were forwarded to the Saskatchewan Municipal Board. It was also a very busy year for SAMA in dealing with appeals from past years: during 2020 the SMB heard 70 appeals from 2017, 2018 and 2019 that involved SAMA municipal clients.



2020's support of value work involved 14,138 direct labour hours in 2020 (17,000 in 2019 and 22,000 in 2018), representing approximately 10% of SAMA's assessor resources (12.9% in 2019, 16.7% in 2018, 37.9% of resources in 2017, a revaluation year). The demand for support of value has and will continue to force SAMA to allocate a large portion of resources and is an area of risk for both the agency and its stakeholders. SAMA has set an appeal completion goal of 1.10 completed appeals per day and in 2020 the completes per day average was 1.36 (1.18 in 2019).

In addition to a general increase in appeals to local boards of revision, there has also been an increase in appeals to the Saskatchewan Municipal Board and the Court of Appeal when compared to previous revaluation cycles.

SAMA continues to train staff on preparing and presenting assessment appeals in an efficient, professional and effective manner. Furthermore, appeals have also become a more labor-intensive process with appeals becoming more and more detailed and multi-faceted. The agency also uses specialized staff for more complex appeals and contracts lawyers for the most complex and risky appeals (including all appeals that advance to the Saskatchewan Court of Appeal).

SAMA also has formed an appeals support committee to ensure that appeals are handled effectively and on a timely basis. The committee tracks appeal levels and shares information amongst appraisers to help them be more successful in supporting values during the appeal process. During the current revaluation cycle SAMA has been able to deal with a record number of appeals while at the same time doubling the number of property reviews conducted. SAMA's win ratio has substantially improved in the past two years, particularly at the Saskatchewan Municipal Board and Court of Appeal levels.



## **KPM #5: Confirmation of municipal assessment rolls**

The SAMA Board is responsible for confirming the assessment roll of all Saskatchewan municipalities after taking steps to ensure that the assessments in the municipality have been completed in accordance with legislation. Municipalities require this confirmation to allow them to enforce the collection of property taxes. The confirmation process is initiated when a municipality submits its annual assessment return.

Both confirmation audits and primary audits are conducted to determine whether a municipality's assessments have been prepared and administered in accordance with the municipal acts.

### **The Agency's Performance**

There were 763 municipalities in Saskatchewan in 2020 – 759 municipalities received their valuation services from the agency and 4 municipalities provided their own valuation services.

For the 2020 assessment roll year, 746 (97.8%) of all municipalities had submitted their assessment return by December 31, 2020 (746 municipalities and 97.9% in 2019).

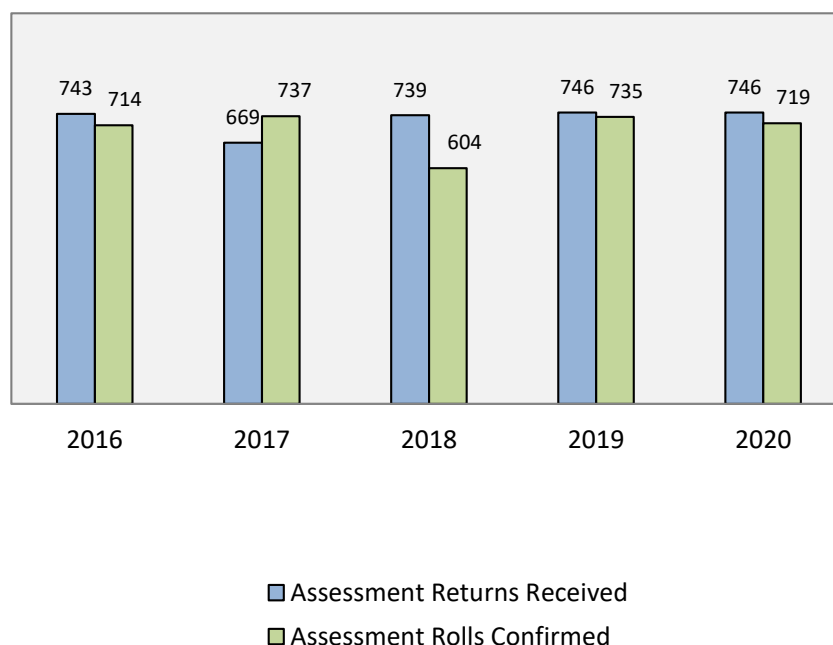
The agency confirmed 743 (97.4%) of the submitted assessment rolls as of December 31, 2020 (719 municipalities and 96.4% in 2019), 3 assessment returns were still being audited, 17 municipalities had not submitted a return for 2020 and 2 municipalities had not submitted a return for 2019.

