

Saskatchewan Assessment Manual 2011 Base Year

Filing Instructions – Amendment #1 April 16, 2012

Amendments to the Saskatchewan Assessment Manual 2011 Base Year are enclosed. Please follow these filing instructions to update your manual:

Each amended page has been listed in the table below to assist you in updating your manual. **Remove** the pages indicated and **insert** the new pages as follows:

	Remove	Insert	Complete (√)
	Title Page	Title Page	
	Table of Contents, Page 4	Table of Contents, Page 4	
	Subject Index, Page 7	Subject Index, Page 7	
Chapter 1 Formulas, Rules and Principles	Doc. No. 1.1.2, Page 2	Doc. No. 1.1.2, Page 2	
	Doc. No. 1.1.7, Page 1	Doc. No. 1.1.7, Page 1	
Chapter 3 Heavy Industrial Improvements	Doc. No. 3.1.1, Page 1	Doc. No. 3.1.1, Page 1	
	Doc. No. 3.1.3, Page 1	Doc. No. 3.1.3, Page 1	
	Not applicable	Doc. No. 3.1.10, Page 1	

Date

Filled by

**Saskatchewan Assessment Manual 2011 Base Year
Amendment # 1
Summary of Manual Revisions
Board Order dated April 16, 2012
Approved by Minister June 13, 2012**

Topic/Location	2011 Manual Amendment
<p>1. Table of Contents, Chapter 3: Heavy Industrial Improvements, General Rules page 4</p>	<p>Add the following: Closure Adjustment Factor, 3.1.10</p>
<p>2. Subject Index page 7</p>	<p>Add the following: Closure adjustment factor heavy industrial buildings & structures, 3.1.10 (1)</p>
<p>3. Formulas, Rules and Principles, Regulated Property, Rules of Assessment Doc. 1.1.2, page 2 (Definitions)</p> <p>(d) “heavy industrial property” means property that is used or reasonably capable of being used for:</p> <ul style="list-style-type: none"> (i) extracting, producing, processing or refining a mineral resource; (ii) producing, upgrading, refining or transmitting petroleum; (iii) producing ethanol and has a design capacity greater than 50 million litres per year; (iv) manufacturing of plywood, particleboard, wafer board, fertilizer, malt, paper, pulp, steel or steel pipe; (v) generating power; or (vi) manufacturing lumber and other wood products from raw logs in a sawmill and have a design capacity greater than 15 million fbm per year based on 480 shifts a year of 8 hours each shift. 	<p>Replace with the following:</p> <p>(d) “heavy industrial property” means a property or part of a property that is designed, built, being built or being used for one or more of the following:</p> <ul style="list-style-type: none"> (i) extracting, producing, processing or refining a mineral resource; (ii) producing, upgrading, refining or transmitting petroleum; (iii) producing ethanol and has a design capacity greater than 50 million litres per year; (iv) manufacturing of plywood, particleboard, wafer board, fertilizer, malt, paper, pulp, steel or steel pipe; (v) generating power; or (vi) manufacturing lumber and other wood products from raw logs in a sawmill and have a design capacity greater than 15 million fbm per year based on 480 shifts a year of 8 hours each shift; including where a property is not in operation, or not yet in operation, for any reason.
<p>4. Formulas, Rules and Principles, Regulated Property, Heavy Industrial Buildings and Structures Doc. 1.1.7, page 1 (Heavy Industrial Buildings and Structures)</p> <p>$BV = (RCN - Phys) - Funct$</p> <p>where: BV = assessed value of buildings and structures RCN = replacement cost new Phys = physical deterioration Funct = functional obsolescence</p>	<p>Replace with the following:</p> <p>$BV = ((RCN - Phys) - Funct) \times CAF$</p> <p>where: BV = assessed value of buildings and structures RCN = replacement cost new Phys = physical deterioration Funct = functional obsolescence</p>

Topic/Location	2011 Manual Amendment
<p>The replacement cost new, physical deterioration, and functional obsolescence shall be determined in accordance with the valuation procedures in Chapter 3 – Heavy Industrial Improvements and Marshall Valuation Service.</p>	<p style="text-align: center;">CAF = closure adjustment factor</p> <p>The replacement cost new, physical deterioration, functional obsolescence and closure adjustment factor shall be determined in accordance with the valuation procedures in Chapter 3 – Heavy Industrial Improvements and Marshall Valuation Service.</p>
<p>5. Heavy Industrial Improvements, General Rules, General</p> <p>Doc. 3.1.1, page 1 (Heavy Industrial Buildings and Structures)</p> <p>The replacement cost new, physical deterioration and functional obsolescence for heavy industrial buildings or structures...</p>	<p>Replace with the following:</p> <p>The replacement cost new, physical deterioration, functional obsolescence and closure adjustment factor for heavy industrial buildings or structures...</p>
<p>6. Heavy Industrial Improvements, General Rules, Calculation Procedure after RCN</p> <p>Doc. 3.1.3, page 1 (Heavy Industrial Buildings and Structures)</p> <p>...</p> <p>(e) RCN Less Physical Deterioration and Functional Obsolescence = $d \times e_1$ e_1. Functional Obsolescence Factor 3.1.9 1-2</p> <p>...</p>	<p>Replace with the following:</p> <p>...</p> <p>(e) RCN Less Physical Deterioration, Functional Obsolescence and Closure Adjustment Factor = $(d - (d \times e_1)) \times e_2$ e_1. Functional Obsolescence Factor 3.1.9 1-2 e_2. Closure Adjustment Factor 3.1.10 1</p> <p>...</p>
<p>7. Heavy Industrial Improvements, General Rules, Closure Adjustment Factor</p> <p>Doc. 3.1.10, page 1</p>	<p>Add the new document:</p> <p>Refer to Doc 3.1.10.</p>