

# Town of Peace River



## 2024 Assessment

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March 24, 2025

# OUTLINE

- Introduction
- Overview
- Types of Assessment
- Key Dates
- Assessment Methodologies
- Data Collection
- Assessment Change
- Residential Focus
- Questions

# INTRODUCTION

Travis Horne, AMAA, MAS, AIMA, CRA PApp, LAAS

President

Municipal Assessment Service Group Inc.



# OVERVIEW

- Assessments prepared yearly
- Prepared using “Mass Appraisal”
- Assessments are estimates of market value as of July 1, 2024
- 2 types of property – residential & non-residential

# PROPERTY ASSESSMENT

- A process to assign a dollar value to property for taxation.
- Property taxed is based on the *ad valorem* principle;
  - Amount of tax paid is based on the value of the property.
- A process to distribute the tax burden among property owners in a municipality.
- A keystone in municipal operation.

# ASSESSMENT $\neq$ TAXATION

## Assessment

Used to calculate the amount of taxes for property.

## Taxation

Applies a tax rate (sometimes referred to as a mill rate) to an assessment resulting in taxes payable.



## Market Value

- Residential
- Non-Residential



## Regulated Value

(Provincial Rates)

# MARKET VALUE

- Most *probable* price – not highest, lowest or average.
- Assumes a transaction between unrelated parties in an open market.
- Assumes a willing buyer and a willing seller, with no advantage being taken by either party.
- Recognizes present use *and* potential use of the property.



# REGULATED VALUE

- Use rates and procedures prescribed by Municipal Affairs to calculate values.
- Used for certain types of properties including:
  - farmland, Designated Industrial Property (DIP) and linear property
  - railway property is now considered linear and assessed by the Province

# KEY DATES

## Valuation date:

- Fixed point in time at which assessment values are based.
- Ensures all properties in a municipality are valued as of the same date.
- Valuation date for 2025 taxation year is July 1, 2024.

## Condition date:

- Date the condition of the property is recorded for property assessment.
- Condition date for the 2025 taxation year is December 31, 2024.

# MASS APPRAISAL

Mass appraisal is used to develop Market Value Assessments

- Process of assessing a group of properties using common data, standard methods (modelling) and statistical tests.
- Allows a large number of properties to be assessed in a short period of time.

Three standard methods are used to determine market value assessments:

1. **Sales Approach** compares sales prices of properties to the properties assessed
2. **Cost Approach** market value of land + cost of improvements – depreciation = assessment
3. **Income Approach** reflects sale prices based on a property's expected rate of return (i.e. income producing potential)



Mass Appraisal applies all three approaches.

# DATA COLLECTION

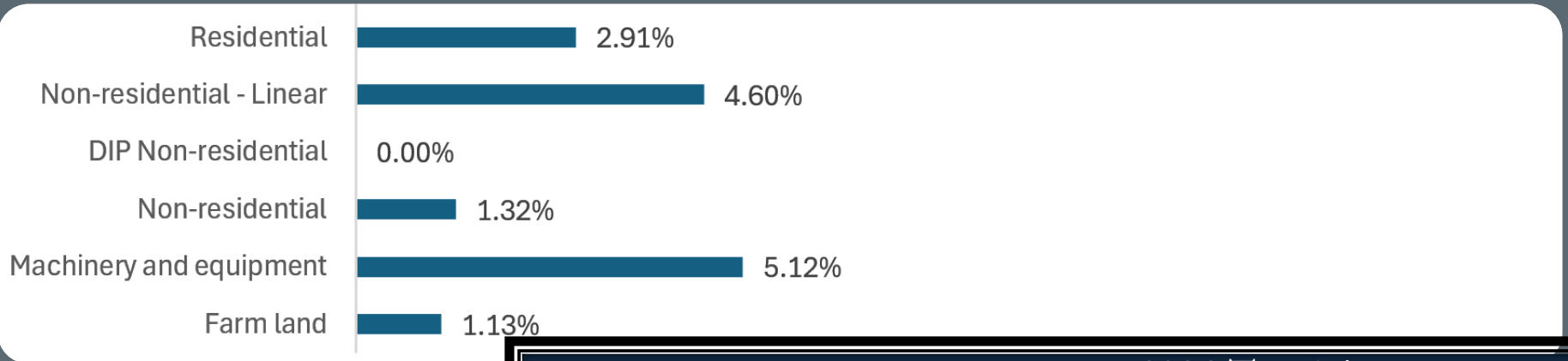
## Sales

- used as part of the process for calculating market value assessments.
- analyzed for groups of similar properties at a specific point in time.
- used to determine typical market conditions for property with similar characteristics.

