

Agenda



Introduction to Accurate Assessment Group



Assessment 101



Municipality's assessment summary for this past year



Assessment Shifting



What's Next



Residential



Non-Residential



Farmland

Troy Birtles, AMAA	Assessment Manager
Josh McMillan	Property Assessor
Kurt Hartman, AMAA	Assessment Specialist
Levi Stewart	Property Assessor
Tyler Birtles	Property Assessor
Colt Cannon	Property Assessor
Bob Daudelin, AMAA	Assessment Specialist
Kris Meadows, AMAA	Assessment Specialist
Jesse Nelson	Property Assessor
Cory Allen	Property Assessor

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

Property Assessment Overview

Is the process of assigning a dollar value to a property for taxation purposes. Property assessment is the method used to distribute the tax burden among property owners in a municipality.

Assessed Value * Mill Rate = Property Tax



Assessment Legislation

MGA - Municipal Government Act

MRAT - Matters Relating to Assessment and Taxation Regulation

COPTER - Community Organization Property Tax Exemption Regulation

MRAC - Matters Relating to Assessment Complaints Regulation

Mass Appraisal

Means “the process of preparing assessments for a group of properties using standard methods and ***common data*** and allowing for ***statistical testing***”

Common data may include:

- Location
- Lot size
- Age and condition
- Building size

Assessment Valuation

Assessment Class	Valuation Standard
Residential	Market Value
Non-Residential	Market Value
Farmland	Regulated
Designated Industrial Property (DIP)	Regulated

Market Value

Means the amount that a property might be expected to realize if sold on the open market by a willing seller to a willing buyer.

All transactions are reported to Alberta Land Titles as part of the legal obligations of buyers and sellers during all transactions.

All transactions are reviewed to determine if it was a true market transaction or not.

Market Value

How do we estimate Market Value?

- Determine land values using vacant land sales
- Determine improved values using improved sales
- The difference between improved sales and vacant sales is the value attributed to the improvements on each property (improvements means buildings).

Supplementary Assessments

Municipal Government Act

314(1) The municipal assessor must prepare supplementary assessments for machinery and equipment used in manufacturing and processing if those improvements are operational in the year in which they are to be taxed under Part 10.

(2) The municipal assessor must prepare supplementary assessments for other improvements if

- (a) they are completed in the year in which they are to be taxed under Part 10,
- (b) they are occupied during all or any part of the year in which they are to be taxed under Part 10, or
- (c) they are moved into the municipality during the year in which they are to be taxed under Part 10 and they will not be taxed in that year by another municipality.

BIA Assessment Overview in Alberta

- **Purpose:** To enhance, maintain, and promote business districts, often through capital improvements, beautification, and marketing campaigns.
- **Application:** Generally, any business operating within a designated BIA boundary is subject to this tax, which is separate from municipal property taxes.
- **Calculation:** Tax amounts are often calculated based on the net annual rental value of the space, or sometimes on the total square footage occupied.
- **Administration:** BIAs are managed by a board of directors (appointed by the municipality), and the levy is collected by the city

