



Agenda



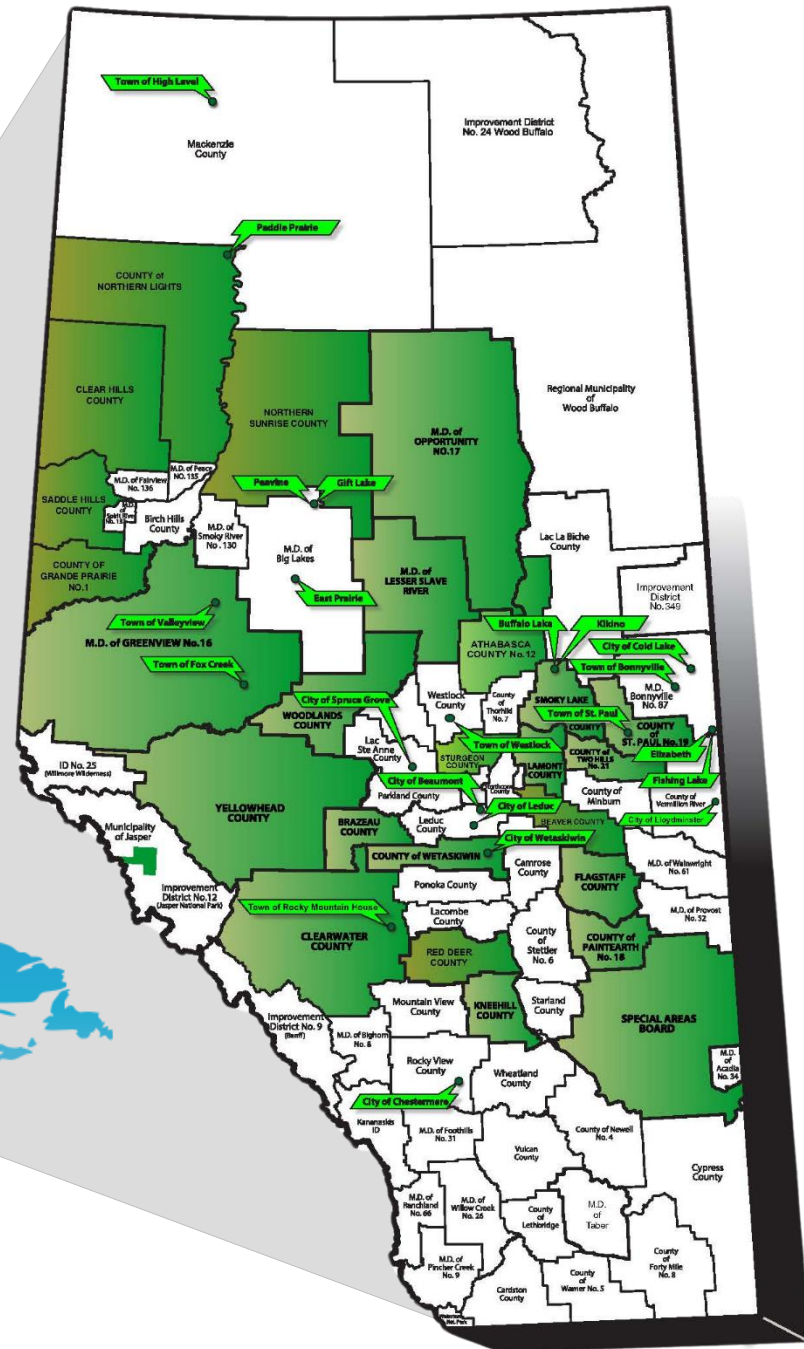
Accurate Assessment Group Ltd.



