


MACKENZIE COUNTY
**COMMITTEE
OF THE
WHOLE
MEETING**

**MARCH 26, 2019
10:00 AM**

**FORT VERMILION COUNCIL
CHAMBERS**

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Mackenzie County

**MACKENZIE COUNTY
COMMITTEE OF THE WHOLE MEETING**

**Tuesday, March 26, 2019
10:00 a.m.**

**Fort Vermilion Council Chambers
Fort Vermilion, Alberta**

AGENDA

1. Delegation – Aaron Steblyk, Compass Assessment Consultants Inc. 5
2018 Assessment for 2019 Taxation – Overview and Changes
(10:00 a.m.)
- 2.
- 3.
- 4.
5. Next Meeting – May 21, 2019



Mackenzie County

2018 Assessment for 2019 Taxation

Overview and Changes

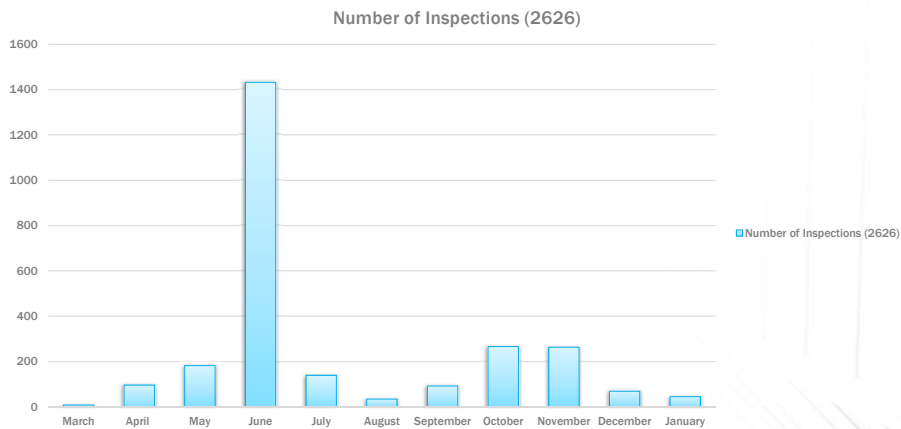
2018 Assessment - Outline

- Previous year Assessment Review Board results
- Inspections completed over the last year
- 2018 Assessment for 2019 Taxation
- Farmland
- Re-Inspection
- Looking Forward

Assessment Review Board (2017 Assessment)

- **14 Complaints filed**
 - 12 Residential
 - 2 Non-residential
- **11 complaints withdrawn or withdrawn to correction**
 - Majority of complainants had not spoken to the Assessor before filing
- **3 Residential complaints heard by LARB (Local Assessment Review Board)**
- **All assessments confirmed by LARB**
 - 2 decisions confirm the original assessment, 1 confirmed a recommendation by the Assessor