In addition to the 746 2020 returns, SAMA's QAD division also completed 31 confirmation audits for years prior to 2020 for a grand total of 777 confirmation audits.

Primary audits are conducted as part of the confirmation process to ensure that the overall level of appraisal for a municipality falls into the acceptable range prescribed in Provincial regulations. Of the 777 confirmation audits, all were resolved through to compliance (100%).

SAMA has a policy of completing confirmation audits within 90 days of receipt of a municipal assessment roll. The average turnaround time was 39 days in 2020 (34 in 2019 and 31 in 2018).

## **Confirmed Assessment Rolls**



## Cost of Property Assessment Services

### **KPM #6: Process Improvement and Use of Technology**

2020 was a year in which SAMA continued to work on maximizing the use of technologies and process changes that began as part of the Technology Infrastructure (TI) Program back in 2014. The largest improvement project that was completed in 2020 was the automation of revaluation reporting. This project streamlined and added automatic error detection routines to a complex, multi-step report generation process, allowing appraisal staff to more easily produce consistent, high quality revaluation report packages for each client municipality.

### **Continued Benefits of the TI Program**

SAMA has been able to increase output (measured by property inspections) due to the technology, valuation model simplification and process change investments made over the last several years without a large increase in staff. Streamlining of data collection/analysis and the implementation of handheld computers for field work are two of the largest factors and staff continue to make incremental gains in the efficient use of these tools. The additional revenue provided by government to SAMA (starting in 2019) allowed the agency to add new appraisal staff for the first time in several years, with the objective of leveraging the previously described efficiency gains and further increasing inspection capacity from 100,000 to 110,000 property reviews in 2020. Continual review of processes and a plan to replace hardware on an ongoing basis as needed will allow SAMA to keep delivering this level of service and work on reach even higher levels.

The agency is currently working on a review of its use of servers and how information is shared with the goal of not just maintaining the current use of technology but looking for new opportunities as well.

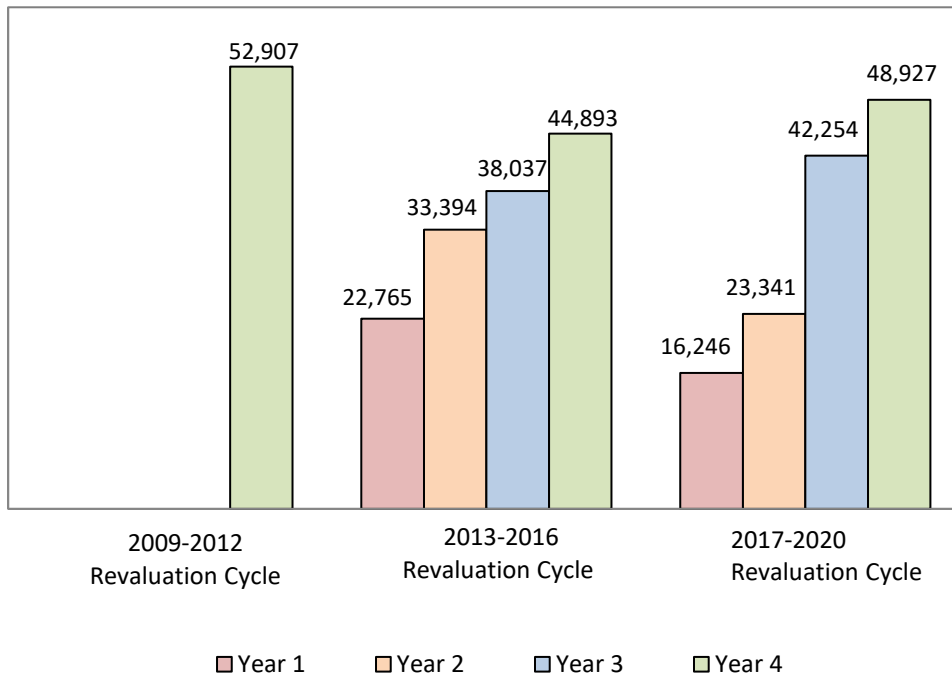
### **SAMAVIEW, Web Portal and Revaluation Reporting Automation**

