



2011 CEO Update

April 14, 2011

SAMA Annual Meeting

SAMA

- Property Assessment Governance
- Assessment Service Delivery

Agency responsible for \$60+ Billion property assessment / \$1.40 Billion property tax base

- ∅ SAMA provides the local financial foundation for municipalities and education
- ∅ reasonable cost, comprehensive, professional, equitable assessment service to all municipalities
- ∅ supports continued local autonomy for municipalities whether small or large

Regions

Ø Saskatoon

Ø North Battleford

Ø Regina

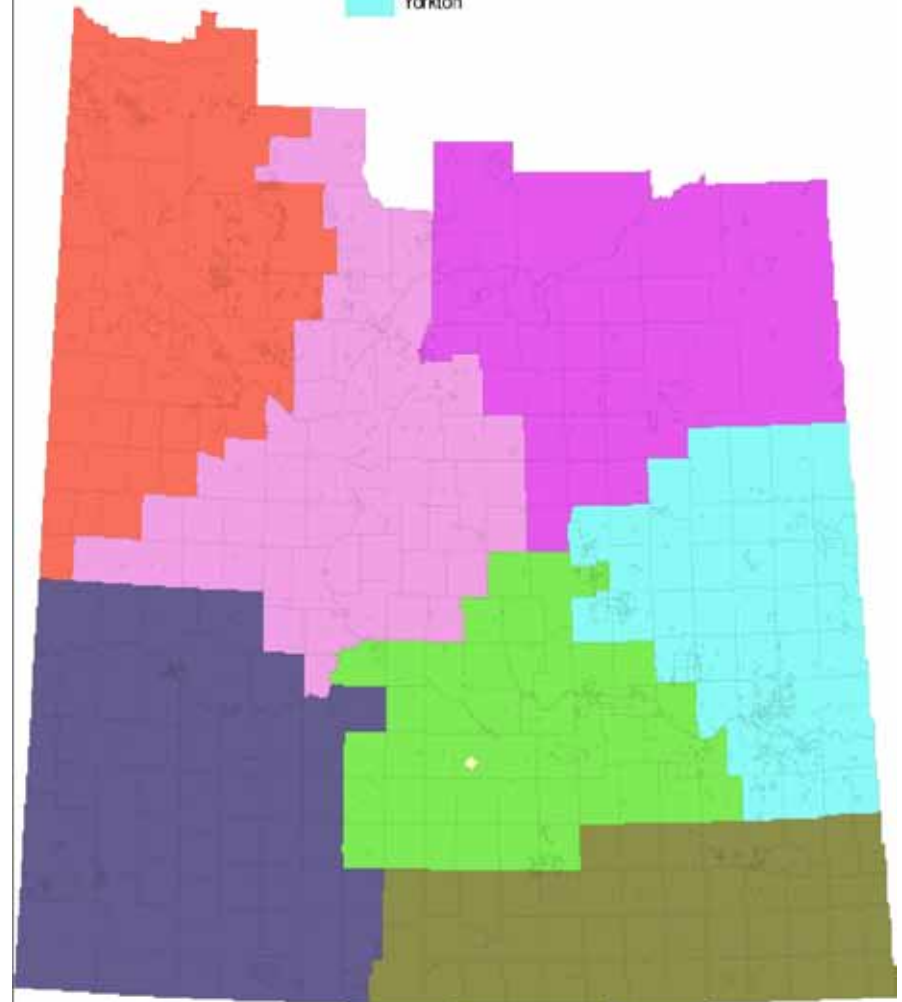
Ø Moose Jaw

Ø Weyburn

Ø Melfort

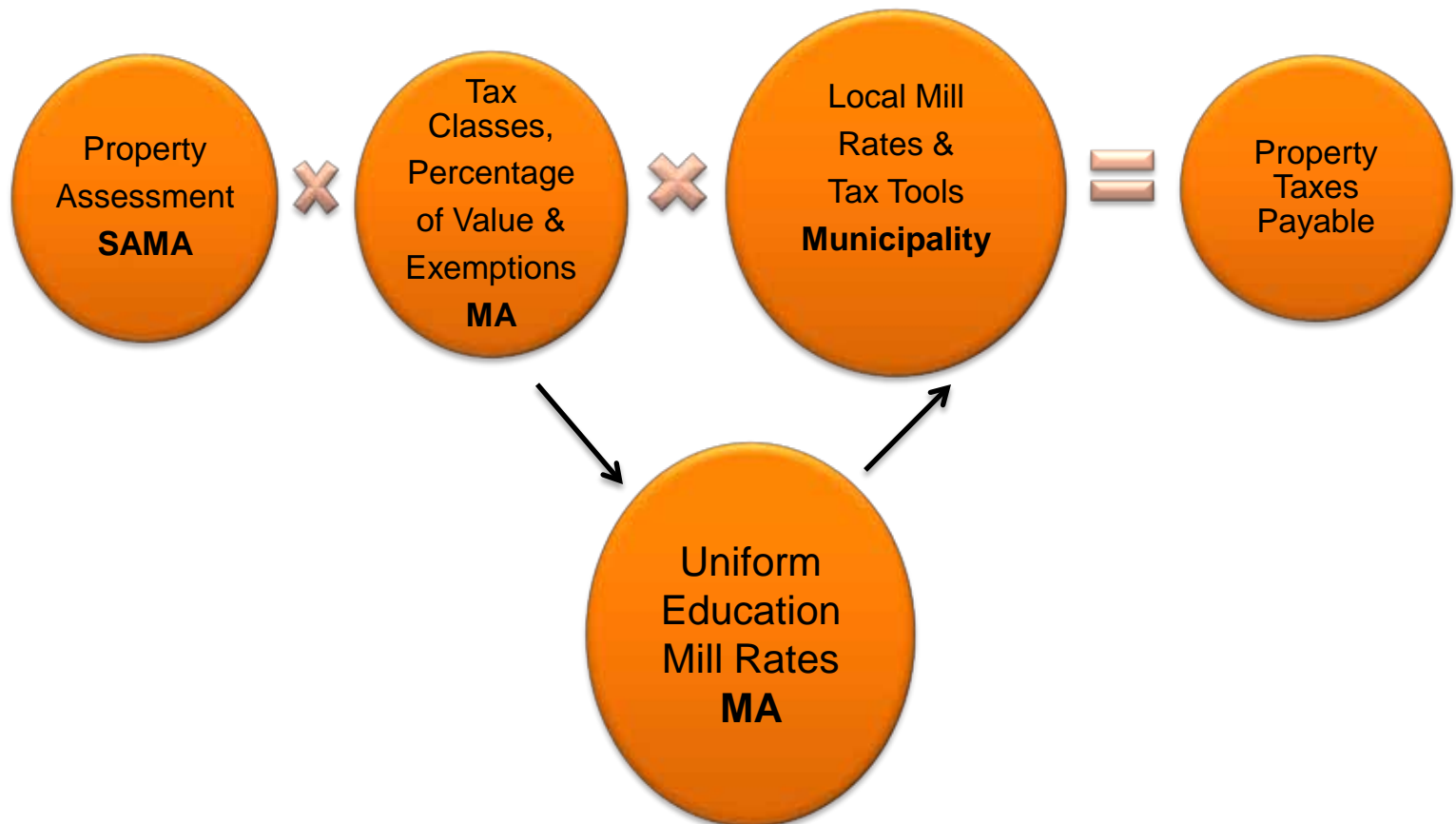
Ø Yorkton

Ø Swift Current



Background Information

SAMA is Focused on Assessments



Recent Legislation Changes

Bill 127 respecting *The Assessment Management Agency Act* became law May, 2010.

- § SAMA Board reduced to 7 members.
- § Funding structure changed.
- § Minister of Municipal Affairs now has final approval on valuation policies set by the SAMA Board.

SAMA's
Amended Business
and Financial Plan

Amended 2010 to 2013 Budget

- 2010 was a year of financial adjustment
- Transition to \$15.8 M/152 staff level
 - \$2.1 M shortfall – 14% staff reduction

Amended 2010 to 2013 Budget

Going forward

- Stabilize at 152 staff through 2013
- Defer new technology
- Modest budget increase of 2% in 2011, 3% in 2012 and 3% in 2013
- No change in municipal requisitions until 2014

2010-2013 Objectives

Continue to focus on strategic directions:

- Ø Stabilize the organization
- Ø Meet 2013 revaluation objectives
- Ø Timely & targeted maintenance and inspections (maintenance is the inspection priority followed by commercial reinspection program)
- Ø Stabilize valuation policies – improve quality
- Ø Continue to review business processes for efficiencies using the LEAN methodology
- Ø Leverage existing technology and enhance as resources permit
- Ø Maintain focus on staff training and development

