

MEETING DATE: MARCH 11, 2025

BRIEFING NOTE - TO COUNCIL

SUBJECT

DESIGNATED INDUSTRIAL PROPERTIES ASSESSMENT REVIEW UPDATE – FOR INFORMATION

RECOMMENDATION

THAT the County of Vermilion River accept the Designated Industrial Properties Assessment Review Update as information.

DETAILS

Background:

Report on the Review of Designated Industrial Property Assessments for the County of Vermilion River

In May 2024, the County of Vermilion River engaged an external contractor to review the assessments of Designated Industrial Property (DIP) within the County. This additional work, which focused on reviewing approximately 50 per cent of the eligible DIP properties, was carried out under a contract valued at \$247,500.00 (excluding GST).

The contractor submitted the final report on November 3, 2024, after providing multiple updates throughout the year. The report outlined several assessment-related issues, which were shared with relevant personnel from the Provincial Assessor's Office. The key findings include:

Missed Assessments:

- Missed Sites: 46
- Estimated Missed Building Structures (B/S): \$277,100.00
- Estimated Missed Natural Gas Lines to Sites: \$700,000.00
- Estimated Machinery & Equipment (M&E): \$10,215,000.00
- **Total Estimated Missed Accounts: \$11,192,100.00**



Additionally, the report identified accounts with partial assessment misses, requiring further adjustments:

- Affected Sites: 2,616
- Estimated B/S: \$2,523,130.00
- Estimated Missed Natural Gas Lines to Sites: \$12,700,000.00
- Estimated M&E: \$18,111,300.00
- **Total Estimated Assessment Improvement: \$33,334,430.00**

The estimated impact of lost taxes, based on the above findings, was calculated at \$647,283.00.

From late November 2024 to January 2025, County representatives, along with Municipal Affairs officials, thoroughly reviewed the findings of the report and participated in several meetings. In January 2025, the Assistant Deputy Minister provided a written summary of the Province's response:

Provincial Review of Miscellaneous Account Changes (681 total):

- **Follow-up in 2025:** 197 accounts (29%)
- **Changes Made:** 261 accounts (38%)
- **No Changes Warranted:** 223 accounts (33%)
- **Total Accounts Reviewed:** 681 (100%)

Provincial Review of Missed Accounts (46 total):

- **Follow-up in 2025:** eight accounts (17%)
- **Changes Made:** 33 accounts (72%)
- **No Changes Warranted:** five accounts (11%)
- **Total Missed Accounts:** 46 (100%)

The Province also indicated that Natural Gas lines to industrial sites are not assessable, which led to a significant loss in assessments.



The County received the full assessment roll on February 28, 2025. The 2025 assessment file shows an increase of \$9,323,700.00 in the total tax base for the 2025 tax year, directly linked to the properties identified by the County’s contractor. However, it is not clear whether this growth was the result of direct County intervention, as several factors could have contributed to the increase. These factors include an increase in equipment at the sites since the last assessments, inflation, or data corrections identified by the CVR contractor.

For reference, here is the 2024 tax rate for the County, based on the updated assessment:

Assessment	Tax Rate	Tax Dollar
General Municipal taxes	\$9,323,700.00	\$160,074.88
General Recreation	\$9,323,700.00	\$4,000.80
Fire Levy	\$9,323,700.00	\$4,473.51
Waste Management	\$9,323,700.00	\$2,683.36
Library	\$9,323,700.00	\$351.50
Senior	\$9,323,700.00	\$739.37
School	\$9,323,700.00	\$36,472.45
Total		\$208,795.87

To summarize the total estimated tax gain of \$172,000.00 (without Seniors and School Requisition).

Total cost of review for DIP contract was \$247,500.00.

Discussion:

To continue with DIP review for tax year 2025.



IMPLICATIONS OF RECOMMENDATION

Organizational:

Financial: IMAC Contract

Communication Required:

Implementation:

Pertains to this Corporate Goal:

ATTACHMENTS

Attachment – FINAL 2024 DIP Assessment Report

Written response from the GOA

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DATE: March 4, 2025