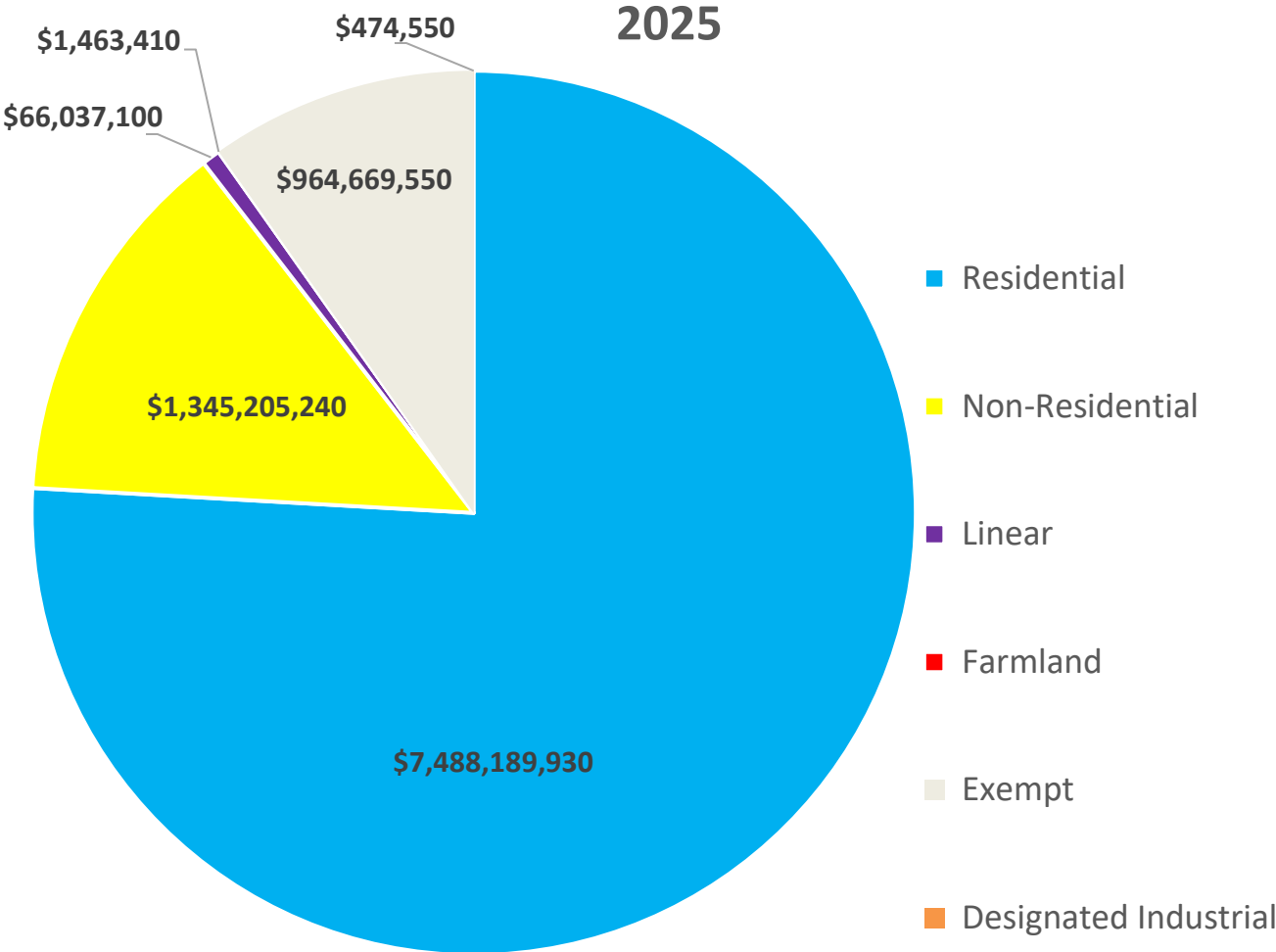
BIA Assessment Overview in Spruce Grove

- **The BIA assessment** in Spruce Grove is calculated using the Net Leasable Area method. The minimum and maximum tax amount is annually set to be the same which creates a standard and equal BIA tax bill for all taxable businesses within the BIA boundaries.
- **Legislation changes** Some municipalities had lobbied for legislative change that would give the municipality the option to charge the BIA tax to the property owner or the individual business. This could alleviate some tax collection issues as the property owner would be responsible for tenant non payment of taxes.
- **Bill 28** contemplated the above noted request, however, the request was rejected and will not be an option as some municipalities had hoped.