Highlights of the Municipality's Assessment

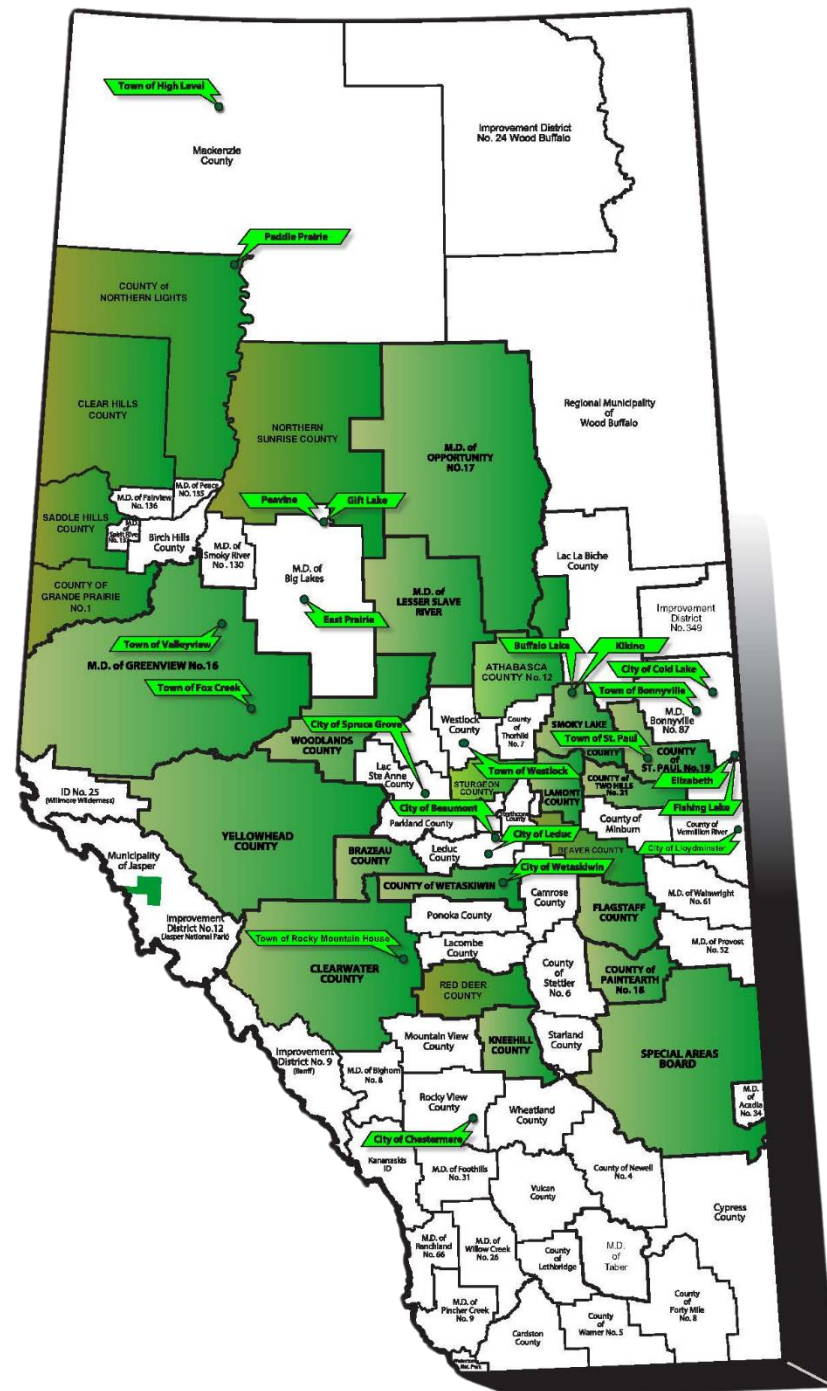


A map of North America, including Canada, the United States, and Mexico. A red location pin with a white dot is placed in the central United States, specifically in the Great Plains region. The pin has three concentric blue circles around its base, suggesting a signal or a point of interest. The map is oriented with North at the top.





- ✓ **26 Rural Municipalities** (DIP Assessment Services in 15)
- ✓ **7 Cities**
- ✓ **7 Towns**
- ✓ **8 Metis Settlements**
- ✓ **2 First Nations**



Trusted Advisor



*At AAG, our purpose is to continuously seek improvement,
and earn the role of Trusted Advisor.*



TEAM DEPTH



Specializing in all aspects of Municipal Property Assessment

400+ Years of Combined Experience



COMMUNICATION



We connect with Rate Payers successfully

We communicate with Council, CAO's and Administration



DATA INTEGRITY



Our technology drives best practices for assessment operations.