Inspections/Accounts Reviewed - July through February

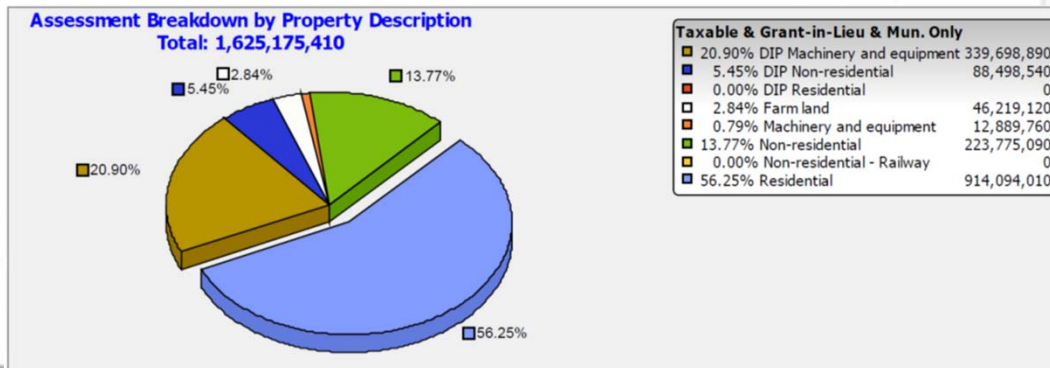


Inspections/Accounts Reviewed - 2018

- Flood effected properties. Inspected in summer and at year end
- Physical inspection of every permit issued before December 31
- Review of quarterly lease reports supplied by the Province
- Property subdivisions
- Adjustment of farmland for clearing
- Updating photos for buildings present onsite at time of physical inspection
- Callback cards left at properties where the assessor had questions. Notification left at all properties visited where there was a residence.
- Reviewed of a number of different improvement types to ensure equitable coding (ongoing)
- Re-inspection areas focused on rural areas around Fort Vermilion and Blue Hills.

2018 Assessment for 2019 Taxation

- Total Municipal Assessment = \$1,429,968,500
- Total Designated Industrial Property (excluding Linear) = \$428,197,430
- Total Taxable = \$1,625,175,410 (excluding Linear)



Growth and Inflation

- Increase in assessment base of \$48,691,870 (\$38,894,390 taxable). Included in this, is assessment base growth and assessment base inflation
- Growth vs. Inflation
 - Growth is the total assessment from new property or improvements added or removed from the roll since that last year (subdivisions, or new development, and removals). **Taxable growth is 1.6% overall this year.**
 - Inflation is the increase in total assessment from what existed last year and carried forward. This reflects market change, not inventory change. **Inflation this year is 0.9% overall this year.**

Growth and Inflation

2017 Assessment	2018 Assessment
Growth – 2.6% (\$38,542,730) • Residential - \$24,685,000 • Non-Res – \$5,200,210 • M&E - \$8,445,070 • Farm Land - \$212,140	Growth – 1.6% (\$25,247,350) • Residential - \$30,605,810 • Non-Res - \$2,293,550 • M&E – (\$4,979,760) • Farm Land – \$998,880
Inflation – 6.7% (\$97,776,920)	Inflation – 0.9% (\$13,647,040)

- Comparison to last year’s assessment
 Stability in year-over year assessment base. Inflation has levelled off this year from last year’s assessment correction. Growth in the assessment has remained steady around 2% on average.

Assessment Changes

- New construction and completed projects from previous years
 - New development includes: 59 Dwellings, 30 Manufactured Homes, 39 Accessory Buildings/Outbuildings/Commercial Shops
- Market driven increases to the general assessment – stabilized market activity
 - 294 new sales that occurred between July 2017 and June 2018 were used in the valuation
 - 768 total sales used in valuation
- Assessment base in M&E has decreased.
 - Additions were offset by disconnections, site demolitions and abandonments.

2018 Assessment



Mackenzie County Code: 0505 Assessment Year: 2018
Annual Audit Ratio Study Report
Summary and Assessment Audit Comments

Residential Assessment Level	Non-Residential Assessment Level
0.989	0.984

Assessment Year 2018 Loads			
Load Type	Load Date	Declared By	Declaration Date
Annual	February 27, 2019	Aaron Steblyk	February 27, 2019
Indicators of Value	February 27, 2019	N/A	

Audit Date	Assessment Auditor	Audit Statement
March 13, 2019	Rory Badger	The regulated assessment quality standards have been met and the assessment levels calculated by ASSET will be used in the equalized assessment calculation.

Annual Audit Ratio Study Status
The regulated quality standards have been met for each actual use group by value quartile stratum and declaration is enabled.

Annual Return Declaration Status	Date
The appointed assessor has submitted the annual declaration upon receiving notice that the annual audit stage 1 tests are passed.	27FEB19:13:49:17

2018 Assessment

Alberta Municipal Affairs

Mackenzie County Code: 0505 Assessment Year: 2018
Annual Audit Ratio Study Report
Residential Assessment Level

