

**Saskatchewan Assessment Management Agency**  
**Rural/Urban Advisory Committee**  
Meeting Minutes for November 29, 2023  
Sandman Hotel – The Great Room 1800 Victoria Avenue East, Regina; or  
Virtual Meeting Microsoft Teams

**Urban Advisory Committee**

**Members Present:**

Audrey Trombley, SAMA Board Member  
Myron Knafelc (ex officio), SAMA Board Chair  
Kevin Tooley, City of Warman  
Bryan Matheson, Town of Lumsden  
Bruce Fidler, Town of Creighton  
Brian Hicke, Saskatchewan School Boards Association

**Members Absent**

Randy Goulden, Committee Chair, SAMA Board Member, Urban Sector  
Dawn Luhnig, SAMA Board Member, City Sector  
April Phillips, City of Melfort  
Walter Streeelasky, City of Melville  
Mike Strachan, Village of Torquay  
Jamie Brandrick, Town of Borden  
Doug Allan, Provincial Association of Resort Communities of Saskatchewan  
Danielle Sorenson, Saskatchewan Assessment Appraisers' Association

**Observers Present:**

Kelly Munce, Ministry of Government Relations  
Marty Baroni, Urban Municipal Administrators Association of Saskatchewan  
Abayomi Akintola, Ministry of Government Relations

**Observers Absent:**

Jean-Marc Nadeau, Saskatchewan Urban Municipalities Association  
Christa-Ann Willems, Saskatchewan School Boards Association  
Betty Rogers, SAMA CEO

**SAMA Administration Present:**

Kevin Groat, Committee Secretary, SAMA  
Karlo Simonson, SAMA QAD  
Shaun Cooney, SAMA TS&P

**Rural Advisory Committee**

**Members Present:**

John Wagner, Committee Chair, SAMA Board Member, Rural Sector  
Myron Knafelc (ex officio), SAMA Board Chair  
Jim Angus, SAMA Board Member  
Richard Marleau, SAMA Board Member, Rural Sector  
Maurice Werezak, Division 5, R.M. of Fish Creek No. 402  
Kim Herbst, Division 6, R.M. of Progress No. 351  
Judy Harwood, Saskatchewan Association of Rural Municipalities  
Garry Dixon, Provincial Association of Resort Communities of Saskatchewan  
Norm Hall, Division 4, R.M. of Elfros No. 307  
Janet Kotylak, Saskatchewan School Boards Association  
Jeff Sedor, Saskatchewan Assessment Appraisers' Association

**Members Absent:**

Shawn Kramer, SARM Division 3  
Sacha Martens, Division 2, R.M. of Lake Johnston No.102  
Robin Thompson, Division 1, R.M. of Maryfield No. 91

**Observers Present:**

Dami Ogundiwin, Ministry of Government Relations  
Carol Bellefeuille, Division 4, Rural Municipal Administrators Association of Saskatchewan

**Observers Absent:**

Douglas Armbruster, Saskatchewan School Boards Association  
Jay Meyer, Saskatchewan Association of Rural Municipalities  
Betty Rogers, SAMA CEO

**Guests Present:**

Katarzyna Boken-Callbeck, Ministry of Agriculture

**SAMA Administration:**

Susanna Hadi, Committee Secretary, SAMA  
Todd Treslan, SAMA ASD  
Andrew Workman, SAMA TS&P  
Karlo Simonson, SAMA QAD

<b>Agenda Item</b>	<b>Decision/Resolution:</b>
1. Call to order	John Wagner, Chair of the Rural Advisory Committee, called the meeting to order at 10:01 am.
2. Opening remarks	John Wagner welcomed everyone to the meeting.
3. Introductions	In person attendees introduced themselves.
4. Approval of meeting agenda	MOTION by Richard Marleau that the agenda be approved. <b>Carried</b>
5. Minutes from the previous meeting held March 21, 2023	MOTION by Bruce Fidler that the minutes of the Marche 21, 2023, joint Rural and Urban Advisory committee’s business meeting be adopted as circulated. <b>Carried</b>
6. Business arising from the Joint Minutes	No business arising.
7. <u>SAMA Update</u>	
Item 7a: CEO Report	PowerPoint presentation by Shaun Cooney, SAMA TS&P, and Todd Treslan, SAMA ASD.