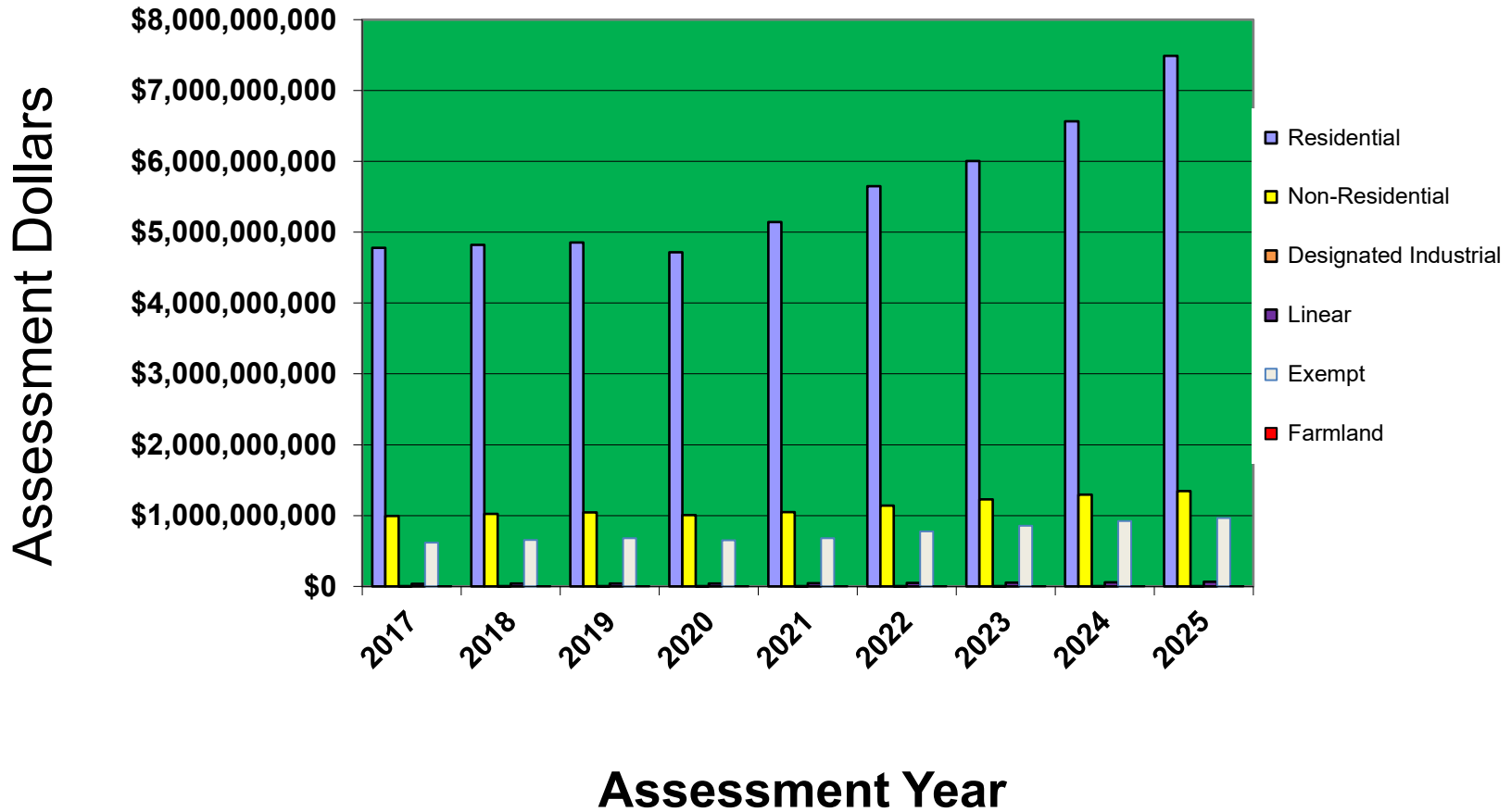
2024 Compared to 2025 Assessment

	2024	2025	Difference	
	Totals	Totals	\$	%
Residential	\$6,564,424,750	\$7,488,189,930	\$923,765,180	114%
Non-Residential	\$1,296,046,230	\$1,345,205,240	\$49,159,010	104%
Linear	\$58,898,910	\$66,037,100	\$7,138,190	112%
Designated Industrial Property (DIP)	\$472,480	\$474,550	\$2,070	100%
Farmland	\$2,339,560	\$1,463,410	-\$876,150	63%
Exempt	\$922,866,760	\$964,669,550	\$41,802,790	105%
Grand Total:	\$8,845,048,690	\$9,866,039,780	\$1,020,991,090	112%