2010-2011 Results

Governance:

- ∅ 2013 Manual and Cost Guides completed
 - § Base Date updated by 6 months
- ∅ Quality Assurance/confirmations maintained
- ∅ Technical Infrastructure Project deferred
 - § current database supported and maintained

2010-2011 Results

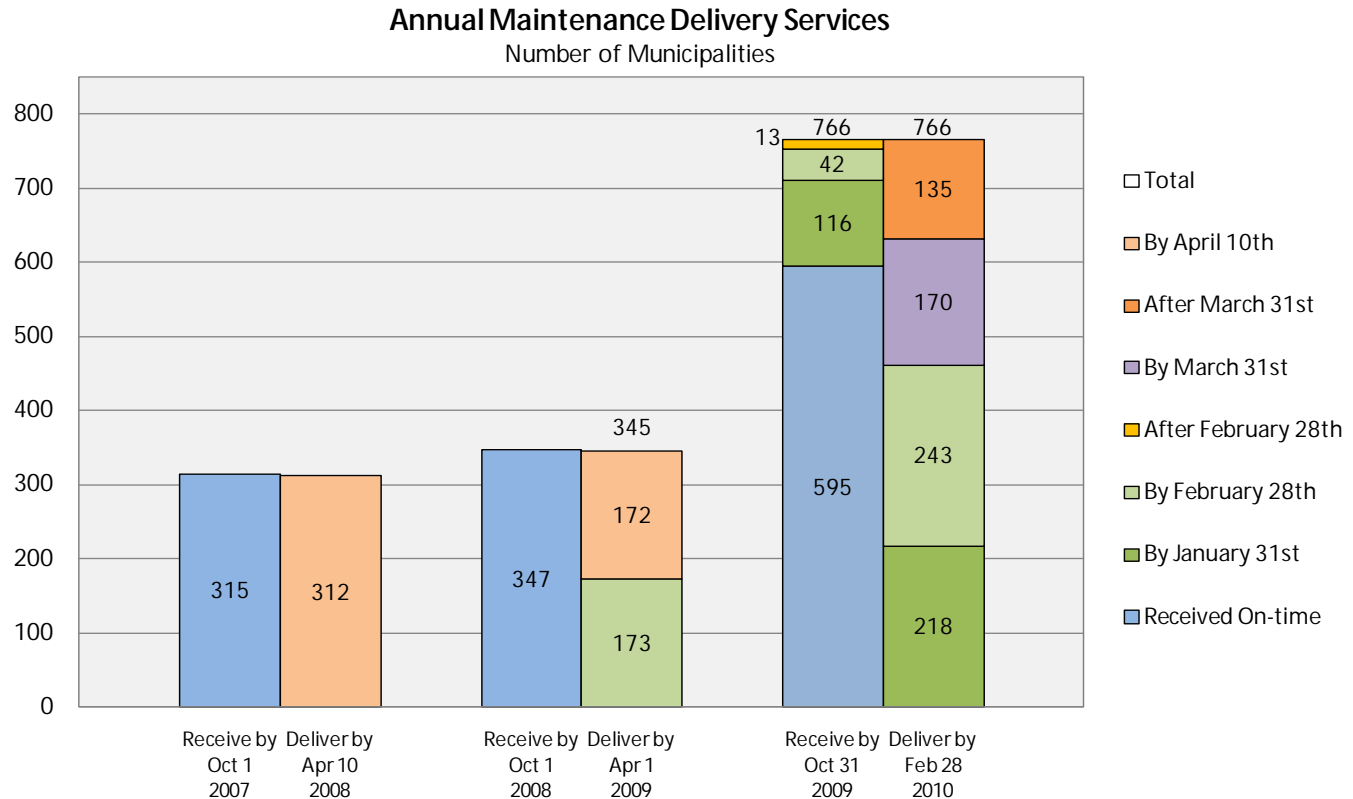
Data verification programs:

- Ø Reduced relative to original plans

However:

- Ø Business process improvements (Lean) and improved project management paid big dividends for clients