Committee Comments

Rural Member: Does the Ministry of Government Relations have insight into whether percentages of value will change for 2025?

Ministry of Government Relations: The Ministry will not be able to update stakeholders on percentages of values until after SAMA provides preliminary values on April 1, 2024, and the Ministry is able to fully analyze these values ahead of the upcoming revaluation.

SAMA Board Member: For reference at the SUMA working group for reviewing IPTI options for change, there has been a push to remove percentages of value in Saskatchewan. The rationale behind removing the percentages of value would be to allow for other recommendations, such as a shorter revaluation cycle, to be more easily implemented as SAMA would not have to prepare preliminary values for the Ministry ahead of each revaluation.

Rural Member: In resort communities, there are many properties that are 40 years or older. For these properties, does depreciation remain applied?

SAMA Administration: These will continue to have depreciation applied up to the last base date. The calculation for depreciation is largely driven by the property’s condition and year built.

Municipalities are encouraged to send maintenance lists to SAMA. SAMA can then review if these properties have recently been updated (e.g. renovation, degradation, new construction, or demolition). These reviews allow SAMA to investigate if the condition of the property should be updated, which will in turn update the depreciation applied to the property.

Should property owners wish to review depreciation, condition and year built on properties, these characteristics are made available on SAMA's property reports.

Rural Member: For property appeals, the increased use of agreements to adjust looks to be a positive sign versus needing to hold Board of Revision hearings.

SAMA Administration: Agreements to adjust were put in place so if an error was found on a property, SAMA and the property owner, or tax agent, could work with the municipality to quickly correct it for the assessment roll.

In recent years, SAMA has seen a reduction in the number of appeals that are completed through agreements to adjust versus going through the appeal hearing process. However, the ability to use agreements to adjust allows for all stakeholders to efficiently address simple appeal concerns.

MOTION by Audrey Trombley that the Committees receive the CEO report.

**Carried**

Item 7b: Assessment Services Division Report

PowerPoint presentation by Todd Treslan, ASD.

Committee Comments

Urban Member: For SMB appeals, how many have been completed and how many remain in progress?

SAMA Administration: Currently, most of the 154 SMB appeals for 2023 have yet to be heard by the SMB. Additionally, there are Boards of Revision that have only recently issued their decisions, which may further generate additional SMB appeals. Therefore, SAMA cannot provide exact numbers at this time.

SAMA Board Member: The SMB has made improvements over the years to be more efficient and they are also providing clearer decisions, which is a positive development.

SAMA Administration: SAMA Administration agrees. In previous years, there were a number of SMB decisions that tied up the appeal system and were then subsequently taken forward to the Court of Appeal. For example, there is one 2017 appeal that is going back to the Court of Appeal. However, the SMB has made

improvements over the last several years and has been effectively handling recent appeals in the system.

SAMA Board Member: From the SUMA working group, a recommendation for appeals is to potentially expedite the process by allowing high value appeals, such as commercial and industrial properties, to go directly to the SMB versus needing to go to a local Board of Revision. Does SAMA administration have any additional background on this recommendation?

SAMA Administration: This has been an item brought before the SUMA working group and was an idea generated from previous history where some Boards of Revision in the province will defer their decision so these larger scale appeals can be directly reviewed by the SMB.

MOTION by Norm Hall 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: An assessment complaint from stakeholders concerns the January 1 Base Date set ahead of each revaluation due to their perspective that January is typically a slow month for real estate transactions. Can SAMA administration provide additional context for the base date?

