

UMAAS Presentation

Property Assessment: “Training the Trainer”

SAMA Presenter: Steve Suchan

June 3, 2015



Presentation Overview

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- SAMA – Who we are and what we do
- Assessment services provided by SAMA
- SAMA's property access protocols
- Valuation standards (Regulated, non-regulated)
- Three approaches to value
- 2017 Revaluation trends
- Questions and wrap-up

HORRIBLE HAGAR

I HEREBY CLAIM THIS LAND
IN THE NAME OF HAGAR
THE HORRIBLE!



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HI, THERE! I'M WITH THE TAX ASSESSOR'S OFFICE!
I'M HERE TO ASSESS YOUR PROPERTY FOR TAXES!



SAMA's Roles and Responsibilities

AMA Act -- Board Governed Agency

Governance

\$160B / \$1.64B

Ass'tmt / Taxes

(100% Province)

- Policy
- Quality Assurance
- Computer System
- Communication
- Safety Net for Province

Assessment Services

763 of 771
municipalities

(61%Munic/39%)

- Annual Maintenance
- General Re-inspections
- Revaluations
- Support of Value

SAMA Board

Chair: Neal Hardy (RM Hudson Bay, #395)

Rural: John Wagner (RM Piapot, #110)

Rural: Murray Purcell (RM Montrose, #315)

Urban: Wade Murray (Regina)

Urban: Al Heron (Eston)

Province: Jim Angus (Harris)

Province: Myron Knafelc (Watson)

CEO: Irwin Blank

Assessment Services Provided by SAMA



1. Annual Maintenance

- Annual changes to keep physical inventory current.

2. Reinspections

- A general review of property in a municipality to ensure physical inventory is current.

3. Revaluations

4. Support of Value (Property Appeals)

- Agreements to adjust
- Boards of Revision, Sask Municipal Board
- Court of Appeal, Queen's Bench Court

Role of the Assessor vs Assm't Appraiser

Municipal Assessor

- Prepare assessment roll
- Determine tax class of property
- Determine tax status

SAMA's Assessment Appraiser

- "...establish, maintain and undertake valuations."
Section 12(1)(b) AMA Act
- Determine the non-commercial portion that exemptions apply to in a rural municipality of properties that are used in both the agricultural operation of the land and a commercial use

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SAMA's Property Access Protocols