2020 was the first full year of operation for SAMA's "MySAMA" web portal application and updated SAMAVIEW application that went live in 2019. The agency continues to receive positive feedback for both. The web portal allows municipal clients to utilize a secure business to business internet application to request annual maintenance work, monitor progress of requested work, and self-serve for any necessary reports after their requested assessment work has been completed. The new version of SAMAVIEW offers a more-up-to-date interface and provides more data to stakeholders.

SAMA must conduct a province-wide revaluation every four years and is currently delivering the 2021 revaluation. To effectively deliver a provincial revaluation for all properties, many hours of data analysis and policy work must be done. To deliver not only an accurate revaluation, but also a cost-effective one, the agency has a goal to control the number of hours spent on the quadrennial revaluation. 2020 was the fourth and final year of the current cycle of 2017-2020. Revaluation represented 48,927 direct labor hours or 34% of the resources of SAMA's appraisal staff (42,253 hours and 32% in 2019). In 2016, year 4 of the 2013-2016 cycle, revaluation efforts were 44,893 direct labour hours.

## Revaluation Appraiser Effort

Direct labor Hours



SAMA also has the goal of reducing the number of current unverified property sales reviews. The balance of unverified sales at the end of 2020 was 4,421 (4,786 in 2019).

By spending less time on revaluation efforts, SAMA has been able to allocate more time to maintenance, reinspection and support of value activities. For the 2017-2020 cycle, SAMA has spent 130,768 hours on the revaluation. This is a decrease of over 8,000 hours or 6.0% from the 2013-2016 revaluation cycle.

It is important to note that the completion of revaluation work was hampered by the operational adjustments the agency had to make in response to the COVID-19 pandemic. Revaluation analysis and the rate development work normally require a substantial amount of peer-to-peer collaboration to complete the work efficiently and effectively. This collaboration was made more difficult due to staff working remotely for the majority of 2020, resulting in some delays in completion of the final assessment values for 2021.

For 2020, in keeping with the administration of the traditional four-year revaluation cycle policy processes, Technical Standards and Policy (TS&P) was engaged in preparations for the 2021 Revaluation, which will use a base date of January 1, 2019. This involved finalizing the regular consultation process with stakeholders regarding 2021 assessment policy. The 2021 assessment publications, including the *Saskatchewan Assessment Manual (2019 Base Year)* and *SAMA's 2019 Cost Guide*, were approved by the SAMA Board in 2020. The Minister also approved the regulated assessment Manual needed for it to have the force of law. The division also finalized amendments to the *Market Value Assessment in Saskatchewan Handbook* and obtained Board approval in time to use the Handbook amendments with the 2021 Revaluation.

In 2020, TS&P continued its quality coordination and 2021 Revaluation oversight responsibilities. Activities include working with assessment service providers to promote best practices in valuation as well as regular reporting of work progress. Deliverables include quarterly reports to the SAMA Board which are in turn shared with the Province. Quarterly reporting began in the fourth quarter of 2018 and will be completed in the first quarter of 2021 with the implementation of the 2021 revaluation.