Leaders in quality control through technology and experience



Residential



Non-Residential



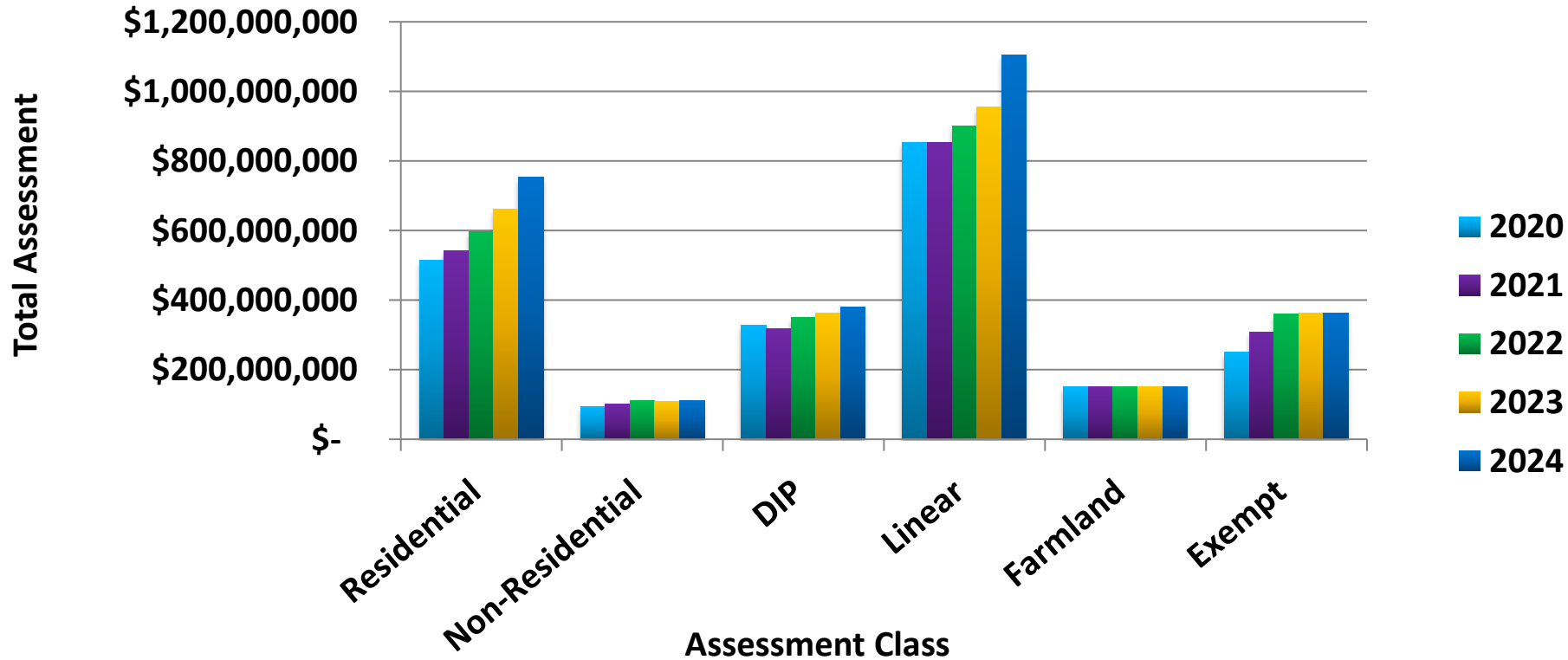
Farmland

Troy Birtles, AMAA	Assessment Manager
Kris Meadows, AMAA	Residential Assessor
Levi Stewart	Residential Assessor
Sean Cosens, Bsc. Ag	Farmland Assessment Specialist
Bob Daudelin, AMAA	Assessment Specialist
Kurt Hartman	Assessment Specialist
Josh McMillan	Residential Assessor
Jesse Nelson	Residential Assessor
Cory Allen	Residential Assessor

