

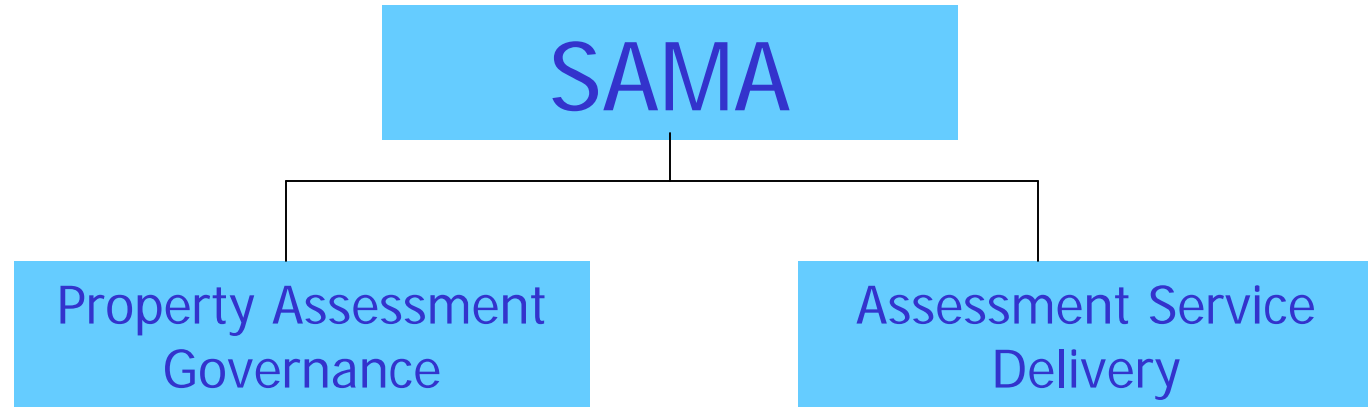


# SAMA Annual Meeting CEO Report

April 21, 2010



# Background Information



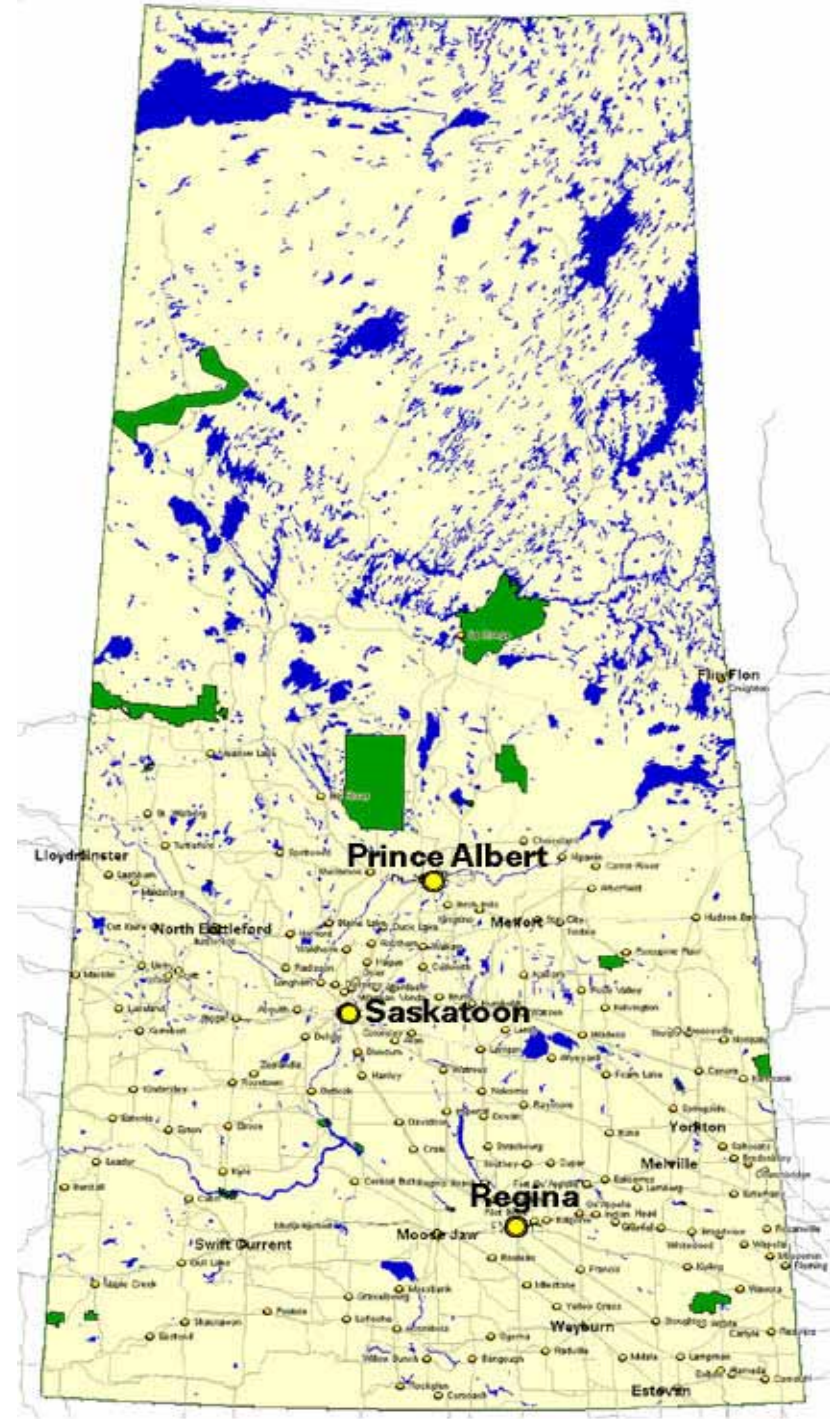
Agency responsible for \$60+ Billion property assessment / \$1.33 Billion property tax base