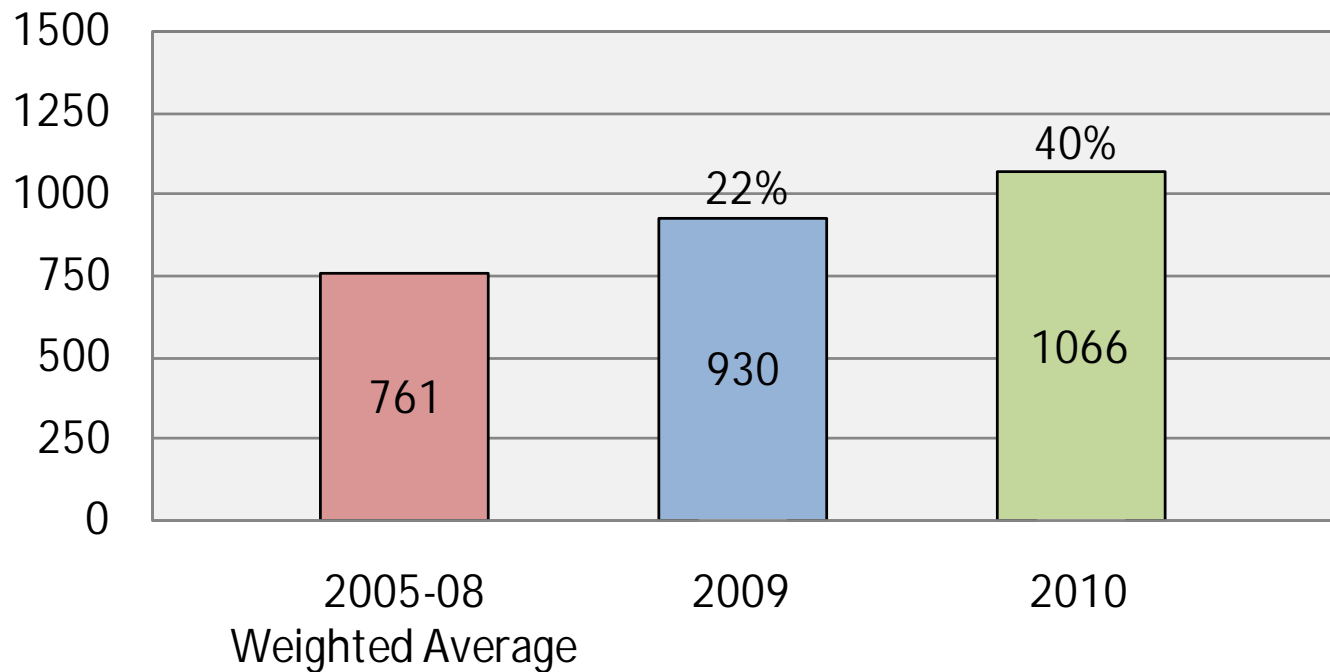
More Timely Maintenance



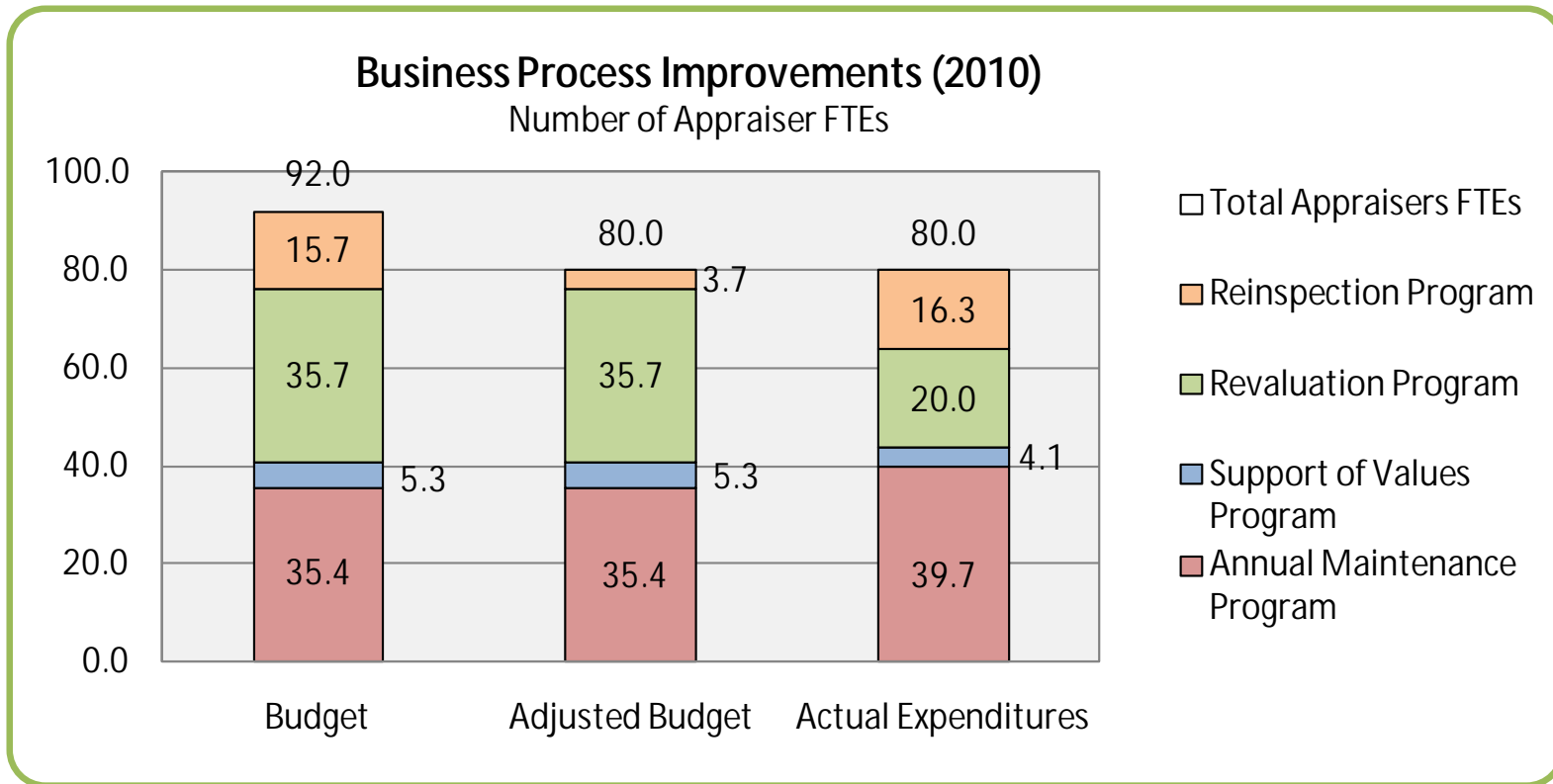
- February 28th delivery:
 - 2009: 173 municipalities completed
 - 2010: 461 municipalities completed

More Efficient and Effective Re-inspections

Inspection Rate of Production
Residential, Commercial & Agricultural Properties
Number of Inspections per Appraiser
% Increase over 2005-08



Business Process Improvements



- Process improvements (Lean and PM) saved 15 fte's
- Allowed re-inspections to continue in 2010 despite budget cuts
- Result +\$250M in new taxable assessments

2010-2011 Results

Business Case

- Ø Maintenance and targeted re-inspection efforts for last 12 months = record year
 - § added \$1.05 Billion in taxable assessments
 - § +\$11 million annual revenue to Education
 - § +\$15.5 million revenue for municipalities
- Ø One year revenue gain enough to cover entire SAMA 2011 budget plus \$10 million

- Ø Our service is very cost effective:
 - § Cost per parcel 30% less than next lowest comparable

SAMA Funding Freeze

The Tipping Point

Government denied SAMA's 2011 budget request of 1.8% (\$287,000):

- Ø Result: 2011 reinspection program cut in half
- Ø Minimum anticipated immediate loss in re-inspection revenue to clients of \$1.1M annually
- Ø BPI gains of last three years effectively neutralized by 2010 cut and 2011 freeze.
- Ø If continued, re-inspection capacity gone in the next 12 to 24 months

Risk Areas

- Ø Resource capacity limitations (industrial, information services, technology capital funding, income approach, legal support)
- Ø 2011 to 2013 budget support questionable
- Ø Lean motivational dilemma
- Ø Internal issues: new employee classification system to negotiate
- Ø Capacity to support 2013 revaluation

2011 CEO Report

Our financial challenges present a major risk, but we remain committed to be your service provider of choice with our team of high integrity, dedicated, solution focused professionals.

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"

2009 Revaluation

How Property Assessment Works in Saskatchewan

New!!

Visit SAMAVIEW and search property assessment information on-line:



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