SAMA Administration: SAMA does not only look at sales occurring in January for each revaluation; SAMA conducts a review of sales, costs and income/expense information leading up to the base date, which can be adjusted for time if required. This has been SAMA's practice over the last several revaluations and it has worked well for the province and various stakeholders.

Following the above comments, SAMA Administration, SAMA Board Members, and a Resort Member held a broad discussion regarding the sending out of reinspection letters to property owners ahead of SAMA coming out to physically inspect properties.

The Resort Member was concerned as a SAMA appraiser came to inspect their property, but they did not receive notice from SAMA ahead of time. SAMA Administration noted that SAMA has the right to inspect every property in the province and the authority to enter property should each property owner be notified ahead of the inspection. However, should the property owner refuse to let SAMA appraisers inside to inspect, they will perform the inspection to the best of their ability by inspecting the outside of the property.

- Following the meeting, SAMA Administration reviewed if letters were sent out to the RM where the Resort Member had concerns. In this case, SAMA confirmed letters were sent to all property owners ahead of the reinspection.

MOTION by Kevin Tooley 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 Administration: A concern from SAMA's perspective on the existing appeal system is the lengthy timeline to settle appeals in certain circumstances. This has a costly impact on both SAMA and property owner resources with continually requiring submissions and potential legal cost for these appeals.

For example, a notable SAMA appeal has gone through various Boards and Courts for six and a half years and may be re-appealed to the Court of Appeal. If this appeal is granted leave, it may not receive a decision until 2025, which would be the third revaluation cycle for the appeal.

SAMA Board Member: These concerns are part of the SUMA working group's rationale for reviewing potential changes to the appeal process in Saskatchewan.

Rural Member: For properties that are appealed on similar grounds in subsequent years, such as the Souris Valley appeal, are there restrictions on the number of times an appellant can appeal a property in the revaluation cycle?

SAMA Administration: Currently within legislation, there is no restriction on the number of times a property can be appealed within the revaluation cycle.

An area being contemplated by the SUMA working group is the potential to restrict appeals to one per revaluation cycle. However, at this stage, this is only an idea to assist Boards of Revision, the Saskatchewan Municipal Board and the Court of Appeal with the appeal backlog caused by annual appeals.

SAMA Administration: Could you just comment, was it a Committee decision or actual Court of Appeal decision that came back with the comment really cementing the annual right of appeal, even if the evidence is the same and it's the same package going forward.

SAMA Administration: It was a Court of Appeal Decision, Brandt 4, and Brandt 5 and that's where that was cemented the right to appeal on a yearly basis.

MOTION by Bruce Fidler that the Committees receive the Assessment Appeals and Court of Appeal Update report.

**Carried**

9. Revaluation and Policy Developments:

Item 9a: Oil and Gas Land Site Valuation Issue

PowerPoint presentation by Andrew Workman, TS&P.

Committee Comments

SAMA Administration: For stakeholders, an area to keep in mind for the oil and gas land review is the goal to implement any necessary changes to the system, and potentially the Assessment Manual, in time for the 2025 revaluation. Therefore, time of the essence as SAMA waits for stakeholder feedback.

Although the final recommendation may not have consensus from stakeholders, SAMA is striving to bring forward a recommendation that has been developed through consultation and is equitable for all stakeholder groups and the province.

Additionally, SAMA is hoping to address this concern from the oil and gas industry quickly as the land appeal is underway at the Court of Appeal. Therefore, SAMA would like to avoid the situation where the Court of Appeal provides a decision while the new policy is being implemented.

Urban Member: For the oil and gas land review, it appears the key consideration is the highest and best use of the land because the land, whether it is leased or owned, is being utilized for the same purpose. For example, if there was a leased warehouse and an owned warehouse, their highest and best use likely would be identical.

An additional consideration is the current application of an agricultural percentage of value to the leased properties where there is primary industrial use.

SAMA Administration: Technical Standards and Policy have reviewed a variety of information during this review such as agricultural land sales with the presence of an oil and gas lease, vacant agricultural land sales that were sold to an oil or gas company and information from other assessment jurisdictions.