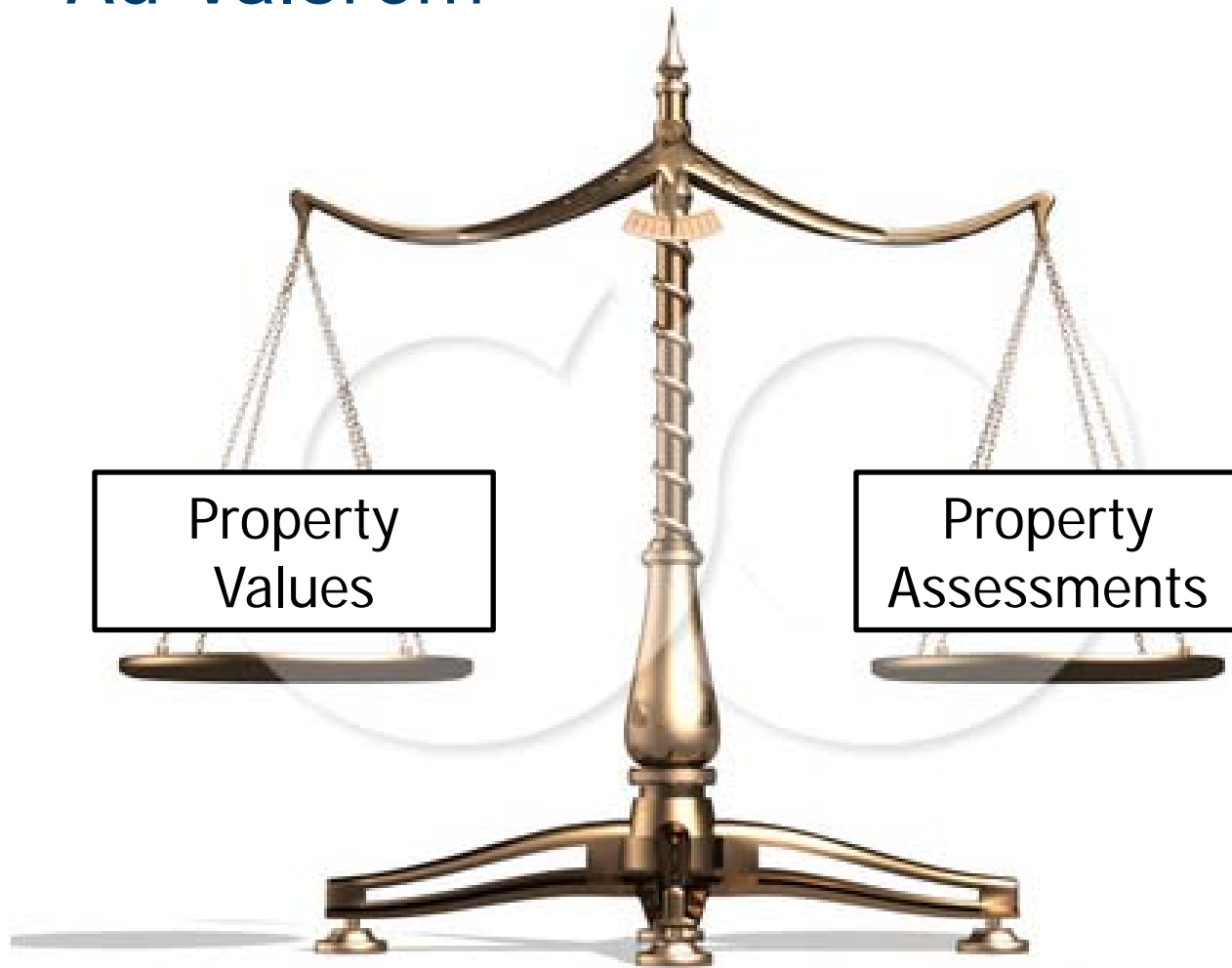
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- Current legislation gives the right of entry to a property to the assessment appraiser.
 - This right is used with great respect.
- Assessment appraiser needs to make a reasonable request and have identification.
- Will not enter a residence if no one home (but will inspect the exterior).
- Will not enter gated/secured property.
- If property marked “no trespassing”, will go to the yard site for permission; if no one home, will leave property.

Assessment Principles

Ad Valorem



Assessment Legislation

- Only real property is assessed, unless specified in legislation.
- Mass appraisal and equity are key features
- Four year revaluation cycle:
 - January 1, 2011 base date for 2013-16.
 - January 1, 2015 base date for 2017-20.
 - January 1, 2019 base date for 2021-25.
- Two valuation standards:
 - Regulated Property Assessment Standard.
 - Market Valuation Standard.

Assessment Legislation

- Regulated Property Assessments.
 - Determined according to the regulated property assessment valuation standard.
 - Heavy industrial property
 - Resource production equipment
 - Pipeline and railway roadway
 - Agricultural land
- Non-Regulated Property Assessments.
 - Determined according to the market valuation standard.
 - Residential property
 - Commercial property

