



Report

TITLE: 2026 PROPERTY TAX BYLAW 03/26

Meeting: Council Meeting

Meeting Date: May 6, 2026

Background

As mandated in the Municipal Government Act, R.S.A. 2000, Ch. M-26, each municipality must prepare annually an assessment for each property in the municipality, except designated industrial property of which is prepared by the provincial assessor. Assessors must, in a fair and equitable manner, apply the valuation and other standards and follow all procedures as set out in the regulations.

Flagstaff County Council has appointed Accurate Assessment as their municipal assessor. Each assessment reflects the characteristics and physical condition of the property on December 31st of the year prior to the year in which a tax is imposed (e.g. 2025 assessment is used for the 2026 tax year).

CLASS	2026 Assessment	% of Total
Farmland	165,204,870	10.32%
Residential – Rural	416,566,040	26.02%
Residential – Urban	20,155,350	1.26%
Commercial/Industrial	89,237,410	5.57%
Non-residential/Linear	909,741,170	56.83%
TOTAL	1,600,904,840	100%

Administration has reviewed the 2025 current assessment indicating a decrease of 5,530,860. This decrease in assessment is due to a decrease in growth in linear and DIP assessment. The 2026 revised budget includes a budget decrease in capital reserves for Engineered Structures and utilizes \$352,530 from Mill rate Stabilization reserves to balance the 2026 revised budget that was approved at the April 1, 2026, Council meeting.

The table below compares 2025 municipal rates to the 2026 proposed rates with no change in municipal rates.

Changes in Municipal Rates:

CLASS	2025 Rates	2026 Proposed Rates	Difference
Farmland	18.6727	18.6727	0%
Residential - Rural	4.7521	4.7521	0%
Residential - Urban	4.5090	4.5090	0%
Non-Residential/Linear	17.1880	17.1880	0%

The table below illustrates that we are collecting a similar percentage in taxes from each of the assessment

areas. This also shows that we have considered the inflation rate for each class as we aim to keep revenue in line with real growth + or -.

CLASS	Budget Year 2025	Budget Year 2026
Farmland	13.62%	13.82%
Residential - Rural	8.45%	8.87%
Residential - Urban	0.39%	0.41%
Non-Residential/Linear	77.53%	76.90%

The approved budget requires municipal tax revenue of \$22,272,900. Approving the proposed property tax rates, Flagstaff County will collect approximately \$22,325,709 resulting in a surplus of \$52,809.

The property tax rates have increased relative to what is required to raise funds for school, senior housing and DIP requisitions. Flagstaff County will collect \$4,708,722 in tax revenue in 2026 and forward the amount collected to these organizations. These rates do not change the municipal property tax rate.

Requisition	2025 Rate	2026 Rate	% Change
Flagstaff Regional Housing	0.1664	0.1679	0.90%
Designated Industrial Properties (DIP)	0.0701	0.0728	3.85%
Alberta School Foundation – Residential Farmland	2.7261	2.8255	3.65%
Alberta School Foundation – Non- Residential	3.9415	4.2478	7.77%
East Central Catholic School - Residential	2.7261	2.8255	3.65%
East Central Catholic School – Non-Residential	3.9415	4.2478	7.77%

The overall property tax rates which include municipal, school, senior housing and DIP have increased as follows:

CLASS	2025 Overall Rate	2026 Overall Rate	% Change
Farmland	21.5652	21.6661	0.47%
Residential – Rural	7.6446	7.7455	1.32%
Residential – Urban	7.4015	7.5024	1.36%
Non-Residential/Linear	21.3660	21.6765	1.45%
Machinery & Equipment	17.42450	17.4287	0.02%

Alignment with the Strategic Plan

Fiscal Leadership – Flagstaff County will balance the serving of program needs of the community with consistent, prudent, and transparent financial management.

Alternatives/Options

1. That Council give first, second and if unanimously agreed third reading of Bylaw 03/26, the Property Tax Bylaw authorizing the proposed rates of taxation to be levied against assessable property within Flagstaff County in 2026.
2. That Council reject the proposed 03/26 Property Tax Bylaw and provide alternative direction.

Recommendation

THAT Council give first, second and if unanimously agreed third reading of Bylaw 03/26, the Property Tax Bylaw authorizing the proposed rates of taxation to be levied against assessable property within Flagstaff County in 2026.