As mentioned above, the question that needs to be addressed is whether there should be a material valuation difference between leased and owned oil and gas sites.

SAMA Board Member: Would SAMA investigate a potential phase-in option to ease the change on property owners with long term oil and gas leases? Or would this require legislation?

SAMA Administration: From the assessment side of things, SAMA has not considered a phase-in of any potential land valuation change. A potential tax phase-in will fall on municipalities to enact with their tax tools.

Ultimately, SAMA is trying to ensure that oil and gas land is equitably treated throughout the province.

Additional Discussion: Following this discussion, SAMA Administration, SAMA Board Members, an Education Member, and a Rural Member held additional discussion surrounding the application of differing land valuation techniques and its impact on existing oil and gas lease agreements, concerns from SARMS perspective, and discussion on how land values should be impacted with abandonments.

From SARM's point of view, they have not received any concerns from property owners in relation to the assessment of leased oil and gas land on their properties. Additionally, the attribution of the land assessment, whether to the landowner or the oil and gas operator, will be a key consideration for the TOGL Committee and SAMA. SAMA noted that based upon legislation in Alberta and British Columbia, there is precedent for leased property values to go directly to the oil and gas operator.

SAMA Administration provided additional background on their review of agricultural values with and without an oil or gas lease. From this analysis, it was shown that the presence of a lease increases the agricultural value of the land versus not having a lease (e.g. a parcel in RM 351 with a lease and another parcel in 351 without a lease).

For SAMA Board Members and Rural Members, SAMA Administration provided background that they remain focused on ensuring that a fair and equitable value is applied to these oil and gas sites regardless of the presence of long or short-term oil and gas leases or whether the oil and gas company can continue paying leases. However, SAMA will need to keep in mind the presence of leases in other industries in the province such as wind turbines or pipeline properties.

Finally, SAMA Administration held a brief discussion around the abandonment of oil and gas sites, where, in the case of a well site, the value of the well remains assessable in the year after abandonment. Additionally, SAMA has an internal policy that the well site must be fully reclaimed with the Ministry of Energy and Resources, as opposed to only abandoning the bottom hole of the well, before removing the assessment. This general practice could also be applied to non-well sites with land where the value of the

land remains applied until such time that the non-well has been properly abandoned and reclaimed with the Ministry.

*Break from 12:06 am to 12:45 pm*

Item 9b.1: 2025 Revaluation – Publications and Policy Considerations and Item 9b.2: 2025 Revaluation – Assessment Trends

PowerPoint presentation by Andrew Workman, TS&P.

Committee Comments

Resort Member: What defines seasonal or residential? For example, some assessments in resort communities can be classified as seasonal or residential, but the same percentage of value is applied to both property types.

SAMA Administration: These property types are related to different tax classifications and specific legislation for seasonal properties.

SAMA relies upon the municipality’s administrator to provide the breakdown of seasonal properties in their communities.

Rural Member: For the agricultural trend, is that based upon sales information or have the new land rates been implemented in SAMA’s computer system?

SAMA Administration: The ag-land trends include the updated rates based upon classifications from the Assessment Manual and sales information.

MOTION by Brian Hicke that the Committees receive the Oil and Gas Land Site Valuation Issue report, 2025 Revaluation Publications and Policy Considerations and the 2025 Revaluation Assessment Trends report.

**Carried**

Item 9b.3: 2025 Revaluation – Quality Coordination Program

PowerPoint presentation by Darwin Kanius, TS&P.

Committee Comments

SAMA Administration: For the Quality Assurance Program, each assessment service provider (ASP) in the province is responsible for their own quality. This includes SAMA’s Assessment Services Division, City of Regina, City of Saskatoon, City of Prince Albert, and the City of Swift Current. The program allows for a collaborative approach amongst each of the ASPs to see if each region is reaching their milestones. However, the responsibility of quality remains with each individual ASP.