SASKATCHEWAN ASSESSMENT MANUAL



2011 BASE YEAR

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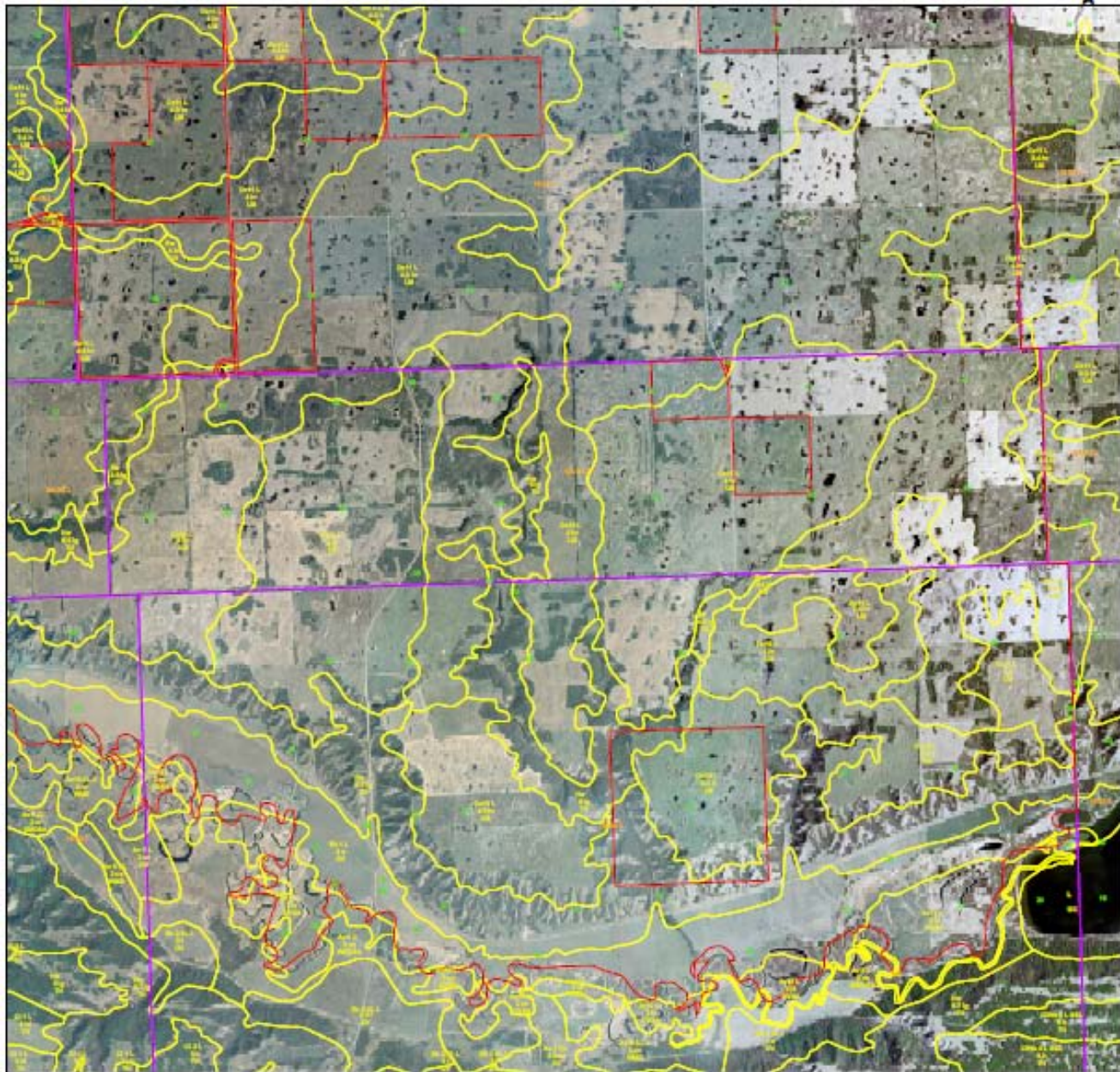
Saskatchewan Assessment
Management Agency

Heavy Industrial Property and Related RPE



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“You say you made this pie fresh this morning?”