Actual Use Group Description	Value Quartile Strata	NBR of IOV Used	Median Assessment Ratio	COD	Assessment Total for the Strata	Indicated Market Value	Parcel Count
Single Family Dwellings	VQ1	146	0.989	12.800	\$77,550,810	\$78,413,357	999
Single Family Dwellings	VQ2	133	0.980	12.300	\$165,927,880	\$169,314,163	868
Single Family Dwellings	VQ3	147	0.985	8.200	\$249,685,110	\$253,487,421	859
Single Family Dwellings	VQ4	92	0.996	8.400	\$428,236,550	\$429,956,376	919
Residential Condominium	VQ1-4	17	0.989	3.400	\$16,398,700	\$16,581,092	76
Multi-Family	VQ1-4	3	0.965	N/A	\$9,278,090	\$9,614,601	16
Vacant Residential	VQ1-2	27	0.982	11.700	\$3,708,110	\$3,776,079	289
Vacant Residential	VQ3-4	148	0.982	11.700	\$18,502,600	\$18,841,752	259
		713			\$969,287,850	\$979,984,841	4,285

2018 Assessment

Alberta Municipal Affairs

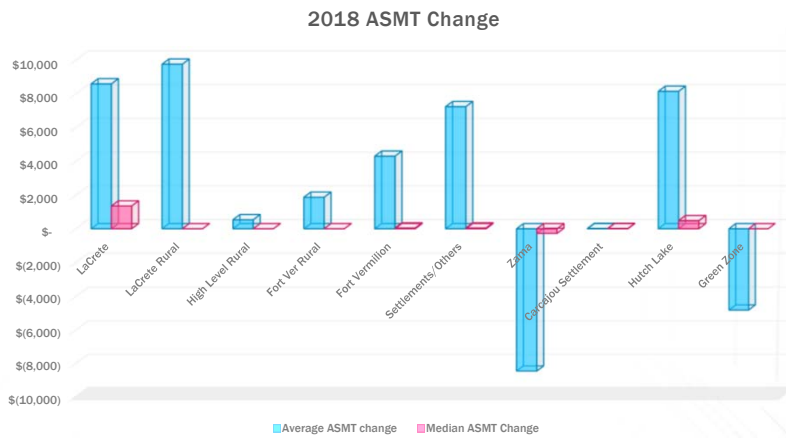
Mackenzie County Code: 0505 Assessment Year: 2018
Annual Audit Ratio Study Report
Non-Residential Assessment Level

Actual Use Group Description	Value Quartile Strata	NBR of IOV Used	Median Assessment Ratio	COD	Assessment Total for the Strata	Indicated Market Value	Parcel Count
Vacant Non Res	VQ1-4	19	0.985	12.500	\$20,759,920	\$21,076,061	1,564
Special Purpose	VQ1-4		1.000		\$4,858,100	\$4,858,100	4
Industrial, Commercial	VQ1-4	36	0.983	8.000	\$211,292,090	\$214,946,175	475
		55			\$236,910,110	\$240,880,336	2,043

Percentage Changes – By Location

Totals	Average % Change	Average ASMT Change	Median % Change	Median ASMT Change
LaCrete	5.8%	\$ 8,589	0.6%	\$ 1,350
LaCrete Rural	4.2%	\$ 9,753	0.0%	\$ -
High Level Rural	0.6%	\$ 536	0.0%	\$ -
Fort Ver Rural	37.7%	\$ 1,867	0.0%	\$ -
Fort Vermilion	7.4%	\$ 4,303	0.1%	\$ 50
Settlements/Others	1.6%	\$ 7,239	1.0%	\$ 50
Zama	-6.1%	\$ (8,471)	-2.1%	\$ (275)
Carcajou Settlement	0.8%	\$ 20	0.8%	\$ 20
Hutch Lake	18.0%	\$ 8,144	1.0%	\$ 480
Green Zone	-5.5%	\$ (4,820)	0.0%	\$ -