- 11 member Board of Directors
- 177 staff focused on assessment governance and service delivery



# Regions

- Saskatoon
  - North Battleford
- Regina
- Moose Jaw
- Weyburn
- Melfort
- Yorkton
- Swift Current





# VISION

SAMA is the recognized leader and authority on property assessment, and Saskatchewan's service provider of choice.

The logo for SAMA is a vertical blue bar on the left side of the slide. It contains the letters 'S', 'A', 'M', 'A' stacked vertically in a stylized, white, sans-serif font. The letters are set against a background of a light blue map with white lines representing roads and buildings. The 'S' is at the bottom, followed by 'A', 'M', and 'A' at the top. The letters are slightly offset to the right, creating a sense of depth.

# SAMA Mission Statement

SAMA develops, regulates and delivers a stable, cost-effective assessment system that is accurate, up-to-date, universal, equitable and understandable.

We focus on governance, assessment services, information, quality, communications and innovation.

Our core values are Integrity, Professionalism, Dedication and being Solution Focused.

A vertical blue graphic on the left side of the slide. It features a stylized map of a city grid with several blue arrows pointing downwards, suggesting a process or flow. The graphic is partially obscured by the text on the right.

# Assessment Fundamentals

- Ad Valorem Assessment System
- Mass Appraisal
- Base Date (June 30, 2006)
- Past system was highly regulated and procedure focused
- New 2009 system more flexible and results focused
  - Market value standard for residential and commercial properties (assessments = average 2006 selling prices)
  - Ongoing regulation for agricultural land, heavy industrial, railway and pipelines
  - All to same June 30, 2006 valuation base date
- Next Revaluation – 2013 with a 2011 base date

# 2009 Revaluation

## A Successful Multi-Year Journey:

- ✓ Legislative changes\* (2006)
- ✓ Research and Policy finalization; Manual and Handbook preparation (March 2007)
- ✓ Market analysis, value reconciliation, SPAN data entry (December 10, 2007)
- ✓ Preliminary values to Municipal Affairs (January 1, 2008)
- ✓ Preliminary values to SAMA clients ( June 30, 2008)
- ✓ Final values to SAMA clients (December 2008)
- ✓ SAMAView opened to public (April 2009)
- ✓ Appeal levels a fraction of what was anticipated (less than 0.5%)



SAMA & THE  
ASSESSMENT  
PROCESS

DOING BUSINESS  
WITH SAMA

ROLL CONFIRM. &  
QUALITY  
ASSURANCE

PUBLICATIONS

WHAT'S NEW

EMPLOYMENT  
OPPORTUNITIES

FAQs

REVALUATION  
2009

CONTACT US



Saskatchewan Assessment  
Management Agency

*"Pursuing excellence in  
property assessment policy  
and services for Saskatchewan"*