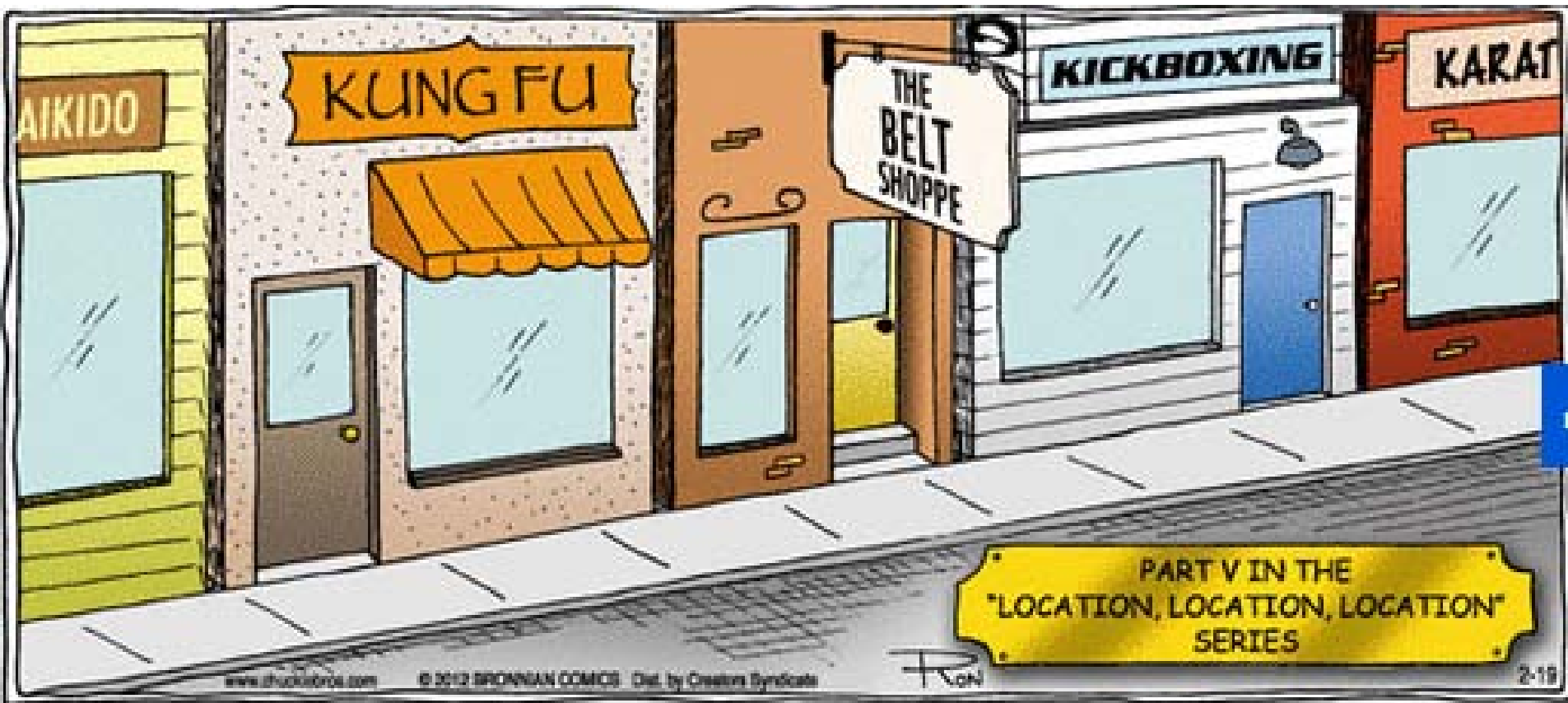
Non-Regulated Property - Market Valuation Standard