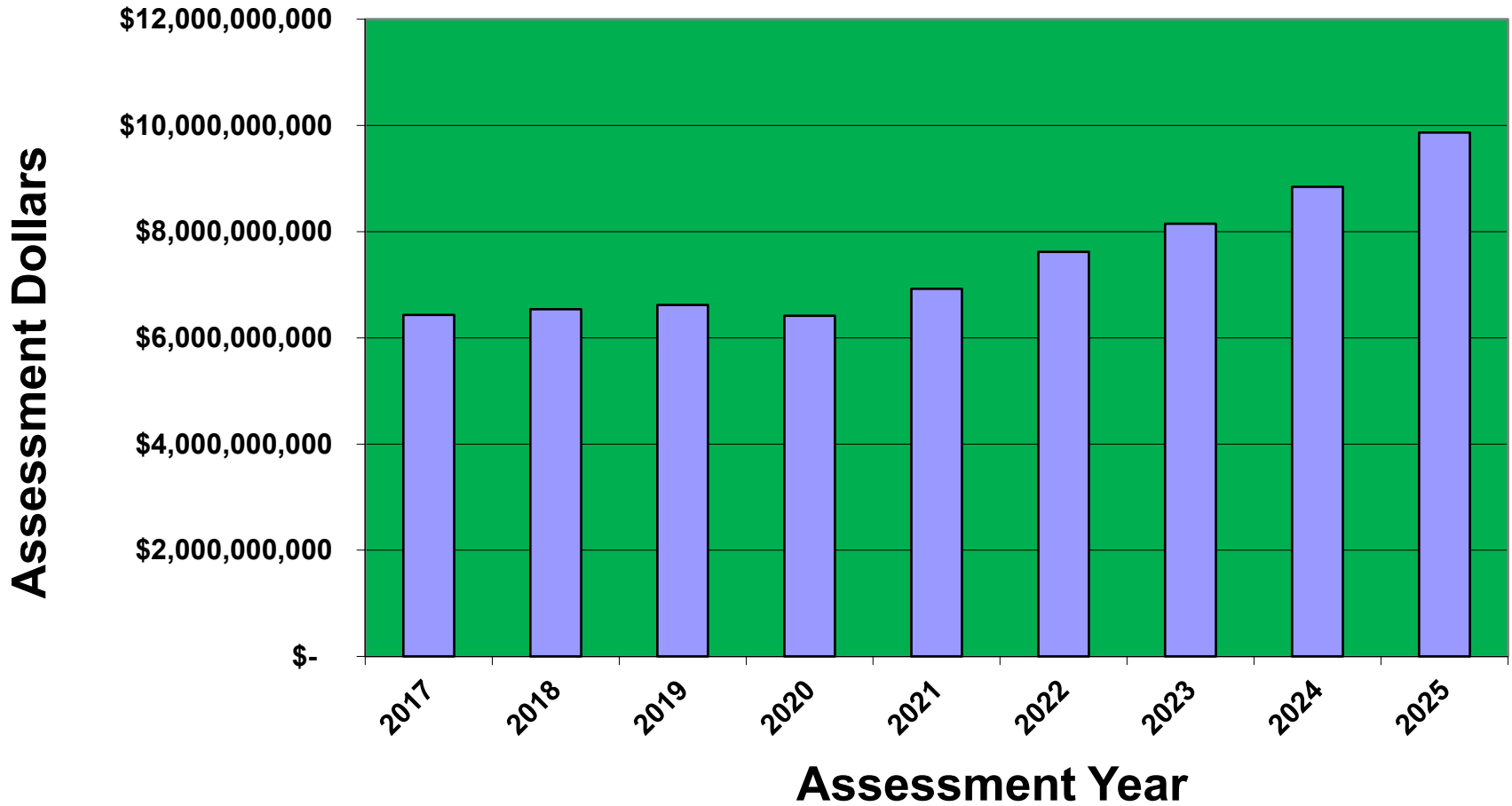
Assessment Category



City of Spruce Grove Assessment History Comparison



City of Spruce Grove Assessment Total History Compare

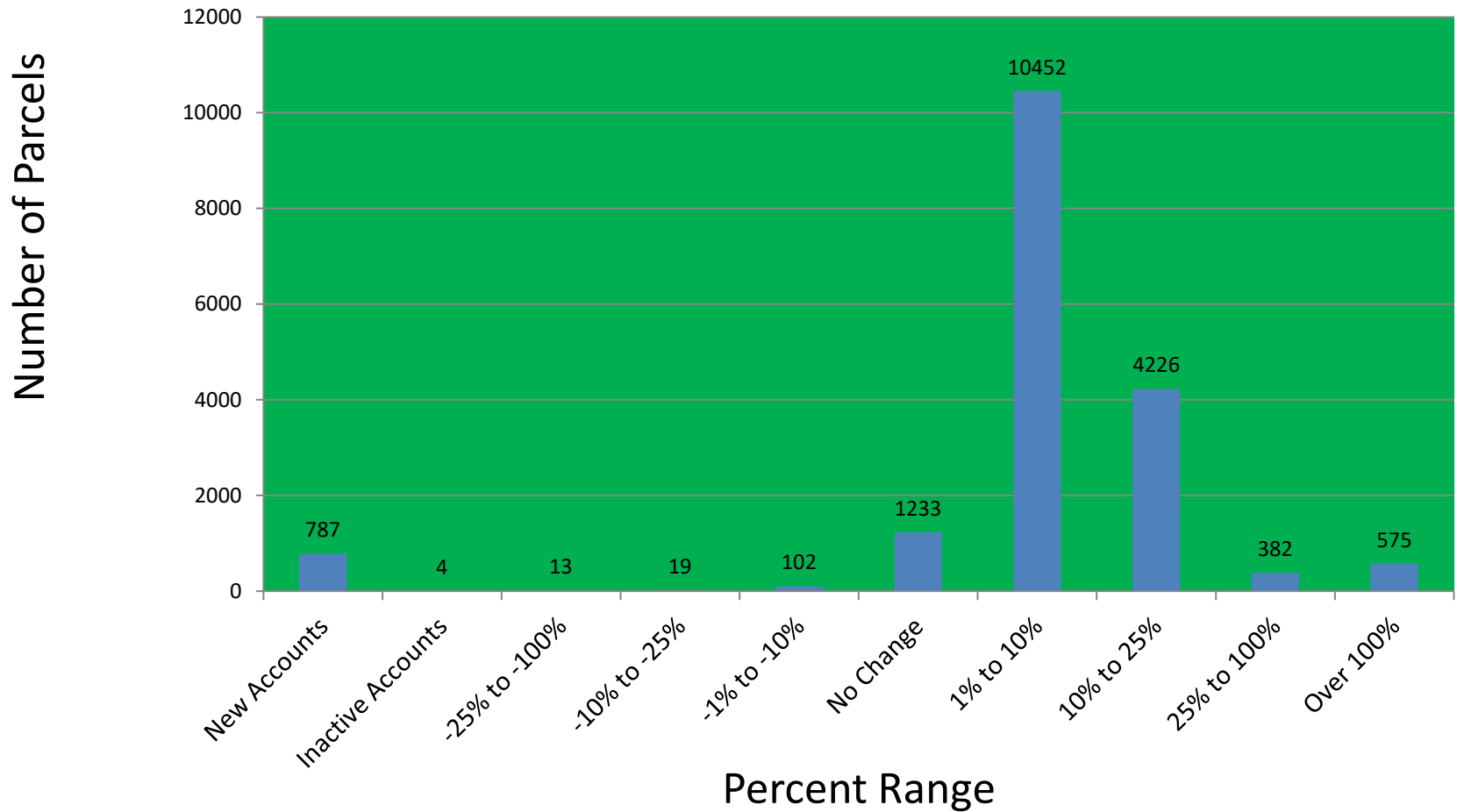


Taxable Assessment Change Compare by %

Range	Properties	%
-25% to -100%	13	0.1%
-10% to -25%	19	0.1%
-1% to -10%	102	0.6%
No Change	1,233	6.9%
1% to 10%	10,452	58.7%
10% to 25%	4,226	23.8%
25% to 100%	382	2.1%
Over 100%	575	3.2%
New Roll #'s	787	4.4%
Inactive Roll #'s	4	0.0%
Total Properties	17,793	100%