#### Assessment Information On-Line

Visit SAMAVIEW and  
search property assessment  
information on-line:



#### Site Search:

Google™ Custom Search



Online Manuals



#### What's New

SAMA's **2009 Annual Meeting**  
is scheduled for June 17, 2009  
at Conexus Arts Centre in Regina.  
... view [Registration Brochure](#)  
... view [Resolutions](#)

SAMA's **2008 Annual Report**  
has been tabled and is now available.  
... view [2008 Annual Report](#)

[| Stakeholder Area](#) | [| Board Member Area](#) |

This site views best using IE5 or better.  
If you experience difficulties please use the [SITE MAP](#) for navigation.

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[| Site Map](#) | [E-mail SAMA](#) |



Today's Date: Monday, June 15, 2009



Satellite Map

PROPERTY SEARCH

1 Choose a municipality

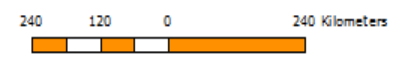
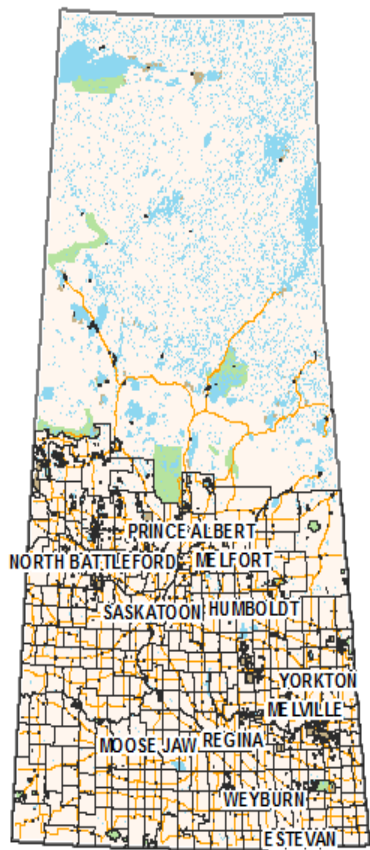
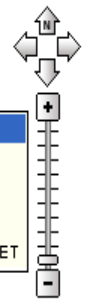
wyj

- WYNYARD-TOWN
- WELWYN-VILLAGE
- 131-CRESTWYND-UNORGANIZED HAMLET
- 137-WYMARK-ORGANIZED HAMLET
- 491-SHELLBROOK HWY-UNORGANIZED HAMLET

3

New Search Search

SEARCH RESULTS





Today's Date: Tuesday, June 16, 2009

PROPERTY SEARCH

1 Choose a municipality  
  
 Roll Status: - MAINTENANCE COMPLETE  
 Last Updated: - 4/9/2009

2 Choose a search option

3 Choose a street name:

New Search

- YORKT-515021450  
8 DRAKE BAY
- YORKT-515021550  
16 DRAKE BAY
- YORKT-515021600  
20 DRAKE BAY
- YORKT-515021650



**PROPERTY SEARCH**

**SEARCH RESULTS**

Remove All

**005-870320679**

Assessment ID 005-870320679  
Number:  
Municipality: ESTEVAN (RM)  
Property Class: Commercial & Industrial  
Predominant Use: Oil & Gas Well  
Address:  
Legal Land Qtr 91 14 Sec 29 Tp 01 Rg  
Description: 09 W 2 Sup  
100% Assessed \$7,200  
Value:

**005-870306412**

Assessment ID 005-870306412  
Number:  
Municipality: ESTEVAN (RM)  
Property Class: Commercial & Industrial  
Predominant Use: Oil & Gas Well  
Address:  
Legal Land Qtr 91 15 Sec 06 Tp 01 Rg  
Description: 09 W 2 Sup  
100% Assessed \$145,800  
Value:



Today's Date: Monday, June 15, 2009

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**PROPERTY INFORMATION**

Parcel I.D.: **500034476** Assessment ID Number: **WYNYA-505012151**

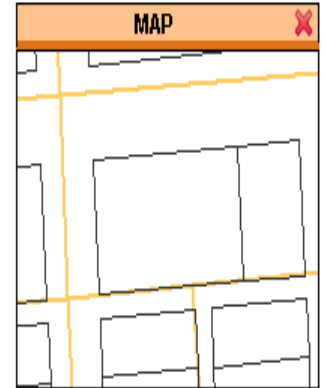
**Property Information**

Address:	219#1 AVENUE B W
Municipality:	WYNYARD
Roll Status:	MAINTENANCE COMPLETE
Last Updated:	Thursday, April 09, 2009
Neighbourhood:	300
Legal Land Description (LLD):	Unit 1 Plan 100269200
Tax Class and Percentage Adjustment:	Multi-Unit Residential
Predominant Use:	Townhouse Condo
Valuation Method:	Cost Approach
100% Assessed Value:	\$112,400



**Value Information**

Component	Liability Sub-division	100% Assessed Value	Tax Class and Percentage Adjustment	Total Assessed Value after % Adjustment	Taxable Assessed Value	Exempt Assessed Value	Over-Ride Reason
Land	1	\$1,600	Multi-Unit Residential 70%	\$1,120	\$0	\$0	
Building/Improvements	1	\$110,800	Multi-Unit Residential 70%	\$77,560	\$0	\$0	
<b>Total</b>		\$112,400		\$78,680	\$0	\$0	



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**Building/Improvement Information**

**Residential Building Information**

Quality	B Quality	Construction Type	1 - Storey
Living Area	1017	Effective Year Built	1994
Finished Basement	YES	Attached Garage	YES
Built-in Garage	NO	Detached Garage	NO
Carport	NO	Deck	NO
Mobile Home Porch	NO	Open Veranda	NO
Porch/ Closed Veranda	NO	Swimming Pool	NO
Fireplace	NO		

# Improvements 2009 Maintenance

- 2009 Maintenance With Initial Lean Ideas
  - Started in summer 2008
  - Resorts in fall 2008
  - 36% inspected by December 2008
  - 90 % inspected and 76 % delivered by March 31, 2009
- SAMA 2009 AGM Resolutions (2)
  - 1<sup>st</sup> - List in by Oct 1, delivered by Feb. 15
    - To allow time for budgeting
    - 2<sup>nd</sup> - In time to meet May 1 deadline for roll





# Improvements 2010 Maintenance

- # 1 Priority: “meet...expectations for timely annual maintenance”
- Goal to deliver:
  - All maintenance work received by October 31, 2009 by Feb. 28, 2010
  - 2010 results: Completed 90% of all maintenance by Feb 28<sup>th</sup>
  - Added \$675,000,000 in taxable assessments (maintenance and re-inspections)
  - Larger municipalities and resorts: plan to start 2011 maintenance in the summer of 2010
- Our 2011 maintenance target will be January 31, 2011
- Shifting to continuous flow over time

**To succeed we need  
Administrator's help!**



# Recent Successes

## Business Processes - Lean

- Lean enables organizations to see things from a new perspective and introduces methods that empower employees to generate and implement innovative solutions.
- Lean *creates value* from the perspective of the client.
- Focus on more value added work, reducing incidental work, and identifying and eliminating pure waste.
- SAMA is 21 months into our Lean journey.
- Recognized by colleagues as Lean leaders.