SAMA's Technical Standards and Policy Division is already conducting advance work for the 2025 Revaluation. This preliminary work for 2025 which started in 2020 includes a full oil and gas well assessment model review. This model review has engaged assessment professionals and industry technical experts to review and update the current oil and gas models used by SAMA. The review is required to ensure the models reflect current oil and gas practices and technologies and ultimately provide accurate assessment valuations that are fair and equitable. A similar, but smaller scale review of our pipeline assessment models for 2025 also commenced in 2020.

SAMA's Technical Standards and Policy Division is also working with the University of Saskatchewan (U of S) Soil Science Department on a full review of the arable agricultural land productivity-based assessment model. In conducting this research, which relies on more current yield and climate data, the basic structure of the productivity model, which is accepted across the rural sector, will be preserved. This review will be used to recommend model improvements for 2025 including potential re-weighting of the model, possible areas of simplification, and how new technology may create efficiencies for future agricultural assessments. As with the oil and gas and pipeline model reviews, consultations will be held with stakeholder groups and SAMA's Advisory Committees to seek their input into the agricultural model review for 2025.

## **KPM #7: Agency operating costs**

The agency is responsible for providing quality, efficient and cost-effective assessment valuation services to client municipalities and the education sector. The agency served 759 cities, towns, villages, rural municipalities and northern communities in 2020.

The agency's business management model focuses on three areas – program delivery, performance management and accountability. Four-year business and financial plans and annual business and financial plans are developed in consultation with the agency's funding stakeholders, and annual performance reports are provided to the funding stakeholders.

The agency is working to continuously improve the integration of these plans with operational program delivery plans and to improve performance reporting both internally and externally to stakeholders.

### **The Agency's Performance**

#### **1. Planning and reporting**

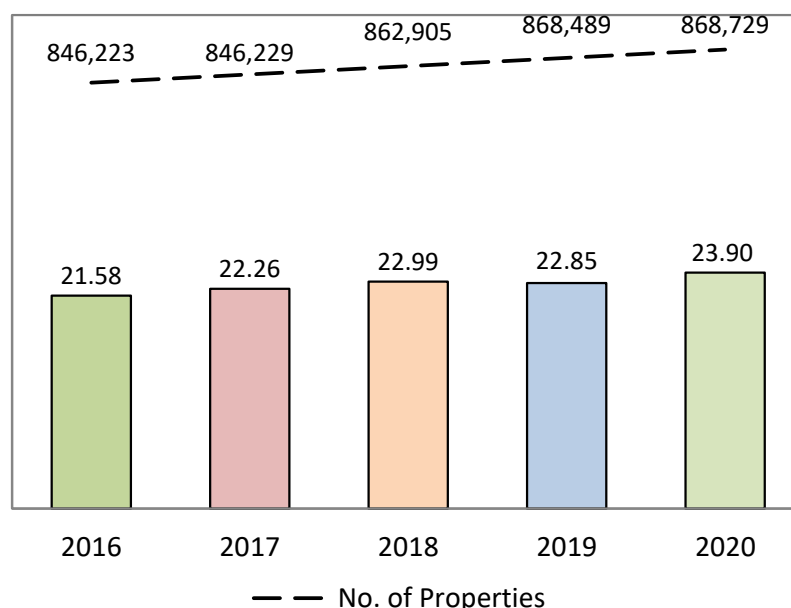
The agency has expanded the use of program charters throughout all program areas to define all work projects undertaken for each goal and objective set out in the agency's annual business and financial plan. Program charters set out the business need, scope, objectives and deliverables, milestones and key participants for each work project.