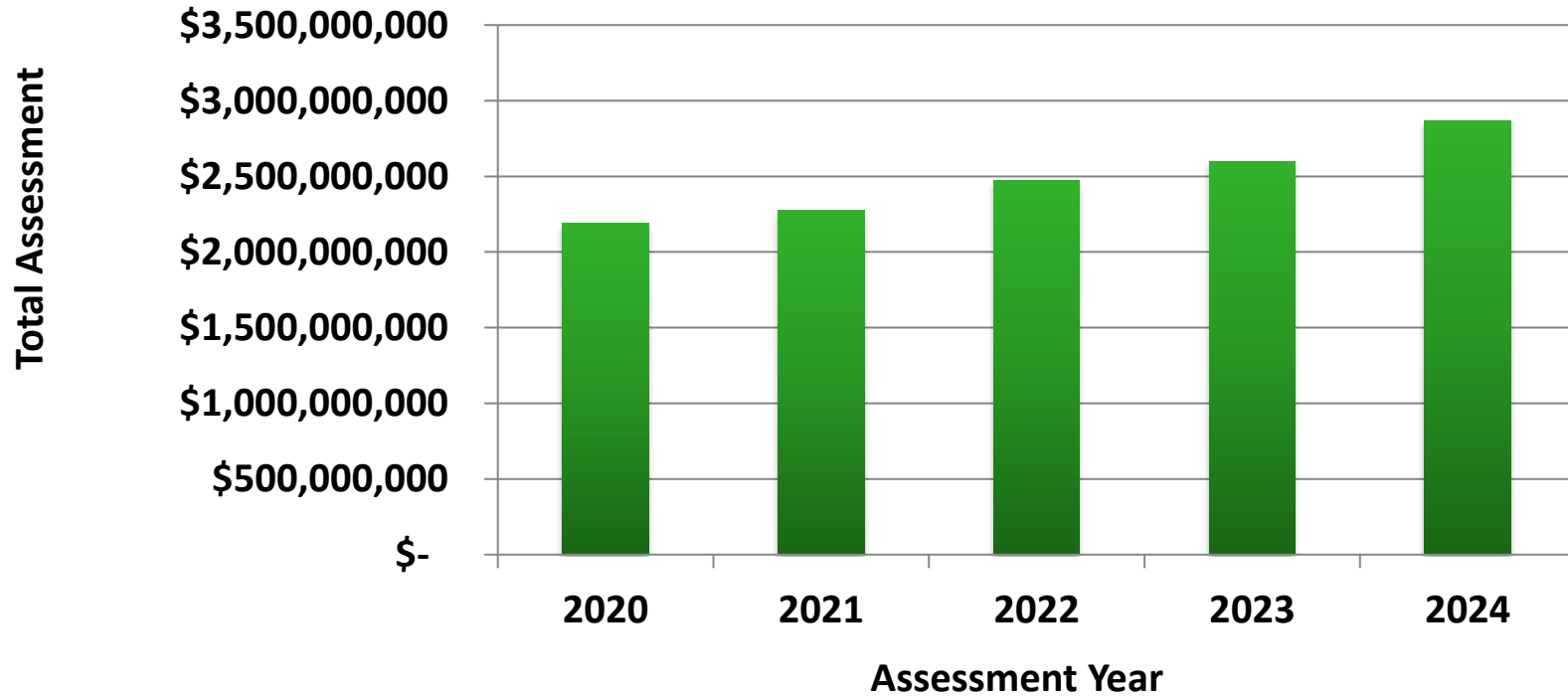
2023 Compared to 2024 Assessment

	2023	2024	Difference	
	Totals	Totals	\$	%
Residential	\$661,263,210	\$753,253,870	\$91,990,660	114%
Non-Residential	\$107,602,230	\$112,078,780	\$4,476,550	104%
Designated Industrial Property (DIP)	\$362,763,940	\$380,740,420	\$17,976,480	105%
Linear	\$954,677,280	\$1,104,461,920	\$149,784,640	116%
Farmland	\$151,648,650	\$151,625,750	\$(22,900)	100%
Exempt	\$361,694,290	\$363,406,870	\$1,712,580	100%
Grand Total:	\$2,599,649,600	\$2,865,567,610	\$265,918,010	110%

Assessment Class History Comparison



Assessment Total History Compare



Taxable Assessment Change Compare by %

Range	Properties	%
-25% to -100%	58	0.7%
-10% to -25%	20	0.2%
-1% to -10%	52	0.6%
No Change	5,483	63.6%
1% to 10%	1,576	18.3%
10% to 25%	1,251	14.5%
25% to 100%	59	0.7%
Over 100%	21	0.2%
New Roll #'s	38	0.4%
Inactive Roll #'s	63	0.7%
Total Properties	8,621	100%