# Recent Successes

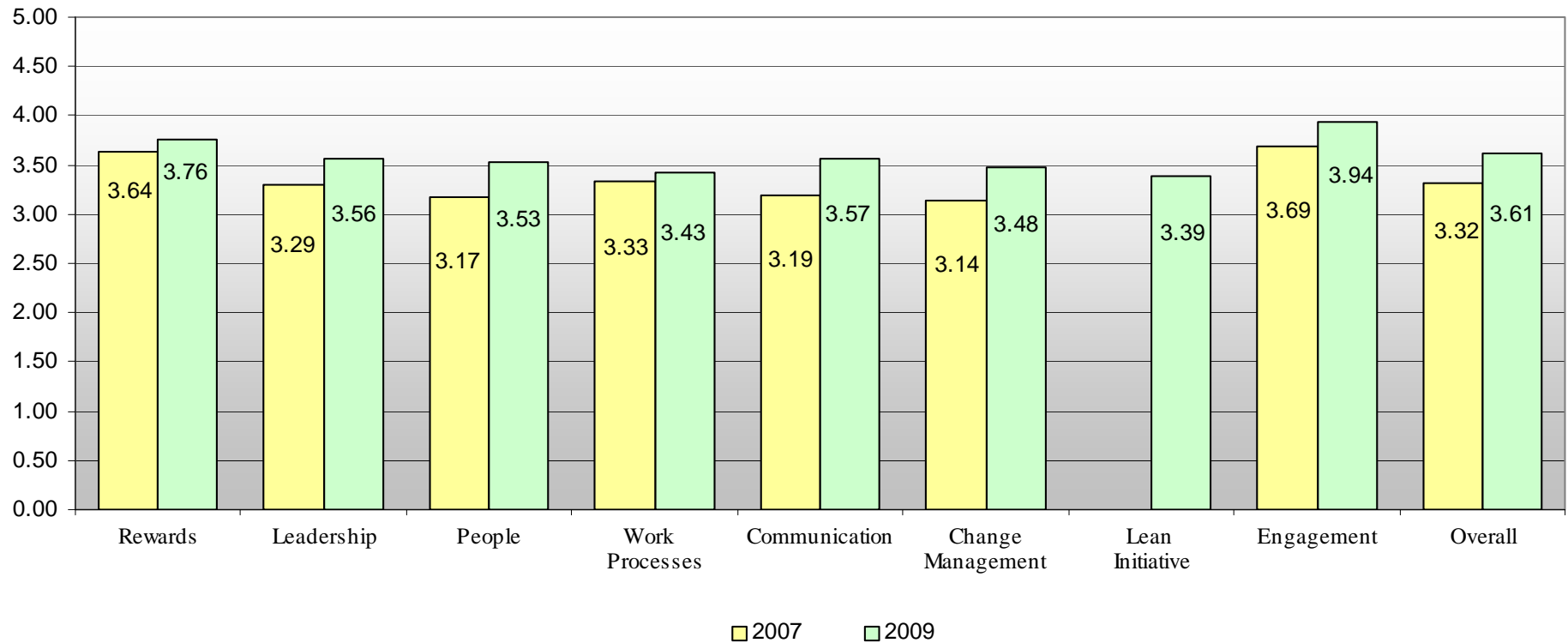
## Lean Accomplishments (Operations)

- Sale verification
  - Inventory under control
- Annual Maintenance on track
  - Involved customer
  - Handling 50%+ volume increase
- Reinspection cycle
  - More time to do and more done (20% productivity increase)
- Revaluation every 4 years
  - Standardizing work in 2010 (smaller, focused team)
- New Challenge: Maintain recent gains

# Recent Successes

## Employee Relations

Employee Satisfaction Ratings  
Employee Survey  
(Out of 5)



# SAMA's Fiscal Framework

- Four year funding plan linked to the revaluation cycle
- SAMA fiscal year Jan 1 to December 31
- 40:30:30 stakeholder apportionment; changing to 65:35 in 2010 (Bill 127)
- Requisition capped at \$5.8 M until 65% gov't funding reached (stable since 2005)



## Major Initiatives

1. Verification/validation of property data.
2. Quality property assessments.
3. Revaluation cycle.
4. Improved work processes.
5. New technological systems
6. Organizational development.





# Opportunities & Challenges: New Legislation

- Bill 127 introduced on December 1<sup>st</sup>
- Includes change in Board structure from 11 to 7
- Changes funding formula from 40:30:30 to 65:35
- New ability to charge extra for “additional services” to municipalities
- Includes some SAMA requested amendments (right of entry, immunity, removing reinspection regulations)
- Minister approval required for some Board Orders
- Some appeal related changes
- Amendments expected to be passed by May 2010



# Opportunities & Challenges: Financial

- Major shortfall in government potash revenues caused budget revision in October (from \$21 M) and again in December 2009.
- Previously estimated 2010 Budget (\$16.85 M vs \$17.9 M) meant a shortfall of up to \$1.07 Million.
- Our strategy to balance the 2010 budget:
  - Frozen vacant positions
  - Managed vacancies
  - Non-salary expenditure reductions.
  - Use of all unallocated surpluses from 2009
  - Use of remaining income research funding reserve
- We have limited hiring of permanent staff since Oct 2009 to keep flexibility until 2011 budget known.
- February 8<sup>th</sup> SAMA restructuring (8 divisions to 6)