Assessment Dollar Changes – By Location

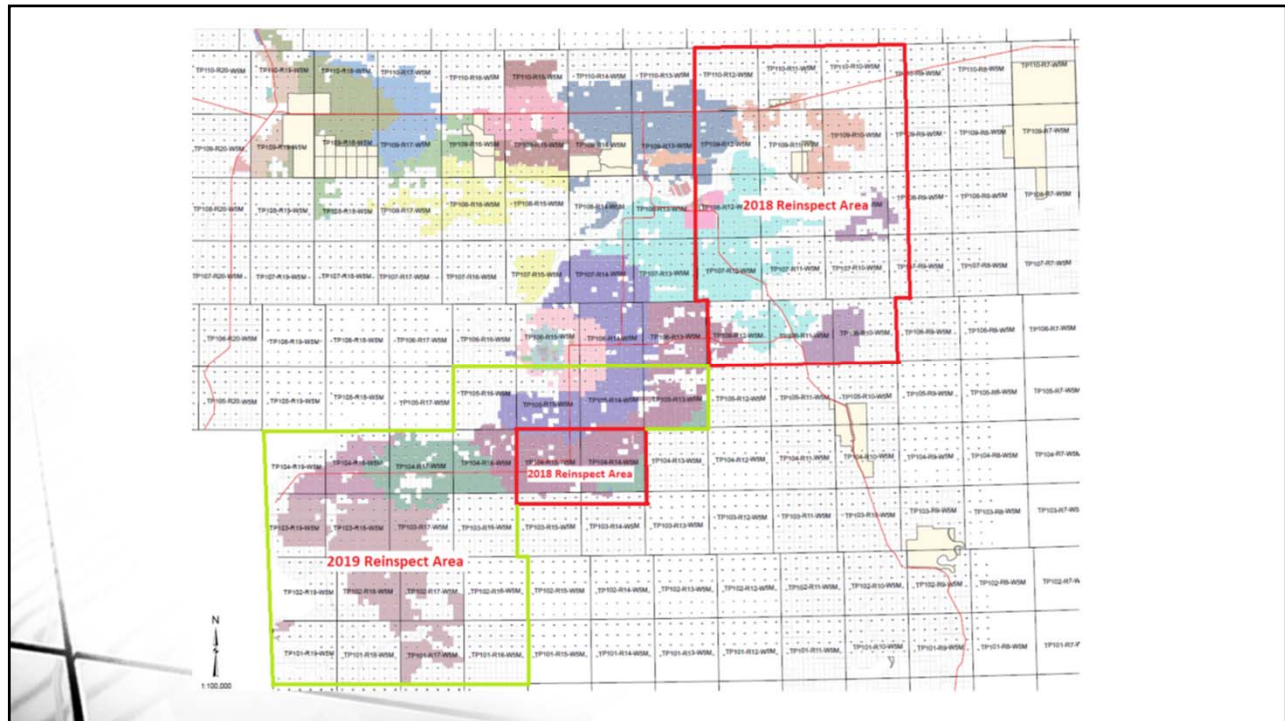


Farm Land Assessment

- Regulated Assessment – Rates dictated by the Alberta Farm Land Assessment Manual
- **No relationship to market value.** Value based on potential productivity.
- Most productive farmland in the Province is valued at \$350/acre per the regulation (160 acres = \$56,000)
- Most productive full quarter in Mackenzie County currently is \$26,620 (\$166.38/acre)
 - Most Productive Quarter = \$296.54 in tax dollars
 - Median Farmland Assessment is \$10,010 = \$111.15 in tax dollars
- Parcels that are being cleared or have been cleared, are being checked as part of the re-inspect cycle, annual inspection cycle and as they are identified during travel.
- Focused review of farm land will not bolster values to reflect market. Largely, the assessments will remain that same as the soil types, obstacles, location of the property do not change. Clearing has the biggest impact and is consciously being reviewed.

Re-Inspection

- Re-inspection areas are determined from assessment data and the areas most in need of attention are given highest priority.
- Remote, rural areas have the highest need for inspections due to the length of time since they were last physically verified. Locations such as Indian Cabins, Steen River, Meander River were all reviewed last year. Ranges 10, 11 and 12 completely reviewed. Along with 104-14 and 104-15.
- Farm land is reviewed alongside improved properties during the re-inspection cycle.
- Improved property inspections often yield positive assessment changes that are most impactful to the assessment base
- Current re-inspection is focused on the Blue Hills area of the County



Looking forward

- Ongoing re-inspection and site visits
- Ongoing customer interaction and relationship building
- Open Houses for rate payers planned in early June
- Inquiry period is open 60 days from the notice of assessment date which will appear on the tax notice