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Three Approaches to Value

- Cost Approach
- Sales Comparison Approach
- Property Income (Rental) Approach



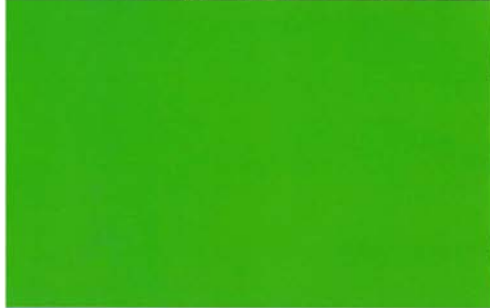
www.chucknorris.com

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SAMA'S 2011 COST GUIDE



**MARKET VALUE
ASSESSMENT
IN SASKATCHEWAN**

HANDBOOK



Summary of the Cost Approach

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- Property Value = land value + building value
 - Vacant land sales used to estimate land value.
 - Buildings are costed (RCN) using standardized procedures; actual cost not used
 - Physical depreciation assigned
 - Market depreciation assigned (MAF)

Improvement Valuation

Market Adjustment Factor (MAF)

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- A MAF is calculated for each sale in the market neighborhood. The “calc” MAFs are then arrayed and a median MAF is selected.

$$\text{MAF} = \frac{\text{SP (Land \& Buildings)} - \text{MV Land}}{\text{RCNLD}}$$

Example:	Total Sale Price:	\$100,000
	Land Value:	\$ 20,000
	RCNLD:	\$100,000

$$\text{MAF} = (\$100,000 - \$20,000) / \$100,000 = 0.80$$

2017 Revaluation Trends

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- Graphic represents general property types on a provincial basis.
- Market valuation standard property trends will vary by municipality.
- Comparisons made with current and past revaluation.

Preliminary 2017 Revaluation Assessment Trends (SAMA)