# Opportunities & Challenges: Financial

- SAMA has been managing for a potential prolonged \$1.07 M shortfall since last November
- March 24<sup>th</sup> Budget indicated an additional unexpected reduction of \$1,060,000 to \$15.8 M
- Additional major cuts will be required to balance the budget in 2010 – “easier” adjustments already done
- \$15.8 M budget = a \$2.135 M shortfall for 2010, effective retroactively to January 2010.
- SAMA is currently in the process of reducing our overall expenditures by approximately 13%
  - SAMA capacity will be back to 2005 staffing levels
  - Severance costs are a current major concern

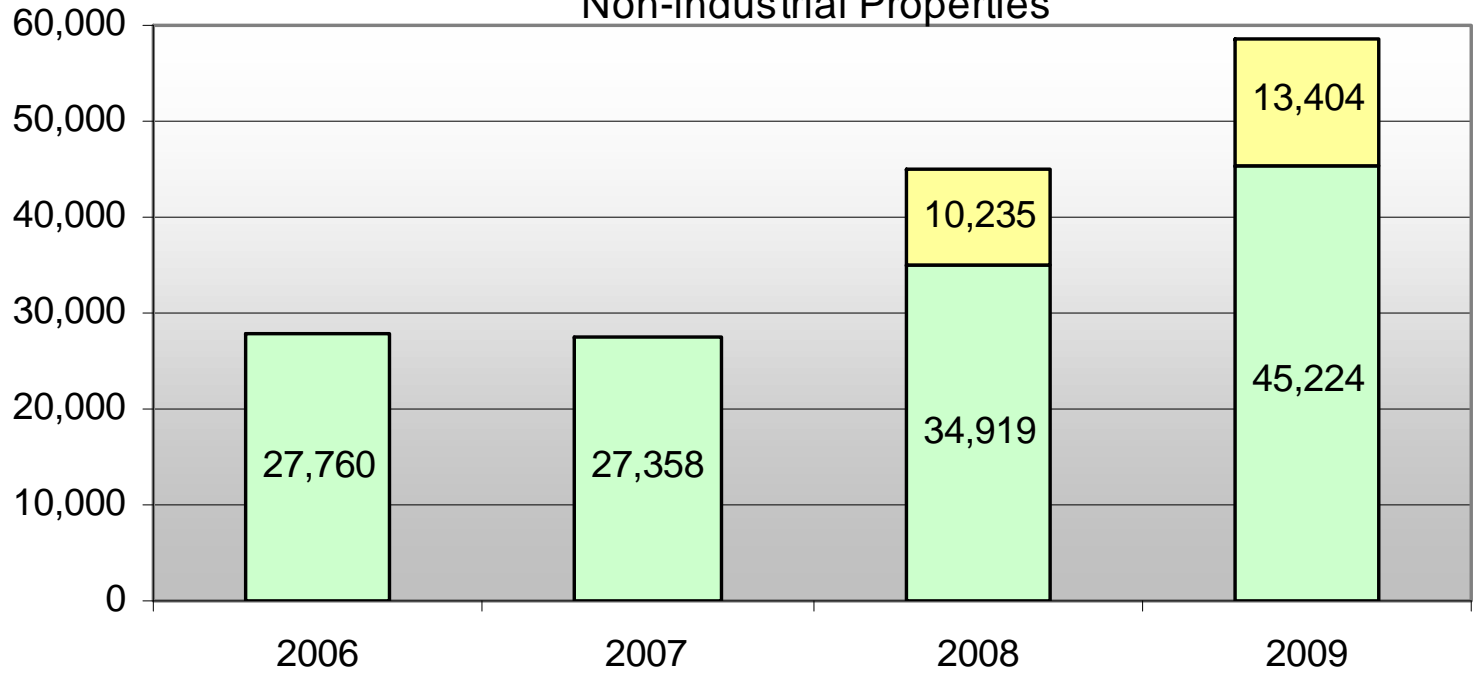
# Risk Areas

- Staff reduction will result in long-term impairment of organisational capacity to meet our mandate and our client's expectations as they currently exist
- Move to MVA still very new – capacity to support reduced
- 2013 revaluation (significant assessment increases expected)
- Incorrect link by staff between recent budget cut and our ongoing business process improvements
- Technology deferral inhibits our long term effectiveness
- Budget instability will make future recruitment and retention more difficult
- Union Issues (bargaining underway currently)
- Maintenance remains at near peak levels
- Lack of currency of physical data