Alongside the Quality Assurance Program, the City Assessor/SAMA Committee and the Provincial Revaluation team allow SAMA and the other ASPs to go more in-depth with assessment issues throughout the province.



MOTION by Norm Hall that the Committees receive the 2025 Revaluation – Quality Coordination Program Report

**Carried**

10. Future Developments

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

PowerPoint presentation by Shawn Cooney, TS&P.

Committee Comments

SAMA Board Member: From the rural perspective, there are some concerns with IPTI's options for change which include moving regulated properties to the market valuation standard and updating the four-year revaluation cycle to a two-year or annual cycle. Both of these are concerning as the existing regulated system, especially for agricultural land, works well for property owners and the shift to a two-year or annual revaluation would require significant costs and/or may require trending of values, such as Alberta does, versus establishing new values each cycle. It is also interesting that IPTI reviewed assessment policy in Ontario for some of their revaluation cycle recommendations, but they are currently on a seven-year base date freeze.

Some recommendations that appear reasonable include updates to the appeal system such as allowing one appeal per cycle, allowing higher value appeals to go directly to the SMB, and restricting appeal decisions to only affect the value of the property under appeal as these should help streamline the appeal process further.

SAMA Board Member: It would be interesting to see what the assessment impacts are from IPTI's options for change such as potential trending of agricultural land values to see how land is affected throughout the province by various factors (e.g. proximity to urban areas) and the impact on municipal and education tax.

SAMA Administration: In the past, SAMA did apply the local market index (LMI) based on local sales, but it was not accepted by stakeholders for mass appraisal. The productivity system is in place and is the best alternative currently. We continually conduct research such as generating heat maps using GIS to look at market trends, but it becomes very problematic in terms of trying to delineate new agricultural neighborhoods which would cause major shifting if we moved off of the present productivity based agricultural and system. The current system has remained stable over time and has broad stakeholder support.

SAMA Board Member: Another key concern with the IPTI options for change include the ability for SAMA and other ASPs to properly staff their areas to accommodate a more frequent revaluation cycle and other options such as shortening the base date lag.

For example, at the SUMA working group, the City of Edmonton provided a presentation where for 400,000 properties, they need a staff of 128 people. Currently in Saskatoon, they have 100,000 properties and only have nine staff members.

Edmonton also differs regarding appeals as they have two Board of Revision; one to handle commercial appeals and the other to manage urban and residential appeals.

SAMA Administration: They used to have three appeal levels and they consolidated down to two and maybe that is another option to look to for the future.

SAMA Board Member: Do we not have an appeal that is in front of three different Boards of Revision right now?

SAMA Administration: Currently, the same property type, on many of the same grounds, is being looked at by local Boards of Revision, the Central Board of Revision and directly by the SMB. This scenario can result in appeal decisions that are fragmented, which then need to be consolidated at higher appeal levels like the Court of Appeal.

This could be an area to discuss further with the SUMA working group.

SAMA Board Member: Can SAMA Administration provide additional background on the Ontario revaluation cycle?

SAMA Administration: Due to the COVID-19 pandemic, a decision was made to essentially freeze assessment values in Ontario because there was going to be a revaluation that would bring in a base date that preceded the impact of COVID. Currently, this means their values have not been updated for roughly seven years.

Saskatchewan was in a similar situation and decided to go ahead with the revaluation. As shown in the trends slide, it appears that values initially dropped because of COVID, but then returned to normal during the last couple years.

For Ontario, it is hard to know how they will address the issues of having dated assessment values. It is interesting for Saskatchewan to continue to watch as tax agents from Ontario have begun working on appeals here due to the lack of work within their own province.

MOTION by Richard Marleau that the Committees receive the Provincial Assessment System Review by IPTI report.

**Carried**

11. Other Business

Item 11a: Next Urban and Rural Advisory  
Committees meeting scheduled for March  
20, 2024.

MOTION by Kevin Tooley to adjourn the meeting at 2:05 pm.

**Carried**