# Inspections

- Conducted so all characteristics of the property that affect value are considered when determining assessments.
- All newly constructed properties require an inspection.
- Existing properties are reviewed to ensure the information is accurate.

# ASSESSMENT TOTAL & CHANGE

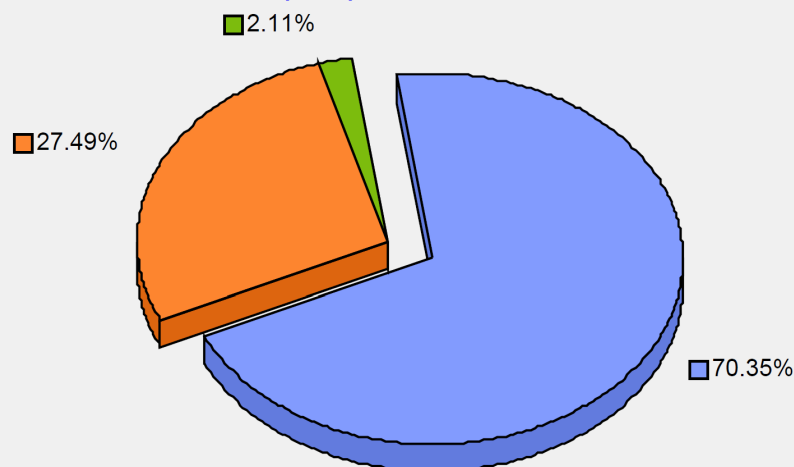


2024 Total Assessment	
Farm land	77,000
Machinery and equipment	388,030
Non-residential	251,099,390
DIP Non-residential	31,620
Non-residential - Linear	19,286,490
Residential	642,666,360

# ASSESSMENT SUMMARY

## Assessment Breakdown by Property Description

Total: 913,548,890



## Taxable & Grant-in-Lieu & Mun. Only

0.00% DIP Non-residential	31,620
0.01% Farm land	77,000
0.04% Machinery and equipment	388,030
27.49% Non-residential	251,099,390
2.11% Non-residential - Linear	19,286,490
0.00% Non-residential - Railway	0
70.35% Residential	642,666,360



# ASSESSMENT SUMMARY



## Assessment Summary

Assessment Year: 2024

### Provincial Assessment

<u>Code</u>	<u>Description</u>	<u>Records</u>	<u>Status</u>	<u>Land</u>	<u>Impr.</u>	<u>Other</u>	<u>Total</u>
	<b>Taxable Total:</b>	<b>2,969</b>		<b>209,958,950</b>	<b>532,643,420</b>	<b>156,030,570</b>	<b>898,632,940</b>
	<b>Grant-In-Lieu Total:</b>	<b>2</b>		<b>395,810</b>	<b>2,125,420</b>	<b>0</b>	<b>2,521,230</b>
	<b>Mun. Only Total:</b>	<b>7</b>		<b>1,837,960</b>	<b>10,556,760</b>	<b>0</b>	<b>12,394,720</b>
	<b>Taxable &amp; Grant-in-Lieu &amp; Mun. Only Total:</b>	<b>2,978</b>		<b>212,192,720</b>	<b>545,325,600</b>	<b>156,030,570</b>	<b>913,548,890</b>
	<b>Exempt Total:</b>	<b>402</b>		<b>37,222,820</b>	<b>172,814,990</b>	<b>7,394,990</b>	<b>217,432,800</b>
	<b>Parcels: 3,340</b>	<b>3,380</b>		<b>249,415,540</b>	<b>718,140,590</b>	<b>163,425,560</b>	<b>1,130,981,690</b>