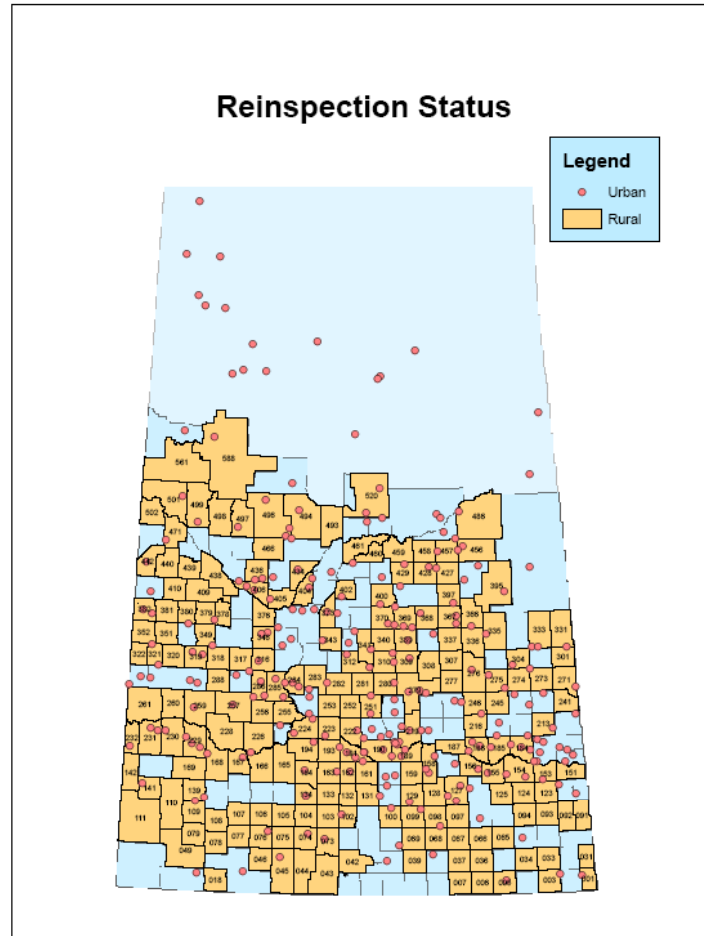


### Annual Maintenance Reviewed Non-industrial Properties



- Annual Maintenance Inspections for Following Year
- Annual Maintenance Inspections for Current Year

# Urban Last Inspected 1998: Rural 1994



# Top Priorities for 2010

- 2010 Maintenance (February 28<sup>th</sup> objective) – on track
- Re-inspection projects (more targeted) – will be reducing our 2010 commitment
- Sales and income/expense data collection and validation – risk of slippage here
- Preparatory analysis work for 2013 – reduced expansion of improved market value assessment techniques
- Business process improvements (Lean, planning, performance measurements) – will need to manage reductions in all aspects of our planning and administration
- Timely start to 2011 maintenance – will make necessary adjustments to ensure this stays on track, at the expense of other planned initiatives



# Top Priorities for 2010

- Preparation for 2013 revaluation (January 1, 2011 base date and market data cut-off date) – commitments made – tied to legislation; some quality coordination work will be deferred to ensure these objectives are met
  - 2011 base manual, 2011 Cost Guide – Approved by December 31, 2010 with exception of specific cost tables
  - CAMA rate update – by January 31, 2011
  - Update the Sask. Market Value Assessment handbook (complete in early 2011)
  - *Preliminary value delivery date of April 1, 2012*
- Quality Assurance: Some new planned QA initiatives are at risk; confirmations remain a priority.



# Top Priorities for 2010

## Administrative Priorities

- Successfully adapt to reduced funding level for 2010
- Re-establish 2011-2013 funding commitment (by July 2010)
- Update SAMA hardware and software (desktop refresh)
- Optimize existing technology
  - Planned new technology (handheld applications) will be deferred indefinitely
- Business process improvements
  - Minimize external support; continue internal focus
- Training, mentoring and staff development
  - Limit to mandatory courses and practical, internal job related training
- Negotiate new union contract and implement new classification framework – significant risk area
- Review and update current municipal requisition formula





# 2010 SAMA Annual Meeting CEO Report

Questions / Discussion