96%

Taxable Assessment Change Compare by \$

Range	Properties	%
Over - \$1,000,000	4	0.0%
-\$100,000 to -\$999,999	35	0.4%
-\$25,000 to -\$99,999	25	0.3%
-\$10,000 to -\$24,999	22	0.3%
-\$1,000 to -\$9,999	50	0.6%
-\$999 to \$999	5,658	65.6%
\$1,000 to \$9,999	874	10.1%
\$10,000 to \$24,999	390	4.5%
\$25,000 to \$99,999	1,284	14.9%
\$100,000 to \$999,999	162	1.9%
Over \$1,000,000	16	0.2%
New Roll #'s	38	0.4%
Inactive Roll #'s	63	0.7%
Total Properties	8,633	100%

95%

New Roll #'s & Permit Comparison

New Roll #'s Summary

	2020	2021	2022	2023	2024
Residential/Non-Res	26	15	17	18	23

Development Permit

	2020	2021	2022	2023	2024
Development Permits	91	75	79	63	72

Overview

(NOT including Industrial or Linear)

Residential (Rural)		Growth	Inflation
Three Hills Area	14.5% Increase	1.0%	13.5%
Rural North	12.7% Increase	0.2%	12.5%
Rural South West	15.1% Increase	2.3%	12.8%
Rural East	13.2% Increase	0.3%	12.9%
Hamlets	12.6% Increase	1.5%	11.1%
Total	13.9% Increase	1.2%	12.7%

Overview

(NOT including Industrial or Linear)

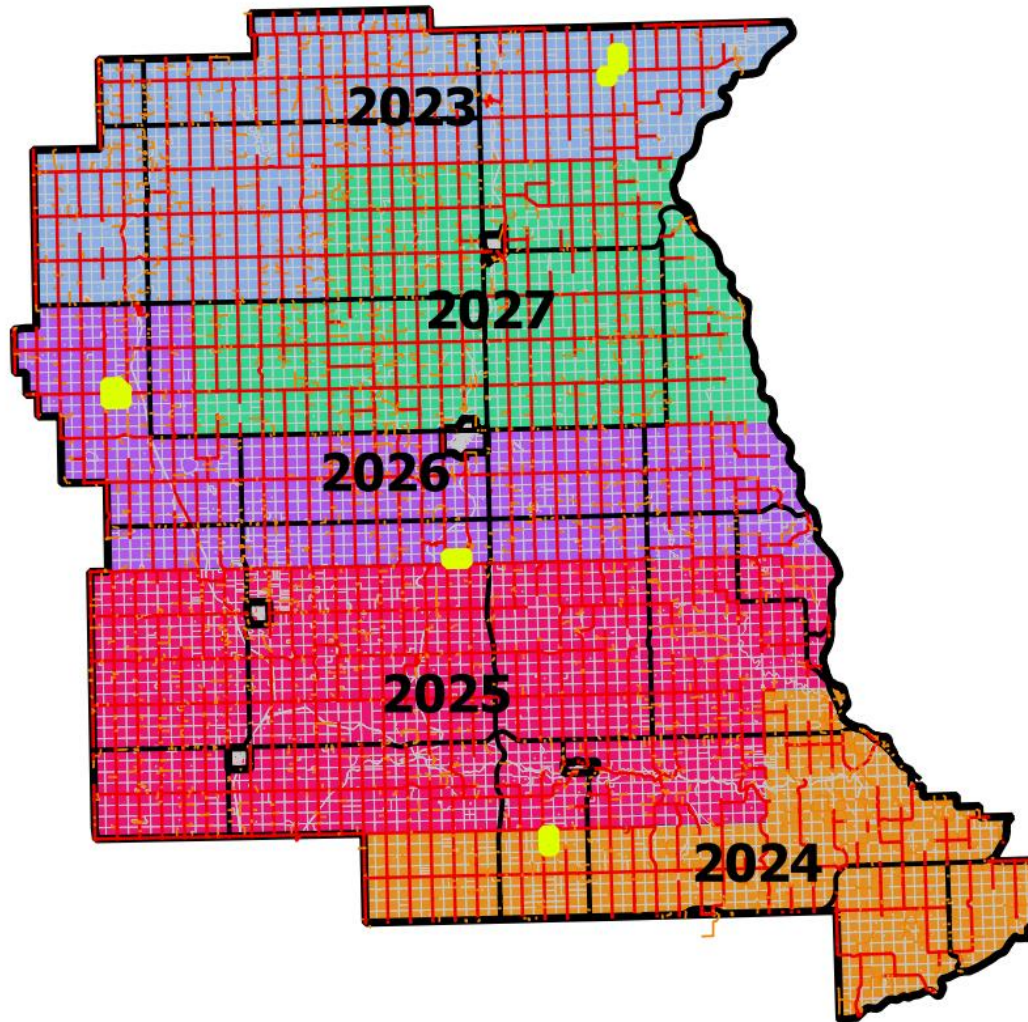
Residential Growth

	2022	2023	2024
New Construction	\$9.3M (1.7%)	\$8.3M (1.4%)	\$8.2M (1.2%)