Parcels: 3,340 3,380 249,415,540 718,140,590 163,425,560 1,130,981,690

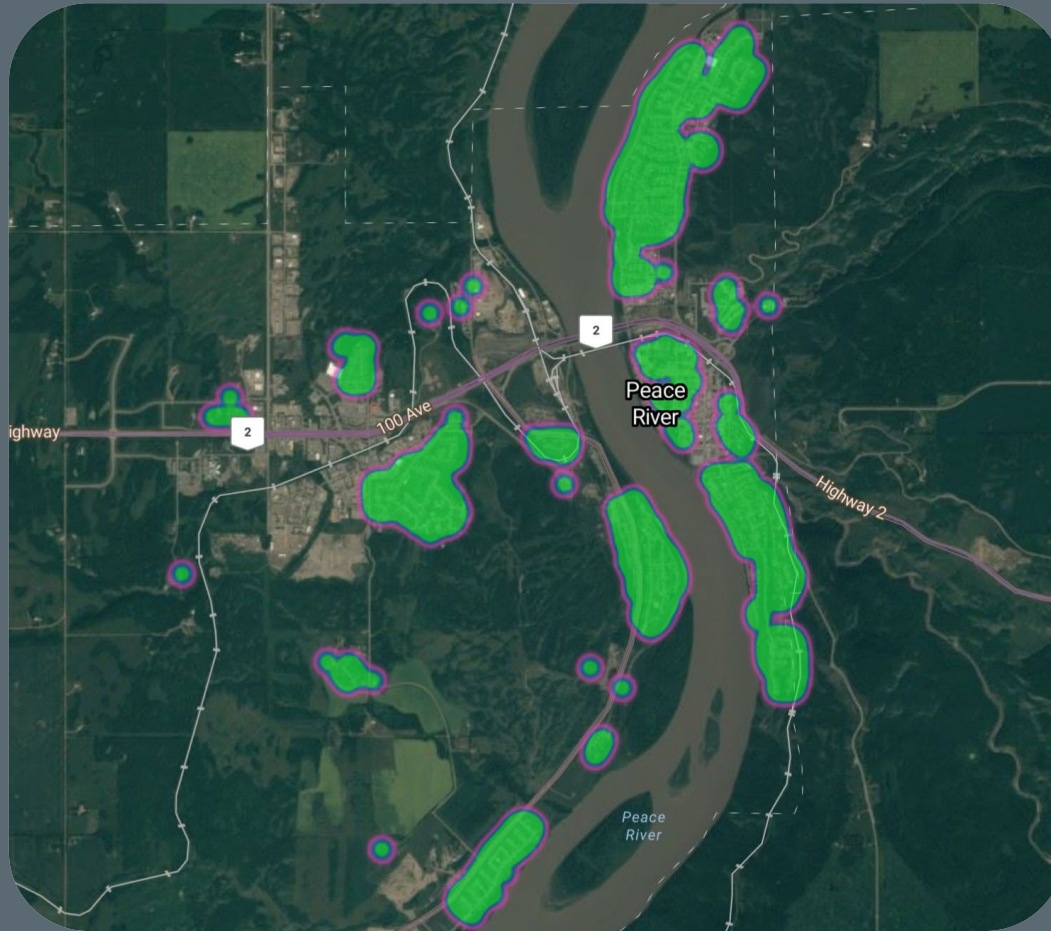
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Taxable & Grant-in-Lieu & Mun. Only Total: 2,978 212,192,720 545,325,600 156,030,570 913,548,890