#### **2. Operating costs**

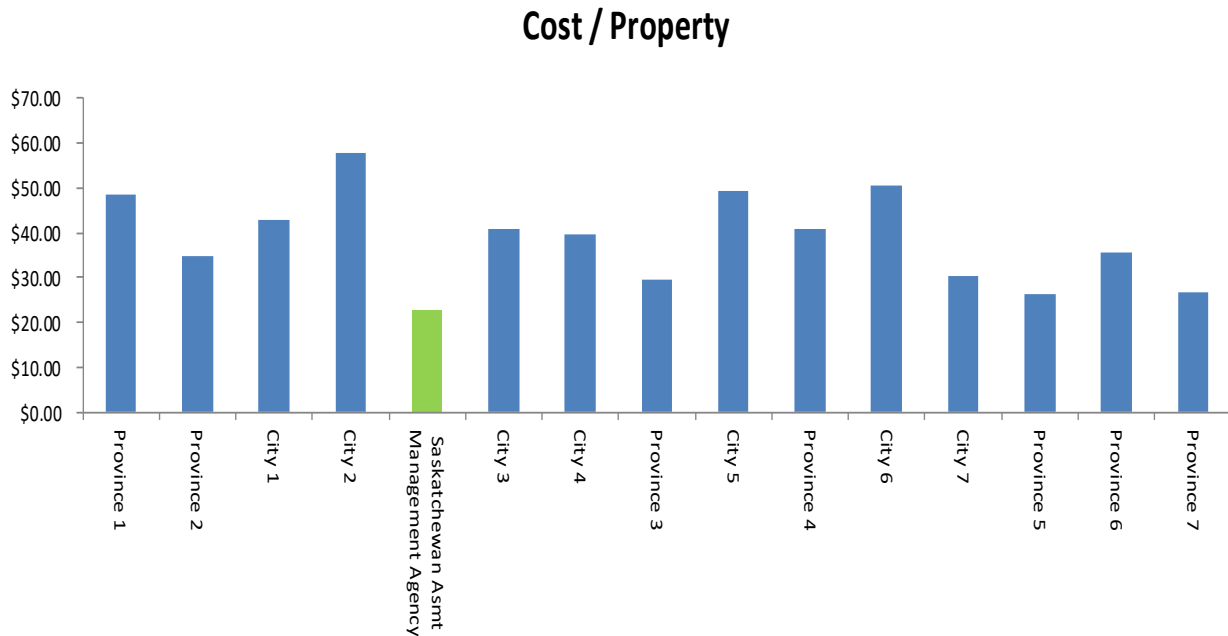
In 2020 the agency's operating cost per property increased to \$23.90 (868,729 properties and a total operational spending of \$20.763M). The 2020 operating cost per property represents an increase of more than 4% over the previous year (\$22.85 in 2019). The 2020 Inflation Rate for Canada as calculated by Statistics Canada was 1.0% (1.9% in 2019 and 2.0% in 2018). SAMA's cost per property rose primarily due to lower than expected levels of property growth in Saskatchewan and a substantial increase in legal costs required to support a record number of appeals brought forth by professional tax agents to the Court of Appeal in 2020.

Delivery of annual maintenance, revaluation and support of value services remain the agency's main priorities while also mitigating increases to operating costs.

**Agency Operating Cost**  
Cost per Property (\$)



## 2019 SAMA Operating Costs vs. Other Canadian Jurisdictions



### Workforce Commitment

#### KPM #8: Workforce Turnover

As an entity that provides a professional service, the agency's success in providing property assessment services within Saskatchewan depends on the knowledge, skills and expertise of our employees and the agency's ability to attract and retain a talented and skilled workforce.