Residential Inflation

	2022	2023	2024
Market Change	\$45.5M (8.4%)	\$55.3M (9.3%)	\$83.8M (12.7%)

Residential / Non-Residential Re-inspection Cycle



Moving Forward – Residential / Non-Residential



Continue with Global Inspections concentrating on the Linden/Carbon area of the County



All new construction to be reviewed



Strong market growth was recognized again in 2024. We will continue to monitor in 2025

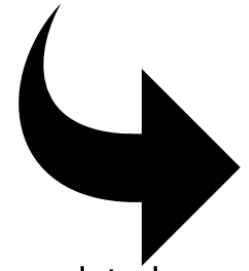
Industrial Assessment Team

Ray Fortin, AMAA	Industrial Assessment Specialist
Sean Barrett, AMAA	Industrial Manager
Chris Smith, AMAA	Industrial Coordinator
Kent Smith, AMAA	Industrial Assessor
Chad Nelson, AMAA	Industrial Assessor
Steve Sawatsky, AMAA	Industrial Assessor
Ally Dittrick, AMAA	Industrial Assessor
Cole Cibula	Industrial Assessor
Harry Schmidt, AMAA	Specialty Assessment Services
Larry Riep, AMAA	LE Riep Assessment Services

Non-Designated Industrial Property

- On an annual basis the Industrial Assessment Team maintains the assessments for Non-Designated Industrial Property.
 - These are industrial properties not regulated by the Alberta Energy Regulator, the Canadian Energy Regulator, or the Alberta Utilities Commission
- In Kneehill County, examples of Non-Designated Industrial Property include (but not limited to):
 - Grain Terminals
 - Fertilizer Blending Facilities
 - Meat Processing Facilities
 - Bitcoin Operations
 - Honey Processing Plants
 - MDF Facilities
- AAG utilizing our team of specialized industrial assessors provide these services annually to the municipality.

Tax Incentives



In 2020, a number of tax incentives were put in place when Alberta's previous review of regulated property assessment was paused. A three-year property tax holiday on new wells and pipelines was introduced to promote new investment and economic activity in the energy sector. This tax holiday will end, as planned, at the end of the 2024 municipal tax year for 2025 taxation. Any wells and pipeline completed in 2021 and future years is now subject to taxation.

Well and Pipeline Tax Holiday Impact for 2024AY (2025 Taxation): Approximately 72 Million+ was added to the 2024AY as part of the previously announced Well and Pipeline tax holiday.

Two assessment-based measures to support the viability of mature oil and gas assets were also implemented at that time:

1. the continuation of the 35 per cent assessment reduction for shallow gas wells and pipelines (first introduced in 2019),
2. and additional depreciation adjustments for lower-producing wells.

These two measures were intended as a bridge to the implementation of new assessment models and will therefore be extended until the Assessment Model Review is completed and the regulated assessment models for wells are updated.

Assessment Model Review

STAGE 1 Design the plan 2023



A stakeholder Steering Committee made up of industry, municipal, and assessment representatives designed an engagement process for the broader review.

STAGE 2 Review foundational policies March – December 2024



Confirm Principles



Recommend Assessment Year Modifier methodology



Review Construction Cost Reporting Guide

Assessment Model Review

STAGE 3

Update assessment models

Expected winter 2025 – summer 2027

We will engage with a technical working group, comprised of stakeholder subject-matter experts to update the costs, practices, and technologies in the assessment model for each property type.

Group 1

winter 2025 to spring 2026



Telecommunications & Cable



Railway



Electric Power

Group 2

spring 2026 to summer 2027



Machinery and Equipment



Pipeline



Wells

STAGE 4

Consider the impacts

Expected summer 2027 – spring 2028



Municipalities and industry property owners will have the opportunity to provide input on assessment and taxation impacts, including how to best implement any shifts in assessment. The Steering Committee will review the engagement results and provide final recommendations to government.



QUESTIONS?

*Thank
you!*