Entire Population

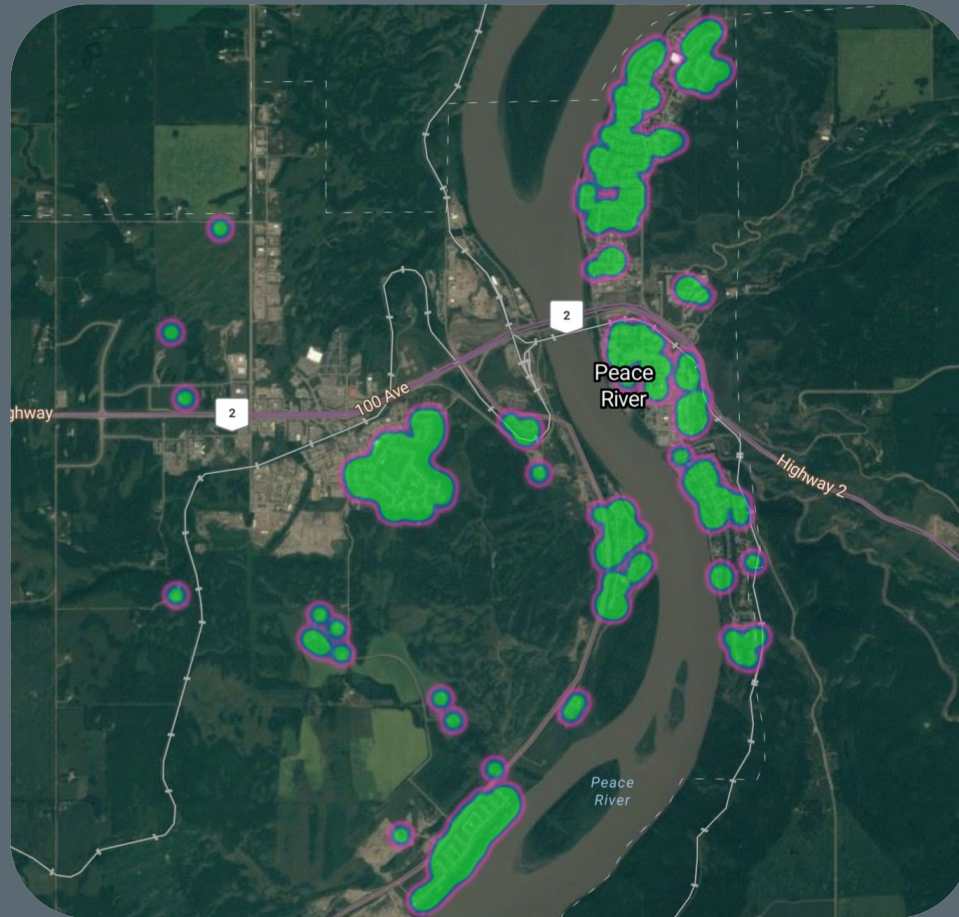
# RESIDENTIAL FOCUS



Change -5 to 5%

77% of inventory  
1,513

# RESIDENTIAL FOCUS



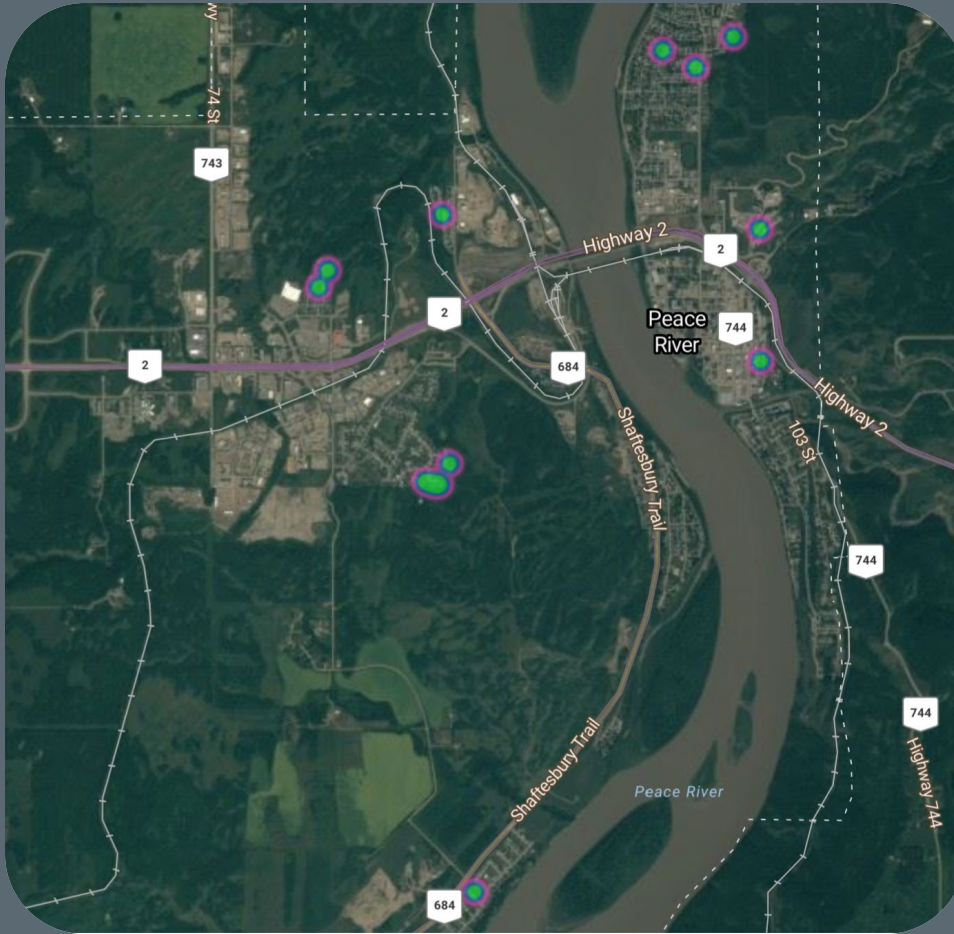
Change +6 to +19%

21% of inventory

416 properties



# RESIDENTIAL FOCUS



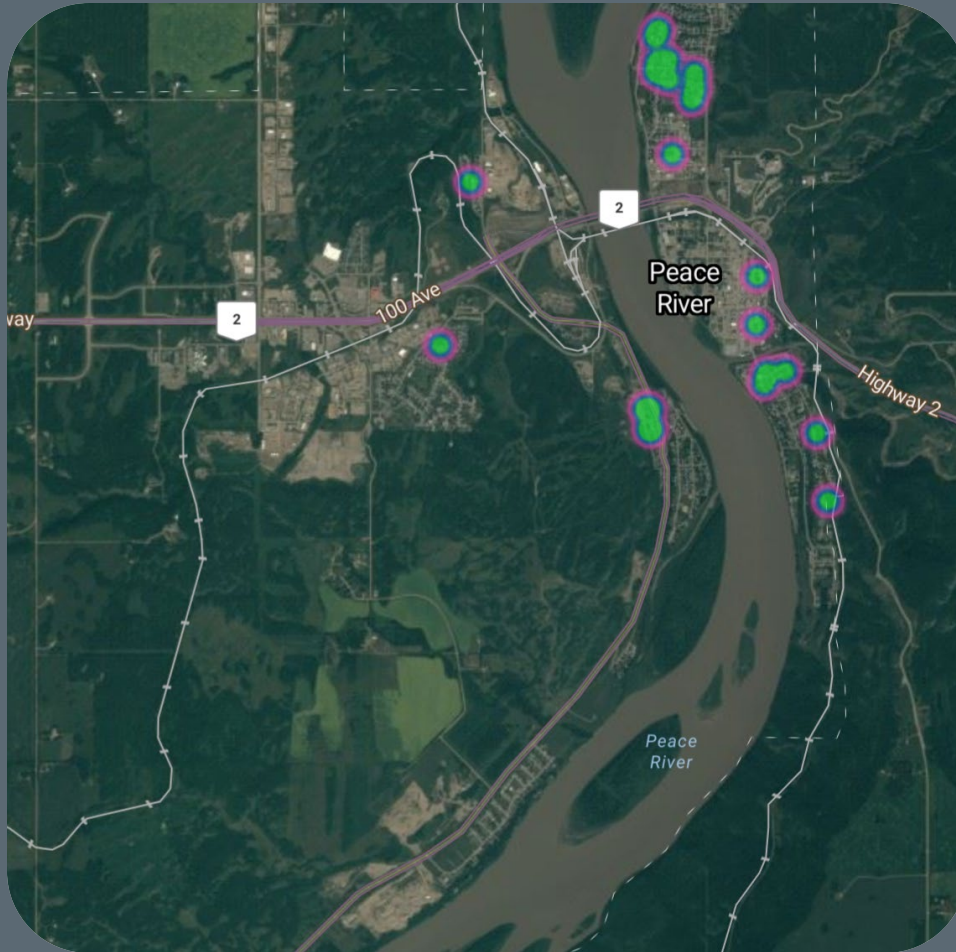
Change +20 to +80%

1% of inventory

18 properties

\* No increase > 80 percent \*

# RESIDENTIAL FOCUS



Change -6 to -19%

1% of inventory

23 properties

# RESIDENTIAL FOCUS



$\leq -20 \%$

0% of inventory

5 properties

# RESIDENTIAL FOCUS

RANGE	n	% of Total
Increased 20 to 80%	18	1%
Increased 6 to 19%	416	21%
Change Btn -5 to +5%	1,513	77%
Reduced -6 to -19%	23	1%
Reduced $\leq$ 20%	5	0%









Thank  
you