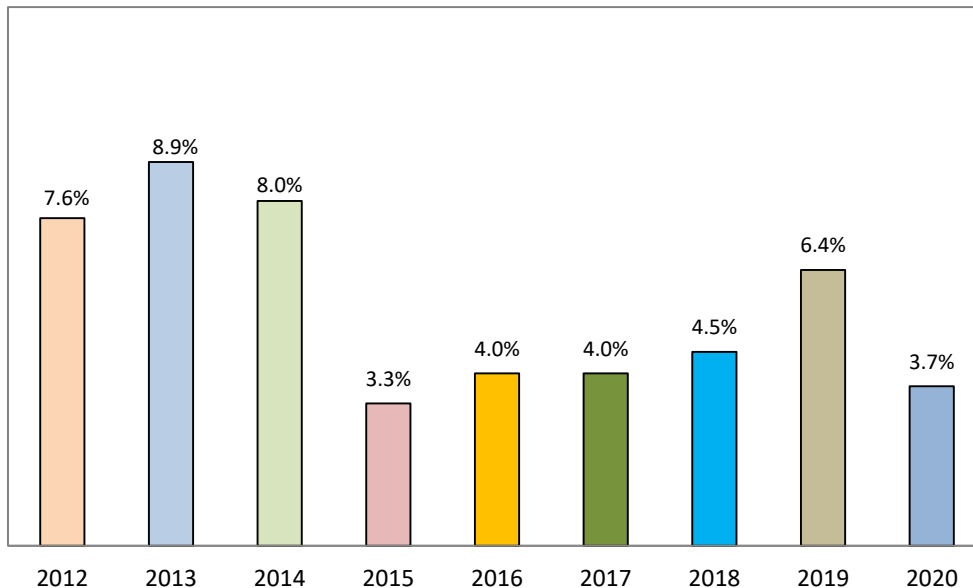
#### The Agency's Performance

In 2020 the voluntary turnover rate at SAMA was 3.7% (down from 6.4% in 2019 and 4.5% in both 2018 and 2017). The decrease may be partially attributed to the COVID-19 pandemic and an uncertain job market but is also attributable to the positive support that the agency provided to staff when they transitioned to working from home during this very challenging year.

SAMA has the goal of having an annual turnover rate of at or under 5.0%. SAMA operates in a competitive environment as an employer attracting and retaining qualified staff and there continues to be challenges within the assessment field as fewer people complete property assessment educational programs in western Canada.

The agency continues to offer a comprehensive benefits package and a workplace that has a positive and supporting culture. The agency invests in employees and promotes from within when it can. Throughout the pandemic in 2020, SAMA was flexible with staff and balanced employee needs with the needs of stakeholders. Safety of staff, customers and property owners was the top priority in 2020 and the agency managed to deliver on this commitment without a drop in service delivery.

**Workforce Turnover**  
Percentage of Permanent FTEs



**KPM #9: Employee Engagement**

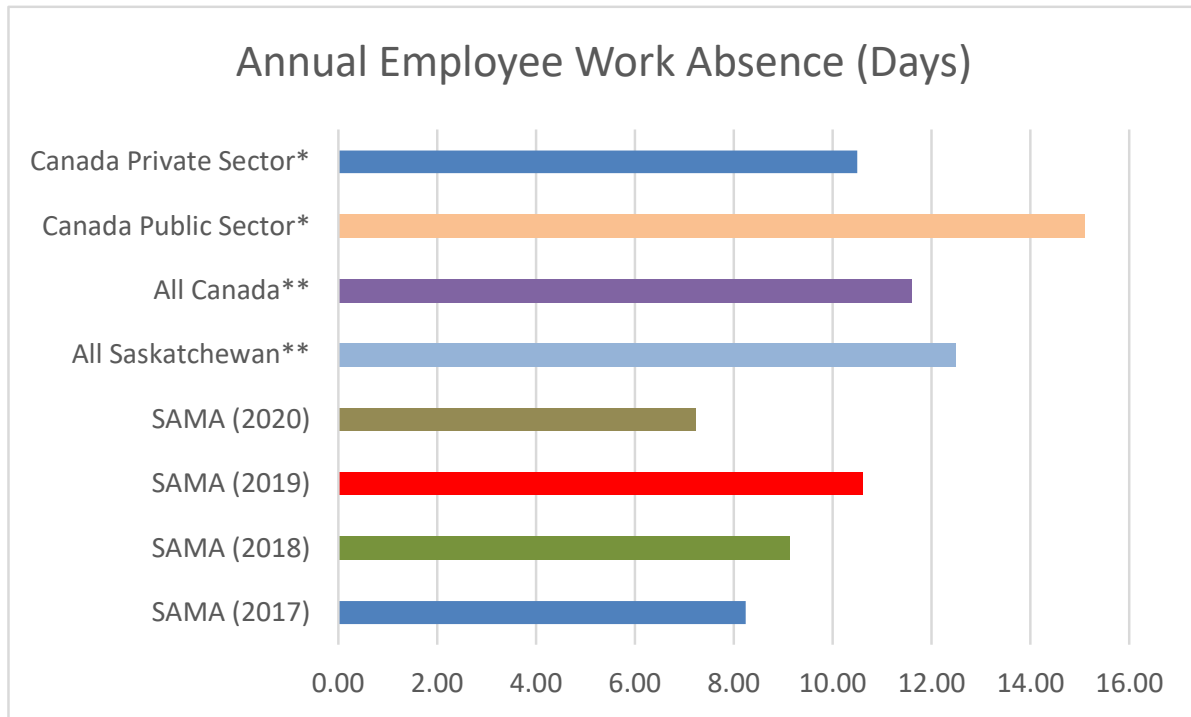
The agency is striving to create a culture of motivated and engaged employees who work together in a productive, continuously improving environment, guided by leadership that is based on a clear and positive vision of the future, using processes that consistently deliver what is expected in order to consistently satisfy our clients’ needs.