Preliminary 2017 Revaluation Assessment Trends

2009 Multiple
2013 Multiples
2017 Multiple



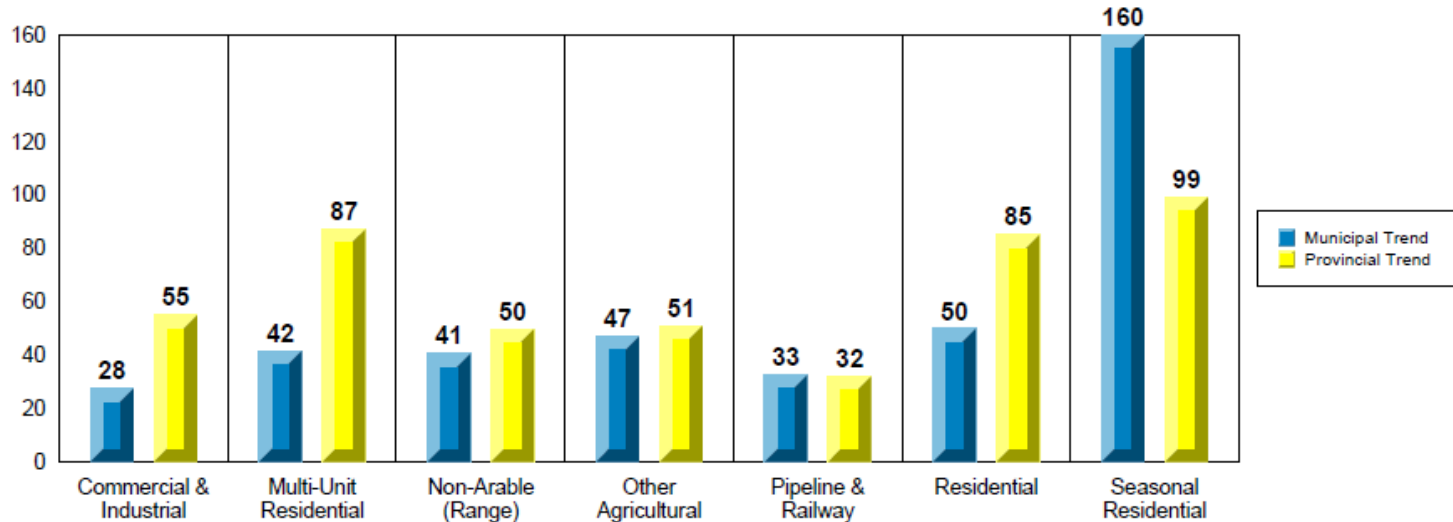
2017 Assessed Value Trend Report



2013 Revaluation Preliminary Assessed Value Trend Report (100% Value) for RM of Sample

August 15, 2012

Tax Class (as defined in Regulations)	2012 Municipal Assessed Value	2013 Preliminary Municipal Assessed Value	Municipal Trend	Provincial Trend
Commercial & Industrial	\$3,556,400	\$4,535,200	28%	55%
Multi-Unit Residential	\$320,300	\$453,500	42%	87%
Non-Arable (Range)	\$12,286,400	\$17,275,000	41%	50%
Other Agricultural	\$40,277,600	\$59,170,100	47%	51%
Pipeline & Railway	\$7,733,300	\$10,259,500	33%	32%
Residential	\$37,633,100	\$56,443,700	50%	85%
Seasonal Residential	\$7,015,100	\$18,221,800	160%	99%
Total	\$108,822,200	\$166,358,800	53%	68%



2017 Taxable Assessed Value Trend Report



2013 Revaluation Preliminary Taxable Assessed Value Trend Report for RM of Sample

August 16, 2012

Tax Class (as defined in Regulations)	2012 Taxable Assessed Value	2012 293 Exempt Assessed Value	2012 Taxable % of Total Value	2013 Preliminary Taxable Assessed Value	2013 Estimated 293 Exempt Assessed Value	2013 Adjusted Taxable Assessed Value	2013 Adjusted Taxable % of Total	See Chart Change of % 2012 to 2013
Commercial & Industrial	\$1,851,400	\$104,300	2.83%	\$2,527,200		\$2,527,200	2.50%	-0.33%
Elevators	\$8,886,975		13.80%	\$12,678,450		\$12,678,450	12.54%	-1.07%
Non-Arable (Range)	\$748,400		1.15%	\$1,122,440		\$1,122,440	1.11%	-0.04%
Other Agricultural	\$36,398,835		55.72%	\$53,887,460		\$53,887,460	53.30%	-2.43%
Pipeline & Railway	\$1,638,075		2.51%	\$2,167,125		\$2,167,125	2.14%	-0.36%
Residential	\$9,595,340	\$2,326,220	14.69%	\$20,237,210	\$3,611,620	\$16,625,651	16.44%	1.75%
Seasonal Residential	\$6,204,170	\$60,340	9.50%	\$12,201,350	\$99,820	\$12,101,530	11.97%	2.47%
Total	\$65,323,195	\$2,490,860	100.00%	\$104,821,235	\$3,711,440	\$101,109,856	100.00%	

Change of % 2012 to 2013



Additional Resources

- SAMA's website - www.sama.sk.ca
 - www.sama.sk.ca
 - On-line manuals, handbooks, FAQs etc
 - SAMAView www.samaview.ca

SAMA's Website



For Property Owners



- >> Order Detailed Property Reports
- >> Order Sales Information
- >> Appealing an assessment
- >> Providing Information to SAMA
- >> FAQs about assessment
- >> Find nearest SAMA office

For Municipalities

- >> Using SAMA's services
- >> Educational Publications
- >> Forms
- >> Audit Guides
- >> Roll Confirmation Reports
- >> Statutory Audit Reports

Online Publications

- >> 2011 Assessment Manual
- >> Market Value Handbook
- >> 2011 Cost Guide
- >> ... or order a copy of these publications

What's New

- >> UMAAS 2014 AGM Presentation
- >> RMAA 2014 AGM Presentation
- >> 2013 Performance Report
- >> 2013 Annual Report
- >> Maintenance Service Fee Effective in 2015

Questions?

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