89%

Taxable Assessment Change Compare by %

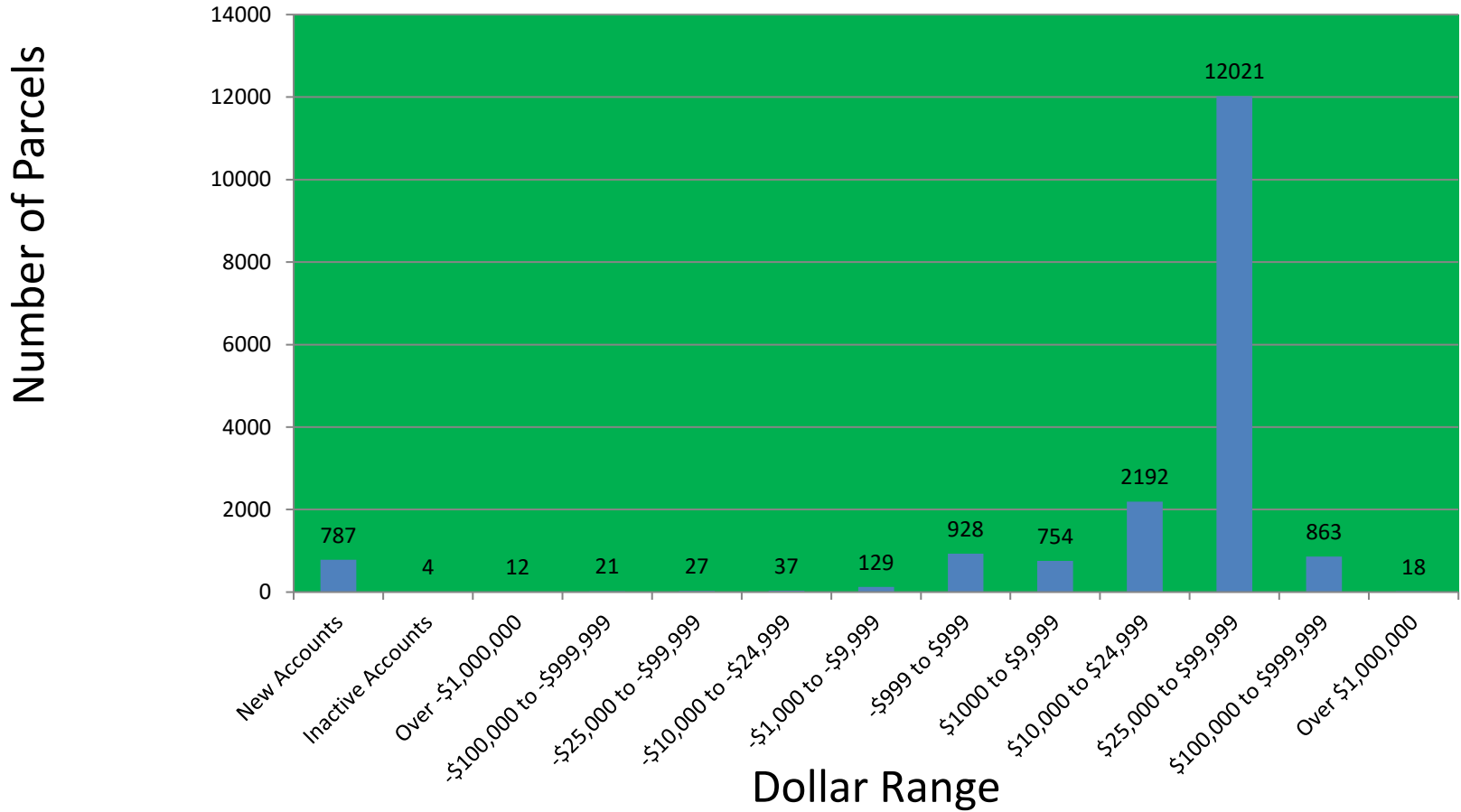


Taxable Assessment Change Compare by \$

Range	Properties	\$
Over - \$1,000,000	12	0.1%
-\$100,000 to -\$999,999	21	0.1%
-\$25,000 to -\$99,999	27	0.2%
-\$10,000 to -\$24,999	37	0.2%
-\$1,000 to -\$9,999	129	0.7%
-\$999 to \$999	928	5.2%
\$1,000 to \$9,999	754	4.2%
\$10,000 to \$24,999	2,192	12.3%
\$25,000 to \$99,999	12,021	67.6%
\$100,000 to \$999,999	863	4.9%
Over \$1,000,000	18	0.1%
New Roll #'s	787	4.4%
Inactive Roll #'s	4	0.0%
Total Properties	17,793	100%

89%

Taxable Assessment Change Compare by \$



Overview

Market Changes by Type (Taxable)	Previous	New	Inflation		Growth		Total
Residential	\$6,564,400,000	\$7,488,200,000	\$542,200,000	8.3%	\$381,600,000	5.8%	14.1%
Non Residential	\$1,363,400,000	\$1,421,200,000	\$43,300,000	3.2%	\$14,500,000	1.1%	4.2%
Total	\$7,927,800,000	\$8,909,400,000	\$585,500,000	7.4%	\$396,100,000	5.0%	12.4%

Market Overview

Area	Number of Sales	Median ASR (Current Assessment)	Sales since July 1	Median ASR (Future Assessment)
Residential Vacant	443	99.3%	431	95.8%
Residential SFD's	897	98.8%	711	98.2%
Residential Duplexes/Town Homes	510	99.1%	316	98.9%
Non Residential Vacant	8	98.9%	6	101.6%
Non Residential Improved	12	100.1%	15	96.2%

Notable Changes to Assessment Classes (Shifting)

- Residential properties are assessed based on Market Value as of July 1, 2025.
- The Direct Sales Comparison Approach is used for residential property.
- Sales in Spruce Grove have increased over past years resulting in an inflationary growth to the residential assessment base by 8.3%.
- Some areas of the city have recognized as high as 12% in inflationary growth as compared to other areas that recognize only a few percent inflationary growth.