**The Agency’s Performance**

Employee engagement and organizational performance are critically linked, and the agency conducts surveys to determine the level of employee engagement, and to assist the agency in developing and implementing new initiatives and programs. SAMA conducted an employee engagement survey in early 2019 to determine the agency's current employee engagement status and to identify possible areas for improvement. Once again, the survey had a very high response rate of 92% for all SAMA employees (83% in 2015 and a public sector benchmark of 61%).

The 2019 survey showed an increase in favourable employee engagement, with a score of 67% (57% in 2015, 51% on the 2014 pulse survey and 46% in 2013). SAMA was pleased to meet its previously set goal of a 5% increase over the 2015 results but did fall short of the public sector benchmark of 72%. Additionally, the employee survey also indicated that employee engagement had increased in all measured survey dimensions, indicating progress in all of the drivers of employee engagement, rather than in isolated areas.

In 2020 SAMA’s employee absenteeism rate was 7.2 days per employee (10.6 in 2019, 9.1 in 2018, 8.2 in 2017 and 9.3 in 2016). SAMA’s rate of 7.2 is significantly lower than the rest of the province or national averages (see below) as well as SAMA’s results in previous years. The large decrease in absenteeism in 2020 can be primarily attributed to a large decrease in sick leave usage.



\*Source: Statistics Canada Table 14-10-0190-01, *Work absence of full-time employees by geography, annual*

\*\*Source: Statistics Canada Table 14-10-0196-01, *Work absence of full-time employees by public and private sector, annual*

### Investing in a Qualified, Experienced, and Continually-Learning Workforce

The agency employs the most comprehensive group of mass appraisal experts in the province of Saskatchewan and, as a provider of professional services, SAMA is committed to employing the most qualified and effective staff available. As such, SAMA encourages its employees to further their personal skill sets via education and training.

At the end of 2020, 60% or 72 of SAMA’s 121 staff that conduct property assessments are fully accredited (have at least four years of assessment experience and have completed the educational requirements of an assessment designation). SAMA continues to be an industry leader in supporting staff while they further their career training – providing full tuition and up to twelve paid professional leave days per annum for staff pursuing a professional appraisal designation. In 2020, SAMA invested an average of 50 hours per employee on training and professional leave.

In order to have a strong workforce not only now but also in the future, SAMA has implemented an extensive leadership development program for current management as well as an emerging leaders training program. The agency has developed a succession plan and that will ensure knowledge transfer and continuation of the agency’s operations.



The agency values the years of experience that have been achieved by employees and knows that staff retention is paramount to the long-term success of SAMA. The average SAMA employee has 13.7 years of service with the agency (13.7 years in 2019 and 14.9 years in 2018). Employing qualified staff and investing in their training helps to increase engagement and also the quality and efficiency of the province's assessment system over the long term. The agency currently invests just under 2.5% of the operating budget directly into training initiatives (excluding staff wages and benefits while training).

Despite the challenges of preparing for a revaluation and the COVID-19 pandemic in 2020, SAMA was able to effectively provide assessment services to its 759 municipal clients, the Province of Saskatchewan and all other stakeholders due to the resiliency and dedication of its workforce.

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