- This results in shifting of tax burden within the residential assessment class.

Notable Changes to Assessment Classes (Shifting)

- Non Residential properties are assessed based on Market Value as of July 1, 2025.
- Properties are assessed based on the income approach. The income approach to value is: $VALUE = NOI / Cap\ Rate$.
- The retail/office/restaurants and other commercial and industrial assessment base has increased year over year with a minor upward shift (3.2%).
- There is minimal shifting within the non residential assessment class.

Assessment Shifting Summary

- The overall Residential assessment class increased by 14.1% total made up of 8.3% in inflation and 5.8% in real growth.
- The overall non residential base is up 4.3% including 3.2% in inflation and 1.1% in real growth.
- This represents shift between the residential and non-residential assessment classes.
- Council has the ability to minimize shifting impacts between the residential and non residential assessment classes via tax rate adjustments.

Assessment Complaints

- There were a total of 14 assessment complaints filed in 2026 against the 2025 Assessment Roll.
- This is comprised of 6 residential and 8 non residential complaints
- We will review all complaints. Hearings will be scheduled throughout the summer months for any outstanding complaints.

Moving Forward and Next Steps



- Council presentation today

- Address any assessment concerns and/or complaints



- Reinspection cycle to concentrate Grove Meadows, Brookwood, Broxton Park, and Lakewood subdivisions.

- Review all new permits and uncompleted permits.



- Monitor real estate values on a moving forward basis

- Monitor income producing properties for changes



THANK YOU

